

ATCOM

**DEFENSE BASE CLOSURE & REALIGNMENT COMMISSION  
1700 NORTH MOORE STREET, SUITE 1425  
ARLINGTON, VIRGINIA 22209  
(703) 696-0504**

**MEMORANDUM OF MEETING**

**DATE:** March 21, 1995

**TIME:** 4 p.m.

**MEETING WITH:** Representative of Congressman Gephardt's staff

**SUBJECT:** ATCOM

**PARTICIPANTS:**

***Name/Title/Phone Number:***

Brett O'Brien, Office of Rep. Richard Gephardt

***Commission Staff:***

Jim Schufreider; Manager, House Liaison

Ed Brown; Army Team Leader

Mike Kennedy; Army Team Analyst

**MEETING PURPOSE:**

Mr. O'Brien discussed his concerns with the Army's recommendation to disestablish the Aviation and Troop Command. The specific issues raised are as follows:

- The Army did not follow the DOD criteria for assessing leased facilities in that they did not use criteria 1 through 4 to assess military value. Ed Brown noted that this was a legal question which will be referred to the General Counsel.
- The recommendation does not achieve the Army's objective to optimize the operational efficiency of commodity installation, since the base operating support at the receiving based is greater than the lease cost.
- ATCOM has already reduced civilian personnel by approximately 600 positions which is nearly two-thirds of the Army's projected 1,022 elimination's. Thus, the projected savings will not be realized.

*Show me*

Mike Kennedy/Army Team/3/23/95

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

March 29, 1995

The Honorable Alan J. Dixon  
Defense Base Closure and Realignment Commission  
1700 North Moore Street, Suite 1425  
Arlington, VA 22209

Dear Chairman Dixon:

We are writing to urge that the Defense Base Closure and Realignment (BRAC) Commission remove the Army's Aviation and Troop Command (ATCOM) from the list of military installations to be closed. We look forward to meeting with you to discuss this matter fully, and would like to take this opportunity to outline the reasons why ATCOM should remain open.

Established in 1991, ATCOM has sole responsibility for the research, development, engineering and logistical support for the Army's airborne systems and for field and troop support equipment. As the Army Public Affairs office noted in April 1994, ATCOM "is the only command in the Army that affects every soldier, every day." It operates from leased space at the St. Louis Federal Center, a facility owned by the General Services Administration.

As you know, the Army has recommended that ATCOM be disestablished and that its aviation functions be transferred to Redstone Arsenal; its soldier systems functions be transferred to Natick Research, Development and Engineering Center (RDEC); its communications and electronics functions be transferred to Fort Monmouth; and its automotive functions be transferred to Detroit Arsenal. We believe that this proposal should be rejected by the BRAC Commission based on our initial findings that in recommending ATCOM for closure, the Army:

- (1) failed to comply with the base closure law's requirement that all closure recommendations be based on the final selection criteria;
- (2) failed to comply with the objectives of its own Stationing Strategy;
- (3) overestimated the cost savings to the government, which are much lower than represented; and,
- (4) failed to consider more cost-effective alternatives.

These findings have led us to conclude that the Army deviated substantially from final criteria 1, 2, 3, 4 and 5 in recommending that ATCOM be closed. We would like to present these findings in order to provide you with critical information in advance of the BRAC regional hearing on April 12. We also plan to provide additional information that will further substantiate our conclusion that ATCOM must be removed from the Defense Department's BRAC list.

## FAILURE TO COMPLY WITH THE BASE CLOSURE LAW

As you know, the base closure law requires that the Defense Department make recommendations to close or realign military installations, including leased facilities, "on the basis of the force structure plan and the final criteria." In keeping with this requirement, the Defense Department delineated eight final criteria and instructed each Service to give priority consideration to the first four, which measure military value.

We have found that the Army failed to consider any of the military value criteria when selecting leased facilities for closure, despite the law's requirement that these facilities be evaluated in the same manner as all other installations. The Army's Management Control Plan for the 1995 base closure process indicates that the Army evaluated installations on the basis of the military value criteria during its "Installation Assessment" phase. It states that during this phase, "each category of installations is compared using a set of attributes," and that "each attribute is linked to one of the four DOD selection criteria that measure Military Value." This was the only phase of the Army's base closure selection process in which the first four criteria were used as the basis for developing closure recommendations.

The Army's Management Control Plan clearly shows that leased facilities were excluded from this phase of the process. These facilities were reviewed by the Army only after all other facilities had been evaluated on the basis of the first four criteria and had received military value rankings (see Attachment A). As indicated in the materials presented to the Army leadership for base closure decisions, ATCOM and other leased facilities were not assigned military value ratings by which to evaluate whether closure was appropriate. The Army leadership based its decision to close ATCOM not on the basis of the eight final criteria as required by the law, but solely on the basis of a cost/savings analysis (which itself is flawed -- see below).

In light of the above, it is evident that the Army did not simply deviate substantially from the four military value criteria in recommending ATCOM and other leased facilities for closure. It deviated entirely from these criteria by excluding leased facilities from its military value analysis of installations.

The Army's analysis of leased facilities for the 1995 base closure process differed from the manner in which these facilities were considered in 1993. During that base closure round, the Army considered leased facilities within categories associated with their individual missions, which enabled each to be evaluated on the basis of the military value criteria. It appears that the Army considered leased facilities differently in 1995 in order to address the 1993 BRAC Commission's suggestion that the Services include a separate category for leased facilities during the 1995 process. While the Army succeeded in addressing this suggestion, it clearly violated the requirements of the base closure law by failing to evaluate leased facilities on the basis of the military value criteria. It should be noted that the Army was the only Service to make this error, both the Navy and the Air Force performed military value analyses of their leased facilities.

## FAILURE TO COMPLY WITH THE ARMY'S STATIONING STRATEGY

In recommending ATCOM for closure, the Army failed to comply with its own Stationing Strategy, which was intended to provide an operational context for base closure planning and analysis.

In 1993, the Army evaluated ATCOM in the Commodity Installations category, along with other facilities responsible for research, development, engineering, fielding and sustainment of weapons systems. The Army has now recommended that ATCOM's functions be transferred to four installations in this same category. The Army's Stationing Strategy states that "efficiency... should be the key consideration in stationing commodity-oriented organizations," and that such efficiency can be "achieved through collocation and integration of research, engineering, acquisition and logistics functions, as well as reduced overhead."

Contrary to this guiding strategy, the Army's own data demonstrates that the transfer of ATCOM's functions to the bases scheduled to receive them will reduce efficiency and increase overhead. As Attachment B shows, ATCOM's annual overhead costs of \$7.6 million annually or \$1,831 per person are much lower than any of the bases recommended to receive its functions -- 63 percent lower than Redstone Arsenal, 86 percent lower than Fort Monmouth and Detroit Arsenal, and 94 percent lower than Natick RDEC. In addition, the transfer of ATCOM's functions to the proposed receiving bases would increase the Army's annual overhead costs by 46 percent -- from \$7.6 million to \$11.1 million (see Attachment C).

This data is similar to the Army's findings during the 1993 base closure process. At that time, the Army evaluated the operational efficiency of ATCOM and other Commodity Installations and found that ATCOM (along with associated activities in the St. Louis area) was more efficient than three of the four installation now being recommended to receive its functions. Despite these facts, the Army's 1995 analysis precluded any consideration of moving functions to ATCOM in order to take advantage of its significant efficiencies.

As you know, St. Louis is a world center for the military and civilian aviation industry. Numerous businesses have located in the St. Louis metropolitan area to provide the Army with the most efficient and cost-effective method of conducting product development and procurement. Uniquely skilled personnel associated with ATCOM's aviation operations, local contractors and academic institutions provide the Army with unmatched aviation expertise. Moving ATCOM's aviation support functions to Redstone Arsenal would terminate the efficiencies that have developed as a result of this streamlined and unified command and decimate the synergistic relationship between Army aviation activities and their suppliers. This loss of efficiencies would be in addition to the higher overhead costs that would be incurred by the Army at each of the proposed receiving bases.

In light of the above, it is clear that closing ATCOM and moving its functions to the bases proposed by the Army would contradict its own Stationing Strategy to increase efficiency and reduce overhead.

## OVERESTIMATION OF COST SAVINGS AND FAILURE TO CONSIDER BETTER ALTERNATIVES

We have found that in recommending that ATCOM be closed, the Army contradicted its own cost analyses from prior base closure rounds, overestimated the savings associated with its closure, and failed to consider more cost-effective alternatives.

During the 1991 base closure process, the Army created ATCOM through the merger of the Aviation Systems Command and the Troop Support Command. In justifying this merger, the Army stated that "military value in the form of management and costs efficiency was the driving factor for this recommendation."

In 1993, the Army acted on a recommendation by the 1991 BRAC Commission and evaluated the possibility of moving ATCOM's functions to Army-owned facilities. In its report to the 1993 BRAC Commission, the Army stated that "the high relocation costs make realignment or closure impractical and prohibitively expensive."

Despite these earlier determinations, the Army now asserts that the closure of ATCOM would generate considerable savings. Specifically, the Army claims that the total one-time cost to close ATCOM would be \$146 million, and that annual recurring savings after its implementation would be \$46 million with a return on investment expected three years after closure. It also claims that the net present value of the costs and savings over 20 years would be a savings of \$453 million. We believe that the Army overestimated these savings and failed to consider alternatives that would result in much higher savings.

First, the Army failed to examine the source of costs and savings generated by the closure of ATCOM and the personnel reductions being undertaken by ATCOM itself. The Army's COBRA analysis indicates that nearly all of the costs associated with the closure of ATCOM would consist of moving, military construction, and annual overhead costs at the bases receiving ATCOM functions (\$144 million in one-time costs, \$12 million in annual recurring costs). At the same time, nearly all of the savings would come from the elimination of 1,066 military and civilian positions at ATCOM (\$50.5 million in annual savings). Given the source of these costs and savings -- along with ATCOM's much lower overhead costs -- the Army should have considered retaining ATCOM in St. Louis and examined ATCOM's own plans to reduce personnel.

We have found that the number of military and civilian employees at ATCOM has been reduced by approximately 178 since the Army collected personnel data for the 1995 base closure process. Consequently, the Army has already gained \$8.2 million of the \$50.5 million in salary-based savings it claims to achieve through ATCOM's closure. As a result, the Army's estimate of annual personnel savings generated by closing ATCOM should be reduced to \$42.3 million.

The personnel reductions noted above are part of a downsizing effort ATCOM has undertaken in order to meet the Army's own projections of future personnel levels. This downsizing, if allowed to continue, will result in a reduction of at least 1,051 positions

(83 military, 968 civilian) at ATCOM by 1999. This in turn will produce at least \$44.5 million in savings annually -- without incurring any of the costs associated with moving ATCOM's functions to other bases. The Army's own estimates indicate that the vast majority of these personnel reductions could be accomplished through retirements, attrition and placement of personnel at other government facilities.

Second, the Army failed to acknowledge that vacating the leased facility that houses ATCOM would not generate any savings for the U.S. Government. In prior base closure rounds, the General Accounting Office (GAO) recommended that the Defense Department consider the governmentwide costs and savings associated with base closure recommendations. The GAO stated in its report on the 1993 base closure process that

DOD counts the reductions in rent as savings even when the buildings are federally owned facilities. In some cases, the moves require construction of new DOD facilities and the rental savings are used to offset and justify the construction costs. In actuality, this may not represent an overall savings to the government.

This statement describes precisely the actions taken by the Army in calculating the costs and savings associated with the closure of ATCOM. ATCOM operates from leased space at the St. Louis Federal Center, which is owned by the General Services Administration (GSA). Consequently, the Army's departure from this leased space will not result in savings to the government because the GSA will continue to own the facility. Therefore, the Army's estimate of annual savings from the closure of ATCOM should be reduced by the lease cost of \$7.6 million.

Third, the Army failed to consider the alternative of vacating leased facilities currently held by the four bases recommended to receive ATCOM functions. The Army has reported that leases currently held by Redstone Arsenal, Detroit Arsenal, Fort Monmouth and Natick RDEC cost a total of \$16.1 million annually (see Attachment D). Terminating these leases and moving their activities to the nearby bases could generate considerable savings for the Army and incur much lower costs than the estimated \$60.6 million that would be required to move functions from St. Louis.

Based on the above, the savings that could be expected from the closure of ATCOM are much lower than estimated by the Army. By adjusting the Army's COBRA analysis for the personnel reductions already implemented at ATCOM and the fact that vacating the GSA lease will not result in savings to the government, we have found that the actual one-time cost to close ATCOM would remain about \$146 million, and the annual recurring savings after its implementation would be \$29 million -- \$17 million less than claimed by the Army. Also, the return on investment would not occur until 2004 -- twice as long as originally expected. In addition, the net present value of the costs and savings over 20 years would be approximately \$213 million less than claimed by the Army.

Alternatively, by allowing ATCOM to remain in St. Louis and continue downsizing in accordance with Army projections, the Army would incur a total one-time cost of only about \$1.6 million (early retirement, etc.) and achieve annual recurring savings of at least \$44.5 million. In

this scenario, the Army would obtain an immediate return on investment, and the net present value over 20 years would be about \$621 million in savings -- \$168 million more than the Army itself expects to realize by closing ATCOM.

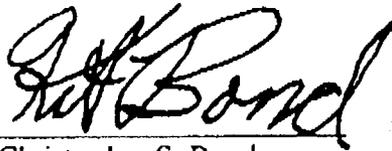
In light of the above, retaining ATCOM would allow the government to save \$144 million in one-time costs and \$12 million in annual overhead costs associated with performing ATCOM's functions at other bases. It would also generate at least \$44.5 million in savings annually through ATCOM's 1995-99 downsizing efforts.

\* \* \* \* \*

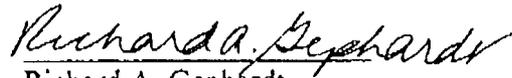
We hope you will give the above information full consideration as you review all relevant materials regarding the Army's recommendation to close ATCOM. Based on our initial analysis, it appears that by failing to consider ATCOM and other leased facilities on the basis of the four military value criteria and by overestimating the savings associated with ATCOM's closure, the Army deviated substantially from final criteria 1, 2, 3, 4 and 5. In doing so, the Army also contradicted the objective of its own Stationing Strategy to increase efficiency. We believe that these facts merit the removal of ATCOM from the Defense Department's base closure and realignment list.

We appreciate your attention to this matter, which is of critical importance to our nation's defense capabilities and the citizens of the St. Louis area.

Sincerely,



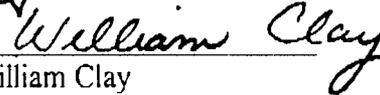
Christopher S. Bond  
United States Senator



Richard A. Gephardt  
Member of Congress



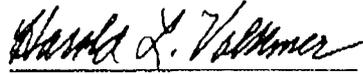
John Ashcroft  
United States Senator



William Clay  
Member of Congress



James M. Talent  
Member of Congress



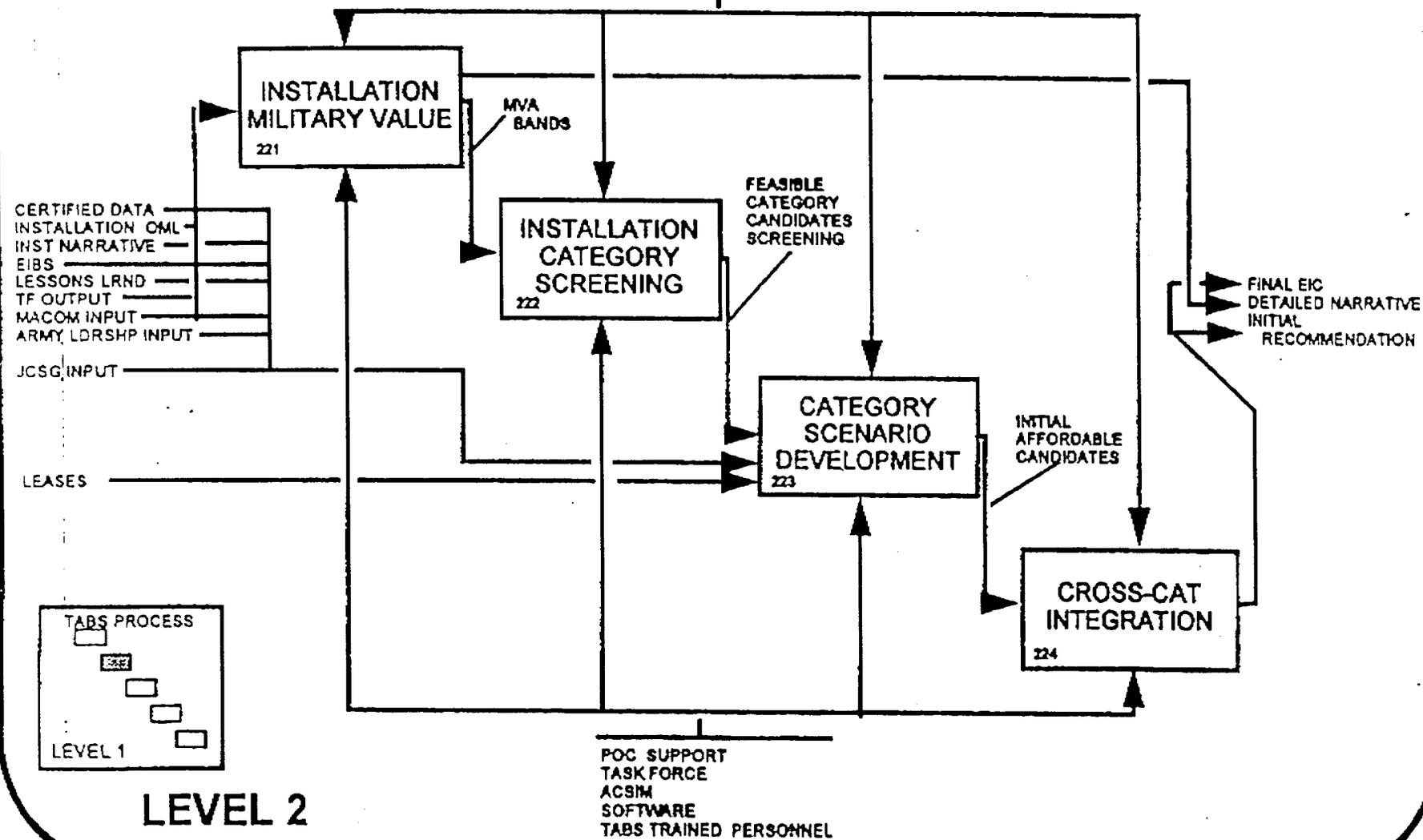
Harold L. Volkmer  
Member of Congress

Attachments



# TABS DETAILED ANALYSIS (12)

TIME LAW TASS FORCE STRUCTURE DoD CRITERIA ICP MGT PLAN AAA PLAN POLICY CHARTER



LEVEL 2

THE ARMY BASING STUDY

12:50 PM  
3/17/04

MAR 31 '95 17:59 FR

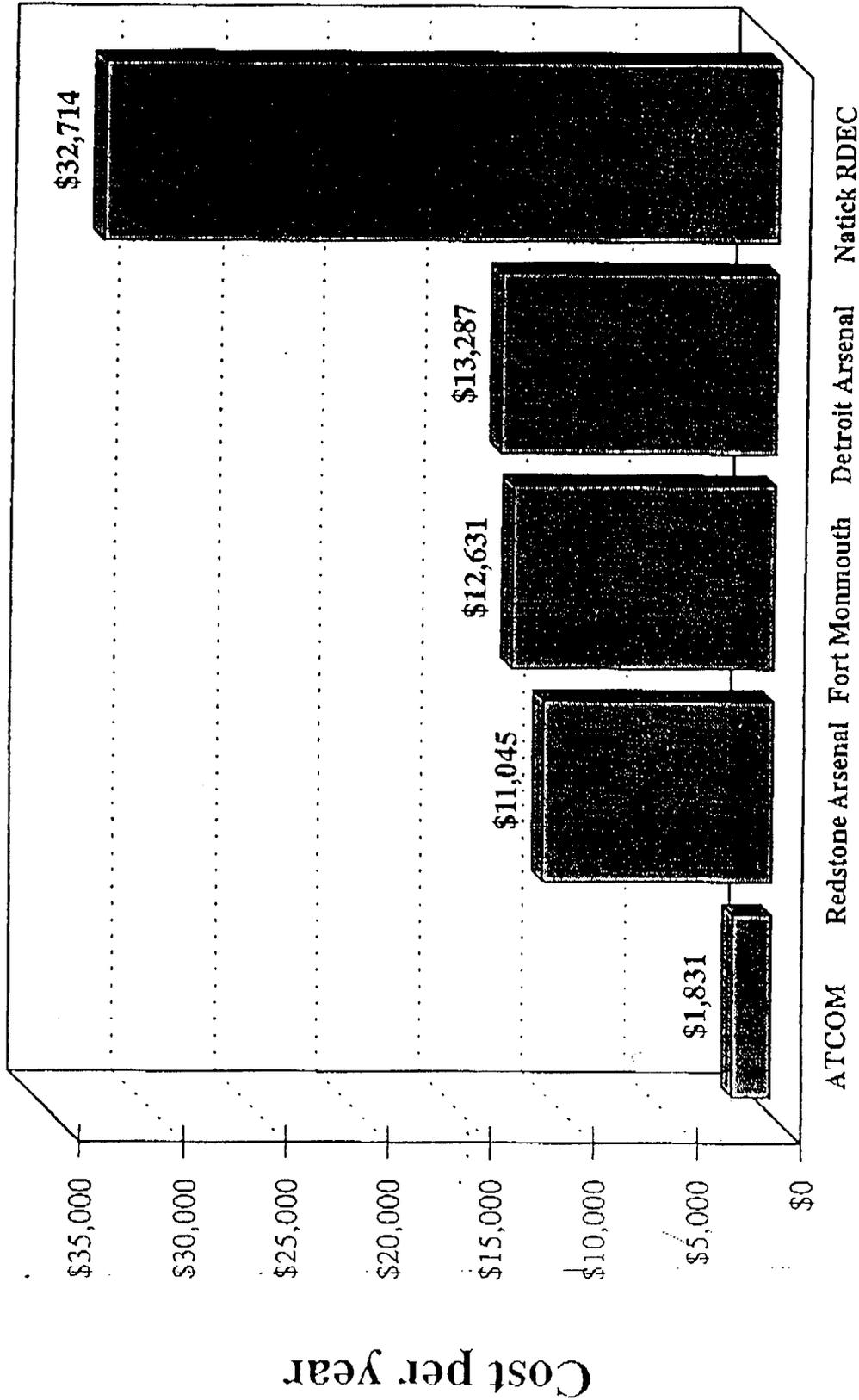
TO 917006960550

P.08/11

Attachment A

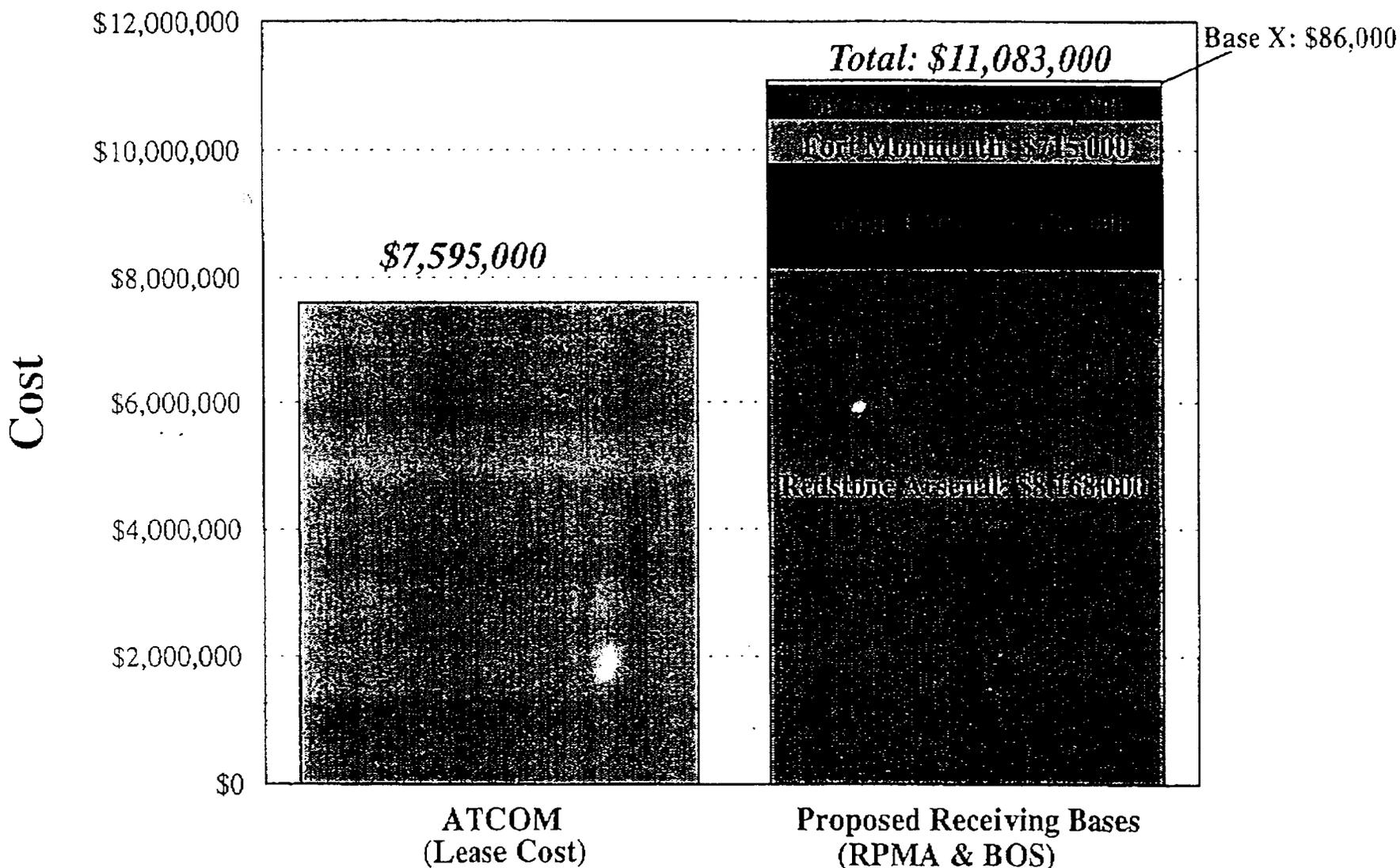
# Facility Overhead Cost Per Employee

Based on Lease, Real Property Maintenance, and Base Operations Support costs



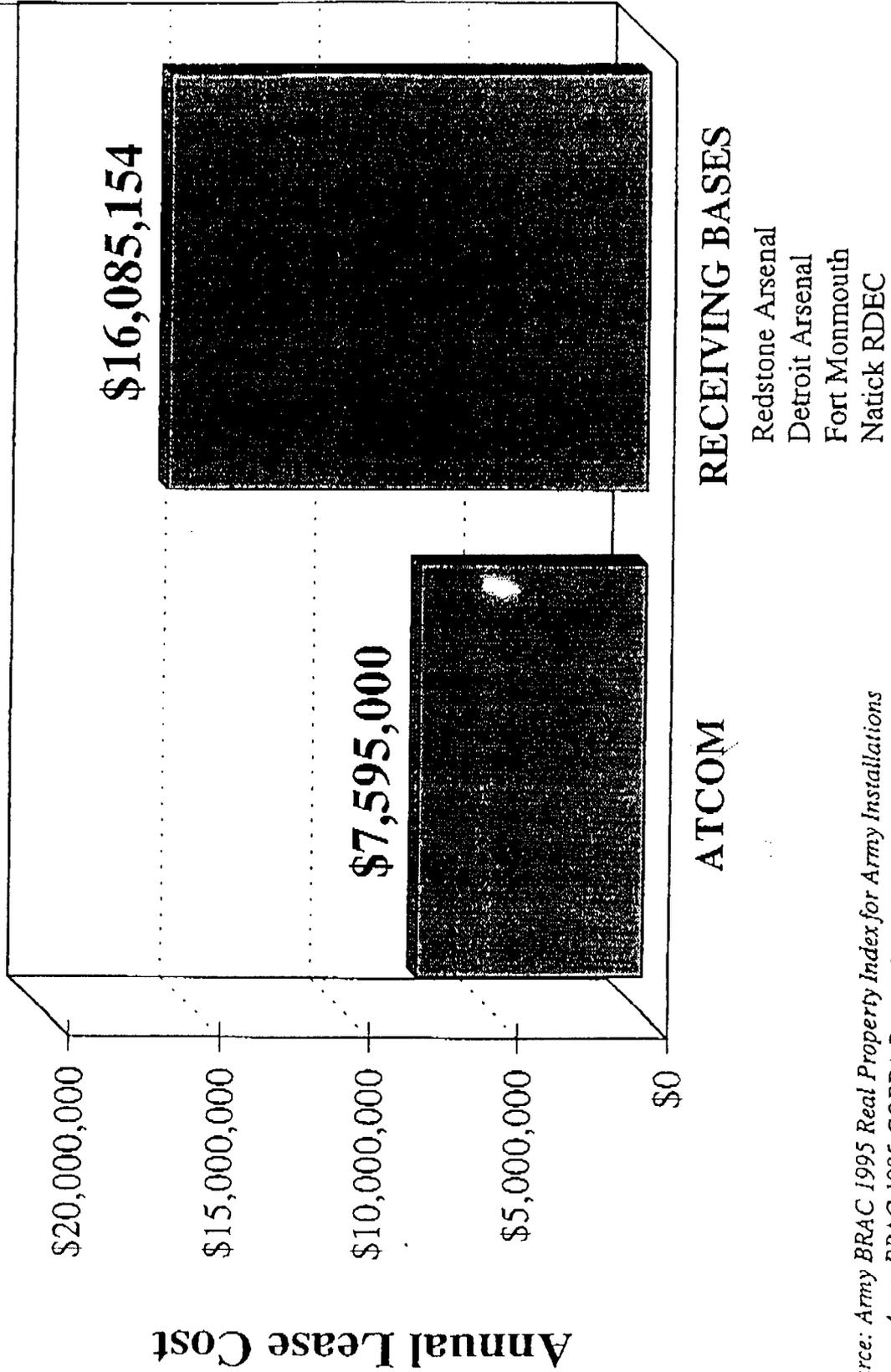
Source: 1995 Army COBRA Input Screen Four - Static Base Information  
1995 Army COBRA Personnel Summary Report

# Annual Facilities Costs to Support ATCOM Missions



Source: 1995 Army COBRA Appropriations Detail Report

# Annual Cost of Existing Leased Facilities at ATCOM and Proposed Receiving Bases



Source: Army BRAC 1995 Real Property Index for Army Installations  
Army BRAC 1995 COBRA Report for ATCOM

United States House of Representatives  
Democratic Policy Committee

FAX TRANSMISSION

TO: Ralph Kaiser

FROM: Brett O'Brien w/ Rep. Gephardt

FAX #: \_\_\_\_\_

DATE: \_\_\_\_\_

PAGES TO FOLLOW: 11

MESSAGE: I wanted you to be aware of the legal concern  
the Missouri delegation is making regarding the closure  
of ATCOM (I've also spoken with Madelyn about this).  
Please call to discuss - Thanks.  
at 225-0100

Telephone: (202) 225-6760 Fax: (202) 226-0938  
H-301 The Capitol

This fax contains confidential, privileged information intended only for the addressee. Do not read, copy or disseminate it unless you are the addressee. If you have received this fax in error, please call us at (202) 225-0100.

# Document Separator



DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION  
1700 NORTH MOORE STREET SUITE 1425  
ARLINGTON, VA 22209  
703-696-0504

## FAX COVER SHEET

DATE: 4 APR 95

TO: MAJ STOCKEL

FAX #: (703) 693 2518

FROM: RALPH KAISER, COUNSEL

NUMBER OF PAGES (including cover): 11

CONTENTS:

FYI for Thurs. A.M. mtg.

TRK

# Congress of the United States

## House of Representatives

Washington, DC 20515

March 29, 1995

The Honorable Alan J. Dixon  
Defense Base Closure and Realignment Commission  
1700 North Moore Street, Suite 1425  
Arlington, VA 22209

Dear Chairman Dixon:

We are writing to urge that the Defense Base Closure and Realignment (BRAC) Commission remove the Army's Aviation and Troop Command (ATCOM) from the list of military installations to be closed. We look forward to meeting with you to discuss this matter fully, and would like to take this opportunity to outline the reasons why ATCOM should remain open.

Established in 1991, ATCOM has sole responsibility for the research, development, engineering and logistical support for the Army's airborne systems and for field and troop support equipment. As the Army Public Affairs office noted in April 1994, ATCOM "is the only command in the Army that affects every soldier, every day." It operates from leased space at the St. Louis Federal Center, a facility owned by the General Services Administration.

As you know, the Army has recommended that ATCOM be disestablished and that its aviation functions be transferred to Redstone Arsenal; its soldier systems functions be transferred to Natick Research, Development and Engineering Center (RDEC); its communications and electronics functions be transferred to Fort Monmouth; and its automotive functions be transferred to Detroit Arsenal. We believe that this proposal should be rejected by the BRAC Commission based on our initial findings that in recommending ATCOM for closure, the Army:

- (1) failed to comply with the base closure law's requirement that all closure recommendations be based on the final selection criteria;
- (2) failed to comply with the objectives of its own Stationing Strategy;
- (3) overestimated the cost savings to the government, which are much lower than represented; and,
- (4) failed to consider more cost-effective alternatives.

These findings have led us to conclude that the Army deviated substantially from final criteria 1, 2, 3, 4 and 5 in recommending that ATCOM be closed. We would like to present these findings in order to provide you with critical information in advance of the BRAC regional hearing on April 12. We also plan to provide additional information that will further substantiate our conclusion that ATCOM must be removed from the Defense Department's BRAC list.

**FAILURE TO COMPLY WITH THE BASE CLOSURE LAW**

As you know, the base closure law requires that the Defense Department make recommendations to close or realign military installations, including leased facilities, "on the basis of the force structure plan and the final criteria." In keeping with this requirement, the Defense Department delineated eight final criteria and instructed each Service to give priority consideration to the first four, which measure military value.

We have found that the Army failed to consider any of the military value criteria when selecting leased facilities for closure, despite the law's requirement that these facilities be evaluated in the same manner as all other installations. The Army's Management Control Plan for the 1995 base closure process indicates that the Army evaluated installations on the basis of the military value criteria during its "Installation Assessment" phase. It states that during this phase, "each category of installations is compared using a set of attributes," and that "each attribute is linked to one of the four DOD selection criteria that measure Military Value." This was the only phase of the Army's base closure selection process in which the first four criteria were used as the basis for developing closure recommendations.

The Army's Management Control Plan clearly shows that leased facilities were excluded from this phase of the process. These facilities were reviewed by the Army only after all other facilities had been evaluated on the basis of the first four criteria and had received military value rankings (see Attachment A). As indicated in the materials presented to the Army leadership for base closure decisions, ATCOM and other leased facilities were not assigned military value ratings by which to evaluate whether closure was appropriate. The Army leadership based its decision to close ATCOM not on the basis of the eight final criteria as required by the law, but solely on the basis of a cost/savings analysis (which itself is flawed -- see below).

In light of the above, it is evident that the Army did not simply deviate substantially from the four military value criteria in recommending ATCOM and other leased facilities for closure. It deviated entirely from these criteria by excluding leased facilities from its military value analysis of installations.

The Army's analysis of leased facilities for the 1995 base closure process differed from the manner in which these facilities were considered in 1993. During that base closure round, the Army considered leased facilities within categories associated with their individual missions, which enabled each to be evaluated on the basis of the military value criteria. It appears that the Army considered leased facilities differently in 1995 in order to address the 1993 BRAC Commission's suggestion that the Services include a separate category for leased facilities during the 1995 process. While the Army succeeded in addressing this suggestion, it clearly violated the requirements of the base closure law by failing to evaluate leased facilities on the basis of the military value criteria. It should be noted that the Army was the only Service to make this error, both the Navy and the Air Force performed military value analyses of their leased facilities.



## OVERESTIMATION OF COST SAVINGS AND FAILURE TO CONSIDER BETTER ALTERNATIVES

We have found that in recommending that ATCOM be closed, the Army contradicted its own cost analyses from prior base closure rounds, overestimated the savings associated with its closure, and failed to consider more cost-effective alternatives.

During the 1991 base closure process, the Army created ATCOM through the merger of the Aviation Systems Command and the Troop Support Command. In justifying this merger, the Army stated that "military value in the form of management and costs efficiency was the driving factor for this recommendation."

In 1993, the Army acted on a recommendation by the 1991 BRAC Commission and evaluated the possibility of moving ATCOM's functions to Army-owned facilities. In its report to the 1993 BRAC Commission, the Army stated that "the high relocation costs make realignment or closure impractical and prohibitively expensive."

Despite these earlier determinations, the Army now asserts that the closure of ATCOM would generate considerable savings. Specifically, the Army claims that the total one-time cost to close ATCOM would be \$146 million, and that annual recurring savings after its implementation would be \$46 million with a return on investment expected three years after closure. It also claims that the net present value of the costs and savings over 20 years would be a savings of \$453 million. We believe that the Army overestimated these savings and failed to consider alternatives that would result in much higher savings.

First, the Army failed to examine the source of costs and savings generated by the closure of ATCOM and the personnel reductions being undertaken by ATCOM itself. The Army's COBRA analysis indicates that nearly all of the costs associated with the closure of ATCOM would consist of moving, military construction, and annual overhead costs at the bases receiving ATCOM functions (\$144 million in one-time costs, \$2 million in annual recurring costs). At the same time, nearly all of the savings would come from the elimination of 1,066 military and civilian positions at ATCOM (\$50.5 million in annual savings). Given the source of these costs and savings -- along with ATCOM's much lower overhead costs -- the Army should have considered retaining ATCOM in St. Louis and examined ATCOM's own plans to reduce personnel.

We have found that the number of military and civilian employees at ATCOM has been reduced by approximately 178 since the Army collected personnel data for the 1995 base closure process. Consequently, the Army has already gained \$8.2 million of the \$50.5 million in salary-based savings it claims to achieve through ATCOM's closure. As a result, the Army's estimate of annual personnel savings generated by closing ATCOM should be reduced to \$42.3 million.

The personnel reductions noted above are part of a downsizing effort ATCOM has undertaken in order to meet the Army's own projections of future personnel levels. This downsizing, if allowed to continue, will result in a reduction of at least 1,051 positions

(83 military, 968 civilian) at ATCOM by 1999. This in turn will produce at least \$44.5 million in savings annually -- without incurring any of the costs associated with moving ATCOM's functions to other bases. The Army's own estimates indicate that the vast majority of these personnel reductions could be accomplished through retirements, attrition and placement of personnel at other government facilities.

Second, the Army failed to acknowledge that vacating the leased facility that houses ATCOM would not generate any savings for the U.S. Government. In prior base closure rounds, the General Accounting Office (GAO) recommended that the Defense Department consider the governmentwide costs and savings associated with base closure recommendations. The GAO stated in its report on the 1993 base closure process that

DOD counts the reductions in rent as savings even when the buildings are federally owned facilities. In some cases, the moves require construction of new DOD facilities and the rental savings are used to offset and justify the construction costs. In actuality, this may not represent an overall savings to the government.

This statement describes precisely the actions taken by the Army in calculating the costs and savings associated with the closure of ATCOM. ATCOM operates from leased space at the St. Louis Federal Center, which is owned by the General Services Administration (GSA). Consequently, the Army's departure from this leased space will not result in savings to the government because the GSA will continue to own the facility. Therefore, the Army's estimate of annual savings from the closure of ATCOM should be reduced by the lease cost of \$7.6 million.

Third, the Army failed to consider the alternative of vacating leased facilities currently held by the four bases recommended to receive ATCOM functions. The Army has reported that leases currently held by Redstone Arsenal, Detroit Arsenal, Fort Monmouth and Natick RDEEC cost a total of \$16.1 million annually (see Attachment D). Terminating these leases and moving their activities to the nearby bases could generate considerable savings for the Army and incur much lower costs than the estimated \$60.6 million that would be required to move functions from St. Louis.

Based on the above, the savings that could be expected from the closure of ATCOM are much lower than estimated by the Army. By adjusting the Army's COBRA analysis for the personnel reductions already implemented at ATCOM and the fact that vacating the GSA lease will not result in savings to the government, we have found that the actual one-time cost to close ATCOM would remain about \$146 million, and the annual recurring savings after its implementation would be \$29 million -- \$17 million less than claimed by the Army. Also, the return on investment would not occur until 2004 -- twice as long as originally expected. In addition, the net present value of the costs and savings over 20 years would be approximately \$213 million less than claimed by the Army.

Alternatively, by allowing ATCOM to remain in St. Louis and continue downsizing in accordance with Army projections, the Army would incur a total one-time cost of only about \$1.6 million (early retirement, etc.) and achieve annual recurring savings of at least \$44.5 million. In

this scenario, the Army would obtain an immediate return on investment, and the net present value over 20 years would be about \$621 million in savings -- \$168 million more than the Army itself expects to realize by closing ATCOM.

In light of the above, retaining ATCOM would allow the government to save \$144 million in one-time costs and \$12 million in annual overhead costs associated with performing ATCOM's functions at other bases. It would also generate at least \$44.5 million in savings annually through ATCOM's 1995-99 downsizing efforts.

\* \* \* \* \*

We hope you will give the above information full consideration as you review all relevant materials regarding the Army's recommendation to close ATCOM. Based on our initial analysis, it appears that by failing to consider ATCOM and other leased facilities on the basis of the four military value criteria and by overestimating the savings associated with ATCOM's closure, the Army deviated substantially from final criteria 1, 2, 3, 4 and 5. In doing so, the Army also contradicted the objective of its own Stationing Strategy to increase efficiency. We believe that these facts merit the removal of ATCOM from the Defense Department's base closure and realignment list.

We appreciate your attention to this matter, which is of critical importance to our nation's defense capabilities and the citizens of the St. Louis area.

Sincerely,

Christopher S. Bond  
United States Senator

Richard A. Gephardt  
Member of Congress

John Ashcroft  
United States Senator

William Clay  
Member of Congress

James M. Talent  
Member of Congress

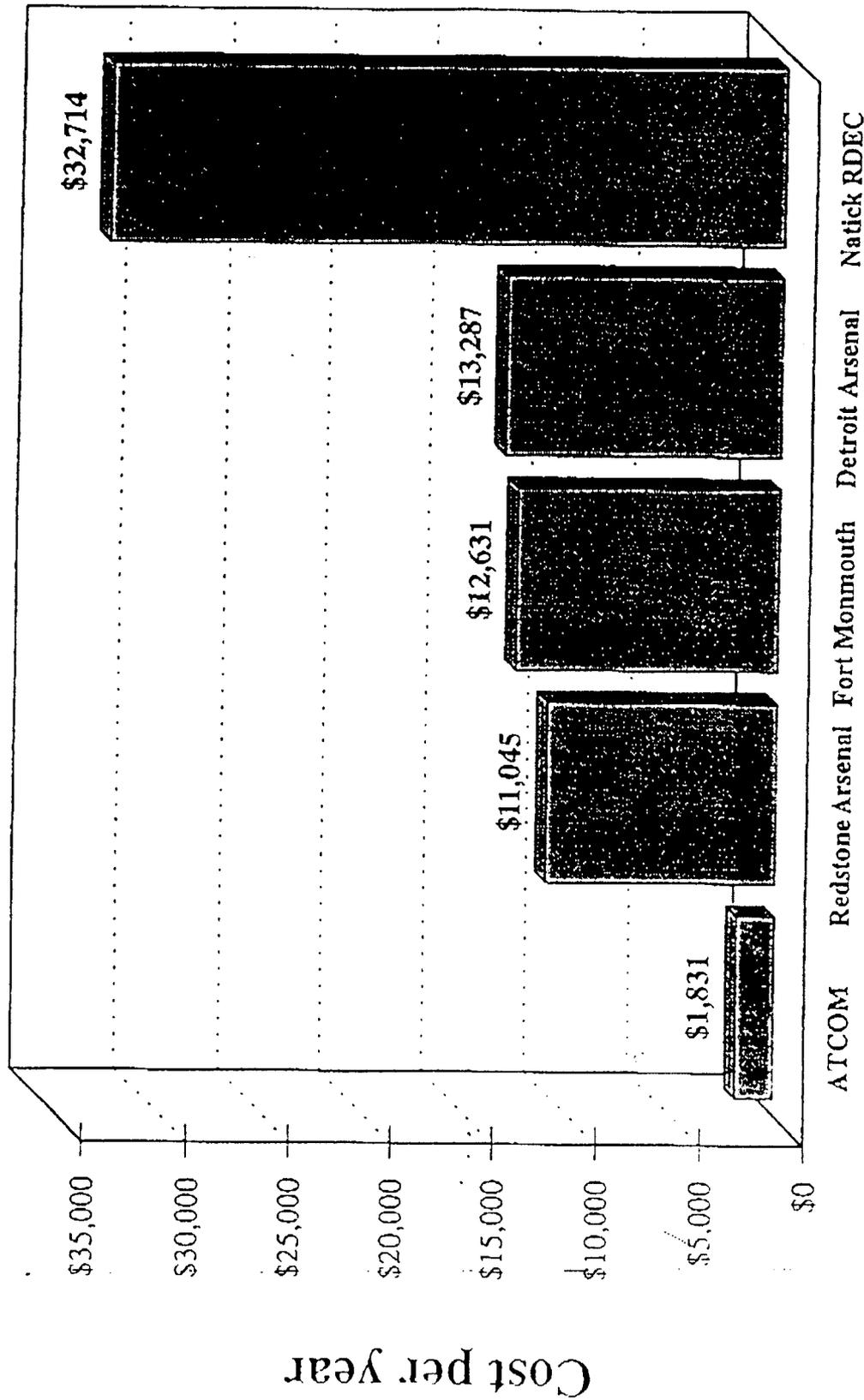
Harold L. Volkmer  
Member of Congress

Attachments



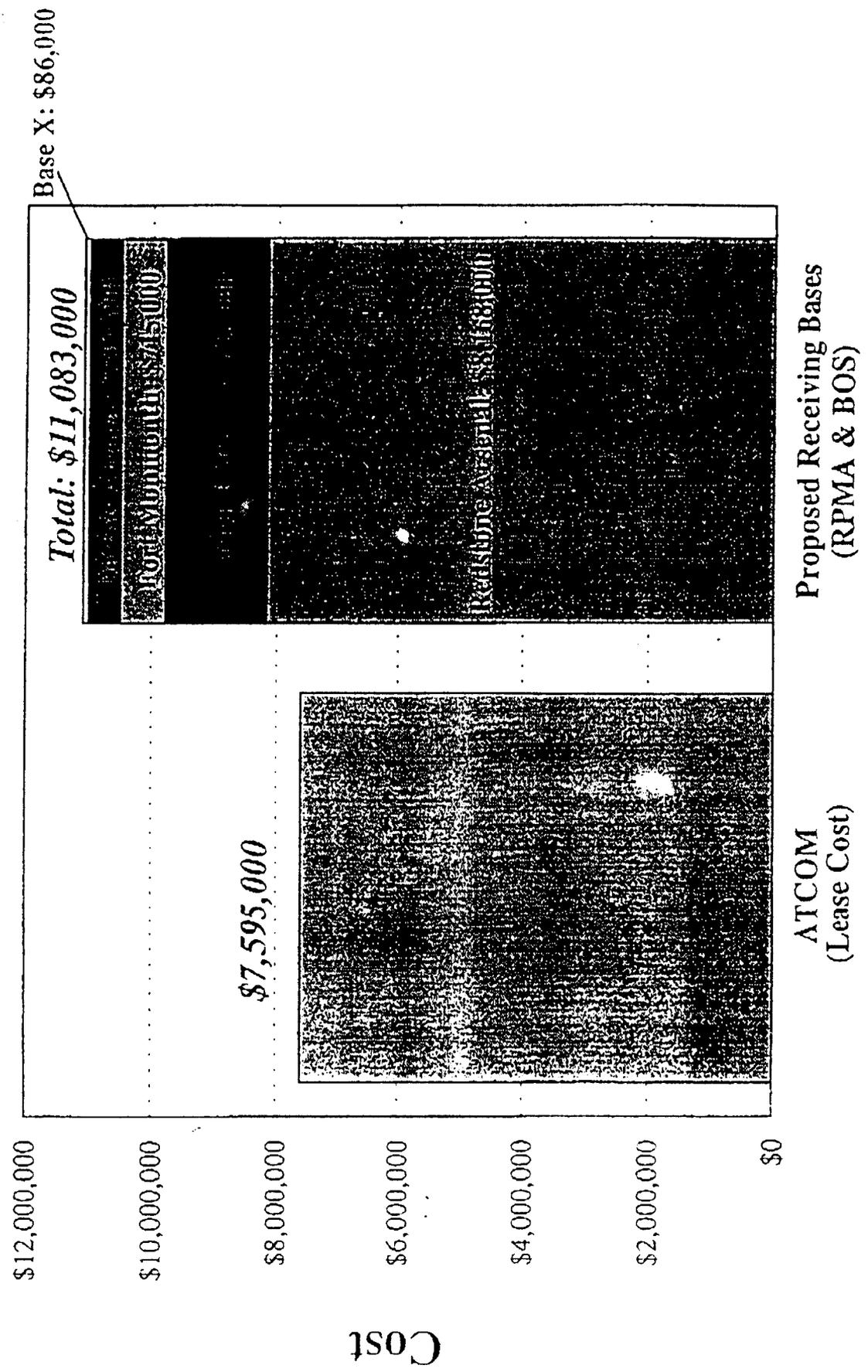
# Facility Overhead Cost Per Employee

Based on Lease, Real Property Maintenance, and Base Operations Support costs



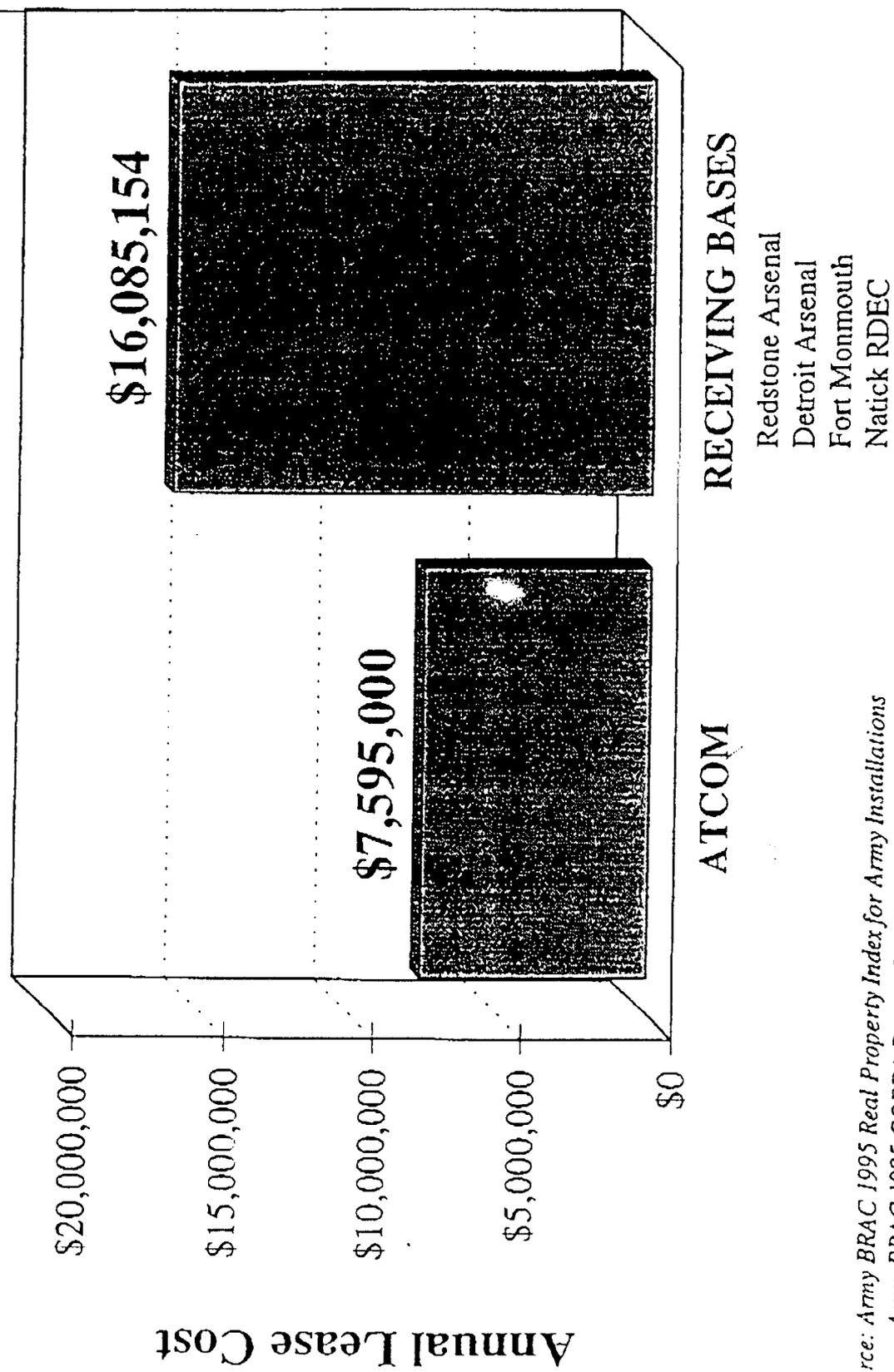
Source: 1995 Army COBRA Input Screen Four - Static Base Information  
1995 Army COBRA Personnel Summary Report

# Annual Facilities Costs to Support ATCOM Missions



Source: 1995 Army COBRA Appropriations Detail Report

# Annual Cost of Existing Leased Facilities at ATCOM and Proposed Receiving Bases



Source: Army BRAC 1995 Real Property Index for Army Installations  
Army BRAC 1995 COBRA Report for ATCOM

# Document Separator



DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF STAFF  
200 ARMY PENTAGON  
WASHINGTON DC 20310-0200



REPLY TO  
ATTENTION OF

April 14, 1995

The Honorable Alan J. Dixon  
Chairman, The Defense Base Closure  
and Realignment Commission  
1700 North Moore Street, Ste. 1425  
Arlington, Virginia 22209

Dear Chairman Dixon:

Thank you for providing us with a copy of the attached letter from the Missouri Congressional Delegation (the "MCD Letter"), which suggests that the Secretary of Defense improperly recommended to the 1995 Defense Base Closure and Realignment Commission the closure of Aviation and Troop Command (ATCOM). I would like to respond on behalf of the Army, and I appreciate this opportunity to present the Army's views on the several issues that the MCD Letter raises, and to explain why these issues should not lead the 1995 Commission to reject the ATCOM recommendation.

Because we believe that many of these issues stem from a misunderstanding of the way in which the Army's closure and realignment recommendations were formulated, we feel it is useful to provide a brief description of the Army's Base Realignment and Closure (BRAC) process before turning to the particular issues raised by the MCD Letter.

I. THE ARMY'S BRAC PROCESS AND ITS STATIONING STRATEGY

As you are aware, the BRAC process is designed to facilitate objective, fair, and open decisions with respect to necessary reductions in military infrastructure. Accordingly, each recommended closure or realignment is arrived at through uniform application of the eight, published Department of Defense (DoD) Selection Criteria. Through evenhanded application of these Selection Criteria within categories, the military value of each particular facility or installation is assessed separately, after which the effects associated with any potential closure or realignment--including the costs to the military, and the implications for affected local communities and the environment--are determined.



### A. The Stationing Strategy

Although the BRAC law establishes a process by which closure and realignment recommendations are to be made, it does not provide any specific objectives with respect to the type, number, and magnitude of the necessary reductions. Accordingly, before the Army could begin its BRAC process, it had to articulate its generalized, strategic and operational basing requirements. The Army elected to do this in a comprehensive planning document: the Army Stationing Strategy.

The Army's Stationing Strategy does not outline specific stationing decisions, nor does it recommend the closure or realignment of any particular installations or facilities. Indeed, the Army elected, wholly apart from any BRAC legal requirement to do so, to develop this Stationing Strategy because of its independent planning utility. Thus, the Army's Stationing Strategy provides an operational foundation upon which BRAC planning and analysis can proceed. It is both antecedent to the BRAC process, insofar as it establishes the parameters within which BRAC decisionmaking takes place, and it is integral to the process, insofar as an assessment of the military value of any particular Army installation or facility must be determined with reference to the objectives set forth in its Stationing Strategy.

### B. The BRAC Process

After developing its Stationing Strategy, the Army began its formal BRAC process with a comprehensive review and inventory of all of its installations. To facilitate fair comparisons, and consistent with Department of Defense policy, the Army assigned each installation or facility to one of 14 categories, each of which contained installations or facilities with similar characteristics. Pursuant to a 1993 BRAC Commission recommendation, and consistent with DoD policy guidance, the Army established a separate, Leased Facilities Category ("LFC") within which leased facilities could be compared to one another.<sup>1</sup>

---

<sup>1</sup>See, Defense Base Closure and Realignment Commission: 1993 Report to the President, 1 July 1993, p. 2-3 ("The Commission suggests DoD direct the services to include a separate category for leased

(continued...)

(1) *Military Value Assessments*

The Army then applied the Military Value Criteria ("MVC")--i.e., the first four of the published DoD Selection Criteria--to each installation or facility within a category.<sup>2</sup> Like all the published criteria, the MVC were applied uniformly within each category so that, consistent with BRAC law, all installations or facilities would be considered equally, and the military value of each such installation or facility would be assessed separately. Uniform application of the MVC within each category yielded a Military Value Assessment ("MVA") for each particular installation or facility within that category. This MVA was a combination of both quantitative and qualitative assessments of the worth of a particular installation or facility.

In most instances, the quantitative component of the MVA was developed according to the Army's BRAC 95 Installation Assessment Program (IAP), a decision pad

---

<sup>1</sup>(...continued)

facilities during the 1995 process to ensure a bottom-up review of all leased space."). DoD's policy guidance subsequently left to each of the services the decision as to whether to create a separate category for the review of leased facilities. Although the other military departments chose not to create a separate LFC, the Army nonetheless concurred with the 1993 Commission and believed that a separate LFC would yield better analysis of leased facilities.

<sup>2</sup>Consistent with DoD policy guidance and applicable legal requirements, only those activities that were performed in leased space and which share a common mission, have permanently authorized personnel, have a separate support structure, and cost more than \$200K annually were considered in the LFC. As directed by DoD's policy guidance, "[c]ivilian personnel authorizations of organizations in leased space, which are part of an organization [that is either located] on a nearby military installation or . . . [is located] within the same metropolitan statistical area, shall be considered part of the civilian personnel authorizations of that installation." See, "1995 Base Realignments and Closures (BRAC 95) -- Policy Memorandum Three," 29 December 1994, pp. 1-2. Accordingly, these adjunct leases were assessed as part of their host installations.

computer model that was designed to assist in the comparison of installations according to a common set of weighted attributes, each of which related to one of the MVC. Thus, certified data were collected for each of these attributes. This data was then entered into the IAP, which in turn produced an Installation Assessment--i.e., a quantitative ranking of installations within a particular category.

With respect to the LFC, however, the IAP was not employed, because its list of weighted attributes was designed to assist in the comparison of particular installations, rather than in the comparison of particular (leased) facilities.<sup>3</sup> In other words, installations and leased facilities are fundamentally different, and thus they cannot be evaluated according to the same list of attributes. For example, common leased facilities based on things such as each leased facility's aviation maintenance facilities, range hard surface staging areas, and other such attributes incorporated in the IAP model would not have been instructive as to the relative merit of each such facility: no leased facilities possess these attributes, and thus all would have received equally low scores in these areas.

*but -- couldn't attributes applicable to leases be established so that MV of leases could be determined?*

Accordingly, an Installation Assessment was not prepared for facilities within the LFC, and, perhaps in this limited respect, the Army's BRAC process for leased facilities might be said to have differed slightly from its process for other types of installations. In lieu of an Installation Assessment, however, the Army did, as described more fully below, undertake a quantitative assessment of each leased facility according to consideration of empirical attributes that were more directly relevant to comparisons of leased facilities.

*"slightly" is an understatement*

Once these quantitative assessments were completed--either through the IAP or, in the LFC, through consideration of other relevant empirical attributes--the qualitative portion of the MVA was undertaken. These qualitative assessments sought to ascertain the consistency of the quantitative assessments with the objectives outlined in the Army's Stationing Strategy. Thus, the Stationing Strategy

---

<sup>3</sup>Groups of leases in the same headquarters and same geographical area were deemed a single facility for the purposes of the Military Value Assessment.

served as a qualitative template against which the quantitative assessments could be measured and revised accordingly.

Therefore, as with other categories, the MVA for each leased facility within the LFC was determined separately. Each such MVA was a combination of both quantitative assessments, which were arrived at through comparisons of relevant empirical data, and qualitative assessments, which were provided by the Army's Stationing Strategy. Although the Army determined separately the Military Value of each leased facility without reference to an Installation Assessment, the MVA of each leased facility was nonetheless composed of a similar quantitative assessment tempered by the qualitative guidance provided by the Stationing Strategy. In no instance did the Army assess the military value of a leased facility solely according to the qualitative guidance provided by the Army's Stationing Strategy.

*If there is an MVA where are they?*

### (2) Identification of Study Candidates

After completing the aforementioned quantitative and qualitative assessments, each installation or facility within a category received a Military Value Assessment relative to other installations of facilities within that category. In turn, those installations or facilities that were deemed to possess relatively low military value within the category were designated as candidates for further study for possible closure or realignment. With respect to the LFC, all facilities within the category were deemed to be of relatively low military value, especially with respect to MVC two and four, and thus all facilities were designated as candidates for further study.

### (3) Development of Alternatives and Application of DoD Selection Criteria Four through Eight

Once the Study Candidates were identified for each category, the Army developed between one and six specific base closure and realignment alternatives for each such candidate. These alternatives were derived from force structure decisions, the Stationing Strategy, previous BRAC reviews, Major Army Command recommendations, staff proposals, and Joint Cross-Service Group alternatives. Each of these competing alternatives was then assessed and refined according to affordability, economic and environmental analyses.

More particularly, the fifth DoD Selection Criterion--"[t]he extent and timing of potential cost savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs"--was applied uniformly to all study candidates within a category through use of The Cost of Base Realignment Actions (COBRA) Model, DoD's model for resource analysis and measurement of the affordability of each potential closure or realignment. Thus once relevant data was plugged in for each of the alternatives, the COBRA analysis indicated the likely costs and savings associated with each potential closure or realignment.

The sixth and seventh DoD Selection Criteria-- "[t]he economic impact on communities[,] and "[t]he ability of both the existing and potential receiving communities' infrastructure to support forces, missions, and personnel[,] respectively--were applied uniformly to all study candidates within a category through use of DoD's standard model for the calculation of economic impacts. Thus, once relevant data for each of the alternatives was plugged in, this model indicated the likely economic and infrastructure impacts associated with the potential closure or realignment.

Finally, the eighth DoD Selection Criteria--"[t]he environmental impact"--was applied uniformly to all study candidates within a category by an Environmental Review Committee, which collected and analyzed Environmental Baseline Summaries and produced an initial assessment for each installation or facility. Subsequent analysis then refined these assessments, and they were factored into analysis of each of the alternatives.

## II. THE ARMY DID, ACCORDING TO CRITERIA ONE THROUGH FOUR, ASSESS MILITARY VALUE IN THE FORMULATION OF ITS ATCOM RECOMMENDATION.

The charge that the Army failed to assess military value in the formulation of its ATCOM recommendation is without foundation. MVAs were fundamental to all of the Army's BRAC analysis--including its analysis of leased facilities at ATCOM and elsewhere. Although, for the reasons identified above, facilities within the leasing category were not ranked pursuant to an *Installation Assessment*, a *Military Value Assessment* was nonetheless prepared for each facility within this

category.<sup>4</sup>

The quantitative component of these MVAs took the form of assessments of lease costs, space, features, and other common attributes of leased facilities. The qualitative component of these MVAs consisted of evaluating the utility of each facility in light of both the Stationing Strategy's general operational objectives--i.e., "[e]liminate excess capacity[,] . . . [m]inimize use of leased space[,] . . . [and] [c]ollocate tenants from different major commands where functional synergy can be obtained and facility support is available"--and its more particular operational objectives with respect to commodity-oriented commands such as ATCOM--i.e., achieve "[e]fficiency . . . through collocation and integration of research, engineering, acquisition and logistics functions, as well as reduce[] overhead[.]"

Just as with other categories of installations, MVAs for each facility within the LFC category were arrived at through uniform application of each of the four Military Value Criteria. With respect to the ATCOM leases, each of the four criteria was applied to arrive at a MVA for the facility.

---

<sup>4</sup>It appears that in part, the MCD Letter may have mistaken an "Installation Assessment" for a "Military Value Assessment", and the MCD therefore concluded that since the former was not prepared for facilities within the leasing category, no Military Value Assessments were undertaken for facilities within the category. As noted above, the two are not the same. An Installation Assessment is merely a discretionary, quantitative ranking of installations within a category according to a decision pad computer model. It may form the quantitative component of a Military Value Assessment, but it alone does not comprise the Military Value Assessment. Conversely, a Military Value Assessment is a mandatory determination, consisting of both quantitative and qualitative measures of the worth of each installation or facility within a category. Thus a Military Value Assessment may depend in part upon an Installation Assessment--if such an assessment is appropriate for facilities or installations within a particular category--but it need not be based upon such an Installation Assessment.

A. Application of the First Criterion: "current and future mission requirements and the impact on operational readiness of DoD's total force."

The Army considered, in both quantitative and qualitative terms, ATCOM's current and future mission requirements and their impact on the operational readiness of the armed forces. Quantitatively, it considered the attributes of leased facilities that bore on such requirements and readiness, such as the size of the facilities according to their type, the population housed, the costs of the lease, and the penalties to terminate the lease. Qualitatively, the Army assessed existing ATCOM leased facilities in light of the aforementioned general and more particularized objectives of the Stationing Strategy.

B. Application of the Second Criterion: "availability and condition of land and facilities at both the existing and potential receiving locations."

The Army considered, in both quantitative and qualitative terms, the availability and condition of land and facilities at ATCOM's existing leased sites and at potential receiving sites such as Redstone Arsenal, Corpus Christi Army Depot, Rock Island Arsenal, Aberdeen Proving Ground, Detroit Arsenal, Fort Monmouth, and Natick Research, Development, Engineering Center. Quantitatively, it considered the attributes of leased facilities that bore on such matters, collecting information on such things as the percent of permanent facilities at an existing leased site and potential receiving sites, the average age of facilities at each location, and the features and size of such facilities accordingly to their type. As part of this analysis, the Army used its corporate facility data base to determine whether facilities were available at potential receiving locations, and, if so, whether they required renovation to accommodate a relocating function. If facilities were not available, then the data base was used to determine what facilities would have to be constructed to accommodate such relocations. Qualitatively, the Army once again assessed its quantitative analysis in light of the aforementioned general and more particularized objectives of its Stationing Strategy.

C. Application of the Third Criterion: "ability to accommodate contingency, mobilization, and future requirements at both existing and potential receiving locations."

The Army considered, both in quantitative and qualitative terms, ATCOM's ability to accommodate contingency, mobilization, and future requirements at both its present location and at other potential locations. Quantitatively, the Army considered the attributes of leased facilities and potential receiving locations that bore on such abilities, examining things such as buildable acres or unused space or buildings, the ability of information systems at both locations to accommodate expansions, the sites' proximity to or possession of an airport. Qualitatively, the Army again reviewed its quantitative findings in light of the general and more particularized objectives set forth in its stationing strategy.

D. Application of the Fourth Criterion: "cost and manpower implications."

The Army considered, both in quantitative and qualitative terms, the manpower and cost implications of retaining ATCOM at its existing leased sites or relocating functions to several other installations. Quantitatively, it considered the attributes that bore on such manpower and cost factors, collecting data on things such as the square footage requirements at existing and potential receiving sites, the costs per square foot of existing leased space and space elsewhere, the manpower-to-square-footage requirements of ATCOM at its existing and potential receiving locations. Qualitatively, and as with the other criteria, the Army assessed its quantitative assessments with reference to the general and more particularized objectives outlined in its Stationing Strategy.

III. THE ARMY COMPLIED WITH ITS STATIONING STRATEGY IN THE FORMULATION OF ITS ATCOM RECOMMENDATION.

The charge that the Army has not complied with its Stationing Strategy in the formulation of its ATCOM recommendation is incorrect. As explained above, the Army's Stationing Strategy is a planning document that provides guidance to its managers with respect to future operational requirements. This operational blueprint does, as noted above, encourage increased efficiency and reductions in overhead. It also, however, encourages the Army to minimize the use of

leased space, eliminate excess capacity, and collocate activities where functional synergy can be achieved and facility support is available.

The ATCOM recommendation complies fully with all of the Army's Stationing Strategy's objectives and guidance. This recommendation increases efficiency through collocation, integration, or relocation of discrete research, engineering, acquisition, and logistics functions at several installations. In turn, the synergies achieved through such collocations, integrations, and relocations assist in reducing overhead costs--in large part because once they are relocated, fewer personnel are required to accomplish the same functions. Moreover, the ATCOM recommendation is fully consistent with the Stationing Strategy's other objectives insofar as it minimizes the use of leased space, eliminates excess capacity at receiving locations, and, as noted above, achieves a number of functional synergies.

#### IV. THE ARMY DID NOT OVERSTATE THE SAVINGS IT WOULD EXPECT TO REALIZE FROM THE CLOSURE OF ATCOM.

The allegation that the Army has overstated the savings it expects to realize from the closure of ATCOM is without merit. The Army would save nearly \$50 million annually as a result of the synergies, efficiencies, and consolidations it expects to realize from the closure of ATCOM.

Contrary to the suggestion in the MCD Letter, the DoD COBRA model does not consider, or take credit for, any savings that might result from any previously planned personnel reductions or reductions that are otherwise independent of the BRAC process; only those savings associated with personnel reductions generated by a proposed closure or realignment are considered. Moreover, the DoD COBRA model is designed to assess only the potential savings that DoD likely would realize from the closure or realignment of any particular installation or facility. Whether the Federal Government would also likely save money as a result of any particular closure or realignment is a broader question that the current process was simply not designed to address. Nonetheless, we note that if the Army vacates GSA leased space, then GSA could make such space available to another Federal agency, or it could dispose of the property entirely--either of which could result in savings to the Federal Government.

Finally, the Army did conclude in its 1993 BRAC analysis that the relocation of ATCOM to a *single* installation would be too expensive. However, the 1995 recommendation, by relocating functions to *several* installations, avoids many of the significant construction costs, that, in large part, were responsible for the high costs associated with relocation in 1993. Indeed, if the Army had considered disestablishing ATCOM and relocating its functions to several installations during its 1993 BRAC process, then it likely would have forwarded such a recommendation to the 1993 Commission.

V. THE ARMY CONSIDERED ALL PRACTICABLE ALTERNATIVES IN THE FORMULATION OF ITS RECOMMENDATION TO CLOSE ATCOM.

The suggestion that the Army failed to consider more cost-effective alternatives to the closure of ATCOM is inaccurate. As explained above, BRAC analysis necessarily considers feasible, competing alternatives, and the recommended closure of ATCOM was the best of these alternatives. The Army did consider alternatives to the ATCOM recommendation, such as relocating Headquarters, Strategic Space and Defense Command ("SSDC") from a leased facility to Redstone Arsenal. However, the COBRA analysis performed for this alternative indicated that it would cost more and save less. Moreover, this alternative was less consistent with the Army's Stationing Strategy, since relocation of SSDC to Redstone Arsenal would not increase efficiency, reduce overhead, or create any functional synergies.

VI. CONCLUSIONS

In summary, we do not believe that any of the issues raised by the MCD Letter can withstand close scrutiny. Through uniform application of the Military Value Criteria within each category, the Army developed a separate Military Value Assessment for each installation and facility--including those in the Leased Facility Category. The ATCOM recommendation is fully consistent with the Stationing Strategy's guidance, and the Army did not overstate or improperly calculate the savings that would be realized from the recommended closure of ATCOM. Lastly, the Army's BRAC process ensured that all practicable and feasible alternatives were considered.

Thank you again for allowing us to address these issues. We hope that this letter will assist the Commission in understanding the Army's BRAC processes in general, and its recommendation respecting ATCOM in particular.



James E. Shane, Jr.  
Brigadier General, US Army  
Director of Management

Attachment

# Document Separator



DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF STAFF  
200 ARMY PENTAGON  
WASHINGTON DC 20310-0200



REPLY TO  
ATTENTION OF

April 14, 1995

The Honorable Alan J. Dixon  
Chairman, The Defense Base Closure  
and Realignment Commission  
1700 North Moore Street, Ste. 1425  
Arlington, Virginia 22209

Dear Chairman Dixon:

Thank you for providing us with a copy of the attached letter from the Missouri Congressional Delegation (the "MCD Letter"), which suggests that the Secretary of Defense improperly recommended to the 1995 Defense Base Closure and Realignment Commission the closure of Aviation and Troop Command (ATCOM). I would like to respond on behalf of the Army, and I appreciate this opportunity to present the Army's views on the several issues that the MCD Letter raises, and to explain why these issues should not lead the 1995 Commission to reject the ATCOM recommendation.

Because we believe that many of these issues stem from a misunderstanding of the way in which the Army's closure and realignment recommendations were formulated, we feel it is useful to provide a brief description of the Army's Base Realignment and Closure (BRAC) process before turning to the particular issues raised by the MCD Letter.

I. THE ARMY'S BRAC PROCESS AND ITS STATIONING STRATEGY

As you are aware, the BRAC process is designed to facilitate objective, fair, and open decisions with respect to necessary reductions in military infrastructure. Accordingly, each recommended closure or realignment is arrived at through uniform application of the eight, published Department of Defense (DoD) Selection Criteria. Through evenhanded application of these Selection Criteria within categories, the military value of each particular facility or installation is assessed separately, after which the effects associated with any potential closure or realignment--including the costs to the military, and the implications for affected local communities and the environment--are determined.

### A. The Stationing Strategy

Although the BRAC law establishes a process by which closure and realignment recommendations are to be made, it does not provide any specific objectives with respect to the type, number, and magnitude of the necessary reductions. Accordingly, before the Army could begin its BRAC process, it had to articulate its generalized, strategic and operational basing requirements. The Army elected to do this in a comprehensive planning document: the Army Stationing Strategy.

The Army's Stationing Strategy does not outline specific stationing decisions, nor does it recommend the closure or realignment of any particular installations or facilities. Indeed, the Army elected, wholly apart from any BRAC legal requirement to do so, to develop this Stationing Strategy because of its independent planning utility. Thus, the Army's Stationing Strategy provides an operational foundation upon which BRAC planning and analysis can proceed. It is both antecedent to the BRAC process, insofar as it establishes the parameters within which BRAC decisionmaking takes place, and it is integral to the process, insofar as an assessment of the military value of any particular Army installation or facility must be determined with reference to the objectives set forth in its Stationing Strategy.

### B. The BRAC Process

After developing its Stationing Strategy, the Army began its formal BRAC process with a comprehensive review and inventory of all of its installations. To facilitate fair comparisons, and consistent with Department of Defense policy, the Army assigned each installation or facility to one of 14 categories, each of which contained installations or facilities with similar characteristics. Pursuant to a 1993 BRAC Commission recommendation, and consistent with DoD policy guidance, the Army established a separate, Leased Facilities Category ("LFC") within which leased facilities could be compared to one another.<sup>1</sup>

---

<sup>1</sup>See, Defense Base Closure and Realignment Commission: 1993 Report to the President, 1 July 1993, p. 2-3 ("The Commission suggests DoD direct the services to include a separate category for leased

(continued...)

*(1) Military Value Assessments*

The Army then applied the Military Value Criteria ("MVC")--i.e., the first four of the published DoD Selection Criteria--to each installation or facility within a category.<sup>2</sup> Like all the published criteria, the MVC were applied uniformly within each category so that, consistent with BRAC law, all installations or facilities would be considered equally, and the military value of each such installation or facility would be assessed separately. Uniform application of the MVC within each category yielded a Military Value Assessment ("MVA") for each particular installation or facility within that category. This MVA was a combination of both quantitative and qualitative assessments of the worth of a particular installation or facility.

In most instances, the quantitative component of the MVA was developed according to the Army's BRAC 95 Installation Assessment Program (IAP), a decision pad

---

<sup>1</sup>(...continued)

facilities during the 1995 process to ensure a bottom-up review of all leased space."). DoD's policy guidance subsequently left to each of the services the decision as to whether to create a separate category for the review of leased facilities. Although the other military departments chose not to create a separate LFC, the Army nonetheless concurred with the 1993 Commission and believed that a separate LFC would yield better analysis of leased facilities.

<sup>2</sup>Consistent with DoD policy guidance and applicable legal requirements, only those activities that were performed in leased space and which share a common mission, have permanently authorized personnel, have a separate support structure, and cost more than \$200K annually were considered in the LFC. As directed by DoD's policy guidance, "[c]ivilian personnel authorizations of organizations in leased space, which are part of an organization [that is either located] on a nearby military installation or . . . [is located] within the same metropolitan statistical area, shall be considered part of the civilian personnel authorizations of that installation." See, "1995 Base Realignment and Closures (BRAC 95) -- Policy Memorandum Three," 29 December 1994, pp. 1-2. Accordingly, these adjunct leases were assessed as part of their host installations.

computer model that was designed to assist in the comparison of installations according to a common set of weighted attributes, each of which related to one of the MVC. Thus, certified data were collected for each of these attributes. This data was then entered into the IAP, which in turn produced an Installation Assessment--i.e., a quantitative ranking of installations within a particular category.

With respect to the LFC, however, the IAP was not employed, because its list of weighted attributes was designed to assist in the comparison of particular *installations*, rather than in the comparison of particular (leased) *facilities*.<sup>3</sup> In other words, installations and leased facilities are fundamentally different, and thus they cannot be evaluated according to the same list of attributes. For example, comparing leased facilities based on things such as each leased facility's aviation maintenance facilities, ranges, hard surface staging areas, and other such attributes incorporated in the IAP model would not have been instructive as to the relative merit of each such facility: no leased facilities possess these attributes, and thus all would have received equally low scores in these areas.

Accordingly, an Installation Assessment was not prepared for facilities within the LFC, and, perhaps in this limited respect, the Army's BRAC process for leased facilities might be said to have differed slightly from its process for other types of installations. In lieu of an Installation Assessment, however, the Army did, as described more fully below, undertake a quantitative assessment of each leased facility according to consideration of empirical attributes that were more directly relevant to comparisons of leased facilities.

Once these quantitative assessments were completed--either through the IAP or, in the LFC, through consideration of other relevant empirical attributes--the qualitative portion of the MVA was undertaken. These qualitative assessments sought to ascertain the consistency of the quantitative assessments with the objectives outlined in the Army's Stationing Strategy. Thus, the Stationing Strategy

---

<sup>3</sup>Groups of leases in the same headquarters and same geographical area were deemed a single facility for the purposes of the Military Value Assessment.

served as a qualitative template against which the quantitative assessments could be measured and revised accordingly.

Therefore, as with other categories, the MVA for each leased facility within the LFC was determined separately. Each such MVA was a combination of both quantitative assessments, which were arrived at through comparisons of relevant empirical data, and qualitative assessments, which were provided by the Army's Stationing Strategy. Although the Army determined separately the Military Value of each leased facility without reference to an Installation Assessment, the MVA of each leased facility was nonetheless composed of a similar quantitative assessment tempered by the qualitative guidance provided by the Stationing Strategy. In no instance did the Army assess the military value of a leased facility solely according to the qualitative guidance provided by the Army's Stationing Strategy.

### *(2) Identification of Study Candidates*

After completing the aforementioned quantitative and qualitative assessments, each installation or facility within a category received a Military Value Assessment relative to other installations of facilities within that category. In turn, those installations or facilities that were deemed to possess relatively low military value within the category were designated as candidates for further study for possible closure or realignment. With respect to the LFC, all facilities within the category were deemed to be of relatively low military value, especially with respect to MVC two and four, and thus all facilities were designated as candidates for further study.

### *(3) Development of Alternatives and Application of DoD Selection Criteria Four through Eight*

Once the Study Candidates were identified for each category, the Army developed between one and six specific base closure and realignment alternatives for each such candidate. These alternatives were derived from force structure decisions, the Stationing Strategy, previous BRAC reviews, Major Army Command recommendations, staff proposals, and Joint Cross-Service Group alternatives. Each of these competing alternatives was then assessed and refined according to affordability, economic and environmental analyses.

More particularly, the fifth DoD Selection Criterion--"[t]he extent and timing of potential cost savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs"--was applied uniformly to all study candidates within a category through use of The Cost of Base Realignment Actions (COBRA) Model, DoD's model for resource analysis and measurement of the affordability of each potential closure or realignment. Thus once relevant data was plugged in for each of the alternatives, the COBRA analysis indicated the likely costs and savings associated with each potential closure or realignment.

The sixth and seventh DoD Selection Criteria-- "[t]he economic impact on communities[,]" and "[t]he ability of both the existing and potential receiving communities' infrastructure to support forces, missions, and personnel[,]" respectively--were applied uniformly to all study candidates within a category through use of DoD's standard model for the calculation of economic impacts. Thus, once relevant data for each of the alternatives was plugged in, this model indicated the likely economic and infrastructure impacts associated with the potential closure or realignment.

Finally, the eighth DoD Selection Criteria--"[t]he environmental impact"--was applied uniformly to all study candidates within a category by an Environmental Review Committee, which collected and analyzed Environmental Baseline Summaries and produced an initial assessment for each installation or facility. Subsequent analysis then refined these assessments, and they were factored into analysis of each of the alternatives.

**II. THE ARMY DID, ACCORDING TO CRITERIA ONE THROUGH FOUR, ASSESS MILITARY VALUE IN THE FORMULATION OF ITS ATCOM RECOMMENDATION.**

The charge that the Army failed to assess military value in the formulation of its ATCOM recommendation is without foundation. MVAs were fundamental to all of the Army's BRAC analysis--including its analysis of leased facilities at ATCOM and elsewhere. Although, for the reasons identified above, facilities within the leasing category were not ranked pursuant to an *Installation Assessment*, a *Military Value Assessment* was nonetheless prepared for each facility within this

category.<sup>4</sup>

The quantitative component of these MVAs took the form of assessments of lease costs, space, features, and other common attributes of leased facilities. The qualitative component of these MVAs consisted of evaluating the utility of each facility in light of both the Stationing Strategy's general operational objectives--i.e., "[e]liminate excess capacity[,] . . . [m]inimize use of leased space[,] . . . [and] [c]ollocate tenants from different major commands where functional synergy can be obtained and facility support is available"--and its more particular operational objectives with respect to commodity-oriented commands such as ATCOM--i.e., achieve "[e]fficiency . . . through collocation and integration of research, engineering, acquisition and logistics functions, as well as reduce[] overhead[.]"

Just as with other categories of installations, MVAs for each facility within the LFC category were arrived at through uniform application of each of the four Military Value Criteria. With respect to the ATCOM leases, each of the four criteria was applied to arrive at a MVA for the facility.

---

<sup>4</sup>It appears that in part, the MCD Letter may have mistaken an "Installation Assessment" for a "Military Value Assessment", and the MCD therefore concluded that since the former was not prepared for facilities within the leasing category, no Military Value Assessments were undertaken for facilities within the category. As noted above, the two are not the same. An Installation Assessment is merely a discretionary, quantitative ranking of installations within a category according to a decision pad computer model. It may form the quantitative component of a Military Value Assessment, but it alone does not comprise the Military Value Assessment. Conversely, a Military Value Assessment is a mandatory determination, consisting of both quantitative and qualitative measures of the worth of each installation or facility within a category. Thus a Military Value Assessment may depend in part upon an Installation Assessment--if such an assessment is appropriate for facilities or installations within a particular category--but it need not be based upon such an Installation Assessment.

A. Application of the First Criterion: "current and future mission requirements and the impact on operational readiness of DoD's total force."

The Army considered, in both quantitative and qualitative terms, ATCOM's current and future mission requirements and their impact on the operational readiness of the armed forces. Quantitatively, it considered the attributes of leased facilities that bore on such requirements and readiness, such as the size of the facilities according to their type, the population housed, the costs of the lease, and the penalties to terminate the lease. Qualitatively, the Army assessed existing ATCOM leased facilities in light of the aforementioned general and more particularized objectives of the Stationing Strategy.

B. Application of the Second Criterion: "availability and condition of land and facilities at both the existing and potential receiving locations."

The Army considered, in both quantitative and qualitative terms, the availability and condition of land and facilities at ATCOM's existing leased sites and at potential receiving sites such as Redstone Arsenal, Corpus Christi Army Depot, Rock Island Arsenal, Aberdeen Proving Ground, Detroit Arsenal, Fort Monmouth, and Natick Research, Development, Engineering Center. Quantitatively, it considered the attributes of leased facilities that bore on such matters, collecting information on such things as the percent of permanent facilities at an existing leased site and potential receiving sites, the average age of facilities at each location, and the features and size of such facilities accordingly to their type. As part of this analysis, the Army used its corporate facility data base to determine whether facilities were available at potential receiving locations, and, if so, whether they required renovation to accommodate a relocating function. If facilities were not available, then the data base was used to determine what facilities would have to be constructed to accommodate such relocations. Qualitatively, the Army once again assessed its quantitative analysis in light of the aforementioned general and more particularized objectives of its Stationing Strategy.

C. Application of the Third Criterion: "ability to accommodate contingency, mobilization, and future requirements at both existing and potential receiving locations."

The Army considered, both in quantitative and qualitative terms, ATCOM's ability to accommodate contingency, mobilization, and future requirements at both its present location and at other potential locations. Quantitatively, the Army considered the attributes of leased facilities and potential receiving locations that bore on such abilities, examining things such as buildable acres or unused space or buildings, the ability of information systems at both locations to accommodate expansions, the sites' proximity to or possession of an airport. Qualitatively, the Army again reviewed its quantitative findings in light of the general and more particularized objectives set forth in its stationing strategy.

D. Application of the Fourth Criterion: "cost and manpower implications."

The Army considered, both in quantitative and qualitative terms, the manpower and cost implications of retaining ATCOM at its existing leased sites or relocating functions to several other installations. Quantitatively, it considered the attributes that bore on such manpower and cost factors, collecting data on things such as the square footage requirements at existing and potential receiving sites, the costs per square foot of existing leased space and space elsewhere, the manpower-to-square-footage requirements of ATCOM at its existing and potential receiving locations. Qualitatively, and as with the other criteria, the Army assessed its quantitative assessments with reference to the general and more particularized objectives outlined in its Stationing Strategy.

III. THE ARMY COMPLIED WITH ITS STATIONING STRATEGY IN THE FORMULATION OF ITS ATCOM RECOMMENDATION.

The charge that the Army has not complied with its Stationing Strategy in the formulation of its ATCOM recommendation is incorrect. As explained above, the Army's Stationing Strategy is a planning document that provides guidance to its managers with respect to future operational requirements. This operational blueprint does, as noted above, encourage increased efficiency and reductions in overhead. It also, however, encourages the Army to minimize the use of

leased space, eliminate excess capacity, and collocate activities where functional synergy can be achieved and facility support is available.

The ATCOM recommendation complies fully with all of the Army's Stationing Strategy's objectives and guidance. This recommendation increases efficiency through collocation, integration, or relocation of discrete research, engineering, acquisition, and logistics functions at several installations. In turn, the synergies achieved through such collocations, integrations, and relocations assist in reducing overhead costs--in large part because once they are relocated, fewer personnel are required to accomplish the same functions. Moreover, the ATCOM recommendation is fully consistent with the Stationing Strategy's other objectives insofar as it minimizes the use of leased space, eliminates excess capacity at receiving locations, and, as noted above, achieves a number of functional synergies.

**IV. THE ARMY DID NOT OVERSTATE THE SAVINGS IT WOULD EXPECT TO REALIZE FROM THE CLOSURE OF ATCOM.**

The allegation that the Army has overstated the savings it expects to realize from the closure of ATCOM is without merit. The Army would save nearly \$50 million annually as a result of the synergies, efficiencies, and consolidations it expects to realize from the closure of ATCOM.

Contrary to the suggestion in the MCD Letter, the DoD COBRA model does not consider, or take credit for, any savings that might result from any previously planned personnel reductions or reductions that are otherwise independent of the BRAC process; only those savings associated with personnel reductions generated by a proposed closure or realignment are considered. Moreover, the DoD COBRA model is designed to assess only the potential savings that DoD likely would realize from the closure or realignment of any particular installation or facility. Whether the Federal Government would also likely save money as a result of any particular closure or realignment is a broader question that the current process was simply not designed to address. Nonetheless, we note that if the Army vacates GSA leased space, then GSA could make such space available to another Federal agency, or it could dispose of the property entirely--either of which could result in savings to the Federal Government.

Finally, the Army did conclude in its 1993 BRAC analysis that the relocation of ATCOM to a single installation would be too expensive. However, the 1995 recommendation, by relocating functions to several installations, avoids many of the significant construction costs, that, in large part, were responsible for the high costs associated with relocation in 1993. Indeed, if the Army had considered disestablishing ATCOM and relocating its functions to several installations during its 1993 BRAC process, then it likely would have forwarded such a recommendation to the 1993 Commission.

**V. THE ARMY CONSIDERED ALL PRACTICABLE ALTERNATIVES IN THE FORMULATION OF ITS RECOMMENDATION TO CLOSE ATCOM.**

The suggestion that the Army failed to consider more cost-effective alternatives to the closure of ATCOM is inaccurate. As explained above, BRAC analysis necessarily considers feasible, competing alternatives, and the recommended closure of ATCOM was the best of these alternatives. The Army did consider alternatives to the ATCOM recommendation, such as relocating Headquarters, Strategic Space and Defense Command ("SSDC") from a leased facility to Redstone Arsenal. However, the COBRA analysis performed for this alternative indicated that it would cost more and save less. Moreover, this alternative was less consistent with the Army's Stationing Strategy, since relocation of SSDC to Redstone Arsenal would not increase efficiency, reduce overhead, or create any functional synergies.

**VI. CONCLUSIONS**

In summary, we do not believe that any of the issues raised by the MCD Letter can withstand close scrutiny. Through uniform application of the Military Value Criteria within each category, the Army developed a separate Military Value Assessment for each installation and facility--including those in the Leased Facility Category. The ATCOM recommendation is fully consistent with the Stationing Strategy's guidance, and the Army did not overstate or improperly calculate the savings that would be realized from the recommended closure of ATCOM. Lastly, the Army's BRAC process ensured that all practicable and feasible alternatives were considered.

Thank you again for allowing us to address these issues. We hope that this letter will assist the Commission in understanding the Army's BRAC processes in general, and its recommendation respecting ATCOM in particular.



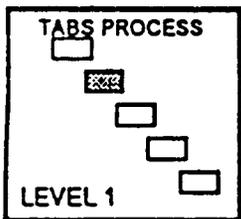
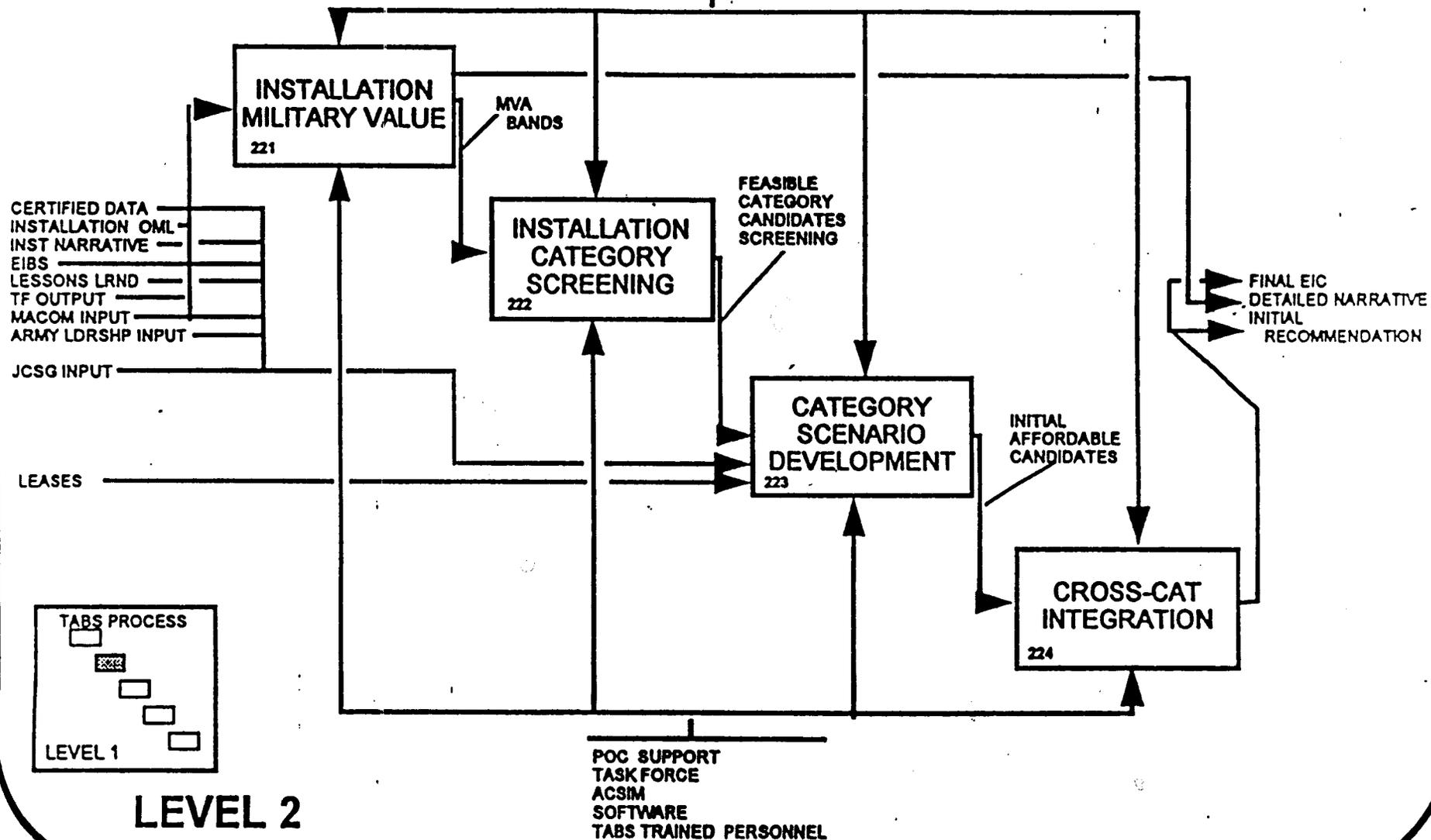
James E. Shane, Jr.  
Brigadier General, US Army  
Director of Management

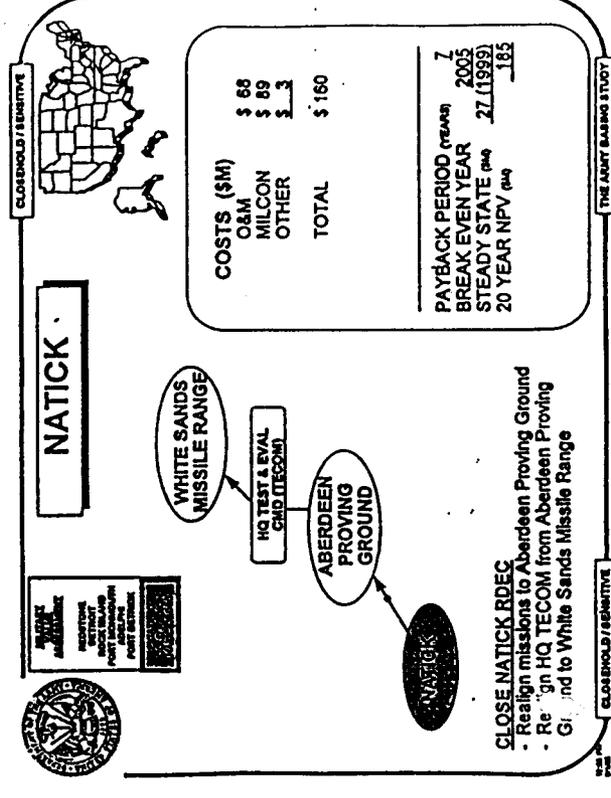
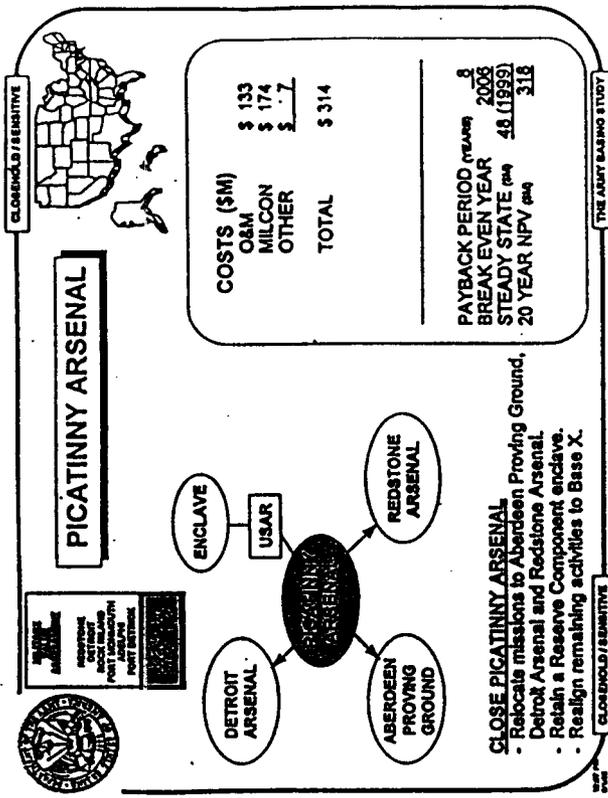
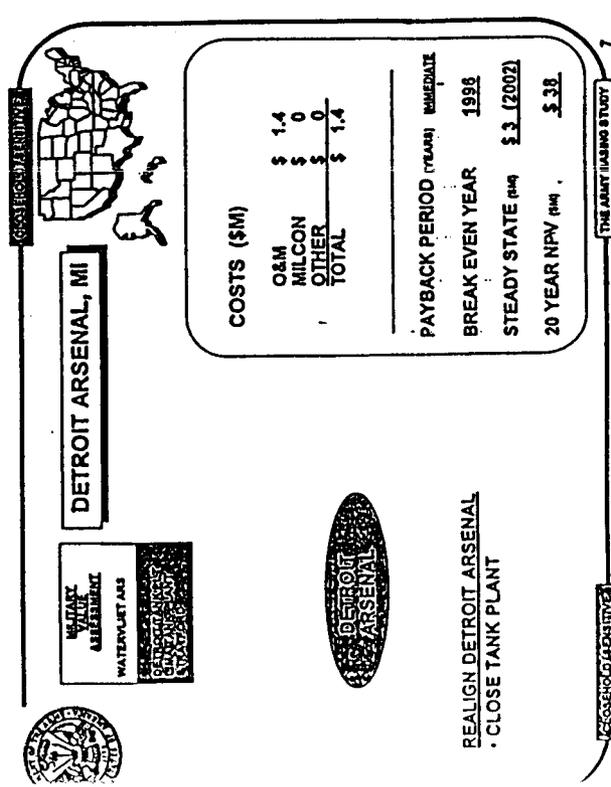
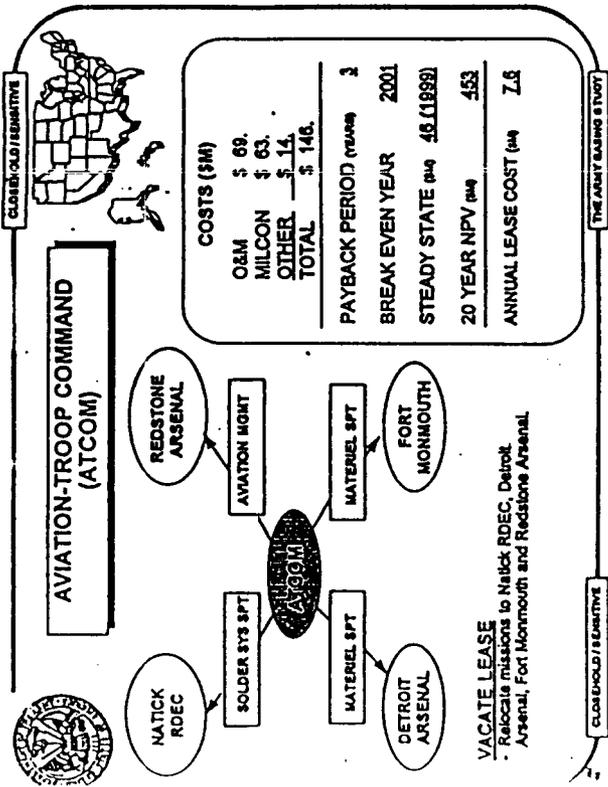
Attachment



# TABS DETAILED ANALYSIS (12)

TIME LAW TASS FORCE STRUCTURE DoD CRITERIA ICP MGT PLAN AAA PLAN POLICY CHARTER







CLOSEHOLD/SENSITIVE

## IMPACT SUMMARY

### SPACE & STRATEGIC DEFENSE COMMAND, HUNTSVILLE, AL

OPERATIONAL: - none, local move  
- synergy with major PMs and Missile Command at Redstone

PERSONNEL:

	MILITARY	CIVILIAN
REDUCTIONS		
REALIGNMENTS	35	915

ENVIRONMENTAL: No significant limitations

ECONOMIC: None

OTHER SERVICE/DOD FACTORS: None

ALTERNATIVES CONSIDERED None

CLOSEHOLD/SENSITIVE

THE ARMY BASING STUDY

# Document Separator

**DEFENSE BASE CLOSURE & REALIGNMENT COMMISSION**  
**1700 NORTH MOORE STREET, SUITE 1425**  
**ARLINGTON, VIRGINIA 22209**  
**(703) 696-0504**

**MEMORANDUM OF MEETING**

**DATE:** April 28, 1995

**TIME:** 4:00 p.m.

**MEETING WITH:** Representative Richard Gephardt's Office

**SUBJECT:** DoD's Recommendation to Close ATCOM (St. Louis, MO)

**PARTICIPANTS:**

*Name/Title/Phone Number:*

**Brett O'Brien, L.A., Rep. Gephardt's Office, (202) 225-0100**

*Commission Staff:*

**Ralph Kaiser, Counsel**  
**Mike Kennedy, Army Team**

**MEETING PURPOSE:**

**Brett O'Brien came to brief Commission on the Missouri delegation's response to the Army's letter discussing its MVA analysis of ATCOM (MO alleged that no MVA analysis was done on the lease at ATCOM). After discussion, Commission staff asked that Missouri's position be reduced to a written submission.**

# Document Separator



DEPARTMENT OF THE ARMY  
HEADQUARTERS, U.S. ARMY MATERIEL COMMAND  
8001 EISENHOWER AVENUE, ALEXANDRIA, VA 22304-0001



REPLY TO  
ATTENTION OF

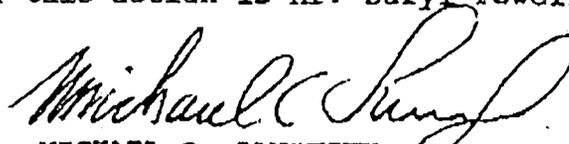
AMCSO

11 May 1995

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: BRAC 95 Implementation Planning Guidance

1. Memorandum, AMCSO, 13 Apr 95, sab.
2. The reference above provided guidance for the Manpower Annex of the Implementation Planning Guidance. Paragraph 7d contained guidance concerning deviating from the elimination and realignment numbers in the COBRA analyses.
3. It appears as if this guidance may be somewhat less than clear in its intent. The purpose of the action was to try to take the proposals down to the next level of detail and get an early handle on what may have been some minor oversights in the analyses prepared by the TABS Office. [The data before the Commission had to be somewhat macro in nature, due to the Close Hold nature of the action, and the inability to discuss the actions in great detail with all parties involved. It indicates expected outcomes, and is substantially right in terms of level of savings which will occur. The dissection of these proposals at a micro level in order to build an execution plan is almost certain to bring to light minor deviations which have no bearing on either the intent of or the overall level of savings contained in the proposals. That is what we are after in the 15 May 1995 data call.
4. The point of contact for this action is Mr. Daryl Powell, DSN 284-9186.

  
MICHAEL C. SANDUSKY  
Chief, Special Analysis

DISTRIBUTION:

→ Ms. Pauline Cason (MICOM)  
Mr. Al Wilson (IOC)  
Mr. Tom Smith (ATCOM)  
Mr. Bob Kaspari (TACOM)  
Mr. Len Dube (SSCOM)  
Mr. Frank CuiFFo (CECOM)  
Mr. Mike Early (TECOM)  
Mr. Jim McKivrigan (CBDCOM)  
Ms. Michelene Smith (CM Price)



DEPARTMENT OF THE ARMY  
HEADQUARTERS, U.S. ARMY MATERIEL COMMAND  
6001 EISENHOWER AVENUE, ALEXANDRIA, VA 22333 - 0001



REPLY TO  
ATTENTION OF

AMCSO

13 April 1995

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: BRAC 95 Implementation Planning Guidance

1. Reference:

- a. Memorandum, AMCSO, 1 Mar 95, sab.
- b. Memorandum, AMCSO, 10 Mar 95, sab.
- c. Memorandum, AMCSO, 13 Mar 95, subject: BRAC 95 - Lead MSCs.
- d. Memorandum, AMCSO, 16 Mar 95, subject: BRAC 95 Implementation Guidance - Draft Environmental Baseline Survey (EBS), Statement of Work.
- e. Memorandum, AMCSO, 20 Mar 95, sab.
- f. Memorandum, AMCSO, 22 Mar 95, subject: BRAC 95 Implementation Guidance - Discretionary Moves.

2. The purpose of this memorandum is to provide additional data relating to BRAC 95 implementation planning.

3. Attached as enclosure 1 is data we have transmitted to DA DCSOPS concerning discretionary moves.

4. At enclosure 2 is a memo to COE with our proposed methodology for NEPA documentation.

5. Add the following requirement to ref 1e as para 4c.(7):

"Address MACOM-approved provisions for the continued processing of workers compensation cases. One of two courses of action is possible: 1. Designate another installation within the same MACOM to assume the caseload; 2. Obtain concurrence of an installation outside the MACOM to assume the caseload (see para 3 of enclosure 2)."

6. Manpower guidance distributed in reference 1a is withdrawn. New guidance for the manpower annex of the implementation plans is contained in this memo.

7. Guidance for the manpower annex is as follows:

- a. The start point for the manpower plan is the data contained in the Cobra analyses provided to you in reference



AMCSO

SUBJECT: BRAC 95 Implementation Planning Guidance

1b, which was further supplemented in reference 1e. This data correlates to the FY 1996 data contained in the August 1994 version of the ASIP and will be the point of departure for the annex.

b. As is the case with all of the annexes in the Implementation Plan, all units involved in the proposal before the Commission will be addressed in this annex. The listing of the units for each proposal, at UIC/derivative UIC level of detail, and the FY 1996 ASIP strength for these units was transmitted to you via enclosure 4 to reference 1b.

c. For each AMC unit contained in a proposal, you need to explain any discrepancy between the baseline data (ASIP) and the "October 1994 PBG plus February 1995 Command Plan Changes" version of the PBG. This will be done in a paragraph, or series of paragraphs entitled "ASIP to PBG Reconciliation". (NOTE: This is not a requirement for non-AMC units). The remainder of the annex will use PBG data as its basis (ASIP data for non-AMC elements).

d. As noted above, enclosure 4 to reference 1b contains manpower data at UIC/derivative UIC level of detail, including manpower eliminations and realignments resulting from the proposals. If you believe that you need to deviate from the manpower eliminated or realigned, then NLT 15 May 1995 you need to come forward to this HQ in writing, under your Commanding General's signature, detailing the rationale for and the level of deviation proposed. Unless a specific waiver from HQ AMC is provided, plans will adhere to the manpower savings detailed in the referenced data. Simply noting that there is a delta between the ASIP and PBG data will not be considered ample rationale to obtain a waiver. You do not need to receive a waiver to deduct governmental caretaker personnel who may be required for a time between the end of the military mission and the actual disposal of the property from Army rolls. These personnel requirements, which may be needed at some of the closure sites, may be deducted from the eliminations without approval from HQ AMC. HQ AMC does however retain final approval authority over the sites which may require this action, and the amount of personnel involved.

e. For each proposal before the Commission the following displays will be completed:

(1) Base Closure Exhibit, Manpower Annex, Manpower Baseline (Encl. 3). Instructions for the completion of this form follow.

AMCSO

SUBJECT: BRAC 95 Implementation Planning Guidance

- (a) Date. Fill in date that the form was completed.
- (b) Proposal. Short hand notation for the proposal before the Commission. This information can be found in the verbiage in para 1 of enclosure 4 to ref 1b. Examples are: Realign Dugway Proving Grounds, Close Red River Army Depot, Disestablish ATCOM, etc.
- (c) Activity/UIC. List all of the units involved in the proposal, as well as their UIC/derivative UIC under this column heading. See para 4b above, this memo.
- (d) Civ Mil, FY 96-01. For each AMC unit show the baseline authorizations per the "October 1994 PBG plus February 1995 Command Plan Changes." For non-AMC units, use the ASIP data in reference 1b, which is FY 1996 data, and straight line it for all years.
- (e) Total. Provide a total by FY of Civ and Mil for all of the units involved in the proposal.
- (f) Source. The source for the data is the "October 1994 PBG plus February 1995 Command Plan Changes" for AMC units, and the August 1994 ASIP for non-AMC units.

NOTE: This baseline then becomes the control numbers which will be used throughout the entirety of the plan. Although other sections/annexes may refer to numbers of personnel, we are going to use the PBG and authorizations as our basis for constructing this plan. This includes the migration chart required in the Executive Summary.

- (2) Base Closure Exhibit, Manpower Annex, Schedule of Changes (Encl. 4). Instructions for the completion of this form follow.
  - (a) An individual form will be completed for each of the units included in the Manpower Baseline form.
  - (b) Date and Proposal. Same instructions as the Manpower Baseline form.
  - (c) Activity/UIC. The name and UIC/derivative UIC of the unit that the form addresses.
  - (d) Action column.
    - 1 Baseline. Show the baseline for the unit. Data will be the same as that included on the Manpower baseline form.

AMCSO

SUBJECT: BRAC 95 Implementation Planning Guidance

2 The following entries are possibilities for the remainder of this column: Eliminated, Transferred to (Name of unit, UIC#, and installation name). For each entry in the column, fill in the appropriate number of authorizations involved. In many cases this will provide a zero sum. The situations where this would not be the case are:

a When a unit will remain resident at the installation involved in the proposal and will not lose its unit identity through transfer to or merger with another organization.

b When a governmental residual caretaker staff is anticipated between the time the military mission ends and the date the property is disposed from Army rolls.

(NOTE: You need to ensure that the data displayed in this form correlates to the data contained elsewhere in the plan; notably in the Personnel section where you discuss timing in relationship to PCS, transfer of functions, RIF, etc.).

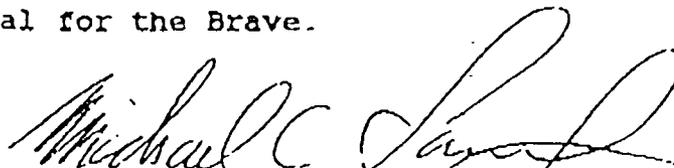
(3) Base Closure Exhibit, Manpower Annex, Schedule of Changes - Narrative (encl. 5). Instructions for the Completion of this form follow.

(a) An individual form will be completed to accompany each of the Schedule of Changes forms. The Proposal, Activity/UIC and date should correlate to the Schedule of Change form the narrative accompanies.

(b) For each entry in the Action column of the Schedule of Change form, provide a narrative description of the action.

8. The point of contact for this action is Mr. Daryl Powell, DSN 284-9186.

9. AMC --- America's Arsenal for the Brave.

  
MICHAEL C. SANDUSKY  
Chief, Special Analysis

5 encl  
as

AMCSO

SUBJECT: BRAC 95 Implementation Planning Guidance

DISTRIBUTION:

Ms. Pauline Cason (MICOM)  
Mr. Al Wilson (IOC)  
~~Mr. Michelene Smith (ATCOM)~~  
Mr. Bob Kaspari (TACOM)  
Mr. Len Dube (SSCOM)  
Mr. Frank Cuiffo (CECOM)  
Mr. Mike Early (TECOM)  
Mr. Jim McKivrigan (CBDCOM)  
Ms. Michelene Smith (CM PRICE)

CF:

Mr. Blount (DCSRM)

# Document Separator

HOWELL HEFLIN  
ALABAMA

COMMITTEE ON AGRICULTURE,  
NUTRITION, AND FORESTRY  
COMMITTEE ON THE JUDICIARY  
COMMITTEE ON SMALL BUSINESS

# United States Senate

WASHINGTON, DC 20510-0101

STATE OFFICES:

- 341 FEDERAL BUILDING  
1800 FIFTH AVENUE NORTH  
BIRMINGHAM, AL 35203  
(205) 731-1500
- 437 U.S. COURTHOUSE  
MOBILE, AL 36602  
(205) 690-3167
- FEDERAL COURTHOUSE, B-29  
15 LEE STREET  
MONTGOMERY, AL 36104  
(205) 265-9507
- 104 WEST 5TH STREET  
P.O. BOX 228  
TUSCUMBIA, AL 35674  
(205) 381-7060

- 728 SENATE HART BUILDING  
WASHINGTON, DC 20510-0101  
(202) 224-4124

May 25, 1995

The Honorable Alan Dixon  
Chairman  
Base Realignment and Closure Commission  
1700 North Moore Street  
Arlington, Virginia 22209

Please refer to this document  
with file number 950530-18

Dear Chairman Dixon:

The recent decision to add the Space and Strategic Defense Command (SSDC) to the base closure list has increased my concerns that the focus of the Base Realignment and Closure (BRAC) Commission is being directed away from its main objective - consolidation to save money. While the savings from vacating expensive leased space is important (I will address this issue in regards to SSDC in another letter), an analysis of the savings clearly shows that consolidation is the issue, not the elimination of leased office space.

Clearly, the function of the Base Realignment and Closure Commission (BRAC) is to reduce the infrastructure costs of the services through closures and realignments, provided that these actions do not unacceptably impact readiness or result in the loss of a unique asset. Reducing leased space, therefore, is not a goal for the Commission, but only a means to reduce the Army's fixed costs.

The United States Army and the Department of Defense have recommended consolidating the Aviation Troop Support Command (ATCOM) with the Missile Command (MICOM) at Redstone Arsenal in Huntsville, Alabama. This move is an effort to combine personnel, eliminate duplication and bring about a more efficient and effective military operation. In considering the ATCOM consolidation, the Army determined that the lease cost savings are minimal, just \$24 million over ten years. If this was the only savings involved in the ATCOM move, the Army would never have recommended it.

The ATCOM consolidation, however, also eliminates 1,066 ATCOM personnel whose jobs duplicate those of MICOM employees. As can be seen from calculation below, the ten-year savings from eliminating redundant personnel generate over 95% of the savings from this action.

<u>Lease Savings</u>		<u>Personnel Savings</u>		<u>Total Savings</u>
\$24 million	+	\$434 million	=	\$458 million

Furthermore, the General Services Administration (GSA) has informed me that they plan to sell the Goodfellow Building, ATCOM's home in downtown St. Louis, when the consolidation goes through, which would reduce the one-time cost to the government by \$40 million (See Enclosure 1).

According to GSA, other smaller tenants of the Goodfellow Building would be moved to the GSA's Robert A. Young (RAY) Building, also in downtown St. Louis, which will have a significant amount of vacant space when the Army's Systems Integration & Management Activity relocates and the IRS moves its regional offices. While some Goodfellow tenants will have to move to commercial space, a survey of St. Louis shows that sufficient private sector space exists at competitive prices (\$10 to \$12 per square foot) to house the workforce at little or no additional cost to the government (see Enclosure 2). These facts make the lease issue even less relevant.

Consolidating ATCOM with MICOM has a one-time cost of \$145.8 million but allows the government to sell the \$40 million Goodfellow Building and lowers the Army's operating costs by \$45.8 million per year. Using these figures, the true time period for the Federal Government to recoup the cost of consolidation can be calculated as follows:

$\$145.8 \text{ million (move cost)} - \$40 \text{ million (Goodfellow sale)} = \$105.8 \text{ million (one-time cost)}$

$\frac{\$105.8 \text{ million (one-time cost)}}{\$45.8 \text{ million (annual savings)}} = 2.3 \text{ years to recoup investment}$

This 2.3 year return on investment makes the move to Redstone Arsenal one of the smartest investments the Army can make. I, therefore, hope the Commission will vote to approve the consolidation of ATCOM and MICOM, and thus allow the Army to save hundreds of millions in operating expenses over the next 10 years.

Thank you for your time and consideration of this important matter.

Sincerely yours,

  
Howell Heflin

HH/my

ENCLOSURE 1



General Services Administration, Region 6  
1500 East Bannister Road  
Kansas City, MO 64131-3088

April 27, 1995

The Honorable Howell Heflin  
United States Senate  
Washington, DC 20510-2704

Attn: Mark Young

Dear Senator Heflin:

This responds to information requested earlier this week by your assistant Mark Young about possible relocation of the Army Troop and Aviation Support Command (ATCOM) from St. Louis, Missouri.

Mr. Young requested:

1. Copies of Federal leases. The ATCOM does not lease space in St. Louis. They occupy space owned by the Federal Government at 4300 Goodfellow with the GSA as custodian. This relationship is statutory and permits ATCOM to vacate blocks of space on 120 days notice. Transfer payments from DOD to GSA enable space occupancy based on statute.
2. The cost of lease space. The office user charge for the 17 buildings occupied by ATCOM varies between \$6.26 and \$10.67 per office square foot with the average rate being about \$9.60 per square foot.
3. Who owns the space occupied? All space is owned by the Federal government with the GSA having custody.
4. What is the value of leases? The user charge in annual terms changes as square footage fluctuates. The COBRA numbers provided by the Army indicate \$7.6 million for annual ATCOM facility charges.
5. What Federal property is vacant in St. Louis? Presently, small pockets of vacant space exist mostly in the downtown RAY Building. If ATCOM should leave St. Louis, 4300 Goodfellow would become inefficient and require disposal. Some remaining 4300 Goodfellow tenants would occupy the RAY building, but most would be moved to private sector leased buildings.

The Army stated they wanted to move ATCOM from the complex because of the "oppressive rent." Senator Heflin, as you might expect, the Governor of Missouri, the area congressional delegation, and the City of St. Louis, requested we either transfer the property to the Army or lower their user charge, based on that one Army comment.

However, our research indicated the user charge at this facility is a real bargain for ATCOM and very competitive with other National Defense leases. Therefore, our position is neither to transfer the property to the Army or lower the ATCOM user rate at the 4300 Goodfellow. Neither alternative would be beneficial for the taxpayer. The St. Louis area congressional delegation is aware of our position.

We realize the Army may disagree with our figures, but believe our calculations will stand the scrutiny of review. However, we sincerely believe, based on the Army's own numbers and our research, that facilities cost is not the issue.

Since this is a Federal government facility with GSA having custody, Tom Walker, the Assistant Regional Administrator for Public Buildings, a twenty-year Federal employee with expertise in both military and civilian facility management, testified at the recent Chicago Base Realignment and Closure (BRAC) hearings to address only one issue, the facilities costs.

If GSA can be of further assistance or provide further information, please have your staff contact Tom Walker at (816) 926-7231.

Sincerely,

A handwritten signature in cursive script that reads "Glen W. Overton". The signature is written in dark ink and is positioned above the typed name.

Glen W. Overton  
Regional Administrator (6A)

# Central Business District

# Office Market Report First Quarter 1995

<i>Total Inventory</i>	<i>13,282,319</i>
<i>Available Space</i>	<i>3,000,337</i>
<i>Overall Vacancy Rate</i>	<i>22.6%</i>
<i>Direct Vacancy Rate</i>	<i>21.9%</i>
<i>Available Sublease Space</i>	<i>83,345</i>
<i>Wtd. Average Rental Rate</i>	<i>\$11.69</i>
<i>YTD Net Absorption</i>	<i>46,485</i>
<i>YTD Leasing Activity</i>	<i>116,701</i>

The CBD historically has the highest concentration of available space and among the highest vacancy rates in the St. Louis area. Consistent leasing activity during the first quarter has led to a steady vacancy rate and positive net absorption of 46,485 sf. This was the second consecutive quarter of positive net absorption recorded in the CBD, indicating an improvement in the downtown market.

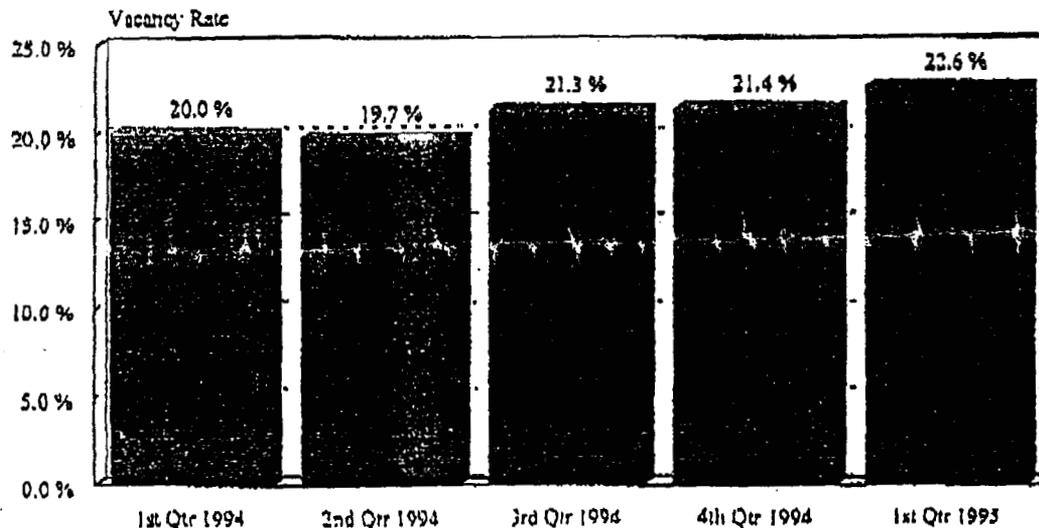
Leasing activity totalled 116,701 sf in the first quarter. This is a typical quarterly level for the CBD, but less than half the amount of space leased during the fourth quarter, when leasing activity totalled an unusually high 390,602 sf. Nearly 60% of the space leased in the first quarter was in class A buildings. The largest lease completed was 15,000 sf leased

by LDDS in the Valley building.

The CBD has the highest concentration of large blocks of available space. Twenty-nine spaces over 20,000 sf exist throughout the CBD. Large users looking for space in the St. Louis area have the largest range of choices in this market. Space types range from historic turn-of-the-century buildings to modern, class A high rises.

An additional 232,506 sf was made available in the first quarter. The largest newly available space is a 16,600-square foot full floor on the second floor of the Mark Twain Bank building at 10 Stadium Plaza.

## OVERALL VACANCY RATES



Source: Cushman & Wakefield of Missouri Research Services

**Congress of the United States**  
Washington, DC 20515

May 5, 1995

The Honorable Alan Dixon  
Defense Base Closure and Realignment Commission  
1700 North Moore Street  
Suite 1425  
Arlington, VA 22209

Dear Chairman Dixon:

We are writing to respond to the letter sent to the Defense Base Closure and Realignment (BRAC) Commission by Brigadier General James E. Shane, Director of Management in the office of the U.S. Army Chief of Staff, dated April 14, 1995. We also would like to propose that the Commission add certain bases to the list of facilities to be considered for closure during your May 10 hearing.

As you know, our March 29 letter and the St. Louis community's April 12 testimony requested that the BRAC Commission reject the Defense Department's recommendation to close the Army's Aviation and Troop Command (ATCOM). Both our letter and the testimony described how the Army:

- (1) failed to comply with the base closure law's requirement that all closure recommendations be based on the final selection criteria;
- (2) failed to comply with the objectives of its own Stationing Strategy;
- (3) overestimated the cost savings to the government, which are much lower than represented; and,
- (4) failed to consider more cost-effective alternatives.

In our letter, we substantiated these findings with evidence from the Army's own Management Control Plan, which established the methodology for analyzing facilities in the 1995 base closure process, and from the Army's own documentation on ATCOM.

The Army's April 14 letter asserts that our findings are incorrect, and provides a description of the Army's base closure process and analysis of ATCOM (see Attachment A). While this letter attempts to address the issues raised in our own letter, it fails to

substantiate any of its own assertions. In fact, the Army's letter is not supported by any documentation provided to the Commission and in some cases contradicts Army documents describing its analysis and findings on ATCOM. We would like to take this opportunity to identify the deficiencies in the Army's position and to recommend that the Commission consider more cost-effective alternatives than the closure of ATCOM.

#### **CLAIM THAT ATCOM CLOSURE WAS BASED ON MILITARY VALUE CRITERIA**

In our March 29 letter to you, we noted that the base closure law requires that the Defense Department make recommendations to close or realign installations, including leased facilities, "on the basis of the force structure plan and the final criteria." We explained that the Army violated this law in recommending ATCOM for closure because it failed to base this decision on the final criteria which measure military value. In so doing, the Army did not merely deviate substantially from the four military value criteria, it deviated entirely from them.

The Army's letter concurs with our view that the base closure law required uniform application of the military value criteria in selecting installations and leased facilities for closure. However, the letter disagrees with our assertion that the Army failed to evaluate ATCOM and other leased facilities on the basis of the four military value criteria. The letter asserts that "although...facilities within the leasing category were not ranked pursuant to an Installation Assessment, a Military Value Assessment was nonetheless prepared for each facility within this category." The letter also contends that "[Military Value Assessments] for each facility within the [leased facility] category were arrived at through uniform application of each of the four Military Value Criteria."

These claims are contradicted by the guidelines the Army used to prepare its 1995 base closure recommendations and by documentation presented by the Army to justify its decision to close ATCOM.

The Army's Management Control Plan established the analytical framework it used during the 1995 base closure and realignment selection process. This document directed that leased facilities were to be included in the Army's evaluation process only after all other installations had been evaluated based on the four military value criteria, had received Military Value Assessments, and had been ranked relative to other installations in the same category. Specifically, it states that during the Army's Installation Assessment phase, "each category of installations is compared using a set of attributes..." and that "each attribute is linked to one of the four DOD selection criteria that measure Military Value." The Management Control Plan then explains that data from the Installation Assessments and other inputs were to be "used to develop the Military Value Assessment," in which "banding of installations into enduring, high military value, and lower military value is achieved...." The Management Control Plan explicitly directed that only later in the process, at the Category Scenario Development

phase, were leased facilities to be considered. It states that for this phase,

Inputs include the previous information [from the Military Value Assessments and other sources] plus leased facilities. At this point cost, economic, and environmental inputs are considered and the product of initial affordable candidates is presented.

The illustrative charts accompanying this text clearly indicate that leased facilities were to be excluded from any analysis based on the military value criteria -- whether in the Installation Assessment phase or the Military Value Assessment phase (See Attachment B). This was a fundamental point made in our March 29 letter, which was not, as the Army's letter suggests, based on a misunderstanding of the Army's Installation Assessment or its Military Value Assessment. Rather, we demonstrated that the Management Control Plan directed the Army to exclude leased facilities from all preparation phases that involved an evaluation based on the military value criteria -- which is required by law for all installations, including leases.

The documentation presented by the Army to justify its decision to close ATCOM reflects an adherence to the Management Control Plan's guidelines, in that there is no evidence of leased facilities having been evaluated based on the four military value criteria. This is clearly substantiated by the Army's Basing Study office's December 20 briefing to Secretary West for closure and realignment decisions. The documentation provided to the Commission indicates that in this briefing, the data presented for each candidate installation included a summary of its Military Value Assessment. (See Attachment C) In contrast, the data presented for each candidate leased facility did not contain any summary of a Military Value Assessment. We firmly believe that the reason for this omission was that the Army complied fully with the guidelines of its Management Control Plan and did not evaluate leased facilities based on the military value criteria. Consequently, the Secretary of the Army's recommendation to close ATCOM was not based on the military value criteria and therefore did not comply with the requirements of the base closure law.

The Army's failure to consider leased facilities based on the military value criteria is also demonstrated in Volume III of its report to the BRAC Commission. In this report, the Army summarized the results of its Military Value Assessment for each category of bases except one -- leased facilities. If, as the Army's letter asserts, the Army had conducted a Military Value Assessment of leased facilities, why did it not include the result of this assessment in its report to the BRAC Commission as it did for every other category of bases? Again, we believe the reason for this omission to be that the Army did not evaluate leased facilities based on the military value criteria.

The General Accounting Office (GAO) agrees with this conclusion. In its April 14 report to the BRAC Commission, the GAO stated that

Regarding the Army, it did not fully adhere to its regular process for installations in assessing military value when recommending...leased facilities for closure....In considering leased facilities, *the Army relied on its stationing strategy and its guidance to reduce leases but did not assess the facilities separately* as it did for other installations. (Emphasis added)

Contrary to the guidelines summarized above and the documentation provided to the Commission, the Army's letter claims that, for each of the four military value criteria, the Army considered both quantitative and qualitative attributes of ATCOM. Despite this claim, the Army has provided no documentation that indicates any consideration based on the military value criteria. In addition, the Army's letter describes attributes it claims were used to evaluate leased facilities for which it appears no data was ever collected. These attributes include the following:

- Percent permanent facilities
- Average age of facilities
- Buildable acres
- Unused space or building
- Ability of information systems to accommodate expansions
- Proximity to or possession of an airport

We have found no evidence to suggest that these attributes were used to evaluate leased facilities, and no evidence of a Military Value Assessment of ATCOM based on attributes associated with any military value criteria. It is noteworthy, however, that many of the attributes listed above were used by the Army to evaluate bases in its Commodity Installations category -- the category in which ATCOM was evaluated during the 1993 base closure and realignment process.

In summary, we believe that in recommending ATCOM for closure, the Army complied with its Management Control Plan and failed to make its decision based on the four military value criteria -- a clear violation of the base closure law. We have shown that the Army's own documentation supports this position. In contrast, the Army's letter suggests that it took actions regarding leased facilities which in effect violated the Management Control Plan and allegedly included an evaluation based on the military value criteria. The Army has not provided any documentation to support this position, and the documentation it has provided to the Commission contradicts it. In the end, the facts demonstrate that the Army deviated substantially from the first four selection criteria by failing to consider them at all in recommending ATCOM for closure.

#### **CLAIMS REGARDING THE ARMY'S STATIONING STRATEGY AND COST SAVINGS**

The Army's letter contends that it complied fully with its Stationing Strategy in formulating the decision to close ATCOM. In particular, it states that by closing

ATCOM, the Army will increase efficiency, reduce overhead, minimize the use of leased space, eliminate excess capacity, and collocate activities. It also argues that the Army would save nearly \$50 million annually as a result of ATCOM's closure.

We believe that the closure of ATCOM would not accomplish the goals of the Army's Stationing Strategy in a cost-effective manner. First of all, as our March 29 letter demonstrated, the transfer of ATCOM's functions to the intended receiving bases will increase the Army's overhead costs from \$7.6 million to \$11.1 million annually -- an outcome that is contrary to the goals of the Stationing Strategy. Secondly, the Army itself acknowledges that the cost to transfer ATCOM's functions will exceed \$145 million (we estimate these costs to exceed \$184 million), while the savings will amount to only \$7 million annually after the true personnel impact is taken into account. These substantial costs and low savings will produce an extremely poor return on investment for the Army.

### CONSIDERATION OF ALTERNATIVES TO ATCOM'S CLOSURE

In light of the costs noted above, the Army should have given serious consideration to alternatives to ATCOM's closure. First and foremost, the Army should have at least examined ATCOM's own plans to reduce personnel and increase efficiency as a way to accomplish the goals of its Stationing Strategy. Over the next five years, ATCOM plans to reduce personnel by approximately 445 positions in order to meet the Army's own budget projections. These reductions will require one-time administrative costs of only \$6 million and result in a savings of \$20 million annually, with an immediate return on investment. Moreover, they will increase efficiency, reduce overhead, permit a reduction in the amount of space leased from the General Services Administration (thus eliminating unneeded capacity), and streamline activities -- accomplishing all of the goals of the Army's Stationing Strategy.

The Army's letter asserts that it did consider at least one alternative to the closure of ATCOM -- the relocation of the Space and Strategic Defense Command (SSDC) from a leased facility in Huntsville, Alabama, to Redstone Arsenal. According to the Army's letter, this alternative was rejected because the Army found it to be (1) more costly than the closure of ATCOM, and (2) less consistent with the Stationing Strategy because it "would not increase efficiency, reduce overhead, or create any functional synergies."

These statements regarding SSDC are contradicted by the Army's own data. First, the documentation presented by the Army to the Commission indicates that the relocation of SSDC to Redstone Arsenal would cost much less than the closure of ATCOM -- \$21 million vs. \$146 million in one-time costs, and \$2 million vs. \$12 million in recurring costs. We have found that the one-time costs to relocate SSDC are even less than the \$21 million claimed by the Army, which assumed that a new facility would have to be constructed at Redstone Arsenal to accommodate SSDC personnel. In fact,

both the Army Materiel Command and the office of the Assistant Chief of Staff for Installation Management have stated that Redstone currently possesses space to accommodate approximately 1,500 personnel. Your staff has confirmed this fact and has determined that minimal renovation would be required to accomplish the relocation of the 950 employed by SSDC. Based on your staff's renovation estimates, we have calculated that the actual one-time costs required to relocate SSDC to Redstone Arsenal would be approximately \$1 million -- not \$21 million as claimed by the Army. Using this data, the relocation of SSDC would generate an immediate return on investment, annual savings of at least \$1.3 million, and a 20-year net present value of up to \$23 million. This is a much more cost-effective prospect than the closure of ATCOM.

Secondly, the relocation of SSDC to Redstone Arsenal is entirely consistent with the Army's Stationing Strategy. The Army's COBRA report for SSDC demonstrates that relocation would increase efficiency and reduce overhead by eliminating \$3.8 million in lease costs and generating only \$2.5 million in additional overhead costs at Redstone Arsenal -- a net savings of \$1.3 million annually. In addition, the documentation presented by the Army Basing Study office to the Undersecretary of the Army on October 11, 1994, states that the relocation of SSDC would result in "synergy with major [Program Managers] and Missile Command at Redstone" (see Attachment D). Consequently, by the Army's own data and assertions to its leadership demonstrate that the relocation of SSDC would fulfill the goals of its Stationing Strategy to reduce overhead and leased space, eliminate excess capacity and co-locate activities.

While not acknowledged by the Army, its consideration of the possible closure of the Natick Research, Development & Engineering Center (RDEC) in Massachusetts also had relevance vis-a-vis the proposed closure of ATCOM. This facility is the site of the U.S. Army Soldier Systems Command, and is intended by the Army to receive soldier systems functions from ATCOM should it close. The Army's own data indicates that the closure of Natick RDEC would require fewer one-time costs than those required for the closure of ATCOM, would generate \$27 million in savings annually, and would produce a 20-year net present value of \$185 million. Despite these savings -- which are considerably greater than those that would accrue from the closure of ATCOM -- the Army chose to keep this facility open. It also appears to be willing to transfer ATCOM personnel to Natick RDEC despite the Army COBRA report's determination that such a move would increase annual overhead costs by \$1.6 million, or an extraordinary \$8,120 per person. Given such costs, it does not appear that the decision to retain Natick RDEC and transfer ATCOM functions to it are in the best interests of the Army or the taxpayer.

\* \* \* \* \*

In light of the above, we do not believe that the Army's April 14 letter to the Commission provides any justification for the closure of ATCOM. The Army's letter not only lacks any documentation to substantiate its claims, but is contradicted by

documentation the Army has already presented to the Commission. The Army's documentation substantiates our conclusions that it failed to comply with the base closure law's requirement that all recommendations be based on the final selection criteria, failed to meet the objectives of its own Stationing Strategy, overestimated the cost savings to the government, and failed to give serious and accurate consideration to more cost-effective alternatives. Consequently, we would like to reiterate our request that the Commission reject the Army's recommendation that ATCOM be closed.

In order to evaluate fairly and adequately the Army's recommendation to close ATCOM and our belief that it should remain open, we request that the Commission add SSDC and Natick RDEC to the list of installations to be considered for closure during your May 10 hearing. We believe that only by adding these facilities will the Commission be able to examine all of the issues raised by the Army's recommendation, including viable alternatives.

We appreciate your attention to this important matter.

Sincerely,



Christopher S. Bond  
United States Senator



Richard A. Gephardt  
Member of Congress



John Ashcroft  
United States Senator



William Clay  
Member of Congress



James M. Talent  
Member of Congress



Harold L. Volkmer  
Member of Congress

# Document Separator



DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF STAFF  
200 ARMY PENTAGON  
WASHINGTON DC 20310-0200



REPLY TO  
ATTENTION OF

April 14, 1995

The Honorable Alan J. Dixon  
Chairman, The Defense Base Closure  
and Realignment Commission  
1700 North Moore Street, Ste. 1425  
Arlington, Virginia 22209

Dear Chairman Dixon:

Thank you for providing us with a copy of the attached letter from the Missouri Congressional Delegation (the "MCD Letter"), which suggests that the Secretary of Defense improperly recommended to the 1995 Defense Base Closure and Realignment Commission the closure of Aviation and Troop Command (ATCOM). I would like to respond on behalf of the Army, and I appreciate this opportunity to present the Army's views on the several issues that the MCD Letter raises, and to explain why these issues should not lead the 1995 Commission to reject the ATCOM recommendation.

Because we believe that many of these issues stem from a misunderstanding of the way in which the Army's closure and realignment recommendations were formulated, we feel it is useful to provide a brief description of the Army's Base Realignment and Closure (BRAC) process before turning to the particular issues raised by the MCD Letter.

I. THE ARMY'S BRAC PROCESS AND ITS STATIONING STRATEGY

As you are aware, the BRAC process is designed to facilitate objective, fair, and open decisions with respect to necessary reductions in military infrastructure. Accordingly, each recommended closure or realignment is arrived at through uniform application of the eight, published Department of Defense (DoD) Selection Criteria. Through evenhanded application of these Selection Criteria within categories, the military value of each particular facility or installation is assessed separately, after which the effects associated with any potential closure or realignment--including the costs to the military, and the implications for affected local communities and the environment--are determined.

### A. The Stationing Strategy

Although the BRAC law establishes a process by which closure and realignment recommendations are to be made, it does not provide any specific objectives with respect to the type, number, and magnitude of the necessary reductions. Accordingly, before the Army could begin its BRAC process, it had to articulate its generalized, strategic and operational basing requirements. The Army elected to do this in a comprehensive planning document: the Army Stationing Strategy.

The Army's Stationing Strategy does not outline specific stationing decisions, nor does it recommend the closure or realignment of any particular installations or facilities. Indeed, the Army elected, wholly apart from any BRAC legal requirement to do so, to develop this Stationing Strategy because of its independent planning utility. Thus, the Army's Stationing Strategy provides an operational foundation upon which BRAC planning and analysis can proceed. It is both antecedent to the BRAC process, insofar as it establishes the parameters within which BRAC decisionmaking takes place, and it is integral to the process, insofar as an assessment of the military value of any particular Army installation or facility must be determined with reference to the objectives set forth in its Stationing Strategy.

### B. The BRAC Process

After developing its Stationing Strategy, the Army began its formal BRAC process with a comprehensive review and inventory of all of its installations. To facilitate fair comparisons, and consistent with Department of Defense policy, the Army assigned each installation or facility to one of 14 categories, each of which contained installations or facilities with similar characteristics. Pursuant to a 1993 BRAC Commission recommendation, and consistent with DoD policy guidance, the Army established a separate, Leased Facilities Category ("LFC") within which leased facilities could be compared to one another.<sup>1</sup>

---

<sup>1</sup>See, Defense Base Closure and Realignment Commission: 1993 Report to the President, 1 July 1993, p. 2-3 ("The Commission suggests DoD direct the services to include a separate category for leased  
(continued...)

(1) *Military Value Assessments*

The Army then applied the Military Value Criteria ("MVC")--i.e., the first four of the published DoD Selection Criteria--to each installation or facility within a category.<sup>2</sup> Like all the published criteria, the MVC were applied uniformly within each category so that, consistent with BRAC law, all installations or facilities would be considered equally, and the military value of each such installation or facility would be assessed separately. Uniform application of the MVC within each category yielded a Military Value Assessment ("MVA") for each particular installation or facility within that category. This MVA was a combination of both quantitative and qualitative assessments of the worth of a particular installation or facility.

In most instances, the quantitative component of the MVA was developed according to the Army's BRAC 95 Installation Assessment Program (IAP), a decision pad

---

<sup>1</sup>(...continued)

facilities during the 1995 process to ensure a bottom-up review of all leased space."). DoD's policy guidance subsequently left to each of the services the decision as to whether to create a separate category for the review of leased facilities. Although the other military departments chose not to create a separate LFC, the Army nonetheless concurred with the 1993 Commission and believed that a separate LFC would yield better analysis of leased facilities.

<sup>2</sup>Consistent with DoD policy guidance and applicable legal requirements, only those activities that were performed in leased space and which share a common mission, have permanently authorized personnel, have a separate support structure, and cost more than \$200K annually were considered in the LFC. As directed by DoD's policy guidance, "[c]ivilian personnel authorizations of organizations in leased space, which are part of an organization [that is either located] on a nearby military installation or . . . [is located] within the same metropolitan statistical area, shall be considered part of the civilian personnel authorizations of that installation." See, "1995 Base Realignment and Closures (BRAC 95) -- Policy Memorandum Three," 29 December 1994, pp. 1-2. Accordingly, these adjunct leases were assessed as part of their host installations.

computer model that was designed to assist in the comparison of installations according to a common set of weighted attributes, each of which related to one of the MVC. Thus, certified data were collected for each of these attributes. This data was then entered into the IAP, which in turn produced an Installation Assessment--i.e., a quantitative ranking of installations within a particular category.

With respect to the LFC, however, the IAP was not employed, because its list of weighted attributes was designed to assist in the comparison of particular *installations*, rather than in the comparison of particular (leased) *facilities*.<sup>3</sup> In other words, installations and leased facilities are fundamentally different, and thus they cannot be evaluated according to the same list of attributes. For example, comparing leased facilities based on things such as each leased facility's aviation maintenance facilities, ranges, hard surface staging areas, and other such attributes incorporated in the IAP model would not have been instructive as to the relative merit of each such facility: no leased facilities possess these attributes, and thus all would have received equally low scores in these areas.

Accordingly, an Installation Assessment was not prepared for facilities within the LFC, and, perhaps in this limited respect, the Army's BRAC process for leased facilities might be said to have differed slightly from its process for other types of installations. In lieu of an Installation Assessment, however, the Army did, as described more fully below, undertake a quantitative assessment of each leased facility according to consideration of empirical attributes that were more directly relevant to comparisons of leased facilities.

Once these quantitative assessments were completed--either through the IAP or, in the LFC, through consideration of other relevant empirical attributes--the qualitative portion of the MVA was undertaken. These qualitative assessments sought to ascertain the consistency of the quantitative assessments with the objectives outlined in the Army's Stationing Strategy. Thus, the Stationing Strategy

---

<sup>3</sup>Groups of leases in the same headquarters and same geographical area were deemed a single facility for the purposes of the Military Value Assessment.

served as a qualitative template against which the quantitative assessments could be measured and revised accordingly.

Therefore, as with other categories, the MVA for each leased facility within the LFC was determined separately. Each such MVA was a combination of both quantitative assessments, which were arrived at through comparisons of relevant empirical data, and qualitative assessments, which were provided by the Army's Stationing Strategy. Although the Army determined separately the Military Value of each leased facility without reference to an Installation Assessment, the MVA of each leased facility was nonetheless composed of a similar quantitative assessment tempered by the qualitative guidance provided by the Stationing Strategy. In no instance did the Army assess the military value of a leased facility solely according to the qualitative guidance provided by the Army's Stationing Strategy.

### *(2) Identification of Study Candidates*

After completing the aforementioned quantitative and qualitative assessments, each installation or facility within a category received a Military Value Assessment relative to other installations of facilities within that category. In turn, those installations or facilities that were deemed to possess relatively low military value within the category were designated as candidates for further study for possible closure or realignment. With respect to the LFC, all facilities within the category were deemed to be of relatively low military value, especially with respect to MVC two and four, and thus all facilities were designated as candidates for further study.

### *(3) Development of Alternatives and Application of DoD Selection Criteria Four through Eight*

Once the Study Candidates were identified for each category, the Army developed between one and six specific base closure and realignment alternatives for each such candidate. These alternatives were derived from force structure decisions, the Stationing Strategy, previous BRAC reviews, Major Army Command recommendations, staff proposals, and Joint Cross-Service Group alternatives. Each of these competing alternatives was then assessed and refined according to affordability, economic and environmental analyses.

More particularly, the fifth DoD Selection Criterion--"[t]he extent and timing of potential cost savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs"--was applied uniformly to all study candidates within a category through use of The Cost of Base Realignment Actions (COBRA) Model, DoD's model for resource analysis and measurement of the affordability of each potential closure or realignment. Thus once relevant data was plugged in for each of the alternatives, the COBRA analysis indicated the likely costs and savings associated with each potential closure or realignment.

The sixth and seventh DoD Selection Criteria-- "[t]he economic impact on communities[,]" and "[t]he ability of both the existing and potential receiving communities' infrastructure to support forces, missions, and personnel[,]" respectively--were applied uniformly to all study candidates within a category through use of DoD's standard model for the calculation of economic impacts. Thus, once relevant data for each of the alternatives was plugged in, this model indicated the likely economic and infrastructure impacts associated with the potential closure or realignment.

Finally, the eighth DoD Selection Criteria--"[t]he environmental impact"--was applied uniformly to all study candidates within a category by an Environmental Review Committee, which collected and analyzed Environmental Baseline Summaries and produced an initial assessment for each installation or facility. Subsequent analysis then refined these assessments, and they were factored into analysis of each of the alternatives.

**II. THE ARMY DID, ACCORDING TO CRITERIA ONE THROUGH FOUR, ASSESS MILITARY VALUE IN THE FORMULATION OF ITS ATCOM RECOMMENDATION.**

The charge that the Army failed to assess military value in the formulation of its ATCOM recommendation is without foundation. MVAs were fundamental to all of the Army's BRAC analysis--including its analysis of leased facilities at ATCOM and elsewhere. Although, for the reasons identified above, facilities within the leasing category were not ranked pursuant to an *Installation Assessment, a Military Value Assessment* was nonetheless prepared for each facility within this

category.<sup>4</sup>

The quantitative component of these MVAs took the form of assessments of lease costs, space, features, and other common attributes of leased facilities. The qualitative component of these MVAs consisted of evaluating the utility of each facility in light of both the Stationing Strategy's general operational objectives--i.e., "[e]liminate excess capacity[,] . . . [m]inimize use of leased space[,] . . . [and] [c]ollocate tenants from different major commands where functional synergy can be obtained and facility support is available"--and its more particular operational objectives with respect to commodity-oriented commands such as ATCOM--i.e., achieve "[e]fficiency . . . through collocation and integration of research, engineering, acquisition and logistics functions, as well as reduce[] overhead[.]"

Just as with other categories of installations, MVAs for each facility within the LFC category were arrived at through uniform application of each of the four Military Value Criteria. With respect to the ATCOM leases, each of the four criteria was applied to arrive at a MVA for the facility.

---

<sup>4</sup>It appears that in part, the MCD Letter may have mistaken an "Installation Assessment" for a "Military Value Assessment", and the MCD therefore concluded that since the former was not prepared for facilities within the leasing category, no Military Value Assessments were undertaken for facilities within the category. As noted above, the two are not the same. An Installation Assessment is merely a discretionary, quantitative ranking of installations within a category according to a decision pad computer model. It may form the quantitative component of a Military Value Assessment, but it alone does not comprise the Military Value Assessment. Conversely, a Military Value Assessment is a mandatory determination, consisting of both quantitative and qualitative measures of the worth of each installation or facility within a category. Thus a Military Value Assessment may depend in part upon an Installation Assessment--if such an assessment is appropriate for facilities or installations within a particular category--but it need not be based upon such an Installation Assessment.

A. Application of the First Criterion: "current and future mission requirements and the impact on operational readiness of DoD's total force."

The Army considered, in both quantitative and qualitative terms, ATCOM's current and future mission requirements and their impact on the operational readiness of the armed forces. Quantitatively, it considered the attributes of leased facilities that bore on such requirements and readiness, such as the size of the facilities according to their type, the population housed, the costs of the lease, and the penalties to terminate the lease. Qualitatively, the Army assessed existing ATCOM leased facilities in light of the aforementioned general and more particularized objectives of the Stationing Strategy.

B. Application of the Second Criterion: "availability and condition of land and facilities at both the existing and potential receiving locations."

The Army considered, in both quantitative and qualitative terms, the availability and condition of land and facilities at ATCOM's existing leased sites and at potential receiving sites such as Redstone Arsenal, Corpus Christi Army Depot, Rock Island Arsenal, Aberdeen Proving Ground, Detroit Arsenal, Fort Monmouth, and Natick Research, Development, Engineering Center. Quantitatively, it considered the attributes of leased facilities that bore on such matters, collecting information on such things as the percent of permanent facilities at an existing leased site and potential receiving sites, the average age of facilities at each location, and the features and size of such facilities accordingly to their type. As part of this analysis, the Army used its corporate facility data base to determine whether facilities were available at potential receiving locations, and, if so, whether they required renovation to accommodate a relocating function. If facilities were not available, then the data base was used to determine what facilities would have to be constructed to accommodate such relocations. Qualitatively, the Army once again assessed its quantitative analysis in light of the aforementioned general and more particularized objectives of its Stationing Strategy.

C. Application of the Third Criterion: "ability to accommodate contingency, mobilization, and future requirements at both existing and potential receiving locations."

The Army considered, both in quantitative and qualitative terms, ATCOM's ability to accommodate contingency, mobilization, and future requirements at both its present location and at other potential locations. Quantitatively, the Army considered the attributes of leased facilities and potential receiving locations that bore on such abilities, examining things such as buildable acres or unused space or buildings, the ability of information systems at both locations to accommodate expansions, the sites' proximity to or possession of an airport. Qualitatively, the Army again reviewed its quantitative findings in light of the general and more particularized objectives set forth in its stationing strategy.

D. Application of the Fourth Criterion: "cost and manpower implications."

The Army considered, both in quantitative and qualitative terms, the manpower and cost implications of retaining ATCOM at its existing leased sites or relocating functions to several other installations. Quantitatively, it considered the attributes that bore on such manpower and cost factors, collecting data on things such as the square footage requirements at existing and potential receiving sites, the costs per square foot of existing leased space and space elsewhere, the manpower-to-square-footage requirements of ATCOM at its existing and potential receiving locations. Qualitatively, and as with the other criteria, the Army assessed its quantitative assessments with reference to the general and more particularized objectives outlined in its Stationing Strategy.

III. THE ARMY COMPLIED WITH ITS STATIONING STRATEGY IN THE FORMULATION OF ITS ATCOM RECOMMENDATION.

The charge that the Army has not complied with its Stationing Strategy in the formulation of its ATCOM recommendation is incorrect. As explained above, the Army's Stationing Strategy is a planning document that provides guidance to its managers with respect to future operational requirements. This operational blueprint does, as noted above, encourage increased efficiency and reductions in overhead. It also, however, encourages the Army to minimize the use of

leased space, eliminate excess capacity, and collocate activities where functional synergy can be achieved and facility support is available.

The ATCOM recommendation complies fully with all of the Army's Stationing Strategy's objectives and guidance. This recommendation increases efficiency through collocation, integration, or relocation of discrete research, engineering, acquisition, and logistics functions at several installations. In turn, the synergies achieved through such collocations, integrations, and relocations assist in reducing overhead costs--in large part because once they are relocated, fewer personnel are required to accomplish the same functions. Moreover, the ATCOM recommendation is fully consistent with the Stationing Strategy's other objectives insofar as it minimizes the use of leased space, eliminates excess capacity at receiving locations, and, as noted above, achieves a number of functional synergies.

**IV. THE ARMY DID NOT OVERSTATE THE SAVINGS IT WOULD EXPECT TO REALIZE FROM THE CLOSURE OF ATCOM.**

The allegation that the Army has overstated the savings it expects to realize from the closure of ATCOM is without merit. The Army would save nearly \$50 million annually as a result of the synergies, efficiencies, and consolidations it expects to realize from the closure of ATCOM.

Contrary to the suggestion in the MCD Letter, the DoD COBRA model does not consider, or take credit for, any savings that might result from any previously planned personnel reductions or reductions that are otherwise independent of the BRAC process; only those savings associated with personnel reductions generated by a proposed closure or realignment are considered. Moreover, the DoD COBRA model is designed to assess only the potential savings that DoD likely would realize from the closure or realignment of any particular installation or facility. Whether the Federal Government would also likely save money as a result of any particular closure or realignment is a broader question that the current process was simply not designed to address. Nonetheless, we note that if the Army vacates GSA leased space, then GSA could make such space available to another Federal agency, or it could dispose of the property entirely--either of which could result in savings to the Federal Government.

Finally, the Army did conclude in its 1993 BRAC analysis that the relocation of ATCOM to a single installation would be too expensive. However, the 1995 recommendation, by relocating functions to several installations, avoids many of the significant construction costs, that, in large part, were responsible for the high costs associated with relocation in 1993. Indeed, if the Army had considered disestablishing ATCOM and relocating its functions to several installations during its 1993 BRAC process, then it likely would have forwarded such a recommendation to the 1993 Commission.

V. THE ARMY CONSIDERED ALL PRACTICABLE ALTERNATIVES IN THE FORMULATION OF ITS RECOMMENDATION TO CLOSE ATCOM.

The suggestion that the Army failed to consider more cost-effective alternatives to the closure of ATCOM is inaccurate. As explained above, BRAC analysis necessarily considers feasible, competing alternatives, and the recommended closure of ATCOM was the best of these alternatives. The Army did consider alternatives to the ATCOM recommendation, such as relocating Headquarters, Strategic Space and Defense Command ("SSDC") from a leased facility to Redstone Arsenal. However, the COBRA analysis performed for this alternative indicated that it would cost more and save less. Moreover, this alternative was less consistent with the Army's Stationing Strategy, since relocation of SSDC to Redstone Arsenal would not increase efficiency, reduce overhead, or create any functional synergies.

VI. CONCLUSIONS

In summary, we do not believe that any of the issues raised by the MCD Letter can withstand close scrutiny. Through uniform application of the Military Value Criteria within each category, the Army developed a separate Military Value Assessment for each installation and facility—including those in the Leased Facility Category. The ATCOM recommendation is fully consistent with the Stationing Strategy's guidance, and the Army did not overstate or improperly calculate the savings that would be realized from the recommended closure of ATCOM. Lastly, the Army's BRAC process ensured that all practicable and feasible alternatives were considered.

Thank you again for allowing us to address these issues. We hope that this letter will assist the Commission in understanding the Army's BRAC processes in general, and its recommendation respecting ATCOM in particular.



James E. Shane, Jr.  
Brigadier General, US Army  
Director of Management

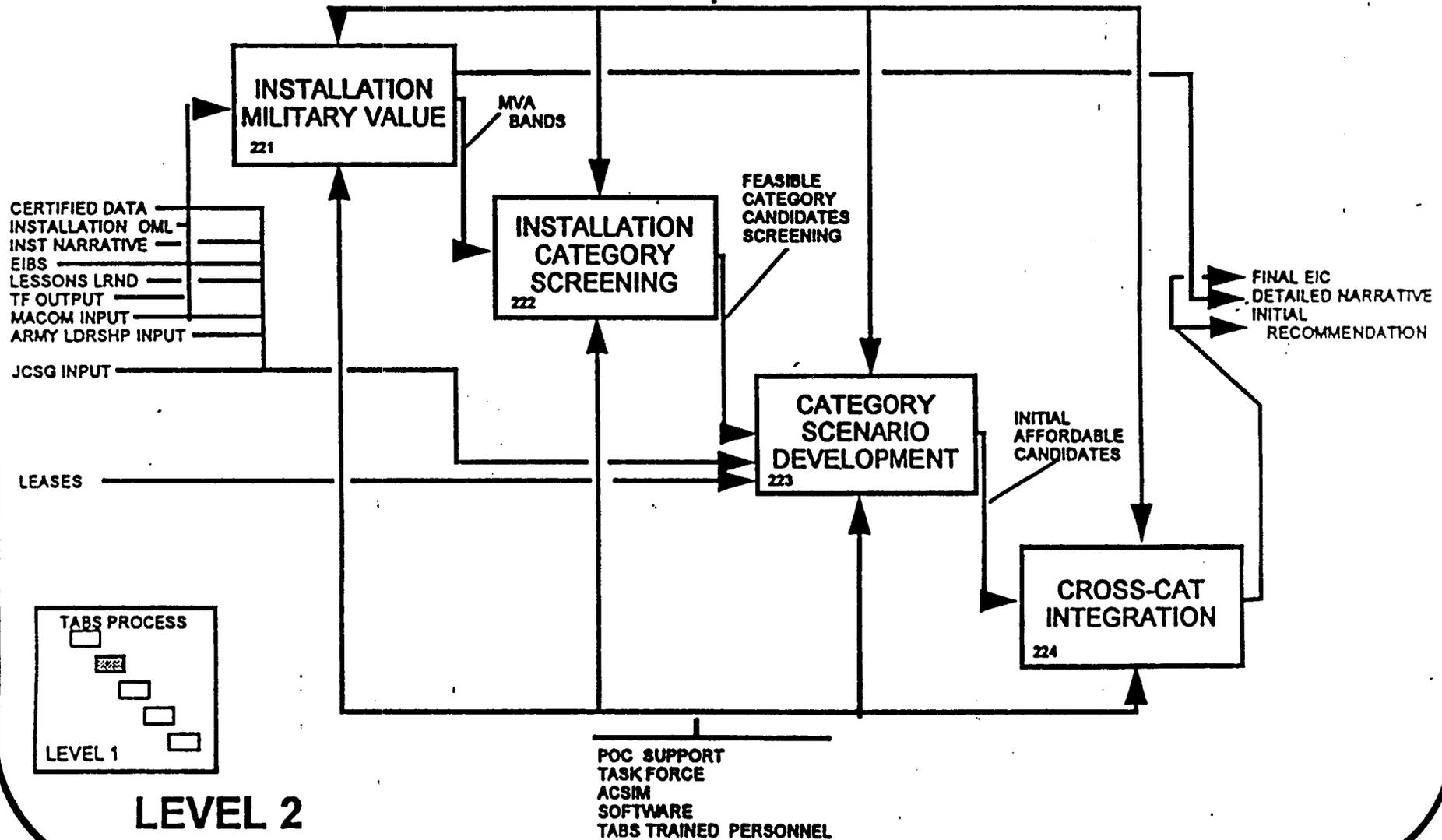
Attachment

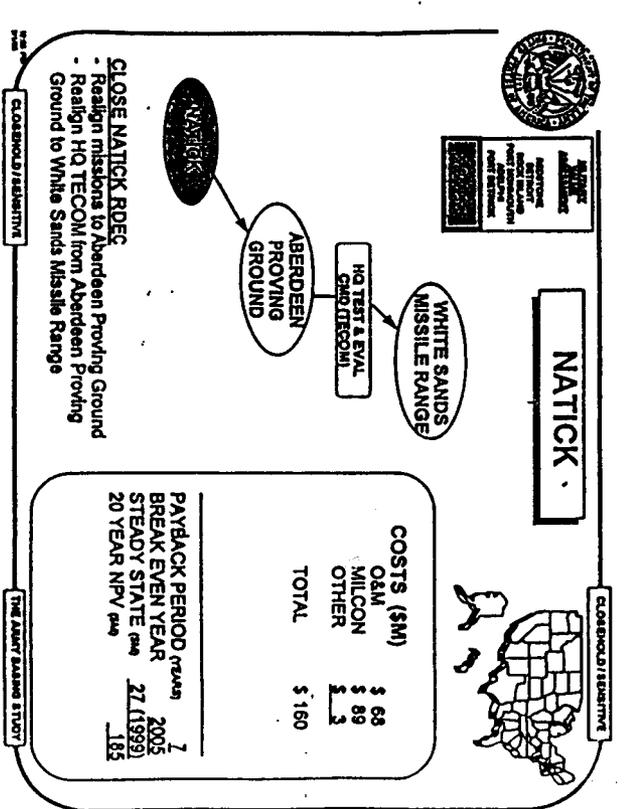
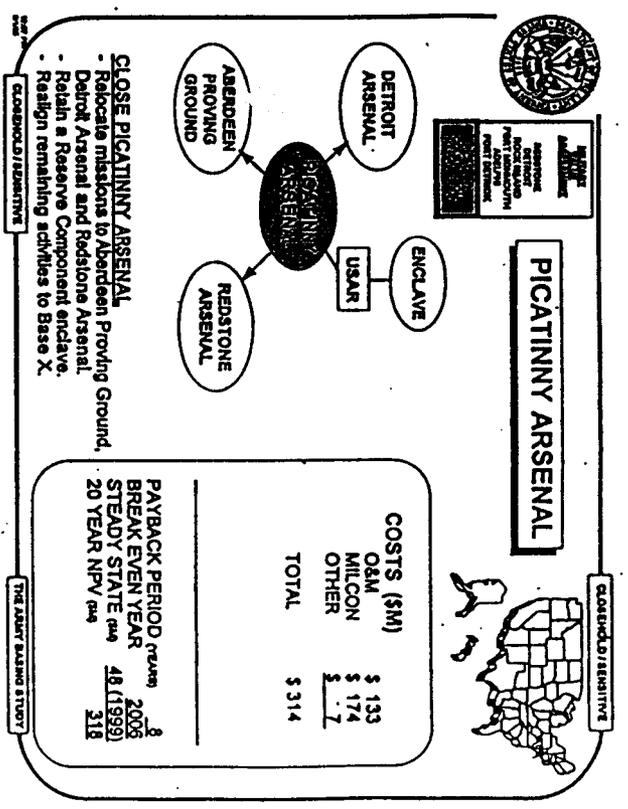
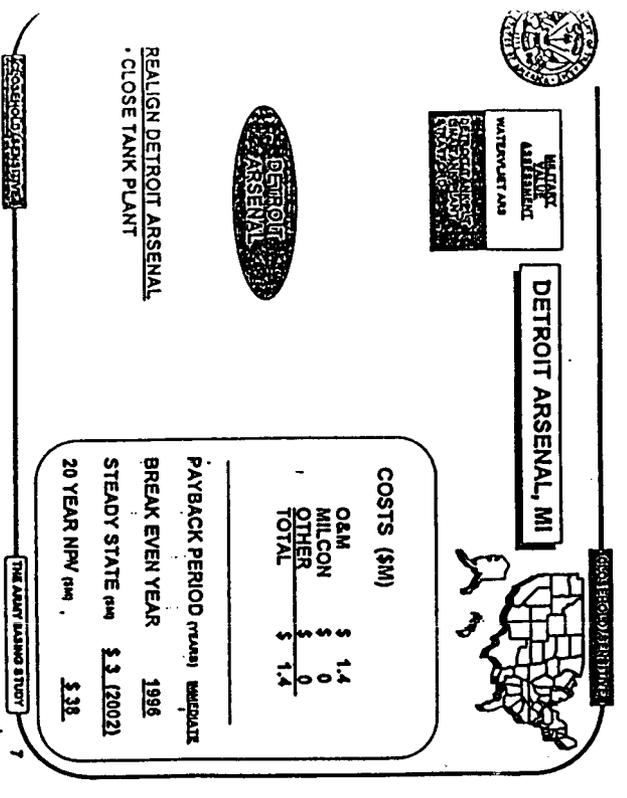
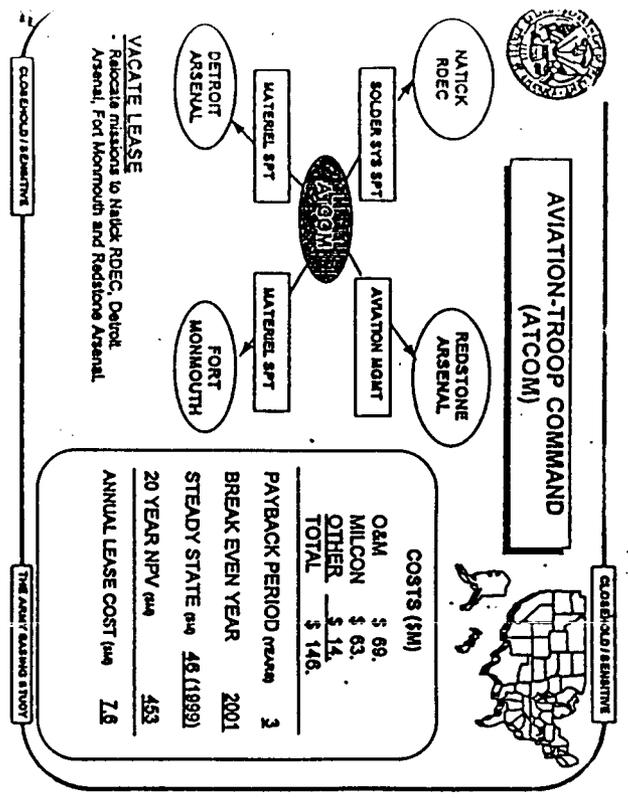
# Document Separator



# TABS DETAILED ANALYSIS (12)

TIME LAW TASS FORCE STRUCTURE DoD CRITERIA ICP MGT PLAN AAA PLAN POLICY CHARTER







CLOSEHOLD/SENSITIVE

## **IMPACT SUMMARY**

### **SPACE & STRATEGIC DEFENSE COMMAND, HUNTSVILLE, AL**

OPERATIONAL: - none, local move  
- synergy with major PMs and Missile Command at Redstone

PERSONNEL:

	MILITARY	CIVILIAN
REDUCTIONS		
REALIGNMENTS	35	915

ENVIRONMENTAL: No significant limitations

ECONOMIC: None

OTHER SERVICE/DOD FACTORS: None

ALTERNATIVES CONSIDERED None

CLOSEHOLD/SENSITIVE

THE ARMY BASING STUDY

# Document Separator

RICHARD A. GEPHARDT  
MISSOURI  
DEMOCRATIC LEADER

H-204 U.S. CAPITOL  
202-776-0100

**Congress of the United States**  
**House of Representatives**  
**Office of the Democratic Leader**  
**Washington, DC 20515-6537**

June 5, 1995

The Honorable Alan J. Dixon  
Chairman  
Defense Base Closure and Realignment Commission  
1700 North Moore Street, Suite 1425  
Arlington, VA 22209

Dear Chairman Dixon:

I am writing to request that the Defense Base Closure and Realignment Commission examine the following issues as part of its analysis of the Army's recommendation to close the Aviation and Troop Command (ATCOM) in St. Louis:

1. In recommending ATCOM for closure, the Army plans to transfer its functions and those of the Program Executive Office (PEO) Aviation, which is collocated with ATCOM, to Redstone Arsenal. The Army claims that the synergy generated by this transfer will allow the Army to eliminate 786 civilian positions. Like ATCOM and PEO Aviation, the Space & Strategic Defense Command (SSDC) and PEO Missile Defense perform complementary functions and are collated in a leased facility in Huntsville, Alabama. As noted in earlier correspondence from the Missouri Congressional delegation, on October 11, 1994 Army Basing Study officials reported to the Undersecretary of the Army that the relocation of SSDC would result in "synergy with major [Program Managers] and Missile Command at Redstone." However, the Army Basing Study office failed to include the personnel reductions that would result from such synergy in its analysis of moving SSDC onto Redstone Arsenal.

In light of the above, I request that in evaluating the relocation of SSDC to Redstone Arsenal as an alternative to ATCOM's closure, the Commission include the relocation of PEO Missile Defense and determine the number of personnel positions that could be eliminated by (1) relocating SSDC/PEO Missile Defense onto Redstone Arsenal and (2) merging its functions with those of the Army Missile Command. I understand that the Army Science Board is studying this issue and has confirmed that personnel reductions would be achieved by this relocation.

If the Army expects that relocating ATCOM's functions will result in the elimination of 786 out of 3784 civilian personnel positions -- or 21 percent -- it should certainly be able to eliminate at least an equal percentage of SSDC/PEO Missile Defense civilian positions when relocating their functions to Redstone Arsenal. I request that such

personnel reductions be incorporated into the Commission's cost/savings analysis regarding the movement of SSDC/PEO Missile Defense onto Redstone Arsenal.

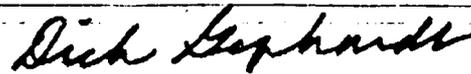
2. I understand that the Army has informed the Army Material Command that it will have to incur personnel reductions in excess of 5,000 positions during the next few years, over and above reductions currently projected in force structure plans and Program Budget Guidance directives. It is inevitable that a sizable portion of these reductions will be taken from ATCOM. Consequently, I request that the Commission examine these additional reductions and subtract those expected to be taken at ATCOM from the 786 personnel reductions the Army claims will result from the movement of ATCOM functions to other installations.

3. In its revised COBRA analysis of ATCOM's closure, the Army included \$18.6 million in Base Operations (BASOPS) Non-payroll costs that would be saved through the relocation of ATCOM's functions. The inclusion of these costs is inappropriate, because they would continue to be incurred at the locations where ATCOM's functions are proposed to be transferred. Therefore, I request that the Commission exclude these costs from any analyses it conducts of the savings generated by the closure of ATCOM.

4. The Army's May 1994 ASIP indicates that the Army Missile Command intends to retain 778 excess personnel (non-additive authorizations) and ACTRASA intends to retain 83 excess personnel at Redstone Arsenal at least through the end of the decade. At the same time, the Army estimates that it will have to hire 826 new personnel at Redstone Arsenal as a result of its taking on ATCOM's functions. This situation suggests that the Army may be using the transfer of ATCOM's functions as an opportunity to assign Redstone Arsenal's excess personnel to the new positions that will be required. In light of the above and the Army's own estimates that it will cost over \$100 million to move and accommodate personnel from St. Louis to Redstone Arsenal and eliminate 786 others, it would appear more cost-effective to allow ATCOM to continue with its downsizing plans and simply eliminate excess personnel at Redstone Arsenal. Therefore, I request that the Commission include a reduction of excess personnel at Redstone Arsenal in any alternatives it considers to ATCOM's closure.

I appreciate your consideration and incorporation of these issues into your analysis of the closure of ATCOM and relevant alternatives.

Yours very truly,



Richard A. Gephardt

# Document Separator

# Congress of the United States

Washington, DC 20515

June 7, 1995

Please refer to this number  
when responding 950608-2

The Honorable Alan J. Dixon  
Chairman  
The Defense Base Closure and  
Realignment Commission  
1700 North Moore Street, Suite 1425  
Arlington, Virginia 22209

Dear Chairman Dixon:

We wish to respond to the challenges asserted by the Missouri delegation to the Secretary of Defense's recommendation to disestablish the Aviation and Troop Command (ATCOM) and merge the aviation part of ATCOM with the Army Missile Command (MICOM) to create the Aviation and Missile Command at Redstone Arsenal. We believe these challenges have been soundly rebutted by BG James E. Shane, Jr., U.S. Army Director of Management, in his letter to you on April 14, 1995. (attached)

The Missouri delegation responded to Gen. Shane's letter on May 5, 1995 and attempted to assert the same challenges to the process used by the Army. We do not believe the Missouri delegation letter (May 5) offers any new challenges, but would like to offer our perspective on those assertions. We will address, in this letter, the first two challenges offered in that May 5 letter, specifically that 1) the Army failed to comply with the base closure law's requirement that all closure recommendations be based on the Final Selection Criteria, and 2) the Army failed to comply with its own Stationing Strategy.

We must conclude that the Army's analysis complies fully with the Base Closure law relative to the Final Criteria and with its own Stationing Strategy. Part of the assertions by the Missouri delegation is based on the Army's treatment of leased facilities. A review of the treatment of leased facilities by the BRAC law is an appropriate first step.

## TREATMENT OF LEASED FACILITIES

The 1989 Base Realignment and Closure law, Sec. 2910, defined the term military installation as follows: "The term 'military installation' means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the Department of Defense." During this first BRAC process, the Services were precluded from considering "leased facilities." This resulted in permanent installations of higher military value than certain leased facilities being recommended for closure because leased facilities were not allowed to be considered.

This inadequacy in the law was rectified by amendment to the definitions section which took effect for the 1991 BRAC round. The amended definition reads: "The term

The Honorable Alan J. Dixon  
June 7, 1995  
Page 2

'military installation' means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the Department of Defense, **including any leased facility.**" (emphasis added). This amendment clearly recognized the need to include leased facilities in the BRAC process.

The BRAC Commission, in its Defense Base Closure and Realignment Commission, 1993 Report to the President, July 1, 1993, further recognized the unique conditions related to leased facilities by recommending that a distinct process be applied to analyze leased facilities. The 1993 Commission recommended that the "DoD direct the Services to include a separate category for leased facilities during the 1995 process to ensure a bottom-up review of all leased space."

The BRAC law clearly requires that the Services include leased facilities in their evaluation, and the 1993 BRAC Commission specifically recommended that leased facilities be treated as a separate category within that evaluation. The Army, in this BRAC round, fully complies with the BRAC law and the 1993 BRAC Commission recommendation to treat leased facilities separately. The Army's treatment of leased facilities separately not only complies with the BRAC law, but also demonstrates an effective and rational approach to achieving the results intended by Congress in establishing the BRAC process.

#### COMPLIANCE WITH LAW BASED ON FINAL SELECTION CRITERIA

The Missouri delegation accuses the Army of not complying with the base closure law's requirement that all base closure recommendations be based on the Final Selection Criteria. Their May 5 letter states that the Installation Assessment (IA) phase "was the only phase of the Army's base closure selection process in which the first four criteria were used as the basis for developing closure recommendations." This accusation makes the erroneous claim that because the IA criteria are tied to the first four Final Selection Criteria, that this is the only measure based on the first four Final Selection Criteria.

The determination of Military Value, as defined by the first four of the Final Selection Criteria, is crucial in the development of the Army's closure or realignment recommendations. Use of the Installation Assessment is neither the sole means of developing Military Value, nor is its use mandated by the BRAC statute. As General Shane states in his letter of April 14:

"Although the BRAC law establishes a process by which closure and realignment recommendations are to be made, it does not provide any specific objectives with respect to the type, number, and magnitude of the necessary reductions. Accordingly, before the Army could begin its BRAC process, it had to articulate its generalized, strategic and operational basing requirements. The Army elected to do this in a comprehensive planning document: the Army Stationing Strategy. ...The Army elected, wholly apart from any BRAC legal requirements to do so, to develop this Stationing Strategy. ...[The Army Stationing Strategy] is integral to the process, insofar as an assessment of the military value of any particular Army installation or

The Honorable Alan J. Dixon  
June 7, 1995  
Page 3

facility [is concerned][and Military Value] must be determined with reference to the objectives set forth in its Stationing Strategy." (Shane letter, April 14, page 2)

The Army Stationing Strategy addresses the Final Criteria in its Stationing Requirements which state that closures and realignments should: 1) Preserve only crucial research, development, test, and evaluation capabilities that cannot be sustained by the private sector or academia, 2) optimize the operational efficiency of the U.S. Army's RDT&E and material/maintenance management functions, 3) provide seamless item material management across all commodity groupings, and 4) maintain the capability to support the reconstitution of the U.S. Army forces' transitions from one theater of operation to another.

The Stationing Requirements are to be achieved through the Army's Operational Blueprint which states that closures and realignments should 1) achieve efficiency through collocation and integration of research, engineering, acquisition and logistic functions, 2) collocate/integrate similar functions to provide a more efficient solution than maintaining separate installations organized to perform only commodity specific reserve and engineering support, 3) achieve a high degree of organizational integration and collocation of R&D, acquisition support to the PEO and sustainment of the commodity group, and 4) concentrate in a single location the skills of its research and development, acquisition, and logistics forces to create a cross-disciplined environment.

The claims of the Missouri delegation are unsubstantiated. The Army recommendation to create the Aviation and Missile Command at Redstone Arsenal fully complies with the Army Stationing Strategy and thus meets the Military Value Final Criteria.

### COMPLIANCE WITH THE ARMY'S STATIONING STRATEGY

The Missouri delegation claims that the Army contradicted the Stationing Strategy because the Army recommendation does not increase efficiency. This is not the case since: 1) a single Acquisition Center will support the new Aviation and Missile Command, not two as Missouri claims, 2) Integrated Material Management Centers will be reduced by one, and 3) staffing requirements in both the Aviation and Missile commands are similar in job descriptions, education, requirements and engineering disciplines. Thus, the Army recommendation adheres to the Stationing Strategy by "collocating or integrating similar functions" and by "concentrating in a single location the skills of R&D, acquisition, and logistics forces."

The Missouri delegation claims that the Missile Command does not perform aviation related functions. This is inaccurate since: 1) MICOM has managed armaments on Army airframes, e.g. TOW, HELLFIRE, LONGBOW and the 2.75" Rocket, 2) MICOM is responsible for functional integration of missile systems onto aircraft, 3) MICOM engineers have extensive and long-standing working relationships with Aviation engineers to ensure air worthiness of helicopters and missiles, and 4) the Army Unmanned Aerial Vehicle

The Honorable Alan J. Dixon  
June 7, 1995  
Page 4

program is managed at Redstone Arsenal. The Army recommendation adheres to the Stationing Strategy by the "collocation and integration of research and engineering," and by "concentrating in a single location the skills of its research and development force to create a cross-disciplined environment."

The Missouri delegation claims that Aviation Research and Development will still reside in two separate locations. This claim is not supportable since: 1) the Aviation Research, Development, and Engineering Center (RDEC) and its directorates will merge with the MICOM RDEC to form a single, fully integrated R&D organization, 2) current engineering functions performed at ATCOM will be moved to Redstone Arsenal, 3) Aviation R&D will have on-site access to the MICOM RDEC facilities valued at over \$500 million, and 4) existing Aviation RDEC facilities, currently remotely located from ATCOM, will be managed under a single integrated RDEC organization. The Army recommendation, therefore, adheres to the Stationing Strategy by "collocating and integrating similar functions to provide a more efficient solution than maintaining separate installations" and by "achieving a high degree of organizational integration and collocation of R&D, acquisition support, and sustainment of the commodity group."

## CONCLUSION

The assertions by the Missouri delegation that the Army failed to comply with the Final Criteria and the Army's own Stationing Strategy are simply without justification. The Missouri delegation's assertions:

- 1) Disregard the historical precedent of BRAC law and specific BRAC Commission recommendations that direct the Services to treat leased facilities as a separate category of installation,
- 2) Accuse the Army of not following the BRAC law based on an analysis of analytical processes developed by the Army that are over and above the requirements of the BRAC law,
- 3) Erroneously suggest that all categories of installations must be evaluated on the same set of sub-criteria, discounting the need to evaluate distinct categories of installations by criteria germane to their functions and installation conditions,
- 4) Erroneously suggest that the sum of the Military Value Assessment is contained in the Army's self-developed Installation Assessment Program, and
- 5) Suggest, in total contradiction to the facts, that the recommendation to create the Aviation and Missile Command does not conform to the Army's Stationing Strategy.

We strongly assert that the Army recommendation to create the Aviation and Missile Command at Redstone Arsenal fully conforms to BRAC law and fully meets the

The Honorable Alan J. Dixon  
June 7, 1995  
Page 5

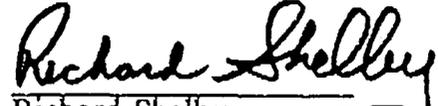
requirement to base recommendations on the Final Criteria and the Army's Stationing Strategy. We support the Army recommendation.

We appreciate your consideration of these views as you and the Commission deliberate the Department of Defense recommendations.

Sincerely,

  
Howell Heflin  
U.S. Senator

  
Bud Cramer  
Member of Congress

  
Richard Shelby  
U.S. Senator

  
Van Hilleary  
Member of Congress



DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF STAFF  
300 ARMY PENTAGON  
WASHINGTON DC 20310-5100



April 14, 1995

REPLY TO  
ATTENTION OF

*ARMY RESPONSE:*  
*ATCOM MVA*  
*OF LEASES,*

The Honorable Alan J. Dixon  
Chairman, The Defense Base Closure  
and Realignment Commission  
1700 North Moore Street, Ste. 1425  
Arlington, Virginia 22209

Dear Chairman Dixon:

Thank you for providing us with a copy of the attached letter from the Missouri Congressional Delegation (the "MCD Letter"), which suggests that the Secretary of Defense improperly recommended to the 1995 Defense Base Closure and Realignment Commission the closure of Aviation and Troop Command (ATCOM). I would like to respond on behalf of the Army, and I appreciate this opportunity to present the Army's views on the several issues that the MCD Letter raises, and to explain why these issues should not lead the 1995 Commission to reject the ATCOM recommendation.

Because we believe that many of these issues stem from a misunderstanding of the way in which the Army's closure and realignment recommendations were formulated, we feel it is useful to provide a brief description of the Army's Base Realignment and Closure (BRAC) process before turning to the particular issues raised by the MCD Letter.

I. THE ARMY'S BRAC PROCESS AND ITS STATIONING STRATEGY

As you are aware, the BRAC process is designed to facilitate objective, fair, and open decisions with respect to necessary reductions in military infrastructure. Accordingly, each recommended closure or realignment is arrived at through uniform application of the eight, published Department of Defense (DoD) Selection Criteria. Through evenhanded application of these Selection Criteria within categories, the military value of each particular facility or installation is assessed separately, after which the effects associated with any potential closure or realignment—including the costs to the military, and the implications for affected local communities and the environment—are determined.

Printed on Recycled Paper

2

### A. The Stationing Strategy

Although the BRAC law establishes a process by which closure and realignment recommendations are to be made, it does not provide any specific objectives with respect to the type, number, and magnitude of the necessary reductions. Accordingly, before the Army could begin its BRAC process, it had to articulate its generalized, strategic and operational basing requirements. The Army elected to do this in a comprehensive planning document: the Army Stationing Strategy.

The Army's Stationing Strategy does not outline specific stationing decisions, nor does it recommend the closure or realignment of any particular installations or facilities. Indeed, the Army elected, wholly apart from any BRAC legal requirement to do so, to develop this Stationing Strategy because of its independent planning utility. Thus, the Army's Stationing Strategy provides an operational foundation upon which BRAC planning and analysis can proceed. It is both antecedent to the BRAC process, insofar as it establishes the parameters within which BRAC decisionmaking takes place, and it is integral to the process, insofar as an assessment of the military value of any particular Army installation or facility must be determined with reference to the objectives set forth in its Stationing Strategy.

### B. The BRAC Process

After developing its Stationing Strategy, the Army began its formal BRAC process with a comprehensive review and inventory of all of its installations. To facilitate fair comparisons, and consistent with Department of Defense policy, the Army assigned each installation or facility to one of 14 categories, each of which contained installations or facilities with similar characteristics. Pursuant to a 1993 BRAC Commission recommendation, and consistent with DoD policy guidance, the Army established a separate Leased Facilities Category ("LFC") within which leased facilities could be compared to one another.

See, Defense Base Closure and Realignment Commission: 1993 Report to the President, 1 July 1993, p. 2-3 ("The Commission suggests DoD direct the services to include a separate category for leased (continued...)

*(1) Military Value Assessments*

The Army then applied the Military Value Criteria ("MVC)—i.e., the first four of the published DoD Selection Criteria—to each installation or facility within a category.<sup>2</sup> Like all the published criteria, the MVC were applied uniformly within each category so that, consistent with BRAC law, all installations or facilities would be considered equally, and the military value of each such installation or facility would be assessed separately. Uniform application of the MVC within each category yielded a Military Value Assessment ("MVA") for each particular installation or facility within that category. This MVA was a combination of both quantitative and qualitative assessments of the worth of a particular installation or facility.

In most instances, the quantitative component of the MVA was developed according to the Army's BRAC 95 Installation Assessment Program (IAP), a decision pad

(...continued)

facilities during the 1995 process to ensure a bottom-up review of all leased space."). DoD's policy guidance subsequently left to each of the services the decision as to whether to create a separate category for the review of leased facilities. Although the other military departments chose not to create a separate LFC, the Army nonetheless concurred with the 1993 Commission and believed that a separate LFC would yield better analysis of leased facilities.

Consistent with DoD policy guidance and applicable legal requirements, only those activities that were performed in leased space and which share a common mission, have permanently authorized personnel, have a separate support structure, and cost more than \$200K annually were considered in the LFC. As directed by DoD's policy guidance, "[c]ivilian personnel—those authorizations of organizations in leased space, which are part of an organization [that is either located] on a nearby military installation or . . . [is located] within the same metropolitan statistical area, shall be considered part of the civilian personnel authorizations of that installation." See, "1995 Base Realignments and Closures (BRAC 95) — Policy Memorandum Three," 29 December 1994, pp. 1-2. Accordingly, these adjunct leases were assessed as part of their host installations.

APR 18 '95 8:29 FROM BASE CLOSURE COMM

PAGE.005

4

computer model that was designed to assist in the comparison of installations according to a common set of weighted attributes, each of which related to one of the MVC. Thus, certified data were collected for each of these attributes. This data was then entered into the IAP, which in turn produced an Installation Assessment—i.e., a quantitative ranking of installations within a particular category.

With respect to the LFC, however, the IAP was not employed, because its list of weighted attributes was designed to assist in the comparison of particular installations, rather than in the comparison of particular (leased) facilities.<sup>3</sup> In other words, installations and leased facilities are fundamentally different, and thus they cannot be evaluated according to the same list of attributes. For example, comparing leased facilities based on things such as each leased facility's aviation maintenance facilities, ranges, hard surface staging areas, and other such attributes incorporated in the IAP model would not have been instructive as to the relative merit of each such facility: no leased facilities possess these attributes, and thus all would have received equally low scores in these areas.

Accordingly, an Installation Assessment was not prepared for facilities within the LFC, and, perhaps in this limited respect, the Army's BRAC process for leased facilities might be said to have differed slightly from its process for other types of installations. In lieu of an Installation Assessment, however, the Army did, as described more fully below, undertake a quantitative assessment of each leased facility according to consideration of empirical attributes that were more directly relevant to comparisons of leased facilities.

Once these quantitative assessments were completed—either through the IAP or, in the LFC, through consideration of other relevant empirical attributes—the qualitative portion of the MVA was undertaken. These qualitative assessments sought to ascertain the consistency of the quantitative assessments with the objectives outlined in the Army's Stationing Strategy. Thus, the Stationing Strategy

---

<sup>3</sup>Groups of leases in the same headquarters and same geographical area were deemed a single facility for the purposes of the Military Value Assessment.

5

served as a qualitative template against which the quantitative assessments could be measured and revised accordingly.

Therefore, as with other categories, the MVA for each leased facility within the LFC was determined separately. Each such MVA was a combination of both quantitative assessments, which were arrived at through comparisons of relevant empirical data, and qualitative assessments, which were provided by the Army's Stationing Strategy. Although the Army determined separately the Military Value of each leased facility without reference to an Installation Assessment, the MVA of each leased facility was nonetheless composed of a similar quantitative assessment tempered by the qualitative guidance provided by the Stationing Strategy. In no instance did the Army assess the military value of a leased facility solely according to the qualitative guidance provided by the Army's Stationing Strategy.

*(2) Identification of Study Candidates*

After completing the aforementioned quantitative and qualitative assessments, each installation or facility within a category received a Military Value Assessment relative to other installations of facilities within that category. In turn, those installations or facilities that were deemed to possess relatively low military value within the category were designated as candidates for further study for possible closure or realignment. With respect to the LFC, all facilities within the category were deemed to be of relatively low military value, especially with respect to MVC two and four, and thus all facilities were designated as candidates for further study.

*(3) Development of Alternatives and  
Application of DoD Selection Criteria  
Four through Eight*

Once the Study Candidates were identified for each category, the Army developed between one and six specific base closure and realignment alternatives for each such candidate. These alternatives were derived from force structure decisions, the Stationing Strategy, previous BRAC reviews, Major Army Command recommendations, staff proposals, and Joint Cross-Service Group alternatives. Each of these competing alternatives was then assessed and refined according to affordability, economic and environmental analyses.

6

More particularly, the fifth DoD Selection Criterion--"[t]he extent and timing of potential cost savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs"--was applied uniformly to all study candidates within a category through use of The Cost of Base Realignment Actions (COBRA) Model, DoD's model for resource analysis and measurement of the affordability of each potential closure or realignment. Thus once relevant data was plugged in for each of the alternatives, the COBRA analysis indicated the likely costs and savings associated with each potential closure or realignment.

The sixth and seventh DoD Selection Criteria-- "[t]he economic impact on communities[,] and "[t]he ability of both the existing and potential receiving communities' infrastructure to support forces, missions, and personnel[.]" respectively--were applied uniformly to all study candidates within a category through use of DoD's standard model for the calculation of economic impacts. Thus, once relevant data for each of the alternatives was plugged in, this model indicated the likely economic and infrastructure impacts associated with the potential closure or realignment.

Finally, the eighth DoD Selection Criterion--"[t]he environmental impact"--was applied uniformly to all study candidates within a category by an Environmental Review Committee, which collected and analyzed Environmental Baseline Summaries and produced an initial assessment for each installation or facility. Subsequent analysis then refined these assessments, and they were factored into analysis of each of the alternatives.

II. THE ARMY DID, ACCORDING TO CRITERIA ONE THROUGH FOUR, ASSESS MILITARY VALUE IN THE FORMULATION OF ITS ATCOM RECOMMENDATION.

The charge that the Army failed to assess military value in the formulation of its ATCOM recommendation is without foundation. MVAs were fundamental to all of the Army's BRAC analysis--including its analysis of leased facilities at ATCOM and elsewhere. Although, for the reasons identified above, facilities within the leasing category were not ranked pursuant to an *Installation Assessment*, a *Military Value Assessment* was nonetheless prepared for each facility within this

8

A. Application of the First Criterion: "current and future mission requirements and the impact on operational readiness of DOD's total force."

The Army considered, in both quantitative and qualitative terms, ATCOM's current and future mission requirements and their impact on the operational readiness of the armed forces. Quantitatively, it considered the attributes of leased facilities that bore on such requirements and readiness, such as the size of the facilities according to their type, the population housed, the costs of the lease, and the penalties to terminate the lease. Qualitatively, the Army assessed existing ATCOM leased facilities in light of the aforementioned general and more particularized objectives of the Stationing Strategy.

B. Application of the Second Criterion: "availability and condition of land and facilities at both the existing and potential receiving locations."

The Army considered, in both quantitative and qualitative terms, the availability and condition of land and facilities at ATCOM's existing leased sites and at potential receiving sites such as Redstone Arsenal, Corpus Christi Army Depot, Rock Island Arsenal, Aberdeen Proving Ground, Detroit Arsenal, Fort Monmouth, and Natick Research, Development, Engineering Center. Quantitatively, it considered the attributes of leased facilities that bore on such matters, collecting information on such things as the percent of permanent facilities at an existing leased site and potential receiving sites, the average age of facilities at each location, and the features and size of such facilities accordingly to their type. As part of this analysis, the Army used its corporate facility data base to determine whether facilities were available at potential receiving locations, and, if so, whether they required renovation to accommodate a relocating function. If facilities were not available, then the data base was used to determine what facilities would have to be constructed to accommodate such relocations. Qualitatively, the Army once again assessed its quantitative analysis in light of the aforementioned general and more particularized objectives of its Stationing Strategy.

APR 10 '95 8:31 FROM BASE CLOSURE COMM

PAGE.010

9

C. Application of the Third Criterion: "ability to accommodate contingency, mobilization, and future requirements at both existing and potential receiving locations."

The Army considered, both in quantitative and qualitative terms, ATCOM's ability to accommodate contingency, mobilization, and future requirements at both its present location and at other potential locations. Quantitatively, the Army considered the attributes of leased facilities and potential receiving locations that bore on such abilities, examining things such as buildable acres or unused space or buildings, the ability of information systems at both locations to accommodate expansions, the sites' proximity to or possession of an airport. Qualitatively, the Army again reviewed its quantitative findings in light of the general and more particularized objectives set forth in its stationing strategy.

D. Application of the Fourth Criterion: "cost and manpower implications."

The Army considered, both in quantitative and qualitative terms, the manpower and cost implications of retaining ATCOM at its existing leased sites or relocating functions to several other installations. Quantitatively, it considered the attributes that bore on such manpower and cost factors, collecting data on things such as the square footage requirements at existing and potential receiving sites, the costs per square foot of existing leased space and space elsewhere, the manpower-to-square-footage requirements of ATCOM at its existing and potential receiving locations. Qualitatively, and as with the other criteria, the Army assessed its quantitative assessments with reference to the general and more particularized objectives outlined in its Stationing Strategy.

III. THE ARMY COMPLIED WITH ITS STATIONING STRATEGY IN THE FORMULATION OF ITS ATCOM RECOMMENDATION.

The charge that the Army has not complied with its Stationing Strategy in the formulation of its ATCOM recommendation is incorrect. As explained above, the Army's Stationing Strategy is a planning document that provides guidance to its managers with respect to future operational requirements. This operational blueprint does, as noted above, encourage increased efficiency and reductions in overhead. It also, however, encourages the Army to minimize the use of

10

leased space, eliminate excess capacity, and collocate activities where functional synergy can be achieved and facility support is available.

The ATCOM recommendation complies fully with all of the Army's Stationing Strategy's objectives and guidance. This recommendation increases efficiency through collocation, integration, or relocation of discrete research, engineering, acquisition, and logistics functions at several installations. In turn, the synergies achieved through such collocations, integrations, and relocations assist in reducing overhead costs—in large part because once they are relocated, fewer personnel are required to accomplish the same functions. Moreover, the ATCOM recommendation is fully consistent with the Stationing Strategy's other objectives insofar as it minimizes the use of leased space, eliminates excess capacity at receiving locations, and, as noted above, achieves a number of functional synergies.

IV. THE ARMY DID NOT OVERSTATE THE SAVINGS IT WOULD EXPECT TO REALIZE FROM THE CLOSURE OF ATCOM.

The allegation that the Army has overstated the savings it expects to realize from the closure of ATCOM is without merit. The Army would save nearly \$50 million annually as a result of the synergies, efficiencies, and consolidations it expects to realize from the closure of ATCOM.

Contrary to the suggestion in the MCD Letter, the DoD COBRA model does not consider, or take credit for, any savings that might result from any previously planned personnel reductions or reductions that are otherwise independent of the BRAC process; only those savings associated with personnel reductions generated by a proposed closure or realignment are considered. Moreover, the DoD COBRA model is designed to assess only the potential savings that DoD likely would realize from the closure or realignment of any particular installation or facility. Whether the Federal Government would also likely save money as a result of any particular closure or realignment is a broader question that the current process was simply not designed to address. Nonetheless, we note that if the Army vacates GSA leased space, then GSA could make such space available to another Federal agency, or it could dispose of the property entirely—either of which could result in savings to the Federal Government.

11

Finally, the Army did conclude in its 1993 BRAC analysis that the relocation of ATCOM to a single installation would be too expensive. However, the 1995 recommendation, by relocating functions to several installations, avoids many of the significant construction costs, that, in large part, were responsible for the high costs associated with relocation in 1993. Indeed, if the Army had considered disestablishing ATCOM and relocating its functions to several installations during its 1993 BRAC process, then it likely would have forwarded such a recommendation to the 1993 Commission.

V. THE ARMY CONSIDERED ALL PRACTICABLE ALTERNATIVES IN THE FORMULATION OF ITS RECOMMENDATION TO CLOSE ATCOM.

The suggestion that the Army failed to consider more cost-effective alternatives to the closure of ATCOM is inaccurate. As explained above, BRAC analysis necessarily considers feasible, competing alternatives, and the recommended closure of ATCOM was the best of these alternatives. The Army did consider alternatives to the ATCOM recommendation, such as relocating Headquarters, Strategic Space and Defense Command ("SSDC") from a leased facility to Redstone Arsenal. However, the CQBRA analysis performed for this alternative indicated that it would cost more and save less. Moreover, this alternative was less consistent with the Army's Stationing Strategy, since relocation of SSDC to Redstone Arsenal would not increase efficiency, reduce overhead, or create any functional synergies.

VI. CONCLUSIONS

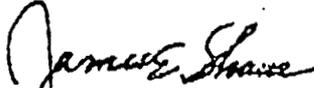
In summary, we do not believe that any of the issues raised by the MCD Letter can withstand close scrutiny. Through uniform application of the Military Value Criteria within each category, the Army developed a separate Military Value Assessment for each installation and facility—including those in the Leased Facility Category. The ATCOM recommendation is fully consistent with the Stationing Strategy's guidance, and the Army did not overstate or improperly calculate the savings that would be realized from the recommended closure of ATCOM. Lastly, the Army's BRAC process ensured that all practicable and feasible alternatives were considered.

APR 18 '95 8:33 FROM BASE CLOSURE COMM

PAGE.013

12

Thank you again for allowing us to address these issues. We hope that this letter will assist the Commission in understanding the Army's BRAC processes in general, and its recommendation respecting ATCON in particular.



James E. Shans, Jr.  
Brigadier General, US Army  
Director of Management

Attachment

7

category."

The quantitative component of these MVAs took the form of assessments of lease costs, space, features, and other common attributes of leased facilities. The qualitative component of these MVAs consisted of evaluating the utility of each facility in light of both the Stationing Strategy's general operational objectives—i.e., "[e]liminate excess capacity[,] . . . [m]inimize use of leased space[,] . . . [and] [c]ollocate tenants from different major commands where functional synergy can be obtained and facility support is available"—and its more particular operational objectives with respect to commodity-oriented commands such as ATCOM—i.e., achieve "[e]fficiency . . . through collocation and integration of research, engineering, acquisition and logistics functions, as well as reduce[] overhead[.]"

Just as with other categories of installations, MVAs for each facility within the LFC category were arrived at through uniform application of each of the four Military Value Criteria. With respect to the ATCOM leases, each of the four criteria was applied to arrive at a MVA for the facility.

"It appears that in part, the MCD Letter may have mistaken an "Installation Assessment" for a "Military Value Assessment", and the MCD therefore concluded that since the former was not prepared for facilities within the leasing category, no Military Value Assessments were undertaken for facilities within the category. As noted above, the two are not the same. An Installation Assessment is merely a discretionary, quantitative ranking of installations within a category according to a decision pad computer model. It may form the quantitative component of a Military Value Assessment, but it alone does not comprise the Military Value Assessment. Conversely, a Military Value Assessment is a mandatory determination, consisting of both quantitative and qualitative measures of the worth of each installation or facility within a category. Thus a Military Value Assessment may depend in part upon an Installation Assessment--if such an assessment is appropriate for facilities or installations within a particular category--but it need not be based upon such an Installation Assessment.

# Document Separator



REPLY TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF STAFF  
200 ARMY PENTAGON  
WASHINGTON DC 20310-0200



June 8, 1995

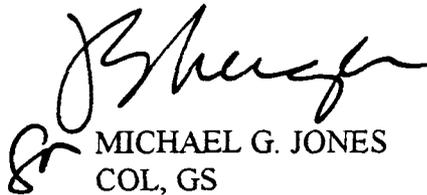
The Honorable Alan J. Dixon  
Chairman, The Defense Base Closure  
and Realignment Commission  
1700 North Moore Street, Suite 1425  
Arlington, Virginia 22209

950608-17

Dear Chairman Dixon:

Attached are letters from The Chief of Staff, Army regarding ATCOM and Red River Army Depot recommendations for your information.

We hope you find this useful in understanding the Army's position regarding the our recommendation.



MICHAEL G. JONES  
COL, GS  
Director, The Army Basing Study

Attachment



UNITED STATES ARMY

THE CHIEF OF STAFF

June 8, 1995



Honorable Howell Heflin  
United States Senate  
Washington, DC 20510-0101

Dear Senator Heflin:

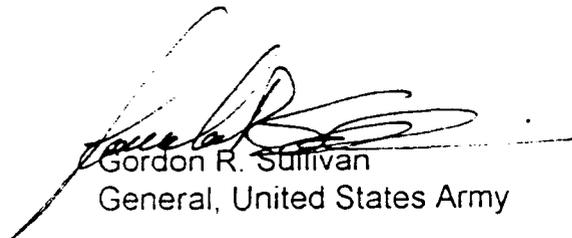
Thank you for your letter of June 5, 1995, regarding the Army's proposal to consolidate at Anniston Army Depot. As you are aware, we have made the tough but necessary choice to eliminate excess depot maintenance capacity by closing Red River Army Depot and consolidating maintenance for combat vehicles at Anniston Army Depot. When implemented, it will produce savings of about \$100 million each year. This decision earned the complete support of the Secretary of Defense's joint cross service group for depot maintenance. Here are the answers to your specific questions:

- 1. Given the outyear workload, how many combat vehicle maintenance depots are needed?** Only one is required. Keeping more depots than we need drains scarce resources away from readiness and modernization.
- 2. Could the consolidation of the combat vehicle workload occur at any depot or is Anniston the only practical location?** Anniston, the Army's only heavy combat vehicle depot, is the obvious choice. Of the three combat vehicle maintenance depots, Anniston has the highest military value. Transferring its mission elsewhere would be three times as costly and save only half as much as closing Red River.
- 3. Can Anniston handle the workload? How many workshifts are required, how many are possible? In case of war, can Anniston handle the predicted workload? Again, how many shifts are required and how many are possible?** Anniston can certainly handle the workload. After the consolidation, it will operate at 78% of its capacity with just one shift working a normal 8-hour day, five days a week. Anniston also can handle the wartime requirements of two major regional conflicts by adding a second shift with minimal overtime. The depot would actually exceed those requirements by expanding to a seven day operation. From experience, the major wartime workload comes during reconstitution, after the conflict ends when production is not as time sensitive.
- 4. It is our understanding that if the consolidation does not occur, the workloads of both Red River and Anniston fall below 50%. Is this the case? What are the consequences of this for the Army both in terms of cost and readiness? It is true that the Army would operate at less than 50% of**

maximum potential capacity (32% for Red River and 48% for Anniston) based upon the projected FY99 workload if the recommended consolidation does not occur. This would result in the retention of excess infrastructure, increased operating costs, and higher rates. The high costs associated with maintaining excess infrastructure and overhead would be at the expense of higher priority programs, jeopardizing readiness and modernization.

I believe the Army's justification to close Red River is compelling. Thank you for your personal interest in and support of the Army.

Sincerely,



Gordon R. Sullivan  
General, United States Army

Copy furnished:  
Representative Glen Browder



UNITED STATES ARMY

THE CHIEF OF STAFF

June 8, 1995



Honorable Howell Heflin  
United States Senate  
Washington, DC 20510

Dear Senator Heflin:

Thank you for your letter of June 5, 1995, regarding the Army's proposal to consolidate a portion of Aviation and Troop Support Command (ATCOM) at Redstone Arsenal. DoD recommends disestablishing ATCOM, vacating its leased facility, relocating aviation missions and functions to Redstone Arsenal, relocating soldier support functions to Natick, and relocating materiel management functions to Fort Monmouth and Detroit Arsenal. When implemented, it will produce savings of about \$56 million each year. Here are the answers to your specific questions:

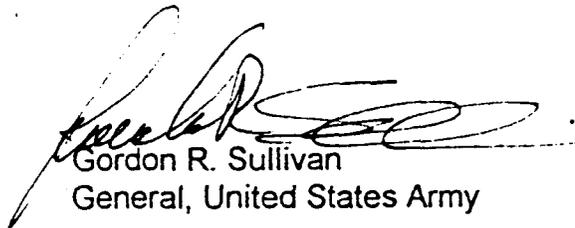
- 1. What is the impact of the realignment of ATCOM from the Goodfellow building in St. Louis to Redstone Arsenal with regard to operational readiness?** Given good planning and an orderly transition, there should be minimal short-term impact on operational readiness. The Army has plenty of successful experience in relocating activities like ATCOM with little disruption.
- 2. Can you compare the availability of land, facilities and air space at the Goodfellow building and at Redstone Arsenal?** Both are federally owned and managed. Both have large amounts of administrative office space for activities associated with program management, engineering, materiel management and procurement and contracting. Yet there is no question that a military installation affords much more in the way of land, facilities and overall capability than a leased building.
- 3. Does the office space in the Goodfellow building have any ability to accommodate contingency or mobilization requirements?** Within the context of its assigned missions, it is safe to say that ATCOM has the ability to respond to contingency requirements. On the other hand, as far as staging, equipping and deploying troop units are concerned, then the Goodfellow building would be unsuitable. Military installations offer a much greater capability to meet contingency and mobilization requirements than a leased building.
- 4. The St. Louis community has claimed that it is possible to eliminate the same number of positions through downsizing in place. Does the Army's Program Budget Guidance for ATCOM indicate this downsizing is possible? Is it true that the Commander of ATCOM has taken the opposite**

**view that it will be difficult to achieve the designated cuts even with consolidation?** No, these reductions are above and beyond any programmed changes in the Army's Program Budget Guidance. It is not possible to eliminate the same number of personnel by downsizing in place without an unacceptable degradation in mission. The Commander of ATCOM is fully committed to supporting the proposed realignment.

**5. If the workload of ATCOM could be reduced beyond the PBG numbers in the outyears, what impact would this have the planned consolidation?**  
There would be no impact on the Army's recommendation.

The Army strongly believes its recommendation regarding ATCOM is financially and operationally sound. It is in the best interests of the Army and DoD. Thank you for your support.

Sincerely,



Gordon R. Sullivan  
General, United States Army

Copy furnished:  
Congressman Cramer

# Document Separator

RICHARD A. GEPHARDT  
MISSOURI  
DEMOCRATIC LEADER

H-204 U.S. CAPITOL  
703-726-0100

**Congress of the United States**  
**House of Representatives**  
**Office of the Democratic Leader**  
**Washington, DC 20515-8537**

June 14, 1995

Please refer to this number  
when responding 950615-15

The Honorable Alan J. Dixon  
Defense Base Closure and Realignment Commission  
1700 North Moore Street  
Suite 1425  
Arlington, VA 22209

Dear Chairman Dixon:

I recently received the enclosed correspondence from a concerned employee at the Army's Aviation and Troop Command (ATCOM), which provides a detailed response to a letter your staff has received from General Sullivan regarding ATCOM. I am writing to request that the Defense Base Closure and Realignment Commission incorporate the analysis and comments included in this correspondence in your evaluation of the Army's recommendation that ATCOM be closed.

As you know, I believe that the Army's recommendation is fundamentally flawed and would not achieve the goals of the base closure process. I urge you to give full consideration to the enclosed information as you prepare for the Commission's final deliberations.

I appreciate your attention to this important matter.

Yours very truly,



Richard A. Gephardt

The Honorable Richard A. Gephardt  
 United States House of Representatives  
 H-204 U.S. Capitol  
 Washington, D.C. 20515

Dear Representative Gephardt,

As you are aware, I am a concerned Government employee working in the Program Executive Office, Aviation. Because I have a vested interest in the actions which are taking place, I have become very close to the Defense Base Realignment and Closure Commission's (DBCRC) actions regarding the PEO, ATCOM and SIMA.

I feel that with the DBCRC decision date rapidly approaching, it is time to speak up regarding some of the responses provided by the Army regarding our agencies here in St. Louis. I have recently been provided a letter from the Chief of Staff of the Army, General Gordon R. Sullivan, which responded to a letter that was submitted by Senator Heflin and Congressman Cramer from Alabama. I feel that General Sullivan's response was prepared by staff personnel who are not familiar enough with ATCOM or the St. Louis facilities to provide the DBCRC with a totally accurate picture, and I would like to set the record straight with this correspondence that I hope you will submit to the DBCRC for their consideration.

First, I would like to comment that I find it remarkable that the Alabama letter was submitted on June 5th and the Chief of Staff personally responded on June 8th. This is remarkable considering the fact that many of the St. Louis communities letters have never been answered in the three and a half months since the St. Louis agencies were submitted to the DBCRC.

The Senator and Congressman allege that the 2 main concerns raised by the St. Louis community are;

1. That the Army failed to properly consider the military value of leased office space and;
2. That the Army failed to consider downsizing ATCOM in place rather than consolidating it with MICOM.

This allegation is incorrect, the two concerns mentioned are only a few that have been presented to the commission for consideration, and the information presented in the Chief of Staffs response has been distorted to present a false picture. It is clear to me and others familiar with the issues as they have transpired that the questions and answers were crafted in such a way that it may now appear that a true Military Value Analysis has been conducted. The Commission must consider this as a deception!

I submit to you that the specifics are as follows:

(From the 5 Jun letter to General Sullivan)

"Frankly, we are unsure if leased Class A office space has any military value. We would therefore appreciate the answers to the following questions;

- 1) What is the impact of the realignment of ATCOM from the Goodfellow building in St. Louis to Redstone Arsenal with regard to operational readiness?

**ARMY RESPONSE:** Given good planning and an orderly transition, there should be minimal short-term impact on operational readiness. The Army has plenty of successful experience in relocating activities like ATCOM with little disruption.

**COMMENTS:** The ONLY analysis conducted to date regarding the potential readiness impact was conducted by the SLDTF members who presently work at ATCOM. These personnel are subject matter experts and are undisputed experts in the fields of logistics and engineering.

The results of these analyses and their readiness impacts were presented to the Commission during the April 12th hearing in Chicago. In fact, the question on readiness impacts was asked on April 24th, by Senators Heflin and Shelby, as well as Congressman Cramer when they sent a letter to MG John S. Cowings, the Commanding General of ATCOM and stated in part; *"The data put forth supporting the Task Force's position, especially concerning the impact on the readiness of aviation resources Army wide and the loss of a competent civilian staff are particularly troublesome to us. Should all of the allegations made or even some of them be fact, the Army should be found deficient in its recommendations and supporting rationale to relocate ATCOM and PEO Aviation personnel and functional responsibilities to Redstone Arsenal or anywhere else for that matter."*

Your Commission should note that a response to this letter was prepared by the ATCOM staff in early May. However, Army Materiel Command (AMC) Headquarters, directed that the ATCOM response be prepared on plain bond paper with no letter head and be forwarded to AMC for the response to the Senators and Congressman. We do not think that the response was formally sent because it states in unequivocal terms that there will be readiness impacts; *"if the aviation mission is not fully resourced, if/when it transfers to Huntsville, there would be a drop in operational readiness. In addition, if personnel decline to move with the mission there will be a drop in operational readiness until expertise can be reestablished."* This response is available to the Commission through Congressman Gephardt's office.

Again, the facts of the matter are that the only real analysis to be conducted regarding the readiness impact has been conducted in St. Louis by both the ATCOM Commander and the SLDTF. Both of these analysis focus on the loss of trained and experienced personnel. The readiness response provided by General Sullivan is only correct regarding the planning for the movement, which is not supported by the actual planning documents prepared to date! If the Army has plenty of successful experience in relocating activities like ATCOM with little disruption, what are the specifics. What commodity command has been closed and had it's functions transferred hundreds of miles away with little disruption to the readiness of the commodities that it manages? NONE!

#### SUMMARY FACTS:

- a. The question on the impact on readiness had been previously asked by the Alabama Congressional Delegation (ACD) personnel and the actual draft response

confirmed the impacts as presented by the SLDTF. This is obviously not the response that the ACD wanted to hear and they reworded the question enough to get a generic answer that is non-committal, but the Commission can not ignore this attempt at subterfuge!

b. After a thorough review of the mission requirements, the ATCOM Deputy Commander determined that insufficient personnel were being transferred in order to support the mission. This mission requirement review is the only review to be conducted by the Army. As a result, he formally requested that additional personnel be transferred to the relocation facilities over and above the numbers cited by the Army. This request is in the form of a letter to the Army Materiel Command dated 22 May 95, SUBJECT: Manpower Deviation Request - Disestablish ATCOM.

2) Can you compare the availability of land, facilities and air space at the Goodfellow building and at Redstone Arsenal?

ARMY RESPONSE: Both are federally owned and managed. Both have large amounts of administrative office space for activities associated with program management, engineering, materiel management and procurement and contracting. Yet there is no question that a military installation affords much more in the way of land, facilities and overall capability than a leased building.

COMMENTS: The value of a facility or an installation can only be measured in terms of whether or not the mission can successfully be accomplished. Successful mission accomplishment is the at the very heart of ATCOM personnel. However, General Sullivan's response would more appropriately be applied to AMC Headquarters, Army Personnel Center, and other similar facilities, which are owned by commercial enterprises and not the Government. These are the types of facilities that the previous DBCRC reports were referring to: "leased facilities that are in close proximity to military bases"! The Commission must consider that in the case of Government owned facilities, a smaller, more compact and efficient operation is more in the interests of the tax payers, not vast amounts of land which are not used or are grossly under utilized, which is really what BRAC is all about. Getting rid of large installations and facilities that are not supportable to the tax payer.

#### SUMMARY FACTS:

a. The ACD has not bothered to determine the "Goodfellow Building" is, in fact, an entire complex, just the same as the Sparkman Complex on Redstone or the commercially leased facilities off-post in Huntsville.

3) Does the office space in the Goodfellow building have any ability to accommodate contingency or mobilization requirements?

ARMY RESPONSE: Within the context of it's assigned missions, it is safe to say that ATCOM has the ability to respond to contingency requirements. On the other hand, as far as staging, equipping and deploying troop units are concerned, then the Goodfellow building would be unsuitable. Military installations offer a much

greater capability to meet contingency and mobilization requirements than a leased building.

COMMENTS: I would agree that ATCOM has continuously demonstrated its ability to respond to its contingency requirements. In fact, if the Army staff member that had prepared this response had bothered to check the facts, they would have found that several hundred personnel have deployed to contingency requirements from ATCOM facilities in the past few years. But again, the fact is that the St. Louis Federal Center where ATCOM is located is only one of many Government/DoD owned facilities in the St. Louis area! Several thousand acres are available for deployment and contingency operations. If the staff had bothered to check on deployment capabilities they would have found that there are NO adequate airport facilities in the Huntsville area that could accommodate the landing and load-out of an Air Force C-5 without taking extraordinary and unacceptable risks. While the C-5 could land, there are no ramp facilities that could accommodate the required equipment. However, within 20 miles of the ATCOM facility there are 2 facilities that can and do support C-5 and now C-17 load-outs, Lambert St. Louis International Airport and Scott Air Force Base Illinois. In fact, the commission should consider that over 50,000 people per year process through the St. Louis area. This is partly because the DoD has made the St. Louis Airport a hub for overseas deployments of soldiers and their families to OCONUS locations! It should also be noted that these facilities are in closer proximity than Ft. Stewart, Georgia and its supporting military airfield at Hunter Army Airfield! During operations Desert Shield and Desert Storm, thousands of Reserve and National Guard personnel processed through these 2 facilities as well as the other ATCOM facility that has been overlooked, Charles Melvin Price Support Center (CMPSC) in Granite City Illinois. In fact, the CMPSC has a large rail head facility available as well as commercial barge loading facilities on adjoining property. These deployments were supported by ATCOM and its personnel with no problems what so ever! Much more capability that is, in fact, routinely utilized and exercised than the non-existent facilities at Redstone Arsenal Alabama!

#### SUMMARY FACTS:

- a. Staging, equipping, and deploying troop units has been and continues to be accomplished from the ATCOM and ATCOM managed facilities in St. Louis as well as the other near-by Government facilities at the St. Louis Airport and Scott AFB in Illinois. Much more capability than the Huntsville, Alabama area currently possesses or plans to possess. The significant difference is that the St. Louis area does not contain thousands of acres of unused space, it makes efficient use of existing space and facilities in order to save the US Taxpayer, without exorbitant overhead costs!
- 4) The St. Louis community has claimed that it is possible to eliminate the same number of positions through downsizing in place. Does the Army's Program Budget Guidance for ATCOM indicate this downsizing is possible? Is it true that the Commander of ATCOM has taken the opposite view that it will be difficult to achieve the designated cuts even with the consolidation?

ARMY RESPONSE: No, these reductions are above and beyond any programmed changes in the Army's Program Budget Guidance. It is not possible to eliminate the same number of personnel by downsizing in place without an unacceptable

degradation in mission. The Commander of ATCOM is fully committed to supporting the proposed realignment.

COMMENTS: The community has never claimed that it is possible to eliminate the same number of positions through downsizing in place. The Community has said that with personnel reductions that have already been accomplished and the planned Program Budget Guidance (PBG) reductions, in conjunction with the elimination of the expenses which would be required to accomplish the realignment, more savings than currently are forecast could actually occur! The currently planned PBG reductions reduce manpower strengths far more than the ASIP documents currently being used by the Army in its BRAC planning. In fact, the latest Army guidance says that affected facilities should make their plans using the ASIP and not the PBG! To further confuse the issue, however, there is another document from AMC IIQ that directs the PBG be used. This is a blatant attempt to selectively apply data that is only favorable to the Army! So the Army's statement that these changes are "above and beyond any programmed changes" is false. Additionally, the Army letter omits a significant caveat that the ATCOM Commander supports this realignment, only if the deviation request that his command has submitted is approved! It is also important to note that CECOM and TACOM are in concurrence with the deviation request submitted by ATCOM because they also recognize the need for more personnel.

SUMMARY FACTS:

a. The Army response omits the fact that the PBG has explicitly and selectively been omitted from the planning documents because if it were utilized, it would show the facts regarding the previously planned personnel reductions!

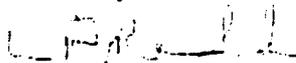
5) If the workload of ATCOM could be reduced beyond the PBG numbers in the out-years, what impact would this have (on) the planned consolidation?

ARMY RESPONSE: There would be no impact on the Army's recommendation.

COMMENT: None, I'm not really sure of the reason for this question.

Thank you for taking the time to review my comments and forwarding them to the Commission. I think that it is important to present additional facts at this time.

Sincerely,



Christopher R. Redd  
1211 Cove Lane  
St. Louis, MO 63138

<p style="text-align: right;">Page 49</p> <p>1 Montoya. 2 Commissioner Kling. 3 COMMISSIONER KLING: One quick question back to 4 the chemical. Will a general officer be heading up the 5 Chemical Corps if it moves to Fort Leonard Wood? 6 GENERAL SULLIVAN: Yes. 7 COMMISSIONER KLING: Yes, it will be? 8 GENERAL SULLIVAN: Yes. 9 COMMISSIONER KLING: Thank you. 10 GENERAL SULLIVAN: Yes. Each of the schools will 11 be separate and distinct, I'm sure. Now, that doesn't mean 12 that there wouldn't -- you know, I think there will be some 13 management efficiencies which could take place, obviously, 14 since there would be overlap in some of the -- 15 COMMISSIONER KLING: We had just heard that there 16 wouldn't be a general officer in that. 17 GENERAL SULLIVAN: You did? 18 COMMISSIONER KLING: That there would not be, and 19 that's really why I'm asking you. Let me turn to the matter 20 of the leases, if I could, a second. We have had a lot of 21 back and forth information, and I'm referring to ATCOM, which 22 you just, Mr. Secretary, briefly touched on the military</p>	<p style="text-align: right;">Page 52</p> <p>1 like components seems to us, again, to make sense in terms of 2 the needs of the Army at that time. And on those alignments, 3 I think I'm prepared to pass along to the Chief. 4 GENERAL SULLIVAN: I think leases, while important, 5 I think we need to just consolidate all of them as much as 6 possible. 7 GENERAL SHANE: If I could? 8 COMMISSIONER KLING: Yes, sir, General Shane. 9 GENERAL SHANE: Commissioner Kling, let me make a 10 comment on this. First, with regards to Missouri delegation, 11 as you recall, I provided I think it was a 14-page letter 12 which laid out the Army's position on that in detail. And 13 what I think the bottom line of that was is not a question of 14 criterias. 15 It's really a question of process and how you go 16 about assessing and going through the rigorous analysis of 17 coming up with the term "military value." With normal 18 installations, what we did, we use what we call the 19 "installation assessment plan." And we used a computer model 20 called Decision Pad to come up with a list of ratings based 21 on some attributes that were established. 22 The difference is the fact that we looked at each</p>
<p style="text-align: right;">Page 50</p> <p>1 value of leases. 2 But the Missouri delegation and the community have 3 expressed their concern that the Army has not complied with 4 the Defense Base Closure and Realignment Act of '90. Can you 5 just explain why you believe that the Army's recommendation 6 concerning leases are consistent with the force structure and 7 the final selection criteria giving priority to military 8 value? 9 SECRETARY WEST: Yes, sir. And there are several 10 points to be made here, and then I think I will also defer to 11 General Sullivan, as well. First of all, the question is, 12 the military value of what? Are we talking about the 13 military value of the lease itself and the facility, as we 14 often do when we talk about the military value, say, of an 15 Army installation, the military value of Fort Bragg and all 16 those ranges and the like? 17 Because if we're talking about that, then the 18 military value of the leases in a building in essentially an 19 office setting is simply not that significant. No, I 20 overstated. It's not significant. So the only other 21 question, then, is the appropriateness of the economic 22 decision made there, the business decision, on the one hand</p>	<p style="text-align: right;">Page 53</p> <p>1 individual list, but we did not necessarily use the Decision 2 Pad model or the installation assessment plan to do that. So 3 when I read through what the delegation was saying to me, I 4 think there may be a little bit of information here that was 5 kind of left out. 6 And that was the fact that they may just did not 7 understand clearly with regards to what military value was 8 and confused it with the issue of the installation assessment 9 of leases. So once again, I would ask that for testimony 10 today, that we provide for you or make a matter of record the 11 memorandum I provided to the Commission's staff. 12 COMMISSIONER KLING: That would be fine, sir. 13 SECRETARY WEST: Commissioner, there was one point 14 left untouched, and I should just make a note. The other 15 point, the utility of actually separating those units out, 16 separating aviation from troop support, which is what ATCOM 17 is right now. It's basically a combination of two different 18 functions. 19 What our proposal will do as part of the process 20 is, we'll return those to like locations. Aviation will be 21 with like activity. Troop support will be, I think, with the 22 solid support at Fort Nadick. And that makes sense to us</p>
<p style="text-align: right;">Page 51</p> <p>1 and of the implications of how we are organizing ourselves to 2 do the defense business. 3 That is, should ATCOM remain together for the 4 synergy of its many component parts; or if, as we're planning 5 to spin some things off, will that somehow lessen their 6 ability to do their job? And I think maybe you want me to 7 really get to that latter point. 8 So first of all, on the leases, as a business 9 matter, I would like to see the Army out of as many leases as 10 we could get out of. Now, that's simply not possible to do. 11 There are too many instances in which when you look at the 12 contrasting alternatives, it makes much better business sense 13 to be in that lease there. 14 That is not the case with ATCOM in St. Louis. It 15 does not make better business sense for us to be in those 16 high-cost leases. It makes better business sense if we have 17 a way consistent with the Chief of Staff's force structure 18 needs, to be somewhere in space that is on a post or that the 19 Army owns and where there can be some synergy with other like 20 activities. 21 And on the second part, a decision which 22 essentially moves components of ATCOM to do like things with</p>	<p style="text-align: right;">Page 54</p> <p>1 in terms of the synergy of those operations. 2 SECRETARY WALKER: Commissioner, if I might add 3 just one point on what the Secretary just said. In addition 4 to that, it results in a substantial cost savings. The 5 annual savings from the recommendation is \$56 million 6 annually once it's executed. That's 9 percent of the entire 7 savings of the entire package before the Commission. That is 8 a substantial savings in this one instance. 9 COMMISSIONER KLING: That's a good lead-in, Mr. 10 Secretary, to the second question. And this really is 11 getting down more to it. The Army estimates, as I understand 12 -- we have a slide here that we'll put up, but the Army 13 estimates that 786 civilian positions could be eliminated by 14 combining the aviation troop command and the missile command. 15 However, the community believes that the personnel 16 savings are significantly overstated, and from the 786, only 17 48 positions would be eliminated as shown on this slide in 18 which we may not be able to see, but I believe you all have 19 it in front of you. 20 CHAIRMAN DIXON: Do you have the slide? 21 GENERAL SULLIVAN: Yes. 22 COMMISSIONER KLING: I wonder if you might just</p>

# Document Separator



# Democratic Policy Committee

H-301 The Capitol  
Washington, D.C. 20515

202/225-6760  
Fax: 202/226-0938

## FACSIMILE COVER SHEET

To:	<u>David Lyles</u>
From:	<u>Brett O'Brien</u>
Fax #:	_____
Date:	_____ Pages: <u>Cover + 6</u>

Message: Two attachments for your consideration:

- ① This shows that the Army is either lying to the Commission about ATCOM personnel cuts or lying to its employees
- ② This was sent to all Commissioners - I hope you'll agree that actions since March 2 demonstrate that ATCOM's closure is a bad idea.

NOTICE: This telecopy transmission and any accompanying documents may contain confidential or privileged information. They are intended only for use by the individual or entity named on this transmission sheet. If you are not the intended recipient, you are not authorized to disclose, copy, distribute or use in any manner the contents of this information. If you have received this transmission in error, please notify us by telephone immediately so that we can arrange retrieval of the fixed documents.

closure is a bad idea.  
*Brett*

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

June 20, 1995

Please refer to this number  
when responding 950621-5

The Honorable Benjamin Montoya  
Defense Base Closure and Realignment Commission  
1700 North Moore Street  
Suite 1425  
Arlington, VA 22209

Dear Commissioner Montoya:

We are writing to provide a summary of the reasons why we believe you and the other Commissioners should reject the Army's proposal to close the Aviation and Troop Command (ATCOM) in St. Louis. While the Secretary of the Army may have had the interests of the nation in mind when recommending on March 1 that ATCOM be closed, events since then have demonstrated that this closure would not be in the interest of the Army, the Federal government, or the taxpayer. On the contrary, events since March 1 have demonstrated that the closure of ATCOM would violate the base closure law, is refuted by Army commanders responsible for its implementation, preempts the recommendations of the Roles and Missions Commission, and defies the Army's own facilities management activities. We would like to outline these points as you prepare for your final deliberations.

**GAO: THE ARMY VIOLATED THE LAW IN CLOSING ATCOM**

As you know, the base closure law requires that the Defense Department make recommendations to close or realign military installations, including leased facilities, "on the basis of the force structure plan and the final criteria." In keeping with this requirement, the Defense Department delineated eight final criteria and instructed each Service to give priority consideration to the first four, which measure military value. While the Secretary of the Army testified in early March that the Army complied with the base closure law in making its closure recommendations, subsequent actions indicate otherwise:

- On April 14, the General Accounting Office (GAO) reported to the Commission that the Army did not perform a military value analysis of each leased facility in determining which to close.
- In response to subsequent Commission inquiries, the GAO stated that it found no documentation "supporting an analysis of, or addressing, the military value of leases. Further, the Army's Management Control Plan does not describe a process to be used for determining military value of leases."
- On May 12, your staff requested that the Army provide "back-up data supporting the attributes which the Army used to evaluate leased facilities, showing too, how the data was linked to the Military Value criteria." In response, the Army stated that "in reference to the request for specific attributes, these attributes were not collected for the leased sites."

In light of these developments since March 1, we hope you will conclude that the Army deviated substantially -- if not entirely -- from the four military value criteria in recommending ATCOM for closure.

#### **ARMY COMMANDERS: ATCOM PERSONNEL CUTS CAN'T BE ACHIEVED**

On March 1, the Army asserted that the closure of ATCOM would result in the elimination of 1,022 civilian personnel positions, generating the vast majority of savings to be achieved by this closure proposal. The Army later revised its expected civilian personnel eliminations to 786 positions. Since the Army's recommendation was presented to the Commission, a number of actions have occurred which indicate that the personnel savings associated with ATCOM's closure may be as low as 48 civilian positions:

- On April 13, the Army Materiel Command (AMC) directed ATCOM to calculate the number of personnel eliminated by its closure using Program Budget Guidance (PBG) estimates rather than those contained in the Army's Stationing and Installation Plan, which had been used in preparing base closure cost/savings estimates. The PBG estimates indicate that the closure of ATCOM will result in the elimination of 205 fewer civilian positions than originally asserted by the Army.
- On May 22, ATCOM's Deputy Commander submitted a Manpower Deviation Request to AMC stating that of the 786 civilian positions proposed for elimination, 56 must remain in St. Louis to fulfill contractual obligations to other federal agencies and 477 must be transferred to receiving bases to ensure the continuation of ATCOM's functions. Rather than reject this request outright, AMC has indicated that no response will be provided until after the Commission completes its deliberations.

- On May 15, an AMC official reportedly informed ATCOM that if the Army finds that it underestimated the number of ATCOM personnel required to be transferred to Redstone Arsenal, such a shortfall will be covered by excess personnel currently on the payroll at Redstone's Missile Command.
- On May 19, the Communications-Electronics Command -- one of the proposed recipients of ATCOM's functions -- reported to AMC that additional personnel must be transferred from ATCOM to meet the Command's proposed new mission requirements.
- On May 30, the Tank-Automotive and Armaments Command -- another of the proposed recipients of ATCOM's functions -- reported to AMC that additional personnel must be transferred from ATCOM to meet the Command's proposed new mission requirements

In light of these developments since March 1, it is evident that the implementation of the Army's recommendation to close ATCOM will not generate the personnel eliminations -- and the resulting savings -- originally expected, and may only generate as few as 48 eliminations. Therefore, we hope you will conclude that the Army deviated substantially from Criteria #5 -- the extent and timing of potential costs and savings -- in recommending ATCOM for closure.

#### **ROLES AND MISSIONS COMMISSION: COLLOCATE ALL DOD AVIATION UNITS**

As you know, the Army's March 1 proposal to close ATCOM included the relocation of its aviation functions to Redstone Arsenal at a cost of over \$100 million, where a new Aviation and Missile Command would be established. Since this proposal was presented to the Commission, events have occurred which make this action inadvisable and potentially wasteful of Defense Department funds:

- On May 24, the Commission on Roles and Missions, led by Mr. John White, recommended that the Military Services collocate all Defense Department aviation management and support organizations, including ATCOM. This week, John White is expected to be confirmed by the Senate to be Deputy Secretary of Defense, in which he will have principal responsibility for implementing the recommendations of the Roles and Missions Commission.
- On June 2, in response to the Roles and Missions Commission recommendation noted above, the Army's Assistant Secretary for Research, Development and Acquisition stated that "we agree that this is an area with possible benefits which should be explored."

In light of these developments since March 1, we hope you will conclude that the Army should defer any decision to close ATCOM or spend over \$100 million of taxpayer dollars to relocate its aviation functions until a site is selected for a new DOD-wide aviation organization.

## ARMY INSTALLATION MANAGERS: RELOCATE SSDC TO REDSTONE FIRST

On March 1, the Army reported to the Commission that it had considered and rejected the relocation the Space and Strategic Defense Command (SSDC) from leased space in Huntsville, Alabama, onto Redstone Arsenal. Since then, actions have been taken which indicate that such a relocation would be more advantageous than the transfer of ATCOM's aviation functions to Redstone Arsenal:

- On March 8, Brigadier General Robert Herndon, Director of Facilities and Housing in the office of the Army's Assistant Chief of Staff for Installation Management, directed AMC to prepare a plan for the use of surplus permanent administrative space at Redstone Arsenal. In his instructions, General Herndon specifically stated that as AMC considers the relocation of activities from leased space, "the requirements of the Space and Strategic Defense Command and Program Executive Office organizations...predate any BRAC-related effort."
- On April 19, your staff informed the Army that Redstone Arsenal officials had confirmed that two buildings at Redstone can accommodate 900 personnel -- the approximate number of personnel at SSDC -- for a total military construction cost of \$1.62 million. This cost is \$19.9 million less than originally estimated by the Army, and makes the relocation of SSDC a financially attractive alternative to the relocation of ATCOM's aviation functions.
- On June 9, the Director of the Army's Material Systems Analysis Activity noted in a briefing prepared on the Equip/Supply/Maintain Functions that the consolidation of SSDC and the Army's Missile Command at Redstone Arsenal represents a significant opportunity to increase efficiency and effectiveness. This reinforces an earlier report by Army Basing Study officials to the Undersecretary of the Army that the relocation of SSDC to Redstone Arsenal would result in "synergy with major [Program Managers] and Missile Command at Redstone."
- On June 14, the Secretary of the Army testified to the Commission that despite earlier claims, the Army does in fact plan to move SSDC and the Program Executive Office for Missile Defense onto Redstone Arsenal in the future.

In light of these developments since March 1, we hope you will conclude that the relocation of SSDC to Redstone Arsenal -- combined with continued downsizing at ATCOM -- is a more cost-effective alternative than the closure of ATCOM and the relocation of its functions to four new sites at a total cost of over \$150 million.

\* \* \* \* \*

We believe that each of the issues that has arisen since March 1 is reason alone for the Commission to decide that ATCOM should remain open. Taken together, these issues

demonstrate that regardless of the merits of the Army's initial recommendation, events since then have shown conclusively that such an action would not be in the interest of the Army, the Federal government, or the U.S. taxpayer.

We appreciate your consideration of these issues, and trust that your decision regarding ATCOM will be based on the full spectrum of evidence presented to the Commission.

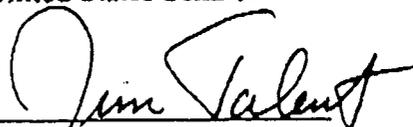
Sincerely,



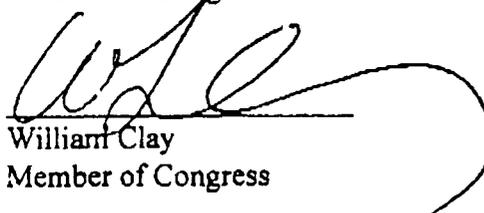
Christopher S. Bond  
United States Senator



Richard A. Gephardt  
Member of Congress



James M. Talent  
Member of Congress



William Clay  
Member of Congress



John Ashcroft  
United States Senator

REPLY TO  
ATTENTION OFDEPARTMENT OF THE ARMY  
HEADQUARTERS, US ARMY AVIATION AND TROOP COMMAND  
4300 GOODFELLOW BOULEVARD, ST. LOUIS, MO 63120-1796

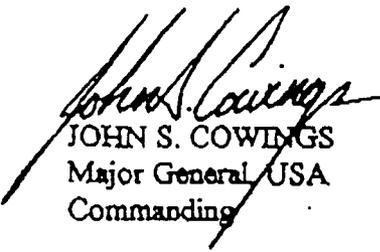
AMSAT-B-R

5 MAY 1995

MEMORANDUM FOR ALL ATCOM EMPLOYEES LOCATED AT THE  
FEDERAL CENTER, 4300 GOODFELLOW BOULEVARD

SUBJECT: Planning for Base Realignment and Closure (BRAC) 95

1. In keeping with our commitment to focus on taking care of our people, we have reached agreements with the Commanders at the four sites to which our functions have been identified for transfer. These agreements assure that if the BRAC recommendation to disestablish ATCOM is approved, all ATCOM employees will be offered a position at one of the four locations. This is good news for everyone. These agreements are attached for your information.
2. While it is still too early to tell you specifically where your functions will transfer or the exact timing of the relocations, be assured that all possible actions to assist you in this difficult time will be taken.

4 Atchs  
as

JOHN S. COWINGS  
Major General USA  
Commanding

# Document Separator

## Impacts From A Dual Air Force Depot Closure

- **Disruption to Maintenance Workload Causes Severe Logistical Support Problems**
  - Over 14 million hours of workload transferred, affecting virtually every AF system
  - Impacts 13,000 ALC personnel performing skilled work
  - Loss of trained and skilled workforce requires years to reestablish
  - Closure of multiple depots preempts joint-service streamlining of C4I and aeronautical systems work
  
- **Reduction In Capacity Too Extreme**
  - Maximum Potential Capacity measure (used to show two depot excess capacity) rejected by Joint Cross-Service Group - invalid
  - Must retain reserve capacity for contingencies, e.g. Desert Shield/Storm
  - Significant barriers to privatization, e.g. 60/40 legislation and OMB Circular A-76, plus increased costs after workload outsourced
  
- **Material Management Function Disruption** (item management, engineering, production control)
  - Management functions disrupted over major systems
  
- **Financial Impact**
  - \$317 million shortfall across FYDP with Kelly closure
  - Over \$985 million shortfall with closure of Kelly and McClellan
  - Costs (e.g., MILCON) accelerated to near years because of ambitious closure schedule
  - Additional unfunded environmental bill of several hundred million results from BRAC closure
  
- **Program Impacts From Shortfall Across FYDP**
  - Exacerbates FY97 program that is already short
  - Pushes investment/modernization out to future years, dominoes into greater problems in future
  - Specific impacts
    - Readiness
      - Flying Hour Program
      - Real Property Maintenance
    - Bomber Upgrades
      - Munitions Acquisition and Development
    - Quality of Life
      - Child Care Center and Dormitory construction
    - Force Structure
      - F-22 procurement delays
      - F-16 Air Defense Fighter modification

# Document Separator

**COMPARISON OF ATCOM COSTS/SAVINGS DATA  
(in millions)**

	<u>ARMY</u>	<u>COMMUNITY</u>	<u>COMMISSION</u> (as of 5/17/95)
One-Time Costs	\$145.6	\$189.1	\$150.4
Steady State Savings	\$45.8	\$7.0	\$38.3
Civilian Eliminations	1022	276	848
Return on Investment	3 years	52 years	4 years
Net Present Value	\$453.4	(\$91.4 )	\$350.1

**ATCOM ONE-TIME COSTS  
(in millions)**

<u>COST</u>	<u>ARMY</u>	<u>COMMUNITY</u>	<u>COMMISSION</u> (as of 5/17/95)
Moving	\$60.4	\$62.9	\$58.6
MILCON	\$58.8	\$88.7	\$55.5
Personnel	\$7.9	\$7.9	\$7.5
Info Management	\$4.1	\$4.1	\$3.7
Other	\$14.4	\$14.4	\$14.0
Tenant Relocation	_____	<u>\$11.1</u>	<u>\$11.1</u>
Total	\$145.6	\$189.1	\$150.4

ANALYSIS

MOVING --

- Community added \$2.5 million to move SIMA ADP equipment. Awaiting Army response.

MILCON --

- Community added \$8.1 for SIMA and \$21.8 for excess ATCOM overhead eliminations. SIMA space requirements are included in Army costs. Awaiting Army response on the excess overhead reductions.

RELOCATION --

- GSA cost for relocating remaining tenants from federal center to other lease space in St Louis. Army does not recognize these costs. Included in commission costs.

## ATCOM CIVILIAN PERSONNEL SAVINGS

	<u>ARMY</u>	<u>COMMUNITY</u>	<u>COMMISSION</u>
Positions Eliminated	1,022	276	848
Savings (M)	\$47.0	\$13.3	\$39.0

### ANALYSIS

#### COMMUNITY:

- 414 programmed reduction before move, savings overstated by \$19million, commission found only 182 of these reductions are in ATCOM
- 287 excess overhead reduction, savings overstated by \$13.2 million
- 45 spaces needed for area support mission, savings overstated by \$2.1 million
- Awaiting Army response on excess overhead and area support mission

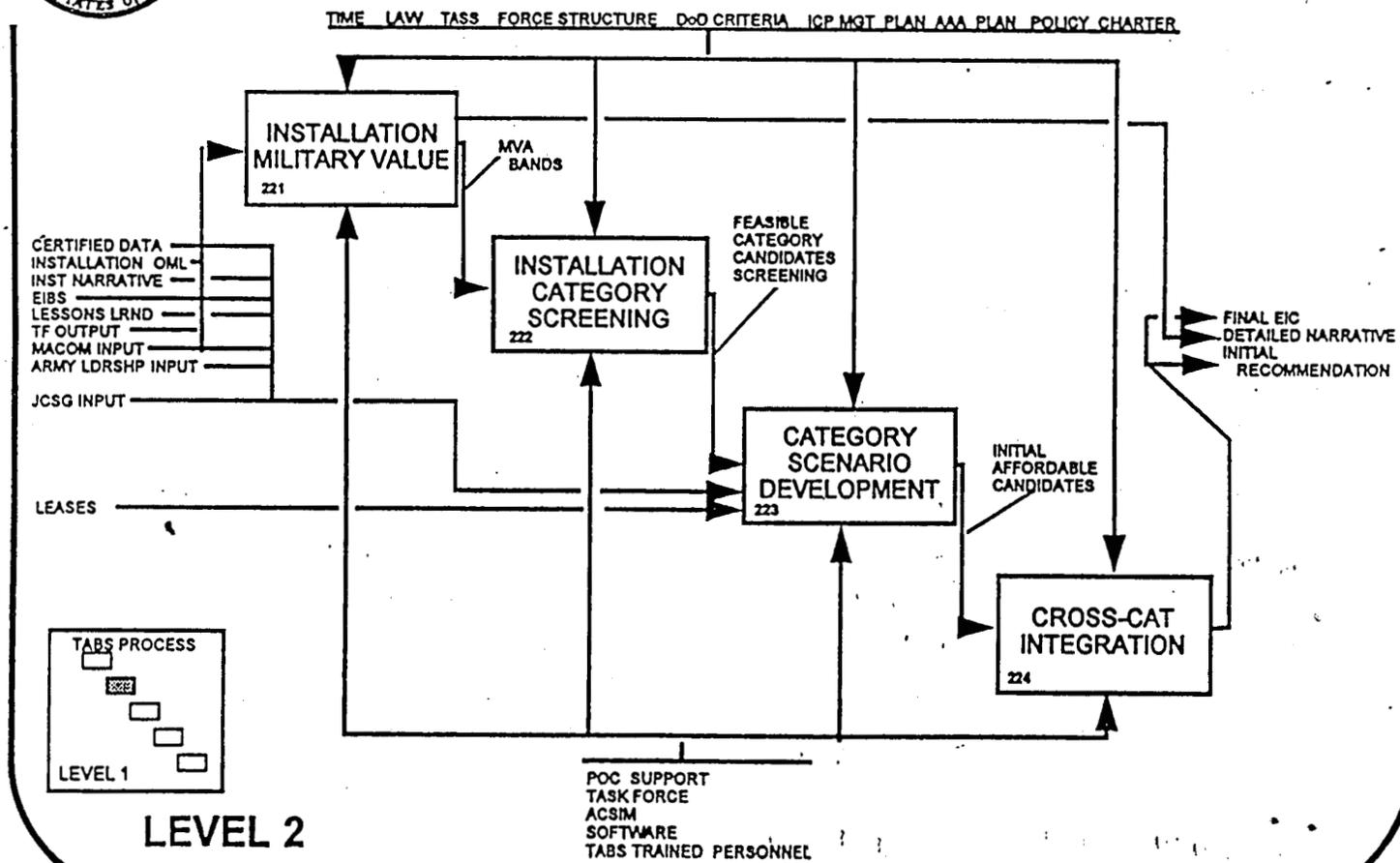
#### COMMISSION:

- Based on 11/94 ASIP rather than 5/94 ASIP

# Army Guidelines Excluded Leases from Military Value Assessment



## TABS DETAILED ANALYSIS (12)



# Document Separator

## AVIATION AND TROOP COMMAND MAJOR ISSUES

**ISSUE #1:** Was the Army's recommendation to close ATCOM made on the basis of the military value criteria as required by law?

**Army position:** Recommendation based on military value criteria. Despite Commission request, no supporting documentation provided.

**Community position:** Recommendation was not based on military value criteria, as shown in the Army's Management Control Plan and final decision briefing for the Secretary of the Army.

**GAO position:** Found no documentation "supporting an analysis of, or addressing, the military value of leases. Further, the Army's Management Control Plan does not describe a process to be used for determining military value of leases." Recommended that the Commission "make a determination, under its legislative authority, whether these variances represent substantial deviation from the selection criteria."

**ISSUE #2:** How many civilian personnel would be eliminated by the closure of ATCOM?

**Army position:** 786 civilian personnel positions, based on (1) Army ASIP data that exceeds Program Budget Guidance (PBG) personnel authorizations, and (2) undocumented claims that nearly all Area Support, BASOPs, and Mission Support positions can be eliminated over time.

**Community position:** 48 civilian personnel positions, based on PBG authorizations and Army data on Area Support, BASOPs, and Mission Support position requirements. Supporting documentation attached:

Army Materiel Command BRAC 95 Implementation Planning Guidance -- directs ATCOM to use the PBG as the basis for determining personnel reductions associated with the closure of ATCOM.

DMRD 926 (July 3, 1990) -- directs that in consolidating Inventory Control Points, the Services should assume only a 50 percent reduction in overhead positions from losing installations.

ATCOM Manpower Deviation Request -- identifies 56 area support mission positions, 90 additional BASOPs positions, and 387 mission support positions that must be retained if ATCOM is closed.

TACOM memorandum (May 30, 1995) -- Concurs with ATCOM's Manpower Deviation Request and requests additional overhead positions.

CECOM memorandum (May 19, 1995) -- Requests additional BASOPs positions from ATCOM based on ATCOM's Manpower Deviation Request.

Army memorandum (May 16, 1995) -- States that Army Materiel Command and Army headquarters believe that manpower shortfalls in the aviation missions transferred from ATCOM to Redstone Arsenal could be covered by the excess manpower at MICOM.

Army ASIP (May 95) for Redstone Arsenal -- Shows that MICOM has 778 non-additive personnel authorizations and Redstone Arsenal Support Activity (ACTRASA) has 83 non-additive personnel authorizations.

**ISSUE #3: Would annual overhead costs be reduced by closing ATCOM?**

**Army position:** Initial COBRA report showed ATCOM's closure resulting in a \$3.5 million increase in the Army's annual overhead costs. Subsequent COBRA report showed a \$17.6 million decrease in overhead costs, based on the inappropriate elimination of mission-related costs that would continue to exist if ATCOM were closed.

**Community position:** ATCOM's closure would result in an increase in the Army's annual overhead costs, as shown in the Army's initial COBRA report.

**ISSUE #4: What are the costs and savings associated with the relocation of the Space & Strategic Defense Command (SSDC) to Redstone Arsenal?**

**A. Civilian personnel reductions**

**Army position:** No personnel reductions would be achieved by relocating SSDC, despite the Army Basing Study's report to the Undersecretary of the Army that the relocation of SSDC would result in "synergy with major [Program Managers] and Missile Command at Redstone."

**Community position:** In light of the Army's acknowledgment that the relocation of SSDC would result in synergy, a reduction of at least 21 percent of SSDC personnel could be achieved. (This percentage is based on the reduction in personnel the Army's expects to achieve through the relocation of ATCOM's functions -- 786 out of 3784 personnel.)

B. Military construction costs

**Army position:** \$13.6 million, based on COBRA formula for estimating renovation costs.

**Community position:** \$1.6 million, based on data collected by Commission staff.

**ISSUE #5:** Issues not addressed by the Army.

A. Use of surplus permanent administrative space at Redstone Arsenal.

Despite requests by the Army's Assistant Chief of Staff for Installation Management (ACS-IM), the Army Materiel Command has not provided a plan for the use of 546,000 square feet of surplus permanent administrative space at Redstone Arsenal. ACS-IM has directed that in allocating this space, "the requirements of the Space and Strategic Defense Command and Program Executive Office organizations...predate any BRAC-related effort and should be considered in the review."

B. Leased space in the vicinity of bases receiving ATCOM functions.

In directing DOD to consider vacating leased space, the 1993 Commission expressed concern that "with the downsizing of the Military Services, excess capacity in administrative space is being created on military bases, often in close proximity to the leased space." While DOD did consider some leased facilities as part of its 1995 base closure evaluation, it directed the Services not to evaluate independently the vast majority of leased space in close proximity to military bases. As a result, the Army failed in the case of ATCOM to evaluate as an alternative the possibility of vacating \$10.1 million worth of leases located in the vicinity of Redstone Arsenal, \$19.0 million worth of leases located in the vicinity of Fort Monmouth, \$1.1 million worth of leases located in the vicinity of Natick RDEC, and \$3.7 million worth of leases located in the vicinity of Detroit Arsenal.

C. Consolidation of all DOD aviation acquisition organizations.

The Commission on Roles and Missions of the Armed Forces, led by Mr. John White, has recommended that DOD collocate "all Army, Navy, and Air Force program management offices responsible for development, production, and support of military aircraft and related equipment." As Deputy Secretary of Defense, Mr. White will now have principal responsibility for implementing this recommendation. Since this recommendation will cause ATCOM's aviation functions to be collocated with similar functions at a yet to be determined site, the transfer of ATCOM's aviation functions to Redstone Arsenal at this time would be a waste of over \$100 million in moving and military construction costs. Instead, the Army should defer any decision to move ATCOM's functions until DOD has determined the site for a DOD-wide aviation acquisition organization.

# Document Separator

## The Army's Military Value Assessment (MVA) of Leases

In general, the Army developed its MVA according to its BRAC 95 Installation Assessment Program (IAP). The quantitative component of the MVA was then fed into a decision pad computer model designed to assist in the comparisons of installations according to a common set of weighted attributes, each of which relates to one of the military value criteria (or final criteria I-IV). With respect to leases, however, the IAP was not employed because its list of weighted attributes was designed to assist in the comparison of particular installations, rather than in the comparison of particular leased facilities. However, in lieu of this traditional Installation Assessment, the Army did undertake a quantitative assessment of each leased facility using empirical attributes that were more directly relevant to comparisons of leased facilities.

These were: LEASE COSTS; SPACE, and; OTHER COMMON FEATURES AND ATTRIBUTES.

Once these Installation Assessments for leases were completed, the qualitative portion of the MVA was then undertaken. These qualitative assessments sought to ascertain the consistency of the quantitative assessments with the objectives outlined in the Army's Stationing Strategy. The stationing strategy served as a qualitative template against which the quantitative assessments could be measured and revised accordingly.

The QUALITATIVE COMPONENT consisted of evaluating the utility of each facility in light of both the Stationing Strategy's general operational objectives of: ELIMINATING EXCESS CAPACITY; MINIMIZING THE USE OF LEASED SPACE, and CO-LOCATING TENANTS FROM DIFFERENT COMMANDS TO ACHIEVE SYNERGY and the more particular operational objectives with respect to commands such

as ATCOM, i.e, **ACHIEVE EFFICIENCY THROUGH COLLOCATION AND INTEGRATION OF RESEARCH, ENGINEERING, ACQUISITION AND LOGISTICS FUNCTIONS, AS WELL AS REDUCED OVERHEAD.**

For example, comparing leased facilities based on attributes such as each leased facility's aviation maintenance facilities, ranges, and other such attributes, incorporated into the IAP model, would not have been instructive as to the relative merit of each such facility because no leased facilities possess these attributes (and thus all would have received equally low scores).

**Leased facilities are, in essence, office space.**

Accordingly, an Installation Assessment was not prepared for leased facilities. In this respect, the Army did not perform its traditional MVA for leased facilities.

Therefore, although the Army determined the military value of each leased facility without reference to the Installation Assessment Program, the MVA of each leased facility was nonetheless composed of a similar quantitative assessment tempered by the qualitative guidance provided by the Stationing Strategy. **And the disestablishment of the ATCOM command is an operational decision within the purview of the Army.**

### **Summary and Conclusion**

Military value of leased facilities was analyzed by the Army, albeit in a different way than non-leased or owned facilities. Although different, the analysis was consistent with the type of analysis performed on owned facilities. Because the Army did not fail to perform a military value analysis, there is no basis for a finding of substantial deviation.

Any deviation by the Army did not rise to the level of "substantial deviation" as defined in the statute; thus because the presumption of validity remains with the Secretary of Defense's Recommendation on ATCOM is not rebutted, it stands.

BOTTOM  
LINE

**Evaluation of the Army's Military Value Assessment of  
Aviation-Troop Command**

**Department of Defense (DoD) Recommendation**

Disestablish Aviation-Troop Command (ATCOM), and close by relocating its mission/functions as follows:

- Relocate Aviation Research, Development & Engineering Center; Aviation Management; and Aviation Program Executive Offices to Redstone Arsenal, Huntsville, AL, to form the Aviation & Missile Command.
- Relocate functions related to soldier systems to Natick Research, Development, Engineering Center, MA, to align with the Soldier Systems Command.
- Relocate functions related to materiel management of communications-electronics to Fort Monmouth, NJ, to align with Communications-Electronics Command.
- Relocate automotive materiel management functions to Detroit Arsenal, MI, to align with Tank-Automotive and Armaments Command.

Department of Defense Base Closure and  
Realignment Report, March 1995, p. 5-31

**Background**

The Missouri Congressional delegation has alleged the Army failed to perform a military value assessment (MVA) of the ATCOM lease in St. Louis, Missouri. They believe this is a substantial deviation from the final criteria (I-IV) and, therefore, the Commission should reject the recommendation. The Army has responded to the contrary in numerous responses to our inquiries.

# Document Separator

## WHY THE SPACE & STRATEGIC DEFENSE COMMAND (SSDC) SHOULD BE ADDED FOR CONSIDERATION BY THE BRAC COMMISSION

1. The Army studied the relocation of SSDC to Redstone Arsenal, but rejected it because the Army's COBRA report indicated that "realignment was not financially advantageous."
2. The Army's COBRA report indicated that the relocation of SSDC would require \$21 million in one-time costs, due to the reported need to construct a new facility for SSDC's 950 personnel.
3. The Army officials who prepared the COBRA report for SSDC were mistaken that its relocation would require construction of a new facility at Redstone Arsenal. The Army Materiel Command reported on January 24, 1995, that at Redstone Arsenal "both buildings #4488 and \$5681 are in good shape and together they can house approximately 1,500 administrative personnel if needed to implement the Secretary of the Army's Base Realignment and Closure (BRAC) 95 decisions."
4. BRAC Commission staff Mike Kennedy confirmed in a site visit to Redstone Arsenal that space does exist for 1,600 personnel, with the following renovation cost requirements:
  - 400 personnel can be accommodated with no renovation costs required
  - 500 personnel can be accommodated at a cost of \$20 per square foot
  - 700 personnel can be accommodated with renovation costs per the COBRA formula
5. Based on this data, the actual one-time cost associated with the relocation of SSDC to Redstone is approximately \$1.2 million rather than \$23 million, which had caused the Army to conclude that the relocation of SSDC would not be financially advantageous.
6. Using actual one-time costs, the relocation of SSDC to Redstone Arsenal would generate the following cost/savings results, making this action financially advantageous:

ONE-TIME COST	\$1.2 MILLION
RETURN ON INVESTMENT	IMMEDIATE
20-YEAR NET PRESENT VALUE	\$23 MILLION

7. This result does not include SSDC personnel reductions -- and associated cost savings -- that may be possible due to collocation with the Army Missile Command at Redstone Arsenal. The Army Basing Study office's briefing to the Undersecretary of the Army on October 11, 1994, states that the relocation of SSDC would result in "synergy with major [Program Managers] and Missile Command at Redstone." Personnel reductions made possible by this synergy were not included in the COBRA report on the SSDC relocation.

See attached for relevant documentation

**DEPARTMENT OF DEFENSE  
REPORT TO THE  
DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION**

---

---



---

---

**VOLUME III**

**DEPARTMENT OF THE ARMY**

**ANALYSES**

**AND**

**RECOMMENDATIONS**

**MARCH 1995**

---

---

#### **HQ, Aviation Troop Support Command, St. Louis, Missouri**

HQ, Aviation Troop Support Command (ATCOM) located at 4300 Goodfellow Boulevard in St. Louis, MO, consists of 21 leases and houses HQ, ATCOM and Program Executive Office (PEO) Aviation. All leases are GSA. ATCOM is responsible for the research, development, engineering, and logistical support for Army airmobile systems and support of field and troop support items. The facilities contain 1,089,198 square feet of administrative space, and some light industrial space. The installation has considerable automated data processing specific space. There are 267 military and 5,239 civilian personnel. ATCOM was selected for further study. The Army recommends vacating this facility.

#### **HQ, Army Materiel Command, Alexandria, Virginia**

HQ, Army Materiel Command (AMC) is located at 5001 Eisenhower Avenue in Alexandria, VA. The facilities, leased from GSA, contain 433,540 square feet of administrative space and some computer specific space. There are 146 military and 1,229 civilian personnel. Realignment of HQ, AMC was not financially advantageous and, therefore, the Army discontinued study of this lease site.

#### **HQ, U.S. Army Operational Test and Evaluation Command, Virginia**

U.S. Army Operational Test and Evaluation Command (OPTEC) is located at 4501 Ford Avenue in Alexandria, VA. OPTEC is responsible for all operational testing within the material acquisition process. A subordinate activity, The U.S. Army Operational Evaluation Command is presently collocated with OPTEC in Alexandria and scheduled to move to Fort Hood, TX in 1996 as part of OPTEC 2000 redesign. The facilities, leased from GSA, contain 129,805 square feet of administrative space and some computer space. There are 174 military and 178 civilian personnel. The reorganization of OPTEC will leave approximately 50 personnel in the NCR. Realignment was not financially advantageous and, therefore, the Army discontinued study of this lease site.

#### **HQ, U.S. Army Personnel Command, Alexandria, Virginia**

HQ, US Army Personnel Command (PERSCOM) is located at 200 Stovall Street in Alexandria, VA. The facilities, leased from GSA, contain 735,052 square feet of administrative space including some computer specific space. There are 833 military, 3,554 civilian, and no contractor personnel. Realignment was not financially advantageous; therefore, the Army discontinued study of this lease site.

#### **HQ, Space and Strategic Defense Command, Huntsville, Alabama**

HQ, Space and Strategic Defense Command is located in Research Park in Huntsville, AL. It consists of 11 leases, and houses elements of AMC Headquarters, Forces Command (FORSCOM), and Army Ballistic Missile Defense Office (ABMDO). The facilities, leased from

GSA, Putman Construction, Progress Center, Tech Micro Contractors, Romar Enterprises, and Westminster Group, contain 127,150 square feet of administrative and some computer specific space. There are 35 military and 915 civilian personnel. Realignment of this headquarters was not financially advantageous; therefore, the Army discontinued study of this lease site.

#### **Judge Advocate General School, Virginia**

The Judge Advocate General School is located at the University of Virginia in Charlottesville, VA. The facilities, leased from the University of Virginia, contain 114,796 square feet of administrative/classroom space. There are 56 military, 37 civilian personnel, and 189 students. Realignment of the school was not financially advantageous; therefore, the Army discontinued its study of this lease site.

#### **Military Traffic Management Command (MTMC), Bailey's Cross-Roads, Virginia**

MTMC is located in three leased locations in the NCR. They are the Nassif building, the Ballston Tower II, and the Webb Building. They include 137,000 square feet of administrative and computer specific space and approximately 700 personnel. Realignment of this activity was not financially advantageous; therefore, the Army discontinued study of these sites.

#### **The National Ground Intelligence Center, Virginia (formerly the Foreign Science Technology Center)**

The National Ground Intelligence Center is located at 5 separate locations in Charlottesville, VA. The facilities, leased from GSA, contain 81,514 square feet of administrative space and some computer specific space. There are 108 military and 502 civilian personnel. Realignment was not financially advantageous; therefore, the Army discontinued its study of this lease site.

#### **The Judge Advocate General, Bailey's Cross-Roads, Virginia**

The Judge Advocate General is located in the Nassif building at Bailey's Crossroads, VA. They occupy 28,600 square feet of predominantly administrative space for 105 personnel. Realignment of this unit was not financially advantageous; therefore, the Army discontinued study of this lease site.

#### **U.S. Army Concepts Analysis Agency, Bethesda, Maryland**

U.S. Army Concepts Analysis Agency (USACAA) is located at 8120 Battery Lane in Bethesda, MD. USACAA is a field operating agency under the Director of the Army Staff which performs independent studies and analyses. The facility, leased from GSA, consists of 50,905 square feet of space with a small amount of specialized computer space. Free parking is very limited. There are 57 military and 144 civilian personnel. The Army recommends closing this facility.

Department : ARMY  
 Option Package : LE5-1  
 Scenario File : C:\COBRA\LE5-1.CBR  
 Std Fctrs File : C:\COBRA\TABS95.SFF

MilCon for Base: REDSTONE ARSENAL, AL

All Costs in \$K

Description:	MilCon Categ	Using Rehab	Rehab Cost*	New MilCon	New Cost*	Total Cost*
GEN PURP ADMIN	ADMIN	0	0	156,750	19,531	19,531
Total Construction Cost:						19,531
+ Info Management Account:						1,944
+ Land Purchases:						0
- Construction Cost Avoid:						0
TOTAL:						21,475

\* MilCon Costs include Site Preparation Costs, Design Costs,  
 Contingency Planning Costs and SIOH Costs where applicable



DEPARTMENT OF THE ARMY  
HEADQUARTERS, U.S. ARMY MATERIEL COMMAND  
5001 EISENHOWER AVENUE, ALEXANDRIA, VA 22333-0001



REPLY TO  
ATTENTION OF

AMCSO

24 JANUARY 1995

MEMORANDUM FOR ASSISTANT CHIEF OF STAFF FOR INSTALLATION  
MANAGEMENT, DEPARTMENT OF THE ARMY, 600 ARMY  
PENTAGON, WASHINGTON, DC 20310-0600

SUBJECT: New Construction Support for Logistics Support Activity  
(LOGSA) at Redstone Arsenal (RSA)

1. Reference memorandum, DAIM-FDP-B, 30 Sep 94, subject as above.
2. The Army Stationing and Installation Plan (ASIP) report for Redstone Arsenal for FY 2000 is understated. The MICOM marked-up ASIP reflects 11,673 civilians and 2,970 military personnel for FY 2000 versus Department of Army report reflecting 10,844 civilians and 2,576 military personnel.
3. Currently, there are about 310 AMC personnel housed in leased space in the Huntsville area. These personnel are scheduled to relocate into existing facilities on Redstone Arsenal within the next 18 months. Also scheduled are plans to tear-down or mothball 325,337 SF of facilities to satisfy a commitment made to Congress for the Sparkman Center.
4. In addition to these "committed" facilities, there is 200,014 SF of excess space that is scheduled for mothballing (includes building #5681 of 122,597 SF). Building #4488 (201,890 SF), which is not a part of this group, is being vacated at this time. Both buildings #4488 and #5681 are in good shape and together they can house approximately 1,500 administrative personnel if needed to implement the Secretary of the Army's Base Realignment and Closure (BRAC) 95 decisions.
5. The points of contact for this action are Mr. Paul Mui, 274-8157 and Mr. Frank Graziano, 274-9296.
6. AMC -- America's Arsenal for the Brave.

*Michael C. Sandusky*  
MICHAEL C. SANDUSKY  
Chief, Special Analysis  
Office



CLOSEHOLD/SENSITIVE

# IMPACT SUMMARY

## SPACE & STRATEGIC DEFENSE COMMAND, HUNTSVILLE, AL

OPERATIONAL: - none, local move  
- synergy with major PMs and Missile Command at Redstone

PERSONNEL:

	MILITARY	CIVILIAN
REDUCTIONS		
REALIGNMENTS	35	915

ENVIRONMENTAL: No significant limitations

ECONOMIC: None

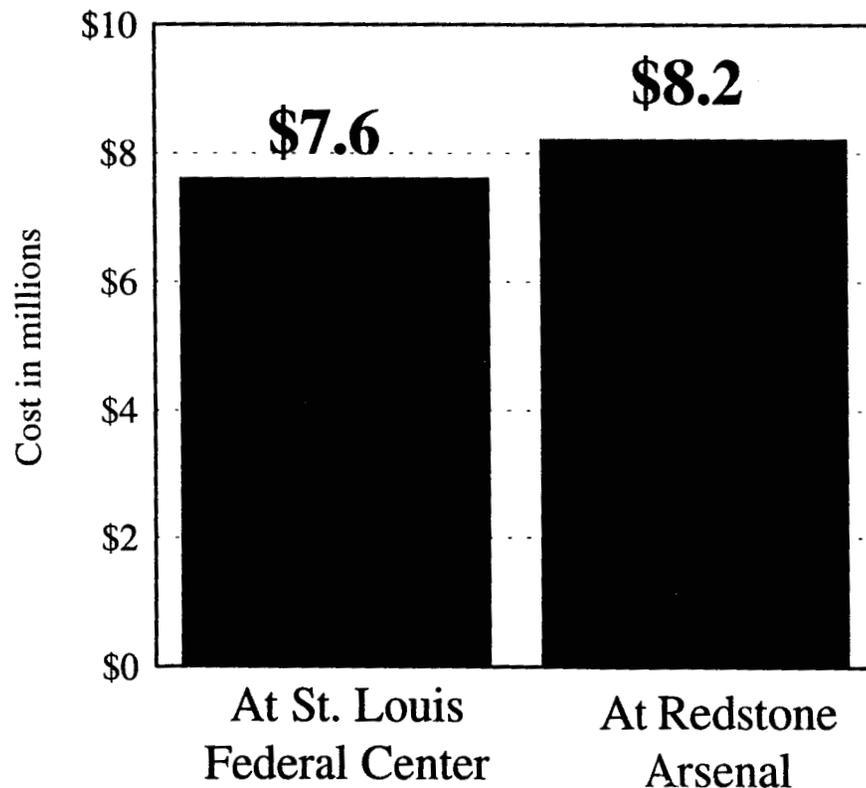
OTHER SERVICE/DOD FACTORS: None

ALTERNATIVES CONSIDERED None

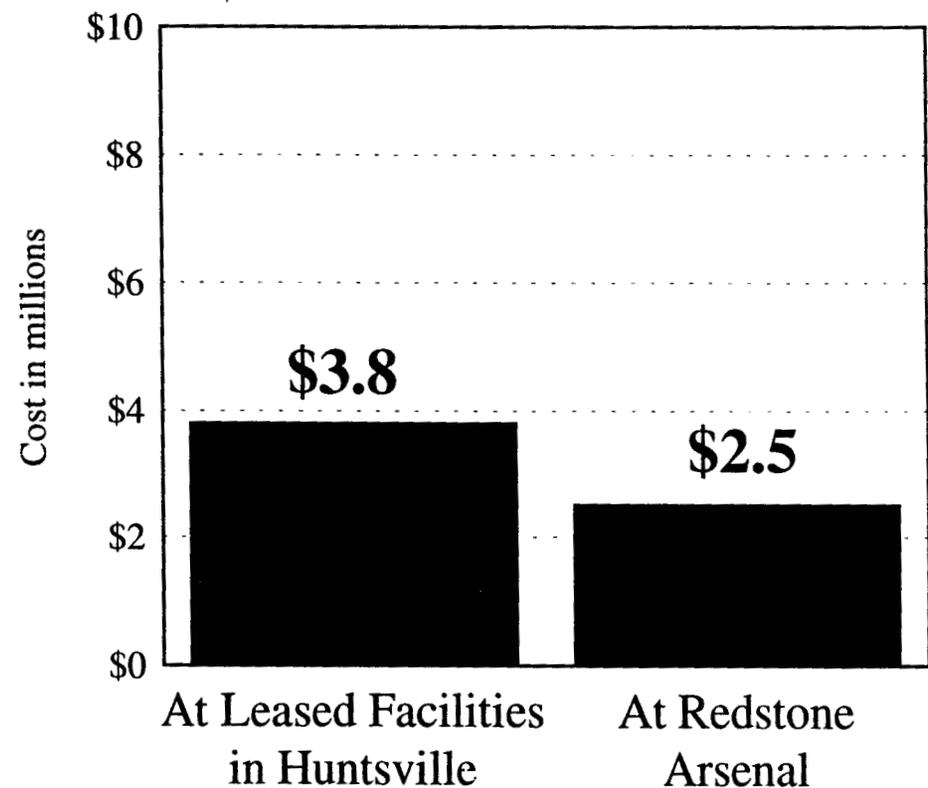
CLOSEHOLD/SENSITIVE

# Annual Overhead Costs to Support ATCOM and SSDC Functions

## Overhead Cost to Support ATCOM Functions



## Overhead Cost to Support SSDC Functions



# Document Separator

## **MANAGEMENT CONTROL PLAN**

### **The Army Basing Study Office of the Chief of Staff of the Army Base Realignment and Closure Process (BRAC 95)**

#### **I. INTRODUCTION**

##### **A. Background**

The exclusive procedures by which the Secretary of Defense (SECDEF) may pursue closure or realignment of military installations, inside the United States, are contained in Part A, Title XXIX of Public Law 101-510, entitled as the Defense Base Closure and Realignment Act of 1990; as amended; hereafter referred to as Base Closure Act (Annex A). The Base Closure Act also includes a provision for the President to appoint an independent Base Closure and Realignment Commission to review the SECDEF recommendations in calendar years 1991, 1993, and 1995.

The Deputy Secretary of Defense (DEPSECDEF) memorandum dated 7 January 1994 (Annex B), sets forth policy guidance, procedures, authorities, and responsibilities for the forthcoming base closure and realignment study effort for 1995. DEPSECDEF guidance includes a requirement for the establishment of BRAC-95 Joint Cross-Service Groups (JCSG) in five functional areas to identify significant cross-service opportunities as well as a sixth JCSG to develop improvements in economic impact assessments.

The Army Basing Study (TABS) Charter establishes the authority of the TABS office and assigns responsibilities for execution of the BRAC 95 process (Annex C). The charter was signed by the Acting Secretary of the Army and the Vice Chief of Staff, Army on 1 August 1993.

The Chief of Staff of the Army memorandum dated March 1994 (Annex D), kicks off the BRAC 95 process and identifies the policy oversight role of the Under Secretary of the Army and the Vice Chief of Staff, Army. The Assistant Secretary of the Army (Installations, Logistics and Environment) is responsible for policy and management of all BRAC initiatives. The Director of Management will coordinate the BRAC 95 effort, identifying actions and milestones critical to synchronizing the Army's effort with that of DoD and the other Services.

##### **B. Mission**

TABS will examine the issues surrounding the realignment and closure of Army installations within the 50 States, the District of Columbia and U.S. commonwealths, territories and possessions, and make recommendations to the Secretary of the Army and Chief of Staff

concerning potential realignments and closures. Additionally, TABS will serve as the single point of contact with the Defense Base Closure and Realignment Commission, established under the provisions of the Base Closure Act.

TABS will assess the Army's CONUS installations resources, identify the Army's CONUS basing requirements, and present base realignment and closure recommendations consistent with Department of Defense (DoD) force structure plans and BRAC selection criteria.

### **C. Purpose**

The purpose of this Management Control Plan (MCP) is to provide a consistent set of management controls for the Army's BRAC 95 process. The objective of the controls, presented herein, is to ensure the accuracy, completeness, and integration of all information upon which Secretary of the Army recommendations for base closure and realignments are based and to limit the possibility of disclosure of BRAC 95 information prematurely. This MCP meets the requirements established by the DEPSECDEF memorandum, Army BRAC 95 memorandum, and the Charter for The Army Basing Study (TABS) regarding the Army's process. This MCP also identifies procedures for integrating the efforts of the Joint Cross-Service Groups into the Army process.

### **D. Critical Success Factors**

To ensure success of the TABS mission and objectives, the following factors were identified as critical.

- Senior Army Leadership commitment to significantly reduce the installation infrastructure to meet the Defense Guidance as well as goals set forth in the DEPSECDEF memorandum.
- Coordination with the Joint Cross-Service Groups, other Services and Defense Agencies to identify significant cross-service or intra-service opportunities to consolidate activities.
- Adherence to a well defined scope, definitive objectives, and accountable process.

## **II. SELECTION CRITERIA AND RELATED ISSUES**

### **A. General**

The Base Closure Act requires the DoD to submit to Congress and the Commission a force structure plan and the selection criteria that are used in developing DoD recommendations. These documents are the cornerstone of the Army procedures and process.

Title 10 U.S.C. 2687 establishes closure and realignment numerical thresholds that require Congressional review. The threshold for closure is an installation/activity that employs at least 300 permanent-type civilians. The threshold for realigning/reducing an installation/activity is the reduction of more than 1000 permanent-type civilians or 50% of that installation/activity's authorized civilians, whichever is less.

### **B. DoD Force Structure**

The force structure plan incorporates an assessment by the Secretary of Defense of the probable threats to the national security, and takes into account the anticipated levels of funding for the period 1996 through 2001. The plan is comprised of a military threat assessment, a need for overseas basing, and a force structure. This plan is used by the ARSTAF along with other operational guidance in developing the Army's Stationing Strategy.

### **C. DoD Selection Criteria**

The final eight selection criteria published by DoD cover a broad range of military, fiscal, and environmental considerations (see figure II.1). The first four criteria relate to the military value of that installation, the fifth criteria is concerned with the fiscal implications of a potential recommendation, while the last three criteria address a recommendation's impact on the economy, community and installation infrastructure, and environment.

The Army assesses the military value of an installation by first grouping like installations into functional categories. The military value ranking of each installation is established by comparing installation quality assessments with the operational needs of the Army. Quality assessments are derived from the first four criteria of the DoD selection criteria, commonly referred to as military value. These criteria are mission requirements, land and facilities, contingency and future mission, and cost and manpower. The needs of the services are documented in the Army's Stationing Strategy. Installations that place relatively lower in military value assessment are examined as potential candidates for BRAC. The return on investment calculation for each alternative and associated scenarios are accomplished using DoD approved Cost of Base Realignment Action (COBRA) model, version 5.0. The impacts of an alternative are evaluated using the DoD approved Office of Economic Adjustment (OEA) model for economic impacts, while environmental baseline studies are used to determine the infrastructure and environmental impacts on the affected installations and economic area.

# DoD SELECTION CRITERIA

IN SELECTING MILITARY INSTALLATIONS FOR CLOSURE OR REALIGNMENT, DOD GIVING PRIORITY CONSIDERATION TO MILITARY VALUE (THE FIRST FOUR CRITERIA BELOW), WILL CONSIDER:

## MILITARY VALUE:

1. THE CURRENT AND FUTURE MISSION REQUIREMENTS AND THE IMPACT ON OPERATIONAL READINESS OF DOD'S TOTAL FORCE.
2. THE AVAILABILITY AND CONDITION OF LAND AND FACILITIES AT BOTH THE EXISTING AND POTENTIAL RECEIVING LOCATIONS.
3. THE ABILITY TO ACCOMMODATE CONTINGENCY, MOBILIZATION, AND FUTURE TOTAL FORCE REQUIREMENTS AT BOTH THE EXISTING AND POTENTIAL RECEIVING LOCATIONS.
4. THE COST AND MANPOWER IMPLICATIONS.

## RETURN ON INVESTMENT:

5. THE EXTENT AND TIMING OF POTENTIAL COST SAVINGS, INCLUDING THE NUMBER OF YEARS, BEGINNING WITH THE DATE OF COMPLETION OF THE CLOSURE OR REALIGNMENT, FOR THE SAVINGS TO EXCEED THE COSTS.

## COMMUNITY IMPACTS:

6. THE ECONOMIC IMPACT ON COMMUNITIES.
7. THE ABILITY OF BOTH THE EXISTING AND POTENTIAL RECEIVING COMMUNITIES' INFRASTRUCTURE TO SUPPORT FORCES, MISSIONS, AND PERSONNEL.
8. THE ENVIRONMENTAL IMPACT.

Figure II.1 - DoD Selection Criteria

## D. Installations

Active Army installations will be included in the assessment process if they meet the following requirements:

"... an aggregation of contiguous or near contiguous, common-supporting real property holdings under the jurisdiction of the Department of Defense, controlled by and at which an Active Army unit or activity is permanently assigned." (Army BASOPS Primer, JAN 93)

Therefore three criteria must be present: real property, people, and control by the active component. Using this definition, the Assistant Chief of Staff for Installations (ACSIM) queries the real property inventory and provides TABS with the installations to be considered.

## E. Leases

Leases are considered in one of three categories, as a stand alone lease (installation), as

part of the off-post assets of a active installation, or as part of a Metropolitan Statistical Area (MSA). All stand alone leases, above and below threshold, are included in the installation assessment process. The other two categories will be considered for inclusion in the BRAC 95 process if mission changes suggest a closure or realignment.

#### **F. Reserve Enclaves**

Reserve enclaves, Reserve and National Guard, will be considered in four steps. They are:

- The first step is to evaluate all enclaves/installations in the same manner as other Army installations on federal land. The milestones are given in figure IV.3 for the first phase and are the same for the rest of the process thereafter. This includes the development of a set of attributes that describe military value (DoD Criteria 1-4) and analyze those installations for realignment or closure. This evaluation should be commensurate with the Reserve and National Guard reductions of 25.9%, adjusted for the over-facilitized nature of enclaves.

- The second step will be to consider total force structure, mobilization, and contingency requirements in all categories of active installations. This is done by establishing attributes that evaluate reserve needs in the military value criteria (DoD Criteria 3).

- The third step is to evaluate all potential active installation closures for impact on Reserve and National Guard training requirements.

- The last step is to evaluate the potential transfer and use by the Reserve and National Guard, as a installation enclave.

### **III. CONTROLS**

#### **A. General**

The General Accounting Office has established the internal control standards that include general, specific and audit standards. This plan establishes the uniform guidance that: defines data requirements and sources; documents the procedures for selecting bases for closure or realignment and provides for the certification of the recommendations as accurate and complete; and, set up procedures for checking data, and independent testing of internal controls. The techniques to accomplish this are:

- Documenting the process to be used by TABS.

- Establishing standing operating procedures (SOP) for administrative and analytical procedures to be followed by TABS personnel.

- Establishing a training program to ensure knowledgeable employees.

flexible and builds upon the experience of current members. Training covers BRAC and TABS process orientations, DA Staff orientations and their specific roles in the BRAC process, Management Directorate orientation, TABS models and application orientation, TJAG participation and availability and the BRAC law, Joint Cross-Service Group participation and purpose, summaries of economic and environmental considerations of BRAC, PC software, office procedures summaries, and HQ, DADSS classes and certification.

**3. Installation Assessment:** The BRAC 95 Installation Assessment (AI) program is designed to provide the senior Army leadership a measure of the relative military value of installations and facilities used by Army organizations. The proponent office for the IA process is TABS.

The IA process is a systematic method to assess and compare the value of installations with similar functions. This process ranks all installations within a set category (1 to n) on an order of merit list. Installations are staffed with the Army's Major Commands (MACOM) to determine the appropriate categories. The categories for BRAC 95 are: Maneuver, Training Areas, Training Schools, Professional Schools, Maintenance Depots, Ammunition Production, Ammunition Storage, Industrial, Commodity Oriented, Ports, Medical Centers and Leases. There are about 100 installations included within these categories.

Each category of installations is compared using a set of attributes such as square feet of facilities, size of maneuver and impact areas, cost to operate, etc. There are 20 to 30 attributes per category. Each attribute is linked to one of the four DoD selection criteria that measure Military Value: Mission Requirements, Condition of Land and Facilities, Cost and Manpower, and Future Requirements.

The IA process requires MACOMs to provide products and data to HQDA that will be published in the Army's BRAC recommendations. Because of this, all IA data must be certified. AAA will work with TABS in insuring the process and data meet the certification requirements.

**4. Installation Environmental Assessment:** The environmental analysis process required in support of the Army's BRAC 95 recommendations is shown in the chart below (figure IV.4). The environmental analysis is performed by the Environmental Review Committee (ERC). The ERC is composed of several Subject Matter Experts from the Army's Environmental Programs Directorate and are designated as trusted agents working in a close hold forum for TABS. The TABS Environmental Integrator will have oversight over the ERC and be responsible for the integration of the analysis into the Army's recommendations.

The environmental analysis runs concurrently with TABS' recommendation process during which coordination and the transaction of data between TABS and ERC is required. During the first stages of the recommendation process, the Installation Environmental Baseline Summary (IEBS) data call is analyzed by the ERC, producing an initial environmental assessment of all BRAC installation study candidates from both a closure and realignment perspective. This assessment

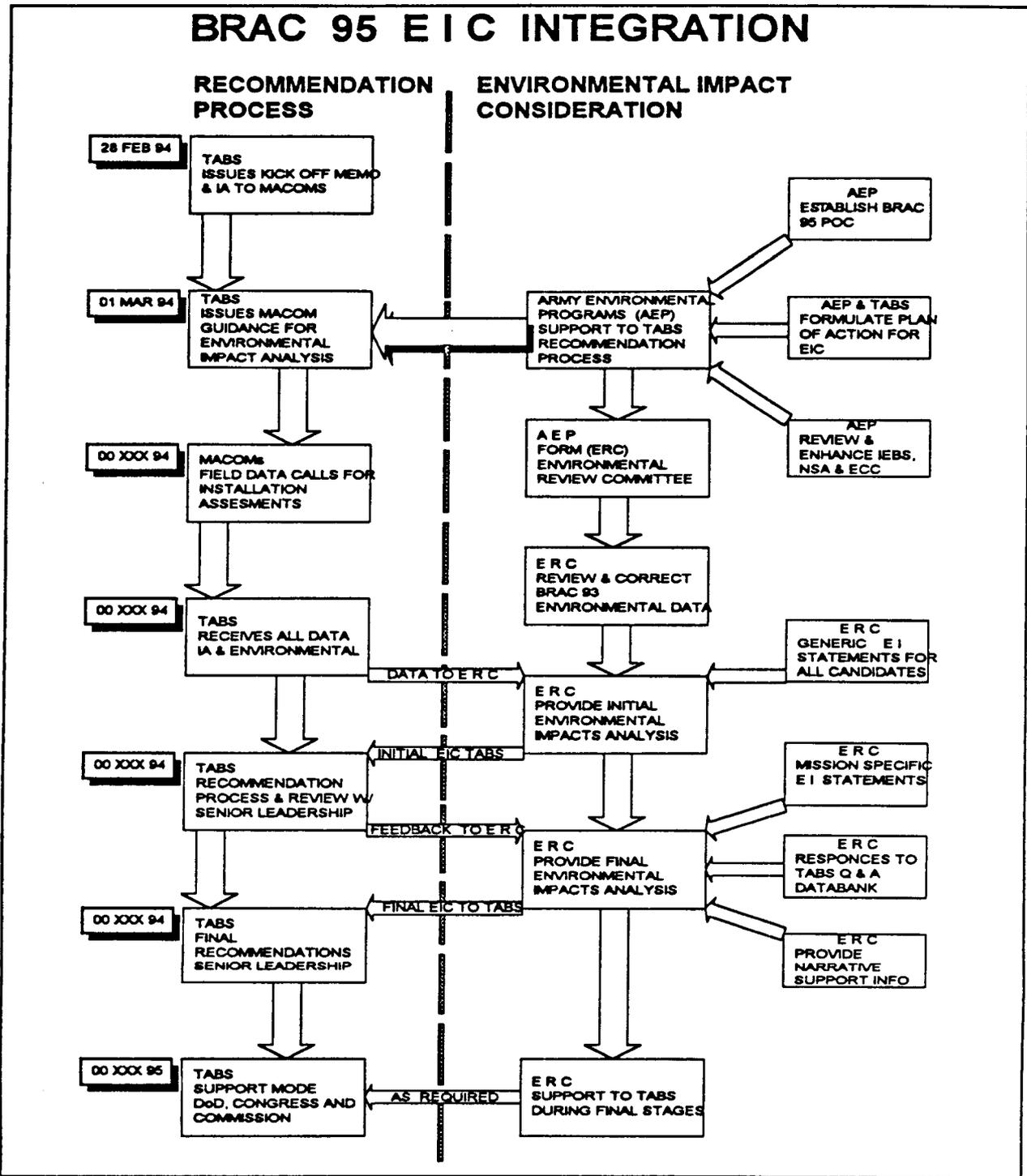


Figure IV.4 - Environment Process

indicates an installation's environmental carrying capacity and potential hurdles for a BRAC

recommendation. These IEBS are then incorporated into the installation reviews.

As the Army's recommendations become site specific, the ERC will study each case in greater detail and will provide TABS with a finalized environmental assessment during the Detailed Analysis phases. In addition to the final analysis, the ERC will be utilized by TABS in an ancillary support role during DoD, Congress and the Commissions review.

**5. Installation Reviews:** Installation reviews represents a one stop information source for all above threshold installations. Each review will include historical research, location information, missions, units supported, basic budget information, personnel summaries, past BRAC actions, new missions, new/planned facilities, range improvements, restructuring actions, DoD selection criteria / attributes, environmental considerations, facility capacities, economic profile, and installation unique characteristics. The format for these reviews is in Annex N. These reviews will be researched, compiled, and briefed by the functional area expert to the TABS group to educate and surface concerns and to develop possible alternative candidates for analysis, either as a gaining or losing installations. The draft form of these reviews will be completed prior to MACOM and installation visits and finalized with the certified and installation visit data. These installation reviews will be published by installation category as supporting documentation to BRAC 95 recommendation.

### **C. TABS Detailed Analysis Phase:**

This phase is at the heart of the TABS process. During this phase, TABS analyzes potential BRAC alternatives to develop the initial recommendations to be reviewed in follow-on phases. The controls during this phase remain constant from the previous phase and the following inputs are carried forward: lessons learned, Task Force output, and MACOM input. New inputs include certified data from the IA data call, an installation order of merit list (OML), installation review narratives, environmental installation baseline studies (IEBS). These combined inputs are used to develop the Military Value Assessment from the installation IA OML. Once the values are determined, the installations are placed into three bands of consideration; enduring installations, high military value, and lesser military value. Installation category screening is performed to determine feasible category candidates and possible scenarios. At this point, COBRA, and OSUB models are run to examine scenarios and identify initial affordable candidates. These initial candidates will then go through an integration process that looks at cross-category solutions. Additional inputs at this level will include Leased facility data and JCSG activity candidate data. The detailed procedures for this analysis is contained in the Analytical SOP located at Annex K.

The key outputs from this phase include the final Environmental Impact Considerations (EIC), Detailed Installation Narratives, and the Initial Army Recommendations for closure and realignment.

The following charts show the detailed process (figure IV.5) and milestones (figure IV.6) associated with this second phase of the TABS process.

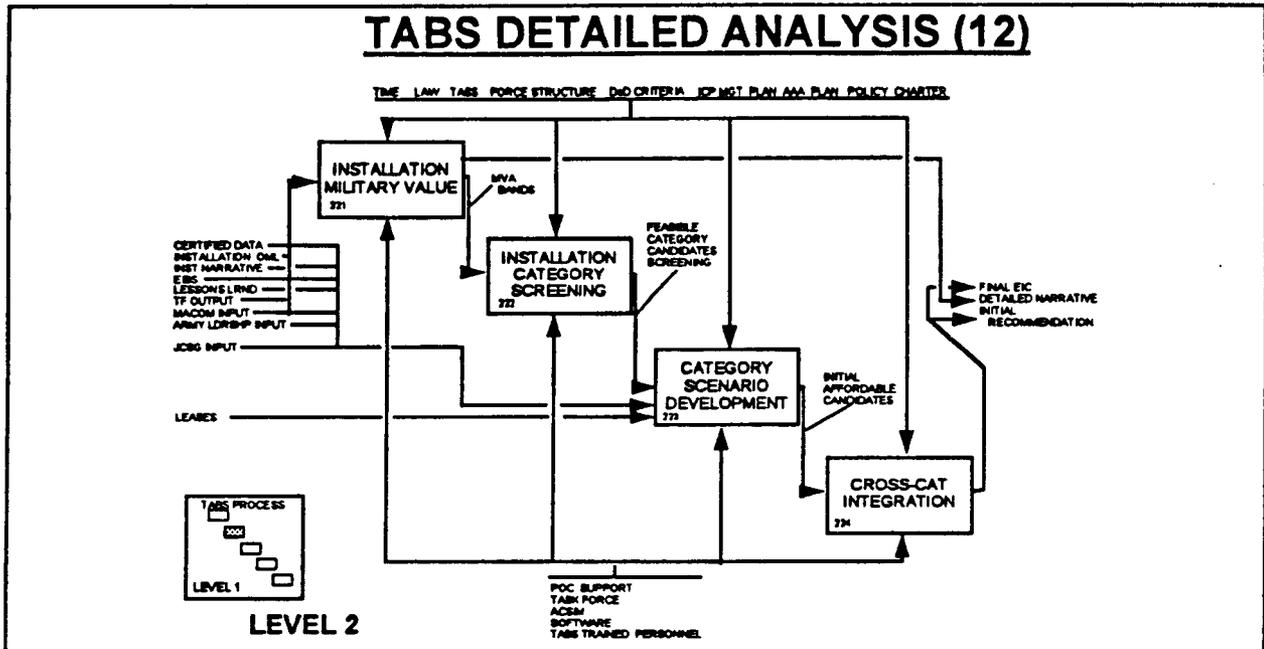


Figure IV.5 - Detailed Analysis Phase

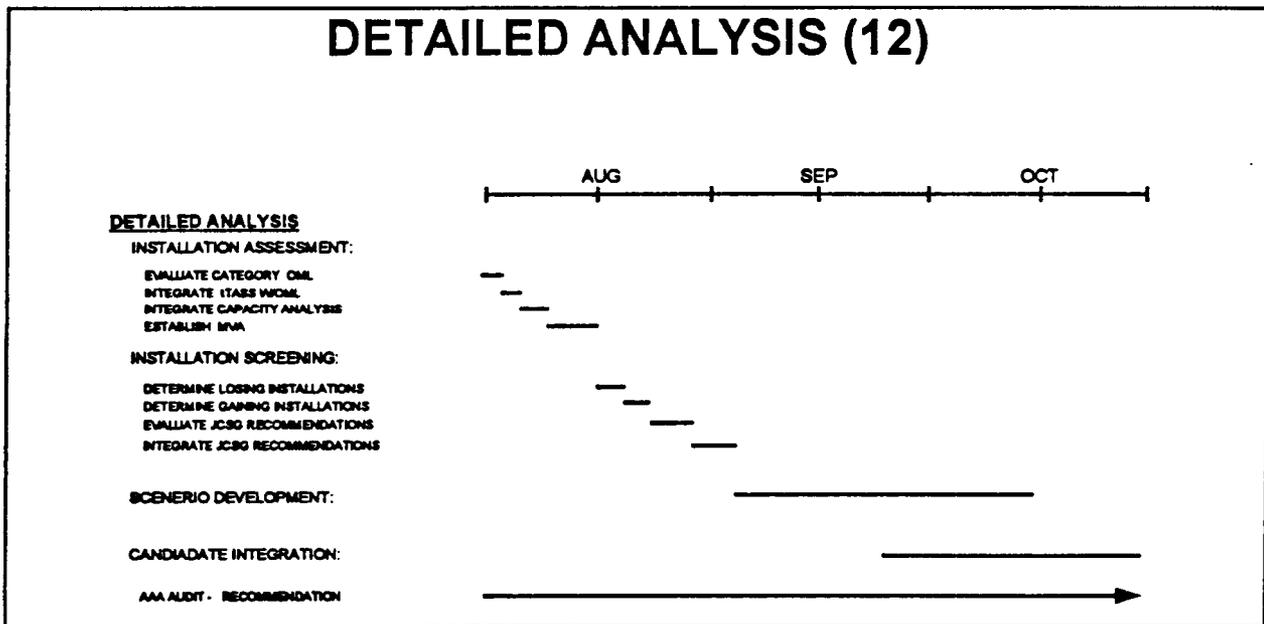


Figure IV.6 - Detailed Analysis Milestones

**1. Installation Military Value:** The installation military value bands are developed from the IA OML developed in the Policy Preparation phase of the TABS process. The IA OML is evaluated and adjustments are made in accordance with operational requirements of the Army Stationing Strategy (TASS), provided by Office of the Deputy Chief of Staff for Operations (ODCSOPS). The Stationing Strategy incorporates the MACOM level requirements to meet the needs of the Army. Banding of installations into enduring, high military value, and lower military value is achieved through a combination of the stationing strategy requirements, ACSIM facility capacity/requirements system and by a general statistical process. These bands are then used to start the detailed alternative analysis.

**2. Initial Category Screening:** The focus of this operation is determining losing and gaining installations based on the military value bands and JCSG activity recommendations; and determining possible scenarios within each category of installations. The product is feasible category candidates for scenario runs. At this point the study candidates must be identified using a standard format contained in the analytical procedures SOP. The steps at this stage are:

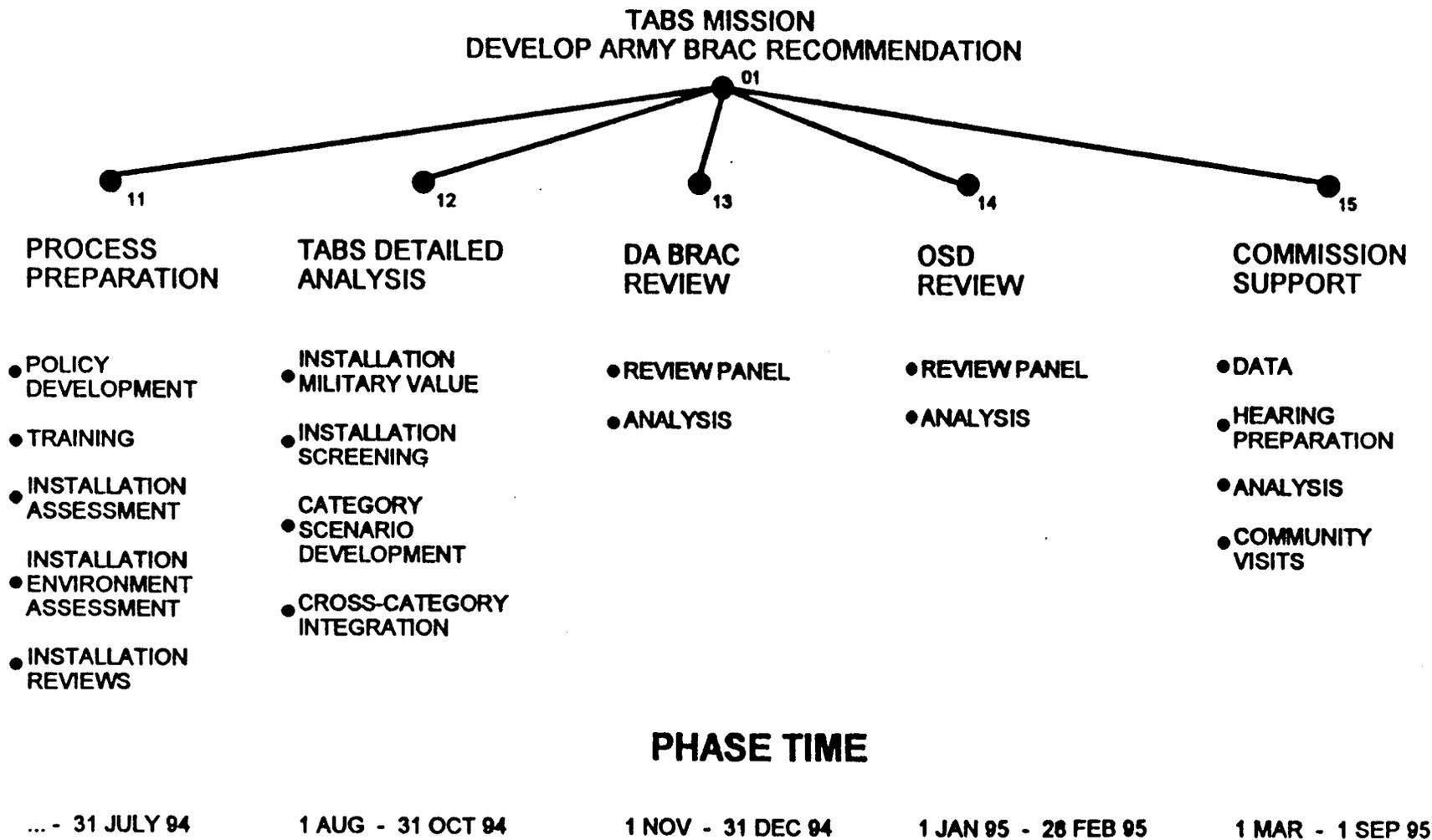
- Identifying organizations and installations by source, e.g. MVA band, TASS, MACOM Vision, etc.
- Data review of the installation per the ASIP Troop List Ordered by Major Unit and the Station Report.
- Using the HQRPLANS Stationing Data Input and Output Report Work sheet to prepare stationing scenarios.

**3. Category Scenario Development:** Inputs include the previous information plus leased facilities. At this point cost, economic, and environmental inputs are considered and the product of initial affordable candidates is presented. Detailed instructions for this action is contained in the TABS Analytical Procedures SOP. The steps included in this process include:

- Record the BRAC Alternative using the TABS standard system.
- Analyze the BRAC Alternatives using Stationing Reports from HQRPLANS.
- Entered data into COBRA.
- Analyze COBRA output.
- Terminate analysis as not feasible or consider it as an initial BRAC Recommendation.
- Document alternative analysis.



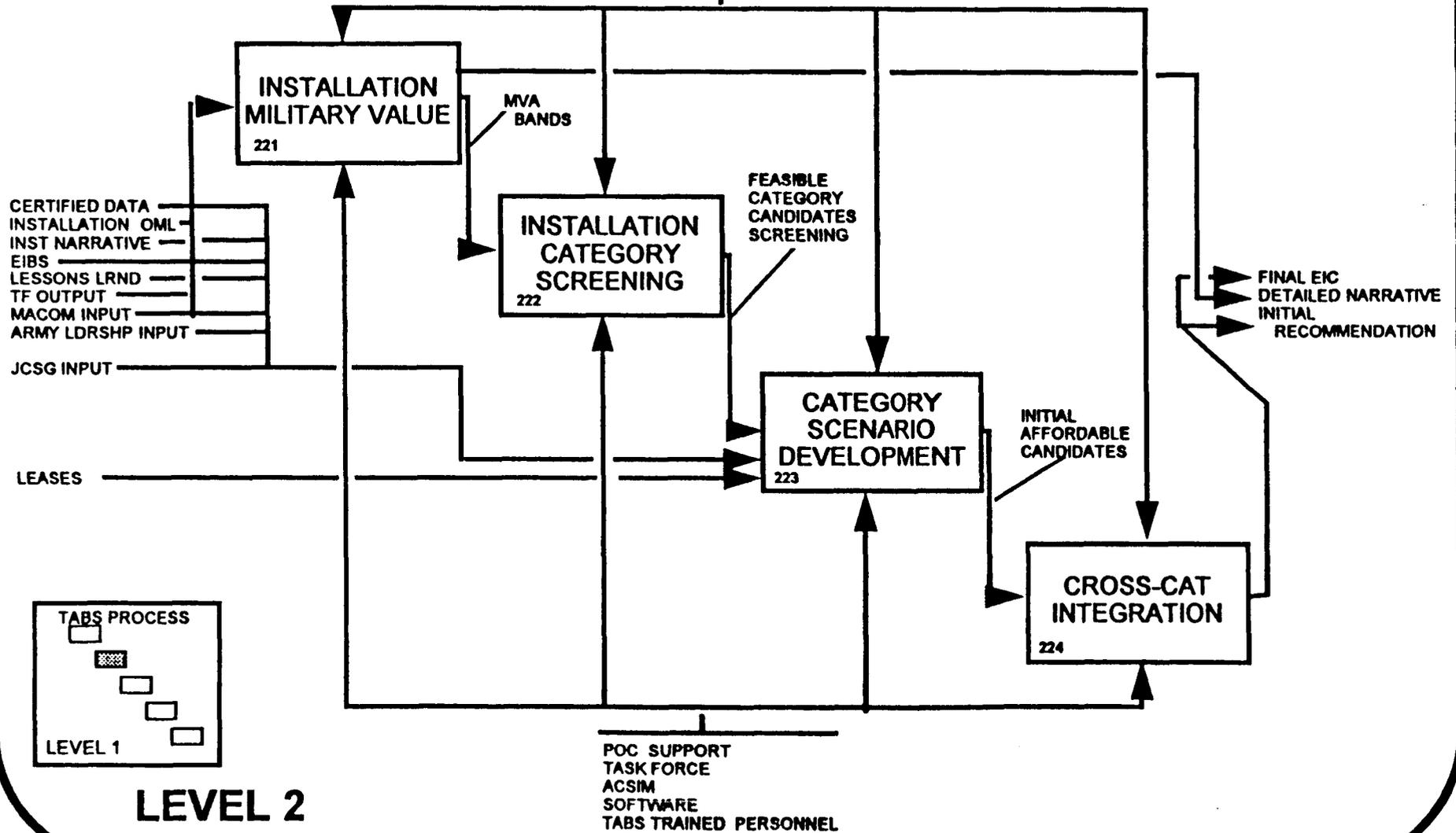
# TABS PROCESS NODE TREE





# TABS DETAILED ANALYSIS (12)

TIME LAW TASS FORCE STRUCTURE DoD CRITERIA IGP MGT PLAN AAA PLAN POLICY CHARTER



# Document Separator

## LEASES STATIONING STRATEGY

where from?

- Leased facilities are defined as installations by the 1990 BRAC law as amended. BRAC 95 is designed to provide the senior Army leadership a measure of the relative value of installations and facilities used by Army organizations. During BRAC 95 leased facilities were directly addressed and analyzed as part of the review, analysis, and decision process. The goal and strategy of the Army leadership is to minimize use of leased space in lieu of government-owned property.

### *MVA RECAP*

- There was no installation assessment performed on leased facilities. The primary goal was to vacate inefficient leases and move to available government facilities.

### *SCENARIO*

- Concepts Analysis Agency from Bethesda, MD to Fort Belvoir. Real intention is to move into DLA building.
- ROI 5 Years                      NPV \$7M
- 1-Time Cost \$3.7M              Steady State \$0.8M
  
- Information Systems Software Command, Fairfax, VA (Crown Ridge) to Fort Meade.
- ROI 6 Years                      NPV \$8M
- 1-Time Cost \$6M                Steady State \$1M

### *ISSUES*

- Leases costing more than \$200K were identified as candidate installations.
- Civil works organizations in leased space were exempt by law. Other categories exempted included Medical Entrance Processing Commands, Recruiting facilities, and Military Traffic Management Command facilities.
- Moves from leased facilities were never financially advantageous when it involved movement outside of the local area.
- The main concentration of major leases is within the Military District of Washington (MDW). There is also very little available government owned space.
- The majority of leases in this area are here because of a requirement to maintain close contact with the Department of the Army.
- The majority of leases are not bad deals.

## *CONGRESSIONAL INTEREST*

- Since the financially advantageous lease moves involved local moves, there is no congressional impact. In the MDW the moves are swaps between VA and MD.

## Aviation-Troop Command, MO

**1. Recommendation:** Disestablish Aviation-Troop Command (ATCOM), and close by relocating its missions/functions as follows:

- Relocate Aviation Research, Development & Engineering Center, Aviation Management, and Aviation Program Executive Offices to Redstone Arsenal, Huntsville, AL, to form the Aviation & Missile Command.
- Relocate functions related to soldier systems to Natick Research, Development, Engineering Center, MA, to align with the Soldier Systems Command.
- Relocate functions related to materiel management of communications-electronics to Fort Monmouth, NJ, to align with Communications-Electronics Command.
- Relocate automotive materiel management functions to Detroit Arsenal, MI, to align with Tank-Automotive and Armaments Command.

**2. Justification:** In 1993, the Commission suggested that DoD direct the Services to include a separate category for leased facilities to ensure a bottom-up review of leased space. The Army has conducted a review of activities in leased space to identify opportunities for relocation onto military installations. Because of the cost of leasing, the Army's goal is to minimize leased space, when feasible, and maximize the use of government-owned facilities.

In 1991, the Commission approved the merger of Aviation Systems Command and Troop Systems Command (ATCOM). It also recommended that the Army evaluate the relocation of these activities from leased space to government-owned facilities and provide appropriate recommendations to a subsequent Commission. In 1993, the Army studied the possibility of relocating ATCOM to a military installation and concluded it would be too costly. It is evident that restructuring ATCOM now provides a financially attractive opportunity to relocate.

Significant functional efficiencies are also possible by separating aviation and troop support commodities and relocating these functions to military installations. The aviation support functions realign to Redstone Arsenal to form a new Aviation & Missiles Command. The troop support functions realign to Natick, MA to align with the new Soldier Systems Command.

This recommendation preserves crucial research and development functions while optimizing operational efficiencies. Moving elements of ATCOM to Natick and Redstone Arsenal improves the synergistic effect of research, development and engineering, by facilitating the interaction between the medical, academic, and industrial communities already present in these regions. Vacating the St. Louis lease will collocate/consolidate similar life cycle functions at military installations for improved efficiencies and effectiveness.

**3. Return on Investment:** The total one-time cost to implement this recommendation is \$146 million. The net of all costs and savings during the implementation period is a savings of \$9 million. Annual recurring savings after implementation are \$46 million with a return on investment expected in 3 years. The net present value of the costs and savings over 20 years is a savings of \$453 million.

**4. Impacts:** Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 7,679 jobs (4,731 direct jobs and 2,948 indirect jobs) over the 1996-to-2001 period in the St. Louis, MO-IL Metropolitan Statistical Area, which represents 0.5 percent of the area's employment.

The cumulative economic impact of all BRAC 95 recommendations and all prior-round BRAC actions in this area over the 1994-to-2001 period could result in a maximum potential decrease equal to - 0.6 percent of employment in the area. There are no known environmental impediments at the closing site or receiving installations.

614-4316

MAR 25  
~~15~~  
1345  
AdLaw, Gen.

LEASES (AFLCA)

MTS STOCKER @ OTJAG

16 MAR @ 1415

- Not going to discussions, bifurcated between OTJAG + OGC
- Did + MV <sup>assessment</sup>, but no order of merit list
- Don't think they did nothing ... but pass.

Wrong to say MV in STL not done

SANDY  
STOCKER  
JAG

694-4316

- ① No look ahead 1-4
- ② Exclude: Ports, security  
~~Entry~~ MERS + violation  
contracted lease

RALPH

NIG AT 1PM

3/14/95

TABS- LEASING

LTC Jack Marriott

NIKE

### CIVILIAN SPACE AUDIT TRAIL ARMY vs SLDTF

	ARMY	SLDTF
Manpower Start Point	3,784	3,784
Less: AAA Auditors to BASE X	(31)	(31)
Sub-total ATCOM/SIMA/PEO/etc. Baseline	3,753	3,753
<b>Less: BRAC Transfers:</b>		
Transfer to Detroit	(154)	(154)
Transfer to Natick	(160)	(160)
Transfer to Ft. Monmouth	(167)	(167)
Transfer to Redstone	(2,383)	(2,383)
Sub-total BRAC Transfers	(2,864)	(2,864)
Remaining Positions	889	889
Less: BRAC Force Structure Reductions	(103)	(103)
Sub-total BRAC Eliminations	786	786
<b>SLDTF Adjustments</b>		
Additional Force Structure Reductions		(205)
Area Support Left In St. Louis		(56)
Overhead "Add-Back" to RSA:		
- BASEOPS		(90)
- Mission Support		(387)
Sub-Total SLDTF Adjustments		(738)
<b>TOTAL ELIMINATIONS</b>	786	48

Corrected manpower authorizations for FY 98 based on latest PBG is 3,476 -- 308 positions less than revised baseline. Army proposal gives credit for only 103; SLDTF adds 205 to correct Army oversight.

56 spaces are required to remain in order to continue to perform the St. Louis support (CPO, IMA, procurement, etc.)

**BASEOPS**  
 163 - Correct total  
 (13) - Already in Natick  
 (60) - Already in RSA  
 90 Need to be added

A difference of 738 positions; reduces BRAC recurring personnel savings by \$34M per year!

Restores "overhead" positions incorrectly eliminated. Transfers additional spaces to 4 receiving locations (based on "50% Rule").

## CIVILIAN BASELINE

	PROPOSAL (ASIP)	FY 98 PBG	(DELTA)
ATCOM	2903*	2762	(-141)
AISA	37	32	(-5)
PEO	335	271	(-64)
SIMA	409	328	(-81)
TAPO	32	30	(-2)
AAA	31	31	(0)
MEDDAC	19	4	(-15)
ARL	5	5	(0)
INV SVC	5	5	(0)
USAMEC	5	5	(0)
AIR-TO-AIR	<u>3</u>	<u>3</u>	<u>(0)</u>
 TOTAL	 3,784	 3,476	 (-308)

\*2,903 = 1,642, 60, 160, 154, 167, 720



DEPARTMENT OF THE ARMY  
HEADQUARTERS, U.S. ARMY MATERIEL COMMAND  
6001 EISENHOWER AVENUE, ALEXANDRIA, VA 22303 - 0001



REPLY TO  
ATTENTION OF

AMCSO

13 April 1995

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: BRAC 95 Implementation Planning Guidance

1. References:

- a. Memorandum, AMCSO, 1 Mar 95, sab.
- b. Memorandum, AMCSO, 10 Mar 95, sab.
- c. Memorandum, AMCSO, 13 Mar 95, subject: BRAC 95 - Lead MSCs.
- d. Memorandum, AMCSO, 16 Mar 95, subject: BRAC 95 Implementation Guidance - Draft Environmental Baseline Survey (EBS), Statement of Work.
- e. Memorandum, AMCSO, 20 Mar 95, sab.
- f. Memorandum, AMCSO, 22 Mar 95, subject: BRAC 95 Implementation Guidance - Discretionary Moves.

2. The purpose of this memorandum is to provide additional data relating to BRAC 95 implementation planning.

3. Attached as enclosure 1 is data we have transmitted to DA DCSOPS concerning discretionary moves.

4. At enclosure 2 is a memo to COE with our proposed methodology for NEPA documentation.

5. Add the following requirement to ref 1e as para 4c.(7):

"Address MACOM-approved provisions for the continued processing of workers compensation cases. One of two courses of action is possible: 1. Designate another installation within the same MACOM to assume the caseload; 2. Obtain concurrence of an installation outside the MACOM to assume the caseload (see para 3 of enclosure 2)."

6. Manpower guidance distributed in reference 1a is withdrawn. New guidance for the manpower annex of the implementation plans is contained in this memo.

7. Guidance for the manpower annex is as follows:

- a. The start point for the manpower plan is the data contained in the Cobra analyses provided to you in reference



AMCSO

SUBJECT: BRAC 95 Implementation Planning Guidance

1b, which was further supplemented in reference 1e. This data correlates to the FY 1996 data contained in the August 1994 version of the ASIP and will be the point of departure for the annex.

b. As is the case with all of the annexes in the Implementation Plan, all units involved in the proposal before the Commission will be addressed in this annex. The listing of the units for each proposal, at UIC/derivative UIC level of detail, and the FY 1996 ASIP strength for these units was transmitted to you via enclosure 4 to reference 1b.

c. For each AMC unit contained in a proposal, you need to explain any discrepancy between the baseline data (ASIP) and the "October 1994 PBG plus February 1995 Command Plan Changes" version of the PBG. This will be done in a paragraph, or series of paragraphs entitled "ASIP to PBG Reconciliation". (NOTE: This is not a requirement for non-AMC units). The remainder of the annex will use PBG data as its basis (ASIP data for non-AMC elements).

d. As noted above, enclosure 4 to reference 1b contains manpower data at UIC/derivative UIC level of detail, including manpower eliminations and realignments resulting from the proposals. If you believe that you need to deviate from the manpower eliminated or realigned, then NLT 15 May 1995 you need to come forward to this HQ in writing, under your Commanding General's signature, detailing the rationale for and the level of deviation proposed. Unless a specific waiver from HQ AMC is provided, plans will adhere to the manpower savings detailed in the referenced data. Simply noting that there is a delta between the ASIP and PBG data will not be considered ample rationale to obtain a waiver. You do not need to receive a waiver to deduct governmental caretaker personnel who may be required for a time between the end of the military mission and the actual disposal of the property from Army rolls. These personnel requirements, which may be needed at some of the closure sites, may be deducted from the eliminations without approval from HQ AMC. HQ AMC does however retain final approval authority over the sites which may require this action, and the amount of personnel involved.

e. For each proposal before the Commission the following displays will be completed:

(1) Base Closure Exhibit, Manpower Annex, Manpower Baseline (Encl. 3). Instructions for the completion of this form follow.

AMCSO

SUBJECT: BRAC 95 Implementation Planning Guidance

(a) Date. Fill in date that the form was completed.

(b) Proposal. Short hand notation for the proposal before the Commission. This information can be found in the verbiage in para 1 of enclosure 4 to ref 1b. Examples are: Realign Dugway Proving Grounds, Close Red River Army Depot, Disestablish ATCOM, etc.

(c) Activity/UIC. List all of the units involved in the proposal, as well as their UIC/derivative UIC under this column heading. See para 4b above, this memo.

(d) Civ Mil, FY 96-01. For each AMC unit show the baseline authorizations per the "October 1994 PBG plus February 1995 Command Plan Changes." For non-AMC units, use the ASIP data in reference 1b, which is FY 1996 data, and straight line it for all years.

(e) Total. Provide a total by FY of Civ and Mil for all of the units involved in the proposal.

(f) Source. The source for the data is the "October 1994 PBG plus February 1995 Command Plan Changes" for AMC units, and the August 1994 ASIP for non-AMC units.

NOTE: This baseline then becomes the control numbers which will be used throughout the entirety of the plan. Although other sections/annexes may refer to numbers of personnel, we are going to use the PBG and authorizations as our basis for constructing this plan. This includes the migration chart required in the Executive Summary.

(2) Base Closure Exhibit, Manpower Annex, Schedule of Changes (Encl. 4). Instructions for the completion of this form follow.

(a) An individual form will be completed for each of the units included in the Manpower Baseline form.

(b) Date and Proposal. Same instructions as the Manpower Baseline form.

(c) Activity/UIC. The name and UIC/derivative UIC of the unit that the form addresses.

(d) Action column.

1 Baseline. Show the baseline for the unit. Data will be the same as that included on the Manpower baseline form.

AMCSO

SUBJECT: BRAC 95 Implementation Planning Guidance

2 The following entries are possibilities for the remainder of this column: Eliminated, Transferred to (Name of unit, UIC#, and installation name). For each entry in the column, fill in the appropriate number of authorizations involved. In many cases this will provide a zero sum. The situations where this would not be the case are:

a When a unit will remain resident at the installation involved in the proposal and will not lose its unit identity through transfer to or merger with another organization.

b When a governmental residual caretaker staff is anticipated between the time the military mission ends and the date the property is disposed from Army rolls.

(NOTE: You need to ensure that the data displayed in this form correlates to the data contained elsewhere in the plan, notably in the Personnel section where you discuss timing in relationship to PCS, transfer of functions, RIF, etc.).

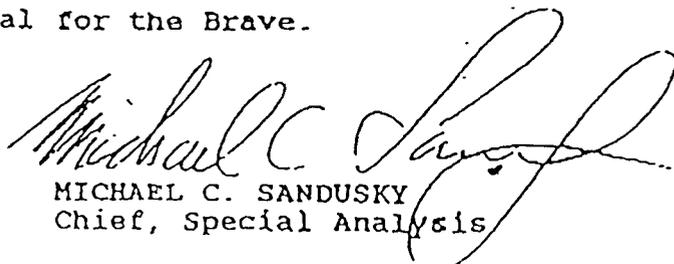
(3) Base Closure Exhibit, Manpower Annex, Schedule of Changes - Narrative (encl. 5). Instructions for the completion of this form follow.

(a) An individual form will be completed to accompany each of the Schedule of Changes forms. The Proposal, Activity/UIC and date should correlate to the Schedule of Change form the narrative accompanies.

(b) For each entry in the Action column of the Schedule of Change form, provide a narrative description of the action.

8. The point of contact for this action is Mr. Daryl Powell, DSN 284-9186.

9. AMC --- America's Arsenal for the Brave.

  
MICHAEL C. SANDUSKY  
Chief, Special Analysis

5 encl  
as

AMCSO

SUBJECT: BRAC 95 Implementation Planning Guidance

DISTRIBUTION:

Ms. Pauline Cason (MICOM)  
Mr. Al Wilson (IOC)  
~~Mr. Tom Smith (ATCOM)~~  
Mr. Bob Kaspari (TACOM)  
Mr. Len Dube (SSCOM)  
Mr. Frank Cudffo (CECOM)  
Mr. Mike Early (TECOM)  
Mr. Jim McKivrigan (CBDCOM)  
Ms. Michelene Smith (CM PRICE)

CF:

Mr. Blount (DCSRM)



DEPARTMENT OF THE ARMY  
UNITED STATES ARMY TANK-AUTOMOTIVE AND ARMAMENTS COMMAND  
WARREN, MICHIGAN 48397-5000



REPLY TO  
ATTENTION OF

AMSTA-RM-B

10 MAY 1995

MEMORANDUM FOR Commander, U.S. Army Materiel Command, ATTN: AMCSO,  
(Mr. Daryl Powell), 5001 Eisenhower Avenue, Alexandria, VA  
22333-0001

SUBJECT: Manpower Deviation Request - Disestablish ATCOM

1. Reference Memorandum, AMSAT-D-A, HQATCOM, 22 May 95, SAB.
2. This Command agrees with the ATCOM position identified in para 7b of reference. We cannot accomplish our new mission requirements without also receiving additional overhead positions that directly support those missions. Not providing these positions places an unrealistic burden on our current understaffed support areas.
3. Your attention to this manpower issue is appreciated. TACOM POC is Mr. Robert A. Kaspari, AMSTA-RM-B, DSN 786-6095.

  
D. R. NEWBERRY  
Acting Deputy  
to the Commander

S: 26 May 95

19 MAY 1995

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Review of ATCOM's Draft BRAC 95 Implementation Plan

1. Enclosed for your review and return comments to this office are the following annexes of subject plan:

<u>Annex</u>	<u>For Review By</u>
A-Manpower	Comptroller, MM
B-Personnel	P&T Dir
C/F-Logistics	Garrison-DOL
D-Construction	Garrison-DPW
E-Environmental	Garrison-DPW and BEC
G-Financial	Comptroller, PB
H-Real Estate	Garrison-DPW, Ms. Mauer

2. We offer the following preliminary comments for your consideration:

a. Manpower. We note CECOM is earmarked for 8 military spaces in addition to the 167 civilian spaces of which we had been previously notified. ATCOM advises these will consist of 2 officers, 1 WO, and 5 enlisted. We have asked for a breakout by grade. We also note that the plan does not address the spaces for ATCOM PMS/Weapon Systems Managers which are not located at St. Louis. Since the BRAC 95 proposal disestablishes ATCOM, we think the plan should address disposition of all these spaces, e.g., transfer of PM Mobile Electric Power and Weapon Systems Manager for Physical Security at Fort Belvoir to CECOM at Fort Belvoir.

b. Base Ops. The draft Logistics Annex states base ops/mission support spaces will relocate to both MICOM and SSC but shows none for CECOM or TACOM. In BRAC 93, we were required to transfer 11 base ops spaces to Fort Jackson with the 175 relocating Chaplain School spaces. These spaces were documented in the Manpower Annex to our Implementation Plan. We should receive a plus-up of 11 base ops spaces from ATCOM and this should be addressed in the Manpower Annex.

c. Construction. This annex shows the 167 civilian positions transferring but omits the 8 military spaces. The annex does not yet include the data from the draft 1391s prepared by DPW and forwarded to ATCOM.

09 MAY 1995

AMSEL-PE-BR

SUBJECT: Review of ATCOM's Draft BRAC '95 Implementation Plan

d. Environmental. Page 6 of this annex states ATCOM needs input from us on the need to conduct a survey to identify any impacts to cultural resources as a result of the facilities conversion we have planned to accommodate the transfer of ATCOM spaces.

3. Please provide your comments to us by 26 May 95. We will consolidate them and respond to ATCOM.

4. My POC are Patricia Devine, 28748 and Kate Ace, 21614.

5. CECOM Bottom Line: THE SOLDIER.

Encl  
as

*for Patricia Devine*  
LAWRENCE A. SMITH  
Acting Director, Program  
Analysis and Evaluation

DISTRIBUTION:

AMSEL-CP-MM  
AMSEL-CP-PB  
AMSEL-PT  
SELFM-DL  
SELFM-FW  
BEC

## MEMORANDUM FOR RECORD

SUBJECT: ATCOM Meeting With DA/AMC BRAC Team

1. I attended a briefing 15 May 95, given by the ATCOM BRAC Office to the HQ AMC BRAC Team, represented by Mr. Daryl Powell, Mr. Frank Graziano, and Ms. Mary Graham, as well as the DA BRAC Office representative, Ms. Pat Flvnt. The purpose of the briefing was to discuss manpower deviations from the Army Installation Stationing Plan (AISP) and the ATCOM TDP, to provide a status of the draft annexes to the ATCOM Implementation Plan, and to obtain the latest guidance and direction from HQ AMC. The briefers were individuals from the ATCOM BRAC Office who are preparing the required annexes, and representatives from the Acquisition Center, Integrated Materiel Management Center, and the Base Operations Center. Representatives from the Charles Melvin Price Center, Aviation RDEC, SIMA, and the MICOM BRAC Office were also in attendance.
2. Mr. Powell stated he had no new guidance to provide and did not anticipate any additional guidance being issued from HQ AMC. He mentioned there would be a video teleconference (VTC) on 25 May 95, and that it was to provide an update to all HQ AMC BRAC organizations. The Team has visited most of the AMC organizations on the BRAC list but it has been several weeks since they have been to some locations and the intent of the VTC was to keep all of the organizations updated.
3. A large portion of the briefing dealt with manpower deviations and was presented by Mr. Dan Schaefer. Mr. Schaefer dealt primarily with problems ATCOM had with the civilian and military spaces reflected in the manpower proposal, such as double counting of some positions and incorrect distribution of military spaces between the four commands gaining ATCOM missions. Mr. Schaefer also raised the concern that base operations positions were reduced so low that MICOM would not be able to support the increased requirements they would have to assume. Mr. Powell stated that AMC would be in trouble if they could not combine two commands with 6,000 people or less. He stated that a few years ago AMC had approximately 100,000 personnel and they were told to reduce down to 70,000 personnel at which time they told DA they could not function at that level. However, AMC is now at 71,000 personnel and they are continuing to perform their mission. Now the direction is to get personnel down into the low 50,000 strength levels, so all commands are going to have to perform at strength levels that are difficult to accept.
4. Mr. Powell stated that HQ AMC and DA believe the 1512 ATCOM positions that are to realign to MICOM are sufficient to perform the Aviation mission using a combined command concept (merge of ATCOM and MICOM). In essence, the manpower shortfalls in the aviation mission could be covered by the excess manpower in MICOM. However, Mr. Schaefer questioned where the savings were to be gained if positions were backfilled by excess MICOM personnel. ATCOM believes they have managed their strength levels appropriately while other AMC commands have not, but now they are being required to take a disproportionate personnel cut

16 May 95

SUBJECT: ATCOM Meeting with DA/AMC BRAC Team

through use of the BRAC instead of having other commands, such as MICOM, conduct a RIF to reduce their overstrength situation.

5. Mr. Powell also wanted to know ATCOM's status on reconciling the ASIP manpower figures with the Program Budget Guidance (PBG) manpower figures. Mr. Schaefer stated ATCOM had not finalized the reconciliation but they would be able to do it. However, Mr. Schaefer questioned how the non-AMC organizations, such as PEO, Aviation, should be addressed. Mr. Powell stated that AMC was not concerned with reconciling the non-AMC organizations because these numbers would be accepted by HQ AMC as submitted. Ms. Flynt stated that the PEO could compare the numbers between the ASIP and the PBG and reconcile them in the narrative portion of the ATCOM manpower annex.

6. The next part of the briefing was conducted by the ATCOM BRAC Office POCs who are preparing the implementation annexes. Each provided a status to the DA/AMC BRAC Team and raised issues they felt needed to be addressed. Mr. Gary Turner, POC for the Construction Annex, raised one issue of critical concern to the PEO. This issue dealt with planning floor space for collocated contractor personnel. He stated that the PEO had a requirement for 170 collocated contractors and that ATCOM had a requirement for approximately 400 more. Mr. Frank Graziano stated that it was policy that no construction would be built for contractors and that none would be planned. However, Mr. Powell stated that HQ AMC recognizes the importance of contractors in getting the mission accomplished and that the PEO should press this issue through its DA channels.

7. Mr. Turner also raised the concern there would be insufficient space to house the 2569 personnel ATCOM/PEO/SIMA would be transitioning to Huntsville. Mr. Turner's concern was based on information provided by MICOM concerning the number of personnel that could be housed in the buildings to be renovated and an addition to the Sparkman Center that is to be built. Mr. Graziano stated that Mr. Sam Fields, MICOM's head of facilities, has told him they will provide the relocating organizations the required space through either renovation or new construction, and that new construction would be based on 162 square feet times the number of personnel to be relocated to Huntsville.

8. Ms. Anne Clark presented the Financial Annex update and wanted to know if the financial data could be broken out separately for ATCOM/PEO/SIMA instead of rolled up as it was in the COBRA model. Mr. Powell told her to report the information separately.

9. The final issue was raised by Mr. Schaefer and Mr. Tom Smith, Chief of the ATCOM BRAC Office. The concern was that no one had ever moved an AMC Major Subordinate Command or an National Inventory Control Point, and there were some grave concerns with doing this, particularly with CCSS. These concerns are considered so serious they could be potential show stoppers, particularly trying to meet a 30 Sep 98, completion date. Mr. Powell's direction was to plan the move to make sense and not to be locked in to dates given in a directive. Mr. Smith also stated that it was the position of ATCOM's senior staff they would be sending a broken command to Huntsville if the manpower figures remained as they currently are planned.

10. I discussed the PEO issues of concern with Mr. Schaefer after the meeting and his recommendation was for the PEO to use the ASIP number in

SFAE-AV-AEC-B

16 May 95

SUBJECT: ATCOM Meeting with DA/AMC DRAC Team

The implementation plan since it is considerably higher than the PEO.  
This number is what will be used to plan and budget for the PEO's  
requirements, and since there is a concern if floor space will be  
~~required for these two offices in the ATCOM PEO numbers.~~  
figures for these two offices are not included in the ATCOM PEO numbers.  
Since these offices have not been allowed to grow, it is critical that  
the PEO continue to account for the manpower spaces in the  
Implementation Plan.

FOR OFFICIAL USE ONLY

SAMAS as of 16 MAY 94

ACTIVE ARMY  
ASIP STATION REPORT : AMC/MICOM  
CLOSURE ACTION = BRAC 91 - GAIN

Army Base = REDSTONE ARSENAL  
Stn Code = 01750  
Station = REDSTONEA, AL (REDSTONE ARSENAL)

Lease = DACA015940034200 Exp = 04/30/94 Interest =

UIC	Rgt/Unbr	Br	Parent Unit	SRC	ACTICO	FY	FY	FY	FY	FY	FY	FY
A-g: 'PSN	Derivative Unit		Source	EDATE		1994	1995	1996	1997	1998	1999	2000
DDDAAC	Compo		MOEP	CCNUM								
M54065			MARINE CORPS			OFF:	5	5	5	5	5	5
MC	ADM DET			DAI		WOF:	4	4	4	4	4	4
						ENL:	122	122	122	122	122	122
W08864			BN CONST US NAVY			OFF:	0	0	0	0	0	0
NA				DAI		WOF:	0	0	0	0	0	0
						ENL:	5	5	5	5	5	5
						USC:	1	1	1	1	1	1
W48935			DEFENSE PRINTING SVC			OFF:	0	0	0	0	0	0
NA				DAI		WOF:	0	0	0	0	0	0
						ENL:	0	0	0	0	0	0
						USC:	18	16	16	16	16	16
W0H9MA	W0H9		USA MISSILE CMD HQ			OFF:	0	0	0	0	0	0
X6 46032			NON-ADDITIVE AUTHORIZATIONS	TAD		WOF:	0	0	0	0	0	0
			1	ADSM	X10295	ENL:	0	0	0	0	0	0
						USC:	0	0	0	0	0	0
						OTH:	691	778	778	778	778	778
W0VFNMA	W0VF		ACTRASA			OFF:	0	0	0	0	0	0
X6 56151			NON-ADDITIVE AUTHORIZATIONS	TAD		WOF:	0	0	0	0	0	0
			1	E32H	X10195	ENL:	0	0	0	0	0	0
						USC:	0	0	0	0	0	0
						OTH:	83	83	83	83	83	83
W1EA02	W1EA		CTROOMS&MU SCHZ			OFF:	2	2	2	2	2	2
TC 66111			W1EAAA HSL/ MUJ SCH (AGR)	DAI		WOF:	0	0	0	0	0	0
			1	VTRD		ENL:	0	0	0	0	0	0
W1EA=A	W1EA		CTROOMS&MU SCHZ			OFF:	-3	-3	-3	-3	-3	-3
TC 66111			NON-ADDITIVE AUTHORIZATIONS	TADDAI		WOF:	1	1	1	1	1	1
			1	VTRD	TC0295	ENL:	87	88	88	88	88	88
W27PWB	W27P		MGRFT BELVOIR			OFF:	0	0	0	0	0	0
AE 46031	W27PAA		FAADS SNRS, IEW PEO	DAR		WOF:	0	0	0	0	0	0
			1	DMPC		ENL:	0	0	0	0	0	0
						USC:	0	0	0	0	0	0
						OTH:	2	2	2	2	2	2
W2FLMA	W2FL		ACTUSA MED DEPT			OFF:	0	0	0	0	0	0
MS 46501			NON-ADDITIVE AUTHORIZATIONS	TAD		WOF:	0	0	0	0	0	0
			1	VCMO	MS0295	ENL:	1	1	1	1	1	1
W431MA	W43T		ACTV LOG SUP LOGSA			OFF:	6	0	0	0	0	0
XX 46211			NON-ADDITIVE AUTHORIZATIONS	TAD	199-0601	WOF:	0	0	0	0	0	0
			1	ADLS	X10295	ENL:	14	0	0	0	0	0
						USC:	0	0	0	0	0	0
						OTH:	313					
OTHER TENANTS						TOTAL OFF:	10	4	4	4	4	4
						TOTAL WOF:	5	5	5	5	5	5
						TOTAL ENL:	229	216	216	216	216	216
						TOTAL USC:	3574	3628	3578	3528	3478	3428
						TOTAL OTH:	8289	8746	8583	8318	8232	8232

29



DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF STAFF  
200 ARMY PENTAGON  
WASHINGTON DC 20310-0200



REPLY TO  
ATTENTION OF

MAY 26, 1995

The Honorable Alan J. Dixon  
Chairman, The Defense Base Closure  
and Realignment Commission  
1700 North Moore Street, Ste. 1425  
Arlington, Virginia 22209

Dear Chairman Dixon:

The Army Basing Study has reviewed the letter from the Defense Base Closure and Realignment Commission, dated May 24, 1995 regarding ATCOM.

The following provided the answers to the questions raised by your staff:

Question 1: The ATCOM manpower deviation request identifies the 387 excess overhead positions required by organization (see attachment). Please explain why these positions are or are not valid mission requirements.

Answer 1: The proposal is to establish a merged, fully integrated Aviation and Missiles Command; not to transfer the status quo to Redstone. Detailed planning, resulting in a line-by-line organizational structure will be accomplished over time and include the consolidation of similar life cycle functions. This will allow for economies of scale, improved efficiencies and effectiveness, and result in less acquisition and materiel management effort than currently required or projected for two stand-alone commands. Continued organizational streamlining, process and business practice improvements, and economies and efficiencies will be made in management and support functions, driving down the overhead requirement. These initiatives will allow for the establishment of a fully viable, integrated command within the total strength of 6300 personnel. We do not consider the positions noted in the ATCOM memo to be valid requirements.

Question 2: Please provide the results from the Base Operating Support Staffing Model for Natick, Detroit Arsenal and Fort Monmouth. If the number of personnel indicated by the model were reduced, please explain why.

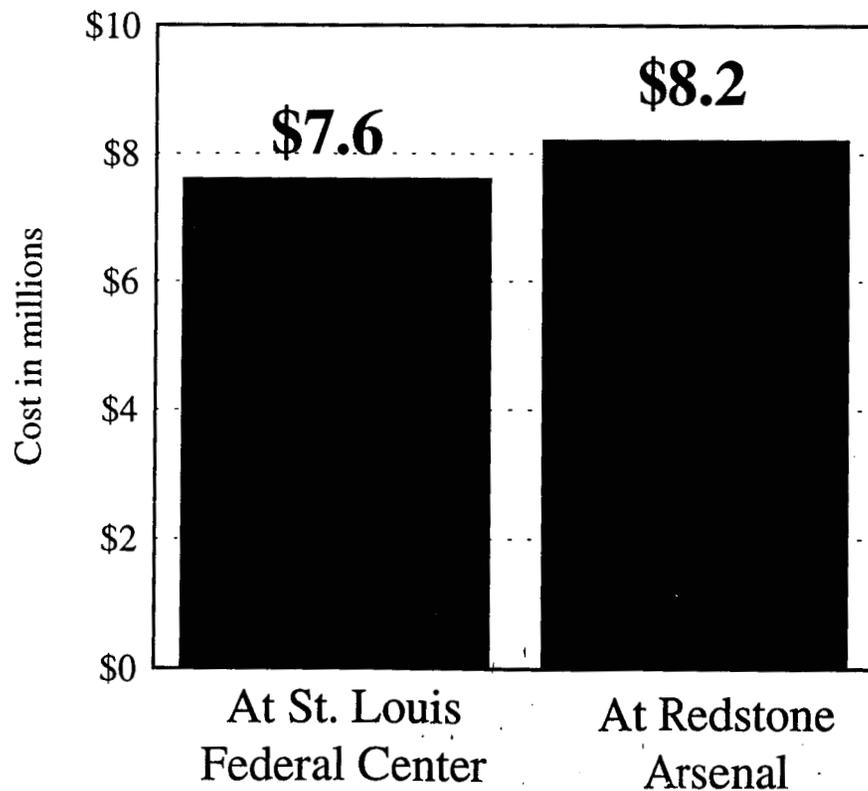
Answer 2: The BOSSM estimate for BASOPS support at Redstone was halved because, upon further analysis, it far exceeded the number of BASOPS government personnel required in order to absorb the proposed realignment at Redstone Arsenal. The population of Redstone Arsenal per the FY 1999 column of the November 1994 Army Stationing and Installation Plan (ASIP) is

## COMPARISON OF ATCOM CLOSURE, SSDC RELOCATION, AND A COMPOSITE SCENARIO

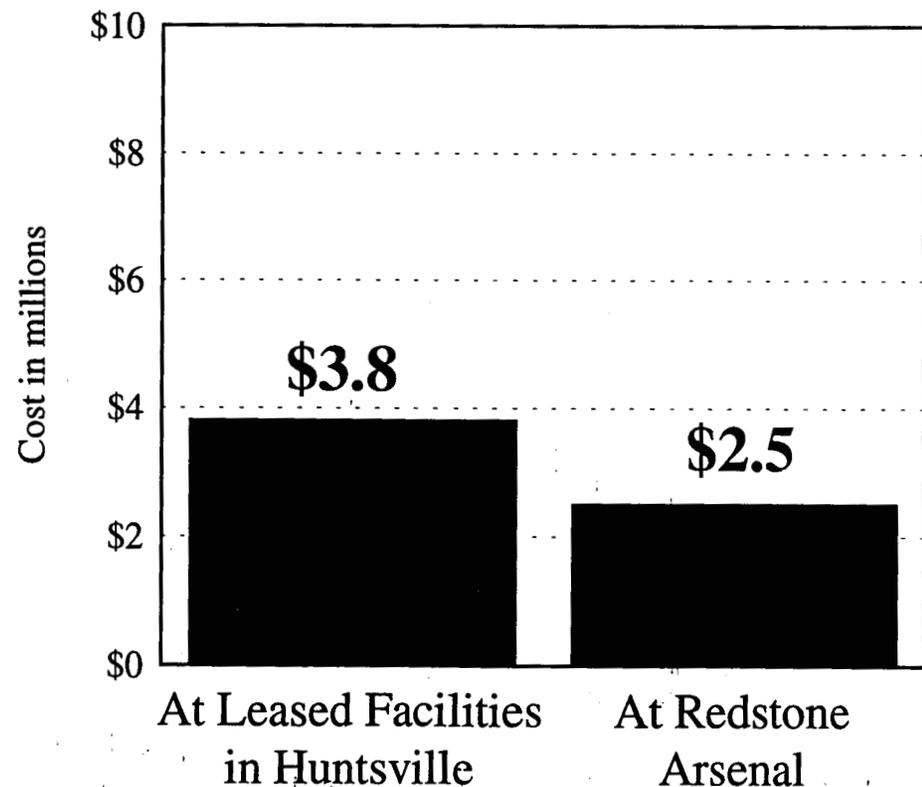
	<u>ATCOM CLOSURE</u>	<u>SSDC RELOCATION</u>	<u>ATCOM DOWNSIZING &amp; SSDC RELOCATION</u>
<b>COST/SAVINGS</b>			
ROI	52 YEARS	IMMEDIATE	IMMEDIATE
20-YEAR NPV	-\$91 MILLION	\$23 MILLION	\$283 MILLION
ONE-TIME COSTS	\$184 MILLION	\$1 MILLION	\$7 MILLION
<b>STATIONING STRATEGY</b>			
INCREASE EFFICIENCY & SYNERGY	YES	YES	YES
REDUCE OVERHEAD	NO -- \$3.5 million increase	YES -- \$1.3 million decrease	YES -- \$2 million decrease
MINIMIZE LEASES	At a cost of \$123 million in moving/milcon	At a cost of \$1 million in moving/milcon	At a cost of \$1 million in moving/milcon
ELIMINATE EXCESS CAPACITY	At a cost of \$63 million for milcon/renovation	At a cost of \$1 million for milcon/renovation	At a cost of \$1 million for milcon/renovation

# Annual Overhead Costs to Support ATCOM and SSSDC Functions

## Overhead Cost to Support ATCOM Functions



## Overhead Cost to Support SSSDC Functions



Source: Army 1995 COBRA reports for ATCOM and SSSDC

# Document Separator

**DEFENSE  
BASE CLOSURE  
AND  
REALIGNMENT  
COMMISSION**

**1993  
REPORT  
TO THE  
PRESIDENT**

The Commission also believes Colonel Cannan's recommendations should be implemented to help reduce costs and improve service to affected communities. The Army and Navy should also look to replicate the Air Force system to facilitate and expedite base disposal to fully assist community recovery efforts. The work of the Service's disposal agencies should be functionally supervised by the DoD "reuse czar" so as to assure process coordination.

## Leases

The Commission's review of Department of Defense leases shows a significant amount of operation and maintenance funds spent annually for leased office space. With the downsizing of the Military Services, excess capacity in administrative space is being created on military bases, often in close proximity to the leased space. For example, the Army currently leases office space in San Antonio, TX, while excess capacity exists in government-owned administrative space at San Antonio's Fort Sam Houston. The Commission suggests DoD direct the Services to include a separate category for leased facilities during the 1995 process to ensure a bottom-up review of all leased space.

The Commission believes DoD should review its current leases to determine whether or not excess government-owned administrative space could be used instead of leased office space. A review of leased facilities must cross service boundaries to ensure leases are minimized and use of space on military installations is maximized. The Commission endorses efforts like the Army's public-private development plans for the Fort Belvoir Engineer Proving Ground (EPG). This initiative, authorized by Congress in 1989, permits the Army to trade development rights on the EPG in return for sufficient administrative space also on the EPG at no capital construction cost to the government.

The Commission further recommends the Department of Defense, in its bottom-up review of this area, examine all options surrounding the ownership-versus-lease issue as it relates to DoD facilities. Conventional wisdom appears to suggest ownership of facilities by the Department of Defense is more economical and beneficial to military readiness than leasing due to

potentially significant savings in operations and maintenance funds. However, ownership does not come without attendant costs, and there may be instances where leased space is a better option, especially for short-term requirements. Modern business practice recognizes there should be a capital usage charge for facilities that are "owned" to avoid a bias against leasing, which often provides greater future flexibility.

Finally, during its review and analysis the Commission discovered what appeared to be DoD's leasing of space from GSA at premium rates above the going commercial rates for like areas. The Commission thinks there may be fertile ground to pursue potential anomalies in lease rates as indicated in the foregoing, along with anomalies in the overall accounting systems of lease-versus-own space comparisons that could help avoid using flawed data.

## Defense Finance and Accounting Service (DFAS)

The 1991 Defense Base Closure and Realignment Commission recommended DoD submit a consolidation plan of the Defense Finance and Accounting Service (DFAS) to the 1993 Commission. DFAS developed a plan for locating a consolidated work force based on a site selection process known as the "Opportunity for Economic Growth" (OEG). The OEG solicited proposals from communities which addressed specific mandatory and preferred requirements in the following major categories: cost to the Department of Defense, site and office characteristics, and community characteristics. In December, 1992, DoD announced that it had chosen the top 20 contenders in the competition to select new locations for further consolidated finance-and-accounting centers. The selected communities were among 112 sites from 33 states which submitted 216 proposals. The final winners of the competition were to be announced in the Secretary of Defense's base closure and realignment recommendations submitted to the Commission on or before March 15, 1993.

The DFAS consolidation was not forwarded to the Commission as part of the Secretary's 1993 recommendations because the Secretary of

# Document Separator



ECONOMIC  
SECURITY

## ASSISTANT SECRETARY OF DEFENSE

3300 DEFENSE PENTAGON  
WASHINGTON DC 20301-3300



29 DEC 1994

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING  
ASSISTANT SECRETARIES OF DEFENSE  
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE  
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE  
DIRECTOR, OPERATIONAL TEST AND EVALUATION  
ASSISTANTS TO THE SECRETARY OF DEFENSE  
DIRECTOR OF ADMINISTRATION AND MANAGEMENT  
DIRECTORS OF THE DEFENSE AGENCIES

SUBJECT: 1995 Base Realignments and Closures (BRAC 95) -- Policy  
Memorandum Three

### Background

This memorandum is the third in a series of additional policy guidance implementing the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510), as amended, and the Deputy Secretary's 1995 Base Realignments and Closures (BRAC 95) guidance of January 7, 1994.

### Final Selection Criteria

The 1995 Base Closure and Realignment (BRAC 95) Selection Criteria at attachment one, required by Section 2903(b) of Public Law 101-510, form the basis, along with the force structure plan, of the base closure and realignment process. These criteria were provided by the Deputy Secretary's November 2, 1994, memorandum. DoD components shall use these criteria in the base structure analysis to nominate BRAC 95 closure or realignment candidates. The criteria will also be used by the 1995 Defense Base Closure and Realignment Commission in their review of the Department of Defense final recommendations.

### Activities in Leased Space

This expands on the policy guidance contained in the DepSecDef January 7, 1994, BRAC 95 memorandum.

DoD Component organizations located in leased space are subject to Public Law 101-510. Civilian personnel authorizations of organizations in leased space, which are part of an organization located on a nearby military installation or one within the same metropolitan statistical area (MSA), shall be considered part of the civilian personnel authorization of that



installation. Certain military activities performed in leased facilities constitute an installation because of common mission, permanently authorized personnel, and separate support structure. Each DoD component should aggregate the remaining civilian personnel authorizations of their organizations in leased space within a MSA and consider the aggregate to be a single installation for applying the numerical thresholds of Public Law 101-510. In aggregating leased space activities in the National Capital Region (NCR), the NCR, as defined by the National Capital Planning Act (40 USC 71), will be used as the MSA.

#### Return on Investment (ROI)

This expands on the policy guidance contained in the Under Secretary of Defense (Acquisition and Technology) memorandum of May 31, 1994 (Policy Memorandum One).

- o Medicare Costs Medicare Costs will not be included in DOD Component cost analyses. The Medicare program consists of part A (hospital and related costs) and Part B (supplemental costs). Part A is financed by Medicare payroll taxes. The only appropriated funds used to support Medicare are those portions of the Part B costs that exceed the monthly premiums paid by the members/beneficiaries. Therefore, total Medicare appropriations will not significantly change return on investment calculations.
- o Unemployment Costs The Military Departments and Defense Agencies annually budget unemployment contributions to the Federal Employees Compensation Account for DoD military and civilian employees. DoD Components should include the contributions to this account attributable to closures and realignments in their cost calculations. However, state unemployment costs will not be included in DoD component cost analyses since such costs result only indirectly from BRAC actions and would not be borne by DoD.
- o Costs to other Federal Agencies and State and Local Governments In general, DoD components need not consider costs or savings to other federal agencies and state and local governments in their calculations of BRAC 95 costs and savings.

There are, however, a limited number of circumstances when DoD components should include the costs of BRAC 95 actions to other Federal Agencies in their cost calculations. Costs to other Federal Agencies should be included only when they are measurable, identifiable costs that DoD would incur as a **direct** result of BRAC-related actions. The key distinguishing features of costs to other federal agencies that should be included is (1) DoD is unambiguously responsible for paying such costs and (2) such costs would be incurred as a direct, rather than indirect, result of BRAC actions.

# Document Separator

The attached documents, provided by the Defense Department, contain a listing of leases held by the Army, Navy, Air Force and Defense Logistics Agency in the same Metropolitan Statistical Areas (MSAs) as Redstone Arsenal, AL; Fort Monmouth, NJ; Natick Research, Development and Engineering Center, MA; and Detroit Arsenal, MI. The total annual cost of the leases listed for each of these areas follows:

DOD leases in the same MSA as Redstone Arsenal	\$10,136,807
DOD leases in the same MSA as Fort Monmouth	\$19,006,814
DOD leases in the same MSA as Natick RDEC	\$1,148,782
DOD leases in the same MSA as Detroit Arsenal	\$3,679,834

LEGISLATIVE  
AFFAIRS

## THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, DC 20301-1300

May 16, 1995

The Honorable Richard A. Gephardt  
Democratic Leader  
U.S. House of Representatives  
Washington, D.C. 20515-6537

Dear Mr. Leader:

Enclosed is the information you requested regarding Army, Navy, Air Force, and Defense Logistics Agency leases in the four Metropolitan Statistical Areas you highlighted. The data is the most current available and includes the following information on each facility:

- Lessor
- Lessee
- Address
- Tenant
- Total square footage by type of use
- Cost per square foot
- Total cost of the lease
- Total number of personnel in the area
- Terms of the penalty

If my staff can be of further assistance, please do not hesitate to call.

Sincerely,

Sandra K. Stuart  
Assistant Secretary of Defense  
(Legislative Affairs)

LS LEA NO	LS FY	LS IFC TYP	LS USYC	LS SPC	LS UDM	LS UNITS T	LS ADJMT U	LS FY CST	LS STATUS	LS ANL CST	LS REMARK	LS PRORPT	LS CBE DTE	LS TRM DTE	LS MALCOM	LS HB810
006S0480031700	95	J	04	450 SF		A	906	1		10941		10/29/93	08/14/95			
006S04800318300	95	K	04	436 SF		A	818	1		9633		10/29/93	06/31/95			
006S048003140700	95	K	04	300 SF		A	868	1		8835		10/29/93	10/31/94			
006S048003140700	95	J	04	714 SF		A	1572	1		15472		10/29/93	10/31/94			
006S048003140800	95	P	04	2000 SF		A	27600	1		27600		10/29/93	10/31/95			
006S048003140100	95	D	04	10400 SF		A	10690	1		10690	Indicated in out-year process.	10/29/93	10/31/95			
006S048003021700	95	R	08	40 SF		A	853	1		990		10/29/93	10/31/96			
006S048003142700	95	O	04	119 SF		A	2893	1		2892		10/29/93	08/14/95			
006S048003021700	95	M	08	8110 SF		A	11818	1		13660		10/29/93	10/31/96			
006S048003140700	95	P	04	1377 SF		A	17704	1		17704		10/29/93	10/31/96			
006S048003018300	95	U	02	10600 SF		A	11760	1		11760		10/29/93	10/31/96			
006S048003019300	95	P	02	20781 SF		A	30897	1		30897		10/29/93	12/31/96			
006S048003019300	95	M	02	824 SF		A	15112	1		15112		10/29/93	12/31/96			
006S048003018300	95	L	02	180 SF		A	4864	1		4864		10/29/93	12/31/96			
006S048003019300	95	K	02	380 SF		A	9492	1		9492		10/29/93	12/31/96			
006S048003018300	95	R	04	100 SF		A	885	1		1046		10/29/93	05/31/95			
006S048003019300	95	P	04	17590 SF		A	159216	1		237878		10/29/93	05/31/95			
006S048003018300	95	N	04	129 SF		A	931	1		1401		10/29/93	05/31/95			
006S048003000001	95	K	04	98 SF		A	8465	1		8465		10/29/93	01/31/02			
006S048003021700	95	P	08	150 SF		A	1845	1		2118		10/29/93	08/14/95			
006S048003248700	95	J	17	3600 SF		A	0	1		0	Indicated in out-year process.	10/29/93	08/14/95			
006S048003000000	95	R	04	46 SF		A	511	1		535		10/29/93	03/31/04			
006S048003000000	95	P	04	562 SF		A	81000	1		9424		10/29/93	08/14/95			
006S048003000000	95	K	04	0 SF		A	947	1		888		10/29/93	08/14/95			
006S048003000000	95	C	08	0 AC		A	0	1		0		10/29/93	08/14/95			
006S048003000000	95	P	17	9770 SF		A	0	1		0	Indicated in out-year process.	10/29/93	08/30/99			01/202
006S048003248700	95	O	17	7730 SF		A	0	1		0	Indicated in out-year process.	10/29/93	03/31/04			
006S048003248700	95	N	17	1800 SF		A	0	1		1189		10/29/93	03/31/04			
006S048003248700	95	M	04	700 SF		A	11188	1		11189		10/29/93	10/31/98			
006S048003248700	95	L	04	800 SF		A	0	1		0	Indicated in out-year process.	10/29/93	03/31/04			
006S048003248700	95	J	04	490 SF		A	7043	1		10594		10/29/93	03/31/04			
006S048003248700	95	D	04	3550 SF		A	10314	1		4752		10/29/93	05/31/95			
006S048003248700	95	J	04	13080 SF		A	19392	1		18792		10/29/93	07/14/94			
006S048003248700	95	P	18	722 SF		A	10398	1		10398		10/29/93	11/30/95			
006S048003248700	95	M	13	1500 SF		A	25560	1		25560		10/29/93	11/30/95			
006S048003248700	95	P	19	5830 SF		A	7393	1		7393		10/29/93	11/20/94			
006S048003248700	94	P	04	7134 SF		A	8153	1		9153		10/29/93	08/31/97			
006S048003248700	95	M	04	440 SF		A	8613	1		8613		10/29/93	08/31/97			
006S048003145500	95	J	04	638 SF		A	17283	1		17283		10/29/93	08/31/97			
006S048003145500	95	D	04	7434 SF		A	9437	1		9437		10/29/93	08/31/97			
006S048003145500	95	M	17	4565 SF		A	0	1		0		10/29/93	08/31/97			
006S048002801800	95	B	03	1068 SF		A	20729	1		22395	Indicated in out-year process.	10/29/93	03/31/04			
006S048002801800	95	M	08	1108 SF		A	19377	1		19377		10/29/93	12/31/98			

LO ADDR 1	LO ADDR 2	LO CITY	LO ST	LO ZIP1	LO ZIP2	LE LES NAME	LE SHGN DT	LE DSPY DT	LE TRM DTE	LE STATUS	LE RMK
PUTMAN PLAZA	9580 HWY 20 W	HUNTSVILLE	AL	35758		GSA		08/15/90	08/14/95	1	REPLACED C&E DACA015800048000
4940B RESEARCH	PUTMAN BLDG	HUNTSVILLE	AL	35814		PUTMAN CONST		05/01/90	05/31/95	1	RENEWED FROM - 00GS048002415300 :
4901 UNIVERSITY SQ	UNIV SQ BUS CTR ST 2	HUNTSVILLE	AL	35816		GSA		11/01/91	10/31/96	1	
4901 UNIVERSITY SQ	UNIV SQ BUS CTR ST 2	HUNTSVILLE	AL	35816		GSA		11/01/91	10/31/96	1	
4910 UNIVERSITY S	SUITE 3-A	HUNTSVILLE	AL	35814		GSA		11/01/91	10/31/96	1	RENEWED FROM-DACA015910042000 : RENEWED FROM - DAC
4910 UNIVERSITY SQ	SUITE 7	HUNTSVILLE	AL	35816		GSA		11/01/91	10/31/96	1	
PUTMAN PLAZA	9580 HWY 20 W	HUNTSVILLE	AL	35758		GSA		08/15/90	08/14/95	1	REPLACED C&E DACA015800048000
4901 UNIVERSITY SQ	UNIV SQ BUS CTR ST 2	HUNTSVILLE	AL	35816		GSA		11/01/91	10/31/96	1	
PUTMAN PLAZA	9580 HWY 20 W	HUNTSVILLE	AL	35758		GSA		08/15/90	08/14/95	1	REPLACED C&E DACA015800048000
4901 UNIVERSITY SQ	UNIV SQ BUS CTR ST 2	HUNTSVILLE	AL	35816		GSA		11/01/91	10/31/96	1	
4901 UNIVERSITY SQ	UNIV SQ BUS CTR ST 2	HUNTSVILLE	AL	35816		GSA		11/01/91	10/31/96	1	
6767 OLD MADISON PK		HUNTSVILLE	AL	35805		GSA SUPPORT CTR		01/01/91	12/31/96	1	RELOCATED FM GS-29018-106WYNN DR
6767 OLD MADISON PK		HUNTSVILLE	AL	35805		GSA SUPPORT CTR		01/01/91	12/31/96	1	RELOCATED FM GS-29018-106WYNN DR
6767 OLD MADISON PK		HUNTSVILLE	AL	35806		GSA SUPPORT CTR		01/01/91	12/31/96	1	RELOCATED FM GS-29018-106WYNN DR
6767 OLD MADISON PK		HUNTSVILLE	AL	35806		GSA SUPPORT CTR		01/01/91	12/31/96	1	RELOCATED FM GS-29018-106WYNN DR
6767 OLD MADISON PK		HUNTSVILLE	AL	35806		GSA SUPPORT CTR		01/01/91	12/31/96	1	RELOCATED FM GS-29018-106WYNN DR
4940B RESEARCH	PUTMAN BLDG	HUNTSVILLE	AL	35814		PUTMAN CONST		08/01/90	05/31/95	1	RENEWED FROM - 00GS048002415300 :
4940B RESEARCH	PUTMAN BLDG	HUNTSVILLE	AL	35814		PUTMAN CONST		08/01/90	05/31/95	1	RENEWED FROM - 00GS048002415300 :
4940B RESEARCH	PUTMAN BLDG	HUNTSVILLE	AL	35814		PUTMAN CONST		08/01/90	05/31/95	1	RENEWED FROM - 00GS048002415300 :
4890 UNIVERSITY SQ	SUITE 3	HUNTSVILLE	AL	35816		GSA		02/01/93	01/31/02	1	GS-048-31456
PUTMAN PLAZA	9580 HWY 20 W	HUNTSVILLE	AL	35758		GSA		08/15/90	08/14/95	1	REPLACED C&E DACA015800048000
4910 UNIVERSITY SQ	SUITE 1	HUNTSVILLE	AL	35816		GSA		04/01/94	03/31/04	1	GS-048-32467
994 EXPLORER BLVD		HUNTSVILLE	AL	35086		GSA		09/21/92	08/14/95	1	GS-048-32456
994 EXPLORER BLVD		HUNTSVILLE	AL	35086		GSA		09/21/92	08/14/95	1	GS-048-32456
994 EXPLORER BLVD		HUNTSVILLE	AL	35086		GSA		09/21/92	08/14/95	1	GS-048-32456
REDSTONE ARSENAL		HUNTSVILLE	AL	C8LE		L - H - R - R		04/05/95	09/30/96	1	
4910 UNIVERSITY SQ	SUITE 1	HUNTSVILLE	AL	35816		GSA		04/01/94	03/31/04	1	GS-048-32467
4910 UNIVERSITY SQ	SUITE 1	HUNTSVILLE	AL	35816		GSA		04/01/94	03/31/04	1	GS-048-32467
4910 UNIVERSITY SQ	SUITE 1	HUNTSVILLE	AL	35816		GSA		04/01/94	03/31/04	1	GS-048-32467
4901 UNIVERSITY SQ	UNIV SQ BUS CTR ST 2	HUNTSVILLE	AL	35816		GSA		11/01/91	10/31/96	1	
4910 UNIVERSITY SQ	SUITE 1	HUNTSVILLE	AL	35816		GSA		04/01/94	03/31/04	1	GS-048-32467
4940B RESEARCH	PUTMAN BLDG	HUNTSVILLE	AL	35814		PUTMAN CONST		08/01/90	05/31/95	1	RENEWED FROM - 00GS048002415300 :
4845 UNIVERSITY SQ	SUITE 1	HUNTSVILLE	AL	35816		BBCGH PARTNERS		07/15/92	07/14/94	1	REF GS-048-32442 :
4930 CORPORATE DRIVE		HUNTSVILLE	AL	35805		GSA		12/01/91	11/30/96	1	
4930 CORPORATE DRIVE		HUNTSVILLE	AL	35805		GSA		12/01/91	11/30/96	1	
4930 CORPORATE DRIVE		HUNTSVILLE	AL	35805		GSA		12/01/91	11/30/96	1	
4845 UNIVERSITY SQ		HUNTSVILLE	AL	35816		GSA		11/01/91	10/31/96	1	EXPANSION GS-048-32442 7/15/92 : C O F E CERAMS
4948 RESEARCH DR		HUNTSVILLE	AL	35814		PUTMAN		08/01/92	08/31/97	1	RENEWED FROM DACA015920039800. RENEWED FROM DACA015910050200. RENEWED FROM-DACA015910041100 :
4948 RESEARCH DR		HUNTSVILLE	AL	35814		PUTMAN		08/01/92	08/31/97	1	RENEWED FROM DACA015920039800. RENEWED FROM DACA015910050200. RENEWED FROM-DACA015910041100 :
4948 RESEARCH DR		HUNTSVILLE	AL	35814		PUTMAN		08/01/92	08/31/97	1	RENEWED FROM DACA015920039800. RENEWED FROM DACA015910050200. RENEWED FROM-DACA015910041100 :
4948 RESEARCH DR		HUNTSVILLE	AL	35814		PUTMAN		08/01/92	08/31/97	1	RENEWED FROM DACA015920039800. RENEWED FROM DACA015910050200. RENEWED FROM-DACA015910041100 :
4910 UNIVERSITY SQ	SUITE 1	HUNTSVILLE	AL	35816		GSA		04/01/94	03/31/04	1	GS-048-32467
08 WYNN DR NW		HUNTSVILLE	AL	35805		GSA		07/15/75	12/31/98	1	HUNTSVILLE DIVISION
08 WYNN DR NW		HUNTSVILLE	AL	35805		GSA		07/15/75	12/31/98	1	HUNTSVILLE DIVISION



LS USA NO	LS FT	LS SPC TYP	LS USVC	LS SPC	LS UOM	LS UNITS	LS PART	LS U	LS FT CST	LS STATUS	LS AMT CST	LS REMARK	LS PURPOSE	LS CRE DTE	LS TRM DTE	LS MALCOM	LS 18810
006S048002901800	95	H	04	32/SF		A		344			5255			10/29/93	05/31/95		
006S048002901800	95	L	18	84/SF		A		565			1341			10/29/93	12/31/93		
006S048002901800	95	K	33	398/SF		A		6836			96174			10/29/93	12/31/93		
006S048002901800	95	K	18	180/SF		A		1617			40039			10/29/93	12/31/93		
006S048002901800	95	K	05	955/SF		A		2482			23054			10/29/93	12/31/93		
006S048002901800	95	J	30	1600/SF		A		39405			399278			10/29/93	12/31/93		
006S048002901800	95	J	17	1375/SF		A		0						10/29/93	12/31/93		
006S048002901800	95	J	06	178/SF		A		0						10/29/93	12/31/93		
006S048002901800	95	M	18	1047/SF		A		40424			41822			10/29/93	03/31/94		
006S048002901300	95	P	06	15347/SF		A		18343			18343			10/29/93	12/31/93		
006S048002901300	95	M	08	715/SF		A		35796			217150			10/29/93	12/31/93		
006S048002901300	95	L	06	131/SF		A		1877			11891			10/29/93	11/30/94		
006S048002901300	95	K	06	307/SF		A		540			3275			10/29/93	11/30/94		
006S048002901300	95	J	06	690/SF		A		1147			8826			10/29/93	11/30/94		
006S048002412800	95	P	29	2880/SF		A		2818			15801			10/29/93	11/30/94		
006S048002412800	95	P	18	2404/SF		A		4322			48298			10/29/93	11/30/94		
000033400037100	95	U	27	303/SF		A		35948			38512			10/29/93	03/31/94		
000033400037100	95	P	27	227/SF		A		336			339			10/29/93	03/31/94		
000033400037100	95	J	18	10281/SF		A		3212			3212			10/29/93	08/20/93		
006S048002901800	95	R	06	150/SF		U		1709			1709			10/29/93	12/31/93		
006S0480029017400	95	P	18	6454/SF		A		84711			84711			10/29/93	12/31/93		
006S0480029017400	95	L	18	260/SF		A		4773			4820			10/29/93	10/31/93		
006S0480029017400	95	K	18	81/SF		A		1835			1835			10/29/93	10/31/93		
006S048002901800	95	U	33	286801/SF		A		22862			21583			10/29/93	12/31/93		
006S048002901800	95	U	18	7700/SF		A		89450			109736			10/29/93	12/31/93		
006S048002901800	95	S	06	57/SF		A		818			1182			10/29/93	12/31/93		
006S048002901800	95	L	33	206/SF		A		5222			5222			10/29/93	12/31/93		
006S048002901800	95	R	18	308/SF		J		3445			3445			10/29/93	12/31/93		
006S048002901800	95	M	33	7401/SF		A		130717			130717			10/29/93	12/31/93		
006S048002901800	95	P	33	151823/SF		A		223888			224442			10/29/93	12/31/93		
006S048002901800	95	P	19	74143/SF		A		1091843			109534			10/29/93	12/31/93		
006S048002901800	95	P	06	39434/SF		A		566104			589055			10/29/93	12/31/93		
006S048002901800	95	0	33	4309/SF		A		120341			120341			10/29/93	12/31/93		
006S048002901800	95	0	18	181/SF		A		4987			4987			10/29/93	12/31/93		
006S048002901800	95	0	06	558/SF		A		14517			14517			10/29/93	12/31/93		
006S048002901800	95	H	33	644/SF		J		6441			6441			10/29/93	12/31/93		
006S048002901800	95	H	18	256/SF		J		3031			3031			10/29/93	12/31/93		
006S048002901800	95	H	06	125/SF		J		1480			1480			10/29/93	12/31/93		
006S048002901800	95	R	33	650/SF		J		7404			7404			10/29/93	12/31/93		
006S048002901800	95	R	33	15878/SF		A		24404			24404			10/29/93	12/31/93		
006S048002901800	95	0	33	11187/SF		A		20598			12438			10/29/93	02/31/92		
006S048002901800	95	0	33	9524/SF		A		10633			10633			10/29/93	05/31/94		





LS LEA NO	LS FT	LS SPC TYP	LS USNC	LS SPC	LS DUM	LS UNITS T	LS QUANT U	LS FY CST	LS STATUS	LS AMT CST	LS REMARK	LS PURPOSE	LS CRE DTE	LS TRM DTE	LS MACDU	LS INSGO
DLCA101593002100	95	D		3000/SF		A	8294	1		24876						
DLCA101593004100	95	C		14C		A	0	1			Onfiled in outyear process.					
DLCA101593006700	95	D		152/SF		A	19284	1			Onfiled in outyear process.					
DLCA1015940032900	95	D		8240/SF		A	20375	1			Onfiled in outyear process.					
DLCA1015940034200	95	D		9700/SF		A	41202	1								
DLCA1015940035700	95	D		1400/SF		A	49490.89	1								
DLCA1015940035800	95	D		2000/SF		A	76501.98	1								
DLCA1015940035900	95	D		2000/SF		A	33990	1								
DLCA1015940036000	95	D		2000/SF		A	22400	1								
DLCA1015940036100	95	D		382/SF		A	43077	1			43076.88 Onfiled in outyear process.					
DLCA1015940036200	95	D		14770/SF		A	212183	1								
DLCA1015940036300	95	D		6200/SF		A	31953	1								
DLCA1015940036400	95	D		8700/SF		A	86360	1								
DLCA1015940036500	95	D		2000/SF		A	0	1								
DLCA1015940036600	95	D		1500/SF		A	4805	1								
DLCA1015940036700	95	D		88/SF		A	1791	1								
DLCA1015940036800	95	D		2602/SF		A	43670	1								
DLCA1015940036900	95	D		2918/SF		A	72433	1								
DLCA1015940037000	95	D		5000/SF		A	31850	1								
DLCA1015940037100	95	A		2000/SF		A	127800	1			Onfiled in outyear process.					
DLCA1015940037200	95	P		4960/SF		A	47025	1			Onfiled in outyear process.					
DLCA1015940037300	95	P		4100/SF		A	39490	1								
DLCA1015940037400	95	P		17500/SF		A	154840	1			Onfiled in outyear process.					
DLCA1015940037500	95	D		4523/SF		A	29500	1								
DLCA1015940037600	95	C		24704		A	150532	1								
DLCA1015940037700	95	R		20166/SF		A	98225	1								
DLCA1015940037800	95	P		9803/SF		A	142732	1								
DLCA1015940037900	95	K		18/SF		A	1072	1								
DLCA1015940038000	95	D		7/SF		A	56	1			Onfiled in outyear process.					
DLCA1015940038100	95	U		307/SF		A	3528	1			Onfiled in outyear process.					
DLCA1015940038200	95	L		3/SF		A	208	1								
DLCA1015940038300	95	P		588/SF		A	23529	1								
DLCA1015940038400	95	H		1/SF		A	49	1								
DLCA1015940038500	95	H		3/SF		A	217	1								
DLCA1015940038600	95	0		306/SF		A	3075	1								
DLCA1015940038700	95	T		1/SF		A	27	1								
DLCA1015940038800	95	R		743/SF		A	25463	1			Onfiled in outyear process.					
DLCA1015940038900	95	P		8/SF		A	451	1			Onfiled in outyear process.					
DLCA1015940039000	95	K		0/SF		A	0	1			Onfiled in outyear process.					
DLCA1015940039100	95	D		2981/SF		A	107772	1			Onfiled in outyear process.					
DLCA1015940039200	95	P		187/SF		A	2548	1			Onfiled in outyear process.					
DLCA1015940039300	95	6		182/SF		A	2548	1			Onfiled in outyear process.					
DLCA1015940039400	95	0		2272/SF		A	6094	1			Onfiled in outyear process.					
DLCA1015940039500	95	0		1584/SF		A	14253	1			Onfiled in outyear process.					

LO ADDR 1	LO ADDR 2	LO CITY	LO ST	LO ZIP1	LO ZIP2	LE LES NAM	LE SIGN DT	LE COPY DT	LE TRM DTE	LE STATUS	LE RNM
210 WYNN DR		HUNTSVILLE	AL	35805		TECH MICRO CONT		08/15/93	08/14/94	1	RENEWED FROM DACA015910050000
106 WYNN DR		HUNTSVILLE	AL	35801		HUNTSVILLE A		01/01/93	12/31/98	1	RENEWED FROM DACA015880004500
1100 JORDAN LN		HUNTSVILLE	AL	35801		JORDAN PLACE CT		08/01/91	07/31/94	1	RENEWED FROM DACA015880033100
4910 UNIV SQ		HUNTSVILLE	AL	35814		UNIVERSITY SQ		11/01/93	04/30/94	1	RENEWED FROM DACA015830037800
4733 COMMERCIAL DR		HUNTSVILLE	AL	35758		PUTMAN		11/01/93	04/30/94	1	RENEWED FROM DACA015830021700
5650 SANDERSON ST	SUITES C,D,M,O,P,Q,R	HUNTSVILLE	AL	35814		PUTMAN CONST		02/01/94	07/31/94	1	RENEWED FROM DACA015830039200
5650 SANDERSON ST	SUITE 6	HUNTSVILLE	AL	35814		PUTMAN CONST		02/01/94	07/31/94	1	RENEWED FROM DACA015830034400
5650 SANDERSON ST	SUITE E	HUNTSVILLE	AL	35807		PUTMAN		03/04/94	03/03/94	1	RENEWED FROM DACA015820045100
2518 N MEMORIAL PKW		HUNTSVILLE	AL	35810		VANDERVOORT A T		10/01/93	08/30/98	1	RENEWED FROM DACA015830038700
4800 UNIVERSITY SQ	SUITE 9	HUNTSVILLE	AL	35818		GSA		02/01/93	01/31/02	1	RENEWED FROM DACA015830020200
5650 SANDERSON ST	SUITES A, F, S	HUNTSVILLE	AL	35758		PUTMAN CONST		02/01/94	07/31/94	1	RENEWED FROM DACA015830036700
5021 BRADFORD BLVD	MICOM TOM TRNG FAC	HUNTSVILLE	AL	35805		GSA		01/14/94	01/13/97	1	RENEWED FROM DACA015820045000
5021 BRADFORD BLVD		HUNTSVILLE	AL	35801		GSA		10/01/93	08/30/93	1	RENEWED FROM DACA015910049800
4800 UNIVERSITY SQ	SUITE 3	HUNTSVILLE	AL	35818		GSA		02/01/93	01/31/02	1	RENEWED FROM DACA015810037700
4825 UNIVERSITY SQ	SUITE 1	HUNTSVILLE	AL	35816		GSA		05/05/93	04/05/94	1	RENEWED FROM DACA015810037700
4825 UNIVERSITY SQ	SUITE 1	HUNTSVILLE	AL	35816		GSA		05/05/93	04/05/94	1	RENEWED FROM DACA015810037700
6726 ODYSSEY DRIVE		HUNTSVILLE	AL	35705		GSA		07/28/93	01/27/96	1	RENEWED FROM DACA015810037700
5021 BRADFORD BLVD	EAST BLDG	HUNTSVILLE	AL	35801		INDUSTRIAL PROP		01/06/92	01/05/97	1	RENEWED FROM DACA015810037700
5021 BRADFORD BLVD	EAST BLDG	HUNTSVILLE	AL	35801		INDUSTRIAL PROP		01/06/92	01/05/97	1	RENEWED FROM DACA015810037700
4910 UNIVERSITY SQ	SUITE 4	HUNTSVILLE	AL	35807		GSA		08/01/93	07/31/94	1	RENEWED FROM DACA015810037700
4825 UNIVERSITY SQ	SUITE 8	HUNTSVILLE	AL	35708		GSA		08/02/93	07/31/98	1	RENEWED FROM DACA015810037700
5021 BRADFORD BLVD		HUNTSVILLE	AL	35801		GSA		10/01/93	08/30/93	1	RENEWED FROM DACA015810037700
5021 BRADFORD BLVD		HUNTSVILLE	AL	35806		GSA		12/01/93	11/30/93	1	RENEWED FROM DACA015810037700
BEYLL CTR UCA		HUNTSVILLE	AL	TRAIN		UNIV DF ALA		12/24/87	09/30/90	1	RENEWED FROM DACA015810037700
5021 BRADFORD BLVD		HUNTSVILLE	AL	35805		GSA		12/01/93	11/30/93	1	RENEWED FROM DACA015810037700
213 WYNN DRIVE		HUNTSVILLE	AL	35805		GSA		08/09/93	08/08/96	1	RENEWED FROM DACA015810037700
FEDERAL BUILDING		BOSTON	MA	03801	0001	GSA		10/01/92	09/30/95	1	00GSD48003348800
GOVERNMENT CENTER		BOSTON	MA	02203		MAD131		05/01/88	08/30/99	1	
FEDERAL BUILDING		BOSTON	MA	03801	0001	GSA		10/01/92	09/30/95	1	
FEDERAL BUILDING		BOSTON	MA	03801	0001	GSA		10/01/92	09/30/95	1	
FEDERAL BUILDING		BOSTON	MA	03801	0001	GSA		10/01/92	09/30/95	1	
FEDERAL BUILDING		BOSTON	MA	03801	0001	GSA		10/01/92	09/30/95	1	
FEDERAL BUILDING		BOSTON	MA	03801	0001	GSA		10/01/92	09/30/95	1	
FEDERAL BUILDING		BOSTON	MA	03801	0001	GSA		10/01/92	09/30/95	1	
POST OFFICE SQ		BOSTON	MA	02109	0000	GSA		05/12/78	09/30/99	1	
POST OFFICE SQ		BOSTON	MA	02109	0000	GSA		05/12/78	09/30/99	1	
POST OFFICE SQ		BOSTON	MA	02109	0000	GSA		05/12/78	09/30/99	1	
105 SUMMER STREET	BARNES BUILDING	BOSTON	MA	02210		DDO		10/01/82	08/30/99	1	
4 WINTER ST		BOSTON	MA	02108	4710	GSA		10/01/86	09/30/99	1	
4 MARKET STREET	ROOM 11A	EVERETT	MA	02149	0000	BOSTON MARKET		01/01/91	12/31/96	1	
4 MARKET STREET	ROOM 11A	EVERETT	MA	02149	0000	BOSTON MARKET		01/01/91	12/31/96	1	
01 MIDDLE STREET		LOWELL	MA	01845	0000	LOWELL PLACE AS		01/01/92	12/31/94	1	
10 KEARNEY SQUARE		LOWELL	MA	01852		GSA		02/09/85	08/30/99	1	



LS LEA NO	LS FY	LS SPC TYP	LS UNVE	LS SPC	LS UOM	LS QUANTITY	LS QUANTITY	LS FY COST	LS STATUS	LS AM. CST	LS REMARK	LS PURPOSE	LS RES DATE	LS TRM DATE	LS MAJOR	LS AMND
DAC65194M0002	94	T	27	3000 SF		4224	1	4224	1	4224	13600 initialized in out-year process					
DAC65194M0003	91	B	26	0 SF		13600	1	13600	1	13600	12535 initialized in out-year process					
DAC65194M0004	95	F	12	57500 SF		123555	1	123555	1	123555	0 initialized in out-year process					
159018E000344300	91	C	28	0 LC		0	1	0	1	0	4331 initialized in out-year process					
DACW297800034890	93	M	17	170 SF		4128	1	4128	1	4128	0 FROM CSA FILE - BUDG M0029ZZ					
AM4234200000000	94	D	27	2360 SF		0	1	0	1	0	5754 89 initialized in out-year process					
DACW29780000000	93	J	17	1819 SF		75990	1	75990	1	75990	0					
DACW35933301300	93	S	17	0		0	1	0	1	0	5864 89 initialized in out-year process					
DACW29780000900	93	I	12	148 SF		5405	1	5405	1	5405	253 J initialized in out-year process					
DACW29780000800	93	N	17	15 SF		251	1	251	1	251	12084.54 initialized in out-year process					
DACW29780000800	93	P	17	55827 SF		1092846	1	1092846	1	1092846	45773 36 initialized in out-year process					
DACW29780001000	93	R	17	2738 SF		41302	1	41302	1	41302	10394 initialized in out-year process					
DACW29780001400	93	T	12	289 SF		10116	1	10116	1	10116	0 initialized in out-year process					
DACW29780001400	93	B	17	0 SF		0	1	0	1	0	17268 initialized in out-year process					
DACW35923000700	93	C	17	0		0	1	0	1	0	2988 29 initialized in out-year process					
DACW359670002100	90	B	17	0		0	1	0	1	0	28825 02 DRAFT ACQ # 851 APPROVED 6-6-92 NEED NEW COST PER					
DACW359900301900	93	B	17	1890 SF		17266	1	17266	1	17266	7800 initialized in out-year process					
DACW359900301900	93	T	12	839 SF		31419	1	31419	1	31419	14318 initialized in out-year process					
AM1200400000000	94	K	17	12916 SF		218150	1	218150	1	218150	13988 initialized in out-year process					
AM1200400000000	94	P	27	280 SF		3466	1	3466	1	3466	39000 initialized in out-year process					
AM1402700000000	95	T	27	240 SF		7800	1	7800	1	7800	1820 initialized in out-year process					
DAC6275910008390	95	D	22	1548 SF		13888	1	13888	1	13888	8728 DRAFT ACQ RPT APPROVED 6-6-92 NEED NEW COST PER SF					
DAC6275910012490	95	T	22	6249 SF		14318	1	14318	1	14318	2880 initialized in out-year process					
AM1401850000000	95	U	27	240 SF		7800	1	7800	1	7800	12914 88 DRAFT ACQ RPT #851 APPROVED 6-6-92 NEED NEW COST PER SF					
AM1401850000000	95	P	27	240 SF		7800	1	7800	1	7800	1771.35 initialized in out-year process					
DAC627592007100	95	O	27	2912 SF		144410	1	144410	1	144410	1728 initialized in out-year process					
DAC6275920015500	95	T	27	480 SF		39000	1	39000	1	39000	45945 initialized in out-year process					
AM1200400000000	94	U	27	6800 SF		965	1	965	1	965	0					
DAC6275910004400	94	U	27	860 SF		7911	1	7911	1	7911	43462 initialized in out-year process					
AM1200400000000	94	L	27	352 SF		2154	1	2154	1	2154	0					
AM110018000000000	95	R	27	505 SF		10602	1	10602	1	10602	9844 initialized in out-year process					
AM140758000000000	95	T	27	190 SF		7711	1	7711	1	7711	8474 initialized in out-year process					
AM140480000000000	95	P	27	2346 SF		1728	1	1728	1	1728	16890 initialized in out-year process					
DACW359593001700	93	C	17	0		45946	1	45946	1	45946	156312 initialized in out-year process					
DAC6275900004400	95	D	27	2200 SF		43452	1	43452	1	43452	13198 initialized in out-year process					
DCAM358383001800	93	C	17	0		0	1	0	1	0	28539 initialized in out-year process					
DAC6275920014500	95	H	27	0		5127	1	5127	1	5127	74592 FACOM EST PLAN GOVERNMENT					
DAC6275940007400	95	D	40	785 SF		8424	1	8424	1	8424	0					
DAC6275930000700	95	H	27	1000 SF		18880	1	18880	1	18880	RECRUITING					
DAC62759800006400	95	D	07	7100 SF		156312	1	156312	1	156312	BALCH HSB					
DAC6275920034200	95	D	07	12975 SF		244780	1	244780	1	244780						
DAC6275910014500	95	H	04	1880 SF		28539	1	28539	1	28539						
DAC6275990010800	94	D	07	4021 SF		49880	1	49880	1	49880						

LO ADDR 1	LO ADDR 2	LO CITY	LO ST	LO ZIP1	LO ZIP2	LE LES NAM	LE SIGN DT	LE OCPY DT	LE TRM RTE	LE STATUS	LE RMK
101 MIDDLE STREET		LOWELL	MA	01852		CITY OF LOWELL		10/01/83	09/30/84		PARKING
NATL GO SLPY DPT		NATICK	MA	01860		MASS STATE		09/10/82	09/30/88		
SPEEN STREET		NATICK	MA	00000	00000	ADJUTANT GEN MA		12/01/82	11/30/89		THIS LEASE EXPIRES 30 NOV. 2002
NATICK LAB HSG		NEEDHAM	MA			BARSON INST		12/01/84	08/30/89		
NATICK LAB HSG		NEEDHAM	MA			TOWN OF NEEDHAM		12/01/84	08/30/89		
477 MICHIGAN AVE	P Y MCNAMARA F B	DETROIT	MI	48226		GSA		04/28/78	09/30/89		DETROIT DISTRICT OFC, PYM FED BLDG
231 W LAFAYET	FED BLDG & US	DETROIT	MI			GSA					TOTAL COST THIS GSA LEASE NUMBER : 0
477 MICHIGAN AVE	P Y MCNAMARA F B	DETROIT	MI	48226		GSA		04/28/78	09/30/89		DETROIT DISTRICT OFC, PYM FED BLDG
COUNTY OF WAYNE	DERP FUDS	DETROIT	MI	48226		CITY OF DETROIT	11/18/83	05/24/83	11/23/84		REMOVAL UNDERGROUND STORAGE TANK
477 MICHIGAN AVE	P Y MCNAMARA F B	DETROIT	MI	48226		GSA		04/28/78	09/30/89		DETROIT DISTRICT OFC, PYM FED BLDG
477 MICHIGAN AVE	P Y MCNAMARA F B	DETROIT	MI	48226		GSA		04/28/78	09/30/89		DETROIT DISTRICT OFC, PYM FED BLDG
477 MICHIGAN AVE	P Y MCNAMARA F B	DETROIT	MI	48226		GSA		04/28/78	09/30/89		DETROIT DISTRICT OFC, PYM FED BLDG
477 MICHIGAN AVE	P Y MCNAMARA F B	DETROIT	MI	48226		GSA		04/28/78	09/30/89		DETROIT DISTRICT OFC, PYM FED BLDG
477 MICHIGAN	PYM FED PARKING FAC	DETROIT	MI	48226		GSA		10/01/78	09/30/89		INSIDE PKG, PYM PARKING FACILITY
DETROIT RIVER		DETROIT	MI			COAST GUARD		01/04/85	09/30/88		
WINDMILL PT. LITENSE	GLCC	DETROIT	MI	48226	48226	U.S.C.G.		02/01/81	01/31/86		INSTALLATION OF ANTENNA ON RAILING
WAYNE COUNTY	GLCC	DETROIT	MI			US COAST GUARD	01/08/85	01/08/85			MOORING FOR GOVT FLOATING PLANT
1351 THIRD STREET	THIRD STREET GARAGE	DETROIT	MI	48226		GSA		02/12/90	09/30/89		INSIDE PARKING, THIRD STREET GARAGE
477 MICHIGAN AVE	P Y MCNAMARA F B	DETROIT	MI	48226		GSA		04/28/78	09/30/89		DETROIT DISTRICT OFC, PYM FED BLDG
3100 E JEFFERSON		DETROIT	MI	48207		MI1817		01/15/84	07/24/84		NEED NEW COST PER SF FOR FY94
1351 THIRD STREET		DETROIT	MI	48218		MI1912		10/01/81	01/31/80		NAVY PARKING
19415 W 6 MILE R		DETROIT	MI	48240		LACHMAN SOL		04/01/91	03/31/88		RENEWED FROM - DACA275880010000 :
225 E GRAND RIVER		DETROIT	MI	48226		BOARDWALK DEVEL		04/01/91	03/31/86		RENEWED FROM-DACA275880005000 : BATTALION PARKING
585 LEARNED		DETROIT	MI	48226		MI1913		05/12/89	05/11/89		
585 LEARNED		DETROIT	MI	48226		MI1913		05/12/89	05/11/89		
15371 W GRAND RIV		DETROIT	MI	48227		IMCH BELL		02/01/92	01/31/87		RENEWED FROM-DACA275870002400 :
1008 CASS AVE		DETROIT	MI	48226		METRO GARAGE		04/01/92	03/31/85		RENEWED FROM-DACA275890081600 :
3100 E JEFFERSON		DETROIT	MI	48207		MI1817		01/15/84	07/24/84		NEED NEW COST PER SF FOR FY94
1041 WASHINGTON		DETROIT	MI	48225		HERTZ CORP		01/01/91	12/31/83		RENEWED FROM - DACA275880014700 :
3100 E JEFFERSON		DETROIT	MI	48207		MI1817		01/15/84	07/24/84		NEED NEW COST PER SF FOR FY94
231 W LAFAYETTE ST		DETROIT	MI	48226		MI0028		12/15/80	09/30/89		
1351 THIRD ST		DETROIT	MI	48218		MI1912		09/11/80	01/31/80		AF PARKING
1280 LIBRARY ST		DETROIT	MI	48226		MI1975		10/01/93	08/22/88		52208200 RELOCATED FROM AMIA284200000000. 359F RELOCATED FROM AMIA284200000000. 39CB RELOCATED FR
WAYNE COUNTY	DERP FUDS	DETROIT	MI	48242		DET METRO AJP	05/12/89	05/12/93	11/12/88		REMOVE STORAGE TANKS DERP SITE SUPL #1
3530 E EIGHT MILE RD		DETROIT	MI	48234		8800 ASSOCIATES	12/01/89	01/24/90	12/31/86		RELOC 84-642
WAYNE COUNTY	RIVER ROUGE PARK	DETROIT	MI	48226		CITY OF DETROIT	05/24/83	05/24/83	05/23/84		REMOVE STORAGE TANKS
555 BRUSH ST		DETROIT	MI	48226		MILLENDER CENT		04/15/82	04/30/85		2/3 HEAT PAID
4283 TELEGRAPH RD		SOUTHFIELD	MI	48037		STRAITH & STRAJ		10/01/83	09/30/88		
517 TAVISTOCK #216		STERLING HEIGH	MI	48310		LAUREL VALLEY		04/07/83	04/30/88		
8600 VAN DYKE ST	#100	STERLING HEIGH	MI	48312		SWITZER RONALD		04/01/83	03/31/86		TACOM
8600 VAN DYKE ST		STERLING HEIGH	MI	48077		D'AGOSTINI EUGE		12/01/81	11/30/86		TACOM
183 ASHLEY CT	2433 TAVISTOCK CT	STERLING HEIGH	MI	48078		LAUREL VALLEY		04/17/81	05/31/88		
8600 VAN DYKE		STERLING HEIGH	MI	48077		D AGOSTINI	03/21/89	05/30/88	05/31/84		



LS LEA NO	LS FT	LS SPC	TRF	LS USVC	LE SPC	LS UOM	LS UNITS T	LS JOINT U	LS FT CST	LS STATUS	LS AMI CST	LS REMARK	LS PURPOSE	LS CRG DTE	LS TRM DTE	LS MACOM	LS INSEC
AM403100002000	95	M		26	4215/SF		A		82283	1	80203	initialized in outyear process.		02/10/94	10/31/95		
AM403100000000	95	J		26	198/SF		A		5430	1	5430	initialized in outyear process.		02/10/94	10/31/95		
DLC A27592004390	95	D		27	801/SF		A		7900	1	7900	initialized in outyear process.		02/10/94	10/31/95		
AM403100000000	95	L		28	4377/SF		A		100357	1	100357	initialized in outyear process.		02/10/94	10/31/95		
AM403100000000	95	P		28	2014/SF		A		399858	1	399858	initialized in outyear process.		02/10/94	10/31/95		
DLC A275900011900	94	D		27	908/SF		A		14400	1	14400	initialized in outyear process.		02/10/94	10/31/95		
AM403100000000	95	X		25	468/SF		A		15191	1	15191	initialized in outyear process.		02/10/94	10/31/95		
DLC A275910008600	95	D		27	2801/SF		A		50040	1	50040	initialized in outyear process.		02/10/94	10/31/95		
AM407000000000	94	D		29	2007/SF		A		58295	1	58295	initialized in outyear process.		02/10/94	10/31/95		
DLC A51572022800	90	C		05	0/LC		A		0	1	0	initialized in outyear process.			04/10/92		3455
DLC A515720023700	90	C		05	0/LC		A		0	1	0	initialized in outyear process.			08/20/96		3455
0000028001552800	95	U		05	750000/SF		A		375000	1	375000	initialized in outyear process.			06/30/96		3455
0000028001552800	95	R		05	7430/SF		A		138718	1	138718	initialized in outyear process.			11/18/93		
0000028001552800	95	P		05	572727/SF		A		1387775	1	1387775	initialized in outyear process.			11/18/93		
0000028001552800	95	D		05	15348/SF		A		657551	1	657551	initialized in outyear process.			11/18/93		
0000028001552800	95	M		05	2550/SF		A		49470	1	49470	initialized in outyear process.			11/18/93		
0000028001552800	95	M		05	5122/SF		A		147251	1	147251	initialized in outyear process.			11/18/93		
0000028001552800	95	L		05	949/SF		A		32523	1	32523	initialized in outyear process.			11/18/93		
0000028001552800	95	J		05	1282/SF		A		456159	1	500828	initialized in outyear process.			11/18/93		
DLC A515800065000	94	D		27	1890/SF		A		7757	1	1580	initialized in outyear process.			03/31/94		

LO ADDR 1	LO ADDR 2	LO CITY	LO ST	LO ZIP1	LO ZIP2	LE LES NAM	LE SIGN DT	LE OCPT DT	LE TRM DTE	LE STATUS	LE RMK
1172 KIRTS BLVD		TROY	MI	48064		MI1941		11/01/91	10/31/99	1	
1172 KIRTS BLVD		TROY	MI	48064		MI1941		11/01/91	10/31/99	1	
82 W SOUTH BLVD		TROY	MI	48068		SO RD PRDP		04/01/83	03/31/88	1	RENEWED FROM DACA275900010100.
1172 KIRTS BLVD		TROY	MI	48084		MI1941		11/01/91	10/31/99	1	
1172 KIRTS BLVD		TROY	MI	48084		MI1941		11/01/91	10/31/99	1	
3782 ROCHESTER RD		TROY	MI	48084		3800 PLACE	05/03/90	05/01/90	11/30/93	1	LEASE WAS TERMINATED. RENEWED FROM - DACA275870083100.
1172 KIRTS BLVD		TROY	MI	48084		MI1941		11/01/91	10/31/99	1	
28035-28037 HOOVER R		WARREN	MI			HOOVER ANNEX AS		03/25/91	02/28/98	1	RELOCATED FROM - DACA275860003800
8150 E 13 AVE	WASHINGTON OF	WARREN	MI			GSA					TOTAL COST THIS GSA LEASE NUMBER: 58226
FT MONMOUTH		EATONTOWN	NJ			ALBERT H		12/01/71	08/30/96	1	
FT MONMOUTH		EATONTOWN	NJ			WATKINS B		12/01/71	08/30/96	1	
TINTON-WAYSIDE		FT MONMOUTH	NJ			GSA		11/18/73	11/18/98	1	
TINTON-WAYSIDE		FT MONMOUTH	NJ			GSA		11/18/73	11/18/98	1	
TINTON-WAYSIDE		FT MONMOUTH	NJ			GSA		11/18/73	11/18/98	1	
TINTON-WAYSIDE		FT MONMOUTH	NJ			GSA		11/18/73	11/18/98	1	
TINTON-WAYSIDE		FT MONMOUTH	NJ			GSA		11/18/73	11/18/98	1	
TINTON-WAYSIDE		FT MONMOUTH	NJ			GSA		11/18/73	11/18/98	1	
TINTON-WAYSIDE		FT MONMOUTH	NJ			GSA		11/18/73	11/18/98	1	
34 HIGHWAY 26		INEPTUNE	NJ	07753	10000	P & G GRECO		01/01/88	03/31/94	1	RENEG DAC1515840006600



GENERAL SERVICES ADMINISTRATION (GSA)  
LEASED SPACE 1995

MAJCOM:

Joint Personal Property Shipping Office

LEASE NUMBER:

GSA

LEASE EXPIRATION DATE:

N/A

PURPOSE OF LEASE:

Shipment of military members' personal property worldwide

LEASE LOCATION:

Chelmsford, MA

BUILDINGS AND THEIR SQUARE FEET:

6,300 SF

ANNUAL COST:

\$143,329

*Number of Personnel - 37*

*GSA leases - no penalty*

LEASE DATA

(INGRANT)

MAJCOM: AFMC (This space was not leased thru the Real Estate Management office, Real Property, at Hanscom AFB.)

LEASE NUMBER: Contract # F 49650-91-D0011 CLIN # 126AC01

LEASE EXPIRATION DATE: October 1995

PURPOSE OF LEASE: This organization was not part of ESC at the time they leased this space. Now they are and are moving on to the base. Now they are 66 SPTG/SC.

LEASE LOCATION: 430 Bedford Street Lexington, MA 02173

BUILDINGS AND THEIR SQUARE FEET: One building 30,700 SF

ANNUAL COST: \$654,000

Number of personnel -

No facility leases in the vicinity of Redstone Arsenal in Alabama or Natick Research, Development & Engineering Center in Massachusetts.

Seven facility leases in the vicinity of Detroit Arsenal in Michigan:

1. **Lessor:** State of Michigan, Dept. of Military Affairs  
**Lessee:** U.S.A.  
**Address:** Broadhead Naval Armory, 7600 East Jefferson Ave.,  
Detroit, MI  
**Tenant:** MARRESFOR  
**Total square footage by type of use:** Approx. 19,000 sf total  
**Cost per square foot by type of use:** Minimal; \$1.00/19,000 sf  
**Total cost of lease:** \$1.00 annually  
**Total number of personnel employed/housed at the facility:** Varies  
**Amount of penalty, if any, for early termination of lease:** None
2. **Lessor:** Harbortown Apartments  
**Lessee:** U.S.A.  
**Address:** 3320 Spinnaker Lane, Apt. 10-E, Detroit, MI  
**Tenant:** 4th MARCORDIST  
**Total square footage by type of use:** Unknown (one bedroom apt.)  
**Cost per square foot by type of use:** Unknown  
**Total cost of lease:** \$8,940 annually  
**Total number of personnel employed or housed at the facility:** 1  
**Amount of penalty, if any, for early termination of lease:** None
3. **Lessor:** Marina Bay Club Apartments.  
**Lessee:** U.S.A.  
**Address:** 14221 Park Street, Apt. 18, Gibraltar, MI  
**Tenant:** MARRESFOR  
**Total square footage by type of use:** Unknown (one bedroom apt.)  
**Cost per square foot by type of use:** Unknown  
**Total cost of lease:** \$6,660 annually  
**Total number of personnel employed or housed at the facility:** 1  
**Amount of penalty, if any, for early termination of lease:** None
4. **Lessor:** Sunset Manor North Apartments  
**Lessee:** U.S.A.  
**Address:** 135 North River Road, Apt. A305, Mt. Clemens, MI  
**Tenant:** MARRESFOR  
**Total square footage by type of use:** Unknown (one bedroom apt.)  
**Cost per square foot by type of use:** Unknown  
**Total cost of lease:** \$6,360 annually  
**Total number of personnel employed or housed at the facility:** 1  
**Amount of penalty, if any, for early termination of lease:** None

5. Lessor: Sunset Manor North Apartments  
Lessee: U.S.A.  
Address: 137 North River Road, Apt. H300, Mt. Clemens, MI  
Tenant: MARRESFOR  
Total square footage by type of use: Unknown (one bedroom apt.)  
Cost per square foot by type of use: Unknown  
Total cost of lease: \$6,360 annually  
Total number of personnel employed or housed at the facility: 1  
Amount of penalty, if any, for early termination of lease: None
6. Lessor: The Lofts (apartments)  
Lessee: U.S.A.  
Address: 6533 East Jefferson, Apt. 108, Detroit, MI  
Tenant: MARRESFOR  
Total square footage by type of use: Unknown (one bedroom apt.)  
Cost per square foot by type of use: Unknown  
Total cost of lease: \$10,488 annually  
Total number of personnel employed or housed at the facility: 1  
Amount of penalty, if any, for early termination of lease: None
7. Lessor: The Lofts (apartments)  
Lessee: U.S.A.  
Address: 6533 East Jefferson, Apt. 328, Detroit, MI  
Tenant: MARRESFOR  
Total square footage by type of use: Unknown (one bedroom apt.)  
Cost per square foot by type of use: Unknown  
Total cost of lease: \$8,700 annually  
Total number of personnel employed or housed at the facility: 1  
Amount of penalty, if any, for early termination of lease: None

One facility lease in the vicinity of Fort Monmouth in New Jersey:

1. Lessor: Laurelwood Inc.  
Lessee: U.S.A.  
Address: Laurelwood Homes, 800 Dunlap Circle, Colts Neck, NJ  
Tenant: numerous Navy and Marine Corps families  
Total square footage by type of use: 300 units of family housing  
Cost per square foot by type of use: \$10,709 average annual cost per unit  
Total cost of lease: \$3,212,700 annually; established as a 20 year lease beginning in 1989  
Total number of personnel employed or housed at the facility: 1009  
Amount of penalty, if any, for early termination of lease:

**DEFENSE LOGISTICS AGENCY  
Detroit Arsenal in Michigan**

\*  
Lessor: GSA Region 5, 230 S. Dearborn St, Chicago, IL 60604  
Lessee: Defense Logistics Agency (MMDIM)  
Address: Cameron Station, Alexandria, VA 22304  
Tenant: QAR, Defense Contract Management District North (DCMDN)  
477 Michigan Avenue  
P.O. McNamara FB  
Detroit, MI

Total square footage by type of use: 25,059 SF Office  
278 SF General Storage  
983 SF ADP  
323 SF Parking

Cost per square foot by type of use: \$19.65 Annual Rate - Office  
\$15.05 Annual Rate - Gen Storage  
\$31.77 Annual Rate - ADP  
\$ 3.29 Annual Rate - Parking

Total cost of lease: \$528,106 Annually (or \$132,027 Quarterly)  
Total number of personnel (military, civilian and contractor) employed or  
housed at the facility: 233  
Amount of penalty, if any, for early termination of the lease: 120 day penalty

\*  
Lessor: GSA Region 5, 230 S. Dearborn St, Chicago, IL 60604  
Lessee: Defense Logistics Agency (MMDIM)  
Address: Cameron Station, Alexandria, VA 22304  
Tenant: QAR, Defense Contract Management District North (DCMDN)  
~~20300~~ Superior Street  
Taylor, MI

Total square footage by type of use: 540 SF Office  
Cost per square foot by type of use: \$17.49 Annual Rate - Office  
Total cost of lease: \$6,996 Annually (or \$2,329 Quarterly)

Total number of personnel (military, civilian and contractor) employed or  
housed at the facility: 2  
Amount of penalty, if any, for early termination of the lease: 120 day penalty

\*  
Lessor: GSA Region 5, 230 S. Dearborn St, Chicago, IL 60604  
Lessee: Defense Logistics Agency (MMDIM)  
Address: Cameron Station, Alexandria, VA 22304  
Tenant: QAR, Defense Contract Management District North (DCMDN)  
~~5700~~ Crooks Road, Northfield Plaza  
Troy, MI

Total square footage by type of use: 1,020 SF Office  
Cost per square foot by type of use: \$16.72 Annual Rate - Office  
Total cost of lease: \$16,820 Annually (or \$4,205 Quarterly)

Total number of personnel (military, civilian and contractor) employed or  
housed at the facility: 5  
Amount of penalty, if any, for early termination of the lease: 120 day penalty

DEFENSE LOGISTICS AGENCY  
Redstone Arsenal in Alabama

\*  
 Lessor: GSA Region 4, 401 W. Peachtree St., NW, Suite 2500, Atlanta, GA  
 Lessee: Defense Logistics Agency (MMDIM)  
 Address: Cameron Station, Alexandria, VA 22304  
 Tenant: QAR, Defense Contract Management District South (DCMDS)  
 4825 University Square  
 Huntsville, AL  
 Total square footage by type of use: 2,908 SF Office  
 1,800 SF Parking  
 Cost per square foot by type of use: \$12.85 Annual Rate - Office  
 \$ 3.18 Annual Rate - Parking  
 Total cost of lease: \$42,500 Annually (or \$10,625 Quarterly)  
 Total number of personnel (military, civilian and contractor) employed or  
 housed at the facility: 22  
 Amount of penalty, if any, for early termination of the lease: 120 day penalty

of in  
 MSA  
 Lessor: GSA Region 4, 401 W. Peachtree St., NW, Suite 2500, Atlanta, GA  
 Lessee: Defense Logistics Agency (MMDIM)  
 Address: Cameron Station, Alexandria, VA 22304  
 Tenant: QAR, Defense Contract Management District South (DCMDS)  
 600 Broad Street, FB-CT Building  
 Gadsden, AL  
 Total square footage by type of use: 637 SF Office  
 300 SF Parking  
 Cost per square foot by type of use: \$8.10 Annual Rate - Office  
 \$ .71 Annual Rate - Parking  
 Total cost of lease: \$5,516 Annually (or \$1,379 Quarterly)  
 Total number of personnel (military, civilian and contractor) employed or  
 housed at the facility: 3  
 Amount of penalty, if any, for early termination of the lease: 120 day penalty

OPTIONAL FORM 10 (7-90)

**FAX TRANSMITTAL** # of pages 5

To Becky Schmitt Dist/Agency OSD (BRAC) FAX # 695-1493	From C. Kelleher Phone # 274-7146 Fax #
---	---

NSN 7540-01-317-7888 6099-101 GENERAL SERVICES ADMINISTRATION

# Document Separator

## BRAC LAW REQUIREMENTS

"The term 'military installation' means a base, camp, post, station, yard, center, homeport facility or other activity under the jurisdiction of the Department of Defense, *including any leased facility.*"

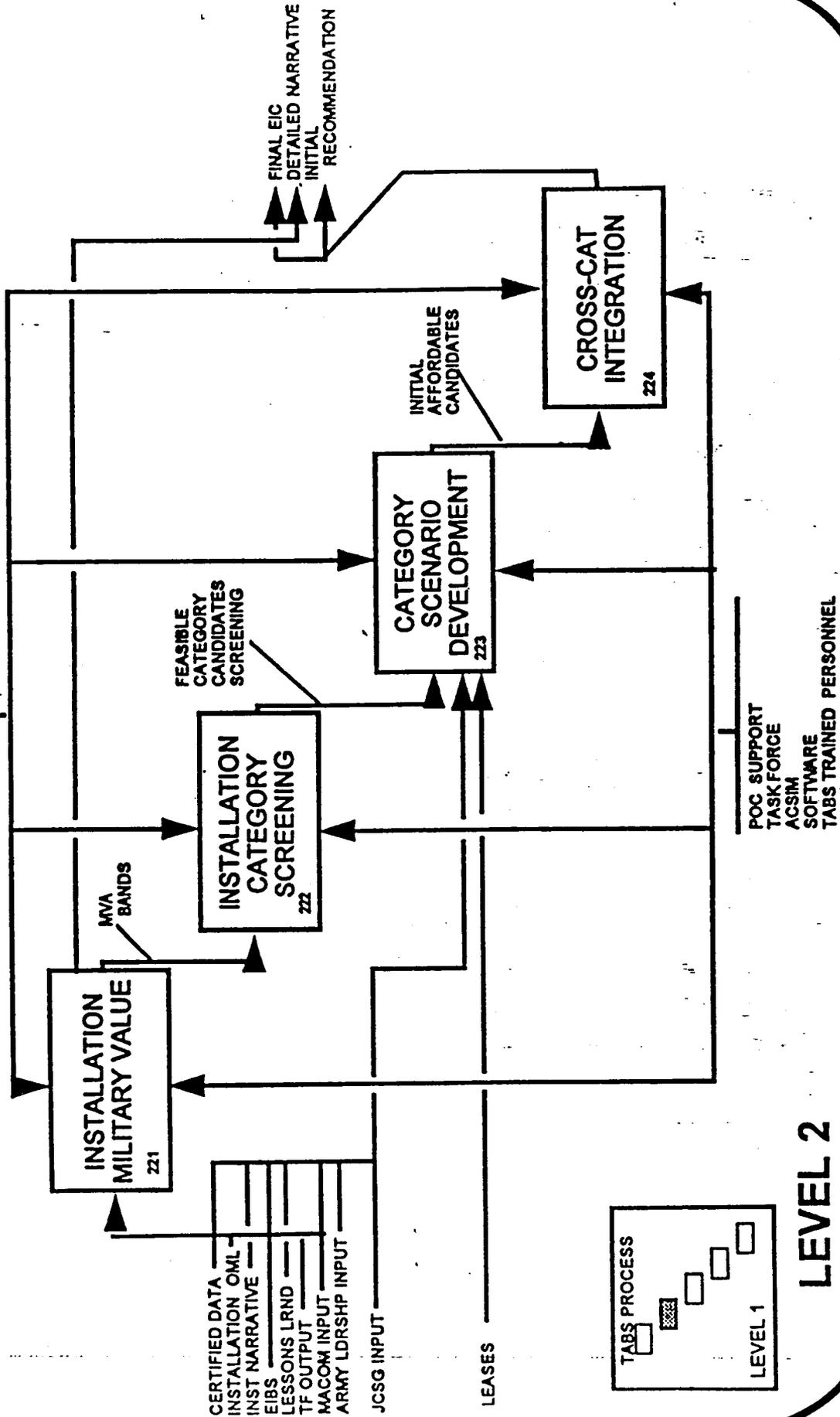
The Secretary of Defense's base closure and realignment recommendations must be made "*on the basis of the force-structure plan and the final criteria.*"

"In making its recommendations, the Commission may make changes in any of the recommendations made by the Secretary [of Defense] if the Commission determines that the Secretary *deviated substantially from the force-structure plan and final criteria...in making recommendations.*"



# TABS DETAILED ANALYSIS (12)

TIME LAW TASS FORCE STRUCTURE DoD CRITERIA ICP MGT. PLAN AAA PLAN POLICY CHARTER



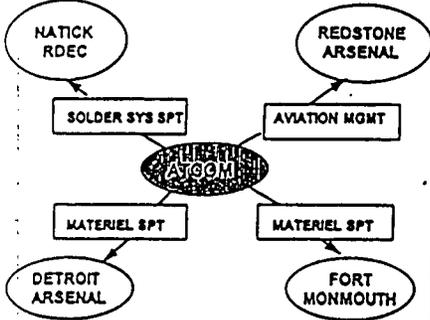
LEVEL 2

THE ARMY BASING STUDY



CLOSE HOLD / SENSITIVE

### AVIATION-TROOP COMMAND (ATCOM)



COSTS (\$M)	
O&M	\$ 69.
MILCON	\$ 63.
OTHER	\$ 14.
<b>TOTAL</b>	<b>\$ 146.</b>

PAYBACK PERIOD (YEARS)	3
BREAK EVEN YEAR	2001
STEADY STATE (\$M)	46 (1999)
20 YEAR NPV (\$M)	453
ANNUAL LEASE COST (\$M)	7.6

#### VACATE LEASE

- Relocate missions to Natick RDEC, Detroit Arsenal, Fort Monmouth and Redstone Arsenal.

CLOSE HOLD / SENSITIVE

THE ARMY BASING STUDY



CLOSE HOLD / SENSITIVE

### PICATINNY ARSENAL



COSTS (\$M)	
O&M	\$ 133
MILCON	\$ 174
OTHER	\$ 7
<b>TOTAL</b>	<b>\$ 314</b>

PAYBACK PERIOD (YEARS)	8
BREAK EVEN YEAR	2006
STEADY STATE (\$M)	48 (1999)
20 YEAR NPV (\$M)	318

#### CLOSE PICATINNY ARSENAL

- Relocate missions to Aberdeen Proving Ground, Detroit Arsenal and Redstone Arsenal.
- Retain a Reserve Component enclave.
- Realign remaining activities to Base X.

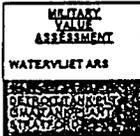
CLOSE HOLD / SENSITIVE

THE ARMY BASING STUDY



CLOSE HOLD / SENSITIVE

### DETROIT ARSENAL, MI



COSTS (\$M)	
O&M	\$ 1.4
MILCON	\$ 0
OTHER	\$ 0
<b>TOTAL</b>	<b>\$ 1.4</b>

PAYBACK PERIOD (YEARS)	IMMEDIATE
BREAK EVEN YEAR	1996
STEADY STATE (\$M)	\$ 3 (2002)
20 YEAR NPV (\$M)	\$ 38

- #### REALIGN DETROIT ARSENAL
- CLOSE TANK PLANT

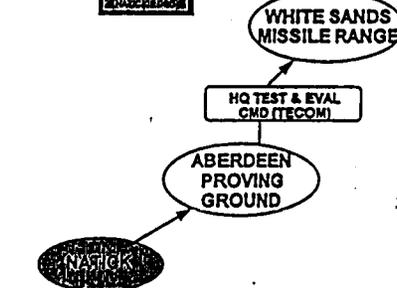
CLOSE HOLD / SENSITIVE

THE ARMY BASING STUDY



CLOSE HOLD / SENSITIVE

### NATICK



COSTS (\$M)	
O&M	\$ 68
MILCON	\$ 89
OTHER	\$ 3
<b>TOTAL</b>	<b>\$ 160</b>

PAYBACK PERIOD (YEARS)	7
BREAK EVEN YEAR	2005
STEADY STATE (\$M)	27 (1999)
20 YEAR NPV (\$M)	185

#### CLOSE NATICK RDEC

- Realign missions to Aberdeen Proving Ground
- Realign HQ TECOM from Aberdeen Proving Ground to White Sands Missile Range

CLOSE HOLD / SENSITIVE

THE ARMY BASING STUDY

# Document Separator



DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF STAFF  
200 ARMY PENTAGON  
WASHINGTON DC 20310-0200



REPLY TO  
ATTENTION OF

April 14, 1995

The Honorable Alan J. Dixon  
Chairman, The Defense Base Closure  
and Realignment Commission  
1700 North Moore Street, Ste. 1425  
Arlington, Virginia 22209

Dear Chairman Dixon:

Thank you for providing us with a copy of the attached letter from the Missouri Congressional Delegation (the "MCD Letter"), which suggests that the Secretary of Defense improperly recommended to the 1995 Defense Base Closure and Realignment Commission the closure of Aviation and Troop Command (ATCOM). I would like to respond on behalf of the Army, and I appreciate this opportunity to present the Army's views on the several issues that the MCD Letter raises, and to explain why these issues should not lead the 1995 Commission to reject the ATCOM recommendation.

Because we believe that many of these issues stem from a misunderstanding of the way in which the Army's closure and realignment recommendations were formulated, we feel it is useful to provide a brief description of the Army's Base Realignment and Closure (BRAC) process before turning to the particular issues raised by the MCD Letter.

**I. THE ARMY'S BRAC PROCESS AND ITS STATIONING STRATEGY**

As you are aware, the BRAC process is designed to facilitate objective, fair, and open decisions with respect to necessary reductions in military infrastructure. Accordingly, each recommended closure or realignment is arrived at through uniform application of the eight, published Department of Defense (DoD) Selection Criteria. Through evenhanded application of these Selection Criteria within categories, the military value of each particular facility or installation is assessed separately, after which the effects associated with any potential closure or realignment--including the costs to the military, and the implications for affected local communities and the environment--are determined.

### A. The Stationing Strategy

Although the BRAC law establishes a process by which closure and realignment recommendations are to be made, it does not provide any specific objectives with respect to the type, number, and magnitude of the necessary reductions. Accordingly, before the Army could begin its BRAC process, it had to articulate its generalized, strategic and operational basing requirements. The Army elected to do this in a comprehensive planning document: the Army Stationing Strategy.

The Army's Stationing Strategy does not outline specific stationing decisions, nor does it recommend the closure or realignment of any particular installations or facilities. Indeed, the Army elected, wholly apart from any BRAC legal requirement to do so, to develop this Stationing Strategy because of its independent planning utility. Thus, the Army's Stationing Strategy provides an operational foundation upon which BRAC planning and analysis can proceed. It is both antecedent to the BRAC process, insofar as it establishes the parameters within which BRAC decisionmaking takes place, and it is integral to the process, insofar as an assessment of the military value of any particular Army installation or facility must be determined with reference to the objectives set forth in its Stationing Strategy.

### B. The BRAC Process

After developing its Stationing Strategy, the Army began its formal BRAC process with a comprehensive review and inventory of all of its installations. To facilitate fair comparisons, and consistent with Department of Defense policy, the Army assigned each installation or facility to one of 14 categories, each of which contained installations or facilities with similar characteristics. Pursuant to a 1993 BRAC Commission recommendation, and consistent with DoD policy guidance, the Army established a separate, Leased Facilities Category ("LFC") within which leased facilities could be compared to one another.<sup>1</sup>

---

<sup>1</sup>See, Defense Base Closure and Realignment Commission: 1993 Report to the President, 1 July 1993, p. 2-3 ("The Commission suggests DoD direct the services to include a separate category for leased  
(continued...)

*(1) Military Value Assessments*

The Army then applied the Military Value Criteria ("MVC)--i.e., the first four of the published DoD Selection Criteria--to each installation or facility within a category.<sup>2</sup> Like all the published criteria, the MVC were applied uniformly within each category so that, consistent with BRAC law, all installations or facilities would be considered equally, and the military value of each such installation or facility would be assessed separately. Uniform application of the MVC within each category yielded a Military Value Assessment ("MVA") for each particular installation or facility within that category. This MVA was a combination of both quantitative and qualitative assessments of the worth of a particular installation or facility.

In most instances, the quantitative component of the MVA was developed according to the Army's BRAC 95 Installation Assessment Program (IAP), a decision pad

---

<sup>1</sup>(...continued)

facilities during the 1995 process to ensure a bottom-up review of all leased space."). DoD's policy guidance subsequently left to each of the services the decision as to whether to create a separate category for the review of leased facilities. Although the other military departments chose not to create a separate LFC, the Army nonetheless concurred with the 1993 Commission and believed that a separate LFC would yield better analysis of leased facilities.

<sup>2</sup>Consistent with DoD policy guidance and applicable legal requirements, only those activities that were performed in leased space and which share a common mission, have permanently authorized personnel, have a separate support structure, and cost more than \$200K annually were considered in the LFC. As directed by DoD's policy guidance, "[c]ivilian personnel authorizations of organizations in leased space, which are part of an organization [that is either located] on a nearby military installation or . . . [is located] within the same metropolitan statistical area, shall be considered part of the civilian personnel authorizations of that installation." See, "1995 Base Realignment and Closures (BRAC 95) -- Policy Memorandum Three," 29 December 1994, pp. 1-2. Accordingly, these adjunct leases were assessed as part of their host installations.

computer model that was designed to assist in the comparison of installations according to a common set of weighted attributes, each of which related to one of the MVC. Thus, certified data were collected for each of these attributes. This data was then entered into the IAP, which in turn produced an Installation Assessment--i.e., a quantitative ranking of installations within a particular category.

With respect to the LFC, however, the IAP was not employed, because its list of weighted attributes was designed to assist in the comparison of particular *installations*, rather than in the comparison of particular (leased) *facilities*.<sup>3</sup> In other words, installations and leased facilities are fundamentally different, and thus they cannot be evaluated according to the same list of attributes. For example, comparing leased facilities based on things such as each leased facility's aviation maintenance facilities, ranges, hard surface staging areas, and other such attributes incorporated in the IAP model would not have been instructive as to the relative merit of each such facility: no leased facilities possess these attributes, and thus all would have received equally low scores in these areas.

Accordingly, an Installation Assessment was not prepared for facilities within the LFC, and, perhaps in this limited respect, the Army's BRAC process for leased facilities might be said to have differed slightly from its process for other types of installations. In lieu of an Installation Assessment, however, the Army did, as described more fully below, undertake a quantitative assessment of each leased facility according to consideration of empirical attributes that were more directly relevant to comparisons of leased facilities.

Once these quantitative assessments were completed--either through the IAP or, in the LFC, through consideration of other relevant empirical attributes--the qualitative portion of the MVA was undertaken. These qualitative assessments sought to ascertain the consistency of the quantitative assessments with the objectives outlined in the Army's Stationing Strategy. Thus, the Stationing Strategy

---

<sup>3</sup>Groups of leases in the same headquarters and same geographical area were deemed a single facility for the purposes of the Military Value Assessment.

served as a qualitative template against which the quantitative assessments could be measured and revised accordingly.

Therefore, as with other categories, the MVA for each leased facility within the LFC was determined separately. Each such MVA was a combination of both quantitative assessments, which were arrived at through comparisons of relevant empirical data, and qualitative assessments, which were provided by the Army's Stationing Strategy. Although the Army determined separately the Military Value of each leased facility without reference to an Installation Assessment, the MVA of each leased facility was nonetheless composed of a similar quantitative assessment tempered by the qualitative guidance provided by the Stationing Strategy. In no instance did the Army assess the military value of a leased facility solely according to the qualitative guidance provided by the Army's Stationing Strategy.

### *(2) Identification of Study Candidates*

After completing the aforementioned quantitative and qualitative assessments, each installation or facility within a category received a Military Value Assessment relative to other installations of facilities within that category. In turn, those installations or facilities that were deemed to possess relatively low military value within the category were designated as candidates for further study for possible closure or realignment. With respect to the LFC, all facilities within the category were deemed to be of relatively low military value, especially with respect to MVC two and four, and thus all facilities were designated as candidates for further study.

### *(3) Development of Alternatives and Application of DoD Selection Criteria Four through Eight*

Once the Study Candidates were identified for each category, the Army developed between one and six specific base closure and realignment alternatives for each such candidate. These alternatives were derived from force structure decisions, the Stationing Strategy, previous BRAC reviews, Major Army Command recommendations, staff proposals, and Joint Cross-Service Group alternatives. Each of these competing alternatives was then assessed and refined according to affordability, economic and environmental analyses.

More particularly, the fifth DoD Selection Criterion--"[t]he extent and timing of potential cost savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs"--was applied uniformly to all study candidates within a category through use of The Cost of Base Realignment Actions (COBRA) Model, DoD's model for resource analysis and measurement of the affordability of each potential closure or realignment. Thus once relevant data was plugged in for each of the alternatives, the COBRA analysis indicated the likely costs and savings associated with each potential closure or realignment.

The sixth and seventh DoD Selection Criteria-- "[t]he economic impact on communities[,]" and "[t]he ability of both the existing and potential receiving communities' infrastructure to support forces, missions, and personnel[,]" respectively--were applied uniformly to all study candidates within a category through use of DoD's standard model for the calculation of economic impacts. Thus, once relevant data for each of the alternatives was plugged in, this model indicated the likely economic and infrastructure impacts associated with the potential closure or realignment.

Finally, the eighth DoD Selection Criteria--"[t]he environmental impact"--was applied uniformly to all study candidates within a category by an Environmental Review Committee, which collected and analyzed Environmental Baseline Summaries and produced an initial assessment for each installation or facility. Subsequent analysis then refined these assessments, and they were factored into analysis of each of the alternatives.

**II. THE ARMY DID, ACCORDING TO CRITERIA ONE THROUGH FOUR, ASSESS MILITARY VALUE IN THE FORMULATION OF ITS ATCOM RECOMMENDATION.**

The charge that the Army failed to assess military value in the formulation of its ATCOM recommendation is without foundation. MVAs were fundamental to all of the Army's BRAC analysis--including its analysis of leased facilities at ATCOM and elsewhere. Although, for the reasons identified above, facilities within the leasing category were not ranked pursuant to an *Installation Assessment*, a *Military Value Assessment* was nonetheless prepared for each facility within this

category.<sup>4</sup>

The quantitative component of these MVAs took the form of assessments of lease costs, space, features, and other common attributes of leased facilities. The qualitative component of these MVAs consisted of evaluating the utility of each facility in light of both the Stationing Strategy's general operational objectives--i.e., "[e]liminate excess capacity[,] . . . [m]inimize use of leased space[,] . . . [and] [c]ollocate tenants from different major commands where functional synergy can be obtained and facility support is-available"--and its more particular operational objectives with respect to commodity-oriented commands such as ATCOM--i.e., achieve "[e]fficiency . . . through collocation and integration of research, engineering, acquisition and logistics functions, as well as reduce[] overhead[.]"

Just as with other categories of installations, MVAs for each facility within the LFC category were arrived at through uniform application of each of the four Military Value Criteria. With respect to the ATCOM leases, each of the four criteria was applied to arrive at a MVA for the facility.

---

<sup>4</sup>It appears that in part, the MCD Letter may have mistaken an "Installation Assessment" for a "Military Value Assessment", and the MCD therefore concluded that since the former was not prepared for facilities within the leasing category, no Military Value Assessments were undertaken for facilities within the category. As noted above, the two are not the same. An Installation Assessment is merely a discretionary, quantitative ranking of installations within a category according to a decision pad computer model. It may form the quantitative component of a Military Value Assessment, but it alone does not comprise the Military Value Assessment. Conversely, a Military Value Assessment in a mandatory determination, consisting of both quantitative and qualitative measures of the worth of each installation or facility within a category. Thus a Military Value Assessment may depend in part upon an Installation Assessment--if such an assessment is appropriate for facilities or installations within a particular category--but it need not be based upon such an Installation Assessment.

A. Application of the First Criterion: "current and future mission requirements and the impact on operational readiness of DoD's total force."

The Army considered, in both quantitative and qualitative terms, ATCOM's current and future mission requirements and their impact on the operational readiness of the armed forces. Quantitatively, it considered the attributes of leased facilities that bore on such requirements and readiness, such as the size of the facilities according to their type, the population housed, the costs of the lease, and the penalties to terminate the lease. Qualitatively, the Army assessed existing ATCOM leased facilities in light of the aforementioned general and more particularized objectives of the Stationing Strategy.

B. Application of the Second Criterion: "availability and condition of land and facilities at both the existing and potential receiving locations."

The Army considered, in both quantitative and qualitative terms, the availability and condition of land and facilities at ATCOM's existing leased sites and at potential receiving sites such as Redstone Arsenal, Corpus Christi Army Depot, Rock Island Arsenal, Aberdeen Proving Ground, Detroit Arsenal, Fort Monmouth, and Natick Research, Development, Engineering Center. Quantitatively, it considered the attributes of leased facilities that bore on such matters, collecting information on such things as the percent of permanent facilities at an existing leased site and potential receiving sites, the average age of facilities at each location, and the features and size of such facilities accordingly to their type. As part of this analysis, the Army used its corporate facility data base to determine whether facilities were available at potential receiving locations, and, if so, whether they required renovation to accommodate a relocating function. If facilities were not available, then the data base was used to determine what facilities would have to be constructed to accommodate such relocations. Qualitatively, the Army once again assessed its quantitative analysis in light of the aforementioned general and more particularized objectives of its Stationing Strategy.

*Provide  
DOCS to  
Mike Kennedy  
+ show when  
+ where  
presented to SA*

*took this  
data + apply it  
to 4 criteria?  
B.O. says no.*

*Let's mgmt - control plan  
OR  
Evid. shows used plan  
data into cases not  
MVA  
re chart*

C. Application of the Third Criterion: "ability to accommodate contingency, mobilization, and future requirements at both existing and potential receiving locations."

The Army considered, both in quantitative and qualitative terms, ATCOM's ability to accommodate contingency, mobilization, and future requirements at both its present location and at other potential locations. Quantitatively, the Army considered the attributes of leased facilities and potential receiving locations that bore on such abilities, examining things such as buildable acres or unused space or buildings, the ability of information systems at both locations to accommodate expansions, the sites' proximity to or possession of an airport. Qualitatively, the Army again reviewed its quantitative findings in light of the general and more particularized objectives set forth in its stationing strategy.

D. Application of the Fourth Criterion: "cost and manpower implications."

The Army considered, both in quantitative and qualitative terms, the manpower and cost implications of retaining ATCOM at its existing leased sites or relocating functions to several other installations. Quantitatively, it considered the attributes that bore on such manpower and cost factors, collecting data on things such as the square footage requirements at existing and potential receiving sites, the costs per square foot of existing leased space and space elsewhere, the manpower-to-square-footage requirements of ATCOM at its existing and potential receiving locations. Qualitatively, and as with the other criteria, the Army assessed its quantitative assessments with reference to the general and more particularized objectives outlined in its Stationing Strategy.

III. THE ARMY COMPLIED WITH ITS STATIONING STRATEGY IN THE FORMULATION OF ITS ATCOM RECOMMENDATION.

The charge that the Army has not complied with its Stationing Strategy in the formulation of its ATCOM recommendation is incorrect. As explained above, the Army's Stationing Strategy is a planning document that provides guidance to its managers with respect to future operational requirements. This operational blueprint does, as noted above, encourage increased efficiency and reductions in overhead. It also, however, encourages the Army to minimize the use of

leased space, eliminate excess capacity, and collocate activities where functional synergy can be achieved and facility support is available.

The ATCOM recommendation complies fully with all of the Army's Stationing Strategy's objectives and guidance. This recommendation increases efficiency through collocation, integration, or relocation of discrete research, engineering, acquisition, and logistics functions at several installations. In turn, the synergies achieved through such collocations, integrations, and relocations assist in reducing overhead costs--in large part because once they are relocated, fewer personnel are required to accomplish the same functions. Moreover, the ATCOM recommendation is fully consistent with the Stationing Strategy's other objectives insofar as it minimizes the use of leased space, eliminates excess capacity at receiving locations, and, as noted above, achieves a number of functional synergies.

**IV. THE ARMY DID NOT OVERSTATE THE SAVINGS IT WOULD EXPECT TO REALIZE FROM THE CLOSURE OF ATCOM.**

The allegation that the Army has overstated the savings it expects to realize from the closure of ATCOM is without merit. The Army would save nearly \$50 million annually as a result of the synergies, efficiencies, and consolidations it expects to realize from the closure of ATCOM.

Contrary to the suggestion in the MCD Letter, the DoD COBRA model does not consider, or take credit for, any savings that might result from any previously planned personnel reductions or reductions that are otherwise independent of the BRAC process; only those savings associated with personnel reductions generated by a proposed closure or realignment are considered. Moreover, the DoD COBRA model is designed to assess only the potential savings that DoD likely would realize from the closure or realignment of any particular installation or facility. Whether the Federal Government would also likely save money as a result of any particular closure or realignment is a broader question that the current process was simply not designed to address. Nonetheless, we note that if the Army vacates GSA leased space, then GSA could make such space available to another Federal agency, or it could dispose of the property entirely--either of which could result in savings to the Federal Government.

Finally, the Army did conclude in its 1993 BRAC analysis that the relocation of ATCOM to a *single* installation would be too expensive. However, the 1995 recommendation, by relocating functions to *several* installations, avoids many of the significant construction costs, that, in large part, were responsible for the high costs associated with relocation in 1993. Indeed, if the Army had considered disestablishing ATCOM and relocating its functions to several installations during its 1993 BRAC process, then it likely would have forwarded such a recommendation to the 1993 Commission.

**V. THE ARMY CONSIDERED ALL PRACTICABLE ALTERNATIVES IN THE FORMULATION OF ITS RECOMMENDATION TO CLOSE ATCOM.**

The suggestion that the Army failed to consider more cost-effective alternatives to the closure of ATCOM is inaccurate. As explained above, BRAC analysis necessarily considers feasible, competing alternatives, and the recommended closure of ATCOM was the best of these alternatives. The Army did consider alternatives to the ATCOM recommendation, such as relocating Headquarters, Strategic Space and Defense Command ("SSDC") from a leased facility to Redstone Arsenal. However, the COBRA analysis performed for this alternative indicated that it would cost more and save less. Moreover, this alternative was less consistent with the Army's Stationing Strategy, since relocation of SSDC to Redstone Arsenal would not increase efficiency, reduce overhead, or create any functional synergies.

**VI. CONCLUSIONS**

In summary, we do not believe that any of the issues raised by the MCD Letter can withstand close scrutiny. Through uniform application of the Military Value Criteria within each category, the Army developed a separate Military Value Assessment for each installation and facility--including those in the Leased Facility Category. The ATCOM recommendation is fully-consistent with the Stationing Strategy's guidance, and the Army did not overstate or improperly calculate the savings that would be realized from the recommended closure of ATCOM. Lastly, the Army's BRAC process ensured that all practicable and feasible alternatives were considered.

Thank you again for allowing us to address these issues. We hope that this letter will assist the Commission in understanding the Army's BRAC processes in general, and its recommendation respecting ATCOM in particular.



James E. Shane, Jr.  
Brigadier General, US Army  
Director of Management

Attachment

# Document Separator

# MANAGEMENT CONTROL PLAN

## The Army Basing Study Office of the Chief of Staff of the Army Base Realignment and Closure Process (BRAC 95)

### I. INTRODUCTION

#### A. Background

The exclusive procedures by which the Secretary of Defense (SECDEF) may pursue closure or realignment of military installations, inside the United States, are contained in Part A, Title XXIX of Public Law 101-510, entitled as the Defense Base Closure and Realignment Act of 1990; as amended; hereafter referred to as Base Closure Act (Annex A). The Base Closure Act also includes a provision for the President to appoint an independent Base Closure and Realignment Commission to review the SECDEF recommendations in calendar years 1991, 1993, and 1995.

The Deputy Secretary of Defense (DEPSECDEF) memorandum dated 7 January 1994 (Annex B), sets forth policy guidance, procedures, authorities, and responsibilities for the forthcoming base closure and realignment study effort for 1995. DEPSECDEF guidance includes a requirement for the establishment of BRAC-95 Joint Cross-Service Groups (JCSG) in five functional areas to identify significant cross-service opportunities as well as a sixth JCSG to develop improvements in economic impact assessments.

The Army Basing Study (TABS) Charter establishes the authority of the TABS office and assigns responsibilities for execution of the BRAC 95 process (Annex C). The charter was signed by the Acting Secretary of the Army and the Vice Chief of Staff, Army on 1 August 1993.

The Chief of Staff of the Army memorandum dated March 1994 (Annex D), kicks off the BRAC 95 process and identifies the policy oversight role of the Under Secretary of the Army and the Vice Chief of Staff, Army. The Assistant Secretary of the Army (Installations, Logistics and Environment) is responsible for policy and management of all BRAC initiatives. The Director of Management will coordinate the BRAC 95 effort, identifying actions and milestones critical to synchronizing the Army's effort with that of DoD and the other Services.

#### B. Mission

TABS will examine the issues surrounding the realignment and closure of Army installations within the 50 States, the District of Columbia and U.S. commonwealths, territories and possessions, and make recommendations to the Secretary of the Army and Chief of Staff

flexible and builds upon the experience of current members. Training covers BRAC and TABS process orientations, DA Staff orientations and their specific roles in the BRAC process, Management Directorate orientation, TABS models and application orientation, TJAG participation and availability and the BRAC law, Joint Cross-Service Group participation and purpose, summaries of economic and environmental considerations of BRAC, PC software, office procedures summaries, and HQ, DADSS classes and certification.

**3. Installation Assessment:** The BRAC 95 Installation Assessment (AI) program is designed to provide the senior Army leadership a measure of the relative military value of installations and facilities used by Army organizations. The proponent office for the IA process is TABS.

The IA process is a systematic method to assess and compare the value of installations with similar functions. This process ranks all installations within a set category (1 to n) on an order of merit list. Installations are staffed with the Army's Major Commands (MACOM) to determine the appropriate categories. The categories for BRAC 95 are: Maneuver, Training Areas, Training Schools, Professional Schools, Maintenance Depots, Ammunition Production, Ammunition Storage, Industrial, Commodity Oriented, Ports, Medical Centers and Leases. There are about 100 installations included within these categories.

Each category of installations is compared using a set of attributes such as square feet of facilities, size of maneuver and impact areas, cost to operate, etc. There are 20 to 30 attributes per category. Each attribute is linked to one of the four DoD selection criteria that measure Military Value: Mission Requirements, Condition of Land and Facilities, Cost and Manpower, and Future Requirements.

The IA process requires MACOMs to provide products and data to HQDA that will be published in the Army's BRAC recommendations. Because of this, all IA data must be certified. AAA will work with TABS in insuring the process and data meet the certification requirements.

**4. Installation Environmental Assessment:** The environmental analysis process required in support of the Army's BRAC 95 recommendations is shown in the chart below (figure IV.4). The environmental analysis is performed by the Environmental Review Committee (ERC). The ERC is composed of several Subject Matter Experts from the Army's Environmental Programs Directorate and are designated as trusted agents working in a close hold forum for TABS. The TABS Environmental Integrator will have oversight over the ERC and be responsible for the integration of the analysis into the Army's recommendations.

The environmental analysis runs concurrently with TABS' recommendation process during which coordination and the transaction of data between TABS and ERC is required. During the first stages of the recommendation process, the Installation Environmental Baseline Summary (IEBS) data call is analyzed by the ERC, producing an initial environmental assessment of all BRAC installation study candidates from both a closure and realignment perspective. This assessment

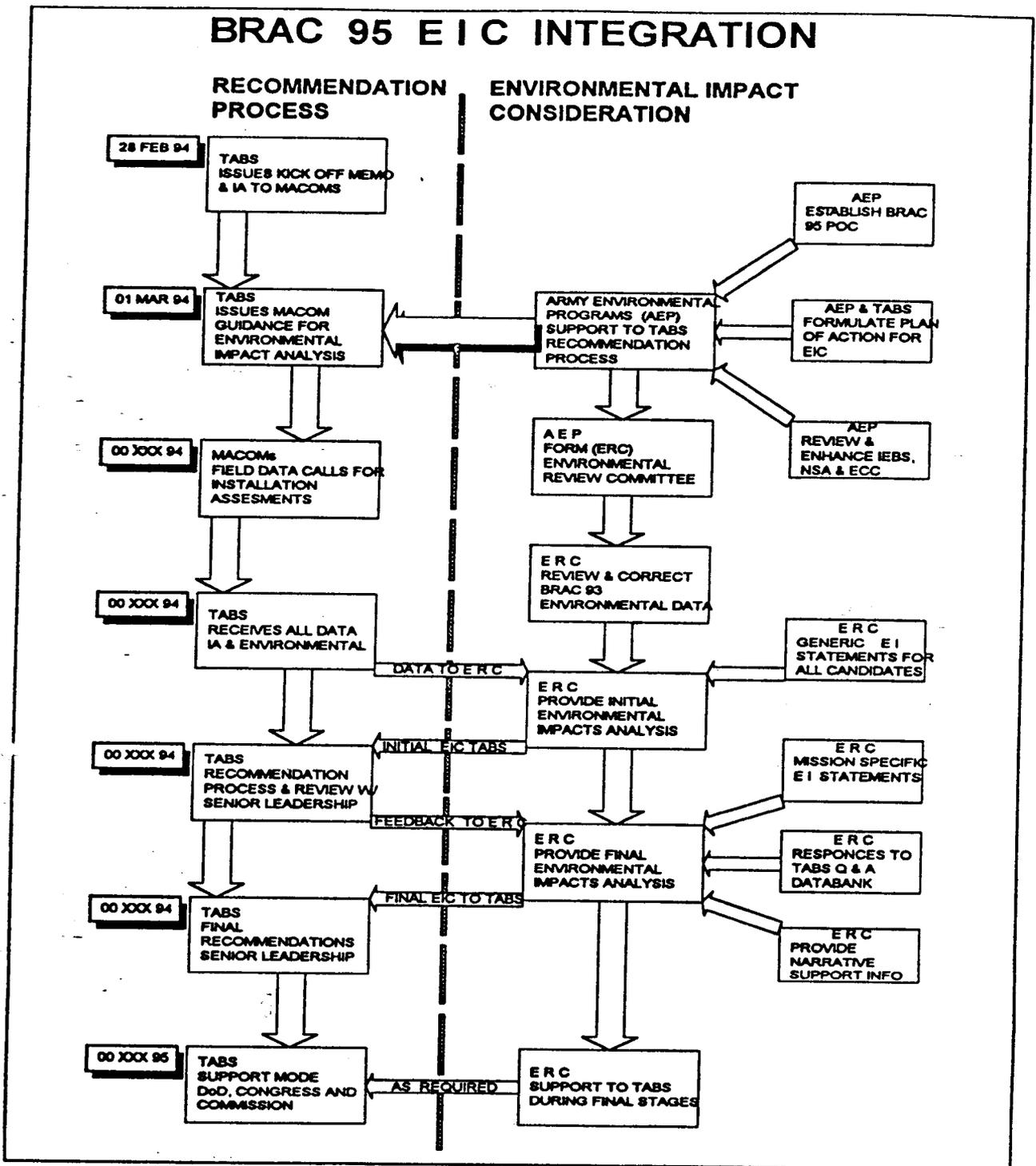


Figure IV.4 - Environment Process

indicates an installation's environmental carrying capacity and potential hurdles for a BRAC

recommendation. These IEBS are then incorporated into the installation reviews.

As the Army's recommendations become site specific, the ERC will study each case in greater detail and will provide TABS with a finalized environmental assessment during the Detailed Analysis phases. In addition to the final analysis, the ERC will be utilized by TABS in an ancillary support role during DoD, Congress and the Commissions review.

**5. Installation Reviews:** Installation reviews represents a one stop information source for all above threshold installations. Each review will include historical research, location information, missions, units supported, basic budget information, personnel summaries, past BRAC actions, new missions, new/planned facilities, range improvements, restructuring actions, DoD selection criteria / attributes, environmental considerations, facility capacities, economic profile, and installation unique characteristics. The format for these reviews is in Annex N. These reviews will be researched, compiled, and briefed by the functional area expert to the TABS group to educate and surface concerns and to develop possible alternative candidates for analysis, either as a gaining or losing installations. The draft form of these reviews will be completed prior to MACOM and installation visits and finalized with the certified and installation visit data. These installation reviews will be published by installation category as supporting documentation to BRAC 95 recommendation.

### **C. TABS Detailed Analysis Phase:**

This phase is at the heart of the TABS process. During this phase, TABS analyzes potential BRAC alternatives to develop the initial recommendations to be reviewed in follow-on phases. The controls during this phase remain constant from the previous phase and the following inputs are carried forward: lessons learned, Task Force output, and MACOM input. New inputs include certified data from the IA data call, an installation order of merit list (OML), installation review narratives, environmental installation baseline studies (IEBS). These combined inputs are used to develop the Military Value Assessment from the installation IA OML. Once the values are determined, the installations are placed into three bands of consideration; enduring installations, high military value, and lesser military value. Installation category screening is performed to determine feasible category candidates and possible scenarios. At this point, COBRA, and OSUB models are run to examine scenarios and identify initial affordable candidates. These initial candidates will then go through an integration process that looks at cross-category solutions. Additional inputs at this level will include Leased facility data and JCSG activity candidate data. The detailed procedures for this analysis is contained in the Analytical SOP located at Annex K.

The key outputs from this phase include the final Environmental Impact Considerations (EIC), Detailed Installation Narratives, and the Initial Army Recommendations for closure and realignment.

The following charts show the detailed process (figure IV.5) and milestones (figure IV.6) associated with this second phase of the TABS process.

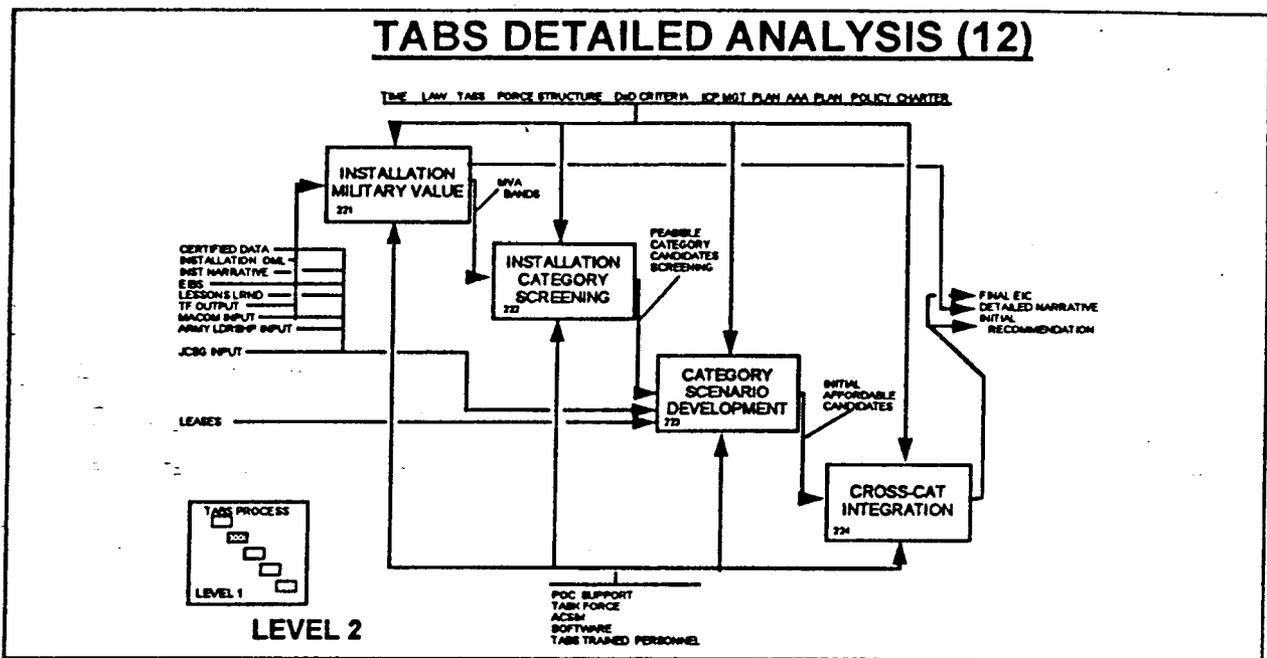


Figure IV.5 - Detailed Analysis Phase

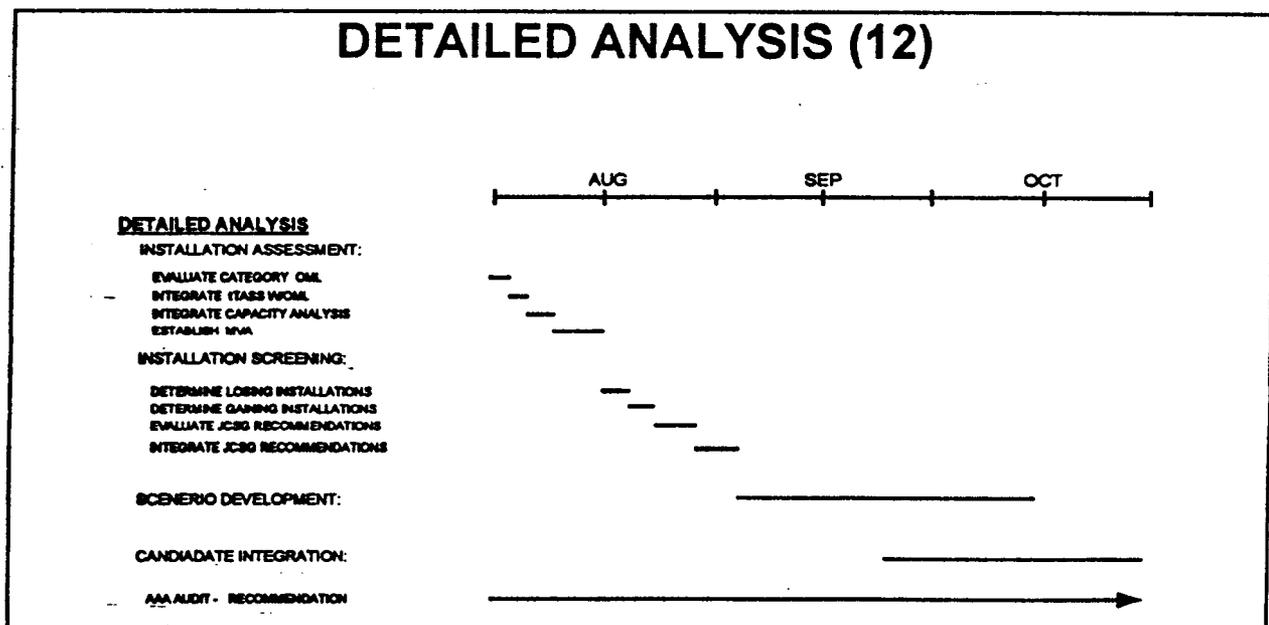


Figure IV.6 - Detailed Analysis Milestones

**1. Installation Military Value:** The installation military value bands are developed from the IA OML developed in the Policy Preparation phase of the TABS process. The IA OML is evaluated and adjustments are made in accordance with operational requirements of the Army Stationing Strategy (TASS), provided by Office of the Deputy Chief of Staff for Operations (ODCSOPS). The Stationing Strategy incorporates the MACOM level requirements to meet the needs of the Army. Banding of installations into enduring, high military value, and lower military value is achieved through a combination of the stationing strategy requirements, ACSIM facility capacity/requirements system and by a general statistical process. These bands are then used to start the detailed alternative analysis.

**2. Initial Category Screening:** The focus of this operation is determining losing and gaining installations based on the military value bands and JCSG activity recommendations; and determining possible scenarios within each category of installations. The product is feasible category candidates for scenario runs. At this point the study candidates must be identified using a standard format contained in the analytical procedures SOP. The steps at this stage are:

- Identifying organizations and installations by source, e.g. MVA band, TASS, MACOM Vision, etc.
- Data review of the installation per the ASIP Troop List Ordered by Major Unit and the Station Report.
- Using the HQRPLANS Stationing Data Input and Output Report Work sheet to prepare stationing scenarios.

**3. Category Scenario Development:** Inputs include the previous information plus leased facilities. At this point cost, economic, and environmental inputs are considered and the product of initial affordable candidates is presented. Detailed instructions for this action is contained in the TABS Analytical Procedures SOP. The steps included in this process include:

- Record the BRAC Alternative using the TABS standard system.
- Analyze the BRAC Alternatives using Stationing Reports from HQRPLANS.
- Entered data into COBRA.
- Analyze COBRA output.
- Terminate analysis as not feasible or consider it as an initial BRAC Recommendation.
- Document alternative analysis.

# Document Separator

# The Army's Process and Recommendations Were Generally Sound, With Cost Considerations Eliminating Some Potential Closures and Realignments

The Army is recommending the closure and realignment of 44 installations, including 3 leases of facilities, and 15 minor sites. These recommendations incorporate several alternatives provided by cross-service groups. The Army's process for evaluating and recommending installations for closure or realignment was generally sound and well documented. However, we are highlighting some recommendations for the Commission's attention because of a variance in how they were assessed compared to others or because of other open issues.

Implementation costs were a significant factor in the Army's decision-making, but only after military value analyses had identified candidate installations for study. At the same time, some candidate installations/facilities ranked relatively low in military value and had the potential for long-term savings, but they were excluded from closure or realignment consideration because of closing costs and other considerations.

## Few Changes Were Made to the Army's Sound Process

The Army completed its BRAC 1995 review using basically the same process it had used in prior rounds. Only a few changes were made to the process for BRAC 1995, including (1) the basing categories for some facilities to provide a different grouping for a better assessment of relative military value and (2) a more direct and clear link between the Army's data calls and DOD's four military value selection criteria. The Army's process for evaluating and recommending installations for closure and realignment generally complied with legislation and OSD policy guidance, was well documented, was supported by generally accurate data, and appeared reasonable.<sup>1</sup> Although explainable, there was some variance in the Army's application of its process for two groups of installations and facilities.

In keeping with a suggestion from the 1993 BRAC Commission's report, the Army also established a separate review category for leased facilities. All leases (including groups of leases in the same headquarters and same geographical area) costing more than \$200 thousand per year were identified as study candidates. However, the Army's military value analysis for leased facilities was not done in the same way as it was for installations. To assess the military value, an installation assessment was

<sup>1</sup>The Army Audit Agency (AAA) provided comprehensive review and oversight of each segment of the process, to include reviewing the primary data sources and analytical approaches; this included checking COBRA entries against source documents. In all cases where discrepancies were found, corrections were made. None of the discrepancies, however, were considered material or affected any of the recommended closures or realignments.

Chapter 5  
The Army's Process and Recommendations  
Were Generally Sound, With Cost  
Considerations Eliminating Some Potential  
Closures and Realignments

\* ( coupled with the operational requirements in the stationing strategy. In contrast, the stationing strategy alone provided the basis for the military value of leased facilities. One tenet of the stationing strategy was to minimize the use of leased facilities. The Army did not prepare installation assessments for leased facilities because it believed that they do not have the same measurable attributes and characteristics as installations and were not competing against each other for retention purposes.

The Army also included within its BRAC process a review of minor sites, many of which contained less than 100 acres and had few, if any, tenants or employees. These sites were identified by the major commands as being excess to their needs and of low military value. These sites were added during the latter stages of the Army's BRAC process and also underwent a different review from the normal military value assessment completed under the Army's BRAC process. Once identified as excess to the Army's needs and of low military value by the major commands, the Army's BRAC group evaluated the impact of closing each site on operations and the ROI.

We monitored all aspects of the decision process from the beginning. We had access to and reviewed key documents, discussing aspects with key officials, and observed the process as it occurred. We also sat in on selected meetings and were able to verify that the Army was following its established policies and procedures. As a result, we were able to track the analysis of each installation through the process. The Army gave priority consideration to military value criteria, as required, and its decision-making appeared logical, consistent, and fair. Some installations were not selected for closure, based on closing costs and/or operational considerations, even though they ranked relatively low in military value compared with other installations in the respective installation categories.

An important part of the Army's process, as in prior BRAC rounds, was periodic consultation with senior military and civilian Army officials. These key Army officials were involved in each phase of the process. Deliberative minutes were kept for each of the meetings with the key officials. These minutes documented key decisions made during the process relative to the Army's installations. The end result was the closure and realignment recommendations made by the Secretary of the Army to the Secretary of Defense.

# Document Separator



**THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION**  
1700 NORTH MOORE STREET SUITE 1425  
ARLINGTON, VA 22209  
703-696-0504

ALAN J. DIXON, CHAIRMAN

**COMMISSIONERS:**

AL CORNELLA  
REBECCA COX  
GEN J. B. DAVIS, USAF (RET)  
S. LEE KLING  
RADM BENJAMIN F. MONTOYA, USN (RET)  
MG JOSUE ROBLES, JR., USA (RET)  
WENDI LOUISE STEELE

**LEGAL MEMORANDUM**

**TO:** All Commissioners, David Lyles, Ben Borden, Ed Brown

**FROM:** Ralph Kaiser

**THROUGH:** Madelyn Creedon

**SUBJECT:** Evaluation of the Army's Military Value Assessment of Aviation-Troop Command

**DATE:** 19 June 1995

**Department of Defense (DoD) Recommendation**

Disestablish Aviation-Troop Command (ATCOM), and close by relocating its mission/functions as follows:

- Relocate Aviation Research, Development & Engineering Center; Aviation Management; and Aviation Program Executive Offices to Redstone Arsenal, Huntsville, AL, to form the Aviation & Missile Command.
- Relocate functions related to soldier systems to Natick Research, Development, Engineering Center, MA, to align with the Soldier Systems Command.
- Relocate functions related to materiel management of communications-electronics to Fort Monmouth, NJ, to align with Communications-Electronics Command.
- Relocate automotive materiel management functions to Detroit Arsenal, MI, to align with Tank-Automotive and Armaments Command.

Department of Defense Base Closure and  
Realignment Report, March 1995, p. 5-31

## **Background**

The Missouri Congressional delegation has alleged the Army failed to perform a military value assessment (MVA) of the ATCOM lease in St. Louis, Missouri. They believe this is a substantial deviation from the final criteria (I-IV) and, therefore, the Commission should reject the recommendation. The Army has responded to the contrary in numerous responses to our inquiries.

### **The Army's Military Value Assessment (MVA) of Leases<sup>1</sup>**

In general, the Army developed its MVA according to its BRAC 95 Installation Assessment Program (IAP). The quantitative component of the MVA was then fed into a decision pad computer model designed to assist in the comparisons of installations according to a common set of weighted attributes, each of which relates to one of the military value criteria (or final criteria I-IV).

With respect to leases, however, the IAP was not employed because its list of weighted attributes was designed to assist in the comparison of particular *installations*, rather than in the comparison of particular leased *facilities*. For example, comparing leased facilities based on attributes such as each leased facility's aviation maintenance facilities, ranges, and other such attributes, incorporated into the IAP model, would not have been instructive as to the relative merit of each such facility because no leased facilities possess these attributes (and thus all would have received equally low scores). Leased facilities are, in essence, office space. Accordingly, an Installation Assessment was not prepared for leased facilities. In this respect, the Army did not perform its traditional MVA for leased facilities. However, in lieu of this traditional Installation Assessment, the Army did undertake a quantitative assessment of each leased facility using empirical attributes that were more directly relevant to comparisons of leased facilities.

Once these Installation Assessments for leases were completed, the qualitative portion of the MVA was then undertaken. These qualitative assessments sought to ascertain the consistency of the quantitative assessments with the objectives outlined in the Army's Stationing Strategy. The stationing strategy served as a qualitative template against which the quantitative assessments could be measured and revised accordingly. Therefore, although the Army determined the military value of each leased facility without reference to the Installation Assessment Program, the MVA of each leased facility was nonetheless composed of a similar quantitative assessment tempered by the qualitative guidance provided by the Stationing Strategy.

---

<sup>1</sup> The information in this section was extracted chiefly from the Army Basing Study and BG Shane's letter to Chairman Dixon, dated April 14, 1995, responding to the Missouri delegation's initial assertion of substantial deviation in the recommended closure of ATCOM.

## **Summary and Conclusion**

Military value of leased facilities was analyzed by the Army, albeit in a different way than non-leased or owned facilities. Although different, the analysis was consistent with the type of analysis performed on owned facilities. Because the Army did not fail to perform a military value analysis, there is no basis for a finding of substantial deviation as argued by the Missouri delegation.



THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION  
1700 NORTH MOORE STREET SUITE 1425  
ARLINGTON, VA 22209  
703-696-0504

ALAN J. DIXON, CHAIRMAN

COMMISSIONERS:  
AL CORNELLA  
REBECCA COX  
GEN J. B. DAVIS, USAF (RET)  
S. LEE KLING  
RADM BENJAMIN F. MONTOYA, USN (RET)  
MG JOSUE ROBLES, JR., USA (RET)  
WENDI LOUISE STEELE

**LEGAL MEMORANDUM**

TO: All Commissioners, David Lyles, Ben Borden, Ed Brown

FROM: Ralph Kaiser

THROUGH: Madelyn Creedon

SUBJECT: Evaluation of the Army's Military Value Assessment of Aviation-Troop Command

DATE: 19 June 1995

**Department of Defense (DoD) Recommendation**

Disestablish Aviation-Troop Command (ATCOM), and close by relocating its mission/functions as follows:

- Relocate Aviation Research, Development & Engineering Center; Aviation Management; and Aviation Program Executive Offices to Redstone Arsenal, Huntsville, AL, to form the Aviation & Missile Command.
- Relocate functions related to soldier systems to Natick Research, Development, Engineering Center, MA, to align with the Soldier Systems Command.
- Relocate functions related to materiel management of communications-electronics to Fort Monmouth, NJ, to align with Communications-Electronics Command.
- Relocate automotive materiel management functions to Detroit Arsenal, MI, to align with Tank-Automotive and Armaments Command.

Department of Defense Base Closure and  
Realignment Report, March 1995, p. 5-31

## **Background**

The Missouri Congressional delegation has alleged the Army failed to perform a military value assessment (MVA) of the ATCOM lease in St. Louis, Missouri. They believe this is a substantial deviation from the final criteria (I-IV) and, therefore, the Commission should reject the recommendation. The Army has responded to the contrary in numerous responses to our inquiries.

### **The Army's Military Value Assessment (MVA) of Leases<sup>1</sup>**

In general, the Army developed its MVA according to its BRAC 95 Installation Assessment Program (IAP). The quantitative component of the MVA was then fed into a decision pad computer model designed to assist in the comparisons of installations according to a common set of weighted attributes, each of which relates to one of the military value criteria (or final criteria I-IV).

With respect to leases, however, the IAP was not employed because its list of weighted attributes was designed to assist in the comparison of particular *installations*, rather than in the comparison of particular leased *facilities*. For example, comparing leased facilities based on attributes such as each leased facility's aviation maintenance facilities, ranges, and other such attributes, incorporated into the IAP model, would not have been instructive as to the relative merit of each such facility because no leased facilities possess these attributes (and thus all would have received equally low scores). Leased facilities are, in essence, office space. Accordingly, an Installation Assessment was not prepared for leased facilities. In this respect, the Army did not perform its traditional MVA for leased facilities. However, in lieu of this traditional Installation Assessment, the Army did undertake a quantitative assessment of each leased facility using empirical attributes that were more directly relevant to comparisons of leased facilities.

Once these Installation Assessments for leases were completed, the qualitative portion of the MVA was then undertaken. These qualitative assessments sought to ascertain the consistency of the quantitative assessments with the objectives outlined in the Army's Stationing Strategy. The stationing strategy served as a qualitative template against which the quantitative assessments could be measured and revised accordingly. Therefore, although the Army determined the military value of each leased facility without reference to the Installation Assessment Program, the MVA of each leased facility was nonetheless composed of a similar quantitative assessment tempered by the qualitative guidance provided by the Stationing Strategy.

---

<sup>1</sup> The information in this section was extracted chiefly from the Army Basing Study and BG Shane's letter to Chairman Dixon, dated April 14, 1995, responding to the Missouri delegation's initial assertion of substantial deviation in the recommended closure of ATCOM.

### **Summary and Conclusion**

Military value of leased facilities was analyzed by the Army, albeit in a different way than non-leased or owned facilities. Although different, the analysis was consistent with the type of analysis performed on owned facilities. Because the Army did not fail to perform a military value analysis, there is no basis for a finding of substantial deviation as argued by the Missouri delegation.

**LEGAL MEMORANDUM**

TO: All Commissioners, David Lyles, Ben Borden, Ed Brown

FROM: Ralph Kaiser

THROUGH: Madelyn Creedon

SUBJECT: Evaluation of the Army's Military Value Assessment of Aviation-Troop Command

DATE: 19 June 1995

**Department of Defense (DoD) Recommendation**

Disestablish Aviation-Troop Command (ATCOM), and close by relocating its mission/functions as follows:

- Relocate Aviation Research, Development & Engineering Center; Aviation Management; and Aviation Program Executive Offices to Redstone Arsenal, Huntsville, AL, to form the Aviation & Missile Command.
- Relocate functions related to soldier systems to Natick Research, Development, Engineering Center, MA, to align with the Soldier Systems Command.
- Relocate functions related to materiel management of communications-electronics to Fort Monmouth, NJ, to align with Communications-Electronics Command.
- Relocate automotive materiel management functions to Detroit Arsenal, MI, to align with Tank-Automotive and Armaments Command.

Department of Defense Base Closure and  
Realignment Report, March 1995, p. 5-31

## **Background**

The Missouri Congressional delegation has alleged the Army failed to perform a military value assessment (MVA) of the ATCOM lease in St. Louis, Missouri. They believe this is a substantial deviation from the final criteria (I-IV) and, therefore, the Commission should reject the recommendation. The Army has responded to the contrary in numerous responses to our inquiries.

### **The Army's Military Value Assessment (MVA) of Leases<sup>1</sup>**

In general, the Army developed its MVA according to its BRAC 95 Installation Assessment Program (IAP). The quantitative component of the MVA was then fed into a decision pad computer model designed to assist in the comparisons of installations according to a common set of weighted attributes, each of which relates to one of the military value criteria (or final criteria I-IV).

With respect to leases, however, the IAP was not employed because its list of weighted attributes was designed to assist in the comparison of particular *installations*, rather than in the comparison of particular leased *facilities*. For example, comparing leased facilities based on attributes such as each leased facility's aviation maintenance facilities, ranges, and other such attributes, incorporated into the IAP model, would not have been instructive as to the relative merit of each such facility because no leased facilities possess these attributes (and thus all would have received equally low scores). Leased facilities are, in essence, office space. Accordingly, an Installation Assessment was not prepared for leased facilities. In this respect, the Army did not perform its traditional MVA for leased facilities. In lieu of this traditional Installation Assessment, the Army did, however, undertake a quantitative assessment of each leased facility using empirical attributes that were more directly relevant to comparisons of leased facilities.

Once these Installation Assessments for leases were completed, the qualitative portion of the MVA was then undertaken. These qualitative assessments sought to ascertain the consistency of the quantitative assessments with the objectives outlined in the Army's Stationing Strategy. The stationing strategy served as a qualitative template against which the quantitative assessments could be measured and revised accordingly. Therefore, although the Army determined the military value of each leased facility without reference to the Installation Assessment Program, the MVA of each leased facility was nonetheless composed of a similar quantitative assessment tempered by the qualitative guidance provided by the Stationing Strategy.

---

<sup>1</sup> The information in this section was extracted chiefly from the Army Basing Study and BG Shane's letter to Chairman Dixon, dated April 14, 1995, responding to the Missouri delegation's initial assertion of substantial deviation in the recommended closure of ATCOM.

## **Summary and Conclusion**

Military value of leased facilities was analyzed by the Army, albeit in a different way than owned facilities. Although different, the analysis was consistent with the type of analysis performed on owned facilities. The Army did not fail to perform a military value analysis. As a result, there is no basis for a finding of substantial deviation as argued by the Missouri delegation.

**LEGAL MEMORANDUM**

TO: All Commissioners, David Lyles, Ben Borden, Ed Brown

FROM: Madejyn Creedon, Ralph Kaiser

TIMOTHY: ↓

SUBJECT: Evaluation of the Army's Military Value Assessment of Aviation-Troop Command, Missouri

DATE: 18 June 1995

**Department of Defense (DoD) Recommendation**

Disestablish Aviation-Troop Command (ATCOM), and close by relocating its mission/functions as follows:

- Relocate Aviation Research, Development & Engineering Center; Aviation Management; and Aviation Program Executive Offices to Redstone Arsenal, Huntsville, AL, to form the Aviation & Missile Command.
- Relocate functions related to soldier systems to Natick Research, Development, Engineering Center, MA, to align with the Soldier Systems Command.
- Relocate functions related to materiel management of communications-electronics to Fort Monmouth, NJ, to align with Communications-Electronics Command.
- Relocate automotive materiel management functions to Detroit Arsenal, MI, to align with Tank-Automotive and Armaments Command.

Department of Defense Base Closure and  
Realignment Report, March 1995, p. 5-31

## D R A F T

### Background

The Missouri Congressional delegation has alleged the Army failed to perform a military value assessment (MVA) of the ATCOM lease in St. Louis, Missouri, ~~and therefore, because the~~ <sup>They believe</sup> ~~Army has deviated~~ <sup>deviation</sup> substantially from the final criteria (I-IV), the Commission should reject the recommendation. ~~The Army has responded to the contrary in numerous responses to our inquiries.~~ <sup>and therefor</sup>

### The Army's Military Value Assessment (MVA) of Leases<sup>1</sup>

In general, the Army developed its MVA according to its BRAC 95 Installation Assessment Program (IAP). The quantitative component of the MVA was then fed into a decision pad computer model designed to assist in the comparisons of installations according to a common set of weighted attributes, each of which relates to one of the military value criteria (or final criteria I-IV).

With respect to leases, however, the IAP was not employed because its list of weighted attributes was designed to assist in the comparison of particular *installations*, rather than in the comparison of particular leased *facilities*. For example, comparing leased facilities based on attributes such as each leased facility's aviation maintenance facilities, ranges, ~~hard surface staging areas~~, and other such attributes incorporated into the IAP model, would not have been instructive as to the relative merit of each such facility because no leased facilities possess these attributes (and thus all would have received equally low scores). Leased facilities are, in essence, office space. Accordingly, an Installation Assessment was not prepared for leased facilities. In this respect, the Army did not perform its traditional MVA for leased facilities. In lieu of this traditional Installation Assessment, the Army did, however, undertake a quantitative assessment of each leased facility using empirical attributes that were more directly relevant to comparisons of leased facilities.

Once these Installation Assessments for leases were completed, the qualitative portion of the MVA was then undertaken. These qualitative assessments sought to ascertain the consistency of the quantitative assessments with the objectives outlined in the Army's Stationing Strategy. The stationing strategy served as a qualitative template against which the quantitative assessments could be measured and revised accordingly. Therefore, although the Army determined ~~separately~~ the military value of each leased facility without reference to the Installation Assessment Program, the MVA of each leased facility was nonetheless composed of a similar quantitative assessment tempered by the qualitative guidance provided by the Stationing Strategy.

---

<sup>1</sup> The information in this section was extracted chiefly from the Army Basing Study and BG Shane's letter to Chairman Dixon, dated April 14, 1995, responding to the Missouri delegation's initial assertion of substantial deviation in the recommended closure of ATCOM.

*D R A F T*

**Summary and Conclusion**

Military value of leased facilities was analyzed by the Army, albeit in a different way than owned facilities. Although different, the analysis was consistent with the type of analysis performed on owned facilities. The Army did not fail to perform a military value analysis. As a result, there is no basis for a finding of substantial deviation as argued by the Missouri delegation.

DRAFT ATCOM OP.

RK

*D R A F T*

**LEGAL MEMORANDUM**

TO: All Commissioners, ~~Division Heads, Team Leaders~~

FROM: Madelyn Creedon, Ralph Kaiser

SUBJECT: Evaluation of the Army's Military Value Assessment of Aviation-Troop Command, Missouri

DATE: 9 June 1995

**Department of Defense (DoD) Recommendation**

Disestablish Aviation-Troop Command (ATCOM), and close by relocating its mission/functions as follows:

- Relocate Aviation Research, Development & Engineering Center; Aviation Management; and Aviation Program Executive Offices to Redstone Arsenal, Huntsville, AL, to form the Aviation & Missile Command.
- Relocate functions related to soldier systems to Natick Research, Development, Engineering Center, MA, to align with the Soldier Systems Command.
- Relocate functions related to materiel management of communications-electronics to Fort Monmouth, NJ, to align with Communications-Electronics Command.
- Relocate automotive materiel management functions to Detroit Arsenal, MI, to align with Tank-Automotive and Armaments Command.

Department of Defense Base Closure and  
Realignment Report, March 1995, p. 5-31



