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ORIGINAL

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

OPEN MEETING

8:30 a.m.

Hart Senate Office Building
Room 216
Washington, D.C.

Friday, June 23, 1995

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WASHINGTON, D.C. 20006
(202) 296-2929

COMMISSIONERS PRESENT:

Alan Dixon

Alton W. Cornella

Rebecca G. Cox

J.B. Davis

S. Lee Kling

Benjamin Montoya

Wendi Louise Steele

Josue Robles

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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. This is the second day of the final deliberations
4 of the Defense Base Closure and Realignment Commission. We
5 had a very productive day yesterday. We considered and acted
6 on all of the recommendations in the cross service and Air
7 Force areas. Out of a total of 174 base closure and
8 realignment recommendations before the commission, we acted
9 on 66 of them yesterday, or almost 40 percent.
10 Today we will begin with the Navy and then proceed
11 to the Army and the defense agencies. All of the commission
12 staff were sworn in at the beginning of our deliberations
13 yesterday.
14 Now, all the commissioners are here. Some are
15 coming in a little bit more slowly than others, but let me
16 say to my fellow commissioners it is the view of the chair we
17 can finish today. I intend to press for that with very short
18 breaks and a short lunch to achieve closure today in the real
19 sense of the commission's closure.
20 Is there any commissioner had any objection to
21 trying to achieve the end of this process today?
22 (No response.)

1 CHAIRMAN DIXON: All commissioners feel prepared to
2 go forward then. Is there any commissioner has any comment
3 before we begin?
4 (No response.)
5 CHAIRMAN DIXON: With that, we are ready to begin
6 and the commission staff director, Mr. David Lyles, will
7 begin the Navy presentation.
8 David Lyles.
9 MR. LYLES: Good morning, Mr. Chairman. We are
10 ready to start with the Navy presentation and Alex Yellin,
11 the Navy team chief, will begin.
12 MR. YELLIN: Good morning, Mr Chairman. I would
13 like to begin by discussing our Navy facilities in Guam and
14 Eric Lindenbaum will present the staff findings.
15 LIEUTENANT COMMANDER LINDENBAUM: Good morning,
16 Chairman. The key to understanding the Guam recommendations
17 is understanding where the military sea lift command, or MSC
18 vessels, need to be home ported. The MSC ships, where they
19 go, so goes the Ship Repair Facility, the Fleet Industrial
20 Supply Center, the helicopter squadron, AC-5, and the
21 majority of the support personnel which make up Naval
22 Activities Guam.

1 Shifting deployment patterns in the western Pacific
2 have greatly lessened the requirement to maintain a fully
3 functioning Naval base on Guam. They have also lessened the
4 requirement to home port the military sea lift command, or
5 MSC vessels in Guam. This, in no way, lessens the strategic
6 value of Guam. The military, in fact, will continue to have
7 a substantial presence on Guam if all the recommendations as
8 they presently are written are accepted. In fact, there will
9 be over 7,000 active duty military people remaining on Guam.
10 To start off with Naval Activities Guam, the
11 recommendation I will briefly summarize, is to realign Naval
12 Activities Guam, relocate all ammunition and support
13 personnel and vessels to Naval Magazine Lualualei, Hawaii;
14 relocate all combat logistics force ships and associated
15 personnel to Naval Support Pearl Harbor; and, relocate the
16 military sea lift command personnel and Diego Garcia support
17 functions also to Naval Station Pearl Harbor; disestablish
18 the Naval Pacific Meteorology and Oceanographic Center
19 WESTPAC, except for moving the typhoon warning center, which
20 relocates to Naval Pacific Meteorology and Oceanographic
21 Center Pearl Harbor; disestablish Afloat Training Group and
22 all other Department of Defense Activities present on Guam

1 may remain as tenant activity of Naval Activities Guam or
2 appropriate Naval activity. Also at the very end, retain
3 waterfront assets for support, mobilization and contingencies
4 to support the Afloat tender.
5 As you can see from the figures and the COBRA
6 analysis up there, this is a very large savings for the Navy,
7 and when combined with the four other Guam recommendations,
8 constitutes a net present value savings of over $1.85 billion
9 over the life cycle and a savings of $133.1 million per year
10 savings.
11 Mr. Chairman, now I would like to turn to the
12 issues unless you have any questions on the figures for the
13 initial COBRA analysis.
14 CHAIRMAN DIXON: Please do, Commander.
15 LIEUTENANT COMMANDER LINDENBAUM: Thank you, sir.
16 The first point again deals with the shifting deployment
17 patterns in the western Pacific and the relocation of the
18 military sea lift command ships. It is certainly not meant
19 by the original language of the recommendation that the MSC
20 ships and the associated support should forever be moved to
21 Hawaii; on the contrary, just by the fact that deployment
22 patterns are shifting shows that needs change over time.

1 This is why alternate language has been addressed
2 by the Navy Guamanian officials and operational commanders.
3 This alternate language would remove all references to a
4 receiving location and would leave the receiving site up to
5 the implementation process. This has been agreed upon in
6 principle by all sides involved.
7 The next point I would like to elaborate on relates
8 to the weather center on Guam. Originally, it appeared that
9 Navy had said there was no excess capacity in the weather
10 center category. The on-scene commander, during his
11 impressive presentation during the base visit, stressed the
12 operational importance of the weather center there on Guam.
13 Upon questioning, the Navy showed excess capacity
14 which allowed the weather center on Guam to be closed was
15 created by the Guam recommendation itself. The Navy also
16 showed that through a phased implementation plan and the
17 addition of satellite retransmission equipment which -- and
18 this equipment is included in the COBRA analysis -- that
19 there will be no operational impact by the closing of the
20 weather center on Guam.
21 Next I would like to comment on the Naval magazine
22 issue on Guam. It was requested by several --

1 MR. YELLIN: Put up A-4, please. Excuse me.

2 LIEUTENANT COMMANDER LINDENBAUM: It was requested
3 by several members of the Guam legislation that the Naval
4 magazine on Guam be closed or consolidated. We sent this
5 analysis and this request -- excuse me, we sent the request
6 over to the Navy to look at and they conducted an analysis.

7 The first scenario they looked at dealt with
8 closing the magazine outright and moving it up to Anniston
9 Air Force Base, which is on the northern end of the island.
10 This would come at a cost of $355 million and would
11 necessitate taking all ammunition when it is brought to the
12 island and then when it is taken off the island through
13 downtown Agana on trucks. This alone is a safety risk that
14 the Navy felt was not doable.

15 To get rid of this safety risk they decided they
16 would have to build pier facilities at the northern end of
17 the island. To do this it would cost $1.22 billion to create
18 the facilities at the northern end, which would mean you
19 would not have to drive the ammunition through downtown
20 Agana.

21 Both of these alternatives, the Navy felt and our
22 RNA staff agreed with, were not economical and not feasible

1 also for operational reasons.

2 The next issue deals with the Guam Land Use Plan,

3 or GLUP. GLUP '94 is a second iteration of a plan which

4 identifies releasable lands and consolidates military

5 facilities. Presently there are over 3,600 acres of Navy

6 property on the GLUP '94 process. And just to emphasize, the

7 GLUP process is outside -- presently outside the Base Closure

8 and Realignment Commission process.

9 If all GLUP properties are accepted for closure,

10 then the DOD footprint on Guam will be reduced from greater

11 than one third to less than one quarter. The GLUP process

12 also serves to underscore the working relationship the

13 military has with the government of Guam and, hopefully, this

14 will form the basis of a successful economic revitalization

15 process because, easily, the greatest concern of both the

16 community and the government of Guam is over re-use of an

17 excess facilities and/or lands.

18 The RNA staff feels the position of the DOD and the

19 correct position is represented in a letter from Assistant

20 Secretary of the Navy, Secretary Perry, of which you have a

21 copy at each of your places. I would like to quote one

22 paragraph from that.

1 "It is our objective to convey through long-term
2 leases, outright transfers, or any other mutually agreeable
3 arrangement, as much of the land and facilities as possible
4 from the affected activities on Guam so as to stimulate local
5 economic growth."
6 Finally, on the Navy Activities issues, the
7 community and the government of Guam have asked for a two-
8 year delay in the implementation of any recommendation which
9 would delete or realign any billet off of Guam. This
10 recommendation was passed to the Navy for analysis and the
11 Navy has calculated it will cost over $242 million to delay
12 the implementation of the savings on Guam. This is not
13 consistent with the goals of the BRAC process, this part of
14 the recommendation.
15 Mr. Chairman, are there any further questions on
16 Naval Activities Guam?
17 CHAIRMAN DIXON: Well, let me ask you this
18 question, Commander Lindenbaum, because I believe that there
19 will be some different actions contemplated here. I have
20 heard everything you have said. Now, are you saying that
21 this letter from the Navy contemplates what the Navy feels is
22 appropriate with respect to Guam outside the recommendations

1 already given us by the Department of Defense and that we
2 should make no other accommodations because of cost?
3 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir. The
4 people that I have talked to, both at the base structure
5 analysis team and the base structure evaluation team, have
6 always said all along had it always been there intentions to
7 maximize the amount of re-use that the community can have.
8 In fact, it is to their economic benefit for the Navy to
9 foster a spirit of re-use on the island to allow them to take
10 over as much of the facilities as possible so the government
11 would not have to either mothball, which doesn't work well on
12 Guam, or would have to maintain some type of holding status
13 any properties or facilities.
14 CHAIRMAN DIXON: Now, you have talked about
15 deferring this for a couple years and the cost of a couple
16 hundred million dollars, and I would suggest that we ought
17 not to contemplate a cost of that kind.
18 There is some other discussion about the fleet
19 supply center. What about that?
20 LIEUTENANT COMMANDER LINDENBAUM: I will be getting
21 to each of the -- those fall under four other separate
22 recommendations.

1 MR. YELLIN: Mr. Chairman, would you like us to and
2 the other commissioners, to brief all of the activities
3 together?
4 CHAIRMAN DIXON: Well, is that satisfactory? Why
5 don't you do that? Why don't you just go through the list.
6 MR. YELLIN: We can go ahead, Mr. Chairman, and go
7 through all of the Guam discussions.
8 CHAIRMAN DIXON: I apologize to the commander. I
9 thought that that was the extent of the contribution.
10 LIEUTENANT COMMANDER LINDENBAUM: This is just
11 Naval Activities. Now I would like to go on to Ship Repair
12 Facility Guam.
13 CHAIRMAN DIXON: Thank you. Who is doing the ship
14 repair?
15 LIEUTENANT COMMANDER LINDENBAUM: Correction. Let
16 me go to Naval Air Station, please.
17 CHAIRMAN DIXON: Naval Air Station, okay.
18 MR. YELLIN: That's A-5 and A-6.
19 LIEUTENANT COMMANDER LINDENBAUM: The former Naval
20 Air Station Guam in Agana was closed as part of the 1993
21 recommendation and part of that recommendation to Intel air
22 squadrons, VQ-1 and VQ-5, and a helicopter squadron, HC-5,

1 were sent up to Anniston Air Force Base.

2 What this recommendation you see before you does is

3 allows VQ-1 and VQ-5 to be relocated to CONUS and allows HC-

4 5, the helicopter squadron, to be relocated where the MSC

5 ships go. The HC-5 is a true follower activity of the MSC

6 ships because the MSC ships have the helicopters embarked

7 with them when they deploy.

8 As you can see from the issues slide, it can be

9 broken down into two parts. First the VQ-1 and VQ-5. They

10 have already left the island and have been consolidated by

11 the operational commander with other like intelligence

12 squadrons back in the continental United States.

13 The HC-5, which would be relocated wherever the MSC

14 ships go, does have one issue, and that is if they do leave

15 there will be no organic SAR capability left on Guam, or

16 search and rescue. The Coast Guard has been notified of this

17 and is aware of the issue.

18 Are there any questions on Naval Air Station Agana

19 before I move on?

20 (No response.)

21 LIEUTENANT COMMANDER LINDENBAUM: Okay, the Ship

22 Repair Facility, please. The recommendation for Ship Repair

1 Facility Guam is to close the Ship Repair Facility Guam,
2 except retain the piers, floating drydock as typhoon
3 anchorage and recompression chamber and floating crane and
4 transfer that to Naval Activities Guam.
5 The part of what is retained there would allow the
6 access to be maintained to Guam. And this goes back, once
7 again, to the strategic importance of Guam and its location.
8 Under the issues for Guam you will see that SRF Guam
9 presently has excess capacity. It is presently operating at
10 72.4 percent of its capacity and the MSC ships, which could
11 possibly leave under the recommendation, represent 35 percent
12 of that 72.4.
13 Re-use issues. Once again, I believe the DOD's
14 position is summarized in Secretary Perry's letter, which I
15 have already quoted the applicable part from.
16 Are there any questions in regards to SRF Guam
17 before I move on?
18 (No response.)
19 LIEUTENANT COMMANDER LINDENBAUM: I would like to
20 go to the Fleet Industrial Supply Center Guam. The Fleet
21 Industrial Supply Center Guam, or FISC Guam, the
22 recommendation is to outright disestablish the Fleet

1 Industrial Supply Center Guam.

2 The commission has an alternate recommendation,
3 which comes from an input from the operational commander,
4 Commander USCINCPAC. He has asked for the retention of the
5 fuel farm facility. The retention of this facility insures
6 both military control of the facility, but also continues
7 fuel support of the remaining DOD activities on Guam such as
8 Anniston Air Force Base and the Navy Telecommunications
9 Center.

10 Mr. Chairman, are there any questions in regards to
11 the supply center on Guam, or FISC Guam?

12 COMMISSIONER STEELE: I just one this one, when we
13 were in Guam, is it not correct that we heard that it was
14 actually an oversight by the Navy to -- even in the
15 disestablish had the potential of losing the fuel farm
16 because we need it both for war reserves and just for the
17 operations of activities that remain on the island?

18 LIEUTENANT COMMANDER LINDENBAUM: I'm not quite
19 sure if oversight is the correct word. The Navy --

20 COMMISSIONER STEELE: That was the word used but --

21 LIEUTENANT COMMANDER LINDENBAUM: One section of it
22 would like to get out of the fuels business and they believed

1 that a private firm might be able to come in and take over
2 the fuel farm and privatize it and then the Navy would buy
3 back from it fuels.
4 COMMISSIONER CORNELLA: Commissioner Steele, being
5 present at that same conversation, I heard the same words
6 that you did.
7 COMMISSIONER STEELE: It was said pretty clearly.
8 And I realize you weren't there at that part of that
9 conversation, but it was stated as an oversight and because
10 if commercial activity took it over they couldn't use 80
11 percent of the fuel farm anyway because it's a different type
12 of fuel and the tanks are below ground and all sorts of
13 stuff. We probably don't need to get into the detail here,
14 but it was something needed for war reserves and daily
15 operations. I just wanted to make sure my colleagues were
16 aware of that.
17 MR. YELLIN: Commissioner Steele, I think as Eric
18 was explaining, there is a difference of opinion in the Navy.
19 We went back and asked them about this and the official
20 position of the Navy that developed the base closure
21 recommendations through the Secretary said that they didn't
22 need it. But you are absolutely right, the operational

1 commander has clearly indicated that he needs to -- he wants
2 to keep it. You are absolutely right. There is that
3 controversy there within the Navy on that.
4 COMMISSIONER STEELE: Thank you.
5 LIEUTENANT COMMANDER LINDENBAUM: I would like to
6 shift to Public Works Center Guam, please. Public Works
7 Center Guam was removed from the list by the Secretary of the
8 Navy for excessive job loss reasons.
9 On the slide you can see two possible alternatives.
10 The first one is the commission alternative to close. The
11 figures you see were passed to the Navy for their analysis
12 and you can see a 42-year turnback on a return on investment.
13 The second alternative is to realign. The realign
14 does have a positive economic return. You can see an
15 immediate return on investment. What the realignment does is
16 take the center and it will realign it to a detachment at
17 Public Works Center Pearl Harbor, and they will be able to
18 remove some of their excess overhead. This will then make
19 the center more economical to run and they will be able to
20 pass on lower costs to their clients. They do operate in
21 that regards as a DBOF activity. Excuse me for the acronym.
22 Defense Base --

1 MR. YELLIN: -- Business Operating Fund. I would
2 like to add something on that related to the Public Works
3 Center. As you see here, the staff believes and agrees with
4 the Navy that a public works center detachment would save
5 jobs and would save some money. The community has indicated
6 that they feel that this sends the wrong sign to the
7 employees there at the public works center at a time when
8 many other organizations in Guam will be having personnel
9 reductions.
10 The Navy has indicated that this is not a major
11 issue for them, that they could operate either way and, in
12 fact, as a DBOF, or industrially funded activity, a public
13 works center sizes its work force to the workload so that
14 would be done no matter what we would do here.
15 COMMISSIONER MONTOYA: As a matter of fact, Mr.
16 Yellin, I have, as you know, I am familiar with this world of
17 engineers and Navy and I have had some later on discussions
18 and Ms. Steele will probably be offering a motion to permit
19 the flexibility to have that command remain in place but to
20 be able to downsize over time, as the rest of the Navy
21 downsizes. So we are going to be recommending the command
22 remain.

1 LIEUTENANT COMMANDER LINDENBAUM: One final part on
2 Public Works Center Guam I would like to add is the former --
3 the officer housing at the former Naval Air Station Agana is
4 owned presently by Public Works Center Guam. The community
5 has asked for this housing to be excessed. To excess this
6 housing would be consistent with the GLUP process since this
7 housing is a stand alone housing. It does not abut upon any
8 other military base and it is on the only thing left over
9 from the Naval Air Station. And the RNA staff also believes
10 that this would be the correct thing to do and consistent
11 with the GLUP process.
12 MR. YELLIN: That concludes our presentation on
13 Guam activities.
14 CHAIRMAN DIXON: Are there questions of staff,
15 commissioners?
16 (No response.)
17 CHAIRMAN DIXON: Are there questions of staff? Are
18 there statements by any commissioners and, particularly, the
19 two that visited there that want to make some observations
20 about this?
21 COMMISSIONER STEELE: I would just state that at
22 this point I feel very comfortable that the motions that we

1 have drafted, though you will hear substantially deviated
2 from time to time -- that is because changes needed to be
3 made -- there isn't a substantial deviation in the sense of
4 taking away the Navy's flexibility to achieve great savings.
5 And the flip side for Guam as well, the substantial
6 deviations, the new language, allows for the government of
7 Guam to have maximum flexibility for re-use of assets.
8 And I just feel very comfortable that the language
9 that I intend to propose as motions, and Commissioner
10 Cornella as well, is the best of all worlds for all parties
11 involved.
12 CHAIRMAN DIXON: Commissioner Kling.
13 COMMISSIONER KLING: Following through what
14 Commissioner Steele just said, what are the amount of savings
15 from the Navy's recommendation to the one that Commissioner
16 Steele is going to do? What are we losing in the way of
17 savings? What is the difference? Tell me the major
18 difference and the major cost of it.
19 COMMISSIONER STEELE: Actually, I can answer that.
20 CHAIRMAN DIXON: Does the commander understand what
21 Commissioner Steele's motions will be?
22 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir.

1 Commissioner, let me --

2 COMMISSIONER KLING: Maybe we should have the

3 motion and then --

4 COMMISSIONER STEELE: You know, I can answer that.

5 The answer is we don't know the answer, but it allows -- for

6 a good reason. It allows the Navy to determine what they

7 would like to do, meaning if they choose for operational

8 reasons to put the MSC ships in one place or another, it is

9 fully their decision to make that choice. And they, I

10 believe, have sent us letters saying that that flexibility

11 would be fine. They haven't said they want them in Hawaii;

12 they haven't said they are going to keep them in Guam. It

13 just provides them the flexibility to work with the

14 government of Guam to proceed in the best course for both

15 parties.

16 COMMISSIONER KLING: So, really, what you are

17 saying is that the Navy is comfortable with this.

18 COMMISSIONER STEELE: That is fully my

19 understanding. Would you concur?

20 MR. YELLIN: Commissioner Kling, the staff's

21 assessment would be that we would use the original -- the

22 COBRA information we have displayed to you. The Navy has a

1 lot of options in the motions that I believe you are going to
2 propose and so they could do the implementation, in essence,
3 in the way they had anticipated.1
4 COMMISSIONER STEELE: In some ways -- I'm sorry,
5 just to add to that, there is some words that say the 1994
6 Guam Land Use Plan. These are additional properties on Guam
7 that the Navy has been trying to excess for a number of
8 years. In fact, if they can get those off their books and
9 transferred to the government of Guam there would be some
10 savings there as well for the Navy.
11 COMMISSIONER KLING: But just to answer the
12 question, the Navy is comfortable with the direction we're
13 going?
14 MR. YELLIN: Yes, sir.
15 CHAIRMAN DIXON: Commissioner Cornella.
16 COMMISSIONER CORNELLA: You know, I would add to
17 that because this is something we spent a tremendous amount
18 of time on. I mean, if there is one issue that we have spent
19 the majority, at least of this commissioner's time, it has
20 been spent on Guam and on the issues regarding Guam.
21 On June 14th we posed the questions that will arise
22 here today to the Navy and they agreed to the language that

1 is contained in these motions.

2 Is that not correct?

3 MR. YELLIN: Yes, sir.

4 COMMISSIONER CORNELLA: Okay. Thank you very much.

5 CHAIRMAN DIXON: May I ask you that then this, Mr.

6 Yellin, and I would urge my colleagues who have some

7 exceptional knowledge because of their visitation to

8 enlighten the chair and perhaps other commissioners as well.

9 I count nine motions here.

10 COMMISSIONER STEELE: No, sir. I see some

11 alternative motions.

12 CHAIRMAN DIXON: Or at least the potentiality of

13 nine are in my draft book here.

14 MR. YELLIN: Mr. Chairman, some of those are

15 alternatives.

16 CHAIRMAN DIXON: Okay.

17 MR. YELLIN: Are exclusive -- I mean, some of them

18 would not be -- if one within that group is accepted for a

19 specific facility, the others would not be.A

20 CHAIRMAN DIXON: All right. Now, here is one

21 accepting the Secretary's recommendation and then there are

22 variations doing a variety of things in what I see is eight

1 other motions around here. All right, then may I suggest, is
2 it all right with my colleagues if we do it this way: As a
3 motion is offered, I wonder if someone on the staff would
4 enlighten us about the consequences of that motion.
5 MR. YELLIN: Yes, sir.
6 CHAIRMAN DIXON: Can we do that?
7 MR. YELLIN: Yes, sir.
8 CHAIRMAN DIXON: Does anybody want to offer a
9 motion?
10 COMMISSIONER STEELE: Yes, sir.
11 CHAIRMAN DIXON: Commissioner Steele.
12 M O T I O N
13 COMMISSIONER STEELE: Mr. Chairman, you will love
14 this one. It's about 30 lines long. I move that the
15 commission find that the Secretary of Defense deviated
16 substantially from final criteria one and, therefore, the
17 commission reject the Secretary's recommendation on Naval
18 Activities Guam and, instead, adopt the following
19 recommendation:
20 Realign Naval Activities Guam; locate all Military
21 Sea Lift Command assets and related personnel and support at
22 available DOD activities or in rented facilities as required

1 to support operational commitments; disestablish the Navy
2 Pacific Meteorology and Oceanographic Center WESTPAC, except
3 for the Joint Typhoon Warning Center, which relocates to the
4 Naval Pacific Meteorology and Oceanographic Center Pearl
5 Harbor, Hawaii; disestablish the Afloat Training Group
6 WESTPAC; all other Department of Defense activities that are
7 presently on Naval Activities Guam may remain either as a
8 tenant of Naval Activities Guam or other appropriate Naval
9 activity; retain waterfront assets for support, mobilization,
10 and contingencies to support the Afloat tender and to support
11 shared use of these assets consistent with operational
12 requirements, if appropriate; dispose of property owned by
13 Naval Activities declared releasable under the 1994 Guam Land
14 Use Plan with appropriate restrictions. The commission finds
15 this recommendation is consistent with the force structure
16 plan and final criteria.
17 COMMISSIONER CORNELLA: I second that motion.
18 CHAIRMAN DIXON: All right. The motion is offered
19 by Commissioner Steele and seconded by Commissioner Cornella.
20 Now, Mr. Yellin, this motion rejects the Secretary's
21 recommendation and makes substantial modifications.
22 Would you enlighten us?

1 MR. YELLIN: Yes. Commander Lindenbaum will
2 discuss that.
3 CHAIRMAN DIXON: Commander Lindenbaum.
4 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir. The
5 first thing it does is it allows operational flexibility to
6 station the MSC ships where the Navy best feels they should
7 be. The second part that it does is includes the GLUP, or
8 the Guam Land Use Plan, lands in the BRAC process. The
9 reason why they want that is they had the first process was
10 1977 and they still have lands which are being held up in the
11 court system. If you include it in the BRAC process it goes
12 through quicker. Economic revitalization can also occur
13 faster.
14 CHAIRMAN DIXON: And is the Secretary of the Navy
15 comfortable with this motion?
16 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir.
17 COMMISSIONER STEELE: Let me add one more
18 embellishment, if I could, please. Mr. Chairman, it makes
19 one more difference. On the line that says, "retain
20 waterfront assets for support, mobilization, and
21 contingencies to support the Afloat tender," we add, "and to
22 support shared use of these assets consistent with

1 operational requirements, if appropriate."

2 And that comes from the letter we read earlier from

3 Mr. Perry.

4 CHAIRMAN DIXON: Okay. Always quit when you are a

5 winner, Commissioner Steele. You're ahead on this one.

6 COMMISSIONER STEELE: Well, I'm being fair, sir.

7 CHAIRMAN DIXON: Is there any further comment?

8 COMMISSIONER DAVIS: Yes, sir.

9 CHAIRMAN DIXON: Okay, Commissioner Davis.

10 COMMISSIONER DAVIS: I realize you have not been

11 able to cost the difference, or have you, between the

12 original request of the Department of Defense and this one?

13 MR. YELLIN: The reason why it's difficult to cost

14 this is that it does not specify a specific location for the

15 MSC ships to go. The location that is called out in the

16 original recommendation scenario, which says Hawaii, is still

17 an applicable option for the Navy for this. And the

18 assumption is that the Navy will work in their best interest

19 top do things that are operationally and economically

20 beneficial.

21 So that is why the staff is recommending that you

22 would use the original COBRA results as, right now, our best

1 assessment of this alternative. It does give the Navy
2 flexibility and the assumption is that the Navy will do what
3 is in their best interest as a balancing of operational and
4 cost issues to do that.
5 CHAIRMAN DIXON: May counsel call the roll?
6 Counsel will call the roll.
7 MS. CREEDON: Commissioner Steele.
8 COMMISSIONER STEELE: Aye.
9 MS. CREEDON: Commissioner Cornella.
10 COMMISSIONER CORNELLA: Aye.
11 MS. CREEDON: Commissioner Cox is recused on this
12 issue. Commissioner Davis.
13 COMMISSIONER DAVIS: Aye.
14 MS. CREEDON: Commissioner Kling.
15 COMMISSIONER KLING: Aye.
16 MS. CREEDON: Commissioner Montoya.
17 COMMISSIONER MONTOYA: Aye.
18 MS. CREEDON: Commissioner Robles.
19 COMMISSIONER ROBLES: Aye.
20 MS. CREEDON: Mr. Chairman.
21 CHAIRMAN DIXON: Aye.
22 MS. CREEDON: Mr. Chairman, the votes are seven

1 ayes and zero nays.

2 CHAIRMAN DIXON: Seven ayes and no nays.

3 Commissioner Cox recused herself. And that motion to deviate

4 from the Secretary's recommendation is adopted.

5 Is there a further motion?

6 COMMISSIONER STEELE: Yes, Mr. Chairman.

7 CHAIRMAN DIXON: Commissioner Steele.

8 M O T I O N

9 COMMISSIONER STEELE: I move that the commission

10 find that the Secretary of Defense deviated substantially

11 from final criteria one and, therefore, the commission reject

12 the Secretary's recommendation on Naval Air Station Agana,

13 Guam, and, instead, adopt the following recommendation:

14 Change the receiving site specified by the 1993

15 commission (1993 Commission Report at page 1 - 21) for the

16 "aircraft, personnel, and associated equipment" from the

17 closing Naval Air Station Agana, Guam, from "Andersen Air

18 Force Base Guam to other Naval or DOD air stations." The

19 commission finds this recommendation is consistent with the

20 force structure plan and final criteria.

21 CHAIRMAN DIXON: And is there a second to the

22 motion of Commissioner Steele?

1 COMMISSIONER CORNELLA: I second that, sir.

2 CHAIRMAN DIXON: Commissioner Cornella seconds the

3 motion. Are there any comments or questions? Mr. Yellin and

4 Commander Lindenbaum, what is your comment with respect to

5 this motion?

6 LIEUTENANT COMMANDER LINDENBAUM: Sir, this allows

7 the HC-5 helicopter squadron to be co-located to wherever the

8 MSC vessels go.

9 CHAIRMAN DIXON: Is the Secretary of the Navy

10 comfortable with it?

11 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir.

12 CHAIRMAN DIXON: Are there any other comments?

13 (No response.)

14 CHAIRMAN DIXON: Counsel will call the roll.

15 MS. CREEDON: Commissioner Steele.

16 COMMISSIONER STEELE: Aye.

17 MS. CREEDON: Commissioner Cornella.

18 COMMISSIONER CORNELLA: Aye.

19 MS. CREEDON: Commissioner Cox is recused.

20 Commissioner Davis.

21 COMMISSIONER DAVIS: Aye.

22 MS. CREEDON: Commissioner Kling.

1 COMMISSIONER KLING: Aye.

2 MS. CREEDON: Commissioner Montoya.

3 COMMISSIONER MONTOYA: Aye.

4 MS. CREEDON: Commissioner Robles.

5 COMMISSIONER ROBLES: Aye.

6 MS. CREEDON: Mr. Chairman.

7 CHAIRMAN DIXON: Aye.

8 MS. CREEDON: Mr. Chairman, the votes are seven

9 ayes and zero nays.

10 CHAIRMAN DIXON: Seven ayes, zero nays.

11 Commissioner Cox recuses. And that motion is adopted.

12 Are there any further motions?

13 COMMISSIONER CORNELLA: I have a motion, sir.

14 CHAIRMAN DIXON: Commissioner Cornella.

15 M O T I O N

16 COMMISSIONER CORNELLA: I move that the commission

17 find that the Secretary of Defense did not deviate

18 substantially from the force structure plan final criteria

19 and, therefore, that the commission adopt the following

20 recommendation of the Secretary of Defense:

21 Close the Naval Ship Repair Facility Guam, except

22 transfer appropriate assets, including the piers, floating

1 drydock, its typhoon base and anchorage, the recompression
2 chamber and the floating crane, to Naval Activities Guam.
3 CHAIRMAN DIXON: Is there a second to the motion
4 put by Commissioner Cornella?
5 COMMISSIONER STEELE: I second the motion.
6 CHAIRMAN DIXON: Seconded by Commissioner Steele.
7 Mr. Yellin, Commander Lindenbaum, do you have any comment?
8 MR. YELLIN: This is a direct acceptance of the DOD
9 recommendation and that's still in accordance with the Navy
10 desires.
11 CHAIRMAN DIXON: Any questions by any commissioner?
12 (No response.)
13 CHAIRMAN DIXON: Counsel will call the roll.
14 MS. CREEDON: Commissioner Cornella.
15 COMMISSIONER CORNELLA: Aye.
16 MS. CREEDON: Commissioner Davis.
17 COMMISSIONER DAVIS: Aye.
18 MS. CREEDON: Commissioner Cox is recused on this
19 vote. Commissioner Kling.
20 COMMISSIONER KLING: Aye.
21 MS. CREEDON: Commissioner Montoya.
22 COMMISSIONER MONTOYA: Aye.

1 MS. CREEDON: Commissioner Robles.

2 COMMISSIONER ROBLES: Aye.

3 MS. CREEDON: Commissioner Steele.

4 COMMISSIONER STEELE: Aye.

5 MS. CREEDON: Mr. Chairman.

6 CHAIRMAN DIXON: Aye.

7 MS. CREEDON: Mr. Chairman, the votes are seven

8 ayes and zero nays.

9 CHAIRMAN DIXON: Seven ayes, zero nays.

10 Commissioner Cox recuses herself. And the motion carries

11 unanimously. Are there any further motions?

12 M O T I O N

13 COMMISSIONER CORNELLA: Yes, sir. I move that the

14 commission find that the Secretary of Defense deviated

15 substantially from final criterion one and, therefore, the

16 commission reject the Secretary's recommendation on Fleet

17 Industrial Supply Center Guam and, instead, adopt the

18 following recommendation:

19 Disestablish the Fleet Industrial Supply Center

20 Guam; retain appropriate assets in the FISC fuel facilities,

21 including Piers D and E, tanks farms, and associated

22 pipelines and pumping systems under DOD operational control

1 to support military service fuel requirements. The
2 commission finds this recommendation is consistent with the
3 force structure plan and final criteria.
4 CHAIRMAN DIXON: You hear the motion by
5 Commissioner Cornella. Is there a second?
6 COMMISSIONER STEELE: I second the motion.
7 CHAIRMAN DIXON: Commissioner Cox seconds (sic).
8 Mr. Yellin.
9 MR. YELLIN: Sir, what this does is it takes in the
10 operational commander's wishes to retain the fuel farm assets
11 and also it means in the COBRA analysis a less savings of $46
12 million over the net present value life cycle time.
13 CHAIRMAN DIXON: The Secretary of the Navy
14 acquiesces?
15 LIEUTENANT COMMANDER LINDENBAUM: Sir, I think
16 there is still some controversy but I think it has been
17 acceptable to them because of the operational commander's
18 concerns.
19 CHAIRMAN DIXON: Any questions?
20 COMMISSIONER STEELE: Just a legal comment.
21 CHAIRMAN DIXON: Commissioner Cox.
22 COMMISSIONER STEELE: That is what I was going to

1 say. Just since Commissioner Cox is recused, make sure it
2 says Commissioner Steele as second. That's all. Or anyone
3 else.
4 CHAIRMAN DIXON: Did I say Commissioner -- I
5 apologize. Commissioner Steele seconds. Commissioner Cox
6 recused herself. I apologize.
7 COMMISSIONER CORNELLA: One last comment, sir, on
8 this. This is the issue that we discussed just a moment ago
9 where the operational commanders, both the Commander in Chief
10 of the Pacific Fleet and the Commander in Chief Pacific, have
11 indicated that we need these facilities for war reserves an
12 for Andersen Air Force Base. So I think it is important that
13 we accept this recommendation.
14 CHAIRMAN DIXON: Are there any further comments
15 before counsel calls the roll?
16 (No response.)
17 CHAIRMAN DIXON: Counsel will call the roll.
18 MS. CREEDON: Commissioner Cornella.
19 COMMISSIONER CORNELLA: Aye.
20 MS. CREEDON: Commissioner Cox is recused.
21 Commissioner Davis.
22 COMMISSIONER DAVIS: Aye.

1 MS. CREEDON: Commissioner Kling.

2 COMMISSIONER KLING: Aye.

3 MS. CREEDON: Commissioner Montoya.

4 COMMISSIONER MONTOYA: Aye.

5 MS. CREEDON: Commissioner Robles.

6 COMMISSIONER ROBLES: Aye.

7 MS. CREEDON: Commissioner Steele.

8 COMMISSIONER STEELE: Aye.

9 MS. CREEDON: Mr. Chairman.

10 CHAIRMAN DIXON: Aye.

11 MS. CREEDON: Mr. Chairman, the votes are seven

12 ayes and zero nays.

13 CHAIRMAN DIXON: Motion carries. Are there any

14 further motions?

15 COMMISSIONER STEELE: Yes, sir.

16 CHAIRMAN DIXON: Commissioner Steele.

17 M O T I O N

18 COMMISSIONER STEELE: I move that the commission

19 find that the Secretary of Defense deviated substantially

20 from final criteria five and, therefore, the commission

21 recommend the following: Realign Public Works Center Guam to

22 match assigned workload; close the officer housing at the

former Naval Air Station, Agana, Guam. The commission finds this recommendation is consistent with the force structure plan and final criteria.

CHAIRMAN DIXON: Is there a second to Commissioner Steele's motion?

COMMISSIONER CORNELLA: Second.

CHAIRMAN DIXON: Commissioner Cornella seconds the motion. Commander Lindenbaum, do you have any comment on that particular subject?

MR. YELLIN: Mr. Chairman.

CHAIRMAN DIXON: Mr. Yellin.

MR. YELLIN: The issue here related to the workload sizing in the Public Works Center, that fits every statement we have had from the Navy about what their plans are for the Public Works Center.

Concerning the housing, the Navy's response on the housing in Guam is that their preference would be to look at the housing as a unit after they do all the realignments and determine at that time what housing they would like to keep or dispose of. So for this part of this motion, the Navy's official position is that they would like us not to do that.

COMMISSIONER STEELE: May I ask you a clarifying

1 questions?

2 MR. YELLIN: Sure.

3 COMMISSIONER STEELE: Does not the Navy have

4 adequate housing on the island of Guam, in fact, excess

5 housing due to Andersen and other places?

6 MR. YELLIN: Commissioner Steele, the amount of

7 reductions of personnel in Guam that are anticipated show

8 that there is significant housing available even if this

9 housing is closed. You are absolutely right.

10 COMMISSIONER STEELE: And at this point there are

11 doctors, I believe, living in the housing instead of folks

12 that were working at the Naval Air Station?

13 MR. YELLIN: The housing at the Naval Air Station

14 was always part of the Navy's overall housing so it housed

15 people from all over the activities. But you are right, this

16 does not house people that were at the Naval Air Station in

17 the past.

18 COMMISSIONER STEELE: Thank you.

19 CHAIRMAN DIXON: But now let me see if I understand

20 this now. We are closing here officer housing.

21 MR. YELLIN: Yes, sir.

22 CHAIRMAN DIXON: Now, the Congress has just -- I

1 believe the only thing they have added money on this year is
2 housing over in the House side just now. And we had had a
3 lot of earlier discussions about our concern about military
4 housing.
5 Are we doing the right thing here? Is this what
6 people want us to do?
7 MR. YELLIN: Mr. Chairman, there are significant
8 excess housing, military housing, available on Guam so this
9 would not impact -- in the staff's opinion, the Navy's
10 position is that they would prefer not to have the commission
11 determine which housing to excess and which to keep. They
12 would like to do that themselves.
13 CHAIRMAN DIXON: Is this what both Commissioner
14 Cornella and Commissioner Steele think we ought to do after
15 looking at things over there?
16 COMMISSIONER CORNELLA: I do, sir. There are other
17 dynamics into this situation and I can't go into because
18 of --
19 CHAIRMAN DIXON: Ah, there are big secrets here.
20 COMMISSIONER CORNELLA: Well, they're not that big.
21 And if I had to make one suggestion for future commissions, I
22 would say that all commissioners should sit in on all

1 classified briefings. But that aside, I would say -- where
2 is that housing located, Mr. Yellin?
3 MR. YELLIN: Mr. Chairman, the housing is at the
4 Naval Air Station.
5 COMMISSIONER CORNELLA: What is the situation
6 regarding the Naval Air Station? Where is that at in this
7 process?
8 CHAIRMAN DIXON: Commissioner Cornella, I don't
9 think we need to go at it any more. Commissioner Montoya, I
10 think, also agrees that this is probably the right thing to
11 do. Is there any commissioner that things otherwise because,
12 if not, we don't need to go into it more.
13 MR. YELLIN: I didn't mean to mislead anyone. The
14 staff certainly believes that there is plenty of housing
15 available on Guam, even if this is closed.
16 CHAIRMAN DIXON: Okay, good. Counsel will call the
17 roll.
18 MS. CREEDON: Commissioner Steele.
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella.
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Commissioner Cox is recused.

1 Commissioner Davis.

2 COMMISSIONER DAVIS: Aye.

3 MS. CREEDON: Commissioner Kling.

4 COMMISSIONER KLING: Aye.

5 MS. CREEDON: Commissioner Montoya.

6 COMMISSIONER MONTOYA: Aye.

7 MS. CREEDON: Commissioner Robles.

8 COMMISSIONER ROBLES: Aye.

9 MS. CREEDON: Mr. Chairman.

10 CHAIRMAN DIXON: Aye.

11 MS. CREEDON: Mr. Chairman, the vote is seven ayes

12 and zero nays.

13 CHAIRMAN DIXON: The motion is adopted. Are there

14 any further motions?

15 COMMISSIONER MONTOYA: Mr. Chairman, I would like

16 to make a comment. I have been associated with in and around

17 Guam since the mid-1960s and some of these issues we have

18 talked about today have been around since before

19 Representative Underwood was born, I think. And these two

20 commissioners and what they have done, they have advanced

21 Guam Navy relations tremendously, even in the face of some

22 very difficult issues for Guam. They deserve a lot of credit

1 for becoming experts, sorting this out, and bringing the
2 parties together. They have just done an incredible job.
3 COMMISSIONER STEELE: Thanks.
4 MR. YELLIN: Mr. Chairman, from the staff
5 standpoint too, we appreciate all their efforts. This has
6 been a very confusing and moving target for all of us. We
7 appreciate their help.
8 CHAIRMAN DIXON: Are there any further motions?
9 COMMISSIONER STEELE: We're done, sir.
10 CHAIRMAN DIXON: Commissioner Cornella?
11 COMMISSIONER CORNELLA: No, sir, thank you.
12 CHAIRMAN DIXON: That does it. Well, I know that
13 every one of us on this Commission appreciate very much the
14 efforts of Commissioner Steele and Commissioner Cornella
15 their visitation there. And their reports back and their
16 thoughts about this have been very useful. I know those
17 folks that represent Guam share that appreciation. We thank
18 you all.
19 COMMISSIONER STEELE: I just wish we could have
20 kept our frequent flyer miles.
21 (Laughter.)
22 MR. YELLIN: Mr. Chairman, I would now like to

1 proceed with the Naval Reserve Air Stations. Doyle Reedy
2 will give the staff presentation.
3 MR. REEDY: Good morning, Mr. Chairman. Could I
4 get slides B2 and B3, please.
5 Mr. Chairman, the Navy has recommended closing the
6 Reserve Air Station at South Weymouth, Massachusetts. The
7 Navy wants to move its reserve asset at South Weymouth to an
8 active duty base at Brunswick, Maine.
9 As you can see by the chart, the closure shows an
10 almost immediate savings of over $27 million per year. The
11 savings are largely attributable to a reduction in civilian
12 jobs at South Weymouth. During the course of the Navy's base
13 closing process the commander in chief of the Atlantic fleet
14 determined that the Navy needed to retain an active duty air
15 station north of Norfolk.
16 This permitted the Navy to consider the option of
17 closing a nearby reserve air station, South Weymouth, and at
18 the same time keep what the Navy had determined to be a more
19 capable air station open. As you know, the distance between
20 South Weymouth and Brunswick is about 150 miles.
21 The community at South Weymouth has said that its
22 reserve air station can easily accept new missions. The Navy

1 prepared COBRA analyses for several scenarios for those new
2 missions. All of them required construction at South
3 Weymouth and the COBRA economics were much less favorable
4 than the South Weymouth closure.
5 With that, I will be happy to answer any questions
6 you might have.
7 CHAIRMAN DIXON: Are there any questions of Mr.
8 Reedy?
9 (No response.)
10 CHAIRMAN DIXON: Is there a motion?
11 MR. YELLIN: Mr. Chairman, I would like to suggest,
12 if you don't have any problems with it, to go on and have us
13 brief Atlanta prior to having motions on this category.
14 COMMISSIONER ROBLES: Before you brief Atlanta I
15 would like to give a quick synopsis of the two major issues
16 revolving around South Weymouth.
17 South Weymouth I visited along with several other
18 commissioner; two major concerns. Concern A was that during
19 this whole deliberation of analysis for potential closures in
20 the reserve naval air station category they were sitting
21 firmly somewhere in the middle, four or six, if I recall
22 right.

1 And the naval air station Atlanta, and another,
2 were below them. And that at time very late in the process
3 the operational commander of the Atlanta fleet decided that
4 they needed a full up, full service naval air station north
5 of Norfolk and so they started to look for that capability.
6 And at that point in time Naval Air Station South Weymouth
7 was analyzed along with Brunswick as a combination of the two
8 where you would have active and reserve forces on one base.
9 The decision was made that Brunswick would stay open and
10 South Weymouth would close.
11 Their first issue was: We were put in a special
12 category. We were being analyzed and compared to all our
13 fellow reserve naval air stations and now we're mixed in a
14 hybrid here and we're the only one that's considered for a
15 mixed hybrid and that's not fair.
16 The second issue was that a geographic, demographic
17 issue of which all of us who served on active duty are very
18 sensitive to, you have to station reserve units where there
19 is the right demographic profile and where there is the right
20 skill sets for the type of units you're doing it or the unit
21 will flounder. You won't be able to recruit and eventually
22 the unit will be non-ready.

1 And they believe that around the South Boston area
2 they have such a skill set and they would not get a lot of
3 those people who are currently members of those very fine
4 units at South Weymouth to commute the 150 miles up to
5 Brunswick to join the reserve unit up there. Those are the
6 two central issues.
7 In light of that I made a motion, as you know, to
8 add Naval Air Station Atlanta to look at that issue of
9 fairness and should we, in fact -- were there other options
10 about taking from units from Atlanta, for example, and move
11 them up to Brunswick, et cetera.
12 So, when you hear the analysis about Atlanta you
13 need to put those two issues in context. And when we come
14 back to South Weymouth you need to put those two issues in
15 context.
16 MR. YELLIN: Yes, sir.
17 CHAIRMAN DIXON: Thank you, Commissioner Robles.
18 Mr. Yellin.
19 MR. YELLIN: Doyle, proceed with Atlanta, please.
20 MR. REEDY: Slide B4 and 5, please. Mr. Chairman,
21 the Commission added Naval Air Station Atlanta to its list of
22 possible closures because it had a low military value

1 ranking, as Commissioner Robles just said. The Navy opposes
2 closing NAS Atlanta and says that the military value ranking
3 is only the starting point for making a decision about
4 whether or not to close the facility.
5 Mr. Chairman, our analysis shows that collocating
6 whenever possible with other military services allows the
7 Navy to reduce it's operation and maintenance costs by
8 sharing base support expenses. The collocation of NAS
9 Atlanta with Dobbins AFB saves the Navy money.
10 As you can see from the chart, Mr. Chairman, in
11 addition to saving money through collocation, relocating
12 reserve squadrons to NAS Atlanta can be done at virtually no
13 cost to the Navy.
14 The F-18 reserve squadrons going to Atlanta were
15 going to be relocated to the Marine Corps Air Station at
16 Beaufort, South Carolina. By going to Atlanta, however, the
17 recruiting demographics needed to staff the units improved
18 markedly.
19 Finally, Mr. Chairman, we have reviewed recruiting
20 demographics at both Atlanta and South Weymouth. Both are
21 very good locations for recruiting aviation reservists.
22 CHAIRMAN DIXON: I'm sure.

1 MR. REEDY: Our analysis of Atlanta confirms, Mr.
2 Chairman, that the Navy position that the low military value
3 ranking for NAS Atlanta was not an accurate portrayal of the
4 air station is a correct one.
5 Mr. Chairman, I will be happy to answer any
6 questions.
7 CHAIRMAN DIXON: Thank you, very much. But I don't
8 know whether you have told me what I want to hear here.
9 Everybody here is smart enough to know that Boston and
10 Atlanta are both good recruiting areas.
11 The question is, which of these is the better base,
12 I guess. What are your thoughts on that? There is a 4 of 6
13 and a 6 of 6, and you say it is better than a 6 of 6. I
14 guess you are telling me that.
15 MR. REEDY: Well, we looked at the ranking aspect
16 and the reason that Atlanta was ranked lower was because of
17 demographics and also because it was farther away from a
18 training area. But, we found that the demographics was
19 comparable between the two bases, but the training range use
20 that was beyond a 100-mile range, only 10 percent of the
21 training in Atlanta was done in that range. So it wasn't a
22 key decision point.

1 I think what the Navy did was look at the ranking,
2 the numbers, and then applied a little common sense to it and
3 said -- we really -- we can explain away some of these
4 differences in the ranking process.
5 I think, the comparison of reserve bases to active
6 duty bases, that is in the interest of the total force
7 concept that the Navy wants to enjoy in the coming --
8 MR. YELLIN: Mr. Chairman, there are numerous
9 reserve aviation units that are at active bases. In fact,
10 the units that are proposed for moving to Atlanta -- the two
11 F-18 reserve squadrons, were planned to go from one active
12 base to another active base in the 1993 recommendation.
13 The staff does not believe looking at a scenario
14 that encompasses capacity available at active duty air
15 stations is inconsistent with the Navy's process or is
16 improper at all.
17 COMMISSIONER ROBLES: Mr. Chairman, I --
18 MR. YELLIN: It indicates an effective, cost-
19 effective usage of capacity.
20 CHAIRMAN DIXON: Commissioner Kling and then
21 Commissioner Robles. Commissioner Kling.
22 COMMISSIONER KLING: I believe it is also a face

1 that we are not comparing, really, apples to apples.

2 MR. YELLIN: That is right.

3 COMMISSIONER KLING: I remember when I was there --

4 you can't compare them. They are two very different types of

5 places, very different types of operations. I think it is

6 probably fair to say -- I think we forgot to mention a very

7 big point; that is at Weymouth, 60 percent, I believe it is,

8 of the reservists live within 50 miles of Brunswick. Is that

9 -- No, they live within 50 miles and they can drive the

10 150 --

11 MR. REEDY: Sixty-four percent, I think, live

12 within 150 miles.

13 COMMISSIONER KLING: I think --

14 MR. REEDY: You are right. The comparison has to

15 be made between Brunswick and Weymouth. That is the essence

16 of the argument here; not between Atlanta and Weymouth.

17 COMMISSIONER KLING: I think that those of us that

18 visited there -- this may be correct -- would be comfortable

19 with the fact that if you were going to choose between

20 Atlanta and Weymouth, you certainly pick -- Atlanta would be

21 the one to remain open. I believe that is a fair statement.

22 And then the second aspect of it is, at South

1 Weymouth, moving it to Brunswick, the distance that people
2 would have to travel is not exorbitantly bad in that
3 particular -- it is not good. You like to be right next --
4 but it is not that far removed. Would that be a fair
5 synopsis?
6 MR. REEDY: That is right, and by closing Weymouth,
7 you reduce excess capacity there, and by moving the Weymouth
8 assets over to Brunswick you remove excess capacity on the
9 activity duty base.
10 COMMISSIONER KLING: And the figures will kind of
11 speak for themselves, if you look at them.
12 MR. REEDY: In fact, we have another chart.
13 CHAIRMAN DIXON: Could I hear from Commissioner
14 Robles first?
15 COMMISSIONER ROBLES: What I was going to add to
16 the issue -- we don't want to get too hung up on a reserve
17 category. They just happen to have been in the reserve
18 category because that was their major use function, but there
19 were a lot of instances and active and reserve being mixed,
20 as Mr. Yellin said. That is the appropriate thing.
21 But more importantly, two other points: The
22 facilities at Brunswick are superior, infrastructure

1 facilities, than the facilities at South Weymouth. The big
2 issue about the Atlanta Naval Air Station, it is a dual-use
3 base. It is a joint-use base. It has all services
4 participating and it is truly a synergistic base which is, I
5 think, a model of what other bases want to be -- like, to
6 have Army, Navy, Marine Corps, Air Force on the base and be
7 able to share the cost of operating that facility based on
8 the usage factor of the particular unit.
9 But it was a fairness issue and we need to look at
10 both of them.
11 MR. REEDY: That is exactly correct, Commissioner
12 Robles. In fact, a lot of the training is done at Brunswick
13 by the Weymouth people already because the facilities are
14 over there.
15 COMMISSIONER STEELE: And with Atlanta, I believe
16 we heard the number -- they saved 40 percent of their
17 overhead because of being co-located. Was that a correct
18 number?
19 MR. REEDY: Pretty close.
20 MR. YELLIN: Yes, there is a significant operating
21 cost advantage because of shared facilities, shared costing
22 at the joint facility in Atlanta.

1 MR. REEDY: Atlanta, if you just looked at the
2 numbers, the costs, it is a low cost with a high pay off.
3 COMMISSIONER KLING: You mean Atlanta?
4 MR. REEDY: Atlanta, because it is co-located base.
5 COMMISSIONER KLING: Okay.
6 CHAIRMAN DIXON: Are there any further questions
7 about South Weymouth or Atlanta?
8 (No response.)
9 CHAIRMAN DIXON: Are there any further questions by
10 any Commissioner?
11 (No response.)
12 MR. YELLIN: By the way, this slide that we are
13 just putting up is a summary of some of the different
14 alternatives that were looked at by the Navy, reviewed by the
15 staff, related to alternatives to the closure South Weymouth,
16 or alternatively to the closure of Atlanta.
17 CHAIRMAN DIXON: Is there -- pardon me, sir. Did
18 you want to say something?
19 MR. REEDY: I was going to talk a little bit about
20 the chart. But that is fine.
21 CHAIRMAN DIXON: Are there any questions by any of
22 the Commissioners?

1 (No response.)

2 CHAIRMAN DIXON: Is there any motion? Commissioner

3 Kling?

4 M O T I O N

5 COMMISSIONER KLING: Mr. Chairman, I would like to

6 move that the Commission find that the Secretary of Defense

7 did not deviate substantially from the four structure plan

8 and final criteria and, therefore, that the Commission adopt

9 the following recommendation of the Secretary of Defense:

10 Close Naval Air Station, South Weymouth,

11 Massachusetts; relocate its aircraft and necessary personnel,

12 equipment and support, to Naval Air Station, Brunswick,

13 Maine; relocate the Marine Corps Reserve Support Squadrons to

14 another facility in a local area, or to NAS Brunswick; re-

15 establish Naval Reserve Center, Quincy, Massachusetts; and

16 change the receiving site specified by the 1993 Commission

17 for consolidation of Navy and Marine Corps Reserve Center,

18 Lawrence, Massachusetts, Naval Reserve Center, Chicopee,

19 Massachusetts, and Naval Reserve Center, Quincy,

20 Massachusetts from NAS South Weymouth, Massachusetts, to

21 Naval Reserve Center, Quincy, Massachusetts.

22 CHAIRMAN DIXON: Is there a second to the motion by

1 Commissioner Kling?

2 COMMISSIONER DAVIS: Seconded.

3 CHAIRMAN DIXON: Seconded by Commissioner Davis.

4 Are there any comments by any Commissioners, or any questions

5 by any Commissioners?

6 (No response.)

7 CHAIRMAN DIXON: Counsel, call the role.

8 MS. CREEDON: Commissioner Kling.

9 COMMISSIONER KLING: Aye.

10 MS. CREEDON: Commissioner Montoya.

11

12 COMMISSIONER MONTOYA: Aye.

13 MS. CREEDON: Commissioner Robles.

14 COMMISSIONER ROBLES: Aye.

15 MS. CREEDON: Commissioner Steele.

16 COMMISSIONER STEELE: Aye.

17 MS. CREEDON: Commissioner Cornella.

18 COMMISSIONER CORNELLA: Aye.

19 MS. CREEDON: Commissioner Cox.

20 COMMISSIONER COX: Aye.

21 MS. CREEDON: Commissioner Davis.

22 COMMISSIONER DAVIS: Aye.

1 MS. CREEDON: Mr. Chairman.

2 CHAIRMAN DIXON: Aye.

3 MS. CREEDON: Mr. Chairman, the vote is eight ayes

4 and zero nays.

5 CHAIRMAN DIXON: That motion is unanimously adopted

6 and the Secretary of Defense's position is supported on Naval

7 Air Station, South Weymouth.

8 What is the pleasure of the Commission on Naval Air

9 Station, Atlanta, on this list? Is there a motion?

10 COMMISSIONER KLING: Yes.

11 CHAIRMAN DIXON: Commissioner Kling.

12 COMMISSIONER KLING: Well, that was an add, Mr.

13 Chairman.

14 CHAIRMAN DIXON: Is there any motion at all on it?

15 That is an add-on. Is there any motion?

16 (No response.)

17 CHAIRMAN DIXON: Atlanta is declared open.

18 MR. REEDY: I would now like to discuss Naval Air

19 Station, Detroit.

20 CHAIRMAN DIXON: Please do.

21 MR. REEDY: Mr. Chairman, the Navy wants to change

22 the receiving site specified by the 1993 recommendation, and

1 relocate the Marine Corps Reserve Center in Detroit,
2 Michigan, to Selfridge, Michigan.
3 The Navy wants to avoid the cost of moving, while
4 at the same time staying within the Detroit Area where
5 recruiting is good. The move to Selfridge, rather than the
6 Twin Cities Area, as originally planned, will save about $9
7 million.
8 I will be happy to answer any questions.
9 CHAIRMAN DIXON: Are there any questions by any of
10 the Commissioners?
11 COMMISSIONER ROBLES: Just one quick question.
12 CHAIRMAN DIXON: Commissioner robles.
13 COMMISSIONER ROBLES: Does that say that the move
14 has already been made to Selfridge? So, why are we here
15 talking about this?
16 MR. REEDY: The 1993 recommendation based on the
17 Navy's request in 1993, which was confirmed by the
18 Commission, requires them to move to Twin Cities. During the
19 implementation, after 1993, the Navy determined that that was
20 not the best place for them; to keep them in the Detroit Area
21 was possible, would save money.
22 So they need a redirect of the -- change the 1993

1 recommendation to allow them to do this and not to do the
2 Twin Cities move.
3 COMMISSIONER ROBLES: I won't make any comment
4 about that, but it seems to me, if they already moved them in
5 anticipation of this Commission's finding, that probably
6 wasn't the right thing to do.
7 MR. REEDY: Any move in anticipation, or in advance
8 of any decision on the part of the 1995 is a temporary move,
9 and so if the Commission overturns this, then they will have
10 to proceed with going to Twin Cities.
11 COMMISSIONER ROBLES: I am just making a statement
12 for the record. I just don't think -- you know, that is like
13 putting a gun to your head and saying -- you know -- go ahead
14 and pull the trigger.
15 I mean, when you move a unit in anticipation of a
16 decision being made, I think that is pretty blatant.
17 COMMISSIONER COX: Is that what that means, Alex?
18 MR. REEDY: The issue is that they Navy wanted to
19 proceed with moving out of the Detroit facility as soon as
20 possible to start generating those savings. And when they
21 did the planning, they determined that they could stay
22 locally, and so as not to delay the savings from the initial

1 -- you know, leaving the facility in Detroit as soon as they
2 could, they made this move in anticipation of this.
3 CHAIRMAN DIXON: Okay, they were bad boys. Anybody
4 got a motion?
5 M O T I O N
6 COMMISSIONER KLING: Mr. Chairman, I move that the
7 Commission find that the Secretary of Defense did not deviate
8 substantially from the four structure plan and final criteria
9 and, therefore, that the Commission adopt the following
10 recommendation of the Secretary of Defense:
11 Change the receiving site specified by the 1993
12 Commission for the Mt. Clemens, Michigan, Marine Corps
13 Reserve Center, including MWSG-47, and supporting unit, for
14 Marine Corps Reserve Center, Twin Cities, Minnesota, to Air
15 National Guard, Selfridge, Michigan.
16 CHAIRMAN DIXON: That is a motion. Is there a
17 second?
18 COMMISSIONER MONTOYA: Second.
19 CHAIRMAN DIXON: Commissioner Montoya seconds
20 Commissioner Kling's motion. Are there any comments by any
21 Commissioners regarding this?
22 (No response.)

1 CHAIRMAN DIXON: Counsel, call the role.

2 COMMISSIONER KLING: Aye.

3 MS. CREEDON: Commissioner Montoya.

4 COMMISSIONER MONTOYA: Aye.

5 MS. CREEDON: Commissioner Robles.

6 COMMISSIONER ROBLES: Aye.

7 MS. CREEDON: Commissioner Steele.

8 COMMISSIONER STEELE: Aye.

9 MS. CREEDON: Commissioner Cornella.

10 COMMISSIONER CORNELLA: Aye.

11 MS. CREEDON: Commissioner Cox.

12 COMMISSIONER COX: Aye.

13 MS. CREEDON: Commissioner Davis.

14 COMMISSIONER DAVIS: Aye.

15 MS. CREEDON: Mr. Chairman.

16 CHAIRMAN DIXON: Aye.

17 MS. CREEDON: Mr. Chairman, the vote is eight ayes,

18 and zero nays.

19 CHAIRMAN DIXON: The motion unanimously passes.

20 Training Air Stations, Naval Air Station, Meridian,

21 Mississippi.

22 MR. YELLIN: Yes, sir, Mr. Chairman. Jim Brubaker

1 will give the staff presentation.

2 LIEUTENANT COLONEL BRUBAKER: Good morning, Mr.

3 Chairman, Commissioners. If I could have slide C-2 up on the

4 left, please.

5 Mr. Chairman, this recommendation will close the

6 Naval Air Station and relocate undergraduate strike/pilot

7 training.

8 The air station's major tenant, the Naval Technical

9 Training Center, or NTTC, will close and its training

10 functions will be relocated to other training activities.

11 It should be noted here that the COBRA dated shown

12 on the slide includes the relocation of NTTC. The one-time

13 cost associated with this action, $73.3 million, with an

14 annual savings of $26.9 million, with a one-year return on

15 investment. The net present value over a 20-year period is

16 approximately $345 million.

17 You can see by this slide that there is a

18 significant economic impact to this MSA as a result of the

19 action, on the order of about 8 percent.

20 Slide C-3 up on the right, please.

21 The first issue I will discuss is the mission of

22 Naval Air Station, Meridian. As you can see by this slide,

1 it is to conduct intermediate and advance strike training in
2 the T-2, TA-4 aircraft.
3 The community agrees with this position but also
4 maintains that the base is suitable for joint training. The
5 R&A staff agrees with the community position in that the
6 Naval Air Station, Meridian, offers a potential for joint
7 training due to its proximity to Columbus Air Force Base and
8 it sharing of the bombing and strafing range that is located
9 approximately mid-way between those two facilities.
10 The next issue is that of the training requirement.
11 This will be discussed later in the presentation, however, I
12 would like to point out at this time what might be construed
13 as an error that shows the community position on this topic
14 as "no discussion".
15 This is an inaccurate representation of the
16 community's position. However, for the purposes of this
17 slide, they don't establish requirements and therefore, it
18 was left off.
19 The next issue is that of the operations for PTR,
20 or pilot training requirement.
21 The DOD position on this very important issue is
22 that 1,887 operations per pilot training requirement is

1 required for the combined T-2 and TA-4 syllabus currently
2 being flow at Meridian.
3 A figure of 1,511, which is the Navy position,
4 operations per PTR, is an average number when you fly the
5 combined T-2, T-45 syllabus. An even lower of operations
6 will be required when the intermediate/advance syllabus is
7 flown entirely in the T-45 aircraft.
8 COMMISSIONER STEELE: May I ask a question right on
9 that point?
10 CHAIRMAN DIXON: Commissioner Steele.
11 COMMISSIONER STEELE: We heard some comment that
12 there is a draft new syllabus for some of the aircraft which
13 decreases the amount of training necessary. Could you just
14 clarify what that is?
15 LIEUTENANT COLONEL BRUBAKER: I have heard that
16 there is a syllabus in a draft stage. It has not come to our
17 attention at the Commission that that has actually been
18 signed off by the Secretary of the Navy.
19 COMMISSIONER STEELE: Does it affect these
20 operations? Which aircraft are we discussing?
21 LIEUTENANT COLONEL BRUBAKER: I think the intent of
22 going to the T-45 is that ultimately, when the T-45 is fully

1 delivered and operational in Kingsville, that the syllabus
2 will, in fact, be reduced because you will no longer be
3 required to complete two separate familiarization courses
4 with two different aircraft. You will go into an
5 intermediate phase in a T-45, and you will proceed right into
6 the same aircraft for the advance phase.
7 So, in effect, it will be a net decrease in the
8 syllabus requirements.
9 MR. YELLIN: The 1,511 figure that the Navy used
10 was for a blend of this which encompassed some elements of
11 the reduced T-45 syllabus requirements -- the current ones.
12 I think the Services are always looking to try to do things
13 more efficiently. That is probably likely that all the
14 training curriculum are being looked at to see if they can be
15 improved.
16 COMMISSIONER CORNELLA: Mr. Yellin, isn't it a
17 little difficult to deal with things that aren't here yet,
18 that we don't know about?
19 MR. YELLIN: Yes, sir.
20 COMMISSIONER CORNELLA: And take them under
21 consideration? I don't see how that can even be a part of
22 the discussion.

1 COMMISSIONER STEELE: Commissioner, my intent was
2 not to put a hypothetical in here. There was a claim that
3 this was going to affect the ability of Kingsville to retain
4 it or not. I just wanted to clarify for the record what we
5 knew and didn't know regarding that subject.
6 COMMISSIONER CORNELLA: Thank you.
7 CHAIRMAN DIXON: Okay. Mr. Yellin.
8 MR. YELLIN: Commissioner Cornella, I think the
9 issue here on the operations for PTR -- because that is the
10 significant factor in the determination of the capacity of
11 the scenario that the Navy is proposing -- that there is some
12 element of uncertainty in that in that the T-45 is a new
13 system. There is not a lot of historical data to look at, as
14 we do have with the current procedures for strike training.
15 COMMISSIONER CORNELLA: I appreciate that. You
16 know, it is difficult to deal with the overwhelming amount of
17 material that we have here without referring to possibly non-
18 existent syllabus, and things like that.
19 LIEUTENANT COLONEL BRUBAKER: Just for
20 clarification, and I will get into it a little bit later --
21 right at Kingsville today, there are approximately 50 T-45
22 aircraft on location there. At Meridian, Meridian has no T-

1 45 aircraft. They have about 160 combined total between the
2 TA-4 and the T-2 syllabus.
3 Approximately 50 percent of the studies that go to
4 the advanced stage of Kingsville today have completed the
5 intermediate page of their training in the T-2 aircraft at
6 Meridian.
7 CHAIRMAN DIXON: Is there any further presentation?
8 LIEUTENANT COLONEL BRUBAKER: Yes, sir. The Navy
9 feels as those these numbers are realistic. The community
10 agrees with the operations for PTR of 1887 for the T-2, TA-4
11 syllabus in that they are historical numbers. Their position
12 changes, however, to a number that looks like 1822 operations
13 per PTR, as a more realistic figure to be utilized for the 50
14 percent split projected for the year 2000, utilizing both the
15 T-2 and the T-45 aircraft.
16 The R&A staff agrees with the 1887 number as the
17 operations PTR for the current T-2 and TA-4 syllabus being
18 flown. The TA-4 aircraft will be phased out of the inventory
19 around the year 1998-1999. The T-2, however, will be
20 required to augment the T-45 training system because of the
21 planned procurement of the
22 T-45, until around the year 2007, thus, the required T-2/T-45

1 syllabus.

2 The projections for the T-45 are projections only.

3 Historical data for this aircraft is still being created.

4 The next issue is that of the advanced E-2/C-2

5 training. The annual requirement for this category of pilot

6 is 36 per year. The DOD position is that the E-2/C-2

7 training is not part of strike training in that, when the

8 analysis was run, these students were in Pensacola undergoing

9 their training there.

10 The community position is that ultimately this

11 advanced E-2/C-2 syllabus will revolve around the T-45 in

12 that it will be the only carrier qualified training aircraft

13 in the inventory.

14 Since the Department of the Navy analysis was

15 completed, the plan is to move this function to a strike base

16 at some time.

17 The R&A assessment is that this training is

18 currently being conducted at Pensacola in the T-2/C aircraft

19 and that this function could ultimately transfer to another

20 base.

21 If I could have slide C-4 up on the right, please.

22 The next issue to be discussed is the suitability

1 of Corpus Christi as an outlying field for Kingsville.

2 The Department of Defense position is that the

3 capacity calculations for Corpus Christie will be suitable

4 after the proposed runway extensions.

5 The Meridian community feels as though the capacity

6 calculations for Corpus Christi are over-stated and that the

7 single siting of strike training is not possible because of

8 the capacity numbers.

9 The R&A staff concurs with the DOD position in that

10 the planned runway extension will have a significant impact

11 on the runway capacity at Corpus.

12 In addition, another alternative could be to

13 rethink the issue of the outlying Field Goliad that is

14 potentially, if the Commission were to allow its re-use, help

15 to alleviate the concern about some of this surge capacity in

16 the Kingsville Area.

17 The annual capacity at Goliad is roughly the same

18 as Kingsville's current outlying field at Orange Grove in

19 that it is a single runway and it is not a home field; it is

20 not where you could bed down aircraft.

21 If you could put C-5 up on the right, please.

22 This is a difficult slide but I will try to talk

1 everybody through it here.

2 Strike pilot training requirements are currently

3 funded to the 336 level as indicated on the top of this

4 slide. On the 10th of May, this year, the CNO released a

5 revised PTR letter raising the strike requirement to 360

6 pilots per year. This increase was due to the Navy being

7 assigned the requirement to fulfill the U.S. Air Force EF-111

8 mission which requires the Navy to buy four additional EA6-B

9 squadrons and their own internal requirement to buy back six

10 additional F-18 squadrons across the fit-up or future years

11 defense plan.

12 The Navy calculated their surge requirement based

13 upon the funded PTR of 336 plus 20 percent, giving them a

14 surge requirement of approximately 403.

15 The community contends that the strike PTR should

16 also include a weighted number of E-2/C-2 pilots since they

17 will be flying a similar aircraft and that eventually, as a

18 result of transferring this function to a strike base, will

19 have an impact on flight operations.

20 If you make this assumption, strike plus C-2/C-2

21 training incorporated in the revised May 1995 increase, shown

22 in the middle of this slide, will give you a PTR of 382.

1 If, then, you calculate a surge capacity of putting
2 in the 20 percent factor, you come up with a requirement to
3 be able to support 458 strike pilots per year. But the
4 bottom line here is that the Navy's runway capacity figures,
5 you only show a runway capacity in order to support at PTR of
6 396.
7 These calculations are based on one home airfield
8 and two outlying airfields being utilized 100 percent of the
9 time. The Navy believes that this is close enough to the 403
10 number that they are funded to, to be acceptable, and that is
11 about 18 percent.
12 COMMISSIONER DAVIS: Colonel Brubaker, can I ask
13 you a quick question?
14 LIEUTENANT COLONEL BRUBAKER: Yes, sir.
15 COMMISSIONER DAVIS: When you talk about the 20
16 percent surge figure, can you elucidate a little bit on that?
17 Is that because of weather problems, or instructor short-fall
18 problems, or blockages of the runway? Is that --
19 LIEUTENANT COLONEL BRUBAKER: I think those would
20 be more construed as kind of recovery operations -- where you
21 had a thunderstorm move in and you got deferred for a day or
22 two, you had to leave for a day. Surge capacity is a wartime

1 reserve mode and it would be for a duration of time.

2 In the way that the Navy budgeting system works

3 within DOD, money that we will get in FY 1996 to spend on

4 aircraft was appropriated -- or made the decision -- it was

5 back in 1994. Likewise, as new requirements come down the

6 road, there is going to be a period of time between when the

7 requirement is established and when the money is available to

8 support that requirement.

9 COMMISSIONER DAVIS: The only reason I am getting

10 at that, I just want to know where in that whole formula you

11 have, do you factor in those recovery shortfalls and other

12 things? I understand surging for, in the classical sense of

13 surge, for mobilization, wartime, or whatever. But where do

14 you factor in that you are running at 100 percent?

15 We heard a lot of testimony yesterday that if you

16 want to run a depot at 85 percent; any time you run above the

17 85 percent, you really don't have any flexibility. Where is

18 the flexibility figure in that number?

19 LIEUTENANT COLONEL BRUBAKER: I have a back-up

20 slide. If I could put that up for just a couple of minutes.

21 If I could put Navy Back-up 20-A -- could I put that on the

22 left side?

1 These are the assumptions that were made in
2 calculating runway capacity. The assumptions were that you
3 had 237 training days per year -- that takes into account,
4 you get two weeks off for Christmas and New Year's, you get
5 eight Federal holidays, you get four safety stand-downs per
6 year and a change of command per year. So you come up with
7 237.
8 Those are ideal days and the assumption is that you
9 are working five days a week in order to get that.
10 The home field capacity was assumed that the
11 daylight capacity, now that we have been talking about that,
12 is 12.1 hours per day. For an outlying field, the factor is
13 a little bit lower in that it is 11.6. The thought being,
14 that you have to get there and that you have to come back --
15 so the hours are reduced there.
16 For single runway operations, in the case of an
17 outlying field, 54 operations per hour -- about one per
18 minute is a comfortable figure to work with. It is a number
19 that the Navy has come and said -- that is a doable number.
20 If you have dual runways, then you get 80 operations per hour
21 in that type of an environment.
22 These are the numbers that went into coming up with

1 those -- number of annual ops available for those airfields.

2 COMMISSIONER DAVIS: Colonel Brubaker, are you

3 finished?

4 LIEUTENANT COLONEL BRUBAKER: If I could just

5 clarify; the way you find out that capacity at that

6 particular airfield is to take the runway capacity, divide

7 that by the number of operations per PTR -- and that is why

8 that number is so critical. It makes a difference if you are

9 using 1887 historical numbers in the T-2, TA-4, or trying to

10 do a projection for the future, or a -- It makes a big

11 difference.

12 CHAIRMAN DIXON: Commissioner Davis.

13 COMMISSIONER DAVIS: Yes, sir. Again, Colonel

14 Brubaker has already gone through some of the calculus for

15 me. I have a series of questions.

16 First of all, 1887 was the PTR for the T-2/T-4, and

17 the Navy has already included the calculations to the

18 efficiencies they are going to receive on the T-45 and

19 brought those operations down to 1822.

20 MR. YELLIN: 1511.

21 LIEUTENANT COLONEL BRUBAKER: 1511 is the Navy-

22 agreed upon -- that is the middle of the road where you are

1 utilizing the T-2 and the T-45 syllabus.

2 COMMISSIONER DAVIS: But we are not going to get to

3 that point until 2000-something.

4 LIEUTENANT COLONEL BRUBAKER: Well, 2007 when we go

5 to the T-45. It could potentially be lower than that number.

6 This transition stage, we are trying to create a weighted

7 average, per se. The 1511 number makes the assumption that

8 you are doing part of the training in the T-2 aircraft and

9 then going on to the T-45.

10 It also takes into account that some students don't

11 ever see a T-2; they will go right into a T-45. So what we

12 have to bear in mind now, there is only 50 available and the

13 delivery schedule calls for 12 per year.

14 COMMISSIONER DAVIS: What kind of experience do the

15 services have in the T-45? How many years?

16 LIEUTENANT COLONEL BRUBAKER: In the last BRAC

17 round, they were not included -- so, within the last couple

18 of years, sir.

19 MR. YELLIN: It is very recent, sir.

20 COMMISSIONER DAVIS: So we have a not mature

21 system, is what you are saying.

22 MR. YELLIN: Yes, sir.

1 COMMISSIONER DAVIS: A not mature system can give
2 you variances because of problems with the engines, airframes
3 and thins like that?
4 MR. YELLIN: Yes, sir. There is not the historical
5 experience base that we have with the other.
6 COMMISSIONER DAVIS: Now, can I go back to your
7 revised strike PTR by the Navy? They revised that strike PTR
8 based on buying back A-6s that were going out of the
9 inventory.
10 MR. YELLIN: Buy new EA-6Bs to replace --
11 COMMISSIONER DAVIS: Remanufactured?
12 LIEUTENANT COLONEL BRUBAKER: Yes, actually, they
13 would be a remanufacture, and the intent was to get the
14 mission with the EF-111 going by the wayside, the Navy has
15 been assigned that mission of the EA-6Bs, to take over the
16 EF-111 mission.
17 Four squadrons worth of airplanes, on the order of
18 about 16 airplanes.
19 COMMISSIONER DAVIS: Again, I would have to check,
20 but there was I think some attempt by the Air Force to try to
21 buy that back. All that would take out of that process is
22 how many -- is what I am trying to get to -- If that didn't

1 happen, how many would that take out?

2 LIEUTENANT COLONEL BRUBAKER: Sixteen airplanes,

3 four squadrons.

4 COMMISSIONER DAVIS: How many PTR slots?

5 MR. YELLIN: That is not an easy calculation to get

6 to.

7 COMMISSIONER DAVIS: It would be 16 -- about two a

8 year, probably.

9 LIEUTENANT COLONEL BRUBAKER: Yes, sir.

10 COMMISSIONER DAVIS: Because of the maturity of

11 those pilots?

12 MR. YELLIN: Yes, sir.

13 COMMISSIONER DAVIS: Them my final piece of the

14 calculus is that you have a chance to review all this; you

15 see the projected requirements; you see the capability of

16 Kingsville and with the associated flight areas, and you have

17 seen the capability of Meridian.

18 In the staff's view, is that a too-tight PTR, and

19 because of the way the Navy does pilot training in that, that

20 they have to do a lot detachments; they don't have a training

21 carrier any more, so consequently they have to wait for a

22 carrier to appear -- Does that make that PTR calculation too

1 tight from an operational standpoint?

2 LIEUTENANT COLONEL BRUBAKER: Again, I don't have

3 the operational commander here. My assessment is that there

4 is no training carrier any more; you are exactly correct.

5 When those critical T-45 assets are in Kingsville

6 today and they deploy to either the West Coast or the East

7 Coast to make those carrier qualifications happen, they take

8 that asset away from the home field, thereby rendering the

9 capacity at the home field to be less than --

10 COMMISSIONER DAVIS: But Colonel Brubaker, what I

11 am trying at it is, given all those vagaries, the fact that

12 the T-45 is not matured yet, given the fact that you have to

13 go on detachments, given the fact that you don't have a

14 training carrier, does that PTR make your palm sweat, or

15 doesn't it?

16 I guess that is what I am getting at -- if Meridian

17 closes.

18 MR. YELLIN: Well, Commissioner, we have already

19 heard from Chief of Naval Operations, that it bothers him,

20 personally, although the Secretary of the Navy has come back

21 very strongly to say that we believe that we have the

22 capacity to do that.

1 The staff has spent a lot of time looking at this
2 and it is a very tight -- a very tight fit.
3 COMMISSIONER DAVIS: Thank you, very much.
4 MR. YELLIN: I hesitate to be any more specific
5 than that. It makes some optimistic assumptions that about
6 issues. The Navy has come back to us each time we have
7 questioned these, and they have indicated that they believe
8 that the uncertainty here is made up by the savings of
9 closing the capacity.
10 COMMISSIONER DAVIS: Let me take it one step
11 farther: If for some reason or another they can't meet the
12 PTR, what are their options?
13 MR. YELLIN: Well, not meeting the PTR has direct
14 readiness impact on the fleet.
15 COMMISSIONER DAVIS: But you don't have a surge
16 capability any place that they could go to?
17 MR. YELLIN: Well, there are other places that they
18 send people for detachments --
19 COMMISSIONER DAVIS: No, but --
20 MR. YELLIN: You are absolutely right,
21 Commissioner. In my experience in working on this process
22 since 1991 -- In 1991, the Navy had three bases doing strike

1 training. They eliminated one in 1991 and they are proposing
2 to eliminate a second of the three in 1995, and also they
3 tried in 1993. So that means of the three bases in 1991 --
4 and the PTR rate has not gone down that substantially from
5 that period of time.
6 Those are projections. They are trying to
7 anticipate the efficiencies that they are going to get with
8 the T-45. But, as we have seen from the Navy -- certain
9 people in the Navy, including this Chief of Naval Operations,
10 has been very concerned about that.
11 The official Navy position is that they feel
12 comfortable enough to continue with the recommendation even
13 thought it is a very tight fight.
14 CHAIRMAN DIXON: Commissioner Kling.
15 COMMISSIONER KLING: Looking forward to the down-
16 sizing aspect. You know, you touched on that a minute ago.
17 Could you look forward to that? Wouldn't that relieve this
18 to some extent?
19 MR. YELLIN: The strike pilot training rate, the
20 336 or the 360, that is the future projection.
21 COMMISSIONER KLING: That is already there.
22 MR. YELLIN: I was trying to go back to a higher

1 number, back int he early 1990s when we first started looking
2 at base closures in this category. The numbers have not gone
3 down, along with a reduction from three bases to two, and
4 then to one. However there was excess capacity in the
5 beginning.
6 Even the Chief of Naval Operations admits that if
7 you keep both of them open, you will not fill them both up.
8 COMMISSIONER KLING: So we are just kind of --
9 MR. YELLIN: It is a problem when particularly you
10 look at only Navy requirements, you don't look at DOD
11 aviation training requirements, as a whole, which the Joint
12 Corps Service Group attempted to do. When you look at them,
13 you have pieces of excess at different bases -- It is not
14 necessarily easy to eliminate a whole base in many cases.
15 This is one of the problems you are running into
16 here, is that if you have two now, to go to one, it really
17 does make it very tight.
18 COMMISSIONER KLING: Would it push us to the cross-
19 servicing if we did this? Doing more of it?
20 MR. YELLIN: The implementation of cross-servicing
21 may or may not happen in the future. We really -- certainly
22 from the staff's standpoint, we were hoping made from before,

1 the Defense Department would have provided us with some
2 cross-servicing recommendations related to aviation training.
3 They have not.
4 The Services, as a result, looked at their
5 requirements within each of the Services.
6 One issue we have not talked about though that the
7 community has brought up a number of times, is that Columbus
8 Air Force Base and Meridian are very close together. In
9 fact, they do share training areas, they do share facilities
10 together.
11 There is a potential in the future, if there is
12 inter-servicing of pilot training, that that could be an
13 efficient mix. But we got no recommendations and no
14 information from the Defense Department or the Services to
15 really give us any way to analyze that from an implementation
16 standpoint.
17 CHAIRMAN DIXON: Commissioner Cox.
18 COMMISSIONER STEELE: I want to make one comment.
19 CHAIRMAN DIXON: Commissioner Steele.
20 COMMISSIONER STEELE: And then we can pass back. I
21 agreed -- and last Wednesday, I asked several questions about
22 the jointness, Commissioner Kling, because I was wondering if

1 we could use that Meridian complex more efficiently, or
2 utilize Columbus to alleviate the Navy problem here.
3 I believe we took out the excess capacity on the
4 Air Force side yesterday. We got down to a 12 percent surge
5 wiggle room. So now, unless something changes with the Air
6 Force's 52 percent increase number, we are not going to have
7 that flexibility at Columbus, or at another Air Force base,
8 to absorb any Navy.
9 We kind of took away our options there, in my
10 opinion.
11 CHAIRMAN DIXON: Can we have Commissioner Cox'
12 question.
13 COMMISSIONER COX: I want to ask two quick
14 questions. I want to make sure I understood your answer to
15 Mr. Robles' question, because I think it is important.
16 I mean, we are looking at basically touchdowns and
17 take-offs every minute, so you want to make sure that the 237
18 training days is right. Is that where the bad weather comes
19 in, and the -- we are doing all the sort of problems by
20 coming down to 237 days?
21 LIEUTENANT COLONEL BRUBAKER: No, the 237 days are
22 strictly admin days, calculated ahead of time.

1 COMMISSIONER COX: That is it?

2 LIEUTENANT COLONEL BRUBAKER: Yes. If you have a

3 bad day, now we are talking about flying into the evening.

4 We are talking about having to fly on the weekends. Those

5 are kind of recovery operations.

6 MR. YELLIN: There is some weather attrition built

7 into the PTR, itself, though.

8 COMMISSIONER COX: Okay, so the weather comes in

9 there. But, other than that, you are really talking about

10 every minute having to have an operation to get this

11 capacity?

12 LIEUTENANT COLONEL BRUBAKER: Yes, yes.

13 COMMISSIONER COX: Well, we would love to do that

14 in the commercial business. And then let me ask you a final

15 question.

16 In 1993, we went through this very same issue. As

17 I recall, the PTR was virtually identical to the now revised

18 PTR. Is that correct?

19 MR. YELLIN: The PTR, as I recall, Commissioner

20 Cox, in 1993, we were looking at a PTR in the 380s.

21 COMMISSIONER COX: 382 --

22 MR. YELLIN: It had dropped down with the 336, but

1 it is now --

2 COMMISSIONER COX: It is coming back up.

3 MR. YELLIN: This is a variable. That is one of

4 the reasons why you would have a surge requirement in there;

5 is that there is uncertainty about airlines hiring pilots,

6 about missions moving. These kind of issues aren't certain.

7 We picked the 20 percent to display here because

8 that is what the Navy indicated to us that they felt

9 comfortable with as surge requirements. The staff believes

10 that that is a reasonable window to look at, the 20 percent

11 surge.

12 COMMISSIONER COX: Even if we didn't go to the

13 revised May 360, but went with the original, plus the E-2/C-

14 2, and the 20 percent, then we are --

15 MR. YELLIN: The Navy's official position on E-2/C-

16 2 is that it is uncertain where that is going to go. The

17 reality is that within the 2001 timeframe, that is our

18 evaluation period, that it does not appear that it will be

19 going to Kingsville, during that timeframe. The T-2, which

20 performs that function -- E-2/C-2 will still be in place at

21 that time.

22 Their position is that this E-2/C-2 additional

1 workload, if that came into the system for T-45s at
2 Kingsville, with a Meridian closure, that that would be
3 another one of these surge type of issues, uncertainties,
4 that the 20 percent would try to take care of.
5 But if you include the 22 PTR from E-2/C-2, into
6 the 336, you get 358 -- if you do 20 percent on top of that,
7 then we don't believe that the calculations for the
8 Kingsville scenario fit. That is the 430.
9 Now, as I said, the Navy's position is that that
10 fits within the 20 percent on the 336 and these things are
11 not necessarily additive. But what we are trying to do here
12 is to lay out to you -- and I guess we are not helping you as
13 directly as we could, but we are trying to display this as
14 best we can with all the uncertainties here for you to look
15 at.
16 There are a lot of them and I think we had kind of
17 a unique circumstance here with the Chief of Naval Operations
18 stepping up on his own to express his concerns, but we have
19 also had the Secretary come back with a strong response, that
20 he still supports the closure.
21 CHAIRMAN DIXON: Are there further questions?
22 COMMISSIONER DAVIS: Yes, sir.

1 CHAIRMAN DIXON: Commissioner Davis. Did you say -
2 -?
3 COMMISSIONER STEELE: It was the two of us.
4 COMMISSIONER DAVIS: I want to follow back to
5 Commissioner Robles' comment yesterday. You know, if you
6 have two training areas and you ask me if I would like to
7 have three, as an operations manager, I am going to say yes.
8 It gives you a comfort level. I am uncomfortable
9 with the comfort level on this PTR.
10 CHAIRMAN DIXON: Are there any further comments or
11 questions?
12 COMMISSIONER STEELE: You may go first.
13 CHAIRMAN DIXON: Is somebody posing a question or
14 making a statement? Commissioner Montoya.
15 COMMISSIONER MONTOYA: I want to make sure that all
16 of us understand something. Under oath, the CNO did
17 something unusual. He took it on his own shoulders to render
18 a personal opinion. He was very careful about it, but
19 nonetheless, he did.
20 I think his nervousness, if we follow this
21 calculation, Mr. Yellin -- and just me that I have it right -
22 - I think he is looking at his 360 number, the revised

1 requirement that he thinks he has, and he is going to go seek
2 more aircraft because of revised mission requirements, and
3 now he takes that 360 and --
4 MR. YELLIN: We don't have 360, plus 20 percent,
5 but it is close to the 430 if you put 20 percent.
6 COMMISSIONER MONTOYA: Okay. That is really what
7 he is focusing upon. Now he is not an aviator. Now if were
8 an aviator, I think General Davis would say -- he may have
9 not even hedged a bit. He may have been even stronger. I
10 don't want to speculate, but he clearly was very, very
11 concerned about that. That is what we felt as a Commission
12 last week.
13 COMMISSIONER STEELE: My comment here --
14 CHAIRMAN DIXON: Commissioner Steele.
15 COMMISSIONER STEELE: Looking at the 360, we talked
16 about the four squadrons of EA6-Bs, but in addition to that,
17 is there not six squadrons of FA-18 EFs, that are also going
18 to build into that -- 72 aircraft?
19 MR. YELLIN: Yes. It is the combination of those
20 that created the increase in the pilot training rate.
21 COMMISSIONER STEELE: And then the 22 E-2/C-2s is
22 because the Navy wants to have all of the T-45s in one

1 location versus two, so they won't have -- When the T-2
2 training leaves Pensacola, they want to site that at
3 Kingsville.
4 You kind of have to add the 22 to the 360, and then
5 add 20 percent.
6 MR. YELLIN: That is the very big number at the
7 bottom, the 458. If you include that.
8 COMMISSIONER STEELE: Thanks. I just wanted to
9 make sure.
10 MR. YELLIN: We tried to provide all the options.
11 Clearly, if that is your anticipated requirement, plus surge,
12 then you are clearly significantly in excess of the capacity
13 of the Navy's scenario at Kingsville.
14 CHAIRMAN DIXON: Are there any further questions or
15 comments?
16 COMMISSIONER DAVIS: Yes, sir.
17 CHAIRMAN DIXON: Commissioner Davis?
18 COMMISSIONER DAVIS: I want to make absolutely sure
19 I understand. The FA-18s and the EA-6s are funded; right?
20 MR. YELLIN: No, sir, they are not. They are not
21 funded. They are -- it is a requirement now, they have to go
22 back through the budget process and get the funding for those

1 requirements.

2 COMMISSIONER DAVIS: And this is a question I

3 should have asked, and I hate to do it and display my

4 ignorance. But the E-2 is a prop airplane, isn't it, but the

5 Navy's selection of the T-45 is to get them an understanding

6 of the T-45, even though it's a propeller-driven airplane?

7 MR. YELLIN: The E-2/C-2 pilots have to be able to

8 land on carriers, and T-45 in the plans now, the Navy's plan

9 will be that that will be the only training plane that will

10 be available to training people to land on carriers.

11 COMMISSIONER DAVIS: That was a better answer than

12 the one I had. Thank you very much.

13 MR. YELLIN: Yes, sir. Thank you.

14 CHAIRMAN DIXON: Are there any further questions?

15 COMMISSIONER MONTOYA: I want to ask a

16 clarification question.

17 CHAIRMAN DIXON: Commissioner Montoya.

18 COMMISSIONER MONTOYA: Looking ahead here, we have

19 the NTTC issue. Clearly, if you close Meridian, the Naval

20 Technical Training Center moves.

21 MR. YELLIN: Yes, sir.

22 COMMISSIONER MONTOYA: But, if you keep Meridian

1 open, isn't there still an open question of whether or not we
2 shouldn't consider separately whether to keep NTTC or not?
3 MR. YELLIN: Yes, sir. This is a -- and we were
4 going to talk about this right at the end of this discussion;
5 but this is kind of a unique base. It's the only one that
6 I've had, in my experience in base closure, that the services
7 felt they needed to close twice.
8 It is mentioned in two different recommendations.
9 It's mention in the Meridian Naval Air Station recommendation
10 and there also is a separate recommendation for that. If you
11 wouldn't mind, I'd like to talk real briefly about that.
12 COMMISSIONER MONTOYA: Just a minute, Mr. Yellin.
13 Mr. Chairman, as we look at the various recommendation
14 options, there's none -- at least under Meridian it says,
15 just keep the base open and silent on the NTTC. And my
16 concern is, or my feeling is that we have to deal with the
17 Meridian issue, period, and then deal separately with the
18 NTTC.
19 CHAIRMAN DIXON: I think if you look at the second
20 motion, Admiral --
21 COMMISSIONER MONTOYA: The second motion is --
22 CHAIRMAN DIXON: Let's see if Madelyn can help you

1 here.

2 (A discussion was held off the record.)

3 COMMISSIONER MONTOYA: So I'm told I have a motion

4 that, by its very nature, if you keep the base open, you keep

5 NTTC open but then, subsequent to that, we can turn right

6 around and close it. That's what she's saying. All right.

7 MR. YELLIN: Yes.

8 COMMISSIONER MONTOYA: I understand.

9 MR. YELLIN: It would have been, I think, a bit

10 more straightforward if the Meridian recommendation had not

11 discussed NTTC.

12 COMMISSIONER MONTOYA: Yes.

13 MR. YELLIN: I think the concern of the Navy in

14 doing that was probably the fact that, if Meridian closes,

15 then NTTC really cannot stay there by itself.

16 COMMISSIONER MONTOYA: Okay.

17 MR. YELLIN: But there is the option, if the air

18 station stays open, that NTTC, because there are operational

19 and training reasons to move the schools to be co-located

20 with other schools, that the Navy's position is that that is

21 an appropriate operational issue, although we did get a

22 separate COBRA from the Navy that indicates that that is a

1 fairly lengthy -- that's a 19-year payback.

2 COMMISSIONER MONTOYA: Okay.

3 MR. YELLIN: If Naval Air Station Meridian stays

4 open, we asked for a COBRA from the Navy which breaks out the

5 cost of moving, closing NTTC Meridian and moving it. And we

6 have a slide on if you'd like to see but, in summary, it has

7 a $31 million one-time cost and it is a 19-year payback.

8 So, financially, it's not an attractive move but,

9 operationally, those schools there are appropriately located

10 with other schools at Athens, Georgia and Newport, Rhode

11 Island. So, for training co-location, the movement away from

12 Meridian is appropriate, but the economics are not favorable.

13 There is a significant one-time cost for construction, and

14 that really reduces the -- that lengthens the payback on

15 that, significantly.

16 COMMISSIONER DAVIS: One additional question.

17 CHAIRMAN DIXON: Commissioner Davis.

18 COMMISSIONER DAVIS: The NTTC, what do they train

19 there? What kind of folks do they train, and are they

20 aircraft related?

21 MR. YELLIN: No, they are not. This is an

22 independent school. They train the supply rating, such as

1 dispersing clerks and storekeepers; and they also train
2 religious personnel; and they have also laundry personnel;
3 and it's a whole bunch of -- it is the -- it's a school that
4 was put there to take advantage of the support and overhead
5 of the air station, but it is not related to aviation.
6 All the aviation enlisted training, which was
7 primarily performed in Memphis, with the '93 closure of
8 Memphis as a training center, all that training is at
9 Pensacola. So all the enlisted aviation rate training is,
10 for the most part, done now in Pensacola. This is
11 miscellaneous training that some they want to move to Newport
12 and the supply-related things they want to move to the Supply
13 Corps School in Athens, Georgia.
14 CHAIRMAN DIXON: All right. Are there any more
15 questions or statements? Commissioner Robles. Commissioner
16 Robles.
17 COMMISSIONER ROBLES: Thank you, Mr. Chairman. I
18 think Commissioner Steele wants to make a quick comment,
19 here.
20 COMMISSIONER STEELE: Well, it's not funny anymore,
21 because you waited so long. I was just going to say we've
22 been on the road for two-and-a-half weeks straight, and we

1 went to look at the school where they were doing the laundry,
2 and we were real tempted to have a demonstration. But it's
3 kind of lost in the timing, here.
4 CHAIRMAN DIXON: Okay. Commissioner Robles.
5 COMMISSIONER ROBLES: I'd like to make one quick
6 statement and then ask one question, Mr. Yellin.
7 First, the quick statement. There was some talk
8 here, and I'd support my colleague on the CNO's comment.
9 Having worked both for the chief of a service and the
10 secretary of a service, the chief of a service gets paid to
11 make operational calls. By Title X, he's paid to organize,
12 train, and equip the force. So it is not unusual for the
13 chief of service to give you the operational requirement, as
14 he sees it.
15 Now, wise men and these senior guys agree to
16 disagree, but I thought it was particularly instructive and
17 illustrative that the CNO told us what he really believed,
18 from an operational point of view, under his Title
19 X responsibilities.
20 The dizzying array of T-45s, T-44s, T-34s, T-2s --
21 could you explain to me, in quick, simple terms, how this
22 movement of all these airplanes and modernization is going to

1 go on this fleet here? There's kind of a domino effect here.
2 They're going to single-site the T-45s at Kingsville, but
3 they're going to bring some more, maybe later, to Meridian,
4 and they're going to what at wherever.
5 MR. YELLIN: We have a backup slide that may be
6 useful to help us with the discussion. I'll have Colonel
7 Brubaker --
8 LIEUTENANT COLONEL BRUBAKER: If you could, put up
9 Navy backup 12, please, James, put it up on the right side.
10 COMMISSIONER ROBLES: This is it. This is
11 perfectly clear.
12 (Laughter.)
13 COMMISSIONER ROBLES: Would you please, at least
14 for other folks, for whom it isn't quite so clear, at
15 least --
16 (Laughter.)
17 LIEUTENANT COLONEL BRUBAKER: Yes, sir. What we've
18 got here, this is the Navy's pilot training syllabus. All
19 the students -- and there are about, in this new letter, a
20 total of about 1,200 pilot requirements per year. 360 of
21 those are strike pilots but, nonetheless, all 1200 of the
22 Navy pilots eventually go in through primary training in the

1 T-34 aircraft, as indicated on the left.

2 After their primary phase is complete -- and that's

3 done currently today at Whiting Field in Corpus Christi,

4 Texas -- they select their pipe. If they go to strike, they

5 could go anywhere of two places right now:

6 They could either go to Meridian, in which they

7 would do their intermediate flying in the T-2 aircraft, and

8 they're advanced in the A-4; or they could go to Meridian for

9 intermediate, Kingsville for advanced; or they could go to

10 Kingsville, if they were in the T-45 TS syllabus, and do

11 intermediate in advanced training entirely in the T-45.

12 If they chose maritime, currently they continue on

13 now in the T-34 for the --

14 COMMISSIONER COX: Colonel Brubaker?

15 LIEUTENANT COLONEL BRUBAKER: Yes, ma'am.

16 COMMISSIONER COX: Could you just, as you go

17 through each of these, explain how the '95 recommendations

18 would change any of it?

19 LIEUTENANT COLONEL BRUBAKER: The '95

20 recommendation, in this particular case, and in the case of

21 strike training, was that you would eliminate one of those

22 two training bases up there.

1 COMMISSIONER COX: So all of would go to
2 Kingsville?
3 LIEUTENANT COLONEL BRUBAKER: All of it would go to
4 Kingsville.
5 COMMISSIONER COX: All of it.
6 LIEUTENANT COLONEL BRUBAKER: That's the issue.
7 COMMISSIONER ROBLES: And all would be done with T-
8 45s?
9 LIEUTENANT COLONEL BRUBAKER: Excuse me, sir?
10 COMMISSIONER ROBLES: And all would be done with T-
11 45s?
12 LIEUTENANT COLONEL BRUBAKER: Eventually, that's
13 correct. Don't forget, the TA-4 is going to be phased out
14 around the '98 or '99 time frame. The intent would be, until
15 the buy is complete for T-45s, that you would have a mix of
16 T-2s and T-45s. All the advanced syllabus would be done in
17 the T-45s and a mix of people would do their intermediate
18 phase in the T-2.
19 COMMISSIONER DAVIS: I think this slide is useful
20 for education everybody, but I would urge the commissioners
21 not to get into detail in any motions they might be
22 contemplating, to give the Navy the operational flexibility

1 that they need in the future.

2 COMMISSIONER ROBLES: That's not my intent. I just

3 want to understand how all this flows together, because PTR

4 and the training is a central issue in this Meridian

5 discussion. I just want to make sure I understand. I

6 visited, and I thought I understood it, but every day I hear

7 a different fact.

8 CHAIRMAN DIXON: Is there anything further, Colonel

9 Brubaker, that you have to say regarding this subject matter?

10 LIEUTENANT COLONEL BRUBAKER: No, Mr. Chairman.

11 CHAIRMAN DIXON: Now, are there any further

12 questions or statements?

13 (No response.)

14 CHAIRMAN DIXON: The Chair notices, on the tough

15 ones, there are a lot more questions and statements. The

16 Chair learned a horrible truth in two years of public

17 service: in the end we have to vote. Now, whenever you're

18 ready, the Chair is ready.

19 COMMISSIONER MONTOYA: Mr. Chairman, I have a

20 motion.

21 CHAIRMAN DIXON: Commissioner Montoya.

22 M O T I O N

1 COMMISSIONER MONTOYA: I wish to make it clear
2 that, notwithstanding what appear to be differences of
3 opinion between the leadership and the Navy, I arrive at this
4 motion, this conclusion, on my own, based on what I've
5 learned independently.
6 I have not been lobbied by people in the Navy to
7 take this position, in just want to make that very, very
8 clear, that this is an independent judgment based on what we
9 did yesterday with the Air Force, based upon a visit to
10 Columbus, based upon the opportunity for future joint
11 training, which I think we can forge, if we leave the
12 capacity available to make that happen.
13 Therefore, I move that the Commission find that the
14 Secretary of Defense deviated substantially from Final
15 Criteria 1 and 3 and, therefore, that the Commission reject
16 the Secretary's recommendation on Naval Air Station Meridian,
17 Mississippi and, instead, adopt the following recommendation:
18 "Naval Air Station Meridian, Mississippi will
19 remain open. It's major tenant, the Naval Technical Training
20 Center, will also remain open. The Commission finds this
21 recommendation is consistent with the Force Structure Plan
22 and Final Criteria."

1 CHAIRMAN DIXON: Commissioner Montoya has made a
2 motion. Is there a second?
3 COMMISSIONER ROBLES: I second.
4 CHAIRMAN DIXON: Is seconded by Commissioner
5 Robles. Is there any further comment or are there any
6 further questions?
7 (No response.)
8 CHAIRMAN DIXON: Counsel will call the roll.
9 MS. CREEDON: Commissioner Montoya.
10 COMMISSIONER MONTOYA: Aye.
11 MS. CREEDON: Commissioner Robles.
12 COMMISSIONER ROBLES: Aye.
13 MS. CREEDON: Commissioner Steele.
14 COMMISSIONER STEELE: Aye.
15 MS. CREEDON: Commissioner Cornella.
16 COMMISSIONER CORNELLA: Aye.
17 MS. CREEDON: Commissioner Cox.
18 COMMISSIONER COX: Aye.
19 MS. CREEDON: Commissioner Kling.
20 COMMISSIONER KLING: Aye.
21 MS. CREEDON: Mr. Chairman.
22 CHAIRMAN DIXON: No.

1 MS. CREEDON: Commissioner Davis.

2 COMMISSIONER DAVIS: Aye.

3 MS. CREEDON: Mr. Chairman, the vote is seven ayes

4 and one nay.

5 CHAIRMAN DIXON: The vote is seven ayes and one

6 nay. The necessary majority having been obtained, Naval Air

7 Station Meridian and NTTC remain open.

8 MR. YELLIN: Mr. Chairman, could I inquire of

9 counsel whether we should --

10 CHAIRMAN DIXON: Just a moment, now. Let's clarify

11 something.

12 (A discussion was held off the record.)

13 CHAIRMAN DIXON: Now, let me repeat this, so there

14 isn't any doubt about it. Counsel had misheard what

15 happened.

16 The Chair declares that, on the seven to one vote,

17 Naval Air Station Meridian, Mississippi and the Naval

18 Technical Training Center, remain open. Any question among

19 the commissioners about that result?

20 COMMISSIONER MONTOYA: That was my intent.

21 CHAIRMAN DIXON: That's the result.

22 COMMISSIONER MONTOYA: Thank you. Because, now,

1 we're going to address NTTC, yes, independently.

2 CHAIRMAN DIXON: Oh, all right.

3 COMMISSIONER MONTOYA: It's next, is it not?

4 MR. YELLIN: Yes, sir.

5 CHAIRMAN DIXON: All right, now. Is that

6 understood? All right. Let's pursue this, now. Now, we go

7 to Naval Technical Training Center; is that correct?

8 MR. YELLIN: Yes, sir. Do you have any further

9 questions? I have some overheads.

10 COMMISSIONER MONTOYA: I want to see the COBRA.

11 MR. YELLIN: Yes, sir. Put up on -- I apologize;

12 you'll have to jump ahead -- the E-7 and E-8, James, please.

13 The COBRA that's displayed here is what I

14 summarized a few moments ago. This is Navy COBRA based on

15 our request to split out the effect of the NTTC, which was

16 encompassed in the original COBRA for NAS Meridian.

17 And, as you can see, it has a $31 million one-time

18 cost, which is caused by construction required at the

19 receiving locations, has a minimal annual savings, in part

20 because it shares a lot of its costs at the Naval air

21 station; and the result is that it has a 19-year payback and

22 it does not have a net present value savings. It has a small

1 cost.

2 There are, however -- if you can look at E-8 --

3 there are some issues that we did speak about, about co-

4 location of this training with other locations, with the

5 Supply Corps School in Athens and with the other Naval

6 training schools at Newport, Rhode Island.

7 There is a synergy there with those other schools

8 and there are appropriate places to move these schools from

9 Meridian. However, the economics do not appear to be

10 favorable to that. But the operational issues are there.

11 The Navy has indicated that they would like to move

12 the school, even if the air station stayed open, because they

13 feel there are operational advantages to doing it.

14 COMMISSIONER MONTOYA: Tell me something. I

15 haven't been there in a long time, Mr. Yellin, and didn't

16 visit this time. How is the quality of life regarding

17 students, barracks, housing, instructors; and is that an

18 issue at the receiving sites?

19 COMMISSIONER ROBLES: Can I address that, since I

20 visited, and I walked through that building? It's a world-

21 class building. It's relatively modern. The quality of life

22 of those students is wonderful. They walk across the street

1 and go to class.

2 Everybody I saw -- the commander, the female

3 lieutenant commander who headed it up, was delighted to be

4 there. There may be some operational concerns. I can't see

5 them, but there may be. But the economics certainly don't

6 support it and it doesn't seem like it would pass the common-

7 sense test.

8 MR. YELLIN: Commissioner Robles, I didn't mean to

9 imply that the Navy indicated they had any problems with the

10 school, because I think it certainly is operating well there

11 and it is -- my impression agrees with Commissioner Robles'.

12 It's a nice, self-contained part of the base, separated from

13 the air field, separated from family housing. It's a

14 compact, kind of campus arrangement.

15 The Navy has indicated to us, though, that they're

16 trying to co-locate similar schools, particularly officer

17 training with enlisted training, and some of that would

18 happen here with this closure.

19 COMMISSIONER MONTOYA: One more question. This is

20 the kind of schools that are "finishing schools," where the

21 sailors then would leave there, right to their next

22 operational assignment?

1 MR. YELLIN: Yes, sir. They're ANC schools,
2 primarily.
3 COMMISSIONER MONTOYA: Okay. ANC? Okay.
4 MR. YELLIN: Yes.
5 CHAIRMAN DIXON: Commissioner Steele.
6 COMMISSIONER STEELE: Just a brief question. The
7 one-time costs and annual savings, have they changed at all
8 since the original recommendation?
9 MR. YELLIN: No.
10 COMMISSIONER STEELE: So there's nothing revised
11 here?
12 MR. YELLIN: We did not get, until very late in the
13 process, from the Navy, the separate COBRA. The data, the
14 COBRA data that we showed you earlier for the Naval Air
15 Station Meridian closure included the closure and movement of
16 the school as part of it since, if the air station closes, it
17 has to close.
18 COMMISSIONER STEELE: So, even though it's a 19-
19 year payback, the Navy wants to do it?
20 MR. YELLIN: Yes.
21 COMMISSIONER STEELE: They must want to do it. I
22 don't know. Okay. I'm just checking.

1 CHAIRMAN DIXON: Any further questions of Mr.
2 Yellin?
3 (No response.)
4 CHAIRMAN DIXON: Are there any further questions?
5 (No response.)
6 CHAIRMAN DIXON: Are there any further statements?
7 (No response.)
8 CHAIRMAN DIXON: Is there a motion on NTTC?
9 COMMISSIONER ROBLES: Mr. Chairman, I have a
10 motion.
11 CHAIRMAN DIXON: Commissioner Robles.
12 M O T I O N
13 COMMISSIONER ROBLES: I move that the Commission
14 find that the Secretary of Defense deviated substantially
15 from Final Criterion 5 and, therefore, that the Commission
16 reject the Secretary's recommendation on Naval Technical
17 Training Center Meridian, Mississippi and, instead, adopt the
18 following recommendation:
19 "The Naval Technical Training Center Meridian,
20 Mississippi will remain open. The Commission finds this
21 recommendation is consistent with the Force Structure Plan
22 and Final Criteria."

1 CHAIRMAN DIXON: Is there a second to the motion of
2 Commissioner Robles?
3 COMMISSIONER KLING: Second, Mr. Chairman.
4 CHAIRMAN DIXON: Commissioner Kling seconds the
5 motion of Commissioner Robles.
6 Are there any comments, statements, or questions?
7 (No response.)
8 CHAIRMAN DIXON: Counsel will call the roll.
9 MS. CREEDON: Commissioner Robles.
10 COMMISSIONER ROBLES: Aye.
11 MS. CREEDON: Commissioner Steele.
12 COMMISSIONER STEELE: Nay.
13 MS. CREEDON: Commissioner Cornella.
14 COMMISSIONER CORNELLA: Aye.
15 MS. CREEDON: Commissioner Cox.
16 COMMISSIONER COX: Aye.
17 MS. CREEDON: Commissioner Davis.
18 COMMISSIONER DAVIS: Nay.
19 MS. CREEDON: Commissioner Kling.
20 COMMISSIONER KLING: Aye.
21 MS. CREEDON: Commissioner Montoya.
22 COMMISSIONER MONTOYA: Aye.

1 MS. CREEDON: Mr. Chairman.

2 CHAIRMAN DIXON: Nay.

3 MS. CREEDON: Mr. Chairman, the vote is five ayes

4 and three nays.

5 CHAIRMAN DIXON: And the five to three vote being a

6 sufficient majority, the motion is carried and the position

7 of the Secretary of Defense is rejected and NTTC Meridian

8 remains open.

9 MR. YELLIN: I would not like to proceed with Naval

10 Air Station Corpus Christi.

11 LIEUTENANT COLONEL BRUBAKER: If I could, please

12 have Slide C-6 up on the left and C-7 on the right, please.

13 The DOD recommendation is to realign the Naval Air

14 Station Corpus Christi as a Naval air facility and to

15 relocate the undergraduate pilot training function to Naval

16 Air Station Pensacola, Florida and the Naval air station at

17 Whiting Field, Florida.

18 The one-time cost associated with this realignment

19 is $13 million with an annual savings of $5.1 million and an

20 immediate return on investment. The net present value over a

21 20-year period is $106.4 million.

22 The economic impact is reduced here by a redirect

1 of the helicopter assets out of NAS Alameda, a redirect which
2 we'll touch on later.
3 The first issue I'd like to discuss is the capacity
4 of receiving size to accept the T-34 and the T-44 aircraft.
5 The DOD position is that sufficient excess capacity
6 exists at both Pensacola and Whiting Field. The Corpus
7 community wants to retain the T-44 maritime training and
8 further contends that the capacity of Pensacola will not
9 support maritime training in addition to the other training
10 currently being conducted there. The R&A staff concurs with
11 the DOD position, in that sufficient excess capacity exists
12 at other air stations.
13 The next thing I'd like to discuss is the maritime
14 training remaining at Corpus Christi.
15 The DOD position is that, by moving the maritime
16 training out of NAS Corpus Christi, that this action will
17 eliminate excess training capacity while, at the same time,
18 increasing available capacity at the air field for the
19 planned T-45 operations out of NAS Kingsville. Under this
20 plan, NAS Corpus Christi will be utilized as an outlying
21 field for the T-45 training.
22 As mentioned above, the community position on this

1 is that they support the retention of maritime training at
2 NAS Corpus Christi, Texas. The R&A staff agrees with the
3 Navy position that the recommendation does eliminate excess
4 capacity.
5 The Navy recommendation changes Corpus Christi from
6 a Naval air station to a Naval air facility. Although the
7 Navy could make this change without a BRAC action, they
8 believe it is an integral part of their overall
9 recommendation.
10 Mr. Chairman, are there any questions?
11 CHAIRMAN DIXON: Are there any questions of Colonel
12 Brubaker?
13 COMMISSIONER ROBLES: Colonel Brubaker, question.
14 CHAIRMAN DIXON: General Robles -- Commissioner
15 Robles.
16 COMMISSIONER ROBLES: Could you please tell me,
17 just explain to me -- and I'm asking this question because a
18 very senior Navy four-star, who used to be CINCLANT, said --
19 an aviator, by the way -- that -- he talked about the quality
20 of the air space over Corpus Christi, Kingsville, and the
21 southern part of Texas versus the Pensacola area; and, as I
22 understand it, the Navy is dense-packing Pensacola to put as

1 many different types of aircraft and as many aircraft as
2 possible in there.
3 He's concerned about the safety aspect. He said,
4 you know, there's just a lot of safety factors here. So I'm
5 very interested in any analysis you all did about his
6 concerns that it would be preferable to not congest the
7 Pensacola area more by bringing more aircraft to Pensacola,
8 as opposed to using the relatively unencumbered air space
9 down in that southern part of Texas, which is one of the
10 reasons they put all those air stations down there, was it's
11 outside the major traffic routes and there's a lot of
12 unencumbered space down there.
13 Could you comment on both those issues?
14 LIEUTENANT COLONEL BRUBAKER: A position could be
15 made to accept your comment in regards to safety and,
16 certainly, within Naval aviation, as in all forms of
17 aviation, there is a certain amount of risk associated with
18 training Naval aviation, and pilots in general.
19 The assessment by the Navy is that the available
20 air space and the runway capacity at Pensacola and the
21 Whiting Field complex down there supports that additional
22 training down there and, by going down there, they reduce the

1 -- or create the availability of the air field at Corpus to
2 support T-45 operations.
3 I should point out, however, that Corpus is not
4 recommended for closure, that there are also customs
5 operations flying in and out of there on a daily basis; there
6 are Coast Guard operations going in and out of there, and
7 there is a proposed redirect for later that would move the
8 mine warfare helicopters from NAS Alameda into Corpus
9 Christi, as well.
10 COMMISSIONER ROBLES: Is any of that at risk? I
11 mean, do you think, the staff analysis, that's all going to
12 work and flow the way you think it is?
13 MR. YELLIN: Obviously, the Navy's proposal does
14 move a lot more training into the Pensacola-Whiting complex.
15 The Navy has an assessment they have done, and they have done
16 analysis, which they've shown us, and they feel they have the
17 capacity there.
18 But the comments you're hearing, though, are
19 reflective of the fact that the Navy is accepting significant
20 missions from the Air Force for navigator training, combined
21 NFO-navigator training, which will be done in the Pensacola
22 area, and what we're moving from Corpus up there will add

1 significantly. The Navy's position, that they've shown us,
2 is that the air space and the air field capacity is there to
3 do that.
4 COMMISSIONER ROBLES: I understand that. I guess,
5 you know, the reason I brought this issue is, anytime anybody
6 says anything about safety in the aviation world, your
7 antennae go up and, when a four-star aviator says that, your
8 antennae go really, really high up in the air -- and who had
9 operational responsibility for a major geographic part of the
10 world.
11 And what you're saying is, there is some room for
12 concern on the safety issue.
13 CHAIRMAN DIXON: Are there any further questions?
14 COMMISSIONER STEELE: Yes.
15 CHAIRMAN DIXON: Commissioner Davis, I think, had
16 asked for recognition, first. Commissioner Davis.
17 COMMISSIONER DAVIS: Will the approval of Meridian
18 Naval Air Station open reduce the requirement to download the
19 T-45s?
20 MR. YELLIN: Yes. By keeping Meridian open, we
21 have kept extra capacity open. If the Commission provides
22 the flexibility, Commissioner Davis, that you have previously

1 discussed, in realigning where they put training missions
2 after they -- as part of a potential movement of the training
3 mission out of Corpus, then that would certainly expand the
4 area and would help alleviate some of the --
5 COMMISSIONER DAVIS: Mr. Chairman, that's one of my
6 concerns, that we have significantly altered the Navy's
7 architecture for pilot training, and we probably ought to
8 provide them as many options to readjust their program as
9 possible, and I will make a motion to that effect.
10 COMMISSIONER STEELE: What I was going to add to
11 that was in concert --
12 CHAIRMAN DIXON: Commissioner Steele.
13 CHAIRMAN DIXON: -- with Commissioner Davis, and
14 actually took half of the question away, because, Colonel
15 Brubaker, you and I, when we spoke to the Navy, there were
16 some who were -- concern is not the right word, so much, on
17 this issue, as they felt that the Corpus language was largely
18 due to the Navy proceeding with the anticipation that
19 Meridian was going to be closed.
20 So, to provide the flexibility for the Navy to sort
21 this out and do what is most efficient for them, I concur
22 with my colleague that that would be a wise move.

1 COMMISSIONER COX: Can I just ask a question of
2 both --
3 CHAIRMAN DIXON: Commissioner Cox.
4 COMMISSIONER COX: -- Commissioner Davis and
5 Commissioner Steele, because I certainly agree with the
6 concept. But Mr. Yellin said something, and I want to make
7 sure I understand where you all are going.
8 We should provide the flexibility of movement,
9 whether -- including not moving. I mean, if they wanted to
10 stay at Corpus, that's fine. If they want to move them,
11 that's fine, that we're not requiring that they be moved out
12 of Corpus.
13 MR. YELLIN: Commissioner Cox, the retention of any
14 extra training capacity does provide the Navy more
15 flexibility to move things around.
16 COMMISSIONER COX: Right.
17 MR. YELLIN: So the retention --
18 COMMISSIONER COX: I just want to make sure a
19 motion doesn't say you have flexibility to move them
20 somewhere but you have to move them, that if we're going to
21 give them flexibility, we ought to just say --
22 MR. YELLIN: That is certainly an option for the

1 commissioners to consider.

2 CHAIRMAN DIXON: Are there any further questions or

3 any further statements with respect to Corpus Christi, Texas?

4 (No response.)

5 CHAIRMAN DIXON: Is there a motion by anyone with

6 respect to Naval Air Station Corpus Christi, Texas.

7 COMMISSIONER DAVIS: Mr. Chairman, I have a motion.

8 CHAIRMAN DIXON: Commissioner Davis.

9 M O T I O N

10 COMMISSIONER DAVIS: I move the Commission find

11 that the Secretary of Defense deviated substantially from

12 Final Criteria 1, 2, and 3 and, therefore, the Commission

13 reject the Secretary's recommendation on Naval Air Station

14 Corpus Christi, Texas and, instead, adopt the following

15 recommendations:

16 "That Naval Air Station Corpus Christi, Texas

17 remains open, and realign as necessary.

18 "The Commission finds this recommendation is

19 consistent with the Force Structure Plan and the Final

20 Criteria."

21 CHAIRMAN DIXON: Is there a second?

22 COMMISSIONER MONTOYA: Second.

1 CHAIRMAN DIXON: There is a second by Commissioner
2 Montoya. Are there any further comments?
3 COMMISSIONER STEELE: I just want to make sure.
4 CHAIRMAN DIXON: Commissioner Steele.
5 COMMISSIONER STEELE: This allows the Navy full
6 flexibility? I just want to make sure I understand.
7 COMMISSIONER DAVIS: This, according to counsel,
8 gives the Navy full flexibility to realign, as necessary --
9 COMMISSIONER STEELE: Or not realign?
10 COMMISSIONER DAVIS: -- or not realign, as
11 necessary.
12 COMMISSIONER STEELE: Okay. Thank you.
13 COMMISSIONER DAVIS: And the counsel, I hope, is
14 right.
15 COMMISSIONER COX: So, if the Navy decides not to
16 move the T-44s out of Corpus, they could do that? We don't
17 require it, the move, and we don't prevent them staying?
18 MR. YELLIN: I think it's similar back to some of
19 the things we did with an element of the Guam recommendation,
20 where we're giving the Navy the opportunity to do the
21 scenario they provided to us, but we've also given them an
22 opportunity to do other things, and this provides additional

1 flexibility for them in the future to do things as their
2 requirements --
3 COMMISSIONER DAVIS: And I can't point out the
4 impact. We have, in a major way, altered the Navy's pilot
5 training requirement, and we must give the Department of the
6 Navy an opportunity to structure properly. They can't open
7 any new bases, but, consequently, they won't spend any more
8 money, or they may not spend some of the money they've
9 already got programmed, because of the realignment that's
10 taken place.
11 CHAIRMAN DIXON: Well, the only comment the Chair
12 would like to make is, I wonder why we continue to do them
13 all these favors when it is the Navy itself that made the
14 request of us. This is the second favor in a row we've done
15 them.
16 The observation the Chair would like to make is
17 that I think that the services run their shops pretty well,
18 as the evidence of the entire history of this nation
19 demonstrates. But if my colleagues want to continue to fine-
20 tune, we'll do that.
21 Are there any further comments?
22 (No response.)

1 CHAIRMAN DIXON: Counsel will call the roll.

2 MS. CREEDON: Commissioner Davis.

3 COMMISSIONER DAVIS: Aye.

4 MS. CREEDON: Commissioner Kling.

5 COMMISSIONER KLING: Aye.

6 MS. CREEDON: Commissioner Montoya.

7 COMMISSIONER MONTOYA: Aye.

8 MS. CREEDON: Commissioner Robles.

9 COMMISSIONER ROBLES: Aye.

10 MS. CREEDON: Commissioner Steele.

11 COMMISSIONER STEELE: Aye.

12 MS. CREEDON: Commissioner Cornella.

13 COMMISSIONER CORNELLA: Aye.

14 MS. CREEDON: Commissioner Cox.

15 COMMISSIONER COX: Aye.

16 MS. CREEDON: Mr. Chairman.

17 CHAIRMAN DIXON: No.

18 MS. CREEDON: Mr. Chairman, the vote is seven ayes

19 and one nay.

20 CHAIRMAN DIXON: Seven ayes and one nay, and the

21 motion is adopted.

22 Operational air stations, the Marine Corps' Air

1 Station El Toro and Tustin, California.

2 MR. YELLIN: Yes, Mr. Chairman. Colonel Brubaker

3 will also provide the staff presentation for this category,

4 for most of the bases in this category.

5 LIEUTENANT COLONEL BRUBAKER: If I could have Slide

6 D-2 up on the left, please.

7 Mr. Chairman, the 1993 Commission directed that the

8 Navy move several F-14 squadrons, and this particular -- I'm

9 sorry.

10 CHAIRMAN DIXON: Colonel, would you permit me to

11 interrupt you? I'm going to declare about a five-minute

12 recess, and then we'll come right back to this subject.

13 LIEUTENANT COLONEL BRUBAKER: Yes, Mr. Chairman.

14 CHAIRMAN DIXON: Thank you, sir.

15 (A brief recess was taken.)

16 CHAIRMAN DIXON: Would the room come to order?

17 Would the visitation in the back of the hall, back by the

18 back wall, be discontinued, please, and would the

19 commissioners take their seats and would staff be prepared to

20 proceed again on Marine Corps Air Station El Toro?

21 MR. YELLIN: Sir, Colonel Brubaker will begin.

22 LIEUTENANT COLONEL BRUBAKER: Mr. Chairman, the

1993 Commission directed that the Navy move several F-14 squadrons, along with E-2 squadrons, out of NAS Miramar to NAS Lemoore. It also directed that the Marine Corps move numerous fixed-wing and rotary-wing assets from Tustin and El Toro into Naval Air Station Miramar.

This 1995 redirect changes the receiving sites for the squadrons and related activities at Miramar from Lemoore to other Naval air stations, primarily the Naval Air Station Oceana, Virginia. It also changes the receiving sites for the Marine Corps Air Station Tustin, California assets from Miramar to other Naval air stations, primarily the Marine Corps Air Station at New River, North Carolina and the Marine Corps Base Hawaii, specifically the Marine Corps air facility at Kaneohe Bay.

The one-time cost associated with this redirect is $92 million with an annual savings of $6.9 million and an immediate return on investment. The net present value of this redirect is $346.8 million.

The air stations at El Toro and Tustin were closed in previous rounds. Therefore, the base operating cost and personnel data are not available, as those efficiencies were claimed in the previous rounds.

1 Slide 3, D-3, up on the right, please.

2 I'd like to briefly describe the direction provided

3 by the '93 Commission to the services. A significant number

4 of helicopters were directed from Marine Corps Air Station

5 Tustin to Miramar and a large number of fixed-wing aircraft

6 were directed from El Toro to Miramar.

7 To make room for these arriving aircraft, the Navy

8 moved a significant number of F-14s and E-2 aircraft out of

9 Miramar to NAS Lemoore. The Navy's Top Gun Squadron was also

10 directed to NAS Fallon, Nevada.

11 D-4 up on the right, please.

12 You'll see here the proposed laydown for '95. The

13 numbers of aircraft shown are estimates for the types and

14 models of aircraft identified. Of importance is that

15 approximately 29 helicopters previously slated to go from

16 Tustin will now be going to Marine Corps Base Kaneohe Bay,

17 Hawaii and to Marine Corps Air Station New River, thus

18 creating some excess space down at Miramar.

19 Slide D-5, please, on the right.

20 The first issue I'd like to discuss is the reduced

21 construction costs as a result of this redirect. The DOD

22 position is that, by reducing the aircraft, by redirecting

1 the aircraft out of NAS Lemoore, that s action will eliminate
2 construction costs at NAS Lemoore and utilize existing
3 capacity at NAS Oceana.
4 There have been no concerns expressed by the
5 community at NAS Lemoore. The R&A staff concurs with the DOD
6 position and the construction costs eliminated at NAS Lemoore
7 is approximately $345 million.
8 The next issue that I'll discuss is the co-location
9 of fixed-wing and rotary-wing aircraft at NAS Miramar.
10 The DOD position is that some helicopters have
11 already moved and that the Marine Corps currently operates
12 this type and mix on a smaller scale at other locations,
13 specifically on-board LHAs and LHDs. There have been no
14 concerns expressed by the community of San Diego; and the R&A
15 staff, in this case, concurs with the DOD position.
16 The next issue concerns the use of March Air Force
17 Base and, at this time, I'd like to make available to the
18 Chairman and his commissioners a letter from the Commandant
19 of the Marine Corps, General Carl Mundy.
20 CHAIRMAN DIXON: Do we have that letter?
21 LIEUTENANT COLONEL BRUBAKER: It is coming. A
22 letter from the Commandant of the Marine Corps, General Carl

1 Mundy to the Commission, dated the 22nd of June 1995, stating
2 the Marine Corps position on March Air Force Base, and I
3 quote:
4 "When all factors are included, the Marine Corps
5 can neither afford to operate an additional stand-alone air
6 station nor is it required to meet its mission."
7 The DOD position is that they do not want to open
8 up a Reserve base for active duty because of the increased
9 operating costs. The Riverside County community wants the
10 Marine helicopters to be permanently based at March, however.
11 The R&A staff concurs with the DOD position: the Marine
12 Corps cannot afford an additional stand-alone air field, nor
13 is an additional base required to support its mission.
14 Mr. Chairman, are there any questions?
15 CHAIRMAN DIXON: Are there any questions, my fellow
16 commissioners, of Colonel Brubaker or the staff?
17 COMMISSIONER STEELE: I have a question on what you
18 last said.,
19 CHAIRMAN DIXON: Commissioner Steele.
20 COMMISSIONER STEELE: Who does want to go to March?
21 I understand who says they can't afford it. Who did you say
22 did want to go to March?

1 LIEUTENANT COLONEL BRUBAKER: I'm not sure who
2 wanted to go. The Navy does not want to go.
3 MR. YELLIN: I think, Commissioner Steele, we have
4 had comments from Marine Corps personnel who have said that
5 they are concerned about the joint helicopter and fixed-wing
6 operations at Miramar; and the community has certainly felt
7 that -- the community at Riverside -- the March Air Force
8 Base community has very strongly presented the fact that
9 having them separated would be an improvement, from an
10 operational standpoint.
11 But, when we went back and questioned the Navy
12 Department leadership and the Marine Corps leadership, they
13 indicated that costs are very high to do that and that they
14 really feel that they can operate satisfactorily with the
15 scenario that the Navy Department has presented to us.
16 COMMISSIONER STEELE: Okay. Since this one -- I
17 think some commissioners feelings of things going different
18 places. Whatever motion is read, if somebody could do what
19 we did with Guam, and walk me through what we're changing,
20 I'd appreciate it, if we change anything.
21 CHAIRMAN DIXON: Are there any further questions of
22 the staff? Commissioner Cox.

1 COMMISSIONER COX: I just wish to make a comment on
2 the last one, and that is this: that it is true that the
3 Navy and Marine Corps leadership have formally said that they
4 don't want to move to March, and I don't think anybody is
5 trying to make them move to March.
6 But it's not just Marine Corps personnel who have
7 indicated that they have serious operational concerns with
8 going to Miramar. It is very senior Marine Corps personnel,
9 who are in charge of those operations and whose job it is to
10 make that work.
11 MR. YELLIN: I didn't mean to mischaracterize it.
12 COMMISSIONER COX: I just wanted that clear, it's
13 not just the Riverside community and a few errant Marines out
14 there.
15 COMMISSIONER DAVIS: And, as an aviator, mixing
16 helicopters and fixed-wing aircraft is not an easy thing to
17 do. It can be done. The Navy does it routinely, in their
18 fleet operations, and the U.S. Air Force and the Army do it
19 routinely, in their operations; but it does add an element of
20 risk and thrill when you go through the process.
21 COMMISSIONER MONTOYA: Mr. Chairman?
22 CHAIRMAN DIXON: Commissioner Montoya.

1 COMMISSIONER MONTOYA: Just an observation.
2 Alluding back to your comments earlier regarding the BRAC
3 fine-tuning operations of the services, I think what we did
4 before was really untie their hands, as opposed to fixing for
5 them where things went.
6 The reason I say that is because you've observed, a
7 couple of times, this is the last BRAC. In other words, what
8 we fix in this BRAC is likely to be law for some period of
9 time, unless somebody changes it and, even in this BRAC, we
10 have a series of redirects where the services have rethought
11 their initial position and so they have the benefit of coming
12 to us to help them change past thinking, which is healthy.
13 And so, as I have visited the sites and as I have
14 learned more, the way I'm headed is, try to provide as much
15 flexibility around the decision as possible, given that
16 they're going to be stuck with whatever we say and, when it's
17 over, it's over, I think.
18 So that's sort of the spirit in which I have
19 approached some of these site-specific recommendations, sir.
20 CHAIRMAN DIXON: May I respond --
21 COMMISSIONER MONTOYA: Yes, sir.
22 CHAIRMAN DIXON: -- to my good friend, Commissioner

1 Montoya, and express this view? And I respect his, very
2 much:
3 In the first place, I think it will be the
4 consensus of the Commission, from every discussion I've had,
5 that we will recommend another BRAC, probably in 2001, after
6 two Presidential elections and at the termination date of the
7 final tail of this BRAC. Now, whether the Congress has the
8 stomach for it is a question for the Congress, and I
9 appreciate that.
10 But the other part of what we can recommend, I
11 believe the Congress will readily accept, and that is a
12 recognition of the fact that, throughout this process, we
13 keep on seeing these redirects and these changes in
14 evaluation by the separate services and the Department of
15 Defense as they go along looking at what they've done in the
16 other BRACs, which I understand, because I'm not going to say
17 to this audience and this country that I haven't re-evaluated
18 certain things that I've done in my life and corrected
19 things. So there's nothing the matter with that, and I think
20 the Congress sees that.
21 What's beginning to bother the Chair is the fact
22 that we -- and I don't mean this critically of anybody -- so

1 often want to suggest to them how they might be able to do it
2 a little bit better. And the Chair would only suggest they
3 thought about this a long time, too. The separate services
4 thought about this a long time, too.
5 I appreciate that last vote was a very tough vote a
6 while ago, and you had the difference between the chief
7 executive officer and the Secretary of the Navy. But, at the
8 request of the Congressman involved, when the chief executive
9 officer was sitting there, I said to him, I said, "Now, does
10 the Secretary of the Navy stick by his guns?" And the
11 Secretary of the Navy wrote back this Chairman and said, "I
12 do." He had considered it. He had taken the risk. And the
13 Chair then took the risk.
14 And that's what the Chair says: these folks
15 thought about it, too.
16 COMMISSIONER ROBLES: But, Mr. Chairman, I feel
17 compelled to respond.
18 CHAIRMAN DIXON: Well, I honor your response,
19 Commissioner Robles.
20 COMMISSIONER ROBLES: The fact of the matter is,
21 when I raised my hand and said, "I hereby do swear," one of
22 the things they told me is that, if in my military judgment,

1 because I'm supposed to be apolitical, I did not agree with
2 the political leadership or appointed leadership, I should
3 stand forth and state my convictions clearly.
4 CHAIRMAN DIXON: Absolutely.
5 COMMISSIONER ROBLES: And I think what the Chief of
6 Naval Operations was doing was just that. Now, it is up to
7 us to factor all that into the equation, and determine what
8 the right answer is.
9 CHAIRMAN DIXON: Oh, I agree with that.
10 Commissioner Robles, I spent 42 years voting, and I disagreed
11 with people all the time in good humor, and went and had a
12 drink with them that night. I didn't have any problem with
13 anybody else had to say here or any vote anybody else cast.
14 Love you all, cast my own, you cast yours.
15 Now, any further questions or statements?
16 (No response.)
17 CHAIRMAN DIXON: All right, what's the motion? Is
18 there a motion?
19 COMMISSIONER COX: I have a motion.
20 CHAIRMAN DIXON: Commissioner Cox.
21 COMMISSIONER COX: Let me make sure this is the

1 right one.

2 M O T I O N

3 COMMISSIONER COX: I move that the Commission find

4 that the Secretary of Defense did not deviate substantially

5 from the Force Structure Plan and Final Criteria and,

6 therefore, that the Commission adopt the following

7 recommendation of the Secretary of Defense:

8 "Change the receiving sites for squadrons and

9 related activities at NAS Miramar specified by the 1993

10 Commission, the 1993 Commission Report at Page 1 through 18,

11 from NAS Lemoore and NAS Fallon to other" -- excuse me. I

12 have the wrong one.

13 CHAIRMAN DIXON: That's all right, Commissioner

14 Cox. Do you want to start over on it when you get the

15 correct one that satisfies you?

16 COMMISSIONER COX: Yes. I'm sorry.

17 CHAIRMAN DIXON: No problem at all.

18 COMMISSIONER COX: I'm sorry. That was the correct

19 one, so I will continue.

20 "-- from NAS Lemoore and NAS Fallon to" -- this is

21 the one I was reading. Okay. I'll start over again, to make

22 sure.

1 CHAIRMAN DIXON: Would you, Commissioner?
2 Commissioner Cox.
3 COMMISSIONER COX: I move that the Commission find
4 that the Secretary of Defense did not deviate substantially
5 from the Force Structure Plan and Final Criteria and,
6 therefore, that the Commission adopt the following
7 recommendation of the Secretary of Defense:
8 "Change the receiving sites for squadrons and
9 related activities at NAS Miramar specified by the 1993
10 Commission, the 1993 Commission Report at Page 1 through 18,
11 from NAS Lemoore and NAS Fallon to other Naval air stations,
12 primarily NAS Oceana, Virginia; NAS North Island, California;
13 and NAS Fallon, Nevada;
14 "Change the receiving sites for MCAS Tustin,
15 California specified by the 1993 Commission from NAS North
16 Island; NAS Miramar; or MCAS Camp Pendleton to other air
17 stations, primarily MCAS New River, North Carolina; MCB
18 Hawaii; MCAF Kaneohe Bay; MCAS Camp Pendleton, California;
19 NAS Miramar, California; and March Air Force Base,
20 California.
21 "The Commission finds this recommendation is
22 consistent with the Force Structure Plan and Final Criteria."

1 CHAIRMAN DIXON: Now, the Chair is going to ask --
2 we can have a discussion, but there's a problem with the
3 motion that requires some corrective analysis. And let me
4 say, in the time frame that we do the work we do here, it's a
5 miracle we're not having more of these problems.
6 I want to say to the people in this room and the
7 people in this country, this staff has been working on
8 Saturdays and Sundays, 15-and-16-hour days, for I think a
9 month or more. I was kidding my friend, Charlie Smith,
10 because he hasn't played golf in a month. I'm telling you
11 folks, this is pretty bruising work.
12 I don't make any apology for the fact that they
13 have to look at a motion another time here, because some of
14 us sit here and make the speeches and they go do the grunt
15 work all the time, 16 hours a day, seven days a week.
16 So we're going to let them get this thing right
17 and, the minute we've got it right, counsel will know and
18 then we'll go ahead and do it.
19 But, Commissioner Kling, did you want to say
20 something in the meantime?
21 COMMISSIONER KLING: No, Mr. Chairman. I just
22 wanted to understand and ask the question, I think, that

1 maybe is being asked. Is the motion that was made supported
2 by the Navy?
3 CHAIRMAN DIXON: Before we ask it, do you think we
4 ought to see what the final motion is going to be? They're
5 doing some repair work on it.
6 COMMISSIONER DAVIS: It's being modified slightly.
7 COMMISSIONER KLING: Then I will hold the question.
8 MR. YELLIN: Commissioner Kling, the Navy -- the
9 two changes, as I interpret, in the motion involve taking out
10 the Navy's statement that these would be redirected only to
11 other Naval air stations. It gives more flexibility to go to
12 any air station and it specifically identifies March as one
13 of the options.
14 COMMISSIONER KLING: Options or requirements?
15 MR. YELLIN: Options.
16 COMMISSIONER STEELE: Why would they be opposed,
17 Mr. Yellin, if it is the same as they had and a little bit
18 broader? I'm not tracking, here.
19 COMMISSIONER COX: I don't think they're opposed.
20 COMMISSIONER STEELE: Well, they said -- I believe
21 we were just told the Navy opposed the change, and I'm
22 wondering why they would.

1 MR. YELLIN: Maybe I should -- I know the counsel
2 is busy now. I think maybe we should get her guidance on
3 what is the impact on the Navy of specifically including
4 March in that list.
5 COMMISSIONER COX: It also changes it to air
6 stations.
7 MR. YELLIN: Air stations, right. That's right.
8 It takes out the -- the Navy wants to be able to move these
9 units to other Navy Department facilities.
10 COMMISSIONER COX: And would they be unable to do
11 so under this motion?
12 MR. YELLIN: No, they could do that.
13 Now, I would like to get counsel's guidance, or
14 maybe she should provide guidance to you, about what does the
15 inclusion of March do, in that statement, to the Navy,
16 whether there is a requirement to move something to every
17 base that's on that list or whether that's merely an option
18 that we're leaving open for them, that their recommendation
19 does not allow.
20 COMMISSIONER COX: Well, counsel -- we'll wait.
21 MR. YELLIN: The Navy recommendation does not allow
22 the Navy to move units to March Air Force Base.

1 COMMISSIONER COX: And this recommendation is
2 intended to allow them, if they so desire, and certainly, if
3 counsel believes that it does something more than that, then
4 I would be happy to amend.
5 CHAIRMAN DIXON: Commissioner Cox, I think, for the
6 purpose of the record, we ought to have the motion again.
7 COMMISSIONER COX: Okay.
8 CHAIRMAN DIXON: And may the record show, reporter
9 -- Madam Reporter -- that the Commission is now entertaining
10 the motion that Commissioner Cox and counsel have drafted
11 that I believe accomplishes the intention of Commissioner
12 Cox. Am I correct about that, counsel?
13 MS. CREEDON: Yes, sir.
14 CHAIRMAN DIXON: All right. Now Commissioner Cox
15 will be recognized again for a motion.
16 M O T I O N
17 COMMISSIONER COX: I move that the Commission find
18 that the Secretary of Defense deviated substantially from the
19 Force Structure Plan and Final Criteria 1, 2, and 3 and,
20 therefore, that the Commission adopt the following
21 recommendation of the Secretary of Defense:
22 "Change the receiving sites for squadrons and

1 related activities at NAS Miramar specified by the 1993
2 Commission, 1993 Commission Report at Page 1 through 18 from
3 NAS Lemoore and NAS Fallon to other Naval air stations,
4 primarily NAS Oceana, Virginia; NAS North Island, California;
5 and NAS Fallon, Nevada.
6 "Change the receiving sites for MCAS Tustin,
7 California specified by the 1993 Commission from NAS North
8 Island; NAS Miramar; or MCAS Camp Pendleton to other air
9 stations, primarily MCAS New River, North Carolina; MCB
10 Hawaii; MCAF Kaneohe Bay; MCAS Camp Pendleton, California;
11 NAS Miramar, California; and March Air Force Base,
12 California.
13 "The Commission finds this recommendation is
14 consistent with the Force Structure Plan and Final Criteria."
15 CHAIRMAN DIXON: That is the motion you are
16 satisfied with, now, Commissioner Cox.
17 COMMISSIONER DAVIS: I second, Mr. Chairman.
18 CHAIRMAN DIXON: And that is seconded by
19 Commissioner Davis.
20 COMMISSIONER COX: But I would like to ask the
21 counsel a question that's been raised by Mr. Yellin.
22 CHAIRMAN DIXON: All right.

1 COMMISSIONER COX: And that is, it was the
2 intention only to broaden -- the Navy asked for flexibility
3 in what to do with these assets. In 1993, we told them a
4 specific "You must move these assets from here to there."
5 The Navy asked us to give them flexibility and give them
6 several options on where they might move these assets.
7 This would give them the flexibility that they
8 asked for and add, as a suggestion, the areas that they said
9 they might want to move these to -- March. But it is not the
10 intention of this Commissioner to require that they move to
11 March and it is the intention of this Commissioner to leave
12 the Navy the flexibility wherever they want to.
13 And I want to make sure that this motion does not
14 in any way require a move, a specific move to a specific
15 base. In fact, it's intended to unrequire the 1993 specific
16 moves as requested by the Navy.
17 CHAIRMAN DIXON: Let me say, now, we have a problem
18 right now that this Chairman used to have when he tried
19 lawsuits in the old days. His client would be talking to him
20 while he was trying to hear what the other lawyer was saying.
21 Now, counsel was talking to Commissioner Davis. I
22 want to make sure, does counsel understand what Commissioner

1 Cox asked?

2 MS. CREEDON: Yes, sir.

3 CHAIRMAN DIXON: Okay. What's the answer?

4 MS. CREEDON: Because of the importance of this

5 particular question, I would like a few minutes to go do a

6 little research on this one. I am not completely comfortable

7 with the answer to this question, and, if you could, Mr.

8 Chairman, if you could pass on this one and come back to this

9 one in a few minutes, why, I'd do a few minutes, because I

10 don't want to do something that is incorrect in this

11 instance.

12 CHAIRMAN DIXON: All right. There's a motion and a

13 second but, rather than -- I think what we'll do is leave

14 that in the record for now, while counsel reviews this and so

15 forth, and we'll go on to the next subject matter. I don't

16 want to make a mistake on something like this. I suspect the

17 Chair isn't going to vote, anyway, in support of it. But I

18 don't want a mistake in the record about it.

19 So let's go to the next question.

20 MR. YELLIN: Sir, the next is NAS Alameda.

21 CHAIRMAN DIXON: Naval Air Station Alameda,

22 California.

1 LIEUTENANT COLONEL BRUBAKER: And, if we could have
2 Slide D-6 up on the left, please.
3 This recommendation changes the receiving sites
4 specified by the 1993 Commission from NAS North Island and
5 NASA Ames/Moffett to other Naval air stations, primarily the
6 Naval Air Facility Corpus Christi, Texas, to support the Mine
7 Warfare Center of Excellence at the nearby Naval station at
8 Ingleside, Texas.
9 This recommendation has limited cost data
10 associated with it, because these savings were realized as
11 part of the 1993 round and, therefore, are not being claimed
12 as additional savings in this round.
13 Could I have Slide D-7 up on the right, please?
14 On the slide, you can see that the '93
15 recommendation sent Marine Reserve RH-53s to the NASA
16 Ames/Moffett Air Field and the Navy's mine warfare
17 helicopters, MH-53s, to the NAS at North Island.
18 The 1995 redirect calls for the Marine Reserve RH-
19 53s to go to other Naval air stations and the Navy's mine
20 warfare helicopters to be consolidated at the Naval air
21 station in Corpus Christi, Texas near the Mine Warfare Center
22 of Excellence.

1 Could I have D-8 on the right, please?

2 The first issue deals with the consolidation of
3 mine warfare helicopters -- in this case, MH-53s -- near the
4 Mine Warfare Center of Excellence in Ingleside. This makes
5 operational sense. DOD claims this will ease the air traffic
6 situation in the San Diego area and saves the necessary costs
7 of construction at NAS North Island, of approximately $30.4
8 million.

9 There were no negative concerns expressed by the
10 respective communities. The R&A staff thereby concurs with
11 the DOD's position.

12 The second issue deals with the Marine Reserves
13 that fly the RH-53 helicopters. As a result of this
14 redirect, these helicopters, if approved by the Commission,
15 will be allowed to relocate to other Naval air stations.

16 There were no concerns expressed by the communities
17 in this scenario. The R&A staff finds that the co-location
18 of these assets with other Reserve aviation assets, possibly
19 of the joint Reserve base at NAS Fort Worth or other Naval
20 air stations would be in the best interests of both the
21 operational commander and the reservists tasked to support
22 and maintain this valuable asset.

1 Mr. Chairman, are there any questions at this time?

2 CHAIRMAN DIXON: Are there any questions of Colonel

3 Brubaker on Naval Air Station Alameda, California?

4 (No response.)

5 CHAIRMAN DIXON: Are there any statements of any

6 Commissioner on Naval Air Station Alameda, California?

7 (No response.)

8 CHAIRMAN DIXON: Is there a motion by any

9 Commissioner on Naval Air Station Alameda, California?

10 COMMISSIONER MONTOYA: Mr. Chairman, I have a

11 motion.

12 CHAIRMAN DIXON: Commissioner Montoya.

13 M O T I O N

14 COMMISSIONER MONTOYA: I move that the Commission

15 find that the Secretary of Defense did not deviated

16 substantially from the Force Structure Plan and Final

17 Criteria and, therefore, that the Commission adopt the

18 following recommendation of the Secretary of Defense:

19 "Change the receiving sites specified by the 1993

20 Commission for the closure of Naval Air Station Alameda,

21 California, 1993 Commission Report at Page 1-35, for

22 'aircraft, along with the dedicated personnel, equipment, and

1 support' and 'Reserve aviation assets' from 'NAS North
2 Island' and 'NAS Ames/Moffett Field,' respectively to 'other
3 Naval air stations, primarily the Naval Air Facility Corpus
4 Christi, Texas, to support the Mine Warfare Center of
5 Excellence, Naval Station Ingleside, Texas.'"
6 CHAIRMAN DIXON: I second that motion.
7 Are there any further comments or questions by any
8 commissioner?
9 (No response.)
10 CHAIRMAN DIXON: Counsel will call the roll.
11 MS. KING: Commissioner Davis.
12 COMMISSIONER DAVIS: Aye.
13 MS. KING: Commissioner Kling.
14 COMMISSIONER KLING: Aye.
15 MS. KING: Commissioner Montoya.
16 COMMISSIONER MONTOYA: Aye.
17 MS. KING: Commissioner Robles.
18 COMMISSIONER ROBLES: Aye.
19 MS. KING: Commissioner Steele.
20 COMMISSIONER STEELE: Aye.
21 MS. KING: Commissioner Cornella.
22 COMMISSIONER CORNELLA: Aye.

1 MS. KING: Commissioner Cox.

2 COMMISSIONER COX: Aye.

3 MS. KING: Mr. Chairman.

4 CHAIRMAN DIXON: Aye.

5 MS. KING: Mr. Chairman, the vote is eight ayes and

6 zero nays.

7 CHAIRMAN DIXON: And the motion is unanimously

8 adopted to support the Secretary of Defense in respect to

9 Naval Air Facility Alameda.

10 Naval Air Station Cecil Field, Florida.

11 LIEUTENANT COLONEL BRUBAKER: Could I have Slide D-

12 9 up on the left, please?

13 Mr. Chairman, this recommendation changes the

14 receiving sites specified by the 1993 Commission for the F-

15 18s and S-3 aircraft to other Naval air stations, primarily

16 the Naval air station at Oceana, Virginia; the Marine Corps

17 air station at Beaufort, South Carolina; and the Naval air

18 station at Jacksonville, Florida; and the Naval air station

19 at Atlanta, Georgia, or other Navy and Marine Corps air

20 stations with the necessary capacity and support

21 infrastructure.

22 In addition, it recommends the retention of OLF, or

1 the Outlying Field White House, the Pinecastle Target
2 Complex, and the Yellow Water Family Housing Area.
3 The one-time cost associated with this redirect is
4 $66.6 million with an annual savings of $11-/2 million and an
5 immediate return on investment. The net present value of
6 this redirect is $407.4 million. And it should be brought
7 out that the Naval air station at Cecil was closed by the
8 1993 Commission and, therefore, the base operating budget and
9 personnel information are not included.
10 Could I have Slide D-10 up on the right, please?
11 This slide depicts where the '93 Commission sent
12 the aircraft. The F-18s were going to Marine Corps Air
13 Station Cherry Point; the S-3s were going to NAS Oceana; and
14 the Reserve squadron of F-18s were going to Marine Corps Air
15 Station at Beaufort.
16 The '95 recommendations change the receiving sites
17 for these aircraft. The S-3s will go to NAS Jacksonville;
18 eight fleet squadrons and the fleet replacement squadron of
19 F-18s will go to Naval Air Station Oceana; two squadrons of
20 F-18s will go to Marine Corps Air Station Beaufort, South
21 Carolina; and two Reserve F-18 squadrons will go to NAS
22 Atlanta.

1 Could I have Slide D-11 up on the right, please?

2 COMMISSIONER DAVIS: Before you go on --

3 LIEUTENANT COLONEL BRUBAKER: Yes, sir.

4 COMMISSIONER DAVIS: -- at some point, are you

5 going to tell us what construction had taken place?

6 LIEUTENANT COLONEL BRUBAKER: Yes, sir.

7 COMMISSIONER DAVIS: Thank you.

8 LIEUTENANT COLONEL BRUBAKER: Yes, sir.

9 COMMISSIONER DAVIS: The first issue I'd like to

10 discuss is the issue of excess capacity at NAS Oceana.

11 The DOD position on this is that, by moving the F-

12 18s to NAS Oceana, the utilization of already existing

13 capacity at Oceana will eliminate the need for new

14 construction at Cherry Point.

15 The communities' positions vary on this topic.

16 Obviously, the NAS Oceana community has favorable comments

17 and North Carolina is concerned about the 7-1/2 percent

18 increase in employment base that will not occur. The R&A

19 staff concurs with the DOD position. The reduction in force

20 structure and the accelerated retirement of the A-6 aircraft

21 has created this excess capacity at Oceana.

22 The second issue is the potential construction

1 costs at Marine Corps Air Station Cherry Point from the '93
2 recommendations.
3 The Navy position was that a 10 percent reduction
4 is possible. The community feels as though the construction
5 costs at Cherry Point are inflated. The R&A staff finds that
6 the reduced construction costs, to $300.8 million, is a
7 reasonable figure for the remaining force structure.
8 The third issue I'd like to discuss is the air
9 conformity at Oceana.
10 COMMISSIONER DAVIS: I'm sorry, Colonel Brubaker.
11 LIEUTENANT COLONEL BRUBAKER: Yes, sir.
12 COMMISSIONER DAVIS: The construction reduction to
13 300? So you're saying, to move it to Oceana --
14 MR. YELLIN: The cost to move to Cherry Point that
15 was confronting the Navy was about $300 million.
16 COMMISSIONER DAVIS: Thank you.
17 LIEUTENANT COLONEL BRUBAKER: That's the remaining
18 construction, based on a reduced force structure that would
19 have to move now, and it would still be about $300 million at
20 Cherry Point.
21 COMMISSIONER DAVIS: Thank you, sir.
22 LIEUTENANT COLONEL BRUBAKER: The third issue I'd

1 like to discuss is the air conformity at Oceana.

2 The DOD position is that the number of aircraft and

3 personnel assigned at Oceana after this action will be less

4 than the levels that there were there in 1990. The

5 conformity determination will be completed by the Navy prior

6 to the movement of aircraft.

7 The community position is that and Navy and the

8 Commission have not completed the specific year-to-year

9 conformity analysis for this recommendation and that there is

10 a potential for non-conformity.

11 The R&A staff has determined that the Navy, not the

12 Commission, must demonstrate conformity and this conformity

13 appears to be likely.

14 Mr. Chairman, are there any questions?

15 CHAIRMAN DIXON: Are there any questions of Colonel

16 Brubaker?

17 COMMISSIONER STEELE: Yes, Mr. Chairman.

18 CHAIRMAN DIXON: Commissioner Steele.

19 COMMISSIONER STEELE: On that last point, Colonel,

20 so you're saying, in the Navy's recommendation -- I haven't

21 re-read it here for a second -- they will not move? I mean,

22 if there's an environmental problem, what will be do? Why

1 don't I just ask it that way?

2 LIEUTENANT COLONEL BRUBAKER: That conformity

3 determination will have to be made before the aircraft are

4 actually moved into position.

5 COMMISSIONER STEELE: Okay. Say there was a

6 problem. What are the Navy's options or where would the

7 aircraft be that are down?

8 LIEUTENANT COLONEL BRUBAKER: That would be up to

9 the individual services, to be able to determine that.

10 COMMISSIONER DAVIS: Is it an air quality

11 attainment or non-attainment area? Is that the problem?

12 LIEUTENANT COLONEL BRUBAKER: It's a non-attainment

13 area.

14 COMMISSIONER DAVIS: But do they have sufficient

15 credits within the state to --

16 LIEUTENANT COLONEL BRUBAKER: The Navy's position

17 is that this is a very new rule, very new law, and so there's

18 not a lot of experience with it.

19 Their assessment is, though, that the way they

20 looked at it, in 1990, the level of planes and personnel at

21 Oceana was at a level that exceeds the number of planes and

22 personnel that will be at Oceana with the implementation of

1 this redirect and the El Toro redirect, so that they will not
2 come back up, even after the implementation of these two
3 recommendations, up to a level that exceeds where they were
4 in 1990; and so, for that reason, they believe that
5 conformity will be determined.
6 COMMISSIONER DAVIS: But they're within the
7 Virginia Beach air quality index?
8 MS. NURRE: This is Deirdre Nurre. I'm the
9 environmental analyst from the interagency team.
10 Commissioner Davis, your question was, are they in a non-
11 attainment area? The answer is, yes they are.
12 Would you like --
13 COMMISSIONER DAVIS: Yes, please.
14 MS. NURRE: The conformity determination is
15 required for aircraft moving into an area that's in non-
16 attainment. For these purposes of our analysis, they have to
17 deal with 1990 as the baseline.
18 Now, a large number of aircraft have left Oceana,
19 out of that non-attainment area, and it's shown that the
20 additional aircraft coming in will be ultimately less than
21 the number going away, so it appears very likely that the
22 Navy could identify conformity.

1 COMMISSIONER DAVIS: That was my point. Is it the
2 airplanes that are planned to be assigned to NAS Oceana are
3 less than those from the baseline of 1990, therefore it's
4 reasonable to believe that conformity can be achieved? Is
5 that correct?
6 MS. NURRE: The Navy has confidence in that, and I
7 have confidence in the Navy's analysis.
8 COMMISSIONER DAVIS: All right. And I have one
9 other question -- aviation-type question. What about
10 encroachment within NAS Oceana? It's a very wonderful place
11 to be, with resort areas around it. Is that a problem?
12 LIEUTENANT COLONEL BRUBAKER: The community has
13 gotten involved, and they've appropriated a significant
14 amount of dollars towards. There are a couple of schools
15 within the AQs; and the community is working well in hand
16 with the Navy in order to rectify those problems that have
17 been identified.
18 CHAIRMAN DIXON: Any further questions?
19 COMMISSIONER STEELE: Yes, Mr. Chairman.
20 CHAIRMAN DIXON: Commissioner Steele.
21 COMMISSIONER STEELE: So we're saying, if we accept
22 the redirect, there's a cost avoidance of the $300 million at

1 Cherry Point?

2 MR. YELLIN: Yes.

3 COMMISSIONER STEELE: When the Cherry Point folks

4 testified before us, they said that after the action by the

5 '93 Commission, they passed bonds and built schools and thus

6 and such, assuming this was going to happen. Do you know

7 what kind of numbers are behind that statement?

8 MR. YELLIN: The only specific information we have

9 is that the Navy, the Defense Department has spent

10 approximately $25 million in doing planning and other

11 preparatory work for this work. That is, the Navy considers

12 that a sunk cost, but that has been done.

13 I don't have any specific figures from the

14 community, although this was -- the community around Cherry

15 Point would have to be expanded and they were anticipating

16 and had made efforts to do that, based on the '93

17 recommendation.

18 I would expect that substantial efforts have been

19 made. I don't know that any specific construction has

20 actually occurred in the area, but certainly the community

21 has indicated that a lot of plans were made to do that.

22 Now, one of the things that we do want to point out

1 is that Cherry Point is still considered by the Navy and
2 Marine Corps as a premier facility. They still plan to keep
3 140 aircraft there. That's a substantial air field.
4 However, the doubling of the aircraft there, which
5 was anticipated by the '93 recommendation, the Navy now does
6 not want to do it, because they can minimize their costs by
7 using this capacity at Oceana.
8 COMMISSIONER STEELE: Just one final question; and
9 it's a shame we don't know what the community has already
10 spent. We've known that on a lot of other things, so I wish
11 I knew that at this moment.
12 But, given I don't, is it a possibility to put some
13 squadrons there, given their testimony under oath was they
14 had built schools and passed bonds and things, that would not
15 require MILCON to give this $300 million, or is it just not a
16 cost-effective option for the Navy at this time to go to
17 Cherry Point?
18 MR. YELLIN: There is excess capacity at Cherry
19 Point now for approximately two squadrons of planes.
20 LIEUTENANT COLONEL BRUBAKER: That's correct, two
21 squadrons worth of airplanes.
22 MR. YELLIN: However, they would still need to have

1 a maintenance facility, intermediate maintenance facility
2 constructed or created there at significant cost.
3 And then there is the operational and logistics
4 problems for the Navy of splitting these units up. If they
5 can have them at one location, which they're proposing to do
6 at Oceana, then that is a significantly better operational
7 and logistics support basis to base your planes, having them
8 all at one place.
9 COMMISSIONER STEELE: Given that, I'll reluctantly
10 support the Navy's recommendation, because we don't have the
11 numbers on the other, but I think it's a shame, if they have
12 spent a lot of money under the anticipation that this would
13 happen, and we're --
14 MR. YELLIN: We have similar situations. The El
15 Toro redirect that we talked about before also eliminated
16 about $300 million of construction and major expansion of the
17 Naval air station at Lemoore near Fresno, California; and
18 they are probably in the same situation, also.
19 And you have here, too, Marine Corps Air Station
20 Cherry Point and NAS Lemoore, that are both great bases and
21 that both have significant excess capacity left at them
22 because of this redirect.

1 CHAIRMAN DIXON: Thank you, Mr. Yellin. Are there
2 any further questions of Mr. Yellin or staff, or are there
3 any more statements by any commissioner?
4 (No response.)
5 CHAIRMAN DIXON: Is there a motion? Is there a
6 motion?
7 COMMISSIONER MONTOYA: Yes, sir.
8 CHAIRMAN DIXON: Commissioner Montoya.
9 M O T I O N
10 COMMISSIONER MONTOYA: I move that the Commission
11 find that the Secretary of Defense did not deviated
12 substantially from the Force Structure Plan and Final
13 Criteria and, therefore, that the Commission adopt the
14 following recommendation of the Secretary of Defense:
15 "Change the receiving sites specified by the 1993
16 Commission (1993 Commission Report at Page 1-20) from Marine
17 Corps Air Station Cherry Point, North Carolina; Naval Air
18 Station Oceana, Virginia; and Marine Corps Air Station
19 Beaufort, South Carolina to other Naval air stations,
20 primarily Naval Air Station Oceana, Virginia; Marine Corps
21 Air Station Beaufort, South Carolina; Naval Air Station
22 Jacksonville, Florida; and Naval Air Station Atlanta, Georgia

1 or other Navy or Marine Corps air stations with the necessary
2 capacity and support infrastructure.
3 "In addition, add the following:
4 "To support Naval Air Station Jacksonville, retain
5 OLF White House, the Pinecastle Target Complex, and the
6 Yellow Water Family Housing Area."
7 CHAIRMAN DIXON: You've heard the motion by
8 Commissioner Montoya. Is there a second to that motion.
9 COMMISSIONER DAVIS: I'll second.
10 CHAIRMAN DIXON: It is seconded by Commissioner
11 Davis. Is there any discussion?
12 (No response.)
13 CHAIRMAN DIXON: Counsel will call the roll.
14 MS. KING: Commissioner Montoya.
15 COMMISSIONER MONTOYA: Aye.
16 MS. KING: Commissioner Robles.
17 COMMISSIONER ROBLES: Aye.
18 MS. KING: Commissioner Steele.
19 COMMISSIONER STEELE: Aye.
20 MS. KING: Commissioner Cornella.
21 COMMISSIONER CORNELLA: Aye.

1 MS. KING: Commissioner Cox.

2 COMMISSIONER COX: Aye.

3 MS. KING: Commissioner Davis.

4 COMMISSIONER DAVIS: Aye.

5 MS. KING: Commissioner Kling.

6 COMMISSIONER KLING: Aye.

7 MS. KING: Mr. Chairman.

8 CHAIRMAN DIXON: Aye.

9 MS. KING: Mr. Chairman, the vote is eight ayes,

10 and zero nays.

11 CHAIRMAN DIXON: The vote is eight ayes, zero nays,

12 and the recommendation of the Secretary of Defense is

13 supported by the Commission.

14 MR. YELLIN: I would now like to go onto Naval Air

15 Facility, Adak, Alaska; and Doyle Reedy will present this.

16 MR. REEDY: Mr. Chairman, the Navy has proposed

17 closing the Naval Air Facility at Adak, Alaska, and is in the

18 process of drawing down its presence there. According to the

19 Navy, its antisubmarine warfare surveillance mission no

20 longer requires Adak to base or support its aircraft.

21 As you can see from the slide, Mr. Chairman,

22 closing Naval Air Facility Adak will result in an annual

1 savings of about $26 million. Recently the Alaska State
2 Legislature introduced a resolution calling for taking steps
3 to develop a new community for the western Aleutians at Adak
4 once the military withdraws.
5 The closing of NAF Adak, however, has caused the
6 Coast Guard to voice concern about losing a base from which
7 they can stage their search and rescue and law enforcement
8 operations.
9 Recently we asked the Department of the Navy to
10 respond to a letter we received from Secretary Pena at the
11 Department of Transportation asking that the Commission
12 consider the Coast Guard's interest in maintaining NAF/Adak.
13 The Navy's position was that operating base is solely for use
14 by another department or agency is not feasible or
15 permissible without specific congressional action.
16 Mr. Chairman, I'll be happy to answer your
17 questions.
18 CHAIRMAN DIXON: Are there any questions of Mr.
19 Reedy concerning Adak?
20 (No response.)
21 CHAIRMAN DIXON: Are there any statements by any
22 Commissioner concerning Adak?

1 COMMISSIONER DAVIS: Yes, sir, Mr. Chairman.

2 CHAIRMAN DIXON: Mr. Davis.

3 COMMISSIONER DAVIS: I would like to state that

4 Adak/Alaska served us very well. It was sort of the bastion,

5 the outpost to counter the Russian bearers as they traversed

6 to the northern part of the United States. I hate to see it

7 go, but it has outlived its usefulness.

8 CHAIRMAN DIXON: Thank you, Commissioner Davis. Is

9 there a motion in view of that remark by the distinguished

10 Commissioner?

11 COMMISSIONER CORNELLA: Mr. Chairman.

12 CHAIRMAN DIXON: Commissioner Cornella.

13 M O T I O N

14 COMMISSIONER CORNELLA: I move that the Commission

15 find that the Secretary of Defense did not deviate

16 substantially from the four structure plan and final criteria

17 and, therefore, that the Commission adopt the following

18 recommendation of the Secretary of Defense, close Naval Air

19 Facility, Adak, Alaska.

20 CHAIRMAN DIXON: Is there a second to the motion by

21 Commissioner Cornella?

22 COMMISSIONER MONTOYA: Second.

1 CHAIRMAN DIXON: Seconded by Commissioner Montoya.
2 Are there any comments?
3 (No response.)
4 CHAIRMAN DIXON: The counsel will call the roll.
5 MS. KING: Commissioner Cornella.
6 COMMISSIONER CORNELLA: Aye.
7 COMMISSIONER KLING: Commissioner Cox.
8 COMMISSIONER COX: Aye.
9 MS. KING: Commissioner Davis.
10 COMMISSIONER DAVIS: Aye.
11 MS. KING: Commissioner Kling.
12 COMMISSIONER KLING: Aye.
13 MS. KING: Commissioner Montoya.
14 COMMISSIONER MONTOYA: Aye.
15 MS. KING: Commissioner Robles.
16 COMMISSIONER ROBLES: Aye.
17 MS. KING: Commissioner Steele.
18 COMMISSIONER STEELE: Aye.
19 MS. KING: Mr. Chairman.
20 CHAIRMAN DIXON: Aye.
21 MS. KING: Mr. Chairman, the vote is eight ayes,
22 and zero nays.

1 CHAIRMAN DIXON: And on that unanimous vote the
2 Naval Air Facility at Adak, Alaska, is closed in accordance
3 with the request of the Secretary of Defense.
4 MR. REEDY: The next base is Key West, Mr.
5 Chairman, slides D-14 and 15, please. Mr. Chairman, the Navy
6 recommends realigning the Naval Air Station at Key West to
7 make it a Naval Air Facility. Also under the proposal the
8 Navy would turn over certain portions of the waterfront to
9 the local community.
10 Realigning the Key West Naval Air Station allows
11 the Navy to continuous access to needed air space and ranges,
12 while at the same time reducing unneeded infrastructure. No
13 aviation assets are being moved in or out of the facility,
14 and there will only be a small number of military personnel
15 transferred from the area.
16 I'd be happy to answer your questions on that.
17 MR. YELLIN: I'd like to make one comment. We have
18 received a request from the Navy to have a slight
19 modification to the original recommendation to give them
20 broader opportunities to release excess property than the two
21 specific locations in their recommendation. So you have a
22 motion in front of you that does modify the recommendation.

1 I just want to let you know that that is a Navy request, that
2 now they realize that they wanted to have broader language
3 for --
4 CHAIRMAN DIXON: Mr. Yellin.
5 MR. YELLIN: Yes, sir.
6 CHAIRMAN DIXON: Is this the language they want,
7 "Realign Naval Air Station, Key West, to Naval Air Facility.
8 Dispose of all property not required to support operational
9 commitments, including certain portions of Truman annex and
10 Trumble Point, including piers, wharfs and buildings"? Is
11 that the language they want?
12 MR. YELLIN: Yes, sir, that is the change.
13 CHAIRMAN DIXON: Are there any other questions?
14 (No response.)
15 CHAIRMAN DIXON: Are there any comments?
16 (No response.)
17 CHAIRMAN DIXON: Is there a motion?
18 M O T I O N
19 COMMISSIONER CORNELLA: Mr. Chairman.
20 CHAIRMAN DIXON: Commissioner Cornella.
21 COMMISSIONER CORNELLA: I move that the Commission
22 find the Secretary of Defense deviated substantially from

1 final criterion one and, therefore, that the Commission
2 reject the Secretary's recommendation on Naval Air Station,
3 Key West, Florida; and instead adopt the following
4 recommendation: realign Naval Air Station, Key West, Florida
5 to a Naval Air Facility and dispose of all property not
6 required to support operational commitments, including
7 certain portions of Truman annex and Trumble point; including
8 piers, wharfs and buildings.
9 The Commission finds this recommendation is
10 consistent with the four structure plan and final criteria.
11 CHAIRMAN DIXON: I second that motion. Are there
12 any comments by any Commissioners?
13 (No response.)
14 CHAIRMAN DIXON: Counsel will call the roll.
15 MS. KING: Commissioner Cornella.
16 COMMISSIONER CORNELLA: Aye.
17 MS. KING: Commissioner Cox.
18 COMMISSIONER COX: Aye.
19 MS. KING: Commissioner Davis.
20 COMMISSIONER DAVIS: Aye.
21 MS. KING: Commissioner Kling.
22 COMMISSIONER KLING: Aye.

1 MS. KING: Commissioner Montoya.

2 COMMISSIONER MONTOYA: Aye.

3 MS. KING: Commissioner Robles.

4 COMMISSIONER ROBLES: Aye.

5 MS. KING: Commissioner Steele.

6 COMMISSIONER STEELE: Aye.

7 MS. KING: Mr. Chairman.

8 CHAIRMAN DIXON: Aye.

9 MS. KING: Mr. Chairman, the vote is eight ayes,

10 and zero nays.

11 CHAIRMAN DIXON: The vote is eight ayes and zero

12 nays, and the request of the Secretary of Defense in regard

13 to Key West is supported by the Commission.

14 Now, do I understand, Counsel, that the motion is

15 now in order?

16 MS. KING: Yes.

17 CHAIRMAN DIXON: Are we satisfied now that the --

18 COMMISSIONER COX: This is the El Toro redirect?

19 CHAIRMAN DIXON: Well, let me just say that,

20 certainly, no one is critical about this. These things are

21 so highly complicated and the time frame in which we do them

22 so constricted that I'm hopeful that we have these things as

1 much in accord with what we need to do as possible.

2 Do you have that motion now, Commissioner Cox?

3 COMMISSIONER COX: Mr. Chairman, I would like to

4 withdraw my previous motion.

5 CHAIRMAN DIXON: The record will show that

6 Commissioner Cox has withdrawn all previous motions in

7 respect to Air Station El Toro, and so forth.

8 COMMISSIONER COX: And I have a new motion, which

9 my understanding is that Counsel and the Navy have looked at

10 and even if the last motion did create a problem, this one

11 clearly does what we expected it to do, which is to give the

12 Navy flexibility on where to move the assets from the '93

13 redirect.

14 CHAIRMAN DIXON: All right. And would you read it?

15 M O T I O N

16 COMMISSIONER COX: I move that the Commission find

17 that the Secretary of Defense deviated substantially from

18 final criteria one, two and three, therefore, that the

19 Commission reject the Secretary's motion; adopt the following

20 recommendations of the Secretary of Defense: change the

21 receiving sights for squadrons and related activities at NAS

22 Miramar specified by the 1993 Commission report at page one

1 through 18, from NAS LeMoore and NAS Fallon, to other Naval
2 air stations, primarily NAS Oceana, Virginia, NAS/North
3 Island, California and NAS/Fallon, Nevada.
4 Change the receiving sights for MCAS Tustin,
5 California specified by the 1993 Commission from NAS/North
6 Island, NAS/Miramar, or MCAS Camp Pendleton to other air
7 stations consistent with operational requirements.
8 The Commission finds this recommendation is
9 consistent with the four structure plan and final criteria.
10 CHAIRMAN DIXON: And that is the motion by
11 Commissioner Cox. Is there a second?
12 COMMISSIONER DAVIS: I second.
13 CHAIRMAN DIXON: There is a second by Commissioner
14 Davis. Now, I'm told, Mr. Yellin and Colonel Brubaker and
15 others, that the Navy folks have looked at this. Is that
16 right, Director Lyles, am I told that that is accurate?
17 MS. CREEDON: That's correct, Mr. Chairman.
18 CHAIRMAN DIXON: All right. And Counsel is
19 satisfied that we've got this thing in the right shape now.
20 Are there any further questions by anybody?
21 COMMISSIONER COX: And just to say again what we
22 intended to do, which was to give the Navy the option if they

1 so desired -- and only if they so desired -- to move, among
2 other places, to March.
3 CHAIRMAN DIXON: And they're satisfied, they've
4 conferred with you and I understand they're satisfied with
5 this motion. Are there any further questions?
6 (No response.)
7 CHAIRMAN DIXON: Counsel, call the roll.
8 MS. CREEDON: Commissioner Cox.
9 COMMISSIONER COX: Aye.
10 MS. CREEDON: Commissioner Davis.
11 COMMISSIONER DAVIS: Aye.
12 MS. CREEDON: Commissioner Kling.
13 COMMISSIONER KLING: Aye.
14 MS. CREEDON: Commissioner Montoya.
15 COMMISSIONER MONTOYA: Aye.
16 MS. CREEDON: Commissioner Robles.
17 COMMISSIONER ROBLES: Aye.
18 MS. CREEDON: Commissioner Steele.
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella.
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Mr. Chairman.

1 CHAIRMAN DIXON: Aye.

2 MS. CREEDON: Mr. Chairman, the vote is eight ayes,
3 and zero nays.

4 CHAIRMAN DIXON: And the motion by Commissioner Cox
5 is adopted.

6 COMMISSIONER MONTOYA: Mr. Chairman.

7 CHAIRMAN DIXON: Commissioner Montoya.

8 COMMISSIONER MONTOYA: While we're fixing things, I
9 also have to fix an eyebrow and a gnat on a motion we adopted
10 previously. You recall that we rejected the Secretary's
11 recommendation regarding the realignment of Naval Air Station
12 Corpus Christi, and we left it named Naval Air Station Corpus
13 Christi instead of a Naval Air Facility.

14 Now, in the motion on redirecting the helicopters
15 from Alameda to Corpus Christi, I inadvertently used the
16 language before me and called it a Naval Air Facility. I
17 want to correct that to a Naval Air Station to have the
18 record consistent.

19 MS. CREEDON: That's correct.

20 CHAIRMAN DIXON: All right. I don't believe that
21 requires a roll call, but let me just say is there any
22 objection from any Commissioner?

1 (No response.)

2 CHAIRMAN DIXON: Let the record show, Madame

3 Reporter, all eight Commissioners being present. That

4 correction is made.

5 COMMISSIONER MONTOYA: Thank you, Mr. Chairman.

6 CHAIRMAN DIXON: Thank you, Commissioner Montoya.

7 MR. YELLIN: Mr. Chairman, there is only one air

8 station remaining. Please put up D-16 and 17, this is Naval

9 Air Station Barber's Point. There is a redirect to correct

10 an error in the '93 recommendation. The Navy now wants to

11 retain -- the Naval Air Station at Barber's Point was closed

12 in '93. Now the Navy wants to be able to retain a landfill,

13 commissary facilities and two beaches, which should have been

14 included as retained facilities in the '93 recommendation.

15 They would like to change that. The community is supporting

16 of that, the staff sees no problems with this redirect

17 recommendation.

18 CHAIRMAN DIXON: Okay. Are there any questions?

19 (No response.)

20 CHAIRMAN DIXON: Seems pretty simple. Any motion

21 by any Commissioner?

22 COMMISSIONER CORNELLA: Yes, sir.

1 CHAIRMAN DIXON: Commissioner Cornella.

2 M O T I O N

3 COMMISSIONER CORNELLA: I move that the Commission
4 find that the Secretary of Defense did not deviate
5 substantially from the four structure plan and final criteria
6 and, therefore, that the Commission adopt the following
7 recommendation of the Secretary of Defense: change the
8 recommendation of the 1993 Commission regarding items
9 excepted from the closure of Naval Air Station Barber's
10 Point, Hawaii, 1993 Commission at page one and 19; and from
11 retain the family housing as needed for multi-service use,
12 including the following family housing supported facilities,
13 commissary facilities, public work center compound with a
14 sanitary landfill, and beach recreational areas known as
15 Nimitz Beach and White Plains Beach.

16 CHAIRMAN DIXON: Is there a second?

17 COMMISSIONER DAVIS: I second.

18 CHAIRMAN DIXON: Mr. Davis seconds. Are there any
19 comments?

20 (No response.)

21 CHAIRMAN DIXON: Counsel will call the roll.

22 MS. CREEDON: Commissioner Cornella.

1 COMMISSIONER CORNELLA: Aye.

2 MS. CREEDON: Commissioner Cox.

3 COMMISSIONER COX: Aye.

4 MS. CREEDON: Commissioner Davis.

5 COMMISSIONER DAVIS: Aye.

6 MS. CREEDON: Commissioner Kling.

7 COMMISSIONER KLING: Aye.

8 MS. CREEDON: Commissioner Montoya.

9 COMMISSIONER MONTOYA: Aye.

10 MS. CREEDON: Commissioner Robles.

11 COMMISSIONER ROBLES: Aye.

12 MS. CREEDON: Commissioner Steele.

13 COMMISSIONER STEELE: Aye.

14 MS. CREEDON: Mr. Chairman.

15 CHAIRMAN DIXON: Aye.

16 MS. CREEDON: Mr. Chairman, the vote is eight ayes,

17 and zero nays.

18 CHAIRMAN DIXON: That motion is unanimously

19 adopted. Training centers, Navy Nuclear Power Propulsion

20 School, Orlando.

21 MR. YELLIN: Yes, sir, Eric Lindenbaum will make

22 the presentation on this base.

1 LIEUTENANT COMMANDER LINDENBAUM: Good morning,
2 again, Chairman.
3 CHAIRMAN DIXON: Good morning.
4 LIEUTENANT COMMANDER LINDENBAUM: The Navy Nuclear
5 Power Propulsion Center redirect comes from a combination of
6 1993 recommendations. The first were sent to school to New
7 London, but in a second recommendation the submarines in New
8 London were retained, which meant facilities which had been
9 earmarked for the school would not be available.
10 The present recommendation would send the school to
11 the Navy Weapons Station just outside of Charleston instead
12 of to the sub base in New London.
13 On the first slide you can see two COBRA runs. The
14 first is a DOD submission. The second is the Commission's
15 estimate. As you will see from the issues slides, despite
16 the seeming similarity in the bottom lines of the two COBRA
17 estimates there are several costs and savings figures which
18 have changed from the staff's analysis.
19 During the initial analysis it was discovered that
20 the student loads at New London and Charleston were not the
21 same. The New London estimate was higher than Charleston's
22 and it was felt -- especially by the community and the R&A

1 staff that this would lead to a higher cost estimate for New
2 London. The Navy did not revise its estimate for the New
3 London, instead stating that they would use the budgeted
4 figure, as was their policy, because budget data when it is
5 available, they feel, is more accurate.
6 The R&A staff felt that a revised estimate with
7 equal student load would be more accurate. Also during the
8 initial analysis it was discovered that the PCS, or the
9 moving cost savings associated with Charleston option were
10 overstated.
11 Upon further analysis the Navy determined that they
12 were overstated and they corrected their figure downwards
13 from $6.2 million per year to $2.882 million per year. Their
14 final point on the first issues slide deals with the
15 infrastructure costs at Charleston.
16 The primary contention by the New London community
17 is that not all infrastructure costs were captured by the
18 COBRA program. There appears to be some merit to this claim,
19 as the COBRA analysis is not site specific. This means that
20 the COBRA generated costs would be the same whether the
21 building was built 100 yards or two miles from any existing
22 utilities. This is the reason why the R&A staff felt that

1 the planning facility cost estimate figures, which are site
2 specific, would be more accurate.
3 Could you please replace E-3 with E-4? Thank you.
4 The first issue on the second issue slide deals
5 with a possible delay in closing Orlando if the Charleston
6 option is accepted. This may -- and I emphasize "may" --
7 cause up to a one year cost of keeping Orlando open. For the
8 R&A staff's estimate, which is worse case scenario for
9 Charleston, the cost of $14 million to operate Orlando for an
10 additional year was included.
11 The next issue deals with a possible wetlands
12 problem, but in actuality, the R&A staff found no problem.
13 There are 405 acres available for an 80 acre facility. And
14 the Department of Interior has already verified there are no
15 endangered species or critical habitats on the site in
16 question.
17 The final point on the issue slide deals with the
18 base operating cost for Charleston relative to those of New
19 London and Orlando. The revised figures are $3 million per
20 year less expensive than New London; and over $15 million per
21 year less expensive than for Orlando. The Orlando difference
22 is explained by Orlando having to shoulder all the burden of

1 the base operating costs by itself. The New London
2 difference is based on a revision the Navy conducted in
3 response to R&A staff concerns.
4 My final slide will show a side-by-side comparison
5 of the New London, Charleston and Orlando options. But
6 before we move on to the Orlando scenario, Mr. Chairman, are
7 there any questions on the issues which I have already shown?
8 CHAIRMAN DIXON: Commissioner Steele.
9 COMMISSIONER STEELE: The BOS costs -- just to make
10 sure everything is equal here -- okay, you say the Navy
11 submitted new data, certified data that reduced Charleston's
12 BOS cost by about half from their original estimate, they
13 came back?
14 LIEUTENANT COMMANDER LINDENBAUM: Yes, ma'am, that
15 is correct.
16 COMMISSIONER STEELE: Did we apply whatever
17 rationale for that change across the board? Do we have
18 everything even?
19 LIEUTENANT COMMANDER LINDENBAUM: The rationale and
20 the certified data call is all correct. The reason why the
21 Navy's BOS costs went down was an error in their initial
22 certified data call, which included the nice east command's

1 overhead costs in the Charleston Weapons Station cost -- and
2 that is an error. We found the error and then we corrected
3 it. That is why their costs went down.
4 COMMISSIONER STEELE: Okay. Now, looking at
5 Charleston specifically here for a second -- because as we
6 recall there was a national nightly news program on this
7 issue that made it look like we'd be dumber than dirt to
8 accept it, so I'd like to make sure we have it all out here -
9 - the site plan for the Charleston proposal, it includes all
10 of the infrastructure, everything we need? Is it certified?
11 Do we know it is what they need to do at Charleston to move
12 this?
13 LIEUTENANT COMMANDER LINDENBAUM: The R&A staff's
14 COBRA reflects the planning facilities estimate, certified
15 1391 cost estimate which includes everything.
16 COMMISSIONER STEELE: Okay. Looking at New London
17 for a second, I understand there is a small facility option,
18 that they could have done it, New London. Could you address,
19 again, if we've looked at that and made sure we've looked at
20 all three sites equally?
21 LIEUTENANT COMMANDER LINDENBAUM: The staff's
22 analysis allowed them cost reductions. And I also did --

1 correction, the staff did a sensitivity analysis which gave
2 New London everything that they wanted in regards to the
3 analysis: a cost reduction; I zeroed out the BOS cost
4 differential; I applied their PCS savings and I used the
5 lower PCS savings. And in the final sensitivity analysis the
6 Charleston option still came out with a $65 million net
7 present value and an annual savings over New London of $2.5
8 million per year.
9 COMMISSIONER STEELE: And the savings are largely
10 due to the fact that even if you had the school in New London
11 or Orlando, you would have to go to Charleston to train at
12 those subs? And that annual recurring savings, if it's at
13 Charleston, indeed, says you're doing what's right for the
14 taxpayers and the Navy in the long haul, to site it there?
15 Is that your testimony?
16 LIEUTENANT COMMANDER LINDENBAUM: Yes, that is
17 correct. And neither of the other two options can get over
18 the fact that one half of the prototype training is already
19 stationed in Charleston. So there will always be a recurring
20 $2.88 million per year savings associated with moving to
21 Charleston.
22 CHAIRMAN DIXON: Thank you, Commissioner Steele.

1 Are there any other further questions from any other
2 Commissioner?
3 (No response.)
4 CHAIRMAN DIXON: Is there a motion?
5 COMMISSIONER MONTOYA: I think we need to hear the
6 Orlando -- leaving it in place versus moving to Charleston.
7 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir, that's
8 the next.
9 COMMISSIONER MONTOYA: There is another piece yet.
10 CHAIRMAN DIXON: All right.
11 LIEUTENANT COMMANDER LINDENBAUM: On the first
12 slide up in the left of the COBRA analysis you can see the
13 two COBRA analysis -- one submitted from the Orlando
14 community, one submitted from the Department of the Navy upon
15 request.
16 As you can see from the bottom line, there is a
17 very large discrepancy between what the Orlando community
18 feels is correct and what the Navy feels is correct. The
19 basis of this differential can be traced to the base
20 operating budget in the COBRA submitted by the community.
21 They did not increase their base operating budget.
22 They presently are located with the Navy Training

1 Center, and they share overhead costs with several other
2 commands. If they are to remain as a single, stand alone
3 entity, they must shoulder the burden of all overhead costs.
4 That was not reflected in their community COBRA.
5 It is reflected in the Navy's Orlando option COBRA.
6 And that is why you see a return of investment of, in their
7 words, "never."
8 Are there any questions in regard to the Orlando
9 option?
10 CHAIRMAN DIXON: Are there any questions of
11 Commander Lindenbaum? Commissioner Cox?
12 CHAIRMAN COX: I have a question, just so I make
13 sure I understand. We have a number of these redirects and
14 the same issue would come up, but to make sure I understand
15 how it works. In 1993 we directed the folks from Orlando to
16 New London. At that time we took some savings, presumably,
17 we assumed there were some savings. And now we're
18 redirecting. Nothing ever happened. They didn't actually
19 move yet, they're still in Orlando. And now we're
20 redirecting them to Charleston.
21 One of the concerns that has been raised -- if you
22 just look at all the numbers we could make a lot of money by

1 just moving people around on paper and never moving them,
2 because every time we move somebody we save money. So I just
3 want to make sure that, in fact, that's not what is
4 happening.
5 One of the things that comes in the COBRA analysis
6 as a savings, if you want to put it that way, is the cost
7 avoidance -- it's cheaper to do it in Charleston than it is
8 in New London. Now, are we including that cost avoidance?
9 LIEUTENANT COMMANDER LINDENBAUM: There is some
10 cost avoidance for not having to build up in New London.
11 There also is some cost -- which is some costs or planning
12 costs -- which have already been conducted in New London, and
13 also to back out of contracts. Those costs are included as a
14 cost to take the Charleston option.
15 COMMISSIONER COX: Right. And so we've already
16 counted that. I mean, in 1993 we counted that cost, whatever
17 it is, and now we're saving it and so it's a savings.
18 Obviously, as always, there is less one-time costs if you
19 stay where you are; if you don't move, there aren't any
20 costs. And that would be in your COBRA model for staying in
21 Orlando, as well.
22 And I guess the question is, that's been raised is

1 that's not fair. You weren't spending the money to move to
2 New London; in a sense, Orlando is getting hurt by virtue of
3 the fact that you're taking $162 million in savings from the
4 '93 to the '95 redirect and counting it against Orlando. I'm
5 probably not stating that very well. I just want to make
6 sure that that's not what is happening.
7 LIEUTENANT COMMANDER LINDENBAUM: For the Orlando
8 option they are given the benefit of the doubt in both
9 locations, and they were given the higher of the two cost
10 estimates as a savings for keeping the school in that
11 location. Still the recurring costs -- go back to the base
12 operating budget again -- cause that option not to be
13 economically feasible.
14 COMMISSIONER COX: Right. So they got the same
15 credit, so to speak, that Charleston got for the non-
16 necessity of doing the New London building.
17 LIEUTENANT COMMANDER LINDENBAUM: Yes, ma'am, the
18 cost avoidance of not having to build up in New London was
19 also applied to the Orlando option.
20 COMMISSIONER COX: Thank you very much. Are there
21 any further questions?
22 COMMISSIONER MONTOYA: I have a motion, Mr.

1 Chairman.

2 CHAIRMAN DIXON: Commissioner Montoya.

3 M O T I O N

4 COMMISSIONER MONTOYA: I move that the Commission

5 find that the Secretary of Defense did not deviate

6 substantially from the four structure plan and final criteria

7 and, therefore, that the Commission adopt the following

8 recommendation of the Secretary of Defense: change the

9 receiving site specified by the 1993 Commission, 1993

10 Commission report at page 1-38, for the Nuclear Power School

11 or the Navy Nuclear Power Propulsion Training Center from the

12 submarine school at the Naval Submarine Base, New London to

13 Naval Weapon Station, Charleston, South Carolina.

14 CHAIRMAN DIXON: Is there a second.

15 COMMISSIONER KLING: Second.

16 CHAIRMAN DIXON: And there is a second by

17 Commissioner Kling. Are there any comments?

18 (No response.)

19 CHAIRMAN DIXON: Are there any questions?

20

21 (No response.)

22 CHAIRMAN DIXON: Counsel will call the roll.

1 MS. CREEDON: Commissioner Montoya.

2 COMMISSIONER MONTOYA: Aye.

3 MS. CREEDON: Commissioner Robles.

4 COMMISSIONER ROBLES: Aye.

5 MS. CREEDON: Commissioner Steele.

6 COMMISSIONER STEELE: Aye.

7 MS. CREEDON: Commissioner Cornella.

8 COMMISSIONER CORNELLA: Aye.

9 MS. CREEDON: Commissioner Cox.

10 COMMISSIONER COX: Aye.

11 MS. CREEDON: Commissioner Davis is recused.

12 Commissioner Kling.

13 COMMISSIONER KLING: Aye.

14 MS. CREEDON: Mr. Chairman.

15 CHAIRMAN DIXON: Aye.

16 MS. CREEDON: Mr. Chairman, the vote is seven ayes,

17 and zero nays.

18 CHAIRMAN DIXON: And the motion is adopted.

19 MR. YELLIN: Mr. Chairman, we've already done NTTC

20 Meridian, so we can skip over that and Commander Lindenbaum

21 will do the NTC redirect next. That's on E-9.

22 LIEUTENANT COMMANDER LINDENBAUM: Navy training

1 centers redirect has no community objection to this. There
2 were no communities which even addressed the issue. What it
3 does is removes the reference to Service School Command from
4 the '93 recommendation and allows three schools to be co-
5 located with already existing facilities to get rid of cost
6 avoidance for MILCON.
7 MR. YELLIN: This is merely another one of a kind
8 of a correction to one of the details that came up in the
9 implementation of the major closures of NTC Orlando and San
10 Diego in '93.
11 CHAIRMAN DIXON: Are there any questions of Mr.
12 Yellin on this particular issue?
13 (No response.)
14 CHAIRMAN DIXON: Are there any comments on this
15 issue?
16 (No response.)
17 CHAIRMAN DIXON: Is there a motion?
18 COMMISSIONER MONTOYA: I have a motion, Mr.
19 Chairman.
20 CHAIRMAN DIXON: Commissioner Montoya.
21 M O T I O N
22 COMMISSIONER MONTOYA: I move that the Commission

1 find that the Secretary of Defense did not deviate
2 substantially from the four structure plan and final criteria
3 and, therefore, that the Commission adopt the following
4 recommendation of the Secretary of Defense:
5 Change the recommendation of the 1993 Commission,
6 1993 Commission report at page 1-38, concerning the closure
7 of Naval Training Center, Orlando, Florida, by deleting all
8 references to Service School Command from the list of major
9 tenants; change the recommendation of the 1993 Commission,
10 1993 Commission Report at page 1-39, concerning the closure
11 of Naval Training Center, San Diego, California, by deleting
12 all references to Service School Command, including Service
13 School Command, electronic warfare, and Service School
14 Command, surface, from the list of major tenants.
15 CHAIRMAN DIXON: Is there a second to the motion by
16 Admiral Montoya?
17 COMMISSIONER KLING: Second, Mr. Chairman.
18 CHAIRMAN DIXON: It is seconded by Commissioner
19 Kling.
20 Are there any statements, questions or comments by
21 any Commissioner?
22 (No response.)

1 CHAIRMAN DIXON: I am advised by counsel, I must
2 recuse on this vote. Counsel will call the vote, roll call.
3 MS. CREEDON: Commissioner Montoya.
4 COMMISSIONER MONTOYA: Aye.
5 MS. CREEDON: Commissioner Robles.
6 COMMISSIONER ROBLES: Aye.
7 MS. CREEDON: Commissioner Steele.
8 COMMISSIONER STEELE: Aye.
9 MS. CREEDON: Commissioner Cornella.
10 COMMISSIONER CORNELLA: Aye.
11 MS. CREEDON: Commissioner Cox.
12 COMMISSIONER COX: Aye.
13 MS. CREEDON: Commissioner Davis.
14 COMMISSIONER DAVIS: Aye.
15 MS. CREEDON: Commissioner Kling.
16 COMMISSIONER KLING: Aye.
17 MS. CREEDON: Mr. Chairman, with your recusal, the
18 vote is seven ayes, and zero nays.
19 CHAIRMAN DIXON: And the motion is adopted.
20 COMMISSIONER MONTOYA: Mr. Chairman.
21 CHAIRMAN DIXON: Commissioner Montoya.
22 COMMISSIONER MONTOYA: I am looking at the clock

1 and I am looking at the subject matter we are about to go
2 into. I just want to raise this: I am going to suggest that
3 we take testimony on both Portsmouth and Long Beach entirely
4 before we vote. I suspect that that may take -- the
5 discussion and voting -- may take half-hour or so, so I am
6 prepared to stay and do it. But, I would prefer to wait and
7 quick bite to eat, come back and get on it. Just an idea.
8 CHAIRMAN DIXON: I thank the Commissioner very
9 much. If the Commissioner would indulge me. This is another
10 one of those tough ones, and I think that our lunch will
11 digest more easily if we do this first -- if my Commissioners
12 would indulge me. I would like to get Long Beach and
13 Portsmouth out of the way and then take lunch.
14 Is there any objection to going forward?
15 COMMISSIONER MONTOYA: Only if lunch doesn't become
16 supper, sir.
17 CHAIRMAN DIXON: Well, there is always that
18 possibility. Let's see how it goes.
19 Naval Shipyard, Long Beach, California.
20 MR. YELLIN: Larry Jackson will give the staff
21 presentation on shipyards.
22 CHAIRMAN DIXON: Mr. Jackson.

1 MR. JACKSON: Good morning, Commissioners, Mr.
2 Chairman.
3 Slide F-2, please. Thank you.
4 In the analysis of naval shipyards, capacity is an
5 important topic. Some confusion has risen over the capacity
6 numbers and I would like to clarify that issue before we
7 proceed.
8 The Navy in their analysis used total excess
9 capacity. It is represented here by the white bars. Excess
10 capacity is expressed in thousands of direct labor man years.
11 On this slide, the Navy requirement is represented by the
12 zero line.
13 From left to right, total excess capacity is
14 depicted for the scenarios in which the shipyard is listed
15 below the bar closed. The proposed Navy scenario, in which
16 Long Beach closes, directs approximately 40 percent of the
17 Long Beach workload into the private sector.
18 This effectively reduces the Navy out-year workload
19 requirements. The Department of the Navy did not account for
20 this, instead assuming, in their capacity analysis, that all
21 of the Long Beach workload was assumed by other naval
22 shipyards.

1 R&A staff has estimated the changes to total excess
2 capacity in those scenarios which entail the closure of Long
3 Beach Naval Shipyard, and they are presented here in black.
4 Essentially, what you have in the scenario where
5 Long Beach and Guam close, 19 percent total excess capacity;
6 staff has added on approximately five more percent of excess
7 capacity to represent 24 percent total. In the scenario
8 which entails the closure of Long Beach, Portsmouth and Guam,
9 we have added on approximately six percent of total excess
10 capacity to have a total of seven percent total excess.
11 Now, the Navy would like for me to point out that
12 there are some 60-40 split issues here that are involved and
13 that those numbers that staff has calculated, they feel,
14 should be a little bit lower.
15 Slide F-3, please.
16 COMMISSIONER KLING: Right now, you are saying --
17 CHAIRMAN DIXON: Commissioner King.
18 COMMISSIONER KLING: I just want to be sure I am
19 with you. Right now, exactly as we stand doing nothing, is
20 29 percent -- give or take excess.
21 With Long Beach and Guam, we will still have 24
22 percent. If they are closed we will still have 24 percent

1 excess?

2 MR. JACKSON: Yes, sir.

3 MR. YELLIN: The Navy's number is 19 and the

4 staff's number is 24 because the closure of Long Beach, in

5 essence, reduces the Navy's requirement.

6 COMMISSIONER KLING: But there will still more than

7 ample --

8 MR. JACKSON: There is a slight difference, but it

9 is ample; yes, sir.

10 MR. YELLIN: We wanted to bring this up in large

11 part because the one percent number -- and the Navy still

12 supports that number -- the staff believes that it is really

13 seven percent.

14 COMMISSIONER COX: I am sorry, Mr. Yellin. When we

15 were at Portsmouth, they said -- if you close Portsmouth, we

16 will only have an excess capacity of one percent. They were

17 talking about both nuclear and conventional, and assuming

18 that all of the work that they planned to put in the private

19 yards out of Long Beach stayed in the public yards?

20 MR. YELLIN: Yes.

21 COMMISSIONER COX: What you are telling us, if you

22 look at total capacity, which is, given the fact that nuclear

1 and conventional are different -- perhaps not the right way
2 to look at it, but nonetheless, if you do look at total
3 capacity, that one percent number was off by 5-6 percent?
4 MR. YELLIN: Yes.
5 COMMISSIONER ROBLES: Mr. Jackson, could you define
6 "ample"? You said there would still be ample -- I am just
7 trying to get a base reference here.
8 Yesterday we heard the depot analysis, 85 percent
9 we were shooting for and therefore, 15 percent excess was
10 ample. I am just trying to get what ample is in Navy jargon.
11 MR. YELLIN: I don't think the staff is trying to
12 present that 7 percent is ample or not. We just wanted to
13 get the right number.
14 COMMISSIONER ROBLES: No. You said it was ample,
15 and I am just trying to get what reference -- Are you saying
16 90 percent utilization, 85 percent utilization, 75 percent
17 utilization. What is ample?
18 MR. JACKSON: Sorry, sir. I was talking about the
19 scenario in which Long Beach and Guam closed, where the
20 Department of the Navy has calculated 19 percent excess
21 capacity.
22 COMMISSIONER ROBLES: And that is ample by their

1 definition? That is what they consider to be sufficient
2 wiggle room, margin -- whatever you want to call it -- to be
3 able to do unforeseen things, surge, whatever.
4 MR. JACKSON: They haven't stated that
5 specifically, but it would give them some wiggle room; yes,
6 sir.
7 MR. YELLIN: And that is supported by their
8 recommendation, so whether it is stated or not, that is
9 implied that this is acceptable to them, and going down to
10 the lesser number is not acceptable to them.
11 COMMISSIONER ROBLES: Okay.
12 CHAIRMAN DIXON: Proceed.
13 MR. JACKSON: You now see before you Slide F-3, in
14 addition to Slide F-2. This slide is unchanged since the
15 adds hearing. It has been the subject of considerable
16 discussion.
17 The Department of the Navy and Portsmouth community
18 have pointed out that the Navy only broke out nuclear
19 capacity in order to prevent reducing their organic/nuclear
20 capacity below acceptable levels.
21 Staff broke out the conventional and nuclear
22 capacity in order to point out the difference in philosophy

1 the Navy has regarding nuclear and conventional work.

2 Slide F-4, please.

3 COMMISSIONER DAVIS: Before you go on to F-4.

4 MR. JACKSON: Yes,sir.

5 CHAIRMAN DIXON: Commissioner Davis.

6 COMMISSIONER DAVIS: Can you just kind of walk

7 through and tell me what this means?

8 MR. JACKSON: Yes, sir.

9 COMMISSIONER DAVIS: I think I know what it means,

10 but I want to make sure that I totally understand this.

11 MR. JACKSON: This is very much like the slide F-2.

12 At the zero line you have the Navy's requirement -- what they

13 Navy stated their requirement was for capacity, in this case,

14 in the Year 2001.

15 What you see are the bars above the line in black

16 represent the nuclear excess capacity, and that is expressed

17 in thousands of direct labor man years, and I have also

18 included some percentages in there -- and in white, you see

19 the non-nuclear excess capacity.

20 The different pairs of bars correspond to the

21 scenarios depicted down below which are, from left to right,

22 the present, DOD recommendation, and then --

1 COMMISSIONER DAVIS: Pick an example. Not the one
2 on the left and not the one on the right, and tell me -- in
3 both cases, we have negative capacity in non-nuclear areas.
4 Can that capacity be absorbed in the nuclear excess?
5 MR. JACKSON: It can, and that is why the Navy used
6 total excess capacity.
7 CHAIRMAN DIXON: Thank you, Commissioner Davis.
8 Proceed, Mr. Jackson.
9 MR. JACKSON: Slide F-4, please.
10 This slide presents the DOD recommendation to not
11 close Long Beach Naval Shipyard and the standard figures
12 regarding that recommendation. I would point out that the
13 20-year COBRA savings for the shipyard are quite large. This
14 is a reflection of the large numbers relative to other Navy
15 activities of civilian employees for the most part.
16 I would further point out that with shipyards, it
17 is very difficult to come up with a closure scenario that is
18 not supported by COBRA.
19 COMMISSIONER KLING: So you are totally comfortable
20 with these numbers provided by the Navy?
21 MR. JACKSON: I have run stress tests. I am not
22 totally comfortable with these numbers, but I have run stress

1 tests on the Long Beach scenario.

2 Long Beach indicated to the Commission and provided

3 us with information that indicated that the shipyard's budget

4 submission to close the shipyard was actually about $433

5 million to close.

6 The Navy's costs in COBRA show $74.5 million to

7 close. What I did, to give the benefit of the doubt to the

8 community and to the shipyard, working with our staff expert,

9 I calculated -- added in all of those savings, all of those

10 costs that were not covered by the $74 million -- and ran a

11 COBRA on that.

12 The results were that you have a one-time cost of

13 $156.35 million.

14 COMMISSIONER KLING: That is the number you are

15 comfortable with?

16 COMMISSIONER COX: And what were the annual

17 savings?

18 MR. JACKSON: The annual savings were reduced from

19 $130.6 million to $114.8 million a year. The 20-year net

20 present value reduced from $1.95 billion to $1.45 billion.

21 So about half-billion.

22 COMMISSIONER DAVIS: ROI?

1 MR. JACKSON: ROI was two years -- 1999.

2 COMMISSIONER COX: And we have talked about this
3 before in other services -- our number, the COBRA number, the
4 Department of Defense numbers rely on a 2.75 percent discount
5 for a very good reason -- that is the way they came over. We
6 have not tried to change them, but I think many of us -- and
7 certainly even the GAO who reviewed this -- think that the
8 cost of money is considerably higher than 2.75 percent, and
9 recommended that we use a 4.87 percent.

10 Were you able to run those numbers based on a 4.85
11 percent, more realistic cost of money number?

12 MR. JACKSON: Yes, ma'am, we were. There is a more
13 conservative scenario that I ran for Long Beach, also. I ran
14 the DOD submission at the 4.85 percent GAO rate, effectively,
15 and the numbers that result from that -- your 20-year net
16 present value changes to $1.62 billion.

17 COMMISSIONER COX: On the DOD numbers.

18 MR. JACKSON: Yes, ma'am. Now, on the most
19 conservative COBRA run that we ran on the Long Beach Naval
20 Shipyard, in the shipyard scenario when you move work from
21 one shipyard to another, the delta -- the difference in the
22 mandate rates at each shipyard -- are accounted for.

1 There were savings in the COBRA that resulted from
2 that which I eliminated, again, to give Long Beach the
3 benefit of the doubt.
4 So, in the scenario in which the closure costs were
5 increased, according to the shipyard submission for closure
6 budget, and the mandate rate, delta, was eliminated. I also
7 increased the discount rate.
8 The one-time cost to close remained at $156
9 million. The annual savings remained at $114 million, and
10 the 20-year net present value was not quite $1 billion; it
11 was $992 million.
12 So, you end up with about a billion dollars in 20-
13 year net present value savings.
14 CHAIRMAN DIXON: Any further questions?
15 COMMISSIONER COX: Just to give us the whole area -
16 - I mean, basically, depending on what numbers you use for
17 costs and for savings and a discount rate -- a more
18 reasonable discount rate -- you are looking at -- that would
19 get you, at a low, down to a savings of about $900-something
20 million.
21 MR. JACKSON: $992 -- almost a billion.
22 COMMISSIONER COX: Right, about the same as we

1 would have saved, for example, on closing Red River. And,
2 the high, using the lowest discount rate -- that I don't
3 think anybody thinks is reasonable -- of 1.95.
4 MR. JACKSON: That is correct.
5 CHAIRMAN DIXON: Are there any further questions?
6 COMMISSIONER STEELE: Just one.
7 CHAIRMAN DIXON: Commissioner Steele.
8 COMMISSIONER STEELE: Just the basic philosophy in
9 the Navy analysis. Your F-3 -- if we adopted the Navy's
10 proposal to close Long Beach and Guam, you would lose more
11 non-nuclear capacity than you have excess on there. And in
12 the Navy's recommendation, I believe they talk about going to
13 the private sector -- I don't know if they use the word
14 "capacity", but on the West Coast they did use private sector
15 when they were looking at their analysis though they
16 testified that they did not measure it -- they assumed the
17 presence of it.
18 On the East Coast, they did not do that. Is that
19 correct?
20 MR. JACKSON: That is correct.
21 CHAIRMAN DIXON: Are there any further questions?
22 COMMISSIONER ROBLES: One quick question.

1 CHAIRMAN DIXON: Commissioner Robles.

2 COMMISSIONER ROBLES: Did I hear you say earlier --
3 I thought I did and I just want to make sure I heard the
4 right thing; that the Navy could make up that shortfall in
5 conventional capacity with their nuclear excess capacity.

6 MR. JACKSON: That is correct.

7 COMMISSIONER ROBLES: Is that feasible; is that
8 operationally feasible?

9 MR. JACKSON: Yes, sir.

10 COMMISSIONER ROBLES: Would the Navy entertain
11 doing that?

12 MR. JACKSON: Yes, sir. In fact, I have seen
13 schedules proposed with the closure of Long Beach and it is
14 feasible.

15 CHAIRMAN DIXON: Are there any further questions?

16 COMMISSIONER MONTOYA: Mr. Chairman.

17 CHAIRMAN DIXON: Commissioner Montoya.

18 COMMISSIONER MONTOYA: As we are getting close to
19 voting, I think, I would like to -- for my fellow
20 Commissioners -- lay out the issues as I have studied them,
21 for a few moments.

22 CHAIRMAN DIXON: You are recognized, Commissioner

1 Montoya.

2 COMMISSIONER MONTOYA: Thank you. Let me take a
3 moment and take a page from those that say that numbers are
4 numbers, but -- they are more than numbers when one considers
5 something this significant -- this kind of an asset that,
6 once we give it up, we had better recognize it is gone; it is
7 done. It is out of Navy inventory.

8 I would make no bones about the fact that Navy
9 really wants to close this shipyard.

10 There is no doubt in my mind. At least, the Navy
11 at the leadership level. So get that on the table right
12 away.

13 But, in my looking at this, the Navy has applied
14 two different risk policies to these two shipyards, one in
15 Portsmouth and the one in Long Beach.

16 On the East Coast, the Navy has assessed the
17 capacity in the private sector and in the public yards, and
18 they recognize that there is a high possibility because of
19 the lack of work over the years coming up, that somebody is
20 going to close. They have chosen deliberately that they will
21 keep the -- they are recommending keeping the Portsmouth
22 Naval Shipyard open and let the private sector float the best

1 it can.

2 On the West Coast another tack has been taken,

3 primarily because of the nuclear issue. The Navy has adopted

4 the policy that they will close the public yard in order to

5 sustain a week private sector workload primarily in the area

6 where the Navy wants to create a mega-home port in the San

7 Diego Area.

8 That is a risk that they have -- I have questioned

9 it and they acknowledged it and they are willing to take it.

10 I have a couple of issues -- first of all, the risk

11 taken is inconsistent when one looks at it on its face and

12 discount the nuclear issue.

13 The Navy is building and plans to build a major

14 home port in San Diego and, to an extent it is severable and

15 distinct from the Long Beach Naval Shipyard issue, however, I

16 have some documentation as late as the 19th of June -- a

17 group of environmental folks wrote you a letter -- and I

18 don't know if you have got it, Mr. Chairman, the 19th June

19 letter.

20 The Navy is in the process of doing an

21 environmental impact statement to do considerable -- I have

22 one here if we need to see it.

1 The Navy is going to do considerable dredging,
2 considerable filling, considerable construction and bring in
3 additional supports ships into San Diego to do ship repair
4 work if Long Beach closes. The first volley has been fired
5 by this group of people who are saying -- we are going to
6 take that on. We don't like what it is we see.
7 So, I don't have any doubt that the Navy will
8 prevail and have their home port, because NEEPA is procedure,
9 rather than a substantive law, but it could take quite a
10 while.
11 The Navy wants to support the private industry in
12 San Diego because they like to do work on Navy ships next to
13 where the sailors live. But on the other hand, the Navy also
14 says that we are willing to do away with our conventional
15 shipyards and will absorb the work in the non-nuclear yards,
16 which means that if for some reason you have a labor dispute
17 in the San Diego area and the work can be done, or if you do
18 not -- if you are not able to construct that home port in San
19 Diego and you close Long Beach, you are going to be doing
20 Navy work in Bremerton, which is a heck of a lot further from
21 San Diego home-ported ships than the Long Beach Naval
22 Shipyard.

1 So I find an inconsistency in saying we can absorb
2 the non-nuclear work in nuclear yards, and on the other hand,
3 we want to do all of our repair work in San Diego with the
4 private sector because they are near our sailors.
5 So I find that to be a very inconsistent argument.
6 I have probed the issue of large drydock in Long Beach.
7 Drydock Number one exists there and it handles Enterprise-
8 size aircraft carriers and other large -- hull/large desk
9 ships.
10 In checking with staff, the Navy, in 1993, made
11 Drydock Number One an issue and felt that they needed it. I
12 have asked has the number of big-decked ships gone away since
13 1993? The answer I have; no, that the numbers remain very
14 similar.
15 I had seen correspondence inside the Navy
16 expressing some concern with the loss of Drydock Number one,
17 but I must also be fair and tel you that that correspondence
18 has been seen by the Navy leadership and they are also
19 willing to take that risk.
20 Last, I wish to say that with the closure of
21 McClellan yesterday and now with the closure of Long Beach,
22 one of our criteria -- though down at the bottom -- it

1 nonetheless is concerning cumulative economic impact on a
2 state or a community.
3 I think clearly the closure of this shipyard,
4 coupled with yesterday's closure, does exactly that. So this
5 Commissioner though, clearly, is going to vote for sustaining
6 the Navy's request to keep Portsmouth open, I have my
7 reservations -- deep reservations about closing this shipyard
8 during these times of uncertainty at this point in the Navy's
9 planning.
10 Thank you for the time, Mr. Chairman.
11 CHAIRMAN DIXON: Thank you, Commissioner Montoya.
12 I regret very much that I feel compelled to respond.
13 I have held my tongue, except for one occasion this
14 morning when I vented some frustration about our votes on
15 Meridian and then the follow-up vote on Corpus Christi.
16 I want to say one more time that there is a purpose
17 for this painful exercise. And, it is that the Congress is
18 not supplying the necessary funding for our Armed Services.
19 The force levels have been cut over 30 percent, the
20 appropriated amounts, 40 percent. We are down to about a
21 1950 level and the reason for these painful exercises is a
22 meaningful reason. It is to find some money to be put to

1 better uses by the Services in connection with force levels,
2 procurement and other things.
3 Now, every vote taken has been a responsible vote
4 and one that I understand.
5 Clearly, Meridian, Red River, in particular, were
6 difficult votes and an excellent case had been made. The
7 Chair cannot quarrel -- though the Chair did not vote that
8 way -- the Chair did not quarrel too much with the views of
9 this colleague who see that matter otherwise, particularly in
10 the case of Meridian, where you had the very difficult
11 situation where, in effect, the Chief differed with the
12 Secretary.
13 I am sure that that was a very difficult call and
14 everyone will agree it was clearly kind of a risky question.
15 So one had to understand what occurred.
16 Long Beach was placed on here by the Secretary of
17 the Navy. You know, let me say, we put on Portsmouth.
18 That was an act by the Commission. There was a lot
19 of agitation about the fact that the numbers were fairly
20 similar. We went to Portsmouth -- all eight of us. The
21 chief came there. He gave us a very hard case for why you
22 couldn't just look at the numbers.

1 We all understand that there are other things --
2 you can get a lot of different numbers in this business.
3 Lord knows I would be the first to understand that after many
4 years in public service. You can get a number for almost
5 anything.
6 I think that the Navy has made a strong case
7 concerning their views there. That will, of course, be
8 another issue after we get beyond this issue. But, we are
9 approaching the moment where our actions, if we fail to
10 support the Services on some of the hard decisions, that they
11 didn't like either, I think reflect on the process to some
12 extent.
13 Now, this is a big vote. I know it is a big vote.
14 I know it is a difficult vote. I respect, very much, my
15 friend who has just made the remarks he made. I see the
16 quality of the observation and the emotional soundness
17 expressed by him in respect to the concerns about economic
18 experiences in some of these communities.
19 That is tough. It is really unpleasant. It is
20 probably the hardest thing we do. You don't ever have any
21 fun going to these places and seeing those signs that say --
22 you know, this is the only job I got, and this is my

1 daughter. There is no fun in that.

2 There is no fun in that. This is nothing but pain.

3 But the question here is, are we going to recognize

4 that it was the same experience -- you know, I am pretty

5 satisfied that the Secretary of the Navy would be delighted

6 if we had the levels we had in the Reagan years that this

7 chairman, as a Senator, voted for. I am not a Republican.

8 I voted for those levels. I voted against those

9 cuts and I don't know how I got in this spot, but now I am

10 here trying to find other money after it is all gone.

11 I know that the Congress is reflecting the views of

12 its constituency. The most amazing thing in this world is,

13 nobody wants to spend more money on defense and nobody wants

14 to close their base.

15 Oh, I can understand that, too. I think that this

16 is probably the critical vote on this whole issue. I had to

17 put everybody on the spot that way, but we have done some big

18 ones here -- Meridian, Red River, Lakehurst.

19 I would just want to say to my colleagues that

20 everything we are looking at is good stuff. Everything we

21 are looking at is good stuff. This is a good port and there

22 is another one in existence that we have looked at -- that is

1 going to be the next one we look at.

2 The Navy has said to us, we ought to close Naval

3 Shipyard, Long Beach, California. I don't want to close it.

4 I don't want to close it, but I want to support the Navy on

5 this one.

6 Are there any further comments?

7 COMMISSIONER MONTOYA: Mr. Chairman, a short

8 response.

9 CHAIRMAN DIXON: Commissioner Montoya.

10 COMMISSIONER MONTOYA: This is so important that I

11 think we ought to make sure we debate it until we are

12 satisfied. I am sure you would agree with that.

13 CHAIRMAN DIXON: Oh, positively. Please make your

14 statement.

15 COMMISSIONER MONTOYA: Yes, sir. And I don't think

16 in this case -- this is not a matter of money or more

17 appropriations. What this is, it is a zero-sum gain. You

18 are going to have so many ships, you are going to have so

19 much workload, you are going to have so many dollars

20 appropriated to affect that workload.

21 This is a choice of whether you do it in the

22 private sector or the public sector.

1 As far as Portsmouth goes, the Navy has chosen, for
2 their good reasons, to keep it public. In this case, they
3 have chosen to go the other way. I think there is reason to
4 doubt it, and I would rest there, Mr. Chairman. Thank you.
5 CHAIRMAN DIXON: And I highly regard your opinions
6 and your position. Others may want to press theirs.
7 I just want to say this, in the private sector when
8 people have all of these problems, they close down plants,
9 they lay off people -- they worry about the bottom line. I
10 realize we are talking about the government.
11 The government has a bottom line, too. A lot of
12 people are being criticized -- I want to say this as a favor
13 to Congress
14 -- A lot of people are being criticized in the Congress for
15 making a lot of tough cuts right now. People back home say -
16 - holy cow, they hit me that time. I don't like it now. All
17 the other cuts were great, but, now, this one affects me. I
18 am not too happy about this cut.
19 I say that this is an unpleasant piece of duty
20 requiring us to bite the bullet and do some things we don't
21 want to do. And if we are not saving any money, we ought not
22 to be in existence.

1 We ought not to be going through this exercise if
2 it is not about that.
3 Are there any other comments?
4 COMMISSIONER CORNELLA: Mr. Chairman, I have a
5 comment.
6 CHAIRMAN DIXON: Commissioner Cornella.
7 COMMISSIONER CORNELLA: You said a few moments ago
8 that you love us, and I want to tell you -- we love you, too.
9 As long as we are having this love-in, I have to express a
10 little bit of it.
11 CHAIRMAN DIXON: Commissioner Cornella.
12 COMMISSIONER CORNELLA: I mean that, because we
13 have traveled to and fro across this country many times
14 together and got to know each other, and really appreciate
15 and respect each other's opinion.
16 This is a difficult, difficulty process. We have
17 said it a thousand times, and I guess that makes a thousand
18 and one. There have been three previous rounds and now we
19 are down to tough decisions.
20 What we are seeing here today, I think, is the
21 frustration of those tough decisions. We are acting as an
22 independent commission and if we feel, at times, in my

1 opinion, that certain installations have to come off the list
2 and we don't generate the savings, I guess that is a problem
3 that I can deal with.
4 I don't believe that we can be a rubber stamp for
5 the Department of Defense. I know that is not what Chairman
6 Dixon is indicating, but I feel it is important that we treat
7 each individual installation as a separate installation from
8 this point forward and not say that because we have to
9 produce a certain amount of savings that we are going to vote
10 a certain way.
11 Those are my comments, sir, and I still love you.
12 CHAIRMAN DIXON: Thank you, Commissioner Cornella.
13 The feeling is mutual.
14 Anybody else have anything to say?
15 COMMISSIONER COX: Mr. Chairman.
16 CHAIRMAN DIXON: Commissioner Cox.
17 COMMISSIONER COX: I want to echo Commissioner
18 Cornella's, as well. I do think we have to -- we are here to
19 provide some independent judgment. We are also very aware
20 that the statute and our mission is to give the Department of
21 Defense an enormous presumption and I hope we are all doing
22 that, as much as possible.

1 As to the specifics of Long Beach, let me just say
2 that this is an issue of inconsistency to some extent. And,
3 it is true, if the issue were that we wanted to privatize
4 more, that would be fine. But the impact of this is not just
5 that the Department of Defense is deciding to privatize on
6 the East Coast, or conventional versus nuclear -- but, there
7 is literally picking risks and the risks that they are
8 picking are -- you know, do we have enough drydock capability
9 for the long ships, versus the nuclear -- and they are
10 deciding.
11 They are deciding to protect the private sector,
12 which is fine, on the West Coast. The actual impact of this,
13 given the 60-40 rule, is they put all of the dollars that
14 they say they plan to put on the West Coast into the private
15 sector -- they will have to take dollars out of the private
16 sector on the East Coast.
17 This is not a philosophical decision on behalf of
18 the Department of Defense, that private sector is good. It
19 is a decision that they are going to move private sector on
20 the West Coast. And I also want to echo Ben's views, that
21 this sort of theory that this going to help the fleet by
22 getting the work back to the fleet in San Diego, which is not

1 necessarily true.

2 One, 60 percent of it, because it is the large

3 ships, are not going to go into San Diego. They can't fit

4 into San Diego, they don't have a dock in San Diego. It is

5 going up a long ways from the home port in San Diego.

6 From that perspective, as well, even the stuff that

7 is available to San Diego in the private sector, after they

8 take it out of the private sector on the East Coast, is not

9 necessarily going to San Diego. It gets bid all up and down

10 that West Coast.

11 So, this sort of -- you know, we are doing this to

12 help the fleet and be helpful and bring this work back home

13 to the soldiers, I question the value of that. I do have a

14 concern and I think we have to give that independent look

15 ourselves.

16 CHAIRMAN DIXON: Thank you, Commissioner Cox.

17 Commissioner King.

18 COMMISSIONER KLING: I have to say that I --

19 everything in life is a risk. We have a risk in every one of

20 the motions that we have looked at and the votes we have

21 taken. In all of them that I have looked at, this is one

22 that I believe that we have the ability -- that we can take

1 this risk, I should say.

2 We do this other places. A risk is when you have

3 no back up and when you don't know what to do about it. This

4 one, we know what to do with. We, at least, have the ability

5 in the private sector to handle, without a question of a

6 doubt.

7 I also go then to the fact that the Chief made a

8 very, very strong case about Portsmouth. He came to

9 Portsmouth. He talked to us about Portsmouth. I believe he

10 has made the same case, reverse, here: They need this one

11 taken down because they have the ability to handle it in

12 other manners.

13 Having said that, I guess we can all make our great

14 statements -- I, for one, am totally supportive of the

15 Department's recommendation as respects Long Beach and that

16 is where I would come from. I am prepared to make that

17 motion whenever anybody is ready.

18 CHAIRMAN DIXON: Thank you, Commissioner Kling.

19 Are there any more statements, arguments or questions before

20 Commissioner Kling's put his motion?

21 COMMISSIONER ROBLES: Yes, sir.

22 CHAIRMAN DIXON: Commissioner Robles.

1 COMMISSIONER ROBLES: The tough call about this
2 one, as everybody has said, is the fact that the economics
3 are not compelling in this one -- they are overwhelming. But
4 I think it is also, since we are here making statements for
5 the record and making sure everybody knows what our
6 philosophical underpinning is -- Our criteria that we are
7 looking at, the eight criteria -- the first four are military
8 value.
9 Those ought to be the pre-eminent criteria to look
10 at. Economics are certainly underpinning all of that. We
11 did not create the economic hole in the Department of
12 Defense. I don't believe this Commission withdrew any budget
13 authority from the Department of Defense.
14 The Department of Defense did not withdraw its own
15 budget authority.
16 This -- the rest of the Congress has a share in
17 this business because it is the United States Congress
18 dealing with a whole magnitude of problems that has, in fact,
19 we want a down-payment on the end of the Cold War, and we are
20 going to start to take budget authority out of the Department
21 of Defense.
22 Always faster than the structure is coming out.

1 Always faster. There is at least a 10 to 15 percent
2 differential between structure coming down and resources
3 coming out.
4 I lived that during the last six or seven years,
5 that caused me to not sleep many nights trying to figure out
6 how to balance the books. Now we are faced with an issue
7 directly that revolves around that very simple issue.
8 I dare say that if the Department of the Navy had
9 the adequate budget authority, this facility would not be on
10 this list today. But, given that they had no option, they
11 had to put it on the list and we are here arguing the fine
12 points of it.
13 I don't say that the economics are not
14 overwhelming, and I would not want to cast a vote to harm
15 future readiness, but I think all of us ought to remember --
16 we didn't create this problem and this is a bigger problem
17 than BRAC 1995.
18 CHAIRMAN DIXON: I want to thank my colleague for
19 expressing more eloquently than I was able to, and from his
20 own personal experience, what I wanted to say. That was very
21 well put. I thank him.
22 Are there any other comments? Are there any

1 questions?

2 (No response.)

3 CHAIRMAN DIXON: Is there a motion? Commissioner

4 Kling.

5 M O T I O N

6 COMMISSIONER KLING: I move that the Commission

7 find that the Secretary of Defense did not deviate

8 substantially from the four structure plan and final

9 criteria, and therefore, that the Commission adopt the

10 following recommendation of the Secretary of Defense:

11 Close the Naval Shipyard, Long Beach, California,

12 except retain sonar dome government-owned contractor operator

13 facilities and those family housing units needed to fulfill

14 the Department of Navy's requirements, particularly those at

15 Naval Weapon Station, Seal Beach, California; relocate

16 necessary personnel to other naval activities, as

17 appropriate, primarily Naval Weapon Station, Seal Beach, and

18 naval activities in the San Diego, California Area.

19 CHAIRMAN DIXON: I second the motion. Are there

20 any further comments?

21 (No response.)

22 CHAIRMAN DIXON: Counsel will call the role.

1 MS. CREEDON: Mr. Chairman.

2 CHAIRMAN DIXON: Aye.

3 MS. CREEDON: Mr. Kling.

4 COMMISSIONER KLING: Aye.

5 MS. CREEDON: Commissioner Montoya.

6 COMMISSIONER MONTOYA: Nay.

7 MS. CREEDON: Commissioner Robles.

8 COMMISSIONER ROBLES: Aye.

9 MS. CREEDON: Commissioner Steele.

10 COMMISSIONER STEELE: Aye. I am just going to make
11 a comment for one second here. I agree a thousand percent
12 with what Commissioner Robles has said, and I feel the Navy
13 has picked and selected artificially their logic on East
14 Coast, but that said, I am still going to vote "aye".

15 MS. CREEDON: Commissioner Cornella.

16 COMMISSIONER CORNELLA: Aye.

17 MS. CREEDON: Commissioner Cox.

18 COMMISSIONER COX: Nay.

19 MS. CREEDON: Commissioner Davis.

20 COMMISSIONER DAVIS: Aye.

21 MS. CREEDON: Mr. Chairman, the vote is six ayes
22 and two nays.

1 CHAIRMAN DIXON: The vote is six ayes, two nays,
2 and we support the recommendation of the Secretary of Defense
3 that Long Beach be closed.
4 Now, ladies and gentlemen and Commissioners,
5 Portsmouth was put on the list by a vote of the Commission.
6 It is an add-on. As such, I will remind the Commission again
7 that it requires a direct activity by the Commission to
8 close. And if there is no motion, Portsmouth remains open.
9 Is there any motion on Portsmouth?
10 (No response.)
11 CHAIRMAN DIXON: I will ask a second time. Is
12 there any motion on Portsmouth.
13 (No response.)
14 CHAIRMAN DIXON: Portsmouth open.
15 COMMISSIONER MONTOYA: I am hungry, Mr. Chairman.
16 CHAIRMAN DIXON: We will recess for lunch until one
17 o'clock.
18 (A luncheon recess was held at 12:25 p.m.)

1 AFTERNOON SESSION

2 CHAIRMAN DIXON: Okay, ladies and gentlemen. If I
3 am reading my schedule correctly and the agenda, we are now
4 at Naval Shipyard, Philadelphia, Norfolk Detachment,
5 Pennsylvania; is that correct?

6 MR. YELLIN: Yes, sir.

7 CHAIRMAN DIXON: Mr. Jackson and Mr. Yellin.

8 MR. YELLIN: Yes, sir. We would like to proceed.

9 CHAIRMAN DIXON: Please do.

10 MR. JACKSON: These are the pertinent numbers on
11 the Norfolk Detachment of the Philadelphia Naval Shipyard.
12 This completes the closure of the 1991 Commission and will
13 facilitate community re-use.

14 The savings of approximately $8.8 million a year
15 result from not having to pay for any base operating support
16 costs.

17 MR. YELLIN: Mr. Chairman, in 1991, the Navy
18 indicated that they needed to maintain the Philadelphia
19 Shipyard Drydocks and facilities in a mothball status.
20 Consistent with their presentation on Long Beach, they say
21 they no longer need to keep drydocks - large drydocks --
22 Philadelphia has two carrier drydocks; they no longer keep

1 these as an insurance policy.

2 That is consistent with their Long Beach position.

3 CHAIRMAN DIXON: This supports that desire on the

4 part of the Navy?

5 MR. YELLIN: To get out of the cost of operating --

6 they don't need them any more and they are going to put them

7 out for community re-use.

8 CHAIRMAN DIXON: Are there any comments, or may I

9 turn to Commissioner Montoya for a motion?

10 COMMISSIONER MONTOYA: You may.

11 CHAIRMAN DIXON: Commissioner Montoya.

12 M O T I O N

13 COMMISSIONER MONTOYA: I move that the Commission

14 find that the Secretary of Defense did not deviate

15 substantially from the four structure plan and final

16 criteria, and therefore, that the Commission adopt the

17 following recommendation of the Secretary of Defense:

18 Change the recommendation of the 1991 Commission

19 related to the closure of the Philadelphia Naval Shipyard,

20 Commission Report at page 5-28, to delete "and preservation",

21 line 5, and "for emergent requirements", line 6-7.

22 CHAIRMAN DIXON: I second that motion. Are there

1 any comments?

2 (No response.)

3 CHAIRMAN DIXON: Counsel, call the role.

4 MS. KING: Commissioner Montoya.

5 COMMISSIONER MONTOYA: Aye.

6 COMMISSIONER COX: Commissioner Robles.

7 COMMISSIONER ROBLES: Aye.

8 MS. KING: Commissioner Steele.

9 COMMISSIONER STEELE: Aye.

10 MS. KING: Commissioner Cornella.

11 COMMISSIONER CORNELLA: Aye.

12 MS. KING: Commissioner Cox.

13 COMMISSIONER COX: Aye.

14 MS. KING: Commissioner Davis.

15 COMMISSIONER DAVIS: Aye.

16 MS. KING: Commissioner Kling.

17 COMMISSIONER KLING: Aye.

18 MS. KING: Mr. Chairman.

19 CHAIRMAN DIXON: Aye.

20 MS. KING: Mr. Chairman, the vote is eight ayes and

21 zero nays.

22 CHAIRMAN DIXON: The motion carries unanimously.

1 Naval Underwater Warfare Center, Keyport.

2 MR. YELLIN: Next, we have the supervisor,

3 shipbuilding on the scheduling next, I think, Mr. Chairman.

4 No.

5 MR. JACKSON: Keyport is next, sir. Slide F-14 and

6 F-15.

7 This slide presents the standard information

8 regarding the Naval Undersea Warfare Center in Keyport,

9 Washington. The mission of NUWC, Keyport, is to provide

10 tests, evaluation, in-service engineering, maintenance and

11 industrial support for undersea warfare systems.

12 A substantial portion of the industrial workload at

13 NUWC, Keyport, can easily be assumed by the Puget Sound Naval

14 Shipyard. Doing so will allow Naval Undersea Warfare Center,

15 Keyport, to consolidate its operations onto government

16 property. Currently, they have some leased storage.

17 This is a win-win for both activities.

18 CHAIRMAN DIXON: Good.

19 COMMISSIONER MONTOYA: Mr. Chairman, I have a

20 motion.

21 CHAIRMAN DIXON: If there are no comments,

22 Commissioner Montoya is recognized for a motion.

1 (No response.)

2 M O T I O N

3 COMMISSIONER MONTOYA: I move that the Commission

4 find that the Secretary of Defense did not deviate

5 substantially from the four structure plan and final criteria

6 and, therefore, that the Commission adopt the following

7 recommendation of the Secretary of Defense:

8 Realign Naval Undersea Warfare Center, Keyport,

9 Washington, by moving its ships, combat systems, console

10 refurbishment, depot maintenance and general industrial

11 workload to Naval Shipyard, Puget Sound, Bremerton,

12 Washington.

13 CHAIRMAN DIXON: Second the motion. Any comments?

14 (No response.)

15 CHAIRMAN DIXON: Counsel, call the role.

16 MS. KING: Commissioner Montoya.

17 COMMISSIONER MONTOYA: Aye.

18 MS. KING: Commissioner Robles.

19 COMMISSIONER ROBLES: Aye.

20 MS. KING: Commissioner Steele.

21 COMMISSIONER STEELE: Aye.

22 MS. KING: Commissioner Cornella.

1 COMMISSIONER MONTOYA: Aye.

2 MS. KING: Commissioner Cox.

3 COMMISSIONER COX: Aye.

4 MS. KING: Commissioner Davis.

5 COMMISSIONER DAVIS: Aye.

6 MS. KING: Commissioner Kling.

7 COMMISSIONER KLING: Aye.

8 MS. KING: Mr. Chairman.

9 CHAIRMAN DIXON: Aye.

10 MS. KING: Mr. Chairman, the vote is eight ayes,

11 and zero nays.

12 CHAIRMAN DIXON: The motion is adopted unanimously.

13 Supervisor, Shipbuilding, Conversion and Repair,

14 San Francisco.

15 MR. JACKSON: Slides F-11 and F-12. Slide F-11

16 presents the standard information regarding the supervisors

17 of shipbuilding, conversion and repair. The mission of the

18 SUPSHIPS is to oversee private shipyard work being conducted

19 for the Navy, whether it is new construction or ship

20 maintenance.

21 With the closure of Navy home ports in the Long

22 Beach Area, the SUPSHIP in that area has seen a considerable

1 decrease in workload. The Navy has recommended SUPSHIP Long
2 Beach foreclosure.
3 Supervisor, Shipbuilding San Francisco was removed
4 by the Secretary of the Navy for economic impact reasons and
5 added by the Commission for consideration, on May 10th.
6 CHAIRMAN DIXON: Any questions of Mr. Jackson?
7 (No response.)
8 CHAIRMAN DIXON: Commissioner Montoya.
9 M O T I O N
10 COMMISSIONER MONTOYA: Mr. Chairman, I move that
11 the Commission find that the Secretary of Defense did not
12 deviate substantially from the four structure plan and final
13 criteria and, therefore, that the Commission adopt the
14 following recommendation of the Secretary of Defense:
15 Disestablish supervisor, shipbuilding, conversion
16 and repair, United States Navy, Long Beach, California;
17 relocate certain functions, personnel and equipment to
18 Supervisor, Shipbuilding, Conversion and Repair, United
19 States Navy, San Diego, California.
20 CHAIRMAN DIXON: Second the motion. Any comments?
21 (No response.)
22 CHAIRMAN DIXON: Counsel will call the role.

1 MS. KING: Commissioner Montoya.

2 COMMISSIONER MONTOYA: Aye.

3 MS. KING: Commissioner Robles.

4 COMMISSIONER ROBLES: Aye.

5 MS. KING: Commissioner Steele.

6 COMMISSIONER STEELE: Aye,.

7 MS. KING: Commissioner Cornella.

8 COMMISSIONER CORNELLA: Aye.

9 MS. KING: Commissioner Cox.

10 COMMISSIONER COX: Aye.

11 MS. KING: Commissioner Davis.

12 COMMISSIONER DAVIS: Aye.

13 MS. KING: Commissioner Kling.

14 COMMISSIONER KLING: Aye.

15 MS. KING: Mr. Chairman.

16 CHAIRMAN DIXON: Aye.

17 MS. KING: Mr. Chairman, the vote is eight ayes,

18 zero nays.

19 CHAIRMAN DIXON: The motion carries.

20 Now, is it Supervisor, Shipbuilding, Conversion and

21 Repair, San Francisco, California. Understand this is an add

22 on.

1 MR. YELLIN: Yes, sir. The staff's assessment is,
2 when we reviewed this, was that this group is already being
3 realigned and down-sized in an appropriate manner. Closure
4 would be disruptive to their plan, which appears to be
5 appropriate for the --
6 CHAIRMAN DIXON: In view of what Mr. Yellin is
7 saying, is there any activity by any Commissioner that is
8 desired on this?
9 (No response.)
10 CHAIRMAN DIXON: If not, I remind you once again
11 that the Chair has the power to declare this -- well, I don't
12 know what I declare.
13 San Francisco will remain open.
14 MR. YELLIN: The next category, Mr. Chairman, is
15 Navy Fleet and Industrial Supply Centers. David Epstein will
16 be making the presentations. Please put up -- Oakland is
17 first. Please put up G-2 and G-3.
18 MR. EPSTEIN: FISC Oakland was not on the Secretary
19 of Defense's list. The COBRA prepared by the BSAT and
20 provided to staff in March showed a net present value savings
21 of $228 million.
22 It was removed from consideration by the Secretary

1 of the Navy because of his concern over cumulative job
2 losses. The data on the slide on your left were calculated
3 by the BSAT after the Commission placed the FISC on the list
4 for closure consideration.
5 These data reflect an NPV, net present value, of
6 $151 million savings. Please also note, the FISC is ranked
7 7th of the eight Navy FISCs.
8 FISC Oakland is currently providing support to
9 local activities, most of which were closed by BRAC 1993.
10 With the impending closure of these sites and the relocation
11 of the carrier and other ships previously home-ported at NAS
12 Alameda, FISC's workload and employment levels are dropping.
13 After 1998, its sole responsibility will be as host
14 to its
15 30-odd tenants, and under current plans, the FISC itself will
16 be down to 20 by 1998.
17 A major justification given in 1993 for keeping
18 FISC Oakland was that it provided vital support to various
19 overseas locations. Since then, the Navy has made other
20 arrangement for support of these commands.
21 The major issues which were identified by community
22 and Navy deal with re-use. Under Congressional legislation,

1 the Secretary of the Navy was authorized to lease FISC
2 Oakland land to the Port of Oakland for 50 years.
3 Originally, the land was to be leased at fair
4 market value, but a revision to the legislation changed the
5 payment to $1 per year.
6 FISC Oakland owns land in three Bay Area
7 jurisdictions: Oakland, Alameda and Richmond. Each
8 jurisdiction has its own opinion as to what should happen to
9 the land within its borders.
10 Alameda wants to have the land within that city,
11 BRAC'd, and plans to use the approximately 169 acres of FISC
12 land which lie within its borders and adjoins NAS Alameda,
13 which was closed by BRAC 1993, for an industrial park and for
14 housing.
15 Within Richmond lies the Point Molate Naval Fuel
16 Depot of FISC Oakland, which ceased fuel operations and is
17 scheduled to close this Fiscal Year. It contains buildings
18 on the national register of historic places.
19 The City hopes the facility will be BRAC'd and that
20 it will be transferred to it for $1. The property must be
21 determined clean by standards established by various EPAs.
22 Under Public Law 100-180, Section 2338, as amended,

1 the Secretary of the Navy was authorized to sign the 50-year
2 lease. The Navy has been in active negotiations with Port of
3 Oakland, which operates as part of the city and plans to
4 build a huge intermodal project.
5 This project is anticipated to generate numerous
6 new jobs. The city and Navy recently signed leases for two
7 of four parcels of FISC land and expressed concern that if
8 the remaining parcels are handled through the BRAC process,
9 availability of the land may be delayed.
10 The estimated cost of the intermodal facility is
11 $500 million and project delays might make investors nervous
12 and possibly result in the projects cancellation. Thus, the
13 city desires to insure no FISC open land, with the possible
14 exception of a specific 75-acre area not considered for
15 lease, be slated for any Commission action.
16 The discussion about the desire of the three
17 municipalities may be a little confusing, so let me show you
18 a slide which summarizes the alternatives.
19 Please put up Slide NBU-50.
20 First alternative is to do nothing, thus keeping
21 FISC Oakland and all the land in Oakland available for lease.
22 Second possibility is to vote to close all of FISC

1 Oakland, including all of its lands.

2 A third possibility to vote to close all of FISC
3 Oakland, including all its land and move DFAS and Military
4 Sea Command, the two major tenants, to government-owned
5 space.

6 The fourth possibility is to realign FISC Oakland,
7 including closing Point Molate, closing the Navy Supply
8 Annex, Alameda, closing FISC Oakland, and retaining all but
9 75 specifically described acres of land.

10 The fifth possibility is to realign FISC Oakland
11 only closing Point Molate and Alameda.

12 Of particular concern to R&A staff was the DOD
13 recommendation to move Military Sea Command, Pacific, and
14 DFAS, to lease space in Oakland. Staff believes government
15 space is almost always preferable to leased space,
16 particularly when space is available on a DOD facility which
17 can provide or share personnel, security and base operating
18 costs.

19 R&A staff also requested BSAT run an excursion
20 reflecting moving into government-owned space at Oakland Army
21 Base. The lower savings $49 million, which appears in the
22 lower right-hand corner of the slide, were attributable to

1 $62 million in one-time costs in buildings occupied until one
2 year ago, and to a very high base operating support at Army
3 Oakland.
4 R&A staff would have preferred to recommend
5 movement into government-owned space, but given this
6 scenario, it is strongly recommended that government-owned
7 facilities be carefully considered.
8 Does anybody have any questions?
9 CHAIRMAN DIXON: Thank you, Mr. Epstein. Are there
10 any questions or comments?
11 COMMISSIONER KLING: Yes,sir.
12 CHAIRMAN DIXON: Commissioner Kling.
13 COMMISSIONER KLING: The question is -- I believe
14 Commissioner Steele was there, and Commissioner Cornella and
15 I were there. One of the big issues -- and I just want to be
16 sure we get this -- and I believe I understand it, and I
17 believe I asked our counsel the question, but one of the big
18 issues was -- The legislation allowed Navy to go ahead and to
19 lease with an option to buy, or lease and at the end of the
20 period, transfer the property to the port. We were concerned
21 that by closing it, we would affect that lease that is in the
22 process of being signed. I don't think it has been signed

1 completely yet, but it is the next thing to it.

2 I believe counsel has said closing this will not

3 affect the legislation, and that that lease and the ability

4 to give the property to the community can go forward as they

5 have negotiated. Is that correct?

6 MR. EPSTEIN: That is my understanding, sir.

7 COMMISSIONER KLING: Then the next point with this,

8 and I believe everybody is kind of comfortable with that -- I

9 know the Commander was very adamant and very comfortable with

10 that, as well. The other point was is that in one of the

11 adjacent buildings, that the accounting function was in the

12 process of moving to another building and to taking this old

13 warehousing space -- and I believe attempting to renovate it

14 and to move the complete accounting facilities for the area

15 into this property, that if I remember was going to be at

16 something like $150 a square foot.

17 I may be wrong with that figure, but it was a

18 substantial sum of money that we questioned -- why go into

19 leased space and why not go into government-owned spaces?

20 Did I get that right or wrong?

21 MR. EPSTEIN: It is my understanding that DFAS has

22 requested $18 million for that MILCON Project.

1 COMMISSIONER KLING: And the square feet was, if I
2 remember, 125,000. So if you divide that back, you get
3 almost $150 a square foot, which is an enormously high cost
4 to go in and spend. But I guess we are rejuvenating pretty
5 old property, where you could certainly go and build a new
6 building, maybe.
7 MR. YELLIN: Yes, sir. Those kind of conversion
8 costs come close to new buildings.
9 COMMISSIONER KLING: Anyway, so that is pretty much
10 where we were. I believe, Mr. Cornella, are you in agreement
11 with that?
12 COMMISSIONER CORNELLA: Yes, I am to a point. I
13 know that was our concern, but my question is this: It was
14 my understanding this is basically going away by itself. Is
15 that not correct?
16 MS. KING: If you re referring to the whole
17 facility.
18 COMMISSIONER CORNELLA: I am talking FISC Oakland
19 is what I am referring to.
20 MR. EPSTEIN: FISC --
21 COMMISSIONER CORNELLA: Except for 36 to 46 acres,
22 somewhere in that number that the Navy would retain. The

1 remainder of it would be released to the Port of Oakland or
2 the City of Oakland for $1. Now, there was special
3 legislation created in the United States Congress in order to
4 make that happen.
5 Now, what are we accomplishing by BRACing this
6 thing, rather than letting that go forth?
7 MR. EPSTEIN: Potentially saving $150 million.
8 COMMISSIONER CORNELLA: How are we going to save
9 that $150 million without interfering with the process as
10 they have set it up -- the United States Congress?
11 MR. EPSTEIN: It is my understanding that any BRAC
12 action that closes the facility will not affect the ability
13 to conduct that lease.
14 COMMISSIONER CORNELLA: Where are we getting that
15 $150?
16 MR. EPSTEIN: We are getting rid of a huge
17 infrastructure that is going to remain to keep the tenants --
18 COMMISSIONER CORNELLA: I just asked if it was
19 going away regardless --
20 MR. YELLIN: Commissioner Cornella, the issue
21 here -- we need to make a distinction -- is supply center
22 functions are going away, in essence, but FISC Oakland

1 employees will have to be retained, significant number of
2 them to act as building managers, building operators for the
3 government tenants that are planned to remain.
4 COMMISSIONER CORNELLA: Now this in the 36 to 46
5 acres that remain?
6 MR. EPSTEIN: Yes, sir. This is to retain
7 basically -- to be the landlord for the many government
8 tenants -- primarily, the biggest ones are the DFAS and the
9 MSC that will retain there, and there is a significant cost
10 to continue to operate that property for those people. That
11 is the primary basis for the savings, is eliminating that.
12 COMMISSIONER CORNELLA: Under option four, we have
13 retain all but 75 acres of land.
14 MR. EPSTEIN: Yes,sir. It is a specific 75 acres
15 that we have tentative longitude and latitude markings for.
16 MR. YELLIN: But that would not create the savings
17 that we are showing for the closure scenario.
18 COMMISSIONER CORNELLA: Well, I have to tell you, I
19 visited this thing. I have been here for two days and
20 haven't been confused on any issue -- I am confused because I
21 don't understand why we are doing this. I know you can say,
22 well, we can't get 4150 million.

1 Those figures are higher than I thought we saw when
2 we were out there in Oakland, and when we talked about
3 whether or not this should be BRAC'd, and it would interfere
4 with that process.
5 This is not what I was expecting today, I guess.
6 I know we have talked about all of this and I know
7 no one is bringing up something on short notice here, but
8 without understanding this further, it would be difficult for
9 me to support it.
10 COMMISSIONER COX: I wasn't there, so I am really
11 confused.
12 CHAIRMAN DIXON: Commissioner Cox.
13 COMMISSIONER COX: Could I ask a couple of
14 questions? Can we first break out the Molate and Alameda?
15 They're three different parcels of land, right?
16 MR. EPSTEIN: Yes, ma'am.
17 COMMISSIONER COX: Something in Richmond, something
18 in Alameda, and then the Oakland. So forget Oakland for a
19 minute. Richmond and Alameda, are those lands at all
20 involved in the lease?
21 MR. EPSTEIN: There is special legislation that
22 could potentially affect Alameda, but the city of Alameda

1 would prefer to get the land through the BRAC process,
2 instead of taking their chances with the lease.
3 COMMISSIONER COX: Does the Navy agree?
4 MR. EPSTEIN: For no -- no exception taken to that
5 position.
6 COMMISSIONER COX: No, do -- I mean, no exception
7 taken -- I mean, did we call them up and say, "Jeez, we'd
8 like to at least move that portion of land," and they said,
9 "Okay, fine"?
10 MR. EPSTEIN: No.
11 MR. YELLIN: Counsel, I'm not sure if you could
12 help us with this, but it's our understanding that the Navy's
13 judgment is that they would prefer not to continue to be the
14 landlord. If the community needs this property over the long
15 term, they would prefer to have it be excessed and
16 transferred to the community.
17 COMMISSIONER COX: So they would agree on that
18 portion, and we're clear that the Alameda and Richmond
19 portions, at least at the moment, are not involved in
20 whatever they're trying to do at the Oakland terminal?
21 MR. EPSTEIN: That's correct.
22 COMMISSIONER KLING: But they do want that

1 property.

2 MR. EPSTEIN: The communities would like the

3 property.

4 COMMISSIONER COX: The communities want the

5 property.

6 COMMISSIONER KLING: As I remember, the Navy would

7 like to give it to them.

8 COMMISSIONER COX: Does the Port of Oakland object

9 to Alameda and Richmond getting their property?

10 MR. YELLIN: No.

11 COMMISSIONER KLING: No.

12 COMMISSIONER COX: No. So maybe we could sort --

13 okay. That's those two.

14 Now, this is where I get really confused.

15 COMMISSIONER KLING: Well, it would be helpful if

16 our counsel would explain a little something to do with the

17 lease, I believe, too, and the legislation. I think it will

18 help.

19 CHAIRMAN DIXON: All right. Let's try that.

20 MS. CREEDON: The legislation provides the

21 Secretary of the Navy with discretionary authority to enter

22 into leases with the Port of Oakland, the City of Oakland,

1 and the City of Alameda. It's discretionary authority, and
2 it's long-term discretionary authority at minimal
3 compensation. That discretionary authority is compatible
4 with the decision to close.
5 The Secretary of the Navy still retains that
6 discretionary authority to enter into all of those leases,
7 notwithstanding whether the property is open or closed under
8 BRAC.
9 COMMISSIONER COX: My understanding is that at
10 least two leases have been entered into.
11 MS. CREEDON: Two leases have been entered into,
12 and those leases are not defeated by the closure of FISC
13 Oakland; those leases would remain in full force and effect
14 until such time as the parties may make some other
15 arrangements.
16 COMMISSIONER COX: And do any costs on either side
17 get changed? In other words, right now they have a lease to
18 do something. By virtue of our BRAC'ing it, does the Navy
19 get out of something it agreed to do under that lease, or
20 agreed to do as part of that lease, or does the community get
21 something more by not BRAC'ing it versus not BRAC'ing it?
22 MS. CREEDON: The terms and conditions of the lease

1 would stay in effect until such time as the parties did
2 something else, so this would not have an impact on the
3 lease, unless the parties wanted to do something different.
4 What this does is it provides the opportunity for
5 the community, if they should desire, to act to get ownership
6 of the land, rather than just a leasehold interest in the
7 land.
8 COMMISSIONER COX: My understanding -- and, again,
9 I really don't have an understanding, so what I had heard,
10 anyway -- was that part of the problem here is that the Navy
11 had agreed to do something as part of this lease, as part of
12 the process that this lease is going through, that, if we
13 close it, they would not then have to do. I'm not even sure
14 what that was -- move tenants, pay something -- I don't know.
15 Is that --
16 MS. CREEDON: Well, the legislation allows the
17 Secretary to enter into the lease at no cost to the lessee,
18 and this doesn't have anything to do with the terms and
19 conditions of the lease, so, whatever the terms and
20 conditions of the lease might be, they would continue in full
21 force and effect.
22 COMMISSIONER COX: Two of these portions of the

1 land in Oakland, not Richmond and Alameda, are signed. Are
2 the other two -- is whatever project they're doing dependent
3 on signing the other two? I mean, can they now stop the
4 project because the leases -- the last two leases -- aren't
5 signed?
6 MR. EPSTEIN: The Port of Oakland said that they
7 need all four parcels in order to make this a success. My
8 guess is they probably would have a very limited use for the
9 land if they don't succeed in getting all four parcels.
10 COMMISSIONER COX: So these two leases, while they
11 may not change -- if the Port of Oakland, by virtue of the
12 fact that the Navy now has more or different authority than
13 they did, doesn't sign the last two leases, then that could
14 defeat whatever it was they're -- what are they doing?
15 MR. EPSTEIN: They're making an intermodal
16 connector, so that you can connect rail, truck, and ship --
17 all come together within a few hundred yards of each other.
18 COMMISSIONER COX: Have we heard from the Port of
19 Oakland on what they think on closure?
20 MR. EPSTEIN: They want us to take any action that
21 doesn't interfere with the project.
22 COMMISSIONER COX: Well, have they indicated what

1 might interfere with the project?

2 MR. EPSTEIN: No.

3 MR. YELLIN: Well, the closure of the supply center

4 would put the disposal of the property in the hands of the

5 BRAC process, and there is a preference for the port

6 conveyances, the same as they've been doing for airfields.

7 So this would --

8 COMMISSIONER COX: The BRAC process would set up a

9 reuse process different than whatever they've been doing.

10 MR. YELLIN: Right. The community would have to go

11 through the BRAC process, which is through the local

12 development authority and that whole process. They would

13 have to go through all the screenings and other things that

14 they do, but the land would be made available; they wouldn't

15 have to lease it; they could get it as a transfer of

16 property.

17 COMMISSIONER COX: Does the port want to do that?

18 MS. CREEDON: May I just point out, though, that

19 there's nothing in the BRAC that would prevent the leases to

20 go forward exactly as the port authority wants today.

21 They're not mutually exclusive.

22 COMMISSIONER COX: Although my understanding of the

1 BRAC process is that the port might not be the official
2 negotiator once they started down BRAC. Right now, the port
3 has been working with the Navy to develop this. If we get in
4 the middle of that by BRAC'ing it, that's fine, and it may be
5 that the same project could go forward, but the parties could
6 change, and the process could change.
7 MS. CREEDON: But the lease could go forward, as
8 allowed under the statute, notwithstanding BRAC.
9 COMMISSIONER COX: I understand that the two leases
10 would go forward that are signed, but what I just heard was
11 they can't do the project without two more leases.
12 MS. CREEDON: The two leases that are not signed
13 could go forward just the way they are now, too,
14 notwithstanding BRAC, so that, in the end, you could have
15 four leases, whether the land is BRAC'd or not BRAC'd,
16 whether the land is closed or not closed under BRAC.
17 COMMISSIONER COX: Right, or you could have a
18 competing group come in and say they want to do something
19 else with the land.
20 COMMISSIONER COX: The biggest thing that everybody
21 was concerned about was that, if we put this in the BRAC
22 process, we would nullify those leases, or we would hurt --

1 because, really, one of them hasn't officially been signed
2 yet. I mean, it's gone all the way up, and it's in the
3 process.
4 So what we were worried about is, if we do this,
5 how do we do this and not nullify and hurt those leases --
6 the first two? Plus, they want to do the other two, and
7 everybody's moving forward, because it's in everybody's
8 interest to do this. So that's where they're going with
9 that.
10 But then you have the situation, too, where we
11 could take the DBATH and move that off, save an awful lot of
12 money, put that into government property at one other
13 location to be decided -- whoever. And so you really come to
14 the conclusion that you're going to save quite a considerable
15 sum of money that you're going to prevent from being spent --
16 it was what, the hundred and fifty --
17 MR. YELLIN: The Navy's numbers, that they've
18 provided to us, is that, if you go ahead with the closure,
19 the net present value is $150 million.
20 COMMISSIONER KLING: Yes. There you are.
21 COMMISSIONER COX: And that's from the savings of
22 moving the DFAS and getting rid of some of the overhead?

1 MR. YELLIN: No. That scenario has them going to
2 leased space. The savings are from the very large costs that
3 the Navy would continue to bear at the remains of the supply
4 center, after the other property is leased, the very large
5 costs for that Navy to operate that, basically, as an office,
6 administrative center.
7 COMMISSIONER KLING: And the DFAS is above that,
8 right -- if they didn't spend their money?
9 MR. YELLIN: The COBRA scenario includes a
10 calculation for off-base leasing costs for DFAS.
11 COMMISSIONER KLING: Right.
12 COMMISSIONER STEELE: And, given that the special
13 legislation, which went around the BRAC process, ended up not
14 allowing the Navy to have the fair market value for the
15 property, which was originally how the port and the Navy were
16 proceeding -- if we do this, we at least -- one, we allow the
17 Navy some savings and, two, two of the communities definitely
18 want their property to be treated like any other property in
19 the United States, which is to go through BRAC for closure.
20 COMMISSIONER COX: Which communities?
21 COMMISSIONER STEELE: Alameda and Richmond.
22 So I think both -- we got handed kind of a very

1 different situation than any other recommendation, due to the
2 legislation which circumvents BRAC, and I think this is
3 really about the only way this commissioner, anyway, can deal
4 with this issue.
5 COMMISSIONER KLING: Excuse me, but just one thing.
6 This is probably one of the most unusual things, that this
7 legislation got put into place. I don't think it's happened
8 anyplace else, at any other military installation.
9 CHAIRMAN DIXON: Well, could the Chair ask this
10 question? All this conversation is interesting. I didn't go
11 out there. Does somebody have a motion that's a solution to
12 this? You know, those of you who were there and have been
13 involved in the process, or comfortable --
14 COMMISSIONER CORNELLA: Well, this is a BRAC -- or,
15 pardon me, a commission add, is it not?
16 CHAIRMAN DIXON: This is a commission add, as I
17 understand, because the Secretary of the Navy didn't put it
18 on the list because of economic reasons.
19 MR. YELLIN: That's right.
20 CHAIRMAN DIXON: It's one of that group that he
21 told us about in his testimony at the first DOD hearing. We
22 said, "Did any of you not put something on the list?" He

1 said, "Yeah," which I thought was very honest of him. He
2 said, "Yeah, here's some we didn't put on."
3 MR. YELLIN: What they stated was that, except for
4 economic impact, they would have had it on the closure list.
5 CHAIRMAN DIXON: Yeah.
6 COMMISSIONER CORNELLA: I ask this question because
7 a few minutes ago you said that the Navy wanted to BRAC this,
8 not to let it take its normal course of going out of business
9 here in a few years. Didn't I hear you say that?
10 MR. YELLIN: The supply center --
11 COMMISSIONER CORNELLA: FISC, I'm talking about --
12 FISC Oakland.
13 MR. YELLIN: Well, FISC has two functions. It's
14 losing its supply center mission but is retaining its host
15 building management missions.
16 COMMISSIONER CORNELLA: Okay. And that would take
17 place without BRAC?
18 MR. YELLIN: No. The building management mission
19 would remain. The supply center mission would go away.
20 COMMISSIONER CORNELLA: Right. Right. No, I agree
21 with that, but my point is that you had said that the Navy
22 wanted us to do this. Now, didn't the Navy not want us to

1 BRAC this at all? Because it was not an original Navy
2 recommendation.
3 MR. YELLIN: The reason stated by the Navy
4 Secretary was that this was a closure that he would have
5 recommended, except he was concerned about job losses in --
6 COMMISSIONER CORNELLA: Right, but it was not an
7 original recommendation of the Secretary of Defense.
8 MR. YELLIN: Commissioner, you're absolutely right.
9 That's a very correct statement. And the Navy has come out
10 now and said they do not want us to close this.
11 COMMISSIONER CORNELLA: Well, after hearing all the
12 concerns expressed at Oakland in regard to BRAC'ing this and
13 putting the land up for reuse after they have invested
14 millions of dollars in trying to organize this venture, I
15 would make the following motion. I would move that we remove
16 this --
17 CHAIRMAN DIXON: Commissioner Cornella?
18 M O T I O N
19 COMMISSIONER CORNELLA: I would move that we remove
20 this from further consideration.
21 COMMISSIONER KLING: What does that mean?
22 CHAIRMAN DIXON: Well, I would like to offer an --

1 COMMISSIONER COX: Wait. We've got a -- I'll be
2 happy to second the motion, for purposes of discussion.
3 CHAIRMAN DIXON: Representative Cornella is moving,
4 and Representative Cox is seconding, that we remove this from
5 further consideration, on the grounds that it's an add-on,
6 and so forth. Is that right?
7 COMMISSIONER CORNELLA: Yes, sir.
8 CHAIRMAN DIXON: Okay. Now, Commissioner Cox, did
9 you have something?
10 COMMISSIONER COX: No, no. You should finish this.
11 I have an amendment to the motion, sort of.
12 CHAIRMAN DIXON: Well, in view of the fact that
13 you've seconded the motion, why don't you amend it before we
14 get into the next phase of this thing.
15 COMMISSIONER COX: And I'm not sure how to amend it
16 exactly, but just to say that I would feel comfortable
17 separating the two issues: if we could take the Alameda and
18 Richmond versions and just deal with them. It seems to me
19 that those seem pretty clear; they don't seem to be tied up
20 in the leases and the project that's going on at Oakland, and
21 maybe we ought to go ahead and move to close those two,
22 leaving the one issue, which seems to be much more

1 complicated and confused, separate.

2 COMMISSIONER KLING: But are we sure that they are

3 completely untied in the process?

4 COMMISSIONER COX: No.

5 CHAIRMAN DIXON: Well, those are so small I don't

6 know why -- those are sitting out there. I mean, that's not

7 the issue, so why don't we just go on and deal with this

8 issue.

9 COMMISSIONER COX: Okay.

10 CHAIRMAN DIXON: Well, now, the chair has more

11 motions than he needs, almost.

12 Commissioner Cornella, have you and Commissioner

13 Cox thought about this motion? Is that the motion you want

14 to put?

15 COMMISSIONER COX: Yes.

16 COMMISSIONER CORNELLA: Yes, sir.

17 COMMISSIONER COX: And that's fine. We'll go ahead

18 and deal with it, Mr. Kling.

19 CHAIRMAN DIXON: I guess the chair is obligated to

20 make this inquiry. I take it, if this motion prevails -- and

21 I don't understand all the intricacies -- we haven't been

22 briefed, I think, perhaps, as much as we should have been on

1 this one. I don't quite get it. I mean, am I being told by
2 you, Mr. Yellin, there's a $150 million savings here that
3 Secretary of the Navy claims, if we do that right?
4 MR. LYLES: Over the next 20 years, sir. The
5 annual savings are much smaller. The annual savings are
6 about $12 million.
7 CHAIRMAN DIXON: Well, what are they saying we
8 should do to get that kind of savings? Answer the question,
9 director. What are they saying?
10 MR. LYLES: The recommendation would be to close
11 the fleet industrial supply center under the scenario that
12 the Department of the Navy used when they developed this, and
13 before it was removed from the list by the Secretary of the
14 Navy for economic impact reasons.
15 CHAIRMAN DIXON: Is that substantially true?
16 MR. YELLIN: Mr. Chairman, we asked the Navy to
17 come back and confirm the scenario with the COBRA for the
18 recommendation that the Navy secretary rejected, and this is
19 what they sent to us.
20 CHAIRMAN DIXON: Mr. Epstein, do you want to say
21 something? Then I'm going to recognize Commissioner Kling.
22 MR. EPSTEIN: I think it's worth making it clear

1 that the $150 million savings, under the scenario, was to
2 move the two major tenants into leased space. The BSAT
3 estimation of the savings, if they move into government-owned
4 space, which is not what I would support -- but they're
5 showing a much lower savings, of about $50 million.
6 CHAIRMAN DIXON: Mr. Kling?
7 COMMISSIONER KLING: I think it's fair to say that
8 the Navy supports us proceeding on this basis, as outlined,
9 except for the economic reasons. They would have put this
10 on, period, just as it is, so I think, if we just keep in
11 this context --
12 MR. YELLIN: That's what the Navy secretary told
13 us.
14 COMMISSIONER KLING: Right. So we're not doing
15 anything that the Navy doesn't want, and we're doing
16 something that the community wants, and we're not affecting
17 the leases that the community has entered into already,
18 because that's done under legislation and would not be
19 affected by this BRAC.
20 COMMISSIONER COX: Have we heard from the port or
21 the community of Oakland, that they want to do this -- that
22 they want us to BRAC it?

1 CHAIRMAN DIXON: That's a good question.

2 COMMISSIONER COX: I mean, I know we've heard from

3 Alameda and Richmond, but I haven't heard from Oakland.

4 COMMISSIONER CORNELLA: Yes, we have, and I rely on

5 my two fellow commissioners that were on the visit to back me

6 up on this. They said that they did not want it BRAC'd,

7 because, if it would be BRAC'd, it would then open up the

8 land for reuse, and some other entity could come in and take

9 it over.

10 Now, is that not correct?

11 COMMISSIONER KLING: But they said -- but they

12 didn't understand the fact that the leases will not be

13 impacted, and that's what we're back to.

14 COMMISSIONER CORNELLA: The two that are in place.

15 COMMISSIONER COX: And frankly, I have to say I

16 don't know that the leases aren't impacted. I mean, have we

17 looked at the leases? Have we heard from the lawyers from

18 the City of Oakland -- Port of Oakland?

19 CHAIRMAN DIXON: May I interrupt a minute,

20 Commissioner Cox? I'm really getting worried about this one.

21 I have to confess -- I don't know how many others among the

22 commissioners share my burden. I don't understand this.

1 COMMISSIONER COX: I don't, either.

2 CHAIRMAN DIXON: I realize it's an add-on. It is
3 not one -- I hope nobody from Oakland ever takes offense at
4 what I've said. It isn't one of those big-issue add-ons that
5 I ever concentrated on. And it sounds pretty complicated. I
6 wonder if my commissioners would let us slip this one to the
7 end of the list and get some people around here that
8 understand this to get out there and talk to everybody, so we
9 do this right.

10 I'd hate like the devil to cast a vote when I don't
11 know what I'm doing here. I want to save money. I don't
12 want to do something in the -- you know, I realize economic
13 impact isn't one of the major issues around here, but
14 California hasn't had a very good couple of days -- I know
15 that -- and I don't want to do this thing without having
16 somebody talking about this a little.

17 Does anybody have any problem with that?

18 COMMISSIONER KLING: No. Good idea.

19 CHAIRMAN DIXON: I don't know where I am on this.

20 COMMISSIONER COX: I agree. And I'd like to urge
21 us to --

22 CHAIRMAN DIXON: Well, who is the expert out there?

1 COMMISSIONER COX: Is there somebody here?

2 CHAIRMAN DIXON: Well, I mean, but are you going to

3 do some other things here, Mr. Epstein?

4 MR. EPSTEIN: Yes, sir.

5 CHAIRMAN DIXON: Are you on the list for other

6 things?

7 MR. EPSTEIN: Yes, sir.

8 CHAIRMAN DIXON: Who behind you back there, among

9 the Navy people, can get with somebody from our staff around

10 here to go through this and find out where we are on this

11 one? I don't want to blow two good days not knowing what

12 we're doing around here.

13 MR. YELLIN: I will finish up the supply centers

14 for Mr. Epstein, and he can get together with counsel and

15 start working on that.

16 CHAIRMAN DIXON: Well, let's -- oh, you can go on

17 with the list.

18 MR. YELLIN: Yes.

19 COMMISSIONER COX: And can I urge, Mr. Epstein, in

20 addition to getting with our counsel, that we touch base with

21 the people out in Oakland and in Alameda and in Richmond and

22 see if they agree with our analysis?

1 MR. YELLIN: Yes. We will do that.

2 MR. EPSTEIN: Absolutely.

3 CHAIRMAN DIXON: Somebody go figure this out and

4 come back in an hour or so, okay? Who's going to do it? Mr.

5 Epstein, you're a great American. We thank you for this. I

6 know you're going to tell us just what to do.

7 MR. YELLIN: We'd now like to go to FISC

8 Charleston, which should be --

9 CHAIRMAN DIXON: Wait a minute.

10 Would you remove your motion?

11 COMMISSIONER CORNELLA: I do, sir.

12 CHAIRMAN DIXON: The motion -- I'll wait till the

13 new reporter is in.

14 The motion put by Commissioner Cornella and

15 seconded by Commissioner Cox -- I assume with the

16 acquiescence of both, that motion is withdrawn.

17 Let the record show we're going to review this

18 question on Oakland and get back to it in an hour or so.

19 And now, Mr. Yellin, we're going to go to Fleet

20 Industrial Supply Center Charleston, South Carolina.

21 MR. YELLIN: Yes, sir. We've got the slides up to

22 show that this is a submission -- the FISC in Charleston was

1 not closed by the commission in '93. The Navy had had it on
2 its list. They did not close it.
3 The Navy has come back now and said that the supply
4 center function is going away; the customers are going away;
5 the remaining workload that the commission in '93 had
6 anticipated might require the FISC to remain, which was the
7 basis for their decision -- those people have been reassigned
8 to other commands directly, so the Navy has come back and
9 said there is no need for the command structure and the
10 organization there and have recommended that it be changed.
11 CHAIRMAN DIXON: Is there any question, Mr. Yellin,
12 on this?
13 MR. YELLIN: No, sir.
14 CHAIRMAN DIXON: Any question by anybody? Any
15 statements?
16 (No response.)
17 CHAIRMAN DIXON: Is there a motion?
18 (No response.)
19 CHAIRMAN DIXON: Commissioner Steele, do you have a
20 motion on Fleet Industrial Supply Center Charleston?
21 COMMISSIONER STEELE: Sure.
22 M O T I O N

1 COMMISSIONER STEELE: I move that the commission
2 find that the Secretary of Defense did not deviate
3 substantially from the force structure plan and final
4 criteria and, therefore, that the commission adopt the
5 following recommendation of the Secretary of Defense: close
6 the Fleet and Industrial Supply Center Charleston, South
7 Carolina.
8 CHAIRMAN DIXON: I second the motion.
9 Are there any comments?
10 (No response.)
11 CHAIRMAN DIXON: Counsel will call the roll.
12 MS. KING: Commissioner Steele?
13 COMMISSIONER STEELE: Aye.
14 MS. KING: Commissioner Cornella?
15 COMMISSIONER CORNELLA: Aye.
16 MS. KING: Commissioner Cox?
17 COMMISSIONER COX: Aye.
18 MS. KING: Commissioner Davis?
19 COMMISSIONER DAVIS: Aye.
20 MS. KING: Commissioner Kling?
21 COMMISSIONER KLING: Aye.
22 MS. KING: Commissioner Montoya?

1 COMMISSIONER MONTOYA: Aye.

2 MS. KING: Commissioner Robles?

3 COMMISSIONER ROBLES: Aye.

4 MS. KING: Mr. Chairman?

5 CHAIRMAN DIXON: Aye.

6 MS. KING: Mr. Chairman, the vote is eight ayes,

7 zero nays.

8 CHAIRMAN DIXON: The motion is adopted.

9 Naval Personnel Research and Development Center San

10 Diego.

11 MR. YELLIN: Yes. Jeff Mulliner will make the

12 staff presentation for that.

13 CHAIRMAN DIXON: Thank you.

14 MR. MULLINER: Good afternoon, Mr. Chairman,

15 Commissioners.

16 CHAIRMAN DIXON: Hi, Mr. Mulliner.

17 MR. MULLINER: The Department of Defense is

18 recommending the disestablishment of the Navy Personnel

19 Research and Development Center, or NPRDC, and the relocation

20 of its manpower and personnel research function to the Bureau

21 of Naval Personnel, in Memphis, Tennessee. The department is

22 also recommending that the classroom and a float training

1 research department of NPRDC relocate to the Naval Air
2 Warfare Center, Training Systems Division, in Orlando,
3 Florida.
4 As a manpower and training research laboratory,
5 NPRDC performs personnel program oriented research in such
6 areas as recruiting, testing and classification of military
7 personnel, and video teletraining. Among the issues raised
8 by this recommendation was a concern over the need for close
9 proximity to a ready pool of test subjects. While the
10 commission staff found this to be a consideration and would
11 expect some nominal increase in travel costs to result, it is
12 not an overriding one.
13 Staff analyzed the military construction cost
14 estimates used by the department in assessing the impacts of
15 this recommendation. Certified data estimated a cost of
16 $5.16 million for construction to accommodate NPRDC in
17 Memphis. The Navy reduced this figure to $2.8 million by
18 subtracting out costs it considered to be duplicative of
19 costs already accounted for in construction estimates for the
20 Naval Health and Research Center. The latter command is also
21 recommended for relocation from San Diego to collocate with
22 NPRDC in the same building at Memphis.

1 Based upon subsequent budget estimates obtained
2 from the Navy, staff considers the certified data cost to be
3 more realistic and reran the COBRA to reflect this higher
4 MILCON cost. This resulted in a slightly lower net present
5 value and delayed the return on investment by two years.
6 Are there any questions regarding this
7 recommendation?
8 CHAIRMAN DIXON: Are there any question of Mr.
9 Mulliner?
10 (No response.)
11 CHAIRMAN DIXON: Are there any comments?
12 (No response.)
13 CHAIRMAN DIXON: Do you have a motion, Commissioner
14 Montoya?
15 COMMISSIONER MONTOYA: Yes, I do.
16 CHAIRMAN DIXON: Commissioner Montoya.
17 M O T I O N
18 COMMISSIONER MONTOYA: I move that the commission
19 find that the Secretary of Defense did not deviate
20 substantially from the force structure plan and final
21 criteria and, therefore, that the commission adopt the
22 following recommendation of the Secretary of Defense:

1 disestablish Naval Personnel Research and Development Center
2 San Diego, California, and relocate its functions and
3 appropriate personnel, equipment, and support to the Bureau
4 of Naval Personnel, Memphis, Tennessee, and Naval Air Warfare
5 Center, Training System Division, Orlando, Florida.
6 CHAIRMAN DIXON: I second the motion.
7 Any comments?
8 (No response.)
9 CHAIRMAN DIXON: Counsel will call the roll.
10 MS. KING: Commissioner Montoya?
11 COMMISSIONER MONTOYA: Aye.
12 MS. KING: Commissioner Robles?
13 COMMISSIONER ROBLES: Aye.
14 MS. KING: Commissioner Steele?
15 COMMISSIONER STEELE: Aye.
16 MS. KING: Commissioner Cornella?
17 COMMISSIONER CORNELLA: Aye.
18 MS. KING: Commissioner Cox?
19 COMMISSIONER COX: Aye.
20 MS. KING: Commissioner Davis?
21 COMMISSIONER DAVIS: Aye.
22 MS. KING: Commissioner Kling?

1 COMMISSIONER KLING: Aye.

2 MS. KING: Mr. Chairman?

3 CHAIRMAN DIXON: Aye.

4 MS. KING: Mr. Chairman, the vote is eight ayes,

5 zero nays.

6 CHAIRMAN DIXON: And the motion with respect to San

7 Diego prevails.

8 Naval Health Research Center San Diego.

9 MR. MULLINER: The Department of Defense is

10 recommending that the Naval Health Research Center, or NHRC,

11 be disestablished and appropriate functions be relocated to

12 the Bureau of Naval Personnel in Memphis, Tennessee. The

13 previously discussed concerns over the location of the Navy

14 Personnel Research and Development Center and its proximity

15 to fleet units was also attendant to this recommendation.

16 The most compelling concerns over this

17 recommendation, however, had to do with the suitability of

18 realigning this biomedical research organization with a

19 personnel management command. The department contends that

20 the Bureau of Naval Personnel is the primary user of NHRC's

21 products, that staff visits and review indicate that NHRC's

22 mission is clearly that of a biomedical research laboratory

1 and the center is most properly and appropriately aligned
2 with the medical chain of command. NHRC's work in
3 epidemiology, sexually transmitted disease prevention, HIV
4 surveillance, the Gulf War illness, and adverse reproductive
5 outcomes research supports this alignment.
6 An alternative to disestablishing NHRC would be to
7 move the center to Memphis as an intact command under the
8 Bureau of Medicine and Surgery. If this were done, some
9 personnel savings would not be realized, resulting in a delay
10 of return on investment of two years and a reduction in the
11 net present value by $3.6 million.
12 Also mentioned on the slide is the standing up of
13 the Armed Forces Medical Research and Development Agency, or
14 AFMRDA, and its plan to use NHRC as a research unit. NHRC is
15 certainly not critical to the mission of AFMRDA, but, if NHRC
16 were subsumed by the Bureau of Naval Personnel, it would have
17 little utility to AFMRDA. This view is also supported by the
18 Director of Defense Research and Engineering.
19 Lastly, it is likely that the severance of well-
20 established operational research ties in the San Diego area
21 may adversely affect NHRC's ability to perform its mission.
22 Are there any questions on this recommendation?

1 CHAIRMAN DIXON: Well, Mr. Mulliner, are you
2 telling us it ought to stay in San Diego and not go to
3 Memphis? Is that what you're saying?
4 MR. MULLINER: Yes, sir. That's my view.
5 CHAIRMAN DIXON: Are there any other questions?
6 MR. YELLIN: Mr. Chairman, the staff has a lot of
7 concerns that this group will not be able to really perform
8 the mission that they are performing now, in Memphis, in the
9 scenario that the Navy has given us.
10 CHAIRMAN DIXON: Okay. You're disagreeing with the
11 Navy, and you think your position is the correct one. Is
12 that what you're saying to this commission?
13 MR. YELLIN: Yes, sir.
14 CHAIRMAN DIXON: Are there any questions?
15 COMMISSIONER MONTOYA: Mr. Chairman, I concur with
16 them -- with the staff.
17 CHAIRMAN DIXON: Do you have a motion?
18 COMMISSIONER MONTOYA: And I have a motion.
19 CHAIRMAN DIXON: Commissioner Montoya.
20 M O T I O N
21 COMMISSIONER MONTOYA: I move that the commission
22 find that the Secretary of Defense deviated substantially

1 from final criteria 1 and, therefore, that the commission
2 reject the Secretary's recommendation on Naval Health
3 Research Center San Diego, California, and instead adopt the
4 following recommendation: the Naval Health Research Center
5 San Diego, California, remains open and is not
6 disestablished. The commission that this recommendation is
7 consistent with the force structure plan and final criteria.
8 CHAIRMAN DIXON: I second that motion.
9 Are there any comments?
10 (No response.)
11 CHAIRMAN DIXON: Counsel will call the roll.
12 MS. KING: Commissioner Montoya?
13 COMMISSIONER MONTOYA: Aye.
14 MS. KING: Commissioner Robles?
15 COMMISSIONER ROBLES: Aye.
16 MS. KING: Commissioner Steele?
17 COMMISSIONER STEELE: Aye.
18 MS. KING: Commissioner Cornella?
19 COMMISSIONER CORNELLA: Aye.
20 MS. KING: Commissioner Cox?
21 COMMISSIONER COX: Aye.
22 MS. KING: Commissioner Davis?

1 COMMISSIONER DAVIS: Aye.

2 MS. KING: Commissioner Kling?

3 COMMISSIONER KLING: Aye.

4 MS. KING: Mr. Chairman?

5 CHAIRMAN DIXON: Aye.

6 MS. KING: Mr. Chairman, the vote is eight ayes,

7 zero nays.

8 CHAIRMAN DIXON: And the Secretary of Defense's

9 recommendation is disagreed with by the commission, and the

10 center remains at San Diego.

11 Office of Naval Research, Arlington.

12 MR. MULLINER: The Department of Defense has

13 recommended that the Office of Naval Research be not moved

14 into government-owned space and remain in its present

15 location in leased space in Arlington, Virginia. As you can

16 see on the slide, this would be done at an annual cost of

17 $1.4 million and would never see a return on investment.

18 The Department of Defense contends that this cost

19 is offset by the benefits that accrue to ONR from its present

20 location in close proximity to both the National Science

21 Foundation and the Advanced Research Projects Agency.

22 Furthermore, the Director of Defense Research and Engineering

1 has endorsed the eventual collocation of the Air Force Office
2 of Scientific Research and the Army Research Office with ONR.
3 The commission has received no indications that
4 these relocations would ever take place, but, if ONR were
5 moved to the Washington Navy Yard, as planned by BRAC '93,
6 there would be no space for the other services' research
7 offices to also relocate there.
8 Are there any questions on this one?
9 CHAIRMAN DIXON: So you're saying that the '93
10 order isn't the correct order and that we ought to keep using
11 the leased space? Is that what you're saying?
12 MR. MULLINER: The cost analysis would indicate
13 that, sir.
14 CHAIRMAN DIXON: That's what you think is correct?
15 MR. MULLINER: Yes, sir.
16 CHAIRMAN DIXON: Are there any other questions?
17 (No response.)
18 CHAIRMAN DIXON: Is there a motion?
19 COMMISSIONER MONTOYA: Mr. Chairman?
20 CHAIRMAN DIXON: Commission Montoya?
21 M O T I O N
22 COMMISSIONER MONTOYA: I move that the Commission

1 find that the Secretary of Defense did not deviate
2 substantially from the force structure plan and final
3 criteria and, therefore, that the Commission adopt the
4 following recommendation of the Secretary of Defense: change
5 the recommendation of the 1993 commission report, pages 1-
6 59/60, by deleting the Office of Naval Research from the list
7 of National Capital Region activities to relocate from leased
8 space to government-owned space within the NCR.
9 CHAIRMAN DIXON: Second the motion.
10 Any comments?
11 (No response.)
12 CHAIRMAN DIXON: Counsel will call the roll.
13 MS. KING: Commissioner Montoya?
14 COMMISSIONER MONTOYA: Aye.
15 MS. KING: Commissioner Robles?
16 COMMISSIONER ROBLES: Aye.
17 MS. KING: Commissioner Steele?
18 COMMISSIONER STEELE: Aye.
19 MS. KING: Commissioner Cornella?
20 COMMISSIONER CORNELLA: Aye.
21 MS. KING: Commissioner Cox?
22 COMMISSIONER COX: Aye.

1 MS. KING: Commissioner Davis?

2 COMMISSIONER DAVIS: Aye.

3 MS. KING: Commissioner Kling?

4 COMMISSIONER KLING: Aye.

5 MS. KING: Mr. Chairman?

6 CHAIRMAN DIXON: Aye.

7 MS. KING: Mr. Chairman, the votes are eight ayes,

8 zero nays.

9 CHAIRMAN DIXON: The motion is adopted.

10 Naval Warfare Assessment Division Corona,

11 California.

12 COMMISSIONER DAVIS: This is an add-on.

13 CHAIRMAN DIXON: Yes. Commissioner Davis quite

14 correctly points out this is an add-on.

15 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir. This

16 is one of the bases which was put back on the list by the

17 commission that was originally taken off by the Secretary of

18 the Navy. The Navy Warfare Assessment Division Corona was

19 originally taken off the Secretary's list for closure due to

20 large job loss in the California area. This is the largest

21 command, in terms of billets, of the commands that were

22 removed from the list by the Secretary.

1 The scenario which is listed above there was the
2 final scenario which was submitted to the Secretary of the
3 Navy before he did remove it from the list. Basically, it
4 divides it up into three different locations. It will send
5 some functionalities to Monterey -- the postgraduate school
6 there. It sends some air functionalities to China Lake. And
7 it will send some metrology functionalities to Crane,
8 Indiana.
9 As you see from the COBRA, there is a substantial
10 return on investment. There is also substantial one-time
11 cost. And there is the job loss down at the bottom.
12 The primary issue which was raised -- excuse me. I
13 don't want to say "primary." Probably the most vocal one
14 raised by the community was in regards to the independent
15 assessment capability. They felt very strongly that it would
16 be lost if the functionalities were divided up. The Navy's
17 position is there are several activities which presently have
18 collocated assessment divisions, and they are capable of
19 conducting independent assessment.
20 The next issue is in regards to the COBRA analysis
21 and the cost estimation.
22 CHAIRMAN DIXON: May I interrupt you, Commander

1 Lindenbaum?

2 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir.

3 CHAIRMAN DIXON: This is an add-on.

4 Is there a motion?

5 (No response.)

6 CHAIRMAN DIXON: Is anybody desirous of making a

7 motion on this add-on?

8 (No response.)

9 CHAIRMAN DIXON: Corona is open.

10 MR. YELLIN: H-11 and H-12. The next facility is

11 Surface Warfare Center White Oak. Jeff Mulliner will present

12 that.

13 MR. MULLINER: The Department of Defense is

14 recommending the complete closure of the White Oak detachment

15 of the Naval Surface Warfare Center, Dahlgren Division. Of

16 the technical facilities located there, only the Ship's

17 Magnetic Silencing Complex will be moved. The remainder of

18 the facilities will be abandoned under this recommendation.

19 The primary issue in this recommendation is the

20 disposition of the technical facilities -- in particular, the

21 Nuclear Weapons Effects Complex and the Hypervelocity Wind

22 Tunnel. Certified data is replete with documents attesting

1 to the critical nature of the work performed at these two
2 facilities and their importance to defense test and
3 evaluation. However, the Department of Defense, even in
4 testimony before this commission, has indicated that the
5 facilities are no longer critical and that, if an agency
6 requires their use, the facilities are available to be taken
7 on in the reuse process.
8 It should be noted that NSWC White Oak operates
9 under the Defense Base Operating Fund, and a portion of the
10 operating costs are borne by the customers, but, if another
11 government agency were to operate these facilities, it would
12 incur a $6.6 million operating cost.
13 Staff ran a sensitivity analysis COBRA using this
14 figure, and, in effect, all savings were erased, and no
15 return on investment resulted.
16 Are there any questions on this recommendation?
17 CHAIRMAN DIXON: Are there any questions of Mr.
18 Mulliner in connection with this recommendation?
19 COMMISSIONER KLING: Just one, sir.
20 CHAIRMAN DIXON: Commissioner Kling?
21 COMMISSIONER KLING: What your last statement just
22 said is that all the savings that we would get by closing

1 this are just eliminated by --

2 MR. MULLINER: If the facilities continued to

3 operate.

4 COMMISSIONER KLING: But the intention is to not

5 have them continue to operate, correct?

6 MR. MULLINER: That's right.

7 COMMISSIONER KLING: So the intention is for them

8 to close, the one section move, and then we would have the

9 effect of saving?

10 MR. MULLINER: Yes, sir. And Secretary Gotbaum had

11 talked to us about that. And this was in response to

12 comments that we had gotten from the communities and people

13 involved with these facilities, that these are critical, that

14 they absolutely will be used by other parts of the Defense

15 Department.

16 The comment that this would be just a reuse issue

17 is really not a valid one, because, if you assume

18 that somebody else in the Defense Department is just going to

19 pick it up, then they're going to bear these costs. So there

20 isn't any savings. But Secretary Gotbaum was very clear that

21 they've been looking around and they can't find anybody that

22 wants to step up with money to run these things.

1 COMMISSIONER DAVIS: Who are the users of this?

2 CHAIRMAN DIXON: Mr. Davis.

3 MR. MULLINER: Could we have back-up slide 60A,

4 please? This is collation of 17 years' worth of usage of the

5 hyper velocity wind tunnel.

6 MR. YELLIN: The nuclear effects facility is used

7 primarily by Defense Nuclear Agency. In fact, they're in the

8 process of spending money to upgrade that right now.

9 COMMISSIONER STEELE: May I ask a question on this?

10 CHAIRMAN DIXON: Commissioner Steele.

11 COMMISSIONER STEELE: If we accepted the

12 Secretary's recommendations, and one of the services had a

13 change of heart, they could step up to the plate, under the

14 BRAC process, and say, okay, I'll swallow that $6.whatever

15 million annually.

16 MR. YELLIN: Yes.

17 COMMISSIONER STEELE: And if none of them did, it

18 could be privatized or whatever.

19 MR. YELLIN: That's right, yes.

20 COMMISSIONER STEELE: Okay, thank you.

21 COMMISSIONER DAVIS: So the Air Force is using this

22 in addition to the fact that the Air Force has a wind tunnel,

1 also?

2 MR. YELLIN: I think this has some unique

3 capabilities that are different than the others.

4 MR. MULLINER: If we could put up slide 60, that

5 summarizes the capabilities of the hyper velocity wind

6 tunnel.

7 MR. YELLIN: Initially, we have some documentation

8 that the Army had initially considered this. They are right

9 adjacent -- Harry Diamond and Adelphi is right adjacent to

10 this property. But our understanding is that during this

11 analysis by the Navy and the Defense Department, they changed

12 their mind and said right now we don't want to step up to do

13 this. Although, you're absolutely right, they may --

14 somebody may do this later on.

15 COMMISSIONER DAVIS: NASA has no interest?

16 MR. YELLIN: Not yet, not that we've heard.

17 CHAIRMAN DIXON: Mr. Robles.

18 COMMISSIONER ROBLES: Mr. Chairman, I thought you

19 told me this was a DBOF facility.

20 MR. YELLIN: Yes, it is.

21 COMMISSIONER ROBLES: And as such, it's funded by

22 the big corporates, called DBOF.

1 MR. YELLIN: Yes, it is.

2 COMMISSIONER ROBLES: And so if I'm a customer,

3 whether I be an Army, Navy, or Air Force customer, the DBOF

4 will charge me for using it.

5 MR. YELLIN: Yes, sir.

6 COMMISSIONER ROBLES: Those people are still going

7 to have requirements to use that tunnel, I assume. So by the

8 DBOF mechanism, they will pay for it. It will be pay as you

9 go, or is there something I missed.

10 MR. YELLIN: The Navy indicated there is a level of

11 subsidy that they provide by the base operations, that go

12 beyond the operation of the individual facility.

13 COMMISSIONER ROBLES: So why wouldn't it be that

14 that subsidy be identified; it would be rolled into the DBOF;

15 it would change the rate they would charge customers for the

16 use of that. Then it's kind of a pay as you go operation.

17 MR. YELLIN: That's right, that's right.

18 COMMISSIONER ROBLES: I fail to see the relevance

19 here.

20 MR. YELLIN: Well, there are other facilities there

21 that the Navy has that the Navy is shutting down. So the

22 level of subsidy provided by that will go away.

1 COMMISSIONER ROBLES: Yeah, but that's a different
2 issue.
3 MR. YELLIN: But you're absolutely right,
4 Commissioner --
5 COMMISSIONER ROBLES: Let it go on its own. That's
6 why DBOF was established -- so they'd have a mechanism to
7 charge customers a going rate, and they can just -- whatever
8 the rate is set, they use it and they pay for it. If they
9 don't want to use it, they can find an alternative somewhere
10 else; they go somewhere else.
11 COMMISSIONER MONTOYA: Mr. Chairman.
12 CHAIRMAN DIXON: Commissioner Montoya.
13 COMMISSIONER MONTOYA: I think it's an issue of who
14 is going to be the host.
15 MR. YELLIN: Yes, sir.
16 COMMISSIONER MONTOYA: You know, fundamentally,
17 who's going to have the accounting management. And the Navy
18 has said, clearly that they want out; that they're through,
19 they want out.
20 COMMISSIONER ROBLES: That's true, but wouldn't it
21 be prudent, and whoever is the host? I mean, I understand
22 the subsidy issue. The subsidy issue can be fixed by going

1 and just charging that to the rates and jacking up. Has
2 Defense indicated any desire at all for Defense to run it for
3 the benefit of the other services?
4 MR. YELLIN: Secretary Gotbaum said they tried
5 everything they could to see who has funded workload for this
6 that's willing to step up. And he's talked about the wind
7 tunnel, and he said we only got very small amount of work
8 promised that's funded, in relationship to the fixed cost of
9 operating that. So right now, they agree with the walkaway
10 as reasonable, based on the workload that they saw projected.
11 COMMISSIONER ROBLES: Oh, I see. So what you're
12 saying is, the customers have no bucks.
13 MR. YELLIN: Or no one has stepped up and committed
14 to it, and they may be not stepping up because the host
15 function may fall with that. That may be one of the reasons.
16 CHAIRMAN DIXON: Are there any further questions?
17 COMMISSIONER COX: Could I just follow up on that?
18 CHAIRMAN DIXON: Commissioner Cox.
19 COMMISSIONER COX: I understood, from your answer
20 on Mr. Robles' question, that the subsidy problem could be
21 fixed. Joe's got a background in that.
22 COMMISSIONER ROBLES: Sure, if it's a DBOF

1 activity, you can adjust the rate now to take up the subsidy
2 slack, but it's the management issue, I think, is what I
3 heard.
4 COMMISSIONER COX: The DOD calls up the various
5 people using it and says, hey, would you like to subsidize it
6 by $6.6 million? I guess the answer would be no. I mean, do
7 we call them up and say, do you have work; or do we call them
8 up and say, do you want to subsidize it by $6.6 million?
9 MR. YELLIN: Commissioner, we did not go and poll
10 people on whether they would --
11 COMMISSIONER COX: Do we know what the funded
12 workload is, say, for '96, '97, '98? My understanding was
13 that they were completely full. They had a funded workload.
14 Maybe not at a high enough price, per Commissioner Robles.
15 MR. MULLINER: In the case of the nuclear weapons
16 test facility, we have certified data that the projected use
17 out to FY 97 is 65 percent to 85 percent. Of that, 20
18 percent to 30 percent is maintenance time.
19 COMMISSIONER COX: Does DBOF not pay for
20 maintenance time? That can't come into it?
21 MR. YELLIN: That gets factored into the costs.
22 COMMISSIONER COX: It does. And the hyper velocity

1 wind tunnel?

2 MR. MULLINER: I don't have figures on that, ma'am.

3 COMMISSIONER COX: When we were out there, I know

4 they said it was virtually 100 percent, but I don't know

5 that.

6 COMMISSIONER ROBLES: See, the reason -- this is

7 kind of an interesting issue, because there are many

8 functions performed by the services as executive agents for

9 others. I assume what this says is the Navy is not the

10 executive agent for all the Defense Department. DOD did not

11 classify this as an executive agent function. Just over

12 time, the different services had just been using this

13 facility, given that kind of track record.

14 I just wonder why DOD did not step up to the plate

15 and say, we're going to designate a service to be the

16 executive agent. They will fully fund -- if there's a

17 funding requirement out there. And when you do that, you

18 designate an executive agent, and then you charge a DBOF for

19 everything required to run that as an executive agent. And

20 then the prices you charge will fully subsidize it, and it's

21 all over.

22 But I think what's happening is the Navy says, what

1 am I getting out of this; I'm subsidizing this, my
2 requirements are going down; adios, I'm out of here, and if
3 somebody else wants to pick up the slack, knock yourself out.
4 I think that's the issue, if I --
5 MR. YELLIN: That's right. But the Defense
6 Department agreed with that. We went back to the Defense
7 Department. In fact, I think that's why the question was
8 asked Secretary Gotbaum. And he was very explicit that they
9 made inquiries, they went through that consideration because,
10 you're right, they obviously have that authority to direct
11 someone to take this. And they said they could not identify
12 the work that supported it.
13 COMMISSIONER ROBLES: You know, what's puzzling
14 about all this -- I mean, I wouldn't draw this out if I
15 didn't remember, I think, didn't the chairman of the Joint
16 Chiefs of Staff make a statement about this?
17 MR. MULLINER: Yes, he did. He said he was worried
18 about losing this capability.
19 COMMISSIONER ROBLES: There's an easy way to fix
20 that. But that's within the department's purview to fix
21 that.
22 MR. YELLIN: And the reality is, even if we accept

1 the DOD recommendation to walk away from this, then all that
2 does is it takes out of the Navy's hand, and the first thing
3 is DOD screening. And it could go to another service, or it
4 could be directed to go to another service.
5 CHAIRMAN DIXON: What's the pleasure of the
6 commission? Are there any further questions? Is there any
7 further comment? Is there a motion by any commissioner? I
8 move that the commission find that the Secretary of Defense
9 did not deviate substantially from the force structure and
10 final criteria; and therefore that the commission adopt the
11 following recommendation of the Secretary of Defense.
12 Close the Naval Surface Warfare Center, Dahlgren
13 division detachment, White Oak, Maryland. Relocate the
14 functions, personnel, and equipment associated with ship
15 magnetic signature control R&D complex to the Naval Surface
16 Warfare Center, Carderock, Maryland; and the functions and
17 personnel associated with reentry body dynamics, research and
18 development to the Naval Surface Warfare Center, Dahlgren,
19 Virginia.
20 Is there a second?
21 COMMISSIONER KLING: I second, Mr. Chairman.
22 CHAIRMAN DIXON: Commissioner Kling seconds. Is

1 there any comment? Commissioner Cox.

2 COMMISSIONER COX: I guess I just have to say that

3 I oppose this. This is one of a series we're about to see of

4 any one of the services saying, I don't want to be a host

5 anymore, and let's play chicken. And you're right, it can

6 get worked out in the re-use process, but it seems to me that

7 we should not be used as part of that game. And if we think

8 this is going to be taken over, we're going to be taking

9 $85.9 million 20 year return on investment, and it isn't

10 going to be true.

11 Because one, it's a DBOF and it's funded; and two,

12 somebody else will take it over if it's right. And I think

13 we should force the DOD to work it out.

14 CHAIRMAN DIXON: Okay. Are there any further

15 comments? Counsel, call the roll.

16 MS. CREEDON: Mr. Chairman.

17 CHAIRMAN DIXON: Aye.

18 MS. CREEDON: Commissioner Cornella.

19 COMMISSIONER CORNELLA: Aye.

20 MS. CREEDON: Commissioner Cox.

21 COMMISSIONER COX: No.

22 MS. CREEDON: Commissioner Davis.

1 COMMISSIONER DAVIS: No.

2 MS. CREEDON: Commissioner Kling.

3 COMMISSIONER KLING: Aye.

4 MS. CREEDON: Commissioner Montoya.

5 COMMISSIONER MONTOYA: Aye.

6 MS. CREEDON: Commissioner Robles.

7 COMMISSIONER ROBLES: No.

8 MS. CREEDON: Commissioner Steele.

9 COMMISSIONER STEELE: Aye.

10 MS. CREEDON: Mr. Chairman, the vote is five ayes
11 and three nays.

12 CHAIRMAN DIXON: And the motion carries, and the
13 Secretary of Defense is supported.

14 MR. YELLIN: The next is Naval Surface Warfare
15 Center, Annapolis. Mr Epstein will do the presentation on
16 that.

17 MR. EPSTEIN: Please put up slides H13 and H14.
18 The current Department of Defense recommendation is to close
19 NSWC Annapolis; transfer seven of its 10 major facilities to
20 Philadelphia; rebuild one in Carderock or elsewhere; and
21 abandon two. The Navy justified the proposed closure by
22 saying that sharp declines in technical center workload

1 through 2001 will lead to excess capacity in these
2 laboratories.
3 This excess and the imbalance in source levels
4 dictate closure, realignment or consolidation of activities
5 wherever practical. To this remark, Annapolis community
6 pointed out in briefing material that even with a 35 percent
7 reduction in funding of labor, all of its workforce would be
8 fully funded. The COBRA prepared by the Navy reflects the
9 elimination of 138 civilian billets, of which over 40 percent
10 are technicians and other support personnel.
11 This results in a savings with a net present value
12 of $135 million. The community has expressed numerous
13 concerns over this recommendation, the most important of
14 which I'd like to share with you. The most significant issue
15 is the planned abandonment of the deep ocean and the fluid
16 dynamics facilities. The deep ocean facility is the only
17 facility in the Western Hemisphere that can test equipment of
18 this size and simulate such depths.
19 It also has the fairly unique ability to extract
20 heat as pressure builds and depths increase. And there are
21 t.v. cameras to monitor what's transpiring in the chamber.
22 The Annapolis community and NAVSEA project manager stated

1 that tests performed by or on behalf of Navy in the chamber
2 would cost about one-tenth as much as live testing, and
3 suggested the additional costs for 1996 alone might be closer
4 to $5 million.
5 Navy officials responded with data which supported
6 a projection that the increased costs associated with
7 alternative testing methods on tests being conducted by or on
8 behalf of the Navy would have a net present value of about $5
9 million. They explained that on some testing, there would be
10 some minor degree of risk, other testing, perhaps amounting
11 to about 10 percent of total tests, would have to be
12 conducted -- that would have been conducted at Annapolis,
13 would be too dangerous to conduct.
14 The fluid dynamics facility -- the other facility
15 to be abandoned -- was built after the disappearance of the
16 Thrusher, to study how fluids act under high pressure. The
17 community says it is the only facility of its type and
18 capability. Estimated costs in a live environment would cost
19 10 to 12 times that in a laboratory. These costs do not
20 include the costs of a combatant ship, such as a submarine or
21 its crew.
22 The Navy provided an example of live testing that

1 would necessitate bringing a vessel into a dry dock to be
2 outfitted for a test; sending it out to sea for the test; and
3 then returning it to restore the original configuration.
4 Current 1996 plans are for about $1.2 million in testing in
5 this facility, representing a marginal cost of about $13
6 million in that sea testing, if all testing were performed.
7 But compared to prior years, this appears to be a
8 sharp upward spike in testing volume. The Navy said that
9 with some modifications, facilities at NSWC Philadelphia
10 could be modified to acceptably perform tests there for about
11 the same costs as they would be performed at Annapolis. When
12 the Defense Base Closure and Realignment Commission received
13 the Navy's recommendations, the scenario was to close NWSC by
14 1998.
15 After receiving questions from the staff dealing
16 with support of the Sea Wolf and SSN 21 programs, the Navy
17 revised its plan to show abandonment of the fluid dynamics
18 facility in 2000. The Annapolis community says the facility
19 will be needed at least three to four years beyond this. A
20 second major item of contention was the Navy's position that
21 the COBRA analysis did not have to reflect the cost of the
22 salaries of government employees who are assigned to

1 unhooking, rehooking and recalibrating equipment, because
2 these costs could be offset by the savings which would be
3 achieved by eliminating positions more rapidly.
4 Despite some reservations, the R&A staff accepted
5 that Navy position. The prepared COBRA also did not include
6 any costs for moving the equipment to Philadelphia and
7 Annapolis, other than the COBRA calculated costs of moving
8 and packing non-specialized equipment. The staff added
9 estimated costs for contractor support for the move and for
10 ancillary pipes and valves, which probably would have to be
11 replaced in conjunction with the move.
12 Please take down slide H13, and put up slide H15.
13 The community expressed concern over likely interruption of
14 the chlorofluorocarbon, that's CFC, eliminations program.
15 This program is necessary to ensure the Navy conforms with
16 the provisions of the international treaty banning CFC use.
17 Our questions and NSWC concerns led to what appears to be a
18 workable plan to move the working phases to Philadelphia.
19 However, the staff concluded that it was not
20 sufficient to keep Annapolis open until the 2001 turnover
21 date, but that the Navy needs billets to continue work in
22 refrigerants, as global warming and other environmental

1 projects are likely just over the horizon. Staff added
2 billets to the number previously scheduled to move to
3 Philadelphia.
4 The COBRA prepared by the staff delay the transfer
5 of some Annapolis billets to Philadelphia, in order that they
6 might support fluid dynamics and CFC work. Added costs for
7 equipment movement kept part of the Annapolis facility opened
8 until 2001, and permitted some of the billets for CFC and
9 refrigerant R&D to transfer to Philadelphia. As you can see,
10 the COBRA generates an estimated savings with a net present
11 value of $81 million, and a payback in three years. Are
12 there any questions?
13 CHAIRMAN DIXON: Thank you, Mr. Epstein. Are there
14 any questions? Commissioner Steele.
15 COMMISSIONER STEELE: As I recall, when the
16 community made its presentation, they said that if this
17 facility -- the tank went away, they would have to test in
18 deep water. And historically, it's been 10 times more
19 expensive to do so. Is that worked in here anywhere?
20 MR. EPSTEIN: It's not, but I think we ought to
21 clarify the community's position. There's different manner
22 in which alternative testing can be done. In some cases, you

1 can get acceptable results through computer simulation. In
2 other cases, you may be able to test smaller components or
3 other things in a smaller tank. And according to the Navy,
4 in about 10 percent of the cases, testing would be too
5 dangerous and there would be no option.
6 So that's the percentage that's at risk. As far as
7 the costs are concerned, it appears that the net present
8 value of the additional costs -- that's not yearly, that's
9 net present value -- is probably more like $5 million to $10
10 million.
11 COMMISSIONER COX: I'm sorry, I want to make sure I
12 understand.
13 CHAIRMAN DIXON: Commissioner Cox.
14 COMMISSIONER COX: Some of it they'll do by
15 simulator, and that's fine.
16 MR. EPSTEIN: Yes.
17 COMMISSIONER COX: Some of it they won't do at all,
18 because it's too dangerous.
19 MR. EPSTEIN: That's correct. About 10 percent of
20 the tests they would not do.
21 COMMISSIONER COX: And you wouldn't want to have a
22 live test on it. And that $5 million represents that that

1 has to be done by live testing, in your view.

2 MR. EPSTEIN: That could be done with live testing.

3 COMMISSIONER COX: That could be done by live

4 testing.

5 MR. EPSTEIN: Safely.

6 COMMISSIONER COX: But would it be done -- I

7 mean --

8 MR. EPSTEIN: If the testing weren't too expensive,

9 it would probably be done by live testing, if it weren't too

10 dangerous. The 10 percent of the time, it would be too

11 dangerous and they probably would have to take their chances.

12 COMMISSIONER COX: I guess I'm looking for what

13 that middle is. There's some of it that will be done by

14 simulator, but some of it can't be done at all because it's

15 too dangerous.

16 MR. EPSTEIN: Ten percent of the testing.

17 COMMISSIONER COX: Right. But then that says to me

18 that there's some of it that will be done by live testing

19 that will be what cost?

20 MR. EPSTEIN: Five million dollars to $10 million,

21 net present value; that's not annual. So maybe a quarter of

22 a half million dollars a year.

1 COMMISSIONER COX: And did you -- did that get put
2 into the COBRA?
3 MR. EPSTEIN: No, that's not there.
4 COMMISSIONER COX: Okay, and the same on the
5 nuclear testing facility?
6 MR. EPSTEIN: The fluid dynamics facility testing,
7 according to the Navy, could be done at approximately equal
8 cost, after making some modifications to the Philadelphia
9 facility.
10 COMMISSIONER COX: And did that get put into the
11 COBRA?
12 MR. EPSTEIN: No, it's not. And there's one other
13 thing --
14 COMMISSIONER COX: And how much is that?
15 MR. EPSTEIN: We didn't get an answer until
16 recently. I think that we're talking under $5 million.
17 COMMISSIONER COX: A hundred and five?
18 MR. EPSTEIN: Under $5 million.
19 COMMISSIONER COX: Under $5 million.
20 MR. EPSTEIN: There's one other thing that's not
21 counted, and that is, if you have to use a submarine to
22 conduct a test, it does not include the cost of depreciation

1 or whatever on the submarine or the pay and compensation of
2 the crew, because that's viewed as a sunk cost.
3 COMMISSIONER COX: Okay. And once that this came
4 up -- and in fact, I asked about it last Wednesday at the DOD
5 hearing, that not including the costs of moving. And you
6 mentioned them briefly, but if you wouldn't mind going back
7 through them. Because as I recall, that alone doubled the
8 cost of the close. And I think what you said is, some of it,
9 we grant them, they'd have to do anyway.
10 MR. EPSTEIN: There are about three primary
11 categories of costs. There's work that would be done by the
12 government employees; work that would be done by contractors;
13 and there would be some material -- about $8 million worth of
14 material -- that would have to be bought to make the move
15 because things would break or couldn't be sealed properly.
16 We put back into the model about $30 million, is our estimate
17 of the cost of that move.
18 And there may be a few million dollars that -- our
19 judgment said that the community may have overstated the
20 costs. But we put in most of --
21 COMMISSIONER COX: Most of those costs.
22 MR. EPSTEIN: Yes.

1 COMMISSIONER COX: And you included, I hope, the
2 cost of government employees. I mean, making moves that they
3 wouldn't have to make, if you didn't close it.
4 MR. YELLIN: Commissioner Cox, we did get a
5 response from the Defense Department to your question. And
6 they felt that the exclusion was correct. And the way you
7 would handle that, as an alternative, and the justification
8 is that you would then have shown, in the COBRA calculation,
9 you might have shown the cost for those people as a cost of
10 the move, but you could also show the savings because you
11 could then, in essence, in the eliminations part of the COBRA
12 calculation, show them being eliminated sooner.
13 So the calculation, then, was considered to be a
14 wash.
15 COMMISSIONER COX: I'm sorry, I'm losing you there.
16 The people got eliminated sooner because they moved?
17 MR. YELLIN: No, the Navy position is, which DOD
18 agreed with, was that if you have personnel -- government
19 personnel -- that are involved in unhooking this equipment,
20 then they are doing that work. You have two choices about
21 where to put their costs. You can put the cost in the one-
22 time cost to do that work, or you can go and keep them, and

1 not eliminate them as soon as you could otherwise.

2 COMMISSIONER COX: By a few days, or what do you

3 mean?

4 MR. YELLIN: By a year, by a period of time. So in

5 other words, the COBRA model phases the elimination of

6 personnel over time.

7 COMMISSIONER COX: And because the government

8 employees are moving people, then they phase less.

9 MR. YELLIN: No, because these are technical

10 people, the laboratory personnel, that put these things

11 together, will take them apart. The Navy and the DOD

12 position is that you could show them as an elimination, and

13 then the model would calculate savings of their costs. Or

14 you can keep them on and then put those costs back into the

15 model as a one-time cost for the closure action.

16 Or you can put them in as the personnel that would

17 be kept on board and not eliminated as soon.

18 COMMISSIONER COX: Would we have these costs if we

19 didn't close them? Would we be recalibrating and moving if

20 we weren't closing?

21 MR. YELLIN: We would not be doing that.

22 COMMISSIONER COX: And if we hired a contractor, if

1 you hired somebody to do that --

2 MR. YELLIN: A portion of the costs were added back

3 in that were contract costs.

4 COMMISSIONER COX: Right, but they're saying we're

5 not counting the government costs because, I guess what

6 you're telling me, if they weren't doing this, we could fire

7 them sooner and therefore we would have savings. Is that

8 basically what you're saying?

9 MR. YELLIN: Yes, that's right. You could lay them

10 off sooner, that's right.

11 COMMISSIONER DAVIS: Mr. Chairman.

12 CHAIRMAN DIXON: Commissioner Davis.

13 COMMISSIONER DAVIS: One technical question. We're

14 still missing 10 percent of the tests if we shut down the

15 facility. Could we do 100 percent of the tests with the

16 facility as it is?

17 MR. EPSTEIN: Some of them are too dangerous. You

18 don't want to open a five inch valve on a submarine at 500

19 feet.

20 COMMISSIONER DAVIS: Yes, but what I'm saying is,

21 can you do 100 percent of the tests or modeling at the

22 current facility?

1 MR. EPSTEIN: Yes.

2 COMMISSIONER COX: Mr. Epstein, do we have a map of
3 the naval air station?

4 MR. EPSTEIN: I don't have a map of it, but I can
5 describe the land. It's surrounded on one side by the Severn
6 River, and the other parts of it are totally surrounded by
7 naval station Annapolis, which is a facility that works
8 closely with the Naval Academy.

9 COMMISSIONER COX: And so in other words, to get to
10 the buildings that are on this property, you must come
11 through the naval air station, unless you bring a boat?

12 MR. YELLIN: It's naval station Annapolis. You
13 drive through naval station Annapolis to get to the
14 laboratory.

15 COMMISSIONER COX: And how many acres is this?

16 MR. EPSTEIN: I think it's about 70 acres. I'm not
17 sure exactly.

18 COMMISSIONER COX: I think it was a little bit
19 smaller. But my only point is, what we're looking at here is
20 a tip of a peninsula past the naval air station. And this
21 property is not -- the only way to get to it is to go through
22 this naval air station. So there will also be, if the naval

1 air station will agree to it, additional costs. My personal
2 guess is that the naval air station will simply expand onto
3 this property, and it will never be made available for any
4 useful re-use process. That's my only point.
5 This is very much like the labs that we talked
6 about at Raum and at Brooks. In addition to the problem of
7 leaving the lab, the nuclear facility, you have some people
8 there who are very specialized and are working on very
9 specialized opportunities for the military, whether it's
10 quiet or submarines or whether it's pressure, whether it's
11 these fluorocarbons, which we have to meet certain
12 obligations by a certain time or it will be very expensive
13 for us.
14 And if we move this, it's no question that in
15 Philadelphia and everywhere else, we're going to be able to
16 recreate that capacity. But we're going to have a period of
17 time like we would have at Raum, like we would have at Brooks
18 Lab, where you just lose the ability to do this. And in some
19 of the cases, as Mr. Epstein has pointed out, you lose it
20 permanently. Some things are just too risky to do live. And
21 that's my concern about this proposal.
22 CHAIRMAN DIXON: Thank you, Commissioner Cox. Are

1 there any other comments or any questions by any other
2 commissioner?
3 COMMISSIONER MONTOYA: Mr. Chairman.
4 CHAIRMAN DIXON: Commissioner Montoya.
5 COMMISSIONER MONTOYA: I need to make some
6 comments, being the "Navy person" on the commission. And
7 this one was very troubling to me, and it still is. Because
8 the community, the scientists at the site, made an
9 outstanding presentation. I had two classmates there that
10 day who worked there most of their lives, up until they left
11 the Academy and did their obligated service, they had worked
12 there. And I believe them.
13 I believe that what the presentations were were
14 right on. And so clearly, I've been troubled by this all
15 along. And for that reason, I've availed myself to be
16 lobbied by other people whom I also know and trust who are in
17 the Navy. And they had -- there were two points of view.
18 One is, for those things that are going on at the detachment
19 now -- and you see it in some of the write-ups -- it is their
20 view that the work will continue almost to its completion or
21 to its completion.
22 Then it will be closed down, because work will not

1 be added. I'm speaking primarily of the CFC work. Or
2 they'll try to phase it into the private sector. And the
3 other issue, and of more importance, is the risk issue. And
4 those people who are most impacted by the risk are aware of
5 what's going on here, and they're aware of the risk and have
6 opted to take it.
7 And so I would vote to keep this open, if I had
8 gotten any support from those who have to live with the
9 decision of closure, and I did not. So I have to come down
10 on the side of those that have chosen the recommendation,
11 because they are the risk-takers.
12 CHAIRMAN DIXON: Is there any further comment or
13 any questions, or is there a motion? I move that the
14 commission find that the Secretary of Defense did not deviate
15 substantially from the force structure and final criteria;
16 and therefore, that the commission adopt the following
17 recommendation of the Secretary of Defense.
18 Close the Naval Surface Warfare Center, Carderock
19 division detachment, Annapolis, Maryland, including the
20 Bayhead Road, Annapolis; except transfer the fuel storage
21 refueling sites and the water treatment facilities to naval
22 station Annapolis to support the U.S. Naval Academy and Navy

1 housing. Relocate appropriate functions, personnel,
2 equipment and support to other technical activities,
3 primarily Naval Surface Warfare Center, Carderock division
4 detachment, Philadelphia, Pennsylvania, Naval Surface Weapons
5 Center, Carderock division, Carderock, Maryland, and the
6 Naval Research Laboratory, Washington, D.C.
7 The Joint Spectrum Center, a DOD cross service
8 tenant, will be relocated with other components of the center
9 in the local area as appropriate.
10 COMMISSIONER KLING: I second, Mr. Chairman.
11 CHAIRMAN DIXON: There's a second by Commissioner
12 Kling. Are there any further comments. Counsel, call the
13 roll.
14 MS. CREEDON: Commissioner Kling.
15 COMMISSIONER KLING: Aye.
16 MS. CREEDON: Commissioner Montoya.
17 COMMISSIONER MONTOYA: With a heavy heart, I say
18 aye.
19 MS. CREEDON: Commissioner Robles.
20 COMMISSIONER ROBLES: Aye.
21 MS. CREEDON: Commissioner Steele.
22 COMMISSIONER STEELE: Aye.

1 MS. CREEDON: Commissioner Cornella.

2 COMMISSIONER CORNELLA: Aye.

3 MS. CREEDON: Commissioner Cox.

4 COMMISSIONER COX: No.

5 MS. CREEDON: Commissioner Davis.

6 COMMISSIONER DAVIS: Aye.

7 MS. CREEDON: Mr. Chairman.

8 CHAIRMAN DIXON: Aye.

9 MS. CREEDON: Mr. Chairman, the vote is seven ayes
10 and one nay.

11 CHAIRMAN DIXON: Seven ayes and one nay, and the
12 motion carries.

13 MR. YELLIN: The next is Naval Aviation Technical
14 Services Facility in Philadelphia. David will also do the
15 presentation on that.

16 MR. EPSTEIN: Please put up slides H16 and H17.
17 This scenario moves NATSF, Naval Aviation Technical Services
18 Facility to San Diego, and makes it a department in the Naval
19 Aviation Depot, or NADEP, North Island. The cover run by the
20 BSAT reflects elimination of 50 civilian and two military
21 billets, and an annual savings of slightly over $1 million.
22 There are two issues which I would like to bring to your

1 attention.

2 The NATSF community pointed out that it has been a
3 tenant of aviation supply office in Philadelphia for more
4 than 40 years. It has a very close relationship with ASO,
5 and they have worked well together, maintaining good records.
6 They say NATSF's mission is very different from that of a
7 NADEP.

8 On the other hand, NATSF is a NAVAIR activity.
9 NAVAIR and the Navy stated that NATSF belongs at a NAVAIR
10 activity. Although NADEP, North Island is only responsible
11 for certain types of aircraft, it does have employees with
12 some responsibility to work with technical drawings.

13 The NATSF community also points out, with some
14 alarm, that housing costs in middle class neighborhoods in
15 Philadelphia, and particularly those close to the ASO
16 compound where they work, are significantly less expensive
17 than comparable housing in San Diego.

18 They pointed out that the average grade level of
19 the NATSF employees in Philadelphia is a GS-8.3 and they
20 cannot afford to make the move to San Diego and will not move
21 with their jobs.

22 Does anybody have any questions?

1 CHAIRMAN DIXON: Are there any questions of Mr.
2 Epstein?
3 (No response.)
4 CHAIRMAN DIXON: Are there any statements by any
5 Commissioner regarding this unit?
6 (No response.)
7 CHAIRMAN DIXON: Is there a motion by any
8 Commissioner?
9 COMMISSIONER MONTOYA: I have one.
10 CHAIRMAN DIXON: Commissioner Montoya.
11 M O T I O N
12 COMMISSIONER MONTOYA: I move that the Commission
13 find that the Secretary of Defense did not deviate
14 substantially from the Force Structure Plan and the Final
15 Criteria and, therefore, that the Commission adopt the
16 following recommendation of the Secretary of Defense:
17 "Close the Naval Air Technical Services Facility
18 Philadelphia, Pennsylvania and consolidate necessary
19 functions, personnel, and equipment with the Naval Aviation
20 Depot North Island, California."
21 CHAIRMAN DIXON: Commissioner, I think you
22 described it erroneously. It's "Close the Naval Aviation

1 Engineering Service Unit, NAESU," is it not?

2 (A discussion was held off the record.)

3 CHAIRMAN DIXON: Good. Thank you, I'll get caught

4 up.

5 COMMISSIONER KLING: Second, Mr. Chairman.

6 CHAIRMAN DIXON: All right. "Close the Naval Air

7 Technical Services Facility, NATSF." Okay. And you second?

8 Commissioner Kling seconds.

9 Are there any comments?

10 (No response.)

11 CHAIRMAN DIXON: Counsel will call the roll.

12 MS. CREEDON: Commissioner Montoya.

13 COMMISSIONER MONTOYA: Aye.

14 MS. CREEDON: Commissioner Robles.

15 COMMISSIONER ROBLES: Aye.

16 MS. CREEDON: Commissioner Steele.

17 COMMISSIONER STEELE: Aye.

18 MS. CREEDON: Commissioner Cornella.

19 COMMISSIONER CORNELLA: Aye.

20 MS. CREEDON: Commissioner Cox.

21 COMMISSIONER COX: Aye.

22 MS. CREEDON: Commissioner Davis.

1 COMMISSIONER DAVIS: Aye.

2 MS. CREEDON: Commissioner Kling.

3 COMMISSIONER KLING: Aye.

4 MS. CREEDON: Mr. Chairman.

5 CHAIRMAN DIXON: Aye.

6 MS. CREEDON: Mr. Chairman, the vote is eight ayes

7 and no nays.

8 CHAIRMAN DIXON: And the motion carries

9 unanimously.

10 And now we go to Naval Aviation Engineering

11 Services Unit, correct?

12 MR. EPSTEIN: Yes, sir. You were just one ahead of

13 us there.

14 CHAIRMAN DIXON: All right.

15 MR. EPSTEIN: Please put up Slides H-18 and H-19.

16 The recommended scenario is to move Naval Aviation

17 Engineering Service Unit to Naval Aviation Depot, or NADEP,

18 North Island, where it would become part of the NADEP

19 organization.

20 As shown on the slide to your left, the BSEC COBRA

21 reflects an expected savings, an annual savings of about $2-

22 1/2 million. It shows the elimination of half of the billets

1 for civilians. The function of NAESU headquarters is to
2 coordinate over 500 government employees who provide
3 technical assistance when there are problems beyond the
4 capabilities of the local maintenance personnel.
5 The NAESU community expressed concerns relating to
6 a variety of subjects, some of which are as follows. The
7 NAESU community also stated that only about 5 percent of its
8 workforce was likely to move to San Diego. The average grade
9 level of NAESU is about a GS-10.
10 NAESU just moved to the ASO compound last week, has
11 signed memoranda of understanding with ASO and believes it
12 can eliminate significant amounts of overhead. However,
13 certified data show no projected savings.
14 The staff agreed with the community's contention
15 that NAESU could be equally well located in San Diego or in
16 Philadelphia.
17 The Navy reported, in its COBRA analysis, that 58
18 civilian billets would be transferred to NADEP, North Island,
19 but that 14 positions would be eliminated from NAESU's San
20 Diego area detachments.
21 The community stated these and other detachments
22 could have been downsized without regard to the movement of

1 the headquarters organization.

2 The Navy's COBRA was not consistent with that

3 situation. Staff reran the COBRA, using personnel numbers

4 consistent with the scenario. As you can see, the revised

5 COBRA reflects a savings of about $100,000 less per year.

6 Are there any questions?

7 CHAIRMAN DIXON: Are there any questions of Mr.

8 Epstein?

9 (No response.)

10 CHAIRMAN DIXON: Are there any statements?

11 (No response.)

12 CHAIRMAN DIXON: Is there a motion, Commissioner

13 Montoya, or Commissioner Kling?

14 M O T I O N

15 COMMISSIONER KLING: Mr. Chairman, I move that the

16 Commission find that the Secretary of Defense did not deviate

17 substantially from the Force Structure Plan and Final

18 Criteria and, therefore, that the Commission adopt the

19 following recommendation of the Secretary of Defense:

20 "Close the Naval Aviation Engineering Service Unit

21 Philadelphia, Pennsylvania and consolidate necessary

22 functions, personnel, and equipment with the Naval Aviation

1 Depot, North Island, California."

2 CHAIRMAN DIXON: I second the motion. Are there

3 any comments?

4 (No response.)

5 CHAIRMAN DIXON: Counsel will call the roll.

6 MS. CREEDON: Commissioner Kling.

7 COMMISSIONER KLING: Aye.

8 MS. CREEDON: Commissioner Montoya.

9 COMMISSIONER MONTOYA: Aye.

10 MS. CREEDON: Commissioner Robles.

11 COMMISSIONER ROBLES: Aye.

12 MS. CREEDON: Commissioner Steele.

13 COMMISSIONER STEELE: Aye.

14 MS. CREEDON: Commissioner Cornella.

15 COMMISSIONER CORNELLA: Aye.

16 MS. CREEDON: Commissioner Cox.

17 COMMISSIONER COX: Aye.

18 MS. CREEDON: Commissioner Davis.

19 COMMISSIONER DAVIS: Aye.

20 MS. CREEDON: Mr. Chairman.

21 CHAIRMAN DIXON: Aye.

22 MS. CREEDON: Mr. Chairman, the vote is eight ayes

1 and zero nays.

2 CHAIRMAN DIXON: And the motion carries

3 unanimously.

4 Naval Management Systems Support Office Chesapeake,

5 Virginia.

6 MR. EPSTEIN: Please put up Slides H-20 and H-21.

7 Naval Management Systems Support Office, commonly

8 called NAVMASSO, Chesapeake, Virginia, has been occupying

9 leased space in the Norfolk area. The proposed action would

10 disestablish NAVMASSO, relocate its functions and necessary

11 personnel and equipment as a detachment of Naval Command and

12 Control and Ocean Surveillance Center San Diego, California

13 in government-owned spaces in Norfolk.

14 Note the net present value, a savings of $2.7

15 million per year made possible by the elimination of about 5

16 percent of its billets, and savings associated with occupying

17 government-owned space.

18 Although no issues were identified to staff by the

19 community, there is one item which staff believes is

20 deserving of some attention. Staff is concerned that there

21 could be a problem in the event that no government-owned

22 space can be found in Norfolk. Accordingly, it is suggested

1 that Navy be given more flexibility and the DOD
2 recommendation be modified to read "in government-owned space
3 in the Tidewater area."
4 This recommended change was discussed with and
5 agreed to by the Navy.
6 Do you have any questions?
7 CHAIRMAN DIXON: Are there any questions of Mr.
8 Epstein?
9 (No response.)
10 CHAIRMAN DIXON: Are there any statements?
11 (No response.)
12 CHAIRMAN DIXON: Is there a motion?
13 COMMISSIONER MONTOYA: Mr. Chairman?
14 CHAIRMAN DIXON: Commissioner Montoya.
15 M O T I O N
16 COMMISSIONER MONTOYA. I move that the Commission
17 find that the Secretary of Defense deviated substantially
18 from Final Criterion 2 and, therefore, that the Commission
19 reject the Secretary's recommendation on Naval Management
20 Systems Support Office, Chesapeake, Virginia and, instead,
21 adopt the following recommendation:
22 "Disestablish the Naval Management Systems Support

1 Office, Chesapeake, Virginia and relocate its functions and
2 necessary personnel and equipment as the detachment of the
3 Naval Command, Control and Ocean Surveillance Center at San
4 Diego, California in government-owned spaces in the
5 Tidewater, Virginia area.
6 "The Commission finds this recommendation is
7 consistent with the Force Structure Plan and Final Criteria."
8 CHAIRMAN DIXON: I second the motion. I take it
9 the only change there that causes us to deviate is the fact
10 that you've changed "Norfolk" to "the Tidewater area."
11 COMMISSIONER MONTOYA: Yes, sir.
12 CHAIRMAN DIXON: Is that right?
13 COMMISSIONER MONTOYA: Yes, sir.
14 CHAIRMAN DIXON: Otherwise, we support the
15 recommendation of the Secretary of Defense.
16 MR. YELLIN: Yes, sir, and we have talked to the
17 Navy about this.
18 CHAIRMAN DIXON: Any comments?
19 (No response.)
20 CHAIRMAN DIXON: Counsel will call the roll.
21 MS. CREEDON: Commissioner Montoya.
22 COMMISSIONER MONTOYA: Aye.

1 MS. CREEDON: Commissioner Robles.

2 COMMISSIONER ROBLES: Aye.

3 MS. CREEDON: Commissioner Steele.

4 COMMISSIONER STEELE: Aye.

5 MS. CREEDON: Commissioner Cornella.

6 COMMISSIONER CORNELLA: Aye.

7 MS. CREEDON: Commissioner Cox.

8 COMMISSIONER COX: Aye.

9 MS. CREEDON: Commissioner Davis.

10 COMMISSIONER DAVIS: Aye.

11 MS. CREEDON: Commissioner Kling.

12 COMMISSIONER KLING: Aye.

13 MS. CREEDON: Mr. Chairman.

14 CHAIRMAN DIXON: Aye.

15 MS. CREEDON: Mr. Chairman, the vote is eight ayes

16 and zero nays.

17 CHAIRMAN DIXON: And the motion is unanimously

18 adopted.

19 Naval Command, Control, and Ocean Surveillance

20 Center In-Service Engineering, West Coast Division, San

21 Diego.

22 MR. EPSTEIN: Please put up Slides H-22 and H-23.

1 This recommendation disestablishes the Space and
2 Naval Warfare Systems Command, SPAWAR, Naval Command,
3 Control, and Ocean Surveillance Center, NCCOSC, In-Service
4 Engineering and R&D Facilities, both located in San Diego,
5 California, and consolidates necessary functions and
6 personnel.
7 This consolidation is already underway, and no
8 employees are expected to lose jobs. Staff were not informed
9 of any community concerns by employees working in San Diego.
10 However, the Washington, D.C. SPAWAR's community expressed
11 concern that the NRED/NISE West combination serves to help
12 make the separate SPAWAR recommendation appear more cost-
13 effective.
14 Staff did not find this to be the case, as both
15 recommendations are separately viable with immediate returns
16 on investment.
17 Do you have any questions?
18 CHAIRMAN DIXON: Are there any questions of Mr.
19 Epstein?
20 (No response.)
21 CHAIRMAN DIXON: Are there any comments?
22 (No response.)

1 CHAIRMAN DIXON: Commissioner Cornella.

2 M O T I O N

3 COMMISSIONER CORNELLA: I move that the Commission

4 find that the Secretary of Defense did not deviate

5 substantially from the Force Structure Plan and Final

6 Criteria and, therefore, that the Commission adopt the

7 following recommendation of the Secretary of Defense:

8 "Disestablish the In-Service Engineering, West

9 Coast Division, San Diego, California, of the Naval Command,

10 Control, and Ocean Surveillance Center, including the Taylor

11 Street Special Use Area, and consolidate necessary functions

12 and personnel with the Naval Command, Control, and Ocean

13 Surveillance Center, RDT&E Division, either in the NCCOSC

14 RDT&E Division spaces at Point Loma, California or in current

15 NISE West spaces in San Diego.

16 CHAIRMAN DIXON: Second the motion. Is there any

17 comment?

18 (No response.)

19 CHAIRMAN DIXON: Counsel will call the roll.

20 MS. CREEDON: Commissioner Cornella.

21 COMMISSIONER CORNELLA: Aye.

22 MS. CREEDON: Commissioner Cox.

1 COMMISSIONER COX: Aye.

2 MS. CREEDON: Commissioner Davis.

3 COMMISSIONER DAVIS: Aye.

4 MS. CREEDON: Commissioner Kling.

5 COMMISSIONER KLING: Aye.

6 MS. CREEDON: Commissioner Montoya.

7 COMMISSIONER MONTOYA: Aye.

8 MS. CREEDON: Commissioner Robles.

9 COMMISSIONER ROBLES: Aye.

10 MS. CREEDON: Commissioner Steele.

11 COMMISSIONER STEELE: Aye.

12 MS. CREEDON: Mr. Chairman.

13 CHAIRMAN DIXON: Aye.

14 MS. CREEDON: Mr. Chairman, the vote is eight ayes

15 and zero nays.

16 CHAIRMAN DIXON: The motion is unanimously adopted.

17 Space and Naval Warfare Systems Command, Arlington.

18 MR. EPSTEIN: Please put up Slides I-2 and I-3.

19 In BRAC '93, the Commission decided that and Space

20 and Naval Warfare Systems Command, SPAWAR, Arlington,

21 Virginia, relocate to government-owned space within the NCR

22 -- National Capital Region.

1 The recommendation before you is to relocate SPAWAR
2 in government-owned space in San Diego, California to allow
3 consolidation of the Naval Command, Control, and Ocean
4 Surveillance Center, or NCCOSC, with the Space and Naval
5 Warfare Command Headquarters.
6 The summarization of the COBRA results show the
7 elimination of over 400 positions, or 38 percent of all
8 billets, or 42 percent of civilian billets. This makes
9 possible, according to the Navy's COBRA, a savings of over
10 $25 million a year.
11 The Navy states that the movement of SPAWAR to San
12 Diego, where NCCOSC, NRED, and NISE West are, will make it
13 possible to eliminate layers of management and to have
14 project managers on the floor with their technical teams,
15 rather than an airplane flight away.
16 The SPAWAR community was quite vocal in its
17 opposition. Allow me to present some of their many concerns:
18 The DOD Joint Cross-Service Group recommended the
19 consolidation of Command, Control, Computers, Communication,
20 and Intelligence, or C4I, acquisition at Forth Monmouth, New
21 Jersey. This recommendation was ignored by the services.
22 Staff finds the situation particularly distressing, as common

1 sense tells you that the proposed move will do nothing to
2 advance the cause.
3 Please remove Slide I-3 and put up Slide I-4.
4 The community pointed out, correctly in the eyes of
5 staff, that costs for refurbishing the San Diego facilities
6 were omitted.
7 Please remove Slide I-2 and put up Slide NBU-66.
8 They explained it is essential to maintain a strong
9 Washington presence. They conduct frequent meetings and have
10 constant interface with the numerous Washington area C4I
11 commands, some of which are on the slide before you.
12 The staff found it difficult to believe that the
13 proposed 15-person Washington contingent could maintain
14 proper client contact and revise the Navy-prepared COBRA to
15 reflect the establishment, instead, of a 50-person Washington
16 contingent. Staffing was made possible by eliminating ten
17 fewer positions and relocating 25 fewer billets to San Diego.
18 As part of its discussion of the need to maintain a
19 Washington presence, the community insisted SPAWAR would need
20 an annual additional travel budget of $13-1/2 million. The
21 Navy said it could avoid increases in the travel budget by,
22 one, representation by the Washington detachment; two, the

1 use of VTCs; and, three, the decrease in required travel
2 between SPAWAR and NCCOSC.
3 They suggested SPAWAR and NAVSEA be merged or co-
4 located. They also explained that, if NCCOSC were
5 eliminated, positions duplicated by the two systems commands
6 were removed and excess SPAWAR overhead were trimmed, even
7 greater savings could be achieved than under the Navy
8 proposal.
9 Finally, the community pointed out that much of the
10 work of interest to SPAWAR, such as information security and
11 under-sea surveillance, and other highly classified programs,
12 involved no SPAWAR personnel other than those at
13 headquarters. Thus, the community points out, moving SPAWAR
14 to San Diego will further separate SPAWAR from its customers.
15 The revised COBRA, run by the staff, injects funds
16 for rehabilitation of space in San Diego and increases the
17 size of the Washington office as described above.
18 As you can see, the impact on the savings is less
19 than a $1 million-a-year savings.
20 Do you have any questions?
21 CHAIRMAN DIXON: Thank you, Mr. Epstein. Are there
22 questions?

1 COMMISSIONER COX: I wonder if you could give us a
2 little bit better idea, because I've talked to the community
3 here, and they seem to think that they will not be able to do
4 their work and that they have very little in common, or there
5 are very little synergies, if you want to put it that way,
6 with the folks in San Diego.
7 Could you tell me a little bit more, or comment a
8 little bit more, on what the interface is with the San Diego
9 folks?
10 MR. EPSTEIN: Up until now, the NCCOSC
11 organization, which is sort of one layer down below them, has
12 maintained most of the interface and SPAWARS has run the
13 programs, at least from a program management perspective, and
14 then passed them on to NCCOSC --
15 COMMISSIONER COX: Here?
16 MR. EPSTEIN: Yes, SPAWARS here, and then passes
17 them on to NCCOSC more for execution.
18 SPAWARS also, you know, has run its own projects
19 directly, say, with NISE East in Charleston and, in some
20 cases, has contracted directly with some contractors, so that
21 NCCOSC in San Diego really has had no involvement.
22 In response to your question about the impact, it's

1 a little bit difficult to say. If you look at the Army and
2 the Air Force, though, you see cases of headquarters
3 organizations being in Washington or nearby and having the
4 people there, and you can also find cases where there's
5 virtually no Washington presence, except for a small office,
6 and I think Wright-Patterson has been an outstanding example
7 of that. It's going to require a paradigm shift, though.
8 MR. YELLIN: Commissioner Cox, the SPAWARS has
9 large field organizations, one in Charleston and one in San
10 Diego, made up of several groups. The large majority of the
11 people that the SPAWARS headquarters is responsible for
12 directing, the large majority of those are in San Diego.
13 And so I think the Navy's intention is to move them
14 closer to the organizations that they direct and guide, and
15 also to put them at a fleet location, and that's the basis
16 for the Navy's moving them out of Washington.
17 If you go back to the C4I consolidation that we
18 looked at, the Air Force and the Army do not have their C4I
19 acquisition staffs here in Washington. They're in Fort
20 Monmouth, they're at Hanscom; and those are the other
21 locations.
22 So there is not a great precedent for this function

1 to be performed by the other services here in Washington.
2 Now, as we've shown, there are a lot of organizations that
3 they deal with and, even if you do create a significantly
4 larger than planned organization here, to remain here in
5 Washington, the Navy's emphasis is on getting them together
6 with their subordinate commands and collapsing that
7 organization to eliminate layers of management and personnel.
8 COMMISSIONER COX: Did the folks from Charleston
9 move out to should, too?
10 MR. EPSTEIN: No.
11 MR. YELLIN: No. The people in Charleston remain
12 in Charleston. That is one of their large organizations.
13 The staffing levels for the laboratory and the in-service
14 engineering in San Diego, I think there are about three times
15 as many people as in Charleston. It's a very large --
16 COMMISSIONER COX: Charleston is larger --
17 MR. YELLIN: No, the Charleston staffing is about
18 one-third of the staffing out in San Diego.
19 COMMISSIONER COX: Thank you.
20 CHAIRMAN DIXON: Any further questions of Mr.
21 Epstein or Mr. Yellin?
22 (No response.)

1 CHAIRMAN DIXON: Is there a motion?

2 COMMISSIONER ROBLES: Mr. Chairman, I have a

3 motion.

4 CHAIRMAN DIXON: Commissioner Robles.

5 M O T I O N

6 COMMISSIONER ROBLES: I move that the Commission

7 find that the Secretary of Defense did not deviate

8 substantially from the Force Structure Plan and Final

9 Criteria and, therefore, that the Commission adopt the

10 following recommendation of the Secretary of Defense:

11 "Change the recommendation for the Space and Naval

12 Warfare Systems Command, Arlington, Virginia, specified by

13 the 1993 Commission (Commission Report at Page 1-59) from

14 'Relocate from leased space to government-owned space within

15 the National Capital Region to include the Navy Annex,

16 Arlington, Virginia; the Washington Navy Yard, Washington,

17 D.C., 3801 Nebraska Avenue, Washington, D.C.; Marine Corps

18 Combat Development Command, Quantico, Virginia; or the White

19 Oak Facility, Silver Spring, Maryland,' to 'Relocate from

20 leased space to government-owned space in San Diego,

21 California to allow consolidation of the Naval Command,

22 Control, and Ocean Surveillance Center with the Space and

1 Naval Warfare Command Headquarters.'

2 "This relocation does not include SPAWAR Code 40,

3 which is located at National Research Laboratory, or the

4 Program Executive Officer for Space Communication Sensors and

5 his immediate staff, who will remain in Navy-owned space in

6 the National Capital Region."

7 CHAIRMAN DIXON: Is there a second to Commissioner

8 Robles' motion?

9 COMMISSIONER KLING: Second, Mr. Chairman.

10 CHAIRMAN DIXON: Seconded by Commissioner Kling.

11 Are there any further comments?

12 (No response.)

13 CHAIRMAN DIXON: Counsel will call the roll.

14 MS. CREEDON: Commissioner Robles.

15 COMMISSIONER ROBLES: Aye.

16 MS. CREEDON: Commissioner Steele.

17 COMMISSIONER STEELE: Aye.

18 MS. CREEDON: Commissioner Cornella.

19 COMMISSIONER CORNELLA: Aye.

20 MS. CREEDON: Commissioner Cox.

21 COMMISSIONER COX: Aye.

22 MS. CREEDON: Commissioner Davis.

1 COMMISSIONER DAVIS: Aye.

2 MS. CREEDON: Commissioner Kling.

3 COMMISSIONER KLING: Aye.

4 MS. CREEDON: Commissioner Montoya.

5 COMMISSIONER MONTOYA: Aye.

6 MS. CREEDON: Mr. Chairman.

7 CHAIRMAN DIXON: Aye.

8 MS. CREEDON: Mr. Chairman, the vote is eight ayes

9 and zero nays.

10 CHAIRMAN DIXON: And the motion is unanimously

11 adopted.

12 MR. YELLIN: The next is Naval Sea Systems Command.

13 Jeff Mulliner will make the presentation on that base.

14 MR. MULLINER: The 1993 Commission recommended that

15 the Naval Sea Systems Command, or NAVSEA, move out of leased

16 space in Arlington, Virginia to government-owned space at

17 White Oak in Silver Spring, Maryland. This recommendation is

18 to change the relocation site to the Washington Navy Yard.

19 A number of issues with regard to this

20 recommendation were raised by the community and identified by

21 staff. The market inflation, from 1993 to 1995, and the

22 Navy's estimates of military construction costs at White Oak

1 was examined. This figure rose from an estimated $34.6
2 million to a current estimate of $124-1/2 million.
3 Staff finds the original estimate was miscalculated
4 in 1993 as a result of faulty assumptions on the amount of
5 square footage to be renovated and the scope of the
6 improvements and new facilities requires.
7 Fundamental to the analysis of this recommendation
8 was a comparison of MILCON costs at White Oak to those at the
9 Washington Navy Yard. Comparative square footage, the scope
10 of the projects, and the cost assumptions were all examined.
11 Staff finds that the Navy did not seriously err in its
12 estimates of MILCON costs at either site.
13 The square footage requirements at White Oak and
14 the Navy Yard are comparable when adjusted from net to gross.
15 Additionally, the costs at the Navy Yard are representative
16 of costs experienced within the last four years of similar
17 projects constructed at the same site. These previous
18 projects, incidentally, were executed under the same flood
19 plain and historical preservation requirements that would be
20 encountered in any new construction at the Navy Yard.
21 Can I have Slide I-7, please?
22 An issue closely related to construction costs

1 arose as to whether the Washington Navy Yard can accommodate
2 an influx of over 4,000 people without significant
3 infrastructure and facilities improvements. The Navy has a
4 base master plan. This plan is to transform the yard from an
5 industrial facility to an administrative one. The plan
6 envisions a base population of 10,000 people, which would be
7 the case if NAVSEA were to relocate to the Navy Yard.
8 The community contends that a pro-rated share of
9 these improvements should be accounted for in the analysis.
10 Staff finds that existing infrastructure, such as utilities
11 and sewage, is sufficient to support NAVSEA without the
12 immediate execution of the master plan. A phased program can
13 be used to improve the Navy Yard as funds become available.
14 Lastly, the Commission received a proposal from the
15 City of Philadelphia to split out the Engineering Directorate
16 of NAVSEA and to move it separately, for consolidation, to
17 the Naval Surface Warfare Center in Philadelphia.
18 The overwhelming amount of savings from this
19 recommendation result from the elimination of 230 personnel.
20 The Navy states such a savings would not be realized from
21 moving a single department, rather than a full command.
22 Staff agrees with the Navy's assessment.

1 Are there any questions regarding this
2 recommendation?
3 CHAIRMAN DIXON: Any questions of Mr. Mulliner?
4 Commissioner Cox.
5 COMMISSIONER COX: One of the arguments that have
6 been made on both sides is that the costs at the White Oak
7 and costs at the Navy Yard were based on different attributes
8 of the rework. For example, that in the Navy Yard, they
9 wouldn't be building as much parking or having as much
10 parking, and that should be costed into it, the cost of doing
11 it the same, whether it was White Oak or the Navy Yard.
12 Did we look at that?
13 MR. MULLINER: Yes, ma'am. With regard to parking,
14 the Navy's plan right now would provide 1,260 parking spaces.
15 That is not one parking space for every two people.
16 Certified data does mention that that is what was required
17 for NAVSEA. However, we found that to be a planning guide
18 that Naval Facilities Engineering Command uses when planning
19 facilities. It is not an entitlement and it's subject to
20 approval by higher authority.
21 In this case, when we spoke to the National Capital
22 Planning Commission they indicated that three people per

1 parking space is the maximum they would allow that close into
2 the city and, in many cases -- for instance, the Federal
3 Triangle -- it's five people per parking space. The intent
4 is to encourage use of public transportation and carpooling.
5 The plan, as it works out right now, is a little
6 over three people per parking space at the Navy Yard.
7 COMMISSIONER COX: And how much is it at White Oak?
8 MR. MULLINER: I don't have the figures.
9 MR. YELLIN: I think the plan there was two
10 employees per parking space, to the planning standards. The
11 parking is much cheaper at White Oak, obviously, because it's
12 surface parking.
13 COMMISSIONER COX: And, when you take the parking
14 out of the Navy Yard, in the sense of a third of the parking
15 that was being talked about, that tends to make the costs
16 look lower. I understand that you can't put any more parking
17 in there, because of the current regulations.
18 MR. YELLIN: Requirements are somewhat different if
19 you look at mass transit versus availability at the Navy
20 Yard. The Navy's position was, you don't need it if there's
21 mass transit available or public transportation available.
22 COMMISSIONER COX: What's the current parking ratio

1 at the Navy Yard? My understanding is it's two to one. Is
2 that correct?
3 MR. YELLIN: I'm not aware of the -- this is for
4 the current personnel there?
5 COMMISSIONER COX: Right. My understanding is
6 that --
7 MR. MULLINER: That could well be, with the 1,200
8 being built and there's about 6,000 people there now.
9 COMMISSIONER COX: Right. At least when I was down
10 there, what I was told is that they certainly tried to keep
11 it two to one. They thought that was an important ratio.
12 And clearly, at this point, if you move 4,000 people in
13 there, you are going to be degrading parking, obviously.
14 MR. MULLINER: More people will have to take mass
15 transit and carpool at the Navy Yard than would have to do
16 that at White Oak, certainly many more than would have to do
17 that at White Oak.
18 COMMISSIONER COX: Assuming you only had three to
19 one parking at the Navy Yard, what is the ratio of people now
20 who take mass transit? Do most of the people going down to
21 the Navy Yard take mass transit or a small portion of them
22 take mass transit? Do you know?

1 MR. MULLINER: I do know that we have anecdotal
2 information on NAVSEA, where they're located right now. This
3 is not certified data. This was information passed on a
4 survey that about in the neighborhood of 30 percent of the
5 people drive single, in their own cars; another 30 percent
6 carpool. So you end up with --
7 COMMISSIONER COX: Roughly a third taking mass
8 transit?
9 MR. MULLINER: That's right. And that's before
10 they would have to cross the river and the intervening
11 bridges, which would probably cause a much higher percentage
12 to carpool.
13 COMMISSIONER COX: Right. And I presume that, if
14 we're going to make the parking worse, three to one, that
15 we're assuming that 50, 60 percent of the people coming into
16 the Navy Yard, certainly in the rush hour time frame, are
17 going to use mass transit.
18 MR. MULLINER: That's correct. When we wrote, we
19 asked the Commandant of the Washington Naval District about
20 that, and he laid out some plans that they will have to run
21 shuttle buses back and forth because, as you know, the Metro
22 stop is not within the confines of the Washington Navy Yard.

1 They indicate that they would make accommodations
2 to make the use of mass transit as easy as possible for the
3 people working at the Navy Yard.
4 COMMISSIONER COX: I'm sorry, Mr. Chairman. This
5 seems to be a series that I'm getting involved in, and mostly
6 because they're redirects from 1993 and, as I am sure we all
7 hope, if there's another Base Closure Commission, somebody
8 will wonder if perhaps we didn't do the right thing in 1995,
9 I feel compelled to help support the '93 recommendation if,
10 in fact, that's the way it should be.
11 And, speaking from my personal experience, I drive
12 in past the Navy Yard every morning, and I can tell you that,
13 from that perspective, bringing in a lot more people is going
14 to be a serious problem in rush hour. Have the Navy Yard
15 folks or has the DOD talked to the D.C. Government and the
16 Prince Georges Government about what might be done about
17 people coming into that Navy Yard at that hour in the
18 morning? Is there a traffic plan?
19 MR. MULLINER: We have not raised that question
20 with the National Capital Planning Commission. However, I
21 can say that they are extremely supportive, obviously, of
22 this move, but it was not -- that particular question was not

1 asked.

2 COMMISSIONER COX: I'm not sure what they could do,
3 in the sense that the entry into that area is very limited
4 today, the 11th Street Bridge, for example, coming from
5 Prince Georges, where a number of people would be.

6 Well, I just have to say, you know, we got very
7 involved in this in 1993, as you all know, and the DOD and
8 the Department of the Navy felt very strongly it was very
9 important that these folks be moved out to White Oak, and
10 maybe I remain convinced by the 1993 strong feelings that
11 they should be removed to White Oak.

12 I think that you can fit 4,000 people into the Navy
13 Yard. I went down there. I saw it. They're obviously doing
14 a good job of a reuse plan. But 4,000 people is shoehorning
15 people in there. I mean, to get those last couple of people
16 in there, they're spreading them all out over the Navy Yard
17 and putting two or three people there and talking about maybe
18 they can put an extra floor up in the rafters of the
19 warehouse that will be redone.

20 It is do-able, but it is clearly a shoehorn for
21 that, and I understand that that may be what the leadership
22 of the Navy wants to do. But if I were one of the 4,000

1 people working and having to do down there, I would much
2 prefer to go to White Oak where I wasn't, frankly, walking in
3 a neighborhood where I worked for a while and where I would
4 not want to work again, from a long distance to the Metro,
5 which is not next door. It is not only not in the complex,
6 it is quite a ways down the road. I wouldn't want to be
7 standing there waiting for a shuttle bus, assuming they get
8 one.
9 And, clearly, the quality of life for the people
10 who work there is going to be better in White Oak. They're
11 going to have better parking. They're going to have a better
12 facility; and they are going to be happier.
13 Now, I understand that, for some of the leadership,
14 it's going to be a little harder to get over to the Pentagon
15 and hang out with the others at their level. But I really
16 think that we're doing something here, if we take this
17 recommendation, that's simply not the best for the soldier,
18 for the workers of the Navy yard. And I would hope we would
19 go with the DOD recommendation in 1993.
20 CHAIRMAN DIXON: Thank you, Commissioner Cox. Are
21 there any further comments?
22 (No response.)

1 CHAIRMAN DIXON: Are there any further questions?
2 (No response.
3 CHAIRMAN DIXON: Is there a motion?
4 M O T I O N
5 COMMISSIONER ROBLES: Mr. Chairman, I have a
6 motion.
7 CHAIRMAN DIXON: Mr. Robles.
8 COMMISSIONER ROBLES: I move that the Commission
9 find that the Secretary of Defense did not deviate
10 substantially from the force structure plan and final
11 criteria and, therefore, that the Commission adopt the
12 following recommendation of the Secretary of Defense: Change
13 the receiving site specified by the 1993 Commission, 1993
14 Commission Report at page 1-59, for the relocation of the
15 naval sea systems command, including nuclear propulsion
16 directorate SEA08, the human resources office supporting the
17 naval sea systems command, and associated program executive
18 offices and DRPMSs from the Navy Annex, Arlington, Virginia;
19 Washington Navy Yard, Washington, DC, 3801 Nebraska Avenue,
20 Washington, DC; Marine Corps Combat Development Command,
21 Quantico, Virginia, or the White Oak Facility, Silver Spring,
22 Maryland to the Washington Navy Yard, Washington, DC, or

1 other government owned property in the metropolitan
2 Washington, DC area.
3 CHAIRMAN DIXON: I second that motion by
4 Commissioner Robles. Are there any further statements by any
5 commissioner?
6 (No response.)
7 CHAIRMAN DIXON: Counsel will call the roll.
8 MS. KING: Commissioner Robles.
9 COMMISSIONER ROBLES: Aye.
10 MS. KING: Commissioner Steele.
11 COMMISSIONER STEELE: I concur with Mrs. Cox. Nay.
12 MS. KING: Commissioner Cornella.
13 COMMISSIONER CORNELLA: No.
14 MS. KING: Commissioner Cox.
15 COMMISSIONER COX: No.
16 MS. KING: Commissioner Davis.
17 COMMISSIONER DAVIS: Aye.
18 MS. KING: Commissioner Kling.
19 COMMISSIONER KLING: Aye.
20 MS. KING: Commissioner Montoya.
21 COMMISSIONER MONTOYA: Aye.
22 MS. KING: Mr. Chairman.

1 CHAIRMAN DIXON: Aye.

2 MS. KING: Mr. Chairman, the vote is five ayes and

3 three nays.

4 CHAIRMAN DIXON: And the motion to transfer to

5 Washington Navy Yard is adopted.

6 Naval Information Systems Management Command,

7 Arlington.

8 MR. MULLINER: The Department of Defense is

9 recommending that the Naval Information System Command be

10 moved from leased space in Arlington, Virginia to government

11 owned space at the Washington Navy Yard. The command would

12 move into space already identified at the Navy Yard and no

13 military construction is required.

14 This move permits the consolidation of this command

15 with a similar command, the Information Technology

16 Acquisition Center, which is already located at the Navy

17 Yard. Are there any questions on this recommendation?

18 CHAIRMAN DIXON: Are there any questions of Mr.

19 Mulliner on this recommendation?

20 (No response.)

21 CHAIRMAN DIXON: Any questions? Any statements?

22 (No response.)

1 CHAIRMAN DIXON: Is there a motion?

2 COMMISSIONER MONTOYA: Mr. Chairman.

3 CHAIRMAN DIXON: Commissioner Montoya.

4 M O T I O N

5 COMMISSIONER MONTOYA: I move that the Commission
6 find that the Secretary of Defense did not deviate
7 substantially from the force structure plan, the final
8 criteria, and therefore, that the Commission adopt the
9 following recommendation of the Secretary of Defense:
10 Relocate the Naval Information Systems Management Center from
11 leased space in Arlington, Virginia to the Washington Navy
12 Yard, Washington, DC.

13 CHAIRMAN DIXON: I second the motion. Are there
14 any comments or questions?

15 (No response.)

16 CHAIRMAN DIXON: Counsel will call the roll.

17 MS. KING: Commissioner Montoya.

18 COMMISSIONER ROBLES: Aye.

19 MS. KING: Commissioner Robles.

20 COMMISSIONER ROBLES: Aye.

21 MS. KING: Commissioner Steele.

22 COMMISSIONER STEELE: Aye.

1 MS. KING: Commissioner Cornella.

2 COMMISSIONER CORNELLA: Aye.

3 MS. KING: Commissioner Cox.

4 COMMISSIONER COX: Aye.

5 MS. KING: Commissioner Davis.

6 COMMISSIONER DAVIS: Aye.

7 MS. KING: Commissioner Kling.

8 COMMISSIONER KLING: Aye.

9 MS. KING: Mr. Chairman.

10 CHAIRMAN DIXON: Aye.

11 MS. KING: Mr. Chairman, the votes are eight ayes

12 and zero nays.

13 CHAIRMAN DIXON: And the motion is unanimously

14 adopted. Naval Recruiting Command, Washington, DC.

15 MR. MULLINER: The 1993 Commission recommended the

16 Naval Recruiting Command be relocated from the National

17 Capital Region to the Naval Training Center, Great Lakes.

18 This recommendation to change the receiving site to the Naval

19 Support Activity, Memphis, avoids military construction at

20 Great Lakes, a more congested site.

21 It also permits the collocation of the Navy's

22 recruiting and personnel management commands. Are there any

1 questions on this recommendation?

2 CHAIRMAN DIXON: Now, this transfers from -- has it

3 gone to Great Lakes, Illinois now?

4 MR. MULLINER: No, sir, they're in leased space in

5 Ballston at the moment.

6 CHAIRMAN DIXON: But it would have gone to Great

7 Lakes now it would go to Memphis; is that right?

8 MR. MULLINER: Yes, sir.

9 CHAIRMAN DIXON: Any other questions?

10 (No response.)

11 M O T I O N

12 COMMISSIONER CORNELLA: Mr. Chairman. I move that

13 the Commission find that the Secretary of Defense did not

14 deviate substantially from the force structure plan and final

15 criteria and, therefore, that the Commission adopt the

16 following recommendation of the Secretary of Defense: Change

17 the receiving site for the Naval Recruiting Command,

18 Washington, DC, specified by the 1993 Commission, 1993

19 Commission report at page 1-59 from Naval Training Center,

20 Great Lakes, Illinois, to Naval Support Activity, Memphis,

21 Tennessee.

22 CHAIRMAN DIXON: Is there a second?

1 COMMISSIONER DAVIS: Second.

2 CHAIRMAN DIXON: And the motion is seconded by

3 Commissioner Davis. The Chair will recuse on this one. Are

4 there any comments?

5 (No response.)

6 CHAIRMAN DIXON: Counsel, call the roll.

7 MS. KING: Commissioner Cornella.

8 COMMISSIONER CORNELLA: Aye.

9 MS KING: Commissioner Cox.

10 COMMISSIONER COX: Aye.

11 MS. KING: Commissioner Davis.

12 COMMISSIONER DAVIS: Aye.

13 MS. KING: Commissioner Kling.

14 COMMISSIONER KLING: Aye.

15 MS. KING: Commissioner Montoya.

16 COMMISSIONER MONTOYA: Aye.

17 MS. KING: Commissioner Robles.

18 COMMISSIONER ROBLES: Aye.

19 MS. KING: Commissioner Steele.

20 COMMISSIONER STEELE: Aye.

21 MS. KING: The Chairman is recused. Mr. Chairman,

22 the votes are seven ayes and zero nays.

1 CHAIRMAN DIXON: The motion is adopted. Naval
2 Recruiting District, San Diego.
3 MR. MULLINER: The 1993 Commission recommended the
4 Naval Recruiting District, San Diego, be relocated from the
5 closing Naval Training Center. This changes the relocation
6 site to a site more suited for recruiting mission. Are there
7 any questions on this recommendation?
8 CHAIRMAN DIXON: Are there any questions of Mr.
9 Mulliner on this subject matter?
10 (No response).
11 CHAIRMAN DIXON: Are there any comments?
12 (No response.)
13 CHAIRMAN DIXON: Is there a motion?
14 COMMISSIONER CORNELLA: Yes, sir.
15 CHAIRMAN DIXON: Commissioner Cornella.
16 M O T I O N
17 COMMISSIONER CORNELLA: I move that the Commission
18 find that the Secretary of Defense did not deviate
19 substantially from the force structure plan and final
20 criteria. And therefore, that the Commission adopt the
21 following recommendation of the Secretary of Defense: Change
22 the receiving site for the Naval Recruiting District, San

1 Diego, California, specified by the 1993 Commission, from
2 Naval Air Station North Island to other government owned
3 space in San Diego, California.
4 CHAIRMAN DIXON: I second the motion. Is there any
5 further comment or question by any Commissioner?
6 (No response.)
7 CHAIRMAN DIXON: Counsel, call the roll.
8 MS. KING: Commissioner Cornella.
9 COMMISSIONER CORNELLA: Aye.
10 MS KING: Commissioner Cox.
11 COMMISSIONER COX: Aye.
12 MS. KING: Commissioner Davis.
13 COMMISSIONER DAVIS: Aye.
14 MS. KING: Commissioner Kling.
15 COMMISSIONER KLING: Aye.
16 MS. KING: Commissioner Montoya.
17 COMMISSIONER MONTOYA: Aye.
18 MS. KING: Commissioner Robles.
19 COMMISSIONER ROBLES: Aye.
20 MS. KING: Commissioner Steele.
21 COMMISSIONER STEELE: Aye.
22 MS. KING: Mr. Chairman.

1 CHAIRMAN DIXON: Aye.

2 MS. KING: Mr. Chairman, the votes are eight aye,

3 zero nays.

4 CHAIRMAN DIXON: The motion is adopted unanimously.

5 Naval Secretary Security Group Command Detachment, Potomac,

6 Washington, DC. Mr. Mulliner.

7 MR. MULLINER: The Department of Defense is

8 recommending the Naval Security Group Detachment, Potomac,

9 remain in its present location at the Naval Research Lab

10 instead of relocating to Fort Meade as directed by BRAC '93.

11 This recommendation has no cost and preserves the

12 commands access to space surveillance equipment essential in

13 the performance of its mission. Are there any questions?

14 CHAIRMAN DIXON: Any questions for Mr. Mulliner?

15 (No response.)

16 CHAIRMAN DIXON: Any comments?

17 (No response.)

18 CHAIRMAN DIXON: Any motion.

19 COMMISSIONER CORNELLA: Mr. Chairman.

20 CHAIRMAN DIXON: Commissioner Cornella.

21 M O T I O N

22 COMMISSIONER CORNELLA: I move that the Commission

1 find that the Secretary of Defense did not deviate
2 substantially from the force structure plan and final
3 criteria and, therefore, that the Commission adopt the
4 following recommendation of the Secretary of Defense: Change
5 the receiving site for the Naval Security Group Command
6 Detachment, Potomac, Washington, DC, from National Security
7 Agency Fort, Maryland, specified by the 1993 Commission to
8 Naval Research Laboratory, Washington, DC.
9 CHAIRMAN DIXON: I second the motion. Any
10 questions or comments?
11 (No response.)
12 CHAIRMAN DIXON: Counsel will call the roll.
13 MS. KING: Commissioner Cornella.
14 COMMISSIONER CORNELLA: Aye.
15 MS KING: Commissioner Cox.
16 COMMISSIONER COX: Aye.
17 MS. KING: Commissioner Davis.
18 COMMISSIONER DAVIS: Aye.
19 MS. KING: Commissioner Kling.
20 COMMISSIONER KLING: Aye.
21 MS. KING: Commissioner Montoya.
22 COMMISSIONER MONTOYA: Aye.

1 MS. KING: Commissioner Robles.

2 COMMISSIONER ROBLES: Aye.

3 MS. KING: Commissioner Steele.

4 COMMISSIONER STEELE: Aye.

5 MS. KING: Mr. Chairman.

6 CHAIRMAN DIXON: Aye.

7 MS. KING: Mr. Chairman, the vote is eight ayes,

8 zero nays.

9 CHAIRMAN DIXON: And the motion is unanimously

10 adopted. Reserve Activities, Tab M, Naval Reserve Center,

11 Huntsville, Alabama.

12 MR. YELLIN: We have a single briefing on all of

13 the reserve activities.

14 CHAIRMAN DIXON: All of the one, two, three, four,

15 five, six, seven, eight, nine, ten, eleven?

16 MR. MULLINER: Yes, sir.

17 CHAIRMAN DIXON: All 11 on the list?

18 MR. MULLINER: Yes, sir.

19 CHAIRMAN DIXON: Please proceed, Mr. Mulliner.

20 MR. MULLINER: The Department of Defense has

21 recommended a total of 11 reserve commands for closure of

22 which eight are reserve centers, one is a reserve air center,

1 and two are reserve readiness commands.

2 The commands were chosen for closure based upon the

3 criteria of maintaining average military value, providing for

4 recruiting demographics and ensuring adequate reservist

5 support. Could I have slides J4 and J5, please.

6 These are the remainders of the recommendations.

7 These slides show the impacts of these recommendations. The

8 savings range from $400,000 to $2.7 million. Are there any

9 questions on this recommendation?

10 CHAIRMAN DIXON: Are there any questions of Mr.

11 Mulliner?

12 (No response.)

13 CHAIRMAN DIXON: Are there any statements by any

14 Commissioners?

15 (No response.)

16 CHAIRMAN DIXON: I'll ask Counsel, may we vote on

17 all 11 of these in one motion?

18 MS. CREEDON: Yes, sir.

19 CHAIRMAN DIXON: Is there a motion?

20 COMMISSIONER KLING: Yes, sir.

21 CHAIRMAN DIXON: Commissioner Kling.

22 M O T I O N

1 COMMISSIONER KLING: I move that the Commission
2 find that the Secretary of Defense did not deviate
3 substantially from the force structure plan and final
4 criteria and, therefore, that the Commission adopt the
5 following recommendation of the Secretary of Defense: Close
6 naval reserve centers at Stockton, California; Pomona,
7 California; Santa Anna, Irvine, California; Laredo, Texas;
8 Sheboygan, Wisconsin; Cadillac, Michigan; Staten Island, New
9 York; and Huntsville, Alabama. Close naval air reserve
10 center Olathe, Kansas, close naval reserve readiness command,
11 region seven, Charleston, South Carolina, close naval reserve
12 readiness command, region ten, New Orleans, Louisiana.
13 CHAIRMAN DIXON: I second the motion. Are there
14 any comments or questions by any Commissioner?
15 (No response.)
16 CHAIRMAN DIXON: Counsel will call the roll.
17 MS. KING: Commissioner Kling.
18 COMMISSIONER KLING: Aye.
19 MS. KING: Commissioner Montoya.
20 COMMISSIONER MONTOYA: Aye.
21 MS. KING: Commissioner Robles.
22 COMMISSIONER ROBLES: Aye.

1 MS. KING: Commissioner Steele.

2 COMMISSIONER STEELE: Aye.

3 MS. KING: Commissioner Cornella.

4 COMMISSIONER CORNELLA: Aye.

5 MS KING: Commissioner Cox.

6 COMMISSIONER COX: Aye.

7 MS. KING: Commissioner Davis.

8 COMMISSIONER DAVIS: Aye.

9 MS. KING: Mr. Chairman.

10 CHAIRMAN DIXON: Aye.

11 MS. KING: Mr. Chairman, the vote is eight ayes,

12 zero nays.

13 CHAIRMAN DIXON: And those reserve centers are all

14 closed in accordance with that motion. Engineering field

15 activities, engineering field activity west, San Bruno,

16 California.

17 COMMISSIONER MONTOYA: Mr. Chairman, that's an add

18 on. I think you can probably get our sense and move on.

19 CHAIRMAN DIXON: Is there anyone here who wants to

20 do anything with respect to the add on at San Bruno,

21 California?

22 (No response.)

1 CHAIRMAN DIXON: Anyone here that wants to make a
2 motion?
3 COMMISSIONER MONTOYA: I want to make a comment.
4 CHAIRMAN DIXON: All right.
5 COMMISSIONER MONTOYA: For the record, this is an
6 opportunity for a private government renter to reduce the
7 amount of land working with the city and maybe build a
8 highrise federal complex there and really help some of the
9 cats and dogs in the Bay area. Other than that comment in
10 the record, Mr. Chairman, that's the only comment I have.
11 CHAIRMAN DIXON: Are there any other comments, any
12 motion? San Bruno stays open.
13 Naval Aviation Depot, Pensacola, Florida.
14 MR. YELLIN: Yes, sir. This is a redirect of a '93
15 recommendation. The '93 recommendation: close the NADEP and
16 require the movement of the World Tower and Dynamic Component
17 facility to other locations. The Navy has indicated there is
18 no continuing need for the function and mission of those
19 facilities. They now want to close the facilities. This
20 change in the language to the '93 recommendation is required
21 to allow them to do that. Staff sees no problems with this
22 recommendation.

1 CHAIRMAN DIXON: Are there any questions of Mr.
2 Yellin? Are there any comments?
3 M O T I O N
4 Commissioners, I move that the Commission find that
5 the Secretary of Defense did not deviate substantially from
6 the force structure plan and final criteria, and therefore
7 that the Commission adopt the following recommendation of the
8 Secretary of Defense.
9 Change the recommendation of the 1993 Commission.
10 1993 Commission report pages 1-42/43, by striking the
11 following: "In addition, the Commission recommendations that
12 the World Tower and Dynamic Component facility be moved to
13 Cherry Point Navy or Corpus Christi Army depots or the
14 private sector in lieu of the Navy's plan to retain these
15 operations in a stand-alone facility at NADEP Pensacola."
16 COMMISSIONER DAVIS: Second.
17 CHAIRMAN DIXON: And that is seconded. And are
18 there any comments or questions?
19 COMMISSIONER DAVIS: Excuse me, Mr. Chairman. I
20 have to recuse myself on this one so I cannot second.
21 CHAIRMAN DIXON: All right. Then the second by
22 Commissioner Davis is removed.

1 COMMISSIONER COX: I'll second.

2 CHAIRMAN DIXON: Commissioner Davis recuses

3 himself, and the counsel will call the roll.

4 MS. CREEDON: Commissioner Cox.

5 COMMISSIONER COX: I'll vote aye, and I'm pleased

6 not to have to defend the 1993 recommendation.

7 MS. CREEDON: Commissioner Kling.

8 COMMISSIONER KLING: Aye.

9 MS. CREEDON: Commissioner Montoya.

10 COMMISSIONER MONTOYA: Aye.

11 MS. CREEDON: Commissioner Robles.

12 COMMISSIONER ROBLES: Aye.

13 MS. CREEDON: Commissioner Steele.

14 COMMISSIONER STEELE: Aye.

15 MS. CREEDON: Commissioner Cornella.

16 COMMISSIONER CORNELLA: Aye.

17 MS. CREEDON: Mr. Chairman.

18 CHAIRMAN DIXON: Aye.

19 MS. CREEDON: Mr. Chairman, the vote is seven ayes

20 and zero nays.

21 CHAIRMAN DIXON: And that motion is unanimously

22 carried, and we have completed the Naval section of this,

1 have we not?

2 MR. YELLIN: Except for Oakland, which we will

3 catch up with when we get more data.

4 CHAIRMAN DIXON: Well, now, do I have leave of the

5 Commissioners to come back to that at an intervening time in

6 the Army presentation?

7 COMMISSIONER MONTOYA: Yes, sir.

8 CHAIRMAN DIXON: We are inquiring. I understand

9 we're close to a consensus on that that will solve that

10 problem. And I want to thank the Navy people for an

11 outstanding job. We appreciate your great contribution and

12 your devotion to this particular job.

13 MR. YELLIN: Thank you, Mr. Chairman.

14 CHAIRMAN DIXON: Are there any other comments?

15 Now the Chair is going to declare a recess until 20

16 minutes past 4:00.

17 (A brief recess was taken.)

18 CHAIRMAN DIXON: Will the Commission and the room

19 please come to order. And we are now prepared to return to

20 the hearings on the Army section. And I would ask whether,

21 Director Lyles, you have all the folks here that are

22 necessary to make the presentation for the Army.

1 MR. LYLES: We do, Mr. Chairman. Mr. Ed Brown, the
2 Army team chief, will begin the presentations of the Army
3 base closure recommendations.
4 CHAIRMAN DIXON: Mr. Brown.
5 MR. BROWN: Thank you, Mr. Chairman. Good
6 afternoon, Mr. Chairman and Commissioners. The first chart
7 shows the 14 categories into which the Army divided its
8 installations for consideration. I have added the last two
9 categories, Minor and Miscellaneous, to account for
10 recommendations pertaining to installations that did not fit
11 in to the 14 categories.
12 For the 14 categories, the number of installations
13 represents those subjected to military value assessment
14 within each category. For the Minor and Miscellaneous, the
15 number reflects the number of installations with
16 recommendations for closure or realignment.
17 Shaded categories have installations recommended
18 for closure or realignment by the Secretary of Defense or
19 added by the Commission for further consideration for closure
20 or realignment. You have already discussed installations in
21 the Depot and the Proving Ground categories. The interagency
22 issues team will discuss the installation in the

1 miscellaneous category, Fort Holabird. The remaining
2 recommendations will be discussed during this presentation.
3 At tab A we have the first category to be
4 discussed, Major Training Areas. The chart on page A-1 and
5 the accompanying map, page A-2, show the names and locations
6 of the Army's 10 major training areas. The Secretary of
7 Defense recommended the realignment of Fort Dix, New Jersey;
8 Fort Greely, Alaska; and Fort Hunter Liggett, California, the
9 closure of Fort Pickett, Virginia; Fort Indiantown Gap,
10 Pennsylvania; and Fort Chaffee, Arkansas.
11 The staff suggests that the Commission hear the
12 briefings on Fort Pickett, Indiantown Gap, and Fort Chaffee,
13 before voting on any recommendations or alternatives
14 pertaining to those three installations.
15 Lieutenant Colonel Steve Bailey will discuss all
16 six recommendations.
17 LIEUTENANT COLONEL BAILEY: Good afternoon, Mr.
18 Chairman and Commissioners. Mr. Wooten, if I might have
19 chart A-3. The first installation to be discussed is Fort
20 Dix, New Jersey.
21 The Secretary of Defense recommended that Fort Dix
22 be realigned by replacing the active component garrison with

1 a reserve component garrison. And further, retaining an
2 enclave with minimum essential ranges, facilities and
3 training areas required for reserve component training.
4 On this chart, you see the pertinent savings and
5 economic data for realigning Fort Dix under the U.S. Army
6 Reserve Command. It is the final phase of a vision developed
7 back in 1988, to make this installation a model to support
8 reserve component training.
9 The next chart, A-4, shows that the only issue
10 identified was the size of the reserve component garrison.
11 The following chart, A-5, shows that even though there was
12 initial disagreement, this issue has been resolved by all
13 concerned, and the remaining garrison civilian workforce will
14 be stabilized at 726.
15 Finally, on the next chart, A-6, the advantages of
16 this recommendation are the excess installation
17 infrastructure is reduced, savings are realized, and Fort Dix
18 will become an enhanced, reserve, component training hub.
19 The only negative aspect is the diminished presence of the
20 active component in the northeast United States.
21 This recommendation has the support of both the
22 local community and the state's elected officials. Subject

1 to your questions, that completes my briefing on Fort Dix.

2 CHAIRMAN DIXON: Thank you, very much, Colonel

3 Bailey. I understand that its Cliff Wooten's birthday; is

4 that right? And you folks have him up there flipping these

5 slides on his birthday, which is a rotten way to treat a guy

6 on his birthday. I hope you have better luck next year on

7 your birthday.

8 LIEUTENANT COLONEL BAILEY: Mr. Chairman, since I

9 am under oath, I can certify that it is Cliff Wooten's

10 birthday.

11 (Laughter.)

12 CHAIRMAN DIXON: Are you sure?

13 LIEUTENANT COLONEL BAILEY: Yes, Commissioner.

14 CHAIRMAN DIXON: All right, are there any

15 questions? Are there any comments?

16 (No response.)

17 CHAIRMAN DIXON: Is there a motion?

18 COMMISSIONER CORNELLA: Yes, sir.

19 CHAIRMAN DIXON: Commissioner Cornella.

20 M O T I O N

21 COMMISSIONER CORNELLA: I move the Commission find

22 the Secretary of Defense did not deviate substantially from

1 the fore structured plan and final criteria, and therefore,
2 the Commission adopt the following recommendation of the
3 Secretary of Defense: Realign Fort Dix by replacing the
4 active component garrison with a U.S. Army Reserve garrison;
5 retain minimum essential, ranges facilities and training
6 areas required for reserve component training as an enclave.
7 CHAIRMAN DIXON: I second that motion. Are there
8 any comments or questions?
9 (No response.)
10 CHAIRMAN DIXON: Counsel will call the roll.
11 MS. KING: Commissioner Cornella.
12 COMMISSIONER CORNELLA: Aye.
13 MS. KING: Commissioner Cox?
14 COMMISSIONER COX: Aye.
15 MS. KING: Commissioner Kling.
16 COMMISSIONER KLING: Aye.
17 MS. KING: Commissioner Montoya.
18 COMMISSIONER MONTOYA: Aye.
19 MS. KING: Commissioner Robles.
20 COMMISSIONER ROBLES: Aye.
21 MS. KING: Commissioner Steele.
22 COMMISSIONER STEELE: Aye.

1 MS. KING: Mr. Chairman.

2 CHAIRMAN DIXON: Aye.

3 MS. KING: Mr. Chairman, the vote is eight ayes,

4 zero nays.

5 CHAIRMAN DIXON: And the motion is unanimously

6 adopted.

7 Fort Greely.

8 LIEUTENANT COLONEL BAILEY: The next installation

9 to be discussed will be Fort Greely. And Cliff, if you will

10 put up chart A-7 and the map marked A-8.

11 The Secretary of Defense recommended that Fort

12 Greely be realigned by relocating the cold region's test

13 activity where CRTA and the Northern Warfare Training Center,

14 known as NWTC, to Fort Wainwright, Alaska.

15 The map shows that the relative distance between

16 the two posts, which is 107 miles. Now, the next chart, A-7,

17 you can view the savings and economic data that is associated

18 with this recommendation.

19 The Army would retain all the training areas and

20 the test facilities as well as the airfield and part of the

21 main cantonment area with a small garrison of 18 military and

22 55 civilians at Fort Greely.

1 The next chart, A-9, shows you the six key issues
2 which were identified for analysis. On the next chart, A-10,
3 we show you the DOD and community positions with respect to
4 each of the issues, beginning with the military value
5 ranking, which is high, and which we did validate as 6th of
6 10, but we are unable to compare that ranking with that of
7 Forts Richardson and Wainwright, since they are in a
8 different category known as the maneuver category.
9 The additional costs for the Safari trips and any
10 new construction at Fort Wainwright will not exceed savings
11 as has been claimed. The Cobra analysis that the Army
12 prepared does have adequate funds set aside for construction
13 and for construction and Safaris.
14 COMMISSIONER STEELE: Could you -- I'm sorry --
15 explain to me, exactly what that entails? We've heard that
16 term a lot.
17 LIEUTENANT COLONEL BAILEY: Yes. It was new to me
18 too. As I began my analysis, Commissioner. Under the Safari
19 concept, which has been done before, soldiers would be based
20 primarily at Fort Wainwright, but when they were required to
21 conduct a cold weather test, back at Fort Greely, which is
22 the best location, then they would go down there and remain

1 in a separate facility until the test were completed.

2 They would not travel on TDY funds, they would

3 simply be routed there for their tour of assignment perhaps a

4 week, two weeks at a time.

5 COMMISSIONER STEELE: Is this often? How far apart

6 are we talking about? I mean, are you taking something and

7 moving them back and forth all over the place a couple of

8 times a year, once a year?

9 LIEUTENANT COLONEL BAILEY: I cannot answer the

10 question as to how many times a year. Based upon past data,

11 they would probably be traveling down there perhaps monthly,

12 perhaps three or four times, or more, each calendar year.

13 COMMISSIONER COX: Commissioner, at least when we

14 were up there -- this is not certified data, but the

15 commander indicated, particularly with the cold testing

16 facility, that you'd be looking at three or four times a

17 month at least.

18 LIEUTENANT COLONEL BAILEY: You know, that is a

19 good question, because part of the aspects of this

20 recommendation are that for seven months of the year, given

21 the historic weather data, it is very difficult to travel

22 back and forth that distance. And that is the best answer I

1 can give you.

2 Did I answer your question?

3 COMMISSIONER STEELE: Yes and no, and part of that

4 no is a bit of an answer, that there is some uncertainty.

5 Thank you for doing your very best at it.

6 COMMISSIONER COX: If I might, Commissioner, ask

7 also how far it was? And as the Colonel indicated, its 107

8 miles, but that's not 107 miles like we would think of

9 driving to Richmond on the interstate highway. This is

10 through the mountains. This is seven months of the year, as

11 much as 65 below zero, impassable mountains. It is easy to

12 say we're going to bring people down three or four times a

13 month, but as a practicality, there will be months where that

14 is simply not possible. And the danger of bringing people

15 over that road during that timeframe would just make it not

16 possible to do, unless you wanted to risk the lives of your

17 soldiers.

18 CHAIRMAN DIXON: Any further questions or comments?

19 COMMISSIONER ROBLES: Let me put that in

20 perspective.

21 CHAIRMAN DIXON: Commissioner Robles.

22 COMMISSIONER ROBLES: The reason you have a cold

1 weather training facility is to train cold weather -- to
2 include cold weather movements. So, it is a training
3 exercise from the time you leave your area at Fort Wainwright
4 and you start moving down to the co-training center. Three
5 or four times a month is not unusual in today's Army. That
6 is a normal, away from home, training tempo.
7 You go out to the National Training Center, and
8 those people on rotation -- for three weeks at a crack and
9 they're gone. You'd never see them. So, I wouldn't get
10 mesmerized by that.
11 The real issue is: Where is the testing schedule?
12 I would think that the Army understand the climatic patterns
13 in that part of the world, and so their major tests are
14 scheduled such that a major test that they have to do would
15 not be scheduled in the middle of its most hostile weather
16 pattern.
17 I don't want to second guess too much, their
18 operational testing program, because I have been involved in
19 that and some of that scheduling. And, so, all of that is
20 true, but you want people to go through some severe weather
21 and see what kind of quick reaction drills you do when you
22 move in that distance and how you handle yourself. That is

1 what its all about. You are testing equipment. You are
2 testing material. You are testing the training and you're
3 testing the reaction.
4 CHAIRMAN DIXON: Any further questions or comments
5 by anyone concerning this particular issue?
6 COMMISSIONER COX: The only thing I might say to
7 that is one hopes that one could get them to the training
8 range to test all of that, and one wouldn't want to lose
9 training time and training effort, simply being unable to get
10 to the training facility.
11 CHAIRMAN DIXON: Any further comments by anybody?
12 COMMISSIONER ROBLES: That's true, and I just need
13 you to understand that, but if you cancel a test then you
14 reschedule a test. This is not a testing center that is
15 overworked, first of all, and then there are some other
16 alternatives for cold weather testing in the United States
17 Army.
18 CHAIRMAN DIXON: Thank you, Commissioner Robles.
19 Are there any more comments or questions by anybody?
20 COMMISSIONER COX: I might just say one other
21 thing.
22 One, I do have concerns operationally about this

1 particular proposal, and in fact, this whole theory was tried
2 some-odd years ago and it lasted about 18 months because the
3 ability to safari people down was simply impossible.
4 And I have a feeling this is another one of the,
5 let's show savings, but its not going to work in the
6 overall -- they won't move people up or they will end up not
7 being able to train.
8 I also have an additional problem, and that -- we
9 talk about economic impact on all of these facilities. And
10 there's no question there is an economic impact of every base
11 closure. In this case, even the DOD economic impact shows it
12 over 30 percent. I think our staff, and those of us who were
13 up there, believe it may not be the 80 percent supported by
14 the community, but there is nothing else there. There is
15 this base, and there are a few people who support the base.
16 When this goes away there won't be -- this isn't a
17 question of a reuse. This is no question of a reuse. This
18 would be a question of whether people are holding mortgages
19 are going to bring the bank down with them. There will be
20 nobody to sell houses to. There are two or three hundred
21 people in this community, and when the group moves out of
22 here it is over. This is not a base closure; this is a town

1 closure.

2 And it's not a question of having the values of the

3 houses come down. This is a question of having nobody to

4 sell a house to. There is nothing else in this town. And so

5 not only do I have operational concerns here, but this is

6 clearly an area where, when you consider both the operational

7 concerns and economic impact, which is one of our criteria, I

8 believe we have to make allowances. So, I urge my

9 commissioners, both for safety and operation reasons, and for

10 economic impact, to vote down this recommendation.

11 CHAIRMAN DIXON: Are there any further comments?

12 COMMISSIONER CORNELLA: Yes, sir.

13 CHAIRMAN DIXON: Mr. Cornella.

14 COMMISSIONER CORNELLA: Having visited with

15 Commissioner Cox to Fort Greely, I would agree and support

16 her remarks. This is clearly, at least 80 percent, economic

17 impact in my mind. If we are going to take that into

18 consideration anywhere, this is the one we'd use as an

19 example.

20 In the school system, 45 to 50 percent of the

21 students in the school are military dependents, and 45

22 percent of the remainder would be people dependant on the

1 indirect jobs related to that facility. So this is one that
2 I think requires a little more consideration than most with
3 regard to economic impact.
4 Thank you.
5 CHAIRMAN DIXON: Thank you, Commissioner Cornella.
6 Are there any further comments?
7 (No response.)
8 CHAIRMAN DIXON: Is there a motion then?
9 M O T I O N
10 COMMISSIONER COX: I move the Commission find the
11 Secretary of Defense deviated substantially from final
12 criteria 1, 4 and 5, and therefore, the Commission reject the
13 Secretary's recommendation on Fort Greely, and instead adopt
14 the following recommendation: Keep open the cold region test
15 activities, CRTA, and the Northern Warfare Training Center,
16 NWTC, in Fort Greely, Alaska.
17 The Commission finds this recommendation is
18 consistent with the force structure plan and final criteria.
19 CHAIRMAN DIXON: Is there a second to the motion by
20 Commissioner Cox?
21 COMMISSIONER MONTOYA: Second.
22 CHAIRMAN DIXON: It is seconded by Commissioner

1 Montoya. Are there any further comments?

2 COMMISSIONER STEELE: Having seen Guam and not

3 Alaska, I'm going to defer to the judgments of Commissioner

4 Cox.

5 CHAIRMAN DIXON: Thank you, Commissioner Steele.

6 Counsel will call the roll.

7 MS. KING: Commissioner Cox.

8 COMMISSIONER COX: Aye.

9 MS. KING: Commissioner Davis.

10 COMMISSIONER DAVIS: Nay.

11 MS. KING: Commissioner Kling.

12 COMMISSIONER KLING: No.

13 MS. KING: Commissioner Montoya.

14 COMMISSIONER MONTOYA: Aye.

15 MS. KING: Commissioner Robles.

16 COMMISSIONER ROBLES: Nay.

17 MS. KING: Commissioner Steele.

18 COMMISSIONER STEELE: Aye.

19 MS. KING: Commissioner Cornella.

20 COMMISSIONER CORNELLA: Aye.

21 MS. KING: Mr. Chairman.

22 CHAIRMAN DIXON: No.

1 MS. KING: Mr. Chairman, the vote is four ayes,
2 four nays.
3 CHAIRMAN DIXON: And the motion fails.
4 Is there another motion?
5 COMMISSIONER ROBLES: Mr. Chairman, I have a
6 motion.
7 CHAIRMAN DIXON: Commissioner Robles.
8 M O T I O N
9 COMMISSIONER ROBLES: I move the Commissioner find
10 the Secretary of Defense deviated substantially from final
11 criteria one, four and five, and therefore the Commission
12 reject the Secretary's recommendation on Fort Greely, and
13 instead adopt the following recommendation: Realign Fort
14 Greely by relocating the cold region test activity and the
15 Northern Warfare Training Center to Fort Wainwright, Alaska,
16 but begin the move no earlier than July 1997. The move
17 should not be completed earlier than July of the year 2001.
18 The Commission finds this recommendation consistent
19 with force structure plan and final criteria.
20 CHAIRMAN DIXON: Is there any comment?
21 (No response.)
22 CHAIRMAN DIXON: Is there a second to that motion?

1 COMMISSIONER KLING: Second.

2 CHAIRMAN DIXON: Seconded by Commissioner Kling,

3 and the counsel will call the roll.

4 COMMISSIONER CORNELLA: I would have one comment,

5 sir.

6 CHAIRMAN DIXON: I would say I appreciate,

7 Commissioner Robles including the delayed timing in that

8 motion so that there might be less of the immediate of the

9 economic impact to that community.

10 CHAIRMAN DIXON: Thank you, Commissioner Cornella.

11 Counsellor, call the roll.

12 MS. KING: Commissioner Robles.

13 COMMISSIONER ROBLES: Aye.

14 MS. KING: Commissioner Steele.

15 COMMISSIONER STEELE: Aye.

16 MS. KING: Commissioner Cornella.

17 COMMISSIONER CORNELLA: Aye.

18 MS. KING: Commissioner Cox.

19 COMMISSIONER COX: Aye.

20 MS. KING: Commissioner Davis.

21 COMMISSIONER DAVIS: Aye.

22 MS. KING: Commissioner Kling.

1 COMMISSIONER KLING: Aye.

2 MS. KING: Commissioner Montoya.

3 COMMISSIONER MONTOYA: Aye.

4 MS. KING: Mr. Chairman.

5 CHAIRMAN DIXON: Aye..

6 MS. KING: Mr. Chairman, the vote is eight ayes,

7 zero nays.

8 CHAIRMAN DIXON: And the motion is adopted.

9 And there's a deviation from the Secretary's of

10 Defense recommendation stretching out the time to July 2001.

11 Fort Hunter Liggett, California.

12 LIEUTENANT COLONEL BAILEY: Thank you, Mr.

13 Chairman.

14 The Secretary of Defense recommended that Fort

15 Hunter Liggett be realigned. Cliff, if you will put up

16 Charts A-13 and A-14, please.

17 The realignment recommendation would entail the

18 following: Relocating the U.S. Army Test and Experimentation

19 Command, known as TEC, T-E-C, missions and functions to Fort

20 Bliss, Texas; eliminating the active component mission, and

21 retaining minimum essential facilities and the training area

22 as an enclave to support reserve component training.

1 On Chart A-13, you can see the savings and economic
2 data associated with the realignment of Fort Hunter Liggett.
3 The test and experimentation command's experimentation
4 center -- the only major active component tenant currently at
5 Hunter Liggett -- and is downsizing from 384 to 206 people by
6 1998, would move to Fort Bliss. The U.S. Army Reserve
7 Command garrison, which is currently at the post, would
8 remain, and the post will continue as a sub-installation of
9 Fort McCoy, Wisconsin, to provide a major training area for
10 reserve component forces in the Western United States.
11 Chart A15, please. This chart depicts the key
12 issues that we reviewed in our analysis of this
13 recommendation. On the next chart, A16 -- and Cliff, if you
14 will also put up A17, please -- I'll review the issues with
15 you. The California National Guard interest is keen, and
16 they plan to continue training at the installation. It is
17 true that Fort Hunter Liggett has a natural bowl of terrain
18 in which you can do 360 degree, non-eye safe, laser
19 testing -- a unique capability available at few other
20 locations in the United States.
21 However, even though you cannot do 360 degree, non-
22 eye safe, laser testing at Fort Bliss, you can conduct 180

1 degree testing of that nature. And it is not a unique
2 requirement. Only one test to date has required it, and that
3 was the Apache Long Bow test.
4 COMMISSIONER STEELE: And I believe when we
5 asked -- I did the site visit -- there was nothing scheduled.
6 LIEUTENANT COLONEL BAILEY: That is correct. The
7 Apache Long Bow test completed last year was the last major
8 test, and the commander told us that there were no tests
9 scheduled, that he knew of, for at least the next year and a
10 half. It is also valid that Fort Hunter Liggett is fully
11 digitized in the major training and testing area, which is an
12 advantage; and, in my independent judgment, would be a
13 requirement for full-scale testing.
14 That does not currently exist at Fort Bliss.
15 However, the Army plans to implement the digitization of the
16 required areas of Fort Bliss, and that will cost
17 approximately $1 million to $2 million.
18 COMMISSIONER STEELE: Question for you on that one,
19 because out there that day, we didn't have a number to go
20 with that. This $1 million to $2 million, is it digitized
21 and instrumentized to the same degree at Fort Bliss that we
22 currently have at Fort Hunter Liggett? Or did they

1 compromise on the specifics?

2 LIEUTENANT COLONEL BAILEY: I cannot give you an

3 adequate answer to that. We have asked the question. The

4 Army is still working this, and they plan to have it to the

5 same degree. But I cannot certify, nor can they, at this

6 point, how many square miles that will entail. They have a

7 planning meeting that's going on on the 27th of June at Fort

8 Bliss, to try to finalize the plan to do this.

9 COMMISSIONER STEELE: But they estimate that they

10 think they can do it within that cost range to meet the

11 requirements?

12 LIEUTENANT COLONEL BAILEY: That is the estimate

13 that I was given. That's correct, Commissioner.

14 COMMISSIONER STEELE: Okay.

15 LIEUTENANT COLONEL BAILEY: Another issue that was

16 raised by advocates of retaining tech at Fort Hunter Liggett,

17 which is a good test location, of course, but is not unique,

18 is that sometimes when White Sands Missile Range flies their

19 drones for testing, they use a frequency of 918 or 915

20 megahertz. Some of the telemetry equipment, which the people

21 at tech utilize now, is hard wired for a frequency of 915 or

22 918 megahertz.

1 And that bleed over would present a conflict. It
2 has been claimed that we would have to go out and purchase
3 all new equipment for tech. The Army has stated that they
4 will easily resolve this simply by scheduling tests as
5 required, or by having White Sands change their frequency.
6 So that is not an issue.
7 COMMISSIONER KLING: How often are the tests?
8 LIEUTENANT COLONEL BAILEY: The tests, I'm told,
9 are three or four times a year. And again, tech has no tests
10 scheduled in the foreseeable future.
11 CHAIRMAN DIXON: Any further questions? Any
12 comments? What's the pleasure of the commission with Fort
13 Hunter Liggett, California?
14 COMMISSIONER STEELE: I will make a motion, Mr.
15 Chairman.
16 CHAIRMAN DIXON: Commissioner Steele.
17 COMMISSIONER STEELE: We had some big issues that
18 could have been show-stoppers, but the Army appears to have
19 been very responsive and tracked down those issues. And it
20 seems like it can move to Fort Bliss without any degradation
21 of mission. So I move the commission find the Secretary of
22 Defense did not deviate substantially from the force

1 structure plan and final criteria; and therefore, the
2 commission adopt the following recommendation of the
3 Secretary of Defense.
4 Realign Fort Hunter Liggett by relocating the U.S.
5 Army test and experimentation center missions and functions
6 to Fort Bliss, Texas. Eliminate the active component
7 mission. Retain minimum essential facilities and training
8 area as an enclave to support reserve components.
9 CHAIRMAN DIXON: I second that motion. Are there
10 any further comments or questions by any commissioner?
11 Counsel will call the roll.
12 MS. CREEDON: Commissioner Steele.
13 COMMISSIONER STEELE: Aye.
14 MS. CREEDON: Commissioner Cornella.
15 COMMISSIONER CORNELLA: Aye.
16 MS. CREEDON: Commissioner Cox.
17 COMMISSIONER COX: Aye.
18 MS. CREEDON: Commissioner Davis.
19 COMMISSIONER DAVIS: Aye.
20 MS. CREEDON: Commissioner Kling.
21 COMMISSIONER KLING: Aye.
22 MS. CREEDON: Commissioner Montoya.

1 COMMISSIONER MONTOYA: Aye.

2 MS. CREEDON: Commissioner Robles.

3 COMMISSIONER ROBLES: Aye.

4 MS. CREEDON: Mr. Chairman.

5 CHAIRMAN DIXON: Aye.

6 MS. CREEDON: Mr. Chairman, the vote is eight ayes

7 and zero nays.

8 CHAIRMAN DIXON: And the motion is adopted. Now,

9 as I understand it, Mr. Brown, you will take Fort Pickett,

10 Fort Indiantown Gap, Pennsylvania, and Fort Chaffee,

11 together; those three.

12 MR. BROWN: We would like to brief all three of

13 those before you act on any recommendations or alternatives,

14 Mr. Chairman.

15 CHAIRMAN DIXON: Okay, please do, Mr. Brown.

16 LIEUTENANT COLONEL BAILEY: Mr. Chairman, thank

17 you, COL Bailey.

18 CHAIRMAN DIXON: COL Bailey.

19 LIEUTENANT COLONEL BAILEY: The first installation

20 to be discussed is Fort Pickett, Virginia. And Cliff, if

21 you'll put up on the screen A20 and the map A21, please. The

22 Secretary of Defense recommended that Fort Pickett be closed,

1 except for minimum essential training areas and facilities as
2 an enclave for the reserve components. In addition, he
3 recommended that the petroleum training facility be relocated
4 to Fort Dix, New Jersey.
5 The map shown on your right, commissioners, shows
6 the relative locations of Fort Pickett and Fort Dix. You can
7 observe on the chart on your left that in this base category,
8 the recommendation for Fort Pickett generates the most
9 savings -- over $20 million a year. The amount of scheduled
10 training decreased between FY 1991 and 1994. However, I must
11 note that when I analyzed that data, it is true that the
12 training load went down because of deployments such as Desert
13 Storm, Desert Shield, et cetera.
14 The training area has been used both by the active
15 and reserve component forces not just from the Army, but as
16 well from the other services. Initial data calls provided to
17 the Army basing study inaccurately said that there was no
18 rail head at the post. We went there and checked, and there
19 are three rail heads on the installation. One factor in the
20 low ranking of the installation is that 85 percent of the
21 buildings are of World War II construction.
22 The next chart, A22, lists the issues. And on

1 chart A23, I'll go through those for you. The claim that the
2 Army did a flawed analysis by not obtaining data calls on the
3 training usage of this installation by the U.S. Navy and U.S.
4 Marine Corps is in fact true. The Army did not specifically
5 address this installation in March, when the recommendation
6 first came out.
7 Subsequent consultations, though, resulted in the
8 Secretary of the Navy's office acknowledging that Fort
9 Pickett was not essential for either Navy SEAL or Marine
10 Corps training. And if the recommendation is adopted,
11 there's nothing that would preclude the SEALS and the Marines
12 from continuing to use the training areas of the enclave.
13 COMMISSIONER COX: I'm sorry, could I just follow
14 up on that for a minute?
15 LIEUTENANT COLONEL BAILEY: Yes, Commissioner.
16 COMMISSIONER COX: When we met with the SEALS, as
17 you'll recall, they indicated that they're currently using
18 it, I believe, 45 of 52 weeks a year, and that they would
19 obviously like to continue to use it for that period of time,
20 or as much. I understand that maybe they could go elsewhere,
21 or maybe they could still use this. But I want to make sure
22 one of their points, one of the reasons why they felt so

1 strongly about using Fort Pickett is because it was here;
2 that most of the people they were doing were coming out of
3 this area.
4 And therefore, there were no additional
5 transportation costs; that it was easy to get done. Where
6 else, when we say they can go elsewhere? They didn't seem to
7 think -- they seemed to think that their costs would increase
8 fairly dramatically if they did have to go elsewhere. Have
9 we looked at that?
10 LIEUTENANT COLONEL BAILEY: Yes, we have,
11 Commissioner, and that's a good point. First of all, they
12 could continue to go to Fort Pickett. They could also use
13 their primary training facility at Little Creek Naval
14 Amphibious Base in Virginia, and the other facilities that
15 the Norfolk naval complex provides. They could also go to
16 Fort A.P. Hill, which is only -- it's less than 150 miles to
17 the north. They could also avail themselves -- and they
18 do -- of training with the Special Operations forces down at
19 Fort Bragg, North Carolina.
20 COMMISSIONER COX: I'm sorry. My understanding on
21 the others is they use all of those today.
22 LIEUTENANT COLONEL BAILEY: That is true.

1 COMMISSIONER COX: But the point was, they needed
2 to have the diversity of training. And they were very
3 concerned, particularly about Fort Bragg, because scheduling
4 in there was difficult. Is that -- have we looked at the
5 schedules, say, at Fort Bragg and some of these other places?
6 LIEUTENANT COLONEL BAILEY: I have not looked at
7 the specific schedule. However, they can and still do use
8 all those installations that I just mentioned, and many more.
9 As you know, Commissioner, from your experience, all good
10 commanders are going to tell you that the more training areas
11 they have, the better they feel. NO one likes to go to the
12 same place every time.
13 But there is enough additional training area
14 available, particularly in this section of the country, where
15 neither the SEALS nor any of the other services, in my
16 independent judgment, would be jeopardized as far as training
17 or readiness, if Fort Pickett was completely closed. And
18 again, that's not the DOD recommendation. Most of the
19 installation's training areas -- in fact, all of the training
20 area, as we know, as of yesterday, would probably be included
21 in the enclave.
22 Final approval for the enclave is not set to be

1 determined by headquarters, Department of the Army, until the
2 25th of July.
3 COMMISSIONER COX: And the current proposal is to
4 enclave all of --
5 LIEUTENANT COLONEL BAILEY: Approximately 85
6 percent of the total area, which would include all the
7 training area.
8 COMMISSIONER COX: Let me also ask -- because I
9 know they're still in the process of developing this, and so
10 there are no final answers, but they did get to at least an
11 idea of where they want to go on the training. Did they
12 also -- there was an issue on whether the Army would allow
13 active Army or those other than the Guard or Reserves to
14 train there. Did that get resolved?
15 LIEUTENANT COLONEL BAILEY: Yes, it did,
16 Commissioner. The Army has told us, and I believe it was in
17 part of the answer that we recently received to the questions
18 that you and other commissioners asked. The training areas
19 of this installation and any others would still be available,
20 if it's scheduled, for any of the other services, and any
21 components of any service, as well as other DOD
22 organizations, such as the FBI, FEMA, et cetera.

1 COMMISSIONER COX: So all of the training that has
2 been going on there could, if scheduling allows, continue to
3 go on there?
4 LIEUTENANT COLONEL BAILEY: That is a correct
5 statement, yes.
6 COMMISSIONER COX: Thank you.
7 COMMISSIONER ROBLES: Mr. Chairman, if I may, I was
8 going to wait until we talked about all that.
9 CHAIRMAN DIXON: Commissioner Robles.
10 COMMISSIONER ROBLES: Just so we don't have any
11 misconceptions as we're listening to these briefings. MG
12 Jack D'Araujo is the director of the Army National Guard
13 Bureau, who is a tough cookie that I worked with many years.
14 He came up to the commission and was asked these very
15 specific questions. The first one was the one you just
16 asked -- will those training -- will there be sufficient
17 training land and maneuver space and ranges to continue a
18 robust level of training at all three of these installations.
19 Yes.
20 Will all components have access to these training
21 areas? Yes. Will you have enough money to operate the
22 enclave and the necessary support to give folks who want to

1 come and train access to these training areas? Seventy
2 percent yes, today; $20 million to $29 million that he says
3 he needs to do this. It has been promised by the Army, and
4 is in the process of being programmed. And the other 30
5 percent is a budget adjustment.
6 You have to go in and requesting the budget, once
7 you find out if $29 million is the real answer, or if it's
8 $26 million or $31 million or whatever. So Jack D'Araujo
9 does not make these statements lightly. He's a pretty big
10 protector of the force. So I think the bottom line on what
11 he said is that what they're going to do is they're going to
12 turn these over to the U.S. Army Reserve command to run, or
13 the Guard Bureau.
14 They are going to assure the funds are there for
15 the Guard Bureau to operate these enclaves. And they will
16 have access to all the training grounds. There will be some
17 things that get laid away and not used that are not directly
18 relatable to the training mission. So there really will be
19 little degradation of the training mission. What will happen
20 is the active garrison in all these three places will go
21 down, and it will be replaced by reserve component
22 management.

1 Is that not the gist of what I understand Jack
2 D'Araujo said?
3 LIEUTENANT COLONEL BAILEY: Commissioner, you are
4 exactly correct on each of those points.
5 CHAIRMAN DIXON: Thank you, Commissioner Robles.
6 Are there any other comments or questions?
7 COMMISSIONER CORNELLA: Yes, sir.
8 CHAIRMAN DIXON: Commissioner Cornella.
9 COMMISSIONER CORNELLA: Now, is this going to a
10 National Guard enclave, or an Army Reserve enclave?
11 LIEUTENANT COLONEL BAILEY: It is going to be a
12 National Guard enclave. Let me back up and answer that more
13 adequately. The areas are going to be enclaved for all
14 components.
15 COMMISSIONER CORNELLA: Well, who is responsible
16 for it?
17 LIEUTENANT COLONEL BAILEY: Right now, the Army's
18 plan for this particular enclave is to license it to the
19 National Guard.
20 COMMISSIONER CORNELLA: Now, doesn't the state pay
21 part of the cost of the National Guard? Doesn't the state
22 pay 25 percent, and the federal government pays 75 percent?

1 LIEUTENANT COLONEL BAILEY: For different
2 functions, Commissioner, but I am not familiar with exactly
3 each account or which type of activity that the state and the
4 federal government do a cost sharing.
5 COMMISSIONER CORNELLA: You couldn't tell me if the
6 state is going to have to pay 25 percent for the operation of
7 that fort?
8 LIEUTENANT COLONEL BAILEY: I don't think that
9 would be correct, Commissioner. I don't believe so.
10 COMMISSIONER CORNELLA: But you're not sure it's
11 not correct.
12 LIEUTENANT COLONEL BAILEY: That's correct.
13 COMMISSIONER COX: I'd like to just finish with my
14 question, if I could.
15 CHAIRMAN DIXON: Mr. Cornella, you go ahead.
16 COMMISSIONER CORNELLA: Through this whole thing,
17 there's been a logic that's kind of escaped me. And that's
18 the logic that, it doesn't cost anything to train here. And
19 the other concern I have is that 40 percent of the training
20 that's done at that installation is active duty components.
21 Now, the idea that it doesn't cost anything to train here is
22 because they bring their food and they bring their gasoline.

1 Now, if I owned this room, and you came here every
2 day and had lunch, and all you supplied would be lunch and
3 shoe leather, it still costs me something for this room. And
4 if I gave that room to Rebecca Cox, and you still came here
5 and had lunch every day, it would still cost something for
6 that room. So to me, if the National Guard is going to be
7 providing those training ranges, it would seem to me that
8 they would be incurring some costs.
9 Is the state going to want to pay for training the
10 active component?
11 MR. BROWN: Commissioner Cornella, I believe that
12 the funds that GEN D'Araujo identified would be the funds
13 that he would have available to him to operate and maintain
14 those activities at the installation to enable other
15 organizations to train there.
16 COMMISSIONER KLING: That is what he told me, as
17 well.
18 LIEUTENANT COLONEL BAILEY: And that is confirmed.
19 And I understand your question, Commissioner.
20 COMMISSIONER ROBLES: I can explain it to him from
21 a previous life. The $20 million or $29 million or whatever
22 the right amount is the required amount of operations

1 maintenance Army National Guard funds required to do the
2 range maintenance, to have range personnel, to run the troop
3 issue subsistence activity, and all the things that are
4 necessary to support training on that installation.
5 Each of the components who come there, whether it
6 be a reserve component who would use reserve component O&M
7 funds or reserve personnel funds, or an active component who
8 would use active component O&M funds or personnel funds, they
9 use that money to get themselves to the training site, to pay
10 the subsistence of the soldiers who are there, to get them
11 back to the training site.
12 So it's kind of a shared responsibility. The using
13 unit pays to get the soldiers and equipment there. They do
14 their training, and the support and upkeep of that training
15 infrastructure is paid for by the base, in this case, the
16 National Guard Bureau, using this money that we talked about,
17 and the host unit's fund pay to get them back. That's how
18 it's worked item for item.
19 Now, there have been some, what I call, innovative
20 approaches to life, in which a unit will come on an
21 installation, and they will be asked to pay part of the
22 upkeep of the infrastructure costs because the local

1 commander did not have enough. But I don't believe that's
2 going to be an issue. As I said, if there's one organization
3 in the United States Army who watches their pennies very
4 closely, it's the Army National Guard Bureau.
5 And they would not take on a mission if they didn't
6 think they had adequate funds to operate those three
7 installations from a base support point of view.
8 LIEUTENANT COLONEL BAILEY: And I might add, Mr.
9 Chairman, with your permission, to fully answer, I think, the
10 concern that Commissioner Cornella may have. We went to the
11 Army, and we looked at this issue very closely, because you
12 all asked some very tough questions. And there is not going
13 to be, there is not currently and there is not going to be,
14 at least for the United States Army within its components, a
15 head tax or a user fee imposed upon soldiers for merely going
16 to an Army installation, run by whomever, to conduct their
17 training.
18 Once there, they've got to pay out of their own
19 accounts to do their training. The installation doesn't pay
20 for their training, the unit does. And the training accounts
21 and the base operation support accounts are two different
22 accounts.

1 COMMISSIONER ROBLES: And that's very important
2 because, having run an installation having a lot of reserve
3 components train on my installation, my director of resource
4 management would come in the office and say, let's pay a head
5 tax to have this National Guard unit, because they're going
6 to tear up our roads and we need to repair our roads; or
7 they're going to come in here on a weekend and we're going to
8 have to run over time. And that's when these head taxes get
9 into it.
10 But under this proposal, that's why that money is
11 being transferred to the Guard Bureau, so that head tax does
12 not have to be paid. Now, your question about state funds --
13 state funds have never entered into the equation, except
14 where they resided on an active installation, a purely state
15 function, like a state maintenance function, or one of those
16 things. But the funds never get co-mixed.
17 CHAIRMAN DIXON: Are there any further questions or
18 statements?
19 COMMISSIONER KLING: Just one question about, are
20 you going to touch on the petroleum?
21 LIEUTENANT COLONEL BAILEY: Yes, Commissioner.
22 COMMISSIONER KLING: Can you make a comment to

1 that?

2 LIEUTENANT COLONEL BAILEY: Yes, I can. Mr.

3 Chairman, may I proceed?

4 CHAIRMAN DIXON: Please.

5 LIEUTENANT COLONEL BAILEY: Okay. You have had, by

6 now, a chance to look at the chart before you, so I'll go

7 directly with your permission, Mr. Chairman, to Commissioner

8 Kling's question. The petroleum training facility is a set

9 of modular sets of pipeline, if you will.

10 MR. BROWN: Chart A25, please.

11 LIEUTENANT COLONEL BAILEY: Thank you. And it is

12 currently set up at Fort Pickett, where they conduct training

13 there. They pump about 40 million gallons of water through

14 these pipes, if you will. It actually looks more like large

15 fire hoses. And it's the type of system that the Army has

16 developed, and it was used during Desert Storm, to transfer

17 fuel. Mainly our fuel handlers are in the reserve

18 components, and they have come to Fort Pickett to train on

19 this equipment.

20 They do so monthly. It's a very small section of

21 people -- I believe 19 or 20 people, maximum. It's run by a

22 contractor. And it's to train soldiers how to open up the

1 modular kits, hook the hoses together, if you will. And of
2 course, they use water for training, so they don't have an
3 environmental problem. But when you go to war, you'd be
4 pumping fuel through this system.
5 And the reason that the Army decided to relocated
6 the PTM or petroleum training module facility to Fort Dix is
7 that a majority of the reserve component petroleum, oil, and
8 lubricant companies in the reserves that would use this in
9 wartime happened to be located closer to Fort Dix than they
10 are to Fort Lee or Fort Pickett.
11 CHAIRMAN DIXON: Okay, are there any further
12 questions about Fort Pickett?
13 COMMISSIONER KLING: Yes, sir.
14 CHAIRMAN DIXON: Commissioner Kling.
15 COMMISSIONER KLING: Of the one-time cost and the
16 annual savings, how much of that is attributable of each one
17 of those categories? Do you have any idea, as far as the
18 petroleum training if it remained? What would be the
19 decrease in the one-time costs and the annual savings if only
20 the petroleum stays? Is that a majority of it?
21 LIEUTENANT COLONEL BAILEY: I don't know. The cost
22 relating to the movement of these modular sets, which you can

1 put on a truck and move, or on a rail car -- that's a minor,
2 minor cost in the overall figure. It's very, very small. I
3 don't know exactly what it is.
4 COMMISSIONER KLING: Okay, that's fine. Thank you.
5 CHAIRMAN DIXON: Are there any further questions on
6 Fort Pickett?
7 COMMISSIONER ROBLES: Mr. Chairman, one final
8 point.
9 CHAIRMAN DIXON: Commissioner Robles.
10 COMMISSIONER ROBLES: I know this, as long as I've
11 been wearing a uniform, there was an emotional issue. And I
12 think it revolves around two points, and these two points you
13 need to keep in your mind as you go through the next two
14 analyses. The two points were, who's going to pay to run the
15 support activities necessary to support the training mission
16 if the active component walks away? Currently, it's being
17 funded out of active Army O&M, and they're running that
18 support, and the active component is paying for it.
19 When GEN Sullivan, who sat there, said -- and GEN
20 D'Araujo was there -- I'm going to transfer money from the
21 active account in the programming cycle to the reserve
22 account, I think that took care of the problem. Now, he made

1 that, it's on the record. And you just have to believe that
2 honorable people will do honorable things. The second thing
3 that I think was, was the size of the enclave.
4 If the enclave was defined too narrowly, there
5 would not be sufficient training and maneuver space. It
6 would be excluded from the enclave. So you in essence had
7 taken a perfectly good piece of training dirt and shrunk it
8 such that you would degrade the level of the training, the
9 type of training, and restrict the number of units who could
10 go there.
11 But as the process is evolving, I think there's
12 agreement at all three of these locations to make the enclave
13 sufficiently large enough to encompass most of the training
14 area that's there, if not all of it, and only eliminate those
15 non-essential functions that do not directly support the
16 training mission. As I understand it -- and if there's a
17 different understanding, we need to know that right now.
18 LIEUTENANT COLONEL BAILEY: That is correct,
19 Commissioner. However, I would be remiss if I didn't put one
20 final point of information before the commission. And that
21 is that GEN D'Araujo made those statements and GEN Shane made
22 those statements, as you indicated. And GEN D'Araujo very

1 strongly, and I think correctly, has requested of
2 headquarters, Department of the Army, that he be allowed to
3 conduct annual training as well as the individual unit
4 training and weekend drill, if you will, at these locations.
5 And my analysis shows, particularly with regard to
6 Fort Pickett and Fort Chaffee, that the National Guard and
7 the reserve components require those training areas for
8 annual training.
9 CHAIRMAN DIXON: Is there any other question
10 concerning Fort Pickett, before we advance to Fort Indiantown
11 Gap?
12 COMMISSIONER COX: Just one final one.
13 CHAIRMAN DIXON: Commissioner Cox.
14 COMMISSIONER COX: One final question on the
15 savings per year on Fort Pickett. Did you have a chance to
16 review those, and do you believe that the $21.8 million
17 annual savings is correct? A little high, a little low?
18 LIEUTENANT COLONEL BAILEY: Yes, Commissioner, I
19 do, and as you gave me guidance and assistance just a few
20 days ago in reviewing some of these figures, I will tell you,
21 then, exactly what I -- I tell you now what I told you then.
22 We did look at those very, very carefully. The Army ran a

1 new COBRA analysis on all of its installations in May. And I
2 personally believe that that figure is actually on the low
3 side; I think it's conservative.
4 CHAIRMAN DIXON: COL Bailey thinks the number is
5 correct. Any further questions? Are there any further
6 questions on Fort Pickett?
7 COMMISSIONER ROBLES: Yes, sir, there is.
8 CHAIRMAN DIXON: Commissioner Robles.
9 COMMISSIONER ROBLES: On your last comment on
10 annual training, can you please clarify that, because some
11 people -- you just kind of move right along on that one. Is
12 that a scheduling problem that I hear? Or is that priority
13 of use problem? I think that's what you're telling me in a
14 veiled way.
15 LIEUTENANT COLONEL BAILEY: No, not a priority of
16 use problem, in my opinion. From my analysis, there is a
17 scheduling --
18 COMMISSIONER ROBLES: Problem.
19 LIEUTENANT COLONEL BAILEY: Not a problem
20 necessarily. Yes, it is. Let me just tell it like it is.
21 It's a problem. You could fit in all the units if you
22 completely close Chaffee and Pickett and the Gap. You could

1 fit in all the units, that currently do annual training
2 there, into other locations. But I would hate to be the
3 commander that would have to try to take a unit in the middle
4 of December, or over Thanksgiving.
5 We have enough capacity, but scheduling all those
6 units for other locations would be a problem. And number
7 two, particularly in the case of Fort Chaffee, if the reserve
8 components are denied the use of that for some annual
9 training, particularly the Arkansas based units, then they're
10 going to have to travel 387 to 512 miles away, which would
11 incur greater transportation costs.
12 COMMISSIONER ROBLES: And the reason I'm asking
13 this point is, so what you're saying is that there's no
14 guarantee, under the current enclave concept, to allow them
15 to do an ADT there. Is that what you're saying?
16 LIEUTENANT COLONEL BAILEY: Yes, it is.
17 COMMISSIONER ROBLES: And is there resistance by
18 the active component to do that?
19 LIEUTENANT COLONEL BAILEY: We have not received
20 anything certified from headquarters, Department of the Army,
21 in writing that commits the Army to guaranteeing that annual
22 training can still continue there.

1 COMMISSIONER ROBLES: So what if we put in our
2 language to include ADT.
3 LIEUTENANT COLONEL BAILEY: That would be this
4 analyst's recommendation.
5 CHAIRMAN DIXON: Are you completed, Commissioner
6 Robles? Are you satisfied?
7 COMMISSIONER ROBLES: Yes, she is.
8 CHAIRMAN DIXON: Then let's go to the next one,
9 Fort Indiantown Gap.
10 LIEUTENANT COLONEL BAILEY: Cliff, if you'll put up
11 A-26, please.
12 The Secretary of Defense recommended that Fort
13 Indiantown Gap be closed, except for minimum essential
14 facilities, as an enclave for the reserve components.
15 Here you can see the relevant data concerning Fort
16 Indiantown Gap. The results showed immediate return on
17 investment and annual savings of over $18 million. As I
18 believe most of the commissioners are aware, Fort Indiantown
19 Gap is state-owned and is leased to the Army. Ninety percent
20 of the buildings on the installation are of temporary wooden
21 construction from both World Wars I and II, and that was a
22 significant factor in its military value ranking.

1 On chart A-27, you can see the five major issues
2 concerning this recommendation, and on chart A-28 -- I'll
3 quickly review those issues with you.
4 The personnel at the local community, as well as
5 people currently working at Fort Indiantown Gap, think it's a
6 fine installation. It is. However, they have claimed that
7 the Army's analysis in the COBRA models were completely
8 flawed. The Army has run three different COBRA models on
9 this installation. They have been validated by the Army
10 Audit Agency and by the General Accounting Office -- in the
11 latter case, by this commission's request. On all occasions,
12 the Army's COBRA data have been validated.
13 It is true, as the state points out, that an
14 enclave of this particular installation would be large, has
15 many new facilities for the reserve components, and they are
16 spread out throughout the reservation. However, this would
17 not be impractical because the state already owns all the
18 land. Again, the staff has validated the military value
19 ranking, which is ninth among the ten major training areas.
20 At one session, there was a claim made that the Gap
21 had better ranges than Fort Dix or Fort A.P. Hill, and Fort
22 Indiantown Gap is a fine installation. However, both Fort

1 Dix and Fort A.P. Hill, after the staff analyzed this, were
2 found to have more ranges, better ranges, larger artillery
3 impact areas, and more acres available for ground maneuver
4 training.
5 COMMISSIONER DAVIS: Colonel Bailey, may I stop you
6 there?
7 LIEUTENANT COLONEL BAILEY: Yes, sir.
8 COMMISSIONER DAVIS: Does Fort Dix and A.P. Hill
9 have air-to-ground ranges attached to them, too?
10 LIEUTENANT COLONEL BAILEY: Fort Dix and Fort A.P.
11 Hill do not have the air-ground ranges such as that found at
12 Fort Indiantown Gap.
13 COMMISSIONER DAVIS: Thank you.
14 COMMISSIONER STEELE: Are there any other unique-
15 to-the-Gap tenant issues that we need to address? We
16 received literally an overview, flying over, on the way to
17 another installation, and there seemed to be a lot of
18 concerns about who was going to pay for water and
19 electricity -- all sorts of different things. Are all those
20 resolved, funding-wise, the same as the other installations?
21 LIEUTENANT COLONEL BAILEY: Well, any of the
22 facilities and the missions that currently occur on Fort

1 Indiantown Gap that are the responsibility of the U.S.
2 Army -- and there's an active-duty forces command garrison
3 that runs the installation now -- the Army would be
4 responsible for.
5 But this is a unique installation, in that it is
6 state-owned. The state has many of its offices, many of its
7 activities, located at the Gap, ranging from highway
8 construction for the state of Pennsylvania, different
9 elements that they have there, to the Bureau of Land
10 Management, the mansion of the lieutenant governor, the
11 quarters of the state's adjutant general, et cetera. So
12 there are a lot of federal and state activities which occur
13 at Indiantown Gap.
14 COMMISSIONER STEELE: I'm sorry. I'm not quite
15 sure.
16 CHAIRMAN DIXON: Continue your line of questioning,
17 Commissioner Steele.
18 COMMISSIONER STEELE: So if we adopt the
19 recommendation, if we make sure we have the enclave language
20 correctly, is there or isn't there additional cost problems
21 with splitting utilities and doing different things, or is
22 that manageable, in your view?

1 LIEUTENANT COLONEL BAILEY: Yeah. I don't discern
2 any problem at all. The state and the federal governments,
3 it is true, have had a very good history of working together,
4 and items such as electricity or water -- I forget which
5 provides what, state or the federal government, but those are
6 reimbursable costs.
7 CHAIRMAN DIXON: Okay. Are you satisfied,
8 Commissioner Steele?
9 COMMISSIONER STEELE: Yeah, I'm okay.
10 CHAIRMAN DIXON: Commissioner Kling.
11 COMMISSIONER KLING: Following up on that, if this
12 goes back -- if we close down Indiantown and it goes back to
13 the state --
14 LIEUTENANT COLONEL BAILEY: That's correct.
15 COMMISSIONER KLING: -- will the state have the
16 authority at any time to change this in any way they want? I
17 mean, if they decide that they don't want it for the -- if
18 they want to take it over for a hunting reserve, can they do
19 that once the Army steps out and hands it back?
20 LIEUTENANT COLONEL BAILEY: Well, Commissioner,
21 that's a good question. Since I'm not a lawyer, I'm going to
22 defer to counsel, but I do know that the Commonwealth of

1 Pennsylvania does own all the land.

2 COMMISSIONER KLING: That's different from all the

3 other locations -- the other training -- is that correct?

4 LIEUTENANT COLONEL BAILEY: No, sir. The state of

5 Pennsylvania owns all of the land.

6 COMMISSIONER KLING: No, I meant --

7 MR. BROWN: That is correct, Commissioner Kling.

8 COMMISSIONER KLING: So what is the -- let's ask

9 the counsel.

10 CHAIRMAN DIXON: Does counsel want to offer a

11 response to the question by Commissioner Kling?

12 COMMISSIONER COX: Maybe, while counsel is thinking

13 about that, I could ask another question. Or is counsel

14 ready?

15 MS. CREEDON: No, go ahead.

16 CHAIRMAN DIXON: Commissioner Cox.

17 COMMISSIONER COX: Have we heard from the state of

18 Pennsylvania as to their intentions?

19 LIEUTENANT COLONEL BAILEY: No, we have not.

20 However, we have received -- and it's in the record -- a

21 letter from Governor Ridge -- in fact, two letters -- to the

22 chairman, expressing his concerns, as well as a letter to

1 Madelyn Creedon, the commission's general counsel, from the
2 general counsel of the Commonwealth of Pennsylvania. And
3 that particularly related to the lease and his concerns over
4 would the Army uphold its obligations under the lease. The
5 Army has stated that, yes, they will.
6 CHAIRMAN DIXON: Are there any further questions
7 while we're awaiting the answer?
8 COMMISSIONER CORNELLA: Yes, sir.
9 CHAIRMAN DIXON: Just a minute. Do we have an
10 answer to Commissioner Kling's question?
11 MS. CREEDON: The land is owned by the state of
12 Pennsylvania and is leased to the Army, and the terms of the
13 lease require that the Army continue to use the land. If the
14 land is no longer used by the Army for military purposes,
15 then the lease expires, and the use of the land reverts to
16 Pennsylvania, and Pennsylvania continues to own it.
17 CHAIRMAN DIXON: Very good.
18 Who has a question, now?
19 COMMISSIONER CORNELLA: I do, sir.
20 CHAIRMAN DIXON: Just a minute, now. Then you have
21 another question, do you, Commissioner Kling?
22 COMMISSIONER KLING: The same question.

1 CHAIRMAN DIXON: Commissioner Kling?

2 COMMISSIONER KLING: Just the same question. So in
3 theory, then, the state could literally do anything they
4 wanted. If the Army or the Reserve or whoever wanted to
5 continue to use it and the state said they have another,
6 better use now, they could do that, right?

7 LIEUTENANT COLONEL BAILEY: Oh, yes, Commissioner.
8 That's a sovereign state.

9 MR. BROWN: I take exception to that, Commissioner
10 Kling, and I think the reason why: if the Army still needs
11 the property, I think the terms of the lease permit the Army
12 to continue to use it, even if it's enclaved. It's when it
13 becomes excess to the needs of the Department of the Army
14 that it would revert to the Commonwealth of Pennsylvania.

15 COMMISSIONER KLING: So as long as we keep the
16 enclave, the lease will stay in place.

17 MR. BROWN: That's correct.

18 COMMISSIONER COX: So the National Guard enclave
19 would meet, in your view, counsel?

20 CHAIRMAN DIXON: Is that a question by Commissioner
21 Cox to the legal counsel?

22 COMMISSIONER COX: It is.

1 CHAIRMAN DIXON: All right. Move along. Counsel?

2 MS. CREEDON: Yes. As long -- the terms of the

3 lease require continued use of the land for a military

4 activity. As long as that activity is going on, then the

5 lease continues on.

6 COMMISSIONER COX: And that activity would include

7 the National Guard?

8 MS. CREEDON: Yes.

9 CHAIRMAN DIXON: All right. Are there other

10 questions?

11 COMMISSIONER CORNELLA: Yes, Mr. Chairman.

12 CHAIRMAN DIXON: Commissioner Cornella.

13 COMMISSIONER CORNELLA: There is a large helicopter

14 training facility located on that base. As I understand,

15 it's the second largest one in the Army, next to Fort Rucker.

16 LIEUTENANT COLONEL BAILEY: That is correct. We

17 verified that.

18 COMMISSIONER CORNELLA: Okay. I didn't -- maybe I

19 missed it in the briefing, but what would happen to that?

20 LIEUTENANT COLONEL BAILEY: It would continue to be

21 run as it is today, Commissioner.

22 COMMISSIONER CORNELLA: So there would be no change

1 in personnel?

2 LIEUTENANT COLONEL BAILEY: No. That is a National

3 Guard facility. In fact, you and I saw that they're building

4 a new brigade-size armory there for the National Guard.

5 COMMISSIONER CORNELLA: Thank you.

6 CHAIRMAN DIXON: All right. Are there further

7 questions of Colonel Bailey on Fort Indiantown Gap?

8 COMMISSIONER COX: I'm sorry. Can I just --

9 CHAIRMAN DIXON: Commissioner Cox?

10 COMMISSIONER COX: One follow-up question. I of

11 course presume that our counsel is correct, but, assuming

12 that the state of Pennsylvania in fact wants back Indiantown

13 Gap and finds a way, via this, to get its hands on that land

14 and it's not available to the National Guard, is there a

15 training problem with the helicopters, if this is one of two

16 in the United States?

17 MR. BROWN: I believe those helicopters belong to

18 the Pennsylvania National Guard, and I would hope that the

19 Commonwealth of Pennsylvania would permit their National

20 Guard to continue to use the facilities on that installation.

21 COMMISSIONER COX: Thank you.

22 CHAIRMAN DIXON: Is there any other question

1 concerning Fort Indiantown Gap?

2 (No response.)

3 CHAIRMAN DIXON: Fort Chaffee.

4 LIEUTENANT COLONEL BAILEY: Okay, Cliff. If you'll

5 put up the next chart, A-31, please.

6 The Secretary of Defense recommended that Fort

7 Chaffee be closed, except for minimum essential buildings and

8 ranges for reserve component training, as an enclave. You

9 can see the savings and economic data for Fort Chaffee, which

10 is here, depicted on the chart. Ninety-seven percent of the

11 buildings are of World War II construction, which was a

12 factor in its military ranking.

13 Chart A-32, please.

14 The next chart shows the issues which were reviewed

15 in the analysis of the recommendation to close Fort Chaffee.

16 Chart A-33 outlines the positions and findings.

17 One issue that was raised is why did the military value

18 ranking change from fifth in 1993 to tenth in 1995. We

19 looked at that very carefully, and it was quickly evident to

20 us that the Army, in its report to the Department of Defense,

21 clearly outlined that they changed the attributes and the

22 weighted values for the major training area category. In

1 things such as ranges and types of ranges, the percentage of
2 permanent facilities received more value in this round than
3 they did previously. That's the result and the change in the
4 ranking.
5 One of the key things we've already discussed and I
6 probably don't need to add any more to was the issue of
7 whether or not the enclave would also involve including
8 training areas for the installation, and I think we probably
9 beat that to death.
10 COMMISSIONER COX: And, in fact, we assume that
11 they will be an enclave of the training areas, run by the
12 National Guard, should this proposal go forward; is that
13 correct?
14 LIEUTENANT COLONEL BAILEY: That's correct.
15 MR. BROWN: We have seen documentation that shows
16 that the Army intends to enclave almost the entire 68,000
17 acres of maneuver land available at the installation.
18 COMMISSIONER COX: And essentially, that's true in
19 all three of these installations.
20 MR. BROWN: I have not seen the numbers associated
21 with Fort Indiantown Gap.
22 LIEUTENANT COLONEL BAILEY: Nor have I, but we have

1 seen the proposals for both Pickett and for Chaffee.

2 COMMISSIONER ROBLES: Mr. Chairman, if I may, I

3 think what's causing --

4 CHAIRMAN DIXON: Commissioner Robles.

5 COMMISSIONER ROBLES: -- skepticism and a little

6 angst in the ranks is the fact that in previous enclave

7 proposals, for previous base closures, the size of the

8 enclave footprint was rather small. They tried to minimize

9 the size of that enclave in order to get the maximum savings.

10 But I think, in this case -- and the Army has stepped up to

11 it, and I think they're working it diligently -- they realize

12 that, when you enclave a reserve component training site, you

13 must include all the maneuver space or you're really not

14 doing much for anybody. And so that's why this enclave will

15 look totally different than an enclave you'll see at a lot of

16 other places that were closed down.

17 And so what I think is going to happen, and what

18 you already have said has started, as you're putting the

19 actual plan, is, the enclave will be the required base ops

20 support structures and the maneuver training areas and ranges

21 required, and that's why you see the language got changed in

22 these proposals to give it a more broader definition, so that

1 you could footprint in that enclave everything needed to
2 continue the training mission at that installation.
3 Is that not -- that's my understanding. If it's
4 any different, I'd like to know.
5 LIEUTENANT COLONEL BAILEY: No, no. That's my
6 understanding, Commissioner.
7 CHAIRMAN DIXON: Thank you, Commissioner Robles.
8 Are there any other comments or questions on Fort
9 Chaffee?
10 COMMISSIONER CORNELLA: Yes, sir.
11 CHAIRMAN DIXON: Commissioner Cornella.
12 COMMISSIONER CORNELLA: It would seem to me that
13 what we're doing here is we're ridding ourselves of some
14 excess World War II buildings and some excess personnel. Is
15 that all that's happening?
16 LIEUTENANT COLONEL BAILEY: Commissioner, we are
17 doing those two things, but, in addition, we're replacing a
18 very expensive active component garrison, in this case at
19 Fort Chaffee, taking that out, maintaining 32 Guard or
20 reserve positions to maintain the NCO academy that is run by
21 the U.S. Army Reserve command. And the cost savings there
22 are significant.

1 COMMISSIONER CORNELLA: So that is a little
2 different than the other two.
3 LIEUTENANT COLONEL BAILEY: No, it's actually quite
4 similar. Fort Indiantown Gap also has an active component
5 forces command garrison. The garrison at Fort Pickett,
6 Virginia, right now, is a U.S. Army Reserve command garrison,
7 but it's staffed by active Guard and reserve soldiers.
8 COMMISSIONER CORNELLA: So the savings are coming
9 from ridding excess personnel and getting rid of some World
10 War II buildings.
11 MR. BROWN: The majority of savings are from
12 personnel eliminations, Commissioner Cornella.
13 CHAIRMAN DIXON: Is that true at all three bases?
14 MR. BROWN: Yes, it is, Mr. Chairman.
15 COMMISSIONER CORNELLA: So, you know, instead of
16 taking a bulldozer out and bulldozing down those buildings
17 and letting two or three hundred people go, when we finish
18 with this operation that we're conducting here, there's still
19 going to be a Fort Chaffee; there's still going to be a Fort
20 Indiantown Gap, and a Fort Pickett. Is that not correct?
21 LIEUTENANT COLONEL BAILEY: There will be the
22 training areas of those installations -- that is correct --

1 but I would not necessarily call them forts. They were
2 camps, in all three cases, until sometime in the last 10 to
3 15 years, when they were renamed as forts. Previously,
4 Commissioner, they existed much as you accurately describe
5 they will look like, minus the World War II construction, and
6 they were simply camps for reserve component training.
7 COMMISSIONER COX: But -- just --
8 CHAIRMAN DIXON: Commissioner Cox?
9 COMMISSIONER COX: Essentially, we're going to get
10 rid of some buildings we don't need; we're going to have less
11 people; and we may change the name; but we will continue to
12 train, we hope -- we're promised that we will continue to
13 train, as before -- at least it will be available to train,
14 as before.
15 LIEUTENANT COLONEL BAILEY: That is correct.
16 COMMISSIONER COX: I guess what it might say to you
17 is that, if those numbers are correct, you wonder why the
18 Army just doesn't do it itself, to start out with, or, at the
19 very least, what we're seeing is that the National Guard is
20 extremely more efficient than the Army, which may well be
21 true.
22 COMMISSIONER ROBLES: Let me answer that.

1 CHAIRMAN DIXON: Commissioner Robles.

2 COMMISSIONER ROBLES: That may be true, but let me
3 tell you the pragmatic fact. The fact of the matter is that,
4 as we downsize the Army from 782,000 to somewhere in the high
5 400s, a lot of things had to go. The United States Army had
6 a lot of active-duty soldiers performing base operations
7 functions. The optimal solution has been, for a long time,
8 to get the war-fighting Army out of the base ops business and
9 transfer that over to civilians or to the reserve components,
10 who are maintaining a large force structure, and some of that
11 force structure could be used to do base operations function.

12 I personally was one of the folks who drove to get
13 U.S. Army Reserve command to run some installations with
14 those large numbers of AGRs and reserve component structure
15 they had, and this is what it's doing. When you cut it from
16 782,000 and cut it down to 490, 470, 480, whatever it's going
17 to be, and you still have a large Guard population and
18 reserve population of about 500,000 people, you need to share
19 some of that wealth on running these installations.

20 That is a mission they can do very well and very
21 efficiently, and you don't have to fully cost an active-duty
22 soldier, who's on duty 365 days a year, with a large

1 retirement tail and all the other things that go with it. So
2 there is some economies of scale, and this has been thought
3 out a lot over the last four or five years.
4 CHAIRMAN DIXON: Thank you, Commissioner Robles.
5 COMMISSIONER COX: Commissioner Robles, I certainly
6 agree, and I guess --
7 CHAIRMAN DIXON: Commissioner Cox.
8 COMMISSIONER COX: -- my frustration, having been
9 to at least one of these facilities, is -- and we just went
10 through this on the velocity tunnel out at White Oak. What
11 we've got, quite rightly, is every service trying to
12 downsize, and they don't want to -- and we saw this at
13 Kirtland, as well. Nobody wants to be in charge of hosting
14 these facilities. And we want to make sure that, as we get
15 more efficient and get better, we're not just moving the ball
16 around or, you know, playing the shell game, because the
17 truth of the matter is, if we're still running all these
18 facilities, which we should be, and if we are still making
19 all of these facilities available for the same training, you
20 know, we may just be playing a shell game here.
21 We want to make sure that, in fact, we get the same
22 readiness training, with the efficiencies, and not just be

1 moving the ball as to who's got in in their court and who
2 gets stuck with paying the host costs.
3 CHAIRMAN DIXON: Thank you, Commissioner Cox.
4 Commissioner Robles.
5 COMMISSIONER ROBLES: I think that's an absolutely
6 valid concern. As you know, some of the things we saw was
7 the cost transference.
8 COMMISSIONER COX: Yeah.
9 COMMISSIONER ROBLES: But I think the difference
10 that has occurred, as I understand it, again, is that the
11 active Army has stepped up to the table and said, "I'm going
12 to transfer money so that, if I transfer this mission to the
13 Guard, I'm going to transfer money to the Guard to do this
14 mission." And in that process, you will have efficiencies,
15 because you will just only have a garrison large enough to
16 maintain the ranges and maintain the training tempo of those
17 people trained, as opposed to keeping it open 365 days a year
18 and in a steady level of operations.
19 And as you know, training in the reserve components
20 comes in cycles. The peak training time is in the months of
21 about March through about September, and that's when you
22 surge up, and so you're ready to go. And any other time is

1 down time, and you do training and -- I could go on and on
2 and on, but --
3 CHAIRMAN DIXON: Please don't.
4 COMMISSIONER COX: Well, I think we all appreciate
5 the fact that the Army --
6 CHAIRMAN DIXON: Commissioner Cox.
7 COMMISSIONER COX: -- ponied up for at least some
8 of the costs.
9 CHAIRMAN DIXON: Are there any further questions?
10 (No response.)
11 CHAIRMAN DIXON: Are there any further statements?
12 COMMISSIONER ROBLES: One more, and I'll shut up.
13 CHAIRMAN DIXON: Commissioner Robles. No, no. I
14 don't want you to shut up. Go ahead, Commissioner Robles.
15 COMMISSIONER ROBLES: On this issue, addressing --
16 that's an interesting point, as you trailed off: "at least
17 some of the costs." There are gentlemen in this room who can
18 help them on the other costs. It's called the budgetary
19 process.
20 CHAIRMAN DIXON: All right. Now, are there any
21 further questions or statements?
22 (No response.)

1 CHAIRMAN DIXON: Are there any at all, now?

2 (No response.)

3 CHAIRMAN DIXON: Everybody got it off their chests?

4 (No response.)

5 CHAIRMAN DIXON: Now, is there a motion? Is there

6 a motion? Sometime we've got to vote. Somebody tries a

7 motion, we'll try voting on it.

8 COMMISSIONER ROBLES: Mr. Chairman, I'd like to

9 make a motion.

10 CHAIRMAN DIXON: I recognize you, Commissioner

11 Robles.

12 COMMISSIONER ROBLES: But I'd like to make sure

13 that we have included the right language, because I am

14 concerned about including the individual and annual training

15 piece in there, so that there's no equivocation later on that

16 they should be able to do both individual and annual training

17 at those sites.

18 So the general counsel needs to help real quick

19 here, to make sure that I've inserted the right words that

20 let that happen.

21 CHAIRMAN DIXON: Shall we take a moment for you to

22 do that, Commissioner?

1 COMMISSIONER MONTOYA: Mr. Chairman?

2 CHAIRMAN DIXON: Commissioner Montoya.

3 COMMISSIONER MONTOYA: My feelings are hurt. We

4 close a shipyard in half the time.

5 (Laughter.)

6 CHAIRMAN DIXON: Well, you Navy guys are faster

7 operators. We're plodding along here, now.

8 COMMISSIONER ROBLES: Mr. Chairman, I'm ready to

9 make the motion.

10 CHAIRMAN DIXON: Commission Robles.

11 M O T I O N

12 COMMISSIONER ROBLES: I move the commission find

13 the Secretary of Defense deviated substantially from final

14 criteria 1 and 2 and the force structure plan and, therefore,

15 the commission reject the Secretary's recommendation on Fort

16 Pickett and, instead, adopt the following recommendation:

17 close Fort Pickett, except minimum essential ranges,

18 facilities, and training areas, as a reserve component

19 training enclave, to include the conduct of individual and

20 annual training. The commission finds this recommendation is

21 consistent with the force structure plan and final criteria.

22 COMMISSIONER DAVIS: Second.

1 CHAIRMAN DIXON: Now may I have your explanation of
2 how you deviated from the Army's recommendation there?
3 COMMISSIONER ROBLES: The explanation is we
4 deviated by putting a more complete description of what
5 facilities get included in the enclave and standardize them
6 among all three of those installations, because there were
7 different languages. In one it said one thing, and in one it
8 said the other. And the standard language will say, in all
9 of them, "except minimum essential ranges, facilities, and
10 training areas," and now it will also say, "to serve as a
11 reserve component training enclave, to include the conduct of
12 both individual and annual training."
13 And we can't think of a way to make it more
14 inclusive than that.
15 CHAIRMAN DIXON: May I have the opinion of Mr.
16 Brown and Colonel Bailey on that?
17 MR. BROWN: Mr. Chairman, I believe that the
18 standard definition of the enclave should be included in all
19 three, and I agree with Commissioner Robles: "to include the
20 conduct of individual training and annual training."
21 LIEUTENANT COLONEL BAILEY: And I concur, Mr.
22 Chairman.

1 COMMISSIONER DAVIS: And I have seconded the
2 motion, sir.
3 CHAIRMAN DIXON: All right. So there's been a
4 motion made by Commissioner Robles and seconded by
5 Commissioner Davis that this motion be adopted. Are there
6 any comments, any questions?
7 (No response.)
8 CHAIRMAN DIXON: Counsel will call the roll.
9 MS. KING: Commissioner Robles?
10 COMMISSIONER ROBLES: Aye.
11 MS. KING: Commissioner Steele?
12 COMMISSIONER STEELE: Aye.
13 MS. KING: Commissioner Cornella?
14 COMMISSIONER CORNELLA: Aye.
15 MS. KING: Commissioner Cox?
16 COMMISSIONER COX: No.
17 MS. KING: Commissioner Davis?
18 COMMISSIONER DAVIS: Aye.
19 MS. KING: Commissioner Kling?
20 COMMISSIONER KLING: Aye.
21 MS. KING: Commissioner Montoya?
22 COMMISSIONER MONTOYA: Aye.

1 MS. KING: Mr. Chairman?

2 CHAIRMAN DIXON: Aye.

3 MS. KING: Mr. Chairman, the vote is seven ayes and

4 one nay.

5 CHAIRMAN DIXON: And the motion carries.

6 What is the pleasure of the commission on Fort

7 Indiantown Gap?

8 COMMISSIONER ROBLES: Mr. Chairman, I'd like to

9 make a motion.

10 CHAIRMAN DIXON: Commissioner Robles.

11 M O T I O N

12 COMMISSIONER ROBLES: I move the commission find

13 the Secretary of Defense deviated substantially from final

14 criteria 1 and 2 and the force structure plan and, therefore,

15 the commission reject the Secretary's recommendation on Fort

16 Indiantown Gap and, instead, adopt the following

17 recommendation: close Fort Indiantown Gap, except minimum

18 essential ranges, facilities, and training areas, as a

19 reserve component training enclave, to include the conduct of

20 individual and annual training. The commission finds this

21 recommendation is consistent with the force structure plan

22 and final criteria.

1 COMMISSIONER MONTOYA: Second.

2 CHAIRMAN DIXON: And that is moved by Commissioner

3 Robles and seconded by Commissioner Montoya.

4 Are there any questions or comments?

5 (No response.)

6 CHAIRMAN DIXON: Counsel will call the roll.

7 MS. KING: Commissioner Robles?

8 COMMISSIONER ROBLES: Aye.

9 MS. KING: Commissioner Steele?

10 COMMISSIONER STEELE: Aye.

11 MS. KING: Commissioner Cornella?

12 COMMISSIONER CORNELLA: Aye.

13 MS. KING: Commissioner Cox?

14 COMMISSIONER COX: No.

15 MS. KING: Commissioner Davis?

16 COMMISSIONER DAVIS: Aye.

17 MS. KING: Commissioner Kling?

18 COMMISSIONER KLING: Aye.

19 MS. KING: Commissioner Montoya?

20 COMMISSIONER MONTOYA: Aye.

21 MS. KING: Mr. Chairman?

22 CHAIRMAN DIXON: Aye.

1 MS. KING: Mr. Chairman, the vote is seven ayes and
2 one nay.
3 CHAIRMAN DIXON: And the motion is adopted.
4 What is the pleasure of the commission with respect
5 to Fort Chaffee, Arkansas?
6 COMMISSIONER ROBLES: Mr. Chairman, I have a
7 motion.
8 CHAIRMAN DIXON: Commissioner Robles.
9 M O T I O N
10 COMMISSIONER ROBLES: I move the commission find
11 the Secretary of Defense deviated substantially from final
12 criteria 1 and 2 and the force structure plan and, therefore,
13 the commission reject the Secretary's recommendation on Fort
14 Chaffee and, instead, adopt the following recommendation:
15 close Fort Chaffee, except minimum essential ranges,
16 facilities, and training areas, as a reserve component
17 training enclave, to include the conduct of individual and
18 annual training. The commission finds this recommendation is
19 consistent with the force structure plan and final criteria.
20 CHAIRMAN DIXON: Is there a second?
21 COMMISSIONER KLING: Second.
22 CHAIRMAN DIXON: Seconded by Commissioner Kling.

1 Are there any comments, questions?

2 (No response.)

3 CHAIRMAN DIXON: Counsel will call the roll.

4 MS. KING: Commissioner Robles?

5 COMMISSIONER ROBLES: Aye.

6 MS. KING: Commissioner Steele?

7 COMMISSIONER STEELE: Aye.

8 MS. KING: Commissioner Cornella?

9 COMMISSIONER CORNELLA: Aye.

10 MS. KING: Commissioner Cox?

11 COMMISSIONER COX: No.

12 MS. KING: Commissioner Davis?

13 COMMISSIONER DAVIS: Aye.

14 MS. KING: Commissioner Kling?

15 COMMISSIONER KLING: Aye.

16 MS. KING: Commissioner Montoya?

17 COMMISSIONER MONTOYA: Aye.

18 MS. KING: Mr. Chairman?

19 CHAIRMAN DIXON: Aye.

20 MS. KING: Mr. Chairman, the vote is seven ayes and

21 one nay.

22 CHAIRMAN DIXON: And that motion is carried, as

1 well.

2 Army training schools.

3 MR. BROWN: Mr. Chairman and Commissioners, on page

4 B-1 we have the next category to be discussed, Army training

5 schools. That page and the accompanying map, on page B-2,

6 show the names and locations of the 14 installations in this

7 category. The Secretary of Defense recommended the closure

8 of Fort McClellan, Alabama, and the realignment of Fort Lee,

9 Virginia.

10 Mr. J.J. Gertler will discuss Fort McClellan.

11 MR. GERTLER: Mr. Chairman, members of the

12 commission, on page B-3 we have the next installation to be

13 discussed, Fort McClellan, Alabama. Mr. Wooten, if I could

14 also have the map on B-4.

15 The Secretary of Defense recommended that Fort

16 McClellan be closed, except minimum essential land and

17 facilities for a reserve component enclave and minimum

18 essential facilities, as necessary, to provide auxiliary

19 support for the chemical demilitarization operation at

20 Anniston Army Depot, which is across town.

21 DOD also recommended that the chemical and military

22 police schools be relocated to Fort Leonard Wood, Missouri,

1 upon receipt of the required permits, and that the Defense
2 Polygraph Institute be relocated to Fort Jackson, South
3 Carolina.
4 Finally, DOD recommended that Pelham range and the
5 current Guard facilities be licensed to the Alabama Army
6 National Guard.
7 The chart before you indicates statistics regarding
8 Fort McClellan. It was 9th of 13 in military value, with a
9 one-time closure cost of $231 million and annual savings of
10 $40.6 million, which nets a return on investment beginning in
11 the year 2005. The 20-year net present value is $287.4
12 million.
13 I would commend to the attention of commissioners
14 the economic impact figure. It is 16.7 percent. It is shown
15 cumulatively as actually declining. However, due to
16 commission action yesterday, regarding Red River and
17 Letterkenny Army Depots, the one-time economic impact would
18 be the same now. It would carry over and become the
19 cumulative economic impact.
20 We will also discuss during this briefing an
21 alternative recommendation that differs only in that it
22 requires the chemical defense training facility at Fort

1 McClellan remain operational until the similar facility at
2 Fort Leonard Wood is mission-capable.
3 Chart B-5, please.
4 These are the major issues considered in evaluating
5 this recommendation.
6 May I have chart B-6, please?
7 Mr. Chairman, the 1993 commission disapproved a
8 broadly similar recommendation, in part due to the
9 uncertainty of environmental permitting at Fort Leonard Wood.
10 They ordered that, before the recommendation was resubmitted,
11 all necessary environmental permits should be pursued with
12 the receiving location. The word "pursued" was the precise
13 language.
14 This led to a logical chicken and egg. The Army
15 believed it could not pursue the permits before the
16 Department approved the recommendations, since to do so would
17 prejudge the Department's recommendation. DOD believed it
18 couldn't apply for the permits before receiving the Army's
19 recommendation, because they didn't know the Army would put
20 Fort McClellan on the list again.
21 While the permit applications had been prepared
22 well in advance and some discussions held with the State of

1 Missouri regarding permit issues, the actual permit
2 applications were submitted March 1, 1995, the day the
3 recommendations were submitted to this commission.
4 All three state-required permits have now been
5 granted. The Fort McClellan community argues that some of
6 the issued permits are invalid and that other required
7 permits have not been pursued. Specifically, they contend
8 that a hazardous waste permit under the Resource Conservation
9 and Recovery Act is required for operation of the CDTF. The
10 State of Missouri has stated that a RCRA permit is not
11 required, and the commission's counsel and interagency
12 environmental agency analyst concur in that finding. It's
13 relevant to note that the CDTF at Fort McClellan operates
14 without such a permit.
15 The community also contends that a Nuclear
16 Regulatory Commission license required to operate the
17 radiological testing facility has not been applied for. The
18 NRC licenses a facility. It is thus impossible to obtain the
19 relevant NRC license prior to construction.
20 The next issue concerns the cost to build a new
21 chemical defense training facility at Fort Leonard Wood. The
22 original CDTF at Fort McClellan, built from scratch, cost

1 $14.2 million some eight years ago. DOD has thus allowed for
2 over 100 percent cost growth. One hundred percent in eight
3 years seems a reasonable margin, but, even if the community's
4 highest figure, of $70 million, is correct, savings would
5 still be realized from this recommendation. GAO has
6 confirmed this analysis.
7 The operational arguments are also significant.
8 The community argument is this. If you move the CDTF, the
9 time line for construction and permitting issues,
10 particularly given the popularity of court appeals, is
11 uncertain. The community's worst-case scenario is that the
12 CDTF at Fort Leonard Wood is completed; the old CDTF, at Fort
13 McClellan, is closed; and then some legal or regulatory
14 challenge causes the new CDTF to cease operations, leaving
15 the nation with no live-agent training capability. The
16 commission alternative recommendation -- to keep the CDTF at
17 Fort McClellan open until the new one is mission-capable --
18 should prevent this scenario from occurring.
19 The Army says they won't close the old CDTF until
20 the new one is operational and points out that the successful
21 track record of the CDTF at Fort McClellan makes the
22 permitting process easier and makes the success of any

1 challenge much less likely. The Army also points to its good
2 track record in moving other major missions.
3 Missouri officials point out that Fort Leonard Wood
4 could, if challenged, apply for amendment to their permits
5 under normal processes.
6 Mr. Wooten, chart B-7, please.
7 Smoke training is an integral part of the chemical
8 school curriculum. The smoke permit issued in Missouri
9 places some new limits on smoke training there. These
10 operational restrictions are acceptable to the Army. The
11 chemical school operators warn that smoke training could be
12 severely curtailed, but the commandant of the chemical
13 school, in writing; his boss, the commander of training and
14 doctrine command, in writing; his boss, the chief of staff of
15 the Army, in testimony before this commission; and his boss,
16 the Secretary of the Army, in testimony before this
17 commission -- all certify that they can accomplish the
18 mission with those new restrictions. Very simply, they plan
19 to train differently in the future than they did in the past.
20 We find, also, that revisions to this permit are
21 possible if it should prove too restrictive in practice.
22 Another substantive issue is that the state of

1 Alabama has yet to issue a permit for the chemical
2 demilitarization operation at Anniston Army Depot, again,
3 across town from Fort McClellan. The permit application
4 identifies a number of assets which are currently resident at
5 Fort McClellan, which are required to be in place before
6 operating the chemical demil mission. The concern is that,
7 if Fort McClellan closes, these assets could go away.
8 First, the recommendation from DOD does allow an
9 enclave at Fort McClellan for the support of the chem demil.
10 Second, we find that the Army did account for the
11 cost of that support, although it is impossible to tell
12 whether it is sufficient to meet the requirements of
13 Alabama's permit. They gave us a number of people in the
14 COBRA. We do not know who those people are or what their
15 missions are. However, the Army argues that they have no
16 reason not to meet those conditions.
17 And, even if the community is correct in its
18 argument and it costs $5 million a year to provide that
19 support, again, savings would still be realized from this
20 recommendation.
21 Also, at Tooele and the six other proposed sites
22 where chemical demilitarization will take place, there are no

1 external bases -- there are no Fort McClellans -- to provide
2 support. The Army proposes simply to do at Anniston what it
3 will do in those other installations, where the cost of that
4 support is part of the cost of the demil operation.
5 Finally, the community points out that the 16.7
6 percent economic impact attributed to this recommendation is
7 the highest of any proposed Army closure. It is significant,
8 although it is not the highest of any Army recommendation.
9 Chart B-8, please, Mr. Wooten.
10 Acceptance of this recommendation would result in
11 significant annual savings and some minor training synergies
12 through collocation with the engineer school. It would incur
13 a high up-front cost and significant economic impact.
14 The Commission alternative, leaving the CDTF at
15 Fort McClellan until its successor is operational, has the
16 same pros and cons as the DOD recommendation, but would
17 mitigate the risk to live agent training.
18 Mr. Chairman, members of the Commission, this
19 concludes my presentation with regard to Fort McClellan,
20 Alabama.
21 CHAIRMAN DIXON: Thank you, Mr. Gertler. Are there
22 questions of Mr. Gertler?

1 COMMISSIONER CORNELLA: Mr. Chairman?

2 CHAIRMAN DIXON: Mr. Cornella.

3 COMMISSIONER CORNELLA: I wish to say I am really
4 impressed with your presentation, and that is probably one of
5 the best I've ever seen. One of the best because I have to
6 give credit to all other staff, too. That was very good.

7 I want to go back to the permits a moment and start
8 there, as far as our discussion will go, and I've got quite a
9 few questions for you.

10 As you said, in 1993, the previous BRAC Commission
11 said basically, don't darken our door again until you come
12 back with permits in hand -- whether you call it pursuing, or
13 whatever you want to call it. And at that time a letter was
14 sent to the Department of Natural Resources of Missouri
15 basically asking how long those permits would take and what
16 would be required. And this letter is on Commission record,
17 May 19, 1993, the response to Jim Courter, Chairman of the
18 Commission at that time.

19 And in there, it lists permits that vary in length.
20 I won't read the entire letter, but they vary in length as
21 far as what would be required and how long it would take
22 from, you know, maybe eight or nine months, to years. And as

1 you indicated, the permits were applied for on March 1st.

2 As I remember, we received the list on February

3 28th. And on the March 1st -- we received it officially from

4 the Secretary of Defense. And at that time, John Deutch,

5 Deputy Secretary, testified that if these permits were not in

6 place, that this should be rejected. Did I hear that

7 testimony correct, as you remember it?

8 MR. GERTLER: That is correct, sir.

9 He, I believe, said that they wouldn't ask us to go

10 through with the recommendation if the recommendation if the

11 permits had not been received.

12 COMMISSIONER CORNELLA: Now, these permits that

13 we're talking about, and I have here a letter in front of me

14 from a Committee for the Development, Expansion and

15 Effectiveness of Fort Leonard Wood, in which they proudly

16 state -- and I understand why they are so proud -- that these

17 permits were expedited due to the window in which we were

18 allowed to produce them, March 1st to June 22nd.

19 So the permits that were originally expected to

20 take years and years to receive, you know, were accomplished

21 in just a matter of a few months, which is incredible. And

22 that's good. I'm glad to see productivity.

1 But what has happened in the process, I believe, is
2 that some permits may have been overlooked, and the permits
3 that have been issued therefore, are under appeal or in
4 litigation. And also, you had mentioned earlier that you
5 said the community had said -- or someone -- maybe not the
6 community, but our attorney had said that the RCRA permit was
7 not required. And I would like to address a question or two
8 to our counsel now.
9 As we had a discussion, as I remember, you had said
10 it would probably be very easy for someone to come in and say
11 that the Army does not have a RCRA permit, and not go after
12 the State of Missouri, but go after the Army, and in effect,
13 then, halt training; is that not correct?
14 MS. CREEDON: Before I answer that -- if I might --
15 a little background here to clarify the answer. The letter
16 that you referenced discussed the possibility of a need for
17 what is referred to as a RCRA permit. That is a permit under
18 the Resource Conservation and Recovery Act.
19 RCRA governs the treatment, storage and disposal of
20 hazardous waste. Since the time of that letter, and because
21 of the permit application that the Army submitted, the State
22 of Missouri determined that no RCRA permit was necessary.

1 Now the reason the State of Missouri made that
2 determination is that the chromium filters that Fort
3 McClellan now currently uses in its masks, will no longer be
4 used by the time the facility moves to Fort Leonard Wood.
5 Its the chromium filters that require a permit under RCRA.
6 So once those filters are out of the Army's
7 inventory, then no RCRA permit is needed by the Army to
8 operate the facility at Fort Leonard Wood, and that is what
9 the State of Missouri has determined.
10 COMMISSIONER CORNELLA: And it based only on
11 chromium, not on silver?
12 MS. CREEDON: It was based on chromium.
13 COMMISSIONER CORNELLA: Now, as I understand it,
14 there would be a by-product of silver that would also be
15 produced -- and it could produce it, if I'm given the time --
16 I'll have to tell you, I've got crates of this information --
17 so, its hard for me to have everything up here at the table,
18 but I know I did see a test done whereby silver would be a
19 by-product of the process also. And that was not directed by
20 the Department of Natural Resources in the State of Missouri.
21 So what they've said is, all we're dealing with is
22 chromium, we don't need a hazardous waste permit.

1 MS. CREEDON: The state of Missouri made its
2 determination based on the permit application that the Army
3 submitted to the state. And in that permit application, the
4 Army explained its process for the operation and then
5 ultimate destruction of any by-products in the incinerator
6 that would be part and parcel of the facility. And based on
7 that permit application, the state of Missouri determined
8 that there were no hazardous wastes that were going to be
9 disposed of in that facility, and so a RCRA permit was not
10 necessary.
11 COMMISSIONER CORNELLA: In regard to the permits,
12 would it be true that they're permits for training that is
13 taking place in Alabama now, that they've determined, well,
14 we don't need a permit for that, if you're not going to do
15 that. Or they just felt that they may not need it, even
16 though that training may be taking place in Alabama? Am I
17 too confusing on the question?
18 MS. CREEDON: Alabama has not issued a RCRA permit
19 for the operation of that facility. I do not know the basis
20 for Alabama's determination that no RCRA permit is necessary.
21 COMMISSIONER CORNELLA: Okay. Going back to Mr.
22 Gertler on the question of the smoke training. I know you

1 were very precise on who in the Army had approved that smoke
2 training, as far as whether or not that was adequate. I'd
3 like to read a letter here. It's on the U.S. Army Chemical
4 School letterhead, dated 9 June '95, and it's from Harold
5 Mashburn, Colonel, Assistant Commandant. And I'm going to
6 read two paragraphs that are really shorter than some of the
7 motions, so I hope my commissioners stay with me here.
8 "The capability to train soldiers and leaders to
9 effectively employ smoke is absolutely essential to Army
10 readiness and operations. Combat and development studies
11 show large area smoke, when properly used, provides combat
12 commanders a 30 percent increase in survivability, and even
13 greater force protection percentages in defeating long range
14 anti-tank fires. This capability is provided by the chemical
15 officers, noncommissioned officers, and by soldiers who
16 receive smoke training at the U.S. Army Chemical School,
17 under training and doctorate command approved programs.
18 NBC defense, smoke employment subject matter
19 experts have reviewed the draft Missouri Department of
20 Natural Resources air permit and have concluded it will
21 severely limit the ability to conduct smoke training to
22 standards. Operator and unit proficiency cannot be achieved

1 under the restrictions of the Missouri permit, and will
2 result in a significantly reduced survivability for U.S. Army
3 forces on future battlefields."
4 And I've got a second letter -- Department of Army
5 letterhead. And this letter is from Edward Newing, Special
6 Assistant to the Commandant, U.S. Chemical School. The
7 second paragraph -- "The state of Missouri smoke permit
8 restrictions, if implemented, will create overwhelming
9 degradation," -- the emphasis is his, not mine --
10 "overwhelming degradation to chemical mission readiness. The
11 restrictions will cut back the minimum amount of annual fog
12 oil use by 30 percent.
13 The daily allowance for smoke training time will be
14 cut by 75 percent. After suffering these unacceptable
15 losses, it further limits our joint forces to smoke
16 operations during weather conditions which may exist only 60
17 percent of the year. The smoke permit virtually eliminates
18 more than one smoke event per day. The impact would be
19 violation subject to fines for 92 days when two events are
20 trained; another 56 days when three events are trained; and
21 another 21 days when four separate events are underway at one
22 time.

1 If allowed to stand, the Missouri smoke permit
2 allows us to conduct roughly 25 percent of training to
3 standards," -- and an emphasis included again -- "These
4 restrictions would kill both the U.S. Army and U.S. Air Force
5 smoke training." This installation provides the chemical
6 defense training for all the services and our allies and
7 treaty inspector training for the on-site inspection agency
8 bi-lateral destruction agreement with Russia, and the
9 chemical weapons convention. Is that correct?
10 MR. GERTLER: Yes, sir, it is.
11 COMMISSIONER CORNELLA: Now, I know there's some
12 classified information regarding the chemical weapons
13 convention I don't want to get into. But can you tell us how
14 the Fort McClellan school impacts that convention?
15 MR. GERTLER: Sir, there are two items. First, the
16 chemical weapons convention is involved -- Mr. Wooten, could
17 I have B9, please. The third line addresses the chemical
18 weapons convention. Basically, the chemical weapons
19 convention requires that the United States destroy its
20 chemical weapons and, although not required by the
21 convention, the U.S. has volunteered to train the inspectors
22 for the chemical weapons convention.

1 That training will be done by the chemical school
2 in the CDTF at Fort McClellan. It's expected that the
3 initial training will take place within a year, which is well
4 before any move could take place. Subsequent refresher
5 training and training of new classes would take place
6 wherever the CDTF is located. If the one at McClellan is
7 still operational, it will be done there; if the move is
8 approved, it will be done at Fort Leonard Wood.
9 COMMISSIONER CORNELLA: Okay. I'm not as concerned
10 about permitting as I am about the disruption that this
11 permit is going to cause. So I don't want to spend all my
12 time arguing about permitting. But you can see that I think
13 the permitting is in some sort of chaos, really. Now, we can
14 say, look, we have these; we've been guaranteed by the state
15 of Missouri. And why have we been guaranteed? We have two
16 states here vying for economic impact.
17 I can understand why those permits were produced in
18 such short time, because we're talking about big dollars and
19 big economic impact. Even in the best of circumstances, if
20 all permits were in hand, and that move had to be made, there
21 would be disruption of the mission. One thing we've heard
22 over and over again -- and we heard it from GEN Blume of the

1 Air Force, who said, look, you're not going to move any
2 mission in this process without a lot of disruption.
3 Now, when we have questions about whether or not
4 the permits are even in place, I am really concerned about
5 the disruption that that may cause. We're looking possibly
6 at a two to six year disruption in a mission, at a time when
7 it is of greatest concern to this country, I believe. I'm
8 going to make a parallel, which someone may think, well,
9 you're really pulling at straws when you do this. But I'm
10 going to make a parallel to Oklahoma City.
11 Because I think that any people that would perform
12 that kind of atrocity would not hesitate to use chemical
13 weapons or anything that they might have at their disposal.
14 Now, as you know, there are many cities that are also
15 concerned about that training going away at Fort McClellan,
16 or being disrupted. I have a letter here, or a statement,
17 from the Association of Cities. And I'm just going to read
18 two short lines here, but it says, "Whereas the Army plans to
19 close this facility in spite of the requests from the Chicago
20 Police Department, the New York Port Authority, the Arizona
21 Super Bowl Committee, and the Atlanta Olympic Committee --
22 all of whom currently plan to send delegations to Fort

1 McClellan for training.

2 Now therefore, be it resolved that the undersigned

3 mayors from across the United States of America call for the

4 preservation of Fort McClellan as a disaster training

5 facilities for cities." And that's signed by 19 mayors, all

6 the way from Richard Daley of Chicago to Maynard Jackson of

7 Atlanta, Georgia.

8 CHAIRMAN DIXON: Now, I wonder why he mentioned the

9 mayor of Chicago first there.

10 COMMISSIONER CORNELLA: Well, I don't want you to

11 have to recuse on this one, sir.

12 CHAIRMAN DIXON: Pardon me for interrupting,

13 Commissioner Cornella.

14 COMMISSIONER CORNELLA: Another letter from the

15 Center for Strategic and International Studies, dated May

16 10th, '95, Brad Roberts, a research fellow. "In prior

17 correspondence with the commission, I raised my principal

18 concerns, which I will not detail here for the sake of

19 brevity. But the punch line is simple. At a time when

20 chemical weapons are proliferating, the United States cannot

21 create new vulnerabilities in the training and competence of

22 its forces in chemical warfare.

1 At a time when a major new international chemical
2 disarmament convention is entering into force, the United
3 States cannot use one of its major tools for making that
4 convention succeed." Three of us attended a classified brief
5 on this matter, and the only thing I'm going to say about
6 that -- and they can dispute or verify, because people hear
7 things differently. But what I heard is one of a kind,
8 unique facility, very concerned about this, and don't do it
9 without the proverbial grabbing onto one strut and reaching
10 over and taking a hold of the other one.
11 Now I'm going to quote the most distinguished
12 individual of all, and that's Commissioner Kling.
13 CHAIRMAN DIXON: Boy, you're going high now,
14 Colonel.
15 COMMISSIONER CORNELLA: I am. Because there are
16 few people that I respect more than this gentleman. And he
17 said a little earlier, an unnecessary risk is when you have
18 no back-up, or when you can't do it in the private sector.
19 And I can tell you, this is the only place in the world where
20 you can do this. The concern over chemical DEMIL was
21 mentioned, and I'm just going to summarize real quick now,
22 because I'm sure there may be some response.

1 But I maintain that the permits required are not
2 acceptable to make this move. I also say we cannot afford
3 disruptions in this training missions at this time. And the
4 other thing is that it will reduce the training of our
5 allies, and it could also not only jeopardize men and women
6 in uniform, but through the examples I've given, it can also
7 jeopardize the lives of non-combatants in the sense of the
8 citizens of the United States.
9 And I think it is just the wrong time to be doing
10 this. And I would urge the commissioners to follow the lead
11 of our previous two commissions and reject this
12 recommendation.
13 CHAIRMAN DIXON: Commissioner Steele.
14 COMMISSIONER STEELE: Yes, I would like to thank my
15 colleague, Commissioner Cornella, for digging into this so
16 much. Between the data and the letters and all the media
17 clips, I feel like I've been trying to get through smoke and
18 fog oil myself, and needed to go through the training. So I
19 appreciate you for digging into this, and your thoroughness,
20 very, very much. Thank you.
21 CHAIRMAN DIXON: Thank you, Commissioner Steele.
22 Mr. Robles.

1 COMMISSIONER ROBLES: Thank you, Mr. Chairman.
2 First of all, I need to preface my comments by saying that I
3 have the highest personal respect for Commissioner Cornella.
4 If you talk about a bright, shining example of dedication,
5 hard work, and knowing his business, he is it. He knows this
6 stuff backwards and forwards. And I don't want to directly
7 counter his points, I just need to give you the other side of
8 the argument. Not because I have anything against Fort
9 McClellan, Alabama.
10 I think it is a world-class installation, with a
11 world-class workforce, and they do world-class work. But
12 there's some things that you need to put a perspective in,
13 and then we'll all see where our consciences lead us and
14 what's the right thing for the national security of this
15 nation. The first thing is that -- and I won't get into the
16 permit business, because that is the full employment act for
17 lawyers, and that will take forever.
18 But I think what we need to focus in on is the
19 CDTF. We don't want to get these missions all mixed up,
20 because we're kind of mixing them all up. The Chemical
21 Defense Training Facility is a unique national asset. That's
22 one thing. The chemical school is another thing; the

1 military police school is another thing; and the installation
2 who supports all three of those are a fourth thing. So I'm
3 going to take it in that sort of approach.
4 First, the Chemical Defense Training Facility. I
5 totally 100 percent share his deep concern that we not let go
6 of this devil until we have another one up and running, fully
7 permitted, operational, and we don't miss a nanosecond of
8 capability on that facility. So whatever we do, we have to
9 at least ensure that. The chemical school and the military
10 policy school have been around a long time. Their lineage
11 goes, like all of us who wore the uniform of the United
12 States Army, as far back as you want to count.
13 But I don't want to mislead anybody that the only
14 chemical training that happens in the United States Army
15 happens at Fort McClellan, Alabama. In fact, the
16 preponderance of chemical training happens at post camps and
17 stations. And as a mechanized infantry division commander,
18 and as an ex-artilleryman, smoke and chemicals were the name
19 of my game for all of my military career. And as a matter of
20 fact, when I was a colonel, I commanded a smoke generator
21 outfit company, chemical defense company that had mobile
22 smoke generators.

1 military police school is another thing; and the installation
2 who supports all three of those are a fourth thing. So I'm
3 going to take it in that sort of approach.
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5 totally 100 percent share his deep concern that we not let go
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10 policy school have been around a long time. Their lineage
11 goes, like all of us who wore the uniform of the United
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13 But I don't want to mislead anybody that the only
14 chemical training that happens in the United States Army
15 happens at Fort McClellan, Alabama. In fact, the
16 preponderance of chemical training happens at post camps and
17 stations. And as a mechanized infantry division commander,
18 and as an ex-artilleryman, smoke and chemicals were the name
19 of my game for all of my military career. And as a matter of
20 fact, when I was a colonel, I commanded a smoke generator
21 outfit company, chemical defense company that had mobile
22 smoke generators.

1 So I know a lot about smoke generators. I know a
2 lot about fog oil. I know a lot about chemical training, and
3 I know a heck of a lot about smoke training, which is the
4 primary mission of the artillery. The training that goes on
5 at Fort McClellan in the chemical school is to train new
6 entry soldiers who are going into that specialty on how to
7 employ smoke. Advanced courses for officers and
8 noncommissioned officers in advanced phases of their careers
9 about employment techniques and other subjects -- that is a
10 professional development course.
11 But that in no way, shape or form is the core of
12 their training. The core of their training occurs at a place
13 like Fort Riley, Kansas, where you deploy a smoke generator
14 platoon, or a chemical defense company, and you do a river-
15 crossing and you smoke the whole installation. So you will
16 not totally kill the United States Army's smoke capability
17 mission by moving them to Fort Leonard Wood.
18 You may train at a less robust level of training.
19 You may not do the same number training iterations. You may
20 not be able to do it as you would like to do it. And if I
21 were a chemical corps officer, a noncommissioned officer, I'd
22 want to give you as much training as you can stand. Because

1 it's important, and it's my job. But it is not just their
2 job, it is a lot of other people's job. So I can tell you
3 from lots of years of this business that the training is
4 world-class and we need to keep an emphasis on it.
5 But I think some of those statements that that
6 colonel -- who I would do if I were a colonel of the chemical
7 corps, and I was looking at doing something I didn't want.
8 I'd write a letter as emphatic and as inflammatory and I'd
9 use every adverb and adjective and use my computer and go
10 down the thesaurus and try to find ways to get the point
11 across. But I think it's a bit overstated. The second thing
12 is, the quality of life of both the chemical corps and the
13 military police corps.
14 Now, I am worried about that. And Commissioner
15 Cornella and I have commiserated about this; that this world-
16 class installation does provide a great facility for those
17 two schools. And there's a lot of trepidation that they're
18 going to go to Fort Leonard Wood, and they're going to be
19 thrown some World War II wood, and they're not going to get
20 where they're at today. I think you heard me, not being a
21 bashful sort, ask GEN Sullivan what his plan was, and express
22 our concern.

1 He got it. I have gotten ripples already from
2 other folks that he got that message loud and clear; that if
3 he moves the military police school and he moves the chemical
4 school, he must ensure or should ensure that, one, they don't
5 go in the third tier of the pecking order. If that requires
6 a general officer still to hit the corps, then that's what it
7 takes, schools. And for sure, you've got to try to give them
8 some facilities that let them facilitate their mission.
9 But that, in my view, is not a big deal -- moving
10 those schools. We move schools all around the Army all the
11 time. And finally, I would say that this is going to be a
12 tough decision, but we ought to make the decision not based
13 on a lot of statements about the world will come to an end if
14 we do this; because it won't. What we need to focus on is
15 protecting that unique national capability called the
16 Chemical Defense Training Facility, and ensure that whatever
17 we do, whether we leave it there, close it, move it, turn it
18 upside down, the fact of the matter is, we don't miss a beat
19 on that because that is a unique facility.
20 And we do need it at this time. But we do not want
21 to get into the business of thinking that if we move the
22 chemical school or in that process we're going to degrade the

1 chemical training of the United States Army or smoke training
2 or whatever. That is absolutely not true, and that's based
3 on having done this particular kind of business for most of
4 my adult life.
5 CHAIRMAN DIXON: Thank you, Commissioner Robles.
6 COMMISSIONER CORNELLA: I have a question for the
7 Commissioner.
8 CHAIRMAN DIXON: Commissioner Cornella.
9 COMMISSIONER CORNELLA: I can understand on the
10 smoke training. I guess that there are many other bases now.
11 Would they be mainly the large maneuver bases, or what would
12 they be, Commissioner?
13 COMMISSIONER ROBLES: The reason you train at the
14 chemical school is predominantly to produce soldiers who can
15 operate on a chemical battlefield or a smoke obscured
16 battlefield or need to employ those techniques in the
17 fighting forces. And at every place, we have fighting force
18 soldiers that are training for that battlefield mission.
19 That's where training occurs. So you're talking about the
20 large maneuver bases, predominantly, but it also happens at
21 Fort Sill, Oklahoma, where the artillery school is. Because
22 they shoot a lot of smoke down there. So it happens all over

1 the Army.

2 COMMISSIONER CORNELLA: Would all the trainees in

3 the chemical school go through the CDTF?

4 COMMISSIONER ROBLES: Would all the trainees go

5 through it? I don't know if that's part of their POI. I

6 suspect it probably is. Otherwise, they're wasting a

7 national resource there. But they do, and it's for one thing

8 only -- it's to give them confidence that their chemical

9 defensive equipment works. And so, like, when we went to the

10 Gulf War, if there was one thing that people were really

11 nervous to include, this person right here was would my M-17

12 mask work; would my chemical suit work; did I know how to

13 inject myself with atropine, and on and on and on?

14 And we spent a lot of time at home session getting

15 ready to go over there to the Gulf War, and a lot of time

16 over there. So, yes, every trainee goes through there. And

17 they go through it again, not in a live agent forum, but in a

18 simulated live agent forum at home station all the time. We

19 run chamber exercises and all sorts of things.

20 COMMISSIONER CORNELLA: But the chemical school is

21 larger than just the CDTF building. Just in that one

22 building, there's a whole school at our chemical school, that

1 entails classrooms and all the things that support that; is
2 that right?
3 COMMISSIONER ROBLES: Oh, that is correct. And I
4 guess I didn't articulate well. I think that's a very, very
5 important function. But it doesn't -- that can move, and I
6 don't think there will be a great disruption. Because what
7 they'll do is like always. They'll move a forward
8 attachment, and they'll start to train a little bit of the
9 load there and a little bit of the load at the other place,
10 and it will eventually phase the whole load over to the new
11 installation. We move our schools around a lot.
12 COMMISSIONER CORNELLA: No, but I'm thinking mainly
13 of the people that have to go through the training facility
14 with the live agents or any other agents they might be using
15 that's a part of that training. It would seem to me that you
16 would want to retain the chemical school with the CDTF until
17 such time as you had that strut that we were referring to
18 earlier.
19 CHAIRMAN DIXON: Are there any further comments or
20 questions by anyone? I appreciate it; this is a tough one.
21 COMMISSIONER STEELE: I have a comment.
22 CHAIRMAN DIXON: May I go to Commissioner Davis

1 now? He hasn't been heard. Mr. Davis, and then I'll come
2 back to you next, Commissioner Steele.
3 COMMISSIONER STEELE: Okay, it was regarding the --
4 CHAIRMAN DIXON: I want to make everybody happy
5 here. Now, Commissioner Steele, go ahead, please.
6 COMMISSIONER STEELE: Well, just a comment about
7 whether we would need to keep the Army chemical school also
8 at the same location. Commissioner Cornella just mentioned
9 that. I wonder what Commissioner Robles would feel about
10 that one thing. That's my only question.
11 CHAIRMAN DIXON: Mr. Robles.
12 COMMISSIONER ROBLES: The answer is that is clearly
13 the optimum answer. Optimally, that's what you do. And you
14 have to kind of hold your judgment. I've never been through
15 that chemical live agent facility. And I spent a lot of
16 years, and I was in a place where they had real chemicals, or
17 so we were told, when I went to Desert Storm. And certainly
18 it would have given me a little more confidence. But I don't
19 think, in soldier terms, it's a war-stopper.
20 But if you're there, you ought to use it, because
21 that's the next highest level of training. But I don't think
22 it's a war-stopper, and for a short period of time while you

1 do that, it ought to go. Now, whether it should stay there,
2 you know, I'll have to tell you, I'm undecided about that.
3 CHAIRMAN DIXON: Commissioner Davis.
4 COMMISSIONER DAVIS: Sir, I probably struggled with
5 this almost as much as most of the others. And the problem
6 is this -- that is, in fact, a world-class training facility.
7 You sub-optimize your training if you move the school away
8 from the CDTF. And frankly, chemical training has a
9 strategic value. And you just have to look at our chemical
10 training, because it was structured because the Russians were
11 so darn good at it.
12 So we decided that we better get good at it, too.
13 And as long as you stay good at it, you keep other people
14 from thinking more than once about affecting you with
15 chemicals. As far as the MP school, it's just convenient to
16 have it there, some synergism. But frankly, the one I worry
17 most about, especially in times like this, is the chemical
18 capability, which is a world-class capability.
19 CHAIRMAN DIXON: Thank you, Commissioner Davis.
20 Are there any more statements or questions?
21 COMMISSIONER KLING: Yes, sir.
22 CHAIRMAN DIXON: Commissioner Kling.

1 COMMISSIONER KLING: First of all, let me say this.
2 I have been through this hearing a number of times, and the
3 chairman has addressed me as the distinguished businessman
4 from St. Louis. And I have always thought that that was a
5 great statement. I wasn't sure he meant it, but when I hear
6 Commissioner Cornella say it, now, I said, that is a much
7 higher compliment that I have had since I have been here.
8 And I do respect everything that this gentleman --
9 CHAIRMAN DIXON: Now being cited as outstanding
10 authority by colleagues of --
11 COMMISSIONER KLING: And that may be a great thing
12 to have.
13 CHAIRMAN DIXON: Pretty classy.
14 COMMISSIONER KLING: And as I say, like everybody
15 else said, I don't think anybody's worked harder, spent more
16 time, than Commissioner Cornella. So anything I add to this
17 is not questioning anything to do with his abilities,
18 interest, dedication, and everything like that, because I
19 certainly respect it. The subject of risk. There is no
20 risk, in my estimation, when you say, I'm not going to close
21 down something until I've got something open.
22 That is eliminating risk. Risk we all take. But

1 that's not taking risk. That's as comfortable a position, I
2 think, you can get. Now, let me just mention just a couple
3 things. I get concerned when we try to step in and say, hey,
4 the Army doesn't know what they're doing; they don't know how
5 to move; they don't know how to run things; they don't know
6 anything. We have had GEN Sullivan here. GEN Sullivan said
7 to us specifically -- we asked him, are you comfortable with
8 the permits and does your legal counsel in the Army approve,
9 are they comfortable with all the permits that are necessary?
10 And he said yes. Now, I have to take that as a
11 fact. I mean, I just can't go back and say that they don't
12 know what they're doing. We then got into the question of
13 can you move this; can we handle the move? And he said, we
14 move all the time. He said we can do this effectively; I
15 have no question, but that we will do this and we will not
16 have any interruptions because we aren't going to do it until
17 we're assured of that.
18 And then thirdly, if you look here, now, if we're
19 getting those aspects, there's another aspect is, they have
20 to operate this. We aren't going to operate this. We're
21 going to be gone from here.
22 CHAIRMAN DIXON: Tonight?

1 COMMISSIONER KLING: Maybe. And the Army's going
2 to continue operating the Army, we're not. So their
3 operational aspects they have to do. We have to pay
4 attention. There's a $40 million a year savings on top of
5 all of those things. And I guess the biggest item is, we're
6 going to have maybe a better facility, by the way. When you
7 build something new and you add the experience of looking at
8 what you've had, we're probably going to build this better
9 than what we did. So it isn't going to be worse.
10 And then I have to say, at Fort Leonard Wood, I
11 hadn't been to Fort Leonard Wood maybe in 30 years. But I
12 went to Fort Leonard Wood, and Fort Leonard Wood is as first-
13 class today. It is more modern, everything has been brought
14 up to date there. That is a first-class facility. And then
15 the Army says that they want to coordinate chemical, MP, and
16 engineering together, because there are certain advantages to
17 have with that. I have to agree that if that is how the Army
18 feels, I don't have the experience of GEN Robles.
19 And I guess maybe I'm a lucky fellow that I didn't,
20 and I appreciate everything that he says, but I do listen to
21 what a fellow like that has said, and that adds comfort to my
22 position that I really believe the Army can do it, they will

1 do it, and will give them money to use not just for this, but
2 for other situations. So I just do support the Army's
3 position. Mr. Chairman, thank you.
4 CHAIRMAN DIXON: Thank you, Commissioner Kling.
5 Are there any further comments?
6 COMMISSIONER COX: Mr. Chairman.
7 CHAIRMAN DIXON: Commissioner Cox.
8 COMMISSIONER COX: I wonder if I might ask some
9 questions. And every time I raise this, the chairman wonders
10 why anybody would do this twice. But this does come out of
11 my '93 involvement in this issue. And frankly, we were
12 terribly concerned in 1993 about the permits, and we didn't
13 want to go forward unless we were sure that they went
14 forward. And so I'd like to ask just a few questions on
15 where they are legally, if that would be possible, from our
16 counsel.
17 I have a list that appears to have come from the
18 Army of 18 or 19 permit issues of which the State of Missouri
19 indicates that really only four of them are at issue. And so
20 leaving aside all of rest of them, those four appear to be
21 granted, but in all cases there is a legal review on each of
22 the four, is that right, the permits being the fog oil using,

1 the opacity rule variance, the CDTF construction and the
2 storm water fog oil usage. It take it that Missouri agrees
3 they need all those permits and that they've granted them.
4 MS. CREEDON: This is -- the chart is not a chart
5 that the Army put together.
6 COMMISSIONER COX: No. I understand it's not a
7 chart that the Army put together, but these are the Missouri
8 comments that were sent by the Army, appears to be -- excuse
9 me, by the State of Missouri as to whether or not the permits
10 are needed. And I'm not going to address the ones that
11 Missouri says aren't needed. I'm only addressing the ones
12 that Missouri says are needed, and that appears to be these
13 first four.
14 MS. CREEDON: The air permit -- the air permit has
15 been issued. It was based on an administrative variance.
16 The administrative variance has since been replaced by a
17 formal rule. It's an emergency rule that the State of
18 Missouri published on the 16th. That's the reference on the
19 next column that says, "Rule change created --"
20 COMMISSIONER COX: This was an emergency rule?
21 MS. CREEDON: Yeah. It's June 15th.
22 COMMISSIONER COX: And I presume that by saying

1 "emergency rule," they waive certain procedures. Generally,
2 that's when you get emergency rules is when they're waiving
3 procedural issues; is that correct?
4 MS. CREEDON: The emergency rule is good for a
5 year.
6 COMMISSIONER COX: Right.
7 MS. CREEDON: And then its subject -- then while
8 that --
9 COMMISSIONER COX: Then they go on.
10 MS. CREEDON: -- year goes on they go through all
11 of the normal public comment process. They have added the
12 variance for -- or the exemption, if you will, to the
13 Missouri regulatory authority that, for instance, has
14 exemptions for internal combustion engines, wood-burning
15 stoves, training use by firemen and other emergency response
16 personnel, that sort of thing.
17 COMMISSIONER COX: Okay. So this is the opacity
18 rule. Then, we have an emergency rule granted, and the rule
19 that goes through the normal process of comment, et cetera,
20 will be going on for the next year or so.
21 MS. CREEDON: And the CDTF construction permit has
22 been issued, and the storm water permits have all been

1 issued. They were incorporated into the base-wide permit.
2 And so all of these permits have been issued.
3 They are at the moment -- they have been challenged
4 depending on -- depending on the nature of the permit, they
5 have been challenged in different forms.
6 COMMISSIONER COX: Right. I see on all of these
7 that there is an appeal pending, and I realize that this is a
8 very complicated area of the law, and probably counsel has
9 had a few other things to do in the last couple of weeks and
10 hasn't been reading all of these appeals.
11 However, I wonder if you could just give me a brief
12 summary of the issue. Are they appealing procedural grounds?
13 Are they appealing substance? Where are these appeals?
14 MS. CREEDON: None of them -- none except -- none
15 are in federal court. One is in Missouri State Court.
16 That's the first one. There was a stay requested. That stay
17 was denied. So now it will proceed on its course of
18 litigation in the -- in the state courts in Missouri.
19 The exemption, to my knowledge, that was published,
20 has not been -- has not been challenged. The CDTF
21 construction permit has had an administrative appeal filed,
22 and it's my understanding that the storm water permit has

1 also had an administrative appeal filed. They have not
2 exhausted their -- on some of these, they haven't exhausted
3 their administrative remedies before they can proceed on to a
4 judicial review.
5 COMMISSIONER COX: Right. Once they get through
6 the administrative appeal, the next would be at very least
7 the state court, if not state, federal?
8 MS. CREEDON: State on these, RCRA, if there was a
9 challenge to the decision not to issue a RCRA permit, that
10 would be done in federal court.
11 COMMISSIONER COX: And the rest of these would all
12 be done --
13 MS. CREEDON: In state court.
14 COMMISSIONER COX: In the state court. I thought
15 you said there was one federal appeal pending.
16 MS. CREEDON: No. I said there are no federal
17 appeals pending.
18 COMMISSIONER COX: No federal appeals pending. And
19 each of these appeals, can you tell me, on the permits that
20 were granted, were they granted under normal procedures?
21 Were there waivers of times? Were the comment periods
22 required allowed to the greatest extent that they were

1 required by law? Did they waive any timing issues?

2 MS. CREEDON: No, not to my knowledge. They just -

3 - they did it on an expedited basis, but they complied with

4 all their procedural requirements.

5 MR. GERTLER: Commissioner Cox, the counsel, the

6 interagency environmental analyst and I all met with the

7 staff of the Missouri Department of Natural Resources and

8 were allowed to ask any question we wanted, see any piece of

9 paper we wanted, follow through their procedures.

10 The only item that was out of the ordinary was that

11 Fort McClellan's -- I'm sorry, Fort Leonard Wood's

12 application was jumped to the top of the cue. As they put it

13 to us, they followed their standard procedure on everything

14 else except that this one got priority because of the time

15 constraint established by the Commission.

16 CHAIRMAN DIXON: May I interrupt just a moment,

17 Commissioner Cox, to make this announcement? Several people

18 have asked if we're going to have a break pretty soon. We're

19 going to have a break as soon as we dispose of this issue.

20 When Commissioner Cox finishes her line of

21 questioning, I'm going to recognize Representative Cornella

22 to make his motion, and then we will go to the vote and a

1 break. Commissioner Cox.

2 COMMISSIONER COX: Thank you. And the reason I'm

3 concerned about that, generally, one is more likely to be --

4 I like to call myself a recovering lawyer, and so I'm not

5 involved in many of these things, certainly not environmental

6 appeals.

7 But I do know, having been at a department of the

8 federal agency that you are more likely to get overruled on

9 procedural grounds than you are on substantive grounds

10 because generally the standard is arbitrary and capricious.

11 The state is given a great deal of deference, and

12 it's a little concerning, even though I fully understand and

13 I appreciate why the Army waited as long as it did, had to,

14 at least thought it had to, before going forward with this.

15 But this puts it in a position where legal

16 challenges tend to be more successful when there is a -- when

17 you hurry these things through, because you tend to have more

18 procedural grounds, and that's just why I'm concerned about

19 it.

20 And I raise that fully understanding that the Army

21 really didn't have a choice on when they put these things

22 through, but I do think it raises of question of whether

1 these appeals are more likely to succeed than they would have
2 had the Army been able to do these sooner rather than later.
3 So I thank you.
4 CHAIRMAN DIXON: Thank you, Commissioner Cox.
5 Commissioner Cornella.
6 COMMISSIONER CORNELLA: I have a motion.
7 CHAIRMAN DIXON: Make your motion, Mr. Cornella.
8 M O T I O N
9 COMMISSIONER CORNELLA: I move the Commission find
10 the Secretary of Defense deviated substantially from Final
11 Criteria 1 and 2 and therefore the Commission reject the
12 Secretary's recommendation on Fort McClellan, Alabama, and
13 instead adopt the following recommendation:
14 Fort McClellan will remain open, including all
15 activities and facilities. The Commission finds this
16 recommendation is consistent with the Force Structure Plan
17 Force Structure Plan and Final Criteria.
18 CHAIRMAN DIXON: Is there a second to the motion of
19 Commissioner Cornella?
20 COMMISSIONER STEELE: Sir, did Mr. Cornella's
21 motion say that the Secretary did or did not deviate?
22 CHAIRMAN DIXON: The Secretary deviated

1 substantially from Final Criteria 1 and 2. Is that correct?

2 COMMISSIONER CORNELLA: Yes, sir.

3 CHAIRMAN DIXON: And therefore the Commission

4 reject the Secretary's recommendation and so forth.

5 COMMISSIONER STEELE: Okay. I apologize.

6 CHAIRMAN DIXON: Commissioner -- the Commissioner

7 is moving to reject the Secretary of Defense's

8 recommendation. Is there a second?

9 COMMISSIONER COX: Yes, sir. I'll second.

10 CHAIRMAN DIXON: It's seconded by Commissioner Cox.

11 Are there any further comments?

12 (No response.)

13 CHAIRMAN DIXON: Counsel will call the roll.

14 MS. KING: Commissioner Cornella?

15 COMMISSIONER CORNELLA: Aye.

16 MS. KING: Commissioner Cox?

17 COMMISSIONER COX: Aye.

18 MS. KING: Commissioner Davis?

19 COMMISSIONER DAVIS: Aye.

20 MS. KING: Commissioner Kling?

21 COMMISSIONER KLING: No.

22 MS. KING: Commissioner Montoya?

1 COMMISSIONER MONTOYA: Aye.

2 MS. KING: Commissioner Robles?

3 COMMISSIONER ROBLES: No.

4 MS. KING: Commissioner Steele?

5 COMMISSIONER STEELE: No.

6 MS. KING: Mr. Chairman?

7 CHAIRMAN DIXON: No.

8 MS. KING: Mr. Chairman, the vote is 4 ayes, 4

9 nays.

10 CHAIRMAN DIXON: The vote is 4 ayes and 4 nays, and

11 the motion fails.

12 COMMISSIONER CORNELLA: Mr. Chairman?

13 CHAIRMAN DIXON: Commissioner Cornella.

14 COMMISSIONER CORNELLA: I have a motion.

15 CHAIRMAN DIXON: Commissioner Cornella.

16 M O T I O N

17 COMMISSIONER CORNELLA: I move the Commission find

18 the Secretary of Defense deviated substantially from Final

19 Criteria 1 and 2, and therefore the Commission reject the

20 Secretary's recommendation on Fort McClellan, Alabama, and

21 instead adopt the following recommendation:

22 Close Fort McClellan except minimum essential

1 facilities for a reserve component enclave, minimum essential
2 land facilities as necessary to provide auxiliary support to
3 the chemical demilitarization operation at Anniston Army
4 Depot, relocate the U.S. Army Chemical and Military Schools
5 to Fort Leonard Wood, Missouri.
6 The Chemical Defense training facility, military
7 police school and the U.S. Army Chemical School will operate
8 at Fort McClellan until such time as the capability to
9 operate a replacement CDTF at Fort Leonard Wood, Missouri, is
10 achieved.
11 The Defense Polygraph Institute will relocate to
12 Fort Jackson, South Carolina, licensed Pelham range and
13 current Guard facilities to the Alabama National Guard. The
14 Commission finds this recommendation is consistent with the
15 Force Structure Plan and Final Criteria.
16 COMMISSIONER DAVIS: Second.
17 CHAIRMAN DIXON: It is moved by Commissioner
18 Cornella and seconded by Commissioner Davis.
19 COMMISSIONER ROBLES: Mr. Chairman, could we have a
20 clarification on the motion?
21 CHAIRMAN DIXON: I'm sorry?
22 COMMISSIONER ROBLES: Can I have a clarification on

1 the motion?

2 CHAIRMAN DIXON: Yes. Commissioner Robles.

3 COMMISSIONER ROBLES: Commissioner Cornella, could

4 you clarify that that is being enclaved at Fort McClellan

5 until there are suitable facilities. Is it the CDTF and what

6 else?

7 COMMISSIONER CORNELLA: Well, until there would be

8 a suitable facility --

9 COMMISSIONER ROBLES: You're enclaving everything

10 until there is a suitable facility?

11 COMMISSIONER CORNELLA: Right.

12 COMMISSIONER ROBLES: Okay. Thank you.

13 COMMISSIONER KLING: May I just understand myself

14 just a little bit. The effect here of the motion would be to

15 do exactly as the Army has -- let me see if I got this right.

16 We will be doing exactly what the Army is recommending with

17 the exemption that it not be done until the -- until the

18 facility is up and operating. Is that a correct --

19 COMMISSIONER CORNELLA: Yes, sir. That's the

20 intent of my motion.

21 CHAIRMAN DIXON: Well, now, let me understand what

22 we're doing here. Now I see counsel walking away. Is she

1 going to leave us at this moment? I certainly don't want to
2 vote on a motion here that has any questions in it. This
3 whole thing is in the courts anyway. COMMISSIONER STEELE:
4 Mr. Chairman, my layman's view to this motion, and correct me
5 if I'm wrong, is it doesn't just keep the Chemical Defense
6 Training Facility. It would keep that as well as the
7 Military Police School, the Army Chemical School until we're
8 ready at the other state, at which case my personal concern
9 is regarding the Chemical Against Training Facility only, not
10 those other schools.
11 COMMISSIONER CORNELLA: Well, I think the intent of
12 the motion was in reference to Commissioner Robles' comment
13 that he felt it was synergistic to have the chemical school
14 and the -- and I hope I'm not putting words in your mouth,
15 sir -- and the CBTF together.
16 And it was my addition of the Military Police
17 School, because I feel that creates some synergism in their
18 missions.
19 COMMISSIONER ROBLES: I don't share that view on
20 the Military Police School, and optimally, if there weren't
21 such pressing economics, I would say the chemical school
22 also, but given the economics, I just think that that's risk

1 that is acceptable in any personal view.

2 COMMISSIONER CORNELLA: To take out the military

3 police, if you want to make an amendment, sir, I'd support

4 that.

5 CHAIRMAN DIXON: May the Chair say this: I don't

6 want to muddle through this now. I understand the votes are

7 4 to 4, and I want to get a result that is an appropriate

8 result. This first vote indicates that four of us support,

9 essentially, the position of the Secretary of Defense.

10 Now, if I'm in error when I say that, any one of

11 the four that wants to volunteer a different view, let me

12 know. But I do not want to adopt an amendment now that will

13 do violence to the essential position that we are moving

14 towards in an appropriate way to transfer this installation

15 to Fort Leonard Wood when all permits have been satisfied.

16 Anything beyond that I do not support, and I want

17 to make sure that we've got that in this order. The

18 Secretary of Defense and the Secretary of the Army are

19 entitled to that consideration.

20 COMMISSIONER CORNELLA: I appreciate -- excuse me,

21 sir.

22 CHAIRMAN DIXON: Commissioner Cornella, in all due

1 candor, there is a division here that is an absolute
2 division, and I want the correct kind of a motion adopted,
3 and I want counsel to show me what it is.
4 COMMISSIONER CORNELLA: Well, I would be
5 disappointed if there was no debate, sir, but what I'm
6 getting at is that I think this is a very important mission,
7 just like you do, and I also want that to be clarified.
8 Thank you.
9 COMMISSIONER STEELE: Mr. Chairman, I have a
10 suggestion. We could vote on a motion as presented, which
11 keeps all of the three things, the Chemical Defense Training
12 Facility, the Military Police School and the Chemical School.
13
14 We could vote on that motion, see what happens. If
15 that motion is not successful, there could be another motion
16 that is, in essence, an amended kind of version of the first
17 which leaves one or two of these three things, and I would
18 imagine that you will find your majority in one of these
19 scenarios.
20 CHAIRMAN DIXON: I'm sorry, Commissioner Steele.
21 I'm trying to listen to you and listen to the counsel and
22 listen to the director. I recognize that there is a division

1 of opinion here, and I respect that, but I don't want, as a
2 consequence of that -- recognizing that this matter is in the
3 courts.
4 It has been bitterly fought on both sides and will
5 be determined ultimately, I expect, in the courts, and I
6 don't want this Commission to later be the subject of a court
7 review in which we have erroneously done something here, and
8 I want to have -- I hope no Commissioner takes exception with
9 that. I wouldn't want to do anything here and I think they
10 would not that would ultimately cause us grief.
11 COMMISSIONER KLING: This is back again, as I
12 understand it, to be saying that nothing will move, including
13 the MP School and the -- until the chemical is up and
14 running. Is that correct?
15 CHAIRMAN DIXON: I'm advised by counsel that for
16 those of us who want to support the Secretary of Defense's
17 position on this bitterly contested matter, that this is not
18 an acceptable motion.
19 If my friend, the Commissioner, want to go forward
20 with this motion, we can vote on this motion and then see
21 what the result is ultimately.
22 COMMISSIONER CORNELLA: Sir, I guess I would ask

1 why it is not an acceptable motion.

2 COMMISSIONER KLING: Commissioner Cornella, I don't

3 believe he's saying there is anything wrong with the motion.

4 I think he's saying that we wouldn't support it.

5 CHAIRMAN DIXON: I'm going to ask the director to

6 go down and explain what the result is if this is adopted.

7 MR. LYLES: Commissioner, correct me if I'm wrong

8 here. Mr. Chairman, I believe that this motion would have

9 the effect of keeping everything -- I beg your pardon, of

10 keeping the -- let's see, the Chemical School, the Military

11 Police School as well as the Chemical Defense Training

12 Facility operating at Fort McClellan, Alabama, until a new

13 Chemical Defense Training Facility is up and operational at

14 Fort Leonard Wood, Missouri.

15 COMMISSIONER CORNELLA: With the exception of the -

16 - or did you say the exception of the Polygraph Institute?

17 MR. LYLES: Right. The Polygraph Institute could

18 be relocated under this motion just as the Secretary of

19 Defense requested.

20 COMMISSIONER MONTOYA: Mr. Chairman?

21 CHAIRMAN DIXON: Yes.

22 COMMISSIONER MONTOYA: I'd like to ask a question

1 of our briefers on that. I think this is relevant to the
2 point the Chairman is getting to. Let's assume the CDTF
3 never moves because whatever. Would the Secretary of the
4 Army still want to move everything else?
5 MR. GERTLER: Sir, we can't speak to that for this
6 year. That was the Department of Defense's 1993
7 recommendation was to move everything except the CDTF and go
8 TDY to the CDTF as necessary, which is a less expensive
9 proposition than maintaining part of the base at Fort
10 McClellan.
11 COMMISSIONER MONTOYA: So there are savings in that
12 scenario you just described?
13 MR. GERTLER: Yes, sir.
14 COMMISSIONER MONTOYA: And that was rejected by the
15 Commission, then, in --
16 MR. GERTLER: That was rejected by the 1993
17 Commission.
18 COMMISSIONER COX: Unanimously, as I recall.
19 CHAIRMAN DIXON: Well, what I would like to do, if
20 I may say so, and I don't want to stop any questioning until
21 I do that, but I have a motion here that has been drafted
22 that I understand supports the position of those who support

1 the Secretary of Defense.

2 And I'd like to read this motion and then, if we

3 reject the motion of Commissioner Cornella, I'm going to

4 offer this motion.

5 This one is, "I move the Commission find the

6 Secretary of Defense did not deviate substantially from the

7 Force Structure Plan and Final Criteria and therefore the

8 Commission adopt the following recommendation of the

9 Secretary of Defense:

10 Close Fort McClellan except minimal essential land

11 facilities for a Reserve component enclave and minimum

12 essential facilities as necessary to provide auxiliary

13 support to the chemical demilitarization operation at

14 Anniston Army Depot, relocate the U.S. Army Chemical and

15 Military Police Schools to Fort Leonard Wood, Missouri, upon

16 receipt of the required permits, relocated Defense Polygraph

17 Institute, DODPI, to Fort Jackson, South Carolina, licensed

18 Pelham Range and current Guard facilities to the Alabama,

19 Army National Guard."

20 Now, that is the motion I will offer if the motion

21 from my distinguished friend, Commissioner Cornella is

22 rejected.

1 COMMISSIONER CORNELLA: What my motion is trying to
2 accomplish is that we have that other strut before we step
3 across it. I'm not sure the second one does because there is
4 great dispute over what the required permits consist of.
5 CHAIRMAN DIXON: Well, is there any further
6 comment? Because let's have a roll call. Counsel will call
7 the --
8 COMMISSIONER CORNELLA: One more point, Mr.
9 Chairman, please. If anyone objects to the Military Police
10 School going on, I would ask that they would amend the motion
11 at this point rather than reject it.
12 CHAIRMAN DIXON: And I would ask we consider the
13 motion that supports the position of the Secretary of
14 Defense.
15 COMMISSIONER CORNELLA: Well, we can debate or
16 vote, I guess.
17 CHAIRMAN DIXON: Let's vote. There is a second to
18 Commissioner Cornella, I believe, is there not?
19 COMMISSIONER DAVIS: I second it.
20 CHAIRMAN DIXON: Second by Commissioner Davis.
21 Call the roll. MS. KING: Mr. Chairman?
22 CHAIRMAN DIXON: No.

1 MS. KING: We are now voting on Mr. Cornella's
2 motion?
3 CHAIRMAN DIXON: We're voting on Commissioner
4 Cornella's motion seconded by Commissioner Davis.
5 MS. KING: Okay. Mr. Cornella?
6 COMMISSIONER CORNELLA: Aye.
7 MS. KING: Commissioner Cox?
8 COMMISSIONER COX: Aye.
9 MS. KING: Commissioner Davis?
10 COMMISSIONER DAVIS: Aye.
11 MS. KING: Commissioner Kling?
12 COMMISSIONER KLING: No.
13 MS. KING: Commissioner Montoya?
14 COMMISSIONER MONTOYA: Aye.
15 MS. KING: Commissioner Robles?
16 COMMISSIONER ROBLES: No.
17 MS. KING: Commissioner Steele?
18 COMMISSIONER STEELE: No.
19 MS. KING: Mr. Chairman?
20 CHAIRMAN DIXON: No.
21 MS. KING: Mr. Chairman, the vote is 4 ayes, 4
22 nays.

1 CHAIRMAN DIXON: The motion fails.

2 M O T I O N

3 CHAIRMAN DIXON: I now offer the following motion:
4 I move the Commission find the Secretary of Defense did not
5 deviate substantially from the Force Structure Plan and Final
6 Criteria and therefore the Commission adopt the following
7 recommendation of the Secretary of Defense:

8 Close Fort McClellan except minimum essential land
9 facilities for a Reserve component enclave and minimum
10 essential facilities as necessary to provide auxiliary
11 support to the chemical demilitarization operation at
12 Anniston Army Depot, relocate the U.S. Army Chemical and
13 Military Police Schools to Fort Leonard Wood, Missouri, upon
14 receipt of the required permits, relocate the Defense
15 Polygraph Institute to Fort Jackson, South Carolina, licensed
16 Pelham range and current Guard facilities to the Alabama Army
17 National Guard.

18 Is there a second?

19 COMMISSIONER KLING: I second that, Mr. Chairman.

20 CHAIRMAN DIXON: Mr. Kling seconds. Is there any
21 comment?

22 COMMISSIONER CORNELLA: Discussion, please.

1 CHAIRMAN DIXON: Commissioner Cornella.

2 COMMISSIONER CORNELLA: I would like to again note
3 my concern over this motion as far as that it does not really
4 guarantee the permits that would deliver the same level of
5 training that now exists at Fort McClellan, Alabama.

6 COMMISSIONER MONTOYA: I have a question, Mr.
7 Chairman. I didn't hear the Chemical Defense Training
8 Facility mentioned, and I was listening for it.

9 COMMISSIONER STEELE: Correct.

10 COMMISSIONER MONTOYA: That's a biggie.

11 COMMISSIONER ROBLES: Mr. Chairman, I think we all
12 agree that we'd ask you to withhold your motion because you
13 didn't put anything about the Chemical Defense Training
14 Facility in that.

15 COMMISSIONER STEELE: There was an oversight, I
16 believe, in how the motion was read.

17 CHAIRMAN DIXON: Now, ladies and gentlemen, I'm
18 going to withdraw my motion which did not require five votes
19 and offer one that the Chair announces does require five
20 votes.

21 This is a deviation from the Secretary of Defense's
22 recommendations. Does my seconder permit me to withdraw my

1 offered amendment?

2 COMMISSIONER KLING: Yes, sir.

3 M O T I O N

4 CHAIRMAN DIXON: Now, here is the one I offer,

5 fellow Commissioners. I move the Commission find the

6 Secretary of Defense deviated substantially from Final

7 Criteria 1 and 2 and therefore the Commission reject the

8 secretary's recommendation on Fort McClellan, Alabama, and

9 instead adopt the following recommendation:

10 Close Fort McClellan except minimal essential land

11 facilities for a Reserve component enclave, minimum essential

12 facilities as necessary to provide auxiliary support to the

13 chemical demilitarization operation at Anniston Army Depot

14 and the Chemical Defense Training Facility.

15 The CDTF will operate at Fort McClellan until such

16 time as the capability to operate a replacement at Fort

17 Leonard Wood is achieved, relocate the U.S. Army Military

18 Police School and U.S. Army Chemical School to Fort Leonard

19 Wood, Missouri, relocate the Defense Polygraph Institute to

20 Fort Jackson, South Carolina, licensed Pelham range and

21 current Guard facility to the Alabama Army National Guard.

22 The Commission finds this recommendation is consistent with

1 the Force Structure Plan and Final Criteria.

2 COMMISSIONER MONTOYA: Second.

3 CHAIRMAN DIXON: That is seconded by Commissioner

4 Montoya. Are there any further comments?

5 COMMISSIONER CORNELLA: Motion to amend, sir.

6 CHAIRMAN DIXON: Commissioner Cornella.

7 COMMISSIONER CORNELLA: I move that we add the

8 chemical school to the CDTF as remaining at Fort McClellan.

9 CHAIRMAN DIXON: Is there a second to that?

10 COMMISSIONER COX: I'll second.

11 CHAIRMAN DIXON: The clerk will call the roll on

12 that individual separate motion to add the chemical school.

13 MS. KING: Commissioner Cornella?

14 COMMISSIONER CORNELLA: Aye.

15 MS. KING: Commissioner Cox?

16 COMMISSIONER COX: Aye.

17 MS. KING: Commissioner Davis?

18 COMMISSIONER DAVIS: Aye.

19 MS. KING: Commissioner Kling?

20 COMMISSIONER KLING: No.

21 MS. KING: Commissioner Montoya?

22 COMMISSIONER MONTOYA: No.

1 MS. KING: Commissioner Robles?

2 COMMISSIONER ROBLES: No.

3 MS. KING: Commissioner Steele?

4 COMMISSIONER STEELE: No.

5 MS. KING: Mr. Chairman?

6 CHAIRMAN DIXON: Aye -- no.

7 MS. KING: Mr. Chairman, the vote is 3 ayes and 5

8 nays.

9 CHAIRMAN DIXON: The vote is 3 ayes and 5 nays, and

10 the motion fails. Are there any further amendments?

11 (No response.)

12 CHAIRMAN DIXON: Counsel will call the role.

13 MS. KING: Mr. Chairman?

14 CHAIRMAN DIXON: Aye.

15 MS. KING: Commissioner Cornella?

16 COMMISSIONER CORNELLA: Aye.

17 MS. KING: Commissioner Cox?

18 COMMISSIONER COX: Aye.

19 MS. KING: Commissioner Davis?

20 COMMISSIONER DAVIS: Aye.

21 MS. KING: Commissioner Kling?

22 COMMISSIONER KLING: Aye.

1 MS. KING: Commissioner Montoya?

2 COMMISSIONER MONTOYA: Aye.

3 MS. KING: Commissioner Robles?

4 COMMISSIONER ROBLES: Aye.

5 MS. KING: Commissioner Steele?

6 COMMISSIONER STEELE: Aye.

7 MS. KING: Mr. Chairman, the vote is 8 ayes, 0

8 nays.

9 CHAIRMAN DIXON: And the motion is unanimously

10 adopted, and we're in recess for --

11 COMMISSIONER CORNELLA: Mr. Chairman, I have a

12 comment to make first. I would like to note for the record

13 that I object to the Chair's handling of this issue in regard

14 to discussing the wording of another motion while my motion

15 was on the floor. Thank you.

16 CHAIRMAN DIXON: You're welcome. Ten-minute

17 adjournment.

18 (A brief recess was taken.)

19 CHAIRMAN DIXON: Okay. Ladies and gentlemen, the

20 Commission is going to go back in session. The Chair wants

21 to advise everybody we're going to work through. We expect

22 to finish in a matter of a couple of hours, and I'll try to

1 move it along as expeditiously as possible, having in mind
2 that every Commissioner has the right to be fully heard on
3 all subjects. And the next subject is Fort Lee, Virginia.
4 MR. BROWN: Mr. Chairman, Commissioner, on page B-10, we have
5 the next installation to be discussed, Fort Lee, Virginia.
6 Mr. Davis Lewis will discuss this installation.
7 MR. LEWIS: DOD has recommended realigning Kenner
8 Army Community Hospital, the 49-bed hospital at Fort Lee,
9 Virginia, to an out-patient clinic. The Army's scenario has
10 all of the hospital's in-patient workload going to the 17
11 local civilian hospitals in the Fort Lee area.
12 The estimated one-time cost of this recommendation
13 is $2.1 million with a one-year return on investment, $3.7
14 million in annual savings and a net present value of $50.5
15 million. This recommendation originated in a Medical Joint
16 Cross Service Group alternative. Mr. Wooten, if you could
17 please put up Charts -- if you could put up Chart B-12 along
18 with Chart B-10, please.
19 The issue that has arisen over this is the staffing
20 of the hospital or the realigned clinic, whether there would
21 be enough to do what the Army says they're going to do and
22 recapture all the out-patient workload. The Army says they

1 can. It is my opinion that they can.

2 COMMISSIONER DAVIS: It is your opinion that they

3 can?

4 MR. LEWIS: Yes. There is a tested staffing model

5 that is applied to the out-patient workload that they expect

6 to have to do, and they've applied that model and come up

7 with a staffing estimate for the hospital, and that drove the

8 staff reduction, and that's what's driving the savings. If

9 there are any questions?

10 CHAIRMAN DIXON: Are there any questions? Do any

11 Commissioners have any questions?

12 COMMISSIONER ROBLES: Would you just clarify

13 quickly where they're going to get their out-patient services

14 and what the arrangement is?

15 MR. LEWIS: The out-patient services will continue

16 to be provided at the clinic, at --

17 COMMISSIONER ROBLES: I'm sorry, in-patient

18 services, excuse me, in-patient.

19 MR. LEWIS: Those will be all -- the Army's

20 scenario has all of those going to local civilian hospitals,

21 and they have costs for purchasing that care.

22 COMMISSIONER ROBLES: There are arrangements so it

1 doesn't cost any more to an individual soldier or the family
2 member?
3 MR. LEWIS: The individual soldier would not pay
4 any more. Right now a family member would pay more.
5 COMMISSIONER ROBLES: How about retirees?
6 MR. LEWIS: Retirees would also pay more. They
7 would incur the CHAMPUS co-pays. However, in -- the year
8 escapes me. In the next couple of years Tri-Care will be
9 implemented in the Fort Lee area, the Tidewater area, and
10 under that program, under Tri-Care Prime, at least,
11 individuals and families that enroll in Tri-Care Prime will
12 experience substantially lower co-pays and deductibles.
13 MR. BROWN: But as you're aware, Commissioner
14 Robles, Tri-Care does not apply to retirees over the age of
15 65.
16 COMMISSIONER ROBLES: And Tri-Care is just the
17 latest in a series of experiments.
18 CHAIRMAN DIXON: Any further questions or
19 statements here?
20 (No response.)
21 CHAIRMAN DIXON: Is there a motion?
22 COMMISSIONER KLING: Yes, sir.

1 CHAIRMAN DIXON: Commissioner Lee -- Commissioner
2 Kling, S. Lee Kling, on Fort Lee.
3 M O T I O N
4 COMMISSIONER KLING: I move the Commission find the
5 Secretary of Defense did not deviate substantially from the
6 Force Structure Plan and Final Criteria and therefore the
7 Commission -- wait a minute. Yeah. Right -- adopt the
8 following recommendations of the Secretary of Defense:
9 Realign Fort Lee by reducing Kenner Army Community Hospital
10 to a clinic, eliminate in-patient services.
11 CHAIRMAN DIXON: Second the motion. Are there any
12 comments?
13 (No response.)
14 CHAIRMAN DIXON: Counsel will call the roll.
15 MS. KING: Commissioner Kling?
16 COMMISSIONER KLING: Aye.
17 MS. KING: Commissioner Montoya?
18 COMMISSIONER MONTOYA: Aye.
19 MS. KING: Commissioner Robles?
20 COMMISSIONER ROBLES: Nay.
21 MS. KING: Commissioner Steele?
22 COMMISSIONER STEELE: Aye.

1 MS. KING: Commissioner Cornella?

2 COMMISSIONER CORNELLA: Aye.

3 MS. KING: Commissioner Cox?

4 COMMISSIONER COX: Aye.

5 MS. KING: Commissioner Davis?

6 COMMISSIONER DAVIS: Aye.

7 MS. KING: Mr. Chairman?

8 CHAIRMAN DIXON: Aye.

9 MS. KING: Mr. Chairman, the vote is 7 ayes, one

10 nay.

11 CHAIRMAN DIXON: The motion carries. Fort Ritchie,

12 Maryland. Oh, pardon me, Fort Meade.

13 MR. BROWN: Mr. Chairman, on page C-3, we have the

14 next installation, Fort Meade. Mr. Davis Lewis will also

15 discuss this installation.

16 MR. LEWIS: This is another hospital being

17 realigned to a clinic. DOD has recommended realigning

18 Kimbral Army Community Hospital, the 36-bed hospital at Fort

19 Meade, to an out-patient clinic.

20 The Army scenario has most of the hospitals in-

21 patient workload going to Walter Reed Army Medical Center

22 about 20 miles away -- that's a difference from the Fort Lee

1 situation we just looked at -- with a small portion going to
2 local civilian hospitals.
3 The estimated one-time costs are $1.6 million and a
4 return on investment -- a one-year return on investment, 3.5
5 million in annual savings and a net present value of $49.5
6 million. This was also a Medical Joint Cross Service Group
7 alternative provided to the Army.
8 If we can put up Chart C-5 in addition to Chart C-
9 3, the main issue being raised by the community group is that
10 the savings would not be realized. I've looked at these
11 costs numbers, and I don't believe that taking care of people
12 at Walter Reed is going to substantially increase costs as
13 the community group says.
14 I believe that there will be operating efficiencies
15 beyond those estimated by the Army, and the costs will
16 actually be lower to bring all the in-patient care from Fort
17 Meade to Walter Reed.
18 CHAIRMAN DIXON: Are there any questions of
19 Mr. Lewis?
20 (No response.)
21 CHAIRMAN DIXON: Are there any statements?
22 (No response.)

1 CHAIRMAN DIXON: Is there a motion?

2 M O T I O N

3 COMMISSIONER KLING: Mr. Chairman, I move the
4 Commission find the Secretary of Defense did not deviate
5 substantially from the Force Structure Plan and Final
6 Criteria and therefore the Commission adopt the following
7 recommendation of the Secretary of Defense:
8 Realign Fort Meade by reducing Kimbral Army
9 Community Hospital to a clinic, eliminate in-patient
10 services.
11 CHAIRMAN DIXON: I second the motion. Are there
12 any comments? (No response.)
13 CHAIRMAN DIXON: Counsel call the roll.
14 MS. KING: Commissioner Kling?
15 COMMISSIONER KLING: Aye.
16 MS. KING: Commissioner Montoya?
17 COMMISSIONER MONTOYA: Aye.
18 MS. KING: Commissioner Robles?
19 COMMISSIONER ROBLES: Having the largest EFMP
20 program, family member and being the father of an EFMP child,
21 I think the impact is too great. I vote no.
22 MS. KING: Commissioner Steele?

1 COMMISSIONER STEELE: Aye.

2 MS. KING: Commissioner Cornella?

3 COMMISSIONER CORNELLA: No.

4 MS. KING: Commissioner Cox?

5 COMMISSIONER COX: Aye.

6 MS. KING: Commissioner Davis?

7 COMMISSIONER DAVIS: Aye.

8 MS. KING: Mr. Chairman?

9 CHAIRMAN DIXON: Aye.

10 MS. KING: Mr. Chairman, the vote is 6 ayes and 2

11 nays.

12 CHAIRMAN DIXON: The motion carries. Fort Ritchie.

13 MR. BROWN: Mr. Chairman, on page C-8, we have the

14 next installation, Fort Ritchie. Mr. Rick Brown will discuss

15 this installation.

16 MR. BROWN: Could I have slide C-7 and C-8 up,

17 please. Mr. Chairman, the DOD recommendation concerning Fort

18 Ritchie is to close Fort Ritchie, relocate the 1111 Signal

19 Battalion and the 1108th Signal Brigade to Fort Detrick,

20 Maryland, to relocate Information Systems Engineering Command

21 elements to Fort Huachaca.

22 We also developed an alternative recommendation for

1 consideration due to the fact that the DOD recommendation did
2 not cover continuation of a new National Guard armory on Fort
3 Ritchie's property. Cost estimates for the recommendation
4 are as shown. Fort Ritchie's closure will directly affect
5 some 1,900 jobs. Could I have C-11 up, please?
6 Communications support, facilities engineering
7 support, security and fire fighting support to the Alternate
8 National Military Command Center, SIDR, are critical
9 missions. Relocation adds additional time to the response by
10 the support elements from Fort Detrick by some 45 minutes to
11 an hour.
12 The Chairman of the Joint Chiefs of Staff, however,
13 accepts this increase in response time associated with the
14 supporting SIDR from Fort Detrick. The community believes
15 that an opportunity was missed to consolidate disparity
16 elements of the Defense Information Systems Agency at Fort
17 Ritchie.
18 The DISA runs a state-of-the-art automation
19 information management system at Fort Ritchie. Redundant,
20 robust communications links exist, however, nothing that the
21 Defense Information Systems Agency does at Fort Ritchie is
22 locate unique.

1 In the final analysis DISA manages electronic
2 information and can be located anywhere proper communication
3 nodes are available.
4 The base visit surfaced the new National Guard
5 Armory on Fort Ritchie and that was not covered in the DOD
6 recommendation. The alternative for the Commission's
7 consideration covers continuation of that facility. Next
8 slide, please.
9 To recap, the DOD recommendation concerning Fort
10 Ritchie is to close and relocate SIDR support units to Fort
11 Detrick, the Information Systems Engineering Command elements
12 to Fort Huachaca.
13 The alternative is the same with the addition of
14 enclaving the National Guard Armory. Payoffs are as detailed
15 on the chart. Subject to your questions, that completes --
16 CHAIRMAN DIXON: Are there any questions of
17 Mr. Rick Brown?
18 (No response.)
19 CHAIRMAN DIXON: Any statements?
20 (No response.)
21 CHAIRMAN DIXON: Is there a motion?
22 M O T I O N

1 COMMISSIONER COX: I move the Commission find the
2 Secretary of Defense deviated substantially from Final
3 Criteria 1 and 4, and therefore the Commission reject the
4 Secretary's recommendation on Fort Ritchie and instead adopt
5 the following recommendation:
6 Close Fort Ritchie except for a National Guard
7 enclave, relocate the 1111th Signal Battalion and the 1108th
8 Signal Brigade to Fort Detrick, Maryland, relocate
9 Information Systems Engineering Command elements to Fort
10 Huachaca, Arizona. The Commission find this recommendation
11 is consistent with the Force Structure Plan and Final
12 Criteria.
13 CHAIRMAN DIXON: Is there a second?
14 COMMISSIONER KLING: Second.
15 CHAIRMAN DIXON: Commissioner Kling seconds. Are
16 there any comments?
17 (No response.)
18 CHAIRMAN DIXON: Counsel call the roll.
19 MS. KING: Commissioner Cox?
20 COMMISSIONER COX: Aye.
21 MS. KING: Commissioner Davis?
22 COMMISSIONER DAVIS: Aye.

1 MS. KING: Commissioner Kling?

2 COMMISSIONER KLING: Aye.

3 MS. KING: Commissioner Montoya?

4 COMMISSIONER MONTOYA: Aye.

5 MS. KING: Commissioner Robles?

6 COMMISSIONER ROBLES: Aye.

7 MS. KING: Commissioner Steele?

8 COMMISSIONER STEELE: Aye.

9 MS. KING: Commissioner Cornella?

10 COMMISSIONER CORNELLA: Aye.

11 MS. KING: Mr. Chairman?

12 CHAIRMAN DIXON: Aye.

13 MS. KING: Mr. Chairman, the vote is 8 ayes, 0

14 nays.

15 CHAIRMAN DIXON: Motion unanimously carries. U.S.

16 Army Garrison Selfridge.

17 MR. BROWN: Mr. Chairman, Mr. Mike Kennedy will

18 discuss this installation on page C-15.

19 MR. KENNEDY: Mr. Chairman, the DOD recommendation

20 is to close the U.S. Army Garrison, Selfridge. The Garrison

21 provides family housing and community activities for military

22 personnel in the Detroit area.

1 It consists of 600 acres and is part of the
2 Selfridge Air National Guard Base, which has about 3,600
3 acres. On the Air Guard Base, the Marine Corps and Navy
4 Reserve activities are tenants as well as the Coast Guard.
5 As can see here on Chart C-15 summarizes the
6 financial aspects of the recommendation. One item I would
7 like to point out is 189 of the 222 realignments are people
8 moving from base housing to economy housing. They're primary
9 Air Force mission personnel. The missions are staying at
10 Selfridge. It's just a realignment off base.
11 Chart C-17, please. This chart summarizes the
12 issues surrounding the recommendation. The main concern
13 raised by the community was that the Army, in their COBRA,
14 didn't include housing allowances for all personnel who are
15 residing in family housing.
16 We found that the housing -- when you compare the
17 cost of housing to the cost of paying the housing allowance
18 is the Army will save 500,000. The Army estimated about 2.6
19 million. A difference occurs because the Army didn't include
20 all the people in the housing area as well as the barracks.
21 The other issue raised by the community regarding
22 the COBRA was the base operation savings. The Army has

1 claimed the base operation savings, basically, from the
2 civilian salaries and the base operating costs of operating
3 the community-related functions, the contention of the
4 community is that these savings would be reduced if other
5 services remaining would increase their funding for these
6 services. So they call into question these savings.
7 CHAIRMAN DIXON: Is this exclusively housing,
8 Mr. Kennedy?
9 MR. KENNEDY: It is housing and then community
10 functions like the base gym, child care, different types of
11 shops.
12 CHAIRMAN DIXON: Related to the housing.
13 MR. KENNEDY: Yes. That's all it is.
14 CHAIRMAN DIXON: Commissioner Kling.
15 COMMISSIONER KLING: Mr. Kennedy, this is just one
16 of a number that we're going to be looking at here on the
17 housing alone issue.
18 MR. KENNEDY: Yes, it is.
19 CHAIRMAN DIXON: And this is consistent with our
20 discussions earlier that on the question of housing we would
21 view this very carefully in view of all of the statements
22 been made by the Department of Defense and others about the

1 shortage of housing which is coupled with the action in the
2 House I think only the other day to increase the funding for
3 housing because of the recognition of that shortage.
4 MR. KENNEDY: That's correct.
5 MR. BROWN: Mr. Chairman, the Army's position is
6 that they would like to take the dollars that they associate
7 with family housing and rather than utilize them in areas
8 like this, to put them into large military installations such
9 as Fort Bragg and Fort Hood where they have similar
10 situations with many more soldiers.
11 COMMISSIONER STEELE: If I may make a comment, I
12 visited this --
13 CHAIRMAN DIXON: Commissioner Steele.
14 COMMISSIONER STEELE: This is one of those issues
15 where the housing is full. It's needed. There isn't
16 adequate housing either adequate or affordable housing or
17 enough housing in the area for the need. It's a question of
18 who is paying the boss, but the place is totally full.
19 And I think we had five different groups
20 represented at Selfridge. So personally, it's a need to
21 keep, after visiting it.
22 CHAIRMAN DIXON: Is there any further comment?

1 COMMISSIONER DAVIS: Mr. Chairman?

2 CHAIRMAN DIXON: Commissioner Davis.

3 COMMISSIONER DAVIS: Are there inter-service

4 support agreements that support this garrison concept of the

5 U.S. Army for the other services that are maintained there?

6 MR. KENNEDY: The Army has an inter-service support

7 agreement with the Air National Guard. It's an Air National

8 Guard base. So the Army has a support agreement for

9 utilities --

10 COMMISSIONER DAVIS: What commitment has been made

11 to the other services that are living in that facility?

12 There are other services living in that; it's not just U.S.

13 Army in the housing?

14 MR. KENNEDY: Yes, in the housing, that's correct.

15 COMMISSIONER DAVIS: Do they have 11-4, Inter-

16 service Support Agreement with them? Do you know?

17 MR. KENNEDY: I do not know that.

18 COMMISSIONER STEELE: They do get some money from

19 the Coast Guard, I believe.

20 COMMISSIONER DAVIS: Yes, but that --

21 MR. BROWN: Commissioner Davis, only from the Coast

22 Guard.

1 COMMISSIONER DAVIS: But that's required because
2 its not part of the Department of Defense.
3 MR. BROWN: It's like any other housing area that
4 is run by one of the military departments. If an occupant is
5 from another military service, there are no transfer of funds
6 among the military departments.
7 COMMISSIONER DAVIS: But the reason I'm asking the
8 question, it's a support agreement, and many cases where we
9 have, you know, an Air Force base supporting Army facility
10 you sign a support agreement with the Army saying I will
11 provide you the following facilities.
12 MR. BROWN: I think that's true for facilities
13 other than family housing.
14 COMMISSIONER DAVIS: Okay. Thank you very much.
15 COMMISSIONER STEELE: I recall on one road the Air
16 Force was in charge of plowing half of it and the Army the
17 other half, if memory serves me, Mr. Kennedy. They seemed to
18 have everything from the chapel -- everything's split.
19 MR. KENNEDY: That is correct.
20 COMMISSIONER STEELE: But the Army does carry most
21 of the bus. MR. KENNEDY: That is right.
22 MR. BROWN: For the housing area, not the Air

1 National Guard installation. They're two separate
2 installations, Commissioner Steele.
3 COMMISSIONER STEELE: Right.
4 CHAIRMAN DIXON: Are there any further comments?
5 (No response.)
6 CHAIRMAN DIXON: Is there a motion?
7 M O T I O N
8 COMMISSIONER STEELE: Yes. I'll make the motion.
9 I move the Commission find the Secretary of Defense deviated
10 substantially from Final Criteria 1 and 4 and therefore the
11 Commission reject the Secretary's recommendation on U.S. Army
12 Garrison Selfridge and instead adopt the following
13 recommendation:
14 U.S. Army Garrison, Selfridge will remain open.
15 The Commission finds this recommendation is consistent with
16 the Force Structure Plan and Final Criteria.
17 CHAIRMAN DIXON: Is there a second to that motion?
18 COMMISSIONER DAVIS: Second.
19 CHAIRMAN DIXON: Commissioner Davis seconds the
20 motion by Commissioner Steele. Is there any comment?
21 (No response.)
22 CHAIRMAN DIXON: Counsel will call the roll.

1 MS. KING: Commissioner Steele?

2 COMMISSIONER STEELE: Aye.

3 MS. KING: Commissioner Cornella?

4 CHAIRMAN DIXON: Commissioner Cornella I think has

5 left a proxy vote.

6 MS. KING: Aye by proxy?

7 CHAIRMAN DIXON: Commissioner Cornella votes aye by

8 proxy.

9 MS. KING: Commissioner Cox?

10 COMMISSIONER COX: Aye.

11 MS. KING: Commissioner Davis?

12 COMMISSIONER DAVIS: Aye.

13 MS. KING: Commissioner Kling?

14 COMMISSIONER KLING: Aye.

15 MS. KING: Commissioner Montoya?

16 COMMISSIONER MONTOYA: Aye.

17 MS. KING: Commissioner Robles?

18 COMMISSIONER ROBLES: Aye.

19 MS. KING: Mr. Chairman?

20 CHAIRMAN DIXON: Aye.

21 MS. KING: Mr. Chairman, the vote is 8 ayes and 0

22 nays.

1 CHAIRMAN DIXON: And the motion to deviate from the
2 Secretary of Defense's recommendation carries unanimously.
3 Price Support Center, Illinois, and the Chair will recuse on
4 this issue.
5 MR. BROWN: Mr. Mike Kennedy will discuss this
6 installation, Mr. Chairman.
7 MR. KENNEDY: The DOD recommendation is to close
8 Charles Price Support Center except for a small reserve
9 enclave and a storage area. Like Selfridge, the Price
10 Support Center provides logistics, family housing and
11 community support to military personnel in the St. Louis
12 area. This chart summarizing the recommendation of return on
13 investment with an annual savings of $6.3 million. Chart C-
14 22, please.
15 Like in the case of Selfridge, the number one issue
16 is the analysis of the COBRA data, and again we found that
17 the Army doesn't include all the residents of family housing
18 and barracks who are remaining in the area.
19 So instead of saving -- the Army would only save
20 $77,000 instead of the 500,000 they projected in their
21 analysis. Also, we found that there will only be 8 military
22 personnel eliminated, not 21, as the Army had projected.

1 The other issue raised was the tenant relocation.
2 This facility has about 2 million square feet of storage
3 space that is filled by other tenants other than the Army,
4 Navy, Air Force DLA, and the community group raised the issue
5 of the cost of relocating these tenants. But the Army has
6 told us that they're included in the storage area, so there
7 is no need to relocate these tenants. That concludes my
8 presentation.
9 CHAIRMAN DIXON: Are there any questions of
10 Mr. Kennedy?
11 COMMISSIONER KLING: I guess just only one. The
12 one-time costs and the annual savings are mostly made up from
13 the housing or mostly made up originally from the warehousing
14 or both?
15 MR. KENNEDY: The saves are made up from the
16 civilian personnel that would be eliminated.
17 COMMISSIONER KLING: That's where the majority of
18 it comes from?
19 MR. KENNEDY: That's where the majority of it comes
20 from.
21 CHAIRMAN DIXON: Any further questions?
22 (No response.)

1 CHAIRMAN DIXON: Is there a motion?

2 COMMISSIONER STEELE: I have a motion, Mr.

3 Chairman.

4 CHAIRMAN DIXON: Commissioner Steele.

5 M O T I O N

6 COMMISSIONER STEELE: I move the Commission find

7 the Secretary of Defense deviated substantially from Final

8 Criteria 1 and 4 and therefore the Commission reject the

9 Secretary's recommendation on Price Support Center and

10 instead the following recommendation:

11 Keep open Charles Melvin Price Support Center,

12 including all activities and facilities. The Commission

13 finds this recommendation is consistent with the Force

14 Structure Plan and Final Criteria.

15 CHAIRMAN DIXON: Is there a second?

16 COMMISSIONER MONTOYA: Second.

17 CHAIRMAN DIXON: It is seconded by Commissioner

18 Montoya. Is there any further comment?

19 (No response.)

20 CHAIRMAN DIXON: Counsel will call the roll.

21 MS. CREEDON: Commissioner Steele?

22 COMMISSIONER STEELE: Aye.

1 MS. CREEDON: Mr. Chairman, you're recused on this
2 issue?
3 CHAIRMAN DIXON: I recuse myself.
4 MS. CREEDON: Mr. Cornella votes aye by proxy.
5 Commissioner Cox?
6 COMMISSIONER COX: Aye.
7 MS. CREEDON: Commissioner Davis is recused on this
8 issue. Commissioner Kling?
9 COMMISSIONER KLING: Aye.
10 MS. CREEDON: Commissioner Montoya?
11 COMMISSIONER MONTOYA: Aye.
12 MS. CREEDON: Commissioner Robles?
13 COMMISSIONER ROBLES: Aye.
14 MS. CREEDON: Mr. Chairman, the votes are 6 ayes
15 and 0 nays.
16 CHAIRMAN DIXON: 6 ayes, 0 nays, Commissioner Davis
17 and Commissioner Dixon recusing, and the motion is adopted.
18 Fort Buchanan.
19 MR. BROWN: Mr. Chairman, Mr. Rick Brown will
20 discuss Fort Buchanan.
21 MR. BROWN: Mr. Chairman, the DOD recommendation
22 concerning Fort Buchanan is to realign Fort Buchanan by

1 reducing garrison management functions and disposing of
2 family housing, retain an enclave for the reserve components,
3 Army and Air Force exchange service in the Antilles
4 Consolidated School, which is a DOD-dependent school.
5 The primary function of Fort Buchanan is to provide
6 mobilization support to Reserve component units on Puerto
7 Rico and the U.S. Virgin Islands. The cost and benefit
8 estimates are as shown on the chart.
9 I would point out that of the 23.7 million for base
10 operations, about 3 and a half million is dedicated to
11 running family housing operations. Under the draft implement
12 concept, realignment will directly affect some 526 jobs.
13 Could I have C-31, please -- correct, C-29.
14 The community argues the Army has recognized Fort
15 Buchanan as a lead mobilization station and a power
16 projection platform vital to any caribbean or Latin American
17 contingency. FORSCOM's draft implementation concept for the
18 realignment is to reduce the garrison to zero and to perform
19 installation missions via action teams deployed from CONUS.
20 The community contends that Buchanan's missions can
21 best be performed with a resident active component garrison
22 and that disestablishing Buchanan's garrison exceeds the DOD

1 recommendation.

2 Staff confirms that mobilization certification is

3 normally performed by a resident garrison. However,

4 precedent exists for using action teams for this mission.

5 Further, it is the Commission counsel's opinion that

6 disestablishing Buchanan's garrison does exceed the scope of

7 the DOD recommendation.

8 Slide 31, please. To recap, the recommendation

9 realigns Buchanan by reducing garrison and disposing of

10 family housing. Enclaves will be established for remaining

11 Reserve component AAFES and the DOD school.

12 CHAIRMAN DIXON: Are there any questions of

13 Mr. Brown?

14 (No response.)

15 CHAIRMAN DIXON: Any statements?

16 COMMISSIONER ROBLES: I have a --

17 CHAIRMAN DIXON: Commissioner Robles.

18 COMMISSIONER ROBLES: Part question, part

19 statement. I think this is one in which, in their zeal to

20 save bucks, Army Force Command has exceeded their authority.

21 This was a realignment, not a closure, when, in essence, they

22 have closed it, and they say they're going to move these

1 action teams. My first question, Mr. Brown, is where is this
2 precedent on action teams currently located?
3 MR. BROWN: It's in the Pacific, Commissioner.
4 That is the implementation concept for mobilization of the
5 National Guard on Guam.
6 COMMISSIONER ROBLES: On Guam only?
7 MR. BROWN: That's correct, sir.
8 COMMISSIONER ROBLES: I dare say that, in all
9 deference to Guam, they have some folks who have joined the
10 arms services in numbers, but the number of people who
11 mobilized in the units to include Desert Storm coming out of
12 Puerto Rico National Guard is a lot larger than that, and
13 they have served honorably many years and have many Medal of
14 Honor winners have come from that island.
15 I don't think that it is neither appropriate nor
16 correct for them to walk away from that mobilization mission,
17 and having a team go there periodically will do nothing but
18 reduce the mobilization capability of that station there, and
19 I just think this is the wrong thing to do.
20 I think we're walking away from a commitment we
21 made to them on mobilization, and having a couple of men and
22 women who go over there periodically is not the right thing

1 to do.

2 COMMISSIONER DAVIS: Mr. Chairman?

3 CHAIRMAN DIXON: Commissioner Davis.

4 COMMISSIONER DAVIS: I'd like to join General

5 Robles. I was down there and visited. He's right about the

6 decorations. It's probably one of the most decorated states

7 or territories that we have.

8 Secondarily, come 1999, it will be the last U.S.

9 Army outpost in the caribbean. Frankly, it's a superb

10 recruiting area. The garrison houses those folks at the same

11 time. So I would at least recommend we go for the Commission

12 alternative.

13 CHAIRMAN DIXON: Are there any further comments by

14 any Commissioners?

15 COMMISSIONER KLING: I might ask what the

16 alternative that General Davis just mentioned would be.

17 What, General Davis?

18 COMMISSIONER ROBLES: I have a motion.

19 COMMISSIONER KLING: Is this the alternative?

20 COMMISSIONER ROBLES: Correct.

21 CHAIRMAN DIXON: Okay. What's your motion,

22 Commissioner Robles?

1 M O T I O N

2 COMMISSIONER ROBLES: Mr. Chairman, I move the
3 Commission find the Secretary of Defense deviated
4 substantially from Final Criteria 1, 2, 4 and 5 and therefore
5 the Commission reject the Secretary's recommendation on Fort
6 Buchanan and instead adopt the following recommendation:
7 Realign Fort Buchanan, dispose of family housing,
8 retain garrison facilities as necessary to fulfill
9 mobilization missions and requirements and enclave support
10 functions, retain an enclave for the Reserve components, Army
11 and Air Force Exchange Service and the Antilles Consolidated
12 School. The Commission finds this recommendation is
13 consistent with the Force Structure Plan and Final Criteria.
14 COMMISSIONER DAVIS: I second.
15 CHAIRMAN DIXON: It's moved by Commissioner Robles,
16 seconded by Commissioner Davis. Is there any further
17 comment?
18 COMMISSIONER KLING: Just an explanation.
19 CHAIRMAN DIXON: Commissioner Kling.
20 COMMISSIONER KLING: Where does that differ from
21 the Secretary of the Army's recommendation? What is the
22 difference in this amended --

1 COMMISSIONER ROBLES: The difference is, as I
2 understand it, and Mr. Brown can help, we have added the
3 specific wording that requires them to retain an enclave and
4 a garrison to support the mobilization mission, as opposed to
5 the current implement plan, which is to send the support team
6 from the mainland over as needed. MR. BROWN: That's correct,
7 Commissioner. Commissioner Kling, the particular portions of
8 the text are retaining an active component garrison to
9 fulfill the mobilization figures and requirements on site.
10 COMMISSIONER KLING: What about the disposing of
11 the family housing?
12 MR. BROWN: The family housing would still be
13 disposed, sir. We have costed -- based upon some questions
14 previously, we costed the alternative of retaining the
15 minimum garrison strength, and that is on slide -- if you put
16 C-31 back up, please.
17 The alternative costs reduce the up-front costs,
18 but there are greater recurring costs due to fewer
19 eliminations. The one-time costs of the revision are 7
20 million less than the original option because the personnel
21 eliminations are smaller. It also reduces the net present
22 value of the total savings over the period by some 59

1 percent.

2 CHAIRMAN DIXON: Any further questions?

3 COMMISSIONER KLING: The quality of the housing,

4 did you touch --

5 MR. BROWN: Sir, the housing is over 25 years old.

6 It is generally well-maintained, but they are looking at some

7 significant infrastructure costs if they continue those

8 housing areas. The majority of the units have aluminum

9 windows, not even glass windows. They have no central air

10 conditioning at this point in time. The infrastructure is

11 somewhat old, sir.

12 COMMISSIONER KLING: Thank you.

13 CHAIRMAN DIXON: Any further questions?

14 (No response.)

15 CHAIRMAN DIXON: Counsel will call the roll.

16 MS. CREEDON: Commissioner Robles?

17 COMMISSIONER ROBLES: Aye.

18 MS. CREEDON: Commissioner Steele?

19 COMMISSIONER STEELE: Aye.

20 MS. CREEDON: Commissioner Cornella?

21 COMMISSIONER CORNELLA: Aye.

22 MS. CREEDON: Commissioner Cox?

1 COMMISSIONER COX: Aye.

2 MS. CREEDON: Commissioner Davis?

3 COMMISSIONER DAVIS: Aye.

4 MS. CREEDON: Commissioner Kling?

5 COMMISSIONER KLING: Aye.

6 MS. CREEDON: Commissioner Montoya?

7 COMMISSIONER MONTOYA: Aye.

8 MS. CREEDON: Mr. Chairman?

9 CHAIRMAN DIXON: No.

10 MS. CREEDON: Mr. Chairman, the vote is 7 ayes and

11 one nay.

12 CHAIRMAN DIXON: And the motion on Fort Buchanan

13 carries. Kelly Support Center.

14 MR. BROWN: Mr. Mike Kennedy will discuss this

15 installation, Mr. Chairman.

16 MR. KENNEDY: The DOD recommendation is to realign

17 the Kelly Support Center by consolidating reserve units onto

18 three of its five parcels and also relocate the Army's

19 Reserve Lease Maintenance Activity in Valley Grove, West

20 Virginia, to the Kelly Support Center.

21 On that last issue, the Secretary of Defense has

22 notified the Commission that that option is no longer viable,

1 since a facility is being built in West Virginia for the
2 Valley Grove unit. There are no major issues identified with
3 this recommendation. The issues identified during the base
4 visit have been addressed by DOD. This concludes my
5 statement.
6 CHAIRMAN DIXON: Okay. Are there any questions?
7 (No response.)
8 CHAIRMAN DIXON: Are there any comments?
9 (No response.)
10 M O T I O N
11 CHAIRMAN DIXON: I move, my fellow Commissioners,
12 that the Commission find the Secretary of Defense deviated
13 substantially from Final Criteria 2 and therefore the
14 Commission reject the Secretary's recommendation on Kelly
15 Support Center and instead adopt the following
16 recommendation:
17 Realign the Kelly Support Center by consolidating
18 Army reserve units onto three of its five parcels, dispose of
19 the remaining two parcels. The Commission finds this
20 recommendation is consistent with the Force Structure Plan
21 and Final Criteria. Is there a second?
22 COMMISSIONER STEELE: I'll second that motion.

1 CHAIRMAN DIXON: And that motion is seconded by
2 Commissioner Steele. Is there any further comment?
3 (No response.)
4 CHAIRMAN DIXON: Counsel, call the roll.
5 MS. CREEDON: Commissioner Steele?
6 COMMISSIONER STEELE: Okay. You want to start with
7 me. Sorry. Aye.
8 MS. CREEDON: Commissioner Cornella.
9 COMMISSIONER CORNELLA: Aye.
10 MS. CREEDON: Commissioner Cox?
11 COMMISSIONER COX: Aye.
12 MS. CREEDON: Commissioner Davis?
13 COMMISSIONER DAVIS: Aye.
14 MS. CREEDON: Commissioner Kling?
15 COMMISSIONER KLING: Aye.
16 MS. CREEDON: Commissioner Montoya?
17 COMMISSIONER MONTOYA: Aye.
18 MS. CREEDON: Commissioner Robles?
19 COMMISSIONER ROBLES: Aye.
20 MS. CREEDON: Mr. Chairman?
21 CHAIRMAN DIXON: Aye.
22 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and

1 no nays.

2 CHAIRMAN DIXON: Motion is unanimously adopted.

3 Fort Hamilton, New York.

4 MR. BROWN: Mr. Chairman, the staff suggests that

5 the Commission hear the briefings on Fort Hamilton and Fort

6 Totten, the installation that will be discussed after Fort

7 Hamilton, before voting on recommendations or alternatives

8 for either one of these installations.

9 CHAIRMAN DIXON: You want the two of them

10 considered together? MR. BROWN: Yes, Mr. Chairman.

11 CHAIRMAN DIXON: Very good. Fort Hamilton and Fort

12 Totten.

13 MR. BROWN: Mr. Rick Brown will discuss these

14 installations.

15 MR. BROWN: Mr. Chairman, the next two

16 recommendations are a recommendation to realign Fort Hamilton

17 and close family housing and a recommendation to close Fort

18 Totten and dispose of family housing.

19 C-38, please. Fort Hamilton is a subinstallation

20 of Fort Dix and is located in the Brooklyn, New York,

21 terminus Verrazano Bridge guarding the traditional approaches

22 to New York Harbor.

1 A subinstallation of Fort Dix, Fort Hamilton
2 provides administrative and logistics support to the New York
3 Area Command, the Army New York Recruiting Battalion and the
4 Joint Military Enlistment Processing Station.
5 Fort Hamilton also performs personal property
6 shipping, passenger travel support, transportation and
7 dignitary security for all branches of the Department of
8 Defense.
9 The DOD recommends realigning Fort Hamilton by
10 disposing of family housing. Existing tenants will be
11 enclaved. Because the original recommendation also included
12 gaining unit from Caven Point Reserve Center and the
13 Secretary of the Army asked that we withdraw Caven Point from
14 consideration, we've included an alternative DOD
15 recommendation that omits the Caven Point issue.
16 Closure will directly affect some 14 civilian jobs,
17 and there will be no relocation as a result of this action.
18 The cost estimates are shown on the slide, and I would point
19 out of the 25.7 million a year to operate Fort Hamilton, of
20 that, some 2.5 million is expended to operate family housing.
21 C-40, please. Housing units are approaching the
22 end of their useful life span offering limited amenities.

1 While units are generally serviceable, Army is facing
2 significant costs to maintain and upgrade.
3 They currently spend about $6,900 per year per unit
4 maintaining the family housing, and they currently have a
5 1996 deferred maintenance program of some $2.3 million worth
6 of unfunded programs.
7 Alternatively, the local rental market is expensive
8 and tight. We estimate out-of-pocket expense to soldiers
9 currently in Fort Hamilton housing would total approximately
10 $1.5 million annually.
11 Based upon the family housing occupancy
12 information, some 37.5 percent of the military families in
13 family housing are E-5 and below in housing occupancies.
14 Using the 1.5 million estimate that I indicated, that would
15 average out to some $435 per month out of the E-5s and below
16 pockets to move on the local economy.
17 C-41, please. To recap, on Fort Hamilton, the
18 recommendation realigns Fort Hamilton by disposing of family
19 housing and enclaving the tenants. The cost estimates are as
20 indicated here, and subject to your questions, I will go
21 ahead and proceed to Fort Totten's briefing.
22 COMMISSIONER DAVIS: What is an E-5's housing

1 allowance, please? You say it's 400 and how much to rent?

2 MR. BROWN: It would be over and above his BAQ and

3 VHA.

4 COMMISSIONER DAVIS: Well, what does he give up to

5 live in that house, do you know?

6 MR. BROWN: I don't have the housing allowance --

7 MR. BROWN: We had it. I don't have it immediately

8 available, Commissioner. That's over and above all of his

9 family housing entitlements.

10 COMMISSIONER DAVIS: Thank you.

11 MR. BROWN: C-43, please. Fort Totten is also in

12 the New York City area in the burrough of Queens. The major

13 tenant on Fort Totten is the Army's 77th Army Reserve

14 Command.

15 The DOD recommendation is to close Fort Totten

16 except for an enclave for the U.S. Army Reserve and dispose

17 of the family housing. Cost estimates are as on the slide.

18 I would like to point out that Fort Totten's base

19 operations budget averaged 4.1 million over the '92-'93

20 period, and of that approximately 1 and a half million was

21 spent on family housing operations. The closure

22 recommendation will directly affect 25 jobs.

1 C-45, please. As at Hamilton, Fort Totten's family
2 housing is approaching the end of its useful life span, and
3 units offer limited amenities. The Army is facing a
4 significant cost to maintain and upgrade Totten's housing and
5 have $4.1 million in deferred maintenance projects for 1996.
6 The area of Bayside, which is the surrounding local
7 area around Totten, is up-scale mostly dual income families
8 who work in the Manhattan area. Thus, the rental market is
9 tight and expensive.
10 We estimated that placing military housing
11 occupants on the economy would result in an out-of-pocket
12 expense of some $390 for the enlisted personnel, and some 49
13 percent of the housing occupants and E-6 and below.
14 We can note that Hamilton offers -- Hamilton, as
15 opposed to Totten -- offers sufficient numbers of available
16 quarters to house Totten's military families. Let me have --
17 MR. BROWN: Commissioner Davis?
18 COMMISSIONER DAVIS: Yes.
19 MR. BROWN: In answer to your question, the housing
20 allowance for an E-5 is $426.30 a month. I do not have the
21 Variable Housing Allowance.
22 COMMISSIONER DAVIS: Okay. That's fine. But it

1 probably won't be $405, I guess is what I'm getting at.

2 MR. BROWN: It will not.

3 COMMISSIONER DAVIS: It will be 75 percent of that

4 amount.

5 MR. BROWN: Let me have C-41 and C-46 up, please.

6 Side by side you have C-41 and C-46, both the options and

7 Fort Hamilton and Fort Totten. Subject to your questions,

8 that completes my presentation.

9 COMMISSIONER COX: I just want to make sure I

10 understand. Even though you indicated that the out-of-pocket

11 expenses for the folks at Fort Totten were high, although not

12 as high as Fort Hamilton, you do think there are enough

13 housing quarters at Fort Hamilton to avoid that out-of-pocket

14 expense?

15 MR. BROWN: There are sufficient vacant quarters at

16 Fort Hamilton to house the Fort Totten military families.

17 There would be an issue of the proper grade structure that

18 would have to be worked out.

19 COMMISSIONER DAVIS: What's the distance?

20 MR. BROWN: The distance is about 12 to 18 miles,

21 through New York City, however. One is on the south side of

22 New York City in Brooklyn. The other is on the north side.

1 It is serviced by the public transportation system, however.

2 CHAIRMAN DIXON: Any further questions of

3 Mr. Brown?

4 (No response.)

5 COMMISSIONER COX: Mr. Chairman, I have a motion.

6 CHAIRMAN DIXON: Commissioner Cox.

7 M O T I O N

8 COMMISSIONER COX: I move the Commission find the

9 Secretary of Defense deviated substantially from Final

10 Criteria 1, 4 and 5 and therefore the Commission reject the

11 Secretary's recommendations on Fort Hamilton and instead

12 adopt the following recommendation:

13 Keep open Fort Hamilton, including family housing

14 and minimum essential land facilities for existing Army units

15 and activities, keep Army Reserve units at Caven Point, New

16 Jersey. The Commission finds this recommendation is

17 consistent with the Force Structure Plan and Final Criteria.

18 CHAIRMAN DIXON: Is there a second to the

19 Commissioner's motion?

20 COMMISSIONER CORNELLA: Second.

21 CHAIRMAN DIXON: Seconded by Commissioner Cornella.

22 Are there any comments?

1 (No response.)

2 CHAIRMAN DIXON: Counsel call the roll.

3 MS. CREEDON: Commissioner Cox?

4 COMMISSIONER COX: Aye.

5 MS. CREEDON: Commissioner Davis?

6 COMMISSIONER DAVIS: Aye.

7 MS. CREEDON: Commissioner Kling?

8 COMMISSIONER KLING: Aye.

9 MS. CREEDON: Commissioner Montoya?

10 COMMISSIONER MONTOYA: Aye.

11 MS. CREEDON: Commissioner Robles?

12 COMMISSIONER ROBLES: Aye.

13 MS. CREEDON: Commissioner Steele?

14 COMMISSIONER STEELE: Aye.

15 MS. CREEDON: Commissioner Cornella?

16 COMMISSIONER CORNELLA: Aye.

17 MS. CREEDON: Mr. Chairman?

18 CHAIRMAN DIXON: Aye.

19 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and

20 0 nays.

21 CHAIRMAN DIXON: And the motion prevails, and Fort

22 Hamilton remains open.

1 COMMISSIONER COX: Mr. Chairman, I have a motion on
2 Fort Totten.
3 CHAIRMAN DIXON: Fort Totten, Commissioner Cox.
4 M O T I O N
5 COMMISSIONER COX: I move the Commission find the
6 Secretary of Defense did not deviate substantially from the
7 Force Structure Plan and Final Criteria and therefore the
8 Commission adopt the following recommendation of the
9 Secretary of Defense: Close Fort Totten except an enclave
10 for the U.S. Army Reserve, dispose of family housing.
11 CHAIRMAN DIXON: Is there a second?
12 COMMISSIONER STEELE: I'll second the motion.
13 CHAIRMAN DIXON: Seconded by Commissioner Steele.
14 Is there any comment?
15 (No response.)
16 CHAIRMAN DIXON: Counsel, call the roll.
17 MS. CREEDON: Commissioner Cox?
18 COMMISSIONER COX: Aye.
19 MS. CREEDON: Commissioner Davis?
20 COMMISSIONER DAVIS: Aye.
21 MS. CREEDON: Commissioner Kling?
22 COMMISSIONER KLING: Aye.

1 MS. CREEDON: Commissioner Montoya?

2 COMMISSIONER MONTOYA: Aye.

3 MS. CREEDON: Commissioner Robles?

4 COMMISSIONER ROBLES: Aye.

5 MS. CREEDON: Commissioner Steele?

6 COMMISSIONER STEELE: Aye.

7 MS. CREEDON: Commissioner Cornella?

8 COMMISSIONER CORNELLA: Aye.

9 MS. CREEDON: Mr. Chairman?

10 CHAIRMAN DIXON: Aye.

11 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and

12 0 nays.

13 CHAIRMAN DIXON: The motion carries, and Fort

14 Totten except an enclave for the U.S. Army Reserve is closed.

15 Commodity Installations, Detroit Arsenal, Detroit, Michigan.

16 MR. BROWN: Mr. Chairman, Lieutenant Colonel Bob

17 Miller will discuss Detroit Arsenal and the Detroit Arsenal

18 -- Detroit Army Tank Plant.

19 E V E N I N G S E S S I O N

20 LIEUTENANT COLONEL MILLER: Good evening,

21 Commissioners.

22 CHAIRMAN DIXON: Good evening.

1 LIEUTENANT COLONEL MILLER: If I could have Chart
2 D-3 and D-5, please. Commissioners, the Army's
3 recommendation, DOD's recommendation is to realign Detroit
4 Arsenal by closing and disposing of the Detroit Army Tank
5 Plant.
6 The Tank Plant is a government-owned, contract-
7 operated facility that is used in the production and assembly
8 of main battle tanks, most recently the M-1. The Army's
9 justification for closing the Tank Plant is that is one of
10 two, the other one being Lima Tank Plant in Lima, Ohio.
11 Detroit is not as technologically advanced as Lima
12 nor configured for the latest tank production. Lima Tank
13 Plant can accomplish future tank production mission.
14 Anniston Army Depot is the tank rebuild facility.
15 Accordingly, Detroit's tank plant is excess to the Army
16 requirements. Shown on Chart D-3 is a summary of the base
17 analysis data for closing the Detroit Arsenal. I'd like to
18 highlight that the $5 million in base operating budget would
19 probably be reduced by the amount of saves that you see on
20 the chart. That is what is going to give you the overall
21 savings, and the rest of the arsenal would stay the same.
22 The major issue we found when we were there is that

1 the gun mount production, which the facility currently
2 produces look with Rock Island Arsenal. Looking at the gun
3 mount production the community argued that the Detroit Tank
4 Plant could produce a cheaper and better gun mount that Rock
5 Island Arsenal.
6 Analysis of the data, looking at what the Army had
7 and going through Army Audit Agency showed the costs shown on
8 the chart you see, the cost at Detroit being 53,000, and
9 costs at Rock Island being somewhat under 40,000, and those
10 costs would reduce down to about 38,700 if you combined all
11 the gun mount approximate at Rock Island.
12 The other issue is whether this complied with OMB
13 Circular 876 on Contracting and Privatization. OMB Circular
14 876 states that the government should not compete as long as
15 it's economically feasible on the civilians and their private
16 industry. This concludes my briefing on the Detroit Army
17 Tank Plant.
18 CHAIRMAN DIXON: Are there any questions of Colonel
19 Miller?
20 (No response.)
21 CHAIRMAN DIXON: Are there any comments?
22 (No response.)

1 CHAIRMAN DIXON: Is there a motion?

2 COMMISSIONER STEELE: Yes, Mr. Chairman.

3 CHAIRMAN DIXON: Commissioner Steele.

4 M O T I O N

5 COMMISSIONER STEELE: I move the Commission find
6 the Secretary of Defense did not deviate substantially from
7 the Force Structure Plan and Final Criteria and therefore the
8 Commission adopt the following recommendation of the
9 Secretary of Defense: Realign Detroit Arsenal by closing and
10 disposing of the Detroit Army Tank Plant.

11 CHAIRMAN DIXON: Is there a second?

12 COMMISSIONER KLING: Second, Mr. Chairman.

13 CHAIRMAN DIXON: Seconded by Commissioner Kling.
14 The Chair recuses himself because of the fact that Rock
15 Island Arsenal is remotely involved here. Any further
16 comments?

17 (No response.)

18 CHAIRMAN DIXON: Counsel call the roll.

19 MS. CREEDON: Commissioner Steele?

20 COMMISSIONER STEELE: Aye.

21 MS. CREEDON: Commissioner Cornella?

22 COMMISSIONER CORNELLA: Aye.

1 MS. CREEDON: Commissioner Cox?

2 COMMISSIONER COX: Aye.

3 MS. CREEDON: Commissioner Davis?

4 COMMISSIONER DAVIS: Aye.

5 MS. CREEDON: Commissioner Kling?

6 COMMISSIONER KLING: Aye.

7 MS. CREEDON: Commissioner Montoya?

8 COMMISSIONER MONTOYA: Aye.

9 MS. CREEDON: Commissioner Robles?

10 COMMISSIONER ROBLES: Aye.

11 MS. CREEDON: Mr. Chairman, the vote is 7 ayes and

12 0 nays.

13 CHAIRMAN DIXON: And the motion is adopted. Fort

14 Detrick.

15 MR. BROWN: Mr. Chairman, on page D-8, we have the

16 next installation, Fort Detrick. This is a redirect of a

17 1991 Commission recommendation concerning the Tri-Service

18 Project Reliance Medical Research Study which reduced the

19 number of Army medical research labs from nine to six.

20 Mr. Dave Lewis will discuss this installation.

21 MR. LEWIS: Mr. Wooten, Charts D-8 and D-10,

22 please. As Mr. Brown said, this recommendation is a minor

1 redirect of a 1991 Commission action. Under this
2 recommendation, a unique facility would remain at Fort
3 Detrick and not have to be reconstructed at Wright-Patterson
4 Air Force Base Ohio. No issues have been raised concerning
5 this recommendation. If there are any questions --
6 CHAIRMAN DIXON: Are there any questions of
7 Mr. Lewis on Fort Detrick?
8 (No response.)
9 CHAIRMAN DIXON: Any statements on Fort Detrick?
10 (No response.)
11 CHAIRMAN DIXON: Commissioner Kling.
12 M O T I O N
13 COMMISSIONER KLING: I move the Commission find the
14 Secretary of Defense did not deviate substantially from the
15 Force Structure Plan and Final Criteria and therefore the
16 Commission adopt the following recommendation of the
17 Secretary of Defense:
18 Change the recommendation of the 1991 Commission
19 regarding Tri-Service Development Project Reliance. Upon
20 disestablishment of the U.S. Army Biomedical Research
21 Development Laboratory at Fort Detrick, Maryland, do not co-
22 collate environmental and occupational toxicology research

1 with the Armstrong Laboratory at Wright-Patterson Air Force
2 Base, Ohio, instead relocate the health advisories
3 environmental research and military criteria research
4 functions of the Environmental Quality Research Branch to the
5 U.S. Army Environmental Hygiene Agency, Aberdeen Proving
6 Grounds, Maryland, and maintain the remaining functions of
7 conducting nontoxic assessment bottles and on-site
8 biomonitoring research of the Research Methods Branch at Fort
9 Detrick at part of Headquarters U.S. Army Medical Research
10 and Material Command. That's a long project.
11 CHAIRMAN DIXON: Yes, it is. Is there a second to
12 that motion?
13 COMMISSIONER STEELE: I second the motion.
14 CHAIRMAN DIXON: Seconded by Commissioner Steele.
15 Is there any comment?
16 (No response.)
17 CHAIRMAN DIXON: Counsel will call the roll on Fort
18 Detrick, Maryland.
19 MS. CREEDON: Commissioner Kling?
20 COMMISSIONER KLING: Aye.
21 MS. CREEDON: Commissioner Montoya?
22 COMMISSIONER MONTOYA: Aye.

1 MS. CREEDON: Commissioner Robles?

2 COMMISSIONER ROBLES: Aye.

3 MS. CREEDON: Commissioner Steele?

4 COMMISSIONER STEELE: Aye.

5 MS. CREEDON: Commissioner Cornella?

6 COMMISSIONER CORNELLA: Aye.

7 MS. CREEDON: Commissioner Cox?

8 COMMISSIONER COX: Aye.

9 MS. CREEDON: Commissioner Davis?

10 COMMISSIONER DAVIS: Aye.

11 MS. CREEDON: Mr. Chairman?

12 CHAIRMAN DIXON: Aye.

13 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and

14 0 nays.

15 CHAIRMAN DIXON: And the Secretary of Defense's

16 recommendations are supported by the Commission. Ammunition

17 Storage, Sierra Army Depot, California.

18 MR. BROWN: Mr. Chairman, the next category, as you

19 mentioned, is Army Ammunition Storage Installations.

20 Mr. J.J. Gertler will discuss all three of the installations

21 in this category.

22 MR. GERTLER: Thank you, sir. Mr. Chairman, on

1 page E-3, we have Sierra Army Depot, California. The
2 Secretary of Defense recommended realigning Sierra by
3 eliminating its conventional ammunition mission, reducing the
4 depot to a depot activity and retaining an enclave for
5 operational project stocks and the static storage of ores.
6 However, on 14 June, the Secretary sent us a letter
7 asking that we modify the language of his recommendation to
8 permit retention of a conventional ammunition
9 demilitarization capability. Here you see statistical data
10 for both the original DOD recommendation and the alternative
11 proposed by the Secretary on 14 June. E-4, please. We
12 reviewed a large number of issues with regard to Sierra.
13 Some of these are unique to Sierra, but others are
14 common to all three installations in this category. I will
15 present those in some detail here so that we can save time
16 later.
17 Some significant issues felt in importance due to a
18 late request -- due to that late request from the Secretary
19 of Defense to change the recommendation. E-5, please,
20 Mr. Wooten.
21 The most significant issue when considering Sierra
22 is its capacity to demilitarize conventional ammunition and

1 rocket loaders. Sierra possesses 22 percent of all
2 ammunition demilitarization capacity in the Army and 43
3 percent of the open detonation capacity.
4 COMMISSIONER STEELE: Excuse me. I just have a
5 question for the Chair, or maybe it's for Mr. Gertler. I
6 have a recommendation that is in line with the letter we
7 received from the Secretary of Defense, and inasmuch as since
8 I went to this place and I really believe in what they do,
9 I'd like to heavy it, because I think it's great.
10 Given this hour, if none of my colleagues have
11 questions, I would be delighted to just proceed with the
12 motion.
13 CHAIRMAN DIXON: Is the motion in accordance with
14 the recommendations of the Secretary of Defense with
15 modification?
16 COMMISSIONER STEELE: It is my understanding, I'm
17 not a lawyer, we'd let everybody --
18 CHAIRMAN DIXON: All right. Commissioner Steele,
19 let's hear that motion.
20 M O T I O N
21 COMMISSIONER STEELE: I move the Commission find
22 the Secretary of Defense deviated substantially from Final

1 Criterion 1 and therefore the Commission reject the
2 Secretary's recommendation on Sierra Army Depot and instead
3 adopt the following recommendation:
4 Realign Sierra Army Depot by reducing the
5 conventional ammunition mission to the level necessary to
6 support the conventional ammunition demilitarization mission,
7 retain a conventional ammunition demilitarization capability
8 and an enclave for the operational project stocks mission and
9 the static storage of ores. The Commission find this
10 recommendation is consistent with the Force Structure Plan
11 and Final Criteria.
12 CHAIRMAN DIXON: All right. Is there a second to
13 that motion? COMMISSIONER MONTOYA: Second.
14 CHAIRMAN DIXON: And is that in accordance with
15 your understanding of the position of the Secretary of
16 Defense with modifications?
17 MR. BROWN: That is correct, Mr. Chairman.
18 CHAIRMAN DIXON: Are there any other comments? Are
19 there any other -- excuse me. Commissioner Montoya seconded.
20 I apologize, Mr. Reporter. Are there any further comments?
21 (No response.)
22 CHAIRMAN DIXON: Counsel will call the roll.

1 MS. CREEDON: Commissioner Steele?

2 COMMISSIONER STEELE: Aye.

3 MS. CREEDON: Commissioner Cornella?

4 COMMISSIONER CORNELLA: Aye.

5 MS. CREEDON: Commissioner Cox? I'll pass and

6 return to her. Commissioner Davis?

7 COMMISSIONER DAVIS: Aye.

8 MS. CREEDON: Commissioner Kling?

9 COMMISSIONER KLING: Aye.

10 MS. CREEDON: Commissioner Montoya?

11 COMMISSIONER MONTOYA: Aye.

12 MS. CREEDON: Commissioner Robles?

13 COMMISSIONER ROBLES: Aye.

14 MS. CREEDON: Commissioner Cox?

15 COMMISSIONER COX: Aye.

16 MS. CREEDON: Mr. Chairman?

17 CHAIRMAN DIXON: Aye.

18 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and

19 0 nays.

20 CHAIRMAN DIXON: And that motion carries supporting

21 the Secretary of Defense's recommendation with modifications.

22 Senecca. MR. GERTLER: Thank you, sir. Chart E-11, please.

1 Here you see the data regarding Senecca Army Depot in New
2 York. E-13, please. Process issues were a major part of the
3 Senecca community's objections.
4 The Army put together a tiering plan which ranked
5 its installations two three tiers. That was done in advance
6 of the BRAC process. Unfortunately, installations that were
7 in the lowest tier, because of the way the Army had decided
8 to operate them, could not be fairly evaluated against
9 installations in the higher tiers. They thus became the
10 Army's recommendation.
11 The community also argues that the ammunition
12 system is full; there is nowhere for Senecca's ammunition to
13 go except outdoors. We find this argument persuasive.
14 However, we also found that Senecca's ammunition could be
15 demilitarized within the six-year window if the capacity at
16 Sierra Army Depot were retained, as the Commission just did,
17 and the demilitarization of other ammunition, particularly
18 outdoor stored ammunition were deferred.
19 COMMISSIONER KLING: Is this what you believe that
20 they would intend to do, what you just said, that they would
21 proceed within the six-year time frame?
22 MR. GERTLER: Sir, the Army intends to do that.

1 COMMISSIONER KLING: They do.

2 MR. GERTLER: Originally, when they made up their

3 list, they were -- when they made up this tiering plan it was

4 one of the two inputs to their military value ranking they

5 were looking at a 10- to 15-year implementation.

6 They claim to be able to do it in six years.

7 Commission staff had some problems with that notion.

8 However, subsequently, the Army and GAO have signed off on

9 the Commission staff analysis and given the Secretary's

10 letter of the 14th, which retained additional

11 demilitarization capability, we believe they can do it.

12 One other consideration is that the Army has also

13 added in late in the process a new figure to move the

14 ammunition that they can't demil within that six years out of

15 Senecca at the end of the process.

16 COMMISSIONER KLING: Those figures are all in here?

17 MR. GERTLER: Those figures are reflected, yes,

18 sir, in the COBRA data before you.

19 COMMISSIONER KLING: Thank you.

20 CHAIRMAN DIXON: Are there any further questions of

21 Mr. Gertler on Senecca?

22 (No response.)

1 CHAIRMAN DIXON: The Chairman visited there and saw
2 the white deer.
3 COMMISSIONER STEELE: I have a motion, Mr.
4 Chairman.
5 CHAIRMAN DIXON: Commissioner Steele.
6 M O T I O N
7 COMMISSIONER STEELE: I move the Commission find
8 the Secretary of Defense did not deviate substantially from
9 the Force Structure Plan and Final Criteria and therefore the
10 Commission adopt the following recommendation of the
11 Secretary of Defense: Close Senecca Army Depot except an
12 enclave to story hazardous material and ores.
13 CHAIRMAN DIXON: Is there a second to Commissioner
14 Steele's motion?
15 COMMISSIONER KLING: Second, Mr. Chairman.
16 CHAIRMAN DIXON: The motion is made and seconded.
17 Are there any further comments or questions?
18 (No response.)
19 CHAIRMAN DIXON: Counsel will call the roll.
20 MS. CREEDON: Commissioner Steele?
21 COMMISSIONER STEELE: Aye.
22 MS. CREEDON: Commissioner Cornella?

1 COMMISSIONER CORNELLA: Aye.

2 MS. CREEDON: Commissioner Cox?

3 COMMISSIONER COX: Aye.

4 MS. CREEDON: Commissioner Davis?

5 COMMISSIONER DAVIS: Aye.

6 MS. CREEDON: Commissioner Kling?

7 COMMISSIONER KLING: Aye.

8 MS. CREEDON: Commissioner Montoya?

9 COMMISSIONER MONTOYA: Aye.

10 MS. CREEDON: Commissioner Robles?

11 COMMISSIONER ROBLES: Aye.

12 MS. CREEDON: Mr. Chairman?

13 CHAIRMAN DIXON: Aye.

14 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and

15 0 nays.

16 CHAIRMAN DIXON: And the motion is adopted, and the

17 Secretary's recommendations are supported. Savannah Army

18 Depot Activity, Illinois, and the Chair recuses himself on

19 this one.

20 MR. GERTLER: Yes, sir. Slide E-17, please, and

21 Slide E-18. Here you see the analytical data with regard to

22 Savannah Army Depot Activity. The recommendation is to close

1 Savannah and relocate the U.S. Army Defense Ammunition Center
2 and School to McAlester Army Ammunition Plant in Oklahoma.
3 E-20, please, Mr. Wooten. There are four
4 significant issues with regard to Savannah. Commission staff
5 found that none of the facilities at Savannah is
6 irreproducible. Having visited McAlester, I can tell you
7 that even the campus atmosphere of the ammunition school may
8 be preserved.
9 I should mention that a number of other facilities
10 have contacted the Commission asking that the USDACs not be
11 directed. To our knowledge, only one of those facilities has
12 actually solicited the Army, however.
13 Commission recalculations of job loss indicate the
14 actual affect to be 8.3 percent. The community argues that
15 because Savannah is in a very rural area with little economic
16 activity that increase in unemployment will have a
17 disproportionately greater effect than the same increase in a
18 more urban area.
19 They point out further that these are high skilled,
20 highly paid jobs and would thus have a more substantial
21 economic ripple effect than the percentage increase would
22 indicate.

1 Third, and as we've seen argued at the other
2 installations in this category, Savannah points out that all
3 indoor ammunition storage in the Army will be full this year
4 and argue it is, therefore, foolhardy to close any ammunition
5 storage installation, since that would only exacerbate the
6 problem of potentially unsafe outdoor storage.
7 As mentioned with Senecca, DOD now confirms they
8 have enough available storage space and enough
9 demilitarization capacity to create more storage space in the
10 next six years that Savannah can be safely closed.
11 We would note that the price of this closure is the
12 deferred opportunity to reduce outdoor storage and address
13 the existing demilitarization backlog. DOD also included
14 $28.2 million to move residual ammunition out of Senecca, and
15 that figure was included in the economic payback data.
16 CHAIRMAN DIXON: Any questions of Mr. Gertler?
17 (No response.)
18 CHAIRMAN DIXON: Any statements by anybody?
19 (No response.)
20 CHAIRMAN DIXON: Any motions?
21 COMMISSIONER STEELE: I have a motion.
22 CHAIRMAN DIXON: Commissioner Steele.

1 M O T I O N

2 COMMISSIONER STEELE: I move the Commission find
3 the Secretary of Defense did not deviate substantially from
4 the Force Structure Plan and Final Criteria and therefore the
5 Commission adopt the following recommendation of the
6 Secretary of Defense:
7 Close Savannah Army Depot Activity, relocate the
8 understand Army Defense Ammunition Center and School and
9 McAlester Army Ammunition Plant, Oklahoma.
10 CHAIRMAN DIXON: Is there a second?
11 COMMISSIONER KLING: Second, Mr. Chairman.
12 CHAIRMAN DIXON: Commissioner Kling seconds. Are
13 there any comments?
14 (No response.)
15 CHAIRMAN DIXON: Counsel will call the roll.
16 MS. CREEDON: Commissioner Steele?
17 COMMISSIONER STEELE: Aye.
18 MS. CREEDON: Commissioner Cornella?
19 COMMISSIONER CORNELLA: Aye.
20 MS. CREEDON: Commissioner Cox?
21 COMMISSIONER COX: Aye.
22 MS. CREEDON: Commissioner Davis?

1 COMMISSIONER DAVIS: Aye.

2 MS. CREEDON: Commissioner Kling?

3 COMMISSIONER KLING: Aye.

4 MS. CREEDON: Commissioner Montoya?

5 COMMISSIONER MONTOYA: Aye.

6 MS. CREEDON: Commissioner Robles?

7 COMMISSIONER ROBLES: Aye.

8 MS. CREEDON: Mr. Chairman has recused. Mr.

9 Chairman, the vote is 7 ayes and 0 nays.

10 CHAIRMAN DIXON: And the Chair recuses, and the

11 motion is adopted. Industrial Facilities. Stratford Army

12 Engine Plant.

13 MR. BROWN: Mr. Chairman, there were two industrial

14 facilities that had recommendations. However, since the

15 Detroit Army Tank Plant is attendant on Detroit Arsenal and

16 we've already considered that, it will not be discussed here.

17 Lieutenant Colonel Bob Miller will discuss Stratford Army

18 Engine Plant.

19 LIEUTENANT COLONEL MILLER: F-3 and F-5. Stratford

20 Army Engine Plant is another government-owned, contractor-

21 operated facility in Stratford, Connecticut, that is used in

22 the production of the turbine military engines for the M-1

1 and the T-55 engine for the T-53 for the Huey Helicopter.

2 Current production mix there is about 50 percent

3 military, and that's going to decline as the M-1 engine

4 program goes down towards 80 percent civilian production mix.

5 The Department of Defense's justification for this

6 recommendation is that reduction in requirements for the tank

7 and aircraft engines has eliminated the need for Stratford

8 Army Engine Plant.

9 Corpus Christi Army Depot, Texas, and Anniston Army

10 Depot, Alabama, currently perform and can meet projected

11 operational needs for sustainment of existing engine stocks,

12 and depots can export mobilization, the two depots already

13 mentioned, until new engine production becomes available.

14 This chart is a summary of the base analysis data

15 for Stratford Army Engine Plant. I'd like to highlight that

16 there is an annual savings of approximately $6 million. The

17 return on investment is immediate.

18 One thing I'd like to point out that I will discuss

19 is that there are only five people that are listed on there

20 as being eliminated. One of the issues in the community was

21 that there are several people up there under the contractor,

22 about 1,600 people actually, that are working for the

1 contractor currently.

2 They are not included in the Army scenario because

3 they're not DOD personnel, first of all. Second of all, the

4 Army's position is that since the current production contract

5 runs out prior to the closure of the facility that it would

6 not be due to the BRAC action, that the jobs would -- that

7 there are jobs eliminated that are not reflected in the

8 scenario.

9 F-4, please. Never mind. We're already on F-5.

10 Two issues shown on F-5 are industrial workload and

11 compliance with Defense Science Board. These are the two

12 main issues when you're looking at the facility.

13 The workload we've already expressed is going to 80

14 percent civilian. There is probably no reason to keep the

15 plant, as far as engine sustainment is necessary as the two

16 depots could pick up the mix.

17 Concern over picking up the spares that are

18 currently produced at the Stratford Army Engine Plant would

19 require movement of some items either come one of the depots

20 or to Allied Signal. Right now, in the implementation plan,

21 there would be $2 million worth of equipment that would be

22 required to move to Allied Signal, which we added into our

1 COBRA as well. They were not included by the Army.

2 The other issue was a published task force study by

3 the Defense Science Board on the tank industrial base.

4 Looking at the Science Board, concern by the community was

5 that they recommended retaining Stratford about a year and a

6 half ago.

7 However, if you read the actual recommendations

8 within there, one of the option was to do away with Stratford

9 Army Engine Plant and move that facility and mission to some

10 other location, probably Phoenix where Allied Signal has

11 their other plant, the contractor that we're talking about.

12 F-6, please. I'd like to highlight just a

13 Commission alternative. The only changes there are

14 accounting for 91 personnel not in the Army's COBRA that

15 would have to be moved to another location in the Stratford

16 area, and the equipment movement that we discussed, all that

17 does is bring up the one-time cost of 6.6 and extends return

18 on investment out to one year. So that concludes my briefing

19 on Stratford.

20 CHAIRMAN DIXON: Thank you very much, Colonel

21 Miller. Are there any questions of Colonel Miller?

22 (No response.)

1 CHAIRMAN DIXON: Are there any comments regarding
2 this installation?
3 (No response.)
4 CHAIRMAN DIXON: Is there any motion?
5 COMMISSIONER KLING: I certainly would like to, Mr.
6 Chairman.
7 CHAIRMAN DIXON: Commissioner Kling.
8 M O T I O N
9 COMMISSIONER KLING: I move the Commission find the
10 Secretary of Defense did not deviate substantially from the
11 Force Structure Plan and Final Criteria and therefore the
12 Commission adopt the following recommendation of the
13 Secretary of Defense: Close Stratford Army Engine Plant.
14 CHAIRMAN DIXON: I second the motion. Any
15 comments?
16 (No response.)
17 CHAIRMAN DIXON: Counsel will call the roll.
18 MS. CREEDON: Commissioner Kling?
19 COMMISSIONER KLING: Aye.
20 MS. CREEDON: Commissioner Montoya?
21 COMMISSIONER MONTOYA: Aye.
22 MS. CREEDON: Commissioner Robles?

1 COMMISSIONER ROBLES: Aye.

2 MS. CREEDON: Commissioner Steele?

3 COMMISSIONER STEELE: Aye.

4 MS. CREEDON: Commissioner Cornella?

5 COMMISSIONER CORNELLA: Aye.

6 MS. CREEDON: Commissioner Cox?

7 COMMISSIONER COX: Aye.

8 MS. CREEDON: Commissioner Davis?

9 COMMISSIONER DAVIS: Aye.

10 MS. CREEDON: Mr. Chairman?

11 CHAIRMAN DIXON: Aye.

12 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and

13 0 nays.

14 CHAIRMAN DIXON: And the motion is unanimously

15 adopted. Are we ready to go to ports, Mr. Brown.

16 MR. BROWN: Yes, we are, Mr. Chairman. Once again,

17 Mr. Chairman, the staff suggests that the Commission hear the

18 briefings on both Bayonne Military Ocean Terminal and Oakland

19 Army Base before voting on any recommendations or

20 alternatives.

21 CHAIRMAN DIXON: If there are no objections by the

22 Commissioners, we'll do that.

1 MR. BROWN: Mr. Rick Brown will discuss both these
2 installations.
3 MR. BROWN: Could I have G-3 up, please? Military
4 Ocean Terminal Bayonne sits on the New Jersey shore of the
5 Upper New York Bay. Besides performing terminal operations,
6 the installation is home to the Military Traffic Management
7 Command Headquarters whose primary function is to manage
8 movement of DOD cargo throughout the Eastern U.S. and
9 Atlantic in support of European, African and South American
10 theaters of operation.
11 The other major tenants include the Army's 1301st
12 Major Port Command, the Navy's Military Sealift Command
13 Atlantic, the Navy Resale and Fashion Distribution Center and
14 the Eastern Region of the National Archives.
15 The original DOD recommendation was to close
16 Bayonne, relocate the Military Transportation Management
17 Command Headquarters and Traffic Management portion of the
18 1301st Major Port Command to Fort Monmouth, New Jersey, and
19 to enclave the Navy tenants and National Archives.
20 In the Secretary's 14 June testimony before the
21 Commission, he suggested a modification to the
22 recommendation's language that would allow relocation of both

1 the Army and Navy elements to an unspecified location to
2 allow greater flexibility.
3 We have included such a modification as an
4 alternative for consideration. Cost estimates for both
5 options are detailed on the chart. Closure under the
6 original recommendation would affect 1,244 jobs. Relocating
7 all tenants will directly affect 1,955 jobs.
8 G-5, please. Ship call data for Bayonne indicates
9 that the facility is underutilized during normal operations.
10 Workload based on ship call data in the MTMC strategic
11 planning factors of two days to service a ship, be that
12 either a loading or an unloading.
13 In 1993, there were 56 vessels that called at the
14 military terminal, which equates to 112 days of workload.
15 Also, based upon actual hours worked data that we got from
16 the installation, there was equivalent of 71 work days load
17 for the year.
18 In calendar year '94, 65 vessels for a two-day
19 factor of 130 days were called at the port, and actual
20 workload based upon the number of hours of working a vessel
21 for '94 was 107 days worked for the year. Through May of
22 this year 22 vessels have called at the port, and actual

1 hours worked works out to 17 and a half days in this year.
2 Next slide.
3 COMMISSIONER KLING: That was through when, sir?
4 MR. BROWN: That was through the 6th of May,
5 Commissioner.
6 COMMISSIONER ROBLES: Before you leave that slide,
7 Mr. Brown, could you tell me when the last time or how many
8 times the 10th Mountain and the National Guard Brigade
9 deployed out of Bayonne in the last 24 months?
10 MR. BROWN: The 10th Mountain Division went
11 partially through there for Haiti and partially through there
12 for Somalia. The National Guard Brigade, to my knowledge,
13 has never deployed through there. They are under the
14 restationing plan.
15 It's the combat brigade, the enhanced brigade that
16 will be in the New York area that would be a logical claimant
17 on that facility.
18 COMMISSIONER ROBLES: If they need to deploy.
19 MR. BROWN: If they need to employ.
20 COMMISSIONER ROBLES: Where do the 10th Mountain
21 Deploy? Where other do they --
22 MR. BROWN: Their helicopters were trucked down to

1 Eustis and put directly on the ships in Norfolk, sir. Let me
2 have G-6, please. The second issue other than commercial
3 port -- or whether or not the workload requirement is
4 sufficient for Bayonne, the second issue concerns whether or
5 not there are commercial port capabilities that could absorb
6 the military traffic.
7 The Transportation Engineering Agency of the
8 Military Traffic Management Command studies indicate a
9 nonnatural commercial capacity on the East Coast sufficient
10 to deploy ten divisions within a six-day period, and there
11 are also five commercial ports within a one-day's rail
12 movement of Bayonne that could accomplish from a nominal
13 capacity standpoint the deployment requirements of the port.
14 COMMISSIONER COX: Mr. Brown, question for you.
15 I'm familiar with the port on the West Coast, because I went
16 through a site visit, and there are only three ports on the
17 West Coast, and I've got my own feelings about the need for
18 that.
19 On the East Coast, we're saying we have sufficient
20 commercial capability. I just want to quote to you from one
21 of our hearings and have you comment because I'm not as
22 knowledgeable on the situation here. Lillian Laberty,

1 Director of the Port Department, Port Authority of New York
2 and New Jersey, and it's described as the largest general
3 cargo port on the East and Gulf Coasts, she said, "I believe
4 that I cannot provide the space, security, access and trained
5 labor in the efficient timely manner necessary to support the
6 MTMC mission."
7 So my question for you is either -- or comment, if
8 you could just generally address capacity on the East Coast
9 and specifically if you feel like the Army has agreements in
10 place with the more numerous ports on the East Coast to
11 support the mission if Bayonne would go away.
12 MR. BROWN: Just one second, please, Commissioner.
13 COMMISSIONER COX: Oh, and I apologize to anyone
14 here. I'm going to eat some pizza because I'm starving.
15 Sorry. I know it's rude.
16 MR. BROWN: Could you put back up Slide P-6,
17 please, and also hand out P-6? Ms. Laberty is the Director
18 of the Port Authority of New York and New Jersey and a very
19 impressive lady.
20 When she was making that particular testimony to
21 the regional hearings, I believe that quote that you read was
22 specific to her operation, and it is, in fact, that all of

1 the commercial facilities along the East Coast are joining a
2 booming business and, in fact, there is an issue that I'll
3 address just in a moment on the willingness of providing
4 commercial facilities within a short time frame.
5 The point being on Bayonne, there is sufficient
6 capacity, nominal capacity, on the East Coast to spread the
7 requirements up and down the coast so that you don't overload
8 any particular port.
9 Plus, out of Bayonne the primary claimant would the
10 10th Mountain Division, which is a reduced two-brigade
11 element, a small, relatively small deploying division.
12 COMMISSIONER COX: If you needed Bayonne as an
13 insurance policy in the future, I'd also like to address
14 that, in the sense that maybe right now we're just having the
15 10th Mountain Division go through there, but do we have the
16 type of space and the type of agreements at the other ports
17 on the East Coast as we renegotiate those agreements, which I
18 understand it's getting more difficult with cities to do
19 that, will the Army still have the flexibility out of those
20 other positions on the East Coast for space for the big types
21 of things the Army needs uniquely to get out there in an
22 emergency?

1 MR. BROWN: Would you put up G-7, please, and
2 backup slide P-7? The willingness of the commercial ports to
3 absorb the military requirements is certainly a pacing issue.
4 In regional testimony that you cited, base visits and staff -
5 - and my staff discussions with the Maritime Administration
6 points out that the booming business enjoyed by the
7 commercial ports are making them increasingly unwilling to
8 disrupt traffic to accommodate short-notice requirements.
9 In lieu of the 48-hours specified in port planning
10 orders, operators are asking for 10 to 12 days to clear
11 staging and berthing areas for priority military traffic.
12 To accommodate the commercial sensitivities -- and
13 if I could have P-8 up now on your right, please -- to
14 accommodate commercial sensitivities, the Maritime
15 Administration, in conjunction with DOD and commercial
16 operators, are undertaking two initiatives.
17 First, they're funding a Louisiana State University
18 effort to model the disruption of military deployment
19 requirements to commercial operators. MARAD estimates 10 to
20 12 months to complete that model and assess the initial
21 results.
22 They're also exploring with Department of Defense

1 ways to provide earlier notification of deployments to the
2 commercial port authorities. Additionally, the port planning
3 order process and the legal compelling process is also
4 available in a situation of last resort.
5 On my right and your right as well is a slide that
6 details the process from the standpoint the planning orders
7 are not a legally binding agreement, but they're an agreement
8 between the commercial operators and the military planners as
9 to the requirements that would be needed and specified berth
10 and amount of staging area.
11 In the event of a contingency requirement, if a
12 planning order is sufficient and is agreed, it's executed
13 with no further involvement by the Maritime Administration.
14 However, if there is disagreement or there is no existing
15 port planning order with a commercial facility, then the
16 Secretary of Defense can request the Secretary of
17 Transportation to issue either a national shipping priority
18 order or a national allocation order.
19 And Maritime Administration has stated
20 categorically that the Defense Department's requirements will
21 be met, and either of those documents are a legally
22 compelling document. So there are legal remedies available

1 if the negotiation aspect doesn't work out.

2 COMMISSIONER ROBLES: I have a pragmatic question.

3 That's theoretical. Let's talk pragmatically. Last time we

4 deployed a large force was 1990 summer of. Let's be

5 pragmatic. Do you have a backup slide that shows how we

6 deployed?

7 MR. BROWN: Can I have P-1 up, please?

8 COMMISSIONER ROBLES: I happen to have intimate

9 knowledge of deploying 19 long ships' worth of equipment out

10 of two commercial ports.

11 MR. BROWN: When we get P-1 up, and you can hand P-

12 1 out as well --

13 COMMISSIONER ROBLES: And as you're putting this up

14 I want to put things in perspective. Don't get mesmerized

15 that we're going to deploy everything on the East Coast,

16 because our forces aren't on the East Coast.

17 The heavy forces that need to deploy are in the

18 central part of the United States. There are four heavy

19 divisions --

20 MR. BROWN: Can I have P-4 up in lieu of the --

21 COMMISSIONER ROBLES: -- in the central part of the

22 United States. There is only one on the East Coast, the 24th

1 Division out of Fort Stewart that deployed out of Savannah.
2 The 101st has a lot of helicopters, probably Jacksonville or
3 whatever, or Wilmington. The 10th Mountain is a light
4 division, has hardly anything to deploy.
5 So you can't -- you've got to put this in context.
6 Don't get mesmerized that we got to deploy out of the East
7 Coast. Show how we would deploy really the ten-division
8 force.
9 MR. BROWN: On P-4, you have the normal deployment
10 flow under the 5 and a third power projection core, and as
11 you indicated, the heavy division would flow out of the Gulf.
12 The air assault division, if that was one of the divisions
13 chosen in the mix, would nominally go out of Jacksonville,
14 Florida.
15 The initial division, the 82nd Airborne Division,
16 would fly out with its residual traffic going surface mounted
17 out the Moorehead City, and the initial mechanized heavy
18 decision which is located at Fort Stewart, would employ off
19 of the East Coast out of Savannah.
20 COMMISSIONER ROBLES: Now, that's the analogue, and
21 this does not include all the prepositioning and all the
22 strategic lift programs because you now are going to

1 radically up your strategic afloat prepo. We have also
2 gotten several agreements to preposition stocks on the ground
3 in various places we never had before.
4 So we got a whole different scenario here. So
5 let's not use a World War II scenario here to do a port
6 analysis. We need to use the new strategic deployment
7 scenario, and is that what you're showing up here?
8 MR. BROWN: That is correct. Under the 10 Division
9 stations plan -- under the new stationing plan and the 10
10 division CONUS Army, that is the deployment flow, sir.
11 COMMISSIONER STEELE: Let me ask you a question on
12 that chart, please. Oakland Army Base sitting out there, and
13 I don't see anything pointing from there, and that was a
14 Commission add. What have we heard from the Department about
15 our add of Oakland.
16 MR. BROWN: The senior leadership adamantly
17 supports the retention of Oakland Army Base, and I will
18 address that in just a moment.
19 COMMISSIONER STEELE: If you could, because if the
20 logic on the east is following another look on the West Coast
21 and the Army wants to keep it, I don't get it. So if you
22 could, I'd really appreciate that.

1 MR. BROWN: Certainly. I'll go ahead and address
2 that at this moment, if you'd like me to, Commissioner.
3 COMMISSIONER KLING: In the meantime, I think it's
4 fair to say also that those ships that you counted at
5 Bayonne, a number of those were loads coming in from Desert
6 Storm and so forth.
7 MR. BROWN: They were recycles back from --
8 COMMISSIONER KLING: They were even less of what
9 would be going out of here.
10 MR. BROWN: As regarding Oakland, DOD is founding
11 its argument for retaining Oakland based on the port's
12 criticality during a major regional contingency. However,
13 their argument is based on a computer simulation that the
14 Commission was briefed on at the regional hearing and during
15 the base visit that models as obsolete force structure and
16 stationing plan.
17 It does not model this force structure and this
18 stationing plan right here. What it models is a previous
19 force structure that had a mec division from Colorado going
20 west and a heavy division from Fort Riley going west, and
21 that force structure is no longer in place.
22 COMMISSIONER CORNELLA: Mr. Brown, I've got a

1 question on the slide. The numbers indicated to Bayonne I
2 guess were trying to say some people are maybe fairly low
3 compared to the total number of ships.
4 But I remember that they said to us that the
5 majority of the piers were under construction. They had new
6 piers being constructed at that time; isn't that true?
7 MR. BROWN: That's correct. Their primary pier was
8 under rehabilitation at the time during the Desert Storm. It
9 was completed repair after that, and the '94-'95 figures that
10 I gave you is with the repaired facility.
11 COMMISSIONER CORNELLA: When you say the '94-'95
12 figures, what are those figures?
13 MR. BROWN: One moment, sir.
14 COMMISSIONER CORNELLA: 88?
15 MR. BROWN: Just a second, please, sir. Sixty-five
16 vessels in '94 and 22 vessels through the 6th of May in '95,
17 sir.
18 COMMISSIONER COX: Could I ask a question about
19 Bayonne before we go on to Oakland? You mentioned that the
20 Secretary had amended his original recommendation and asked
21 that we move the enclave.
22 As I recall, they also asked that they be given

1 discretion to move the folks from the -- from Bayonne
2 wherever they so decided to move and indicated that they were
3 in the process of studying something.
4 Now, as I understand it, the original COBRA run
5 would have, of course, moved it to Fort Monmouth and that
6 there were no MILCON costs or other associated costs involved
7 in that.
8 Did we -- how do we get a COBRA for the alternative
9 when we don't have the slightest idea where they're moving
10 it?
11 MR. BROWN: It's to a Base X move, Commissioner.
12 COMMISSIONER COX: Base X move.
13 MR. BROWN: Yes, Commissioner.
14 COMMISSIONER COX: I see. And what did we assume
15 in the Base X move?
16 MR. BROWN: We used a COBRA run provided to us by
17 Department of Defense, and I've got it here if you'd like me
18 to dig it out and look up the mil construction.
19 Essentially, what it does was take the military
20 construction and rehabilitation from the Monmouth model and
21 use those same space requirements to Base X.
22 COMMISSIONER COX: But how do we know that Base X

1 has those requirements?

2 MR. BROWN: If you were worst casing an issue,

3 which DOD tries to do with their cost estimates, you would go

4 ahead and assume that there were not facilities available at

5 Base X, and you'd need them so that you could go ahead and

6 put some cost estimates against them.

7 COMMISSIONER COX: So could you tell me what the

8 MILCON assumption is for this move?

9 MR. BROWN: I'll have to look it up, if you'll give

10 me a chance to --

11 COMMISSIONER COX: That would be great. Thanks.

12 MR. BROWN: Also, Commissioner Cox, it's normal for

13 an unspecified gainer or an activity that is going to an

14 unspecified gaining installation for the COBRA model to send

15 it to a Base X, which I think is a nominal 1,320.

16 COMMISSIONER COX: I understand that. But my

17 concern is this, we had no MILCON. We were moving these

18 folks not very far up the road. So we had no relocation at

19 Fort Monmouth, and that was a return on investment of six

20 years which, for me, is, you know, getting out there.

21 I realize we did some that are a little bit longer,

22 but I felt uncomfortable doing that. Now we have an unknown.

1 We don't know where it's going. It could be someplace -- it
2 could be anywhere.
3 MR. BROWN: The numbers for this alternative are
4 shown on Chart G-3.
5 COMMISSIONER COX: G-3. Based on Base X.
6 MR. BROWN: That's right.
7 MR. BROWN: And there were $29.9 million in
8 military construction applied at Base X for this move.
9 COMMISSIONER COX: Thank you. My only point is,
10 you know, we're now working with numbers that, frankly, I
11 feel uncomfortable with. And I realize that Base X is a
12 normal exercise, but when we go off a COBRA that has one
13 thing and instead of saying we think we know where we're
14 going to move them -- and we had other instances today where
15 we gave them authority to move it somewhere else, but
16 including where they said they wanted to move it in the first
17 place, that was one thing on a COBRA, when we're just doing,
18 sort of, a mythical Base X. As you know, I have some
19 concerns about that.
20 MR. BROWN: That construction factor would have
21 been developed as far as space requirements in conjunction
22 with the Corps of Engineers, Commissioner.

1 COMMISSIONER COX: I understand.

2 MR. BROWN: A total buildup requirement.

3 COMMISSIONER COX: Thank you.

4 COMMISSIONER STEELE: I have one more question on
5 Bayonne, and actually, it applies to both. I know at Oakland
6 they said that they had leases with the local port to lease
7 two of the three berths and were looking into lease
8 agreements for the third.

9 The reason I ask the question now is I wonder if
10 they have anything similar at Bayonne and if there is any
11 money coming into the Army on either because of those leases,
12 because I would personally take that into consideration.

13 MR. BROWN: The dry dock facility at Bayonne had
14 previously been leased, and the operator went bankrupt, and
15 that lease expired. So as far as -- and they currently have
16 a short-term lease with the Port of Elizabeth that allows
17 automobile carriers to stage some commercial automobiles on
18 the installation.

19 But again, those short-term recurring contracts and
20 short-term leases are not routinely included in the COBRA
21 estimates because -- if they expire during the implementation
22 phase of the model, because they are discretionary and they

1 can be renewed or not renewed at the discretion of the
2 operators.
3 COMMISSIONER STEELE: That makes sense. My
4 understanding with Oakland it was long-term. We can wait
5 until we get to Oakland on that one.
6 COMMISSIONER KLING: I guess it's fair to say,
7 Mr. Brown, that really through Bayonne is the only movement
8 that we need to get out from up there is the 10th Mountain
9 Division, and we've got two brigades, and you have --
10 potentially, you have Bayonne, but then you have all these
11 other ports where we could even use up and down the coast
12 beyond -- if Bayonne was closed and we didn't have any
13 ability to use private sector?
14 MR. BROWN: Initial early claimants, that is
15 absolutely correct, Commissioner. There are -- after
16 mobilization, combat support units that deploy and flow flew
17 any port that's available, basically, but the initial --
18 COMMISSIONER KLING: Right. But that would be when
19 you need anything additional, but just for normal --
20 MR. BROWN: For initial contingency operations or
21 deliberate deployments at a lower level of requirement, the
22 10th Mountain Division would be the primary claimant on the

1 Port of Bayonne.

2 CHAIRMAN DIXON: Are there any further questions?

3 MR. BROWN: If I can have B-12 up, with the

4 Commission's permission, I'll go into Oakland, since we were

5 recommended that we were going to consider these.

6 Oakland Army Base is the only Army-owned port on

7 the West Coast. In addition to terminal operations, the

8 primary function of the port is to house the headquarters

9 that manages movement of DOD cargo throughout the Western

10 U.S. and Pacific, the Military Traffic Management Command

11 Western Area.

12 Major tenants include the 1302nd Major Port

13 Command, the Navy Oakland Public Works Center, which is

14 closing from prior BRAC action, and the cost estimates for

15 the Commission add of Oakland are as determined on the slide.

16 The cost estimates reflect a one-time cost of $36.2

17 million, a return on investment in three years with annual

18 savings of 15.9 million per year. And I would point out of

19 the base ops cost of some 14.7 million in annual base

20 operating costs, the port has a stevedoring all of the actual

21 load ship contracts at an additional -- average initial 8

22 million come that base ops cost. Closure would directly

1 affect some 725 jobs.

2 Let me have G-14, please. Our analysis of Oakland

3 considered the same primary driving issues of Bayonne, and

4 from our perspective, the information provided us Oakland

5 Base is underutilized during normal operations.

6 Ship calls to the military pier, the single

7 military pier that's used in '93 were 16 -- correction, 21 in

8 '93, 16 in '94 and 12 through the first six months of '95.

9 Allowing two days to service a vessel, that would be an

10 estimated workload of 42 days in '93, 32 in '94.

11 Or if you allow two days to unload and then two

12 days to load, you could double that, but you still got a very

13 small workload for an annual process.

14 The initial estimates were confirmed by our

15 analysis of actual across-the-pier tonnage move versus the

16 nominal capacity of the pier that remains. Based on data

17 supplied by Oakland, I calculated a '93 workload of 47 days,

18 a '94 workload of 33 days and a 13.8 days' workload in the

19 first half of '95.

20 As I'd already mentioned, DOD is founding its

21 support for Oakland on its criticality for use during a

22 regional contingency, and I believe, as we demonstrated here,

1 the claimants on that port during the initial phases of a
2 regional contingency will be minor.
3 COMMISSIONER KLING: Mr. Brown --
4 CHAIRMAN DIXON: Commissioner Kling.
5 COMMISSIONER KLING: The one thing that they say
6 very strongly, if you would address it just once again is
7 that on the West Coast you close down Oakland. The other
8 facilities available would be very, very limited, and they
9 would not have the capacity to handle an emergency type of
10 operation?
11 MR. BROWN: Can I have P-9 up, please? Closure of
12 Oakland, first of all, total commercial deployments on the
13 West Coast, nominal capability is greater on the West Coast
14 than it is on the Gulf Coast in terms of military --
15 commercial ports capable of handling military cargo.
16 Closure of Oakland would leave at least two
17 military-owned facilities still on the West Coast. The Port
18 Hueneme, which currently is the home port of a Navy
19 construction battalion, during Desert Storm there was an Army
20 Signal Brigade deployed out of there and a Marine Corps
21 Expeditionary Brigade. Now, it is not an ideal port by any
22 stretch of the imagination for strategic deployment, but it

1 can be used.

2 Additionally, on the West Coast, ammunition for all

3 services is handled through the Concord Naval Weapons

4 Station.

5 COMMISSIONER ROBLES: Would you put up P-4 again?

6 Mr. Kling, I think this will, sort of, put everything in

7 perspective. Mine says P-4. It's the 10 Division force

8 flow.

9 MR. BROWN: That should be -- P-4, please. You had

10 the right number, Commissioner.

11 COMMISSIONER ROBLES: What's wrong with this

12 picture? Looking where the port is and look and see -- what

13 forces do you see in that box there? There are no forces to

14 deploy. So it doesn't matter how many contingencies you

15 have, there are no forces that are deployed.

16 If you're swinging any of the divisions that are in

17 the central part of the United States to a Pacific

18 contingency, they'll still load out of the Gulf ports because

19 that's the shortest route to their equipment. They'll load

20 the fast sealift ships. They'll come around, and they'll go.

21 If they're going to the Middle East, they'll go

22 from the -- if they're going to Europe, they're going from

1 the East Coast ports. If they're going to Korea, they're
2 going up from Seattle-Tacoma area. There are no forces
3 there.
4 MR. BROWN: In summary, if I could have G-9 and G-
5 17 up side-by-side?
6 COMMISSIONER CORNELLA: Commissioner, could I ask
7 you a question once, though? Because I've heard it expressed
8 to me that -- you know, our Panama Canal Treaty is only a few
9 years away, and I'm not saying anything would ever happen
10 down there, but I've heard the concern expressed by the Army
11 that if they did not have that canal to go through, if they
12 were going to go west, they would need Oakland. Is there any
13 validity to that argument, Commissioner, Commissioner Robles?
14 COMMISSIONER ROBLES: To go through the Panama
15 Canal Zone to go where?
16 COMMISSIONER CORNELLA: If you were loading to go -
17 -
18 COMMISSIONER ROBLES: Oh, to the Gulf -- from the
19 Gulf Coast ports.
20 COMMISSIONER CORNELLA: To go somewhere where you'd
21 normally be serving --
22 COMMISSIONER ROBLES: That's true, but if you look

1 at the major regional contingency in that part of the world,
2 the fact of the matter is we still expect that we will be
3 able to go through the Panama Canal, I mean, whether we
4 control it or not. I think there is agreements.
5 Civilian shipping is going to go through there, and
6 I believe that there is going to be enough safeguards in all
7 the provisions and treaties that would allow us to go through
8 there.
9 But if it wasn't, if it got damaged, destroyed or
10 whatever, then it would have to go the farther way around,
11 but that is a far -- that is a scenario that is way out there
12 in the Gulf distribution and probably would not occur with
13 any great validity, because the main force that's there is
14 the marines that are in the -- that are out there, the 25th
15 Division Light out of Hawaii, the 2nd Infantry Division's two
16 heavy brigades in Korea.
17 You would flow the other heavy brigades that are
18 being restationed in Fort Lewis there, and if you needed
19 follow-on forces, in all probability, they would be able to
20 go through the Panama Canal Zone and sweep around, and I
21 don't think that would be a problem. So yes, there probably
22 is some risk, but as I said, it's way out there in the tails

1 of a normal distribution.

2 COMMISSIONER STEELE: If I could follow-up with a

3 question?

4 CHAIRMAN DIXON: Commissioner Steele.

5 COMMISSIONER STEELE: Back to my lease question.

6 If we do know the Army is -- you know, if the cost of running

7 Oakland Army Base is being offset by leases, I guess I want

8 to know that to see the price of the insurance policy I may

9 choose to purchase or not purchase here.

10 MR. BROWN: Commissioner, I do not have that lease

11 price for you. It was not included in the DOD cost estimate

12 which would indicate that it was not a long-term lease.

13 COMMISSIONER STEELE: Okay.

14 CHAIRMAN DIXON: Any further questions of

15 Mr. Brown?

16 (No response.)

17 CHAIRMAN DIXON: Have we concluded the

18 presentations on Bayonne and Oakland?

19 (No response.)

20 CHAIRMAN DIXON: Are there any further statements

21 by any Commissioner?

22 (No response.)

1 CHAIRMAN DIXON: Is there any motion by any
2 Commissioner with respect to Bayonne first?
3 COMMISSIONER KLING: I would, Mr. Chairman?
4 CHAIRMAN DIXON: Commissioner Kling.
5 M O T I O N
6 COMMISSIONER KLING: Mr. Chairman, I move the
7 Commission find the Secretary of Defense deviated
8 substantially from Final Criteria 1 and 3 and therefore the
9 Commission reject the Secretary's recommendation on Bayonne
10 Military Ocean Terminal and instead adopt the following
11 recommendation:
12 Close Bayonne Military Ocean Terminal, relocate the
13 Military Traffic Management Command Eastern Area Commanded
14 Headquarters and the Traffic Management portion of the 1301st
15 Major Port Command to a location to be determined, move the
16 Navy Military Sealift Command Atlantic and Navy Resale and
17 Fashion Distribution Center to a location to be determined.
18 The Commission finds this recommendation is consistent with
19 the Force Structure Plan and Final Criteria.
20 CHAIRMAN DIXON: Second the motion. Is there any
21 further comment?
22 (No response.)

1 CHAIRMAN DIXON: Counsel, call the roll.

2 MS. CREEDON: Commissioner Kling?

3 COMMISSIONER KLING: Aye.

4 MS. CREEDON: Commissioner Montoya?

5 COMMISSIONER MONTOYA: Aye.

6 MS. CREEDON: Commissioner Robles?

7 COMMISSIONER ROBLES: Aye.

8 MS. CREEDON: Commissioner Steele?

9 COMMISSIONER STEELE: Aye.

10 MS. CREEDON: Commissioner Cornella?

11 COMMISSIONER CORNELLA: No.

12 MS. CREEDON: Commissioner Cox?

13 COMMISSIONER COX: No.

14 MS. CREEDON: Commissioner Davis?

15 COMMISSIONER DAVIS: Aye.

16 MS. CREEDON: Mr. Chairman?

17 CHAIRMAN DIXON: Aye.

18 MS. CREEDON: Mr. Chairman, the vote is 6 ayes and

19 2 nays.

20 CHAIRMAN DIXON: And the motion is agreed to. Now,

21 what's the pleasure of the Commission with respect to Oakland

22 Army Base, which is of course, is an add-on? There has been

1 substantial discussion. Is there a motion?

2 COMMISSIONER KLING: Mr. Chairman?

3 CHAIRMAN DIXON: Commissioner Kling.

4 M O T I O N

5 COMMISSIONER KLING: To get this out and let's see

6 where we are, I move the Commission find the Secretary of

7 Defense deviated substantially from Final Criterion 1 and

8 therefore the Commission adopt the following recommendation:

9 Close Oakland Army Base, California, relocate

10 Military Traffic Management Command Western Area and 1302nd

11 Military Port Command to a location to be determined, enclave

12 Army Reserve elements. The Commission finds this

13 recommendation is consistent with the Force Structure Plan

14 and Final Criteria.

15 CHAIRMAN DIXON: Is there a second to that motion?

16 COMMISSIONER ROBLES: I second it.

17 CHAIRMAN DIXON: Commissioner Robles seconds the

18 motion put by Commissioner Kling. Is there any comment on

19 this? Commissioner Cox?

20 COMMISSIONER COX: Mr. Chairman, I just might

21 comment that this is an add, as you all know. The Army feels

22 very strongly that it should not have been added and that it

1 should not be closed. Unlike the Navy, facilities that were
2 supported by the Navy but taken off the list by the Secretary
3 for economic impact reasons, this is a case that has been
4 made by the Army on strategic reasons. I find those reasons
5 to be at least reasonable, and given the fact that it was not
6 on the list in the first place, I would hope that we would
7 give the Secretary and the Army the presumption of the doubt
8 here, and I would urge that we vote no.
9 CHAIRMAN DIXON: Are there any further comments by
10 any other Commissioner? The Chair remind the Commissioners
11 that this would require five votes. Counsel call the roll.
12 MS. CREEDON: Commissioner Kling?
13 COMMISSIONER KLING: Aye.
14 MS. CREEDON: Commissioner Montoya?
15 COMMISSIONER MONTOYA: No.
16 MS. CREEDON: Commissioner Robles?
17 COMMISSIONER ROBLES: Aye.
18 MS. CREEDON: Commissioner Steele?
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella?
21 COMMISSIONER CORNELLA: No.
22 MS. CREEDON: Commissioner Cox?

1 COMMISSIONER COX: No.

2 MS. CREEDON: Commissioner Davis?

3 COMMISSIONER DAVIS: Aye.

4 MS. CREEDON: Mr. Chairman?

5 CHAIRMAN DIXON: Aye.

6 MS. CREEDON: Mr. Chairman, there are 5 ayes and 3

7 nays.

8 CHAIRMAN DIXON: And the Commission finds that the

9 Secretary of Defense deviated substantially and Oakland is

10 closed. Medical Centers. Fitzsimons Army Medical Center.

11 MR. BROWN: Mr. Chairman, Mr. David Lewis will

12 discuss Fitzsimons Army Medical Center.

13 MR. LEWIS: Mr. Wooten, Chart H-3, please. The

14 recommendation on Fitzsimons Army Medical Center represents

15 the only outright hospital closure before this Commission.

16 As with Fort Meade and Forth Lee, this recommendation

17 originated with a Medical Joint Cross Service Group

18 alternative.

19 The savings figures shown on this chart include

20 what I believe to be a conservative estimate of $49 million

21 per year to be spent providing Fitzsimons' current workload

22 at other military hospitals or in civilian hospitals under

1 CHAMPUS.

2 At the June 14th hearing, the Secretary of Defense
3 requested a modification to the original recommendation,
4 removal specific designation of the receiving installation
5 for the optical lab and the two schools in the original
6 recommendation.

7 Mr. Wooten, Charts H-5 and H-6, please. The first
8 concern raised by the Fitzsimons community group was their
9 questioning of the appropriateness of several of the measures
10 that the Army used to examine medical centers.

11 They took issue with the Army's use of facility
12 size as a comparative criteria, the exclusion of World War II
13 wooden buildings from consideration and the use of a derived
14 relative cost criteria that differed from the standard cost
15 measure used by the Medical Joint Cross Service Group.

16 The criteria used by the Army are explained in
17 detail in the Army report to the Commission. The criteria
18 that are used had the effect of comparing -- or, excuse me.
19 Comparing facilities using these criteria gives higher
20 rankings to newer, larger capacity facilities that serve a
21 co-located active duty population.

22 This is in line with the Army operational blueprint

1 for medical centers. In addition to questioning the
2 criteria, the community group also noted many errors in the
3 Army's scoring. In response, the Army Audit Agency revisited
4 the scoring issue and found a large number of errors.
5 The revised scoring and ranking moved Fitzsimons
6 from the lowest ranked of the three Army medical centers into
7 a virtually three-way tie. However, the changes in the
8 scoring and ranking do not affect the Army rational for
9 studying Fitzsimons for closure.
10 The Army operational blueprint says that medical
11 centers must have a primary mission of serving active duty
12 military and their family members. Regardless of its
13 relatively rank, this is simply not the case for Fitzsimons.
14 The only military installation of any size in the
15 Fitzsimons detachment area is Fitzsimons itself. With the
16 closure of Lowry Air Force Base in the 1991 round, Fitzsimons
17 was left without a local active duty population to support.
18 The second major issue the community raised was the
19 impact on the retired community users of the hospital. This
20 issue is definitely a consequence of the Army operational
21 blueprint that identified Fitzsimons as a candidate for
22 closure.

1 The largest portion of the hospital's current
2 workload is for members of the retired community, retired
3 members, their family members and survivors, and they will
4 certainly be impacted if the hospital closes.
5 Many people have grown to depend on Fitzsimons for
6 medical care and were counting on the hospital to serve them
7 in their retirement. For the most part, closure of the
8 hospital will mean that they now have to go to civilian
9 hospitals, some for the first time.
10 They will also be responsible for paying for some
11 portion of their health care, care that was formerly three to
12 them at Fitzsimons. Many have described the closure of
13 Fitzsimons as a broken promise, a breach of their perceived
14 agreement with the government that a reward for their 20 or
15 more years of military service will be a lifetime of free
16 health care for them and their dependents.
17 However, the law that identifies the priorities for
18 direct care services supports the Army's stationing strategy.
19 This says that hospitals are primarily operated to support
20 active duty personnel and their families, not the retired
21 community.
22 The health care benefit retirees and their

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18 direct care services supports the Army's stationing strategy.
19 This says that hospitals are primarily operated to support
20 active duty personnel and their families, not the retired
21 community.
22 The health care benefit retirees and their

1 dependents earned is in the form of CHAMPUS coverage until
2 age 65, Medicare coverage after age 65 and space available
3 care at military hospitals throughout their retirement.
4 Many retirees and their family members who depend
5 on the hospital today will have to go through a difficult
6 transition and will have to pay for something that was
7 formerly three to them.
8 This will not be easy for them, but at the same
9 time this recommendation is in line with both the law and the
10 Army's stationing strategy. Also, some of these impacts will
11 be mitigated by the implementation next year of the Tricare
12 Managed Care Program for most of these retirees as well as
13 the continuation of a pharmacy benefit for both CHAMPUS and
14 Medicare eligible retirees.
15 If I could have Chart H-6 on the right, please,
16 Mr. Wooten. I won't read my summary chart. I will answer
17 any questions that the Commission has, but I would like to
18 note the Commission alternative on the right side of this
19 chart.
20 The alternative recommendation is provided in order
21 to incorporate a minor modification requested by the
22 Secretary of Defense as well as a second modification

1 suggested by staff.

2 Both modifications remove specific receiving

3 locations for current Fitzsimons tenants, providing the

4 Department with flexibility in implementing the

5 recommendations of this Commission. Subject to your

6 questions, this completes my discussion of this

7 recommendation.

8 CHAIRMAN DIXON: Are there any questions of

9 Mr. Lewis?

10 COMMISSIONER STEELE: Yes, Mr. Chairman.

11 CHAIRMAN DIXON: Commissioner Steele.

12 COMMISSIONER STEELE: I've got three questions.

13 First, Fitzsimons is the lead agent for the provision of

14 health care in DOD's Medical Region 8, which encompasses 12

15 states. I was provided with this little map which is,

16 obviously, a huge chunk of the country.

17 I would just like you to please comment upon how

18 the closure would affect that region. Are they losing care

19 in that region?

20 MR. LEWIS: Yes Commissioner. Mr. Wooten, if I

21 could have Chart H-7 on the left and my backup map on the

22 right. The community group has questioned this strongly.

1 However, medical central referrals, which they are
2 discussing, are not dependent on regions.
3 The lead agent mission that is described by the map
4 that you presented is largely an administrative entity. It's
5 not a lot of people. People move from smaller hospitals to
6 referral medical centers for sophisticated care not based on
7 their region but on what their problem is and on the
8 availability of that care around the country.
9 A patient in Wyoming is as likely to end up at
10 Madigan Army Medical Center Fort Lewis Washington as he is to
11 end up at Fitzsimons Army Medical Center. It all depends on
12 the capability.
13 Also, on the map that's before you now, is an
14 indication of the number of military hospitals that are in
15 that region. These hospitals are located with a active duty
16 military population. They will continue to serve them.
17 As they need to refer patients for more
18 sophisticated care than they can provide, they will continue
19 to do that. It's happening today. It would happen -- it
20 would continue to happen if Fitzsimons were to close. And I
21 believe this is something that could be hand in
22 implementation.

1 COMMISSIONER STEELE: Okay. Secondly, I gather
2 there was a study in 1991 by the Vector Research Group which
3 concluded, "Overall, it's cheaper to provide for a given
4 amount of workload at Fitzsimons than it is to purchase it
5 from the civilian sector through the CHAMPUS program." I
6 wondered you were familiar with that study and could comment
7 on its validity there.
8 MR. LEWIS: Yes, ma'am. I have not studied that at
9 length. However, I have reviewed the Assistant Secretary of
10 Defense for Health Affairs -- his office did not accept that
11 study and disagreed with that study.
12 The Department of Defense Inspector General then
13 did a study that looked at the issue and found that it would
14 not be cost-effective to rebuild Fitzsimons, to spend, the
15 DOD estimates, $300 million to build a new facility.
16 And if I may note, that $300 million cost avoidance
17 of building a new facility is not reflected in the savings
18 figures on the Fitzsimons recommendation because the Congress
19 withdrew that project. So it's not a -- it's not reflected
20 in the savings.
21 COMMISSIONER STEELE: Okay. Finally, I have a
22 question -- in fact this may be more for some of my

1 colleagues with their experience. I personally am really
2 concerned about the commitment that has been made when folks
3 were active duty and now they're retirees.
4 You never like to hear that the government is
5 breaking its promises, and even, you know, a pretty real
6 perception of a broken promise. In fact, I've got relatives
7 in this area that tell me that this is a broken promise, and
8 it should be retained for that reason alone.
9 And I wondered my colleagues, with the experience
10 examine knowledge of what promises were made to you if you
11 could please enlighten me so I do the wise thing here.
12 COMMISSIONER MONTOYA: I'll comment on this, Mr.
13 Chairman, for a moment.
14 CHAIRMAN DIXON: Commissioner Montoya.
15 COMMISSIONER MONTOYA: Like it or not, I think I
16 knew what my rights were, what my rights weren't up through
17 my military career, and there was an expectation and a hope
18 that I would have access to military facilities and many
19 people retire near there for that one reason.
20 But to the extent that that is a promise or an
21 expectation, it has been broken many times already, as we've
22 closed hospitals around this country, and it will be broken

1 many more times.

2 So unfortunately, Ms. Steele, it is not something

3 that is new and not something maybe as fully realized by

4 everyone, but a good part of the military population

5 understands it. That's my view.

6 COMMISSIONER DAVIS: But frankly, I'm not sure,

7 Mr. Chairman, if they like it very much.

8 CHAIRMAN DIXON: Commissioner Davis.

9 COMMISSIONER DAVIS: There is a tremendous decline

10 in military health care, and I think we need to remember --

11 and I need not lecture the Commissioners, because I think

12 everybody here understands the wartime requirements for a

13 hospital and the wartime functioning in the process.

14 And Fitzsimons was a center of excellence that was

15 part of that whole structure. It wasn't set up to have

16 specialties in it to bring dependents to. It was have

17 specialties in it to back-fill, back-haul them from the

18 combat theater back to the United States, and there they

19 would care for them.

20 Now, you don't want to have a doctor work on you if

21 he's not practicing medicine. If he hasn't done that

22 procedure in five or six years, I think I'd go look for

1 another doctor.

2 So consequently, we provided that sort of care to

3 dependents and retirees, and that keeps that doctor's hand

4 in. So it's a very useful process. We no longer have

5 military stations within the Denver area, and Fitzsimons is

6 going to require considerable repair.

7 So consequently, the Army is now moving their

8 center of excellence somewhere else. It's unfortunate for

9 the retirees and those active duty in the local area that

10 that's going to go away, but I'm afraid that's going to be a

11 fact of life.

12 CHAIRMAN DIXON: Thank you, Commissioner Davis.

13 Any more questions or statements?

14 (No response.)

15 CHAIRMAN DIXON: Is there a motion?

16 COMMISSIONER KLING: Mr. Chairman?

17 CHAIRMAN DIXON: Commissioner Kling.

18 M O T I O N

19 COMMISSIONER KLING: I would so move here that the

20 Commission find the Secretary of Defense deviated

21 substantially from Final Criterion 2 and 4 and therefore the

22 Commission reject the Secretary's recommendation on

1 Fitzsimons Army Medical Center and instead adopt the
2 following recommendation.
3 Close Fitzsimons Army Medical Center except Edward
4 J. McQuaithy Army Reserve Center, relocate other tenants to
5 other installations. The Commission finds this
6 recommendation is consistent with the Force Structure Plan
7 and Final Criteria.
8 CHAIRMAN DIXON: Is there a second on the motion of
9 Commissioner Kling?
10 (No response.)
11 CHAIRMAN DIXON: I second that motion. Any further
12 comments?
13 (No response.)
14 CHAIRMAN DIXON: Any statements, discussions,
15 questions?
16 (No response.)
17 CHAIRMAN DIXON: Counsel will call the roll.
18 MS. CREEDON: Commissioner Kling?
19 COMMISSIONER KLING: Aye.
20 MS. CREEDON: Commissioner Montoya?
21 COMMISSIONER MONTOYA: Aye.
22 MS. CREEDON: Commissioner Robles?

1 COMMISSIONER ROBLES: Aye.

2 MS. CREEDON: Commissioner Steele?

3 COMMISSIONER STEELE: Aye.

4 MS. CREEDON: Commissioner Cornella?

5 COMMISSIONER CORNELLA: No.

6 MS. CREEDON: Commissioner Cox?

7 COMMISSIONER COX: Aye.

8 MS. CREEDON: Mr. Chairman?

9 CHAIRMAN DIXON: Aye.

10 MS. CREEDON: Mr. Chairman, the vote is 7 ayes and

11 one nay.

12 CHAIRMAN DIXON: You didn't call on Commissioner

13 Davis.

14 COMMISSIONER DAVIS: I realize that I may not --

15 CHAIRMAN DIXON: The hour is late, but you are

16 still very important, Commissioner Davis. How do you vote,

17 sir?

18 COMMISSIONER DAVIS: I'm going to vote no on

19 principle, Mr. Chairman.

20 MS. CREEDON: My sincere apologies.

21 CHAIRMAN DIXON: Well, not only that, you had him

22 marked down wrong. Okay. The ayes and 6, nays are 2. The

1 motion to deviate with a modification from the Secretary of
2 Defense's recommendation is adopted. We all recognize it's
3 been a long couple of days.
4 Leases. Aviation Troop Command, Missouri.
5 MR. BROWN: Mr. Chairman, we have four
6 recommendations within the lease category. Mr. Mike Kennedy
7 will discuss all four of them.
8 CHAIRMAN DIXON: The Chair wants to announce in
9 advance he has to recuse himself for economic reasons on
10 advice of counsel. Mr. Kennedy.
11 MR. KENNEDY: The DOD recommendation is to
12 disestablish the Aviation Troop Command and close it by
13 relocating its aviation related functions to Red Stone
14 Arsenal, soldier systems functions to Natick, Massachusetts,
15 the automotive functions to Detroit Arsenal and the
16 communication electronics functions to Fort Monmouth.
17 Can I have Chart I-3 and I-5, please. As can see
18 in Chart I-3, there is a one-time cost of 152 million, annual
19 savings of 56 million with a three-year return on investment
20 of a net present value of 573 million.
21 There have been three issues identified with this
22 recommendation. The first one involves the military value

1 assessment. The community contends that the Army did not
2 conduct a military value assessment.
3 We found that the Army did conduct a military value
4 assessment, although they used a different process than they
5 did for their other categories of installations. The
6 analysis was consistent with the other installations.
7 The second issue and really the key issue here in
8 this recommendation involves a number of civilian personnel
9 eliminations. This accounts for 40 million of the 56 million
10 in annual savings.
11 The Army estimates that they'll eliminate 786
12 positions, which is down from their original estimate of
13 1,022, and the community estimates only 48 positions would be
14 eliminated. Our analysis indicates 761. We reduced the Army
15 by 25 for planned force structure reductions.
16 And the final issue raised by the community was the
17 total cost to the government. GSA has said if ATCOM
18 relocates they would have to relocate the remaining tenants
19 at the Goodfellow complex in St. Louis where ATCOM is because
20 they have 80 percent of the space there.
21 GSA estimates that the one-time cost to relocate
22 these tenants to other lease space in the St. Louis area

1 would be $11.1 million. These tenants would face 3.8 million
2 in annual rent increases, and it would cost GSA approximately
3 150,000 to mothball the Goodfellow complex.
4 The Army did not consider these in their analysis,
5 but we ran a COBRA to see what impact it would have, and we
6 found that the annual savings dropped to 51 million, still a
7 three-year return on investment of a net present value of
8 $511 million. So it was still a good recommendation.
9 COMMISSIONER STEELE: Mr. Kennedy, positions
10 eliminated since the staff number and DOD's number is so
11 different than the community's position, I wonder if you
12 could please walk me through how you got to your conclusion?
13 MR. KENNEDY: Sure.
14 COMMISSIONER STEELE: Thanks.
15 MR. KENNEDY: The community raised four issues
16 regarding the eliminations. Their first issue was that there
17 are 56 positions that provide area support to other
18 activities in St. Louis.
19 When we looked into it you found out that most of
20 this was going to the Defense Finance and the Defense Mega-
21 center. They are reimbursing the Aviation Troop Command. So
22 if Aviation Troop Command leaves, these two activities can go

1 and find that reimbursable support elsewhere.

2 The second issue involved base operating support.

3 The community claimed the Army underestimated the number of

4 base operating support needed at the gaining installations.

5 The Army runs a model that predicts the number of people that

6 will be needed based on the population moving in.

7 When they did this at Red Stone, they cut the model

8 in half, and what he Army -- and their rationale was they

9 looked at the current ratio of base ops to base population at

10 Red Stone and used that instead of what the model predicted.

11 When we made the base visit to Red Stone, the

12 people there had no problem with that. That accounted for

13 90. The next group was 205 positions they said was force

14 structure reductions.

15 What we found is 205 were never counted in the Army

16 number. They're over and above BRAC savings, so they were

17 never included in the Army number.

18 And the last group is the ATCOM prepared as part of

19 their implementation package a manpower deviation request,

20 and they estimated they would need 387 people to perform

21 their current mission when they move to Red Stone.

22 The position of the Army is and that we kind of

1 agree with, that when they move to Red Stone, the mission --
2 they're forming a new command, the Aviation Missile Command.
3 They're combining both ATCOM with MICOM that's currently at
4 Red Stone.
5 So the Army has projected, basically, by doing
6 this, they can achieve a 20 percent savings. We think that
7 is realistic. So that's how we walked through the various
8 numbers.
9 COMMISSIONER COX: Mr. Kennedy, along that line, if
10 I might just ask you, I understand that there has recently
11 been a Department of Army memo indicating that, in fact, they
12 would need all 786 or practically all of the 786 civilian
13 positions and that that's at least somewhere in the Army's
14 system. Have you all seen that?
15 MR. KENNEDY: There was a memo written by --
16 COMMISSIONER KLING: I may have that, it just so
17 happens.
18 COMMISSIONER COX: Did you just happen to have
19 that?
20 COMMISSIONER KLING: That's something that troubles
21 me.
22 CHAIRMAN DIXON: Commissioner Kling.

1 COMMISSIONER KLING: And I do not mean to interrupt
2 you, but the memo from the commander at ATCOM -- and here
3 we're counting on the savings by personnel reduction, because
4 that's where this savings has to come from that you said.
5 But this memo from the commander there says, "In
6 keeping with our --" this is directed to all the personnel.
7 "In keeping with our commitment to focus on taking care of
8 our people, we have reached agreement with the commanders at
9 the four sites to which our functions have been identified
10 for transfer.
11 "These agreements assure that if the BRAC
12 recommendation to de-establish ATCOM is approved all ATCOM
13 employees will be offered a position at one of the four
14 locations. This is good news for everyone. These agreements
15 are attached for your information."
16 Now, what troubles me is General Sullivan in front
17 of us, when we asked are you going to eliminate these jobs
18 and can be absolutely be guaranteed of that, and they
19 answered yes, we are, and here is a general in charge of the
20 location saying, no, we're going to give everybody their
21 jobs. Everybody can take their jobs and can transfer. So
22 that's what troubles me about this type of action.

1 COMMISSIONER ROBLES: May I respond to that
2 question?
3 CHAIRMAN DIXON: Commissioner Robles?
4 COMMISSIONER ROBLES: That's Army jargon. I think
5 what that memo says is that based on Civil Service rules they
6 will be offered jobs in the Civil Service system, not
7 necessarily the same applications replicated at Red River --
8 or at Red Stone but more likely that there are jobs in the
9 local St. Louis area or throughout the Civil Service or
10 vacancies that are unfilled down in Red Stone that they, in
11 fact, could apply for and get validated.
12 I don't think in any way, shape or form does that
13 memo indicate that they're going to transfer those 700-plus
14 slots, spaces down to Red Stone, because that would be, in
15 fact, no savings.
16 MR. BROWN: Robert, would you pass out the ATCOM
17 letter, please?
18 COMMISSIONER KLING: There is a further letter that
19 when we inquired as to what the situation is -- and I'm not
20 going to read it, because the answer came back, "The Army is
21 committed to the proposal and to obtaining the savings that
22 it would generate." There is nothing incompatible with

1 General Cowings' memorandum, in essence.

2 MR. BROWN: Commissioner Robles, there are four

3 attachments to the 5 May letter from General Cowings. There

4 are agreements between the commanders of the Aviation Troop

5 Command and the four gaining major subordinate commands of

6 AMC.

7 In the second paragraph of that letter, if you'll

8 just read, I guess, the second through the fifth lines where

9 it talked about, "All employees whose functions are

10 identified for movement will have transfer of function

11 rights. In this instance, transfer of function rights means

12 that all employees will receive a job offer at their same

13 grade at the same time the final decision is implemented."

14 That means if your function is transferred, you

15 will be offered a job. If your function is not transferred,

16 you will not be offered a job at the gaining installation.

17 COMMISSIONER KLING: But the letter following that,

18 the letter dated May 5th after the April 26th letter now

19 says, no, everybody can do that. Everybody can take their

20 jobs, can move and have their same position. So that's the

21 problem.

22 And then, when we asked, you would think that the

1 Army would have said, "Wait a minute. We made a mistake, and
2 everybody can't do that," and that they did not come back and
3 say. That's the problem I had with it.
4 CHAIRMAN DIXON: Any further questions or
5 statements?
6 COMMISSIONER MONTOYA: I have a question.
7 CHAIRMAN DIXON: Commissioner Montoya.
8 COMMISSIONER MONTOYA: It has come to my attention
9 and I want to verify with staff that some of these functions
10 that are being transferred, particularly the Aviation
11 Research Development and Engineering Center could have some
12 cross servicing overtones and that there is some desire at
13 the higher levels of the Army that maybe they would like the
14 flexibility to have some language that would say to go to Red
15 Stone Arsenal, Alabama, or some other appropriate location
16 after they do a cross servicing search or look and so forth.
17 Have you heard anything like that? Do you have any
18 information to that respect?
19 MR. KENNEDY: No, Commissioner.
20 COMMISSIONER COX: Would that jive with the roles
21 and missions report?
22 COMMISSIONER MONTOYA: Have you studied anything

1 like that?

2 MR. KENNEDY: We have not, Commissioner Montoya.

3 CHAIRMAN DIXON: We might wait a moment here.

4 Director, have you something further to add?

5 MR. LYLES: Only, Mr. Chairman, that I think the

6 thrust of the Army's proposal here, and you might correct me

7 if I'm wrong, is that they are moving similar functions and

8 really streamlining and consolidating and bringing together

9 similar functions to a single commodity command. General

10 Robles, Commissioner Robles, you --

11 COMMISSIONER ROBLES: And this gets right at the

12 same thing that --

13 CHAIRMAN DIXON: Commissioner Robles.

14 COMMISSIONER ROBLES: This gets at the same issue

15 that Mr. Kling had. Army Material Command has had a lot of

16 subordinate headquarters for a long time. About when the

17 United States Congress and Department of Defense and

18 Administration decided to downsize the military force by

19 about 35 or so percent in force structure, the first place

20 that people like me, who was in that business, looked to

21 reduce was headquarters, because using a good old management

22 principal, that's where you get efficient.

1 You start cutting layers out of the structure. So
2 they have been on a very aggressive campaign to reduce the
3 levels of management that aren't -- I won't say value added
4 but aren't as directly hands-on to the product of
5 development, the engineering, whatever.
6 This has been particularly true in the Material
7 Command with its major subordinate commands. And there has
8 been a plan for a long time. There was Red Stone 2000, a lot
9 of plans in which they wanted to consolidate at Red Stone,
10 make it a center of R&D excellent in several fields,
11 aviation, missile and space and other related sciences, cut
12 all those headquarters that were doing that function, the
13 staffing in those headquarters, because you had lots of
14 duplication there, and we could afford it at one time, but
15 when money gets tight and structure gets tight you can't, and
16 bring them all to one place.
17 Now, I think, even though it's the written word,
18 the written word sometimes isn't very clear. And I
19 understand where Commissioner Kling could get confused, but
20 having read thousands and thousands and thousands of these
21 kind of memorandums, what that, basically, says is after we
22 come up with a downsizing plan to transfer these functions to

1 Red Stone and in that process we're going to save those
2 positions, those positions that do transfer that need to go
3 down to Red Stone to do the function where you cannot come up
4 with efficiency in economies or you cut out overlap, they're
5 going to offer the employees that are currently incumbent in
6 those positions the ability to -- or similar jobs given their
7 specialties, grade, et cetera.
8 I don't think that anyone should read into these
9 memos that they are, in fact, going to take all those
10 positions, transfer them down there and then move all the
11 people down there, because then that would absolutely have no
12 savings. That is clearly what the intent of this is, and
13 knowing John Cowings, I don't think that's the plan.
14 And this plan has been on the books for years.
15 Now, the difficulty of this whole situation is that ATCOM is
16 a great headquarters, and there is some great people, and
17 they've served St. Louis and the nation well for many years.
18 But if you're in the process of cutting and
19 downsizing and you want to cut out headquarters, you're going
20 to have to make some tough calls like this.
21 CHAIRMAN DIXON: Are there any further comments or
22 questions?

1 COMMISSIONER KLING: Just last comment.

2 CHAIRMAN DIXON: Commissioner Kling.

3 COMMISSIONER KLING: I happen to agree totally. I

4 don't think you can argue with the fact about downsizing,

5 reducing overhead, combining wherever possible, because

6 that's what we've been at, I think, for two days here.

7 But the only problem I got is when we get an answer

8 back that says, well, we're going to go along -- we're going

9 to still have -- obtain the savings that we generated instead

10 of saying, no, we've amended our policy to the employees or

11 to the personnel there.

12 They have not said that they are going to do that

13 and haven't, and having said that, that's that. Thank you.

14 CHAIRMAN DIXON: Thank you, Commissioner Kling.

15 Are there any further comments or questions by anyone?

16 (No response.)

17 CHAIRMAN DIXON: Is there a motion?

18 COMMISSIONER ROBLES: Before we get to the motion,

19 Mr. Chairman, can I ask one question?

20 CHAIRMAN DIXON: Commissioner Robles?

21 COMMISSIONER ROBLES: Commissioner Montoya made an

22 interesting point. I think what you said, and I'd ask you to

1 clarify, is that in this proposal, as we talk about
2 transferring functions to Red Stone, does it make sense to
3 broaden that and not just say move them to Red Stone or put
4 some kind of language in there that allows you to transfer to
5 Red Stone or other joint activities that make sense? Is that
6 what I heard --
7 COMMISSIONER MONTOYA: That's what I was proposing.
8 It seems like the Army has come to us two or three times with
9 letters. We've had amendments that have broadened the -- in
10 other words, don't tell us where. Give us some latitude.
11 So this one came up in some discussions that the
12 Army folks wanted this, and I wonder if the staff had that as
13 something that they had heard.
14 CHAIRMAN DIXON: Director?
15 MR. LYLES: Mr. Chairman, I'm not aware of any
16 request by the Army of this nature. I know there have been
17 some requests by communities who would like to have us
18 consider alternative sites to Red Stone Arsenal for some of
19 these functions, but I'm not aware of any official request
20 from the Army. Ed or Mike?
21 MR. BROWN: We have gotten no official request --
22 have not gotten any official requests from the Army.

1 MR. LYLES: Formal or informal, and I'm just
2 reluctant to be changing things unless it came from some
3 source within the Army.
4 CHAIRMAN DIXON: Okay. Staff says there have been
5 no requests and that the language speaks for itself. This is
6 the language, as I understand it, given to us by the
7 Secretary of Defense. Are there any further comments or
8 questions?
9 (No response.)
10 CHAIRMAN DIXON: Is there a motion?
11 COMMISSIONER ROBLES: Mr. Chairman?
12 CHAIRMAN DIXON: Commissioner Robles.
13 M O T I O N
14 COMMISSIONER ROBLES: I move the Commission find
15 the Secretary of Defense did not deviate substantially from
16 the Force Structure Plan and Final Criteria and therefore the
17 Commission adopt the following recommendation of the
18 Secretary of Defense:
19 Disestablish Aviation Troop Command ATCOM and close
20 by relocating its missions and functions as follows:
21 Relocate Aviation Research Development and Engineering
22 Center, Aviation Management and Aviation Program Executive

1 Offices to Red Stone Arsenal, Huntsville, Alabama, to form
2 the Aviation and Missile Command, relocate functions related
3 to soldier systems to Natick Research Development Engineering
4 Center, Massachusetts, to align with the Soldier Systems
5 Command, relocate functions related to material management of
6 communication electronics to Fort Monmouth, New Jersey, to
7 align with Communication Electronics Command, relocate
8 automotive material management functions to Detroit Arsenal,
9 Michigan, to align with Tank Automotive and Armaments
10 Command.
11 CHAIRMAN DIXON: Is there a second to the motion by
12 Commissioner Robles?
13 COMMISSIONER MONTOYA: Second.
14 CHAIRMAN DIXON: There is a second my Commissioner
15 Montoya. Counsel is reminded that due to economic
16 circumstances, the Chairman is recusing himself. Counsel,
17 call the roll.
18 MS. CREEDON: Commissioner Robles?
19 COMMISSIONER ROBLES: Aye.
20 MS. CREEDON: Commissioner Steele?
21 COMMISSIONER STEELE: Aye.
22 MS. CREEDON: Commissioner Cornella?

1 COMMISSIONER CORNELLA: Aye.

2 MS. CREEDON: Commissioner Cox?

3 COMMISSIONER COX: Aye.

4 MS. CREEDON: Commissioner Davis is recused.

5 Commissioner Kling?

6 COMMISSIONER KLING: No.

7 MS. CREEDON: Commissioner Montoya?

8 COMMISSIONER MONTOYA: Aye.

9 MS. CREEDON: Mr. Chairman, the vote is 5 ayes and

10 one nay.

11 CHAIRMAN DIXON: 5 ayes, one nay, Commissioner

12 Davis and the Chair recusing, and the motion carries.

13 Concepts Analysis Agency, Maryland.

14 MR. KENNEDY: May I have Chart I-8 and I-10,

15 please. The DOD recommendation is to close Concepts Analysis

16 Agency by relocating it from lease space to existing space at

17 Fort Belvoir. The recommendation has a four-year return on

18 investment and no major issues were identified with this

19 recommendation.

20 In summary, the recommendation is consistent with

21 the Army stationing strategy to move activities from lease

22 space to military space when economically feasible. Are

1 there any questions?

2 CHAIRMAN DIXON: Are there any questions?

3 (No response.)

4 CHAIRMAN DIXON: Are there any comments?

5 (No response.)

6 CHAIRMAN DIXON: Are there any statements?

7 (No response.)

8 CHAIRMAN DIXON: Is there a motion?

9 COMMISSIONER KLING: Yes, sir.

10 CHAIRMAN DIXON: Commissioner Kling.

11 M O T I O N

12 COMMISSIONER KLING: I move the Commission find the

13 Secretary of Defense did not deviate substantially from the

14 Force Structure Plan and Final Criteria and therefore the

15 Commission adopt the following recommendation of the

16 Secretary of Defense: Close by relocating Concepts Analysis

17 Agency to Fort Belvoir, Virginia.

18 CHAIRMAN DIXON: Is there a second?

19 COMMISSIONER STEELE: I second the motion.

20 CHAIRMAN DIXON: Second by Commissioner Steele.

21 Are there any other comments?

22 (No response.)

1 CHAIRMAN DIXON: Counsel, call the roll.

2 MS. CREEDON: Commissioner Kling?

3 COMMISSIONER KLING: Aye.

4 MS. CREEDON: Commissioner Montoya?

5 COMMISSIONER MONTOYA: Aye.

6 MS. CREEDON: Commissioner Robles?

7 COMMISSIONER ROBLES: Aye.

8 MS. CREEDON: Commissioner Steele?

9 COMMISSIONER STEELE: Aye.

10 MS. CREEDON: Commissioner Cornella?

11 COMMISSIONER CORNELLA: Aye.

12 MS. CREEDON: Commissioner Cox?

13 COMMISSIONER COX: Aye.

14 MS. CREEDON: Commissioner Davis?

15 COMMISSIONER DAVIS: Aye.

16 MS. CREEDON: Mr. Chairman?

17 CHAIRMAN DIXON: Aye.

18 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and

19 0 nays.

20 CHAIRMAN DIXON: And the motion is unanimously

21 adopted. Information Systems Software Command Virginia.

22 MR. KENNEDY: Charts I-12 and I-15, please. Flight

1 Concepts Analysis Agency, DOD's recommendation is to close
2 Information Systems Software Command by relocating it from
3 lease space in Fairfax, Virginia, to existing space at Fort
4 Meade.
5 There has only been one issue identified with this
6 recommendation is that the Army plans to back-fill the space
7 that ISSC currently occupies with tenants in other lease
8 space in the Washington area.
9 They haven't made a final decision, but the tenants
10 that are under consideration have comparable lease costs with
11 ISSC. So there would be some lease savings. Again, this is
12 consistent with the Army recommendation to reduce lease
13 space. I'll entertain any questions?
14 CHAIRMAN DIXON: Any questions for Mr. Kennedy?
15 (No response.)
16 CHAIRMAN DIXON: Any statements by Commissioners?
17 (No response.)
18 CHAIRMAN DIXON: Is there a motion?
19 COMMISSIONER KLING: Yes, sir.
20 CHAIRMAN DIXON: Commissioner Kling.
21 M O T I O N
22 COMMISSIONER KLING: I move the Commission find the

1 Secretary of Defense did not deviate substantially from the
2 Force Structure Plan and Final Criteria and therefore the
3 Commission adopt the following recommendation of the
4 Secretary of Defense close by relocating Information Systems
5 Software Command to Fort Meade, Maryland.
6 CHAIRMAN DIXON: Is there a second?
7 COMMISSIONER STEELE: I second the motion.
8 CHAIRMAN DIXON: Seconded by Commissioner Steele.
9 Are there any comments or questions?
10 (No response.)
11 CHAIRMAN DIXON: Counsel will call the roll.
12 MS. CREEDON: Commissioner Kling?
13 COMMISSIONER KLING: Aye.
14 MS. CREEDON: Commissioner Montoya?
15 COMMISSIONER MONTOYA: Aye.
16 MS. CREEDON: Commissioner Robles?
17 COMMISSIONER ROBLES: Aye.
18 MS. CREEDON: Commissioner Steele?
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella?
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Commissioner Cox?

1 COMMISSIONER COX: Aye.

2 MS. CREEDON: Commissioner Davis?

3 COMMISSIONER DAVIS: Aye.

4 MS. CREEDON: Mr. Chairman?

5 CHAIRMAN DIXON: Aye.

6 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and

7 0 nays.

8 CHAIRMAN DIXON: And the motion is adopted. Space

9 and Strategic Defense Command, Alabama.

10 COMMISSIONER COX: Mr. Chairman?

11 CHAIRMAN DIXON: Commissioner Cox?

12 COMMISSIONER COX: This was a Commission add. In

13 fact, I added it as an alternative to the ATCOM move to Red

14 Stone, and given the last vote, I suggest we simply move on.

15 CHAIRMAN DIXON: Is there anybody who wants to make

16 a motion on this question in Alabama?

17 (No response.)

18 CHAIRMAN DIXON: Anybody want to make a motion?

19 (No response.)

20 CHAIRMAN DIXON: Space and Strategic Defense

21 Command lease facility Alabama is open. Okay. Minor issues

22 on the list. Baltimore Publications Distribution Center,

1 Maryland.

2 MR. BROWN: Put up J-2 and J-4, please.

3 Mr. Chairman, the recommendation is to close the Publications

4 Distribution Center Baltimore, Maryland, and relocate its

5 activities to the U.S. Army Publication Center, St. Louis,

6 Missouri.

7 Our analysis revealed that the DOD-wide study seems

8 to be focusing on consolidation within the Defense Logistics

9 Agency. However, its completion and implementation are

10 uncertain.

11 In the interim, the Army requires only one

12 publication center. The St. Louis center is better suited to

13 bulk storage. The St. Louis center is completely automated

14 while the Baltimore center is not, and any requirement for

15 additional space will be temporary and will be in an Army-

16 owned facility. Subject to your questions, Mr. Chairman,

17 that completes our presentation.

18 CHAIRMAN DIXON: Are there any questions?

19 COMMISSIONER STEELE: Yes, Mr. Chairman. I have

20 two questions?

21 CHAIRMAN DIXON: Commissioner Steele?

22 COMMISSIONER STEELE: I understand, Mr. Brown, that

1 DOD is currently considering a service-wide consolidation of
2 its publications distribution mission. In light of DOD's
3 fluctuating PDC mission over the next several years,
4 especially as it converts to more diverse and streamlined
5 mission, doesn't it make sense, most business sense -- excuse
6 me. I've got too many notes on here. Does it not make the
7 most business sense -- good grieve. I'm sorry. The late
8 hour is catching up with me. Why are we eliminating the most
9 flexibility facility, Mr. Brown, from the background I've
10 received on this.
11 MR. BROWN: It's our analysis, Commissioner Steele,
12 that within the Army there is a need for only one
13 distribution center, and the St. Louis center provides for
14 flexibility. However, within the entire Department of
15 Defense, there are a number of installations, and there is no
16 certainty how many would be required.
17 We have no idea when a study would be completed,
18 how that study would result, and in the interim, it's prudent
19 for the Army to get down to one publication center.
20 COMMISSIONER STEELE: But I understand that the
21 Army's PDC mission focuses mainly on readiness and quick
22 response times, and other services do not. But is it true

1 that the Army's facilities could carry out the missions of
2 the other services; whereas, the Navy and the Air Force could
3 not effectively carry out the Army's mission?
4 MR. BROWN: I can't comment on the capabilities of
5 the other two services, Commissioner Steele.
6 COMMISSIONER STEELE: Can anyone address that
7 issue?
8 MR. BROWN: We did not look into it because it was
9 not part of this recommendation and the analysis of this
10 recommendation.
11 COMMISSIONER ROBLES: I will make just a quick
12 comment that --
13 CHAIRMAN DIXON: Commissioner Robles?
14 COMMISSIONER ROBLES: -- that this is part of a
15 bigger issue that has been simmering for several years that
16 came out of the Defense Management Review of the early '90s
17 in which seems like all printing was transferred to the Navy,
18 and they were looking at electronic line printing and a whole
19 series of high tech information technology assertions to
20 streamline the whole process.
21 That has been studied and is continually being
22 study, and I share Mr. Brown's concern that you'll be

1 studying it a long time down the road here, because it's a
2 very complex issue.
3 So in the meantime, instead of waiting for this
4 study to complete, which may exceed our lifetimes, at least
5 we ought to get the Army's publication structure down into
6 one facility, because that's all the requirement is.
7 And I guess what you said is their military value
8 judgment is that the St. Louis facility is the most flexible
9 and the one they'd like to stick with as being the core
10 facility.
11 MR. BROWN: That's correct, Commissioner Robles.
12 COMMISSIONER STEELE: Thank you.
13 COMMISSIONER COX: Could I just ask a question on
14 that?
15 CHAIRMAN DIXON: Commissioner Cox.
16 COMMISSIONER COX: Given the fact that there is at
17 least some thought of cross-servicing, and this may or may
18 not be available for others, let me just ask this question.
19 This is below threshold, isn't it?
20 MR. BROWN: It is.
21 COMMISSIONER COX: So, in fact, if the Army wanted
22 to do this in the next year or two, having completed their

1 study, they could do it? I mean, they don't need us to close
2 this facility?
3 MR. BROWN: That is correct, Commissioner Cox.
4 COMMISSIONER COX: Thank you.
5 CHAIRMAN DIXON: Are there any other questions or
6 comments?
7 COMMISSIONER DAVIS: Mr. Chairman.
8 CHAIRMAN DIXON: Commissioner Davis.
9 COMMISSIONER DAVIS: I have one just real vague
10 question. We lost several million records in St. Louis many
11 years ago due to a fire. Is this the same place?
12 MR. BROWN: No, it's not, Commissioner Davis.
13 Those were retiree records, as I recollect, and personnel
14 records. These are forms, publications.
15 COMMISSIONER DAVIS: Thank you very much,
16 Mr. Brown. You give me great confidence.
17 CHAIRMAN DIXON: Are there any further questions?
18 (No response.)
19 CHAIRMAN DIXON: Any further statements?
20 (No response.)
21 CHAIRMAN DIXON: Is there a motion?
22 COMMISSIONER ROBLES: Mr. Chairman, I have a

1 motion.

2 CHAIRMAN DIXON: Commissioner Robles.

3 M O T I O N

4 COMMISSIONER ROBLES: I move the Commission find

5 the Secretary of Defense did not deviate substantially in the

6 Force Structure Plan and Final Criteria and therefore the

7 Commission adopt the following recommendation of the

8 Secretary of Defense: Close by relocating the U.S. Army

9 Publications Distribution Center, Baltimore, to the U.S. Army

10 Publications Center, St. Louis, Missouri.

11 CHAIRMAN DIXON: Is there a second?

12 COMMISSIONER KLING: Second, Mr. Chairman.

13 CHAIRMAN DIXON: Seconded by Commissioner Kling.

14 Are there any more comments or questions?

15 COMMISSIONER STEELE: I would just comment that in

16 light of the testimony this evening I feel confident that

17 everyone here is confident that the other facility would have

18 a little more flexibility. So thank you for bringing me up

19 to speed on that. I appreciate it.

20 CHAIRMAN DIXON: Thank you, Commissioner Steele.

21 Counsel will call the roll.

22 MS. CREEDON: Commissioner Robles?

1 COMMISSIONER ROBLES: Aye.

2 MS. CREEDON: Commissioner Steele?

3 COMMISSIONER STEELE: Aye.

4 MS. CREEDON: Commissioner Cornella?

5 COMMISSIONER CORNELLA: No.

6 MS. CREEDON: Commissioner Cox?

7 COMMISSIONER COX: No.

8 MS. CREEDON: Commissioner Davis?

9 COMMISSIONER DAVIS: Aye.

10 MS. CREEDON: Commissioner Kling?

11 COMMISSIONER KLING: Aye.

12 MS. CREEDON: Commissioner Montoya?

13 COMMISSIONER MONTOYA: Aye.

14 MS. CREEDON: Mr. Chairman?

15 CHAIRMAN DIXON: Aye.

16 MS. CREEDON: Mr. Chairman, the vote is 6 ayes and

17 2 nays.

18 CHAIRMAN DIXON: And the motion is carried.

19 Bellmore Logistics Activity in New York.

20 MR. BROWN: The Department of Defense's

21 recommendation is to close Bellmore Logistics Activity. No

22 issues have been identified during our analysis of this.

1 CHAIRMAN DIXON: Are there any questions --

2 MR. BROWN: There are no tenants on this

3 installation, Mr. Chairman.

4 CHAIRMAN DIXON: Are there any questions of

5 Mr. Brown? Any comments or questions?

6 (No response.)

7 COMMISSIONER CORNELLA: I have a motion, Mr.

8 Chairman.

9 CHAIRMAN DIXON: Commissioner Cornella.

10 M O T I O N

11 COMMISSIONER CORNELLA: I move the Commission find

12 the Secretary of Defense did not deviate substantially from

13 the Force Structure Plan and Final Criteria and therefore the

14 Commission adopt the following recommendation of the

15 Secretary of Defense: Close Bellmore Logistics Activity.

16 CHAIRMAN DIXON: I second the motion. Anything

17 else from any of my colleagues?

18 (No response.)

19 CHAIRMAN DIXON: Counsel will call the roll.

20 MS. CREEDON: Commissioner Cornella?

21 COMMISSIONER CORNELLA: Aye.

22 MS. CREEDON: Commissioner Cox?

1 COMMISSIONER COX: Aye.

2 MS. CREEDON: Commissioner Davis?

3 COMMISSIONER DAVIS: Aye.

4 MS. CREEDON: Commissioner Kling is aye by proxy.

5 Commissioner Montoya?

6 COMMISSIONER MONTOYA: Aye.

7 MS. CREEDON: Commissioner Robles?

8 COMMISSIONER ROBLES: Aye.

9 MS. CREEDON: Commissioner Steele?

10 COMMISSIONER STEELE: Aye.

11 MS. CREEDON: Mr. Chairman?

12 CHAIRMAN DIXON: Aye.

13 MS. CREEDON: Mr. Chairman, there are 8 ayes and 0

14 nays.

15 CHAIRMAN DIXON: And that motion is unanimously

16 adopted. Big Coppett Key, Florida.

17 MR. BROWN: The recommendation is to close this

18 installation. It's another one with no tenants, and no

19 issues have been identified, Mr. Chairman.

20 CHAIRMAN DIXON: Any questions of Mr. Brown?

21 (No response.)

22 CHAIRMAN DIXON: Any statements?

1 (No response.)

2 CHAIRMAN DIXON: Any motion?

3 COMMISSIONER CORNELLA: Mr. Chairman?

4 CHAIRMAN DIXON: Commissioner Cornella.

5 M O T I O N

6 COMMISSIONER CORNELLA: I move the Commission find
7 the Secretary of Defense did not deviate substantially from
8 the Force Structure Plan and Final Criteria and therefore the
9 Commission adopt the following recommendation of the
10 Secretary of Defense: Close Big Coppett Key.

11 CHAIRMAN DIXON: I second the motion. Any other
12 statements?

13 (No response.)

14 CHAIRMAN DIXON: Counsel call the roll.

15 MS. CREEDON: Commissioner Cornella?

16 COMMISSIONER CORNELLA: Aye.

17 MS. CREEDON: Commissioner Cox?

18 COMMISSIONER COX: Aye.

19 MS. CREEDON: Commissioner Davis?

20 COMMISSIONER DAVIS: Aye.

21 MS. CREEDON: Commissioner Kling is aye by proxy.
22 Commissioner Montoya?

1 COMMISSIONER MONTOYA: Aye.

2 MS. CREEDON: Commissioner Robles?

3 COMMISSIONER COX: He stepped out for a moment.

4 MS. CREEDON: Commissioner Steele?

5 COMMISSIONER STEELE: Aye.

6 MS. CREEDON: Mr. Chairman?

7 CHAIRMAN DIXON: The Chair votes aye, and

8 Commissioner Robles had told me he wanted to vote aye by

9 proxy. Do I have unanimous consent it will not change the

10 result?

11 MS. CREEDON: Mr. Chairman, that makes the vote 8

12 ayes and 0 nays.

13 CHAIRMAN DIXON: And the motion is carried

14 unanimously. Camp Bonneville, Washington.

15 MR. BROWN: The recommendation, Mr. Chairman, is to

16 close Camp Bonneville. There are no tenants on this

17 installation, and no issues have been identified.

18 CHAIRMAN DIXON: Is there any question of Mr. Brown

19 by any Commissioner?

20 (No response.)

21 CHAIRMAN DIXON: Any statement?

22 (No response.)

1 CHAIRMAN DIXON: Is there a motion?

2 COMMISSIONER CORNELLA: I have a motion, sir?

3 CHAIRMAN DIXON: Commissioner Cornella.

4 M O T I O N

5 COMMISSIONER CORNELLA: I move the Commission find

6 the Secretary of Defense did not deviate substantially from

7 the Force Structure Plan and Final Criteria and therefore the

8 Commission adopt the following recommendation of the

9 Secretary of Defense: Close Camp Bonneville.

10 CHAIRMAN DIXON: I second that motion. Any

11 comments?

12 (No response.)

13 CHAIRMAN DIXON: Any questions?

14 (No response.)

15 CHAIRMAN DIXON: Counsel call the roll.

16 MS. CREEDON: Commissioner Cornella?

17 COMMISSIONER CORNELLA: Aye.

18 MS. CREEDON: Commissioner Cox?

19 COMMISSIONER COX: Aye.

20 MS. CREEDON: Commissioner Davis?

21 COMMISSIONER DAVIS: Aye.

22 MS. CREEDON: Commissioner Kling is aye by proxy.

1 Commissioner Montoya?

2 COMMISSIONER MONTOYA: Aye.

3 MS. CREEDON: Commissioner Steele?

4 COMMISSIONER STEELE: Aye.

5 CHAIRMAN DIXON: And the Chairman votes aye, and we

6 are awaiting -- there is a proxy being obtained from

7 Commissioner Robles that I would appreciate your bringing in

8 here before I announce the vote.

9 May I have the unanimous consent from the

10 commissioners, the vote now being seven to nothing, and this

11 motion obviously having carried, to permit Commissioner

12 Robles to vote when he returns, his vote being a vote that

13 will not change the result. Any objection? I thank you.

14 Commissioner Robles votes aye. And the vote on that question

15 is eight ayes and no nays, and the motion is unanimously

16 adopted.

17 Camp Kilmer, New Jersey.

18 MR. BROWN: Mr. Chairman, the recommendation on

19 Camp Kilmer is to close it, except for an enclave for minimum

20 necessary facilities to support the reserve components. No

21 issues have been identified on this installation.

22 COMMISSIONER COX: Mr. Brown, if I might ask a

1 question. I understand that the Army has plans later in this
2 decade -- the year 2000 or so -- to build a facility at Camp
3 Kilmer. Would this be inconsistent with those plans?
4 MR. BROWN: I do not believe so, Commissioner Cox.
5 If the enclave is established, and the Army has a requirement
6 for that facility, I feel certain it would be put on that
7 enclave.
8 COMMISSIONER COX: Thank you.
9 MR. BROWN: And if the Army has a plan to build a
10 facility there, I would hope that when they establish the
11 enclave, they would take that into consideration.
12 CHAIRMAN DIXON: Are there any further questions or
13 statements? Is there a motion on Camp Kilmer, New Jersey?
14 COMMISSIONER CORNELLA: Yes, sir, I have a motion.
15 CHAIRMAN DIXON: Commissioner Cornella.
16 COMMISSIONER CORNELLA: I move the commission find
17 the Secretary of Defense did not deviate substantially from
18 the force structure plan and final criteria; and therefore,
19 the commission adopt the following recommendation of the
20 Secretary of Defense. Close Camp Kilmer, except for an
21 enclave for minimum necessary facilities to support the
22 reserve components.

1 CHAIRMAN DIXON: I second the motion. Any
2 comments? Counsel will call the roll.
3 MS. CREEDON: Commissioner Cornella.
4 COMMISSIONER CORNELLA: Aye.
5 MS. CREEDON: Commissioner Cox.
6 COMMISSIONER COX: Aye.
7 MS. CREEDON: Commissioner Davis.
8 COMMISSIONER DAVIS: Aye.
9 MS. CREEDON: Commissioner Kling.
10 COMMISSIONER KLING: Aye.
11 MS. CREEDON: Commissioner Montoya.
12 COMMISSIONER MONTOYA: Aye.
13 MS. CREEDON: Commissioner Robles is aye by proxy.
14 Commissioner Steele.
15 COMMISSIONER STEELE: Aye.
16 MS. CREEDON: Mr. Chairman.
17 CHAIRMAN DIXON: Aye.
18 MS. CREEDON: Mr. Chairman, the vote is eight ayes
19 and zero nays.
20 CHAIRMAN DIXON: That motion carries. Camp
21 Pedricktown, New Jersey.
22 MR. BROWN: Mr. Chairman, the recommendation is to

1 close Camp Pedricktown, except the Seavers-Sandburg reserve
2 center. No issues have been identified.
3 CHAIRMAN DIXON: Any questions? Is there a motion?
4 COMMISSIONER CORNELLA: Mr. Chairman.
5 CHAIRMAN DIXON: Commissioner Cornella.
6 COMMISSIONER CORNELLA: I move the commission find
7 the Secretary of Defense did not deviate substantially from
8 the force structure plan and final criteria; and therefore,
9 the commission adopt the following recommendation of the
10 Secretary of Defense. Close Camp Pedricktown, except the
11 Seavers-Sandburg reserve center.
12 CHAIRMAN DIXON: I second the motion. Any
13 comments? Counsel, call the roll.
14 MS. CREEDON: Commissioner Cornella.
15 COMMISSIONER CORNELLA: Aye.
16 MS. CREEDON: Commissioner Cox.
17 COMMISSIONER COX: Aye.
18 MS. CREEDON: Commissioner Davis.
19 COMMISSIONER DAVIS: Aye.
20 MS. CREEDON: Commissioner Kling.
21 COMMISSIONER KLING: Aye.
22 MS. CREEDON: Commissioner Montoya.

1 COMMISSIONER MONTOYA: Aye.

2 MS. CREEDON: Commissioner Robles is aye, by proxy.

3 Commissioner Steele.

4 COMMISSIONER STEELE: Aye.

5 MS. CREEDON: Mr. Chairman.

6 CHAIRMAN DIXON: Aye.

7 MS. CREEDON: Mr. Chairman, the vote is eight ayes

8 and zero nays.

9 CHAIRMAN DIXON: And the motion is unanimously

10 adopted. Caven Point, U.S. Army Reserve Center, New Jersey.

11 MR. BROWN: Mr. Chairman, the recommendation is to

12 close that installation and relocate it reserve activities to

13 Fort Hamilton, New York, provided the recommendation to

14 realign Fort Hamilton is approved. There is also in the

15 Secretary of Defense's letter on the 14th of June -- he

16 stated that the relocation of units from Caven Point is no

17 longer supportable since an unanticipated new construction is

18 required to execute the move that would made the economics of

19 this recommendation --

20 CHAIRMAN DIXON: The Secretary of Defense has asked

21 that we reject his earlier recommendation.

22 MR. BROWN: That is correct, Mr. Chairman.

1 CHAIRMAN DIXON: Keep open Caven Point?

2 MR. BROWN: That is correct, Mr. Chairman.

3 CHAIRMAN DIXON: Is there a motion.

4 COMMISSIONER CORNELLA: I have a motion.

5 CHAIRMAN DIXON: Commissioner Cornella.

6 M O T I O N

7 COMMISSIONER CORNELLA: I move the Commission find
8 the Secretary of Defense deviated substantially from final
9 criterion two and, therefore, the Commission reject the
10 Secretary's recommendation on Caven Point and, instead, adopt
11 the following recommendation: Keep open Caven Point US Army
12 Reserve Center. The Commission finds this recommendation is
13 consistent with the force structure plan and final criteria.

14 CHAIRMAN DIXON: Second the motion. Any comments?

15 (No response.)

16 CHAIRMAN DIXON: Counsel, call the roll.

17 MS. CREEDON: Commissioner Cornella.

18 COMMISSIONER CORNELLA: Aye.

19 MS. CREEDON: Commissioner Cox.

20 COMMISSIONER COX: Aye.

21 MS. CREEDON: Commissioner Davis:

22 COMMISSIONER DAVIS: Aye.

1 MS. CREEDON: Commissioner Kling.

2 COMMISSIONER KLING: Aye.

3 MS. CREEDON: Commissioner Montoya.

4 COMMISSIONER MONTOYA: Aye.

5 MS. CREEDON: Commissioner Robles votes aye, proxy.

6 Commissioner Steele.

7 COMMISSIONER STEELE: Aye.

8 MS. CREEDON: Mr. Chairman.

9 CHAIRMAN DIXON: Aye.

10 MS. CREEDON: Mr. Chairman, the vote is eight ayes

11 and zero nays.

12 CHAIRMAN DIXON: The motion carries unanimously.

13 East Fort Baker, California.

14 MR. BROWN: Mr. Chairman, the recommendation is to

15 close East Fort Baker, relocate all tenants to other

16 installations that meet mission requirements and return all

17 real property to the Golden Gate National Recreation area.

18 No issues have been identified.

19 CHAIRMAN DIXON: Any questions or statements?

20 (No response.)

21 CHAIRMAN DIXON: Is there a motion.

22 COMMISSIONER KLING: Mr. Chairman.

1 CHAIRMAN DIXON: Mr. Kling.

2 COMMISSIONER KLING: I move the Commission find the
3 Secretary of Defense did not deviate substantially from the
4 force structure plan and final criteria and therefore, the
5 Commission adopt the following recommendation of the
6 Secretary of Defense: Close East Fort Baker, relocate all
7 tenants to other installations that meet mission
8 requirements, return all property to the Golden Gate National
9 Recreation area.

10 CHAIRMAN DIXON: Second the motion. Any further
11 comments?

12 (No response.)

13 CHAIRMAN DIXON: Counsel will call the roll.

14 MS. CREEDON: Commissioner Kling.

15 COMMISSIONER KLING: Aye.

16 MS. CREEDON: Commissioner Montoya.

17 COMMISSIONER MONTOYA: Aye.

18 MS. CREEDON: Commissioner Robles votes aye, proxy.
19 Commissioner Steele.

20 COMMISSIONER STEELE: Aye.

21 MS. CREEDON: Commissioner Davis.

22 COMMISSIONER DAVIS: Aye.

1 MS. CREEDON: Commissioner Cornella is aye, by
2 proxy.
3 CHAIRMAN DIXON: All right, can I have unanimous
4 consent to -- the Chair votes aye. How many votes is that?
5 MS. CREEDON: That's seven.
6 CHAIRMAN DIXON: May I have unanimous consent of
7 the Commission to vote Commissioner Cox when she returns
8 since her vote will not change the result?
9 COMMISSIONER KLING: Yes, sir.
10 CHAIRMAN DIXON: Would Commissioners in the future,
11 if they want to have their votes recorded, leave a proxy
12 temporarily with the Chair.
13 The vote is -- how do you want to vote?
14 COMMISSIONER COX: Aye.
15 CHAIRMAN DIXON: The vote is eight ayes, no nays.
16 The motion is adopted. Fort Missoula, Montana.
17 MR. BROWN: The recommendation, Mr. Chairman, is to
18 close Fort Missoula except ban enclave for minimum essential
19 land and facilities to support the reserve component units.
20 No issues have been identified.
21 CHAIRMAN DIXON: Is there any question of Mr.
22 Brown?

1 (No response.)

2 CHAIRMAN DIXON: Any statements?

3 (No response.)

4 CHAIRMAN DIXON: What's the pleasure of the

5 Commission with respect to Fort Missoula, Montana.

6 COMMISSIONER KLING: Mr. Chairman.

7 CHAIRMAN DIXON: Commissioner Kling.

8 M O T I O N

9 COMMISSIONER KLING: I move the Commission find the

10 Secretary of Defense did not deviate substantially from the

11 force structure plan and final criteria and therefore, the

12 Commission adopt the following recommendation of the

13 Secretary of Defense: Close Fort Missoula except an enclave

14 for minimum essential land and facilities to support the

15 reserve component units.

16 CHAIRMAN DIXON: I second the motion. Any

17 comments?

18 (No response.)

19 CHAIRMAN DIXON: Counsel, call the roll.

20 MS. CREEDON: Commissioner Kling.

21 COMMISSIONER KLING: Aye.

22 MS. CREEDON: Commissioner Montoya.

1 COMMISSIONER MONTOYA: Aye.

2 MS. CREEDON: Commissioner Robles.

3 COMMISSIONER ROBLES: Aye.

4 MS. CREEDON: Commissioner Steele.

5 COMMISSIONER STEELE: Aye.

6 MS. CREEDON: Commissioner Cornella is aye, by

7 proxy. Commissioner Cox.

8 COMMISSIONER COX: Aye.

9 MS. CREEDON: Commissioner Davis.

10 COMMISSIONER DAVIS: Aye.

11 MS. CREEDON: Mr. Chairman.

12 CHAIRMAN DIXON: Aye.

13 MS. CREEDON: Mr. Chairman, the vote is eight ayes

14 and zero nays.

15 CHAIRMAN DIXON: That motion carries.

16 MR. BROWN: The next one, Mr. Chairman, is Hingham

17 Cohasset, Massachusetts. The recommendation is to close this

18 installation. No issues have been identified.

19 CHAIRMAN DIXON: Any questions?

20 (No response.)

21 CHAIRMAN DIXON: Any statements?

22 (No response.)

1 CHAIRMAN DIXON: A motion.

2 M O T I O N

3 COMMISSIONER KLING: Mr. Chairman, I move the
4 Commission find the Secretary of Defense did not deviate
5 substantially from the force structure plan and final
6 criteria and therefore, the Commission adopt the following
7 recommendation of the Secretary of Defense: Close Hingham
8 Cohasset.

9 CHAIRMAN DIXON: I second the motion.

10 MS. CREEDON: Commissioner Kling.

11 COMMISSIONER KLING: Aye.

12 MS. CREEDON: Commissioner Montoya.

13 COMMISSIONER MONTOYA: Aye.

14 MS. CREEDON: Commissioner Robles.

15 COMMISSIONER ROBLES: Aye.

16 MS. CREEDON: Commissioner Steele.

17 COMMISSIONER STEELE: Aye.

18 MS. CREEDON: Commissioner Cornella votes aye, by
19 proxy. Commissioner Cox.

20 COMMISSIONER COX: Aye.

21 MS. CREEDON: Commissioner Davis.

22 COMMISSIONER DAVIS: Aye.

1 MS. CREEDON: Mr. Chairman.

2 CHAIRMAN DIXON: Aye.

3 MS. CREEDON: Mr. Chairman, the vote is eight ayes

4 and zero nays.

5 CHAIRMAN DIXON: That motion carries. Recreation

6 Center #2, North Carolina.

7 MR. BROWN: The recommendation, Mr. Chairman, is

8 close this facility. No additional issues have been

9 identified.

10 CHAIRMAN DIXON: Any questions?

11 (No response.)

12 CHAIRMAN DIXON: Is there a motion?

13 COMMISSIONER KLING: Mr. Chairman, I move the

14 Commission find the Secretary of Defense did not deviate

15 substantially from the force structure plan and final

16 criteria and therefore, the Commission adopt the following

17 recommendation of the Secretary of Defense: Close Recreation

18 Center #2, Fayetteville, North Carolina.

19 CHAIRMAN DIXON: I second the motion. Any

20 comments?

21 (No response.)

22 CHAIRMAN DIXON: Counsel, call the roll.

1 MS. CREEDON: Commissioner Kling.

2 COMMISSIONER KLING: Aye.

3 MS. CREEDON: Commissioner Montoya.

4 COMMISSIONER MONTOYA: Aye.

5 MS. CREEDON: Commissioner Robles.

6 COMMISSIONER ROBLES: Aye.

7 MS. CREEDON: Commissioner Steele.

8 COMMISSIONER STEELE: Aye.

9 MS. CREEDON: Commissioner Cornella votes aye, by

10 proxy. Commissioner Cox.

11 COMMISSIONER COX: Aye.

12 MS. CREEDON: Mr. Chairman.

13 CHAIRMAN DIXON: Aye.

14 MS. CREEDON: Commissioner Davis.

15 COMMISSIONER DAVIS: Aye.

16 MS. CREEDON: Mr. Chairman, the vote is eight to

17 zero.

18 CHAIRMAN DIXON: And the motion is adopted

19 unanimously. Rio Vista Army Reserve Center, California.

20 MR. BROWN: The recommendation, Mr. Chairman, is to

21 close this facility. No issues have been identified.

22 CHAIRMAN DIXON: Any questions of Mr. Brown?

1 (No response.)

2 CHAIRMAN DIXON: Is there a motion?

3 COMMISSIONER KLING: Mr. Chairman, I move the
4 Commission find the Secretary of Defense did not deviate
5 substantially from the force structure plan and final
6 criteria and therefore, the Commission adopt the following
7 recommendation of the Secretary of Defense: Close Rio Vista
8 Army Reserve Center.

9 CHAIRMAN DIXON: I second Mr. Kling's motion. Will
10 the Counsel please call the roll.

11 MS. CREEDON: Commissioner Davis.

12 COMMISSIONER DAVIS: Aye.

13 MS. CREEDON: Commissioner Kling.

14 COMMISSIONER KLING: Aye.

15 MS. CREEDON: Commissioner Montoya.

16 COMMISSIONER MONTOYA: Aye.

17 MS. CREEDON: Commissioner Robles.

18 COMMISSIONER ROBLES: Aye.

19 MS. CREEDON: Commissioner Steele.

20 COMMISSIONER STEELE: Aye.

21 MS. CREEDON: Commissioner Cornella, by proxy.
22 Commissioner Cox.

1 COMMISSIONER COX: Aye.

2 MS. CREEDON: Mr. Chairman.

3 CHAIRMAN DIXON: Aye.

4 MS. CREEDON: Mr. Chairman, the vote is eight ayes

5 and zero nays.

6 CHAIRMAN DIXON: Branch US Disciplinary Barracks,

7 Long Park, California. I didn't skip one, did I?

8 MR. BROWN: Yes, you did.

9 CHAIRMAN DIXON: I apologize. Sudbury Training

10 Annex.

11 MR. BROWN: The recommendation, Mr. Chairman, is to

12 close Sudbury Training Annex. No issues have been

13 identified.

14 CHAIRMAN DIXON: Are there any questions?

15 (No response.)

16 CHAIRMAN DIXON: Is there a motion?

17 M O T I O N

18 COMMISSIONER KLING: Mr. Chairman, I move the

19 Commission find the Secretary of Defense did not deviate

20 substantially from the force structure plan and final

21 criteria and therefore, the Commission adopt the following

22 recommendation of the Secretary of Defense: Close Sudbury

1 Training Annex.

2 CHAIRMAN DIXON: I second the motion. Counsel will

3 call the roll.

4 MS. CREEDON: Commissioner Kling.

5 COMMISSIONER KLING: Aye.

6 MS. CREEDON: Commissioner Montoya.

7 COMMISSIONER MONTOYA: Aye.

8 MS. CREEDON: Commissioner Robles.

9 COMMISSIONER ROBLES: Aye.

10 MS. CREEDON: Commissioner Steele.

11 COMMISSIONER STEELE: Aye.

12 MS. CREEDON: Commissioner Cornella, by proxy.

13 Commissioner Cox.

14 COMMISSIONER COX: Aye.

15 MS. CREEDON: Commissioner Davis.

16 COMMISSIONER DAVIS: Aye.

17 MS. CREEDON: Mr. Chairman.

18 CHAIRMAN DIXON: Aye.

19 MS. CREEDON: Mr. Chairman, the vote is eight ayes

20 and zero nays.

21 CHAIRMAN DIXON: And the motion is adopted. Branch

22 US Disciplinary Barracks, California.

1 MR. BROWN: The recommendation, Mr. Chairman, is to
2 close this installation. No issues have been identified.
3 CHAIRMAN DIXON: Is there any question of Mr.
4 Brown?
5 (No response.)
6 CHAIRMAN DIXON: Any statements?
7 (No response.)
8 CHAIRMAN DIXON: Is there a motion?
9 M O T I O N
10 COMMISSIONER KLING: Mr. Chairman, I move the
11 Commission find the Secretary of Defense did not deviate
12 substantially from the force structure plan and final
13 criteria and therefore, the Commission adopt the following
14 recommendation of the Secretary of Defense: Close Branch US
15 Disciplinary Barracks, California.
16 CHAIRMAN DIXON: I second the motion. Any
17 comments?
18 (No response.)
19 CHAIRMAN DIXON: Counsel will call the roll.
20 MS. CREEDON: Commissioner Kling.
21 COMMISSIONER KLING: Aye.
22 MS. CREEDON: Commissioner Montoya.

1 COMMISSIONER MONTOYA: Aye.

2 MS. CREEDON: Commissioner Robles.

3 COMMISSIONER ROBLES: Aye.

4 MS. CREEDON: Commissioner Steele.

5 COMMISSIONER STEELE: Aye.

6 MS. CREEDON: Commissioner Cornella votes aye by

7 proxy. Commissioner Cox.

8 COMMISSIONER COX: Aye.

9 MS. CREEDON: Commissioner Davis.

10 COMMISSIONER DAVIS: Aye.

11 MS. CREEDON: Mr. Chairman.

12 CHAIRMAN DIXON: Aye.

13 MS. CREEDON: Mr. Chairman, the vote is eight ayes

14 and zero nays.

15 CHAIRMAN DIXON: And the motion is adopted. Valley

16 Grove US Army Reserve Center, West Virginia.

17 MR. BROWN: The recommendation, Mr. Chairman, is to

18 close this installation. However, on the 14th of June the

19 Secretary of Defense stated that the recommendation is no

20 longer viable since it was learned that construction of a new

21 maintenance shop for this mission is in progress at the

22 Wheeling-Ohio County Airport.

1 CHAIRMAN DIXON: Okay. Is there a motion? Are
2 there any questions?
3 (No response.)
4 CHAIRMAN DIXON: Is there a motion?
5 M O T I O N
6 COMMISSIONER KLING: Mr. Chairman, I move the
7 Commission find the Secretary of Defense deviated
8 substantially from final criterion two and, therefore, the
9 Commission reject the Secretary's recommendation on Valley
10 Grove Air Maintenance Support Activity and instead, adopt the
11 following recommendation: Keep open Valley Grove Area
12 Maintenance Support Activity. The Commission finds this
13 recommendation is consistent with the force structure plan
14 and final criteria.
15 CHAIRMAN DIXON: I second the motion. Are there
16 any other comments?
17 (No response.)
18 CHAIRMAN DIXON: Counsel will call the roll.
19 MS. CREEDON: Commissioner Kling.
20 COMMISSIONER KLING: Aye.
21 MS. CREEDON: Commissioner Montoya.
22 COMMISSIONER MONTOYA: Aye.

1 MS. CREEDON: Commissioner Robles.

2 COMMISSIONER ROBLES: Aye.

3 MS. CREEDON: Commissioner Steele.

4 COMMISSIONER STEELE: Aye.

5 MS. CREEDON: Commissioner Cornella.

6 COMMISSIONER CORNELLA: Aye.

7 MS. CREEDON: Commissioner Cox.

8 COMMISSIONER COX: Aye.

9 MS. CREEDON: Commissioner Davis.

10 COMMISSIONER DAVIS: Aye.

11 MS. CREEDON: Mr. Chairman.

12 CHAIRMAN DIXON: Aye.

13 MS. CREEDON: Mr. Chairman, there are eight ayes

14 and zero nays.

15 CHAIRMAN DIXON: The motion is adopted. Now, I

16 will ask you gentlemen, Mr. Yellin and whoever else is going

17 to be involved in this one -- I think you were -- this is the

18 Oakland question that we deferred over an hour ago. Can we

19 get back to that in our books because it's been a couple

20 hours ago probably. Fleet and Industrial Supply Center,

21 Oakland California; is that correct?

22 MR. YELLIN: Yes, sir.

1 MR. LYLES: Mr. Chairman, if you'll turn to page 26
2 -- tab 26 under the Navy, Mr. Chairman, in the motions
3 notebook you'll find the motions for that.
4 CHAIRMAN DIXON: Now, to refresh everybody's
5 recollection this one got highly complicated and pretty
6 convoluted and we had all kinds of suggestions about what the
7 solutions ought to be.
8 And as I understand it, Mr. Yellin, considerable
9 phone conversations have taken place, I think, with the folks
10 in Oakland. Is that substantially true?
11 MR. YELLIN: Yes, sir, with Oakland, Alameda,
12 Richmond, Port Authority.
13 CHAIRMAN DIXON: All right. And have we arrived at
14 an understanding that reflects a consensus on this?
15 MR. YELLIN: Among the communities and the
16 Commission staff, yes sir.
17 CHAIRMAN DIXON: Among the communities and the
18 Commission staff. And have those who were interested, and I
19 think it was particularly Commissioner Cox, I may be
20 excluding someone else that had some interest, been consulted
21 about it?
22 COMMISSIONER COX: Yes, sir.

1 CHAIRMAN DIXON: Does somebody have a motion?

2 COMMISSIONER STEELE: May I ask one question, Sir.

3 CHAIRMAN DIXON: Sure.

4 COMMISSIONER STEELE: In closing Oakland Army Base,
5 California, does that at all impact a recommendation to
6 relocate functions to other government owned facilities in
7 the area?

8 MR. YELLIN: No, it does not. That was certainly
9 an option available. But we feel there are other government
10 spaces available in the area, or that they need to really
11 search for them. That's certainly the most economical
12 approach to this implementation.

13 COMMISSIONER STEELE: I just wanted to double
14 check.

15 CHAIRMAN DIXON: Let me ask Commissioner Cox --
16 now, Commissioner Cox you were very interested in this and
17 they consulted with you, do you know what the situation is
18 now? Can you advise your fellow commissioners?

19 COMMISSIONER COX: Yes, sir. As I understand it,
20 there were several issues here regarding some land at the
21 FISC. One piece of land had two leases on it and the
22 possibility of two further leases on it having to do with the

1 development at the port. Two other parts of the land were in
2 separate areas, one in the City of Richmond and one in the
3 City of Alameda.
4 There was concern that if we acted without being
5 sure on what we were doing that we would in some way
6 jeopardize the negotiations in the leases that had gone on
7 between the Navy and the port, and conversations between the
8 Navy and the city.
9 As you pointed out when you opened, we have now had
10 the opportunity to talk to the Port of Oakland, the City of
11 Oakland, the City of Alameda and the City of Richmond. And
12 it is my understanding that they are all in agreement that it
13 would be a good thing for us to move forward and close it
14 under the BRAC statute and that would allow them to move
15 forward on the leases. And I do want to ask one question,
16 for the record, of the Counsel on that point.
17 It is there understanding and my understanding -- I
18 would like the counsel to opine on this -- that one, the
19 leases that they have already signed would not be affected by
20 moving forward under BRAC; is that correct?
21 MS. CREEDON: That's correct.
22 COMMISSIONER COX: And, in fact, that under the

1 BRAC statute leasing is not prohibited, it would be allowed
2 under the BRAC statute.
3 MS. CREEDON: That's correct.
4 COMMISSIONER COX: Thank you, very much. Under
5 those circumstances I think the Navy, which had indicated
6 that they wanted to do this and all of the communities are in
7 agreement.
8 MR. YELLIN: I want to go back on the record that
9 the Navy's official position is still that the Secretary's
10 recommendation was that because of economic -- because of job
11 losses they do not want to go ahead with this.
12 COMMISSIONER COX: But the Navy does not object
13 assuming --
14 MR. YELLIN: We have not gotten any official Navy
15 comment on this.
16 CHAIRMAN DIXON: Let me ask Commissioner Cornella,
17 he had indicated interest. Commissioner Cornella, are you
18 satisfied with this result.
19 COMMISSIONER CORNELLA: I think we're ready to move
20 ahead, sir.
21 CHAIRMAN DIXON: Pardon me.
22 COMMISSIONER CORNELLA: I think we're ready to move

1 ahead.

2 CHAIRMAN DIXON: Thank you. Are there any other

3 questions.

4 (No response.)

5 CHAIRMAN DIXON: Is there a motion.

6 COMMISSIONER KLING: There are two motions, Mr.

7 Chairman.

8 CHAIRMAN DIXON: That's just what we need, two.

9 M O T I O N

10 COMMISSIONER KLING: First of all, I move that the

11 Commission find the Secretary of Defense deviated

12 substantially from final criteria five and six and therefore,

13 that the Commission adopt the following recommendation:

14 Realign Fleet Industrial Supply Center, Oakland, California,

15 Close Point Millot Naval Refueling Station, Richmond,

16 California, close Naval Supply Annex, Alameda, California.

17 The Commission finds this recommendation is consistent with

18 the force structure plan and final criteria.

19 CHAIRMAN DIXON: Commissioner Cox do you second?

20 COMMISSIONER COX: Second.

21 CHAIRMAN DIXON: She seconds that motion.

22 COMMISSIONER STEELE: May I inquire. I thought we

1 were closing the FISC and that was the agreement we reached
2 with all those phone calls.
3 COMMISSIONER COX: Commissioner Steele, that is, in
4 fact, the agreement, and that will be the second motion. But
5 for reasons involving working it out with each of these
6 cities, the City of Alameda and the City of Richmond wanted
7 to be considered under a separate motion.
8 CHAIRMAN DIXON: You're right on top of things,
9 Commissioner Steele. Let's get rid of this motion and we'll
10 get to the one you like. Any more comments about this
11 motion.
12 COMMISSIONER STEELE: Just so we get to the one I
13 like --
14 CHAIRMAN DIXON: All right, we're going to get to
15 it. Counsel will call the roll.
16 MS. CREEDON: Commissioner Kling.
17 COMMISSIONER KLING: Aye.
18 MS. CREEDON: Commissioner Montoya.
19 COMMISSIONER MONTOYA: Aye.
20 MS. CREEDON: Commissioner Robles.
21 COMMISSIONER ROBLES: Aye.
22 MS. CREEDON: Commissioner Steele.

1 COMMISSIONER STEELE: Aye.

2 MS. CREEDON: Commissioner Cornella.

3 COMMISSIONER CORNELLA: Aye.

4 MS. CREEDON: Commissioner Cox.

5 COMMISSIONER COX: Aye.

6 MS. CREEDON: Commissioner Davis.

7 COMMISSIONER DAVIS: Aye.

8 MS. CREEDON: Mr. Chairman.

9 CHAIRMAN DIXON: Aye.

10 MS. CREEDON: Mr. Chairman, the vote is eight ayes

11 and zero nays.

12 CHAIRMAN DIXON: The motion is adopted.

13 Commissioner Kling.

14 M O T I O N

15 COMMISSIONER KLING: The second motion is: I move

16 that the Commission find that the Secretary of Defense

17 deviated substantially from final criteria five and six and

18 therefore, that the Commission adopt the following

19 recommendation: Close Fleet Industrial Supply Center,

20 Oakland, California, relocate defense finance and accounting

21 service and military Sealift Command to government owned

22 space. The Commission finds this recommendation is

1 consistent with the force structure plan and final criteria.

2 CHAIRMAN DIXON: Is there a second?

3 COMMISSIONER COX: Second the motion.

4 CHAIRMAN DIXON: Commissioner Cox seconds the

5 motion. Are there any further comments?

6 COMMISSIONER STEELE: I'm okay now.

7 CHAIRMAN DIXON: You're okay now. Commissioner

8 Steele is okay now.

9 COMMISSIONER STEELE: You threw me for a loop

10 there.

11 CHAIRMAN DIXON: God bless you. Any further

12 comments?

13 (No response.)

14 CHAIRMAN DIXON: Counsel, call the roll.

15 MS. CREEDON: Commissioner Kling.

16 COMMISSIONER KLING: Aye.

17 MS. CREEDON: Commissioner Montoya.

18 COMMISSIONER MONTOYA: Aye.

19 MS. CREEDON: Commissioner Robles.

20 COMMISSIONER ROBLES: Aye.

21 MS. CREEDON: Commissioner Steele.

22 COMMISSIONER STEELE: Aye.

1 MS. CREEDON: Commissioner Cornella.

2 COMMISSIONER CORNELLA: Aye.

3 MS. CREEDON: Commissioner Cox.

4 COMMISSIONER COX: Aye.

5 MS. CREEDON: Commissioner Davis.

6 COMMISSIONER DAVIS: Aye.

7 MS. CREEDON: Mr. Chairman.

8 CHAIRMAN DIXON: Aye.

9 MS. CREEDON: Mr. Chairman, the vote is eight ayes

10 and zero nays.

11 CHAIRMAN DIXON: And that motion is adopted. Now,

12 ladies and gentlemen, we've concluded the Army section,

13 cleaned up some other things we had to do, we have one agency

14 -- interagency work still to do. We estimate that that's

15 going to take about 45 minutes or so. I want to thank Ed

16 Brown and his Army team for their outstanding work, job well

17 done. We greatly appreciate what you did. We're indebted to

18 you and the country is indebted to you.

19 We're going to take a seven minute recess, drop the

20 gavel promptly at quarter to 9:00. I have that right don't

21 I, General Davis?

22 COMMISSIONER DAVIS: Yes, sir.

1 CHAIRMAN DIXON: And I hope to be -- we hope to be
2 out of here by 9:30;
3 (A brief recess was taken.)
4 CHAIRMAN DIXON: Mr. Cook and Ms. Wasleski, are you
5 folks ready to begin?
6 MR. COOK: We are, Mr. Chairman.
7 CHAIRMAN DIXON: Help me a little bit, are we
8 starting with Defense Logistics Agency Stand Alone
9 Distribution Depots?
10 MR. COOK: We are, sir.
11 CHAIRMAN DIXON: That's where we're beginning. Who
12 is going to begin for us?
13 MR. COOK: I will, sir.
14 CHAIRMAN DIXON: Mr. Cook.
15 MR. COOK: Good evening, Mr. Chairman. The
16 Interagency Issues Team is responsible for the direct
17 analysis of defense agencies. This evening we will be
18 presenting that analyses on the Defense Logistics Agency and
19 the Defense Investigative Service.
20 With me is Marilyn Wasleski, senior analyst, who
21 will do a number of the presentations. The Defense Logistics
22 Agency, or DLA, divided their installations into four

1 categories shown. We will brief those categories which are
2 highlighted, as they are the only ones which contain
3 recommendations.
4 The first category is distribution depots, not to
5 be confused with maintenance depots which have already been
6 discussed. Distribution depots are responsible for receipt,
7 storage and issues of items purchased by item managers. It
8 is basically a warehousing function.
9 DLA has added distribution depots to their list of
10 recommendations because they simply have too much capacity in
11 the system. In the out years requirements for storage
12 capacity will continue to decline due to force structure
13 reductions, outsourcing and management initiatives tied to
14 commercial practices.
15 Distribution depots are further divided into two
16 types, co-locate and stand alone. Co-located depots are, as
17 the name implies, connected with service maintenance depots
18 and exist primarily because of that maintenance function.
19 Yesterday the Commission closed Kelly, McClellan
20 and Letterkenny maintenance depots and the associated
21 distribution depots at those installations. Those actions
22 had an impact on the overall storage capacity system-wide,

1 reducing the availability by approximately 64 million
2 attainable cubic feet. And that's the measure of storage
3 capacity.
4 We will now discuss issues relating to stand alone
5 depots and recognize that any decisions concerning the
6 closure of these depots will also have an impact on the
7 overall storage capacity.
8 Change the slide, please. DLA ranked six stand
9 alone depots in the order shown. After their analysis DLA
10 removed the two most highly rated, San Joaquin and
11 Susquehanna from further analysis because they were costal
12 mega-depots within close proximity of air and water ports of
13 embarkation.
14 Additionally, they were designed as primary
15 distribution sites and are considered the distribution focal
16 points for support of the two major regional conflict
17 concept. The three highlighted depots had specific
18 recommendations. The depots in Memphis and Ogden are
19 recommended for closure and the depot in Columbus is
20 recommended for realignment. Slide.
21 The concept for operations for DLA stand alone
22 depots is shown. As you can see, it calls for two primary

1 distribution sites and a site for slow-moving and war reserve
2 material. DLA's closure recommendations support this concept
3 of operations.
4 Fully implementing the concept of operations will
5 have shortfall ramifications. I'll speak to those
6 momentarily.
7 Here is a map showing the location of the six stand
8 alone depots with the ones involved in DLA recommendations
9 highlighted. The map doesn't accurately reflect the true
10 picture of the storage locations, however, so the next map
11 displays all storage locations, both stand alone and co-
12 located.
13 These depots -- the depot is either closed or
14 recommended for closure are highlighted. The map provides a
15 broader perspective of the total storage system. Next slide.
16 I spoke about the declining inventory and the
17 resulting decline in the need for capacity. I show this
18 graph to display the capacity and inventory relationship of
19 the distribution system over time after the Commission
20 decisions actual and potential are factored in.
21 The sharp decline in capacity in 1996 and 1997 will
22 occur if the depots at Memphis and Ogden are closed. The

1 smaller decline in 1999 and 2000 will occur as a result of
2 the closures of McClellan, San Antonio and Letterkenny.
3 The total impact in the storage system, if all
4 closures are implemented, equals a shortfall of approximately
5 25 million attainable cubic feet. Again, that's the measure
6 of storage capacity.
7 COMMISSIONER COX: Mr. Cook, before you go on on
8 that.
9 CHAIRMAN DIXON: Commissioner Cox.
10 COMMISSIONER COX: That would show potential small
11 lack of capacity in 2000 and beyond. What would be the
12 impact of the Roles and Mission study? Do they go into this?
13 MR. COOK: They do, they had an extensive section
14 on material management and outsourcing of it. Let me have
15 slide A15, please.
16 Roles and Missions Commission report, as I said,
17 had extensive discussion concerning material management
18 functions. In it they indicated that the preferential way of
19 handling shortfalls was outsourcing, even to the tune of
20 providing surge capacity in time of war.
21 COMMISSIONER COX: Even in the private sector for
22 surge capacity?

1 MR. COOK: Absolutely.

2 COMMISSIONER COX: And let me ask you a question,
3 we talked about capacity and all kinds of -- 85 percent is
4 not enough -- too much, 100 percent is too much -- is that
5 shortfall, 20 some-odd thousand, is that a lot, a small
6 amount, is that applicable, are we concerned?

7 MR. COOK: 25 million -- not as concerned as I was
8 prior to yesterday. Let me have backup slide 1A. I would
9 review, Commissioner Cox, how we got the shortfall, and why
10 it doesn't cause as much concern as it might have.

11 The slide shows that the closure of Memphis, Ogden,
12 Letterkenny and Red River would have given us a shortfall of
13 10 million ACF, attainable cubic feet. When the closures of
14 McClellan and San Antonio were added in that gave a total
15 shortfall of over 48 million cubic feet. That provided staff
16 some concern because that seemed to be beyond the capability
17 of DLA to handle with their management practices and so on.

18 We were fully prepared to recommend that something
19 be considered for retention. However, when the Red River
20 Army Depot was added along with the associated distribution
21 depot that knocked the shortfall down to a little over 25
22 almost 26 million attainable cubic feet. According to the

1 Roles and Missions statement that is well within the capacity
2 of private sector to handle.
3 Now, DLA indicated even when they had a total of
4 potential 48 million shortfall they wanted to handle that in-
5 house. We had some problems with that on the staff. As I
6 said, we're fully intending to recommend that they retain
7 some capability.
8 COMMISSIONER COX: But DLA had indicated that they
9 would rather take the 48 million?
10 MR. COOK: That's correct.
11 COMMISSIONER COX: That would be acceptable?
12 MR. COOK: That's what came to us in writing.
13 CHAIRMAN DIXON: Yes, but you were saying, Mr.
14 Cook, that at the point where we are now after the action
15 taken on a prior occasion on Red River that you and staff are
16 comfortable with this question.
17 MR. COOK: Yes, sir. I think there is sufficient
18 capability in the commercial sector -- if the Commission
19 chooses to go that way there is adequate capability in the
20 commercial sector to handle that shortfall.
21 COMMISSIONER KLING: Just so I can understand what
22 you're saying, Mr. Cook, what you're saying is that prior to

1 any of our actions it was 48 that was the acceptable amount
2 to DLA?
3 MR. COOK: Yes, sir. Prior to Red River remaining
4 open 48 million was a shortfall. DLA indicated that they
5 would like to accept that we as a staff had some problem with
6 that.
7 COMMISSIONER KLING: But now, we're going to have
8 less than that.
9 MR. COOK: Now, we've got 25.7.
10 MS. KING: So, they're going to be twice happy -- I
11 mean, twice as easy and comfortable. And you're more
12 comfortable.
13 MR. COOK: Yes, sir.
14 MS. KING: You're more comfortable than you were
15 prior to any of our actions.
16 CHAIRMAN DIXON: He looks very comfortable.
17 COMMISSIONER ROBLES: Mr. Cook, can I ask you a
18 question, please?
19 MR. COOK: Yes, sir.
20 CHAIRMAN DIXON: Commissioner Robles.
21 COMMISSIONER ROBLES: I'm just trying to get my
22 handle on this capacity number because the ever elusive

capacity shows up in different venues. Are the capacity number that you're using, i.e., the requirement numbers, are they after all these initiatives that DLA has been engaged in since the early '90s?

Having been an active participant in the 900 series of DMDs and DMRs, are you telling me this is after DLA rings out all its efficiency, just in time inventory, gets rid of lines, all that whole series of 901 and all those other initiatives, this is where you end up or is it before that?

MR. COOK: It's before that, Commissioner Robles. DLA is currently engaged in a couple programs similar to just in time inventory. They're also involved in rewarehousing, they're bringing some new facilities on line. That does not even begin to account for the private sector capability.

COMMISSIONER ROBLES: Thank you.

CHAIRMAN DIXON: Are there any further questions of Mr. Cook.

COMMISSIONER MONTOYA: I have one.

CHAIRMAN DIXON: Commissioner Montoya.

COMMISSIONER MONTOYA: Does this capacity number at Red River include the potential completion of that huge storage building that they're working on?

1 MR. COOK: It does not, Commissioner Montoya. We
2 did not factor in -- we took a date of March of this year and
3 did capacity analysis based on that date. Both Memphis and
4 Red River have facilities that are under construction.
5 COMMISSIONER MONTOYA: Do you recall what their
6 combined capacity is?
7 MR. COOK: I believe they were adding 3 million
8 attainable cubic feet at Red River for the new facility, but
9 by the same token they're tearing down about 3 million cubic
10 feet of old warehousing.
11 COMMISSIONER MONTOYA: Thank you.
12 CHAIRMAN DIXON: It's just modernization. Any
13 further questions? Any statements.
14 COMMISSIONER STEELE: I have a question.
15 CHAIRMAN DIXON: Commissioner Steele.
16 COMMISSIONER STEELE: Are you going to talk at all
17 about the specific installations or are you about to --
18 MR. COOK: I'm going to talk about those specific
19 installations.
20 COMMISSIONER STEELE: Then I'll wait till we get to
21 the appropriate item. Thank you.
22 MR. COOK: Let me have slide A7 only, please. This

1 chart shows the pertinent data for all three recommendations.
2 The data has been combined for simplicity of presentation,
3 however, each recommendation is separate and distinct.
4 The cost associated with each individual
5 recommendation are listed. Additionally, you can see in the
6 total column that if all recommendations are adopted the
7 system will lose 62.6 million attainable cubic feet of
8 capacity. The one-time cost will be $204 million. And the
9 annual savings will be a little over $56 million. The total
10 net present value would be $585 million.
11 The ROI, on average, would be about a little over
12 two years, which makes these alternatives attractive. I'll
13 discuss each of the alternatives individually.
14 The depot at Columbus was chose to house a slow
15 moving and war reserve material. It simply downgrades their
16 status from an active depot to a storage site. No job loss
17 is below threshold. Economic impact is minimum. No issues
18 have surfaced from the community.
19 Next slide. This is a summary of the option to
20 realign the Columbus storage depot. The staff agrees with
21 the DOD recommendation.
22 CHAIRMAN DIXON: Is there anything else now? Any

1 questions of Mr. Cook?

2 COMMISSIONER ROBLES: On Columbus or on all of

3 them?

4 MR. COOK: On Columbus. I'll go on to each one

5 individually, Commissioner Robles.

6 CHAIRMAN DIXON: Okay. Any questions on Columbus?

7 (No response.)

8 CHAIRMAN DIXON: We'll go on to Memphis if there

9 aren't. Do you want a motion now? Should we dispose of

10 Columbus?

11 MR. COOK: Yes, sir, I would think so.

12 CHAIRMAN DIXON: Why don't we have a motion on

13 Columbus then. Is there a motion?

14 COMMISSIONER KLING: Yes, sir.

15 CHAIRMAN DIXON: Commissioner Kling.

16 COMMISSIONER KLING: Mr. Chairman, I move that the

17 Commission find that the Secretary of Defense did not deviate

18 substantially from the force structure plan and final

19 criteria and, therefore, that the Commission adopt the

20 following recommendation of the Secretary of Defense:

21 Realign the defense distribution depot, Columbus, Ohio, and

22 designate it as a storage site for slow moving war reserve

1 material. Active material remaining at DDCO at the time of
2 realignment will be attrited. Stock replenishment will be
3 stored at optimum space within the distribution system.
4 CHAIRMAN DIXON: I second the motion. Any
5 comments?
6 (No response.)
7 CHAIRMAN DIXON: Counsel will call the roll.
8 MS. KING: Commissioner Kling.
9 COMMISSIONER KLING: Aye.
10 MS. KING: Commissioner Montoya.
11 COMMISSIONER MONTOYA: Aye.
12 MS. KING: Commissioner Robles.
13 COMMISSIONER ROBLES: Aye.
14 MS. KING: Commissioner Steele.
15 COMMISSIONER STEELE: Aye.
16 MS. KING: Commissioner Cornella.
17 COMMISSIONER CORNELLA: Aye.
18 COMMISSIONER COX: Aye.
19 MS. KING: Commissioner Cox is aye. Mr. Chairman.
20 CHAIRMAN DIXON: Aye.
21 MS. KING: Commissioner Davis.
22 COMMISSIONER DAVIS: Aye.

1 MS. KING: Mr. Chairman, the vote is eight ayes and
2 zero nays.
3 CHAIRMAN DIXON: And the motion is agreed to. All
4 right, now on Memphis. Let's go to the slides on Memphis.
5 MR. COOK: The depot at Memphis is a very good
6 physical facility. The community was very involved and
7 raised a number of important issues. We've summarized their
8 position on the major issues on this slide, along with the
9 positions of DOD where applicable, and the R and A staff
10 findings.
11 The community believes that having only two primary
12 distribution sites is shortsighted and that three PDSs would
13 be able to prepare the military to deal with the two MRC
14 concept. Since they had been designated a PDS at one time,
15 and have a large through put capacity they believe they
16 should retain the PDS designation and remain open as an
17 active installation.
18 The R and A staff believes that the DLA concept of
19 operations was developed to meet the two MRC scenario and is
20 inadequate. If the DLA recommendation is implemented the
21 Memphis community believes that an adverse impact on military
22 readiness would occur. They contend that only through the

1 continued existence of their highly mechanized high through
2 put depot, which is located within a superb infrastructure in
3 the central United States can the military be assured of
4 receiving timely support at lowest cost.
5 One cannot argue with the strategic location of the
6 Memphis depot or their support to Operation Desert
7 Shield/Desert Storm. In fact, they believe that their
8 location is ideal from a mobilization point because of the
9 proximity to commercial air, water and international guard
10 facilities.
11 DLA is adopting both direct vendor delivery and
12 prime vendor programs as a business practice. These programs
13 are very similar to the just in time inventory practices
14 which commercial industry currently uses. The result of
15 these programs is that in house storage requirements will be
16 declining.
17 The community position is that the direct vendor
18 delivery and prime vendor programs have not yet matured. And
19 to give up capacity until it is proven is a mistake. They
20 also believe that any shortfall during implementation of
21 these programs should be avoided. Their solution is to allow
22 the Memphis depot to remain open until the system is fully

1 implemented and debugged. DLA is about halfway through their
2 DBD program implementation and to programmed to be completed
3 in 1997. So far no major problems have surfaced.
4 Two final issues I would like to present deal with
5 the cost and economics. The community contends that the one-
6 time cost used by DLA are substantially understated and that
7 annual costs are overstated. Their estimates include a $23
8 million extra for one-time costs $208 million for
9 construction cost avoidance and $136 million for equipment
10 costs. However, the staff could not support their contention
11 that these costs would be required if the depot were closed.
12 Finally, Mr. Chairman, the question of economic
13 impact, while not appearing to be severe, is somewhat
14 misleading. There would be a negative .6 percent impact on
15 the community as a whole, if the depot were closed. However,
16 the impact on the African American community in Memphis would
17 result in a rise in unemployment from the current 9 percent
18 to 9.6 percent since 80 percent of the employees at the depot
19 are African American.
20 Next slide. Mr. Chairman, closing the depot at
21 Memphis would bring with it the pros and cons we have listed
22 on the chart. The annual savings of $23.8 million and the

1 reduction of excess capacity in the storage system by 31.1
2 million attainable cubic feet is the reason this facility has
3 been recommended for closure by DLA.
4 Are there any questions?
5 CHAIRMAN DIXON: Any questions of Mr. Cook.
6 COMMISSIONER ROBLES: Just a question -- more of an
7 observation, but in the form of a question. You know, I
8 understand the DLA approach, which is to not have any stand-
9 alone depots. They're trying to get the number of primary
10 distribution sites down to just a couple. They want to
11 collocate the distribution depots next to their maintenance
12 facilities, or collocate them with maintenance facilities,
13 and they're trying to reduce infrastructure.
14 But, you know, I just don't understand this -- that
15 every once in a while you just got to take a step back and
16 say, "Wait a minute, what about this?" I mean, I got -- we
17 all received at the regional hearing, and I've gotten some
18 additional briefings on the fact that Federal Express has
19 made that a hub, and Memphis is becoming a cargo-handling
20 center of excellence a la Silicon Valley for that industry, a
21 la Route 120 in Boston for the high-tech industry.
22 And more and more companies are gravitating there,

1 and there is going to be some great technology sharing,
2 synergies, and other benefits to be gained. And so I
3 guess -- and plus the basic infrastructure of the depot is
4 very modern, very specialized, lots of storage space, et
5 cetera.
6 Did any of that factor into DLA's analysis? Or did
7 they just use a cookie-cutter approach that says, "Slam, if
8 you're not collocated with a maintenance depot, that's where
9 you go" And for whatever their military ranking value
10 purposes are, "We only want these two PDSs."
11 I'd like a little more insight into this thinking.
12 MR. COOK: There were two measures of merit for the
13 depots, Commissioner Robles. One was the military value, and
14 then, you're absolutely right, the second measure was
15 something called installation military value. And those
16 installations that were collocated with other facilities that
17 would share the overhead received a higher installation
18 military value.
19 The two depots, Memphis and Ogden, suffered in that
20 analysis. The overhead was spread over a larger base --
21 those that were collocated with another facility.
22 COMMISSIONER ROBLES: See, that doesn't seem to be

1 a military value analysis. That seems to be an economic
2 analysis that says, "You help me pay my bills, I love you."
3 And instead of this really has military value because it's
4 geographically located in the right place, the technology is
5 such, its infrastructure is modern and new, the maintenance
6 costs are low. All the things that, at least in my simple
7 mind, constitute military value.
8 So I just wonder why they use a different model for
9 military value than the traditional model.
10 MR. COOK: In the depot world, there are
11 warehouses, there are mechanization, there's expendability,
12 and there's suitability for the mission. Obviously the
13 collocated depots to support the maintenance mission. In the
14 stand-alone depots, the two coastal mega-depots are obviously
15 ones that are the primary distribution centers for going to
16 war on each coast.
17 That left four others. One was designated to be
18 the slow movers, up in Columbus. That left three, Ogden
19 depot and Richmond. Richmond had the best facilities in
20 terms of being new. So the long-term investment in
21 maintenance of facilities at Richmond was lower than the
22 other two. Additionally, it was collocated with an inventory

1 control point and was in close proximity to the Norfolk port.
2 So they had a higher installation military value
3 than the other two. And that left Memphis and Ogden.
4 COMMISSIONER ROBLES: I don't understand the
5 Norfolk port tie-in.
6 MR. COOK: They do a lot of support. They have --
7 of the Norfolk area, Commissioner Robles.
8 COMMISSIONER ROBLES: Oh, but it has nothing to do
9 with the port.
10 MR. COOK: No, sir. I'm sorry.
11 COMMISSIONER ROBLES: It has to do with the Norfolk
12 facility storage.
13 MR. COOK: Strictly storage.
14 COMMISSIONER ROBLES: Okay, I can understand that.
15 CHAIRMAN DIXON: Any other questions or statements?
16 COMMISSIONER DAVIS: This synergism of the Memphis
17 area. I mean, if you go to heaven and hell if you're a
18 package, you got to go to Memphis, because -- with FedEx and
19 company. And that is a hub. Is there great synergism with
20 that capability that exists at Memphis already?
21 MR. COOK: The capability is there. Within 24
22 hours, you can get to about 42 percent of the GIs in the

1 United States, from Memphis, in 24 hours. No doubt that they
2 are centrally located and perform a mission. But that same
3 mission now is going to be picked up partially by Red River,
4 partially by Tinker, and the collocated depots, because
5 they've got storage capacity.
6 COMMISSIONER DAVIS: Yeah, but Red River is still
7 quite a ways from Memphis.
8 MR. COOK: It sure is. It sure is. Yes, sir.
9 COMMISSIONER COX: On that issue -- wasn't there an
10 issue earlier that they were doing a pilot program with FedEx
11 at Memphis.
12 MR. COOK: Yes, they sure were Commissioner Cox.
13 It's just being implemented, as I remember it. I'll get some
14 data for you before I finish this briefing.
15 COMMISSIONER COX: But I also recall that FedEx
16 indicated they didn't have to be in Memphis.
17 MR. COOK: That's true.
18 MS. WASLESKI: It's an overnight delivery program
19 for fast-moving items, but FedEx could do that independent of
20 the --
21 COMMISSIONER COX: Wherever it --
22 MS. WASLESKI: Well, independent of the depot being

1 there.

2 COMMISSIONER COX: I see.

3 MS. WASLESKI: Thank you very much.

4 CHAIRMAN DIXON: Any other questions? Any

5 statements? Is there a motion?

6 COMMISSIONER COX: Mr. Chairman.

7 CHAIRMAN DIXON: Commissioner Cox.

8 COMMISSIONER COX: Are we ready for motions. Okay.

9 M O T I O N

10 COMMISSIONER COX: I move that the Commission find

11 that the Secretary of Defense did not deviate substantially

12 from the force structure plan and final criteria, and

13 therefore that the Commission adopt the following

14 recommendation of the Secretary of Defense.

15 Close Defense Distribution Depot Memphis,

16 Tennessee. Material remaining at the DDMT at the time of

17 closure will be relocated to optimum storage space within the

18 Department of Defense distribution system. As a result of

19 DDMT, all DLA activity will cease at this location, and DDMT

20 will be excessed to DLA needs.

21 CHAIRMAN DIXON: Is there a second to that motion?

22 I second that motion. Is there any further comment?

1 Counsel, call the role.

2 MS. KING: Commissioner Cox.

3 COMMISSIONER COX: Aye.

4 MS. KING: Commissioner Davis.

5 COMMISSIONER DAVIS: Aye.

6 MS. KING: Commissioner Kling.

7 COMMISSIONER KLING: Aye.

8 MS. KING: Commissioner Montoya.

9 COMMISSIONER MONTOYA: Aye.

10 MS. KING: Commissioner Robles.

11 COMMISSIONER ROBLES: Nay.

12 MS. KING: Commissioner Steele.

13 COMMISSIONER STEELE: Aye.

14 MS. KING: Commissioner Cornella.

15 COMMISSIONER CORNELLA: Aye.

16 MS. KING: Mr. Chairman.

17 CHAIRMAN DIXON: Aye.

18 MS. KING: Mr. Chairman, the vote is seven ayes and

19 one nay.

20 CHAIRMAN DIXON: That motion is adopted, seven to

21 one.

22 MR. COOK: The next depot under consideration is

1 the one at Ogden, Utah. Like Memphis, it's a good facility
2 in a desirable location, with an active involvement by the
3 community in its defense. As with Memphis, we've listed the
4 most important issues surfaced by the community, along with
5 DOD and R and A positions.
6 The Ogden community from the beginning indicated
7 that the analysis by DOD was invalid, in that the two depots
8 at San Joaquin and Susquehanna should not have initially been
9 eliminated from further consideration. They felt that the
10 DLA action was inappropriate.
11 We previously sent a point paper to each
12 Commissioner on the issue. In essence, the staff, counsel,
13 and the GAO opinion is that DLA actions were legal and this
14 BRAC decision was not predetermined.
15 The community believes that the depot should have
16 been designated as a primary distribution site because they
17 clearly the demonstrated capability. They also contend that
18 the destination costs for most manufacturers to the depot,
19 and then on to ports or other inland users, are cheaper from
20 Ogden depot than from the California depots. The result, in
21 their opinion, is an adverse impact on military readiness.
22 The staff determined that, from a capability

1 standpoint, the Ogden depot could be designated as a PDS and
2 handle the mission very well. However, the military judgment
3 of DLA, as outlined in their concept of operation, calls for
4 only two primary distribution sites for the two-MRC scenario.
5 The staff found that the cost from the San Joaquin
6 depot in California to the west coast ports and locations are
7 cheaper than from Ogden to the same ports and location,
8 although some second destination costs would be less
9 expensive from Utah to inland locations.
10 Ogden believes that DLA is reducing their depot
11 structure too rapidly, and that less shortfall rather than
12 more should be the guideline. The R and A staff is convinced
13 that the shortfall created by the closure process does not an
14 unmanageable risk for DLA over the two-MRC scenario.
15 A unique mission currently performed at Ogden
16 involves the deployable system, commonly called DEPMEDS. The
17 versatile allows anything from a very small clinic to a full-
18 up hospital to be quickly established via modules. The
19 executive agent for DEPMEDS is the Army, and they've
20 indicated a preference for retaining the mission in the Ogden
21 area, where the climate and an experienced workforce can
22 support the mission.

1 We found that movement of DEPMEDS' mission
2 equipment is best accommodated from a central location, in
3 this case Ogden. During Desert Storm, those assets went
4 through New Orleans, a point nearer Ogden than California,
5 and therefore cheaper and quicker. DLA has indicated that
6 they will relocate the DEPMEDS mission to Hill Air Force Base
7 to accommodate the Army's desire. The staff concurs.
8 CHAIRMAN DIXON: Are there any questions of Mr.
9 Cook.
10 COMMISSIONER STEELE: I do. You sort of answered
11 it. You said staff concurs. My question would be, with our
12 actions yesterday on ALCs, both from a cost standpoint --
13 actually pre-ALC action of moving those. Because, as you
14 know, they're really closely located, Hill Air Force Base and
15 this DDOU.
16 Does it still make sense, both cost-wise and does
17 Hill Air Force Base still have the room, given what we have
18 just handed the Air Force as a management issue, to move the
19 DEPMEDS up to Hill?
20 MR. COOK: We looked at that and discussed that
21 issue with them, Commissioner Steele. Hill Air Force Base
22 has the inside storage to accommodate the mission and the

1 inside storage requirements for DEPMEDS. There is some
2 concern about contiguous storage space for the modules
3 themselves, although that is being worked out. There are
4 some options to keep it in the area, and I'll discuss those
5 in just a second.
6 The inside storage for the DEPMEDS that you saw
7 when you were there can be accommodated at Hill, even with
8 the movement of assets from --
9 COMMISSIONER STEELE: And we got that answer from
10 both Hill Air Force Base?
11 MR. COOK: We did. We asked them both.
12 COMMISSIONER STEELE: Okay. Thanks.
13 CHAIRMAN DIXON: Thank you, Mr. Cook. Is there a
14 motion?
15 COMMISSIONER KLING: Yes, sir, Mr. Chairman.
16 CHAIRMAN DIXON: Commissioner Kling.
17 M O T I O N
18 COMMISSIONER KLING: I move that the commission
19 find that the Secretary of Defense deviated substantially
20 from final criteria 2 and 3, and therefore that the
21 Commission reject the Secretary's recommendation on Defense
22 Distribution Depot Ogden, Utah, and instead adopt the

1 following recommendation.

2 Close Defense Distribution Depot Ogden, Utah,

3 except for minimum essential land and facilities for a

4 reserve component enclave. Material remaining at Defense

5 Depot Ogden Utah at the time of closure will be relocated to

6 optimum storage space within the Department of Defense

7 distribution system.

8 As a result of the closure of DDOU, all DLA

9 activity will cease at this location and DDOU will be

10 excessed to DLA needs. The Commission finds this

11 recommendation is consistent with the force structure plan

12 and final criteria.

13 CHAIRMAN DIXON: I second the motion. Are there

14 any comments?

15 COMMISSIONER STEELE: Yes, Mr. Chairman.

16 CHAIRMAN DIXON: Commissioner Steele.

17 COMMISSIONER STEELE: It's just a clarification

18 question. I believe Mr. Cook was about to say there were

19 other options in the area regarding the DEPMEDS, and I'm

20 wondering if what you didn't present might impact the

21 recommendation and do we need to hear that first, sir.

22 MR. COOK: I'll be happy to tell you that,

1 Commissioner Steele. The community presented a proposal to
2 staff which seems to have some merit. In the event the Ogden
3 Distribution Dep was closed, the community proposes it obtain
4 the present depot land from DOD and then lease the required
5 amount back to DLA to cover not only the necessary long-term
6 storage, but as a vehicle to cover any shortfall.
7 DLA has endorsed the notion of leasing, and this
8 might provide an acceptable solution to any shortfall. I
9 should add that the concept could just as easily apply to the
10 Memphis depot as the one at Ogden to cover any shortfall.
11 COMMISSIONER STEELE: Just one question on there.
12 Because of the movement of DEPMEDS -- I mean, if there's a
13 shortage of space, could they save money by just keeping that
14 one thing there? Or should -- if this closes, I suppose they
15 could do that anyway. I'm not trying to mess it up here, but
16 I also don't want to spend money we don't need to spend.
17 MR. COOK: Part of the recommendation is to
18 maintain the minimum essential land at the Ogden depot for an
19 Army Reserve contonement area. So that's going to be there
20 at any point. Now, to expand that contonement to cover the
21 DEPMEDS could easily be done. To answer your question, it
22 will be more expensive because they'll have to lease the

1 space, as opposed to moving it to Hill, where it's already
2 paid for.
3 CHAIRMAN DIXON: Any other statements or questions?
4 COMMISSIONER STEELE: At this late hour I'm not
5 going to make a big deal about this. I'm just worried that
6 because it's a late hour, we might be locking in something
7 that could save some money if we did it differently. And, I
8 mean, I'd like to depart as much as everybody else.
9 Mr. Cook, do you feel it is worthy to amend a
10 motion in any way, or should we just proceed.
11 MR. COOK: I do feel the motion should be amended,
12 Commissioner Steele. I think DLA has the latitude through
13 the roles and mission --
14 COMMISSIONER STEELE: Enough said. I'm happy.
15 Thank you.
16 CHAIRMAN DIXON: Counsel, call the roll.
17 MS. CREEDON: Commissioner Kling.
18 CHAIRMAN DIXON: Did we have a second to that
19 motion?
20 COMMISSIONER CORNELLA: I seconded.
21 COMMISSIONER KLING: Aye.
22 MS. CREEDON: Commissioner Montoya.

1 COMMISSIONER MONTOYA: Aye.

2 MS. CREEDON: Commissioner Robles.

3 COMMISSIONER ROBLES: Aye.

4 MS. CREEDON: Commissioner Steele.

5 COMMISSIONER STEELE: Aye.

6 MS. CREEDON: Commissioner Cornella.

7 COMMISSIONER CORNELLA: Aye.

8 MS. CREEDON: Commissioner Cox.

9 COMMISSIONER COX: Aye.

10 MS. CREEDON: Commissioner Davis.

11 COMMISSIONER DAVIS: Aye.

12 MS. CREEDON: Mr. Chairman.

13 CHAIRMAN DIXON: Aye.

14 MS. CREEDON: Mr. Chairman, the vote is eight ayes

15 and zero nays.

16 CHAIRMAN DIXON: The motion is unanimously adopted,

17 Defense Logistics Agency -- Inventory Control Points, Defense

18 Industrial Supply Center, Philadelphia, Pennsylvania.

19 MR. COOK: Thank you, sir.

20 Ms. Wasleski will cover the ICPs.

21 MS. WASLESKI: The next category we will brief if

22 inventory control points. An inventory control points, or

1 ICP, mission is to procure and direct the storage and
2 shipment of wholesale industrial weapons system items, such
3 as nuts and bolts, general items, such as light bulbs and
4 film, and troop support items, such as food, clothing, and
5 medical items for the military services. Next slide.
6 DLA began their analysis by grouping the inventory
7 control points, which have like missions, and rating those
8 like missions together. The Defense Construction Supply
9 Center, the Defense General Supply Center and the Defense
10 Industrial Supply Center were all grouped and rated together
11 because they all buy weapon systems and general items for the
12 military services.
13 The Defense Personnel Support Center was rated
14 separately because it is the only inventory control point
15 within DLA which purchases the commercial-type items such as
16 food, clothing and medical items. These items are
17 collectively known as troop support items.
18 The Defense Fuel Supply Center was also rated
19 separately as it is the only ICP, which purchases fuels for
20 the military services. Next slide.
21 DLAs concept of operations is to have four
22 inventory control points grouped together by like items, two

1 weapon systems ICPs, one troop and general support ICP, and
2 one fuel system ICP. The items were grouped this way in
3 order to improve management oversight.
4 The troop and general support items are more
5 conducive to commercial support and thus managed differently
6 than weapon system items or fuel.
7 The DLA concept of operations is to have the
8 Defense Construction Supply Center and the Defense General
9 Supply Center as the weapons systems inventory control
10 points; the Defense Personnel Support Center as the troop and
11 general support inventory control point; and the Defense Fuel
12 Supply Center as the Defense fuels inventory control point.
13 DLA plans to disestablish the Defense Industrial
14 Supply Center in order to obtain this concept. Next slide.
15 This map indicates the locations of the five
16 inventory control points. I would like to point out that the
17 location of an ICP is not geographically dependent. Two of
18 the ICPs are located in Philadelphia, that is the Defense
19 Industrial Supply Center and the Defense Personnel Support
20 Center.
21 The Defense Industrial Supply Center is located in
22 Columbus, Ohio, and the Defense General Supply Center is

1 located in Richmond, Virginia, and the Defense Fuel Center is
2 located here in Alexandria.
3 The Defense Industrial Supply Center is highlighted
4 on this map because it is the primary focus of the DOD
5 recommendation. For future discussions, we will not address
6 the Defense Fuel Supply Center as not involved in the DOD
7 recommendation. Next slide.
8 This chart highlights the effect of the DOD
9 recommendation. There will be a one-time cost of $55.1
10 million with annual savings of $18.4. Economic impact on the
11 communities effected by this recommendation is minimal. Next
12 slide, please.
13 This map illustrates the movement of the items in
14 order to reach DLAs concept of operations. The Defense
15 Construction Supply Center will be moving approximately 46
16 percent of its general item workload to the Defense Personnel
17 Support Center.
18 The Defense Supply Center will be disestablished
19 and sending approximately 63 percent of its weapons system
20 workload to Defense General Supply Center, and 7 percent of
21 its general workload to the Defense Personnel Support Center.
22 The Defense General Supply Center will be moving

1 approximately 49 percent of its general item workload to the
2 Defense Personnel Support Center. In total approximately 2
3 million items will be transferred, however, only about one-
4 third of these items are active items.
5 The Defense Construction Center in Columbus was
6 selected as a weapons system inventory control point, because
7 it currently manages a large number of weapon systems items,
8 and it is also host to a number of DLA and non-DLA activities
9 which allows them to share overhead.
10 The Defense General Supply Center, Richmond, as
11 selected as the other weapons system inventory control point
12 because it also hosts a number of DLA and non-DLA activities
13 and is, in addition, among the best facilities DLA has.
14 The Defense Personnel Support Center was chosen as
15 the troop and general support inventory control point,
16 because no other inventory control point manages troop items,
17 and the general items would be managed like the troop items,
18 which is commercial-type buying.
19 The box in the lower right-hand corner of this map
20 illustrates the net civilian manpower impact, as a result of
21 this recommendation. Philadelphia will lose 369 jobs,
22 Columbus 358, and Richmond gains 323. We have simplified the

1 movement because locations will be losing and receiving
2 manpower allocations. Next slide, please.
3 The community was very involved and raised a number
4 of issues. We have summarized their position on the major
5 issues on this slide, along with the position of the DOD,
6 where applicable and the R and A staff findings.
7 The first issue we looked at was the location
8 selected for the weapons system inventory control points.
9 The community believes that because of their knowledge and
10 number of weapon system items managed, the Defense Industrial
11 Supply Center should have been retained as a weapon system
12 ICP. We agree with the DOD position to have Columbus and
13 Richmond, however, as the weapon systems inventory control
14 points, because of the reasons I just previously stated and
15 why DOD selected them.
16 CHAIRMAN DIXON: Are there any further questions of
17 Ms. Wasleski?
18 COMMISSIONER ROBLES: Aren't you going to go
19 through the rest of those categories?
20 MS. WASLESKI: Yes, if you want me to.
21 CHAIRMAN DIXON: All right, go ahead, Ms. Wasleski.
22 MS. WASLESKI: All right. The second impact -- the

1 second issue raised is impact on military readiness. The
2 community believes the impact will be severe because
3 expertise will be lost as the people who currently managing
4 the items will not be moving with their items to Richmond.
5 This is because the movement of items is a transfer
6 workload non-function, since the Richmond inventory control
7 point performs similar functions as the Defense Industrial
8 Supply Center.
9 The community believes serious performance
10 degradation issues will ensue. We believe there will only be
11 a moderate impact of military readiness. This is because DLA
12 has prior experience in moving items. In fact, DLA has
13 recently completed the transfer of 700 thousand items from
14 the military services over the past three years.
15 In addition, the people at the Defense General
16 Supply Center have experience managing weapons systems items
17 and will be able to assist in the transfer. Further, we
18 believe that DLAs concept of operations will ultimately
19 provide better service to the customer.
20 Another issue raised was the issue of job rights.
21 The community is concerned that, because their organization
22 is being disestablished, employees have no job rights, which

1 is true. As I previously mentioned, this is a workload
2 transfer, not a transfer of function. Although there are no
3 direct job rights, DLA has stated that employees from the
4 Defense Industrial Supply Center will be offered positions
5 within the new Troop and General Support Inventory Control
6 Point to be created in Philadelphia. We believe DLA will
7 offer those employees those jobs.
8 The community questioned, also, some of the DLA's
9 COBRA information. The major item questioned was the cost to
10 transfer the items from one ICP to another that was not
11 included in the COBRA. The community stated that this cost
12 can range anywhere from $57 million to $153 million,
13 depending on how many items are transferred and how automated
14 the process is. DLA agreed that the cost to transfer the
15 items was omitted and revised the COBRA to include one-time
16 item-movement costs of $24 million, and that's the numbers
17 you have, that we gave you earlier.
18 We believe that DLA's estimate on the cost to move
19 the items is on the low side and the community's costs are on
20 the high side. The General Accounting Office believed the
21 costs to be around $66 million. We ran a sensitivity
22 analysis using a one-time cost of $75 million. The analysis

1 increased the return on investment from one year to four
2 years, which still makes it an attractive recommendation to
3 pursue.
4 The community's recommendation, however, is to
5 transfer the items outside the BRAC time limits. The
6 community believes that the number of items that need to be
7 transferred, which includes more items still to be
8 transferred from the services, is too great and will impact
9 military readiness due to performance degradation issues, if
10 done too quickly. The community recommends that the Defense
11 Industrial Supply Center and the Defense Personnel Support
12 Center be merged under one command and the items moved over a
13 longer period of time. We believe, however, that DLA has
14 enough experience in moving the items and can complete the
15 transfer within the BRAC requirements.
16 That's it.
17 CHAIRMAN DIXON: Do you have more, Ms. Wasleski?
18 MS. WASLESKI: No. Any questions?
19 CHAIRMAN DIXON: Are there any questions of Ms.
20 Wasleski?
21 (No response.)
22 CHAIRMAN DIXON: Are there any statements?

1 (No response.)

2 CHAIRMAN DIXON: Is there a motion?

3 COMMISSIONER KLING: Yes, sir.

4 CHAIRMAN DIXON: Commissioner Kling.

5 M O T I O N

6 COMMISSIONER KLING: Mr. Chairman, I move that the
7 commission find that the Secretary of Defense did not deviate
8 substantially from the force structure plan and final
9 criteria and, therefore, that the commission adopt the
10 following recommendation of the Secretary of Defense: the
11 Defense Industrial Supply Center is disestablished.
12 Distribute the management of federal supply classes within
13 the remaining Defense Logistics Agency inventory control
14 points. Create one ICP for the management of troop and
15 general support items in the Defense Personnel Support
16 Center, in Philadelphia, Pennsylvania. Create two ICPs for
17 the management of weapons-systems-related FSCs at the Defense
18 Construction Supply Center, Columbus, Ohio, and the Defense
19 General Supply Center, Richmond, Virginia.

20 CHAIRMAN DIXON: I second the motion.

21 Are there any comments?

22 (No response.)

1 CHAIRMAN DIXON: Counsel will call the roll.

2 MS. CREEDON: Commissioner Kling?

3 COMMISSIONER KLING: Aye.

4 MS. CREEDON: Commissioner Montoya?

5 COMMISSIONER MONTOYA: Aye.

6 MS. CREEDON: Commissioner Robles?

7 COMMISSIONER ROBLES: Aye.

8 MS. CREEDON: Commissioner Steele?

9 COMMISSIONER STEELE: Aye.

10 MS. CREEDON: Commissioner Cornella?

11 COMMISSIONER CORNELLA: Aye.

12 MS. CREEDON: Commissioner Cox?

13 COMMISSIONER COX: Aye.

14 MS. CREEDON: Commissioner Davis?

15 COMMISSIONER DAVIS: Aye.

16 MS. CREEDON: Mr. Chairman?

17 CHAIRMAN DIXON: Aye.

18 MS. CREEDON: Mr. Chairman, the vote is eight ayes

19 and --

20 CHAIRMAN DIXON: And the motion carries

21 unanimously.

22 Defense Contract Management District South,

1 Marietta, Georgia.

2 MR. COOK: Mr. Chairman, we have three

3 recommendations in this category. All of them are below

4 threshold.

5 Let me have slide C-3, please.

6 CHAIRMAN DIXON: You mean Marietta, El Segundo, and

7 Dayton --

8 MR. COOK: Yes, sir.

9 CHAIRMAN DIXON: -- should be considered as a --

10 MR. COOK: No, sir. We'll discuss them

11 individually, but they're -- one's a redirect, and the other

12 two are under threshold.

13 CHAIRMAN DIXON: Okay.

14 MR. COOK: Defense Contract Management Districts

15 are contract administration functions. They're middle

16 management. The DLA has recommended that they disestablish

17 the one in the South.

18 Slide C-4, please.

19 These are the numbers associated with the

20 recommendation. I'll take each one individually.

21 Leave C-4 up, please, and let me have C-5.

22 These are the lines of the district as they're

1 drawn. The highlighted Defense Contract Management District
2 is the one for recommendation.
3 Next slide, please.
4 This will be what the realignment would look like.
5 Basically, the reason for it is the allocation of the
6 contractors are not as great in the South as they are in the
7 Northeast and the Southwest. Frankly, at one time, DLA had
8 nine of these, and now they're down to two, and I suspect in
9 the near future they'll go down to none, with the technology
10 we've got.
11 If you have any questions, I'll be happy to
12 entertain them.
13 CHAIRMAN DIXON: Are there any questions of Mr.
14 Cook?
15 (No response.)
16 CHAIRMAN DIXON: Are there any statements?
17 (No response.)
18 CHAIRMAN DIXON: Are there any motions?
19 COMMISSIONER KLING: Mr. Chairman?
20 CHAIRMAN DIXON: Commissioner Kling.
21 M O T I O N
22 COMMISSIONER KLING: Mr. Chairman, I move that the

1 commission find that the Secretary of Defense did not deviate
2 substantially from the force structure plan and final
3 criteria and, therefore, that the commission adopt the
4 following recommendation of the Secretary of Defense:
5 Disestablish Defense Contract Management District South and
6 relocate missions to Defense Contract Management District
7 Northeast and Defense Contract Management District West.
8 CHAIRMAN DIXON: I second the motion.
9 Are there any comments or questions?
10 (No response.)
11 CHAIRMAN DIXON: Counsel, call the roll.
12 MS. CREEDON: Commissioner Kling?
13 COMMISSIONER KLING: Aye.
14 MS. CREEDON: Commissioner Montoya?
15 COMMISSIONER MONTOYA: Aye.
16 MS. CREEDON: Commissioner Robles?
17 COMMISSIONER ROBLES: Aye.
18 MS. CREEDON: Commissioner Steele?
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella?
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Commissioner Cox?

1 COMMISSIONER COX: Aye.

2 MS. CREEDON: Commissioner Davis?

3 COMMISSIONER DAVIS: Aye.

4 MS. CREEDON: Mr. Chairman?

5 CHAIRMAN DIXON: Aye.

6 MS. CREEDON: Eight ayes.

7 CHAIRMAN DIXON: The motion is adopted unanimously.

8 Are there any questions concerning Defense Contract

9 Management District West, El Segundo, California, or any

10 statements?

11 (No response.)

12 CHAIRMAN DIXON: Is there a motion?

13 COMMISSIONER KLING: Yes, sir.

14 CHAIRMAN DIXON: Commissioner Kling.

15 M O T I O N

16 COMMISSIONER KLING: I move that the commission

17 find that the Secretary of Defense did not deviate

18 substantially from the force structure plan and final

19 criteria and, therefore, that the commission adopt the

20 following recommendation of the Secretary of Defense: This

21 is redirect of the following BRAC '93 commission

22 recommendation. "Relocate the Defense Contract Management

1 District El Segundo, California, to Long Beach Naval
2 Shipyard, Los Angeles, California, or space obtained from
3 exchange of land for space between the Navy and the Port
4 Authority, City of Long Beach." The current recommendation
5 is expanded to read, "Relocate the Defense Contract
6 Management District El Segundo, California, (a) to government
7 property in the Los Angeles-Long Beach area or (b) to space
8 obtained from exchange of land between the Navy and the Port
9 Authority, City of Long Beach or (c) to a purchased office
10 building, whichever is the most cost-effective for the
11 Department of Defense.
12 CHAIRMAN DIXON: I second the motion.
13 Is there any comment or any question or any
14 statement?
15 (No response.)
16 CHAIRMAN DIXON: Counsel, call the roll.
17 MS. CREEDON: Commissioner Kling?
18 COMMISSIONER KLING: Aye.
19 MS. CREEDON: Commissioner Montoya?
20 COMMISSIONER MONTOYA: Aye.
21 MS. CREEDON: Commissioner Robles?
22 COMMISSIONER ROBLES: Aye.

1 MS. CREEDON: Commissioner Steele?

2 COMMISSIONER STEELE: Aye.

3 MS. CREEDON: Commissioner Cornella?

4 COMMISSIONER CORNELLA: Aye.

5 MS. CREEDON: Commissioner Cox?

6 COMMISSIONER COX: Aye.

7 MS. CREEDON: Commissioner Davis?

8 COMMISSIONER DAVIS: Aye.

9 MS. CREEDON: Mr. Chairman?

10 CHAIRMAN DIXON: Aye.

11 MS. CREEDON: There are eight ayes and zero nays.

12 CHAIRMAN DIXON: The motion passes unanimously.

13 Are there any questions of Mr. Cook or Ms. Wasleski

14 concerning Dayton, Ohio?

15 (No response.)

16 CHAIRMAN DIXON: Is there a motion?

17 COMMISSIONER KLING: Mr. Chairman?

18 CHAIRMAN DIXON: Commissioner Kling?

19 M O T I O N

20 COMMISSIONER KLING: I move that the commission

21 find that the Secretary of Defense did not deviate

22 substantially from the force structure plan and final

1 criteria and, therefore, that the commission adopt the
2 following recommendation of the Secretary of Defense:
3 Realign the Defense Contract Management Command International
4 Dayton, Ohio, and merge its mission into the Defense Contract
5 Management Command Headquarters, Fort Belvoir, Virginia.
6 CHAIRMAN DIXON: I second the motion.
7 Are there any comments?
8 (No response.)
9 CHAIRMAN DIXON: Are there any questions?
10 (No response.)
11 CHAIRMAN DIXON: Counsel will call the roll.
12 MS. CREEDON: Commissioner Kling?
13 COMMISSIONER KLING: Aye.
14 MS. CREEDON: Commissioner Montoya?
15 COMMISSIONER MONTOYA: Aye.
16 MS. CREEDON: Commissioner Robles?
17 COMMISSIONER ROBLES: Aye.
18 MS. CREEDON: Commissioner Steele?
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella?
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Commissioner Cox?

1 COMMISSIONER COX: Aye.

2 MS. CREEDON: Commissioner Davis?

3 COMMISSIONER DAVIS: Aye.

4 MS. CREEDON: Mr. Chairman?

5 CHAIRMAN DIXON: Aye.

6 MS. CREEDON: Mr. Chairman, there are eight ayes

7 and zero nays.

8 CHAIRMAN DIXON: And the motion is adopted

9 unanimously.

10 Defense Investigative Service, Investigations

11 Control and Automation Directorate, Fort Holabird, Maryland.

12 Mr. Cook?

13 MR. COOK: Sir, in 1988 they closed Fort Holabird,

14 except for the investigative service office there. Terrible

15 facilities, 1940 buildings. They want to move on to Fort

16 Meade. It makes sense. We checked to see if there was

17 anything within a 50-mile radius that would accommodate them.

18 We found none. It makes sense. The staff concurs in the

19 recommendation.

20 CHAIRMAN DIXON: Any questions?

21 (No response.)

22 CHAIRMAN DIXON: Any motion?

1 COMMISSIONER KLING: Yes, sir.

2 CHAIRMAN DIXON: Commissioner Kling.

3 M O T I O N

4 COMMISSIONER KLING: I move that the commission
5 find that the Secretary of Defense did not deviate
6 substantially from the force structure plan and final
7 criteria and, therefore, that the commission adopt the
8 following recommendation of the Secretary of Defense:
9 Relocate the Defense Investigative Service Investigation
10 Control and Automation Directorate from Fort Holabird,
11 Maryland, to a new facility to be built on Fort Meade,
12 Maryland. This proposal is a revision to the 1988 Base
13 Closure Commission's recommendation to retain the Defense
14 Investigative Service at Fort Holabird. Once DIS vacates the
15 building on Fort Holabird, the base will be vacant.

16 CHAIRMAN DIXON: I second the motion.

17 Are there any questions or statements?

18 (No response.)

19 CHAIRMAN DIXON: Counsel will call the roll.

20 MS. CREEDON: Commissioner Kling?

21 (No response.)

22 CHAIRMAN DIXON: Commissioner Kling?

1 COMMISSIONER KLING: Aye.

2 MS. CREEDON: Commissioner Montoya?

3 COMMISSIONER MONTOYA: Aye.

4 MS. CREEDON: Commissioner Robles?

5 COMMISSIONER ROBLES: Aye.

6 MS. CREEDON: Commissioner Steele?

7 COMMISSIONER STEELE: Aye.

8 MS. CREEDON: Commissioner Cornella?

9 COMMISSIONER CORNELLA: Aye.

10 MS. CREEDON: Commissioner Cox?

11 COMMISSIONER COX: Aye.

12 MS. CREEDON: Commissioner Davis?

13 COMMISSIONER DAVIS: Aye.

14 MS. CREEDON: Mr. Chairman?

15 CHAIRMAN DIXON: Aye.

16 MS. CREEDON: Mr. Chairman, eight ayes and no nays.

17 CHAIRMAN DIXON: The motion is unanimously adopted.

18 MR. COOK: Sir, with the loss of that last

19 facility, Fort Holabird is now excess to the Army needs.

20 CHAIRMAN DIXON: Any questions?

21 (No response.)

22 CHAIRMAN DIXON: Any statements?

1 (No response.)

2 CHAIRMAN DIXON: Is there a motion?

3 (No response.)

4 CHAIRMAN DIXON: Commissioner Kling? Commissioner
5 Kling, this is the last one. You've just got to stay on the
6 ball here.

7 COMMISSIONER KLING: Oh, I'm sorry. Don't let me
8 miss this one.

9 CHAIRMAN DIXON: Apply yourself, apply yourself.

10 COMMISSIONER KLING: Is everybody ready?

11 (Laughter.)

12 COMMISSIONER KLING: Is there anybody that's not
13 ready?

14 (No response.)

15 COMMISSIONER KLING: Okay.

16 CHAIRMAN DIXON: Commissioner Kling.

17 M O T I O N

18 COMMISSIONER KLING: I move that the commission
19 find that the Secretary of Defense deviated substantially
20 from final criteria 1 and, therefore, that the commission
21 adopt the following recommendation: close Fort Holabird,
22 Maryland. The commission finds this recommendation is

1 consistent with the force structure plan and final criteria.

2 COMMISSIONER DAVIS: I'd like to second.

3 CHAIRMAN DIXON: And Commissioner Cornella -- or

4 who said that?

5 COMMISSIONER DAVIS: Davis.

6 CHAIRMAN DIXON: Commissioner Davis seconds that

7 final motion, with great authority.

8 COMMISSIONER CORNELLA: I do, too.

9 COMMISSIONER MONTOYA: I think we all do.

10 CHAIRMAN DIXON: It's thirded, fourthed, fifthed,

11 sixthed. All right.

12 MS. CREEDON: Commissioner Kling?

13 COMMISSIONER KLING: Aye.

14 MS. CREEDON: Commissioner Montoya?

15 COMMISSIONER MONTOYA: Aye.

16 MS. CREEDON: Commissioner Robles?

17 COMMISSIONER ROBLES: Aye.

18 MS. CREEDON: Commissioner Steele?

19 COMMISSIONER STEELE: Aye.

20 MS. CREEDON: Commissioner Cornella?

21 COMMISSIONER CORNELLA: Aye.

22 MS. CREEDON: Commissioner Cox?

1 COMMISSIONER COX: Aye.

2 MS. CREEDON: Commissioner Davis?

3 COMMISSIONER DAVIS: Aye.

4 MS. CREEDON: Mr. Chairman?

5 CHAIRMAN DIXON: Aye.

6 MS. CREEDON: Eight ayes and no nays.

7 CHAIRMAN DIXON: The motion is unanimously adopted.

8 Now, folks, just a moment. We've got some clean-

9 up. First, Mr. Cook and Ms. Wasleski and everybody involved,

10 thank you all for your immensely fine service. You're a

11 great contribution to this commission and our country.

12 Is there anything else out there? Are you

13 satisfied we've got it all in a box?

14 MR. LYLES: We are, Mr. Chairman.

15 CHAIRMAN DIXON: My fellow commissioners, on the

16 advice of counsel, I move the commission staff be allowed to

17 make minor editorial changes of a technical and grammatical

18 nature to the recommendations that we have adopted, in order

19 to assemble the commission's report, which we must submit to

20 the President of the United States by July 1, 1995. Is there

21 a second?

22 COMMISSIONER KLING: I second that, Mr. Chairman.

1 CHAIRMAN DIXON: Mr. Kling seconds that motion.
2 Counsel will call the roll.
3 MS. CREEDON: Commissioner Dixon?
4 CHAIRMAN DIXON: Aye.
5 MS. CREEDON: Commissioner Cornella?
6 COMMISSIONER CORNELLA: Aye.
7 MS. CREEDON: Commissioner Cox?
8 COMMISSIONER COX: Aye.
9 MS. CREEDON: Commissioner Davis?
10 COMMISSIONER DAVIS: Aye.
11 MS. CREEDON: Commissioner Kling?
12 COMMISSIONER KLING: Aye.
13 MS. CREEDON: Commissioner Montoya?
14 COMMISSIONER MONTOYA: Aye.
15 MS. CREEDON: Commissioner Robles?
16 COMMISSIONER ROBLES: Aye.
17 MS. CREEDON: Commissioner Steele?
18 COMMISSIONER STEELE: Aye.
19 MS. CREEDON: Mr. Chairman, the motion passes,
20 eight to zero.
21 CHAIRMAN DIXON: The motion is adopted.
22 Ladies and gentlemen, we have now completed our

1 voting, and the list of closures and realignments recommended
2 by the 1995 Base Closure Commission is now complete. The
3 process has been a painful one, and the real pain will now
4 begin in dozens of communities whose defining characteristic
5 over the years has been their unswerving support of the men
6 and women of the American military.
7 I will not try to console those whose jobs will be
8 eliminated by talking about some greater good. I know that's
9 not much of a consolation. However, I must repeat something
10 I said at the beginning of these deliberations, both because
11 it is so important and because I believe it so strongly.
12 Closing bases now is the key to the continued
13 readiness and future modernization of our military forces. I
14 also strongly believe we have done our job fairly,
15 independently, and openly, as was intended by the law that
16 set up the commission.
17 We will now place all the recommendations we have
18 made into a report which we will deliver to the President of
19 the United States no later than July 1, 1995. The president
20 or the Congress may accept or reject our recommendations in
21 total, but they may not change them. Under the present law,
22 this commission will go out of business on December 31 of

1 this year.

2 Our report to the president will contain a

3 recommendation that Congress authorize another round of base

4 closures in the year 2001, after the Department of Defense

5 has had time to assess the true impact of four rounds of

6 previous closures on excess infrastructure.

7 Our report will also contain the commission's

8 thoughts on how the federal government can improve its

9 performance in helping communities replace closed bases in

10 their local economies. There is life after base closure, and

11 although today is not the day people might want to focus on

12 that, the federal government owes it to these communities to

13 assist them in converting their economies from military to

14 civilian.

15 Finally, I'd like to take a moment to thank the

16 Base Closure Commission staff, one of the most capable and

17 dedicated groups of public servants it's ever been my honor

18 to know. Their work was necessarily done in a highly charged

19 atmosphere, and they carried out their duties with remarkable

20 sensitivity. I'll not take the time to name them all, but

21 they have my gratitude and that of all the commissioners, I

22 know.

1 I'd like to mention, however, the splendid work
2 done by David Lyles, the staff director; by Charles Smith,
3 the executive director; and by Madelyn Creedon, the general
4 counsel. Without their leadership, we would not have
5 accomplished as much as we did.
6 My friends, with that, the final deliberations of
7 the 1995 Base Closure and Realignment Commission are
8 concluded. We stand adjourned.
9 (Whereupon, at 9:40 p.m., the meeting was
10 concluded.)