

**THE DEFENSE BASE CLOSURE
AND
REALIGNMENT COMMISSION**



**CONGRESSIONAL HEARING
WASHINGTON, DC
MONDAY, JUNE 12, 1995**

ROOM 345 CANNON HOUSE OFFICE BUILDING

EXECUTIVE SECRETARIAT

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THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
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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

OPENING STATEMENT

CHAIRMAN ALAN J. DIXON

HEARING TO RECEIVE CONGRESSIONAL TESTIMONY

Washington, DC

June 13, 1995

GOOD MORNING, LADIES AND GENTLEMEN, AND WELCOME TO TODAY'S HEARING OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION. MY NAME IS ALAN J. DIXON AND I AM CHAIRMAN OF THE COMMISSION. WITH US TODAY ARE MY COLLEAGUES, COMMISSIONERS AL CORNELLA, REBECCA COX , S. LEE KLING, JOE ROBLES, AND WENDI STEELE. OTHER COMMISSIONERS WILL BE COMING A LITTLE LATER.

AS MOST OF YOU KNOW, THIS COMMISSION IS HEADING INTO THE FINAL THREE WEEKS OF ITS DIFFICULT AND UNPLEASANT TASK OF RECOMMENDING TO THE PRESIDENT WHICH DOMESTIC MILITARY BASES SHOULD BE CLOSED OR REALIGNED.

SINCE WE RECEIVED THE CLOSURE LIST FROM SECRETARY PERRY 15 WEEKS AGO, THE COMMISSIONERS HAVE HELD TEN HEARINGS HERE IN WASHINGTON, 16 REGIONAL HEARINGS AROUND THE COUNTRY, AND MADE ALMOST 200 VISITS TO SOME 75 MILITARY BASES.

YESTERDAY, WE HEARD TESTIMONY FROM 82 MEMBERS OF CONGRESS WHOSE STATES OR DISTRICTS ARE AFFECTED BY THE BASE CLOSURE LIST. TODAY WE WILL HEAR FROM ABOUT 121 MORE.

THIS IS AN IMPORTANT PART OF THE PROCESS. FOR THE PAST THREE-AND-A-HALF MONTHS, COMMISSIONERS AND STAFF HAVE BEEN IN REGULAR CONTACT WITH ELECTED OFFICIALS AND COMMUNITY MEMBERS, BUT OUR HEARINGS YESTERDAY AND TODAY WILL GIVE US ONE MORE CHANCE TO HEAR SHARPLY-FOCUSED ARGUMENTS REGARDING BASES ON THE LIST.

LET ME ASSURE MEMBERS OF CONGRESS AND EVERYONE ELSE, THIS COMMISSION HAS MADE NO DECISIONS YET REGARDING WHICH BASES WILL CLOSE AND WHICH WILL NOT.

INFORMATION REGARDING MANY INSTALLATIONS IS STILL COMING IN AND IS STILL BEING EVALUATED BY THE COMMISSION AND THE COMMISSION STAFF. THAT PROCESS WILL CONTINUE RIGHT UP TO JUNE 22, WHEN THE COMMISSION BEGINS ITS FINAL DELIBERATIONS. THAT IS WHY WE REGARD THESE TWO DAYS OF TESTIMONY AS EXTREMELY VALUABLE TO US.

AS WAS THE CASE YESTERDAY, WE WILL TODAY HEAR TESTIMONY STATE-BY-STATE, AND EACH MEMBER WILL BE LIMITED TO FIVE MINUTES. WE WILL BE REQUIRED TO ENFORCE THAT LIMIT STRICTLY.

ANYONE WHO HAS LONGER REMARKS, OR WHO WISHES TO SUBMIT ADDITIONAL TESTIMONY FOR THE RECORD, IS WELCOME TO DO SO.

LET ME ALSO SAY THAT THE BASE CLOSURE ACT REQUIRES THAT ALL TESTIMONY GIVEN BEFORE THE COMMISSION BE MADE UNDER OATH. OUR STAFF COUNSELS WILL SWEAR IN MEMBERS BEFORE THEY TESTIFY SO THAT WE CAN KEEP THINGS MOVING.

WITH THAT, I BELIEVE WE ARE READY TO BEGIN.

**OATH BEFORE THE DEFENSE BASE CLOSURE AND REALIGNMENT
COMMISSION**

**DO YOU SOLEMNLY SWEAR OR AFFIRM THAT THE TESTIMONY YOU ARE
ABOUT TO GIVE TO THE DEFENSE BASE CLOSURE AND REALIGNMENT
COMMISSION SHALL BE THE TRUTH, THE WHOLE TRUTH AND NOTHING BUT
THE TRUTH?**

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**DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
CONGRESSIONAL TESTIMONY
JUNE 12, 1995
345 CANNON HOUSE OFFICE BUILDING**

8:30-8:35 Opening remarks

NEW MEXICO

8:35-8:40 Sen. Pete Domenici
8:40-8:45 Sen. Jeff Bingaman
8:45-8:50 Rep. Joe Skeen
8:50-8:55 Rep. Bill Richardson
8:55-9:00 Rep. Steve Schiff

SOUTH CAROLINA

9:03-9:08 Sen. Strom Thurmond
9:08-9:13 Sen. Ernest Hollings
9:13-9:18 Rep. Mark Sanford
9:18-9:23 Rep. James Clyburn

ALABAMA

9:26-9:31 Sen. Howell Heflin
9:31-9:36 Rep. Glen Browder
9:36-9:41 Rep. Tom Bevill

ALASKA

9:44-9:49
9:49-9:54 Sen. Frank Murkowski
9:54-9:59 Rep. Don Young

ARKANSAS

10:02-10:07 Sen. Dale Bumpers
10:07-10:12 Sen. David Pryor
10:12-10:17 Rep. Jay Dickey

CALIFORNIA

10:20-10:25 Sen. Dianne Feinstein
10:25-10:30 Sen. Barbara Boxer
10:30-10:35 Rep. Vic Fazio
10:35-10:40 Rep. Wally Herger
10:40-10:45 Rep. John Doolittle
10:45-10:50 Rep. Robert Matsui
10:50-10:55 Rep. Richard Pombo
10:55-11:00 Rep. Matthew Martinez
11:00-11:05 Rep. Sam Farr
11:05-11:10 Rep. Andrea Seastrand
11:10-11:15 Rep. Tony Beilenson
11:15-11:20 Rep. Walter Tucker
11:20-11:25
11:25-11:30 Rep. Esteban Torres
11:30-11:35 Rep. Dana Rohrabacher
11:35-11:40 Rep. Ken Calvert
11:40-11:45

COLORADO

11:48-11:53 Sen. Hank Brown
11:53-11:58
11:58-12:03 Rep. Pat Schroeder
12:03-12:08 Rep. Joel Hefley
12:08-12:13 Rep. David Skaggs

CONNECTICUT

12:16-12:21 Sen. Chris Dodd
12:21-12:26 Sen. Joe Lieberman
12:26-12:31

FLORIDA

12:34-12:39 Sen. Bob Graham
12:39-12:44 Rep. Joe Scarborough
12:44-12:49 Rep. Bill McCollum
12:49-12:54
12:54-12:59 Rep. Dave Weldon
12:59-1:04 Rep. Carrie Meek

GEORGIA

1:07-1:12
1:12-1:17
1:17-1:22
1:22-1:27 Rep. Bob Barr
1:27-1:32 Rep. Mac Collins
1:32-1:37 Rep. Saxby Chambliss
1:37-1:42 Rep. Sanford Bishop
1:42-1:47

GUAM

1:50-1:55 Del. Robert Underwood

ILLINOIS

1:58-2:03
2:03-2:08
2:08-2:13 Rep. Jerry Costello
2:13-2:18 Rep. Don Manzullo
2:18-2:23 Rep. Lane Evans
2:23-2:28 Sen. Paul Simon

INDIANA

2:31-2:36 Sen. Dan Coats
2:36-2:41 Rep. C.W. Young (R-FL)
2:41-2:46 Rep. John Hostettler
2:46-2:51 Rep. Lee Hamilton

KENTUCKY

2:54-2:59 Sen. Wendell Ford
2:59-3:04 Sen. Mitch McConnell
3:04-3:09 Rep. Ron Lewis
3:09-3:14 Rep. Mike Ward

MAINE

3:17-3:22 Sen. Bill Cohen
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3:32-3:37 Rep. John Baldacci

NEW HAMPSHIRE

3:40-3:45 Sen. Bob Smith
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MARYLAND

4:03-4:08 Sen. Paul Sarbanes
4:08-4:13 Sen. Barbara Mikulski
4:13-4:18 Rep. Steny Hoyer
4:18-4:23 Rep. Robert Ehrlich
4:23-4:28 Rep. Connie Morella
4:28-4:33 Rep. Al Wynn
4:33-4:38 Rep. Wayne Gilchrest
4:38-4:43 Rep. Roscoe Bartlett
4:43-4:48 Rep. Benjamin Cardin

MASSACHUSETTS

4:51-4:56 Sen. Ted Kennedy
4:56-5:01 Rep. Gerry Studds
Sen. John Kerry

MICHIGAN

5:04-5:09 Sen. Carl Levin
5:09-5:14
5:14-5:19 Rep. Sander Levin

MINNESOTA

5:22-5:27 Rep. Martin Sabo
5:27-5:32 Rep. Bruce Vento
Sen. Paul Wellstone

5:35-5:40 Rep. Sonny Bono
5:40-5:45 Rep. Elton Gallegly
5:45-5:50 Rep. Eva Clayton
5:50-5:55 Rep. Alcee Hastings
5:55-6:00 Sen. Carol Moseley-Braun
6:00-6:05 Rep. Ed Royce
6:05-6:10 Rep. Jane Harman

DRAFT

NEW MEXICO

I. DoD RECOMMENDATIONS:

AIR FORCE:

Kirtland AFB

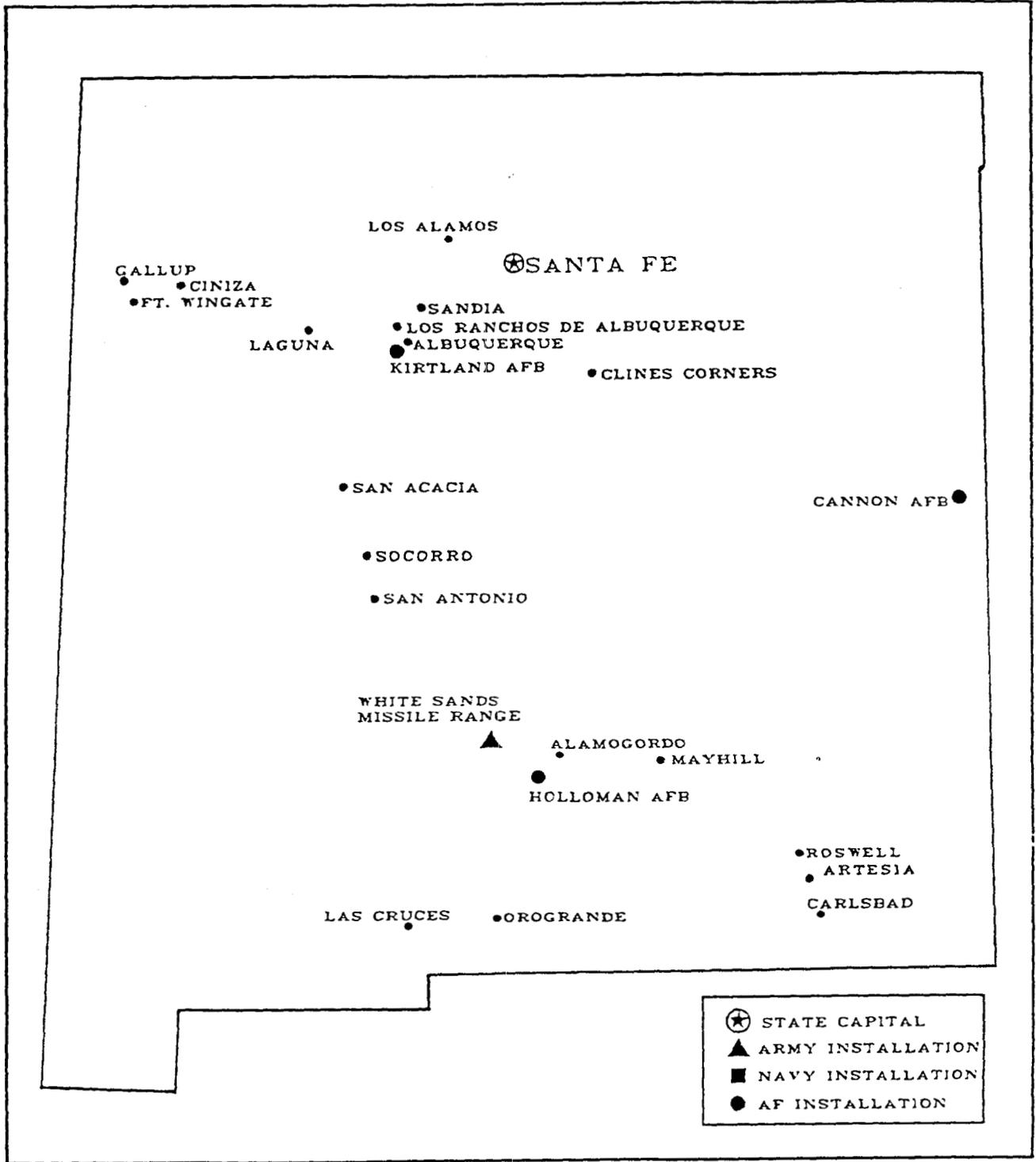
Realign

II. COMMISSION ADDS FOR CONSIDERATION:

None

MAP NO. 32

NEW MEXICO



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SOUTH CAROLINA

I. DoD RECOMMENDATIONS:

NAVY:

FISC Charleston

Close

NR Readiness Cmd 7 Charleston

Close

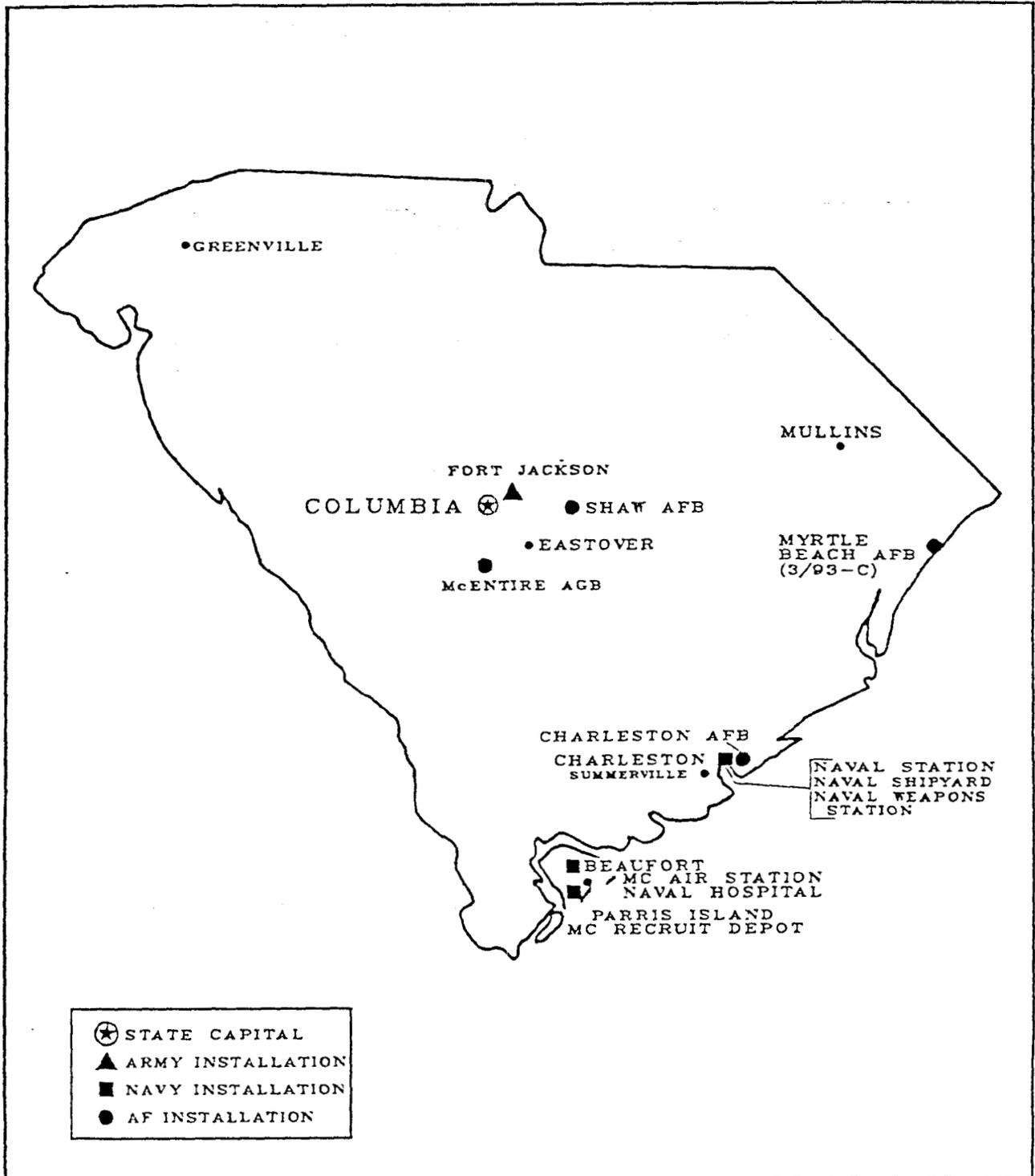
II. COMMISSION ADDS FOR CONSIDERATION:

None

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MAP NO. 41

SOUTH CAROLINA



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ALABAMA

I. DoD RECOMMENDATIONS:

ARMY:

Ft. McClellan Close

NAVY:

NRC Huntsville Close

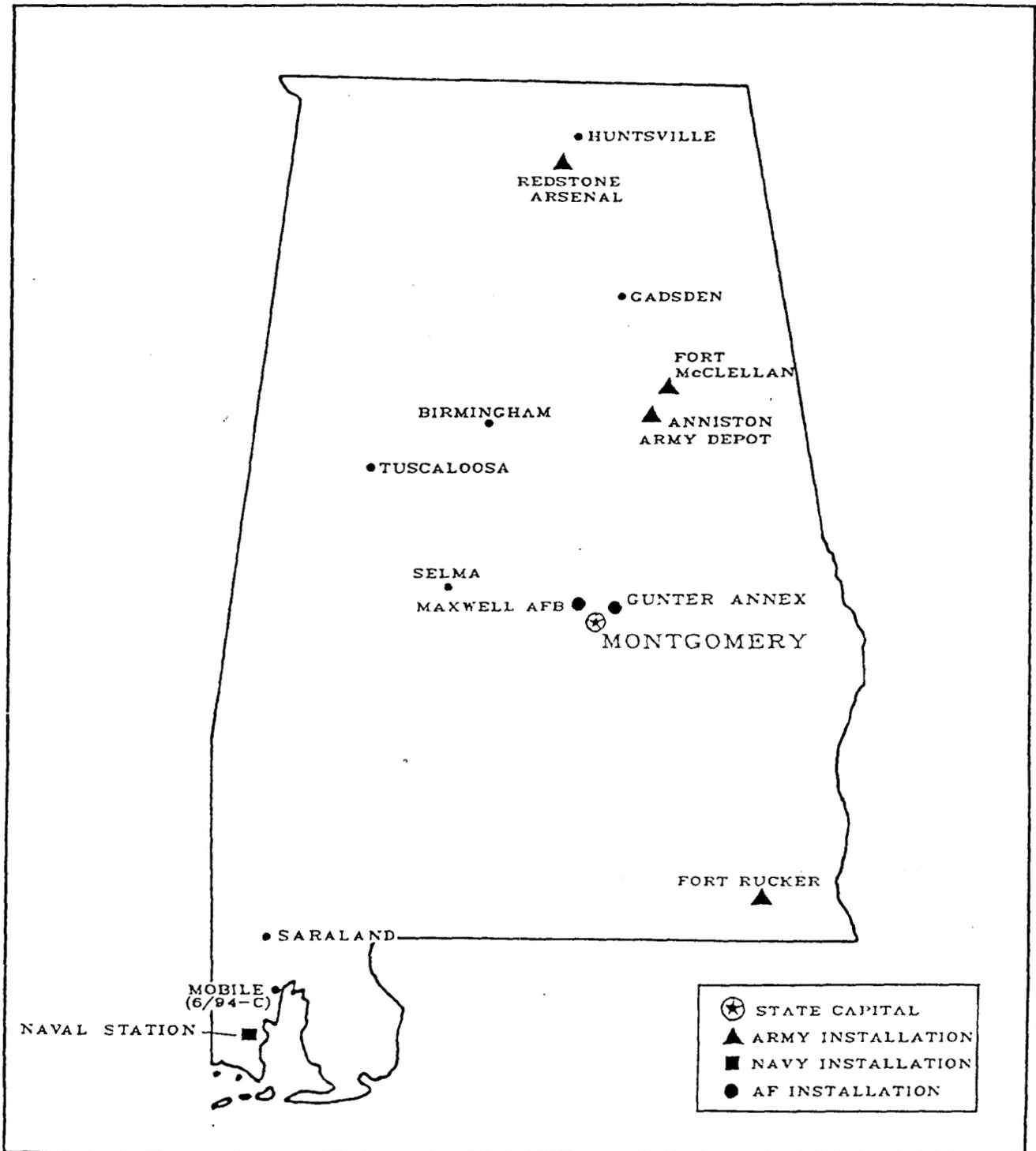
II. COMMISSION ADDS FOR CONSIDERATION:

ARMY:

Space and Strategic Defense Command (Leased Facilities) Close

MAP NO. 1

ALABAMA



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STATEMENT OF SENATOR RICHARD SHELBY
BEFORE THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION,
TUESDAY, JUNE 13, 1995

Chairman Dixon and Members of the Commission, yesterday you heard that the permits required to move the Army's Chemical School and its training facilities from Fort McClellan to Fort Leonard Wood are in complete disarray. How did this happen when your instructions were so clear? To try to understand what occurred, we need to examine the process the Army used to get to this point.

When the previous BRAC Commission decided in 1993 to continue the Chemical School's training program at Fort McClellan, that Commission wisely recommended "if the Secretary of Defense wants to move the Chemical School and the Chemical Defense Training Facility in the future, that the Army pursue all the required permits and certifications from the new site prior to the 1995 Base Closure process." (emphasis added). (See page 207 of June 23, 1993, BRAC hearing transcript attached at Tab A). Moreover, it was clear from the 1993 BRAC Commission's discussion that (a) they expected the Army to obtain the necessary permits in the two year interim between 1993 and 1995, and (b) the Army should have the required permits in hand "before they bring it back to BRAC '95." (emphasis added). (See 1993 BRAC transcript at Tab A, pages 200-201 and 205). However, not a single permit application was submitted to anyone until March 1, 1995, after the Secretary of Defense made his 1995 base closure recommendations.

When you began your review of the Defense Secretary's closure recommendations in March of this year, you wisely picked up where the previous Commission left off. During

hearings between March 1 and March 7, 1995, Chairman Dixon and several of you Commissioners clarified this Commission's position that "it's clear that we would have to have before us clear evidence that all permits were in place" before you could support the Defense Department's recommendation to close Fort McClellan. (See page 103 of March 1, 1995, BRAC hearing transcript attached at Tab B). Moreover, you pointed out that not just any piece of paper will do, but that the Army must present you with all the permits sufficient to guarantee continuation of the Chemical School's full training capability in Missouri as it is now done in Alabama. You made it clear that the Chemical School's vital mission in providing its full complement of nuclear, biological and chemical defense training is not to be degraded as a result of this potential move. Deputy Secretary of Defense John Deutsch and Army Secretary Togo West stated they understood that all the permit issues had to be resolved before June 22, 1995. (See March 1, 1995, BRAC transcript at Tab B, page 103 and pages 53-54 of March 7, 1995, BRAC hearing transcript attached at Tab C).

Despite the 1993 BRAC Commission's advice to obtain the permits first, Army Secretary West explained in testimony presented to this Commission on March 7, 1995, that in his view obtaining the required permits before Fort McClellan was recommended for closure would have been premature. Secretary West testified: "we did not start the permitting process until after the base closure . . . list was announced by the Secretary of Defense (on February 28, 1995). That was at my express direction." (See BRAC transcript at Tab C, page 37). Time-wise, that delay put the Army behind the permitting eight ball from the beginning.

Consistent with Army Headquarters' initial methodical approach, on March 10, 1995, ten days after the Defense Secretary made his February 28th closure recommendation, Major General John Herrling, Chief of Staff at TRADOC Headquarters in Virginia, informed Major

General Ballard, Commander at Fort Leonard Wood, in writing that Secretary Perry had recommended relocation of the Chemical School to Fort Leonard Wood "conditioned 'upon receipt of the required permits,'" before June 22, 1995. General Herrling instructed General Ballard to obtain the necessary permits from the State of Missouri and furnish them to TRADOC "as quickly as possible, but no later than 1 June 1995," and to "coordinate directly with (the) Commander of Fort McClellan to ensure all necessary permits are identified." (See copy of March 10, 1995, memorandum attached at Tab D).

On March 10, 1995, the Commanders of both Fort Leonard Wood and Fort McClellan were sent another memorandum by TRADOC Headquarters asking (a) what permits had been applied for and when, (b) whether the permit applications were public, and (c) was an Environmental Impact Statement ("EIS") done at Fort McClellan, and, if so, how long did it take? (See copy of March 10, 1995, memorandum attached at Tab E).

In response, on March 13, 1995, Fort McClellan replied (a) they did not know what permit applications, if any, had been filed by Fort Leonard Wood, (b) they had not been asked to supply any information to Fort Leonard Wood pertaining to environmental permit requirements, and (c) an EIS was done at Fort McClellan on the Chemical Defense Training Facility ("CDTF"), which took over four years to complete (from January 1981 to June 1985). (See copy of March 13, 1995, memorandum attached at Tab F).

Unfortunately, despite these very explicit instructions from TRADOC to Fort Leonard Wood to coordinate the permit application process with Fort McClellan, that was not done. Perhaps that was because at the local level the rush to accelerate and short-cut Missouri's normal twelve-to-twenty-four months long permit process had already begun. In fact, on March 1,

1995, only 24 hours after the Defense Secretary's closure recommendations were announced, Fort Leonard Wood hurriedly filed two applications with the Missouri Department of Natural Resources ("MDNR") for air permits -- one to construct the CDTF and one to construct a fog oil smoke training facility. The following day, on March 2, 1995, Fort Leonard Wood submitted a water permit application to MDNR for modification of the Fort's existing stormwater permit to allow for the proposed fog oil smoke training. (See copies of excerpts from all three permit applications attached at Tab G). In spite of this frenetic activity, it is clear that as late as two weeks after Fort Leonard Wood's permit applications had been submitted to the State of Missouri the required coordination with Fort McClellan on the permit applications had not been done by Fort Leonard Wood.

Perhaps because of the pressure created by TRADOC's impossibly short 60-day permit deadline of June 1, only one of the four key officials from Fort Leonard Wood who were involved in the preparation and submission of the Fort's three permit applications had ever visited Fort McClellan to discuss the permit requirements until the week of April 2, 1995, after the permit applications were already in the final review process by the state. In fact, the air permit to construct (but not to operate) the CDTF was issued on April 11, 1995, only four days after their return from Alabama. (See copy of CDTF permit excerpt pages attached at Tab H). The permit was issued without any amendments or modifications being requested by Fort Leonard Wood personnel following their on-site visit to Fort McClellan, during which time they observed for the first time how the CDTF operates and how the fog oil training is conducted.

Perhaps this pell mell rush to obtain the permits also helps explain why Fort Leonard Wood submitted a permit application to the State of Missouri that bears little factual resemblance to how the CDTF at Fort McClellan is actually built and operated. Because they did not

coordinate with Fort McClellan as they were clearly ordered to do by TRADOC, Fort Leonard Wood personnel prepared their CDTF air permit application based on outdated and superseded 1983 through 1985 data and information. Some of that information was copied from Fort McClellan's original October 12, 1983 permit application and other engineering data which had been prepared as a preliminary step to the burn tests conducted on Fort McClellan's incinerator in late 1986 before it became operational in February of 1987. (See pages 4-5 of Fort Leonard Wood's CDTF permit application excerpts at Tab G). In their haste, Fort Leonard Wood's personnel apparently did not realize that over the years dozens of changes and major substantive modifications had been made to Fort McClellan's CDTF, and as a result Fort McClellan had been issued a major air permit modification for the CDTF on December 17, 1992, which superseded and replaced Fort McClellan's June 1, 1987, operating permit. (See copies of Fort McClellan's 1987 and 1992 air permit excerpts attached at Tab I). To illustrate this point, when you compare the process flow diagram in Fort Leonard Wood's permit application (See Tab G, page 3) to the process flow diagram in Fort McClellan's 1992 permit modification application (See Tab I, page 9) you can see they are vastly different facilities. Consequently, the application information which Fort Leonard Wood personnel copied and submitted to the state, and which the State of Missouri used to issue the Army's air permit, does not authorize construction of the same kind of CDTF now in operation in Alabama. In fact, the Missouri air permit is for the Army's original CDTF which is at least 10 years out of date and in reality no longer exists.

Perhaps that's also why the State of Missouri doesn't understand why Fort Leonard Wood also needs a hazardous waste permit to build the incinerator which is a vital component of the CDTF. On April 5, 1995, Col. Anders Aadland, Chief of Staff at Fort Leonard Wood, wrote Cong. Glen Browder that Fort Leonard Wood had submitted a hazardous waste permit

application for the CDTF incinerator to the Missouri Department of Natural Resources. (See copy of April 5, 1995, letter attached at Tab J). Once again, that hazardous waste permit application also contained the same outdated 1985 data and information from Fort McClellan which Fort Leonard Wood personnel attached to their CDTF air permit application. Consequently, when the Director of Missouri's Department of Natural Resources, David Shorr, testified before this BRAC Commission at your public hearing in Chicago on April 12, 1995, that no hazardous waste permit is needed by the Army in Missouri, he was acting on the inaccurate and incomplete information which had been submitted to his Department by Fort Leonard Wood. Moreover, in sworn depositions taken during the weeks of May 15, 1995, and May 22, 1995, in an Air Conservation Commission proceeding in Missouri, the key officials from MDNR who dealt with Fort Leonard Wood's permit applications all testified that they had never ever visited Fort McClellan. They had relied on the information supplied them by Fort Leonard Wood, which we now know was at best inaccurate, incomplete and erroneous, and at worst perhaps fraudulently submitted to the state's permitting agency.

As if the CDTF and hazardous waste issues aren't bad enough, the facts pertaining to the fog oil smoke permitting process are even worse. Either because they didn't know enough about the fog oil training process, or because in their rush to get the permits they didn't take time to understand the requirements of Missouri's air regulations, or both, Fort Leonard Wood personnel did not realize until mid-April they needed a variance from the state's air regulations which impose a 20% limit on emissions opacity. The state's opacity limit means air emissions cannot obscure vision more than 20% when one looks through the smoke at objects on the other side of the emissions. Naturally, the whole purpose of fog oil smoke training is to teach our soldiers to obscure vision by 100% in order to keep the enemy from detecting our troop

movements. Consequently, on April 21, 1995, more than seven weeks after they hurriedly submitted their March 1 fog oil air permit application, Fort Leonard Wood personnel submitted an air variance application to the state. (See copy of variance application attached at Tab K). During the Missouri Air Conservation Commission's consideration of the variance application at its meeting on April 27, 1995, the Missouri Coalition for the Environment, the Ozark Chapter of the Sierra Club, and several individuals opposed the issuance of the variance. (See copies of news stories attached at Tab L). As a result, the Army's variance application became the subject of a full-blown formal administrative review process conducted by the Missouri Air Conservation Commission. A decision on the fog oil air permit could not be made by MDNR until after a decision was made on the variance. The variance was granted on June 6, 1995; however, it has already been appealed to the State Circuit Court in Missouri which could further impede the state's ability to grant the Army's fog oil air permit. Subsequently, MDNR issued the final fog oil permit on June 7, 1995. This final permit is identical to the draft fog oil permit. (See attachment at Tab M).

To compound the Army's permit problems, because Fort Leonard Wood hastily submitted an inadequate and incomplete fog oil permit application, MDNR has issued a draft air permit for the Army's proposed fog oil smoke operations in Missouri which is so restrictive it will be a training disaster for the Army. On April 11, 1995, MDNR issued a draft air permit to construct a fog oil smoke training facility at Fort Leonard Wood. (See copy of draft permit attached at Tab M). The draft permit was subjected to a 30-day public comment period which has now closed. The restrictive nature of the state's draft air permit, which will clearly not allow the Army to do the kind and extent of smoke training presently done at Fort McClellan, has caused concern within the Army's chain of command. In May, Major Craig Teller, a

lawyer in the Environmental Division at the Department of the Army in Washington, DC, contacted personnel in the Chemical School at Fort McClellan to discuss the draft fog oil permit.¹ In response to Maj. Teller's request, on May 16, 1995, the Special Assistant to the Commandant at Fort McClellan, LTC Edward Newing, who is recognized as a world class expert on fog oil with eighteen years of "hands on" and research and development experience, responded that the state of Missouri's draft fog oil air permit restrictions "will create overwhelming degradation to Chemical Mission readiness." (See copy of May 16, 1995, memorandum attached at Tab N). The draft state permit limits Fort Leonard Wood to a maximum throughput of only 65,000 gallons of fog oil per year. As was shown in a March 23, 1995, letter from the Chemical School to Mr. John Young at MDNR in response to the state's request under the Freedom of Information Act, the Army's average annual fog oil throughput during the past five years at Fort McClellan was 77,476 gallons per year. (See copy of March 23, 1995, letter attached at Tab O). Moreover, the Army's actual fog oil usage in 1994 was 93,800 gallons and in 1993 was 116,350 gallons. In addition, the Air Force also does fog oil training at the Chemical School which was not included in either Fort Leonard Wood's permit

¹ Although in their depositions Fort Leonard Wood's personnel testified they had not talked to him, Fort Leonard Wood's April 21 variance application to MDNR states that Major Teller rendered advice or furnished information which Fort Leonard Wood relied upon in the preparation of its variance application. (See Tab K, page 5). Major Teller attended some of the depositions in the Missouri Air Conservation Commission's variance proceeding in Missouri during the week of May 15, 1995, as did a Major Michael Corbin, a colleague from Department of Army Headquarters in Washington. (See page 109 of deposition at Tab P).

application or in MDNR's draft permit. According to LTC Newing's May 16, 1995, memo, based on the military's projected training needs, the Chemical School's needs for future fog oil usage for both the Army and Air Force is at least 95,000 gallons per year. (See memorandum at Tab N).

The state's draft permit also limits Fort Leonard Wood to a maximum use of 3,700 pounds of fog oil during a 24-hour period. This translates to a maximum generation of fog oil smoke for only one hour per day for a maximum of 135 days per year at Fort Leonard Wood. Presently, in order to meet the Army's and the Air Force's training requirements, Fort McClellan's Chemical School generates fog oil smoke on 250 or more days per year, consisting of one to four exercises per day, with each exercise averaging one hour each. LTC Newing's March 23, 1995, letter to MDNR also pointed out that other types of obscurants are used at Fort McClellan, including colored dye smoke grenades, infrared defeating obscurant grenades (brass flakes), hexachloroethane smoke pots, and large area infrared defeating obscurants (graphite powder). (See Tab O). The use of these training devices was not included in Fort Leonard Wood's permit application and is also not included in MDNR's draft air permit. Numerous other serious defects in the draft air permit are described in detail in LTC Newing's May 16 memo to Major Teller. In summary, LTC Newing concluded: "The restrictions will cut back the minimum amount of annual fog oil use by 30%. The daily allowance for smoke training time (at Fort Leonard Wood) will be cut by 75%. After suffering these unacceptable losses, it further limits our Joint forces to smoke operations during weather conditions which may exist only 60% of the year. The smoke permit virtually eliminates more than one smoke event per day . . . the Missouri smoke permit allows us to conduct roughly 25% of training to standards, these restrictions would kill both the US Army and US Air Force smoke training" (emphasis in

original). (See memorandum at Tab N). LTC Newing's May 16 memo goes on to say: "The Missouri smoke permit restrictions will . . . tragically cripple the capability to conduct smoke training. One of the most stunning restrictions of this permit is the loss of capability to train with smoke hand grenades, vehicular smoke grenades, smoke pots, infrared defeating grenades, riot control agents, and large area infrared obscurants. The Reserve Component smoke training at the Chemical School would also be a casualty." (See memorandum at Tab N).

Vital questions which we must all ask are: (1) How and why did the Army submit such a tragically deficient fog oil permit application? (2) Why did Fort Leonard Wood accept such a woefully inadequate draft permit which seriously fails to meet the Army's and the Air Force's smoke training requirements? It appears to me to be the result of either (a) haste and/or incompetence on the part of Fort Leonard Wood's personnel, or (b) a major change in the military's training mission planned by higher headquarters without either the Chemical School's or the BRAC Commission's knowledge. As LTC Newing pointed out in his May 16, 1995, memo to Major Teller: "Fort Leonard Wood, unfortunately without coordination with the Chemical School (at Fort McClellan), applied for a smoke permit and variance." (Emphasis added). (See memorandum at Tab N). As part of his sworn deposition taken in the variance proceeding before the Missouri Air Conservation Commission on May 15, 1995, LTC John P. Johnson, Fort Leonard Wood's Base Realignment and Closure Planning Officer, testified that he was directly responsible for securing the environmental permits at Ft. Leonard Wood, but he did not give any consideration to any aspect of the proposed smoke training at Fort Leonard Wood until February 28, 1995, when the Secretary of Defense announced his recommendation to move the Chemical School. (See pages 44-46 and 55-57 of LTC Johnson's deposition excerpts attached at Tab P). LTC Johnson further testified that he had no personal involvement

in the proposed move of the fog oil operation to Fort Leonard Wood in 1993, and that he was not appointed the Fort's BRAC Planning Officer until late 1994. (See pages 38-42 and 89-90 of deposition at Tab P). The only time LTC Johnson ever visited Fort McClellan was for a one week period from 2-7 April 1995, and during that tour he observed smoke training for only one hour. Despite the fact that LTC Johnson's expertise is predominately as a civil engineer, that he has no substantial expertise in chemical engineering, and that he did not discuss the smoke training with the commander of the Chemical School (See pages 18 and 67-68 of deposition at Tab P), LTC Johnson testified that after discussing the smoke training with LTC Newing and others: "I did not seek their concurrence on the adequacy of the one-hour training. I simply asked them how did they conduct the training, how to verify. I visited the training . . . and drew my own conclusion that one hour would be sufficient for our permitting activity here (Fort Leonard Wood) and meet the Army's requirement for training" (emphasis added). (See pages 69-70 of deposition at Tab P). Although LTC Johnson testified that "the mission as it's trained at Fort McClellan will be transferred in total to Fort Leonard Wood as I know it at this hour," he also testified that although he "suspected" that Fort McClellan trained with other obscurants, such as hexachloroethane smoke pots, colored dye smoke grenades, infrared defeating grenades (brass flakes), and large area infrared defeating obscurants (graphite powder), he didn't know the magnitude of that use at Fort McClellan. (See pages 86-88 of deposition at Tab P). He also concluded that in any event those devices couldn't be used under the Army's draft permit at Fort Leonard Wood. Regarding the Missouri draft permit limitations on meteorological conditions, despite testifying he was not an expert in meteorology, LTC Johnson concluded "our proposed permit has a set of performance measures in it as it relates to the training in concert with the weather. Those conditions will either be met or we will not train. That was our intent all along

was (sic) to comply with DNR's requirements and to train with some degree of respect for those." (See pages 100-101 of deposition at Tab P).

Regarding the 63,000 gallons of fog oil per year limitation in Fort Leonard Wood's permit application (increased in MDNR's draft permit to a throughput limit of 65,000 gallons per year), LTC Johnson credited that decision to higher headquarters. In his May 15, 1993, deposition in the Missouri Air Conservation Commission's variance proceeding, LTC Johnson stated: "The 63,000 gallon throughput was a figure that we determined by simply asking our higher headquarters what rate of training they wanted us to do. The answer came back 63,000 gallons. . . . the fact is that's what we are preparing to train at." (See pages 64-65 of deposition at Tab P). LTC Johnson further identified the higher headquarters as TRADOC (U.S. Army Training and Doctrine Command) at Fort Monroe, Virginia. In other testimony on May 15, 1995, LTC Johnson stated: "It was, as I explained to you, our belief that our higher headquarters expected us to train at a rate of 63,000 gallons. That's what's in our permit. We have had information that McClellan does procure more than that, but that's irrelevant to me. My job is to train at 63,000 gallons and that's why the permit reflects that." (See page 85 of deposition at Tab P). Finally, regarding the combined fog oil training for both the Army and Air Force, LTC Johnson indicated he realized that other services, such as the U.S. Air Force, also trained with smoke at Fort McClellan. However, he concluded: "But the point is we have received our ceiling for fog oil consumption from our headquarters. That would be an all-encompassing training requirement." (See pages 87-88 of deposition at Tab P). Consequently, the Air Force's fog oil training consumption requirements will reduce the amount available for the Army's use.

Members of the Commission, it appears to me someone in the Army isn't telling you the

truth. They're not telling the Congress the truth, they're not telling the officers in the Chemical Corps the truth, and they're not telling the American people the truth about any of these permits in Missouri -- the CDTF permit, the water permit, the hazardous waste permit, or the fog oil smoke permit. The Army has foisted an inaccurate, hastily constructed and perhaps fraudulent permit application process off on everyone, including the elected officials and the citizens of Missouri, as well as the regulators at the Missouri Department of Natural Resources. The scary part is the Army has done this under the guise of military efficiency and cost savings while ignoring the great risk to our military preparedness and to our country's national and internal security.

As a result of the Army's seriously inadequate permitting process, the Department of Defense ("DOD") has significantly threatened the future mission requirements and the future operational readiness of DOD's total force with their recommendation to you to relocate the Chemical School from Fort McClellan to Fort Leonard Wood. Please don't be fooled by any so-called "state approved permits" the Army presents to you, because in terms of military value they won't be worth the paper they're written on. That's because they simply won't allow the military to do the same type, extent and quality of nuclear, biological and chemical training in Missouri that is currently done at Fort McClellan.

In its April 14, 1995, report to you, the General Accounting Office ("GAO") clearly pointed out that, like the 1993 BRAC Commission, this Commission should also closely examine and seriously question the wisdom of relocating the CDTF and the Chemical School. This is not only because this is the third time the Chemical School has been examined via the BRAC process, but also because of the more permanent nature of the 1995 BRAC decision. As you know, this 1995 BRAC process is the last round of base closure reviews authorized under the

1990 legislation. GAO correctly pointed out that previous BRAC Commissions in 1991 and 1993 ruled on changes to prior BRAC round decisions. In fact, you are being asked this year to change a 1991 BRAC Commission closure recommendation relating to a facility at Fort Detrick, Maryland, which the Army now says should not be closed. However, because the Department of Defense cannot unilaterally change a BRAC Commission decision and the legislative authority for the BRAC Commission will soon expire, no process will exist to authorize future changes to the decisions which you BRAC Commissioners will shortly be making.

As a result of the Army's seriously deficient permit process in Missouri, any permits they do receive will not only be inadequate to meet the military's training needs, but they are already being subjected to lengthy and vociferous administrative and judicial appeals. That appeals process alone will take years to complete, during which time the Army's ability to relocate the Chemical School will be uncertain. In addition, should any of the Army's permits eventually be denied or revoked or their issuance overturned, there will be no process to reverse or modify any decision you might make to close Fort McClellan. Unless Congress passes new legislation, there simply won't be an opportunity for you or anyone else to reexamine and/or reverse your decision if implementation problems later arise, as they are almost certain to do. The military readiness and national security value of the Chemical School and its training facilities are too important to our country to risk them on a high stakes gamble that the Army will ever successfully accomplish this move to Fort Leonard Wood. Please cast your vote with the American people to keep this important training capability fully functional at Fort McClellan. Thank you very much for your attention and your consideration.

DRAFT

ALASKA

I. DoD RECOMMENDATIONS:

ARMY:

Ft. Greely

Realign

NAVY:

NAF Adak

Close

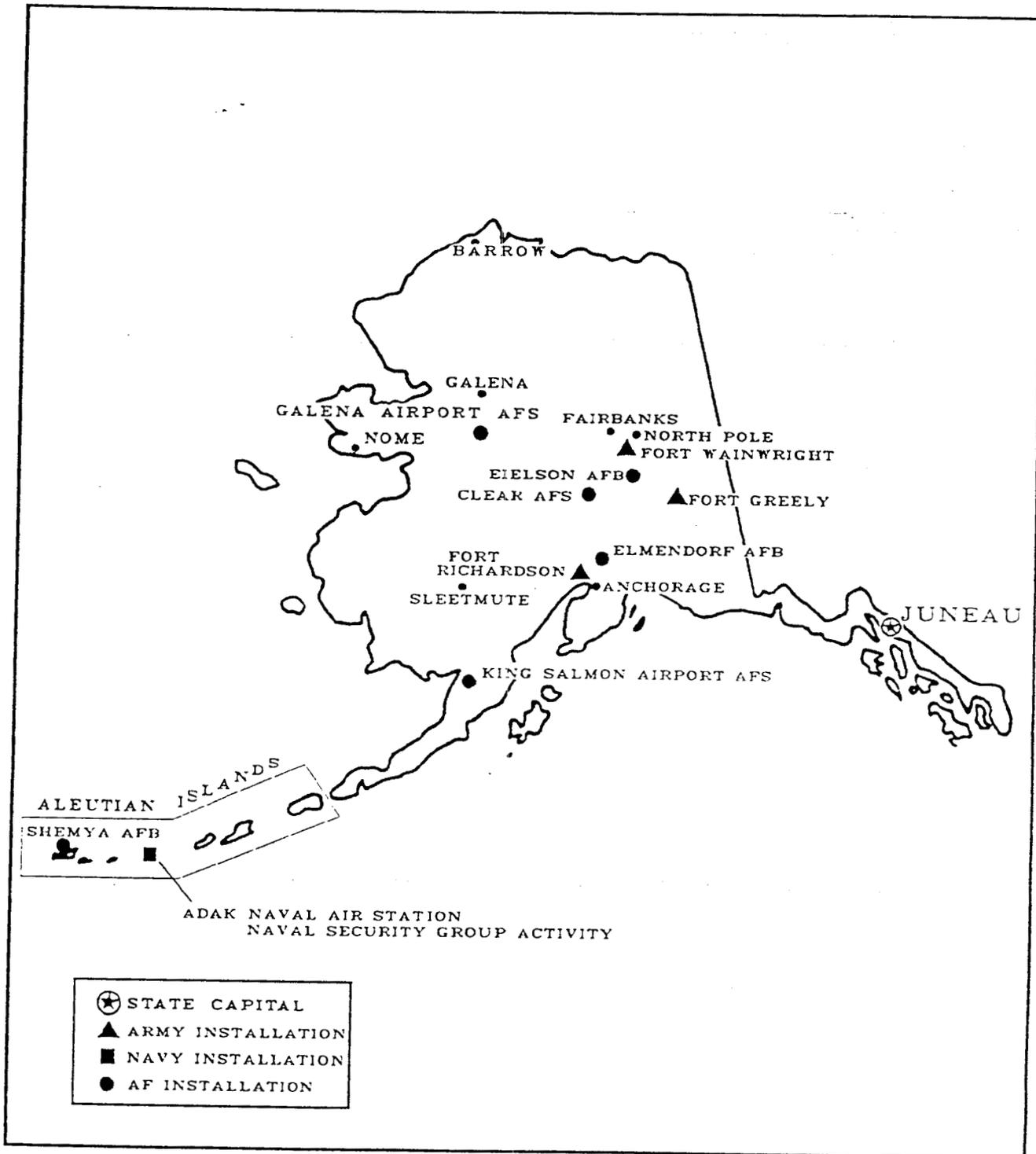
II. COMMISSION ADDS FOR CONSIDERATION:

None

DRAFT

MAP NO. 2

ALASKA



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Directorate for Information
Operations and Reports

NOTES

NOTES

DRAFT

ARKANSAS

I. DoD RECOMMENDATIONS:

ARMY:

Ft. Chaffee

Close

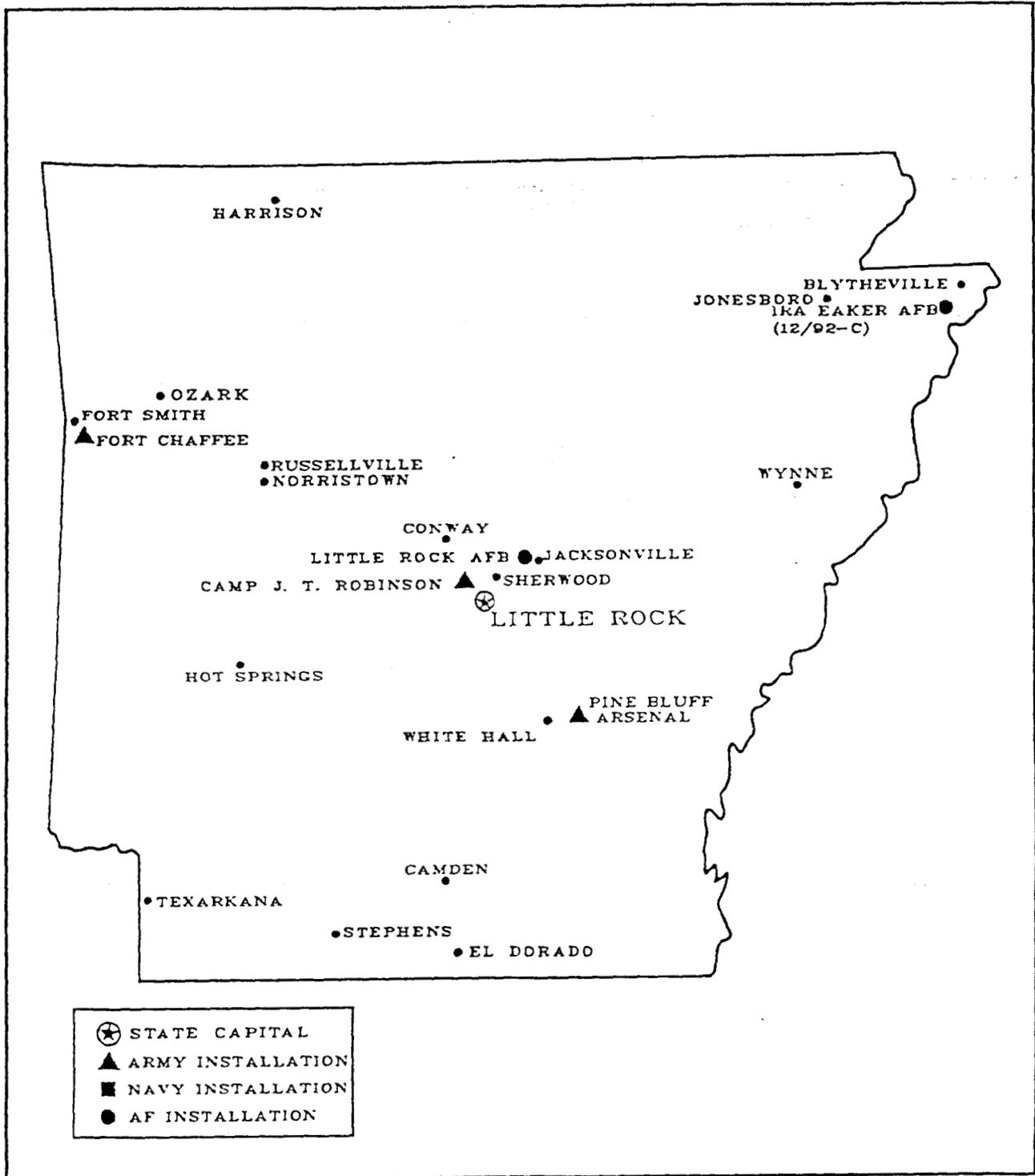
II. COMMISSION ADDS FOR CONSIDERATION:

None

DRAFT

MAP NO. 4

ARKANSAS



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NOTES

NOTES

FT. CHAFFEE

THE BRAC COMMISSION'S RECOMMENDATION SHOULD BE TO:

"REALIGN FORT CHAFFEE, WITH A RESERVE COMPONENT ENCLAVE THAT HAS MINIMUM ESSENTIAL FACILITIES, AS WELL AS MANEUVER AREA, ARTILLERY RANGES AND BOMBING/STRAFING RANGES CAPABLE OF SUPPORTING INACTIVE DUTY TRAINING, ANNUAL TRAINING, AND BRIGADE-LEVEL MANEUVER TRAINING."

#1

FT. CHAFFEE

THE ARMY'S RECOMMENDATION MAY LEGALLY PRECLUDE AN ENCLAVE THAT FULFILLS RC REQUIREMENTS

	ARMY PLAN	RC NEED
SIZE	- "MINIMUM FACILITIES AND RANGES"	- 62,000 ACRES
FUNCTIONS	- NO ANNUAL TRAINING (AT) - INDIVIDUAL TRAINING ONLY	- IDT, AT - COLLECTIVE TRAINING - BOMBING/STRAFING
MANNING	- NO ACTIVE DUTY	- PART OF 5TH ARMY REGIONAL TRAINING BDE.

2

FT. CHAFFEE

THE ISSUE: DO WE WANT A VIABLE RESERVE COMPONENT?

- ▶ CLOSING CHAFFEE MEANS LOSING
 - 62,000 maneuver acres
 - the best bombing range in 5 state area
 - Best rivercrossing site in the U.S.

- ▶ CLOSING CHAFFEE MEANS PRIORITY RC UNITS CANNOT MEET TRAINING STANDARDS
 - No Annual Training or collective Inactive Duty Training at Chaffee
 - No funds to train elsewhere (\$11.9 mil unfunded)
 - Alternate training sites generally not available

- ▶ CLOSING CHAFFEE MEANS LATER DEPLOYING RC UNITS WILL HAVE DEGRADED READINESS

#3

FT. CHAFFEE

DISTANCES TO ALTERNATE TRAINING AREAS

39TH INF BRIGADE (LITTLE ROCK)

- ▶ *TO FORT CHAFFEE* 150 MILES
- ▶ TO FORT POLK 316 MILES
- ▶ TO FORT SILL 387 MILES
- ▶ TO FORT RILEY 512 MILES

142ND FIELD ARTILLERY BRIGADE (FAYETTEVILLE)

- ▶ *TO FORT CHAFFEE* 63 MILES
- ▶ TO FORT SILL 326 MILES

188TH FIGHTER GROUP (FORT SMITH)

- ▶ *TO FORT CHAFFEE* 12 MILES
- ▶ TO FORT LEONARDWOOD 260 MILES

#4

FT. CHAFFEE

THE RESERVE COMPONENTS' PROPOSAL

- ▶ KEEPS 100% OF CHAFFEE'S MILITARY VALUE AT 50% THE COST - *THE TAXPAYER WINS*
- ▶ FULFILLS RESERVE COMPONENT NEEDS - *THE MILITARY WINS*
- ▶ PROVIDES EXCESS LAND FOR COMMUNITY REUSE - *THE COMMUNITY WINS*

#6

TESTIMONY OF REP. JAY DICKEY BEFORE THE DEFENSE
BASE CLOSURE AND REALIGNMENT COMMISSION
Monday, June 12, 1995, 10:12 a.m., 345 Cannon HOB

Good morning, Mr. Chairman and members of the Commission. I appreciate the opportunity to testify before you about the Red River Army Depot (RRAD) and the Defense Distribution Depot Red River (DDRT) (sometimes collectively referred to as "Red River"). Red River is a true military complex that needs to be considered as a whole rather than as separate parts.

Red River employs 3,700 persons directly, including around 1,200 persons from my district. The mission of Red River is one that is very important to the Army. Red River performs 77% of the Army's maintenance support for mechanized division tracked vehicles. Red River is the Army's most profitable depot. It performs its mission in a highly efficient manner.

Eighty percent (80%) of Red River's distribution mission is for external customers including the following major Army installations: Fort Hood (Texas), Fort Sill (Oklahoma), Fort Carson (Colorado) and Fort Riley (Kansas).

Over 50% of all stateside military posts, camps and stations are located in the Red River central distribution area. It is a modernized, responsive depot that has ample and immediate expansion capacity, including 2,139 acres of land available for unrestricted development.

We believe that the Army needs two (2) combat vehicle maintenance depots. We further believe that the 1995 BRAC Commission should recommend closure of Letterkenny Army Depot rather than Red River. Army COBRA shows that the largest net present value savings will occur if Letterkenny is closed. The figure is \$144 million greater from closure of Letterkenny.

Department of Defense (DoD) has recommended that the combat vehicle maintenance mission at Red River be moved to Anniston Army Depot. We think that this is a mistake because it will overload Anniston, limit surge capacity and jeopardize readiness. In 1995,

information collected during the BRAC data call ranked Red River higher in military value than Letterkenny. In fact, Letterkenny ranks dead last in military value and Red River's score is more than double that of Letterkenny.

DoD has substantially understated the costs to close Red River by \$382 million as well as the recurring savings by \$116 million. The Return on Investment for closing Red River is in the range of 60 years rather than immediately as claimed by the Army. The Army also completely overlooked the missile recertification mission that is performed at Red River.

Finally, Mr. Chairman, let me take a moment to emphasize the devastating effects that closure of Red River would produce in the Texarkana area. According to the March 1995 DoD Base Closure and Realignment Report, closing Red River would result in the loss of 7,256 direct and indirect jobs. Unemployment in the Texarkana area is already well above the nation's average at 8.1%. If BRAC proceeds to close Red River, unemployment is expected to swell to over 21%. That is a disproportionately harsh result for this economically depressed part of the country.

In fact, under DoD's plan, Red River sustains the largest job loss in the entire country. My colleague, Congressman Jim Chapman of the First District of Texas has previously provided the Commission with a detailed analysis of the cost, in terms of unemployment compensation, that would be associated with closing Red River—a staggering \$52 million. The chances of these displaced workers being able to find comparable permanent employment is slim indeed and the cost to the government is unbelievable.

I hope that the Commission will take a close look at the actual ability of Anniston to accept the massive work requirements that are performed at Red River. I am confident that a fair review will result in a recommendation that will close Letterkenny and retain two combat vehicle maintenance depots for the Army, Anniston and Red River. This would keep military readiness at the needed level.

Mr. Chairman and members of the 1995 BRAC Commission, thank you for your time and consideration of this matter.

The Honorable Tim Hutchinson
Base Realignment and Closure Commission
06-13-95

Let me first say thank you, Mr. Chairman, for your leadership on this issue. I commend the entire commission for taking the time to listen to those of us who are concerned about the future of the many military installations throughout this nation. In my opinion, the Base Closure and Realignment Commission (BRAC) has done an outstanding job at protecting the integrity of this most difficult process.

During the few minutes that I have allotted, I would like to point out the adverse economic impact the closure of Fort Chaffee would have, not on the local communities, but rather on the training of our armed forces.

As you all know, as enunciated in the policy guidance issued by the Secretary of Defense for the 1995 BRAC round, it was directed that when reviewing the potential action to be taken at a certain installation, priority consideration be given to the fundamental military criteria which includes the current and future mission requirements and impact on operational readiness of DOD's total force; the availability and condition of land, facilities, and associated airspace at the potential receiving locations; and the cost and manpower implications.

There can be no doubt that if the annual training which is currently conducted at Fort Chaffee is forced to be relocated to another major training area, there will be extensive additional costs involved. In addition to the monetary increase, our reserve component units would be faced with a loss of training time due to additional travel, coupled with a limited availability of maneuver training areas at alternate sites. It is also my understanding that these moves will violate the travel requirements in United States Army Forces Command/National Guard Regulation 350-1 (FORSCOM/NG REG 350-1). It has been estimated that traveling to alternate annual training sites will involve a minimum of two additional training days per soldier per year. Obviously, additional funds would be required to pay for these added days. Let us also not forget that, since these troops are reserve or national guard units, they are still held accountable for the extra training days by their full-time private sector employers.

Currently, the National Guard can operate Fort Chaffee at a cost of \$6.9 million a year. This includes real property and operations maintenance costs for 1,000,000 square feet and environmental and training area management of 62,000 acres. If the National Guard or U.S. Army Reserve units are forced to relocate to Fort Sill, the total funding increase for annual/individual training will be between \$6.75 million and \$11 million. Relocation to Fort Riley, a distance which would, in fact, preclude inactive duty training (IDT), annual costs could exceed an additional expenditure by the Army of \$3.5 million per year. A third option, Fort Polk, does not even have the facilities to train any additional units from Fort Chaffee until 2001. I will tell you that these figures which I have used were obtained from Army officials. Obviously, training and readiness will be greatly degraded for those units that normally drill at Fort Chaffee.

Also, the 188th Tactical Fighter Group, which is based at the Fort Smith airport, would have to have their training areas reassigned with projected cost increases of over \$900,000 annually to utilize the nearest alternate aerial bombing or strafing site. This figure does not reflect additional costs of other aerial component units training at alternate sites.

The need for sufficient training areas for the reserve components was recognized by the director of the U.S. Army National Guard, Major General John D'Araujo, and the director of management for the Office of the Army Chief of Staff, Brigadier General James Shane during a meeting on 8 June with staff members of your commission. At that meeting, MG D'Araujo contended that he needs "...ranges, maneuver training areas, and impact areas for individual and unit training on weekends." These Army officials stated that, in fact, their recommendation to the Department of Defense did not include the words "training area(s)" as part of the enclave because they were inadvertently edited out. In addition, the Army representative stated that the department has identified \$20 million to pay for enclave expenses at several Major Training Areas, to include Fort Chaffee. Brigadier General Shane stated at the completion of the meeting that "...the Army has an obligation to ensure that the National Guard and the Reserve can train." I strongly concur with General Shane's observation.

In conclusion, let me say that, clearly, the statements by these officials demonstrate that Fort Chaffee can continue to provide the necessary facilities to allow for the proper training of our armed forces. In that the Army has already determined how to allocate the funding for keeping this post operating, our nation will be the loser if our armed services are denied the opportunity to use the unique training areas provided by the post. I believe that a rigorous cost-benefit analysis will reveal that the long term costs of a shut down of Fort Chaffee will far exceed any apparent short-term savings. Therefore, I urge you to keep this valuable training installation available to our citizen soldiers in the reserve components so that they can continue to carry out their mission of being prepared to defend our nation, as they have done since the founding of our Republic.

TESTIMONY OF REP. GLEN BROWDER, D-ALA. BEFORE
THE BASE CLOSURE AND REALIGNMENT COMMISSION
JUNE 12, 1995

Thank you, Mr. Chairman and Members of the Commission, for this opportunity to testify before you today.

I want to talk about Anniston Army Depot and Fort McClellan, both of which are in my district in Alabama.

Let me comment briefly on Anniston Army Depot, which is a recommended gaining installation. The primary issue before you is the "capacity" question--whether Anniston Army Depot can handle the work from closing installations. That question was settled unequivocally by Army Chief of Staff Gordon Sullivan last week when he wrote:

"Of the three combat vehicle maintenance depots, Anniston has the highest military value...Anniston can certainly handle the workload."

When asked whether the consolidation of the combat vehicle workload could occur at any depot or is Anniston the only practical location, General Sullivan responded, "Anniston...is the obvious choice."

Let me spend most of my time on the really contentious case --Fort McClellan, home of the Chemical School and the only live agent training facility in the world.

I am not here today to beg you to save Fort McClellan because it is in my district or because it will have a direct 17% job loss impact on my community. I am here to say that the recommendation to close Fort McClellan is a mistake with significant dangerous ramifications for our military forces and countless American civilians.

I do not know why the Army put Fort McClellan on their list --again. In fact, I understand that it was placed on the list, right before the recommendations were sent to the Commission, over the strenuous objections of the top Defense Department official with broad responsibility for dealing with the threat of weapons of mass destruction.

Today, I ask only two things of you.

First, I ask that you focus your attention to what others-- others who are more qualified and impartial than I--say about Fort McClellan.

* "Fort McClellan will play a special role in support of the CWC (Chemical Weapons Convention) as a training center for U.S. troops under our chemical defense program..." Our commander-in-chief wrote this statement after the Commission had acted for the second time to remove Fort McClellan from the Army's recommended list.

* "In closing, we believe that it would be wise for the Commission to once again reject the recommendation to close Fort McClellan..." wrote representatives of the Stimson Center, one of the most respected arms control institutions in the world, located here in our nation's capital. After a lengthy discussion of Fort McClellan's central importance to our chemical defense training program, the Chemical Weapons Convention, and the Bilateral Destruction Agreement, the Stimson Center's representatives assert that "to do otherwise [than rejecting the closure recommendation] would jeopardize important national security objectives and international arms control treaty

obligations."

* "The Commission should again act to keep Fort McClellan open," writes a representative of another of Washington's most prominent defense policy institutions, the Center for Strategic and International Studies. He continues:

"At a time when chemical weapons are proliferating, the United States cannot create new vulnerabilities in the training and competence of its forces in chemical warfare. At a time when a major new international chemical disarmament convention is entering into force, the United States cannot lose one of its major tools for making that convention succeed."

* "We join with others in believing the Commission should reject the recommendation to close Fort McClellan," write representatives of another leading institution, the Chemical and Biological Arms Control Institute. They add that:

"A precipitous decision intended to achieve at best, modest cost savings could exact a much bigger cost by eroding international arms control agreements and treaty obligations."

These are not the pleadings of parochial Congressmen for you to "save my base." These are serious policy statements by the President of the United States and some of the premier national defense and arms control organizations in the world.

Thus, I come to my second request. I ask that you convene a classified session of the Commission to ask some of our key defense and intelligence officials about the threat of proliferating of chemical weapons over the past two decades, about our chemical defense training program, about our international treaties and agreements regarding chemical weapons, about our urgent initiatives to deal with terrorism, about the

role that Fort McClellan plays in this incredible array of concerns, and about the disruption and degradation that inevitably would accompany the closure of this installation.

Twice before, in 1991 and in 1993, the Army made similar short-sighted and dangerous recommendations to close Fort McClellan. Consequently, twice before, the Base Realignment and Closure Commission demonstrated extraordinary vision and courage and guaranteed the continuation of a critical resource for America's men and women who are required to fight and survive chemical warfare.

Mr. Chairman and Members, you face the same challenge. You have my support and prayers as you face that challenge.

The Honorable Tim Hutchinson
Base Realignment and Closure Commission
06-13-95

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DRAFT

CALIFORNIA

I. DoD RECOMMENDATIONS:

ARMY:

Branch US Disciplinary Barracks	Close
East Ft. Baker	Close
Ft. Hunter-Liggett	Realign
Rio Vista Army Reserve Center	Close
Sierra Army Depot	Realign

NAVY:

MCAS El Toro/Tustin	Redirect
NAS Alameda	Redirect
Naval Health Research Ctr San Diego	Disestablish
NAVPERS R & D Ctr San Diego	Disestablish
NISE West San Diego	Disestablish
NRC Pomona	Close
NRC Santa Ana (Irvine)	Close
NRC Stockton	Close
NSY Long Beach	Close
Recruiting District San Diego	Redirect
SUPSHIP Long Beach	Disestablish

AIR FORCE:

Moffett Federal Airport AGS	Close
North Highlands AGS	Close
Onizuka AS	Realign
Ontario IAP AGS	Close
Sacramento ALC (McClellan AFB)	Realign

DRAFT

DRAFT

II. COMMISSION ADDS FOR CONSIDERATION:

ARMY:

Oakland Army Base Close

NAVY:

Engineering Field Activity, West Close

Fleet and Industrial Supply Center Close

Naval Air Station Point Mugu Close

Naval Warfare Assessment Division Close

Supervisor of Shipbuilding, Conversion, and Repair Close

AIR FORCE:

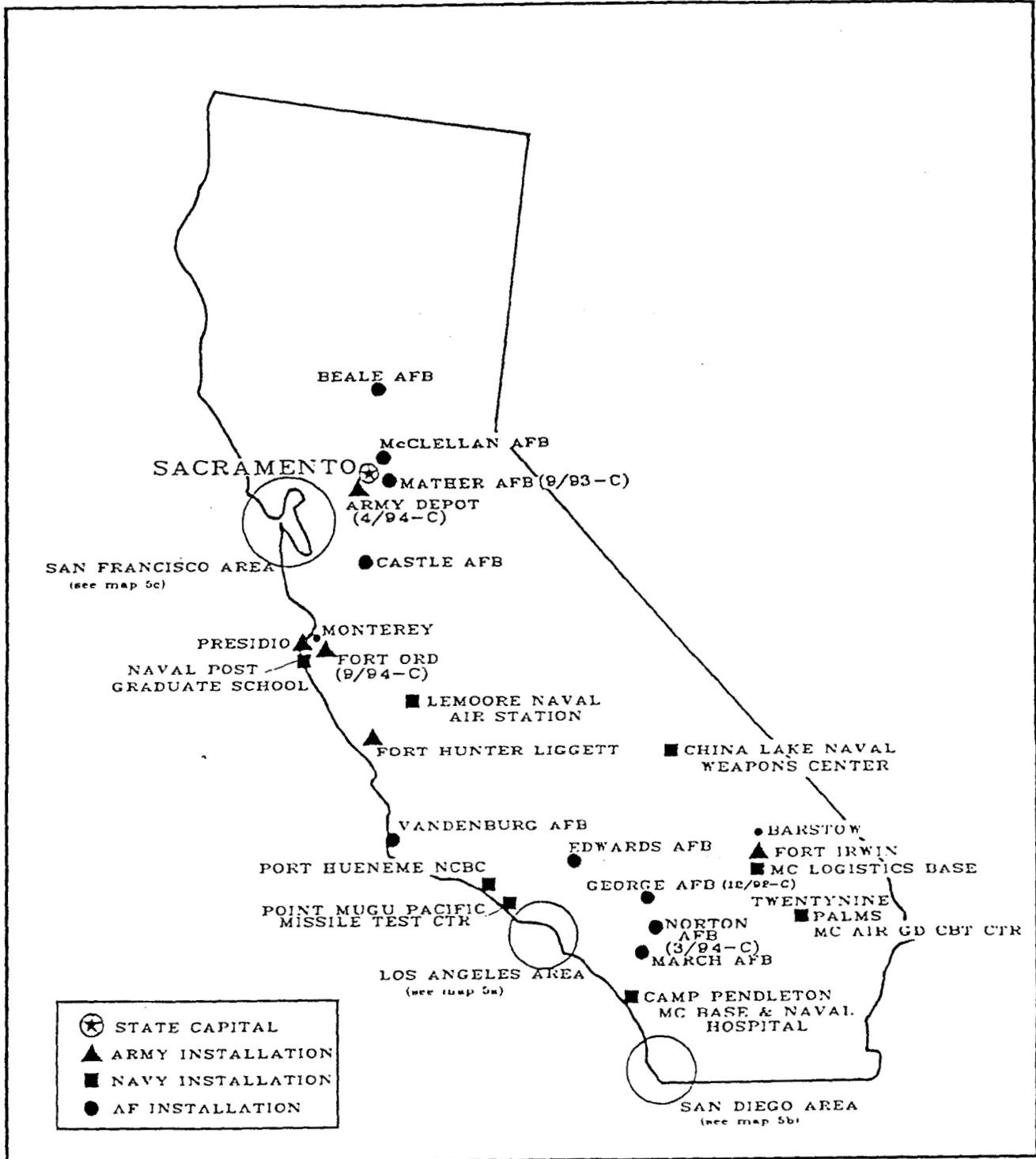
McClellan Air Force Base Close

DEFENSE LOGISTICS AGENCY:

Defense Contract Management District West Redirect

MAP NO. 5

CALIFORNIA



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Directorate for Information
Operations and Reports

MAP NO. 5a

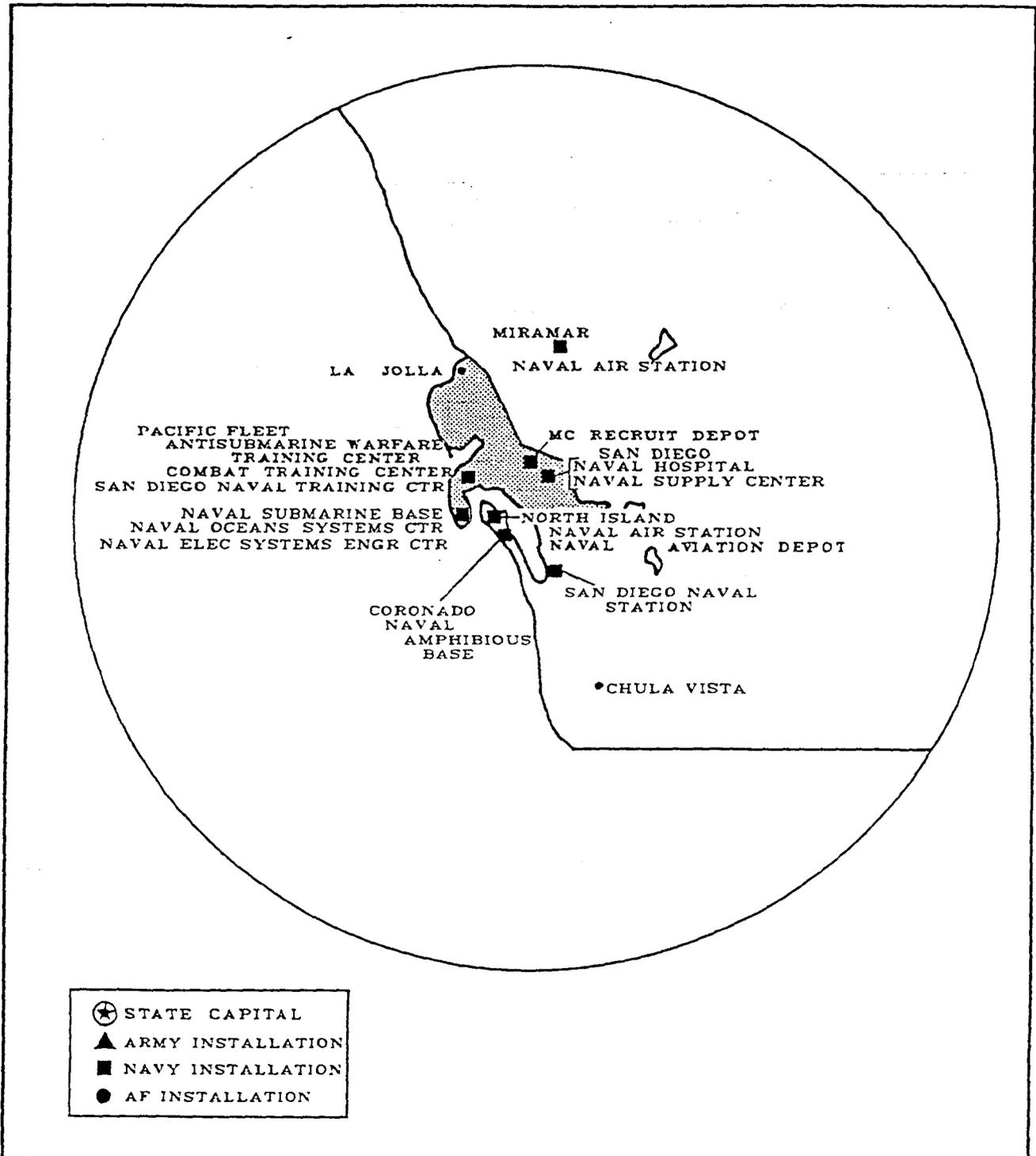
LOS ANGELES AREA



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Directorate for Information
Operations and Reports

MAP NO. 5b

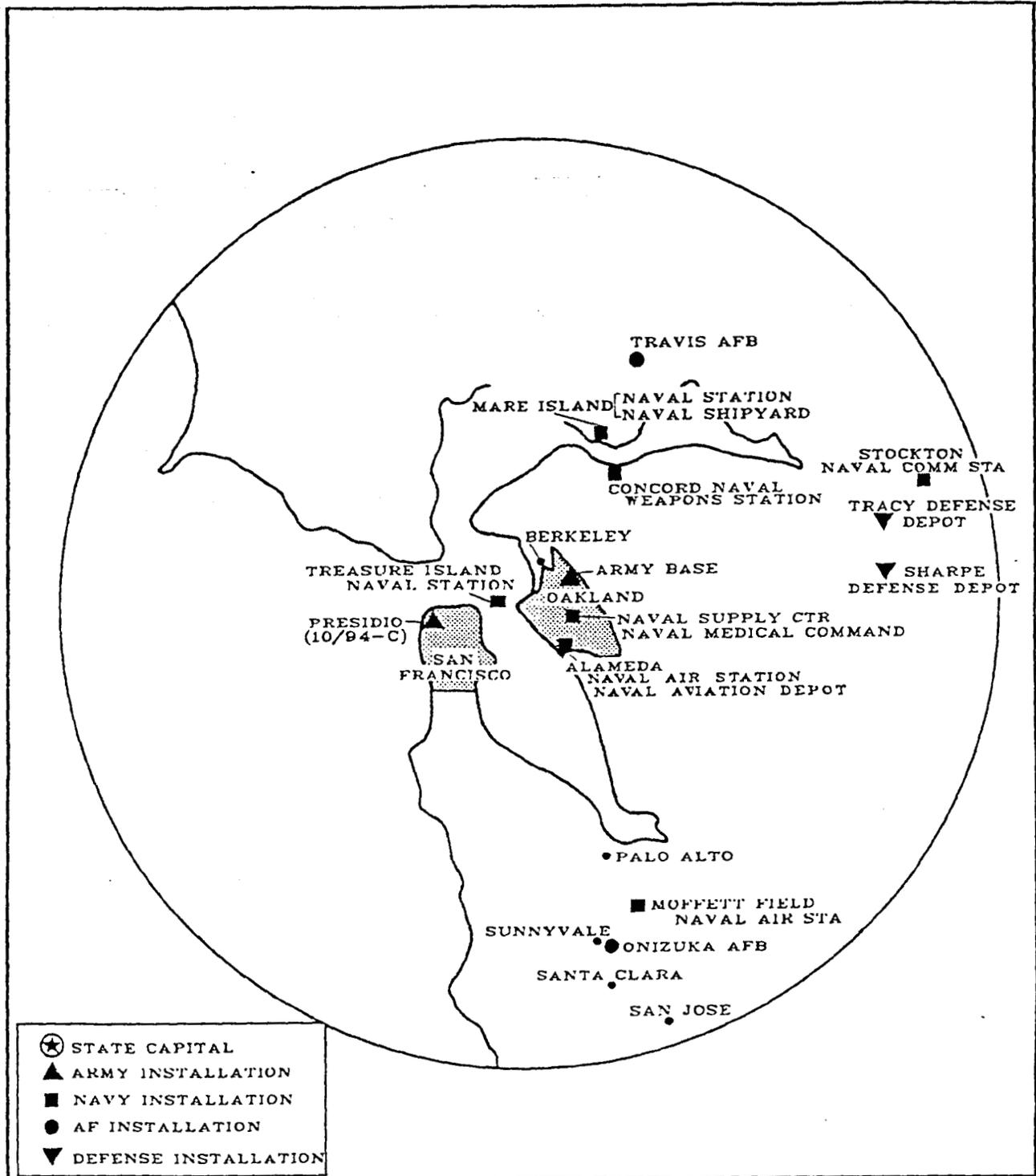
SAN DIEGO AREA



Prepared By: Washington Headquarters Services
Directorate for Information
Operations and Reports

MAP NO. 5c

SAN FRANCISCO AREA



Prepared By: Washington Headquarters Services
Directorate for Information
Operations and Reports

NOTES

NOTES

Statement of the Hon. Ken Calvert (CA-43)

June 12, 1995

Mr. Chairman,

I want to thank you and the commission for your hard work and diligence in doing a difficult job.

Commissioners Cox and Montoya made a thorough and fair evaluation of NWAD . . . and the community thanks you.

NWAD, Corona is a one of a kind organization. It should be evaluated based upon its unique mission of providing independent assessment of military systems and fleet readiness. NWAD should not be evaluated as a Warfare Center. Relocating its mission to a warfare center raises the possibility of conflict of interest.

In addition to military value, with the proposed closure of the Warfare Assessment Lab at NWAD, the Department of Defense would lose the ability to provide the real time assessment of fleet readiness for six to ten years.

When the considerations of retaining an independent organization and the Warfare Assessment Lab are reviewed, the proposed cost savings also become questionable. For these reasons I urge the commission to retain the Naval Warfare Assessment Division, Corona at its present location.

Also, this BRAC is in a unique historical position to clean up and make the most of the three previous rounds of BRAC.

One such possibility is the March opportunity.

We propose moving Marine helicopters to March AFB instead of Miramar.

From an operational and safety perspective, the single siting of fast-moving fixed wing and rotary wing aircraft is undesirable. The attempt to relocate more than 100 Tustin helicopters to Miramar where approximately 150 F-18s will be flying tens of thousands of annual airfield operations in congested airspace is an

invitation to disaster. Never before in peacetime has an attempt been made to permanently combine so many aircraft with such dissimilar performance characteristics in such confined airspace. **Collocating helicopters with the relatively few larger, slower, and less frequently flown cargo and tanker aircraft at March does not pose a similar problem.**

Marine helicopters stationed at **March would be much closer to training areas in the Cleveland National Forest and Twenty-Nine Palms than if flying from Miramar.** The Marines would therefore be able to operate at existing mountainous area landing sites and confined area landing sites located in the March vicinity.

Additionally, MCAS March would reduce helicopter transit time to training ranges located at the Marine Corps Air Ground Combat Center, Twenty-Nine Palms, which would result in **better utilization of flying hours for operational training.**

Redirecting helicopter assets to March tremendously improves the worldwide rapid deployment posture of these assets by collocating them at the First Marine Expeditionary Force Aerial Port of Embarkation/Debarkation (APOE/APOD). For example, having March helicopters based at March as an APOE/APOD would save twelve to eighteen hours deployment time over any other scenario. Also, as a consequence of March becoming a Marine facility, elements of the First Marine Corps Expeditionary Force can preposition supplies, ammunition, and people to further facilitate rapid deployment. The First MEF is tasked with rapid mobility missions throughout the Pacific Theater of Operations.

The March opportunity is:

- 1) Safer
- 2) Cheaper (on Housing, O + M, etc.)
- 3) More Efficient

I ask you to take a very close look at it.

Thank you for your attention to these two vital issues.

###

Testimony of
U.S. Representative Ed Royce
Before the
Base Closure and Realignment Commission
June 12, 1995

Mr. Chairman, members of the Commission, thank you for the opportunity to appear before you today on a matter of vital importance to the Nation and to Southern California -- the future of the Long Beach Naval Shipyard.

My colleague Steve Horn and others have addressed many of the economic, technical and legal issues involved in this debate ... the deviation from base closure law criteria; disparities in the Navy's application of those criteria; errors in excluding workman's compensation costs associated with the closure of Long Beach; and the economic impact on the Long Beach/Los Angeles area of closing Long Beach, worth an estimated three-quarters of a billion dollars annually.

They have also mentioned the outstanding record of Long Beach as the only public shipyard operating in the black and returning money to the taxpayers the last six years in a row.

Accordingly, I would like to focus this evening on another perspective -- the essential contribution that Long Beach Naval Shipyard makes to America's military capability and to America's security presence in Asia and the Pacific. As Vice Chairman of the House Subcommittee on Asia and The Pacific, I am acutely aware of the importance of the Asia-Pacific region to our economic and national security. And Long Beach Naval Shipyard, with its unmatched physical infrastructure and trained manpower resources, has a key role to play in those arenas.

That our economic well-being for the 21st Century is tied inextricably to Asia and the Pacific Rim is indisputable. So is our national security. Current and incipient military, trade and regional disputes involving Russia, China, Japan, Taiwan, the Koreas, the Philippines, Malaysia, Indonesia, Vietnam, Australia, New Zealand, India, Pakistan, the Persian Gulf and Eastern Africa, to name some, all argue for a stout and reliable force projection capability from the West Coast of America. Please note that least three of the nations I named, in addition to the U.S., are nuclear powers.

The Pacific and its adjacent waters have become in this century America's ocean, and they need to be secure for American commerce and American sea power. Long Beach Naval Shipyard is an essential element of that formulation.

For example, the overall Chinese defense budget increased by 22% last year, and is going up by another 25% this year. No other country in the world comes close to these levels of growth in military spending. A large portion of this increased defense spending is going to the Chinese navy. Earlier this year the Chinese bought two submarines from Russia as the first part of a package deal in which they will buy several more Russian subs.

The expanding forward presence of Chinese ships in the seas of Southeast Asia is another example. The Chinese navy already has tried to occupy islands in the South China Sea that are claimed by other Asian countries. These are but some of the ways in which communist China has sought to develop a bigger and more powerful blue-water navy with nuclear and ballistic-missile capability.

[over]

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[over]

Congress of the United States
House of Representatives
Washington, D.C. 20515

June 13, 1995

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

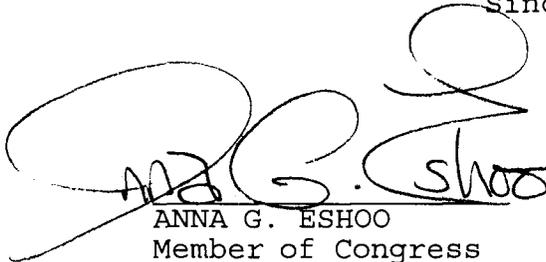
Dear Chairman Dixon:

We submit to you a copy of an internal 1994 Air Force Space Command review entitled "Single Node Operations Study". It is our understanding that the Air Force has hidden the existence of this study, and in fact was misleading in its answers to questions about parts of this analysis to Members of the California Congressional Delegation and to the BRAC Commission.

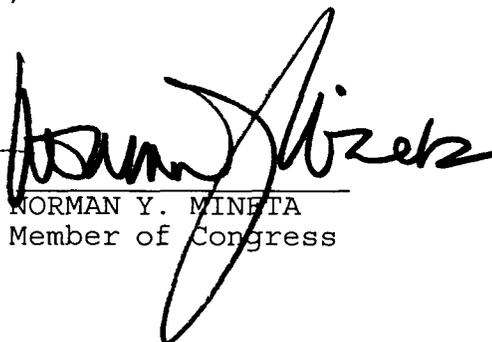
Most importantly, the cost figures referred to in the aforementioned Air Force study differ dramatically from the return on investment numbers that were outlined in the Department of Defense's February 1995 BRAC report. These discrepancies are of great concern to us inasmuch as the Air Force's BRAC submission should reflect the true costs associated with this closure action.

We strongly recommend that you and your staff carefully review the Air Force's actions regarding Onizuka Air Station, and ensure that the resultant figures reflect a true and accurate portrayal of their ultimate intentions. We believe that such a review will find the "realignment" proposal to not be in the best interest of the taxpayers. Your interest in equitably resolving this issue is greatly appreciated, and we stand ready to assist you and the Commission in any way possible

Sincerely,



ANNA G. ESHOO
Member of Congress



NORMAN Y. MINETA
Member of Congress

enclosures

**STATEMENT OF THE HONORABLE ELTON GALLEGLY
MEMBER OF CONGRESS, 23RD DISTRICT OF CALIFORNIA
TO THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
CONGRESSIONAL HEARING, 345 CANNON HOUSE OFFICE BUILDING
WASHINGTON, D.C. JUNE 12, 1995**

Mr. Chairman and Members of the Commission, I appreciate this opportunity to address you today. As you have heard me testify previously, I am strongly opposed to the closure and realignment of facilities at Naval Air Warfare Center - Weapons Division, Point Mugu as proposed and considered by the Commission.

I believe we have come a long way in the analysis of this realignment proposal since it was first presented at the add hearing on May 10. I would like to take this opportunity to detail for you that progression - where we started and where we are today in the evaluation of this proposal.

Prior to your decision to add Point Mugu for closure consideration, you heard of a DoD Inspector General's report detailing alleged potential savings that could be achieved by closure of Point Mugu. The IG decided that the highly valued and extremely sophisticated Sea Range operations could be housed in facilities at a nearby Construction Battalion base, Port Hueneme. The IG also believed the laboratory and flight test functions could be transferred to China Lake because the IG assumed they were duplicative of operations at China Lake. Finally, the IG assumed future test and evaluation workload targeted for

performance by Point Mugu and China Lake would be drastically reduced allowing substantial workforce reductions at the two bases. In fact, the bulk of the IG's projected savings in its report is derived from personnel consolidations.

Since the May 10th adds hearing, the Commission has had benefit of a site visit to Point Mugu and China Lake. You have received detailed community testimony through the regional hearing process. Finally, you have received comprehensive and definitive analysis from the Navy. All of this points out the fallacy of relying on the IG report and its flawed data as justification to close Point Mugu.

During your site visit on May 30th, you heard how critical to fleet mission and readiness it is to have the Sea Range land operations located at Point Mugu immediately adjacent to the Range. Further, you learned that the Port Hueneme buildings suggested by the IG are, as an alternative site, either unavailable or so dilapidated as to be unusable for Range operations without substantial and costly renovation. You were advised that although both Point Mugu and China Lake perform test and evaluation functions, the weapons systems to which each is devoted are completely different. Each requires a unique laboratory and engineering capability. As a result, functions but not capabilities are duplicated at each site. The Commission was briefed on the concept of DBOF, the Defense Business Operating Fund, and advised all laboratory and engineering

functions at Point Mugu and China Lake are DBOF functions. That means they must pay for themselves from customer usage. DBOF requires that workload dictates personnel levels. You were shown how abysmally wrong the IG was in its estimate of projected workload as compared to actual levels. Consequently, there are no excess personnel at China Lake who could perform Point Mugu's work. Therefore, the IG's assumption about savings derived from consolidation is wholly invalid. Finally, you heard how the Navy has consolidated activities at Point Mugu over the last two years, reducing personnel and achieving a twenty year savings of \$2.8 billion.

Although we tried to communicate these points to the Commission prior to the adds hearing, I understand and appreciate that the proof had to be presented by factual testimony, empirical evidence at site visits and detailed economic analysis provided by the Navy. I am confident that strong, definitive case has now been made.

At the adds hearing you were also briefed about a Joint Cross Services Group for Test and Evaluation effort to study T&E infrastructure with a goal of suggesting where reductions could be made. Five Air Force and Navy bases were identified for potential analysis. The two services took the identification under advisement and no further analysis by the Cross Services Group for feasibility was undertaken. Rather than consider all five of the bases, the Commission only singled out the Navy's

Point Mugu. This action was taken despite the high military value accorded Point Mugu and despite that the Navy had already done far more than the other services in the T&E area by proposing closure or realignment of 19 of its T&E facilities.

The Commission's proposed scenario suggested retaining the Sea Range operations but closing the runways and transferring the laboratory and engineering functions to China Lake.

At the site visit and at the regional hearing, Commissioners were informed by the commander of the Pacific Fleet and the director of the Navy's Weapons T&E just how important it is to mission capability and Fleet readiness to have co-location of the laboratory and engineering capabilities with the Range. You were shown the incredible inefficiencies that would result from the closure of the airfield and the transfer of Range target operations to a point 160 miles from the Range. Not only would this be ridiculous from an operational perspective, it would also add significant cost. The Commission was shown the negative impact this scenario would have on the Air National Guard and the operations of the nearby Naval Surface Warfare Center. Finally, you were shown that the one time closure costs - estimated to be some \$800 million - and recurring annual costs were so high as to preclude any reasonable return on investment any sooner than 64 years.

Members of the Commission, I can understand why superficially, Point Mugu may have appeared a tempting target for closure. I can only hope that now that you have had a chance to explore this matter in depth, you will agree that closing or further realigning Point Mugu simply does not make sense. Given the facts I just outlined, I ask you to delete Point Mugu from the closure and realignment list and allow this important Navy facility to continue its vital functions in service to our country's national defense. Thank you for your attention.

McCLELLAN

So Much More Than Just Another Air Force Base

Presented to

The Defense Base Closure and Realignment Commission

June 12, 1995

By

Congressman John Doolittle
Congressman Vic Fazio
Congressman Robert T. Matsui
Congressman Richard Pombo

Depot of the Future

As the commission enters its final week of deliberations, we want to emphasize a couple of key points.

First, the world continues to be a dangerous place and events are changing rapidly. Recent activities in Bosnia simply underscore that we live in a dynamic world and that we must be prepared to respond to any contingency. Our military forces, including depot facilities, must be in position to respond to the dynamic nature of world events.

In this regard, the Department of Defense and the Air Force have spent a lot of time working on force structure issues, infrastructure requirements and budget considerations to arrive at an appropriate balance that will permit our military forces to meet the challenges of the future.

On the Air Force depots in particular, we believe the downsizing recommendation is a reflection of the difficult nature of balancing each of these considerations. Ultimately, the Air Force and DOD selected what they believed to be the best alternative available to them at this time.

The downsizing option recognizes that each ALC has unique capabilities and characteristics that are essential elements of supporting the warfighters. Further, it recognizes that closing any ALC is an extremely costly proposition. Finally, it recognizes that certain capabilities at each of the ALCs could be lost for years to come under a closure scenario.

If anything, as a whole, DOD needs to maintain its flexibility and preserve its capabilities to respond to an ever changing world environment. The downsizing option maximizes both the flexibility and capabilities of DOD.

We have seen no evidence which refutes the Air Force's and DOD's downsizing recommendation. Nothing presented to me so far diminishes the rationale behind the downsizing alternative. And nothing suggests to me that the Air Force and DOD did not do their job.

The second point we want to make is that the military itself is changing, becoming more reliant on technology. The world of high technology is here and we believe McClellan is positioned to provide critical mission support for the Air Force and DOD well into the next century.

McClellan's emphasis is on technology. It is widely recognized as the high-tech depot. Its focus is on space systems and communications and electronics.

McClellan is also host to a one-of-a-kind nuclear radiation center, an unequaled and state-of-the-art hydraulics facility, and the foundry of the future.

This slide (Slide #2) illustrates what are McClellan's unique capabilities. We break them down into three categories: unique product or service, centers of excellence, and only DOD source of repair.

Understanding these unique characteristics of McClellan is important because closure will have a significant negative impact on the Air Force's and DOD's mission support capabilities.

Functional Value

Cross Servicing was to be the cornerstone of BRAC 95. The JCSG recommendations were solid, based on auditable and comparable data. The JCSG process is widely acknowledged to be thorough, sound and fair.

Although the JCSG produced good results and good alternatives, unfortunately, the cross-servicing recommendations came up short once again. The DOD simply did not have the ability to implement the JCSG recommendations. But we believe the product of the JCSG is an important tool for evaluating the relative merit of depots within the Air Force and within DOD.

The JCSG defined functional value as "the merit of performing a cross-service function at a given site or activity." The JCSG developed its functional value analysis based on five criteria and scored depots by individual commodity groups. (Slide 3)

Of 50+ commodity groups evaluated, McClellan scored highest in 6 categories. Only one other depot had more high scores with 8 and another tied McClellan with 6. All other depots had five or less.

What this slide (Slide 4) tells us is that in the areas where McClellan performs work, it consistently measures above the other depots that do similar work. Congressman Pombo will give you a specific example of this a little later on.

Although the JCSG staff suggests that they did not intend for the commodity scores to be rolled into an overall score, we felt that since the Air Force rolled up an overall score, we would roll up the JCSG scores for comparative purposes.

When the JCSG commodity scores are summed up (Slide 5) -- McClellan ends up with the highest relative score among ALCs and 2nd highest among all 22

of the depots evaluated.

What this tells us is that McClellan does a lot of things extremely well across the DOD commodity spectrum. And while some may say it gives an apples to oranges comparison, we believe, like the Air Force roll-up, it is helpful in illustrating an overall relative value.

Your probably asking yourselves, as we did, if McClellan scores so well in the JCSG analysis, then why does it show up as a closure candidate in one of the JCSG alternatives.

The answer is quite simple. The alternatives used by the JCSG to select closure candidates were designed to maximize functional value and military value. While the JCSG developed its own functional value analysis, the JCSG relied on the Air Force's determination of military value.

That military value determination was made by secret ballot in a process that the GAO said was subjective and difficult to audit.

We contend that the subjective determination of McClellan's military value does not reflect McClellan's real value. Specifically, the Criterion I analysis for Air Force depots leaves us with many questions.

As you know, the Air Force created its own functional value analysis which represents 56 percent of the overall rating for Criterion I. The Air Force process for determining functional value was similar to the JCSG process. However, there were three important differences.

First, the Air Force added capacity as a primary factor (40% of individual commodity scores) which favors large depots (Slide 6). The JCSG specifically avoided capacity in its analysis since capacity alone does not reflect mission requirements. It's fine to say that you have enough capacity to repair 100 widgets. But if you only need room for 10 widgets, that excess capacity adds little and has less relevance to a depot's value.

Second, no credit was given for core cross-service workload. McClellan performs more core cross-service workload than any other ALC. It is not reflected anywhere in the Air Force analysis.

Third, in a departure from the JCSG methodology, the Air Force combined seven separate GCE commodities into one category, which further reduced McClellan's overall score.

After assigning weights to each commodity based on importance to mission

requirements, the Air Force rolled up the individual commodity scores into one overall score. In the initial roll-up, McClellan ranked second among the ALCs. However, the Air Force then changed the weighting of the commodities for a second run. In that roll-up, McClellan ranked a close third, despite the three significant departures from the JCSG process.

Despite the respectable showing McClellan made in the final Air Force functional value assessment, we think you would agree that there are some major disconnects between the Air Force rating of McClellan and the JCSG rating of McClellan. We believe the Air Force undervalued McClellan's functional value lowering its overall Criterion I rating which, in turn, lowered McClellan's overall military value.

Cost of Depot Operations

Under the Air Force's Criterion I analysis, the cost of depot operations represents 14% of the overall rating.

The Air Force used two indicators -- Annual Operating Costs and Labor Rates -- to rate the ALCs on cost. (Slide 7)

McClellan was rated Red-plus for cost of depot operations. We believe this rating and the indicators used to derive the rating completely belie McClellan's true value in terms of cost-effectiveness and productivity. We are convinced that McClellan should be Green for cost of depot operations.

Here's why --

The use of Annual Operating Costs as an indicator captures the total cost of depot operations, but it ignores the complexity of work and does not account for any variance in skills, equipment, training and overhead costs for differing workloads.

It is interesting to note that the two high-tech depots -- Hill and McClellan -- received Red-plus ratings for Annual Cost of Operations. This fact underscores the impact of high-tech workloads and highly skilled employees on the cost of depot operations.

The other indicator used to determine the cost of depot operations was labor rates which do not reflect productivity, efficiency or performance. McClellan's basic wage rates are higher than the other ALCs, but our performance and efficiency is better.

We looked at the AFMC's own performance indicators to assess efficiency, productivity and overall performance of the ALCs. These indicators have been documented by the U.S. General Accounting Office (GAO) since 1988.

Since 1988, McClellan is the number one Air Force Depot in meeting Annual Operating Results which measures costs versus revenues. (Slide 8)

The goal is not to make a profit, but to achieve a \$0 balance on an annual basis. This indicator is a primary measurement of management effectiveness.

For other performance indicators, McClellan is number one in Direct Labor Efficiency (Slide 9) and McClellan is number two in Output Per Paid Man-Day (Slide 10). McClellan never ranks lower than 3rd for any standard performance indicator aggregated over the 1988 to 1994 timeframe.

McClellan is at the top among Air Force depots both in terms of functional value and cost effectiveness. McClellan gives its DOD customers more bang for the buck. Unfortunately, the Air Force analysis does not capture the full value of McClellan as a depot.

McClellan should be Green for Depot Evaluation and Green for Criterion I.

If these issues had been evaluated to capture McClellan's true Criterion I value, McClellan's overall military value would be higher and we believe that the JCSG's alternative DM #2 would not have identified McClellan as a closure candidate.

Cross-Servicing -- Communications and Electronics

We understand that our friends at Tobyhanna Army Depot have been making claims that Tobyhanna should be the DOD source of repair for all communications and electronics work.

We believe that a review of the evidence will clearly indicate that if there is to be a single DOD source of repair for ground communications and electronics that it would not be Tobyhanna, but in fact it would be McClellan.

One need only review the JCSG functional value evaluation to understand why. The information we will present comes directly from the JCSG's depot maintenance study. It represents the closest "apples to apples" comparison you will find because we are talking about communications and electronics categories defined by the JCSG and performed at Tobyhanna and McClellan.

As the next slide (Slide 11) indicates, in the JCSG functional value scores for

communications and electronics commodities, Tobyhanna only ranks higher than McClellan in one instance. McClellan ranks higher than Tobyhanna in the other six commodities as well as in the software support commodities which are essential to supporting communications and electronics workloads.

The software support capability is particularly important since it is an essential component of supporting communications and electronics workload. Virtually everything that DOD uses today is software driven -- radars track using software, satellites are controlled using software, and test equipment is software driven.

A level 3 classification of software development capabilities mandatory in order to do business with the Air Force. McClellan has a level 3 classification. Tobyhanna has no classification.

Further, the next slide (Slide 12) shows that for doing communications and electronics work, McClellan is the better buy. Our budgeted Labor Hour Cost for communications and electronics, which is what is charged to the customer, is lower than Tobyhanna's.

In the next slide (Slide 13), we illustrate Tobyhanna's and McClellan's current capabilities to support core communications and electronics workload. The JCSG study reveals that McClellan is the only DOD facility with core capability in all communications and electronics categories. What this means is that McClellan has the technology in place to support all commodity types. Tobyhanna does not.

The final slide (Slide 14) clearly demonstrates that McClellan has existing capacity to support all of DOD's communications and electronics depot maintenance workload requirements.

The bottom line is that if this Commission wants to take an historic step and implement cross-servicing on a significant scale in the area of communications and electronics, then the evidence clearly demonstrates that McClellan should be the DOD single source of repair for communications and electronics workload. cost of closure issues.

Cost of Closure

Our review of closure costs in the COBRA model for McClellan revealed significant errors.

The next slide (Slide 15) highlights the errors and what their impact is on steady-state savings. We provided your staff with information on this subject earlier, what we are presenting today represents an update of the numbers based

on the latest COBRA runs and the best available information we could obtain.

We understand that personnel reductions have already been taken within AFMC programs which are not reflected in the Unit Manpower Document (UMD). The UMD was the source of the personnel numbers used by the Air Force in the COBRA model. Essentially, the UMD had not yet been updated. AFMC even alerted ALC manpower offices that the UMD numbers were suspect. We have attached a letter from AFMC Headquarters on this subject for your reference (Attachment #2).

We are not certain of what the impact of this discrepancy will be on one-time costs and steady-state savings, but bring it to your attention because the closure savings estimates ought to be accurate.

The other errors relate to Base Operations Support (BOS) personnel. We've identified 76 positions counted as BOS for the base when these positions are actually mission support positions that will relocate with the 940th Air Refueling Group. This is the same scenario for 91 positions that were counted as BOS but which are actually mission support and will move with the communications squadron. The other 32 positions are already be eliminated as part of the F-111 drawdown unrelated to BRAC. However, they were included in the COBRA personnel eliminations column.

After correcting for these errors using standard factors from the COBRA model, we estimate that McClellan's steady-state savings are reduced by approximately \$8.5 million.

We have also uncovered several errors in one-time costs (Slide 16). The three most significant errors involve McClellan's Nuclear Radiation Center, the Cold Proof facility and the Hydraulics facility.

First -- the Nuclear Radiation Center. The COBRA assumptions used by the Air Force provide a shutdown cost of \$20 million and an annual maintenance cost of \$300,000. In reality, one-time decommissioning costs will run as high as \$55 million. Annual recurring costs will be \$700,000 per year. The capabilities of the Nuclear Radiation Center provide critical support to DOD for nuclear treaty verification purposes as well as strategic materials production. These capabilities must be replicated to support national security requirements.

The cost to replicate this capability is \$48 million, which does not consider the length of time and difficulty in getting the regulatory licenses and permits needed to operate a nuclear reactor.

For the Cold Proof facility, the Air Force included \$0 in its COBRA analysis

for this capability, even though the facility will be needed to support our foreign military sales obligations with Australia and may be required to support the EF-111s if they remain in the inventory. The cost to replicate the facility is \$8.1 million.

Finally, on the Hydraulics facility, the Air Force included just under \$1 million in the COBRA model for replicating this capability elsewhere. As many of you saw firsthand when you visited McClellan, the state-of-the-art, high-pressure hydraulics capabilities at McClellan need specialized facilities. These facilities are not currently found anywhere else in DOD. The cost to replicate is \$21.7 million.

When added together, we find a total understatement of one-time costs of \$111.8 million just on these three facilities.

The next slide (Slide 17) demonstrates the impact of these corrections cost of closure. We see McClellan's one-time costs increase to \$683 million, steady state savings decrease to \$76 million, payback increase from 8 years to 11 years and the net present value decrease from \$370 million to \$169 million.

Conclusion

We encourage the commission to look closely at these cost of closure and other issues. We must have a full understanding of what the impacts of closure are on mission readiness and sustainability and the Air Force and DOD budgets.

We ask that you not foreclose the Air Force's and DOD's flexibility to respond to changing national security requirements.

We are convinced that McClellan, its capabilities and its workforce, are positioned to support the military of the future.

For these reasons, we believe Secretary Perry was correct in his recommendation to send more work and more missions to McClellan, consolidating workload in the areas of composites, instruments and hydraulics/pneudraulics, and retaining McClellan's expertise in the areas of micro-electronics, ground communications and electronics and neutron radiography.

The recommendation recognizes the significant investment we have made in our base in recent years -- more than \$450 million -- to prepare it for the missions of the next century. McClellan's reputation for getting things done better, faster and cheaper further augments its attractiveness to DOD.

McClellan is more than just another Air Force base. McClellan is a unique national asset. It has among the finest staff, equipment and facilities. And, it has

a record of outstanding performance and innovation.

Finally, McClellan is an excellent neighbor and integral part of our local community.

All of these factors combined contribute to our strong belief that McClellan is an asset that should not only be preserved, but fully utilized.

Attachments:

- (1) Slides
- (2) AFMC letter regarding Out-Year Unit Manpower Document

ATTACHMENT 1

#1

MCCLELLAN

**So Much
MORE**

**Than Just
Another**

Air Force Base

McClellan's Technical Edge

Technology	Unique Product or Service	Air Force Center of Excellence	Only DoD Source of Repair	Cross Service
Microelectronics	X			X
Nuclear Radiation Center	X		X	X
Cold Proof	X		X	
Hydraulics		X		
Instruments - Flight Controls		X		
Ground Comm-Electronics		X		X
Electro-Mechanical Spt Eq		X		
Composites & Plastics		X		
Electro-Optics/Night Vision		X		X
Firefinder			X	X
Bradley Fighting Vehicle			X	X

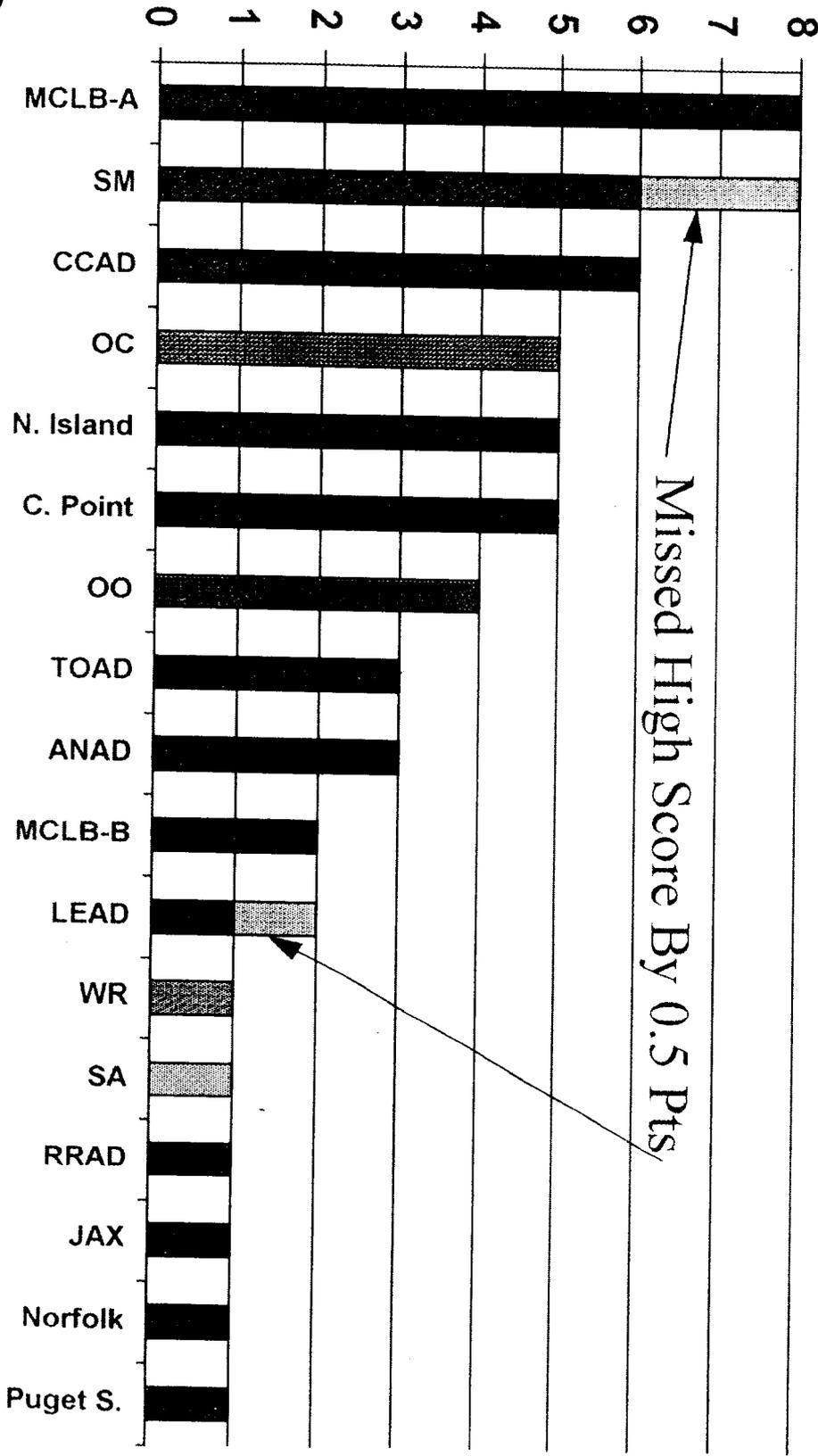
Functional Value

“The merit of performing a cross-service function at a given site or activity.”...JCSG-DM

- **Core Workload/Core Capabilities (30 Max)**
- **Unique/Peculiar Core Workloads, Capabilities, Capacities (15 Max)**
- **Unique/Peculiar Core Workload Test Facilities (15 Max)**
- **Other Workloads (15 Max)**
- **Environmental Issues/Questions (10 Max)**

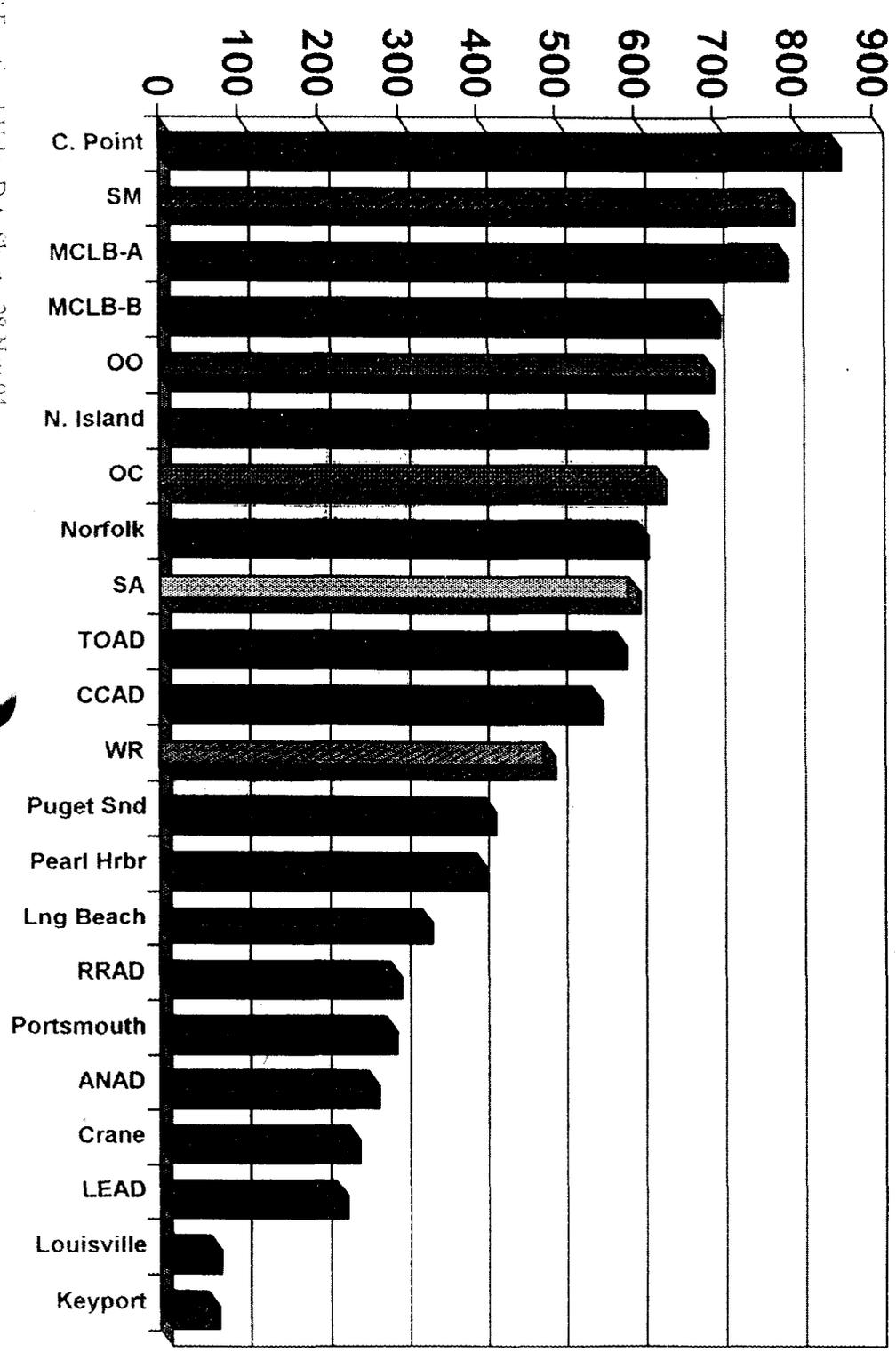
Functional Value

Number Of Categories With Highest Score



Functional Value

Roll-Up Of JCSCG Functional Value Scores For All Depots



#6

Air Force Depot Evaluation Factors & Weights

Functional Value

- **Capacity (40%)**
- **Core Workload & Capabilities (30%)**
- **Unique & Peculiar Core Workloads (10%)**
- **Unique & Peculiar Core Test Facilities (10%)**
- **Other Workloads (10%)**

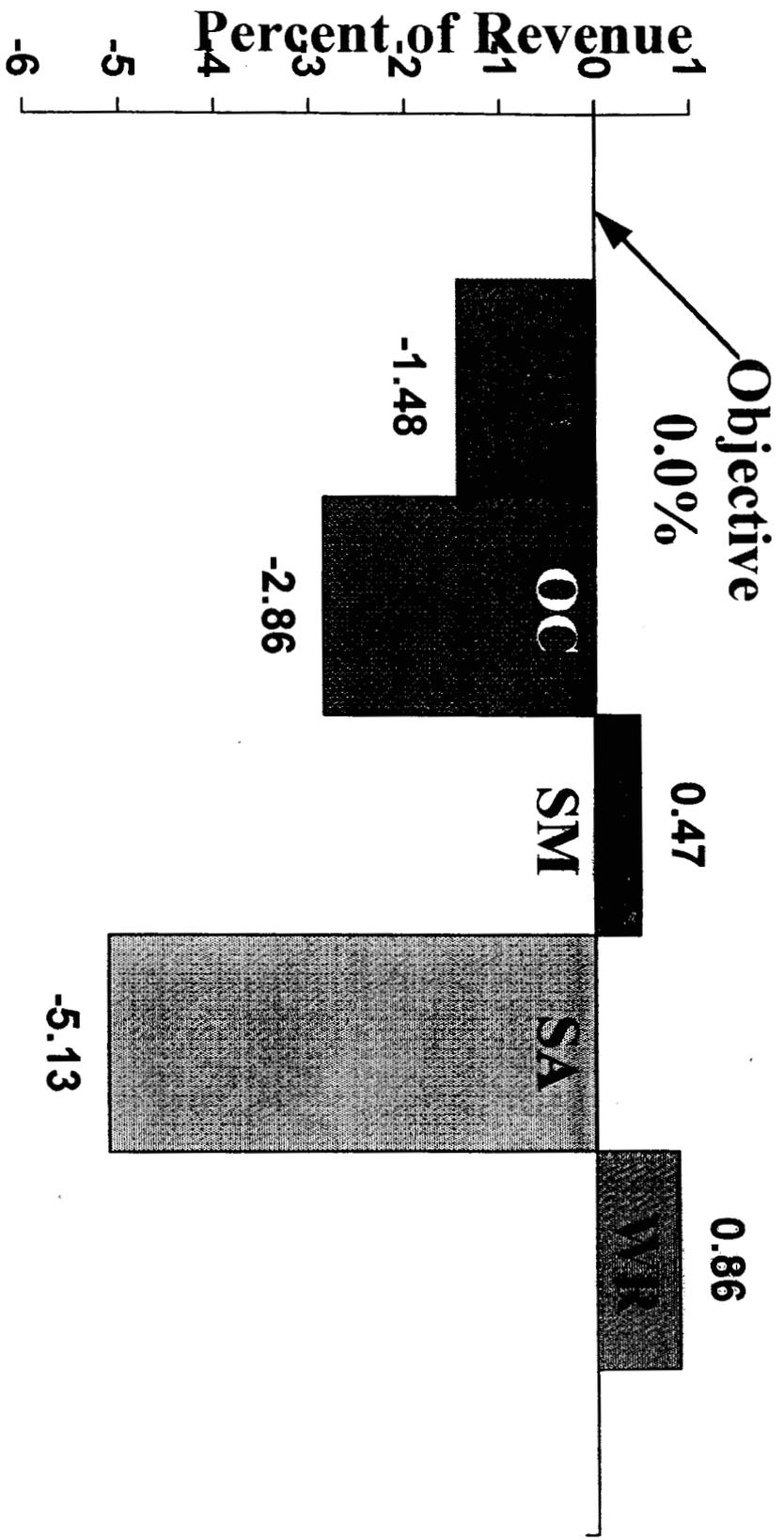
Air Force Depot Evaluation Factors & Weights

Cost

- Annual Operating Cost (50%)
- Labor Rates (50%)

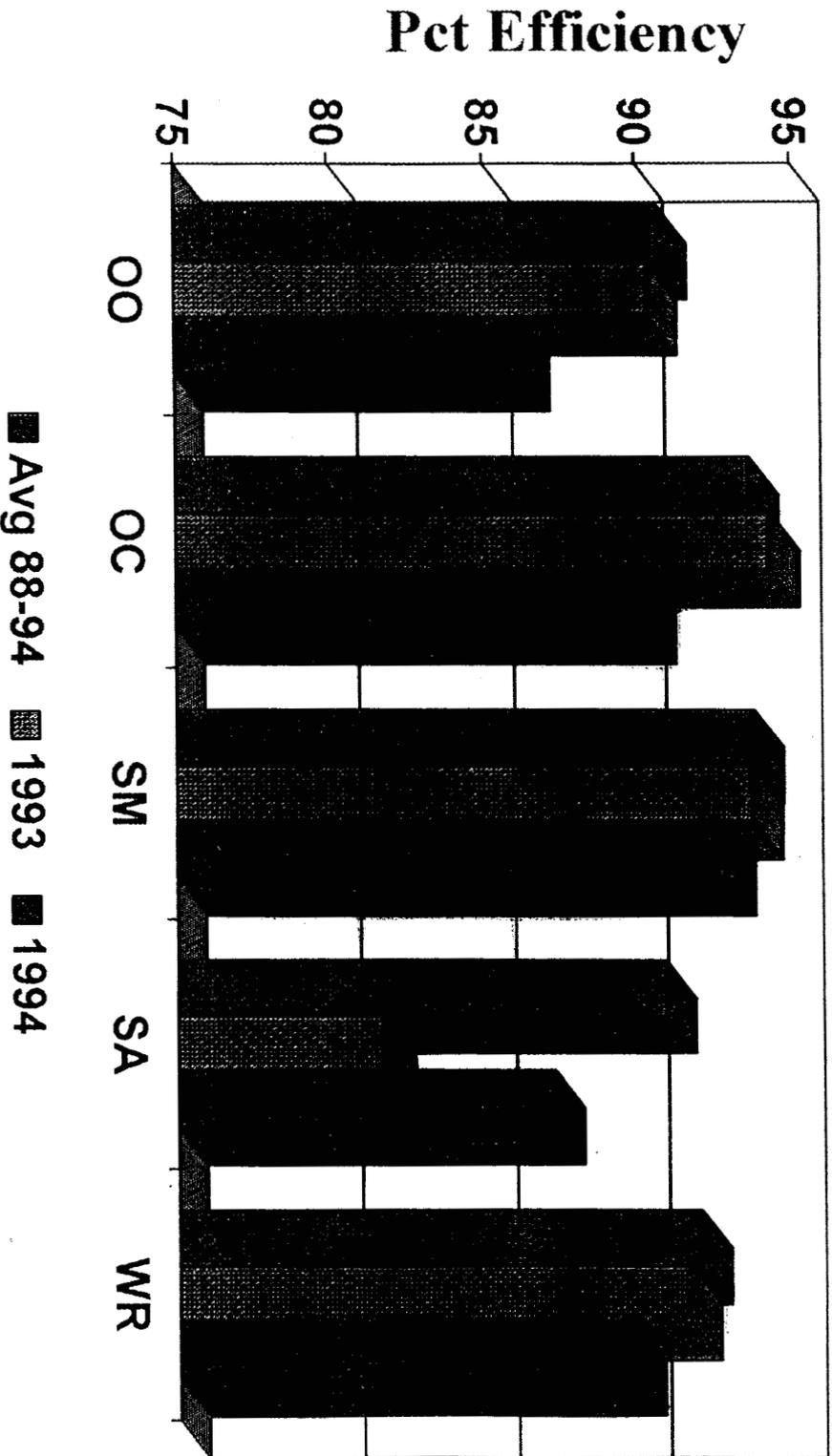
Labor Rate vs Effectiveness

Annual Operating Results 1988-1994 Cum



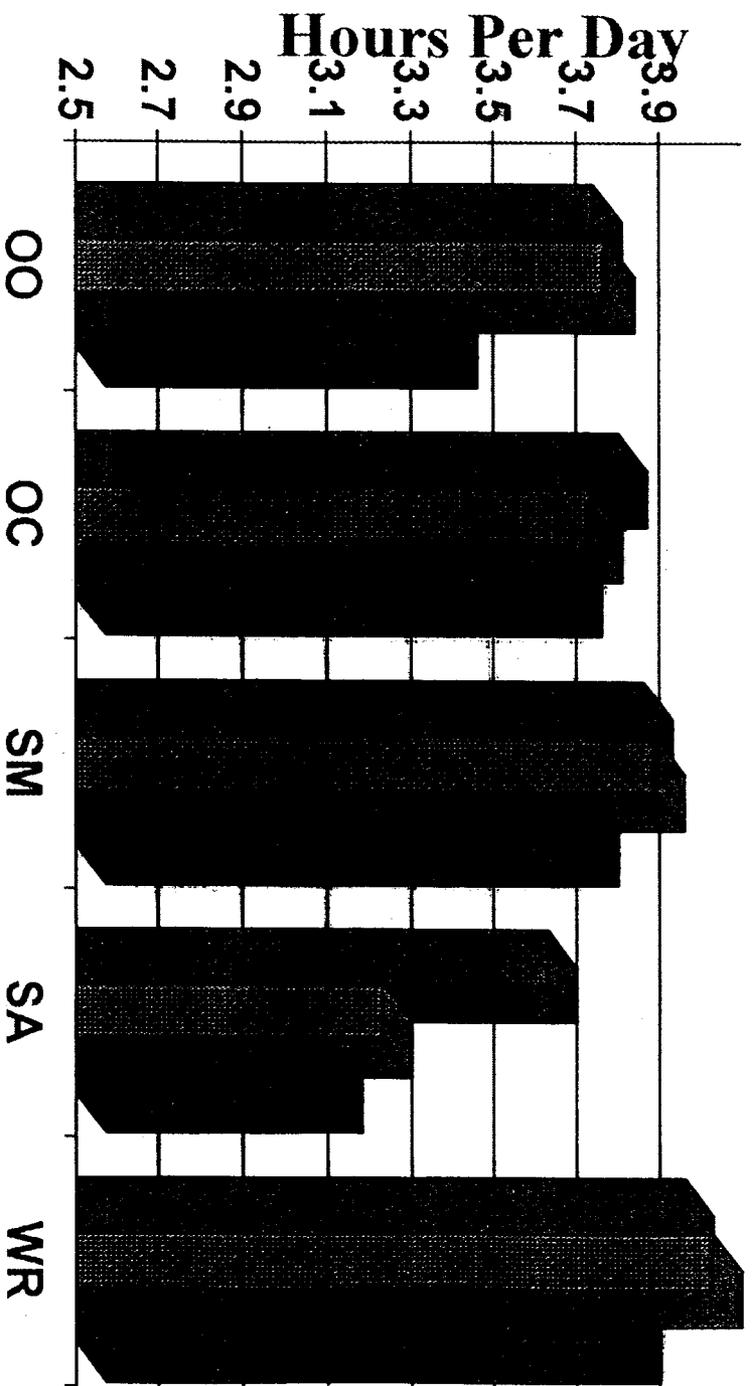
Labor Rate vs Effectiveness

Direct Labor Efficiency



Labor Rate vs Effectiveness

Output Per Paid Manday



■ Avg 88-94 ■ 1993 ■ 1994

#11

Functional Value Summary Communications-Electronics

	McClellan		Tobyhanna	
	Points	Ranking	Points	Ranking
Radio	47.0	1	45.0	3
Radar	56.5	1	43.0	4
Navigational Aids	52.5	1	44.0	3
Satellite Control/Sensors	65.5	1	19.0	2
Wire Communications	47.5	2	41.0	3
Electro-Optics/Night Vision	46.5	2	20.0	6
Electronic Warfare	7.5	4	57.5	1
Tactical Systems Software	44.0	4	42.5	5
Support Equipment Software	49.5	3	None	None
Total	372.5		269.5	

Source: JCSG Functional Value Data Sheets, 28 Nov 94

#12

Budgeted Labor Hour Cost For GCE Workload

McClellan AFB

Tobyhanna AD

\$65.27¹

\$66.65²

1 - Source: G035A-HF3-MM-8BV, 2/94, For GCE Workload Only

2 - Source: DOD DEPOT MAINTENANCE OPERATIONS INDICATORS REPORT, 2/94, For GCE Workload Only
(This report shows composite rates by depot. Tobyhanna does only electronics, but McClellan does Aircraft and other types of workloads that affect the labor rate. Therefore, a GCE only labor rate was taken from the G035A report for McClellan)

Core GCE Workload & Technology Capabilities Matrix

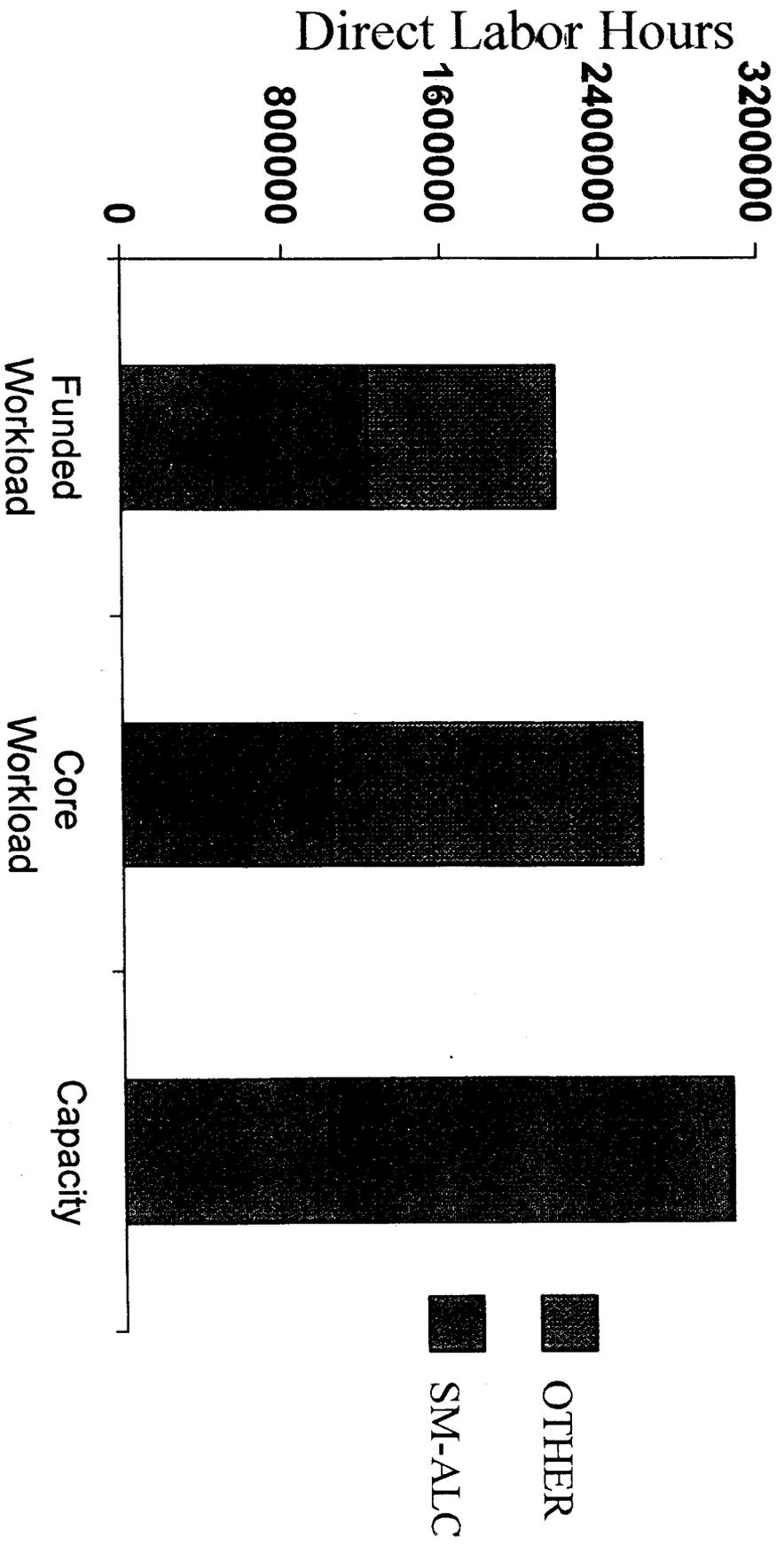
	McClellan	TOAD
Radar	Yes	Yes*
Radio	Yes	Yes
Wire	Yes	Yes
Electronic Warfare	Yes	Yes
Navigational Aids	Yes	Yes
Electro-Optics/Night Vision	Yes	No
Satellite Control/Sensors	Yes	No
Radar Antenna Testing	Yes	No
E/O Night Vision Test Fixtures	Yes	No
Non-GCE Facilities Available For Expansion	Yes	No
Tactical Systems Software	Yes	Yes**
Support Equipment Software	Yes	No

* CBD, 29 Jun 94, Solicitation issued by U.S. Army CECOM: "The requirements for contractor support is due to the lack of adequate radar range facilities at Tobyhanna Army Depot (TOAD)"

** McClellan's tactical software capacity exceeds TOAD by 398%. This lack of capacity at TOAD would necessitate duplicating facilities maintained at McClellan, in order to ensure adequate software support.

Ground Comm-Electronics Workload

Total DoD GCE Workload



Source: JCSG Certified data sheets

Overstatement Of Annual Savings In COBRA Model For McClellan AFB

Manpower Discrepancies	Personnel Savings Impacts	Annual Savings Impacts
Failure To Reconcile Aug 94 Unit Manning Document To POM	Unknown	Unknown
BOS Miscalculations:		
940th ARG	-76	(\$3.3M)
Communication Squadron	-91	(\$3.9M)
F/EF-111 System Drawdown	-32	(\$1.3M)
Total Impact On Annual Savings	-199	(\$8.5M)

Understatement Of One Time Costs In COBRA Model For McClellan AFB

Facility	\$ (MIL) COBRA	\$ (MIL) Actual
Nuclear Radiation Center	20.0	
Decommission		55.0
Replacement		48.0
Cold-Proof	0.0	8.1
Hydraulics	1.0	21.7
Total	21.0	132.8
Total Understatement	111.8	

#17

McClellan Cost Of Closure Impacts

	COBRA (MCC-0119)	Corrected COBRA	Difference
One Time Cost	\$572 M	\$683 M	\$111 M
Steady State Savings	\$85 M	\$76 M	\$9 M
Return On Investment	8 Years	11 Years	3 Years
Net Present Value	(\$370 M)	(\$169 M)	(\$201 M)

ATTACHMENT 2



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS AIR FORCE MATERIEL COMMAND
WRIGHT-PATTERSON AIR FORCE BASE, OHIO

17 JUL 1994

MEMORANDUM FOR ALHQSTAFF
ALHQCTR/CC

FROM: HQ AFMC/XP
4375 Chidlaw Road, Suite 6
Wright-Patterson AFB OH 45433-5006

SUBJECT: Out-Year Unit Manpower Document (UMD) Changes, FY96 POM

- References: (a) HQ AFMC/XPM Memo, 10 May 94, FY96 POM Manpower Reductions
- (b) HQ AFMC/XPMR Memo, 10 Jun 94, Manpower Program Adjustment--Further Acceleration of Acquisition Reduction (NOTAL)
- (c) HQ AFMC/XP Memo, 22 Jun 94, Additional FY96 POM Civilian Manpower Reductions
- (d) HQ AFMC/CV Memo, 1 Jul 94, Manpower and Civilian Payroll Data Input

1. We have asked you to provide UMD change requests relating to the FY96 POM reductions by 15 Aug 94. We understand how difficult it is to address the out-years (FY97-01), especially since there are still many unknowns--particularly BRAC '95 decisions.

2. Recognizing this difficulty, we have asked HQ USAF to formally recognize the difficulties involved in out-year installation-level projections, and to issue a policy statement to this effect. The idea is to alert functionals and staffers outside the command *not to use our out-year UMD data to make resource determinations, because decisions affecting out-year requirements by installation have yet to be made.*

3. While we encourage you to include out-year reductions in your UMD changes, we understand this will not be possible in every case. We will accept any changes you are able to make, since the UMD data base would become more accurate than it is now, but we realize many other changes will have to be made in the future. As the attached memo indicates, we are alerting HQ USAF not to expect great fidelity in our out-year UMD projections at this time. (Please note the PEC spreads for all years due by 15 Jul 94 are still required).

4. We trust this relaxation in UMD detail for out-year requirements will help, and we appreciate your continued support. My POCs are Col Jake Kessel and Mr. Denny Boggs, HQ AFMC/XPM, DSN 787-6274.

A handwritten signature in cursive script that reads "Pat Condon".

STEPHEN P. CONDON
Major General, USAF
Director of Plans and Programs

Attachment:
HQ AFMC/XPM Memo, 6 Jul 94

**TESTIMONY OF THE HONORABLE SAM FARR
17TH CONGRESSIONAL DISTRICT, CALIFORNIA**

**TO THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
ON THE DOD RECOMMENDATION TO REALIGN THE TEXCOM EXPERIMENTATION
CENTER (TEC) AT FORT HUNTER LIGGETT TO FORT BLISS**

June 12, 1995

Good morning Mr. Chairman and distinguished Members of the Commission:

I am pleased to have this opportunity to discuss DoD's recommendation to realign the TEXCOM Experimentation Center at Fort Hunter Liggett, California to Fort Bliss, Texas. As incredibly challenging as the Commission's job is, I know and appreciate the fact that the Commission will give careful consideration to the issues raised this morning when deliberating on its decision on Fort Hunter Liggett.

First, I would like to take this opportunity to mention the presence of two highly qualified experts in *both operational testing* and the capabilities of Fort Hunter Liggett who are with me this morning. Dr. Marion Bryson, retired director of TEXCOM Experimentation Center and Colonel L.D. "Red" Walkley, retired Army garrison commander at Hunter Liggett are working closely with the Commission's staff on the *military value* aspects of the terrain and isolation of Fort Hunter Liggett for conducting *operational testing*, and the significant flaws in the Army's COBRA analysis.

Operational testing is the final phase of DoD testing for evaluating material, doctrine, tactics, training and organization and this phase must be accomplished in an operationally realistic combat environment. This environment must include total free play of the opposing forces involved in the test. More importantly, this combat environment must challenge the minds of the soldiers and officers to ensure the systems and technology are

thoroughly evaluated.

Free play and varied terrain challenge the minds of our fighting forces. The more varied the terrain, the higher probability of the quality of testing. There are few restrictions to the creation of an appropriate environment in the hills and valleys of Fort Hunter Liggett. For example, high-energy lasers can be used 360 degrees, but they can be used in the arid desert environment only where sufficient hills can backstop their energy. As such, free play is lost at a place such as Fort Bliss which lacks the appropriate terrain to facilitate two-way unrestricted laser use.

Another example is the ability to use the broad spectrum radio frequency jamming at Fort Hunter Liggett. Broad spectrum radio frequency jamming reduces the ability of the leader to communicate with the force and produces the realistic battlefield condition of confusion, and thus requiring individual initiative, thereby contributing to the quality of the test. Broad frequency radio jamming can interfere with television and AM/FM Radio reception, emergency networks and foreign frequency usage. There are few restrictions at Fort Hunter Liggett on jamming; many at Fort Bliss.

Finally, terrain is both friend and foe to forces engaged in testing. Again, leadership and initiative come into play when the forces are confronted with hills and valleys, rivers and lakes, manzanita thicket and oak forest. In addition to the terrain and vegetation, the possibility of wildland fire and a wide variance of climatic conditions Fort Hunter Liggett relates to vast regions of the non-desert world.

The weapons, mobility and technology provided to our forces are the key to success on the battlefield. I believe our soldiers deserve the very best that industry, innovation and

research can provide. I also believe that the place for ensuring this quality is on the proving grounds and testing areas, not on the battlefield. An example of this would be the testing of the Apache Longbow. Equipped with a state-of-the-art mast mounted radar fire control system, along with navigation and communications systems, the Longbow Apache was designed to be a formidable 21st Century Army weapon to detect and engage multiple targets on the battlefield. This test was concluded this year at Hunter Liggett. It had been originally scheduled at Fort Bliss but was switched for many of the reasons cited above.

ARMY COBRA ANALYSIS

DoD made a recommendation based on the Army's COBRA analysis that there would be a substantial return on investment to realign TEC. Their analysis led to the following results:

- 1. One-time cost to realign TEC to Fort Bliss of \$6.6 Million.**
- 2. All costs recovered in 1-year.**
- 3. Army says there will be an accumulated savings of \$67.6 Million at the end of BRAC period in 2015.**

RETURN ON INVESTMENT

The Army's COBRA analysis was flawed in that it made assumptions in salary and base operations costing data. Assuming the TEC element to be bigger than it actually will be, the Army anticipated moving 384 personnel in FY 1998. Due to the planned force structure which is independent of the BRAC process, TEC will only be 206 personnel by FY 1998.

Omitting the costs of moving the TEC element to Fort Bliss including conversion of office space, laboratory facilities, and the recalibration or replacement of TEC instrumentation to avoid frequency interference were not calculated in the Army's COBRA analysis.

I am submitting to the record copies of Army working papers from a 30 May 1995 **Technical Assessment/Cost Estimate meeting** at Fort Ritchie, MD which illustrates that there is a one-time cost of \$40.9 Million to move the TEC element. This data was compiled by the TEC, Ft. Bliss and Fort Ritchie, MD working groups planning the proposed realignment of TEC from Fort Hunter Liggett to Fort Bliss.

Again, this data adds \$34.4 Million to the Army COBRA projections of \$6.5 Million in one-time costs for a total of \$40.9 Million or a 620% increase in the COBRA projection. I am providing this data in the form of a TEC working document and a Fort Ritchie Summary page from its cost assessment meeting.

I strongly believe that we have shown that the military value of Fort Hunter Liggett for operational testing is vastly superior to Fort Bliss and that there will be a **one-time** significant cost to the taxpayer -- with no recurring savings. As the Army downsizes, technological advancements play an even greater role in Battlefield success. Throughout history, victory has gone to the side that makes the best use of available technology.

Even if this proposed move made operational sense there is no return on investment. The Secretary of Defense substantially deviated from BRAC criterion 5. Therefore, I urge the Commission to reject the DoD Recommendation to realign TEC from Fort Hunter Liggett to Fort Bliss.

COBRA CATEGORIES - ONE TIME COSTS.

	<u>COBRA</u>	<u>TEC</u>	<u>FT RITCHIE</u>
CONSTRUCTION			
MILITARY CONSTRUCTION*	0	5,670,000	NA
<u>TOTAL CONSTRUCTION</u>	<u>0</u>	<u>5,670,000</u>	NA
PERSONNEL			
CIVILIAN RIF	89,696	100,000	NA
CIV EARLY RET	37,528		NA
CIV NEW HIRES	32,161		NA
ELIMINATED MIL PCS	77,983		NA
UNEMPLOYMENT	15,660		NA
<u>TOTAL PERSONNEL</u>	<u>252,758</u>	<u>100,000</u>	NA
OVERHEAD			
PROGRAM PLANNING SPT	1,406,713	122,400	NA
MOTHBALL SHUTDOWN	912,500		NA
<u>TOTAL OVERHEAD</u>	<u>2,319,213</u>	<u>122,400</u>	NA
MOVING			
CIVILIAN MOVING	1,682,500	1,300,000	NA
CIV PPS	57,600		NA
MILITARY MOVING	1,845,507		NA
FREIGHT	123,357		NA
ONE-TIME MOVING COSTS	0	576,000	NA
<u>TOTAL MOVING</u>	<u>3,708,965</u>	<u>1,876,000</u>	NA
OTHER			
HAP/RSE	204,682		NA
<u>TOTAL OTHER</u>	<u>204,682</u>		NA
<u>TOTAL</u>	<u>6,485,619</u>	<u>7,768,400</u>	NA

*AND RENOVATION.

NOT CONSIDERED IN COBRA

INFORMATION MISSION AREA	0	NA	24,623,750
CONTRACTOR PERSONNEL MOVE	0	3,400,000	NA
HET TRANSPORTATION	0	122,400	NA
PRINTING	0	3,000	NA

<u>GRAND TOTAL</u>	<u>6,485,619</u>	<u>11,293,800</u>	<u>24,623,750</u>
	(MINUS COBRA/TEC DUPLICATION OF <u>\$1,522,400</u>)		
<u>TOTAL ONE TIME COSTS</u>	<u>= \$40,880,769.00.</u>		

COBRA MODEL PROJECTS \$6,485,619.00 ONE-TIME COSTS.
 TEC PROJECTS \$11,293,800.00 OF WHICH \$1,522,400.00 DUPLICATES
 COBRA DATA LEAVING \$9,771,400.00 NEW ONE-TIME COSTS.

FORT RITCHIE, MARYLAND TECHNICAL ASSESSMENT/COST ESTIMATE OF
 THE INFORMATION MANAGEMENT AREA PROJECTS \$24,623,750.) NEW
 ONE-TIME COSTS.

THE GRAND TOTAL ONE-TIME COSTS AS PROGRAMMED BY COBRA, PROJECTED
 BY TEC AND THE FT. RITCHIE COST ESTIMATE FOR INFORMATION MANAGEMENT
 IS \$40,880,769.00. THIS IS \$34,395,150.00 MORE THAN CONTAINED IN
 THE COBRA ANALYSIS.

IRM COST BREAKDOWN FOR TEXCOM RELOCATION

REFERENCE: TECHNICAL ASSESSMENT / COST ESTIMATE MEETING 30 ~~JUNE~~ ^{MAY} 1995
FT HITCHES, MD.

AUTOMATION: \$46,350

TELECOMMUNICATIONS: \$1,216,684 (WITH ISDN CAPABILITIES \$1,716,684)

VISUAL INFORMATION: \$27,338

RECORDS MANAGEMENT: \$8,537

LIBRARIES \$24,841

SPECIAL CONSIDERATIONS (LAN RESOURCES, LAN CLASSROOM, BENCHSTOCK,
BRIEFING ROOM, AUDITORIUM, RANGE
MEASUREMENT SYSTEM) \$11,400,000

EQUIPMENT FREQUENCY MODIFICATION: \$2,000,000

MIRO A AND B REPLACEMENT (EQUIPMENT CAN NOT BE FREQUENCY
MODIFIED) \$9,400,000

TOTAL: \$24,523,750

UNKNOWN COSTS: INFORMATION MISSION AREA SYSTEM ENGINEERING
RECOMMENDED UPGRADE COSTING DATA

RECEIVED June 9, 1995
From CDE, Fort Hunter Liggett
[Signature]
COL (RET) USA

ANNEX H

Financial Management Action Plan

1. Base funding and one time recurring costs required to execute action are included for the following Budget activity descriptions:

<u>Budget Code</u>	<u>Description</u>	<u>Status</u>
20	Family Housing	NA
23	Operations	NA
30	Operation and Maintenance	NA
31	Civilian Severance pay	\$ 100.0K * <i>42C Div 1/2</i>
32	Civilian PCS	\$1,300.0M * <i>42C Div 1/2</i>
33	Transportation of Things	\$ 576.7K <i>42C Div 1/2</i>
34	Real Property Maintenance	NA
35	Program Management (summary of 36-39)	\$ 122.4K *
36	Historical Preservation & Cultural Resources	NA
39	Other items not covered	(See total)
	1-Contractor Personnel move	\$3,400.0M
	2-HET Transportation	\$ 122.4K
	3-Printing	\$ 3.0K *
39 Total		\$3,525.4M
50	Other procurement above \$25K	NA
60	Environmental Restoration (summary of 61-62)	NA
61	Restoration	NA
62	Management of Environmental Restoration	NA

2. Justification for each budget code follows:

31. TEC is projected to have 25 civilians authorized and on board under this action. Of the 25, it is estimated that 5 will separate with severance pay entitlements. Severance pay entitlements are estimated at \$20K per employee for a total estimated cost of \$100K.

32. TEC is planning to relocate 20 civilians to Fort Bliss. Relocation costs, including DARSE, are estimated at \$65K per employee for a total estimated PCS cost of \$1.3M.

33. Transportation of things is estimated at \$576,700.00. Detail is contained in Annex D.

35. Summary cost total (35 thru 39) is \$3,525,400.00. This includes:

a. HET Transportation costs:	\$ 122,400.00
b. Contractor personnel PCS costs:	\$3,400,000.00
c. Printing:	\$ 3,000.00
Total:	3,525,400.00

39. Other costs include those items as listed above.

a. These costs (\$122,400K) are necessary in the absence of a Heavy Equipment Transport (HET) capability at Fort Bliss and will be required from the date TEC becomes fully operational through FY 2000.

b. TEC is planning to transport 10 M1A1 tanks, 5 M3's, and two M88 Recovery vehicles for testing two times per year.

c. Estimated round trip cost per vehicle (twice per year) is \$1.2K for a total annual estimated cost of \$40.8K. Annual costs include fiscal years 98, 99, and 2000 for a total recurring cost of \$122,400.00.

3. Other Annex costs:

a. Annex A:	NA	
b. Annex B:	NA	
c. Annex C:	NA	
d. Annex D:	\$ 576,700.00	TRANSPORTATION OF EQUIP & INST
e. Annex E:	\$5,670,000.00	BLOG RENOVATION & CONSTRUCTION
f. Annex F:	NA	
g. Annex G:	NA	
h. Annex H:	\$ 100,000.00	(Severance Pay)
	\$1,300,000.00	(CIV PCS)
	\$ 122,400.00	(HET transportation)
	\$3,400,000.00	(Contractor personnel PCS)
	\$ 3,000.00	(printing)

Total: \$4,925,400.00

i. Annex I:	NA
j. Annex J:	NA
k. Annex K:	NA

Total costs: \$11,172,100.00. (d + e + h total)

Received Jun 9, 1995

John
COL (ret) USA

ANDREA H. SEASTRAND
22ND DISTRICT, CALIFORNIA

COMMITTEES:
SCIENCE

TRANSPORTATION AND
INFRASTRUCTURE

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(805) 541-0170

TESTIMONY OF THE HONORABLE ANDREA SEASTRAND
22ND CONGRESSIONAL DISTRICT, CALIFORNIA

TO THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION ON
THE DOD RECOMMENDATION TO REALIGN THE TEXCOM EXPERIMENTATION
CENTER (TEC) AT FORT HUNTER LIGGETT TO FORT BLISS

June 12, 1995

Mr. Chairman, distinguished Members of the Commission:

Thank you for the opportunity to come before you today and address the recommended realignment of the TEXCOM Experimentation Center at Fort Hunter Liggett, California to Fort Bliss, Texas. As you have just heard from Congressman Farr's testimony, Fort Hunter Liggett is of great value to our military.

Technology has been, and will continue to be, America's military advantage. This fact was proven in the Gulf War. Although the coalition forces were smaller than those of Iraq's, our men and women were able to achieve a decisive victory over the aggressor. They won because of the superior training, weapons systems and technologies provided them through a demanding developmental and operational test and experimentation program.

The Gulf War was the first real test of the Apache helicopter, the Kiowa scout helicopter, the improved TOW vehicle, the Hummer and the Marine Corps Light Armored Vehicle. All of these systems were operationally tested and certified at Fort Hunter Liggett.

Another combat system that used Fort Hunter Liggett as its proving ground was the Sergeant York anti-aircraft gun. However, this \$3 billion system did not appear in the Gulf War. Although the Sergeant York tested favorably at Fort Bliss in the early

80's, when this system was sent to Fort Hunter Liggett for a confirmation operational test it failed. The system failed because the acquisitional radar became confused among the vegetation and varied terrain of Fort Hunter Liggett. The system could not successfully engage enemy aircraft in this type of environment. Because of this failure, the program was eventually cancelled thus saving millions of dollars. Fort Hunter Liggett again proved its worth.

I would now like to move on to the COBRA analysis. I want to stress the fact that even if the recommended realignment of TEC at Fort Hunter Liggett made military or operational sense, there is no return on investment. In developing its return on investment analysis, the Army began with data that were inaccurate. It then failed to accommodate force structure changes for the TEC element. Next, the Army analysis failed to provide for the mission essential costs (instrumentation reprogramming and laboratory facilities) that must be born at Fort Bliss to enable the TEC element to attempt to perform its mission at that location. It makes no sense to move the element if it saves no money and cannot perform once moved. The Community analysis merely rectifies these errors.

In summary, the twenty-year savings do not equal the one time costs of moving TEC from Fort Hunter Liggett to Fort Bliss. As a result, the recommendation for realignment represents a substantial deviation from BRAC criterion 5.

As you deliberate the possible realignment of the Test & Experimentation Command from Fort Hunter Liggett to Fort Bliss, I trust you will re-examine this issue based on the testimony you have heard today. I believe it is in the best interest of our military, our community and our nation to keep the Test & Experimentation Command in its current configuration at Fort Hunter Liggett.

In closing, I want to repeat the DOD's own words from the report it sent to the Commission, (Volume III, p.78).

"As the Army downsizes, technological advances play an even greater role in battlefield success. Throughout history, victory has gone to the side that makes the best use of available technology."

I believe these new technological advances can best be operationally tested at Fort Hunter Liggett.

Thank you.

STATEMENT OF CONGRESSMAN TOM LANTOS
12th District of California

Hearing in Washington, DC of
The Defense Commission on Base Closure and Realignment

June 13, 1995

Thank you, Mr. Chairman and Members of the Commission for the opportunity to say a few words on the critical issue of base closures in California and particularly on the future of the Engineering Field Activity West in San Bruno, California, which is located in my Congressional district.

Mr. Chairman, I share your deep commitment to a strong and effective national defense. With the end of the Cold War and the collapse of the Soviet Union, it is appropriate and necessary that we reconsider and evaluate our defense posture. At the same time, we must take into consideration local impacts of these base closure decisions. There will be pain from the realignment of our military facilities, but that pain should be proportionately shared and spread among all regions of our nation and among all of our states.

Mr. Chairman, I have very serious concerns about the effect of base closures upon California's economy — particularly since our state has sustained a disproportionate number of job losses stemming from military base closures. As a result of base closures in 1988, 1991, and 1993, California has suffered 69% of the nation's base closure job losses. California will suffer even more job losses as a result of possible base closures projected for this year. Future base closings must take into consideration the effect on the local economy, as well as the effect on our nation's military readiness.

I have serious concerns about the substantial impact base closures will have on the families of thousands of California workers who will lose their jobs. I am concerned about the impact that closing more bases will have on California communities. Clearly, the citizens of our state should not be asked to suffer additional hardship and dislocation from additional base closures. I urge you to take into account the devastating effects that previous base closures have already had on California's economy as you consider further base closures for our state.

Mr. Chairman and Members of the Commission, I am particularly concerned about the possible closure and realignment of the Navy's Engineering Field Activity, which is located in San Bruno, California. Moving personnel from San Bruno to San Diego or another location will have a disastrous effect on the Pentagon's ability to close bases already slated for closure and will slow the process of closing new bases.

As you know, the Engineering Field Activity West (EFA West) is responsible for assisting in the closing of the following facilities that have been previously scheduled to close: Mare Island, Alameda Naval Air Station, Treasure Island, Hunter's Point, Skaggs Island, Moffet Field and Oakland Naval Hospital. It is my understanding that EFA West's base closure activities require continuous contact with local public officials, the public and regulatory agencies in San Francisco. When you consider the monumental task the Pentagon must undertake in closing bases and in working with the affected communities and contractors, it is absolutely clear that the functions of EFA West — which includes important environmental cleanup and property disposition expertise — require a local presence. This is a key function that cannot be handled effectively or efficiently from hundreds of miles away.

Since 1988, the federal government has ordered 70 bases closed — 21 of them or almost one-third of the bases are in California. In the effort to close these bases, military officials have run into problems with environmental cleanup and the disposition of property. Problems were inevitable, but they have contributed to substantial time delays and higher costs in closing these bases.

When you begin your deliberations on presenting a list of bases for closure to the President, I believe that you must take into account whether it is in the best interest of the military and the taxpayer to close EFA West, when EFA West's central mission is to provide the technical support and expertise in environmental cleanup and the disposition of property necessary for the closing of other bases. Clearly, if Northern California is to be affected by even more base closures in this current round of downsizing, EFA West's strategic Northern Californian location and its expertise will be even more essential to the military and affected communities in ensuring that base closures will be achieved in the most cost effective and efficient manner.

Mr. Chairman and Members of the Commission, EFA West has a dedicated and committed staff of experienced personnel with unique and thorough knowledge in their respective fields. Closing that facility could well deny to the federal government the critical expertise which these dedicated and hardworking employees bring. If EFA West is closed, most of these employees will not be willing to relocate out of the Bay Area — they have strong ties to their communities and to their families, neighbors and friends. If these dedicated workers are lost, the Navy will have to expend considerable time and expense in finding replacement workers and training them in order to continue EFA West's critical mission, which must be maintained to complete base closures elsewhere.

Lastly, Mr. Chairman and Members of the Commission, the Secretary of the Navy, John Dalton, testified before you in March of this year, that the Navy had decided not to place EFA West on its list of recommendations for closure because it was concerned about the impact on the local economy. The Navy was absolutely correct in considering economic impact when it decided it was necessary to keep EFA West open.

More importantly, however, EFA West's San Bruno location strengthens the military's ability to serve the needs of our region. EFA West's strategic location in San Bruno best serves military operations. It is essential for this installation to remain open to fulfill the responsibilities of base closure and base realignment. When you submit your recommendations for base closure or realignment to the President, I urge you NOT to place EFA West on your base closure list.

Thank you very much.

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COMMITTEE ON ECONOMIC AND
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RANKING MEMBER
SUBCOMMITTEE ON
LOYER-EMPLOYEE RELATIONS

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Congress of the United States
House of Representatives

Washington, DC 20515-0531

MATTHEW G. MARTINEZ

31ST DISTRICT, CALIFORNIA



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COMMITTEE ON
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WESTERN HEMISPHERE

SUBCOMMITTEE ON
INTERNATIONAL ECONOMIC POLICY AND TRADE

THE HONORABLE MATTHEW G. "MARTY" MARTINEZ

STATEMENT

BEFORE

THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

345 CANNON CAUCUS ROOM

10:55 A.M., MONDAY

JUNE 12, 1995

I WOULD FIRST LIKE TO THANK YOU, MR. CHAIRMAN, AND MEMBERS OF THE COMMISSION FOR GRANTING ME THE OPPORTUNITY TO PRESENT TESTIMONY ON BEHALF OF LONG BEACH NAVAL SHIPYARD.

MR. CHAIRMAN, I UNDERSTAND THE REALITY OF HAVING TO PARE-DOWN THE NUMBER OF OUR MILITARY BASES. HOWEVER, THE PENTAGON'S RECOMMENDATION TO THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION TO CLOSE ITS NEWEST, MOST EFFICIENT, AND COST-EFFECTIVE SHIPYARD, SIMPLY DOESN'T MAKE MUCH SENSE EITHER ON THE BASIS OF MILITARY VALUE OR COST.

LONG BEACH NAVAL SHIPYARD, IN MY HUMBLE OPINION, HAS BEEN GIVEN THE SHORT SHRIFT BY BOTH THE NAVY AND THE PENTAGON. DURING THE 1991 AND 1993 BASE CLOSURE ROUNDS, THE DEFENSE DEPARTMENT VOCIFEROUSLY SUPPORTED RETAINING LONG BEACH FOR ITS MILITARY VALUE. TODAY, THE NAVY HAS MADE AN ABOUT FACE.

I RESPECTFULLY ASK THE COMMISSION WHAT HAS CHANGED SINCE CHAIRMAN COLIN POWELL'S JUNE 20, 1991 MEMORANDUM TO THE SECRETARY OF DEFENSE, IN WHICH HE DECLARES, AND I QUOTE, "CLOSURE (OF LONG BEACH NAVAL SHIPYARD) WOULD SERIOUSLY DEGRADE DRYDOCK CAPABILITY FOR ALL LARGE SHIPS IN THE SOUTHERN CALIFORNIA AREA. ALTERNATIVES IN HAWAII AND WASHINGTON SIMPLY COULD NOT PROVIDE THE SERVICES FOUND AT LONG BEACH." END OF QUOTE. I ADAMANTLY BELIEVE THAT LONG BEACH NAVAL SHIPYARD IS AS IMPORTANT TO THE NAVY TODAY AS WHEN CHAIRMAN POWELL MADE HIS COMMENT IN 1991. I'M TAKING THE LIBERTY OF ATTACHING A COPY OF CHAIRMAN POWELL'S LETTER WITH MY STATEMENT.

MR. CHAIRMAN, LONG BEACH IS THE ONLY SHIPYARD WITH DIRECT ACCESS TO THE PACIFIC OCEAN. IT IS THE CLOSEST SHIPYARD TO THE PACIFIC FLEET AND PANAMA CANAL WITH SOPHISTICATED WEAPONS SYSTEMS EXPERIENCE; IT IS THE ONLY SHIPYARD WITH 24 HOUR EMERGENCY READINESS AND DRYDOCKING CAPABILITY FOR NAVY SUPERCARRIERS.

LONG BEACH NAVAL SHIPYARD, MOREOVER, IS THE ONLY NAVAL SHIPYARD THAT CONTINUES TO MAKE A PROFIT AND RETURN MONEY TO THE DEFENSE DEPARTMENT'S OPERATING FUND. IN FACT, BETWEEN FISCAL YEARS 1987 AND 1994, THE SHIPYARD RETURNED 103 MILLION DOLLARS TO THE PENTAGON.

THE QUESTION I HOPE THE COMMISSION WILL CONSIDER IS WHY, IF THE NAVY'S MANDATE IS TO REDUCE EXCESS CAPACITY, DIDN'T THE NAVY TARGET ITS MORE EXPENSIVE, LESS EFFICIENT, UNDER UTILIZED NUCLEAR SHIPYARDS?

IN LIGHT OF THE FACT THAT NUCLEAR POWERED SHIPS AND SUBMARINES ARE BEING TAKEN OUT OF SERVICE AT A RATE EXCEEDING THE SURFACE FLEET REDUCTIONS, SHOULDN'T ONE OF THE NAVY'S NUCLEAR SHIPYARDS, AS OPPOSED TO LONG BEACH, BE TARGETED FOR CLOSURE.

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FOR INSTANCE, THE NAVY'S OWN RECORDS INDICATE IT HAS 61 PERCENT MORE CAPACITY TO REPAIR NUCLEAR-POWERED SUBMARINES THAN IT ACTUALLY NEEDS. MR. CHAIRMAN, THIS IS WHERE THE REAL EXCESS CAPACITY IS AND WHERE THE REAL SAVINGS COULD BE REALIZED FOR THE NAVY, FOR THE PENTAGON, AND FOR THE AMERICAN TAXPAYER. CLOSING LONG BEACH, WHICH, AS THE COMMISSION KNOWS, DOES NOT REPAIR NUCLEAR-POWERED SUBMARINES, WOULD DO NOTHING, ABSOLUTELY NOTHING TO GET RID OF THIS EXCESS CAPACITY.

THE NAVY, IN ORDER TO SAVE ITS MORE EXPENSIVE NUCLEAR SHIPYARDS, WOULD TRANSFER WORK OUT OF SOUTHERN CALIFORNIA TO ITS MORE COSTLY, UNDER UTILIZED SHIPYARDS. BY ANY STRETCH OF THE IMAGINATION, THE NAVY'S PROPOSAL WILL NOT SAVE MONEY. IN FACT, THIS WILL LIKELY INCREASE THE COSTS TO THE NAVY AS MORE EXPENSIVE NUCLEAR REPAIR FACILITIES ARE RETAINED TO WORK ON CONVENTIONAL SURFACE SHIPS.

MR. CHAIRMAN, THIS POINT IS SUBSTANTIATED BY A 1993 NAV/SEA NARRATIVE DISCUSSION, WHICH WARNS OF INCREASED COSTS TO THE NAVY IF LONG BEACH IS CLOSED: "THE REMAINING SHIPYARD ON THE WEST COAST TO SUPPORT THE SAN DIEGO FLEET IS THOUSANDS OF MILES AWAY (PUGENT SOUND, WASHINGTON). CLOSURE OF LONG BEACH NSY WILL SUBSTANTIALLY INCREASE COSTS BECAUSE IT WILL REQUIRE A LARGE NUMBER OF OVERHAULS TO BE CONDUCTED WELL OUTSIDE OF THE HOMEPORT AREA." OF ADDITIONAL CONCERN TO ME, AND I HOPE TO THE COMMISSION, IS A LETTER DATED JUNE 15, 1993, FROM THE BASE STRUCTURE EVALUATION COMMITTEE ACTING CHAIRMAN MR. CHARLES NEMFAROS, WHO QUESTIONS THE COMMITMENT, ABILITY AND DEPENDABILITY OF PRIVATE SHIPYARDS IN SAN DIEGO TO PICK UP THE WORK PERFORMED BY LONG BEACH. I AM ATTACHING COPIES OF EACH LETTER FOR THE COMMISSION'S ATTENTION.

BESIDES THE QUESTIONS I'VE JUST RAISED, THE NAVY APPEARS TO HAVE GROSSLY UNDERESTIMATED THE COST OF CLOSING LONG BEACH NAVAL SHIPYARD. THE NAVY HAS REPORTED THAT IT WOULD COST 74 IN A HALF MILLION DOLLARS TO SHUT DOWN LONG BEACH. HOWEVER, THE SHIPYARD ESTIMATES THAT THE REAL CLOSING COST IS CLOSER TO 450 MILLION DOLLARS.

THE NAVY'S BASE-CLOSURE TASK FORCE, WHICH MADE THE ORIGINAL RECOMMENDATION TO CLOSE LONG BEACH, APPARENTLY OVERLOOKED, UNDERSTATED OR DIDN'T CONSIDER MANY COSTS ASSOCIATED WITH CLOSING THE BASE. FOR EXAMPLE, THE NAVY DID NOT INCLUDE ABOUT 350 MILLION DOLLARS IN OPERATION AND MAINTENANCE COSTS SUCH AS SEPARATION BONUSES, ONE-TIME BUYOUTS, JOB PLACEMENT PROGRAMS, RELOCATION BENEFITS AND A HOST OF OTHER RELATED EXPENSES.

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IN ADDITION, THE NAVY TASK FORCE FAILED TO INCLUDE 20 MILLION DOLLARS A YEAR THAT THE SHIPYARD PAYS TO THE FEDERAL EMPLOYEES COMPENSATION ACT, WHICH IT MUST PAY REGARDLESS OF WHETHER IT CLOSES THE BASE. OVER A 20 YEAR PERIOD, THIS WOULD AMOUNT TO 400 MILLION DOLLARS. THEREFORE, THE NAVY'S PROJECTED SAVINGS OF 1.9 BILLION DOLLARS FROM CLOSING LONG BEACH IS NOT ONLY DRAMATICALLY INFLATED BUT WHOLLY UNREALISTIC.

FINALLY, MR. CHAIRMAN, ONE DOES NOT HAVE TO BE A FORTUNE TELLER TO FORESEE THE NAVY'S PLANS FOR SAN DIEGO ONCE LONG BEACH IS NO LONGER IN THE PICTURE. IF THE COMMISSION CLOSES LONG BEACH NAVAL SHIPYARD, THE NAVY WILL UNDOUBTEDLY SEEK TO DUPLICATE LONG BEACH'S SHORESIDE FACILITIES AT SAN DIEGO.

THERE SHOULD BE NO AMBIGUITY ABOUT THIS POINT, CLOSING LONG BEACH WILL INVOLVE THE CONSIDERABLE EXPENSE OF BUILDING SIMILAR FACILITIES IN SAN DIEGO. I DO NOT BELIEVE, UNDER THE CURRENT POLITICAL AND FISCAL ENVIRONMENT, THAT THE CONGRESS WOULD BE WILLING TO DISH OUT AROUND 750 MILLION DOLLARS TO CONSTRUCT A DEPOT MAINTENANCE FACILITY IN SAN DIEGO.

I HAVE NOTHING AGAINST SAN DIEGO, MR. CHAIRMAN, BUT I DO HAVE A STRONG AVERSION TO SQUANDERING SCARCE PUBLIC RESOURCES DUPLICATING A MILITARY FACILITY WHICH WE PRESENTLY HAVE AT LONG BEACH NAVAL SHIPYARD.

IN CONCLUSION, MR. CHAIRMAN, I URGE THE COMMISSION NOT TO REPEAT A MISTAKE OF THE PAST WHEN LONG BEACH NAVAL SHIPYARD WAS CLOSED IN 1950, ONLY TO BE REOPENED A YEAR LATER DURING THE KOREAN WAR. IF YOU CLOSE LONG BEACH, YOU WILL EFFECTIVELY ELIMINATE THE LAST PUBLIC SHIPYARD IN CALIFORNIA AND REDUCE, THROUGH THE LOSS OF DRYDOCK NUMBER 1, THE NAVY'S FLEXIBILITY TO RESPOND TO UNANTICIPATED, EMERGENT REQUIREMENTS.

MR. CHAIRMAN AND MEMBERS OF THE COMMISSION, WITH YOUR SUPPORT, LONG BEACH NAVAL SHIPYARD CAN CONTINUE TO SERVE AS A CRITICAL MILITARY ASSET SUCCESSFULLY MEETING THE NEEDS OF THE NAVY WELL INTO THE 21ST CENTURY.

THANK YOU.



THE CHAIRMAN, JOINT CHIEFS OF STAFF

WASHINGTON DC 20315

OX-945-91
20 June 1991

MEMORANDUM FOR THE SECRETARY OF DEFENSE

Subject: Base Closure Commission Optional Base Closures

1. My staff, the unified and specified commands, and the Services have reviewed the latest additional list of bases being considered by the Base Closure Commission. A few of the proposals are of particular concern from an operational perspective.

a. MacDill AFB, FL. The Air Force recommendation, which you approved and sent to the commission, was to close the airfield but keep facilities and support for the CMCs. The commission's option of complete closure of MacDill would force us to relocate the headquarters of two unified commands and preclude options to move other headquarters to MacDill in the future. Also, the movement of major headquarters would be disruptive to continuity of operations.

* { b. Long Beach Naval Shipyard, CA. Closure would seriously degrade drydock capability for all large ships in the Southern California area. Alternatives in Hawaii and Washington simply could not provide the services found at Long Beach.

c. Marine Corps Recruit Depot, San Diego, CA. Closure would virtually eliminate capacity for rapid expansion of recruit training during mobilization. Alternatives at Camp Pendleton and Parris Island could not duplicate the capacity of the San Diego facility.

d. Plattsburgh AFB, NY. Closure would adversely affect our ability to provide refueling for SIOF missions.

2. I believe it is important for us to express these concerns to the Base Closure Commission before it makes any final decision. I am ready to support you in whatever method you believe would be most effective to communicate these concerns.

COLIN L. POWELL
Chairman
Joint Chiefs of Staff

ENCLOSURE(a)

"NAVSEA"

NAVSEA NARRATIVE DISCUSSION

Option #4:

CR-015-KSYLMI: CLOSE LONG BEACH, MARE ISLAND, AND CHARLESTON
CR-015A-KSYLMI: NSY LONG BEACH (CLOSE LONG BEACH/MARE
ISLAND/CHARLESTON)
CR-015B-KSYLMI: NSY MARE ISLAND (CLOSE LONG BEACH/MARE
ISLAND/CHARLESTON)
CR-015C-KSYLMI: NSY CHARLESTON (CLOSE LONG BEACH/MARE ISLAND
/CHARLESTON)

This scenario is not viable. If the remaining portions of Long Beach Naval shipyard are transferred from Navy control, drydock #1 would become unsuitable for drydocking nuclear powered ships.

Closure of Long Beach will eliminate the sole remaining Government operated repair facility in the southern California area. With the majority of the Pacific fleet homeported in San Diego there are distinct advantages to be gained by continuing to use Long Beach Naval Shipyard in the Navy's ship repair program to (1) assure competitive shipyard repair costs for this large fleet concentration, (2) avoid more costly homeport changes for availabilities, and (3) provide a Navy-controlled source in the Southern California area for emergent repairs and technical support for the large fleet concentration home ported in San Diego.

The remaining shipyard on the west coast to support the San Diego fleet is thousands of miles away (Puget Sound, Washington). Closure of Long Beach NSY will substantially increase costs because it will require a large number of overhauls to be conducted well outside of the homeport area.

Retention of the drydock at Long Beach will be extremely costly to the Navy since usage would be very infrequent and for emergency situations only. In effect, the Navy will be paying for drydock fixed costs (maintenance) twice since contractors will also include their drydock fixed costs in the price of Navy ship repair work. The most efficient method of maintaining Long Beach NSY Drydocks is to provide workload such that fixed costs are absorbed through direct charges to the customer.

The original BSC recommendations addressed the dearth of carrier drydocks on the west coast which would result from the closure of Long Beach Naval Shipyard and concluded, as a matter of military judgement, that the additional excess capacity attendant to Long Beach remaining open must be tolerated.

Enclosure (4)



DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
WASHINGTON, D C 20330 1000

LT-D97-F29
BSAT/JC
15 June 1993

The Honorable James Courter
Chairman
Defense Base Closure and Realignment Commission
1700 North Moore Street
Suite 1425
Arlington, VA 22209

Attn: Matthew P. Behrman
Director of Staff

Re: Alternative Closure/Realignment for Naval Shipyards

Dear Chairman Courter:

The Defense Base Closure and Realignment Commission has requested Cost of Base Realignment Action (COBRA) output reports for additional realignment and closure scenarios for the Naval Shipyards. We are providing the COBRA output reports and, as appropriate, the economic and environmental impact data, as attachments to this letter. Also provided, as requested by Mr. Larry Jackson of your staff, are the Military Value and Capacity analyses for each of the five scenarios.

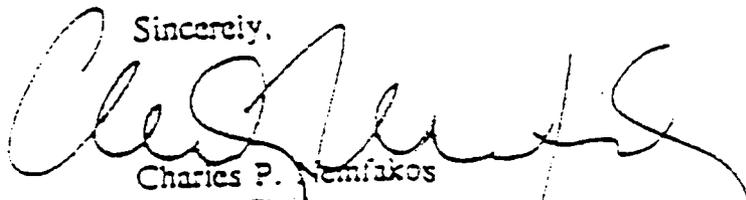
Our initial COBRA output reports reflected an approach that closed the two yards independently and then aggregated the results; all five of the Commission-requested alternatives were combination closures. Our methodology would not produce comparable results when looking at the series of aggregations unless we could display a clear financial result at gaining shipyards of workload transfer. In order to produce a true comparison, we have run both the DoD recommended closure scenario as well as the five Commission-directed variations using the same methodology. These attached six naval shipyard closure scenarios have been developed against that baseline directly derived from the certified data received in response to the Military Value and Capacity Data Calls. The COBRA output reports are priced using the FY 1994 budget composite rates at the closing yards and those rates adjusted for workload transfer at the gaining yards.

The five alternatives explored clearly demonstrate the direct relationship between the reduction of capacity and estimated savings. It is important to place any potentially viable alternative in the larger context of all the required closure criteria. None of the alternatives improve the residual military value of our recommendation. Only the alternatives closing three shipyards produce substantial savings above the DoD recommendation. The nuclear workload required by the mandated force levels is not supported with alternatives that include the closure of either Portsmouth or Norfolk Naval Shipyards. Finally several of these scenarios require a dependence on the private sector for accomplishment of increasing quantities of workload. [The

Alternative Closure/Realignment for Naval Shipyards. continued

7 | capability and commitment of the private shipyards to maintain the skills and facilities necessary to accomplish increasingly complex Navy workloads, without the ensured profit of a continuous construction and maintenance workload, is unproven. Principal dependency on the private sector to accomplish this workload and to respond to unplanned, emergent and urgent repair puts Fleet readiness at risk.

Sincerely,



Charles P. Nemfakos
Acting Chairman
Base Structure Evaluation Committee

Attachments

A STATEMENT OF

CONGRESSMAN WALTER R. TUCKER, *37th Dist*

BEFORE THE 1995 BASE REALIGNMENT AND
CLOSURE COMMISSION

JUNE 12, 1995

*RE: Long Beach Naval Shipyard
Spoke with your colleagues upon their site visit
my comments tailored to economic impact*

THE DEPARTMENT OF DEFENSE, IN ITS
RECOMMENDATION OF MILITARY BASE
CLOSURES TO THE BRAC COMMISSION,
STATED THAT THE CLOSURE OF THE LONG
BEACH NAVAL SHIPYARD COULD RESULT IN
A MAXIMUM REDUCTION OF 13,261 JOBS IN
THE FIVE-COUNTY SOUTHERN CALIFORNIA
PRIMARY MEASUREMENT STATISTICAL AREA
(PMSA)-ECONOMIC AREA. THIS REPRESENTS

JUST THREE-TENTHS OF ONE PERCENT OF THE TOTAL AREA EMPLOYMENT.

BUT BY BLENDING THE NUMBER OF JOB LOSSES INTO THE PMSA ECONOMIC AREA, THE D. O. D. HAS GREATLY MITIGATED THE ACTUAL ECONOMIC IMPACT THAT WOULD OCCUR IN THE LONG BEACH AREA.

I THINK THAT ECONOMIC IMPACT HAS TO BE PUT INTO ITS PROPER PERSPECTIVE. IN 1991, THE CLOSURE OF THE LONG BEACH NAVAL STATION AND HOSPITAL COST THE CITY OVER 16,000 NAVY PERSONNEL AND AN ADDITIONAL 1,000 CIVILIAN JOBS. THE TOTAL DIRECT AND INDIRECT ECONOMIC

LOSSES FROM THAT DECISION EXCEEDS ONE BILLION DOLLARS. IF THE DECISION TO CLOSE THE SHIPYARD IS ALLOWED TO STAND, WE WILL LOSE AN ADDITIONAL 6,600 CIVILIAN JOBS, EITHER ASSOCIATED DIRECTLY WITH THE SHIPYARD OR WITH SHIPYARD-BASED TENANT COMMANDS.

THESE JOBS GENERATE ANOTHER 3,500 SECONDARY JOBS WITHIN THE IMMEDIATE AREA SURROUNDING LONG BEACH--NOT IN COMMUNITIES LOCATED IN OTHER COUNTIES 60 MILES FROM THE SHIPYARD. THE TOTAL ECONOMIC IMPACTS OF THE SHIPYARD ARE ESTIMATED TO BE OVER 750 MILLION DOLLARS.

NOW THE D.O.D. MAY FEEL THAT 27,000 JOBS AND ALMOST TWO BILLION DOLLARS IN COMBINED ECONOMIC IMPACTS ARE NOT SIGNIFICANT. LET ME SET THE RECORD STRAIGHT, WITH THE ECONOMIC PROBLEMS THAT HAVE BURDENED THE LONG BEACH AREA FOR THE LAST FIVE YEARS, EVERY JOB THAT IS THREATENED IS SIGNIFICANT.

I WAS ASTOUNDED TO LEARN THAT IF ALL CIVILIAN JOB LOSSES FROM PREVIOUS BRAC ROUNDS WERE ADDED TO THOSE PROPOSED FOR 1995, LONG BEACH WOULD NOT ONLY LEAD ALL CITIES IN CALIFORNIA, BUT WOULD ALSO LEAD FORTY-SIX STATES. LONG BEACH WOULD TRAIL ONLY VIRGINIA,

PENNSYLVANIA, TEXAS AND IT'S OWN STATE OF CALIFORNIA. THE CITY OF LONG BEACH DOES NOT MIND BEING OUT FRONT-IN MANY AREAS OF ENDEAVOR, INDEED WE STRIVE FOR IT, BUT MR. CHAIRMAN, THIS IS RIDICULOUS.

I MUST TELL YOU THAT I AM TROUBLED WITH THE NAVY'S METHODOLOGY FOR SELECTING THE FACILITIES TO PLACE ON THEIR LIST OF FACILITIES RECOMMENDED FOR CLOSURE. AS YOU WILL HEAR, THERE HAVE BEEN UNBELIEVABLE, BUT NO LESS REAL, APPARENTLY ACCIDENTAL OVERSIGHTS IN THE NAVY'S ESTIMATED COST FOR CLOSURE OF THE LONG BEACH NAVAL SHIPYARD. IN

LIGHT OF THE NAVY'S APPARENT GROSS OVERSIGHT I AM TROUBLED THAT THEY HAVE USED DIFFERENT ECONOMIC DATA AND THRESHOLDS IN THEIR ANALYSIS OF INSTALLATIONS FOR CLOSURE.

THE SECRETARY OF DEFENSE'S GUIDANCE IN THE BRAC PROCESS STIPULATES THAT ECONOMIC IMPACT IS TO BE ASSESSED AT THE ECONOMIC AREA LEVEL (METROPOLITAN STATISTICAL AREA OR COUNTRY). THE NAVY EVALUATED THE POTENTIAL IMPACT OF CLOSING THE LONG BEACH NAVAL SHIPYARD BASED ON THIS CRITERIA.

*from the BRAC
closure list*

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HOWEVER, FOUR CALIFORNIA INSTALLATIONS WERE REMOVED BY THE NAVY DUE TO CUMULATIVE TOTAL DIRECT AND INDIRECT JOB CHANGE, EVEN THOUGH MILITARY VALUE CONSIDERATIONS PRESENTED THEM AS VIABLE CANDIDATES FOR CLOSURE.

I DON'T NEED TO RECOUNT FOR YOU ALL OF SOUTHERN CALIFORNIA'S DISASTERS IN RECENT YEARS, AND WE CERTAINLY UNDERSTAND THE NEED TO DOWNSIZE THE MILITARY INFRASTRUCTURE IN OUR COUNTRY TO MEET THE REALITIES OF THE TWENTY-FIRST CENTURY, BUT WHY MUST THE PEOPLE OF LONG BEACH CARRY THE BURDEN?

**Statement of Rep. Jane Harman
to the Base Closure and Realignment Commission
June 12, 1995**

Mr. Chairman and members of the Commission:

I had the pleasure of co-hosting the visit of several Commissioners in late April to Long Beach Naval Shipyard. For them my remarks may be repetitive of the arguments I presented then, but they are no less sincere and no less strongly held.

My appearance here today affords me the opportunity to speak to the other Commissioners, including Chairman Dixon, who were unable to visit Long Beach. I thank you for this opportunity.

My emphasis now, as it was during the April BRAC visit, is on the strategic implications of closing the Long Beach Naval Shipyard. Long Beach is only 83 miles from 70 percent of the Navy's Pacific fleet. It is the only shipyard located next to the Navy's principal surface fleet concentration, and it is the only shipyard in or around San Diego that can do the full range of repairs on all classes of Navy surface ships.

Long Beach has, as I am sure you have already heard, the largest drydock capability and the only carrier-capable drydock south of Puget Sound. The closure of that capability alone creates chaos in the Navy's own schedule of ship repair work. No alternative, public or private, is available to fill in. The likely consequence is delay of much-needed work, thus jeopardizing our Navy in the performance of its national security role.

As you know, Long Beach is a very cost-effective and efficient yard. Over the past three years it has been the only shipyard, public or private, to return money to the Treasury for work consigned to it. In fact, it has saved the Navy more than \$74 million since 1988. It also has been cited as a "model shipyard" and for being years ahead of others in innovative management, cost-cutting and efficiency.

Long Beach has a proud and highly-skilled workforce, as I'm sure the Commissioners who visited the Shipyard can attest. The 3,000 workers and the skills they represent cannot be allowed to dissipate without injuring an industrial base critical to our Navy's ability to respond worldwide.

A thrust of the Navy's negative recommendation was the inability of Long Beach to handle the full range of requirements of the nuclear Navy. While it is true that vessels cannot undergo reactor refueling or repairs at Long Beach, the vast majority of the nuclear Navy's requirements can be met. In addition, the need for the full range of capabilities is not critical given the fact that the Navy will have deactivated half of its nuclear submarine fleet by the year 2001 and have only 13 active nuclear-powered surface ships. Thus, there is a large remaining requirement to handle the vast majority of the Navy's conventionally-powered ships and, as I have said, there would be inadequate facilities for doing so if Long Beach is closed.

Closure of Long Beach will not save the taxpayer money. Even more importantly for Southern California's economy, closure will wreck havoc on the estimated 10,000 families and 1,000 businesses directly dependent on the Shipyard. It generates more than \$757 million to our

local economy, an economy already hard-hit by defense reductions and previous base closures and realignments.

Mr. Chairman and Commissioners, a shipyard with outstanding capabilities, efficient workers, cost-effective practices, and a strategic location close to 70 percent of the Navy's Pacific Fleet, must remain open. To do otherwise is neither cost-effective nor prudent for meeting our nation's national security requirements.

Thank you.

TESTIMONY OF CONGRESSWOMAN WATERS

before the Base Closing Commission
June 13, 1995

Thank you very much for allowing me this chance to testify. As you might have guessed, I will focus my remarks on your report's proposed closing of the Long Beach Naval Shipyard.

I am well acquainted with the military value and the enormous economic impact the shipyard has not just in Long Beach, but throughout Southern California.

The rationale for closing Long Beach is based on the assumption that the private, San Diego port facility currently in operation can be upgraded to meet the needs now served by Long Beach. For several reasons, I would urge the commission to carefully reconsider this finding.

First, there are significant questions about the cost estimates made by the Commission associated with transforming the San Diego facility. Many familiar with the operations of both Long Beach and San Diego's capabilities believe the overhaul required by San Diego could cost up to five times the Navy's original estimate.

At the same time, government savings from closure of Long Beach could be far less than the \$2 billion over twenty years the Navy has projected.

There have also been serious environmental issues raised which might render the restructuring of San Diego's port unsafe.

These concerns about closing Long Beach are not just my own. I cite an enclosure to this Commission's report of two years ago, "With the majority of the Pacific fleet homeported in San Diego, there are distinct advantages to be gained by continuing to use Long Beach Naval Shipyard in the Navy's ship repair program."

At the time that statement was written, 1993, 30% of the Pacific fleet homeported in San Diego. That percentage has increased to 70% today. If anything, the value of the Long Beach shipyard - and its ability to service the Pacific Fleet - is greater today than it was in 1993.

Second, in addition to the cost question, I believe there is a real chance that San Diego's port cannot reasonably be altered to absorb the capacity of the Long Beach shipyard. Again quoting from a letter by the last commission's Base Structure Evaluation Committee Chair, "The commitment of the private sector to maintain the skills and facilities necessary to accomplish complex Navy workloads, without the ensured profit of a continuous construction and maintenance workload is unknown. Principal dependency on the private sector to accomplish this workload and to respond to unplanned, emergent, and urgent repair

puts Fleet readiness at risk and outside Navy control."

Finally, I would like to comment on one of the Commission's professed goals -- that is, the maintenance of a balanced workforce -- racially, ethnically, and in terms of gender.

The Long Beach Naval Shipyard is the most diverse military base in the country.

Ten percent of the shipyard's workforce are women. Sixty percent of the permanent workforce are minorities -- not including women.

27% of the employees are African-American, 11% are Latino, and 18% are Asian. Among temporary employees, these numbers are even higher. Fully 30% of the temporary employees at Long Beach are African-American, 14% are Latino, and another 18% are Asian.

While its ethnic diversity is not in and of itself a reason to keep it open, I believe this factor helps us meet the Navy's expressed goal of diversity. This factor, along with the other reasons cited earlier in my testimony, makes a strong case for maintaining the Long Beach facility.

In conclusion, Long Beach has twice been judged essential by the Department of Defense and the Department of the Navy. That conclusion was confirmed by an independent assessment done by the General Accounting Office.

For these reasons, I implore you to rethink your preliminary decision to close Long Beach. For the good of its employees, for the good of the entire Southern California region, for the economy of the State of California, and - most importantly - for the good of our military -- please keep the Long Beach Shipyard operational. Thank you.

REMARKS BY
NORMAN Y. MINETA, MEMBER OF CONGRESS

BEFORE THE
BASE REALIGNMENT AND CLOSURE COMMISSION

WASHINGTON, D.C.

JUNE 13, 1995

6:30 PM

I thank the Commission for this opportunity to appear before you today.

Mr. Chairman, I am here this evening to bring to your attention information which seriously calls to question the credibility of the Air Force, and unless acted upon, would challenge the credibility of the BRAC process.

Mr. Chairman, the Department of Defense's recommendation that 750th Space Group "realign" to Falcon Air Station should be described as what it is -- a base closure. There are three principal occupants of Onizuka: the DOD recommendation calls for two to move and one to eventually "disappear".

Specifically, under the DOD recommendation, the 750th is being realigned to Falcon, the research group, or Detachment-2, will move to another facility in a "non-BRAC action", and the remaining top secret tenants will remain at Onizuka until no longer needed, and then just go away. Under any definition I can imagine, the absence of all units from a facility is a closure, and that is exactly what is going on here.

Mr. Chairman, let me explain why the Air Force has gone to such lengths to define its request as a realignment and not as a closure. Just last year, the Air Force studied the cost of closing Onizuka. It studied five options for relocating the three units at that facility. This very Air Force Study, which I have before me right now and am providing to the Commission, shows that the one time cost of closing Onizuka is \$699 million.

Mr. Chairman, the reason the DOD recommendation with regard to Onizuka Air Station is being called a realignment, is the Air Force knows how much it would cost to close the base and to deal with each of its occupants, and it is doing everything it can to define away those costs from the start.

It is the responsibility of this Commission to honestly consider the impact of a DOD recommendation on the taxpayers, both financially, and from a national security perspective. The study I have before me shows that the Air Force knows exactly how much its request would cost, and is attempting to re-define the effort in such a way as to hide its worst problems.

The numbers in this study must be seriously examined, and we must recognize that what is being requested is really a stealth closure, and not a realignment.

Mr. Chairman, if it looks like a duck, quacks like a duck, and walks like a duck, it is probably a duck. We strongly urge the Commission to consider how the DOD recommendation actually differs from a base closure, and to then use the Air Force's own numbers to examine what the true costs of a closure really are.

Again, I appreciate the opportunity to testify this evening, and I thank the Commission for all of its hard work over the last several months on this issue.

STATEMENT OF
CONGRESSMAN GEORGE E. BROWN, JR.

to

THE DEFENSE BASE CLOSURE AND
REALIGNMENT COMMISSION

June 12, 1995

Thank you Chairman Dixon and other Commissioners for this opportunity to present a written statement to you regarding two bases near my Congressional District in Southern California, the Naval Warfare Assessment Division (NWAD) in Corona and March Air Force Base in Moreno Valley. I also want to extend thanks and appreciation to Congressman Ken Calvert, in whose Congressional District, NWAD and March are located, for his hard work in researching the issues surrounding both facilities and for being a powerful and articulate advocate for both facilities.

NWAD, Corona

I feel highly compelled to speak up about NWAD for two reasons: one, I have many constituents who live in my Congressional District and commute to work at nearby NWAD, and two, in the 1970's, NWAD was in my Congressional District and I became familiar with it and impressed with it.

As the ranking Democrat on the House Science Committee, I have always been very interested in and appreciative of the unique and valuable high technology and intellectual assets that our Nation has, both in its civilian and military ranks. I consider NWAD to be one of those very valuable national assets.

I am very concerned about the proposal before the BRAC that would close NWAD, split up its parts, and move them to three separate locations. I am concerned that our Nation, and the Navy specifically, would lose the value

of the independent, unbiased analysis that NWAD currently provides. I am concerned that by breaking NWAD up, NWAD's synergy and the overall effectiveness that results from having its intellectual and technological resources co-located may be compromised. As a Congressional representative from the Inland Empire region of California, I am very concerned about the negative economic impact that would result from closing NWAD, Corona. But, as a representative of all American taxpayers, I am especially concerned about the assumptions in the economic analysis that seem to be driving this proposal to close NWAD and relocate its technical work teams. It is my understanding that the closure analysis assumes that by moving NWAD, a 30% reduction in personnel can occur due to eliminating the administrative overhead necessary to operate NWAD as a stand-alone facility. However, since only 20% of NWAD's staff are involved in overhead functions and since some overhead functions will be needed at NWAD's proposed three new homes, the 30% cost savings estimate seems to me to be highly suspect.

I strongly recommend that the Base Closure Commission not close NWAD, Corona and that the Commission support the continued functioning of one of our Nation's best high technology and intellectual assets.

March AFB

In terms of March Air Force Base, I believe that the Commission has an opportunity to save the Nation over \$200 million over six years by being willing to take a base realignment step that boldly embraces the military leadership's professed willingness to engage in interservicing.

I have seen the analyses performed by both the Marines and Navy base structure committee vice chairman Charles Nemfakos on whether a Marine move to March would result in a cost savings or a cost increase. Obviously I have some bias toward wanting to believe in the analysis that will lead to a rebirth of March. However, I think the Commission should consider who is promoting the Marines coming to March--and that is the very organization from whose budget the move to March will have to be paid: the United States Marine Corps. That says a lot to me. If the Marines believe that March makes the most economical and operational sense to them and if the Marines are willing to pay for it, I think the Commission should give that fact a lot of weight.

It seems to me that the Navy argument about moving the Marines to Miramar risks the bias of one service branch because it entails the Navy then terminating its responsibility for maintaining Miramar and transferring that responsibility to the Marines. I worry here that the Navy is looking at the Miramar/March comparison from the perspective of which move is financially best for the Navy, rather than which is financially and operationally best for the Defense Department as a whole.

Whatever the Commission's decision on bringing the Marines to March Air Force Base, I urge the Commission to fully consider and base its judgment on what will be best for the Defense Department and our Nation's military readiness as a whole.

Conclusion

Thank you very much for this opportunity to present to the Commission my views on keeping NWAD intact at Corona and moving Marine Corps helicopter units to March Air Force Base.

**Statement of Anna G. Eshoo
Before the Base Closure and Realignment
Commission
June 13, 1995**

Thank you, Mr. Chairman and Members of the Commission for providing me an opportunity to testify before you today.

I'd would like to follow up on some of the points my colleague, Mr. Mineta, made. I must tell you how troubled I am by the actions of the Defense Department -- specifically the Air Force - - with respect to Onizuka Air Force Base and the implications it has for our nation's intelligence gathering capabilities.

Throughout this process the Air Force has provided us with a set of costs that show the savings our government could make by closing Onizuka. In March my staff asked the Air Force for any other studies that were done by the Air Force and we were

told there were none. Again, in April, Sen. Feinstein's staff asked the Air Force in writing whether there were any studies done on the costs of closing Onizuka. Both times the Air Force said there were none.

Yet last week, Mr. Mineta and I received an Air Force report -- (and not from the Air Force) -- which demonstrates that just last year the Air Force did a study on closing Onizuka and the costs were astronomically higher than the figures we had been given.

Not only does it show that there are no savings in closing -- or even realigning -- Onizuka, it shows that unless there is some magic bullet developed, our intelligence gathering capabilities would be more costly and less efficient.

Essentially, the Air Force says not to worry, and although we didn't tell you about this report which contradicts our own numbers, it doesn't matter because we will have a classified capability that makes the report you found out about insignificant. I ask: ^{Can the} ~~Can the~~ Air Force guarantee this capability by the time the President must decide to proceed with an Onizuka mothballing? The answer is no.

Mr. Chairman and Commission Members, as recently as two months ago the General Accounting Office criticized the Air Force for its credibility regarding figures it has provided in the BRAC process. Now again, there is another case of the Air Force boiling the books. In the process, a U.S. Senator and Members of Congress were misled.

And upon further inquiry, regarding the conflicting cost figures that the Air Force has given us, the Air Force is relying on unfounded assumptions that it will be capable of providing an architecture that will reduce costs -- an architecture which intelligence sources raise serious questions as to estimates of operational capability with respect to the so-called savings that would be realized under the Onizuka closure.

Mr. Chairman, I know the BRAC Commission works under a strong mandate to reduce defense costs while ensuring a strong national defense. I support your mission. And my support must include the Commission closing redundant and unnecessary facilities in my district. But, in fact, the operations at Onizuka Air Force Base are very necessary.

But in the name of savings for its own line item, the Air Force has provided an incomplete picture and faulty numbers to Congress and to the BRAC. It's answer to substantive questions about real costs is to assert it will have a R&D answer by the time we need it. I urge the Commission to reject this approach and require the Department of Defense to provide a more convincing fiscal case before reducing our intelligence gathering capabilities. The Air Force has made its choice how it wants to proceed in this manner. I believe the BRAC must insist on more.

Thank you.

DRAFT

COLORADO

I. DoD RECOMMENDATIONS:

ARMY:

Fitzsimons Army Medical Center

Close

AIR FORCE:

Lowry AFB

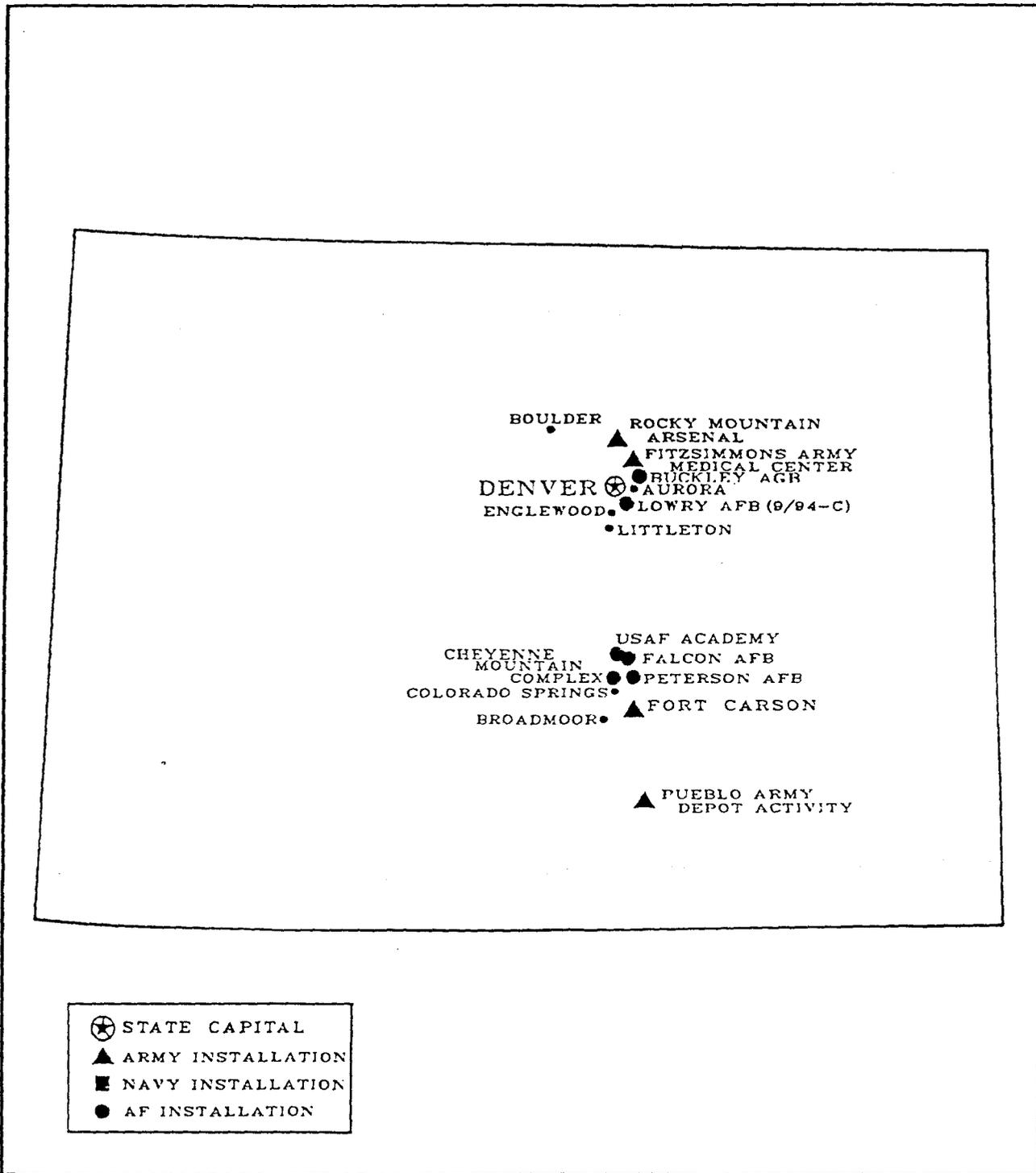
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II. COMMISSION ADDS FOR CONSIDERATION:

None

MAP NO. 6

COLORADO



- ⊛ STATE CAPITAL
- ▲ ARMY INSTALLATION
- NAVY INSTALLATION
- AF INSTALLATION

Prepared By: Washington Headquarters Services
Directorate for Information
Operations and Reports

NOTES

NOTES

TESTIMONY: Fitzsimons Army Medical Center
Base Closure and Realignment Commission
Senator Hank Brown (R-CO)
June 12, 1995

The Fitzsimons Army Medical Center supports the majority of health care needs of the over 60,000 beneficiaries who live within its 40-mile radius in-patient catchment area.

*Provides care annually to over 6,000 inpatients and 125,000 outpatients arriving from outside the local catchment area.

RECENT REVIEWS OF FITZSIMONS ARMY MEDICAL CENTER (FAMC):

1. September 1987--"Analysis of Medical Alternatives: Denver & Colo Spgs"

Contractor--CRS Surrine, Inc.

Result: Based on 1987 analysis, Ass't Sec of Defense (Health Affairs) announced a new FAMC would be constructed.

Findings:

*Least Cost Alternative--Retain status quo at Fitzsimons providing necessary upgrades to meet life, safety and fire code standards.

--As the Army's oldest healthcare facility, this option was never considered.

*Other Alternative (\$196 million/year + \$8 million+/yr for GME)--Close Fitzsimons & transfer appropriate medical missions to Fort Carson and to a new hospital to be constructed at Lowry AFB.

-Would Cause:

--Dislocation of Denver military population

***RECOMMENDATION CHOSEN: Replace FAMC with an appropriately-sized facility--(Option chosen by Defense Department)--**

-Based on:

--Savings to Defense Department by ability to continue Graduate Medical Education at Fitzsimons

--Cost savings from enhancement of Fitzsimons existing medical technology.

2. March 1991--"Economic Analysis of Fitzsimons Army Medical Center"

Contractor--Vector Research, Inc.

Result: Found that "All configurations of a referral hospital at FAMC were found to generate significant savings relative to not operating the facility."

- "The BES [Best Economic Solution] scenario generates enough savings over 25 years to cost-justify a \$360 million construction expenditure."

Findings:

- The "Best Economic Solution" [342 beds at FAMC] was found to save \$39 million/year over not operating a facility at FAMC.

-- It assumed that although the patient load could be referred to other military facilities, the associated cost to modify, build or renovate these facilities would not be significantly different from the cost of building a new Fitzsimons.

3. November 1991--"Quick-Response Update to Economic Analysis of Fitzsimons Army Medical Center"

Contractor: Vector Research, Inc.

[Done in response to finalized decision to close Lowry AFB]

Result: All scenarios demonstrated significant savings over a complete closure of Fitzsimons.

Findings:

- 1/2 of FAMC patient workload currently referred from outside 40-mile catchment area.

- FAMC supports 10% of Army's total GME training.

- Denver has relatively high CHAMPUS costs.

- Evaluated 3 alternatives for continuing Fitzsimons operations:

Case	Annual Savings	Present Value Savings
#1: 95 beds	\$20 million	\$185 million
#2: 131 beds	\$27 million	\$243 million
#3: 299 beds	\$27 million	\$243 million

4. BRAC 1993 (Base Realignment & Closure Commission)

-COBRA computer model cost analysis of Army health service needs and graduate education, BRAC '93 did not recommend closure of Fitzsimons.

--BRAC analysis found economic merit in a reduced patient load at Fitzsimons AND found economic merit to the retention of Fitzsimons even when the \$390 million replacement project was considered.

ASPECTS OF THE ARMY'S RECENT ANALYSIS THAT RAISE CRITICAL QUESTIONS ABOUT ITS VALIDITY:

1. The use of square footage as a measure of medical value.
2. Although square footage was used as one of the measures of overall effectiveness, the "temporary" facilities that have been in use at Fitzsimons for 4 decades were NOT included in the analysis.
3. The "deployment formula" used was the same as for a maneuver base. Doctors are deployed to combat areas via aircraft and automobile, NOT via rail and ship transports.
4. Proximity to sea ports was used in the Army's analysis of Fitzsimons deployment capabilities which just does not make sense.
5. The cost per active duty personnel was calculated based on a 40 mile catchment area, yet Fitzsimons' responsibilities extend to a 14 state region.
6. In comparing medical facilities, only the 3 stand alone facilities--Tripler, Walter Reed and Fitzsimons--were compared. Why?
7. The Health Care Index used by the Army to assess the costs of Fitzsimons is wildly different than the Medical Joint Cross Services Group index used to evaluate the cost of operating other facilities. Why the switch?
8. The Army assessed the cost of providing care in Denver as 220% to 400% higher than in Washington, D.C. or Honolulu. With Denver's cost of living nearly 30% less than either city, how could the difference be so extreme?
9. The Army failed to use Buckley Air National Guard base (from where medical evacuations currently take place) which is 5 miles from Fitzsimons and used Denver International airport which is 14 miles away.
10. If the BRAC's mission is to eliminate excess capacity,

how could Fitzsimons qualify? Its catchment area serves almost 1/3 of the country, serves a population larger than all but two of the other lead agent hospitals and is the only military tertiary care facility in the region.

QUESTIONS THAT MUST BE ANSWERED:

Given four analyses that show great benefit from continued operation of Fitzsimons and an apparently flawed Army analysis, this Commission must explain what has changed since the earlier analyses were conducted. Specifically, past economic analyses showed factors that must be included in this review:

1. The increased cost of transportation for active duty military members to tertiary care facilities further from Denver.

2. The additional cost of CHAMPUS care.

3. The additional cost associated with modifications, expansion and renovation of existing Defense Department medical facilities to accommodate active duty military patients that need tertiary care who will now be referred from Fitzsimons.

4. The effect on health care delivery to active duty military personnel in the 14 state region now served by Fitzsimons.

-WILL WE CONTINUE TO PROVIDE THE SAME LEVEL OF CARE FOR MILITARY PERSONNEL IN THE 14 STATE REGION AS PROVIDED TO THOSE OUTSIDE THE MILITARY?

5. The cost and effect upon mobilization readiness.

6. The increased cost of regional preventative medicine support.

7. The cost of changes to the Graduate Medical Education Program, including the fact that eliminating Graduate Medical Education causes reduction of work force capacity because staff surgeons must handle 2 or 3 times the workload.

STATEMENT OF
THE HONORABLE JOEL HEFLEY
BEFORE THE
BASE REALIGNMENT AND CLOSURE COMMISSION

JUNE 12, 1995

Mr. Chairman, and distinguished members of the Commission, it is a privilege to have the opportunity to testify before the Commission today.

Despite the concerns about health care which are expressed by many of our soldiers today, the Army and the Department of Defense chose to include Fitzsimons Army Medical Center on its list of recommended base closures.

As America comes out of the Cold War and bases all around the country, and the world, are closed, military personnel and their families are affected. This upheaval has a chilling effect on the morale of our forces. The health care benefit which was once considered untouchable, was slowly being taken away. This can only be unsettling to a soldier who is away from his or her family more often than before, and is receiving less pay than his civilian contemporary. Simply put, quality, accessible health care is a recruiting and retention tool.

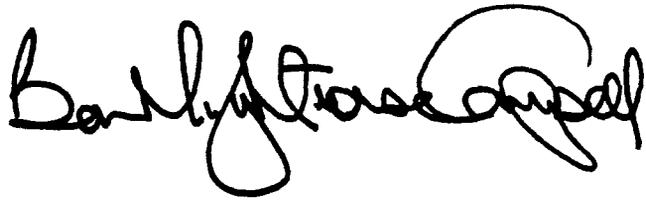
Aside from being a medical facility for our active duty soldiers, Fitzsimons is designated as a regional medical center serving over 200,000 retirees with a total beneficiary population of almost 600,000 in fourteen states. If Fitz were to close, active duty personnel, dependents, and retirees would be forced to go to the nearest military medical center -- in Texas.

As members of this Commission are well aware, in 1993, this very Commission made a conscious decision to keep the Charleston Naval Hospital open despite closing the bases in Charleston. This was done primarily to continue serving the retired military

community in and around Charleston. According to the Department of Defense's latest numbers, there are 40,362 military retirees in the three Congressional districts surrounding Charleston. There are 44,117 military retirees in the three Congressional districts surrounding Fitzsimons. Why has the Department of Defense decided that military retirees in South Carolina are more important than military retirees in Colorado?

In closing, Mr. Chairman, I would ask that you reconsider the decision by the Department to close Fitzsimons Army Medical Center. The closure of Fitz would leave a gaping hole in the United States without a major military treatment facility. It would mean a further erosion of the benefits package we provide to our armed forces.

Again, thank you for the opportunity to testify before the Commission.



**STATEMENT TO THE BASE CLOSURE AND REALIGNMENT
COMMISSION**

**Sen. Ben Nighthorse Campbell
June 12, 1995**

I am submitting this statement for the record to underscore my commitment to Fitzsimons Army Medical Center.

Unfortunately, I could not appear at the hearing in person, because of unavoidable schedule conflicts. To testify with the Colorado delegation at noon on Monday, I would have had to leave Colorado on Sunday; I had already made commitments to my constituents and my family that I would not break. I would like to point out that the BRAC staff completely ignored several complaints from members of the Colorado delegation about their schedule; obviously they have no concern about geographic reality for those of us who have to travel long distances.

We've all seen the map showing the incredible hole that closing Fitzsimons will leave in the DOD Health Care system. This is the largest of twelve geographic regions in the entire system, and sixth largest in number of beneficiaries served.

Frankly, I don't see how this closure makes any sense at all from a practical perspective. We have four major medical centers on the eastern seaboard, three along our southern border, and three more on the west coast -- and only one to serve a region 1500 miles across and 1000 miles wide. Now it looks like the military personnel in this region are going to lose even this facility. That's hardly reassuring to someone who relies on the military for medical care.

I'm not convinced that this attempt to close Fitzsimons resulted from purely military, rather than political, judgments. The Colorado delegation submitted a list of problems with the Army's assessment of Fitzsimons, and we fully expect the BRAC to address those concerns in detail.

Let me just say a quick word about military retirees. According to Army statistics, there are well over 350,000 retirees in the region who have access to Fitzsimons. Nearly 25,000 retirees over 65 live in Colorado

alone. It's these people that you are going to cut off. From what I've seen, the BRAC commission doesn't really care much for the welfare of those retirees -- in fact, your commission is sending letters addressed "Dear Retired Beneficiary" telling them to go out and find civilian doctors. I hear defense officials saying that retirement benefits, including health care, are a priority. Let me quote from General Moorman, Air Force Vice Chief of Staff: "The military retirement system has long been the top retention incentive for quality people to serve full careers in uniform. It is the centerpiece of benefits that we use to offset the extraordinary demands and sacrifices of military service." I guess retirees in our region are going to get their "centerpiece" yanked away from them.

I am under no illusions that this statement will make any difference to BRAC commissioners, and I seriously doubt any of them will even read it. But I do expect fairness and critical judgment from the BRAC commissioners, and if they do their jobs, I expect them to find that Fitzsimons is worth more to our country open than closed.

Statement
by
Congressman Dan Schaefer
to the
Defense Base Realignment and Closure Commission

June 12, 1995
Washington, D.C.

Mr. Chairman and Members of the Commission. I want to congratulate you on the work you have done so far during this round of the base closure and realignment process. You certainly have an unenviable, but necessary, task in reviewing the fate of dozens of military installations around the country. I know you have heard testimony from hundreds of people ranging from Pentagon officials to civic activists. I appreciate your holding these hearings in Washington this week to solicit the views of Senators and Members of Congress whose home states will be directly affected by proposed base closures and realignments.

Today I will address the subject of Fitzsimons Army Medical Center in Aurora, Colorado. Despite the numerous hearings you have held in the past several months and the hundreds of people you have heard testify on behalf of various bases, I would be willing to bet that Fitzsimons has a higher profile with your commission than many other, larger, bases. In fact, a couple of months ago, your commission reported that Fitzsimons had generated more mail of concern from citizens than any other base except for the Red River Army Depot.

Why has Fitzsimons generated such a relatively high number of letters, mailgrams, faxes and telephone calls? I think there are nearly a million reasons, because that is how many people will be directly affected in 12 states by the closure of this important military medical facility. This 12-state service area represents an enormous geographical region, seven times the size of Germany. If Fitzsimons closes, the one million active-duty and retired military personnel in that huge service area will be forced to find new sources of tertiary medical care---care which will in all likelihood be inconvenient and much more expensive. These personnel were originally promised a lifetime of health care in exchange for their years of service to country.

Many tangible reasons for keeping Fitzsimons open and operational come from factual analysis. For instance, a study commissioned by the DoD in 1991 concluded that it would be cheaper to build a new facility at Fitzsimons than it would be to purchase the equivalent amount of health care from the civilian sector through the CHAMPUS program. The savings generated by providing care at Fitzsimons, as compared to not operating the facility, are enough to pay back the costs of constructing a new facility. In other words, closing Fitzsimons would end up costing money in the short term and the long term. In addition, at a time when we are trying to ensure the very survival of the civilian Medicare system, we should question whether Medicare could afford the sudden influx of military retirees which might occur if Fitzsimons or other military hospitals were to shut their doors.

As you know, in 1992 Congress authorized \$390 million for a 450-bed teaching hospital to replace the existing facility at Fitzsimons. The project was downsized last year to a 200-bed hospital costing \$225 million, which was allocated in the FY95 Defense authorization bill. A highly qualified architectural firm has been nearing completion on

design work for the new facility. This ongoing work is another reason to support the continued operation of Fitzsimons: why scrap a valuable project midway through its completion, especially given its proven cost-effectiveness?

Not only do residents and beneficiaries in the Fitzsimons service area support this hospital, but a letter of support I circulated in the House last fall garnered signatures from Members of Congress representing every state in the Fitzsimons service area. Clearly, Fitzsimons serves a recognizably important military health care need in the Rocky Mountain and Midwest region.

Mr. Chairman, on June 8, just last week, I and my colleagues in the Colorado congressional delegation sent you a letter bringing up 15 specific flaws in the Army's assessment of Fitzsimons. We noted in the letter that "[t]hese flaws call into question the adequacy of the methodology, the process, and the date. In fact, these shortcomings are so pronounced, it is unlikely that any medical facility could be given a fair evaluation." I urge your commission to examine the points raised in that letter, a copy of which I am submitting for the record along with this testimony, and to give them serious consideration in the few remaining weeks before you submit your final recommendations to President Clinton for his approval.

Mr. Chairman, two of my district office staff members recently went to a meeting at Fitzsimons at which they were told that since the promises of lifetime health care made to our military personnel were not made in writing, such promises are now "null and void," despite the promises made by their officers, whose word of honor is considered sacrosanct. One of my staff members who attended, the wife of a retired Air Force officer, relates to me that "from day one, my husband and I had been told that 'your husband is a pilot, so we want you to keep him healthy, feed him three meals, especially breakfast if he has to fly at 4:00 am, and dinner no matter what time he comes home, because as your reward you will receive medical care for you and your whole family.'" Thus, in essence, the one million people served by Fitzsimons see the proposed closure not as an efficiency move, but as a basic betrayal of trust---a broken promise.

Mr. Chairman, in conclusion, please let me make a direct quote from the DoD Assistant Secretary for Health Affairs from a statement delivered just last year:
"[the completion of Fitzsimons] is necessary to support the Department's Regional Center to ensure medical readiness in time of conflict and support of DoD beneficiaries in times of peace as well as conflict."

This compelling endorsement of Fitzsimons was made by the DoD itself. I hope you will take it into consideration during your deliberations, along with all the other arguments I and others have made on behalf of this vital medical facility in Colorado.

Again, thank you for this opportunity to address you here today. I appreciate the hard work you have put into the base closure and realignment process this year and wish you well as you wrap up your efforts.

Congress of the United States
Washington, DC 20515

June 8, 1995

The Honorable Alan Dixon
Chairman
Defense Base Closure and Realignment Commission
1700 N. Moore St., 15th Floor
Arlington, VA 22209

Dear Commissioner Dixon:

We write to call your attention to a number of flaws in the Army's assessment of Fitzsimons Army Medical Center (FAMC). These flaws call into question the adequacy of the methodology, the process, and the data. In fact, these shortcomings are so pronounced, it is unlikely that any medical facility could be given a fair evaluation. We hope you and the other commissioners will give special attention to the following points and report to us on your findings.

- 1) **Square footage.** We question whether the size of a medical installation is a realistic measure of medical value. Researchers found no private sector health care providers who use square footage as a significant factor in measuring the effectiveness of a health care facility.

- 2) **Temporary Buildings.** Assuming size is an important factor in determining the value of a medical facility--an assumption we make for purposes of illustration only--a number of the instructional buildings at Fitzsimons were not counted because they are considered "temporary buildings".

Since the buildings have been in use for more than four decades, shouldn't the 110,000 square feet of wooden instructional facilities have been included in the Army's square footage assessment?

- 3) **Deployment formula.** We question the soundness of the Army's formula to assess deployment capabilities. Medical personnel are deployed to conflict areas by automobile and by air, not by rail and ship. Similarly, injured soldiers are not transported by rail or ship, rather they are transported to medical centers by air. Therefore, the deployment formula has little relevance in determining

Fitzsimons' ability to get personnel to conflict and injured soldiers treated.

Why was the same deployment formula used for medical centers as for maneuver bases?

- 4) **Use of ports for deployment measure.** In addition to the general criticism of the Army's deployment assessment, we also question the measure of sea ports specifically. Fitzsimons is strategically located in the center of the continental United States. Its location makes it less vulnerable to attack. Additionally, it takes longer for people and supplies to get from Fitzsimons to a port than for ships to get there.

Why is proximity to sea ports used in the Army's assessment of Fitzsimons' deployment capabilities?

5. **Cost per active duty personnel.** The cost per person to deliver health care at Fitzsimons is based on a 40 mile catchment area. Given the 12-state region Fitzsimons serves, it is unrealistic to gauge the cost per active duty personnel on a mere 40-mile region?

Since Fitzsimons' responsibilities extend beyond the 40-mile limit, wouldn't a fair calculation require the inclusion of the entire Fitzsimons catchment area?

6. **Stand alone facilities.** In comparing medical facilities, only the three stand alone facilities--Tripler, Walter Reed, and Fitzsimons--were compared. Why?

7. **Health care index.** The Health Care Index (HCI) used by the Army to measure the cost of providing care at the three stand alone facilities supersedes the measure used by the Medical Joint Cross Services Group. The HCI shows cost differentials of between 200 and 400 percent between Fitzsimons, Walter Reed, and Tripler. The Medical Joint Cross Services Group finds only a 10.9 percent cost per patient differential with Fitzsimons having the lowest cost.

Why was the Medical Joint Cross Services Group index replaced by the HCI?

How is it that Walter Reed is so efficient, or Fitzsimons is so inefficient, that their costs vary by 400 percent?

8. **Cost of living.** Denver's cost of living is 27.6 percent less than Washington D.C.'s and 29.3 percent less than Honolulu.

How is it possible that the Army's assessment of the cost of providing care is 220 to 400 percent higher in Denver than Washington, DC or Honolulu, HI?

9. **Proximity to the airport.** The Army lists Fitzsimons as being 11 miles from the nearest airport, the airport being vital for med-vac transport. Although Fitzsimons is 14+ miles from Denver International Airport, in reality, med-vac transport is and will continue to be conducted at Buckley Air National Guard Base which is five miles from Fitzsimons.

Why was DIA used in this measure and not Buckley, the base which is currently being used for med-vac transport?

10. **Patients at Tripler.** The number of active duty and retired personnel and their dependents at Tripler differs depending upon which number is reported. The Army's figure is roughly 83 percent higher than that used by the Defense Medical Information Service.

Why are two different numbers used by the Army and by the Defense Medical Information Service when measuring the number of patients served by Tripler?

11. **How much is enough?** If Fitzsimons is closed, that will bring to four the number of federal installations closed in the state of Colorado within the past decade. The previously-closed installations are: Lowry Air Force Base, the Rocky Mountain Arsenal, and Rocky Flats. Is it reasonable to expect a small state to endure closure of yet another federal installation? How much is enough?
12. **Capacity.** It is our understanding the BRAC's mission is to address excess capacity. Fitzsimons' catchment area (Region 8) occupies almost 1/3 of the country, serves a population larger than all but two of the other lead agent hospitals

Honorable Alan Dixon
June 8, 1995
Page 4

and is the only military tertiary care facility in the region.

How can Fitzsimons reasonably be considered excess capacity?

13. **Alternatives.** The Washington, DC and San Antonio, TX areas house medical facilities that are so close in proximity to one another that they are almost co-located.

Should a facility in one of these areas be considered instead?

14. **Savings.** The Army estimates that by closing Fitzsimons Army Medical Center, the department of Defense will realize some \$300 million in savings, over a 20 year period. This conclusion is based on the assumption that no new civilian employees will be hired in connection with the relocation of services currently offered at Fitzsimons. This is asserted even though the plan anticipates over \$100 million of new construction to facilitate relocated missions.

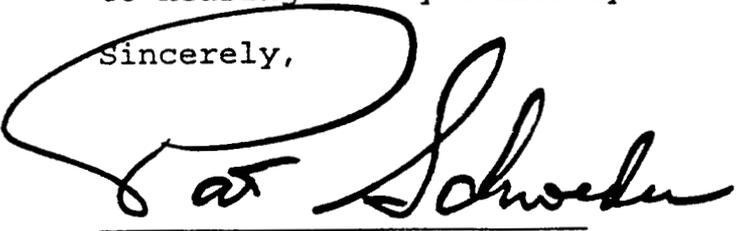
Is it realistic to assume these facilities can be opened and operational for the next 20 years with no additional civilian employees?

15. **New Construction.** The cost of closing Fitzsimons suggest significant military construction spending to replace facilities slated for closure at Fitzsimons in FY 1998, but no such spending in FY 1997.

Is it realistic to anticipate no military constriction related to a closure of Fitzsimons in FY 1997.

Thank you for your attention to these concerns. We look forward to hearing from you shortly.

Sincerely,




DRAFT

CONNECTICUT

I. DoD RECOMMENDATIONS:

ARMY:

Stratford Army Engine Plant

Close

NAVY:

NUWC Detachment New London

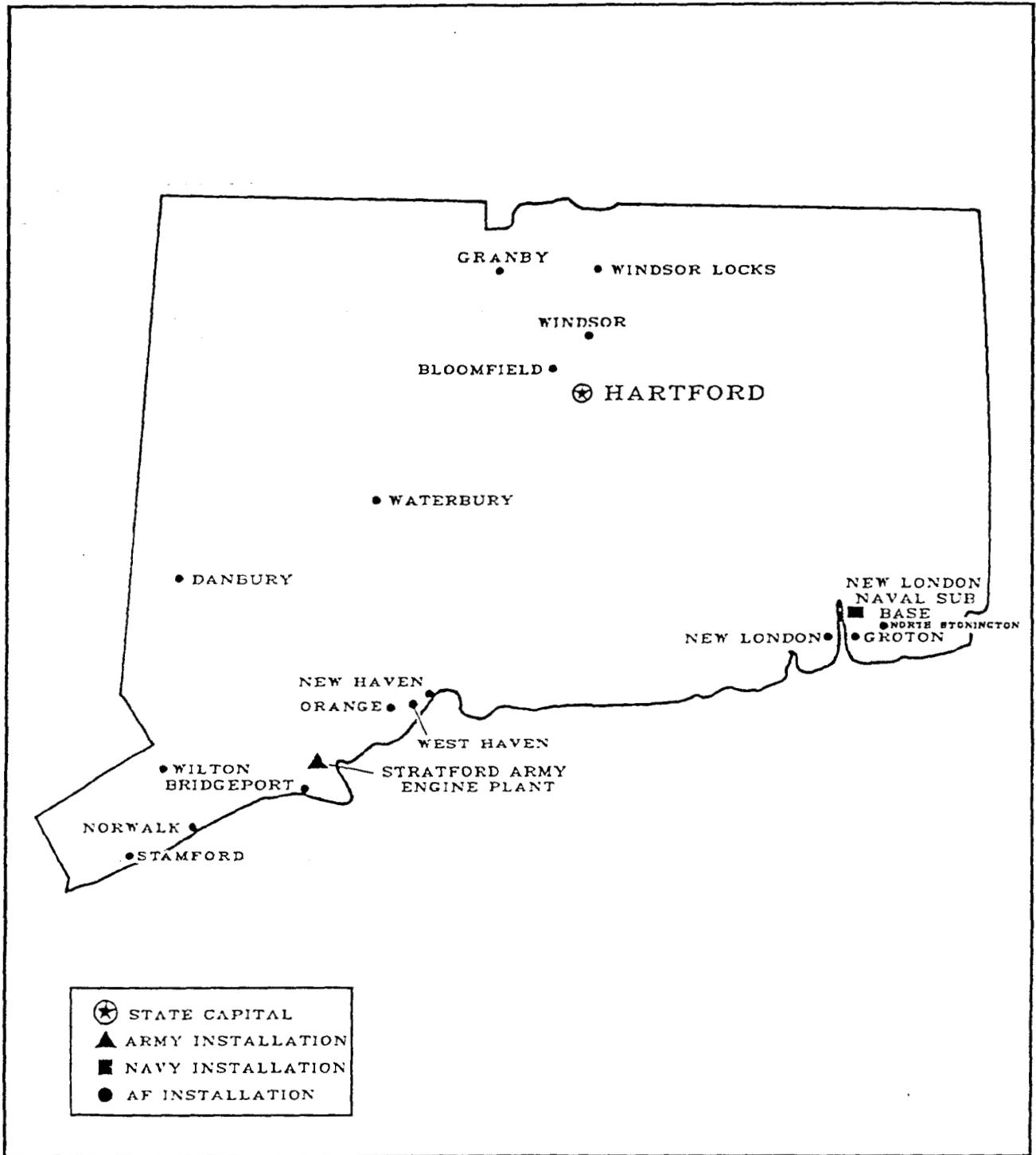
Disestablish

II. COMMISSION ADDS FOR CONSIDERATION:

None

MAP NO. 7

CONNECTICUT



Prepared By: Washington Headquarters Services
Directorate for Information
Operations and Reports

NOTES

NOTES

Statement of Senator Joseph I. Lieberman
BRAC Congressional Hearing
June 12, 1995

Mr. Chairman and distinguished members of the Commission, I appreciate the opportunity to testify on behalf of the ~~concerned~~ citizens of Connecticut.

It is my firm belief that the three recommendations before you, which my colleague, Senator Dodd, has discussed, are not in our national interest and, in fact, threaten the operational readiness of our forces.

Each of these recommendations will cost the American taxpayer more than has been

[Conclusion]

I am concerned that the military Services have failed to adequately consider the military value of the three facilities I have discussed today and the impact of these decisions on the operational readiness of our forces. We cannot take lightly closures that eliminate vital skills and expertise that can never be regained. In our haste to reduce excess capacity and military infrastructure let us not jeopardize the readiness of our forces to defend our nation today or at some time in the future when the need arises -- as it always has.

industrial base.

The Army's recommendation to close Stratford is short-sighted. When you consider the military value of the Stratford facility and the understated cost to close the plant, a realigned Stratford Army Engine Plant is the most cost effective decision.

[NAVAL UNDERSEA WARFARE CENTER, NEW LONDON DETACHMENT]

Second, the Navy has recommended closing the Naval Undersea Warfare Center in New London and relocating its functions to Newport. This recommendation destroys the ^{productive impact} synergy at New London where scientists at NUWC, the submarine Fleet, and the submarine builder are all located within a five mile radius. The customer is in New London, Connecticut not Newport, Rhode Island.

This recommendation is an effort to complete the consolidation of the undersea warfare center begun in the 1991 round of base closures. The Navy cost estimates to

implement the 1995 recommendation are understated, much as they were in 1991, when the costs nearly doubled. But as important as the dollars are, even more importantly, our nation stands to lose many of the finest acoustic scientists and engineers in the business who will not pick up their families, sell their homes, and move to another state.

I urge you to reject the Navy's recommendation and allow the Naval Undersea Warfare Center, New London to continue to be the acoustic research and development "center of excellence" for the Navy.

[STRATFORD ARMY ENGINE PLANT]

Finally, I want to address the Stratford Army Engine Plant. In their recommendation to close Stratford, the Army does not question the military value of the installation. They simply suggest that the tank and helicopter engine work -- which the Army admits it needs and admits is being done well in Stratford -- could be moved to depots at Anniston and Corpus Christi.

The Army is wrong -- splitting the manufacturing capability will not work. SAEP is an integrated, dual-use facility, operated for the government by

AlliedSignal. The equipment in the plant produces military and commercial products for both aviation and ground use. The Army will be unable to replicate these capabilities without paying a significant price. A price which is not included in their estimated savings of closing the plant.

my notes ago

On February 14, 1995, Assistant Secretary of the Army, Gil Decker, announced a plan to maintain a strong tank engine industrial base by investing \$47.5 million in a three year program at Stratford. When this program is completed, SAEP will be realigned as a smaller, more cost competitive facility, which preserves key components of the tank engine

faculty and crews from the submarines homeported at the Submarine Base. The synergism which derives from such collocation cannot be assigned a dollar value -- yet it exists and is important.

When all of the relevant costs are considered, it is clear that the most economical decision, and the most important for the quality of submarine training, is to reject the requested redirect of the Nuclear Power School to Charleston and to leave in effect the 1993 decision.

~~You~~ ^{may} ~~will~~ recall from the photographs shown at the regional hearing in New York, that the site of the proposed Power School in Charleston currently consists of 400 acres of woods and possible wetlands. No design work has been done to determine the real cost of constructing facilities and infrastructure there. ~~§~~ This recommendation does not take advantage of existing capacity in New London. The Submarine Base at New London will require minimal new construction and offers full infrastructure to meet the needs of the students.

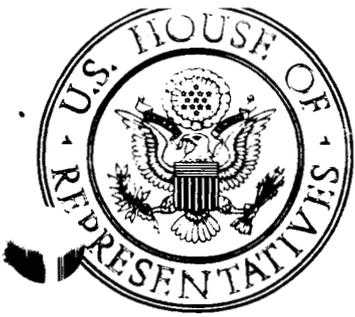
In New London, Nuclear Power School students would be co-located with basic and advanced submarine school students and

[NUCLEAR POWER SCHOOL]

First, the 1993 BRAC Commission upheld the Secretary of Defense's recommendation to close the Naval Training Center in Orlando, and to relocate the Nuclear Power Schools to the Naval Submarine Base in New London. Now, less than two years later -- after having spent over \$11 million for planning and design of the training facilities in New London -- the Navy has recommended changing the receiving site to the Naval Weapons Station, Charleston, [even though Charleston was considered, and rejected, during the 1993 decision.]

predicted -- in dollars, and, more critically, in knowledge, skills and expertise lost. These intangible but essential qualities will not move to other locations; they will be gone forever.

I will not try to repeat all the details you have already been given at the New York regional hearing, but I will address a few critical issues, especially those pertaining to the military value of these three facilities.



CONGRESS OF THE UNITED STATES

BASE CLOSURE and REALIGNMENT COMMISSION

Statement by Congressman Christopher Shays

June 13, 1995

Chairman Dixon and members of the Commission, I appreciate this opportunity to testify before you today regarding the recommendation to close the Stratford Army Engine Plant. This is an extremely important issue, not only to the State of Connecticut, but to our country.

As I am sure you are aware, Connecticut has a distinguished history contributing to our country's national defense. From aircraft to tanks and submarines, Connecticut plays an integral role in maintaining our national security.

At a time of scarce resources and the absolute necessity for the implementation of a plan to balance the budget, we must explore every option to help in achieving this goal. Your efforts and suggestions will play a major part in this effort.

I have repeatedly opposed increases in defense spending and feel Congress has an historic opportunity to make meaningful reductions in the amount of money we spend on defense. And, there is little doubt military spending will decrease in real terms over the coming years.

Make no mistake, I support a strong national defense and believe our forces should be prepared to deal with whatever threats they may face. But, the Cold War is over and America has won. The fall of the Berlin Wall, the dissolution of the Warsaw Pact, the break-up of the Soviet Union and the spread of democracy in Eastern Europe and the Soviet Republics are harbingers of a new era.

Now, we can and should reduce defense spending and determine the best ways in which we can save money. However, it must be done in a fashion which preserves our national security interests and realigns military objectives to meet the threats of the post Cold War era. The Stratford Army Engine Plant (SAEP) is a perfect example of how we can achieve both.

As you are aware from the May 5 presentation in New York, SAEP is much more than a tank engine plant. Not only are products manufactured exclusively for the military such as the AGT1500 engine used in the Abrams tank (M1) produced at the plant, engines like the LF507 turbofan which powers the Avro regional jet aircraft are also built at this site. Through a dual-use program, AlliedSignal, which conducts operations in the facility, has the ability to produce engines for both the military and commercial sector. And, by next year, they expect to have a production ratio of at least 70 percent commercial and 30 percent military.

As you also know from the New York presentation, SAEP is taking steps to downsize while maintaining its ability to produce these necessary products. This plan will reduce military production capacity from 200 to 10 engines per month, cut the occupied area from 1.8 million to 1.0 million square feet, and decrease the number of machines owned by both AlliedSignal and the Army by nearly 50 percent. As a result, costs are expected to be cut in half.

Aside from making an effort to diversify SAEP, it is extremely important that we remember the value this plant has to the military. It is the only plant that produces vital parts such as the recuperator plates for the AGT1500 and is the source of repair parts for the engine, which is expected to be in service for at least 30 more years. While the Army may suggest it has the capability to repair engines elsewhere, I believe this point proves that theory incorrect.

While I was not at the hearing in New York last month, I am aware of Commissioner Cornella's question regarding the amount of time an overhauled engine can last. I believe the response of between 1,200 and 1,300 hours if done at SAEP, compared to 400 hours if completed at the Alabama depot, again illustrates the value of this facility.

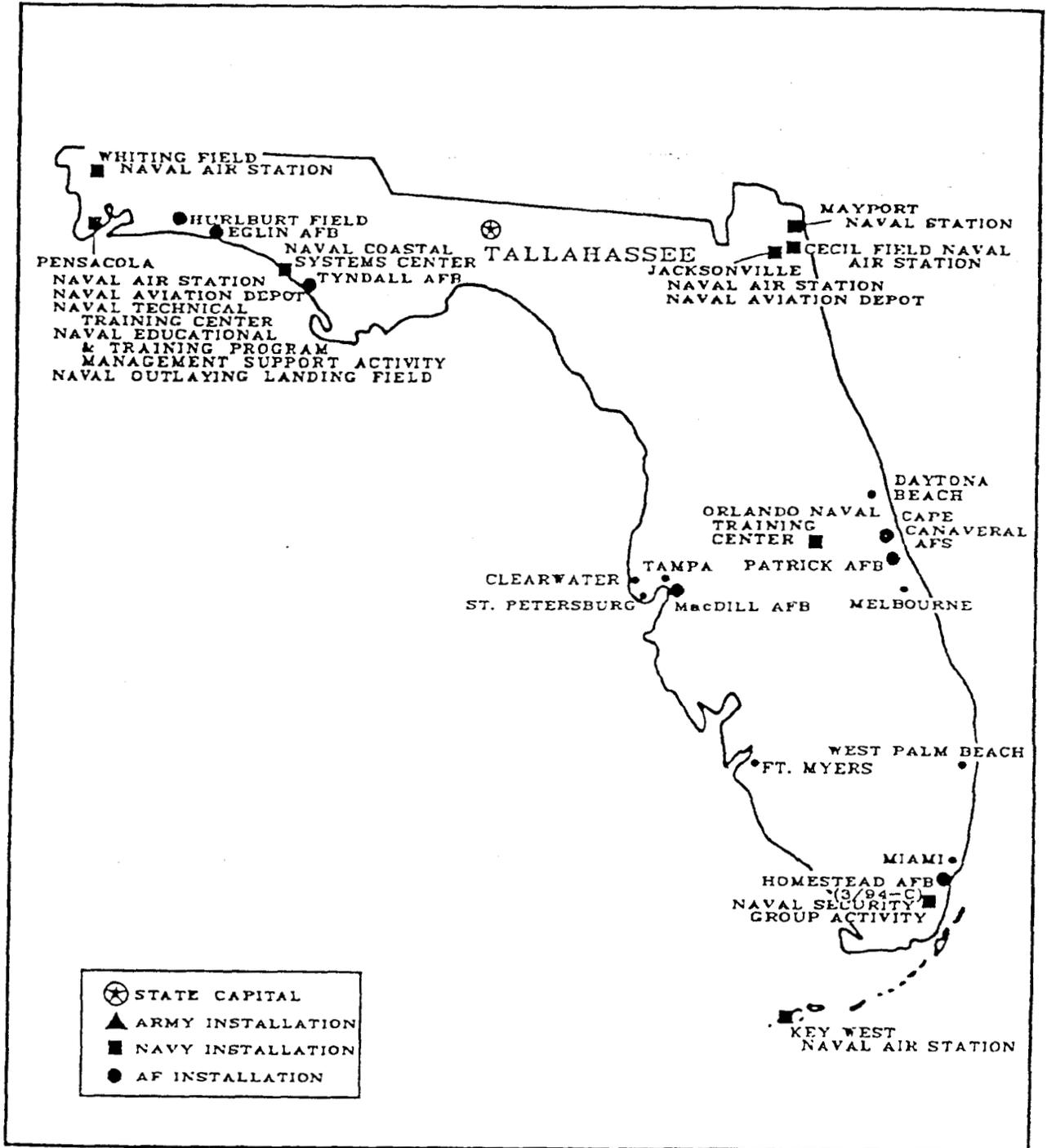
As you know, many of the machines needed to produce engines such as the AGT1500 and aviation products are owned by AlliedSignal, and most are used for the production of both. Therefore, the Army would be unable to separate this manufacturing capability.

With all the concerns associated with closing the plant, including its military value and the cost of closing it and reconstituting its capabilities to other areas, I don't believe it would be in our best interest. I don't see the logic behind the Army's suggestion. Simply stated, I believe the Army has miscalculated the true costs and benefits of closing this facility and request that you reject its proposal to do so.

Mr. Chairman and members of the Commission, thank you for your time and consideration of this matter.

MAP NO. 10

FLORIDA



Prepared By: Washington Headquarters Services
Directorate for Information
Operations and Reports

NOTES

NOTES

ALCEE L. HASTINGS
23d CONGRESSIONAL DISTRICT,
FLORIDA

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CONGRESSMAN ALCEE L. HASTINGS OF FLORIDA
STATEMENT BEFORE THE BASE CLOSURE COMMISSION
JUNE 12, 1995

MR. CHAIRMAN, MEMBERS OF THE COMMISSION, I APPRECIATE YOUR AFFORDING ME THE OPPORTUNITY TO DISCUSS WITH YOU THE VALUE OF THE HOMESTEAD AIR RESERVE BASE. ALTHOUGH HOMESTEAD IS NOT ACTUALLY WITHIN THE 23RD CONGRESSIONAL DISTRICT WHICH I REPRESENT, I FEEL COMPELLED TO SPEAK WITH YOU TODAY BECAUSE THE VALUE OF THIS BASE TRANSCENDS CONGRESSIONAL BOUNDARIES.

THE KEY VALUE OF HOMESTEAD LIES IN ITS STRATEGIC LOCATION. POISED AT THE SOUTHERN END OF THE FLORIDA PENINSULA, HOMESTEAD ENABLES OUR ARMED FORCES TO: MONITOR AND ENFORCE OUR AIRSPACE BOUNDARIES; CONTROL THE FLORIDA AND YUCATAN STRAITS; PROVIDE AN OPERATING SITE FOR U.S. AGENCIES RESPONDING TO EMERGENCIES IN THE CARIBBEAN BASIN AND LATIN AMERICA; SUPPORT MILITARY INCURSIONS; SUPPORT OVERT AND COVERT EVACUATION OF U.S. CITIZENS AND FRIENDLY FOREIGN NATIONALS DURING POLITICAL CRISES; SUPPORT U.S. ASSISTANCE EFFORTS TO LATIN AMERICANS COUNTRIES; PROVIDE A SERVICING STOP FOR MILITARY AIRCRAFT FLYING TO OR FROM LATIN AMERICA; PROVIDE A SITE FOR COVERT AND OVERT INTELLIGENCE MONITORING OF ACTIVITIES IN THE CARIBBEAN BASIN AND LATIN AMERICA; SUPPORT OUR WAR ON DRUGS ACTIVITIES; AND PROVIDE LOGISTICAL SUPPORT FOR THE MIAMI RELOCATION OF THE HEADQUARTERS OF THE U.S. SOUTHERN COMMAND.

SOUTH FLORIDA IS THE NINTH MOST POPULOUS COUNTY IN THE UNITED STATES. A MAJOR PLAYER IN THE WORLD ECONOMY, IT SERVES AS THE GATEWAY FOR INTERNATIONAL COMMERCE BETWEEN THE NORTHERN AND SOUTHERN HEMISPHERES. THE GDP OF DADE COUNTY ALONE IS \$38 BILLION MORE THAN THAT OF THE CARIBBEAN OR CENTRAL AMERICA. PROTECTING THESE VITAL COMMERCE ROUTES IS A NATIONAL PRIORITY.

THE CARIBBEAN BASIN AND LATIN AMERICA HAVE THE POTENTIAL FOR FUTURE CONFLICT. FROM RESPONDING TO NATURAL DISASTERS TO MILITARY INTERVENTION TO SUPPORT OF DEMOCRATIC GOVERNMENTS TO THE ONGOING SITUATION IN CUBA, THESE ARE AREAS THAT CLEARLY DEMAND BOTH OUR ATTENTION AND ALSO OUR READINESS. NO MILITARY AIRFIELD IN THE UNITED STATES IS BETTER LOCATED THAT HOMESTEAD TO SUPPORT OPERATIONS IN THE REGION. BECAUSE OF ITS PROXIMITY TO MIAMI, AND THE NEW SOUTHCOM HEADQUARTERS, HOMESTEAD WILL BE UNIQUE IN

PROVIDING LOGISTICAL SUPPORT FOR OUR VARIED OPERATIONS IN THE REGION AND OUR OWN PROTECTION IN THE UNFORTUNATE EVENT OF ANY FUTURE REGIONAL CONFLICT.

FOR THESE VARIED REASONS I SUPPORT HOMESTEAD AIR FORCE BASE AND HOPE THAT THE COMMISSION REALIZES THE VALUE OF THIS BASE.

United States Senate

WASHINGTON, DC 20510-0904

TESTIMONY OF SENATOR CONNIE MACK
Before the Defense Base Closure and Realignment Commission
June 12, 1995

Mr. Chairman and Distinguished Members of the Commission:

I regret that the business of the Senate prohibits my testifying before you today. However, my colleagues from Florida, Senator Graham and Representatives Young, Scarborough, McCollum, Weldon and Meek, have clearly articulated the vital role our state plays in America's national defense.

The 1995 Base Closure Commission has undertaken a difficult, but essential, task. You have been asked to help the Department of Defense eliminate costly excess infrastructure, while protecting the assets needed to defend our country today and tomorrow. I applaud your efforts thus far, and look forward to your demonstrating the same degree of wisdom and evenhandedness as you complete your duties in the weeks to come.

Florida's strategic location, geography, weather and people give its installations unmatched military value and make it an ideal home for bases and units. Both the Department and the Commission have recognized this. Therefore, Tyndall, Eglin, MacDill, and Patrick Air Force Bases, Naval Air Stations Pensacola, Whiting Field, Jacksonville and Key West, Naval Station Mayport, Naval Aviation Depot Jacksonville, Panama City's Coastal Systems Station, and Orlando's joint Naval Air Warfare Center-Training Systems Division/Army Simulation, Training and Instrumentation Command will remain a vital part of America's national security force structure for years to come.

Even so, four major concerns remain that the Commission must still address before concluding its deliberations:

- Homestead Air Reserve Base, which the Commission elected to add for consideration last month, offers unique strategic proximity to the Caribbean Basin and Latin America and exceptional year-round flying weather. Homestead gives military planners remarkable capability at a very low cost, and should be retained.
- Eglin Air Force Base's Electronic Combat test and evaluation ranges are a unique national asset. Moving them would significantly degrade Air Force's ability to properly test its weapons systems. Any decision to consolidate T&E assets should be deferred until the congressionally-mandated DoD Electronic Combat Master Plan is completed.

- The Navy's nuclear power schools, located aboard Naval Training Center Orlando's facilities, were directed by the 1993 Base Closure Commission to move to New London, Connecticut. Since then, Navy has determined that New London is an unacceptable receiving site, and has recommended that the schools now move to Charleston, South Carolina. The Commission could save money by directing that the schools be left where they are in Orlando.
- In 1991, the Commission directed that Armstrong Laboratories, Air Force's simulation center located at Williams AFB, Arizona be co-located with the Navy and Army simulation commands in Orlando. Air Force has dragged its feet in complying with that order, and has now asked the Commission for a re-direct to keep the facility as an isolated, stand-alone entity. The Commission should strongly re-affirm the 1991 directive, and instruct Armstrong Labs to join the center of excellence which has been created by co-locating the Navy and Army simulation commands with the University of Central Florida's one-of-a-kind Institute for Simulation and Training.

I appreciate the opportunity to raise these concerns, and do so with confidence that you will give them full consideration. Again, I commend the Commission for its diligence and hard work, and look forward to receiving your report when it is forwarded to Congress by the President this fall.

PETER DEUTSCH
20TH DISTRICT, FLORIDA

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VICE CHAIRMAN
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TESTIMONY OF REPRESENTATIVE PETER DEUTSCH
BEFORE THE BASE REALIGNMENT AND CLOSURE COMMISSION

JUNE 12, 1995

Mr. Chairman and Commissioners:

It is a pleasure and a privilege to have this opportunity to appear before you to discuss the issue of military base closure and realignment as it relates to Florida's Twentieth Congressional District. There are two installations which are important to my district; Naval Air Station, Key West which is in my district and Homestead Air Reserve Base which is adjacent to my district.

It is my observation that most Members of Congress who testify have been doing so in an attempt to sway this commission away from the recommendations of the Secretary of Defense. I, however, am pleased to support the recommendations of the Secretary, in respect to NAS Key West. The Secretary's recommended realignment affirms the importance of the naval facilities in Key West, while increasing the efficiency of the installation by disposing of excess land and facilities.

The Naval Air Station has modern facilities to support advanced air combat training for all military branches. Further, NAS Key West has 165,000 square miles of unencumbered combat training airspace. An open range of this size completely controlled by the Navy can be found no where else in the country. This accompanied by the strategic location of the facility in respect to the Caribbean, demonstrates the value which NAS Key West offers to our nation's security.

However, I have three very strong concerns about the possible closure of Homestead Air Reserve Base. First, closing Homestead ARB would negatively impact the ability of the U.S. military to conduct operations in Latin America and the Caribbean. Second, Homestead is one of the most cost effective installations in the nation. Finally, closing Homestead would reverse on the previous commitment to local residents and would

devastate an already weakened local economy.

Homestead Air Reserve Base has proven vital for military operations south of our borders. The strategic value of Homestead ARB is a matter of simple geography. Its close proximity to the Caribbean and Latin America make its continued operation imperative. Homestead ARB played a vital support role in response to the crises in Haiti and Cuba. Further, the relocation of the U.S. Southern Command in Miami reaffirms South Florida's national strategic importance.

Since the realignment of Homestead ARB in 1993 the community redevelopment team has done an outstanding job, working with the Air Force in an effort to sustain a dual-use air field. The facilities at this installation are well-suited for dual use, and could be used by all types of aircraft. The Department of Defense referred to the action taken following the 1993 decision as a model base conversion.

Some have said that Homestead ARB is still in the rebuilding phase, and if closed will save the Federal Government millions of dollars. Congress has heretofore appropriated \$85 million of Hurricane Special Appropriations, a Design Fund Construction Supplemental, Omnibus Reprogramming, and a Special Appropriation for the restoration of Homestead following Hurricane Andrew. These funds are already spent, and cannot be recaptured. However, Homestead is one of the most cost effective bases in the country, with operating costs at \$3 million per year. Further, Homestead ARB is the only reserve base in the State of Florida.

The latest information from the Department of Defense states that the recurring annual savings from closing Bergstrom Air Reserve Base would be greater than that of Homestead (\$18.4 million v. \$17.8 million). Further, the total net savings for the Department of Defense would be \$28.3 million greater for the closure of Bergstrom.

Finally, this Commission is mandated to consider the economic impact on local communities any decision would have. Closure of Homestead ARB would deal a mortal blow to a community still reeling from the effects of Hurricane Andrew. I strongly urge you to further study the economic dependency of this community to Homstead Ari Reserve Base. Let the hard work that they have begun provide our nation with the capability to face any aggressor who threatens democracy in the Western Hemisphere.

United States Senate

WASHINGTON, DC 20510

REMARKS OF SENATOR BOB GRAHAM BEFORE THE DEFENSE REALIGNMENT AND BASE CLOSURE COMMISSION JUNE 12, 1995

Mr. Chairman and distinguished members of the Commission:

My Florida colleagues with me today will make their specific remarks concerning those facilities and operations in their districts which are affected by this round of closures and realignments. Unfortunately, due to a Joint Economic Committee hearing, my Senate colleague, Senator Connie Mack, is not able to be with us today; however, he has drafted written testimony for the Commission, and I provide a copy of it to you on his behalf.

In opening for the Florida delegation, I share the following thoughts –

I am pleased that the Defense Department and the Base Closure Commission have already recognized the high military value of many Florida installations, such as MacDill, Patrick and Tyndall Air Force Bases, Naval Air Stations Whiting Field, Pensacola, Key West and Jacksonville, Naval Station Mayport, Panama City Coastal Systems Station, and the Army and Navy's simulation training operations in Orlando. I am also pleased that the efficiency and cost-effectiveness of the Naval Aviation Depot in Jacksonville has been acknowledged and affirmed.

I heartily endorse and concur with these sound decisions that have already been made. However, let me just highlight a few concerns which the Commission will be considering in the next three weeks – those issues that are of particular strategic relevance to our military.

I believe that our primary focus must be on what is of vital interest for all Americans – our Nation's national security.

The State of Florida has a proud history of significant contributions to our nation's defense. Its geographic location and natural endowments have

enabled it to contribute in such a significant manner. When the Commission considers Florida installations and operations, I encourage you to keep in mind the critical importance of their strategic utility and geographic location.

Although I am pleased that the military and the Commission appreciate the value of Eglin Air Force Base, I am concerned that the decision to relocate Electronic Combat test and evaluation assets from Eglin could significantly impact our Air Force's ability to properly test and evaluate weapon systems. It takes many years and significant investment in developing effective weapon systems. Having just experienced a downing of an American fighter jet last week and having seen during the Gulf War the amazing capabilities of our weapons, we should be ever sensitive of the need for our military to remain on the cutting edge of technological testing and evaluation. It is in testing and evaluation that the proverbial "rubber meets the road." Services must preserve its ability to fully and rigorously test and evaluate our weapon systems.

If Electronic Combat assets are moved from Eglin's test ranges, which are endowed with unique land-water contrast along the shoreline, the Air Force will lose a critical testing environment. Any consolidation of weapons test and evaluation assets should be deferred pending the completion of a congressionally mandated DOD Electronic Combat Master Plan. Congress, through the House Armed Services Committee last year has expressed its concerns in this regard by directing such a Master Plan. This, taken together with the fact that the Board of Directors, comprised of all of the Services' Vice Chiefs, affirmed the value of Eglin's testing infrastructure and geographic attributes, in February 1994, makes the case for deferment of any decision in this area compelling. While acknowledging that the Commission is considering numerous issues at many facilities nationwide that do not meet the BRAC personnel threshold for consideration, in the case of Eglin's realignment, choosing to not act on the Air Force recommendation, pending a definitive DOD study as directed, seems the logical and intelligent option. In such a case, the Air Force, then, would be free to consolidate in accordance with DOD's carefully thought out plan. I urge the Commission to reject the Air Force recommendation to relocate Eglin's simulators.

Regarding Homestead Air Base, I am sadly surprised to see that we are again forced to reconsider the future fate of Homestead - a facility which has repeatedly proven its military value. In 1993, the Base Closure Commission stated that the military value of Homestead was "indeed high, due to its

strategic location." Recent history has only served to highlight the value of the facility as our nation has prepared and conducted military contingencies in the Caribbean. Even as the base is being repaired from the devastation it suffered during Hurricane Andrew, it met the challenge of providing valuable logistical and operational support for the Haiti invasion operations for the Army Blackhawk helicopters and the Air Force KC-135 tanker support cells. And we cannot forget that approximately 100 miles off the coast of Florida stands the only communist nation in our hemisphere. Cuba remains a threat to the slow but very successful democratization of our hemisphere. Cuba still has the ability, and has periodically exercised the ability, of trying to make its disruptive policies known. Currently, the State's processing approximately 500 Cuban migrants a week, almost 10,000 have been processed since November 1994. The strategic, political, and military importance of Homestead cannot be overstated. Our military and national security planners will only be hampered should they need to prepare for future operations in the region without Homestead to rely on. To use the words of Major General Sherrard, Vice Commander of the Air Force Reserve, during his testimony before you last week, "Homestead Air Base is most certainly one of our better locations and its closure would be most unfortunate."

Additionally, since the original 1993 BRAC-mandated receiving site of New London, Connecticut, for the Navy's Nuclear Propulsion Training Center, has been determined to be unavailable, careful consideration should be given to the high costs of moving and rebuilding this expensive, sophisticated training facility. And finally, should inadvertent miscalculations be found which have led to negative impact to the Naval Research Laboratory's Underwater Sound Reference Detachment in Orlando, I hope that the Commission will see to it that such errors are corrected with the reversal of any such recommendations, and that the BRAC 1991 mandate to move Armstrong Labs to Orlando be fulfilled.

Therefore, I commend the work that the Commission has done thus far in the BRAC process. And it is my hope that you will continue to focus keenly on strategic, military value.

I am confident that the Commission will reach the best decisions based on what is strategically sound for all Americans. Thank you.

ILEANA ROS-LEHTINEN
18TH DISTRICT, FLORIDA

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**STATEMENT BY CONGRESSWOMAN ILEANA ROS-LEHTINEN BEFORE THE
BASE REALIGNMENT AND CLOSURE COMMISSION**

As you know, in 1993 the Base Realignment and Closure Commission (BRAC) decided that a portion of the Homestead Air Force Base would continue to function as the Homestead Air Reserve Base and would be the home of two mutually supportive Reserve units: the 482nd Fighter Wing and the 301st Air Rescue Squadron. Working closely with the BRAC and other Federal agencies in the aftermath of Hurricane Andrew, Dade County worked out a dual-use plan for the Base based on military and civilian use of the facility. The cornerstone of that redevelopment plan was the presence of both the 482nd Fighter Wing and the 301st Air Rescue Squadron.

Secretary Perry described this existing plan as an exemplary model of military-civilian partnership for future base closures and realignments. Undoing this careful plan not only undermines the viability of this project in Dade County, but will also serve to undermine other proposals to mitigate the impact of the BRAC's decisions on affected communities by undercutting the reliability of its decisions.

It is therefore unconscionable that even the presence of the 482 Fighter Wing has been called into question through the actions of a community whose joint use airport operation lacks in efficiency and cost effectiveness.

Allow me to review the compelling reasons that led to the current plan and how those reasons retain their force.

As in real estate, the value of a base lies in its location, and Homestead's location allows it to support a number of crucial missions.

South Florida rests at the crossroads of South America and the Caribbean. Neither the location, nor the importance of these areas, has changed since the original BRAC plan. This fact, was demonstrated during the Haitian operation, when Homestead was used in the movement of troops and supplies. Thus Homestead remains a critical forward base for these important areas.

The geopolitical importance of South Florida has been corroborated by the Defense Department's decision to locate the United States Southern Command here. When the announcement was made, DOD officials stressed that this area was simply the only logical choice. The arrival of SouthCom also reinforces the utility of this base as a possible support

facility.

The mission of the 301st Air Rescue Squadron is to locate and recover USAF personnel and other Defense personnel involved with US defense activities as well as provide rescue and recovery support for manned flight operations. Thus, the decision to relocate the rescue squadron to Homestead, home of the 482nd Fighter Wing, fulfills a compelling operational and maintenance justification as the squadron would be in a position to support a combat-ready, war-fighting unit. Moreover, the 301st has traditionally provided air and sea rescue around the tip of Florida, thus its location at Homestead will allow it to respond quickly and effectively.

Beyond the obvious issues of military efficiency, the reversal of the BRAC decision would put in serious peril the future of South Dade and the reconstruction efforts of this community. The South Dade community has worked tirelessly to rebuild that community after Hurricane Andrew and the center of these efforts lie at HARB. Stopping the move of the 301st to Homestead would severely put in to question the future viability of plan Moreover, the rebuilding plans, which count on the move of the 301st would be dealt a serious setback and could have great negative implications for the economic future of our community.

Reality dictates that the decision of BRAC should be affirmed. This commission heard the arguments to relocate this squadron to Homestead and after careful deliberation reached the correct decision. This Commission cannot not reverse itself without consequence to readiness and efficiency of our military. Failure for the Commission to stick to its decision would invite endless attempts to undo the Commission's work and threaten the entire mechanism for rational reallocation of resources. The move of the 301st Air Rescue Squadron to Homestead should not be reconsidered.

In 1993, the Commission recognized the importance of HARB to this nation's defense. That reality has been reaffirmed by subsequent events and HARB remains an essential part of the US military's readiness.

In conclusion, I strongly urge you and the other commissioners to keep Homestead Air Reserve Base open by (1) retaining the 482nd Fighter Wing at Homestead, and re-affirming the decision to return the 301st to Homestead in 1995\6. These are the right decisions for the military, for our community, and for our Nation.

STATEMENT BEFORE THE DEFENSE BASE CLOSURE

AND REALIGNMENT COMMISSION

JUNE 12, 1995

REPRESENTATIVE DIAZ-BALART

FL-21

I would like to urge the Base Closure and Realignment Commission (BRAC) to oppose any efforts to close Homestead Air Force Base. I was part of the unified team of community leaders and elected officials that successfully fought to realign, rather than close, Homestead in 1993. It is my understanding that the Department of Defense does not recommend closure and I encourage BRAC to follow DOD's advice.

I strongly support maintaining both the reserve units of the 482nd Fighter Wing and the return of the 301st Rescue Squadron. In a time when defense dollars are tight, it is imperative that these two anchor tenants be part of the redevelopment effort at the base.

Although jobs remain an important factor, national security cannot be ignored. Our national defense should not be compromised in an effort to save a few dollars. Cuba still represents a very real threat to the United States. Just this month, Russia and Cuba announced their intention to complete the Juragua nuclear power plant at Cienfuegos, Cuba. The Castro regime still refuses to sign the Nuclear Non-Proliferation

Treaty, and is one of the nations on the Department of State's list of terrorist nations.

Given its close proximity to the area, Homestead Air Force Base is an ideal location from which to conduct military operations in the Caribbean Sea, the Gulf of Mexico and the straits which connect these to the Atlantic Ocean, in addition to Cuba. Not only can these reserve units be used for defense purposes, but also for drug interdiction, disaster relief and humanitarian airlifts.

I join my colleagues from South Florida in requesting that BRAC carefully review the benefits of keeping the reserve units at Homestead and give every consideration to our recommendation that BRAC not close the base.

**Testimony of U.S. Rep. C. W. Bill Young
Before the Base Closure and Realignment Commission
June 12, 1995**

Mr. Chairman, First I want to thank you and the members of the Commission for accommodating me with a change in your schedule. As you know, we have just returned from the Pentagon where we formally welcomed Air Force Captain Scott O'Grady home from Bosnia.

You also know that I come before you to endorse the Secretary of Defense and Joint Chiefs of Staff recommendations to the Commission regarding MacDill Air Force Base. This is the third base closure commission that I have testified before during the deliberations on this issue.

There are two recommendations before you today regarding MacDill. The first is that the Air Force resume its responsibilities for operating MacDill's airfield and associated facilities. This is consistent with my long held belief that the Air Force has the expertise to most efficiently operate the runway and maintain the requirements of Central Command, Special Operations Command, and the Joint Communications Support Element, which are all based at MacDill.

The members of the past two base closure commissions and I spent quite a bit of time in closed sessions discussing the very unique and classified missions of these two commands and their communications support unit and their requirement for a

secure air field. My colleagues on the Appropriations Subcommittee on National Security which I chair have received extensive testimony on this matter over the past few years and felt so strongly on this matter that they agreed to my request last year to add \$5.5 million to the 1995 Defense Appropriations Bill to support Air Force operations at MacDill.

The Joint Chiefs and Secretary of the Air Force have reviewed the requirements of the joint commands at MacDill, and as is reflected in their recommendations to you, have concluded that the Air Force should retain its responsibilities as the lead agent for MacDill's aviation facilities, and I endorse that recommendation.

The second recommendation before you today calls for the transfer of the 43rd Air Refueling Group and its KC-135 aircraft to MacDill.

Included with my testimony today is my exchange of correspondence with the former Chairman of the Joint Chiefs of Staff Colin Powell when I first suggested to him the great need for refueling assets in the Southeastern United States. As you know, Secretary Cheney and General Powell recommended to the 1993 base closure commission the conversion of a reserve F-16 unit to a tanker unit to be based at MacDill. The commission, however, to support its interest in rebuilding Homestead Air Force Base, chose instead to retain the F-16 reserve unit

at Homestead. This left unmet the tankering requirement which was reflected in the Secretary's 1993 recommendations to the base closure commission.

The Secretary, Joint Chiefs, and Secretary of the Air Force still believe in the need for tanker assets in the Southeast and have once again recommended the placement of a tanker unit at MacDill to support potential missions in the Caribbean, and in Central and South America.

In addition to my correspondence with General Powell, I am including for you the testimony of General Ronald Fogelman last year before my Appropriations Subcommittee on National Security when

we discussed this issue. At the time, he was Commander in Chief of U.S.

Transportation Command, but he had already been named the new Chief of Staff of the Air Force, where he currently serves. As you will see from his testimony, he strongly endorsed the need for tanker assets in the Southeast and, as the recommendation before you indicates, he continues to believe this is a major unmet need of the Air Force. He can also tell you that MacDill has a superior underground fuel storage system, which is an important asset for tanker fueling capabilities.

Mr. Chairman, I know that you and the members of the Commission have a very difficult task before you, but I believe that based on your extensive travels throughout

our nation that you have a good understanding of the basing requirements for our services as we approach the 21st Century. The documents you received from the Secretary of Defense discuss in detail the cost/benefit analysis for the two recommendations affecting MacDill. And as Chairman of the Appropriations Subcommittee on National Security, cost effectiveness is very important to me, especially in this time of reduced funding for national defense.

In addition to that information, I would urge you to keep in mind the recommendations of two Secretaries of Defense, and the past two Chairmen of the Joint Chiefs about the operational requirements of the joint commands at

MacDill and the great unmet need for tankering assets in the Southeastern United States.



HOUSE OF REPRESENTATIVES

WASHINGTON, D. C. 20515

September 24, 1991

C. W. BILL YOUNG
8TH DISTRICT FLORIDA

Dear General Powell:

Attached is a letter I have written to Secretary Rice concerning the plans for a Mobility Command which would grow out of the consolidation of the Tactical Air Command, the Strategic Air Command and the Military Airlift Command.

I'd appreciate your looking at my suggestion for basing more Tanker refueling assets in the Southeast, specifically at MacDill, because I think they are in tune with your concept of restructuring the force for crisis response particularly tailored to regional interests.

You and I have discussed the need for maintaining airfield capabilities at the locations of the Special Operations Command and Central Command. I am still convinced of that need from my years of involvement in Special Forces activity through the Defense Appropriations Subcommittee and the Intelligence Committee.

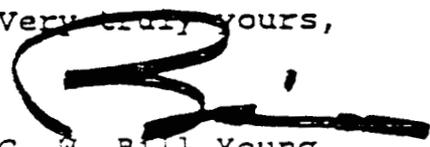
By locating tanker or airlift assets at MacDill with the restructuring of the Mobility Command, the costs of keeping that airfield available for the Unified Commands become very reasonable.

In addition, with the movement of Southern Command out of Panama, and discussion of reducing or abandoning our facilities at Guantanamo, Cuba, MacDill's strategic location and excellent airfield facilities become even more important to our regional interests.

Thank you for taking another look at this issue.

With best wishes and personal regards, I am

Very truly yours,


C. W. Bill Young
Member of Congress

General Colin Powell
Chairman
Joint Chiefs of Staff
Room 2E872, The Pentagon
Washington, D.C. 20318-0001



THE CHAIRMAN, JOINT CHIEFS OF STAFF

WASHINGTON DC 20318

22 October 1991

RECEIVED

OCT 23 1991

C.W. BILL YOUNG M.C.

The Honorable C. W. Bill Young
House of Representatives
Washington, D.C. 20515

Bill
Dear Mr. Young,

Thank you for your recent letter regarding alternative operational uses for MacDill AFB. I appreciate your thoughtful suggestion on how to exploit the potential value of MacDill for tanker refueling assets.

The Base Closure and Realignment Commission's recommendation to close the MacDill airfield was approved by Congress, which limits my options for further debate on the MacDill issue. Nevertheless, the commission's decision did not take into account the recently announced Air Force reorganization. As this important reorganization evolves, we will continue to reexamine basing strategy alternatives in the Southern United States.

I sincerely appreciate your assistance and support in this matter and will keep you posted as options for MacDill are finalized.

Sincerely,

COLIN L. POWELL
Chairman
Joint Chiefs of Staff

18 DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 1994

19

20

21

22 Wednesday, April 20, 1994

23

24

25 U.S. TRANSPORTATION COMMAND

26

27

28

29 WITNESS

30

31 GENERAL RONALD R. FOGLEMAN, UNITED STATES AIR FORCE,

32 COMMANDER-IN-CHIEF, UNITED STATES TRANSPORTATION COMMAND

636 first targets that an enemy would go after to make sure that
637 we couldn't service the battle groups.

638 Do you concur? Are we vulnerable in the area of ships to
639 service the fleet?

640 General FOGLEMAN. That is an area that does not fall
641 under my expertise, but I have seen his testimony and have a
642 general understanding of the situation in the Pacific having
643 served there for a couple of years before I came here.

644 I have no reason to believe other than what he said
645 because I know the priority normally goes to more glamorous
646 things. We try to make do with combat service, combat
647 support types of ships and units, so I am not the expert on
648 that. I would defer to somebody else.

649 TANKER AIRCRAFT IN SOUTH EAST U.S.I
Mr. YOUNG. A couple of years ago when the decision was
650 made to restructure the Air Force and a lot of changes were
651 going to be made, this subcommittee, in open hearing, sat
652 with General Powell and he went through step-by-step the
653 restructuring of the Air Force.

654 It appeared to me and I think to most of my colleagues on
655 the committee that everything was going down. We were going
656 to have less of everything, except one thing, and that was
657 tankers. We discussed the situation with tankers as the new
658 strategy, present strategy versus the old strategy of being
659 concerned about over-the-pole interdictions, et cetera, and
660 we discovered that we had no effective tankering facilities

661 in the Southeastern United States.

662 We talked to General Powell about this a number of times
663 and had several meetings and corresponded by mail and
664 telephone and he agreed that we really ought to have some
665 tankering facilities in the Southeast.

666 Do you have any problems with that position?

667 General FOGLEMAN. No, sir.

668 As you know, I am dual-hatted as both CINC Transportation
669 and the Commander of the Air Mobility Command and under that
670 Air Force restructure, tankers and airlift come under my
671 purview.

672 As we have undergone the various base realignment and
673 closures and tried to locate our airlift and tanker forces,
674 which in the main have not been cut to the extent that other
675 forces have because of the importance of transportation, we
676 do analysis of distribution, and I would tell you that the
677 Southeast United States is an area where we have under
678 distribution, if you will, of tankers relative to receivers,
679 and what we try to do is we try to look at the number of
680 fighter units, bomber units, Navy units that require
681 tankers, and as we try to base the force, we try to balance
682 that somewhat.

683 But the Southeast is currently served only by one tanker
684 unit, the 19th Air [↑]refueling [↑]wing at Warner-Robins at this
685 point.

686 Mr. YOUNG. The Defense Department, you mentioned BRAC a
687 the DOD, and I am sure at the urging of General Powell and
688 various conversations we have had, recommended to BRAC that
689 the Air Force Reserve F-16 unit that was temporarily
690 stationed at MacDill Air Force Base since Homestead had been
691 destroyed, that it remain at MacDill and that it be
692 converted to a tanker unit.

693 BRAC disagreed with that and in an effort to establish a
694 reason to rebuild Homestead, they reassigned the F-16s to
695 Homestead, which meant that there was to be no tanker unit
696 in the Southeast.

697 We are still interested in that and would like to work
698 with you to see if we could accomplish ^{the} establishments of an
699 additional tanker facility in the Southeast so we can have
700 the proper refueling to customers.

701 General FOGLEMAN. I appreciate that position.

702 My observation would be as we are engaged in the next
703 round of BRAC, we are kind of at the mercy of what comes out
704 of that, but I understand your interest and concern.

705 Mr. YOUNG. I could emphasize what you said about at the
706 mercy of BRAC because you never know what will happen with
707 BRAC.

708 Thank you, General. It is good to have you here this
709 morning.

710 Mr. DICKS. Mr. Wilson?

STATEMENT OF THE HONORABLE CHRISTOPHER J. DODD
BEFORE THE BASE CLOSURE COMMISSION
JUNE 12, 1995

MR. CHAIRMAN, DISTINGUISHED MEMBERS OF THE
1995 BASE CLOSURE COMMISSION. ON BEHALF OF
MYSELF AND THE OTHER MEMBERS OF THE CONNECTICUT
DELEGATION, I WANT TO TELL YOU HOW MUCH WE
APPRECIATE THIS FINAL OPPORTUNITY TO APPEAR
BEFORE THIS COMMISSION.

BEFORE I BEGIN, I WANT TO PUBLICLY THANK YOU,
MR. CHAIRMAN, AND THE OTHER MEMBERS OF THIS
DISTINGUISHED PANEL FOR YOUR DILIGENCE AND
DEDICATION TO THIS PROCESS. AS THIS FINAL BASE
CLOSURE ROUND COMES TO A END, I WANT TO THANK
YOU FOR YOUR TIME AND YOUR SERVICE TO THE
COUNTRY.

MR. CHAIRMAN, THIS IS MY THIRD CONGRESSIONAL APPEARANCE BEFORE A BASE CLOSURE COMMISSION. YET, NEVER HAVE I FOUND MYSELF SO STRONGLY OPPOSED TO THE RECOMMENDATIONS OF THE DEPARTMENT OF DEFENSE. THE BASIS FOR MY REACTION IS SIMPLE: THE CLOSURE RECOMMENDATIONS IN CONNECTICUT SIMPLY DO NOT MEET OR ADHERE TO THE SELECTION CRITERIA AS PRESCRIBED BY THE LAW. PERIOD.

RETURN ON INVESTMENT:

WITHOUT QUESTION, ONE OF THE MOST IMPORTANT ASPECTS OF THE ENTIRE BASE CLOSURE PROCESS IS THE ANTICIPATED OR PROJECTED RETURN ON INVESTMENT. IT IS THE "FISCAL SOUL" OF THIS ENTIRE FIVE-YEAR EXERCISE.

BUT WHAT DO YOU DO WHEN THE FIGURES ARE
INCORRECT?

WHAT DO YOU DO WHEN THE INITIAL ASSUMPTIONS
ARE FLAT OUT WRONG?

NUWC:

THAT IS THE PRECISE SITUATION WE FACE WITH
RESPECT TO THE NAVAL UNDERWATER WARFARE CENTER
IN NEW LONDON, CONNECTICUT. THE PROJECTED
RETURN ON INVESTMENT CLAIMS TO SAVE MONEY BY
CONSOLIDATION TO NEWPORT, RHODE ISLAND. WHAT IS
COMPELLING, HOWEVER, IS THE UNFORTUNATE LACK OF
FLEXIBILITY IN THIS RECOMMENDATION TO LOOK AT
THE BIGGER PICTURE AND SAY "THERE IS A VERY
UNIQUE SYNERGY HERE."

THE NAVY CAN RETAIN THIS FACILITY AT LESS
COST, WHILE KEEPING OUR TECHNICAL CENTER OF
EXCELLENCE ALIVE AND RETAINING SOME OF THE
GREATEST ACOUSTIC ENGINEERS IN THE COUNTRY. TO
ME, THAT IS RETURN ON INVESTMENT.

STRATFORD:

THAT SAME ARGUMENT IS TRUE FOR THE STRATFORD
ARMY ENGINE PLANT. WHEN CONSIDERED FOR CLOSURE,
STRATFORD WAS PLACED IN THE AWKWARD POSITION OF
BEING COMPARED WITH OTHER UNRELATED INDUSTRIAL
FACILITIES WITHIN THE ARMY STRUCTURE. TALK
ABOUT APPLES AND ORANGES.

WHAT IS EVEN WORSE, HOWEVER, IS THE TERRIBLE DILEMMA OF HAVING TO TEAR APART A UNIQUE INDUSTRIAL FACILITY THAT SUPPORTS BOTH ARMY TANK AND AIRCRAFT ENGINE REPAIR. BECAUSE OF THE SHARED OPERATIONS BETWEEN THE TWO PRODUCTION LINES, THE ARMY HAS PLACED ITSELF IN THE DREADFUL POSITION OF HAVING TO MAKE A "SOLOMON'S CHOICE."

YOU REALLY CANNOT SAVE OR MOVE ONE LINE WITHOUT COMPLETELY KILLING THE OTHER. IN LIGHT OF THE RECENT \$47 MILLION INVESTMENT IN THE STRATFORD PHYSICAL PLANT -- AGAIN, I ASK, WHERE IS THE RETURN ON THE TAXPAYER INVESTMENT IN THAT DECISION?

NUCLEAR POWER SCHOOL:

AND FINALLY, MR. CHAIRMAN, IN WHAT HAS BEEN ONE OF THE MOST CURIOUS RECOMMENDATIONS OF THIS ENTIRE BASE CLOSURE ROUND, THE NAVY HAS NOW DECIDED TO REDIRECT ITS NUCLEAR POWER SCHOOL FROM ONE PREVIOUSLY CLOSED INSTALLATION TO ANOTHER PREVIOUSLY CLOSED INSTALLATION. WHAT MAKES THAT DECISION EVEN MORE PUZZLING IS THE COMPLETE REVERSAL OF AN ONGOING CONSTRUCTION PLAN AT THE ORIGINAL RECEIVING SITE -- THE GROTON SUBMARINE BASE.

MORE THAN \$11 MILLION HAS ALREADY BEEN EXPENDED AT GROTON AND EXISTING CLASSROOM SPACE IS AVAILABLE. THAT IS THE TRUTH, AND THAT IS WHY THE 1993 BRACC CORRECTLY RECOMMENDED PLACING THE SCHOOL IN GROTON.

CONCLUSION:

MR. CHAIRMAN, MEMBERS OF THE COMMISSION, THE DECISIONS BEFORE YOU ARE CRITICAL TO THE STRUCTURAL HEALTH OF OUR NATION'S MILITARY. CONNECTICUT HAS HISTORICALLY PLAYED A CRITICAL ROLE IN THAT EFFORT AND WILL CONTINUE TO DO SO.

AS YOU PREPARE FOR FINAL DELIBERATIONS, I KNOW YOU WILL TAKE EVERY POSSIBLE OPPORTUNITY TO REVIEW THE COMPLETE RETURN ON INVESTMENT ON ALL THREE OF THESE VITAL CONNECTICUT INSTALLATIONS.

DRAFT

GEORGIA

I. DoD RECOMMENDATIONS:

DEFENSE LOGISTICS AGENCY:

Defense Contract Management District South Disestablish

AIR FORCE:

Warner-Robins ALC (Robins AFB) Realign

II. COMMISSION ADDS FOR CONSIDERATION:

NAVY:

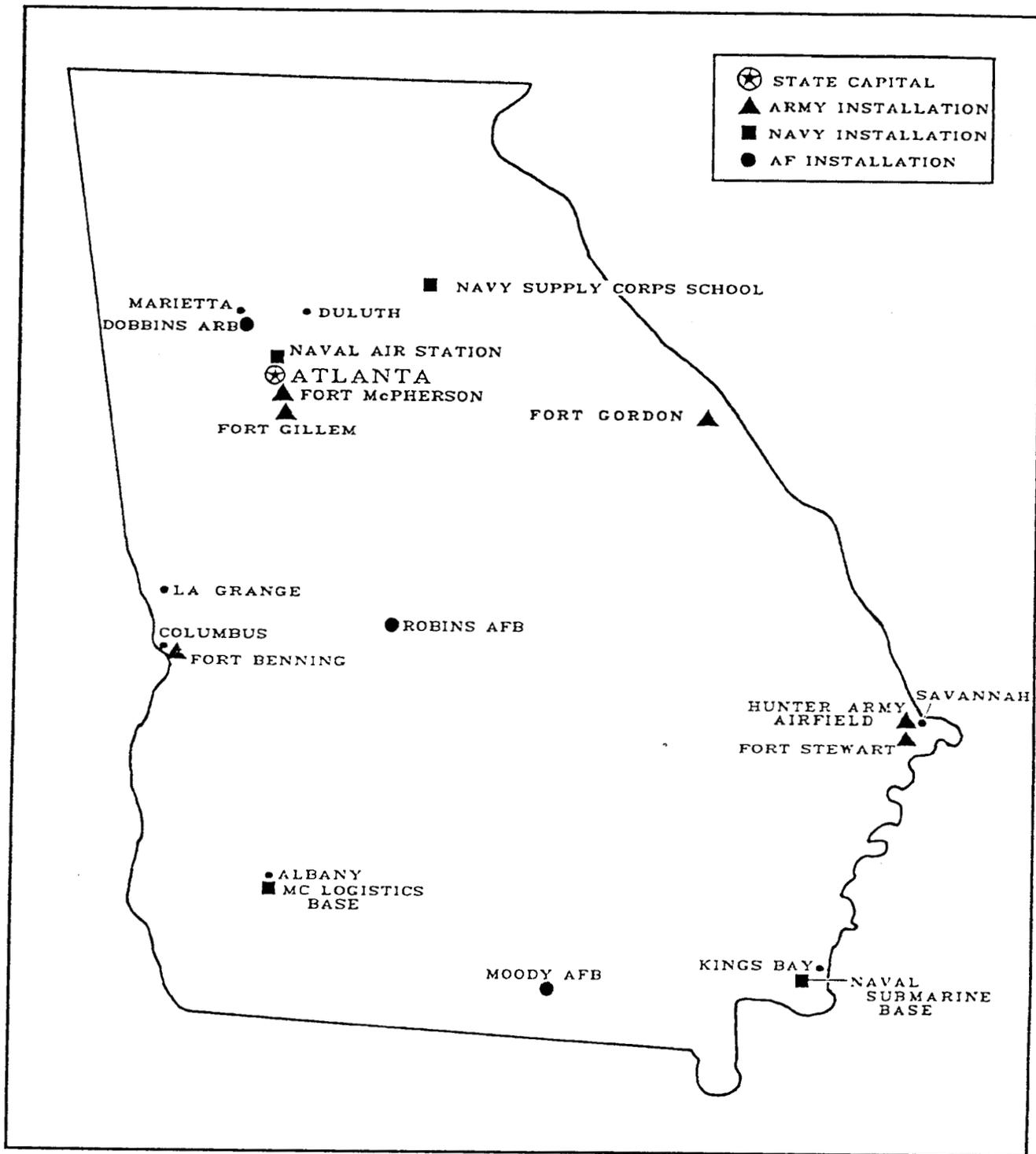
NAS Atlanta Close

AIR FORCE:

Robins AFB Close

MAP NO. 11

GEORGIA



Prepared By: Washington Headquarters Services
Directorate for Information
Operations and Reports

NOTES

NOTES

STATEMENT TO THE BRAC COMMISSION

BY REP. BOB BARR

JUNE 12, 1995

Good afternoon, I am the Representative from Georgia's Seventh Congressional District in which NAS Atlanta is located. First I would like to thank all of the BRAC Commissioners and staff that visited NAS Atlanta last Monday and attended the regional hearing Friday at the Fox Theatre. I would like to invite all of you back to Georgia when you have more time to explore our great state in more detail.

Today I would like to share with the full Commission some of the highlights of the testimony articulated over the past week in Atlanta.

NAS Atlanta has many virtues which substantiate the Department of the Navy's recommendation to retain NAS Atlanta and support the redirect of additional squadrons to NAS Atlanta from BRAC 1993.

NAS Atlanta has exceptional demographics and, in fact

recruiters always make 100% of their recruiting goals and the base has no problem filling current and future billets. NAS Atlanta is well suited for fleet support, training missions and (of particular interest to me as a former U.S. Attorney) drug interdiction operations. In a letter written to Chairman Dixon and submitted to the commission, Mr. Raymond McKinnon, Special Agent in Charge of the Drug Enforcement Administration Atlanta Field Division Office, wrote "We at DEA have relied heavily on NAS Atlanta in the past, and we are planning an expanded role for the base in the future."

NAS Atlanta is run at low cost. Quite simply put it is the Navy's most economical reserve air station.

No other Naval reserve air station could support the additional squadrons scheduled to move to NAS Atlanta or receive NAS Atlanta's current squadrons without military construction expenditures. Additionally, to redirect the two F-18 squadrons and the E-2 squadron to NAS Atlanta will require no military construction.

NAS Atlanta is co-located with Dobbins Air Reserve Base

and is one of only a hand full of facilities in the entire country that is home to each of the six Department of Defense reserve components and it is without a doubt one of this country's finest examples of interservice coordination and cooperation.

NAS Atlanta is a vital link in the total force structure, and failure to utilize its ready infrastructure, available capacity, joint-use savings, and rich demographics would not be in the best interests of national security considerations or the American taxpayer.

In closing I want to state that the men and women of our nation's armed services and the communities that support them are heroes to the United States, regardless of the location of their duty station. The question before us now, however, is what is right for the total force structure of the Navy. The answer to that question is undeniably to retain NAS Atlanta. NAS Atlanta has the demographics, is cost effective, and is a vital asset to the Navy's and Marine Corps.' total force structure.

STATEMENT OF SENATOR SAM NUNN
STATEMENT BEFORE THE CONGRESSIONAL HEARING OF THE
BASE REALIGNMENT AND CLOSURE COMMISSION
JUNE 12, 1995

Mister Chairman, Commissioners, I am honored to join the Georgia congressional delegation in making presentations on behalf of these important people and facilities.

We appreciate this opportunity to help make the national security case for keeping Robins Air Logistics Center and Naval Air Station Atlanta open. I will start with the latter.

Naval Air Station Atlanta

Naval Air Station Atlanta is the least expensive Naval Air Station to operate -- 40 percent cheaper than any other Naval Air Station. The principal reason is jointness. NAS Atlanta is part of a joint service complex that includes the Air Force Reserve, the Air National Guard, the Marine Corps Reserve -- air and ground, the Army Reserve, the Army Guard and Air Force Plant #6 -- Lockheed. This joint sharing of facilities and resources gives the Naval Air Station and the other components a great efficiency advantage.

The evidence the Commissioners heard at last Friday's regional hearing in Atlanta from expert witnesses included the following key points:

1. None of the alternative sites can match Naval Air Station Atlanta's demographics, training and readiness, location, existing modern facilities, jointness, innovation, and cost-effectiveness.
2. The Atlanta region's rich demographic pool of pilots, mechanics and technical skills generate multiple applicants for every unit vacancy.
3. Significant degradations in operational readiness of key units would occur if NAS Atlanta were closed.
4. NAS Atlanta's location provides superb training opportunities which allowed the Marine attack helicopters to go from NAS Atlanta into direct combat in Desert Shield/Desert Storm.

5. NAS Atlanta and the joint complex are ready to support additional squadrons without spending the \$73 million to \$89 million in relocation costs required for the alternatives, and without significantly degrading readiness by moving units out of Atlanta.

Closing Naval Air Station Atlanta makes no operational or economic sense.

Warner Robins Air Logistics Center

Two years ago, I told the previous Commission that Warner Robins was the best air logistics center in the Air Force. Three weeks ago, the Pentagon confirmed my claim by naming Robins the best base in the U.S. Air Force.

I know that the Commission has a tough challenge in deciding whether to close one or two air logistics bases or to support the Air Force position of keeping all five bases open and downsizing them. We hope to convince you that even if only one air logistics base is kept open, it should be Robins.

1. Robins is a unique logistics depot providing maintenance and material support found nowhere else, with a work force that produces outstanding results.
2. Robins is an operational air base with the 5th Combat Communications Group and the 19th Air Refueling Wing, soon to be joined by the JSTARS wing, and a B-1 squadron.
3. Robins is the home of the Air Force Reserve Headquarters and 39 other tenant organizations.
4. Robins is the avionics center for the Air Force and is the electronic warfare capital of our military -- the home of the silent trump card the U.S. had in the Persian Gulf War -- our mastery of electronic warfare.

Ninety-four percent of Robins workload is core which means it is essential to the day-to-day readiness of our forces and their combat capability such as:

- o in Europe, where our forces are participating in UN/NATO operations over the skies of the former

- Yugoslavia;
- o in the Persian Gulf, where our forces are participating in Coalition operations to enforce UN sanctions against Iraq;
 - o in Korea, where our forces are working with our Asian allies to contain the threat that North Korea poses to the peace; and at other locations throughout the globe.

Robins is supporting our combat operations every day as evidenced by:

1. The radar and avionics in the command and control AWACS;
2. The offensive and defensive systems in the F-15 and F-16 fighters flying combat air patrols;
3. The C-141 cargo aircraft providing the bulk of the direct logistics support to our front-line units;
4. The U-2 aircraft providing theater-wide intelligence support;
5. The Air Force search and rescue helicopters.
6. The AC-130 gunships and special operation systems that support rescues and other missions; and
7. The Global Positioning System terminals that give precise location information to our rescue crews and other forces.

Closing Warner Robins Air Logistics Center makes no operational or economic sense.

Mister Chairman, Members of the Commission, I thank you for your dedicated service in this important national mission. We look forward to working with you as you seek what is in the best interest of the country. I believe you will conclude that the presentations at the regional hearing in Atlanta and the substantive analysis show that both Naval Air Station Atlanta and Warner Robins Air Logistics Center should both be kept open and operating at full capacity.

Statement of Senator Paul Coverdell
Before the Congressional Hearing of the
Defense Base Closure and Realignment Commission
Washington, D.C.
June 12, 1995

Chairman Dixon and members of the Commission, I want to express my deep appreciation for allowing me the opportunity to declare my support for NAS Atlanta and Robins Air Force Base. I also want to thank you for your tireless efforts in making the tough choices regarding our nation's base structure of the future.

Let me begin by describing the strengths of Naval Air Station Atlanta with special emphasis on the most important feature of any Reserve Naval Air Station: DEMOGRAPHICS.

It goes without saying that having good demographics is critical in supporting any Reserve forces operation, but it is even more important for Reserve aviation squadrons. These squadrons must have highly skilled, highly trained, and highly experienced people to achieve and maintain required readiness levels -- and it is difficult to recruit and obtain Reservists with the necessary technical proficiency in avionics without the proper demographics.

NAS Atlanta has the right demographics. The Atlanta area has some of the richest demographics for Navy and Marine Corps Reserve aviation recruiting in America. Atlanta is home to Delta Airlines, Lockheed, and several other companies, employing more than 35,000 people with aviation-related skills.

NAS Atlanta did receive low scores in the military value matrix for demographics. BUT -- WHY? And, why would the Navy and Marine Corps want to put additional squadrons and Reserve units at NAS Atlanta if the demographics numbers did accurately detail its military value?

The answer is clear: NAS Atlanta's low demographics score does not paint an accurate picture. The scores were an anomaly. In simple terms, the demographics score was low because the Navy was in the process of a purposeful drawdown and change in structure at the end of fiscal year 1993 when the demographic "snapshot" was taken.

Also, NAS Atlanta was required to answer in "yes or no" terms. In politics, I never give answers in these terms -- without a qualifying statement. NAS Atlanta was unable to do this within the parameters of the Navy matrix.

In summary, NAS Atlanta's demographics rating in the Navy matrix may have been technically correct under the rules of the

data call, but it ended up being grossly misleading. The Navy understands that, the Marine Corps understands that, and I believe you will understand that when you have reviewed all of the military and community presentations and have analyzed all of the facts.

In regard to Robins Air Force Base, I would like to address the issue of the Air Force's recommendation to downsize all five Air Logistics Centers rather than choosing closure. It is the Air Force's argument that it costs more to close a base than it does to keep it open. This raises serious questions to me as a businessman.

I believe the Commission should carefully examine the Air Force's argument that the bases can be downsized more efficiently if all remain open.

The General Accounting Office (GAO) says in its review of this approach, they suspect the cost of closure was overestimated and the savings understated. I would urge the Commission to analyze carefully the GAO comments as well as to revisit the work of the Joint Cross Service Review Group's study and the Air Force Base Closure Executive Group's recommendations. I know the Commission will consider whether closing one or perhaps two Air Logistics Centers and the consolidation of the remaining centers would save substantially more.

I know the Commission, utilizing common business sense will look at this capacity issue -- and who can get the job done in the most effective and efficient manner for the Air Force and for the nation.

I am confident that in your final review, you will find that it is in our country's security interest to maintain NAS Atlanta and Robins Air Force Base as vital components of our military's long-term basing plan.

Once again, let me express my appreciation for your and your staff's dedicated service to this most important and difficult task.

**Congressman Newt Gingrich
Statement Submitted to the
Base Realignment and Closure Commission
Washington, D.C., June 12, 1995**

Thank you for providing me the opportunity to submit testimony on Naval Air Station Atlanta and Warner Robins Air Logistics Center.

You all no doubt understand how important these two facilities are to the people of Georgia. The enormous cooperation between the community, the State of Georgia, and the congressional delegations are all testament to the strong desire of the local communities to see these bases preserved. More importantly, however, I hope that you are convinced that these two facilities are vital to our country.

We can't have the collapse of the Soviet Empire and not have dramatic change in our defense capacity. However, with all of the changes now taking place in the world, we must proceed with great care to make the necessary reductions in a way that will protect the professionalism and effectiveness of those who continue to serve our great nation. Reserve units are an essential part of our total military force and will be called upon more often in the future to support our active duty military. If we are not ready to maintain the high standards of training to ensure that each unit is adequately prepared to go into battle, many of our young men and women are going to get killed. It is imperative that we make the

greatest use of our Reserve units so that we can meet the needs of force. That is what Naval Air Station Atlanta, as an integral part of the Naval Reserve force, is all about.

We understand why the Commissioners chose to add NAS Atlanta to the list of bases facing possible closure. That action was perfectly reasonable in light of the low scores for military value and demographics the Navy's data call and matrix ascribed to the base. As you have heard from Admiral Olson and General Livingston, the matrix scores were based on data that was enormously misleading. The Navy properly recognized that fact and made its decision against closing NAS Atlanta based on a spectrum of factors, and the General Accounting Office validated the Navy's process in 1993 and again in 1995.

NAS Atlanta is now coming out of a transition period and is poised to receive three new squadrons of carrier-based aircraft. The base is ready to receive those units today. No additional military construction or facilities alteration will be necessary to begin immediate training.

Furthermore, NAS Atlanta's ability to train and prepare Reserve units for combat does not come through in the numbers. Everyone understands how important training is in aviation units. Does the low military value score for training mean that the Navy and Marine Corps cannot train at NAS Atlanta? Of course not. Just last year, the Navy Reserve was operating A-6 medium attack

aircraft at NAS Atlanta. Before that, the Navy and Marine Corps operated other aircraft in Reserve squadrons at NAS Atlanta. These squadrons all maintained high levels of training and readiness. In fact, the Marine Corps units at NAS Atlanta were called to active duty during Operation Desert Shield/Desert Storm and performed superbly.

NAS Atlanta saves money for every American taxpayer by being an integral part of the Dobbins joint complex in Marietta. Atlanta plays host to thousands of high tech skilled aviation jobs, through corporations such as Delta Airlines and Lockheed; these provide rich human resources to support the activities at NAS Atlanta.

As you have heard from the military experts, NAS Atlanta consistently maintains a high level of readiness. In the reserves, readiness is people, and there is no better location for people in the United States than Atlanta.

As we enter a new world paradigm and the information age, the United States military must become more joint and more high technology focused. We should be supporting joint military installations, such as the Dobbins complex of which NAS Atlanta is a significant part, which successfully supports six different military components as well as the high technology civilian activities at Lockheed. The Dobbins complex is the type of installation which should continue to serve our nation; closing it would send exactly the wrong message to the Defense Department

about where we need to go in the future. As Commissioners Kling and Cornella have seen, NAS Atlanta can easily accommodate the new units scheduled to begin arriving this summer at negligible cost. However, closing NAS Atlanta may cost as much as \$89 million in taxpayer money and 3-5 years in lost combat readiness.

On the other hand, the Air Force's military value analysis would lead you to keep Warner Robins Air Logistics Center open. I believe that the presentations which you saw in Atlanta will convince you that this analysis, which classifies Warner Robins as a first tier depot, is correct. We can ill afford to interrupt the support that Warner Robins provides the Air Force, day-to-day -- support on real systems that is critical to both peacetime operations now and wartime operations in the future.

I am a hawk, but I am a cheap hawk. I want to see that the taxpayers get the most capability for every dollar invested in defense. NAS Atlanta is a bargain for the Navy to operate, and Warner Robins provides essential support for front line units today. Closing these bases would not be in America's best interest. I firmly believe that the Pentagon made the right decision to retain both of these critical operations.

Thank you. I know that in making your decisions you will do what is best for America and our future force.

DRAFT

GUAM

I. DoD RECOMMENDATIONS:

NAVY:

Fleet and Industrial Supply Center
NAS Agana
Naval Activities Guam
Ship Repair Facility Guam

Disestablish
Redirect
Realign
Close

II. COMMISSION ADDS FOR CONSIDERATION:

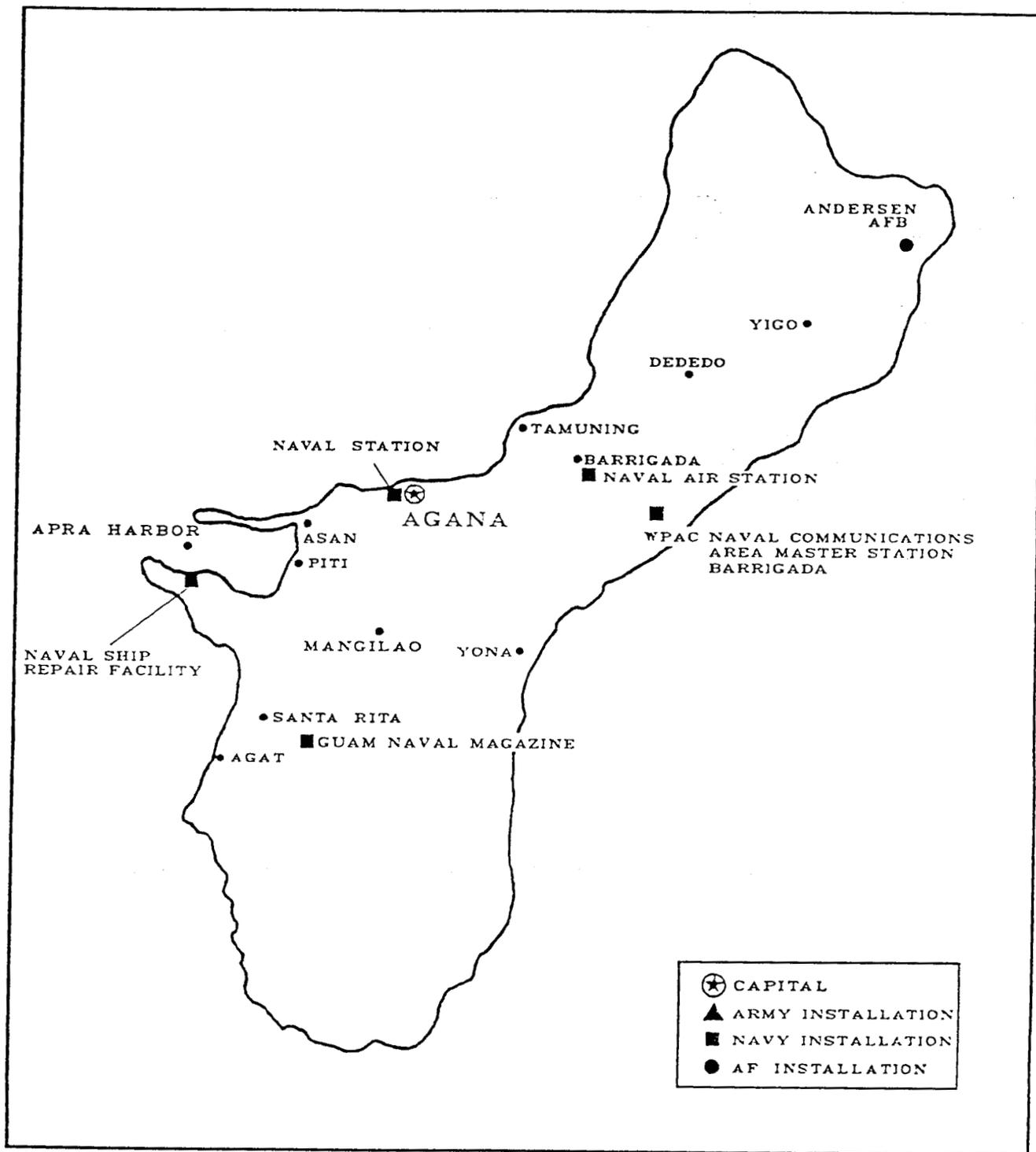
NAVY:

Public Works Center Guam

Close

MAP NO. 52

GUAM



Prepared By: Washington Headquarters Services
Directorate for Information
Operations and Reports

NOTES

NOTES

**CONGRESSMAN ROBERT A. UNDERWOOD
STATEMENT BEFORE THE
DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
JUNE 12, 1995**

Good afternoon Chairman Dixon and Commissioners.

Thank you for allowing me five minutes this afternoon, although I must complain that I feel shortchanged because even Kato Kaelin got fifteen minutes of fame.

As you may know, Guam is the hardest hit community under the Department of Defense recommendations. Our potential job loss of over 2600 civilian positions would increase unemployment by 10% alone, and is estimated by DoD to impact over 25% of our economy.

And yet, when we tell people that Guam is being slated for DoD base closures, there is always a sense of disbelief, because no one can fathom that Guam has lost its military value to the U.S.

Guam has not lost its military value, Guam is still important to DoD contingency plans. Guam is American soil, unaffected by the politics of the moment that seem to sway the reliability of some foreign countries.

We always talk about planning for another Korea or another Desert Storm. Try planning another anything in Asia or the Middle East without Guam. I did not bring pie charts and bar graphs, which might impress bean counters, I brought a map of the Western Pacific showing Guam's location, which would impress strategists.

DoD wants to close the Ship Repair Facility on Guam (SRF), disestablish the Fleet and Industrial Supply Center (FISC), transfer the Military Sealift Command (MSC) supply ships to Hawaii, transfer the HC-5 helicopter squadron to Hawaii, and realign other Naval activities. The lion's share of savings would come from the closing of SRF and FISC. DoD would also retain assets that it believes are necessary for contingencies.

We understand the need to downsize. We understand the role Guam has in contingencies, including its role as the fallback position for whatever may

happen to foreign bases. We ask, in turn, that you try to understand Guam's needs, and in particular, our need for assets that would ensure our economic survival.

Team Guam has placed several alternatives on the table. There are three important considerations for an arrangement that we can all live with.

First, SRF and FISC should be kept open, if not by the Navy, then in a collaborative arrangement with the Government of Guam, or, allow GovGuam to privatize these assets. By keeping these activities open, the Navy would ensure it will always have an SRF to go to in the far east, and it will always have a secure source of supplies.

Like horseshoes and hand grenades, close counts, and for a forward - deployed Navy, Guam is closer to the action than any other American base.

The second consideration is the MSC supply ships and the HC-5 helicopter squadron. We urge you to leave the ships and helos on Guam. This is the Achilles heel of the DoD proposal, and this is where Guam's military value is most apparent. I have heard of scenarios that are almost laughable in order to make the DoD recommendation for the helicopter squadron work—the Navy may have to deploy the helos to Guam on a TDY basis anyway. Or, the Navy may have to airlift the helos from Hawaii just to get them in a position where they can be useful—the Navy would be in the awkward position of depending on the Air Force to move their helos around the Pacific. Everyone in the flying community knows that helo pilots don't get enough respect, but the DoD deployment scenarios for HC-5 might have been devised by Rodney Dangerfield himself.

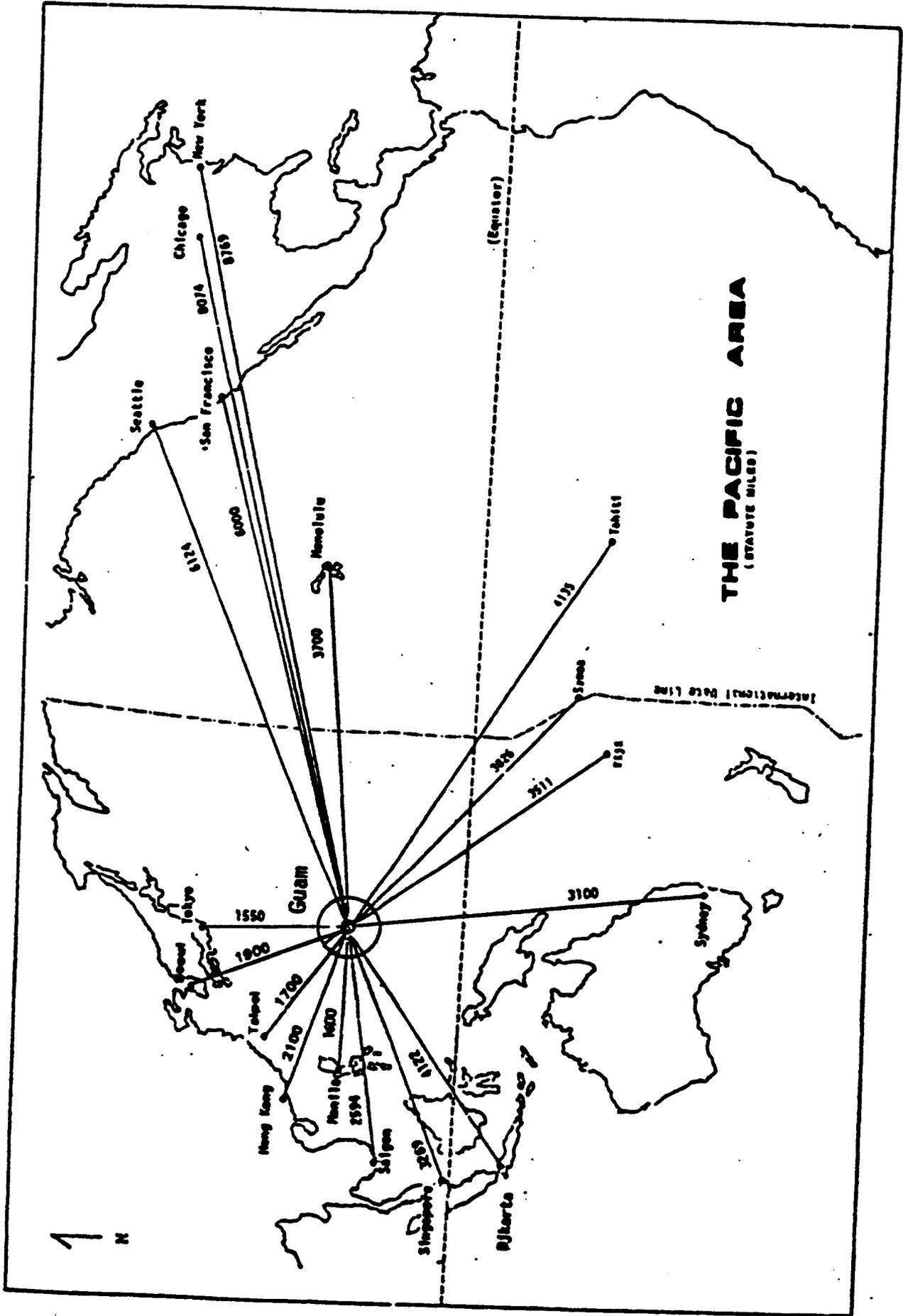
Guam needs the ships so that the new SRF venture can be successful—we need a minimum level of work that the ships can give us, at least in the first few years of this venture. The supply ships also provide a minimum level of activity at the FISC. And I would like to remind the Commission that while no one knows where in Kaneohe Air Station the helos will be housed, the new \$17 million hangar that BRAC 93 directed for the helos at Andersen Air Force Base on Guam is nearing completion.

The third important consideration is the transfer of other assets no longer needed by the Navy. This includes excess officer housing at the former Naval Air Station, which was closed by the BRAC 93, and lands identified as

excess in the Navy's Guam Land Use Plan 94 study. As you know, some of these assets are controlled by Public Works Center, Guam. While we support the transfer of excess housing and land, we urge you to limit the realignment of PWC to these two issues. PWC Guam continues to maintain a workload that justifies its retention as a separate activity.

Mr. Chairman, Guam is unique in that unlike domestic bases, we are not competing against another base to be spared from closure. We are competing against the financial incentive to close and realign our Navy activities. Our proposal meets the savings test—71% of the DoD annual recurring savings are achieved by the Guam proposal. Our proposal preserves the military value of Guam's location for the Navy. And our proposal gives Guam the assets it needs to secure its economic future.

LOCATION MAP OF GUAM



June 12, 1995

**Testimony of the Honorable Lane Evans
before the Defense Base Closure and Realignment Commission**

Mr. Chairman, thank you for this opportunity to speak before the commission. Today, I would like to discuss DOD's recommendations to close both the Savanna Army Depot Activity and the Detroit Army Tank Plant, the recommendation to add the O'Hare Reserve Station to the closure list and proposals to transfer functions to the Rock Island Arsenal.

Concerning the Savanna Army Depot Activity, I believe that DOD's recommendation is flawed. This move would result in the loss of important and hard to replicate capabilities, increase costs above the Army estimate to close the base and move its functions, and reduce ammo storage capability below critical military needs.

There are important capabilities present at Savanna that would be very difficult to replace. For example, the depot is one of the most efficient in the Army. During Desert Storm, Savanna had the highest outloading rate of any depot. It is also one of the few with adequate rail service to shipping centers. These national assets would be hard to replace in a nation-wide mobilization.

In addition, the Army's estimate of the cost of closing Savanna and relocating the U.S. Army Defense Ammunition Center and School

(USADACS) is too low. DOD stated that it would cost \$38 million to close the installation and relocate functions. However, the Savanna Army Depot Realignment Task Force estimates that the cost of closing the facility and moving the school is much higher - as much as \$88 million. This includes new construction that will have to take place at McAlester to complete the move.

Even more importantly, I question whether DOD's decision to close ammunition storage facilities has taken into account storage needs. The Army's 1993 Wholesale Ammunition Stockpile Program study indicated that even with eleven depots, as much as six million square feet of outside storage will be needed to match our nation's future ammunition stockpile. This could indicate that the Ammunition study is flawed. I hope you will review this data to see if the plan to enact a tier system for depots provides enough space to meet future storage needs.

Our ammunition depots are a national asset that will be needed to meet future mobilization needs. The Commission should reverse DOD's decision to close Savanna or consider other means, such as operating it as a Government Owned/Contractor Operated facility, in order to preserve this important resource.

The commission should also consider relocating USADACS at the Rock Island Arsenal instead of McAlester. As you will see in my testimony, Rock Island easily has the administrative space to accommodate the move. I have also been given estimates that

moving the school to Rock Island instead of Oklahoma would save close to \$20 million in upfront costs, due to savings created by remodeling space at the Arsenal instead of building new construction. As to concerns raised that actual ammunition storage facilities are needed at the school for adequate training, because most of the training is performed with "dummy" ammo and mockups these concerns should not impeded this proposal. I hope that the Commission will give this proposal a full review.

Concerning the Detroit Army Tank Plant, I strongly support DOD's recommendation to close the facility. This move would eliminate excess capacity and increase savings.

Currently, we have two tank production plants: the Detroit and Lima facilities. Of the two plants, Lima is more technologically advanced and as opposed to Detroit, configured for advanced tank production. In addition, the only function being performed at Detroit is the production of tank gun mounts for the M1A2 tank, work that is also performed at Rock Island. Because of these factors, DOD has determined that Detroit is excess capacity.

This move would achieve substantial savings. Total Army tank gun mount production is presently split evenly between the two facilities. An Army cost comparison that examined the options of keeping the 50/50 split, moving the work to Detroit, or moving the work to Rock Island, concluded that it would be more cost effective to move all of the work to the Arsenal. Considering

these factors, I strongly support DOD's recommendation concerning Detroit and hope that the commission will accept it as well.

Regarding the possible addition of the O'Hare Air Reserve Station to the base closure list, I hope that the Commission will decide against this move. The decision of the 93 commission regarding this matter should stand. The closure of the station and its C-130 unit would be a blow to Illinois and a sad chapter in one of our nation's finest military units. The 928th Airlift Wing has one of the most distinguished records of any Reserve unit in the country. A highlight of this is the 46 years and over 166,000 hours of flying without an accident, the longest stretch of accident free flying by any civilian or military organization in the country. We should preserve this record and keep the unit in one of the communities in Illinois willing to host the unit.

I would also like to comment about the Rock Island Arsenal. I hope that the commission will consider moving more missions to the facility. The Arsenal has a large amount of quality office space that can be easily and cheaply renovated. I believe that using this excess space at the installation would reduce upfront relocation costs, thereby improving payback.

I am proud that this Commission, DOD and the Army, have consistently determined that the Arsenal is a key facility and a top site for increased roles and missions. Most recently, the Arsenal was rated the #1 location in the country in its selection

as a site of a new Defense Finance and Accounting Center. I hope that you will keep in mind that if further consolidations are considered in finance and accounting operations, the Rock Island Megacenters can easily accommodate a substantial expansion.

In addition, factors such as the Arsenal's available space, military value, previous investments, and low support costs, and the quality of the area's workforce and community were key factors in these decisions. In particular, the Arsenal's surplus space - 750,000 gross square feet of building area that can be quickly renovated into modern offices at the relatively cheap cost of between \$42 per to \$65 per square foot - would easily provide top-notch offices for roughly 5,000 people.

While all of this government-owned space is available, there are still many DOD functions located in expensive leased space or are being moved to sites that require new construction. For example, the headquarters of the Army Material Command in Alexandria, Virginia is housed in a costly and substandard leased building. In addition, the move of the Aviation Research, Development & Engineering Center; Aviation Management; and Aviation Program Executive Offices to the Redstone Arsenal and the Detroit Arsenal to form a new Aviation and Missiles Command, will force the Army to construct new buildings to accommodate 2,368 civilians. The Arsenal could absorb these functions at a greatly reduced cost.

I hope that the Commission will consider options to utilize the

resources of the Rock Island Arsenal as you continue your deliberations. Again, thank you for this opportunity to testify and I look forward to your continued work on these important issues.

DRAFT

ILLINOIS

I. DoD RECOMMENDATIONS:

ARMY:

Price Support Center	Close
Savanna Army Depot Activity	Close

II. COMMISSION ADDS FOR CONSIDERATION:

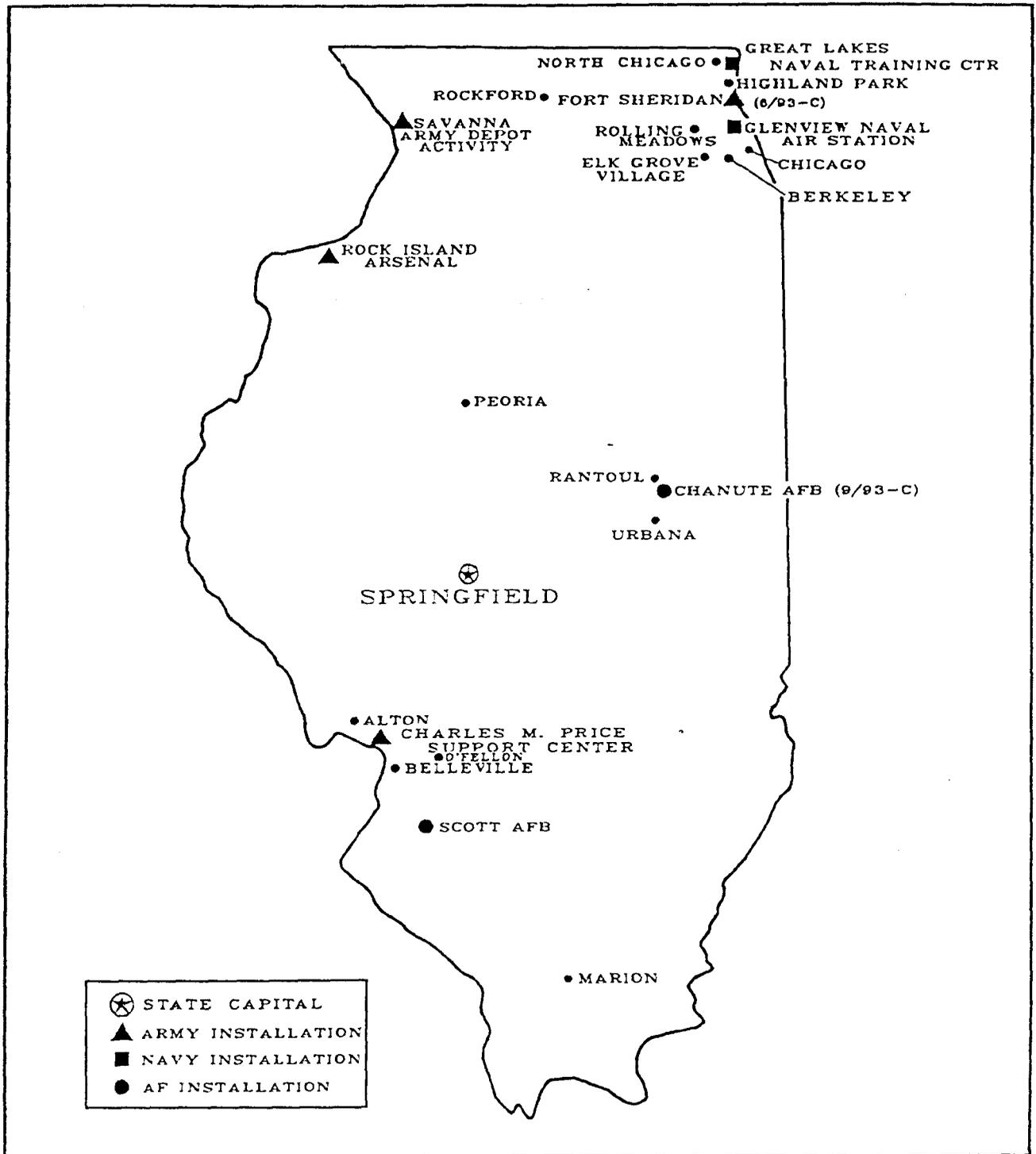
AIR FORCE:

Chicago O'Hare IAP Air Reserve Station	Close
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DRAFT

MAP NO. 14

ILLINOIS



Prepared By: Washington Headquarters Services
Directorate for Information
Operations and Reports

NOTES

NOTES

RICHARD J. DURBIN
20TH DISTRICT, ILLINOIS

AT-LARGE WHIP

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SUBCOMMITTEE ON AGRICULTURE AND
RURAL DEVELOPMENT
SUBCOMMITTEE ON TRANSPORTATION
COMMITTEE ON THE DISTRICT OF COLUMBIA



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Congress of the United States
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STATEMENT BY REPRESENTATIVE RICHARD J. DURBIN

TO THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

JUNE 13, 1995

Mr. Chairman, members of the Commission, thank you for the opportunity to meet with you today.

There are two important facilities which the Army has recommended closing or realigning that affect the citizens and communities I represent in the 20th Congressional District of Illinois. These facilities are the Aviation-Troop Command (better known as ATCOM) in St. Louis, and the Charles Melvin Price Support Center in Granite City. The Army's recommendation to close ATCOM and realign the Price Support Center does not fairly and accurately represent the military value of these facilities, and it exaggerates the resulting return on investment.

In the case of ATCOM, it is clear that the Army's recommendation is not based on military value, as shown by the Army's Management Control Plan and the final decision briefing for the Secretary of the Army. In fact, the Army provided no supporting documentation that its recommendation is based on the military value criteria, despite this requirement in law. The U.S. General Accounting Office found no documentation addressing the military value of leases, and even recommended that the Commission make a determination whether this represents a substantial deviation from the selection criteria.

The Army's recommendation to close ATCOM grossly exaggerates the number of civilian personnel and the savings that would result. The Army has stated that as many as 786 civilian personnel positions would be eliminated by closing ATCOM. However, the Army's finding is based on Army Stationing and Installation Plan data that exceed Program Budget Guidance personnel authorizations, and on vague, undocumented claims that almost all Mission Support, Area Support, and BASOPs positions could be eliminated over time. The actual number of civilian personnel positions that would be eliminated by closing ATCOM is 48, based on Program Budget Guidance personnel authorizations and the Army's own data on Mission Support, Area Support and BASOPs position requirements.

The Army's recommendation to close ATCOM also exaggerates savings in annual overhead costs. The COBRA report which the Army used to recommend closing ATCOM showed a decrease in overhead costs of \$17.6 million. However, this estimate inappropriately included mission-related costs that would

continue to exist even if ATCOM were closed. In fact, closing ATCOM would increase the Army's annual overhead costs by \$3.5 million, as the Army initially acknowledged.

The recommendation to close ATCOM is premature and would waste more than \$100 million in moving and relocation costs. As you know, the Commission on Roles and Missions of the Armed Forces has recommended that the Department of Defense collocate all the Army, Air Force and Navy program management offices responsible for development, production and support of military aircraft and related equipment. This recommendation will require ATCOM's aviation functions to collocate with similar facilities at a yet to be determined location. Moving ATCOM now would place the Army's aviation mission in turmoil at a time when the Commission on Roles and Missions is considering major changes in the aviation structure of the Armed Services. Knowing this, the Army should defer a decision to close ATCOM until after the Department of Defense has decided on a site for the Department-wide aviation acquisition organization.

The Army Materiel Command is already scheduled to reduce personnel by more than 6,000 positions in the next four years, reducing the size of ATCOM accordingly. This makes it unnecessary and unwise to spend \$150 million to close ATCOM to achieve the same savings.

In the case of the Charles Melvin Price Support Center, the Army's recommendation to close the Center (except for a small reserve enclave and a storage area), failed to recognize the readiness missions of the Reserve Forces and their support requirements, as well as many other Defense Department functions. The transportation unit at the Price Center supports all personnel and personal property moves in a 32-county area, in addition to ATCOM and Price staffs, amounting to 3,700 moves last year alone. The Price Center transportation unit also supports the Reserve Contingency Force Pool in its "go-to-war" mission. Although the Reserve function would remain in "enclave" status at the Price Center, it would lose the existing base support activities, which are to be closed. The Army has no plan to provide those support activities.

The Army also failed to recognize the readiness impact of closing the Military Family Housing at the Price Center. Military Family Housing at the Price Center supports 164 St. Louis-based soldiers and their families, and the waiting period to get into this housing is more than one year. As you know, the Secretary of Defense has included Military Family Housing in the definition of defense readiness, and the Defense Department has started a major program to build additional housing and upgrade existing housing. Under these circumstances, it is unwise, costly and inefficient to close Military Family Housing at the Price Center, and it will leave St. Louis area soldiers and their families without sufficient housing.

The Army estimated that realigning the Price Center would result in savings of \$8.6 million per year. However, the Army has overestimated these savings by \$6 million per year. First, the Army estimated savings of \$1.8 million per year from closing Military Family Housing, while local data indicates that total housing costs are only about \$1 million per year. Second, the Army failed to take into account the cost of relocating families that are now housed at the Price Center, plus the cost of housing and variable

housing allowances for 164 families, which amounts to \$1.45 million per year. Third, the Army did not include the reimbursable amount they now receive from tenants, which amounts to almost \$1 million. Fourth, the Army did not include the cost of relocating or maintaining the following Price Center functions: The Ogden Air Logistics Center F-4 tooling; Defense Reutilization and Marketing; the Army Reserve Personnel Center; the Air Force Materiel Command; the Naval Air Warfare Center Detachment; the U.S. Marine Corps Reserve; the U.S. Department of Agriculture Farmers Home Administration; and others. In fact, the Army admitted to the Commission that it miscalculated the savings of realigning the Price Center over the implementation period by \$10 million -- from an original estimate of \$35 million to a revised estimate of \$25 million.

The Army also did not consider the impact of closing several Quality of Life facilities at the Price Center. These facilities include the Army Relief Agency; Family Housing; the child care center; the Base Exchange; the fitness center; the library; and other morale and welfare activities. These facilities are used by the large number of active duty and Reserve Force personnel in the St. Louis area, and by their families and retirees. No other installation in the area has the ability to replace these services.

In sum, Mr. Chairman and members of the Commission, the best alternative for the Army is not to close ATCOM or the Price Support Center. The best alternative for the Army is to establish an Aviation Command in St. Louis, retain SIMA in St. Louis and move it into the Federal Center, and retain the Price Support Center.

I appreciate the opportunity to speak with you, and I urge the Commission to reject the Army's recommendations concerning ATCOM and the Price Support Center.

STATEMENT OF SENATOR CAROL MOSELEY-BRAUN
BRAC COMMISSION
WASHINGTON, D.C.

JUNE 12, 1995

Senator Dixon, Commissioners, thank you for the opportunity to testify again before you. On March 1, 1995, the Secretary of Defense recommended two bases in Illinois for closure -- Charles Melvin Price Support Center and Savanna Army Depot. On May 10, this Commission decided to add O'Hare Air Reserve Station to the list of bases under review.

The Base Realignment and Closure Commission ensures that the base closure process is fair. Under BRAC's guidelines, the Commission uses three categories of criteria to evaluate the Secretary's recommendations. First, the Commission assesses the military value of each base. It determines the extent to which closing the base will impair the current and future mission requirements and the operational readiness on the Department of Defense's total force. Second, the Commission measures the return on investment of closing the base, and the extent and timing of potential costs and savings. And finally, the Commission evaluates both the economic and environmental impact of the base closure on the community. The responsibility falls to the Commissioners to confirm that these criterion have been met, and that the facts support the decisions made.

I submit that in the cases of Charles Melvin Price Support Center and Savanna Army Depot, the facts do not support the

closure of these bases, and the criterion of the BRAC process have not been met.

The Charles Melvin Price Support Center provides administrative and logistical support services to the Department of Defense and other federal government agencies in the St. Louis area. It is home to 436 jobs. The Department of Defense's recommendation to close Price is related to its decision to relocate the Aviation Troop Command (ATCOM) from St. Louis.

During your visit to Price, you heard that ATCOM is not the primary user of Price. ATCOM soldiers occupy only 17 percent of the military family housing at Price and constitutes only 4 percent of the transportation workload. ATCOM occupies only 21 percent of the administrative space on the installation. And it occupies almost none of the warehouse space or open storage facilities.

The Department of Defense's expected savings from closing the base do not take many long-term costs into consideration. The Army overestimated the total savings from closing down the military housing units at Price by \$31 million, because most of the residents of this housing are not connected to ATCOM, and will not be transferred out of the area. Instead, they will require housing subsidies if they are required to move off the base. More than half of the housing units at Price were

completed five years ago. In light of Secretary Perry's recent comments about the inadequacy of the military's housing stock, and its negative impact on retaining good people, I believe that the recommendation to close Price is ill advised indeed.

I also believe it is misguided to close the Savanna Army Depot, which stores ammunition and is home to the U.S. Army Defense Ammunition Center and School. It employs 400 people.

Savanna is being recommended for closure because it has been categorized by the Army as a Tier 3 caretaker depot, which stores unserviceable ammunition that is slated to be demilitarized, or disassembled. The Secretary recommended that all Tier 3 depots close.

However, the most recent Worldwide Ammunition Storage Program report, prepared for the Joint Logistical Commanders, stated that all depots are full, and that, in fact, there is ammunition being stored outside.

The Army's budget for demilitarizing unserviceable ammunition will drop dramatically over the next few years, while the Army will continue to generate about 100,000 short tons of ammunition each year for demilitarization. In addition, there are hundreds of thousands of tons of unserviceable ammunition positioned overseas that must be brought back to the United

States to be disassembled. The Army simply will not be able to disassemble this ammunition fast enough to keep up with the storage requirements for the amounts of ammunition designated for demilitarization. The storage facilities at Savanna, therefore, are critical.

I also want to stress that the environmental cleanup costs to clean up Savanna will be astronomical. An environmental impact report recently released stated that it would cost \$260 million to clean up the base, and an additional \$50 million for ground water treatment. Although the Department of Defense says that it is obligated for the costs to clean up all bases, and does not factor environmental costs into the decision to close a base, in reality, Savanna may never be able to house a commercial tenant.

And finally, the Commission has decided to add the O'Hare Air Reserve Station to the list of base closures under review. More than 3000 men and women belong to the 928th Airlift Group and the 126th Air Refueling Wing at O'Hare. The 928th has one of the highest percentages of minority representation in the Reserves, and is the safest flying unit in the Air Force. The 928th and the 126th have served with distinction in the Somalia, Turkey, Iraq, Haiti and Bosnia.

These units benefit from the talented and diverse recruiting

environment of the Chicago area. The Air Force wants to be in Chicago to take advantage of the unique resources that the large metropolitan area and the biggest air transportation hub in the country provide. I recognize the economic development potential for the City of Chicago at O'Hare. I recommend, therefore, moving the units now at O'Hare to other sites in Illinois, so that the United States does not lose the ability to take advantage of the very talented and able aviation community in the Chicago metropolitan area. Disbanding the units or moving them to locations where the current and future reservists and guardsmen who reside in Northern Illinois could not participate would represent a real loss to our nation and our national defense.

I believe that every part of our federal budget, including our defense budget, needs to be reviewed. The BRAC Commission plays an important role in that review. As we move forward into the twenty-first century, the United States military must become more efficient, and more capable of responding to changing political and military situations worldwide. Price and Savanna perform very necessary duties that integrate into the larger mission of the United States military. The success of the military is that the whole is much greater than the sum of its parts. This is a synergy between the different bases, personnel, supplies and other parts of the military system. Price and Savanna are essential to maintaining that synergy -- that

efficiency -- in a restructured military. And we also need to find a way to ensure that the United States does not lose access to the skills and capabilities of the largest commercial aviation community in the United States.

June 12, 1995

**Testimony of the Honorable Lane Evans
before the Defense Base Closure and Realignment Commission**

Mr. Chairman, thank you for this opportunity to speak before the commission. Today, I would like to discuss DOD's recommendations to close both the Savanna Army Depot Activity and the Detroit Army Tank Plant, the recommendation to add the O'Hare Reserve Station to the closure list and proposals to transfer functions to the Rock Island Arsenal.

Concerning the Savanna Army Depot Activity, I believe that DOD's recommendation is flawed. This move would result in the loss of important and hard to replicate capabilities, increase costs above the Army estimate to close the base and move its functions, and reduce ammo storage capability below critical military needs.

There are important capabilities present at Savanna that would be very difficult to replace. For example, the depot is one of the most efficient in the Army. During Desert Storm, Savanna had the highest outloading rate of any depot. It is also one of the few with adequate rail service to shipping centers. These national assets would be hard to replace in a nation-wide mobilization.

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(USADACS) is too low. DOD stated that it would cost \$38 million to close the installation and relocate functions. However, the Savanna Army Depot Realignment Task Force estimates that the cost of closing the facility and moving the school is much higher - as much as \$88 million. This includes new construction that will have to take place at McAlester to complete the move.

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This move would achieve substantial savings. Total Army tank gun mount production is presently split evenly between the two facilities. An Army cost comparison that examined the options of keeping the 50/50 split, moving the work to Detroit, or moving the work to Rock Island, concluded that it would be more cost effective to move all of the work to the Arsenal. Considering

these factors, I strongly support DOD's recommendation concerning Detroit and hope that the commission will accept it as well.

Regarding the possible addition of the O'Hare Air Reserve Station to the base closure list, I hope that the Commission will decide against this move. The decision of the 93 commission regarding this matter should stand. The closure of the station and its C-130 unit would be a blow to Illinois and a sad chapter in one of our nation's finest military units. The 928th Airlift Wing has one of the most distinguished records of any Reserve unit in the country. A highlight of this is the 46 years and over 166,000 hours of flying without an accident, the longest stretch of accident free flying by any civilian or military organization in the country. We should preserve this record and keep the unit in one of the communities in Illinois willing to host the unit.

I would also like to comment about the Rock Island Arsenal. I hope that the commission will consider moving more missions to the facility. The Arsenal has a large amount of quality office space that can be easily and cheaply renovated. I believe that using this excess space at the installation would reduce upfront relocation costs, thereby improving payback.

I am proud that this Commission, DOD and the Army, have consistently determined that the Arsenal is a key facility and a top site for increased roles and missions. Most recently, the Arsenal was rated the #1 location in the country in its selection

as a site of a new Defense Finance and Accounting Center. I hope that you will keep in mind that if further consolidations are considered in finance and accounting operations, the Rock Island Megacenters can easily accommodate a substantial expansion.

In addition, factors such as the Arsenal's available space, military value, previous investments, and low support costs, and the quality of the area's workforce and community were key factors in these decisions. In particular, the Arsenal's surplus space - 750,000 gross square feet of building area that can be quickly renovated into modern offices at the relatively cheap cost of between \$42 per to \$65 per square foot - would easily provide top-notch offices for roughly 5,000 people.

While all of this government-owned space is available, there are still many DOD functions located in expensive leased space or are being moved to sites that require new construction. For example, the headquarters of the Army Material Command in Alexandria, Virginia is housed in a costly and substandard leased building. In addition, the move of the Aviation Research, Development & Engineering Center; Aviation Management; and Aviation Program Executive Offices to the Redstone Arsenal and the Detroit Arsenal to form a new Aviation and Missiles Command, will force the Army to construct new buildings to accommodate 2,368 civilians. The Arsenal could absorb these functions at a greatly reduced cost.

I hope that the Commission will consider options to utilize the

resources of the Rock Island Arsenal as you continue your deliberations. Again, thank you for this opportunity to testify and I look forward to your continued work on these important issues.



ILLINOIS AIR NATIONAL GUARD
HEADQUARTERS 126th AIR REFUELING WING
6596 NORTH PATTON ROAD
O'HARE IAP ARS, ILLINOIS 60666-5022

8 June 1995

MEMORANDUM FOR Brian Davis

FROM: CV

SUBJECT: Information request

The following information is provided in response to Mr. Brian Davis query.

The 126 Air Refueling Wing has been given the following award in the past five years.

1992 -- United States Air Force Meritorious Achievement in Flight Safety Award
 1993 -- The **FIFTH** presentation of the Air Force Outstanding Unit Award
 1994 -- Air Mobility Command Flight Safety Milestone Award for 40,000 Hours and 11 years of accident free flying.

The following information is provided as *highlights* for the years 1990 to 1994. It is only the operational missions and exercises the unit contributed to.

Aug - Dec 1990	DESERT SHIELD
Dec 90 - May 1991	DESERT STORM
Jun 1991	Sentry Independence
Sep 1991	Coronet Defender (Denmark)
Dec 1991	Red Flag
Mar 1992 Green Flag	
May 1992	Keynote 92
May 1992	Sentry Independence
Aug 1992	Coronet Night Hawk
Oct 92	Dugong Minex (Australia)
Nov 92	Operational Readiness Evaluation
Dec 92 - Jan 93	RESTORE HOPE
JAN 93	NATO AWACS (Germany)
Apr - May 93	Sea Vision
May 93	Operational Readiness Inspection
May 93	Support Justice IV (Panama)
May - Jun 93	Cobra Gold 93 (Thailand)

Jun 93	Coronet East (UK)
Jul 93	Night Hawk (Panama)
Aug 93	Night Hawk
Sep 93	Ready Rebel
Oct 93	Ready Norseman
Oct 93	RESTORE HOPE (SPAIN)
Oct 93	European Tanker Task Force (ETTF) (UK)
Nov 93	ETTF (Spain)
Nov - Dec 93	Global Power
Jan 94	Snow Bird
Feb 94	Snow Bird
Mar 94	ETTF (UK)
Apr 94	NATO AWACS (Germany)
May 94	JCS Support (UK)
Jun - Jul 94	Rodeo 94
Jul 94	CLOSE WATCH
Aug 94	SUPPORT HOPE (Greece)
Aug 94 - Sep 94	DENY FLIGHT (Italy)
Sep 94	UPHOLD DEMOCRACY (Puerto Rico)
Sep 94 - Oct 94	Peace Marble (Israel)
Oct 94	TTF (Iceland)
Oct 94	VIGILANT WARRIOR (Azores)
Nov - Dec 94	NATO AWACS (Germany)
Mar 95	Operation Downunder (Australia)
Apr - May 95	DENY FLIGHT (Italy)

Bold missions are those in support of UN missions.

In addition the unit participated in the Capstone '93 Airlift in May 93, providing the first KC-135 to land in Mainland China. Finally, the 126 has flown over 120 sorties and 400 hours in support of Guard Lift missions between October 1993 and May of 1995.

If you have any questions, or if I can be of further assistance, please call me at (312)825-6907 or at home at (708)980-6599.



RICHARD M. ANDERS, Col, ILANG
Vice Commander

**Statement of Congressman Donald A. Manzullo (IL-16)
To The Base Realignment and Closure Commission
June 12, 1995**

Chairman Dixon, Commissioners, thank you for allowing me the opportunity to speak to you today regarding the proposed closing of Savanna Army Depot Activity and relocation of the U.S. Army Defense Ammunition Center and School (USADACS), currently located in JoDaviess and Carroll Counties in Illinois. I would also like to briefly address the Air National Guard and Air Force Reserve units located at O'Hare International Airport.

The Integrated Ammunition Stockpile Management Plan, dated May 1994, recommends the closure of all Tier 3 caretaker ammunition depots. Savanna Army Depot is classified as a tier 3 depot and stores unserviceable ammunition that is slated to be demilitarized. The Army has also proposed the relocation of USADACS, currently located at Savanna, to McAlester Army Ammunition Plant in Oklahoma. Savanna Depot and USADACS employ 421 people combined.

I believe that the data and recommendations presented in the "Integrated Plan" are flawed, in terms both of military value and potential cost savings.

First and foremost, these recommendations will negatively impact military readiness. The most recent Wholesale Ammunition Stockpile Program (WASP) report, prepared for the Joint Logistical Commanders, indicates a deficiency in current ammunition storage capacity. This report indicates that we currently have no excess ammunition storage capacity and that the military will soon have no alternative but to begin storing ammunition outside. I am sure that you will agree that this is an unacceptable safety and environmental hazard.

This year, the Army is spending about \$100 million to demilitarize approximately 95,000 short tons of unserviceable ammunition. However, the demilitarization budget will be cut by more than two-thirds by 1997, while the Army continues to generate about 100,000 short tons of ammunition each year. In addition, there is currently over 800,000 tons of unserviceable ammunition located overseas, which must be brought back to this country for demilitarization.

The simple fact is that the Army already cannot keep up with current demilitarization demands. As the Army continues to generate ammunition and the demilitarization budget continues to decrease, this problem will continue to grow and the existing facility at Savanna will become more and more critical.

The relocation of USADACS would also significantly impede military readiness. USADACS is a one-of-a-kind facility, with a critical mission. The professional and technical personnel of USADACS are trained and available to respond to emergency and contingency requirements worldwide, as in Haiti, Grenada, and Southwest Asia. The impact of moving USADACS on DOD readiness will be a significant, through the loss of this professional and technical expertise that is unique to USADACS. Replacement of this personnel would require 4-5 years, in order to reach the level of expertise now available.

Secondly, the Army has grossly underestimated the costs of closing the Savanna Depot and of relocating USADACS. The Army has estimated a one-time cost of \$38 million to close the Savanna Army Depot. However, the Savanna Senior Study Group has pointed out that costs of relocating ammunition currently stored at Savanna have been ignored. The group estimates that an additional \$48 million will be required to relocate the ammunition. This brings the estimated one-time closing cost to \$86 million.

The Army has also estimated tiering costs at \$22.3 million. The Savanna Senior Study Group has estimated an additional cost of \$185

million to achieve only partial tiering. This estimate is based on the movement of approximately 25% of the stockpile at \$350 per ton. New Army estimates of movement at \$440 per ton brings total cost to \$231 million, a \$209 million flaw.

In terms of environmental clean-up The Army estimated costs at Savanna at \$261 million. This estimate has since been revised, and increased to \$310 million by the Army, \$49 million more than the original estimate. Furthermore, the Army estimated that clean-up could be completed by the year 2002. The Army now estimates that clean-up could take until 2032, a full 30 years longer than originally planned.

In addition, inadequate facilities currently exist at McAlester for the relocation of USADACS. Duplication of the USADACS facilities will require at least \$50 million. This estimate is based on the extensive new construction and renovations that would be required to duplicate the facility. This does not include the costs of necessary rail service to the facility.

These flaws indicate an additional \$185 million not included in the Army's analysis as well as an additional cost of \$231 million for the tiering of all depots that has been ignored. Collectively, these costs

amount to \$416 million not accounted for in the closure analysis submitted to the BRAC.

Much of this data is confirmed by a memorandum, from the Commander of the U.S. Army Industrial Operations Command in Rock Island, IL to the Commander of the U.S. Army Materiel Command, dated May 19, 1995. I have submitted a copy of this memorandum for the record.

Finally, a report issued by the Northern Illinois University Center for Governmental Studies indicates that JoDaviess and Carroll Counties would experience severe economic impacts with the closure of the Savanna Depot and relocation of USADACS. This study estimates an overall decrease in economic activity in the two counties by over \$20 million, and a loss of over \$1 million in state and local property and sales tax revenues. In addition, the local unemployment rate could increase as much as 2.5 percent. This lost economic activity would be devastating for this rural area, creating an unemployment rate of over 10%, one of the highest in the state.

Chairman Dixon, Commissioners, I believe that these flaws indicate a need to reassess the Secretary of Defense's recommendations to close

the Savannah Army Depot and relocate USADACS. Closing the Savannah Army Depot can only negatively impact military readiness and the economic well-being of the Carroll/JoDavie County Area, while subjecting the American taxpayer to needless closure and relocation costs.

I strongly urge you to reconsider the Secretary's recommendations regarding Savannah Army Depot and USADACS.

Moving to the consideration of the O'Hare Air Reserve Station in Chicago, I want to emphasize the importance of the Air Force Reserve and Air National Guard units to our national force structure. These are outstanding units with extraordinary personnel who perform their mission tasks with high professional standards. The 126th Air Refueling Wing in particular has contributed to most of the U.S. military operations conducted in foreign countries over the last several years. For example, these units participated in Operation Desert Shield/Desert Storm in 1990-1991, Operation Restore Hope in Somalia, Operation Uphold Democracy in Haiti and most recently Operation Deny Flight in Bosnia. In addition the unit participated in the Capstone '93 Airlift in May 93, providing the first KC-135 to land in Mainland China. These are just to name a few.

Mr. Chairman, these units have received such awards as the United States Air Force Meritorious Achievement in Flight Safety Award, the Fifth presentation of the Air Force Outstanding Unit Award, Air Mobility Command Flight Safety Milestone Award for 40,000 Hours and 11 years of accident free flying.

I do not know why the base was put on the list for consideration, but I know that the 1993 BRAC recommended that as a result of Mayor Daley wanting to develop the land, the O'Hare Air Reserve Station be relocated to Rockford or a site acceptable to the Air Force. The City of Rockford stands ready to welcome both of these units. Only fifty five miles away, Rockford is the only site that meets the important criteria of recruitment, retention and readiness.

Today, I ask you Mr. Chairman and the Commission to consider the importance of both the Savanna Army Depot and the O'Hare Reserve Station. Both are vital components of this nations force structure and to the defense of this nation. Thank you for this opportunity to testify before the committee.



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
HEADQUARTERS, U.S. ARMY INDUSTRIAL OPERATIONS COMMAND
ROCK ISLAND, ILLINOIS 61299-6000



19 MAY 1995

MEMORANDUM FOR General Leon E. Salomon, Commander, U.S. Army Materiel Command,
5001 Eisenhower Avenue, Alexandria, VA 22333-0001

SUBJECT: Fiscal Years 1995-2002 U.S. Army Industrial Operations Command (IOC)
Command Integrated Resources Submit (CIRS)

1. Reference instructions, CIRS, Chapter III, Schedule Requirements.
2. This memorandum presents the outstanding issues and concerns of the IOC as we position ourselves into the readiness posture dictated by the long-range goals of the peacetime Army. We are doing many things well, but require resource support to continue our goal toward continued excellence in managing and operating the Army's organic industrial base of depots, arsenals, and plants.
3. **WHAT WE ARE DOING WELL:** We continue toward our standup of the IOC and the move into a new IOC culture with the minimum work force required to accomplish the IOC mission. Our workyear glidepath continues to decline IAW workyear targets to accomplish the savings and initiatives envisioned with the concept of the IOC. In line with the personnel glidepath, we are initiating savings in the base support arena to ensure the lowest rates possible in the production, maintenance, and supply of Army material to our customers. We are focusing our resources on our core capabilities, with the intent of divestiture of missions which do not contribute to our strategic long-range plan. Through intensive management of the ammunition program, we have continued to meet customer requirements, and this year, saw the implementation of a more effective grid based inventory procedure.
4. **CRITICAL AREAS IN WHICH WE REQUIRE RESOURCE SUPPORT:** We strive toward continuous improvement, but require assistance in meeting our most urgent shortfalls. Following is a list of critical Operation and Maintenance, Army (OMA) requirements/concerns with specific discussions attached as enclosures:
 - a. **AMMUNITION (FY 96-\$117.4M, FY 97-\$167.0M):** The funding for the Single Manager for Conventional Ammunition's (SMCA) most critical mission of supplying Service customers with ammunition to support unit readiness training and replenish war reserve stocks is underfunded by 43 percent in FY 96 and 60 percent in FY 97. Without increased funding, serious degradation in troop readiness is likely to occur. At current levels, ammunition maintenance funding is inadequate to meet even the highest maintenance priorities putting troop training and war reserve replenishment at risk. Remaining funding will cover only minimal levels of ammunition surveillance and inventory functions with only a token level for rewarehousing with virtually no funding to implement the ammunition redistribution actions called for under the functional area assessment (FAA). Without the funding needed to implement the redistribution actions (\$118.0M), the outyear cost avoidance resulting from stock consolidation and elimination will not be achieved and Base Realignment and Closure (BRAC) costs for the three depots proposed for closure will amount to \$200.0M. If the FAA redistribution actions are fully funded over the 6 year execution period as originally planned, not only will the cost avoidance from more efficient operations be realized, but BRAC costs would be held to approximately \$90.0M (encl 1).
 - b. **ARMY WAR RESERVE (FY 96-\$116.3M, FY 97-\$114.1M)** In FY 96, the IOC AWR is underfunded by \$119.1M; \$5.8M for the afloat program, \$109.0M for the land-based requirements, and \$4.3M for storage, inventory, maintenance, and ballistic testing of ammunition. The IOC will assume responsibility for several new land-based requirements to include; prepositioning of materiel configured to unit

SUBJECT: Fiscal Years 1995-2002 U.S. Army Industrial Operations Command (IOC) Command Integrated Resources Submit (CIRS)

sets (POMCUS) in AWR-2, the brigade set build-up on AWR-4, and the Battalion Task Force (BNTF) in AWR-5. The land-based requirements consist of POMCUS (\$96.5M), AWR-2 (\$4.7M), AWR-4 (\$3.4M), and AWR-5 (\$4.5M). These new land-based requirements are currently unfunded but, \$81M is expected to transfer 1 October 1995 for POMCUS (encl 2).

c. **SPECIAL WEAPONS:** The Special Weapons mission will again require Activity Group 42 funding from the U.S. Army Tank-Automotive and Armaments Command (TACOM) for FY 96. The amount required is dependent upon the timeliness of mission completion by the Department of Energy (DOE). Current schedule removes the last weapon in November 1995, after which there is a 180 day period of transitioning the Military Police (MP) guardforce. Total requirement is \$1,942.0K per month, of which DA pays \$625.0K per month for MP salaries and DOE provides \$721.0K per month for each month weapons remain on site. The balance is TACOM's requirement.

d. **LOW LEVEL RADIOACTIVE WASTE (LLRW) DISPOSAL PROGRAM (FY 96-\$1.5M, FY 97-\$5.5M):** Though the Army LLRW program is centrally funded; funding requirements are generated Army-wide, are extremely variable and, while of benefit to the Army, do not readily fall within the IOC assigned mission. The command is in the position of trying to fund what should be DA requirements with a shrinking major subordinate command budget. Future requirements, including BRAC, could more than double LLRW related activities in the next 2 years. Recommendation that the AMC transfer the LLRW mission as soon as possible (encl 3).

e. **DEPOT TECHNICAL TRAINING (FY 96-\$6.9M, FY 97-\$10.2M):** Funds are needed to maintain depot personnel technical skills to support both the Modernization Resource Information System (MRIS) and non-MRIS systems. A 56 percent and 41 percent funded level for FY 96/97 will not sustain the depots' capabilities to provide maintenance services to their customers (encl 4).

f. **GOVERNMENT BRIDGE (\$10.1M):** The Government Bridge provides a public thoroughfare for interstate vehicle traffic across the Mississippi River between Illinois and Iowa. A one-time project is required for repair/painting. Congressional approval, through AMC, is requested for this project to be funded as a special OMA funded line item (encl 5).

g. **MORALE, WELFARE & RECREATION (MWR) PROGRAM (FY 97-\$4.5M):** The Alcohol/Drug Abuse, Director/Chief Personnel MWR Programs are currently funded through FY 96 in the established Defense Business Operations Fund (DBOF) depot rates. Starting in FY 97, we have identified a \$4.5M requirement to provide direct OMA funds for these programs IAW DA PAMPHLET 37-100-XX. The remote location of some of the depots makes it essential to provide MWR Programs to our soldiers and families in the field.

h. **AIR DROP PACKAGES (FY 96/97-\$4M):** Funds are required to support the two air drop package programs at Tooele Army Depot (TEAD) and Anniston Army Depot (ANAD). These packages support the rapid deployment mission of the 7th and 25th Light Infantry Divisions, the 18th Airborne Corps, and the 75th Rangers. It is recommended that, unless funding can be provided, the user of the air drop packages pay the associated costs (encl 6).

i. **NON-AMC TENANT SUPPORT:** AR 37-49 directs that base operations support for non-AMC tenants located on DBOF installations be funded through command channels. We have fully funded this requirement as a fixed cost, but costs continue to rise with no corresponding increase to Program Budget Guidance. It is our contention that this funding should be transferred to the tenants who have control and oversight of the level of support being provided. For FY 96, we have been notified by AMC that \$1.6M will be transferred to the Defense Megacenters, Rock Island, who will then pay their own support to Rock Island Arsenal. This concept has merit and should be adopted.

SUBJECT: Fiscal Years 1995-2002 U.S. Army Industrial Operations Command (IOC) Command Integrated Resources Submit (CIRS)

5. Critical issues impacting other appropriations include:

a. FOREIGN MILITARY SALES (FMS): Preliminary guidance received for FMS is \$5.1M versus a requirement of \$5.6M in FY 96 and \$5.5M in FY 97, creating a shortfall equating to nine workyears. The Headquarters, U.S. Army Security Assistance Command indicates a cut of 20 percent in projected sales. It should be noted, unlike other commodities, ammunition cannot be renovated after use, but must be replenished. Therefore, a straightline or slight increase in workload is anticipated. Details are provided in the FMS Executive Summary (encl 7).

b. BRAC: Full funding is absolutely mandatory in FY 96 and FY 97 if we are to take maximum advantage of BRAC 95 savings. Mission and workload realignments will begin early in FY 96 with the goal to have all BRAC related actions completed by end FY 97. Less than full funding of Military Construction, Army, OMA, and Other Procurement, Army requirements will adversely affect potential savings. In order to complete the TRAD realignment (BRAC 93), \$5.0M is required. Without funding, buildings will deteriorate providing less return.

c. DBOF SOLVENCY: Solvency of the DBOF is of primary concern. If funding is not provided up front to offset BRAC-related costs, the DBOF will sustain a loss which must be made up in future years' rates. Environmental compliance costs are estimated to average \$50.0M per year in DBOF overhead costs. Recent change in DBOF policy for unutilized/underutilized plant capacity will result in these costs being added to the FY 97 rates. Rates will skyrocket and, without a corresponding transfer of direct funding, buying power will be seriously eroded.

d. CONVENTIONAL AMMUNITION DEMILITARIZATION: The current stockpile of ammunition in the demil account is approximately 355,000 short tons. An additional 450,000 short tons is projected to be generated through 2001. Based on these projections, the demil program is unfunded by \$471M. The excess ammunition takes up valuable storage space, consumes over \$80.0M in storage costs, and can pose a safety hazard because of deterioration.

e. ENVIRONMENTAL: The IOC facilities have identified funding requirements of \$1.8B over the CIRS period to meet our commitments in the Army's four pillars of restoration (\$1,100.0M), compliance (\$439.0M), pollution prevention (\$143.0M), conservation (\$7.0M), and the foundations (\$113.0M). Restoration efforts will be programmed through the Defense Environmental Restoration Account. Compliance requirements are resourced mainly through facility overhead accounts. This huge sum is not singly identified in the budget process; however, it comes out of plant overhead and directly affects the customer's price.

6. In summary, we continue to strive for excellence in managing our available resources. We require your support and assistance in resolving our outstanding funding issues so that we can continue to provide the best service possible to our customer, the soldier in the field.

7. The POC is Mrs. Cara Schay-Klinkner, AMSMC-OPC, DSN 793-2503, email cschay@ria-emh2.army.mil.

7 Encls

Dennis L. Benchoff
DENNIS L. BENCHOFF
Major General, USA
Commanding

AMMUNITION

The unfinanced requirement of \$118.0M for stock redistribution under the FAA is included in priorities 1 and 5 and is spread over the 6 year execution period (FY 96-FY 01).

ISSUE: (Priority 1) AMMUNITION RECEIPT/ISSUE/SECOND DESTINATION TRANSPORTATION (SDT)

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$76,151	41,254	45,007	52,894	51,817	45,317	45,277
UNFUNDED	57,071	85,277	37,962	32,331	35,646	20,190	20,230

AMS CODE - 424041.C1

MDEP - AACS

IMPACT: The highest priority mission for the SMCA is to meet customer demands for shipment and receipt of ammunition to support unit readiness training, and customer's needs in preparation for conflicts/contingencies. The present funding levels in this budget make it impossible to meet our customer's projected training and war reserve replenishment requirements over the CIRS period. FY 96 funding levels will leave 34% of customer demands unfulfilled while FY 97 is a totally broken program with 60% of requirements unmet. Unfulfilled customer shipment and receipt requirements to this degree are certain to seriously degrade the readiness of our troops to respond to contingencies. In addition, these funding shortfalls will also limit the amount of ammunition which can be received into depot storage from manufacturing facilities, thus impacting production schedules and resulting in additional cost to the Govt due to production delays or lawsuits against the Govt. Special note: An additional Air Force requirement for receipt of 55,000 short tons was received 12 May 95 and has been added to the total unfunded requirement for FY 96.

ISSUE: (Priority 2) AMMUNITION MAINTENANCE

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$ 6,327	2,983	3,101	2,283	1,956	3,942	3,938
UNFUNDED	22,600	30,351	17,791	11,190	10,155	16,881	17,940

AMS CODE - 424041.D1

MDEP - AANS

IMPACT: Current and projected ammunition maintenance funding is inadequate to meet even the highest readiness priority needs of the Army. Projected funding over the next five years meet only two thirds of the priority one requirements. Major items not maintained are 120mm mortar smoke, illum, and HE, which are less than 50% WR requirement; rocket motor and line charge for MICLIC, approximately 50% WR requirement; and only minimal rebuild of ammunition maintenance equipment, thus delaying the start-up of outyear maintenance programs. Priorities are determined by applying on-hand serviceable assets against war reserve and training requirements. Priority one maintenance requirements address stocks necessary to meet one year's training or have war reserve levels less than 25%.

ENCL 1

ISSUE: (Priority 3) MIF/DIF, MAINTENANCE ENGINEERING, AND DMWR SUPPORT

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$ 1,044	451	745	852	813	949	949
UNFUNDED	1,979	2,572	2,278	2,171	2,210	2,074	2,074

AMS CODE - 424041.E1

MDEP - AACS

IMPACT: Only the highest priority malfunction investigations (those involving death or serious injury) could be investigated to conclusion. In the remainder of the cases, the stockpile of the item involved in the malfunction would remain suspended indefinitely. Deficiency investigations would not be accomplished on an aging stockpile. This would seriously jeopardize troop safety and readiness by depleting stocks of combat ready ammunition and allowing possible safety problems to exist in the stockpile. All depot maintenance work requirements (DMWR) preparation will be suspended, and only a limited number of letters of instruction (LOI) will be prepared to support critical maintenance programs. Demilitarization will not be accomplished since DMWRs or LOIs to prepare installation SOPs for safe, environmentally compliant demilitarization operations will not be prepared. The quality of ammunition related publications for all Services, both at retail level and wholesale level, will suffer. The entire ARDEC proponentcy for several hundred ammunition publications will be jeopardized. This will negatively impact JCALS installation scheduled for FY 97 and the LOGSA efforts. A cut of this magnitude will result in a total loss of the core competency used by all the Services and by NATO countries.

ISSUE: (Priority 4) AMMUNITION INVENTORY

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$13,663	4,924	8,001	8,340	7,864	9,840	9,833
UNFUNDED	2,732	9,563	5,320	4,827	4,827	3,017	3,017

AMS CODE - 424041.C2

MDEP - AACS

IMPACT: The FAA resulted in implementation of a more efficient grid based inventory program as the first phase of a series of stockpile initiatives to begin in FY 95. Funding in FY 96 is adequate to continue a level of the revised inventory program but will result in no inventory of munitions stored outside or for inert material. Beginning with FY 97 the inventory system established during FY 95 will be broken and improvements/economies achieved in inventory accuracy will be lost. Accuracy levels will deteriorate resulting in increased depot denials and delays in shipping assets to meet customer requirements. The inventory program was built with self-imposed reductions in requirements and manpower and to further reduce this program would result in immediate inventory/records degradation.

ISSUE: (Priority 5) AMMUNITION REWAREHOUSING

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$1,500	0	0	0	0	0	0
UNFUNDED	6,827	6,172	1,799	1,180	1,300	1,400	1,400

AMS CODE - 424041.C2

MDEP - AACS

IMPACT: OMA funding shortfalls in this program, coupled with the significant amounts of the ammunition that has returned to the CONUS storage base over and above the normal level of returns, have resulted in safety and security concerns at our ammunition installations.- If additional funding is not provided, the FAA implementation will be stymied resulting in insufficient storage space to store War Reserve stock at the Tier I and Tier II installations and will not permit the stock redistribution required to implement depot tiering. Additionally, lack of rewarehousing prohibits the SMCA from being responsive to customer demands in a timely manner, creates situations whereby storage requirements exceed installation capacity, and creates poor storage space utilization..

ISSUE: (Priority 6) AMMUNITION STOCKPILE RELIABILITY PROGRAM (ASRP)

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$ 2,802	1,353	2,995	2,493	2,893	3,235	3,362
UNFUNDED	2,169	3,322	3,252	2,054	2,536	2,060	1,684

AMS CODE - 424041.A2

MDEP - AACS

IMPACT: Continued funding reductions have virtually eliminated AMCCOM's ability to adequately execute the large caliber ballistic and laboratory testing subprograms. Forty three percent of critical program in FY 96 is unfunded. ASRP has been decremented to a level whereby our ability to accurately assess the true condition of the stockpile is highly questionable. In a macro view of ASRP, we have become increasingly reliant on visual inspections to find defective ammunition. The MIFs/DIFs have been the trigger device for this Command to initiate action and is an unacceptable way of doing business. Ammunition with repairable defects will further deteriorate until repair cost is prohibitive. Suspensions/restrictions will become the norm. Defective ammunition found by the troops erodes confidence and reduces the readiness posture of our military forces. The ASRP is the only program which continuously measures ammunition reliability and safely once the ammunition has been accepted into the stockpile. Our soldiers deserve a commitment from us to provide a quality product, free from defects that perform as intended..

ISSUE: (Priority 7) AMMUNITION SURVEILLANCE

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$10,803	5,544	9,189	10,507	10,031	11,708	11,702
UNFUNDED	8,366	13,625	9,980	8,662	9,138	7,461	7,467

AMS CODE - 424041.C2

MDEP - AACS

IMPACT: The current funded level (\$10,803 in FY 96) for ammunition surveillance depot operations will freeze overall. inspection backlog reduction, thereby maintaining status quo at the FY 95 level. Lack of funding will prevent all but minimal periodic inspections of required stock. Without the required periodic inspections, shipping expense and response time will increase due to the need for pre-issue inspections. In addition, lack of funding will potentially increase the loss of the surveillance skill base to support depot operations, and therefore increase our ammunition user's reliance to find stockpile deficiencies via malfunctions. This will not only result in eroding the users confidence, but impact on the safe use of the ammunition items.

ISSUE: (Priority 8) AMMUNITION LEGACY SYSTEM

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$ 0	0	0	0	0	0	0
UNFUNDED	2,164	2,352	2,083	1,861	1,589	1,614	1,639

AMS CODE - 424041.K1

MDEP - MS31

IMPACT: In order to ensure that the SMCA can perform its ICP functions such as the processing of customer requirements (MRO's) it is imperative that Ammunition systems be funded to the requested levels. The requirements stated represent the SIMA-EAST/West and RIA DOIM funding required to support the day-to-day support and maintenance for CCSS, SDS, WARS/GMLR, DSACS, MTS and other systems. Without minimum support levels of 2 man years per activity no maintenance will be available to fix down systems or applications. The remainder of the stated requirements are necessary to fund applications such as the Command directed changes to the depot workload forecasting module of SDS, the third phase of the SMCA inventory program, and approximately 60 changes to SDS that are either mandated or provide a cost/productivity benefit that support the investment. All of the requirements stated in this requirement have been previously approved by AMC and most were unfunded in FY 94-95. The requirements have been scrubbed by both this headquarters, DESCOM and SIMA-East..

ISSUE: (Priority 8) OTHER AMMUNITION REQUIREMENTS

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$43,056	36,600	37,023	37,268	37,089	37,528	37,458
UNFUNDED	13,539	13,801	12,758	12,528	12,672	12,403	11,859

AMS CODE - 424041

MDEP - AACS

IMPACT: The other ammunition requirements include COMIS depot operations as well as HQ, Information Management and Base Operations.

COMIS operations include the following installation activities: realignment/replacement of fallen ammunition stacks; application of floor, aisle, or stack markings; infestation and pest control; maintenance of roads and grounds; maintenance of intrusion detection systems; minor repair to explosive storage building/magazines; depot workload scheduling; depot magazine key control; locksmiths; and many other functions that support the total depot mission. The only activities being funded are the minimal levels of effort to assure safe storage and to continue day-to-day activities. By not adequately funding the functions stated above, ammo storage structures will slowly deteriorate, roads and rail systems will become impassible and general housekeeping will suffer.

Information Management requirements include purchase of productivity enhancing computer equipment.

Base Operations requirements include real property maintenance projects required for building enhancement and upgrade.

ARMY WAR RESERVE MISSION

The Army War Reserve mission has seven critical unfinanced requirements. Anticipate funding for two of these requirements to be transferred to the IOC. The IOC is HQ, AMC's executive agent for the management and oversight of the Army War Reserve mission and cannot assume responsibilities of the POMCUS assets and SMLB pay and travel requirements without additional funding. The remaining five are high priority unfinanced requirements. Listed below are the specific requirements for the anticipated transfers and unfinanced requirements.

TRANSFER

ISSUE: FUNDING FOR THE MANAGEMENT OF POMCUS ASSETS STORED AT SIX COMBAT EQUIPMENT GROUP-EUROPE (CEGE) SITES IN EUROPE

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	0	0	0	0	0	0	0
UNFUNDED	96,460	91,460	91,460	91,460	77,540	77,540	77,540

AMS CODE: 212031

MDEP: DPEU

IMPACT: No funding has been received to date, but anticipate approximately \$81,372 will transfer to IOC 1 Oct 95. There are 260 workyears associated with the CEGE transfer. If funding is not received, the IOC/AMC will not accept the POMCUS mission. If the funded level is \$81M, the impact will be to the purchase of supplies and repair parts for the COSIS and minor maintenance requirements on the POMCUS assets necessary to begin asset upgrade to 10/20 standards.

ISSUE: (PRIORITY 1) AWR-5 MANAGEMENT CELL AND STAFF ENGINEERING SUPPORT

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	0	0	0	0	0	0	0
UNFUNDED	4,481	3,550	6,277	7,063	8,299	9,188	9,125

AMS CODE: 212031 MDEP: DSWF

IMPACT: No funding has been received. Lack of funding will adversely impact the IOC's ability to perform the management and oversight of the prepositioning of War Reserves and Operational Projects in Southwest Asia which would have major adverse impacts to the warfighting CINC's requirements. This requirement is a HQ, DA priority initiative. The above estimates are based upon 5 workyears; however, this management cell could be much larger (15 to 20 people) and additional funding would be required.

ISSUE: (PRIORITY 2) AWR-4 FUNDING FOR SUSTAINMENT ASSETS AND BRIGADE SET BUILD-UP AT MSC-K, USARPAC'S OPERATIONAL PROJECTS, IOC MGMT CELL AND ASSOCIATED AUTOMATION SUPPORT

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	5,194	6,356	6,538	6,708	6,708	6,203	6,203
UNFUNDED	3,395	10,154	10,185	874	1,255	2,335	2,520

AMS CODE: 212031

MDEP: VWR4

IMPACT: A funding shortfall in AWR-4 will result in 25 percent of sustainment assets scheduled for upgrade to 10/20 standards not being accomplished. The HQ, DA required brigade set build-up for AWR-4 will not be accomplished at current funding levels. The receipt of 912 items transferring from the 6th Support Center to Material Support Center-Korea (MSC-K) for the Brigade Set will be unaffordable. Only 50 percent of the Automation and Communication requirements are funded in FY 96, resulting in reduced support for system maintenance for SDS and CCSS and to maintain the communication links between Korea, Japan and the CONUS processing centers at Rock Island and Chambersburg.

ISSUE: (PRIORITY 3) FUNDING FOR AWR-3 PREPO AFLOAT REQUIREMENTS AT HYTHE ARMY DEPOT ACTIVITY (HYDA)

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED \$	8,938	9,177	8,718	8,728	8,683	8,681	8,681
FUNDED WKYR	151	139	114	140	113	133	115
UNFUNDED	2,949	1,892	1,726	2,150	2,052	1,946	1,813

AMS CODE: 211029

MDEP: VWR3

IMPACT: Reduced funding will impact HYDA's ability to successfully perform the scheduled maintenance cycle on the American Cormorant and position assets in preparation for the upload of the second Heavy Lift Prepositioned Ship (HLPS) vessel in FY 97. This unfinanced requirement will result in reduced support to the expansion of the Army Prepo Afloat mission with major detriment to the Army's ability to support power projection principles.

ISSUE: (PRIORITY 4) STORAGE, INVENTORY, MAINTENANCE, AND BALLISTIC TESTING

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED \$	15,298	15,601	15,043	15,343	15,317	15,290	15,262
FUNDED WKYR	256	258	258	258	258	258	258
UNFUNDED	4,302	3,736	4,348	4,048	4,074	4,101	4,129
UNFUND WKYR	79	77	77	77	77	77	77

AMS CODE: 212030

MDEP: VWR4

IMPACT: The ammunition Army War Reserve effort in AWR-4 is unfunded by approximately 20 percent throughout the budget years. This impacts personnel to support the storage and maintenance mission and necessary ballistic testing required for acceptance of completed assets back into the inventory. Without the ballistic testing of upgraded assets they cannot be released for use by the troops. The accomplishment of an accurate and timely inventory will also be impacted by the lack of funding to support this function throughout multiple sites in Korea, Okinawa and Japan. The lack of funding to fully maintain and inventory these assets will have a major adverse impact to the CINC's ability to react quickly to regional contingencies. Unfunded workyears are for local nationals supporting storage, surveillance, and maintenance functions at multiple sites throughout AWR-4.

ISSUE: (PRIORITY 5) AWR-2 FUNDING FOR LEGHORN ARMY DEPOT ACTIVITY (LODA), IOC MGMT CELL-EUROPE, OPERATIONAL PROJECTS-CENTRAL REGION, AND AUTOMATION SUPPORT

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED \$	16,935	14,837	16,506	15,511	15,691	15,511	15,511
FUNDED WKYR	253	253	253	253	253	253	253
UNFUNDED	4,688	3,277	2,428	4,046	4,120	4,609	4,898

AMS CODE: 212031

MDEP: VWR2

IMPACT: Without full funding for AWR-2, several mission areas will be adversely affected. The Central Region's requirement for COSIS and storage costs for the six Operational Projects will be reduced by 20 percent. The reduced funding for automation requirements will adversely impact the support for system interfaces between SDS and CCSS for the processing of accountable and custodial records for the European theater. Travel requirements for both the Management Cell and LODA are reduced impacting LODA's ability to send employees for technical training.

LOW-LEVEL RADIOACTIVE WASTE DISPOSAL (ARMY)

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$6700	\$6700	\$5456	\$6209	\$6480	\$6967	\$6930
UNFUNDED	1534	5540	1683	1376	1105	618	655

AMS CODE: 423005

MDEP: OPRW

Recommendation: AMC transfer the Radioactive waste disposal mission as soon as possible.

IMPACT:

1. The Army Low Level Radioactive Waste disposal office is located within the Army Armament Munitions and Chemical command (AMCCOM) (provisional Industrial Operations Command). Since 1976 the office has functioned as the Army's LLRW manager, and for the past 4 years the office has also managed the Army's role as DOD Executive Agent for Low Level radioactive waste. The LLRW office at Rock Island has worked directly with other services and regulators to accomplish the LLRW mission.

2. AMCCOM, prior to transfer of 6 NRC licenses as a part of a BRAC action, was the number one generator of Low Level Radioactive Waste. The IOC will generate about one third the number of shipment generated by AMCCOM. The office is also responsible for control and retrograde of damaged radioactive materials in combat and emergency situations.

3. The Army LLRW program is centrally funded. Agreements between the Army and regulators resulting from past violations have required the LLRW program to be centrally funded and managed.

4. The AMCCOM/IOC Commander has expressed his concern that as the LLRW program grows it becomes more difficult to fund. Under IOC, budgets will be reduced and restrictive. Funding priorities methods within a major subordinate command do not readily apply to DOD and DA responsibilities. Funding requirements are generated Armywide, extremely variable and though of benefit to the Army do not readily fall within the IOC assigned mission. To date, IOC has been required to fund unanticipated cost with local funding without Higher Headquarters assistance. The command is in the position of trying to fund what should be DA requirements with a shrinking major subordinate command budget.

5. Funding and resource requirements for the Army LLRW program have increased 8 fold in the past 6 years. Future requirements, including BRAC could more than double LLRW related activities in the next two years.

ENCL 3

6. LLRW has a very high level of visibility, congressional and regulatory interest. Problems result in immediate adverse publicity. Restrictions, controls and public interest are all increasing.

7. The Army LLRW waste program is becoming increasingly complex. State and federal regulators are becoming increasingly forceful in their complex rules. As a result of a GAO study and increasing congressional pressure the DOD created an Executive Agency for LLRW. The intent of DOD was that all waste must go through a single office that had sufficient understanding and oversight of the applicable rules to assure compliance. The Army was determined to have the most elements of the program already in place and was designated Executive Agent. Within the Army the AMCCOM had been the major generator of LLRW and had developed the knowledge that GAO and DOD identified as necessary for the Executive Agency. For four years the LLRW office at Rock Island has worked with other services to develop the personnel resources and program operation required to accomplish the Army's role as Executive Agent. The LLRW office has established and maintains a funding relationship with other services to share agency costs.

8. As IOC (provisional) stands up LLRW interests have shifted with licenses to other Commands. Funding the LLRW office's increasing requirements is becoming impossible as decreasing IOC resources are required to address priorities closer aligned to IOC missions.

DEPOT MAINTENANCE TRAINING (NON-AMMO)

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$8768	\$6957	\$8658	\$9402	\$9935	\$10837	\$10873
UNFUNDED	6910	10162	8585	7965	7598	6861	6990

AMS CODE: 4221213

MDEP: FPEG, FPEH, FPLF, FPNC, FPSA, FPSB, OPAV, OPC6, OPEA, OPHK, OPJA, OPMI, OPNF, OPOT

IMPACT: Funds are required to maintain depot personnel technical skills to support both MRIS and non-MRIS systems. A 56% and 41% funded level respectively for FY 96/97 will not sustain the Depots capabilities to provide maintenance services to their customers. The continuous realignment of missions, downsizing of the force and subsequent RIFs has created many skill imbalances that require some personnel to undergo major retraining. Production and maintenance schedules are locked for the next three years and requirements clearly exceed current skills available. Personnel must be properly trained to meet these schedules established by the customer. Systems supported include the UH60, CH47D, AH64, Patriot, Bradley FV's, MLRS, Avenger, HEMTT, Hawk and communications /electronic components and subsystems.

ROCK ISLAND ARSENAL (RIA) BRIDGE REPAIR/PAINTING

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNFUNDED	10100	\$0	\$0	\$0	\$0	\$0	\$0

AMS CODE: 438878

MDEP: QRPA

IMPACT: The Government Bridge provides a public thoroughfare for interstate vehicle traffic across the Mississippi River between Illinois and Iowa. It serves as the only Iowa access to the Rock Island Arsenal. The OMA funding has historically been used to fund operation/maintenance costs for the bridge. A one-time project totalling \$10.1 million is required for repair/painting. The amount is driven by an environmental issue. We must encapsulate the bridge sections prior to removing the lead based paint to prevent the paint from falling into the river. The Government Bridge will soon be 100 years old and this requirement has been documented by the last two inspection reports prepared by the Corps of Engineers. Congressional approval, through AMC, is requested for this project to be funded as a special OMA funded line item. Inability to perform the Government Bridge projects will result in accelerated corrosion and further deterioration which will force us to declare the bridge unsafe to rail, automobile, and pedestrian traffic. Closure of the bridge would greatly hinder traffic flows on and off the island, especially during rush hours. In the event of unforeseen problems with one of the alternate accesses, a serious degradation of productivity could occur.

AIR DROP PACKAGES

(\$000)	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FUNDED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNFUNDED	400	400	400	400	400	400	400

AMS CODE: 423012.11

MDEP: OPOT

IMPACT: Funds are required to support the four air drop packages located at TEAD and ANAD. These packages support the rapid deployment mission of the 7th and 25th Light Infantry Divisions, the 18th Airborne Corps and the 75th Rangers. Failure to support this program may result in a mission failure should a national mission arise. Additionally, the expiration of certain shelf life items such as the M246 chemical detector kits could lead to a potential Resource and Recovery Conservation Act violation which carries a fine of \$25,000 per day for each item. This would create a subsequent loss to the installation's DBOF budget. Sustainment of this critical mission will require alternate sources of funding. It is strongly recommended that the user of the air drop packages pay the cost of cyclic inspections, exchange of expired shelf life items and replenishment of suspended ammunition lots and repackaging/rerigging of the pallets.

FMS EXECUTIVE SUMMARY

MANAGEMENT SUMMARY - FMS SCHEDULE 1

Part I - Commander's Statement:

1. The Industrial Operations Command (IOC) develops and intensively manages through closure Foreign Military Sales (FMS) cases for all conventional ammunition, ammunition peculiar equipment (APE), and ammunition technical data packages and revisioning services. The ammunition support of tanks and aircraft managed by other major subordinate commands (MSCs) also represents a key mission. Substantial support is also provided by the IOC as Single Manager for Conventional Ammunition (SMCA) to satisfy Air Force and Navy FMS conventional ammunition requirements.
2. Following submission of the FY 95/96 FMS Admin Budget, the IOC FMS Product Line Manager (PLM) and Security Assistance Management Directorate (SAMD) conducted detailed reviews with IOC organizations supporting the FMS mission. Particular attention was directed at areas highlighted in the U.S. Army Force Integration Support Agency (USAFISA) FMS manpower review (November 1993). The emphasis was to identify legitimate requirements for FMS Admin funding and ensure that other appropriated funds were not used to perform the FMS mission.
3. The preliminary funding guidance provided for this budget submission is sufficient to fund all IOC support organizations at the validated requirements level. Detailed information regarding workyears by functional organization is provided on FMS Schedule 3.
4. Unfunded requirements are limited to the SAMD (Deputy Chief of Staff for Security Assistance (DCSSA) under the IOC structure) as follows: \$372K pay and benefits (nine additional spaces/workyears), \$8K travel, \$8K training, and \$118K ADP hardware/software (FY 96 only). The unfunded requirements are submitted as CIRS Schedule 1 (FMS Schedule 5) in priority sequence with narrative justification. Funding generated by FY 95 personnel vacancies is available to cover ADP requirements. The FY 96 ADP funding is required only if the FY 95 reprogramming request is not approved. Training requirements have been identified in accordance with current policy, are job related, and are for dedicated FMS personnel only. Funds have not been programmed in the Operation and Maintenance, Army (OMA) CIRS submission for this requirement. Additional funding, spaces, and workyears are needed to staff the DCSSA organization at the Table of Distribution and Allowances (TDA) minimum requirements level. Significant manpower shortfalls resulted from the IOC/Armament, Chemical and Logistics Activity (ACALA) split and must be addressed. Details for each position are provided on CIRS Schedule 1.

5. The IOC is committed to providing support of the highest quality to our foreign customers within the level of available resources. I solicit your support to ensure that adequate funding and manpower authorization are provided to maintain our and U.S. Army Security Assistance Command's (USASAC's) high standards of customer support.

Part II - Profile of Key Workload Indicators

1. Workload data is provided through the CIRS automated submission. Data for the following additional factors is also provided to reflect IOC FMS workload:

MODs and Amendments Processed -	FY 95	142
	FY 96	130
	FY 97	131
	FY 98	131
	FY 99	133
	FY 00	133
	FY 01	132
	FY 02	134

Program Mgmt Reviews Completed -	FY 95	48
	FY 96	50
	FY 97	51
	FY 98	51
	FY 99	51
	FY 00	52
	FY 01	51
	FY 02	52

With regard to pending cuts based on projected sales it should be noted that, unlike other commodities, ammunition cannot be renovated after use, but must be replenished. Therefore, a straightline or slight increase in future workload is anticipated due to replenishment of large basic load and training sales for FY 92 and FY 93. Increased workload is also anticipated to conduct program management reviews as foreign customers become more sophisticated and knowledgeable and inquire more frequently as to the status of individual programs.

2. As discussed with USASAC resource management personnel during the April 1995 on-site review, request that workload indicators be reevaluated to ensure consistent reporting across all MSCs and that counts are reflective of true workload.

Part III - Log Support Expense

Not applicable to IOC.

Part IV - Quarterly Funding Requirements

		First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Qtrly	FY 96	1,219	1,348	1,218	1,348
Request	FY 97	1,219	1,348	1,218	1,348
Cum	FY 96	1,219	2,567	3,785	5,133
Amount	FY 97	1,219	2,567	3,785	5,133
Percent	FY 96	23.7%	26.3%	23.7%	26.3%
	FY 97	23.7%	26.3%	23.7%	26.3%

SUMMARY OF BUDGET REQUIREMENTS - FMS SCHEDULE 2

1. Requirements and funded levels for workyears and dollars are provided through the automated CIRS submission.

PERSONNEL ANALYSIS - FMS SCHEDULE 3

1. Funded workyears (broken out between full and part time) are provided through the automated CIRS submission using the "dummy" point accounts established for FMS Admin. Functions performed within each point account are identified below:

AXX0001: Contracting functions to include solicitation, evaluation, award, contract administration, and quality assurance in support of FMS cases for procurement. Production workload of FMS orders: tracking FMS funding documents; preparation of FMS price and availability (P&A); production status/delivery reporting; P&D and cost control sheet preparation. Conventional Ammunition Working Capital Fund (CAWCF) management to include policy/procedures and pricing/execution of FMS requirements; FMS pricing handbook; and system support for procurement of FMS requirements. Above functions are performed by the DCS for Acquisition, DCS for SMCA (Ammo Supply and Maintenance and CAWCF Management Divisions), Executive Director for Industrial Operations (EDIO) (Ammo Production and Logistics and Engineering/Assessment Divisions).

AXX0004: Letter of Offer and Acceptance (LOA), Modification, and Amendment preparation and implementation, case management and case closure performed by the DCS for Security Assistance.

AXX0005: Legal reviews/opinions with regard to Report of Discrepancy (ROD) processing and case processing to include modifications and amendments performed by the General Council.

AXX0006: All work performed to grant FMS clearances by the EDIO (Ammo Production and Logistics Division).

AXX0007: National Inventory Control Point (NICP)/National Maintenance Point (NMP) functions for all ammo FMS requirements to include P&A, inventory management, requisitions, RODs, and maintenance project planning performed by the DCS for SMCA (Ammo Supply and Maintenance Division). Transportation and traffic management functions performed by the DCS for Transportation to include shipping instructions, shipment coordination, travel support, transportation cost studies and procurement evaluations, and regulatory clause input for procurement solicitations. The DCS for Transportation workyears are full time.

AXX00010: Financial/pricing policy guidance and pricing reviews performed by the DCS for Resource Management (Compliance and Fund Control Division). Program and budget functions performed by the DCSRM Investment Appropriations, Division; e.g., issue funding documents to CAWCF/program managers, process program change requests, and monitor monthly funded reimbursable authority. Overall FMS resource management functions performed by the DCS for SMCA FMS Product Line Management Office to include allocation/execution of funds and workload analysis (Note: Plans are to transfer this office to the DCS for Security Assistance TDA under the IOC structure).

2. The FMS Case funded workyears are also identified in the automated CIRS submission. Beginning FY 96, four FMS Case funded positions currently assigned to the AMCCOM Production Directorate, Coproduction Division, transfer to the DCSSA. Functions include development of P&A data and execution monitoring to include ordering of government furnished material (GFM), quarterly in-country in process reviews (IPRs), and monitoring delivery schedules in support of ammo coproduction cases. The DCSSA has one additional FMS Case workyear performing LOA/MOD/Amend preparation/implementation, case management, and case closure functions.

ANALYSIS OF ZERO BASED OBJECT CLASSES - FMS SCHEDULE 4

1. Required and funded levels for each object class are provided through the automated CIRS submission.

2. Training funds (CIRS DLINE 155) are required to develop technical, analytical and interpersonal skills of employees. Funds have been programmed in accordance with current guidance which requires FMS to fund courses that provide job related skills to Security Assistance personnel. Maintaining funding is especially critical given personnel movements resulting from IOC job offers.

3. Supply funds (\$17K of CIRS DLINE 156 total) are required to purchase basic office supplies such as paper, pens, file folders, calendars, etc. Work cannot be performed without these necessary items.

4. The ADP hardware/software requirements are identified on CIRS DLINE 156 (\$118K - FY 96 only). No funds have been programmed against these requirements. Justification is provided on CIRS Schedule 1.

5. The Directorate of Information Management (DOIM) ADP and non-ADP support requirements are identified on CIRS DLINE 161. Requirements are fully funded. The ADP services provided by the DOIM include maintenance of personal computers, help desk support, electronic mail, report printing, logon identification and passwords, and bar coding and inventory records. Non-ADP DOIM services include troubleshooting and maintenance of the Local Area Network (LAN) and the telephone switch, telecommunications center support, telephone bills, publications and forms support, mail room and mail distribution, and postage. Non-ADP support also includes funds issued to the Defense Printing Service (DPS) for printing and reproduction support. All of these services are required to support operations of the DCS for Security assistance and other organizations performing FMS work.

PRIORITIES FOR UNFUNDED ESTIMATES - FMS SCHEDULE 5

1. Input is provided through submission of CIRS Schedule 1.
2. The POC is Mr. Mickey Clay, AMSMC-ABF, DSN 793-3736, email mclay@ria-emh2.army.mil.