

Statement of Aurora City Council Member Edna Mosley

Base Realignment and Closure Commission Hearing

Fitzsimons Army Medical Center

Albuquerque, New Mexico

April 20, 1995

Mr. Chairman, ladies and gentlemen of the commission, I'm very proud to be here today representing the ^{almost} 250,000 citizens of the city of Aurora, Colorado. I'm especially appreciative of the thousands of volunteers who have worked so diligently with our elected local, state and congressional officials and leaders of our business community since we learned that Fitzsimons might be on this base closure list. Hundreds of those volunteers have traveled to Albuquerque today by various modes of transportation to show their support for what has truly been a broad-based community effort.

Mr. Chairman, at this time I would like to ask

~~And for that, we thank them.~~

all of those wonderful people to please stand

** We have some additional letters from the community and I'd like to have them entered*

*** As a member of the Aurora City Council I know how many of** *into the record*

my neighbors, friends and constituents rely on Fitzsimons for care. In Colorado alone, more than 400,000 military ^{veterans} retirees rely on Fitzsimons for the care they have earned and so richly deserve.

- * Every year, Fitzsimons serves up to 1 million active duty military personnel, their families, and retirees in 14 states with a full complement of health care services.

- * Nationally, Fitzsimons' 14-state area of responsibility is larger than any other in the United States. As a result, closing the hospital will mean transporting patients thousands of miles away for care. Many retirees have already conceded that they will be forced to relocate outside of Colorado in order to be closer to a surviving hospital. Governor Roy Romer has contacted the governors of the 14 states served by Fitzsimons to help us determine the effects of closing the hospital will have upon their constituents and our senators and representatives in

Congress have done likewise with their colleagues.

- * To close Fitzsimons and require beneficiaries to travel even further for medical care would be not only a hardship upon them, but could be life threatening as well. This type of "long distance care" could be especially difficult for patients who require care for chronic ailments such as: kidney dialysis, heart and other cardiac conditions, physical therapy, and many other types of care that simply cannot be interrupted.**

- * I think it is not only ironic but unconscionable that just as our Congress has finished its first 100 days and completed its work on the "Contract With America," that we are now breaking our contract with military retirees and their families.**

- * In addition to the retention of Fitzsimons being in our national self interest, I believe that it is also important to understand just how vital Fitzsimons is to our community and our state**

and how much would be lost if it were closed. For example:

Fitzsimons is the

- * **Second largest employer in the city of Aurora.**
- * **It employs 6.9 percent of the workers in the community.**
- * **Fitzsimons contributes an annual total of \$802.5 million (1991 figure) in economic benefits to the state and region, almost one billion dollars, which is approximately 12 percent of our state's operating budget for 1996.**
- * **Fitzsimons has an annual payroll of \$157 million.**
- * **And consumers inject \$192 million into the local economy as a result of its presence.**
- * **The total earnings impact in Aurora and the Denver metropolitan area is more than \$328 million a year.**
- * **More than 240 local small businesses depend upon Fitzsimons for their economic survival.**

- * This facility spends almost \$52 million a year on local non-construction contracts, many of which have been awarded to area businesses.**
- * The total value of construction contracts for projects either recently completed, in progress, or planned, is approximately \$283.5 million. This includes the new childcare center and the updated optical lab.**
- * The total employment directly related to Fitzsimons, and all of the other facilities located there, is more than 7,000 jobs.**
- * This figure combined with indirect employment increases the total to more than 12,300 people who depend upon Fitzsimons for their livelihood.**
- * The local sales tax generated is \$2.8 million a year.**
- * State sales tax derived is \$2.4 million a year.**
- * And state income tax generated as a result of Fitzsimons is \$9.3 million.**

(Chart)

- * So you can see that the economic impact upon our community is enormous and these statistics are very important because they illustrate in black and white, brick and mortar terms, as well as in human terms, what the loss of Fitzsimons to our community would mean. This illustration does not even begin to address the many volunteer contributions that active duty and retired military people bring to our community on a daily basis. They are members of our churches and active in our PTAs and our service organizations. They are the volunteers for "Meals on Wheels" and the coaches in our youth athletic leagues. They read stories in our public libraries and serve on our boards and commissions. The community at-large has reached out to the Fitzsimons community and we have joined hands together in a mutually beneficial partnership. Aurora, metropolitan Denver, the state of Colorado, the 14-state region, the nation and the military personnel who serve and are served**

by Fitzsimons will all be the losers, if Fitzsimons is closed.

* In the Army's justification for closing Fitzsimons, they cite figures for the projected negative economic impact that are significantly lower than the ones we know to be true. How is this possible?

* Upon the loss of Lowry Air Force Base, Aurora and Denver together created an innovative and exciting model redevelopment plan. Closing Fitzsimons would be devastating to our community. Not only would we lose a valuable economic generator, but even more importantly, we would lose an irreplaceable medical facility which is the sole provider of medical care for a significant portion of our population -- the military retiree community and their families. We can't afford to do that, ^{nor} ~~nor~~ in good conscience, ^{just} ~~just~~ should we want to!

Document Separator

*Subcommittee
asp*

ALBUQUERQUE, N.M., APRIL 20, 1995

TO BEGIN WITH, I WISH TO THANK THE MEMBERS OF THE COMMISSION FOR ALLOWING ME TO MAKE THIS PRESENTATION AT THIS TIME.

IN FEBRUARY OF 1993, WHILE IN WASHINGTON D.C. TO GATHER CONGRESSIONAL SUPPORT IN ORDER TO RETAIN SOME MILITARY PRESENCE ON LOWRY AFB, I NOT ONLY MET WITH MRS BEVERLY BYRON AND BRAC 93 STAFF, BUT AS WELL, I PAID A COUPLE OF VISITS TO MR SIMMONS, DIRECTOR OF THE MEDICAL SHARING OFFICE. FROM HIM I LEARNED OF THE VA/DOD JOINT VENTURE ACT OF JULY 1983 AND OF ITS MISSION AND GOALS. UPON MY RETURN TO COLORADO, I ATTEMPTED BUT IN VAIN TO GET SUPPORT BEHIND MY SUGGESTION TO BUILD A VA/DOD JOINT VENTURE ON LOWRY AFB. WHEN IT BECAME EVIDENT WE WOULD LOSE OUR AIR FORCE ACTIVE DUTY FROM LOWRY WHICH I KNEW WOULD CAUSE THE DEMISE OF FITZSIMONS, I SWITCHED MY ATTENTION FROM LOWRY TO FITZSIMONS ARMY MEDICAL CENTER.

A FREE STANDING HOSPITAL, DESTINED TO BE IMPACTED BY THE DOWNSIZING OF THE ARMY, THE MEDICAL CORPS, CIVILIAN FORCES AND APPROPRIATIONS, IT WILL NOT ONLY LOSE FIFTY FIVE DOCTORS AND SOME MEDICAL STAFFERS OVER THE NEXT TEN MONTHS, BUT BY THE TIME THE NEW TRI-CARE HEALTH PLAN IS IMPLEMENTED IN NOVEMBER OF 1996, IT WILL NO LONGER EXTEND HEALTH CARE TO MEDICARE-AGE DOD BENEFICIARIES, WHICH WILL CAUSE AIR-VAC TO AND FROM THE TWELVE STATES IT SERVICES AT THIS TIME TO BE PHASED OUT. BY THEN, FAMC WILL BE REDUCED FROM BEING A 370 BEDS CAPACITY HOSPITAL TO NOT MORE THAN 30 BEDS. I THEREFORE CONCUR WITH THE DECISION BY THE DEPARTMENT OF THE ARMY TO CLOSE FITZSIMONS.

HOWEVER, SERVING ON SEVERAL VETERANS COMMITTEES IN REPRESENTATION OF MILITARY WIDOWS, I HAVE LEARNED OF THE NEEDS OF OUR VETERANS AND OF THE PRECARIOUS SITUATION OF THEIR HEALTH CARE FACILITIES, BOXED IN DOWNTOWN DENVER, WITH NO ROOM TO EXPAND, NO PARKING AND NO APPROPRIATION FORTHCOMING. THEREFORE, IN ORDER TO REMEDY TO THE PROBLEMS EXPERIENCED BY THE DENVER VAMC AND TO FULFILL THE NEEDS TO RETAIN SOME DOD HEALTH CARE SERVICES IN THIS AREA, AS WELL AS FOR AFEES, DECA AND MWR FACILITIES TO CONTINUE TO OPERATE ON FITZSIMONS, AND TO FURTHERMORE SAVE THE CHAMPUS HEADQUARTERS TO HAVE TO RELOCATE ELSEWHERE, I STRONGLY RECOMMEND TO THE COMMISSION TO REALIGN THE MISSION OF FAMC INTO THAT OF A VA/DOD JOINT-VENTURE. NOT ONLY ALL MEMBERS OF OUR LOCAL MILITARY COMMUNITY WOULD BENEFIT FROM SUCH A DECISION, BUT FEDERAL DOLLARS WOULD BE SAVED.

WITHIN THE LAST FEW MONTHS, MUCH SUPPORT HAS GROWN BEHIND THE IDEA OF THE JOINT VENTURE, SEVERAL RESOLUTIONS HAVE BEEN PASSED BY VETERANS ORGANIZATIONS AND INDIVIDUAL PLEDGES HAVE BEEN EXPRESSED AND PUBLICIZED, COPIES OF WHICH I HAVE FAXED TO THE COMMISSION. MUCH MORE SHOULD BE SAID BUT I HAVE PROMISED TO LIMIT MY PRESENTATION TO FIVE MINUTES. AGAIN, MANY THANKS TO THE MEMBERS OF THE COMMISSION FOR ALLOWING ME TO SPEAK ON BEHALF OF SUCH VITAL ISSUES.

Edmee J. Hills

EDMÉE J. HILLS, NATIONAL CHAIR
VETERANS' WIDOWS INTERNATIONAL NETWORK, INC.,
AURORA, COLORADO

Document Separator

EDSEL H. WARD
P. O. BOX 40196
GRAND JCT., CO 81504

BRAC HEARING

GENTLEMEN:

FOR THE RECORD, I WOULD LIKE TO REGISTER MY OBJECTION TO THE CLOSURE OF FITZSIMONS ARMY MEDICAL FACILITY. I WOULD ALSO OBJECT TO THE CLOSURE OF KIRTLAND AIR FORCE BASE, HILL AIR FORCE BASE AND ALL THE OTHERS.

THE REASON FOR MY OBJECTION IS THAT TO THIS DATE I HAVE NOT SEEN NOR HEARD ANY SATISFACTORY EXPLANATION FOR THE OVERALL PLAN OR OBJECTIVES FOR OUR MILITARY. WITHOUT THAT INFORMATION, I CANNOT FAIRLY EVALUATE ANY OF THE PROPOSED MOVES.

HISTORY HAS SHOWN THAT ONCE DECISIONS ARE MADE AND IMPLEMENTED, THEY CANNOT EASILY BE UNDONE. ONLY RECENTLY, A FORMER SECRETARY OF DEFENSE HAS INDICATED THAT DECISIONS MADE 30 YEARS AGO WERE WRONG, TERRIBLY WRONG. I DO NOT WANT TO HEAR, 30 YEARS FROM NOW, FROM THE CURRENT SECRETARY OF DEFENSE, " SORRY ABOUT THAT " .

RESPECTFULLY SUBMITTED,

Edsel H. Ward

EDSEL H. WARD

TED STRICKLAND, CHAIRMAN
ADAMS COUNTY REPUBLICAN PARTY
9361 KNOX CT
WESTMINSTER CO 80030

DICK HODGE, CHAIRMAN
ADAMS COUNTY DEMOCRATIC PARTY
7290 SAMUEL DRIVE #120
DENVER, CO 80221

The Honorable Joel Hefley
Subcommittee on Military Installations and Facilities
Base Realignment and Closure Commission
1700 North Moore
Arlington VA 22209

Dear Sir:

We are writing in a bi-partisan statement of the need for the continuation of medical services to veterans in the Rocky Mountain region now served by the Fitzsimons Medical Facility. There is great concern among this group that the inconvenience and personal cost of the loss of this hospital will be overwhelming to them. The removal of ready access to medical care is being viewed as a breach of the contract these veterans feel they had with their government as a part of their service to their country.

We recognize and agree with the need for efficient and proper use of our money, including the possibility of cutting spending in our county and region, but the services available to these veterans and military personnel must not be reduced. Ours is a sparsely populated area, and a population center such as Denver is a logical location now, as it was at the founding of Fitzsimons for centralized medical services for the region's military. The current facility is in Adams County but it serves a much wider region and has a great impact on the military personnel who depend on its presence.

Sincerely,



Ted Strickland
Chairman, Adams County Republican Party



Dick Hodge
Chairman, Adams County Democratic Party

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April 18, 1995

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

Dear Senator Dixon: .

This letter is not from a pressure group or an organization of any kind. It is instead some personal comments regarding the proposed closure of Fitzsimons Army Medical Center which you are now considering. You should find them typical to many of the retirees in this area.

While you may console yourselves with the idea that you are looking at the "big picture" there are facts and feelings you should think about. Those of us most affected can not help viewing this action from a personal point of view.

One thing you should think about is what is called the law of unintended consequences. For example, the effect of the proposed closing on recruiting. Having done a tour of recruiting duty in Denver, in the billet of Station Sergeant Major, I am familiar with the subject. During that time we all parroted the government line that a military retirement would give one FREE medical care for life. Now we find that our government has lied to us.

Consider these recent comments by the Chief of Naval Personnel Vice Admiral Skip Bowman. "This high-tech, well-rounded team isn't going to be cheap or easy to assemble. I solicit your help in helping us get there. Many of you are already helping recruiters target qualified students and professionals for enlistment and commissioning by providing leads and speaking opportunities for recruitersI can't stress enough the need to 'team' our recruitment effort. Recruiting is tough and getting tougher. We only made goal during three of 12 months during 1994. And 1995 offers additional challenges, as the number of 17-to-21-year olds continues to decline,.....".

It seems unlikely that any of you have ever read an enlistment contract. It is the most one sided document devised by the mind of man. In it the recruit commits his or her living conditions, their physical location, their pay, their work hours, their health risks, and, yes, even their life. In return the government verbally promises much but commits to nothing.

April 18, 1995

You can be sure that as an active member of my community this message will be as widely disseminated as I can manage.

In reviewing the comments of General Parker it is clear that all retirees will have out of pocket medical expenses and those of my age, 70, will be basically cast adrift. Personally, I did not apply for Part B at age 65 feeling that this decreased the system load by one, and saved a large part of an already small check. Application at this late date would impose a six year penalty which would reduce my small check severely.

Also considered, at that time, was the fact that Fitzsimons serves a 14 state area and the nearest comparable facility is about a thousand miles away. After basing ones life decisions on this it is even more a slap in the face considering the Pentagon plan to build new hospitals at Walter Reed in Washington, in Portsmouth Virginia, and also in Alaska.

In your deliberations please remember that after 23 years in the Marine Corps I am not eligible for treatment in the VA hospital. Many of us are in that same situation.

In closing, I quote from an editorial in the Denver Post. It says it as well as anyone can... "Maintaining a decent level of military medical care ultimately goes beyond questions of cost-benefit analysis to a test of national honor. Fitzsimons exists to keep a sacred trust this nation owes to the men and women who risk their lives in defense of flag and country."

"Closing Fitz is more than false economy. It's a breach of faith to America's veterans -- past and future."

Respectfully submitted,

Edward J. Lappart Jr.

Edward J. Lappart Jr., 1st Sgt.
United States Marine Corps
Retired

1400 E. 100th Avenue
Denver, CO 80229

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A D A M S C O U N T Y, C O L O R A D O

ADMINISTRATION BUILDING
FAX: (303) 659-0577

450 SOUTH 4TH AVENUE

BRIGHTON, COLORADO 80601-3189
(303) 654-6100

April 17, 1995

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

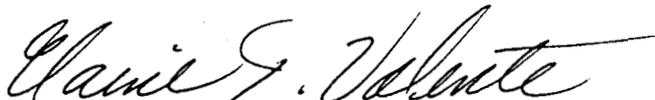
Dear Senator Dixon:

The Board of County Commissioners wishes to express its concern regarding the Fitzsimons Army Medical Center in Adams County. As you know, the proposed Defense budget eliminates funding for medical care services at this installation.

Fitzsimons Army Medical Center presently serves the needs of one million military personnel in Colorado and 13 surrounding states, as a regional headquarters of the military health care system. Fitzsimons Army Medical Center is the largest employer in Adams County, with a staff of nearly 4,000 people from the metropolitan area. More importantly, the Center provides a necessary service for the armed forces, a service proven to be cost-effective. You may be aware that it is estimated that an additional \$32 million would be required to provide equivalent care in the private sector. Fitzsimons also works closely with the University of Colorado Health Sciences Center to provide graduate medical education.

The services of Fitzsimons Army Medical Center are critical for the well-being of one million retired and enlisted personnel in this region. We support continuation of all existing operations of the Fitzsimons Army Medical Center, and urge you to reject the recommendation to close this base.

Sincerely,



ELAINE T. VALENTE, Chairman
Board of County Commissioners

Document Separator

STATE OF COLORADO

EXECUTIVE CHAMBERS

136 State Capitol
Denver, Colorado 80203-1792
Phone (303) 866-2471



Roy Romer
Governor

April 20, 1995

The Honorable Alan Dixon, Chair
Base Realignment and Closure Commission
1700 N. Moore Street
Arlington, VA 22209

Dear Senator Dixon:

I am sorry that I am not able to testify before your Base Realignment and Closure Commission colleagues in Albuquerque this afternoon. However Irene Kornelly, the director of my Office of Statewide Defense Initiatives, is present and I have asked her to read this letter into the record. Fitzsimons is very important to me and to the people of Colorado.

Fitzsimons is a vital part of our country's national defense system. If I believed Fitzsimons was nothing more than jobs and money for Colorado, I wouldn't challenge the Department of Defense's recommendation for closure. I'd tell you that we are willing to do our share and take our lumps. However, the facts do not support this.

Fitzsimons compares favorably with other hospitals not slated for closure. Of the 12 regional lead agent hospitals, Fitzsimons is projected in fiscal year 1997 to:

- Serve the fourth largest active duty population.
- Serve the third largest military family population.
- Serve the third largest population of other beneficiaries.

Additionally, Fitzsimons is easily accessible for air med-vac by virtue of its proximity to Buckley Air National Guard Base.

Similarly, Fitzsimons continues to play an important role in the military medical system:

Page Two

- The first troops injured at Pearl Harbor were brought to the brand new Fitzsimons in 1941, and the first injured troops from Desert Storm were brought to Fitzsimons 50 years later.
- Fitzsimons is one of only 15 hospitals nationally to serve as a center for "Persian Gulf War Syndrome" patients.
- Fitzsimons is the leading facility for women's medical military issues.
- Fitzsimons is positioned to be a leading center of telemedicine because of Colorado's unique location and the telecommunications industry that has grown here.

Fitzsimons and Colorado have developed an important partnership through our University of Colorado Medical School. We have a joint research facility actually located on the base. Fitzsimons contracts a number of services to the Medical School. Additionally, the joint medical school programs operated by these two institutions provide cost-effective training that benefits both military and our state. Fitzsimons is the only accredited military medical center in the entire Central-Western region of the nation. The loss of Fitzsimons would rob the military of needed resources it could not replace in other parts of the country for the same amount of dollars.

While I stand by my previous statement that we must all do our share to reduce unnecessary government and that military bases have to meet national defense interests in order to remain open, I urge you to look at what this metropolitan area has had to experience from the federal government in the last few years.

- We have just closed Lowry Air Force Base and are working very hard for its redevelopment.
- We have closed the Rocky Mountain Arsenal and will spend at least the next generation to get it cleaned up enough to ever use it for anything else.
- We've lost the employment and benefits of Rocky Flats and have been left with the responsibility to clean up this site.

Page Three

In the Navy's testimony before you last month, it stated that additional facilities in California would have been recommended for closure were it not for the impact of previous base closures. If the Navy spares bases from closure because an area has done its share and if California can be spared additional closures because of what it has already suffered, then it is reasonable for you to consider whether this metropolitan area in this small state should suffer an additional economic loss and be committed to use the planning resources necessary to deal with a fourth major closure of a federal installation.

Fitzsimons Army Medical Center is an important part of our country's military medical system and an important part of the State of Colorado. It has proven its military necessity and should continue to play the role it has as a lead hospital for Region 8 providing necessary medical care for active duty and retired military personnel and their families.

Thank you for your consideration of my comments. I hope after you finish consideration of all the information your colleagues will receive today at the hearing in Albuquerque, the Base Realignment and Closure Committee will decide against closing Fitzsimons.

Sincerely,

A handwritten signature in black ink, appearing to read "Roy Romer", written in a cursive style.

Roy Romer
Governor

Document Separator

United States Senate

WASHINGTON, DC 20510

April 7, 1995

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

Dear Chairman Dixon:

We are writing to express our concern regarding the Department of Defense's decision to recommend for closure Fitzsimons Army Medical Center (FAMC).

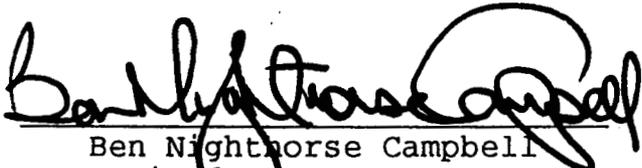
This facility is an essential component of the DOD's regional health care delivery system. As you know, FAMC is the Lead Agent for the provision of health care in DOD's Medical Region 8, encompassing 12 states (Colorado, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, Utah, and Wyoming). This is the largest geographic region in the defense medical system, and its beneficiary population is sixth largest of the 12 DOD medical regions. FAMC's region already has the fewest tertiary and referral beds of any in the United States.

Closing FAMC would leave a huge hole in the middle of the defense medical system, as the attached chart shows. There is no other military medical center anywhere in this large region. The closure of FAMC will affect active duty and retired military personnel in our states who rely on this facility.

Extensive health care provider and beneficiary analyses repeatedly confirmed the need for FAMC to ensure medical readiness during military conflict, and to support DOD beneficiaries during times of peace. A 1991 study by Vector Research concluded: "Overall, it is cheaper to provide for a given amount of workload at Fitzsimons than it is to purchase it from the civilian sector through the CHAMPUS program."

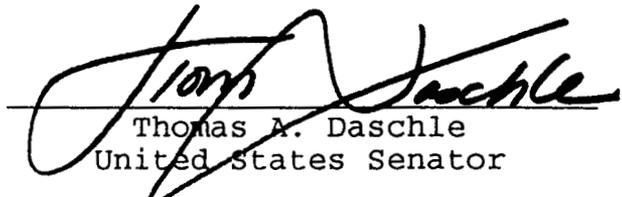
For these reasons, we strongly urge you to thoroughly review the Department of Defense's recommendation to close FAMC. Thank you for your consideration.

Sincerely,


Ben Nighthorse Campbell
United States Senator

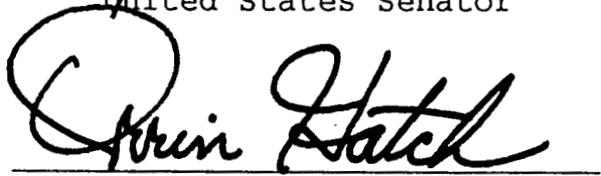

Hank Brown
United States Senator

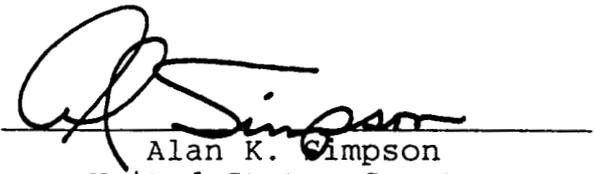

Robert Dole
United States Senator


Thomas A. Daschle
United States Senator


Max Baucus
United States Senator


Larry Pressler
United States Senator


Orrin G. Hatch
United States Senator


Alan K. Simpson
United States Senator

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- BOB-DOLE
KANSAS
141 SENATE HART BUILDING
(202) 224-6521

COMMITTEES:
AGRICULTURE, NUTRITION, AND FORESTRY
FINANCE
RULES

United States Senate

WASHINGTON, DC 20510-1601

March 30, 1995

The Honorable Ben Nighthorse Campbell
380 Russell Senate Office Building
Washington, D.C. 20510

Dear Ben:

Thank you for bringing the potential closure of Fitzsimons Army Medical Center (FAMC) to my attention. I agree that the loss of this vital facility could be extremely detrimental to the regional defense medical system and undermine cost-effective medical care for thousands of active duty and retired veterans.

I gladly join you and Senator Brown in requesting Chairman Dixon to carefully review this matter and in requesting that the commission takes into account the tremendous impact the loss of Fitzsimons would have over such a wide geographic area. Our defense medical care system must be efficient. The studies you cite concluding the cost-effectiveness of FAMC should be compelling evidence to the Base Closure And Realignment Commission. I am hopeful that the commission will concur and that Fitzsimons will be removed from the closure list.

Thank you for bringing this matter to my attention.

Sincerely,



BOB DOLE

BD/drs

STATEMENT ON FITZSIMONS ARMY MEDICAL CENTER
Senator Hank Brown (R-CO)

MR. BROWN. Mr. Chairman and members of the Base Closure and Realignment Commission, four separate studies have been conducted to analyze the importance of Fitzsimons Army Medical Center and the most cost-effective means of ensuring the military's medical needs are met. Each study concluded that keeping Fitzsimons open and continuing with construction of the new replacement hospital was the least cost alternative.

Specifically, in 1987, the Army conducted an economic analysis after which the Assistant Secretary of Defense for Health Affairs announced a new Fitzsimons would be constructed. In March 1991, another Army economic analysis concluded, "The total savings generated by providing care at Fitzsimons Army Medical Center, as compared to not operating Fitzsimons, are enough to pay back the costs of constructing a new facility." In October and November of 1991, a "quick response" economic analysis was conducted which reviewed three catchment areas for Fitzsimons--within a 40 mile radius, 100 mile radius and the 12 state regional catchment area--and under no scenario was closure of Fitzsimons justified.

Finally, BRAC 93 conducted a COBRA computer model cost analysis of Army health service needs and graduate education and did not recommend closure of Fitzsimons. This analysis found economic merit in a reduced patient load at Fitzsimons and found economic merit in the retention of Fitzsimons even when the \$390 million replacement hospital project was considered.

Mr. Chairman, the level of scrutiny of the need for this

hospital has been intense. For seven years, the requirements have been reviewed and re-reviewed. The overwhelming weight of the evidence suggests that Fitzsimons should remain open. We are certain that as the members of the Commission review all of the available data that you will come to the same conclusion.

Thanks in advance for your consideration---and for all of your hard work.

Document Separator

EXECUTIVE CORRESPONDENCE TRACKING SYSTEM (ECTS) #

950426-23

FROM: MADSON, RAYMOND A.	TO: DIXON
TITLE: LT COL USAF (RET)	TITLE: CHAIRMAN
ORGANIZATION:	ORGANIZATION: DBCRC
INSTALLATION (S) DISCUSSED: KIRTLAND AFB	

OFFICE OF THE CHAIRMAN	FYI	ACTION	INIT	COMMISSION MEMBERS	FYI	ACTION	INIT
CHAIRMAN DIXON				COMMISSIONER CORNELLA			
STAFF DIRECTOR	✓			COMMISSIONER COX			
EXECUTIVE DIRECTOR				COMMISSIONER DAVIS			
GENERAL COUNSEL	✓			COMMISSIONER KLING			
MILITARY EXECUTIVE				COMMISSIONER MONTOYA			
				COMMISSIONER ROBLES			
DIR./CONGRESSIONAL LIAISON		Ⓚ		COMMISSIONER STEELE			
DIR./COMMUNICATIONS				REVIEW AND ANALYSIS			
				DIRECTOR OF R & A	✓		
EXECUTIVE SECRETARIAT				ARMY TEAM LEADER			
				NAVY TEAM LEADER			
DIRECTOR OF ADMINISTRATION				AIR FORCE TEAM LEADER	✓		
CHIEF FINANCIAL OFFICER				INTERAGENCY TEAM LEADER	✓		
DIRECTOR OF TRAVEL				CROSS SERVICE TEAM LEADER			
DIR./INFORMATION SERVICES				LIBRARY	✓		

TYPE OF ACTION REQUIRED

Prepare Reply for Chairman's Signature	Prepare Reply for Commissioner's Signature
Prepare Reply for Staff Director's Signature	Prepare Direct Response
ACTION: Offer Comments and/or Suggestions	✓ FYI

Subject/Remarks:

SUBMITTING TESTIMONY FOR THE RECORD AT THE ALBUQUERQUE REGIONAL HEARING.

Due Date: 950503	Routing Date: 950426	Date Originated: 950421	Mail Date:
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RAYMOND A. MADSON
P. O. Box 268
Grants, New Mexico 87020

April 21, 1995

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

Dear Chairman Dixon:

I wish to thank you for the opportunity to testify before your commission in Albuquerque, New Mexico, on April 20, 1995. Unfortunately, I was not able to complete my statement within the time allowed, and, due to poor planning on my part, I did not get to my most important point. Therefore, I am taking the liberty of sending you a copy of my written text.

Again, I appreciate your making time for individuals to give their input to try to influence the difficult decision-making task that faces you and your panel.

Sincerely,

Raymond A. Madson

Raymond A. Madson, Lt. Col. USAF (Ret.)

Enclosure

xc: Leo Marquez, Lt. General USAF (Ret.)
Governor Gary Johnson
Senator Jeff Bingaman
Senator Pete Dominici
Representative Steven Schiff
Representative Joseph R. Skeen
Representative Bill Richardson

KAFB BRAC MEETING STATEMENT

In my memory, from World War II on, this country has realized the value of maintaining an effective military force. Unfortunately, the life of a military member has several drawbacks not normally experienced by most individuals in civilian life. These include relatively low pay, periodic transfers which uproot families and send them to non-choice locations, frequent family separations, hostile conditions, danger and related factors. In order to recruit the caliber of dedicated individuals needed to operate and maintain our highly technical and sophisticated weapons systems, the Government has offered certain incentives to induce individuals to accept a career in the military. These inducements include an attractive retirement system which provides "free" medical care for life, commissary and Base Exchange privileges, space-available travel and transient housing, the use of all morale and welfare facilities and activities, legal assistance, and I'm sure, there are other specific benefits.

Most military retirees settle permanently near a military installation, such as Kirtland Air Force Base, in order to take advantage of the benefits that were promised as an inducement for their career. I personally retired in this area because of the availability of KAFB.

If Kirtland Air Force Base is closed or downsized to the point that the Government's commitment to retirees cannot be met, it will result in a considerable economic hardship for me and my family, as well as for numerous other retirees that chose Albuquerque as home because of the Base.

Therefore, I have begun an effort to encourage our elected Federal officials to initiate and/or support legislation to provide a special cost of living allowance (COLA) to all military retirees suffering economic loss as a result of the base downsizing or closure, and that COLA should be equal to the increased cost experienced by the individual retiree as a result of the downsizing

or closure action. Since this is a Department of Defense matter, it is presumed that the COLA would have to come from the DOD budget. Consequently, the cost of the COLA should be included in the formula for figuring the cost or savings of any downsizing or closure action. I encourage all other military retirees to contact their elected Federal officials to ask for this legislative relief. It is time for the Government to reverse its trend of backing out on promises made in order to have a capable military arm willing to defend the country in spite of the considerable sacrifices involved. It is time that the commission consider the cost of commitments made to retirees before and/or while they were on active duty, and factor that cost in when calculating the effects of closing or downsizing a base. I hope you will recommend that Kirtland Air Force Base be maintained at its present level or better. Failing that, I would ask that, as a footnote, you suggest, to the DOD, that commitments made to retirees be recognized in a tangible manner.

Raymond A. Madson

Raymond A. Madson

Document Separator

WILL THE TAX PAYER SAVE OR LOSE MONEY
BY MOVING THE ORGANIZATIONS AT KIRTLAND?

Submitted by: Elizabeth I. McKinney-Brown
President Federally Employed Women
ZIA CHAPTER, Albuquerque, NM

ON MARCH 1, 1995 A QUESTIONNAIRE WAS MADE AVAILABLE TO OVER 300 INDIVIDUALS AT AN ANNUAL FEDERAL WOMEN OF THE YEAR AWARDS LUNCHEON. THE LUNCHEON WAS COMPRISED OF MEN AND WOMEN FROM AGENCIES THROUGHOUT THE STATE. MANY TOOK THE QUESTIONNAIRE WITH THEM TO ANSWER. BELOW ARE THE RESULTS.

Both men and women returned the questionnaire
Many of the individuals provided their name and/or agency.

1. All of the individuals returning the survey stated that they were serviced by the base.

2. When asked how the closing of Kirtland would affect them the results were as follows:

The men stated:

"Possibly" "Probably not much" "Possibly forced to move or retire" "I would have to move, inconvenience."

The women stated:

"I am a single parent with an eight year old child who does not receive child support. I have a \$700 house payment. This would devastate my life and family."

"My job would be abolished."

"Could lose my job."

"Loss of Job."

"Would be jobless and have to find a job out of federal service."

"No job, no employment."

"Possible loss of job after 25 years."

"I would lose my job."

"I would lose my job and not have another place to rehire within federal service."

"Lose my job."

"Rif'd"

"I WILL NEED A NEW JOB."

"RIF, downgrade or probably no job."

3. All of the participants stated they use various base facilities from the Commissary, Base Exchange, Hospital, Pools, Clubs, Gym, Golf Course, Enchanted Nook, Parade Grounds for walking, Gas Station, Theater, Bowling Alley, Child Care Center and Post Office to the Library for study and resource purposes, etc.

4. Sixty percent said they were either retired military or had parents/relatives who were retired military.

5. Other concerns mentioned:

"Security issues for the base tenants."

"I know of one retired colonel who just changed his retirement plans in favor of another location."

" Although only 3.6% of the workforce may work directly at Kirtland, the real fact is how much money these employees contribute to the area. If they acquire new jobs locally, it is doubtful that they will even be paid at a comparable GS level."

"I just came here in 1993 from Norton. No doubt I would take a loss on my house. I only have five years left to retire."

"Start cutting in Washington and with the House and Senate offices. Cut bases that are not essential to our national safety like Kelly AFB, TX that employs minorities to keep the rates up."

"Stop closing useful bases and stop playing their childish games."

"The bottom line is that mission effectiveness would be severely degraded and very few would even suspect it until a real problem developed. By then it would be too late." (from a high ranking
HQ AF Safety Officer)

"The buildings and grounds at Kirtland are environmentally unsafe for public use and development." (from an Environmental Agency Specialist)

6. I am also a Special Agent with the Department of Defense and as such I interact daily with military, civilians, federal contractors and people of all stations of life within the community. Without exception, I have heard and learned that the figures purported by the Cobra Model are far from close to the actual figures that it would cost the government (TAX PAYERS) to move various units from Kirtland AFB to other locations. Each and every person (TAX PAYER) has expressed their opinion that this will result in more expenses with unaccounted for continual expenses at Kirtland with little if any ultimate savings due to the nature of Kirtland AFB's mission. Most are concerned that moving Kirtland will compromise our country's safety. Many people have expressed their opinion that this is a political game between politicians being played with the TAX PAYERS as the ultimate losers.

7. In addition I wish to point out that I was given a copy of a report outline briefing that was presented to a General associated with a study to close ~~Wright~~ AFB in 1990. The copy clearly shows pen and pencil changes to the outline briefing. The changes were made by a General who did not want ~~Wright~~ AFB closed. This falsified document has cost the TAXPAYERS millions. This falsified document was sent to many in Congress and at the Pentagon with zero response. I present it to you as it was given to me. The document will speak for itself. It clearly points out that Kirtland AFB was the choice place to locate the facilities and functions of Los Angeles AFB, CA due to lower costs. If money is the issue then this document should speak for itself.

8. As a Native of Albuquerque, NM and a former military dependent and now a Federal employee, I request that you study and consider all of the information put before you. Kirtland has played and continues to play a vital part in the growth and continual security of our country. We cannot shut our eyes to the facts.

Closing Kirtland would in fact increase our TAX PAYERS' overall costs.

Sincerely,

Elizabeth I. McKinney-Brown

Elizabeth I. McKinney-Brown

Document Separator



Study of

Potential Closure of Los Angeles AFB

and

Potential Relocation of Ballistic Missile Organization

and Alternatives

Overview

- Introduction
 - Background/Rationale
 - Proposed Action
 - Alternatives
 - Criteria
 - Assumptions
- Title 10 USC 2687 Impact
 - Operational
 - Strategic
 - Environmental
 - Local Economic
 - Fiscal/Budgetary
- Closure Summary
 - MILCON
 - Personnel
 - Transportation
 - Others

Background/Rationale

- **Political Environment**
 - World political changes mandate efficiency reductions in near term
 - Potential expansion in out-years based on growing dependence of U S military on space systems
- **Quality of Life - LA Metropolitan Area**
 - High housing costs
 - Gov't civilians not compensated adequately
 - Short fall of 250 units of military family housing
 - Educational/cultural diversity
- **Mission of HQ SSD**
 - Plan, program and manage acquisition of space systems and related ground systems
 - Provide launch and test support to major DOD programs and other federal agencies

Proposed Action

- Total closure of Los Angeles AFB (LAAFB), CA, including Ballistic Missile Organization at San Bernadino located near Norton AFB (NAFB), CA
- Relocation of
 - Headquarters Space System Division
 - The Aerospace Corporation
 - Ballistic Missile Organization (BMO)
 - Systems Engineering/Technical Assistance
 - Various LAAFB/BMO tenants
- To one of the following:
 - Falcon AFB/Peterson AFB (F/PAFB), CO
 - Kirtland AFB (KAFB), NM
 - March AFB (MAFB), CA
 - Vandenberg AFB (VAFB), CA

SUMMARY

- Stay in place (LAAFB & NAFB area)
 - Quality of life enhanced ?
 - No impact on mission
 - Investment ~~\$269M~~
\$2.8M + 35.5M
(SSB) (BMO)
- Partial Move
 - Quality of life (educational/cultural) degradation
 - Management inefficiencies
 - Mission synergism at VAFB & KAFB
 - Investment \$544M - \$790M
 - Investment \$430M - \$676M with land sale
- Total Move
 - Quality of life (educational/cultural) degradation
 - Mission impacts at all sites
 - Mission synergism at VAFB & KAFB
 - Investment \$844 - \$1,210M
 - Investment \$205M - \$571M with land sale

SSD FISCAL IMPACTS ESTIMATE SUMMARY - PARTIAL RELOCATION

	(TY \$ M)						NO
	MAFB	VAFB	KAFB	PAFB	FAFB	MOVE	
MILCON	172.3	171.6	121.2	159.1	176.0	133.2-828	
MFH	121.3	58.4	2.7	0.0	0.0	110.8	-
TRANS/PCS	27.3	29.2	30.7	31.5	31.5	0.0	0.0
CIV ATTRIT	22.4	22.4	22.4	22.4	22.4	0.0	0.0
COMM	12.4	12.4	12.4	12.4	12.4	0.0	0.0
MISSION TRAVEL	0.4	27.3	9.6	16.8	16.8	0.0	0.0
PERS	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	0.0	0.0
INST SUPP	4.7	(0.7)	(1.2)	(0.4)	(1.4)	0.0	0.0
VHA/BOQ DELTA	(21.8)	(19.9)	(11.9)	(21.8)	(21.8)	-(10.5)	-
CHAMPUS	(6.6)	(7.8)	(8.0)	(8.0)	(8.0)	0.0	0.0
AF TOTAL (91-97)	340.3	290.8	191.8	209.9	225.7	233.5-828	-
AEROSPACE	215.6	249.6	219.4	228.7	228.7	233.5-828	-
TOTAL	545.9	540.4	411.1	438.6	454.4	(25.3)	-
LAND SALE	(113.9)	(113.9)	(113.9)	(113.9)	(113.9)	(113.9)	-
NET TOTAL	432.0	426.5	297.2	324.7	340.5	-233.5	57.5

LAND SALE: LAWNDALE AND PORTIONS OF AREAS A AND B SSDP

FISCAL IMPACTS OF BMO RELOCATION

(TY \$ M)

	<u>MAFB</u>	<u>VAFB</u>	<u>KAFB</u>	<u>PAFB</u>	<u>FAFB</u>	<u>NO MOVE</u>
MILCON	98.0	107.2	52.8	86.0	90.1	30.8
MFH	56.4	26.5	.6	—	—	—
TRANS/PCS	1.0	13.9	15.8	15.5	15.5	—
CIV ATTRIT	.6	2.0	2.0	2.0	2.0	—
COMM	9.0	11.8	12.7	9.0	9.0	4.7
TRAVEL DELTA	—	22.9	—	1.2	1.2	—
UTILITIES	1.6	(3.2)	(2.6)	(2.4)	(3.8)	—
VHA/BOQ DIFF	.9	1.8	(3.3)	(4.2)	(4.2)	—
ADMIN	.3	.3	.3	.3	.3	—
TOTAL (91-97)	<u>167.8</u>	<u>183.2</u>	<u>78.3</u>	<u>107.4</u>	<u>110.1</u>	<u>35.5</u>
SE/TA	26.6	60.8	54.8	55.0	55.0	—
TOTAL (91-97)	<u>194.4</u>	<u>244.0</u>	<u>133.1</u>	<u>162.4</u>	<u>165.1</u>	<u>35.5</u>
LAND SALE	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)	—
TOTAL (91-97)	<u>144.4</u>	<u>194.0</u>	<u>83.1</u>	<u>112.4</u>	<u>115.1</u>	<u>35.5</u>

TITLE 10 USC 2687 IMPACTS FISCAL/BUDGETARY

- TOTAL COST OF RELOCATING SSD & BMO (FY91-97)

	<u>TY \$ M</u>	<u>W/LAND SALE</u>
REMAIN AT LAAFB & NAFB AREA	269.0	269.0
KAFB	843.9	205.2
PAFB	954.1	315.4
FAFB	1034.7	396.0
MAFB	1126.3	487.6
VAFB	1209.9	571.2

SSD FISCAL IMPACTS ESTIMATE SUMMARY - TOTAL RELOCATION

	(TY \$ M)					NO MOVE
	MAFB	VAFB	KAFB	PAFB	FAFB	
MILCON	349.7	365.9	260.7	305.0	396.3	133.2 ^{82.8}
MFH	167.6	89.5	3.2	0.0	0.0	110.8
TRANS/PCS	35.5	37.8	39.5	38.3	38.3	0.0
CIV ATTRIT	32.6	32.6	32.6	32.6	32.6	0.0
COMM	12.4	12.4	12.4	12.4	12.4	0.0
MISSION TRAVEL	0.1	37.9	12.8	25.2	25.2	0.0
PERS	5.0	5.0	5.0	5.0	5.0	0.0
INST SUPP	(14.9)	(22.2)	(22.8)	(21.8)	(23.2)	0.0
VHA/BOQ DELTA	(22.8)	(21.3)	(7.6)	(7.2)	(7.9)	(10.6)
CHAMPUS	(6.4)	(7.7)	(5.3)	(7.7)	(7.6)	0.0
AF TOTAL (91-97)	<u>542.4</u>	<u>513.4</u>	<u>317.7</u>	<u>368.6</u>	<u>457.8</u>	233.5 ^{82.8}
AEROSPACE	<u>389.5</u>	<u>452.5</u>	<u>393.1</u>	<u>423.1</u>	<u>411.8</u>	0.0
TOTAL	931.9	965.9	710.8	791.7	869.6	233.5 ^{82.8}
AF LAND SALE	(462.1)	(462.1)	(462.1)	(462.1)	(462.1)	^(25.3) 0.0
FCRC LAND SALE	(126.6)	(126.6)	(126.6)	(126.6)	(126.6)	0.0
NET TOTAL	<u>343.2</u>	<u>377.3</u>	<u>122.1</u>	<u>203.1</u>	<u>280.9</u>	^{57.5} 233.5

LAND SALE: FT MAC AND HOUSING - 257 MISSION - 205

SSDT

Title 10 USC 2687 Impacts

- Strategic *
- Cannot fulfill SSD mission without Aerospace
- Environmental **
 - Air quality at MAFB
 - Water at VAFB and FAFB
- Local Economic *
 - Does not address industry move as result of SSD move
 - Years to replace jobs lost

* HQ USAF contracted study

** AFRCE contracted study

Title 10 USC 2687 Operational Impacts

PARTIAL RELOCATION OF HQ SSD

- All - Management inefficiencies introduced by split - Mission impact**
- Loss of technical synergism between programs**
- Degraded ability to respond to unscheduled problems**
- No office/special purpose facilities**
- Move phased to MILCON**
- Significant disruption around move period**
- FT MacArthur military housing retained**

F/PAFB - Proximity to AFSPACECOM

- No efficiencies gained in acquisition management**
- Housing available on local economy**

KAFB - Management consolidation of AFSTC and HQ SSD

- Senior officer military family housing required**

MAFB - Military family housing required

VAFB - Military family housing required

NO ACTION - Slight impact

UNCLASSIFIED

NOTIONAL LAAFB CLOSURE SCHEDULE PHASING

PHASE I BOD PHASE II BOD

FY92 FY93 FY94 FY95 FY96 FY97

PEO SPACE SATELLITES

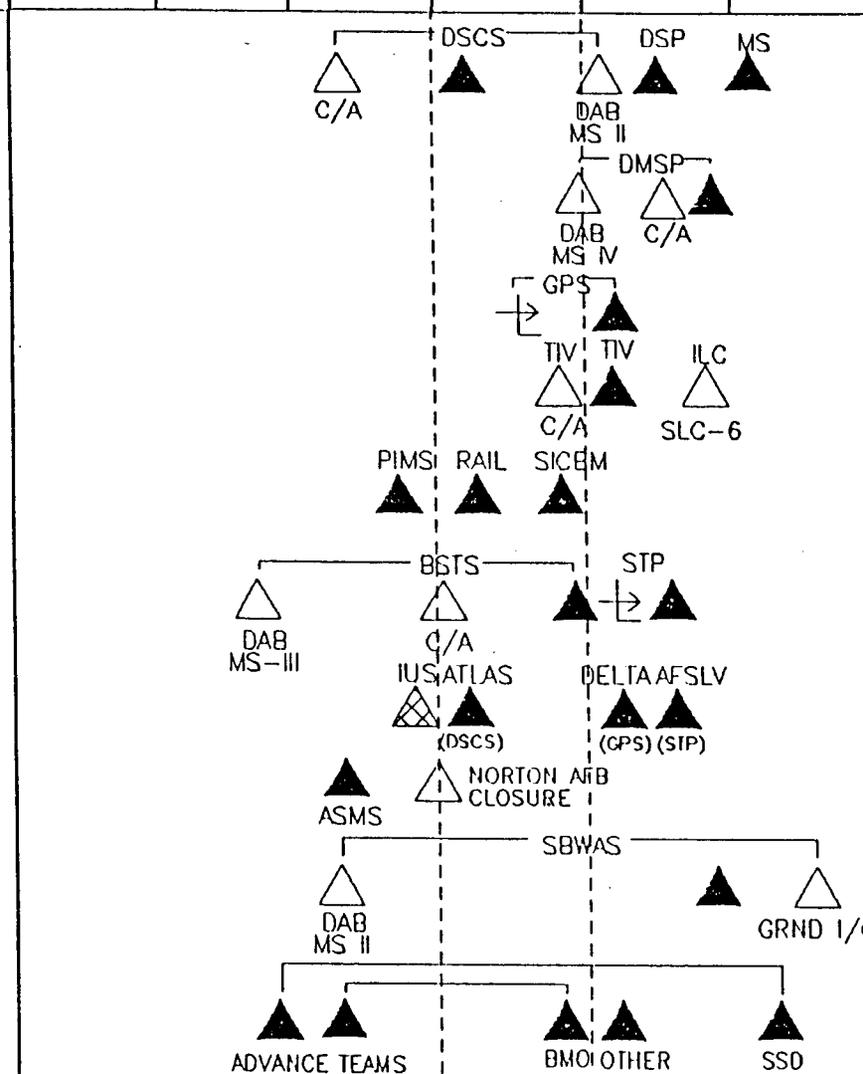
LAUNCH VEHICLE PEO STRATEGIC ICBM

NON MAJOR SATELLITES

LAUNCH VEHICLES ICBM

DEV PLANNING

STAFF/OTHER



- ⤴ Launch Activity
- ▲ Unit Move
- △ Mission Critical Milestone
- ⊠ Terminates in-place

- AFSLV - Air Force Small Launch Vehicle
- ASMS - Advanced Strategic Missile System
- BMO - Ballistic Missile Organization
- BOD - Beneficial Occupancy Date
- BSTS - Boost Surveillance & Tracking System
- C/A - Contract Award
- DAB - Defense Acquisition Board
- DSCS - Defense Satellite Communication System
- DSP - Defense Support Program
- DSMP - Defense Meteorology Satellite Program
- DT&E - Developmental Test & Evaluation
- GRND I/C - Ground Installation & Checkout
- ICBM - Inter Continental Ballistic Missile
- ILC - Initial Launch Capability
- IUS - Inertial Upper Stage
- MS - Miltstar
- MS II/III/IV - Milestone II/III/IV
- PIMS - Peacekeeper in Minuteman Silos
- RAIL - Peacekeeper Rail Garrison Program
- SBWAS - Space Based Wide Area Surveillance
- SICDM - Small ICBM
- SLC-6 - Space Launch Complex 6
- SSD - Space Systems Division
- STP - Space Test Program
- TIV - Titan IV

UNCLASSIFIED

AS OF 13 JUL 90 SCHED.DRW

TITLE 10 USC 2687 IMPACTS OPERATIONAL

ALL - LOSS OF EXPERT TECHNICAL ENGINEERING AND STAFF
PERSONNEL

- MOVE PHASED TO MILCON
- SIGNIFICANT DISRUPTION AROUND MOVE PERIOD
- RETURNS BMO TO BASE ENVIRONMENT

F/PAFB - NO MISSION SYNERGISM

- HOUSING AVAILABLE ON LOCAL ECONOMY

KAFB - MANAGEMENT CONSOLIDATION OF AFSTC AND BMO

- SOME FACILITIES AVAILABLE
- SENIOR OFFICER MILITARY FAMILY HOUSING REQUIRED

MAFB - NO MISSION SYNERGISM

- MILITARY FAMILY HOUSING REQUIRED

VAFB - SYNERGISM WITH BALLISTIC MISSILE TEST

- AIR TRANSPORTATION DEFICIENCIES
- MILITARY FAMILY HOUSING REQUIRED

Title 10 USC 2687 Operational Impacts

PROPOSED - CLOSE LAAFB AND RELOCATE HQ SSD

- All - Significant mission degradation and inefficiencies**
- Loss of expert technical, engineering and staff personnel results in mission change**
- No office/special purpose facilities**
- Move phased to MILCON**
- Significant disruption around move period**
- Air transportation deficiencies**

F/PAFB - Proximity to AFSPACECOM

- No acquisition management efficiencies**
- Housing available on local economy**

KAFB - Management consolidation of AFSTC and HQ SSD

- Senior officer military family housing required**

MAFB - No mission synergism

- Military family housing required**

VAFB - Synergism with ballistic missile test and space launch

- Military family housing required**

ASSUMPTIONS

- MILCON

- DESIGN FUNDS USED IN FY 91
- STREAMLINED PROCESS USED
- BENEFICIAL OCCUPANCY IN TWO PHASES - 1Q 94 AND 1Q 95

- PERSONNEL

- NO CHANGE IN NUMBER OF DIRECT MISSION PERSONNEL
- 40 - 50% OF CIVILIAN GOVERNMENT PERSONNEL EXPECTED TO RELOCATE
- 60 - 85% OF AEROSPACE AND SE/TA PERSONNEL EXPECTED TO MOVE; REMAINDER ARE HIRED

- SPECIAL LEGISLATION

- PROCEEDS OF LAND SALE REVERT TO AF
- FUNDS FOR AEROSPACE AND SE/TA FACILITY CONSTRUCTION

- OTHER

- SALE IN DOWN MARKET
- THE NEW MEXICO GROSS RECEIPTS TAX OF \$50 MILLION PER YEAR OF BUDGET WILL BE REQUIRED TO SUSTAIN NORMALIZED OPERATIONS

Assumptions

(continued)

- Special legislation

- Proceeds of land sale revert to AF**
- Funds for The Aerospace Corporation and SE/TA facility construction**

- Other

- Sale in down market**
- The New Mexico Gross Receipts tax \$155 million per year of RDT&E budget may be required to sustain normalized operations**

Assumptions

- MILCON
 - FY91 design funds used
 - Streamlined process used
 - Beneficial Occupancy in two phases - 1Q FY95 and 1Q FY96
- Personnel
 - No change in number of direct mission personnel
 - 40 - 50% of civilian government personnel expected to relocate
 - 60 - 85% of The Aerospace Corporation and SE/TA personnel expected to move; remainder are hired

I received the attached briefing on "Potential Closure of Los Angeles AFB" while working at the Pentagon in 1990. This study was performed by a team appointed as part of the Base Closure proceeding at that time. The staff officer who gave me the briefing said the handwritten markings on it were put there by the 3-star general Commander at Space and Missile Center (SMC, which was called Space Systems Division in 1990), Los Angeles AFB, CA. He directed that his changes be incorporated before he would allow the package to be submitted to higher headquarters.

On the chart entitled, "SSD Fiscal Impacts Estimate Summary - Total Relocation," the changes affected the "net total" cost line such that the "No Move" option, which the team had evaluated to be \$110M more costly than moving to Kirtland AFB, became instead \$65M less costly.

I assume that the same chain of command was used in the current BRAC that resulted in the recommendation to close Kirtland AFB. By making the internal organizational structure realignment changing Kirtland from an Air Mobility Command base in 1992 to an Air Force Logistics Command (AFLC) base, the Air Force placed responsibility for operating Kirtland AFB in charge of the SMC commander. Since Phillips Lab is the only unit at Kirtland AFB that belongs to SMC or AFLC, from the SMC and AFLC commanders' perspectives, they must pay the costs of operating a base with 20,000 people to keep a 1200 person laboratory. Other Air Force Commands, DoD agencies and the DOE would incur additional expenses by AFMC closing Kirtland, but those costs would not need to be accounted for in the SMC or AFMC analyses leading to decisions on what base to recommend for closure. With only relatively small contingents from various commands stationed at KAFB, no other Air Force major command would complain very loudly at the impact of having to move their units away if AFLC decided to close KAFB. Therefore, there was no chance for intervention at the Pentagon when Air Staff reviewed base closure recommendations. Any base can be set up so that this type of organizational structure "catch 22" will dictate its fate. Any commander who might claim this is not a consideration in making such organizational structure decisions is either incompetent, or a liar, or both.

From a taxpayers viewpoint, Kirtland is an inexpensive base to operate. There is no snow removal expense, air conditioning and heating costs are

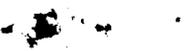
low, there is space to grow, and local labor rates are low. Gen Yates, the AFMC commander, pointed out in 1993 when he was reported by the Albuquerque Journal to have stated that “

KAFB does not pay the monthly average of \$350 of extra housing allowance/civilian pay to every employee that LAAFB pays due to being located in a high cost area. LAAFB is viewed as a hardship tour by military personnel and has always had problems maintaining adequate military manning. LAAFB has very limited military housing located over 30 minutes drive from the base. Employees carpool and ride buses to work with commute times of 1 hour common and some exceeding 2 hours. Kirtland AFB has been overmanned in most career fields for decades and is considered a desirable location with good quality of life by military personnel.

I am confident that the Air Force folks made a good-faith effort at executing their BRAC process properly. However, that process is clearly flawed and outside intervention is now needed to prevent what is clearly a poor decision for the Air Force and the nation.

Even if you are successful in reversing the decision to close Kirtland AFB, the “catch 22” will remain unless a major unit, on the order of SMC, moves to the base.

Document Separator





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

SCHEDULE FOR REGIONAL HEARING

ALBUQUERQUE, NEW MEXICO

April 20, 1995

8:30-8:40 a.m.	Opening remarks	
8:40-9:40 a.m.	New Mexico	60 minutes
9:45-11:15 a.m.	Utah	90 minutes
11:20-11:50 a.m.	Public comment: New Mexico, Utah	
11:50 a.m.-1:00 p.m.	break	
1:00-1:55 p.m.	Colorado	55 minutes
2:00-2:15 p.m.	Public comment: Colorado	

(AS OF 3/21/95)

ALBUQUERQUE REGIONAL HEARING
APRIL 20, 1995

COMMISSIONERS ATTENDING:

Chairman Alan J. Dixon
Commissioner Al Cornella
Commissioner Rebecca Cox
Commissioner S. Lee Kling
Commissioner Benjamin Montoya
Commissioner Josue Robles
Commissioner Wendi Steele

STAFF ATTENDING:

Ben Borden
Frank Cirillo
Madelyn Creedon
J. Kent Eckles
Chris Goode
Shelley Kestner
David Lewis
David Lyles
Wade Nelson
Dierdre Nurre
Jim Owsley
Jim Phillips
Mark Pross
Amy Smith
Charles Smith
Ty Trippet
Chip Walgren
Marilyn Wasleski

ITINERARY

Wednesday, April 19:

6:41PM CT: Commissioners and staff depart Dallas, TX en route Albuquerque, NM:
AA flight 1757.

Al Cornella
Rebecca Cox
Benjamin Montoya
Wendi Steele
Ben Borden
Frank Cirillo
Madelyn Creedon
Chris Goode
Shelley Kestner
David Lewis
David Lyles
Wade Nelson
Jim Owsley
Charlie Smith
Chip Walgren

6:45PM CT: Commissioners depart St. Louis, MO en route Albuquerque, NM:
TWA flight 91.

Alan J. Dixon
S. Lee Kling

7:28PM MT: Commissioners and staff arrive Albuquerque, NM from Dallas, TX:
AA flight 1757.

Al Cornella	La Posada Hotel
Rebecca Cox	La Posada Hotel
Benjamin Montoya	
Wendi Steele	Hyatt Regency Hotel
Ben Borden	La Posada Hotel
Frank Cirillo	Holiday Inn-Pyramid
Madelyn Creedon	La Posada Hotel
Chris Goode	Holiday Inn-Pyramid
Shelley Kestner	Holiday Inn-Pyramid
David Lewis	Holiday Inn-Pyramid
David Lyles	Hyatt Regency Hotel
Wade Nelson	Hyatt Regency Hotel
Jim Owsley	Holiday Inn-Pyramid
Charlie Smith	Hyatt Regency Hotel
Chip Walgren	Holiday Inn Pyramid

8:39PM MT: Commissioners arrive Albuquerque, NM from St. Louis, MO:
TWA flight 91.

Alan J. Dixon
S. Lee Kling

Hyatt Regency Hotel
Hyatt Regency Hotel

RON: Hyatt Regency Hotel
Phone (505) 842-1234

Alan J. Dixon
S. Lee Kling
Wendi Steele
David Lyles
Charles Smith
Wade Nelson

Confirmation #316520
Confirmation #316664
Confirmation #316665
Confirmation #316666
Confirmation #316667
Confirmation #316668

La Posada Hotel
Phone (505) 242-9090

Al Cornella
Rebecca Cox
Ben Borden
Madelyn Creedon
Chip Walgren
Ty Trippet

Confirmation #82029
Confirmation #82028
Confirmation #82030
Confirmation #82031
Confirmation #82032
Confirmation #82033

Thursday, April 20:

6:50AM CT: Joe Robles departs San Antonio, TX en route Albuquerque, NM:
Corporate jet.

7:30AM MT: Joe Robles arrives Albuquerque, NM from San Antonio, TX:
Corporate jet (Cutter Flying Service 505-842-4184).
* Picked up at airport by Deirdre Nurre.

8:30AM to
2:15PM MT: **Albuquerque Regional Hearing.**

3:00PM MT: Rebecca Cox departs Albuquerque, NM en route Orange County, CA:
America West flight 667.

3:30PM MT: Joe Robles departs Albuquerque, NM en route San Antonio, TX:
Corporate jet.

4:30PM MT: Al Cornella departs Albuquerque, NM en route Rapid City, SD
(via Denver):
United flight 488.

5:10PM MT: Lee Kling departs Albuquerque, NM en route Dallas, TX:
Delta flight 1776.

5:14PM PT: Rebecca Cox arrives Orange County, CA from Albuquerque, NM:
America West flight 667.

5:45PM MT: Alan J. Dixon departs Albuquerque, NM en route St. Louis, MO:
TWA flight 200.

5:50PM CT: Joe Robles arrives San Antonio, TX from Albuquerque, NM.

7:45PM CT: Lee Kling arrives Dallas, TX from Albuquerque, NM:
Delta flight 1776.

8:45PM CT: Al Cornella arrives Rapid City, SD from Albuquerque, NM (via Denver):
United flight 7462.

9:02PM CT: Alan J. Dixon arrives St. Louis, MO from Albuquerque, NM:
TWA flight 200.

RON:

**Hyatt Regency Hotel
Phone (505) 842-1234**

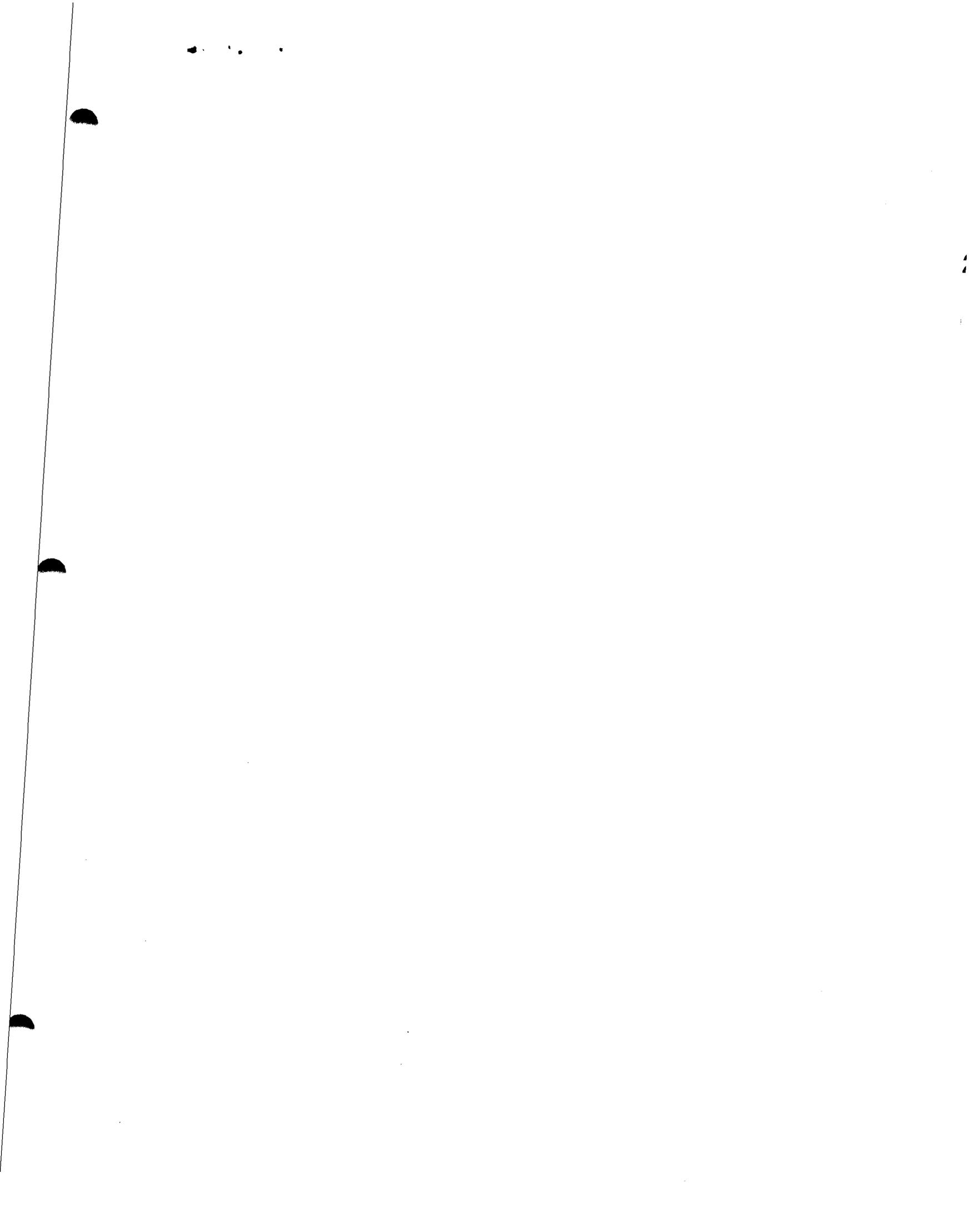
**Wendi Steele
Charles Smith
Wade Nelson**

**Confirmation #316665
Confirmation #316667
Confirmation #316668**

Friday, April 21:

9:22AM MT: Wendi Steele departs Albuquerque, NM en route Houston, TX
(via Dallas):
AA flight 1934.

12:54PM CT: Wendi Steele arrives Houston, TX from Albuquerque, NM (via Dallas):
AA flight 1745.





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

ALAN J. DIXON, CHAIRMAN

COMMISSIONERS:
AL CORNELLA
REBECCA COX
GEN J. B. DAVIS, USAF (RET)
S. LEE KLING
RADM BENJAMIN F. MONTOYA, USN (RET)
MG JOSUE ROBLES, JR., USA (RET)
WENDI LOUISE STEELE

OPENING STATEMENT

CHAIRMAN ALAN J. DIXON

REGIONAL HEARING

Albuquerque, New Mexico

April 20, 1995

GOOD MORNING, LADIES AND GENTLEMEN, AND WELCOME TO THIS REGIONAL HEARING OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION.

MY NAME IS ALAN DIXON AND I AM CHAIRMAN OF THE COMMISSION CHARGED WITH THE TASK OF EVALUATING THE RECOMMENDATIONS OF THE SECRETARY OF DEFENSE REGARDING THE CLOSURE AND REALIGNMENT OF MILITARY INSTALLATIONS IN THE UNITED STATES.

ALSO HERE WITH US TODAY ARE MY COLLEAGUES, COMMISSIONERS AL CORNELLA, REBECCA COX, S. LEE KLING, BEN MONTOYA, WENDI STEELE AND JOE ROBLES.

FIRST LET ME THANK ALL THE MILITARY AND CIVILIAN PERSONNEL WHO HAVE ASSISTED US SO CAPABLY DURING OUR VISITS TO THE MANY BASES REPRESENTED AT THIS HEARING. WE HAVE SPENT MANY DAYS LOOKING AT THE INSTALLATIONS THAT ARE ON THE SECRETARY'S LIST AND ASKING QUESTIONS THAT WILL HELP US MAKE OUR DECISIONS. THE COOPERATION WE'VE RECEIVED HAS BEEN EXEMPLARY. THANKS VERY MUCH.

THE MAIN PURPOSE OF THE BASE VISITS WE HAVE CONDUCTED IS TO ALLOW US TO SEE THE INSTALLATION FIRST-HAND AND TO ADDRESS WITH MILITARY PERSONNEL THE ALL-IMPORTANT QUESTION OF THE MILITARY VALUE OF THE BASE.

IN ADDITION TO THE BASE VISITS, THE COMMISSION IS CONDUCTING A TOTAL OF ELEVEN REGIONAL HEARINGS, OF WHICH TODAY'S IS THE SEVENTH. THE MAIN PURPOSE OF THE REGIONAL HEARINGS IS TO GIVE MEMBERS OF THE COMMUNITIES AFFECTED BY THESE CLOSURE RECOMMENDATIONS A CHANCE TO EXPRESS THEIR VIEWS. WE CONSIDER THIS INTERACTION WITH THE COMMUNITY TO BE ONE OF THE MOST IMPORTANT AND VALUABLE PARTS OF OUR REVIEW OF THE SECRETARY'S RECOMMENDATIONS.

LET ME ASSURE YOU THAT ALL OF OUR COMMISSIONERS AND STAFF ARE WELL AWARE OF THE HUGE IMPLICATIONS OF BASE CLOSURE ON LOCAL COMMUNITIES. WE ARE COMMITTED TO OPENNESS IN THIS PROCESS, AND WE ARE COMMITTED TO FAIRNESS. ALL THE MATERIAL WE GATHER, ALL THE INFORMATION WE GET FROM THE DEPARTMENT OF DEFENSE, ALL OF OUR CORRESPONDENCE IS OPEN TO THE PUBLIC.

WE ARE FACED WITH AN UNPLEASANT AND PAINFUL TASK, WHICH WE INTEND TO CARRY OUT AS SENSITIVELY AS WE CAN. AGAIN, THE KIND OF ASSISTANCE WE'VE RECEIVED HERE IS GREATLY APPRECIATED.

NOW LET ME TELL YOU HOW WE WILL PROCEED HERE TODAY, AND AT ALL OUR REGIONAL HEARINGS.

THE COMMISSION HAS ASSIGNED A BLOCK OF TIME TO EACH STATE AFFECTED BY THE BASE CLOSURE LIST. THE OVERALL AMOUNT OF TIME WAS DETERMINED BY THE NUMBER OF INSTALLATIONS ON THE LIST AND THE AMOUNT OF JOB LOSS. THE LIMITS WILL BE ENFORCED STRICTLY.

WE NOTIFIED THE APPROPRIATE ELECTED OFFICIALS OF THIS PROCEDURE AND LEFT IT UP TO THEM, WORKING WITH THE LOCAL COMMUNITIES, TO DETERMINE HOW TO FILL THE BLOCK OF TIME.

THIS MORNING, IT IS OUR INTENTION TO LISTEN TO TESTIMONY FROM THE STATES OF NEW MEXICO AND UTAH FOR A TOTAL OF 150 MINUTES.

AT THE END OF THE MORNING PRESENTATIONS, WE HAVE SET ASIDE A PERIOD OF 30 MINUTES FOR PUBLIC COMMENT, AT WHICH MEMBERS OF THE PUBLIC MAY SPEAK. WE HAVE PROVIDED A SIGN-UP SHEET FOR THIS PORTION OF THE HEARING AND HOPE THAT ANYONE WHO WISHES TO SPEAK HAS ALREADY SIGNED UP. WE WOULD ASK THOSE OF YOU SPEAKING AT THAT TIME TO LIMIT YOURSELVES TO TWO MINUTES.

AFTER THE LUNCH BREAK AND BEGINNING AT 1 P.M., WE WILL HEAR FROM THE STATE OF COLORADO FOR 55 MINUTES, AFTER WHICH WE WILL AGAIN HAVE A 15-MINUTE PERIOD FOR PUBLIC COMMENT.

LET ME ALSO SAY THAT THE BASE CLOSURE LAW HAS BEEN AMENDED SINCE 1993 TO REQUIRE THAT ANYONE GIVING TESTIMONY BEFORE THE COMMISSION DO SO UNDER OATH, AND SO I WILL BE SWEARING IN WITNESSES, AND THAT WILL INCLUDE INDIVIDUALS WHO SPEAK IN THE PUBLIC COMMENT PORTION OF THE HEARING.

WITH THAT, I BELIEVE WE ARE READY TO BEGIN.



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

WITNESSES' OATH

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?



NEW MEXICO TABLE OF CONTENTS

**ALBUQUERQUE, NM REGIONAL HEARING
THURSDAY, APRIL 20, 1995**

STATE MAP

KIRTLAND AFB

- Facility Summary Sheet
- DoD Recommendations and Justifications
- Staff Visit Report

STATE CLOSURE HISTORY

Question for Albuquerque Regional Hearing submitted by Deirdre Nurre at the request of David Lyles regarding air quality at Kirtland.

To Albuquerque delegation representing Kirtland Air Force Base:

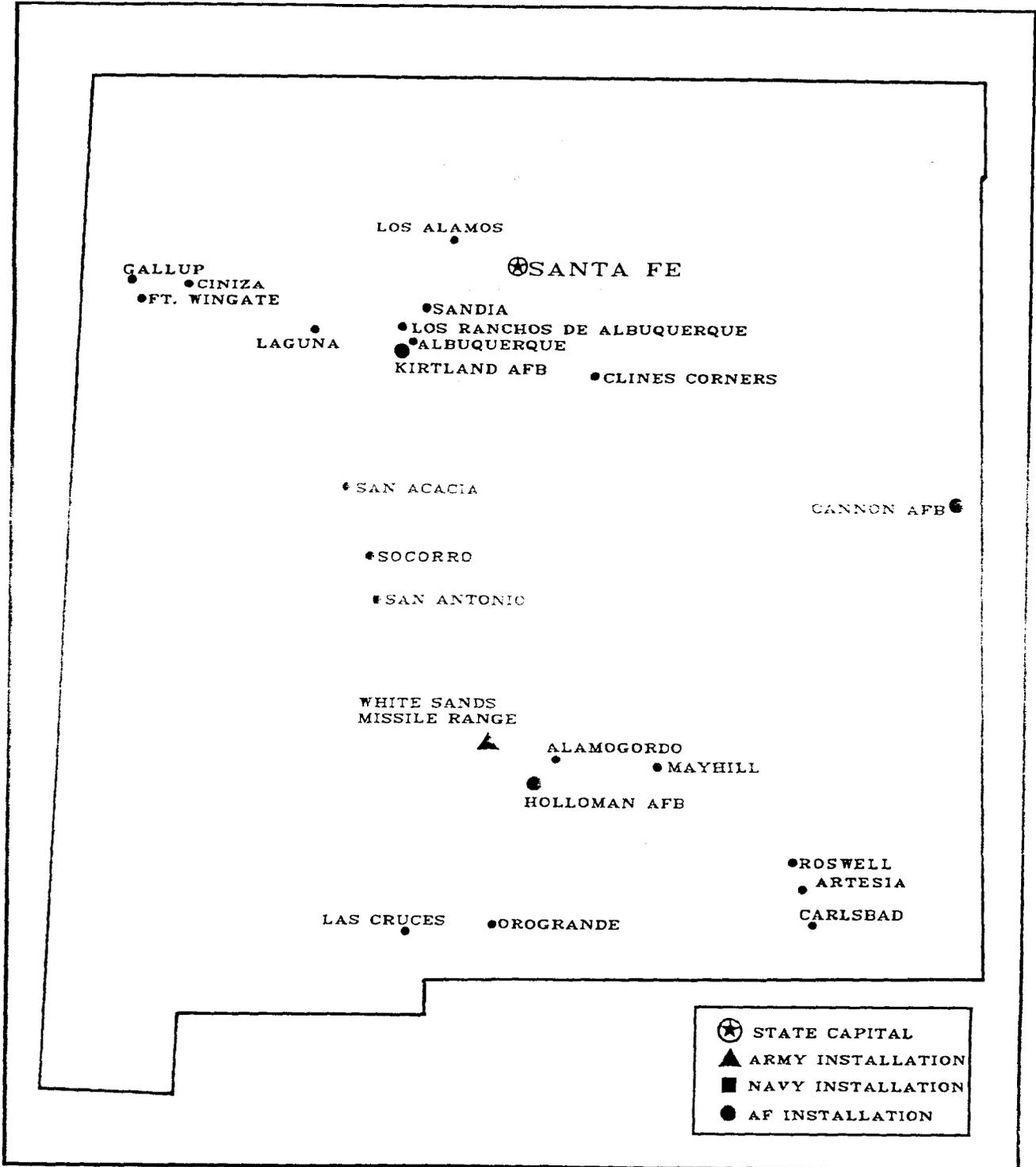
In defense of the air quality at Kirtland AFB, the New Mexico congressional delegation recently obtained confirmation from the U.S. EPA that "there is substantial room for growth" at Kirtland.

What information did US EPA consult to make this evaluation?

Will the EPA's opinion exempt possible growth at Kirtland AFB from conformity determination requirements under the Clean Air Act?

MAP NO. 32

NEW MEXICO



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



1995 DoD Recommendations and Justifications

Kirtland Air Force Base, New Mexico

Recommendation: Realign Kirtland AFB. The 58th Special Operations Wing will relocate to Holloman AFB, New Mexico. The AF Operational Test and Evaluation Center (AFOTEC) will relocate to Eglin AFB, Florida. The AF Office of Security Police (AFOSP) will relocate to Lackland AFB, Texas. The AF Inspection Agency and the AF Safety Agency will relocate to Kelly AFB, Texas. The Defense Nuclear Agency (DNA) will relocate to Kelly AFB, Texas (Field Command) and Nellis AFB, Nevada (High Explosive Testing). Some DNA personnel (Radiation Simulator operations) will remain in place. The Phillips Laboratory and the 898th Munitions Squadron will remain in cantonment. The AFRES and ANG activities will remain in existing facilities. The 377th ABW inactivates and all other activities and facilities at Kirtland AFB, including family housing will close. Air Force medical activities located in the Veterans Administration Hospital will terminate.

Justification: As an installation, Kirtland AFB rated low relative to other bases in the Laboratory and Product Center subcategory when all eight selection criteria were considered. The Laboratory Joint Cross-Service Group, however, gave the Phillips Laboratory operation a high functional value. This realignment will close most of the base, but retain the Phillips Laboratory, which has a high functional value and the 898th Munitions Squadron, which is not practical to relocate. Both of these activities are capable of operating with minimal military support. Also, the Sandia National Laboratory can be cantoned in its present location. This approach reduces infrastructure and produces significant annual savings, while maintaining those activities essential to the Air Force and the Department of Defense.

Return on Investment: The total estimated one-time cost to implement this recommendation is \$277.5 million. The net of all costs and savings during the implementation period is a cost of \$158.8 million. Annual recurring savings after implementation are \$62 million with a return on investment expected in three years. The net present value of the costs and savings over 20 years is a savings of \$464.5 million.

Impacts: Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 11,916 jobs (6,850 direct jobs and 5,066 indirect jobs) over the 1996-to-2001 period in the Bernallio County, New Mexico economic area, which is 3.6 percent of the economic area's employment. Environmental impact from this action is minimal and ongoing restoration of Kirtland AFB will continue.

STAFF VISIT REPORT

KIRTLAND AIR FORCE BASE

MARCH 23-24, 1995

COMMISSION STAFF:

Madelyn Creedon
Mark Pross
Frank Cantwell

LIST OF ATTENDEES:

Col Sanchez, 377 ABW/CV
Col Murdock, AF Inspection Agency/CC
Col Killeen, AF Security Police Agency/CC
Capt Lippincott, Field Command/DNA/Deputy
Dr. Good, Phillips Laboratory/Executive Director
Col Curry, SA-ALC Nuclear Weapons Integration/Chief
Col Farage, 58th SOW/Commander
Dr. Narath, Sandia National Laboratories/President
Mr. Culpepper, DOE Field Office/Albuquerque/Deputy Mgr
Col Muldrow, AFOTEC/CV

BASE'S PRESENT MISSION:

Kirtland Air Force Base is an Air Force Materiel Command Base. It is the home of the Phillips Laboratory, 58th Special Operations Wing (H/MC-130, HH-60, UH-1, and T/MH-53), 150th Fighter Group (18 F-16C/D and 1 C-26B), AFOTEC, Air Force Inspection Agency, Air Force Safety Agency, Air Force Security Police Agency, Field Command (Defense Nuclear Agency), and 377th Air Base Wing. Sandia National Laboratory is also located on Kirtland AFB.

DOD RECOMMENDATION: Realign Kirtland Air Force Base.

- 58th SOW will relocate to Holloman AFB.
- Air Force Operational Test and Evaluation Center will relocate to Eglin AFB.
- AF Office of Security Police will relocate to Lackland AFB.
- AF Inspection Agency will move to Kelly AFB.
- AF Safety Agency will relocate to Kelly AFB.
- Defense Nuclear Agency (DNA) will move Field Command activities to Kelly AFB.
- DNA will move High Explosive Testing to Nellis AFB.
- DNA's Radiation Simulator activities will remain in-place.

- Phillips Laboratory will remain in a cantonment area.
- 898th Munitions Squadron will remain in-place.
- AFRES and ANG activities will remain in-place.
- Air Force medical activities in the VA Hospital will terminate.
- Sandia National Laboratory will be remain in-place.

DOD JUSTIFICATION:

- Kirtland AFB rated low relative to other bases in the Laboratory and Product Center subcategory.
- Because the Laboratory Joint Cross-Service Group rated Phillips Laboratory a high functional value, the Air Force is recommending it remain in a cantonment area.
- High Net Present Value -- \$467M Savings.

MAIN FACILITIES REVIEWED:

Phillips Laboratory
 58th SOW
 Sandia Laboratory
 Field Command, DNA
 Kirtland Underground Munitions Storage Center
 Air Force Operational Test and Evaluation Center
 377th Air Base Wing

KEY ISSUES IDENTIFIED:

- * Phillips Laboratory
 - Leadership at Phillips Laboratory is reviewing the manpower requirements for AF military personnel that need to remain at Kirtland after the realignment.
 - Operational concept of Phillips Laboratory activities and support after the realignment is unclear.
 - There is concern about the status of the manning for Space and Missile Systems Center Test and Evaluation Directorate.
- * 58th SOW:
 - New location of the 58th at Holloman AFB is undetermined.
 - There is a potential concern that there will be a lack of adequate helicopter landing sites for training.
 - It is estimated that the simulators will be "down" approximately one year in order to move.
- * Sandia Laboratory:
 - Air Force did not calculate the additional operating costs to DOE/Sandia Laboratory for a Kirtland realignment.

- Sandia leadership is concerned that its mission may be negatively impacted by Kirtland realignment.
- * Field Command, Defense Nuclear Agency:
 - Field Command leadership can perform its mission from Kelly AFB, but feel synergy between them and the Sandia Lab will be lost.
 - It appears the Interservice Nuclear Weapon School (INWS) will not be able to relocate to Kelly AFB as planned because of its requirement to use nuclear material.
 - DNA is considering placing Technical On-Site Inspection (TOSI) facility (27 acres) in a cantonment area rather than relocating.
- * Kirtland Underground Munitions Storage Center (KUMSC):
 - AF is considering completely civilianizing the activities or leaving a small military contingent to direct the activities.
 - Either selection may result in an increase in expected operating costs and increased safety concerns.
- * Air Force Security Police Agency (AFSPA):
 - Initial indications are that the pre-planned site at Kelly AFB for AFSPA may be unavailable, and that the AF may have to build facilities for it.

REQUESTS FOR STAFF AS A RESULT OF VISIT:

- * April 18 Base Visit needs to be approximately 8 hours.
- * Staff needs to look at all the Air Force site surveys associated with Kirtland realignment.
- * Staff needs to calculate all the costs associated with the Kirtland realignment.

Frank Cantwell

CLOSURE HISTORY - INSTALLATIONS IN NEW MEXICO

05-Apr-95

SVC	INSTALLATION NAME	ACTION YEAR	ACTION SOURCE	ACTION STATUS	ACTION SUMMARY	ACTION DETAIL
A	FORT WINGATE DEPOT ACTIVITY	88	DEFBRAC	COMPLETE	CLOSE	1988 DEFBRAC: Close; completed FY 93; pending disposal
	WHITE SANDS MISSILE RANGE	91	DBCRC	ONGOING	REALGNDN	Realign activities to Hawthorne Army Ammunition Plant, NV; completed FY 93 1991 DBCRC: Realign Battlefield Environment Effects element of the Atmospheric Science Laboratory to Adelphi Laboratory Center, MD; scheduled FY 97
AF	CANNON AFB	88/91	DEFBRAC/DBCRC	ONGOING	REALGNUP	1988 DEFBRAC: Directed move of the 366th Tactical Fighter Wing (F-11A/E) from Closing George AFB, CA to Cannon AFB to collocate all U.S. based F-111 with a similar mission at a single base. 1991 DBCRC: Directed realigning the EF-111s from Realigning Mountain Home AFB, ID to Cannon AFB.
	HOLLOMAN AFB					
	KIRTLAND AFB	88/90	DEFBRAC/PRESS	ONGOING	REALGNUP	1988 DEFBRAC: Directs transfer of the Air Force Inspection and Safety Center from Closing Norton AFB, CA to Kirtland AFB. 1990 Press Release indicated realignment. No specifics given.
N	NAV WEAPONS EVAL FACILITY ALBUQUERQUE	91/93	DBCRC	CLOSED	REALIGN	1991 DBCRC: Recommended closure as part of the Naval Air Warfare Center, Weapons Division. 1993 DBCRC: Directed the closure of the Naval Weapons Evaluation Facility; however, permitted a small detachment of the Weapons Division to remain in order to provide liaison with DOE.



UTAH

90 minutes

ALBUQUERQUE, NM REGIONAL HEARING SCHEDULE OF WITNESSES

9:45-9:50AM	5 minutes	Governor Leavitt
9:50-10:25AM	35 minutes	Maj. Gen. Mike Pavitch (USAF-Ret.) Defense Distribution Depot, Ogden, UT
10:25-10:30AM	5 minutes	Congressman Hansen
10:30-10:55AM	25 minutes	Gen. Matthews (USA-Ret.) Dugway Proving Ground, UT
10:55-11:10AM	15 minutes	Maj. Gen. Mike Pavitch (USAF-Ret.) Hill AFB
11:10-11:15AM	5 minutes	Senator Orrin Hatch

UTAH

Defense Distribution Depot Ogden

1. The Defense Logistics Agency has excess capacity in its Distribution Depots. They have recommended the closure of the depot at Ogden. What unique Military Value does the depot at Ogden provide to the Department of Defense?
2. In your view, is there any unique mission that the depot currently performs that would be extremely difficult to transfer and duplicate? What makes the mission unique?
3. Are there any specialized manpower skills which would be lost to the Department of Defense if the depot were to close?

Dugway Proving Ground

1. How critical is English Village in the support of Dugway's test and evaluation missions?
2. What is your assessment of the military value of English Village and what functions would have to be relocated within Dugway if the Village is closed?
3. Has an analysis been done that addresses the cost and benefits of closing English Village?
4. What success has the Utah National Guard had in getting approval to take over the operation of English Village?

Ogden Air Logistics Center Hill Air Force Base

1. The Air Force and DOD have recommended downsizing workloads at all five ALC's as a substitute for one or two depot closures. To achieve savings, depot work will be "reengineered" to free up excess space. In addition, depots will take a 15 percent reduction in personnel as a benefit of streamlined operations resulting from the "reengineered" workload. In your view, is it realistic to assume that "reengineered" workload configurations will produce a 15 percent reduction in

personnel requirements? How will the 15 percent reduction make your operations more efficient and produce the savings cited by the Air Force?

2. The Air Force has significantly downsized the operations of its ALC's over the past several years. How is the proposed ALC downsize in place recommendation to the Commission any different than past Air Force downsizing actions?

3. In your view, would the existing infrastructure (i.e., buildings and equipment) be sufficient to support a significantly larger volume of work than the ALC's are now assigned?

4. The community supporting Hill Air Force Base has suggested that DOD's tactical missile maintenance workloads should be consolidated at the Ogden Air Logistics Center rather than the Letterkenny Army Depot. Does the Ogden center have personnel, equipment, and buildings available to maintain and store both tactical and strategic missiles? If not, what additional personnel and MILCON would be required?

UTAH TABLE OF CONTENTS

**ALBUQUERQUE, NM REGIONAL HEARING
THURSDAY, APRIL 20, 1995**

STATE MAP

HILL AFB

- Facility Summary Sheet
- DoD Recommendations and Justifications

DEFENSE DISTRIBUTION DEPOT, OGDEN

- Facility Summary Sheet
- DoD Recommendations and Justifications

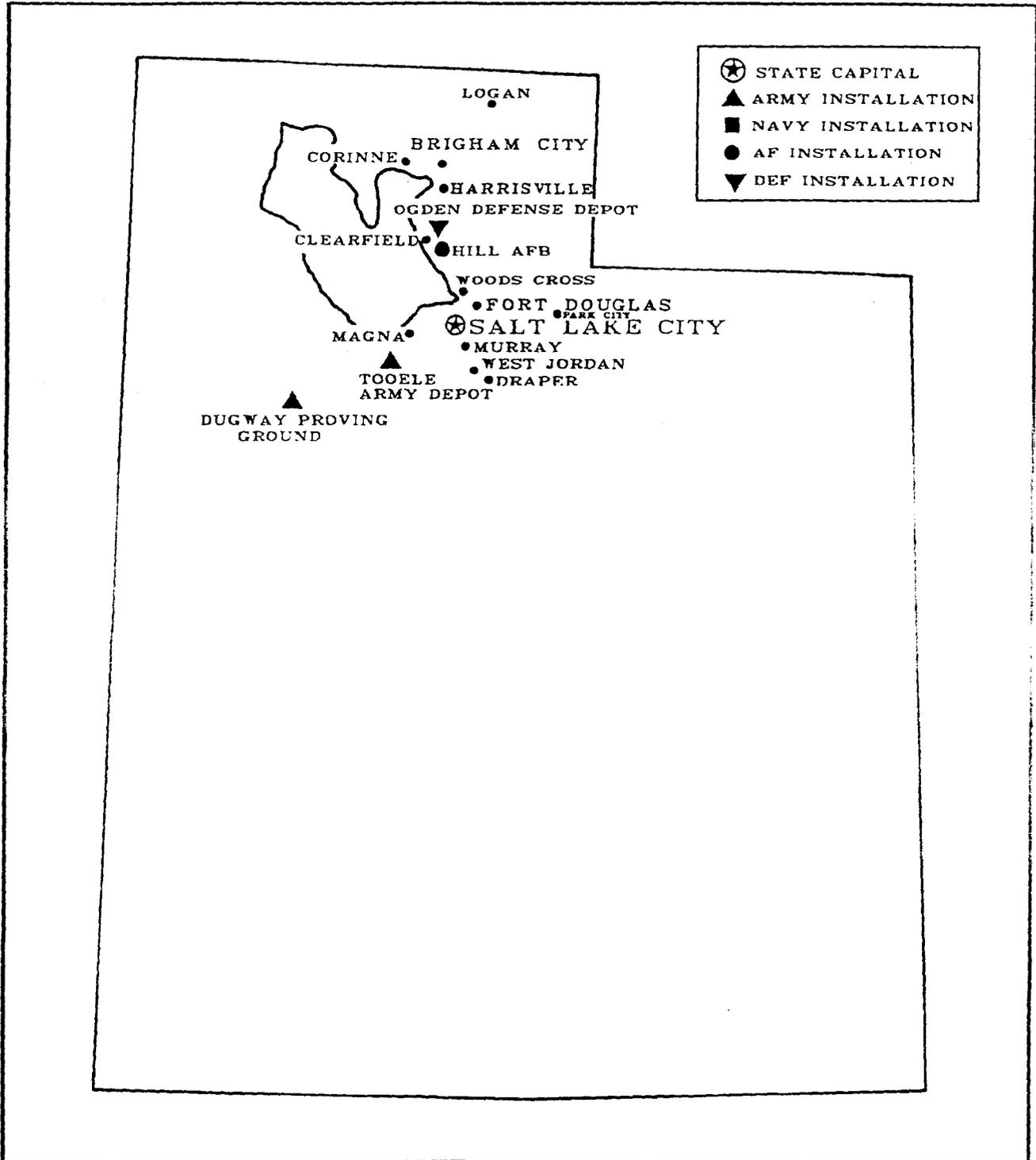
DUGWAY PROVING GROUND

- Facility Summary Sheet
- DoD Recommendations and Justifications

STATE CLOSURE HISTORY

MAP NO. 45

UTAH



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

1995 DoD Recommendations and Justifications

Hill Air Force Base, Utah

Recommendation: Realign Hill AFB, Utah. The permanent Air Force Materiel Command (AFMC) test range activity at Utah Test and Training Range (UTTR) will be disestablished. Management responsibility for operation of the UTTR will transfer from AFMC to Air Combat Command (ACC). Personnel, equipment and systems required for use by ACC to support the training range will be transferred to ACC. Additional AFMC manpower associated with operation of the range will be eliminated. Some armament/weapons Test and Evaluation (T&E) workload will transfer to the Air Force Development Test Center (AFDTC), Eglin AFB, Florida, and the Air Force Flight Test Center (AFFTC), Edwards AFB, California.

Justification: Most of the current T&E activities can be accomplished at other T&E activities (AFFTC and AFDTC). Disestablishing the AFMC test range activities and transferring the range to ACC will reduce excess T&E capacity within the Air Force. Retaining the range as a training range will preserve the considerable training value offered by the range and is consistent with the current 82 percent training use of the range. Retention of the range as a training facility will also allow large footprint weapons to undergo test and evaluation using mobile equipment.

Return on Investment: The total estimated one-time cost to implement this recommendation is \$3.2 million. The net of all costs and savings during the implementation period is a savings of \$62.4 million. Annual recurring savings after implementation are \$12.4 million with an immediate return on investment. The net present value of the costs and savings over 20 years is a savings of \$179.9 million.

Impacts: Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 168 jobs (104 direct jobs and 64 indirect jobs) over the 1996-to-2001 period in the Tooele County, Utah economic area, which is 1.3 percent of the economic area's employment. The cumulative economic impact of all BRAC 95 recommendations and all prior-round BRAC actions in the economic area over the 1994-to-2001 period could result in a maximum potential decrease equal to 36.6 percent of employment in the economic area. Environmental impact from this action is minimal and ongoing restoration of the UTTR will continue.

1995 DoD Recommendations and Justifications

Air Logistics Centers

Recommendation: Realign the Air Logistics Centers (ALC) at Hill AFB, Utah; Kelly AFB, Texas; McClellan AFB, California; Robins AFB, Georgia; and Tinker AFB, Oklahoma. Consolidate the followings workloads at the designated receiver locations:

<u>Commodity/Workload</u>	<u>Receiving Locations</u>
Composites and plastics	SM-ALC, McClellan AFB
Hydraulics	SM-ALC, McClellan AFB
Tubing manufacturing	WR-ALC, Robins AFB
Airborne electronic automatic equipment software	WR-ALC, Robins AFB, OC-ALC, Tinker AFB, OO-ALC, Hill AFB
Sheet metal repair and manufacturing	OO-ALC, Hill AFB, WR-ALC, Robins AFB
Machining manufacturing	OC-ALC, Tinker AFB, WR-ALC, Robins AFB
Foundry operations	SA-ALC, Kelly AFB, OO-ALC, Hill AFB
Instruments/displays	SM-ALC, McClellan AFB (some unique work remains at OO-ALC, Hill AFB and WR-ALC, Robins AFB)
Airborne electronics	WR-ALC, Robins AFB, OC-ALC, Tinker AFB, OO-ALC, Hill AFB
Electronic manufacturing (printed wire boards)	WR-ALC, Robins AFB
Electrical/mechanical support equipment	SM-ALC, McClellan AFB
Injection molding	SM-ALC, McClellan AFB
Industrial plant equipment software	SA-ALC, Kelly AFB
Plating	OC-ALC, Tinker AFB, OO-ALC, Hill AFB, SA-ALC, Kelly AFB, WR-ALC, Robins AFB

Move the required equipment and any required personnel to the receiving location. These actions will create or strengthen Technical Repair Centers at the receiving locations in the respective commodities. Minimal workload in each of the commodities may continue to be performed at the other ALCs as required.

Justification: Reductions in force structure have resulted in excess depot maintenance capacity across Air Force depots. The recommended realignments will consolidate production lines and move workload to a minimum number of locations, allowing the reduction of personnel, infrastructure, and other costs. The net effect of the realignments is to transfer approximately 3.5 million direct labor hours and to eliminate 37 product lines across the five depots. These actions will allow the Air Force to demolish or mothball facilities, or to make them available for use by other agencies. These consolidations will reduce excess capacity, enhance efficiencies, and produce substantial cost savings without the extraordinary one-time costs associated with closing a single depot.

This action is part of a broader Air Force effort to downsize, reduce depot capacity and infrastructure, and achieve cost savings in a financially prudent manner consistent with mission requirements. Programmed work reductions, downsizing through contracting or transfer to other Service depots, and the consolidation of workloads recommended above result in the reduction of real property infrastructure equal to 1.5 depots, and a reduction in manhour capacity equivalent to about two depots. The proposed moves also make available over 25 million cubic feet of space to the Defense Logistics Agency for storage and other purposes, plus space to accept part of the Defense Nuclear Agency and other displaced Air Force missions. This approach enhances the cost effectiveness of the overall Department of Defense's closure and realignment recommendations. The downsizing of all depots is consistent with DoD efforts to reduce excess maintenance capacity, reduce cost, improve efficiency of depot management, and increase contractor support for DoD requirements.

Return on Investment: The total estimated one-time cost to implement this recommendation is \$183 million. The net of all costs and savings during the implementation period is a savings of \$138.7 million. Annual recurring savings after implementation are \$89 million with a return on investment expected in two years. The net present value of the costs and savings over 20 years is a savings of \$991.2 million.

TINKER

Impacts: Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 3,040 jobs (1,180 direct jobs and 1,860 indirect jobs) over the 1996-to-2001 period in the Oklahoma City, Oklahoma Metropolitan Statistical Area, which is 0.5 percent of the economic area's employment. The cumulative economic impact of all BRAC 95 recommendations and all prior-round BRAC actions in the economic area over the 1994-to-2001 period could result in a maximum potential decrease equal to 0.3 percent of employment in the economic area. Environmental impact from this action is minimal and ongoing restoration of Tinker AFB will continue.

ROBINS

Impacts: Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 1,168 jobs (534 direct jobs and 634 indirect jobs) over the 1996-to-2001 period in the Macon, Georgia Metropolitan Statistical Area, which is 0.7 percent of the economic area's employment. The cumulative economic impact of all BRAC 95 recommendations and all prior-round BRAC actions in the economic area over the 1994-to-2001 period could result in a

maximum potential decrease equal to 0.7 percent of employment in the economic area. Environmental impact from this action is minimal and ongoing restoration of Robins AFB will continue.

KELLY

Impacts: Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 1,446 jobs (555 direct jobs and 891 indirect jobs) over the 1996-to-2001 period in the San Antonio, Texas Metropolitan Statistical Area, which is 0.2 percent of the economic area's employment. The cumulative economic impact of all BRAC 95 recommendations, including the relocation of some Air Force activities into the San Antonio area, and all prior-round BRAC actions in the economic area over the 1994-to-2001 period could result in a maximum potential decrease equal to 0.9 percent of employment in the economic area. Environmental impact from this action is minimal and ongoing restoration will continue.

McCLELLAN and HILL

Impacts: The recommendations pertaining to consolidations of workloads at these two centers are not anticipated to result in employment losses or significant environmental impact.

1995 DoD Recommendations and Justifications

Defense Distribution Depot Ogden, Utah (DDOU)

Recommendation: Close Defense Distribution Depot Ogden, Utah, except for a 36,000 square foot cantonment for Army Reserve personnel. Material remaining at DDOU at the time of closure will be relocated to optimum storage space within the DoD Distribution System. As a result of the closure of DDOU, all DLA activity will cease at this location and DDOU will be excess to DLA needs.

Justification: The Defense Distribution Depot Ogden is a Stand-Alone Depot that supports the two large east and west coast depots and is used primarily for storage capability and local area demand. It is also the host for the Ogden complex. The decision to close the Ogden depot was based on declining storage requirements and capacity estimates for FY 01 and on the need to reduce infrastructure within the Agency.

Ogden tied for third place out of the six Stand-Alone Depots in the military value analysis. The higher scores for the Susquehanna and San Joaquin distribution depots in this analysis removed them from further consideration for closure. The variance of only 37 points out of a possible 1,000 between the third and sixth place depots in military value ranking for this category reinforced the importance of compliance with the DLA BRAC 95 Decision Rules and military judgment in the decision-making process.

A further consideration was DLA's desire to minimize distribution infrastructure costs. Closure of an entire installation will allow DLA to reduce infrastructure significantly more than disestablishment of a tenant depot (DDCO at Columbus, OH, and DDRV at Richmond, VA). The Ogden depot was rated five of six in the Military Value Installation analysis. The Columbus installation ranked the highest. The facilities at Richmond are the best maintained of any in DLA. Both Columbus and Richmond take advantage of the synergy of a collocated Inventory Control Point. This action conforms to the DLA Decision Rules to maximize the use of shared overhead and make optimum use of retained DLA-operated facilities while closing an installation.

In addition, the Strategic Analysis of Integrated Logistics Systems (SAILS) model optimized system-wide costs for Distribution when Ogden and Memphis were the two Stand-Alone Depots chosen for closure. Sufficient throughput and storage capacity are available in the remaining depots to accommodate projected workload. Closing the Ogden depot is consistent with the DLA BRAC 95 Decision Rules and the Distribution Concept of Operations. Military judgment determined that it is in the best interest of DLA and DoD to close DDOU.

Return on Investment: The total estimated one-time cost to implement this recommendation is \$110.8 million. The net of all costs and savings during the implementation period is a cost of \$27.8 million. Annual recurring savings after implementation are \$21.3 million with a return on

investment expected in four years. The net present value of the costs and savings over 20 years is a savings of \$180.9 million.

Impacts: Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 2,947 jobs (1,113 direct jobs and 1,834 indirect jobs) over the 1996-to-2001 period in the Salt Lake City-Ogden, Utah Metropolitan Statistical Area, which is 0.4 percent of the area's employment. The cumulative economic impact of all BRAC 95 recommendations and all prior-round BRAC actions in the area over the 1994-to-2001 period could result in a maximum potential decrease equal to 0.3 percent of the employment in the area.

The Executive Group determined that the receiving community could absorb the additional forces, missions, and personnel proposed and that environmental considerations do not prohibit this recommendation from being implemented.

1995 DoD Recommendations and Justifications

Dugway Proving Ground, Utah

Recommendation: Realign Dugway Proving Ground by relocating the smoke and obscurant mission to Yuma Proving Ground, AZ, and some elements of chemical/biological research to Aberdeen Proving Ground, MD. Dispose of English Village and retain test and experimentation facilities necessary to support Army and DoD missions.

Justification: Dugway is low in military value compared to other proving grounds. Its test facilities conduct both open air and laboratory chemical/biological testing in support of various Army and DoD missions. The testing is important as are associated security and safety requirements. However, this recommendation enables the Army to continue these important missions and also reduce costly overhead at Dugway.

Yuma can assume Dugway's programmed smoke and obscurant testing. Aberdeen Proving Ground can accept the laboratory research and development portion of the chemical/biological mission from Dugway, since it is currently performing chemical and biological research in facilities that carry equivalent bio/safety levels. Open air and simulant testing missions will remain at Dugway.

The State of Utah has expressed an interest in using English Village and associated firing and training ranges at Dugway for the National Guard, including the establishment of an artillery training facility.

Return on Investment: The total one-time cost to implement this recommendation is \$25 million. The net of all costs and savings during the implementation period is a savings of \$61 million. Annual recurring savings after implementation are \$26 million with an immediate return on investment. The net present value of the costs and savings over 20 years is a savings of \$307 million.

Impacts: Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 1,715 jobs (1,096 direct jobs and 619 indirect jobs) over the 1996-to-2001 period in the Tooele County, UT economic area, which represents 13.0 percent of the area's employment.

The cumulative economic impact of all BRAC 95 recommendations and all prior-round BRAC actions in this area over the 1994-to-2001 period could result in a maximum potential decrease equal to 36.6 percent of employment in the area. There are no known environmental impediments at the realigning or receiving installations.

CLOSURE HISTORY - INSTALLATIONS IN COLORADO

05-Apr-95

SVC	INSTALLATION NAME	ACTION YEAR	ACTION SOURCE	ACTION STATUS	ACTION SUMMARY	ACTION DETAIL
A	BENNETT ARMY NATIONAL GUARD FACILITY	88	DEFBRAC	COMPLETE	CLOSE	1988 DEFBRAC: Close; completed FY 92; pending disposal
	FITZSIMONS ARMY MEDICAL CENTER					
	FORT CARSON	88/91/93	DEFBRAC/DBCRC	ONGOING	REALGNUP	1988 DEFBRAC: Headquarters, Sixth Army realigned from the Presidio of San Francisco, CA (Changed to remain at the Presidio of San Francisco by 1993 Defense Base Closure Commission) Sixth Army Aviation Detachment realigned from Hamilton Army Airfield, CA (Changed to Fort Lewis, WA as part of reorganization of all fixed wing assets under the "Hub Concept") Reserve Component Pay Input Station realigned from Fort Douglas, UT; unit inactivated FY 93 1991 DBCRC: 10th Special Forces Group realigned from Fort Devens, MA; scheduled FY 94-95
	PUEBLO ARMY DEPOT ACTIVITY	88/93	DEFBRAC/DBCRC	COMPLETE	REALGNDN	1988 DEFBRAC: Realign to maximum extent possible to facilitate closure as soon as chemical demilitarization mission is complete (scheduled FY 98-04); completed FY 95 Realign supply mission to Tooele Army Depot. UT (Changed by 1993 Defense Base Closure Commission) Realign ammunition mission to Red River Army Depot, TX; scheduled FY 92-94 1993 DBCRC: Realign the supply mission to Red River Army Depot--the location determined by the Defense Logistics Agency (Change to 1988 SECDEF Commission recommendation); scheduled FY 94-95
	ROCKY MOUNTAIN ARSENAL					
AF	BUCKLEY AGB					

CLOSURE HISTORY - INSTALLATIONS IN COLORADO

05-Apr-95

SVC	INSTALLATION NAME	ACTION YEAR	ACTION SOURCE	ACTION STATUS	ACTION SUMMARY	ACTION DETAIL
	CHEYENNE MOUNTAIN AFB					
	FALCON AFB					
	LOWRY AFB	88/91	DEFBRAC/DBCRC	COMPLETE	CLOSE/9-94	<p>1988 DEFBRAC: Directed relocations of major units and related support activities of the 3330th Technical Training Wing to existing training activities at Sheppard, Keesler, Goodfellow and Lowry AFBs. (See 1991 DBCRC).</p> <p>1991 DBCRC: Closed Completed Sep 30, 1994). Directed that all training be redistributed to remaining tech trng cntrs. Directed that the 1001st Space System Squadron, Defense Finance and Accounting Service and the Air Force Reserve Personnel Center remain open in cantonement area as proposed by DoD.</p>
	PETERSON AFB	91	DBCRC	ONGOING	REALGNUP	<p>1991 DBCRC: Directed transfer of the 36th Aeromedical Evacuation Squadron and the 77th and 78th Aerial Port Squadrons from Closing Richards-Gebaur AFB, MO to Peterson AFB, CO.</p>
	US AIR FORCE ACADEMY					

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

ALAN J. DIXON, CHAIRMAN

COMMISSIONERS:
AL CORNELLA
REBECCA COX
GEN J. B. DAVIS, USAF (RET)
S. LEE KLING
RADM BENJAMIN F. MONTOYA, USN (RET)
MG JOSUE ROBLES, JR., USA (RET)
WENDI LOUISE STEELE

**REMARKS BY CHAIR AT BEGINNING
OF PUBLIC COMMENT PORTION OF
ALBUQUERQUE REGIONAL HEARING**

MORNING SESSION

**WE ARE NOW READY TO BEGIN A PERIOD SET ASIDE FOR PUBLIC
COMMENT. OUR INTENTION IS TO TRY TO INSURE THAT ALL OPINIONS ON
THE RECOMMENDATIONS OF THE SECRETARY AFFECTING THESE STATES
ARE HEARD.**

**WE HAVE ASSIGNED 30 MINUTES FOR THIS PERIOD. WE ASKED
PERSONS WISHING TO SPEAK TO SIGN UP BEFORE THE HEARING BEGAN, AND
THEY HAVE DONE SO BY NOW. WE HAVE ALSO ASKED THEM TO LIMIT THEIR
COMMENTS TO TWO MINUTES, AND WE WILL RING A BELL AT THE END OF
THAT TIME.**

**PLEASE STOP AFTER YOUR TWO MINUTES ARE UP. WRITTEN
TESTIMONY OF ANY LENGTH IS WELCOMED BY THE COMMISSION AT ANY
TIME IN THIS PROCESS. IF ALL THOSE SIGNED UP TO SPEAK WOULD RAISE
YOUR RIGHT HANDS, I WILL ADMINISTER THE OATH.**



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WITNESSES' OATH

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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OPENING REMARKS OF CHAIRMAN FOR AFTERNOON SESSION
ALBUQUERQUE REGIONAL HEARING

GOOD AFTERNOON, LADIES AND GENTLEMEN, AND WELCOME TO OUR AFTERNOON SESSION. I AM ALAN J. DIXON AND WITH ME ARE MY FELLOW COMMISSIONERS AL CORNELLA, REBECCA COX, S. LEE KLING, BEN MONTOYA, JOE ROBLES AND WENDI STEELE.

THIS AFTERNOON WE WILL HEAR A PRESENTATION FROM THE STATE OF COLORADO WHICH WILL LAST FOR 55 MINUTES. AS IS THE CASE WITH ALL OUR REGIONAL HEARINGS, THE COMMISSION HAS GIVEN A BLOCK OF TIME TO EACH STATE BASED ON THE NUMBER OF INSTALLATIONS ON THE LIST AND THE JOB LOSS. WE HAVE LEFT IT TO ELECTED OFFICIALS AND COMMUNITY MEMBERS TO DECIDE HOW TO FILL THE BLOCK OF TIME.

AFTER THE COLORADO PRESENTATION, THERE WILL BE A PERIOD OF 15 MINUTES FOR ADDITIONAL PUBLIC COMMENT. THE PERSONS WHO WISH TO SPEAK AT THAT TIME SHOULD SIGN UP NOW OUT IN THE LOBBY. THEY ARE ASKED TO LIMIT THEMSELVES TO TWO MINUTES.

WE WILL BE READY TO BEGIN THE COLORADO PRESENTATION AS SOON AS I HAVE SWORN IN THE WITNESSES.



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101



COLORADO

55 minutes

ALBUQUERQUE, NM REGIONAL HEARING SCHEDULE OF WITNESSES

1:00-1:05PM	5 minutes	Aurora Community Video Presentation
1:05-1:07PM	2 minutes	Irene Kornelly, Director of the Office of Statewide Defense Initiatives-Office of the Governor
1:07-1:09PM	2 minutes	Mark Engman, Office of Senator Campbell
1:09-1:21PM	12 minutes	Mayor Tauer-City of Aurora, CO
1:21-1:45PM	24 minutes	Aurora Community Ms. Edna Mosely, Aurora, CO City Councilwoman Future of Fitzsimons Initiative Co-chair Mr. Dave Pohlman Future of Fitzsimons Initiative Co-chair Mr. Dennis Johnson President, Norwest Banks, Aurora, CO Future of Fitzsimons Initiative Co-chair
1:45-1:55PM	10 minutes	Questions and Answers

COLORADO

Fitzsimons Army Medical Center

The closure of Fitzsimons Army Medical Center may lead to more efficient use of civilian hospitals in the Denver area. Many patients currently using Fitzsimons will now be turning to civilian doctors and hospitals, increasing demand in the civilian health care sector. If excess capacity exists there (as it does elsewhere), increased demand may improve efficiency in the civilian sector. If civilian healthcare resources are in short supply, the increased demand may exacerbate access problems.

1. Have you had the opportunity to consider the impact of closing Fitzsimons Army Medical Center on Colorado's civilian doctors and hospitals?
2. Does excess capacity exist in the Denver civilian hospitals such that this excess could be used to satisfy the need created by the closure of Fitzsimons?

COLORADO TABLE OF CONTENTS

**ALBUQUERQUE, NM REGIONAL HEARING
THURSDAY, APRIL 20, 1995**

STATE MAP

FITZSIMONS ARMY MEDICAL CENTER

- Facility Summary Sheet
- DoD Recommendation

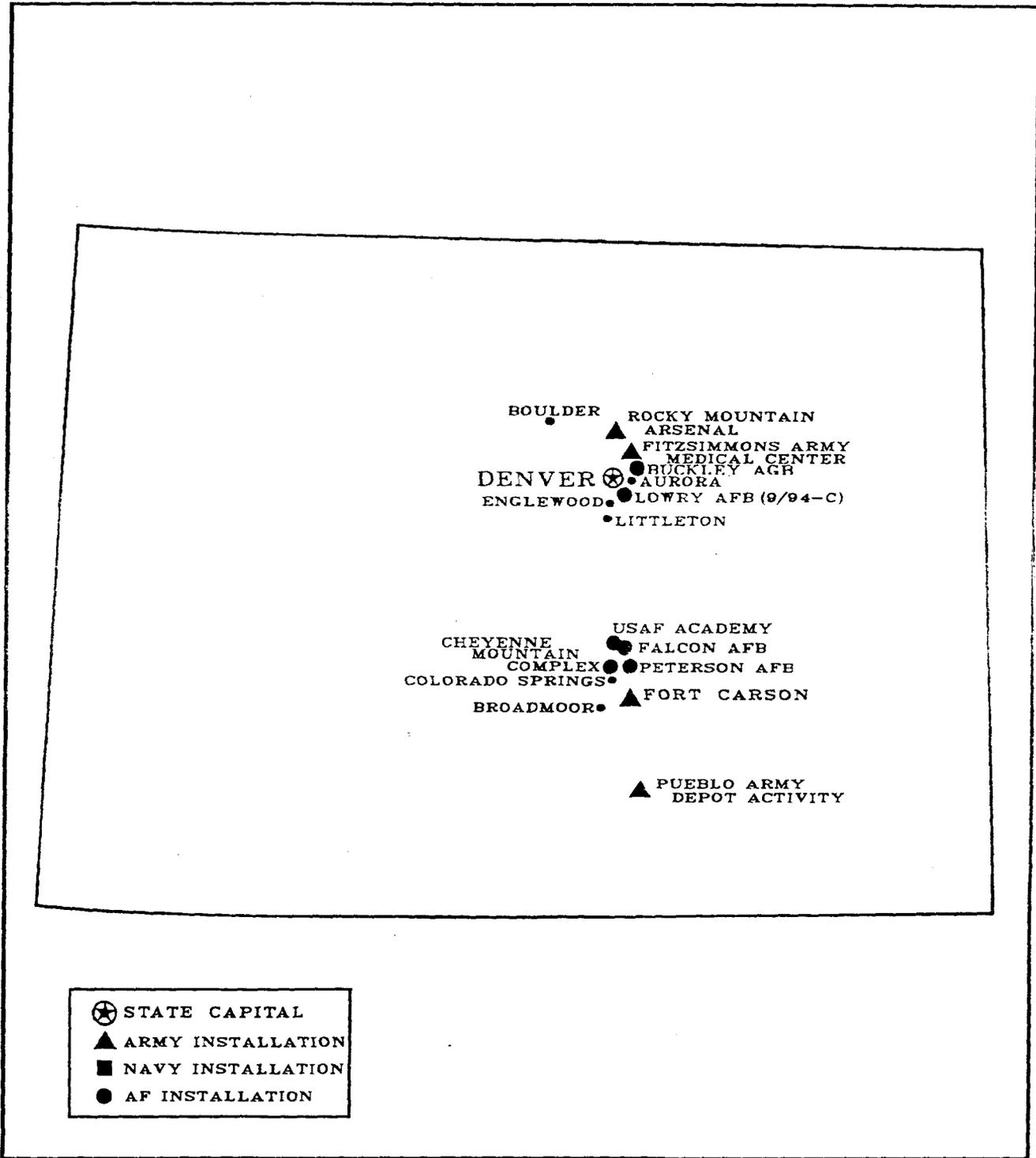
LOWRY AFB

- Facility Summary Sheet
- DoD Recommendation

STATE CLOSURE HISTORY

MAP NO. 6

COLORADO



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



1995 DoD Recommendations and Justifications

Fitzsimons Army Medical Center, Colorado

Recommendation: Close Fitzsimons Army Medical Center (FAMC), except for Edgar J. McWhethy Army Reserve Center. Relocate the Medical Equipment and Optical School and Optical Fabrication Laboratory to Fort Sam Houston, TX. Relocate Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) activities to Denver leased space. Relocate other tenants to other installations.

Justification: FAMC is low in military value compared to other medical centers. This recommendation avoids anticipated need for estimated \$245 million construction to replace FAMC while preserving health care services through other more cost-effective means. This action will offset any loss of medical services through: phased-in CHAMPUS and Managed Care Support contracts; increased services at Fort Carson and US Air Force Academy; and redistribution of Medical Center patient load from Region Eight to other Medical Centers. FAMC is not collocated with a sizable active component population. Its elimination does not jeopardize the Army's capability to surge to support two near-simultaneous major regional contingencies, or limit the Army's capability to provide wartime medical support in the theater of operations. Closure of this medical center allows redistribution of medical military personnel to other medical centers to absorb the diverted medical center patient load. These realignments avoid a significant cost of continuing to operate and maintain facilities at this stand-alone medical center. DoD's Joint Cross-Service Group for Military Treatment Facilities supports the closure of Fitzsimons.

Return on Investment: The total one-time cost to implement this recommendation is \$142 million. The net of all costs and savings during the implementation period is a cost of \$39 million. Annual recurring savings after implementation are \$34 million with a return on investment expected in three years. The net present value of the costs and savings over 20 years is a savings of \$299 million.

Impacts: Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 4,489 jobs (2,903 direct jobs and 1,586 indirect jobs) over the 1996-to-2001 period in the Denver, CO Primary Metropolitan Statistical Area, which represents 0.4 percent of the area's employment.

The cumulative economic impact of all BRAC 95 recommendations and all prior round BRAC actions in this area over the 1994-to-2001 period could result in a maximum potential decrease equal to 0.8 percent of employment in the area. There are no known environmental impediments at the closing or receiving installations.

1995 DoD Recommendations and Justifications

Lowry Air Force Base, Colorado

Recommendation: Change the recommendation of the 1991 Commission regarding the cantonment of the 1001st Space Support Squadron at the Lowry Support Center as follows: Inactivate the 1001st Space Systems Squadron, now designated Detachment 1, Space Systems Support Group (SSSG). Some Detachment 1 personnel and equipment will relocate to Peterson AFB, Colorado, under the Space Systems Support Group while the remainder of the positions will be eliminated.

Justification: The 1991 Commission recommended that the 1001st Space Systems Squadron, now designated Detachment 1, SSSG, be retained in a cantonment area at the Lowry Support Center. Air Force Materiel Command is consolidating space and warning systems software support at the SSSG at Peterson AFB. The inactivation of Detachment 1, SSSG, and movement of its functions will further consolidate software support at Peterson AFB, and result in the elimination of some personnel positions and cost savings.

Return on Investment: The total estimated one-time cost to implement this recommendation is \$1.7 million. The net of all costs and savings during the implementation period is a savings of \$10.9 million. Annual recurring savings after implementation are \$3.0 million with a return on investment expected in one year. The net present value of the costs and savings over 20 years is a savings of \$39.0 million.

Impacts: Assuming no economic recovery, this recommendation could result in a potential reduction of 135 jobs (89 direct jobs and 46 indirect jobs) over the 1996 to 2001 in the Denver, Colorado Primary Metropolitan Statistical Area, which is less than 0.1 percent of economic area's employment. The cumulative economic impact of all BRAC 95 recommendations and all prior-round BRAC actions in the Denver, Colorado Primary Metropolitan Statistical Area in the 1994 to 2001 period could result in a potential decrease equal to 0.8 percent of employment in the economic area. Environmental impact from this action is minimal and ongoing restoration of Lowry AFB will continue.

CLOSURE HISTORY - INSTALLATIONS IN COLORADO

05-Apr-95

SVC INSTALLATION NAME ACTION YEAR ACTION SOURCE ACTION STATUS ACTION SUMMARY ACTION DETAIL

A

BENNETT ARMY NATIONAL GUARD FACILITY 88 DEFBRAC COMPLETE CLOSE

FITZSIMONS ARMY MEDICAL CENTER

FORT CARSON

88/91/93

DEFBRAC/DBCRC

ONGOING

REALGNUP

1988 DEFBRAC:
Close; completed FY 92; pending disposal

1988 DEFBRAC:
Headquarters, Sixth Army realigned from the Presidio of San Francisco, CA (Changed to remain at the Presidio of San Francisco by 1993 Defense Base Closure Commission)

Sixth Army Aviation Detachment realigned from Hamilton Army Airfield, CA (Changed to Fort Lewis, WA as part of reorganization of all fixed wing assets under the "Hub Concept")

Reserve Component Pay Input Station realigned from Fort Douglas, UT; unit inactivated FY 93

1991 DBCRC:

10th Special Forces Group realigned from Fort Devens, MA; scheduled FY 94-95

1988 DEFBRAC:

Realign to maximum extent possible to facilitate closure as soon as chemical demilitarization mission is complete (scheduled FY 98-04); completed FY 95

Realign supply mission to Tooele Army Depot, UT (Changed by 1993 Defense Base Closure Commission)

Realign ammunition mission to Red River Army Depot, TX; scheduled FY 92-94

1993 DBCRC:

Realign the supply mission to Red River Army Depot--the location determined by the Defense Logistics Agency (Change to 1988 SECDEF Commission recommendation); scheduled FY 94-95

ROCKY MOUNTAIN ARSENAL

BUCKLEY AGB

AF

CLOSURE HISTORY - INSTALLATIONS IN COLORADO

05-Apr-95

SVC	INSTALLATION NAME	ACTION YEAR	ACTION SOURCE	ACTION STATUS	ACTION SUMMARY	ACTION DETAIL
	CHEYENNE MOUNTAIN AFB					
	FALCON AFB					
	LOWRY AFB	88/91	DEFBRAC/DBCRC	COMPLETE	CLOSE/9-94	<p>1988 DEFBRAC: Directed relocations of major units and related support activities of the 3330th Technical Training Wing to existing training activities at Sheppard, Keesler, Goodfellow and Lowry AFBs. (See 1991 DBCRC).</p> <p>1991 DBCRC: Closed Completed Sep 30, 1994). Directed that all training be redistributed to remaining tech trng cntrs. Directed that the 1001st Space System Squadron, Defense Finance and Accounting Service and the Air Force Reserve Personnel Center remain open in cantonment area as proposed by DoD.</p>
	PETERSON AFB	91	DBCRC	ONGOING	REALGNUP	<p>1991 DBCRC: Directed transfer of the 36th Aeromedical Evacuation Squadron and the 77th and 78th Aerial Port Squadrons from Closing Richards-Gebaur AFB, MO to Peterson AFB, CO.</p>
	US AIR FORCE ACADEMY					

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**REMARKS BY CHAIR AT BEGINNING
OF PUBLIC COMMENT PORTION OF
ALBUQUERQUE REGIONAL HEARING**

AFTERNOON SESSION

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THEY HAVE DONE SO BY NOW. WE HAVE ALSO ASKED THEM TO LIMIT THEIR
COMMENTS TO TWO MINUTES, AND WE WILL RING A BELL AT THE END OF
THAT TIME.**

**PLEASE STOP AFTER YOUR TWO MINUTES ARE UP. WRITTEN
TESTIMONY OF ANY LENGTH IS WELCOMED BY THE COMMISSION AT ANY
TIME IN THIS PROCESS. IF ALL THOSE SIGNED UP TO SPEAK WOULD RAISE
YOUR RIGHT HANDS, I WILL ADMINISTER THE OATH.**



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CLOSING REMARKS OF CHAIRMAN DIXON
ALBUQUERQUE REGIONAL HEARING

WE HAVE NOW CONCLUDED THIS HEARING OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION. I WANT TO THANK ALL THE WITNESSES WHO TESTIFIED. YOU HAVE BROUGHT US SOME VERY VALUABLE INFORMATION WHICH I ASSURE YOU WILL BE GIVEN CAREFUL CONSIDERATION BY THE COMMISSION MEMBERS AS WE REACH OUR DECISIONS.

I ALSO WANT TO THANK AGAIN ALL THE ELECTED OFFICIALS AND COMMUNITY MEMBERS WHO HAVE ASSISTED US DURING OUR BASE VISITS AND IN PREPARATION FOR THIS HEARING. IN PARTICULAR, I WOULD LIKE TO THANK MAYOR MARTIN CHAVEZ AND HIS STAFF FOR THEIR ASSISTANCE OBTAINING THE USE OF THIS SPLENDID FACILITY.

FINALLY, I WOULD LIKE TO THANK THE CITIZENS OF THE COMMUNITIES REPRESENTED HERE TODAY THAT HAVE SUPPORTED THE MEMBERS OF OUR ARMED SERVICES FOR SO MANY YEARS, MAKING THEM FEEL WELCOME AND VALUED IN YOUR TOWNS. YOU ARE TRUE PATRIOTS.



**1995 List of Military Installations
Inside the United States for Closure or Realignment**

Part I: Major Base Closures

Army

Fort McClellan, Alabama
Fort Chaffee, Arkansas
Fitzsimons Army Medical Center, Colorado
Price Support Center, Illinois
Savanna Army Depot Activity, Illinois
Fort Ritchie, Maryland
Selfridge Army Garrison, Michigan
Bayonne Military Ocean Terminal, New Jersey
Seneca Army Depot, New York
Fort Indiantown Gap, Pennsylvania
Red River Army Depot, Texas
Fort Pickett, Virginia

Navy

Naval Air Facility, Adak, Alaska
Naval Shipyard, Long Beach, California
Ship Repair Facility, Guam
Naval Air Warfare Center, Aircraft Division, Indianapolis, Indiana
Naval Surface Warfare Center, Crane Division Detachment, Louisville, Kentucky
Naval Surface Warfare Center, Dahlgren Division Detachment, White Oak, Maryland
Naval Air Station, South Weymouth, Massachusetts
Naval Air Station, Meridian, Mississippi
Naval Air Warfare Center, Aircraft Division, Lakehurst, New Jersey
Naval Air Warfare Center, Aircraft Division, Warminster, Pennsylvania

Air Force

North Highlands Air Guard Station, California
Ontario IAP Air Guard Station, California
Rome Laboratory, Rome, New York
Roslyn Air Guard Station, New York

Springfield-Beckley MAP, Air Guard Station, Ohio
Greater Pittsburgh IAP Air Reserve Station, Pennsylvania
Bergstrom Air Reserve Base, Texas
Brooks Air Force Base, Texas
Reese Air Force Base, Texas

Defense Logistics Agency

Defense Distribution Depot Memphis, Tennessee
Defense Distribution Depot Ogden, Utah

Part II: Major Base Realignment

Army

Fort Greely, Alaska
Fort Hunter Liggett, California
Sierra Army Depot, California
Fort Meade, Maryland
Detroit Arsenal, Michigan
Fort Dix, New Jersey
Fort Hamilton, New York
Charles E. Kelly Support Center, Pennsylvania
Letterkenny Army Depot, Pennsylvania
Fort Buchanan, Puerto Rico
Dugway Proving Ground, Utah
Fort Lee, Virginia

Navy

Naval Air Station, Key West, Florida
Naval Activities, Guam
Naval Air Station, Corpus Christi, Texas
Naval Undersea Warfare Center, Keyport, Washington

Air Force

McClellan Air Force Base, California
Onizuka Air Station, California

Eglin Air Force Base, Florida
Robins Air Force Base, Georgia
Malmstrom Air Force Base, Montana
Kirtland Air Force Base, New Mexico
Grand Forks Air Force Base, North Dakota
Tinker Air Force Base, Oklahoma
Kelly Air Force Base, Texas
Hill Air Force Base, Utah

***Part III: Smaller Base or Activity Closures, Realignments,
Disestablishments or Relocations***

Army

Branch U.S. Disciplinary Barracks, California
East Fort Baker, California
Rio Vista Army Reserve Center, California
Stratford Army Engine Plant, Connecticut
Big Coppett Key, Florida
Concepts Analysis Agency, Maryland
Publications Distribution Center Baltimore, Maryland
Hingham Cohasset, Massachusetts
Sudbury Training Annex, Massachusetts
Aviation-Troop Command (ATCOM), Missouri
Fort Missoula, Montana
Camp Kilmer, New Jersey
Caven Point Reserve Center, New Jersey
Camp Pedricktown, New Jersey
Bellmore Logistics Activity, New York
Fort Totten, New York
Recreation Center #2, Fayetteville, North Carolina
Information Systems Software Command (ISSC), Virginia
Camp Bonneville, Washington
Valley Grove Area Maintenance Support Activity (AMSA), West Virginia

Navy

Naval Command, Control and Ocean Surveillance Center, In-Service Engineering West
Coast Division, San Diego, California
Naval Health Research Center, San Diego, California

Naval Personnel Research and Development Center, San Diego, California
Supervisor of Shipbuilding, Conversion and Repair, USN, Long Beach, California
Naval Undersea Warfare Center-Newport Division, New London Detachment, New London,
Connecticut
Naval Research Laboratory, Underwater Sound Reference Detachment, Orlando, Florida
Fleet and Industrial Supply Center, Guam
Naval Biodynamics Laboratory, New Orleans, Louisiana
Naval Medical Research Institute, Bethesda, Maryland
Naval Surface Warfare Center, Carderock Division Detachment, Annapolis, Maryland
Naval Technical Training Center, Meridian, Mississippi
Naval Aviation Engineering Support Unit, Philadelphia, Pennsylvania
Naval Air Technical Services Facility, Philadelphia, Pennsylvania
Naval Air Warfare Center, Aircraft Division, Open Water Test Facility, Oreland,
Pennsylvania
Naval Command, Control and Ocean Surveillance Center, RDT&E Division Detachment,
Warminster, Pennsylvania
Fleet and Industrial Supply Center, Charleston, South Carolina
Naval Command, Control and Ocean Surveillance Center, In-Service Engineering East Coast
Detachment, Norfolk, Virginia
Naval Information Systems Management Center, Arlington, Virginia
Naval Management Systems Support Office, Chesapeake, Virginia

Navy/Marine Reserve Activities

Naval Reserve Centers at:

Huntsville, Alabama
Stockton, California
Santa Ana, Irvine, California
Pomona, California
Cadillac, Michigan
Staten Island, New York
Laredo, Texas
Sheboygan, Wisconsin

Naval Air Reserve Center at:

Olathe, Kansas

Naval Reserve Readiness Commands at:

New Orleans, Louisiana (Region 10)
Charleston, South Carolina (Region 7)

Air Force

Moffett Federal Airfield AGS, California
Real-Time Digitally Controlled Analyzer Processor Activity, Buffalo, New York
Air Force Electronic Warfare Evaluation Simulator Activity, Fort Worth, Texas

Defense Logistics Agency

Defense Contract Management District South, Marietta, Georgia
Defense Contract Management Command International, Dayton, Ohio
Defense Distribution Depot Columbus, Ohio
Defense Distribution Depot Letterkenny, Pennsylvania
Defense Industrial Supply Center Philadelphia, Pennsylvania
Defense Distribution Depot Red River, Texas

Defense Investigative Service

Investigations Control and Automation Directorate, Fort Holabird, Maryland

Part IV: Changes to Previously Approved BRAC Recommendations

Army

Army Bio-Medical Research Laboratory, Fort Detrick, Maryland

Navy

Marine Corps Air Station, El Toro, California
Marine Corps Air Station, Tustin, California
Naval Air Station Alameda, California
Naval Recruiting District, San Diego, California
Naval Training Center, San Diego, California
Naval Air Station, Cecil Field, Florida
Naval Aviation Depot, Pensacola, Florida

Navy Nuclear Power Propulsion Training Center, Naval Training Center, Orlando, Florida
Naval Training Center Orlando, Florida
Naval Air Station, Agana, Guam
Naval Air Station, Barbers Point, Hawaii
Naval Air Facility, Detroit, Michigan
Naval Shipyard, Norfolk Detachment, Philadelphia, Pennsylvania
Naval Sea Systems Command, Arlington, Virginia
Office of Naval Research, Arlington, Virginia
Space and Naval Warfare Systems Command, Arlington, Virginia
Naval Recruiting Command, Washington, D.C.
Naval Security Group Command Detachment Potomac, Washington, D.C.

Air Force

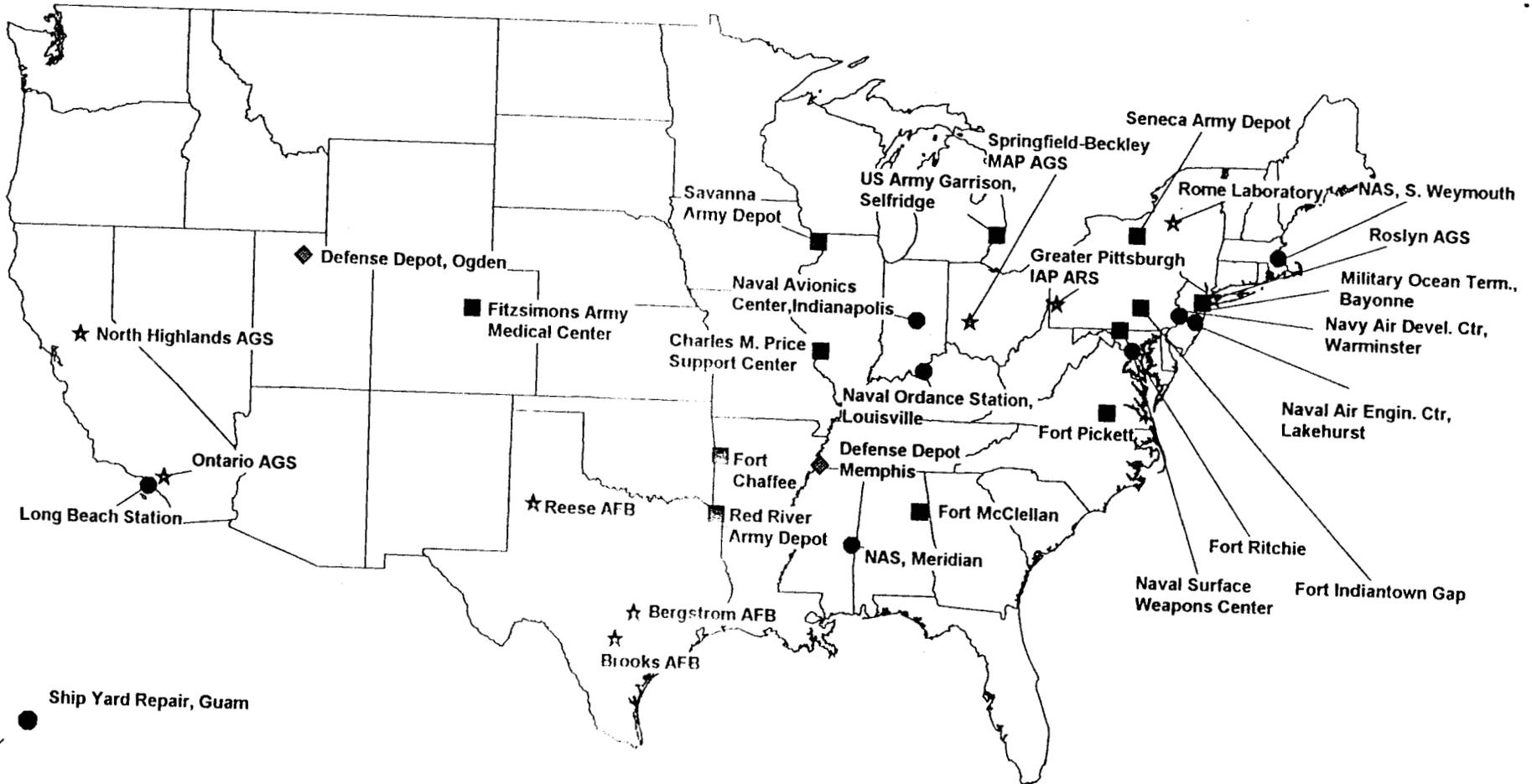
Williams AFB, Arizona
Lowry AFB, Colorado
Homestead AFB, Florida (301st Rescue Squadron)
Homestead AFB, Florida (726th Air Control Squadron)
MacDill AFB, Florida
Griffiss AFB, New York (Airfield Support for 10th Infantry (Light) Division)
Griffiss AFB, New York (485th Engineering Installation Group)

Defense Logistics Agency

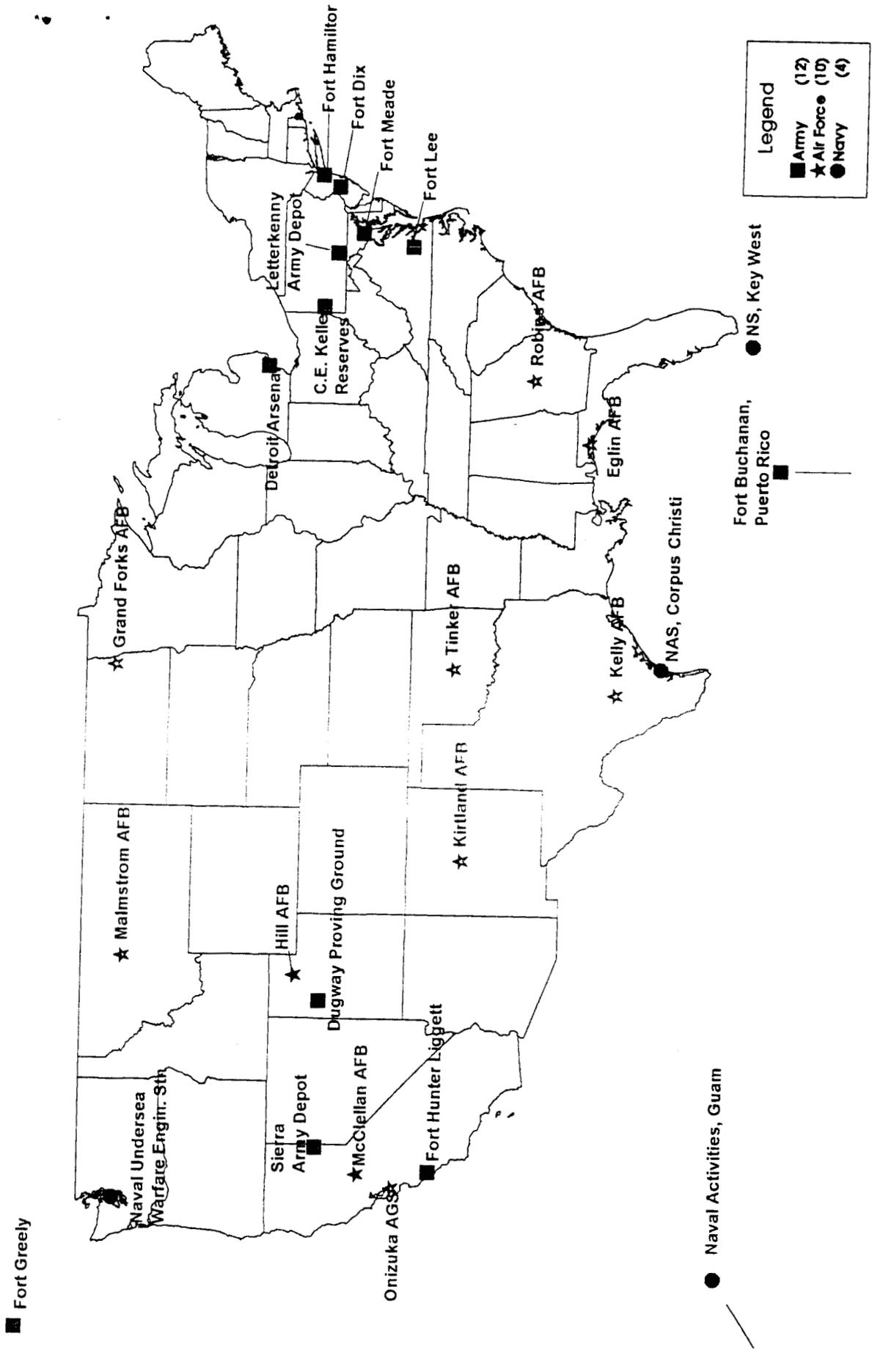
Defense Contract Management District West, El Segundo, California

1995 DoD Recommendations Major Base Closures

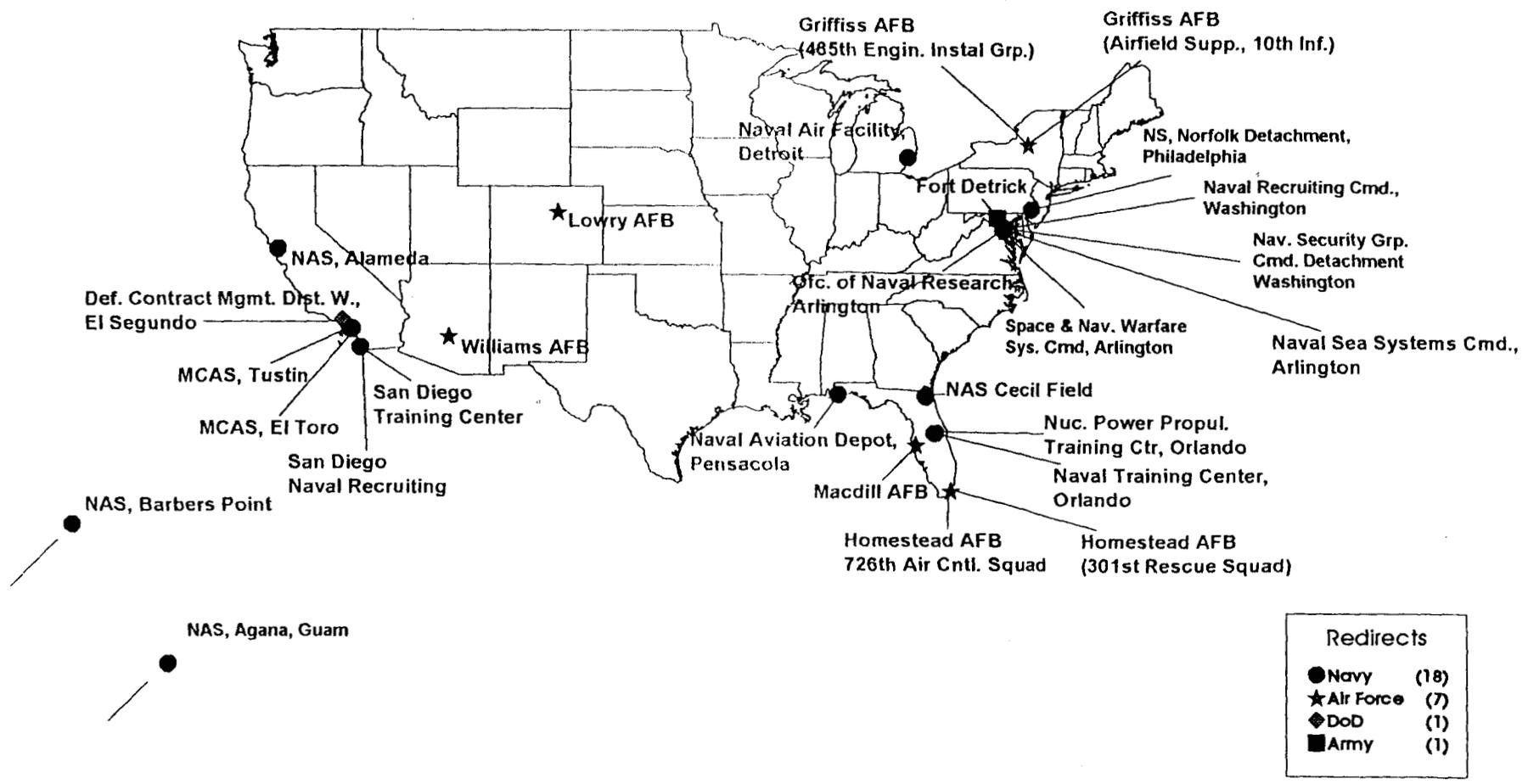
● NAS, Adak



1995 DoD Recommendations Major Base Realignments



1995 DoD Recommendations Redirects



**DEFENSE BASE CLOSURE
AND REALIGNMENT
COMMISSION**



ALBUQUERQUE REGIONAL HEARING

APRIL 20TH, 1995

**ALBUQUERQUE CONVENTION CENTER
NE EXHIBIT HALL
401 2ND STREET, NW
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EXECUTIVE SECRETARIAT



**ALBUQUERQUE, NM REGIONAL HEARING
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Document Separator

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

Albuquerque, New Mexico Regional Hearing

Albuquerque Convention Center

April 20, 1995

COMMISSIONERS ATTENDING:

Chairman Alan J. Dixon

Commissioner Al Cornella

Commissioner Rebecca Cox

Commissioner S. Lee Kling

Commissioner Benjamin Montoya

Commissioner Josue Robles

Commissioner Wendi Steele

COPY

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TRANSCRIPT OF PROCEEDINGS

REPORTED BY: JENNIFER BEAN, RPR-CM, NM CCR #94

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1 COMMISSIONER DIXON: Good morning, ladies and
2 gentlemen, and welcome to the regional hearing of the Defense
3 Base Closure and Realignment Commission.

4 My name is Alan Dixon, and I'm chairman of the
5 Commission, charged with the task of evaluating the
6 recommendations of the Secretary of Defense regarding the
7 closure and realignment and military installations in the
8 United States. Also here with us today are my colleagues
9 Commissioners Al Cornella, Rebecca Cox, S. Lee Kling, Admiral
10 Ben Montoya, Wendi Steele, and General Joe Robles.

11 First, let me thank all the military and civilian
12 personnel who have assisted during our visits to the many bases
13 represented at the hearing. We've spent many days looking at
14 the installations that are on the Secretary's list and asking
15 questions that will help us make our decisions. The
16 cooperation we've received has been exemplary, and we thank you
17 very much.

18 The main purpose of the base visits we've conducted
19 is to allow us to see the installations firsthand, and to
20 address with military personnel the all-important question of
21 the military value of the base.

22 In addition to the base visits, the Commission is
23 conducting a total of 11 regional hearings, of which today's is
24 the 7th. The main purpose of the regional hearings is to give
25 members of the communities affected by these closure

1 recommendations a chance to express their views. We consider
2 the interaction with the community to be one of the most
3 important and valuable parts of our review of the Secretary's
4 recommendations.

5 Let me assure you that all of our Commissioners and
6 our staff are well aware of the huge implications of base
7 closure on local communities. We are committed to openness in
8 this process and we are committed to fairness. All the
9 material we gather, all the information we get from the
10 Department of Defense and all of our correspondence is open to
11 the public.

12 We're faced with a very unpleasant and painful task,
13 which we intend to carry out as sensitively as we can. Again,
14 the kind of assistance we've received here is, of course,
15 greatly appreciated.

16 Let me tell you how we will proceed here today and
17 in all of our regional hearings. The Commission, has assigned
18 a block of time to each state affected by the base closure
19 list. The overall amount of time was determined by the number
20 of installations on the list and the amount of job loss. The
21 limits on time will be strictly enforced. We notified the
22 appropriate elected officials of this procedure, left it up to
23 them, working with the local communities to determine how to
24 fill the block of time.

25 This morning it's our intention to listen to

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1 testimony from the states of New Mexico and Utah for a total of
2 150 minutes. At the end of the morning presentations we've set
3 aside a period of 30 minutes for public comment, at which
4 members of the public may speak. We have provided a sign-up
5 sheet for this portion of the hearing, and we hope that anyone
6 who wishes to speak has already signed up. We would ask that
7 those of you speaking at that time limit yourselves to two
8 minutes, and that will be strictly enforced.

9 After the lunch break and beginning at 1:00 p.m. we
10 will hear from the state of Colorado for 15 minutes, after
11 which we will again have a 15-minute period for public
12 comment.

13 Let me also say, ladies and gentlemen, that the Base
14 Closure Law has been amended since 1993 to require that anyone
15 giving testimony before the Commission do so under oath, and so
16 I will be swearing in witnesses, and that will include
17 individuals who speak in the public comment portion of the
18 hearing.

19 With that, I believe we're ready to begin, and I'm
20 required to ask each of you distinguished gentlemen to rise and
21 raise your right hand. All that are going to testify, please
22 rise and raise your right hand.

23 (Witnesses were sworn.)

24 CHAIRMAN DIXON: Thank you very much.

25 My staff inquires if anybody at this table will be

1 testifying. I thank you very much.

2 You may proceed.

3 GENERAL MARQUEZ: Thank you, Mr. Chairman. Good
4 morning Mr. Chairman, honorable members of the Base Realignment
5 and Closure Commission. It's my pleasure today to welcome you
6 to Albuquerque on behalf of our Mayor, Martin Chavez; our
7 Governor, Gary Johnson; and our congressional delegation led by
8 Senior Senator, Senator Pete Domenici; Senator Bingaman; and,
9 of course, our Congressman Schiff. It's our pleasure to
10 welcome you here, and we hope you have a pleasant stay.

11 To get into our presentation, I believe that today,
12 this morning, we are going to take the DOD recommendation to
13 realign major missions at Kirtland Air Force Base, and I
14 believe that when we're through here we will have been able to
15 demonstrate to you very convincingly that this recommendation
16 does, in fact, not comply with any of the criteria of the Base
17 Realignment and Closure Commission; that, in fact, it does
18 violence to each of them; that, in fact, there are no savings
19 associated with this recommendation. And we believe sincerely
20 that some of the major missions and most important missions
21 including that of nuclear surety will be severely compromised
22 by the dismemberment and moving away of very vital elements of
23 that mission.

24 We also believe that for the other outfits leaving,
25 the operational effectiveness thereto will be severely

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1 impaired. And finally, if, in fact, the plan goes through, as
2 is envisioned now, the reuse potential for the community of
3 Albuquerque and the State of New Mexico is virtually
4 nonexistent because of the contonement plan.

5 We would like to tell you one thing: Kirtland Air
6 Force Base is not your standard Air Force Base, instead it is a
7 federal installation. It's a model BRAC federal installation.
8 But because some of you commissioners did not get a chance to
9 visit Kirtland and take a look at the complexity of the mission
10 there, the vastness of the terrain, indeed, the interaction of
11 all the units that are there, all supported by one entity, the
12 377th Air Base Support Wing.

13 We would like at this time to show you a short video
14 presentation. We have placed a monitor in front of you there
15 for those who can't see the screen, and would like to run that
16 now. After which, Colonel Charlie Thomas, one of our
17 witnesses, who was a former Air Base Commander, will lead you
18 through a more detailed explanation of the areas involved.

19 Turn the video on, please.

20 (A videotape shown.)

21 COLONEL THOMAS: Good morning, I'm Charlie
22 Thomas. It was my privilege to command Kirtland Air Force Base
23 for three years.

24 A lot of people came to visit Kirtland. It was
25 always our pleasure to welcome them, as we do you today. One

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1 of my favorite groups to welcome though, were my peers. At
2 that time they were wing commanders for the military airlift
3 command. I would show them the jigsaw puzzle. We took their
4 bases and, to scale, put them on a map with Kirtland. Each one
5 of these wing commanders had a full set of runways, aircraft,
6 hangars, and all the support facilities to run a major
7 installation, and then I'd very humbly tell them that all 15
8 major installations fit within ours.

9 Kirtland is, indeed, a unique installation. I'd
10 like to go to this map now -- and it will be on the slide
11 behind us for the audience, but you won't be able to follow my
12 pointer -- and just talk through some of the other reasons why
13 this is a unique installation.

14 All of you landed over here at Albuquerque
15 International Sunport. Whether you came in on Delta or
16 American or Continental or Southwest, or whether you landed in
17 a military aircraft, the support, the fire crash and rescue for
18 all of those flights are performed by the world's best, United
19 States Air Force at Kirtland.

20 Your average installation would probably look just
21 like this. The flying facilities that we have now, the runway
22 complex, and that would be your flight training base or your
23 fighter base of today.

24 But, if I could get you off your aircraft and take a
25 little walk with you, if we walk straight to the east, before

1 we got to the far boundary, we would have walked 14 miles. If
2 we walk from the north to the south, we would have gone eight
3 miles. So you have an 82 square mile installation. You also
4 have the largest collection of activities within the Department
5 of Defense, over 150 that are focused here.

6 Let me talk a little bit to some of the agencies
7 that you will hear about. The Phillips Laboratory is over here
8 in the northwest corner. Also in those areas you expect to
9 find some flying activities. The 58th Special Operations Wing
10 is there, as well as the 150th fighter group of the National
11 Guard which flies F-16s.

12 You also may not notice that Ross Aviation has a
13 hangar for the Department of Energy; supports all their flights
14 throughout the western United States.

15 Also Allied Signal has an operation on the flight
16 line supporting transportation safeguards with out weapons in
17 our nuclear community.

18 If I move over to the industrial area and continue
19 on to the north side of Kirtland, you find the Field Command
20 Defense Nuclear Agency Headquarters, the Air Force Security
21 Police Agency; you find the Air Force Operational Test and
22 Evaluation Center. And, if you go all the way over right near
23 the Eubank gate, you'll find a brand new building that a recent
24 BRAC was built, and it has the Air Force Inspection Agency and
25 the Air Force Safety Agency.

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1 All of these people came for a reason. The flying
2 activities came here because of the outstanding weather and
3 terrain, especially for special operations. All the other
4 activities came because of weapons, especially the development
5 of nuclear weapons and what's concentrated here.

6 Since we have a lot of colored areas, let me just
7 point out a few of those. Along the airport we have what are
8 called hot pads; places for the on-loading and off-loading of
9 weapons or strategic materials that can travel in and out of
10 this area.

11 A connection to that is this point right here, the
12 Kirtland Underground Munitions Storage Complex, a unique
13 facility. Along the flight line also you will see this red
14 array area, it says "laser range." That's the airborne laser
15 aircraft. It's stationed here; continues to operate. Just a
16 few years ago they set themselves up in this jet aircraft,
17 fired five missiles at them, they defeated all of them. I
18 didn't want to be on board that day. But it's a great
19 capability that continues under the Phillips Laboratory.

20 The circle in the turquoise color, EMP,
21 electromagnetic pulse. Again, we can do nuclear simulation.
22 That's run by the United States Army at White Sands Missile
23 Range. Again, another connection.

24 The large circle is the exclusion area for the
25 Sandia reactor technology and Sandia's tech area 5. So now we

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1 have the Department of Energy, the Albuquerque Operations
2 Office and Sandia National Labs coming into the picture who
3 bring about 10,000 employees to this location.

4 We are hoping that, in the next few years, that that
5 reactor will be converted to produce medical isotopes to do the
6 somewhat -- 100 million annual nuclear medicine procedures that
7 go on in the United States.

8 The Manzano area, you're probably familiar, is a
9 previous area of storage. We also have a variety of explosive
10 test facilities, various circles in here. The long red line,
11 followed by the beige area off site, is a two mile long sled
12 track. And when you exceed the speed of sound -- we go up to
13 about mach 6 -- you need a large area. So our buffer zone
14 extends into the state area, and also extends to the south in
15 our neighboring Isleta Pueblo.

16 Some of the other things that still continue here,
17 the Star Fire Optical Range of the Phillips Laboratory, their
18 high energy research and test facility doing things like plasma
19 research; what can we do out in space?

20 If you get to the far east we find firing areas.
21 All the federal marshalls and police can come into the central
22 training academy of the Department of Energy. Again, a need
23 for a safety and a buffer as well as the M-60, which is our
24 machine gun range available, again, to all the law enforcement
25 areas.

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1 We have a large area out here that we call our burn
2 site, where we can burn and test, not only weapons, but also
3 things like environmental containers.

4 We have -- the last one I want to mention is a
5 capable site where we could drop or fire at things. This is a
6 huge area that you see extends well beyond the base
7 boundaries. You can see that they've placed themselves kind of
8 in a noninterference basis. And even if you do these
9 realignment, every one of these things is still here. All of
10 these activities are still full.

11 So what you have done over 50 years is two things.
12 Number one, you have built the nuclear community here, it is a
13 recognized national asset. All of the nuclear experience for
14 those weapons are here. And the second thing I would like to
15 say is that you have built a model BRAC installation, in that
16 your objective is to consolidate activities and have one single
17 military service provide the support. That service is provided
18 by the United States Air Force and the 377th Air Base Wing that
19 the intention is to break up.

20 Lastly, if all of this is occupied, I will just say
21 it leaves very little for community reuse, and that point will
22 be reinforced later.

23 Now to talk about this major federal installation
24 and the proposal for it, I'd like to return to General Marquez.

25 GENERAL MARQUEZ: Thank you, Charlie. As I said

1 at the beginning, when Kirtland Air Force Base appeared on the
2 closure list, to say we were surprised was an understatement.

3 As early as 1993, Kirtland Air Force Base was
4 specifically excluded from the BRAC process by the Department
5 of Defense, because they said that Kirtland Air Force Base is
6 essential in supporting several irreplaceable research and
7 testing facilities that are essential to the Department of
8 Defense, the Department of Energy, and other government
9 agencies.

10 Indeed, as late as this past December, December
11 1994, an Air Force Materiel Command Study regarding
12 consolidation of the space test and experimentation, the
13 decision was to move those facilities here to strengthen the
14 Air Force leadership of its DOD space activities. Right here
15 at Kirtland Air Force Base.

16 Obviously, the last week in February when we learned
17 that the Air Force had plans for major realignment up here, we
18 had to get to work.

19 As we studied the documentation, some very strange
20 things appeared to us. We looked at the facility chart. Only
21 eight months before, each one of our facilities had been
22 considered model facilities and were rated green. When we
23 looked at the documentation presented, some of them had slipped
24 inexplicably into the red category. Similar to as if they had
25 been subjected to a natural disaster, such as that occurred at

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1 Homestead Air Force Base in Florida, with a hurricane, or Clark
2 Air Force Base in Guam, with a volcano eruption.

3 I looked out my window to the west; the 7 volcanoes
4 on our West Mesa are still dormant. We checked with our spoken
5 historians at the pueblos to the south, in Isleta, and the
6 pueblo to the north in Sandia, and there is no recollection of
7 a hurricane ever striking this region.

8 That drop in the ratings is inexplicable and
9 deterioration cannot occur that fast.

10 We looked at other things as well. We saw that the
11 decision to realign did not remove a single military mission
12 from this base; that, in fact, by so doing it reaffirmed the
13 military value.

14 What was proposed is to take away the support
15 structure that provides all this vital support and either
16 transfer it elsewhere or wish it away, taking advantage of
17 procedural -- procedural ways to comply with the
18 documentation.

19 But still we come back to Chairman Dixon's opening
20 statement. The cost to the taxpayer will not be reduced by
21 this.

22 We'd like to now go into a little bit more about
23 costs. And to do that, I'd like to introduce Mr. John
24 Vuksich -- I'm sorry, let me back up, give me a second.

25 Here is what the realignment does. The realignment

1 deactivates the support wing, not one single military mission.
2 It relocates those units there, and 150 other tenants, give or
3 take ten. It places in contonement -- which is a military word
4 for fencing it off -- the Phillips Laboratory, the 898th
5 Munitions Squadron under storage site, all the Air Reserve and
6 National Guard units, Sandia National Laboratories, and all of
7 the DOE Albuquerque operations.

8 The proposal purports to save to the U.S. Air Force
9 the cost to implement \$277 million. And they contend that that
10 will save annually \$62 million. We contend with our analysis
11 that those costs are indeed grossly understated, and that the
12 savings are actually a negative value.

13 To take you into that process, I will introduce Mr.
14 John Vuksich, who is our cost analysis. John spent several
15 years in the DOD as a cost analysis with PA and E, up in Dr.
16 Chew's office, so he is eminently qualified to handle this
17 during any discussion. Mr. Vuksich.

18 MR. VUKSICH: Good morning. As you look on the
19 chart behind me, what you're going to see is that there are two
20 types of costs that we're going to discuss. There is one-time
21 cost and there are recurring costs, and I'm going to keep the
22 discussion in two clear distinctions.

23 The one-time cost increases that we've been hearing
24 about in the press, that the Air Force has been expressing to
25 you, are pretty dramatic. They've been climbing vertically.

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1 But these are not the important numbers. The important numbers
2 are the recurring savings that are going to occur in the
3 long-term because the recurring savings is where the nation is
4 going to save money in this process.

5 I want to concentrate the discussion on the
6 important part, which is the recurring savings or, in this
7 case, the recurring costs. We believe that the cost estimate
8 that the Air Force has provided is unsupportable, and we
9 believe that the recurring savings of \$62 million is, in fact,
10 an additional cost above today of \$12.7 million.

11 Before we go on I want to talk about some of the
12 guidance from the Department of Defense. The Department of
13 Defense instructed the military departments not to consider the
14 cost of BRAC actions to other state or local governments, to
15 other federal agencies. We reject that guidance. We agree
16 with what Chairman Dixon has said.

17 The Department of Defense has also directed that the
18 military departments maximize consolidation. The Air Force has
19 violated that instruction, and has, in fact, unconsolidated.
20 And we intend to show that the taxpayer is going to pay for
21 that unconsolidation.

22 Before we actually get into the cost numbers, I want
23 to provide a discussion of the interactions that underlay the
24 cost errors within the proposed realignment cost estimate.

25 As Colonel Thomas and General Marquez have told you,

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1 this is Kirtland Air Force Base today, the entire slide. You
2 see on the very left side United States Air Force
3 organizations, 58th Special Operations Wing, AFOTEC. In the
4 lower right you see Department of Defense organizations, such
5 as Field Command Defense Nuclear Agency. And in the upper
6 right you see the non Department of Defense organizations such
7 as Sandia National Laboratories or the Department of Energy's
8 Albuquerque operations office.

9 In the center you see the 377th Air Base Wing
10 represented by my large green pie. The purpose in being for
11 the 377th Air Base Wing is to provide support necessary for all
12 of the organizations at Kirtland Air Force Base to accomplish
13 their mission. The 377th Air Base Wing is tailored to meet the
14 needs of all of the supported units at Kirtland Air Force
15 Base. Not just U.S. Air Force units, but all of the
16 organizations here.

17 I show the 377th Air Base Wing as a pie. The
18 Kirtland Air Force Base support pie. And each organization at
19 Kirtland Air Force Base requires a piece of pie to accomplish
20 its mission.

21 The phantom savings that have been reported for this
22 proposed realignment are due entirely to the elimination of the
23 377th Air Base Wing. However, the entire Air Base Wing is not
24 going away. Of the 2,458 personnel in the 377th Air Base
25 Wing -- and I'm quoting numbers out of the COBRA model -- there

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1 can be some discrepancies of who is actually on the ground --
2 1375 will be eliminated. The support personnel from the 377,
3 the remaining people, those that are not eliminated, are
4 apportioned to the United States Air Force units that are
5 departing Kirtland Air Force Base and that are remaining at
6 Kirtland Air Force Base. Again, this is shown on the left of
7 the slide with my green and yellow support pieces of pie going
8 to the units.

9 In accordance with Air Force instruction 38 101, the
10 Air Force units that are departing or remaining will receive a
11 support allocation in manpower that's about ten percent of
12 their authorized strength.

13 So, if you have 1,000 people in the supported unit,
14 the base support structure will get 10 -- I'm sorry, 100
15 people.

16 Now, I want to talk about the two phenomena that are
17 going on in this cost estimate. First, unconsolidation; and,
18 second, cost shifting.

19 First, the realignment cost estimate asks us to
20 believe that the three organizations at the lower left of the
21 chart that are remaining -- that are remaining at Kirtland, the
22 Phillips Laboratory, the 150th Fighter Group, and 898th
23 Munitions storage -- Munitions Support Squadron that handles
24 the underground storage mission -- each of those organizations
25 is going to set up its own support structure. And they are

1 going to do that with a personnel allocation equal to that of
2 those units going someplace where there is a full-up Air Base
3 Wing.

4 We are asked to believe that these units can provide
5 their own support as cheaply and efficiently as the
6 consolidated 377th Air Base Wing. Unless there are very
7 special circumstances, and none have been presented, this is
8 very unlikely.

9 The second argument is cost shifting. The Air Force
10 saving of \$62 million comes from the 1375 personnel
11 eliminated. And that's the part of the pie shown in the lower
12 right part of the screen that is taken away. It is taken away
13 from the other organizations at Kirtland Air Force Base: The
14 Department of Energy, the Department of Defense, the V.A.
15 Hospital, all of their support is taken away.

16 None of the Air Force organizations -- none of these
17 non Air Force organizations will get their support, but the
18 U.S. taxpayer is going to foot the bill for replacing the lost
19 support that the U.S. Air Force is taking a savings.

20 And now let's look at some numbers. The proposed
21 realignment is claimed to have a one-time cost of \$277
22 million. We don't agree. We believe that the one-time cost is
23 going to be \$525 million. This is less than the current Air
24 Force estimate, which we understand is floating in the 600- to
25 700-million-dollar region.

1 All of the costs that I'm going to brief today are
2 found in the books in front of you. The cost summary is found
3 on page Roman numeral IV, and each cost is discussed in chapter
4 two, beginning on page 9.

5 In our cost estimates we have attempted to be
6 absolutely consistent with the COBRA model. Our desire is to
7 provide you with cost data that are comparable. We have
8 generally accepted the U.S. Air Force requirements, how many
9 square feet per person. We've accepted the cost data for a
10 civilian employee of \$46,000 a year, and we've accepted Air
11 Force military construction factors of how much ramp space a
12 C-130 needs.

13 What you see in the omissions portion of the slide
14 is the Department of Energy, the Phillips Laboratory, the
15 underground storage, and 150th Fighter Group having costs.
16 These costs are for military construction and capital equipment
17 necessary to break apart Kirtland Air Force Base and build four
18 separate installations. The proposed realignment's cost
19 estimate omitted the moving cost of moving the simulators from
20 the 58th Special Operations Wing and of moving TACCSF. TACCSF
21 is the Theater Air Command and Control Simulation Facility.

22 We have a number of disagreements with the Air
23 Force's estimates and the reason for those are in the book.
24 The big one, of course, is \$75 million for family housing. The
25 58th Special Operations Wing is slated to go to Holloman Air

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1 Force Base. Alamogordo is a rural part of the state. The
2 German Air Force is arriving, and we simply believe that there
3 is going to need to be more housing. The Air Force requirement
4 is 648 units. They are planning on building 100 of those. We
5 believe that they are going to need all 648 units, and that's
6 what this cost delta reflects.

7 Now, the one-time numbers, they're big; they're not
8 real important, okay. The proposed realignment falsely claims
9 a recurring savings of \$62 million annually. We believe that
10 that recurring saving is actually a recurring cost, above
11 today's full-up operating cost, and we believe that cost is
12 about \$12.7 million.

13 Again, we believe the proposed realignment has cost
14 shifting, unconsolidation, and omissions in it. If you'll look
15 at the cost shifting, you see the Department of Energy and non
16 U.S. Air Force costs. These are primarily personnel costs.
17 You took 1375 personnel away, and now DOE and the non Air Force
18 units are going to have to put people back to make up the
19 support that they still need.

20 The Veterans' Hospital is a one-of-a-kind model,
21 example of the integration of a military medical facility with
22 a veterans' affairs facility. And this has been the way from
23 the get-go.

24 When the Air Force leaves -- they currently operate
25 the emergency room -- the Veterans' Hospital is going to have

1 to replace that operation, and that tag is going to get
2 assigned to the V.A. It's cost shifting.

3 A couple of omissions that we found: The plan is to
4 civilianize the security force for the underground munitions
5 complex. The cost estimate absolutely ignored those costs.
6 You've heard some discussions of increased costs for the
7 civilianization due to OSHA. Those are above and beyond the
8 chart behind me.

9 And, finally, there is CHAMPUS. CHAMPUS is the
10 military health insurance program. Department of Defense
11 guidance explicitly states, "You will consider the CHAMPUS
12 shift cost." The input in the COBRA model from the Air Force
13 is zero. They have ignored this requirement. From data that
14 we've obtained from the Air Force hospital on the number of
15 patients they've seen, we've calculated about a \$20 million
16 cost shift to CHAMPUS. Now, there may be some offsets to that
17 CHAMPUS number. We don't know where the Air Force is
18 reallocating their medical people that are leaving here, so
19 it's impossible for us to determine precisely where that's
20 going.

21 I want you to look at the Air Force saving of \$62
22 million, and our replacement cost of that saving of \$74
23 million. From my discussion earlier, are we surprised that
24 after the cost shifting and the unconsolidation that we're
25 finding an increased cost for the \$62 million of support that's

1 being taken away. You should feel comfortable that what's
2 happening is we're just becoming less efficient.

3 Let me give you a picture of what's really happening
4 here. The horizontal axis represents a time line, and the
5 vertical axis is -- above that time line, is a cumulative cost
6 saving, and below it is a cumulative cost. What the proposed
7 realignment is billed as doing is requiring \$277 million one
8 time to get in the game, and then we're going to save \$62
9 million a year; break even at the five-year mark; and then
10 beyond that we are going to return \$62 million of the public's
11 treasure to the United States Government.

12 The reality looks more like this: First, you're
13 going to have the opportunity to buy into the game at \$525
14 million one time. And, for that investment, you're going to be
15 permitted to spend an additional \$12.7 million more to do this
16 realignment than you're spending today. We just think this is
17 folly.

18 During my presentation I have used Department of
19 Energy cost numbers, and they are pretty significant. Mr.
20 Bruce Twining, the manager of the Albuquerque Operations of the
21 Department of Energy will comment on these estimates.

22 MR. TWINING: Thank you, John. The Department of
23 Energy did develop these cost numbers in close collaboration
24 with Sandia National Laboratory, which is our biggest
25 contractor here on Kirtland Air Force Base.

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1 Before we started, we reviewed the assumptions with
2 the Air Force. We have reviewed our final cost estimates with
3 the Air Force and others. And, given the assumptions, we're
4 very comfortable with the magnitude of those cost numbers
5 today.

6 I should also point out that most of those costs
7 will come from the same 050 budget account that pays for the
8 Air Force, and, in fact, all of DOD. Our Secretary of Energy,
9 Hazel O'Leary, has provided this information to the BRAC
10 Commission formally, and we continue to work with the Air Force
11 and refine our planning on this.

12 GENERAL MARQUEZ: Thank you very much, Mr.
13 Twining. Can you hear me?

14 Last week the General Accounting Office released
15 their report on this particular BRAC process. They
16 specifically mentioned Kirtland. They had two recommendations
17 for the BRAC. One of them, of course, is to analyze the cost
18 savings for reality; the other one is to look at the military
19 impact.

20 I know you have your own copy, Mr. Chairman, but I
21 wanted to make sure that you got it, so I'm handing it to you
22 personally.

23 That leads us into -- leads us into talking about --
24 a little bit about operational impact. We have significant
25 operational impact, we believe, and I'd like to introduce now

1 Major General Edward Giller.

2 General Giller is a World War II air combat veteran,
3 three and a half victories in World War II, a Ph.D. in chemical
4 engineering; spent 45 years putting this thing together. And I
5 think he is very well qualified to speak to the operational
6 degradation that we fear. General Giller.

7 GENERAL GILLER: Thank you, Leo.

8 The BRAC process primarily seems to be one of cost
9 savings, but I was very pleased to hear the chairman say that
10 military missions are obviously of equal if not greater
11 importance.

12 Now, the military mission is normally considered to
13 be a flying outfit in the Air Force of some form, or a specific
14 Air Force activity, which the Air Force requires, and it has a
15 support function with it on a base. And to save money and not
16 lose the mission, you move the mission someplace else on
17 another base which will take it, and you dissolve the cost of
18 the base.

19 That concept will not apply to Kirtland one iota,
20 because Kirtland is not a standard military base. Let's ask
21 ourselves, why is Kirtland even here as a military base? You
22 go back to the Manhattan District when I joined the predecessor
23 of DNA, and it was decided that Sandia would be constructed
24 down here in Albuquerque to support Los Alamos, the first
25 weapon designers. The services would create an interservice

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1 organization known as DNA today, and they would be responsible
2 for price service interface with this whole complex, from
3 design, all the way through to installation, training, and a
4 whole series of activities. And over the period of years, more
5 and more units have come here, and more and more activities
6 have been concentrated.

7 Now, in the last few years, with downsizing, Cold
8 War ending, there seems to be -- well, we have less to do in
9 this world. There also is a shortage, I feel, in Washington
10 now, of policymakers who have any real understanding of the
11 polit -- nuclear interactions that take place in the nuclear
12 weapons business. Of course, we're going to keep a large
13 number still. We, obviously, cannot afford to reduce any
14 activities which lead to any reduction in our confidence in our
15 stockpile.

16 My first viewgraph shows a breakdown -- in this case
17 I've listed 14 specific activities that Los Alamos, Sandia, and
18 the services interact on daily, weekly, and monthly. As you
19 might see on the top of the list, most of them begin at the
20 design area, where Sandia and Los Alamos design the weapons,
21 put in the security functions; they put in use controls so they
22 cannot be used when you don't want them to, and they can when
23 you want them to. And, of course, that involves the GI at the
24 end of the line. It's not a physicist's job; it's really the
25 other end of the job. We have to move these things around. We

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1 have to put them on systems, so when you build something,
2 you've got to talk to the guy that's got to carry it in his
3 airplane and put it on a missile. Then you have all the
4 paperwork that goes with keeping this stockpile interface up to
5 speed and running. And then we have to worry about accidents.
6 We've had a few, but never one with a nuclear yield, which is
7 certainly a statement as to the competence of the United
8 States.

9 And so we have all these activities. Now, we have
10 some new ones. The next viewgraph shows that in the last few
11 years we've become very concerned about, properly so,
12 nonproliferation, Iraq and Korea. This is the third world type
13 of problems. And, again, you find all of these folks that have
14 all these subjects that I've just described involved. We have
15 counter-proliferation, is what do you do when somebody has
16 proliferated? Now that's another activity in which you have to
17 involve the nuclear side of the game.

18 Terrorism. We're not third world terrorism
19 particularly, but the individual or group terrorism, which we
20 worry about very much. That requires special activities.

21 Now, what's also new is the international
22 cooperation has taken place. The end of the Cold War, we find
23 ourselves in doing research and development contracts back and
24 forth with the Soviet Union. Quite a bit of money is flowing
25 back and forth in the nuclear game. There are other things,

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1 but primarily that.

2 NEST is an acronym for the Nuclear Emergency Search
3 Team, a trained, equipped unit which can go anyplace in the
4 world to handle an accident or a bomb threat or what have you.
5 And we're beginning to interact with other countries on this.

6 And last one is, we're helping the Soviet Union take
7 apart their stockpile, using American dollars, the Nunn Lugar
8 appropriation. And that is an amazing amount of interface
9 between folks.

10 And let's see how many outfits are involved. The
11 next viewgraph shows, across the top all of the 14 I just
12 listed, but down the side you will see the National
13 Laboratories, Los Alamos, Sandia, three Air Force units, and
14 two Navy units, and White Sands. And the dots show the
15 intersections. It shows that the national labs and DNA work in
16 everything. And if you add the two or three Air Force units
17 together; they are involved in everything. Not always to the
18 same degree, obviously, but they have to keep up with it and be
19 involved.

20 And so we now go to -- I want to go to a concept
21 using an umbrella. The 377th provides us with the support to
22 be able to keep all these organizations together. And we've
23 talked about them. You've got field commands, KUMSC is the
24 storage unit, and the Air Force units, DOE, Sandia, Phillips,
25 and White Sands. Those are the same units as before. Today we

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1 feel that they are pulled together under this umbrella which
2 provides their support.

3 But the next viewgraph shows what is proposed is to
4 split these units and send them different places. Part of the
5 Air Force is going to Texas, and part of the units are staying
6 here. But what disturbs me most of all is field command, the
7 integrator of the Defense Department for all of this goes to
8 three places: Nevada, Texas and some will stay here. The
9 logic, which escapes me, and I think is a serious mistake.

10 One of the other problems of this separation is
11 people say, "Well, we can use secure video, fax, travel,
12 telephone or what have you." My experience in this world, you
13 can check with the laboratories, is this is a very poor
14 substitute. And what it leads to in the long run is a loss of
15 corporate memory, a loss of cohesion in these smaller units
16 away from their daily interaction, and one hell of a lot of
17 travel, which is quite unnecessary, since they have to do all
18 these things. And it's our national interest that these people
19 stay pretty sharp. And so I don't see that the impact on our
20 mission -- not an ordinary military mission, but still the
21 Department of Defense mission -- it's imperative we stay
22 together.

23 So now I'd like to present General Scott who will
24 discuss some of the other operational consequences.

25 GENERAL SCOTT: Thank you, General Giller.

1 I'd like to address specifically two major
2 organizations on Kirtland Air Force Base which will suffer
3 serious operational degradation as a result of the proposed Air
4 Force realignment. These units have widely varying missions.

5 The first is the 58th Special Operations Wing. The
6 58th Special Operations Wing is a formal school for the Air
7 Force conducting special operations in combat rescue training
8 in all models of Air Force helicopters, HC-130, Tanker C-130
9 and the Combat Talon, MC-130.

10 This training involves over 60 courses, teaching
11 some 700 students per year. The training includes initial
12 qualification, mission qualification, and annual refresher
13 training.

14 A major milestone in our nation's special operations
15 history occurred in April 1980, when we failed to rescue the
16 hostages from Iran. As a result of that failure, all the
17 services developed intense programs of reorganization and
18 revitalization of the special operations forces.

19 The Air Force had always had a problem lacking a
20 formal school with which to conduct Air Force special
21 operations forces. The training had been conducted by
22 operational units, without adequate courseware or training
23 aids.

24 Also, as a result of this intense national
25 discussion on special operation capability, the Congress

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1 directed the Department of Defense to establish a unified
2 command to address the special operations needs and
3 requirements, and to establish an office in the Secretary of
4 Defense regarding special operations.

5 The United States Special Operations Command was
6 activated in April 1987, and soon after, an office designated
7 Assistant Secretary of Defense for Special Operations on Low
8 Intensity Conflict was established.

9 USSOCOM, under the purview of AST SOLVIC, conducted
10 a year-long evaluation of Kirtland Air Force Base as a site for
11 Air Force special operations training. The final event of the
12 evaluation was intense international exercise which validated
13 Kirtland Air Force Base as a site for Air Force operational --
14 special operations training.

15 New Mexico is an ideal training environment for
16 special operations forces: A wide variety of terrain, low
17 level roof over nonpopulated areas; multiple drop zones,
18 landing zones, and demanding density altitude scenarios.

19 An important aspect of the 58th Special Operations
20 Wing capability are their state-of-art simulators. These
21 simulators have the ability to support classified missions,
22 support national objectives. The simulators include one
23 million square miles of visual database covering the major hot
24 spots of the world. These simulators were used to plan and to
25 rehearse actual missions at the onset of our participation in

1 Desert Storm.

2 The Air Force has proposed the move of the 58th
3 Special Operations Wing to a location with inadequate
4 facilities and inadequate infrastructure. Also, these
5 sophisticated simulators would have to be moved. The
6 facilities do not exist. The wing conducts 50 percent of its
7 training in these simulators, which allow the Air Force to
8 reduce its flying hour program for training by 30 percent.
9 Consequently, this move would have to make serious operational
10 degradation on the readiness of the wing.

11 During our -- as we incur this precarious
12 international security environment, it's imperative that we
13 have 100 percent readiness of our special operations forces.

14 The next unit I will address is the Air Force
15 Operational Test and Evaluation Center. Established here in
16 1974, directed by Congress, the Air Force to have realistic
17 testing of its weapons systems. It was located at Kirtland
18 specifically to isolate the unit from the development
19 commands.

20 The proposed relocation to Eglin Air Force Base
21 seriously comprises the independence of the operational test
22 programs.

23 The bottom line is, moving AFOTEC to Eglin Air Force
24 Base is akin to putting the fox in charge of the henhouse.

25 All units in Kirtland Air Force Base incur

1 outstanding community support. Here to address community
2 issues, Mr. Sherman McCorkle, a life-long businessman from New
3 Mexico; former chairman of the Greater Albuquerque Chairman of
4 Commerce.

5 MR. McCORKLE: Thank you, General Scott.

6 Commissioners, I will not take much of your time
7 this morning talking about environmental concerns and
8 opportunities for reuse, because, quite frankly, if
9 opportunities for reuse are almost nonexistent. And
10 information about carbon monoxide attainment in the Executive
11 Committee Minutes of the BRAC appear only to create confusion.
12 In reading those minutes it would appear that the single issue
13 that caused Kirtland to be changed from a receiver base to a
14 reduction base was the comment on 14 December '94 about
15 Albuquerque being a nonattainment area by EPA standards.

16 In fact, Albuquerque has met the National Air
17 Attainment Standards for the past three years. Albuquerque has
18 asked to be redesignated as an attainment area. The approval
19 of that request is assured.

20 In point of fact, not only is growth permitted at
21 Kirtland Air Force Base in 1995, it has been permitted in '94
22 and '93 and '92.

23 I would like to show you a graph that does
24 demonstrate that in the early '80s, this air shed had some
25 problems with carbon monoxide attainment. However, the

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1 Albuquerque and Bernalillo County air shed now is one of the
2 very few places in the United States that, for the past three
3 years, has met all attainment requirements.

4 Colonel Thomas gave you a tour on his map of
5 Kirtland Air Force Base. Albuquerque, and, in fact, New Mexico
6 have long supported the military in the federal research
7 activities as Kirtland, and we will continue to do so.
8 However, we do want to express our concern today, because it
9 appears that only about three percent of Kirtland Air Force
10 Base will be available for reuse or commercial activities.
11 And, unfortunately, these three percent is essentially the
12 housing areas, the old base hospital located on Kirtland Air
13 Force Base, and some ball fields. These areas will cost money
14 and will not provide any reuse opportunities.

15 In fact, as we look at the impact on New Mexico,
16 over the next five to ten years, there will be a negative
17 economic impact on our community in excess of \$5 billion. So
18 not only will the American taxpayer suffer by this realignment
19 by paying additional taxes to pay for the realignment, those
20 citizens in New Mexico will suffer a very severe economic
21 blow.

22 With those few words on the environment and on
23 reuse, I'd like to turn the program back to General Marquez.

24 GENERAL MARQUEZ: Thank you, Mr. McCorkle. As
25 late as last week, as the Air Force was examining and

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1 reexamining its numbers, in response to a letter by a
2 congressional delegation, we received this response from
3 General Lezy, Director, Legislative Liaison. In fact, where he
4 says "that the Air Force has no interest whatsoever of pursuing
5 an action that improperly diminishes security, reduces
6 operational effectiveness or is not cost effective."

7 We believe that this morning we have demonstrated
8 that this action, in fact, does all three of those. It is
9 costs, not savings; nuclear surety and other operational
10 effects of missions performed here are going to be severely
11 impaired or affected adversely. Reuse is virtually
12 nonexistent.

13 We maintain that Kirtland Air Force Base, as it
14 exists, is a model BRAC installation, which is hosting federal
15 government units and doing a very, very effective job.

16 When the commanders were queried by Commissioner
17 Robles and Montoya this week earlier, they all said, of course,
18 as soldiers, our mission will continue, but they also said, it
19 will be more difficult and it will cost more. Nobody maintains
20 that this cannot continue, we just maintain that this action is
21 not in the best interest of the American taxpayer.

22 I will tell you Commissioners, that, when this came
23 about, there was a lot of discussion in this town. A lot of
24 well-intentioned people, good citizens came forward and said,
25 "Listen, if, in fact, this proposal is going to save money, if

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1 it's going to reduce the national deficit, should we not, as
2 good citizens, step forward and say, 'Yes, it's time for us to
3 do our part'?"?

4 My response to them was this, after examining the
5 facts and looking at it, "Yes, in fact," and I will join in
6 that by our Senior Senator Pete Domenici, who said, If, in
7 fact, this proposal did that; if, in fact, this proposal did
8 increase effectiveness of the Air Force and the national
9 defense; if, in fact, it saved money, neither the Senator nor I
10 would be standing in front of you now. We would be accepting
11 it as our due as citizens of this country.

12 But the facts are not like that. I think we have
13 showed you that today and we have documentation to back it up
14 and continue working with your staff to make sure that you get
15 it and that we examine it in whatever format is required to do
16 that.

17 You know, an industry has sprung up in this country
18 as a result of BRAC. We were deluged, we were deluged by
19 people calling us from Washington, some saying, "Just send us
20 half a million dollars and we will guarantee you that we will
21 take your base off the list. We are so well connected
22 politically in this town that we can do that."

23 Our response was, Thank you very much. We do not
24 like your proposal for two reasons: On the one hand, it
25 insults my intelligence. But mainly, I believe that it impugns

1 the integrity of the commission members, who I believe are
2 honest men and women, who may have been selected to do this
3 job; have volunteered a great personal sacrifice, who must
4 perform this job and make some hard decisions in the harsh
5 glare of public spotlight, and I believe that, when they
6 examine the facts, they will do the right thing.

7 We pray that you give us our due; that you examine
8 the facts as we presented them; and that you render your
9 decision.

10 Mr. Chairman, that concludes our presentation. Are
11 there any questions?

12 COMMISSIONER DIXON: Do my colleagues have any
13 questions? Commissioner Kling.

14 COMMISSIONER KLING: Some place I remember in
15 your presentation that the statement was made that there would
16 be, in your estimation -- 600 additional family units were
17 going to have to be provided, and that was not included by the
18 Air Force. Could somebody just elaborate on that a little
19 bit?

20 GENERAL MARQUEZ: Yes, sir. Mr. Vuksich can
21 handle that question.

22 MR. VUKSICH: Sir, the Air Force has a stated
23 requirement of 648 units. That's in their military
24 construction estimate that created the cost estimate that went
25 into the COBRA model. That figure is generated by determining

1 the number of married people in a unit, specifically, in this
2 case, the 58th Special Operations Wing. And then apportioning
3 the percentage of married people against that number.

4 COMMISSIONER KLING: But were you saying that was
5 not in the COBRA?

6 MR. VUKSICH: 100 units are funded in the COBRA
7 model that creates this estimate; 648 is the stated requirement
8 from the Air Force.

9 COMMISSIONER DIXON: My colleagues --

10 COMMISSIONER KLING: So you feel that 500
11 additional -- you think that the cost -- that's where you got
12 your 75 million is that there would be 500 additional housing
13 units not provided for.

14 MR. VUKSICH: The \$75 million, sir, is the
15 increase of 548 housing units.

16 COMMISSIONER KLING: Thank you.

17 COMMISSIONER DIXON: Do my colleagues have any
18 other questions with the minute and a half remaining.

19 COMMISSIONER MONTOYA: I have one, Mr. Chairman.
20 General, just a quick question. DOE has validated
21 their number in terms of budgetary numbers. Have you shared
22 your proposal with anyone in the Department of Defense up to
23 now.

24 GENERAL MARQUEZ: No, Admiral, we have not. We
25 may have been in close contact with General Perez and his

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1 staff, and of course, with the DOE. We've obtained our numbers
2 mostly from them and done our own analysis, but at this time we
3 believe that the process called for us to make our presentation
4 to you and then, in fact, if, in fact, we were cleared with
5 that we will be happy to discuss it with any agency that's
6 concerned, and we will provide this information back to you.

7 COMMISSIONER MONTOYA: So I presume, then, that
8 no one has pushed back and taken issue with your analysis
9 today.

10 GENERAL MARQUEZ: I will tell you this, sir, in
11 actual fact, our information trickling in yesterday and this
12 week, which, however remains unconfirmed is that, in fact, the
13 number of costs is growing; the savings is actually getting
14 even less. We are now at a point where the ROI, return on
15 investment, time period is at infinity and is receding daily.

16 COMMISSIONER DIXON: Thank you very much,
17 General.

18 I want to express the personal appreciation for the
19 Commission for this excellent presentation. Governor Johnson,
20 we're pleased to have you; the distinguished Senior Senator,
21 Senator Domenici, we're delighted to have you; your
22 distinguished colleague, Senator Bingaman, we're delighted to
23 have you, sir; Congressman Schiff, I think you're an old
24 Illinoisan, if I remember correctly, pleased to have you here;
25 and Mr. Mayor, we're delighted to have you here, Mayor Chavez.

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1 Thank you very kindly.

2 (A recess was taken.)

3 COMMISSIONER DIXON: The meeting will come to
4 order, please.

5 The great State of Utah is allotted 90 minutes, and
6 the chair is pleased to recognize the distinguished Governor of
7 Utah, Governor Leavitt.

8 May I interrupt for a moment. The chair has
9 neglected to suggest that it is my responsibility under the
10 change in the law passed by the last Congress to give the oath
11 to all those who plan to testify. Would everybody that plans
12 to testify, please rise and raise your right hand.

13 (The witnesses were sworn.)

14 COMMISSIONER DIXON: Governor Leavitt, I
15 apologize for that interruption.

16 GOVERNOR LEAVITT: Thank you, Mr. Chairman.

17 Mr. Chairman, Commissioners, we appreciate deeply
18 the opportunity to come and make our case today. With me are
19 members of the Utah Congressional Delegation, including Senator
20 Orrin Hatch and Congressman Jim Hansen, both who are well
21 respected members of Congress, who have strong views and well
22 respected views of national defense issues. Also Major General
23 Mike Pavitch, who is the President of the Hill DDO 95, which is
24 a community-based and group organization that represents Hill
25 Field in Defense Ogden Depot before this Commission. My chief

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1 military advisor, retired Major General John Matthews will also
2 be discussing today matters pertaining to the Dugway Proving
3 Grounds. We're joined as well by dozens of workers from
4 Defense Depot Ogden and Dugway, who have come here by their own
5 expense today to make their support known. They've made the
6 long trip from Utah at their personal expense and sacrifice to
7 demonstrate their support. The Mayor of Ogden and Clearfield,
8 the Chairman of the Weaver County Commission, the President of
9 the Chambers of Commerce from communities around the area and
10 dozens of business and community leaders may have also come.

11 Utah understands the need to downsize defense. We
12 are not new to this, and we have done our share. We have
13 dropped, for example, in the last decade from 23rd to 48th in
14 the defense dollars spent in our state. But this issue today
15 is not just about Utah; it's obviously about military value and
16 strategic value and about the Department of Defense.

17 Today, during our presentation, General Pavitch will
18 argue that DLA improperly preselected bases that would close.
19 This will require, we believe, corrective action by the
20 Commission.

21 We'll also demonstrate that the Army's proposal to
22 dramatically scale back Dugway Proving Ground and close the
23 civilian housing area, known as English Village, was imprudent,
24 and that General Matthews will demonstrate how the Army's plan
25 is not supportable.

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1 Finally, General Pavitch will discuss issues
2 regarding Hill Air Force Base, the Air Logistics Command, and
3 the proposal to consolidate tactical missile repair to the
4 Ogden ALC. Again, we thank you for the opportunity to make our
5 presentation. I'd now like to recognize General Pavitch for
6 his presentation on the Defense Ogden Depot.

7 COMMISSIONER DIXON: Thank you very much,
8 Governor. General Pavitch.

9 GENERAL PAVITCH: Chairman Dixon, members of the
10 Commission, we appreciate the opportunity on behalf of the
11 community and the State of Utah to have a few minutes to talk
12 to you about Defense Depo Ogden. As the Governor said, we know
13 you have a significant task, and if you don't mind, I'd like to
14 come over here and talk to you -- put me up on the mike -- I
15 feel a little bit more comfortable. And as Commissioner Kling
16 and Commissioner Steele know, I move around a lot, and I wave
17 my arms a lot, and I get a little bit emotionally involved in
18 what I say, but it's because I believe in what I say, and I
19 believe in the defense of this country, and I believe the
20 actions that have been taken by DLA diminishes the potential
21 military value of the distribution system of this United
22 States.

23 What we want to show you today is that DLA has
24 deviated from the decision criteria and the recommendations
25 that they made to the Secretary; that they did not comply with

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1 the law, and the fairness that you so greatly stand for,
2 because they did not treat all the bases equally; and that,
3 even though they may not have done it knowingly, what they did
4 do certainly gives the appearance of preselection. Those are
5 the points that I want to make today.

6 Now, before I get into that I want to lay a little
7 bit of foundation about military value. In my 29 years in the
8 Air Force as an operational commander, I was a big user of the
9 logistics system. As a logistician, I spent 12 years operating
10 the logistics systems. The only military value that a
11 distribution system provides is getting the customer what he
12 wants, where he wants it, and when he wants it, and doing that
13 at the lowest possible cost.

14 Now, all of those factors are collected in the
15 performance indications by DLA. All of those factors are
16 available on customer satisfaction and performance. None of
17 those factors were used in DLA's analysis to come up with their
18 decision process, and they call impact operational readiness,
19 and that is certainly a deviation from criteria Number 1.

20 In the change from the '93 analysis to the '95
21 analysis, DLA really changed the scope of things, and they very
22 much downgraded operational efficiencies. Operational
23 efficiencies, as I just talked about, is the most important
24 part of the military value equation, and they have made it the
25 less important part.

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1 Let me tell you how DLA operates, just so we're on a
2 common baseline here. DLA gets no appropriated dollars to run
3 a distribution system. They get the money to run the
4 distribution system by charging their customers: The Army, the
5 Navy, and the Air Force. What they are charging their
6 customers right now is \$27.60 for every transaction that takes
7 place at a distribution depot. There are about 35 million
8 transactions a year. That's almost a billion dollars that they
9 are charging the Army, Navy, and the Air Force.

10 Now, where does that money come from? I built a
11 simple little model here, what I call the "X, Y, Z model,"
12 which says, The services get operation and maintenance budget.
13 That operation and maintenance budget pays for the exercise of
14 military muscle; that's the steaming of the ships, the
15 exercising of the soldiers, the flying of the airplanes.
16 That's real military muscle where you want to spend your
17 operation and maintenance budget. They also do the maintenance
18 of their equipment, and that is important to the exercise of
19 muscle, and then they buy the needed supplies.

20 If you look at the model, what that tells you, to
21 get real military value from the distribution system, you want
22 to drive Y as low as possible, so you provide more dollars
23 available for the exercise of that muscle. That's real
24 military value. That is done by using the most cost-effective
25 depots, or combination of depots, and that gives you what you

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1 need from a distribution system.

2 Let's look at how the cost is made up in a
3 distribution system. What you have are suppliers,
4 transportation from the suppliers to some intermediate point,
5 which we call a distribution center or warehouse complex. The
6 operation of that, transportation from there to various
7 customers; you don't really know who that customer is going to
8 be on a particular day or exactly what they want, so we have to
9 have the intermediate storage. There is also a base
10 operational support for over and above costs for the operation
11 of that depot.

12 Those three costs: Transportation, distribution
13 depot operations and general and administrative make up the
14 cost of the distribution system.

15 In DLA's analysis of military value, the only part
16 of that cost equation that they used was G & A. They didn't
17 look at the distribution cost of operations and, in fact,
18 flatly said they were not going to look at that. How can you
19 take 50 percent of the cost of the depot operations out of your
20 analysis and say you have looked at operational efficiency
21 appropriately?

22 Besides that, when they looked at Defense Depot
23 Ogden, they overlooked a very obvious factor, and that is the
24 fact that Defense Depot Ogden is the largest stand-alone depot
25 that does what we call reimburseable workload. It's a kind of

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1 a maintenance workload that they do in conjunction with the
2 warehousing functions. That's about a third of the operation
3 of Defense Depot Ogden. It pays for a good share of that
4 overhead: \$10.5 million a year, and it should not be
5 considered in the cost of the depot operations.

6 DLA took that G & A overhead from the reimburseable
7 account and stacked it on top of the depot, added \$10.5 million
8 to the G & A and used that in their discussion of base
9 operational support. That also skewed their application of the
10 sales model.

11 Now, I'm not going to get into that, but I'd be glad
12 to talk to your staff about that. But that very much skews the
13 sales model and gives you a very different outcome when you
14 operate the sales model, which they say was important to them.

15 Another opportunity to look at cost efficiency was
16 done by DLA themselves. They commissioned Peat Marwick to do a
17 study. When they were trying to decide California depots,
18 Pennsylvania depots, and Utah depot, where should we put our
19 primary distribution site?

20 Now, this came about because of a lot of pressure
21 put on them by Congressman Hansen, when he said, "You are not
22 looking at the most cost-effective depot for your primary
23 distribution site; you need to look into that."

24 They commissioned Peat Marwick to do the study,
25 hopefully to give them information that would refute what

1 Congressman Hansen was saying. What happened is the Peat
2 Marwick study came back and demonstrated clearly the Defense
3 Depot Ogden was the most cost efficient of those five depots.

4 They have written to you and say, "You can't use the
5 Peat Marwick study." What I'm saying is you can. Let's look
6 at what Peat Marwick found out.

7 The bottom is a quote from Peat Marwick, and it
8 says, Our analysis revealed that binable -- fast moving
9 stock -- bulk -- slow moving stock -- and hazardous -- slow
10 moving stock -- has to be about equal in order to evaluate the
11 depots. The depots that we evaluated: Sharpe, Tracy,
12 Mechanicsburg, Cumberland, and Ogden, we looked at those
13 proportions, and they are within about three percent of each
14 other. They are comparable. So you can look at the total cost
15 of operations -- I'm sorry that second line which says total
16 cost should say total lines, which is the operation in and out
17 of the depot, and you can compare the unit cost, and you can
18 see that Ogden is clearly a more cost-efficient depot in that
19 comparison by Peat Marwick.

20 Peat Marwick also said, you can compare depots by
21 looking at other factors. And those are the other factors that
22 they looked at which they said are comparable.

23 Now, what Peat Marwick did say in their study and
24 what DLA hangs their hat on is that you can't arbitrarily
25 compare all depots, because if that workload mix isn't close

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1 together, you won't necessarily get the same answer. But what
2 we found, through the past two years of history, is that, even
3 moving the binable, fast moving stock, from DDOU to the
4 California depots, DDOU is still cheaper than the California
5 depots, using mostly hazardous and slow moving bulk items. And
6 that's a \$21 per item cost at Ogden, and a \$23 item cost at
7 California right now, according to DLA's records; 21 and
8 change, and 23 and change.

9 So it is our contention that DLA, when they were
10 making their decision process, were arbitrarily combining
11 Sharpe and Tracy with Mechanicsburg and Susquehanna as an east
12 and west coast depot, inappropriately disregarded evidence that
13 said, you shouldn't do that, you should look at other
14 combinations.

15 The question is, why would DLA do that? I mean, DLA
16 ought to be trying to drive down that Y cost. Why would they
17 arbitrarily disregard that study? The answer is they had a
18 preconceived concept of operations. Intuitively appealing,
19 we've got to support the west and the east in conflict, so
20 we'll go to the west coast and we'll go to the east coast.
21 Intuitively appealing, unfortunately not substantiated by fact
22 or past operations. They did no analysis to come up with the
23 concept of operations.

24 Let's review the minutes of what happened, okay?
25 They said, In the beginning, we'll have eight stand-alone

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1 depots. We'll look at eight stand-alone depots in '93; we'll
2 look at eight stand-alone depots in '94, and in the March time
3 frame, that's what they were doing. In April, they came up
4 with this concept operations, and they said, We'll arbitrarily
5 combine California and Pennsylvania depots and evaluate them
6 against the other depots.

7 And then they said, in August, We need to make sure
8 we change our concept of operations so that it doesn't look
9 like we preselected. In fact, let's look at the quotes from
10 their minutes. In April, We need to make sure we craft our
11 concept of operations so it supports our decisions. Then the
12 decision that they reached in April is, We'll combine Sharpe
13 and Tracy and Mechanicsburg and New Cumberland, and we won't
14 review them in the BRAC process. That's what they said in
15 their Executive Committee meeting.

16 Then in '94, they said, Oh-oh, maybe we've done
17 something wrong. You better make sure you go back and change
18 that concept of operations so it doesn't look like we've
19 preselected.

20 Let's look at the decision process that DLA went
21 through. No numbers involved; no analysis; just the decision
22 process. Military judgment. Okay. They said, We have about
23 30 depots, some of them are co-located with other defense
24 installations, and some of them are stand-alone. The first
25 decision was, We'll let the other services decide about the

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1 co-located depots. If the service decides to close a base, and
2 we have a depot there, we'll close our depot there. No
3 analysis as to whether that's right or wrong. Just a
4 judgment.

5 So, when they made that decision that took out all
6 the co-located depots; they didn't have to look at them
7 anymore. Now they have the eight stand-alone depots. All
8 right our concept of operation says we're going to combine in
9 California and combine in Pennsylvania, and evaluate them
10 against the other four; let's see how that comes out. Well,
11 that takes them basically out of the process. They said we
12 weren't going to evaluate them; they didn't really, they just
13 assigned some numbers that gave them very high military value,
14 and then took them out of the equation from any further
15 analysis. That left four.

16 They made another decision. They said, If we have
17 an inventory control point at a base, which they do at Richmond
18 and Columbus, we're going to stay there. So that took those
19 two off. That left only Ogden and Memphis. Now, surprisingly,
20 that comes pretty close to the 64 million attainable cubic feet
21 of space that they were trying to get -- net -- trying to get
22 rid of. With no analysis at all, no numbers at all, they've
23 already reached their decision. It's Ogden and Memphis, it's
24 obvious.

25 Now, BRAC law states that everybody needs to be

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1 treated equally. Every base should be evaluated on its
2 merits. And not treated as one against two. That didn't
3 happen. We believe the DLA in what they did violates the BRAC
4 law.

5 Now, let's look at some of their other analysis.
6 They said, What is really important to the Department of
7 Defense is strategic location. We've got to have our
8 distribution system in the right place. And also we've got to
9 look at, how do you take care of military requirements in a
10 conflict? In other words, it's important to be able to process
11 wartime requirements. But they -- you know, that's right, but
12 they didn't do any analysis to look at that.

13 Let's look at strategic location. Okay. Now, this
14 is a graphic of the distribution system, as it affects the
15 western United States and the Pacific. If you look at the
16 suppliers that supply the common materials which DLA uses, you
17 will see that about 80 to 85 percent of those suppliers are in
18 the Rust Belt of the United States, the Pennsylvania, Ohio
19 area. So most of the material comes out of that part of
20 country and it travels to the west coast. The issue is, where
21 are you strategically located to distribute that material
22 best? Just leave that for a minute, Bob. Where are you
23 strategically located? They said, We need to be in California,
24 so we're close to the port at Oakland, because Oakland ships to
25 the Pacific. And we want to be out here at the end of the

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1 supply line near that port. All right.

2 The reality of life is every conflict that we've
3 had, where we've shipped to the Pacific, the port at Oakland
4 gets backlogged. In fact, they even have contingency plans on
5 how to go to the ports at Puget Sound and the ports at San
6 Diego and Los Angeles. And even during Desert Storm they went
7 to the port in New Orleans. Okay. So where do you want to be
8 if the port at Oakland gets jammed up. Do you want to be right
9 at the port of Oakland where they can't take what you're trying
10 to feed them, or do you want to be at a strategic location,
11 where you can service all of those ports equally well, cheaper
12 in transportation costs, because you don't have to do this.
13 You don't have to go all the way to the end, and then ship,
14 because each one of those arrows is transportation cost. So
15 you don't want to be out there. You want to be centrally
16 located.

17 The other thing that we need to look at in the
18 strategic location is the fact of where the customers and
19 suppliers are. DLA makes a big issue of this. They say, We
20 want to be near the supplier and the customer. If you look at
21 the suppliers and customers in their sales model, 88 percent of
22 the suppliers and 85 percent of the customers are closer to
23 Ogden than they are to California.

24 Now, that's where it causes me to be really
25 suspicious of this sales model. I spent two years in Air Force

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1 studies of analysis, and what I learned is a healthy respect
2 for mathematical models that optimize things. If they don't
3 meet the common sense test, they are probably giving you
4 erroneous information based on wrong assumptions.

5 So when you look at the suppliers being closer to
6 Ogden, and the users being closer to Ogden, that the percentage
7 rate, there is something wrong with the sales model. That goes
8 back to that G & A, which I say they stacked on top, and called
9 the depot operations of Ogden \$10.5 million more than they
10 really were.

11 What you really want for the strategic location in
12 the west is someplace where you can ship to the Pacific quickly
13 in conflict, daily in peacetime operations, but you can easily
14 reach the entire western United States quickly from.

15 Let's face it, most of what we distribute in
16 peacetime operations is in the United States, not overseas.
17 And, when we go overseas, we need to be able to go overseas
18 from all the ports available to us equally; not just one. So
19 that says the strategic location of California doesn't hold
20 water when you look at the fact of how we operate.

21 How did things come about when they put the numbers
22 to their evaluation? They changed the '93 to '95 numbers.
23 They gave points for a containerization consolidation point;
24 that basically drove the analysis. I'm going to talk about
25 that. And they used throughput design capacity improperly.

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1 They changed the emphasis from '93 to '95 from
2 looking at efficiency expansion capability and excess storage
3 to what are you currently doing and are you a containerization
4 consolidation point or not. And then they defined it; they
5 said, You can only have two containerization consolidation
6 points: Sharpe and New Cumberland.

7 What is a containerization consolidation point?
8 It's a big warehouse like this, with a lot of doors where you
9 can take shipments and consolidate them together into a
10 specific container and ship that off to the port by rail.
11 Every DLA stand-alone depot has been a containerization
12 consolidation point, can be a containerization consolidation
13 point, and, in fact, because of the deployable medical supply
14 system that is done at DDOU. DDOU is a containerization
15 consolidation point where it ships train loads of hospitals to
16 the ports during conflict.

17 What they did is they said, You get 100 points if
18 you are; you get zero points if you're not, and we're only
19 going to give those points to California and Pennsylvania; the
20 rest of you are out in the cold. No analysis, no
21 consideration, just military judgment.

22 Okay, throughput capacity. Remember, they said,
23 It's important to be able to process wartime requirements.
24 That's the throughput capacity of a depot, what it was designed
25 for. What did they use? They said, well, what's your current

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1 workload? Well, current workload is established by management
2 decision. That has nothing to do with your wartime
3 capability. Your wartime capability is what you were designed
4 for. And they have those numbers, they used them in '93; they
5 just didn't use them in '95.

6 What would be the outcome in their military value
7 analysis if you gave no points for containerization
8 consolidation point as they did with surface transportation,
9 because everybody has it, and if they used real wartime
10 throughput capacity, what you're designed for, and looked at
11 everybody independently? You get a much different picture of
12 military value than what they tried to show you when they said,
13 well, Sharpe and Tracy and New Cumberland and Mechanicsburg are
14 clearly superior to anything else. Well, the way they've lined
15 up the points, any combination of two depots will be clearly
16 superior to anybody else because you're looking at the current
17 workload. Okay.

18 So you have this which says things have not been
19 dealt with equally by DLA. Does it make sense to combine two
20 depots for a PDS? There may be some merit in that, and if we
21 look at the western United States, and we use the factors that
22 DLA used, what do we come up with when we make all of the
23 combinations that are possible in the west? When you look at
24 Sharpe and Tracy and then you combine Ogden with either Sharpe
25 or Tracy, you find you have a much better mix, using DLA's

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1 numbers, a much better mix, 100 points better. Those are
2 discriminators.

3 There is also other important factors that DLA
4 didn't even consider that would add to that military value.
5 Let's look at some of them. Installation excellence: The
6 definition for installation excellence is outstanding
7 performance over a long period of time with employee
8 participation and cost reductions and continued low cost
9 operations. DLA gave an award for that. They gave it six
10 times, '87 to '93. Only one depot ever won that award in DLA.
11 All six times DDOU won it. DDOU hasn't even been considered by
12 DLA as a primary distribution site. Something is wrong.

13 Why is DDOU a leader in cost efficiency? Well, if
14 you just look at Utah and California, you get one up front real
15 quick. It cost a dollar an hour less to hire a blue collar
16 worker in Utah than California and that's by law. Okay. So
17 you've got that going for you.

18 Cheaper transportation is able to be negotiated in
19 Utah than in California because of the interstate and
20 intrastate tariff rates.

21 You have lower depot operating cost because of the
22 installation excellence that we talked about. And definitely a
23 more productive work force, also talked about in installation
24 excellence. Reimbursable workload, which I told you about,
25 offsets some of that overhead cost. Why not take advantage of

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1 it? It lets you operate a distribution depot system much more
2 cheaply.

3 All right, DDOU was designed to be cost efficient.
4 In 1986, DLA said, Let's do a study and determine where the
5 best location would be to put our fast moving binable stocks.
6 Where should we locate all of that to get the most efficient
7 operation? The outcome of that decision was DDOU. Their study
8 said, Put it there. They spent \$23 million mechanizing Ogden
9 for binable, fast moving stock, and now they are saying, Well,
10 we don't want to do that anymore; we want to move that
11 someplace else. You can drive down the cost of operations of a
12 depot by moving binable, fast moving stock there, but, if you
13 have mechanized one facility to handle that and you haven't
14 mechanized another facility, you will never get to the low cost
15 that you had where you were mechanized for it. DDOU is
16 mechanized for that.

17 Another thing that wasn't considered: DLA gave no
18 credit whatsoever for Hill Air Force Base, 12 miles down the
19 road. You know, they said, Well, you don't airlift out of Hill
20 Air Force Base; that's not an APOE. Well, history tells us
21 differently. Desert Storm; Desert Shield; 326,000 pounds by
22 air over the pole baled out Mechanicsburg when they were in
23 trouble. Haiti and Cuba, 927,000 pounds by air.

24 Hill Air Force Base adds military value to DDOU.
25 It's much closer than trying to go from Sharpe to Tracy to

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1 Travis and you get C-5s and C-141s in there just as easy as you
2 get them in Travis.

3 Depmeds; reimbursable workload. Major issue. The
4 folks that went out there looked at that. This is a
5 one-of-a-kind operation. It's treated kind of like a tenant,
6 but it's really DLA work force. What it is is all the
7 deployable hospitals that the Army uses when they go on a
8 humanitarian or a contingency operations, they are shipped out
9 of there all the time, they are shipped out of there using
10 containerization consolidation procedures. It is someplace
11 where the Army wants to stay. We've got a letter from the Army
12 in your book which says, We want to stay there. It's a reduced
13 cost operations because it's cheaper there. The humidity is
14 just what they need for the outside storage where they store
15 these, and it's costly to move these operations, and it doesn't
16 need to be moved.

17 Other tenants that weren't even considered. There
18 are over 900 people there in the Internal Revenue Service.
19 That's a major tenant. It's not a DLA office and function, so
20 they didn't consider it, but somebody in the federal government
21 is going to have to take care of that tenant. Not even
22 considered in the DLA analysis. The DLA System Design Center;
23 that's a knowledge-based function of -- computer folks that do
24 the computer analysis for many of the important programs for
25 DLA; those folks are \$50,000 and up employees. They are easily

1 employable in Utah. That knowledge base will not move. That
2 will put that design center operation two years, three years
3 back trying to bring new people in. Even the smart people have
4 to come up to speed on those systems.

5 Defense utilization and marketing system. West
6 regional headquarters. They are at Utah because they support
7 all the western United States; they need to be centrally
8 located; they want to be centrally located. They need to be in
9 Ogden. It's the place to be. It's the hub of the west.

10 Summary, DDOU cost efficient operations,
11 demonstrated every time you look at it. It demands that it
12 should be included in any analysis of a western primary
13 distribution system. It absolutely demands it. It's criminal
14 not to look at it.

15 DDOU provides additional flexibility, strategic
16 location; we demonstrated that.

17 The history is that it's a customer of choice, and
18 any combination with the California depot says, This is your
19 best combination: DDOU with anybody else. It's sort of like
20 saying Michael Jordan; if you've got him on your team, you've
21 got the best team. I would vote for Michael Jordan every day.

22 "DLA does need to reduce excess warehouse
23 capacity." There are excesses at Sharpe. If you go there and
24 look, there is only one building at Sharpe that's worth
25 anything; it's a 200-million-dollar investment, which is

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1 costing DLA \$10 million a year for the next 12 years in
2 depreciation. That depreciation has to be picked up in that
3 cost of operations that goes into that \$27.60. What Peat
4 Marwick says is, you probably ought to sell that, or you ought
5 to increase its capability, because it's never lived up to the
6 throughput that it was designed for, because it's not
7 mechanized properly to handle binable, fast moving items. So
8 Sharpe is where the excess capability is, and that's where we
9 think we need to look for DLA's reduction.

10 We've demonstrated, I think, that they deviated from
11 the criteria. They didn't select the best military value; they
12 didn't select the most cost effective operation; they didn't
13 treat each installation equally, and whether they did it
14 knowledgeably or not is not my judgment to make. But, as I
15 read their minutes, and I look at their concept of operations,
16 I am convinced that behind the brain, so to speak, there is
17 preselection involved.

18 Thank you very much. I've talked very fast; haven't
19 allowed you to answer any questions. I'm available for any
20 questions that you might have.

21 COMMISSIONER DIXON: I think, if it's all right
22 with you, we'll wait until the end, General Pavitch, for the
23 questions. See what time we have left.

24 GENERAL PAVITCH: Thank you very much.

25 COMMISSIONER DIXON: God bless you.

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1 We're delighted to have Congressman Hansen here.

2 CONGRESSMAN HANSEN: Thank you, Mr. Chairman. We
3 appreciate being with you; it's good to see you again. We
4 appreciate very much Commissioners Kling and Steele last week
5 as they toured Defense Depot Ogden and Dugway Proving Grounds.

6 Let me start by saying that Utah is no stranger to
7 this process. Base closures and rumors of base closures are
8 unfortunately a fact of life for the past several years.

9 In fact, four years ago we closed Fort Douglas in
10 Salt Lake.

11 (Congressman Hansen began his presentation again after
12 switching microphones.)

13 CONGRESSMAN HANSEN: Well, as I stated, it's a
14 pleasure to be with you. We appreciated the Commissioner Kling
15 and Steele last week as they toured the Defense Depot Ogden.

16 Utah is not a stranger to base closing. We've been
17 faced with this many times. As an eight-term Congressman,
18 we've gone through this in front of BRAC Commissions a number
19 of times.

20 We closed Fort Douglas four years ago in Salt Lake.
21 I had a bill in to do that, and I think it was the right thing
22 to do. We had overcapacity there. Two years ago, we closed
23 Tooele North, and in that one I don't think it was the right
24 thing to do. And I always have to smile because I remember the
25 Commissioners making a big point that all that work was going

1 to go to Red River, and, don't worry, it will all be taken care
2 of, and I'm curious what's going to happen if you close Red
3 River, but that's your problem, not mine.

4 As a member of Armed Services Committee in Congress
5 I personally believe we have come down too far too fast. I
6 agree with my friend Dick Cheney when he gives an excellent
7 talk concerning that.

8 Let's take a look at the Secretary's recommendation
9 in light of the statutory BRAC selection criteria. The defense
10 logistic agency recommendation for Defense Depot Ogden is a
11 clear product of preselection by DLA. A review of Air Force
12 BCGE minutes shows a substantial deviation from the military
13 value and return on investment selection criteria by
14 preselecting double depot combinations as San Joaquin and
15 Susquehanna and ignoring its own KMPG analysis.

16 I have represented DDOU in Congress for over 14
17 years. I know this base very well. I know other DLA depots
18 well. I candidly doubt that few members of Congress have spent
19 as much time reviewing the DLA's management decision as I
20 have.

21 In my opinion, Ogden has never gotten a fair shake
22 from DLA in the past few years, and can be shown that Region
23 West buildup in San Joaquin has come at the expense of Ogden,
24 and I don't believe that's just coincidental.

25 I can't help but tell you, Mr. Chairman, and members

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1 of the committee, less than two years ago, Vice Admiral Straw,
2 DLA's Director, was in my office to discuss DLA's decision to
3 create two regions. As you know, in these two locations:
4 Susquehanna, Pennsylvania, and San Joaquin, California, which
5 DLA didn't really analyze for BRAC at this time.

6 At that meeting with Admiral Straw, I questioned the
7 decision to make San Joaquin, California, the Region West
8 Headquarters, when Ogden's location and capacity made it a
9 superior candidate to that of San Joaquin.

10 I was told by Admiral Straw that it just made
11 intrinsic sense to put it in California. I pressed the
12 Admiral. "Give me your analysis of this, Admiral, if you
13 would, please." I was shocked and surprised that DLA had not
14 conducted such a study prior to making such a huge decision.
15 However, Admiral Straw quickly assured me, he said,
16 "Congressman, don't worry about that. I'll back that up and
17 give you the facts to support it." That was two years ago.
18 I'm still waiting for the facts to support that decision.

19 Admiral Straw also told me later, nevertheless, and
20 regardless of what bases close in the '95 list, he would not
21 recommend Ogden DDOU for closure in '95, and he said why. He
22 said, "because its capacity and it was such an efficient
23 depot," he said, "I would never put that one on the list." I
24 have to admit I'm a little shocked when it went on the list.

25 DLA has done its very own studies of these depots.

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1 In January 1994 Peat Marwick's study vindicates Ogden as the
2 most efficient in the DLA. I've been a little upset at the
3 characterizations of the study by DLA itself on their own
4 study. It is my view that because this study didn't come out
5 how DLA wanted it to, they are doing everything in their power
6 to discount it. I ask you and your staff to review that study
7 carefully. Ask the people who compiled it for DLA what it
8 means; they'll tell you. They may also tell you candidly as
9 they have me that one of the past commanders they told that DLA
10 would look more favorably on the results of the study if Ogden
11 came out last. When I heard this, frankly, I was a little
12 upset and a little outraged. Worse than that, I think it's
13 dishonest.

14 Regardless of what you folks do, I'll tell you what
15 I'm going to do. It's going to be before a committee of the
16 House on Services Committee and find the discrepancy that we
17 have here.

18 The folks at Ogden deserve, and American taxpayers
19 deserve, better treatment than what DLA is doing to them. DLA
20 preselected its outcome, and violated the law requiring equal
21 treatment of all its bases. General Pavitch covered that
22 earlier.

23 We're counting on you, the Commission, to be our
24 court of last resort. You have the power to make things
25 right. We're counting on you to be fair and we know you will

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1 be. And we want to help you all we can with any information
2 you may need.

3 Now, if I may switch to the Army's recommendation on
4 Dugway Proving Ground. It's unbelievable. I have great
5 respect for our military institutions and many of military
6 leaders are the finest our society is ever to offer, yet when I
7 see decisions like the Army's on Dugway, it, in my opinion,
8 verges on incompetence. I shouldn't say that, I guess. It is
9 proof that the process has got out of reason.

10 Clearly, the Secretary substantially deviated from
11 the military value selection criteria in his Dugway
12 recommendation.

13 Commissioner Kling and Steele visited Dugway, they
14 flew the hour flight that it took to get out to that remote
15 location. That's more than can be said about the decision
16 makers on Dugway. To the best of my knowledge, neither Army
17 Secretary Toga West or General Gordon Sullivan has ever visited
18 Dugway. At OSD, John Deutsch nor Bill Perry has never visited,
19 nor has Joshua Gotbaum or Bob Baker.

20 I think that Commissioner Kling summed it up best at
21 the site visit; he said, "You simply have to see Dugway and its
22 remoteness to believe it." Once you see it, you can see how
23 ridiculous it is to expect to -- that's my comment there -- to
24 reclose this housing area and still support its vital chemical
25 and biological defense test missions.

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1 I hope you folks realize this place is huge. This
2 is bigger than Rhode Island. It's absolutely one of the
3 biggest places you ever want to see in your life. And there is
4 no way -- if you close that, you better put a fence around it
5 and MPs and dogs, because you're not going to let people walk
6 across that. We had a little boy walk across it one time and
7 killed himself because of all the armaments and chemical and
8 things that are there.

9 When you go out there, there is no gas station;
10 there is no comfort station; there is no 7-11. What you see is
11 just 50 miles to the next community, a lot of jackrabbits,
12 rattlesnakes, a few coyotes, and high mountain passes. That's
13 a very remote area.

14 For a service which claims quality of life as a top
15 priority, the Army sure has struck out here. They are not just
16 wanting to close military housing, they are killing a
17 community, and all of this to save about \$6 million a year in
18 base ops cost. That's it; \$6 million. While that's a lot of
19 money to me personally, it's not even budget when it comes to
20 looking at a 250-billion-dollar defense budget.

21 Now, when you look at the fact that the Army and
22 Test Evaluation Command has over \$30 million in its
23 modernization budget for the next two years, it's become clear
24 that it's simply a question of funding priority. If the Army
25 cannot afford housing areas, why doesn't it close the housing

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1 at Aberdeen, Maryland, right next to Baltimore and major
2 metropolitan areas? What about Yuma, Arizona? In Maryland, I
3 mean, my gosh, we've got the Chesapeake Bay.

4 As the Chairman of the Public Lands National Park
5 and Forest Service Committee in Congress, we're more concerned
6 about the environment there, and, if I may respectfully say so,
7 it's a very fragile environment we have in Chesapeake.

8 Dugway does testing for all of the services, not
9 just the Army. The Army's Testing and Evaluation Command knows
10 that Dugway is vital. Chemical and biological testing is DOD's
11 top priority. So, perhaps the Army believes that, if it offers
12 Dugway up for realignment, that it will motivate the
13 administration and Congress to provide additional funding
14 because of Dugway's high military value, and it certainly looks
15 that way to me.

16 The bottom line is that Dugway is vital to our
17 national security. The Army has vacillated in recent weeks as
18 to what it will keep and what it will remove from Dugway.

19 I thought it was interesting, when this list came
20 out, two days before I'm talking to a four star over at the
21 Pentagon, and he said, "There is no way in the world we can
22 close Dugway. It's a national asset. Where in the world could
23 we find this? There is no place in the Lower 48 we could even
24 find something like this."

25 Lo and behold, the next day it comes out it's on the

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1 list. I called back, and he said, "This is news to me. I've
2 never heard this before."

3 So immediately we said, "Let's have Lieutenant
4 General Coburn come over and talk to me," and Alma Moore, and
5 the Assistant Secretary Hollis. They came to my office, and
6 said, "The BRAC Commission" -- this is what they said -- "This
7 has got to be a mistake, it can't be right."

8 And I said, "Would you go before the BRAC Commission
9 and tell them that? "

10 They said, "Absolutely, we will."

11 Mr. Chairman, I sent you a letter to that effect.
12 And now I know you've had another follow-up letter from the
13 Army going back the other way. Does the right hand know what
14 the left hand is doing in this instance?

15 Let me respectfully say, I would hope that you see
16 the importance of this base that we have. And, especially, at
17 a time when chemical and biological warfare and terrorism is so
18 prevalent in the world today, this base is critical to
19 America. Please take a look at it. We appreciate it.

20 At this time I'd like to introduce retired Major
21 General John Matthews; the former Adjutant General of the Utah
22 National Guard; Past President of the National Guard
23 Association, and currently the Chief Military Advisor to
24 Governor Mike Leavitt. General Matthews will elaborate further
25 on Dugway's situation.

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1 Thank you, Mr. Chairman.

2 GENERAL MATTHEWS: Commissioners, thanks for the
3 opportunity of being here today with you and taking the time to
4 go over all of these various base closure issues, and
5 realignment issues. We know that you have a big challenge and
6 we're grateful to you that you're willing to serve and listen
7 to our story.

8 My story is about Dugway Proving Ground, and I'd
9 like to start out by telling you a little bit about it.

10 It's over 800,000 acres. As the Congressman said
11 it's larger than the state of Rhode Island. It's a long ways
12 to get to Dugway from town. If you want to go from Salt Lake
13 City, you get in your car and drive for 80 miles. If you
14 wanted to get to the closest community that's nearby, it would
15 be Tooele, and it would take you about 45 minutes to get there,
16 and you would have to drive over a mountain pass, with narrow
17 roads that are often closed in the wintertime. So it's a
18 challenge to work at Dugway and live anywhere else.

19 Because it is so remote, it is so precious to the
20 Department of Defense. It is a DOD asset and does testing for
21 all services. The tests include chem-bio defense testing,
22 equipment shelters, vehicle and aircraft ventilation systems,
23 and protective clothing. Very important testing.

24 And just in the recent past a number of new
25 facilities have been built at Dugway, a \$32 million materiel

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1 test facility, a bio test facility, a BL-3 facility, which, by
2 the way, if this were moved to Aberdeen, would have to be built
3 at Aberdeen. And let me just tell you what you do in a BL-3
4 lab.

5 A BL-3 safety level implies practices, safety
6 equipment, and facilities that are applicable for work with
7 indigenous or exotic agents, where the potential for infection
8 is real, and the disease may have serious or lethal
9 consequences. That's what a BL-3 lab is. And the Army's
10 proposal would require them to try to get permission to build a
11 BL-3 lab right next to downtown Baltimore.

12 Now, my wife said that a BL-3 lab sounded a little
13 bit to her like an oriental brothel, but I don't think that's
14 what it is. I think it's far more serious than that.

15 In addition, at Dugway, they have the ability to do
16 outdoor unconstrained smoke and obscuration testing; the only
17 place in the country where you can do that.

18 In the last decade there has been about one half
19 billion dollars in modernization spent at Dugway Proving
20 Ground, and part of that has been English Village. English
21 Village is like an oasis in the desert. I know that our two
22 commissioners who visited can share that with you. There is a
23 theater, a bowling alley, a small golf course, a new community
24 center, a library, a new fitness center -- about a \$4 million
25 product -- a commissary, a clinic. There are 578 separate

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1 housing units and bachelor quarters, and the students at that
2 facility are trained by the Tooele School District, in schools
3 that were built at the English Village.

4 Let me just say, if your son or daughter graduated
5 with a Ph.D. in chemistry or microbiology, and with a new bride
6 said, "I just got a new job at Dugway Proving Ground. I'm
7 going to go out there and earn a living." And, oh, by the way,
8 you're going to live in Salt Lake City, and I'm going to
9 commute 4 hours a day, and they're going to do tests that take
10 12 to 16 hours, so we'll add that 4-hour commute onto the 12 to
11 16 hours. How long would it be before that individual would be
12 finding another job in microbiology or chemistry? That is a
13 very great concern to the citizens of Utah and to the people
14 who run Dugway Proving Grounds.

15 So, therefore, the Army's initial recommendation was
16 a total shock. It had already been reviewed by the '93 BRAC
17 and rejected. The Army suggested they were going to do this
18 testing, BL-3 lab testing at Aberdeen, and they were going to
19 do smoke and obscuration down in Yuma, Arizona. No
20 environmental permits for either of those things; hadn't even
21 started on that process, and then that was going to justify
22 closing English Village. They were going to have security
23 only, and you have to have security forever out there as the
24 Congressman said. You've got to have people -- we have to have
25 security on specific sites that are located as hazardous to the

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1 population. So all you would have was security there.

2 And then they were going to go safari testing, by
3 bringing tests back from Aberdeen or from Yuma to do it at
4 Dugway, and then, if something goes wrong with the test and
5 somebody calls up the Governor's officer and says, "What's
6 going on with this test," somebody at Dugway says, "You'll have
7 to call Aberdeen, or you'll have to call Yuma, because we don't
8 deal with that."

9 This Army proposal reminds us of the process of
10 loading jackrabbits on a flatcar; it's just one continual
11 change. The more people we talked to, the more it changed.
12 Congressman Hansen described to you what's gone on in this
13 process since he was involved in it.

14 First, they make the proposal. They wanted to fire
15 more people than exist out there. And then, after that, they
16 said, "Well, King's X. We had too many people on the list.
17 We're going to do new numbers. Now what we're going to do is
18 take the command and control people out and leave the
19 testers." What they failed to mention was that the command and
20 control people do the testing. And, in fact, not only do they
21 do the testing for that specific mission, but they do for other
22 missions as well, and, therefore, they would cut the test
23 ability a substantial amount and lose all of their command and
24 control, yet still have to do the tests at the same location.
25 Therefore, they modified again.

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1 And then finally he talked about General Shane's
2 letter. Now, I'm a retired general, and I've had to write
3 letters. I've had to write letters where you say, the cause is
4 just, that I could do nothing for you, where you express
5 sympathy, but don't promise anything.

6 I've never seen a letter like this. This is a
7 letter that goes in both directions at the same time, and then
8 says, We've analyzed this; we think our costs were right, we're
9 right on course. We want to do this or maybe we want to do
10 that and this is the right course of action. I can't believe
11 it. You really ought to read that letter. It's a classic.
12 I'm really glad he signed it and I didn't.

13 Let me say, finally, that after his letter, the Army
14 is still trying to determine what they want to do, but, in
15 fact -- in fact, what this amounts to is an attempt to justify
16 a sufficient relocation to, therefore, justify the closure of
17 English Village.

18 Now, after they've admitted their errors, and after
19 his letter, we need to point out to you an item in your packet
20 that is very important, and I want to read some of that. Dr.
21 Phillip R. Coyle, the Director of Operational Test and
22 Evaluation, and Dr. John A. Burt, the Director of Test Systems
23 Engineering and Evaluation, wrote a memo to Joshua Gotbaum and
24 John Deutsch.

25 Now, remember, these two gentlemen are the leading

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1 advisors on operational and developmental testing directorship
2 for Secretary Perry. That's who these people are; that's who's
3 writing this memo. And what they say is, "There are two major
4 showstoppers, and one of those showstoppers was the Army's
5 proposal on Dugway Proving Grounds." They write, "The Army's
6 proposal to realign Dugway Proving Grounds should be
7 challenged. Rationale 1. Dugway occupies valuable land and
8 air space to the test evaluation mission that cannot be
9 conducted elsewhere without high risk of environmental and
10 security compromise."

11 By the way, I went out to a training exercise by the
12 Utah National Guard's Apache Battalion, and I went into the
13 tent and stepped on four scorpions on the way over to the
14 briefing board. That's what's out at Dugway Proving Grounds.
15 I hope there are no representatives here from the Scorpion
16 Protection Association.

17 "Rationale 2. Moving chem-bio agent research to
18 Aberdeen/Edgewood is high risk. Edgewood is in and near highly
19 populated areas: Baltimore, and major bodies of water,
20 Chesapeake Bay, where accidents or miscalculations can result
21 in environmental impact with little chance for timely
22 control." No time for control.

23 "Rationale 3. Costs to duplicate at Edgewood new
24 facilities currently at Dugway are unnecessary."

25 "Rationale 4. Since Dugway does chem-bio testing

1 for all of the services, each of the services needs to sign off
2 on the Army's proposal whatever the Army's proposal is, and
3 agree that they could continue to have their testing needs
4 met."

5 They recommended that the Army withdraw its proposal
6 to change the status of Dugway, and, instead, develop a
7 proposal to relocate and consolidate all chem-bio testing and
8 research activities to Dugway.

9 So, in essence, they said, instead of going this
10 way, come back this way, bring the stuff to Dugway, don't take
11 it away.

12 We can't find any evidence that anything happened
13 with that memo except it's been ignored. We can't tell
14 anything that's happened to it.

15 As a result of this, the Army National Guard in the
16 State of Utah, which has facilities under contract at English
17 Village, made a proposal to try to hold onto their facilities,
18 because they do artillery firing and other activities out
19 there, in an attempt to keep a portion of English Village open
20 for their activities. They then were approached by the
21 citizens of the community and asked if they would assist in
22 trying to keep the entire facility open. And they estimated it
23 would cost at least \$9.5 million from the Army out front to do
24 that. The Governor has a task force looking at that, but we
25 have to tell you that that's a very, very iffy proposal.

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1 I ran the National Guard for 12 years, and we are
2 not in the business of running military installations. We
3 don't have the manpower, and we don't have the financial
4 support to do that sort of thing. That is not privatization.

5 The National Guard gets 97 percent of its money from
6 federal funds. So, therefore, that is an iffy proposal, and
7 your decision should not be made on the basis that that could
8 happen.

9 Finally, I want to call your attention to a letter,
10 which is in your packet, from Brigadier General Dave Nydham,
11 U.S. Army Retired, used to be the Commander of Dugway and
12 retired as the Commander of the Chem-bio Defense Command at
13 Edgewood, Maryland. It would be hard to find anybody more
14 expert than Dave Nydham, and he certainly has some information
15 there that you ought to listen to.

16 Let me just close with one final statement. Even if
17 you take English Village off the BRAC list, the Army, unless it
18 provides the funds, could still close it on its own.

19 We need English Village open; we need to ensure
20 that, if this kind of highly sensitive testing is going to go
21 on in the deserts of Utah, that the Governor could guarantee to
22 the citizens of Utah that their health is protected. And we
23 cannot do that if the individuals who are going to do that
24 testing are the people who cannot get jobs anywhere else, and,
25 therefore, have to do the commute that would be necessary to

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1 work at Dugway Proving Ground. That is an unacceptable
2 situation for the citizens of Utah to live with, and for the
3 Governor to support.

4 So we need your help in trying to make sense out of
5 the madness that's coming out of the Army right now, and to
6 support the maintenance of the testing activities at Dugway and
7 English Village.

8 I appreciate very much your time and your
9 willingness to listen, and it's my job to introduce, again,
10 General Pavitch, who is going to talk to you a little bit more.

11 COMMISSIONER DIXON: Thank you, General
12 Matthews, and we're delighted to hear General Pavitch again.

13 GENERAL PAVITCH: Okay, I'm back. Over here
14 right in your face. I got a little carried away last time,
15 spoke a little fast. Like I say, I get enthusiastic about
16 this, because I think what we're doing is important. I think
17 we need to make sure we get the right answers.

18 I'm going to talk to you today about what I think is
19 another right answer. Not necessarily because it's good for
20 Utah, but it's good for the Department of Defense, and because
21 it follows on with a very good initiative that the '93 Base
22 Closure Commission decided on that we needed to take a step
23 toward more consolidation and more jointness in the maintenance
24 of our weapons systems.

25 Now, I could spend hours and hours and hours up here

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1 talking to you about how Hill Air Force Base is a national
2 asset, how it is the greatest depot in the world; I could show
3 you pictures; I could show you slides. I think probably the
4 best testimony to that comes from the evaluations in the
5 analysis that have been done in preparation for this base
6 closure round.

7 As an installation, a military installation with
8 value for supporting military operational wings, the Air Force
9 rated Hill Air Force Base as a Tier I installation.

10 As a depot, the Air Force rated it as Tier I, as a
11 military depot. And the Joint Cross Service Group agreed with
12 that and rated it as Tier I for the depot. That is the only
13 depot so rated in all of the considerations of air logistics
14 centers done by any evaluation.

15 So it is clear that the Air Force and Joint Cross
16 Service Group for depot maintenance thinks that Hill Air Force
17 Base is an installation that is necessary to satisfy the needs
18 of the United States Air Force and the Department of Defense
19 well into the future. It provides those capabilities.

20 When you combine Hill Air Force Base, Ogden Air
21 Logistics Center, and the Utah Test and Training Range and the
22 unique environment that that provides for military operations,
23 you have an installation that again says, you need to take a
24 look at how we're maximizing the potential at this facility and
25 the potential of this investment. There are great

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1 opportunities for consolidation there.

2 Optimizing these facilities is good business for the
3 Department of Defense. When you decide you're going to stay
4 someplace, if you can maximize what you are doing there to take
5 advantage of the overhead costs that you've invested in
6 operating that installation, that's good business for the
7 Department of Defense. And I've been saying that for a year
8 and a half. That's what DOD needs to use is best business
9 practices.

10 There is a major opportunity here for you folks to
11 take a step in the right direction of doing that, and that's
12 really what I want to talk about.

13 In 1993, the folks that sat in your chairs made a
14 decision that moved in the direction of saying, we ought to do
15 more joint work. They were looking at the tactical missile
16 workload in the Department of Defense, and they said, while
17 they were evaluating the Army and DOD recommendation to close
18 Letterkenny Army Depot, that, maybe there was some merit in
19 trying to consolidate all of this work at one place. They
20 said, we should be more cost efficient and we should be more
21 effective in how we get things done.

22 They looked at an Army audit, which was done in
23 1992, and they said, we can realize the same savings by
24 consolidating tactical mission workload at Letterkenny as we
25 can by closing Letterkenny. But there was a huge caveat

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1 there. They said, if, we move all the workload from the
2 private sector, and all the workload from all the services to
3 that location. At that time it was 2.2 million hours in that
4 study.

5 Since then, that workload of 2.2 million hours has
6 drastically diminished for a lot of good reasons: There have
7 been weapons systems go out; there are not as much operations
8 tempo going on; there is not as much work to do, but also
9 because the services themselves, the Army and the Navy, said,
10 we request a waiver from consolidating this, because we're not
11 sure they can handle it; we're not sure they can handle it.
12 Because there is a lot of problems associated with
13 consolidating this kind of technical workload. You have to
14 have an infrastructure, and you have to have a base that
15 ensures you you can take it on without adversely affecting the
16 operational readiness of the services.

17 Letterkenny is a fine place, as far as I'm
18 concerned, but they just do not have that technical base, and
19 they are running into a lot of problems in trying to bring this
20 off.

21 So what the Army said is, since the workload has
22 diminished, Letterkenny is no longer a viable candidate for
23 this consolidation, and they recommended to the DOD that they
24 disestablish the Army depot there.

25 Here's a graphic of what's happened to the

1 workload. It shows you what the drastic reduction has been,
2 and it is reduced.

3 DOD said, we agree, we think we should disestablish
4 Letterkenny, and we'll take your recommendation, Army, about
5 how to continue the consolidation of tactical missiles. This
6 is really questionable to me. This is a consolidation. We're
7 going to put guidance and control at Tobyhanna; we're going to
8 leave what's at Anniston and put some more at Anniston; we're
9 going to let the Marines continue to work on the Hawk missile
10 and AUR and storage for the four systems that we have here at
11 Letterkenny, well, we're going to get Letterkenny open, so it
12 can continue to do that.

13 That's really questionable, that last line, when the
14 Army itself has designated Letterkenny a Tier II depot, which
15 means you don't put anything there that you need immediately
16 for combat operations. They're saying, we're going to store
17 our all upground missiles for the Army, Navy, and the Air Force
18 at a depot that does not have the distribution capability or
19 the transportation systems to get those things in the hands of
20 the war fighters when they need them. I think not.

21 I know the Air Force will not store all upgrounds
22 there; they'll store them at Tooele, Anniston, or Red River,
23 depending on what happens at Red River, but definitely not a
24 Tier II depot, because it doesn't have the capability to get
25 the assets in the hands of the war fighter.

1 Anyway, that certainly doesn't look like a
2 consolidation to me. And, basically, it nullifies what the '93
3 Commission said, is that there are probably some efficiencies
4 to be gained if we consolidate this.

5 The Joint Cross Service Group for depot maintenance
6 said, okay, we understand that 623 hours of workload that
7 you're talking about, but there are some additional workload
8 out there. And here is where the additional workload is
9 associated with tactical missiles; that includes launchers and
10 vehicles and fuzes and components and some Black World stuff
11 that's done at Warner Robbins.

12 So they said, what the real workload is is 791,000
13 hours, so that's what you ought to look at. And they did a lot
14 of analysis on that. And the technical review group for the
15 Joint Cross Service Group on depot maintenance came to the
16 conclusion that there is only one place where you could
17 consolidate all of the airborne tactical missiles; that's at
18 Ogden. And that's in the minutes of their meeting, and we've
19 included the slide of that minutes in your handout there.

20 But Hill Air Force Base provides a viable
21 alternative to what DOD and the Army have offered in this
22 tactical missile issue. And I bring this up because I think
23 it's important; I think it's important to do what's right for
24 DOD.

25 Hill Air Force Base has over 35 years of missile

1 experience. And you're going to see some figures in here that
2 says it's doing most of the workload already anyway. The
3 reason being, in the early '70s, the Air Force said, we are
4 going to consolidate all Air Force missile work at one place.
5 That's our strategic missile work; that's our tactical missile
6 work, because there is a great synergy derived by having that
7 accomplished.

8 And the missile workload for guidance and control,
9 which is what gets talked about most, 43 percent of the
10 guidance and control workload currently done at the Department
11 of Defense is done at Hill Air Force Base. In addition,
12 150,000 hours of launcher and vehicle workload, most of it
13 vehicle workload is done at Hill Air Force Base.

14 In '93 Hill Air Force Base wasn't considered because
15 they said, well, you don't have the vehicle capability there.
16 Hill Air Force Base takes care of the most sophisticated
17 vehicles in the service: The launcher and transporter, erector
18 launcher vehicles for Peacekeeper and for Minute Man. They
19 have a huge complex there, which your staff is touring today.
20 They are seeing this and looking at this in detail.

21 Let's look at just guidance and control, just the
22 guidance and control workload for tactical missiles. 283,000
23 hours total, which is a projected workload by 1999. It doesn't
24 all exist right now.

25 Hill Air Force Base will produce this year 121,000

1 hours of work on guidance and control of tactical missiles;
2 that's 43 percent of the projected workload to '95.

3 If you go to Letterkenny, what you will see is that
4 they have the equipment set up to accomplish 44 -- about 44 or
5 45,000 hours of production. They are not producing at that
6 level yet, because of the problems they have. They just have
7 the equipment set up.

8 Barstow is working. And the future is either not
9 here yet or is in the contractor's hands with interim contract
10 support.

11 So that's the guidance and control workload right
12 now. It's clear that Hill Air Force Base is doing the majority
13 of the work.

14 The proposal is to move that 121,000 hours to
15 Letterkenny from '93, and then move it on to Tobyhanna. The
16 cost to move that workload to Letterkenny is \$12 million. Why
17 do that? That doesn't seem to make any sense.

18 This is all tactical missile workload: Launchers,
19 vehicles, guidance and control, all upgrounds, everything
20 associated with launch control: Vans, all of that stuff,
21 currently done in existing facilities on all of these
22 components at Hill Air Force Base.

23 U.S. Air Force does 730,000 hours of work, the Hill
24 Air Force Base basically does it all; 98 percent of it. The
25 DOD does a million six, and 44 percent of that is done at Hill

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1 Air Force Base.

2 We already almost have consolidation; it's almost
3 there. Let's look.

4 The Air Force has invested in Hill Air Force Base to
5 put engineering, test, and repair. This is a full-service
6 operation; this isn't just maintenance of guidance and
7 control. It's full service, so that you can get the advantage
8 of the synergy between tactical and strategic missiles. It's
9 optimized because the same facilities are used, the same
10 overhead is used in a lot of situation in a lot of cases, and
11 it really makes good business sense.

12 Capability exists today to consolidate all tactical
13 missile work, not just guidance and control, but all tactical
14 missile work in all of those areas in a full-service missile
15 support capacity in established existing infrastructure. No
16 military construction.

17 There is already a lot of interservicing going on.
18 In all of these weapons systems in technical and engineering
19 capacity, in the testing capacity, and in the depot capacity,
20 the Navy, the Marines and the Air Force are basically working
21 together already at Hill Air Force Base.

22 In fact, interesting point, the Navy's Sidewinder
23 work was to move to Letterkenny. Letterkenny is not ready to
24 accept it. The Navy contracted with Hill Air Force Base to
25 accomplish it for them, and it's being done there right now.

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1 What's in the future? That's important. You know,
2 tactical missiles are an important part of the future defense
3 of this country. Stealth technology is the future, and we see
4 it coming in the tactical missile arena. The air-launch cruise
5 missile is taken care of at Hill Air Force Base, a multimillion
6 dollar facility has been built and is being in operation. It
7 is the only stealth technology maintenance and repair facility
8 that exists in the Department of Defense. It's at Hill Air
9 Force Base.

10 If you make a decision to consolidate anyplace else,
11 you are making a decision that says, we have got to build
12 another facility to handle stealth technology, because that's
13 the future.

14 What do we talk about when we mean full-service
15 missile support? Repair, modification and maintenance, that's
16 one thing, but there is management, a total industrial complex,
17 an assessment criteria, which is essential when you're dealing
18 with weapons and munitions, because you've got to be able to
19 assess the shelf life, the grain in the propellant, whether or
20 not the warheads are ready to go. All kinds of things come up.

21 And to do that assessment correctly, you need the
22 ability to test right next door, the Utah test and training
23 range and facilities that exist. You need to be able to
24 store. There are seven days' worth of munitions storage for
25 conflict on Hill Air Force Base itself. Hill Air Force Base

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1 was an Army ordinance depot before it was an Air Force Base, or
2 before it was an air logistics center. All of those bunkers
3 exist and are capable of storing. Plus there is a million
4 square feet at Tooele that's open and being used, and the Air
5 Force is already using 40,000 square feet of that to store
6 munitions in, and will continue to do that.

7 The distribution system; I talked about the
8 distribution system for Defense Depot Ogden. Hill Air Force
9 Base is 12 miles away; has the same distribution system. When
10 I told you about that airlift for Defense Depot Ogden, Hill Air
11 Force Base was moving 4,000 tons plus a day of munitions out of
12 Hill Air Force Base for Desert Storm. That's the capability.
13 Those bunkers are right next to seven hard stands on the
14 runway. You can run the munitions right out of the bunker,
15 right onto the airplanes at Hill Air Force Base.

16 Disposal is an important thing when you're talking
17 about munitions. The disposal technology that's going on at
18 Hill Air Force Base, both from the air logistics center
19 standpoint and in partnership with the FICOL and Utah State
20 University are demonstrating new technologies in disposal,
21 where you can take the rocket motor propellant, you can turn it
22 into a chemical slurry that can be sold on the open market in a
23 totally environmental benign setup, so you get disposal of this
24 without any environmental impact or cost. Oh, by the way, you
25 turn it into a commercial product that you can make money on

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1 and then you can reuse the missile cases, so you don't have to
2 buy new missile cases. That's being demonstrated and tested at
3 Hill Air Force Base right now.

4 So you get a full-service depot; not just someplace
5 like Tobyhanna, which is a communications depot that
6 understands black box communications. You get someplace that
7 has been doing this kind of work and is set up to do it now and
8 in the future.

9 There is a transition plan in place, and your staff
10 is being briefed on this transition plan, and it's being
11 demonstrated to them. It's being shown where the cost and
12 manpower savings are. And they will come back to you next week
13 with a myriad of information on why this is a good idea. I'm
14 just going to show you a few points here.

15 The question comes up, if you've got so much at Hill
16 Air Force Base, why did the '92 study say Letterkenny is the
17 place to go? It's an interesting situation. Hill Air Force
18 Base did not participate in the study. The Air Force had one
19 person from Warner Robbins on the study.

20 Hill Air Force Base got one question. It said, how
21 much floor space are you currently using to do tactical missile
22 guidance and control work? The answer was 56,000 square foot.
23 And they said, well, we need more than that, obviously, Hill
24 Air Force Base is not a candidate. And that's as far as it got
25 looked into.

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1 Right now, available today, you can expand to over
2 200,000 square feet of raised floor, clean-room environment,
3 all co-located, doing tactical missile guidance and control
4 work and vehicle work, available today at Hill Air Force Base
5 that exists. Plus, in the downsizing that's going on in the
6 Air Force's recommendation for depots, there is about a million
7 additional square feet that's going to be made available as the
8 manpower is drawn away and there is more square foot area to be
9 worked on. So floor space is certainly not an issue.

10 The skills are in place. No investment in MILCON.
11 Minor upgrades to electrical systems or air handling systems,
12 depending on how you divide the bays, but it's basically under
13 \$20,000 for the whole operation.

14 The '93 BRAC said we want to do all of this by '99.
15 Hill Air Force not only can meet the '99 schedule; they can
16 beat the '99 schedule. And the reason is, they have people --
17 121 people already doing this work, already trained. They have
18 no learning curve in many of the weapons systems and very
19 minimal training in others.

20 The cost savings; we think it's \$3 million. Let's
21 look at that. This is over the '93 budget, not the '95 budget;
22 doesn't even look at the '95 budget.

23 In '93, \$51 million were provided for the
24 consolidation of tactical missiles. They spent 16 million at
25 Letterkenny according to the minutes of their working group

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1 last month. That leaves \$35 million.

2 You can consolidate everything at Hill -- and this
3 is being demonstrated to your staff -- for \$26 million that is
4 currently at Letterkenny or programmed to go to Letterkenny.
5 Plus, you can move the other workload that the Joint Cross
6 Service Group for depot maintenance identified for \$6 million,
7 which says, for \$32 million bucks, I can save \$3 million on my
8 '93 budget, and oh, by the way, I don't have to spend the \$50
9 million that they say is necessary to move to Tobyhanna.

10 This is part of the transition plan. This is work
11 that's already in place. That's going on right now. There is
12 no transition. They can be up and running tomorrow. Hellfire
13 is a missile that is just like the Maverick. The same
14 equipment, the same techniques, everything. So that's done
15 right now.

16 These are missiles that, basically, you have to move
17 one or two pieces of support equipment or test equipment in so
18 that they are on the floor, in the area, in the room. This can
19 all be integrated within a couple of years, just depending on
20 what the transition flow of the testing is.

21 This is kind of the cats and dogs, a lot of vehicle
22 work. Vehicle work that's going on right now in Building 847.
23 You can move that in tomorrow. Most of this is easily
24 acceptable and can definitely be done within the '99 time frame
25 of the '93 BRAC decision. And we will demonstrate -- your

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1 folks are walking the floor of where this was done. They will
2 come back with that information.

3 Transition plan shows that all the skills are in
4 place to do all of the workload.

5 All of the facilities are in place, with no MILCON,
6 to put all the workloads from those installations in those
7 facilities.

8 Summary: You can do what was decided to be done in
9 '93, plus what the Joint Cross Service Group recommended be
10 consolidated for \$32 million at Hill Air Force Base.

11 It makes sense. It's the right thing to do, even
12 for 791,000 hours, if you can do it someplace that's already
13 set up to do it. It doesn't make sense, if you're going to try
14 and create someplace new.

15 Tobyhanna doesn't work on tactical missile guidance
16 and control systems, the kind of electronics. As I said, they
17 are a communications depot. They do some black box work and
18 some basic electronics, but they don't have the skills to do
19 this.

20 Good example: Hughes is on contract right now to
21 train the people at Tobyhanna to accept Sidewinder work. What
22 Hughes found out -- and these are people that are working on
23 guidance and control system, basically from remove and repair
24 is that they had to give two weeks of training in basic
25 electronics before they could get into the unique capabilities

1 and characteristics of guidance and control system. That's
2 nothing against those people; it's just they haven't been
3 exposed to the kind of technology that's necessary to do all of
4 this work. And this work is too important to the defense of
5 this nation to put someplace that will affect the operational
6 readiness of not being able to bring things up to speed when
7 they should be brought up to speed.

8 The Letterkenny issue is already slipping. We're
9 starting to pay money for the Phoenix and for the Sidewinder
10 for interim contractor support.

11 That brings up an interesting point. Let me digress
12 for just a minute, and I'm almost done.

13 General Clue talked to you. I know Jim talked, and
14 he said, this work makes good sense to privatize. You asked
15 him, did you look at Ogden Air Logistics Center, and he
16 basically gave you a standard, general answer that says, I
17 don't really want to answer that question. I want to talk
18 about privatization. And he said, this is a workload that
19 ought to be privatized, or could be privatized.

20 I raise two factors. When we were going to move the
21 Maverick work from Ogden to Letterkenny, Letterkenny was not
22 going to be ready to take call of the work that needed to be
23 done, so we went to Hughes contractor, who built the missile
24 and said, what will you charge us to do the work that we're
25 currently doing at Hill Air Force Base? Now, Hill Air Force

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1 Base is doing it for \$4 million. Now, I agree that there is
2 disparity on costs, you know, how much do you charge for this
3 and what's your overhead, and how do you compare these costs?
4 But the contractor proposal was \$24 million to do what Hill is
5 doing for \$4 million.

6 Now, maybe there is a disparity, but it's not that
7 big. If we privatize this kind of workload, and there is lots
8 of it coming, we better be ready to shell out big bucks,
9 because it's going to be expensive.

10 Another example: Modification on aim 9. Ogden is
11 doing it for half the cost of what the contractor is doing it
12 for. Documented, half the cost.

13 So you buy some things when you consolidate. When
14 you take advantage of an infrastructure that exists, there are
15 things that should be done on contract and there are wise
16 things that should be done on contract, and probably a
17 partnership between the contractors and Hill Air Force Base
18 would be a very good thing to develop. We've already talked
19 about doing some things like that with them, but when you're
20 talking about this kind of workload, it should be consolidated
21 in one place. It makes sense to do it. Hill Air Force, Ogden
22 Air Logistics Center provides the opportunity, and it will meet
23 your BRAC schedule.

24 Is that my last slide, Bob?

25 Thank you very much.

1 COMMISSIONER DIXON: Thank you very much,
2 General.

3 And we're delighted, of course, at this time to hear
4 from the distinguished Senior Senator from the great State of
5 Utah, my old friend Senator Orrin Hatch.

6 SENATOR HATCH: Thank you, Mr. Chairman, members
7 of the Commission. We're honored to be here, and we certainly
8 appreciate the difficulty of your assignments. We understand.
9 And I am going to just express on behalf of all of us the
10 appreciation to have Commissioners Kling and Steele with us
11 last week. They were terrific. They put in a very long, hard
12 day. And we're very appreciative of them.

13 Let me just make a few points in summary. Utah is
14 important to the Department of Defense. It's a patriotic
15 state. People are willing to take installations there that
16 can't be taken anywhere else; they are willing to do work there
17 that would not be able to be done anywhere else. We have an
18 intelligent, hard working, efficient, and productive work
19 force. We don't think there is any better anywhere in the
20 country, if not the whole world.

21 Utah has unique geographic and environmental
22 considerations that others just cannot meet; that others don't
23 want to meet. And I might add that we have excellent
24 facilities.

25 Let me just say, with regard to DDOU, it has a lot

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1 of capacity to accept storage from other depots around the
2 country. It has the lowest per unit cost. It is considered
3 one of the tops, if not the top in the whole system. It is
4 strategically located in the west. It can serve San Diego
5 cheaper than the California-Sharpe, than that particular depot
6 can. It can do it cheaper, more efficiently, and better. It
7 also is the crossroads of the west, so it serves the east, the
8 south, and the west, in ways that really no other place can do
9 it. It has unique missions. I might say that it's
10 strategically located to do these missions. It's the only
11 place that has the dep meds or the deployable temporary
12 hospitals mission. So we would feel very badly if that was
13 shut down under the circumstances and we would feel that real
14 consideration had not been given.

15 With regard to Dugway, I just got off the phone just
16 a little while ago with the director of the FBI. I just got
17 off the phone and took the phone call right here at the table
18 from the Majority Leader of the United States Senate. We saw
19 what happened at Oklahoma yesterday. We saw what happened in
20 Japan this last couple of weeks. We're talking about
21 biological and chemical warfare, and we're talking about
22 terrorism on a large scale that is coming to this country.
23 We've been warning about it for a long time. And, in all
24 honesty, the best facility in the world happens to be at
25 Dugway.

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1 We're not worrying about Dugway being shut down.
2 They can't do it. Nobody else can meet the requisites what we
3 are worried about is people having to travel 90 miles one way,
4 180 miles a day to get there. We have 1,000 people that
5 literally would have to try to find homes probably 90 miles
6 away, traveling a tremendous distance, over very difficult
7 rural roads, and over a pass that, in the winter, is often
8 covered with ice and snow. It's ridiculous. They'd be
9 spending all their time driving. The costs of just paying the
10 driving expenses, and the other expenses would more than, it
11 seems to me, eat up what it would cost to maintain English
12 Village. So it would be crazy not to maintain it exactly like
13 it is and to continue those processes exactly like they should
14 be.

15 We might say there is a billion dollars in
16 facilities out there that can't be duplicated anywhere else.
17 And to say that some of these processes have to be transferred
18 to Aberdeen, Maryland, with 27 million people in the immediate
19 facility, and the Chesapeake Bay, as fragile at that it is,
20 with all of the environmental and other permits that would have
21 to be obtained, it could never be obtained back there. It's
22 almost ridiculous. In fact, it is ridiculous. I don't mean to
23 be that tough, but I can't imagine the Army taking the position
24 that it has. And we have to keep that English Village open.
25 \$6 million a year, out of a 250 billion dollar budget, for

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1 procedures and processes that can't be duplicated anywhere
2 else.

3 With regard to Hill Air Force Base. It's unique;
4 it's the number one depot in the world. There is nobody else
5 that can compete with it from a number one standpoint. It has
6 the Utah Test and Training Range; it has the ICBM,
7 Intercontinental Ballistic Missile Maintenance Mission; it has
8 the Computer Mega Center there. And, as General Pavitch has
9 said, and has emphasized quite well, it has the tactical
10 theater missile program. And all of that program should be
11 consolidated, and it should be consolidated at Hill. It would
12 save us millions and millions of dollars over the years.

13 I might also just add in closing that Hill's work on
14 the FAA team is the first major interservicing contract with
15 the Navy and may lead to additional Navy work. It's
16 important.

17 I have to say that I don't believe these things can
18 be privatized at anywhere near the efficiency or the
19 productivity that we're doing right now at Hill.

20 Now, look, your job is difficult. We know it's
21 important, but let me just make this one last point. What we
22 want in Utah is what is in the best interests of the Department
23 of Defense. But we expect fair and equal analysis. It didn't
24 happen last time. We do not feel we received a fair hearing
25 for Ogden DDO. Any analysis has to include the western primary

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1 defense depots, which include both California and Utah.
2 Anything less, it seems to us, breaks the law, and we want to
3 be treated fairly. And, if we are, we don't have to worry
4 about these bases; they'll be kept intact, and they'll continue
5 to do an efficient, productive, good job, the best in the world
6 as they should do, and as we will make sure they do do.

7 So we want to thank you again. We appreciate being
8 here with you today. Thanks so much.

9 COMMISSIONER DIXON: Well, thank you, Senator,
10 and Senator, may I say to you and your colleagues, Governor
11 Leavitt, Congressman Hansen, certainly, you Senator, and all of
12 your associates here who have made this fine presentation.
13 We're indebted to you and obligated to you for this fine
14 presentation. You may be sure that everything you've said will
15 be carefully evaluated. And now we are going to have -- are
16 there any questions from my colleagues? Commissioner Steele.

17 COMMISSIONER STEELE: I'll be very brief.
18 Firstly, just if you could help me understand something. On
19 Monday, when I asked the Joint Cross Service Group about
20 consolidating missile work at Ogden, the answer was no. Their
21 no, as far as you're concerned, is based on poor measuring of
22 floor space or just a desire to privatize or cost or what?

23 GENERAL PAVITCH: I'll give you an honest answer
24 I think it's based on interservice politics; that's what I
25 think it's based on, because anytime you look at what's

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1 available there, and do an absolutely end-to-end analysis of
2 what can be consolidated there, and what currently exists, you
3 really can't come up with any other answer. You really can't
4 come up with any other answer. There has got to be something
5 else involved. I mean, why spend \$12 million to move work
6 that's being done cost effectively at one location, to move it
7 to another, which has been recommended to be closed? At the
8 minimum, at the minimum, all of the aeronautical missile work
9 ought to be done at Hill Air Force Base. I mean, it's almost
10 all being done there now, but at the minimum it ought to be
11 there. It's a roles and missions issue. It's a roles and
12 missions issue, is what it gets down to. Those missiles in the
13 Army is what they fight with and they want to be able to
14 control the maintenance of them. And I don't blame them for
15 that, I really don't blame them for that. So that's what I
16 think the issue is.

17 COMMISSIONER DIXON: Thank you very much,
18 General. We're going to have a public comment period -- did
19 you have another question, Commissioner?

20 COMMISSIONER STEELE: I did, if that's okay. I'm
21 sorry.

22 COMMISSIONER DIXON: Yes, we have time for one
23 more question.

24 COMMISSIONER STEELE: And just to play Devil's
25 Advocate for a quick second, in your comments about Defense

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1 Distribution Depot, Ogden, you mentioned how the co-location
2 with Hill has been official regarding tactical missiles and
3 other things. Should -- and not making any presumptions that
4 it would close -- but, if the depot did close, would that
5 affect Hill's ability to consolidate missile work?

6 GENERAL PAVITCH: No.

7 COMMISSIONER STEELE: I told you it was quick.

8 COMMISSIONER DIXON: And so was the answer.

9 Thank you, General.

10 And now we'll have a public comment period. I want
11 to again express my appreciation to the distinguished folks
12 from Utah. Thank you very much.

13 We have a public comment period, and Admiral Montoya
14 will preside during the public comment period. Comments by the
15 public will be limited to two minutes. Admiral Montoya.

16 COMMISSIONER MONTOYA: Thank you, Mr. Chairman,
17 we're going to start with the Utah delegation first, since
18 you're here and you're in place. It will be more effective,
19 and then we'll start -- then we'll do the New Mexico
20 delegation.

21 Let me begin by reading a prepared statement. As
22 the Chairman said, we are now ready to set aside that time for
23 public comment. We've assigned about 30 minutes for this
24 period, and I believe I have 15 names from the two states.

25 We've asked everyone to sign up who is going to speak, and they

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1 have. We've also asked -- I repeat, asked them to limit their
2 time at the microphone to two minutes. We do have a bell
3 device to remind you when your time is up, and we'll watch that
4 very strictly.

5 Let me read the names of those of the Utah
6 delegation who have requested to speak. And if you'll come
7 forward and stand near the microphone, I will swear you in, and
8 then we'll take you in the same order which you signed up. I
9 have Mr. Rick Winn, Pamela Lanier, Rose Day, Evelyn Dill,
10 Carolyn Brunson, Ed Nevarez, and Tim Craner.

11 Would you please raise your right hand.

12 (The witnesses were sworn.)

13 COMMISSIONER MONTOYA: Very well. Mr. Rick
14 Winn.

15 MR. WINN: Thank you. Mr. Chairman,
16 Distinguished Commissioners, during World War II, bases,
17 factories, and steel mills were located inland for protection.
18 Why now should our depots be located on the coast, in harm's
19 way? Why now would the Army's decision of 1940 be wrong? They
20 decided to locate in the hub of the west for good reasons:
21 Transportation, safety, and protection of bases and supplies
22 and costs. For example, has history not given this to be a
23 wise decision? Will the recommendation of moving to the west
24 and east coast be a headline in years to come? Just like we're
25 now reading about Robert MacNamara's belated admission that the

1 U.S. persistence in Vietnam was terribly wrong; something that
2 most Americans knew 30 years ago. The same wrong will occur
3 again if we move our depot to our coastal regions, instead of
4 keeping help from harm's way, inland, where, back then, the
5 leaders knew how to protect the U.S. and win wars.

6 Consider this please? An error doesn't become a
7 mistake until you refuse to correct it. Let's not make a
8 mistake by closing DDOU.

9 The signatures that I hold are representation from
10 the Defense Depot Ogden employees and community of Utah. But,
11 more importantly, they are the signatures of American taxpayers
12 concerned about the overall effect to their tax dollars should
13 DDOU close.

14 Also, are the costs, in human terms, worth these
15 closures? The services to our military and civilian
16 communities should certainly be a factor in your decision.
17 Thank you.

18 COMMISSIONER MONTTOYA: Thank you. Ms. Pamela
19 Lanier.

20 MS. LANIER: Mr. Chairman, Honorable
21 Commissioners, first, let me explain my outfit. I wear green
22 in support of DDOU's mission, and one that I know we
23 accomplished. The red, white and blue, of course, is for my
24 belief in my country. Both of them together shows that the USA
25 needs DDOU to stay open, to be number one.

1 Now, you have just been asked to make a difficult
2 decision. We agree there must be a scale-down in this great
3 nation's military. But, in doing so, is it wise to consider
4 history has proven to repeat itself time and time again. We
5 ask you to base your decision on military value, strategic and
6 geographical location, cost effectiveness, mission and past and
7 present history of merits, leaving politics out. Choosing
8 which facilities to close and which to keep open is somewhat
9 like choosing health and life insurance: You hope you never
10 have to use them, but you hope they are adequate if you do.

11 Facilities left on our coasts are vulnerable to harm
12 from nations and Mother Nature. The protection of being in the
13 hub of the west, where access to transportation is at its best,
14 where all major freeways and interstate highways intersect,
15 intermediate and railway, airport, Hill Air Force Base combines
16 to make DDOU a wise insurance policy for your dollar and vital
17 to the key in our nation's future, serving military and
18 humanitarian needs.

19 In closing, let me add a personal experience to my
20 work. I have worked at Defense Depot Ogden for 15 years, but
21 not until I had a son in the Navy, aboard the USS Eisenhower,
22 when Desert Storm and Shield broke out, did I realize how
23 important my job was.

24 My expertise, and that of my coworkers, enabled DDOU
25 to send much-needed supplies to the soldiers in the desert.

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1 Their lives depended on us. From atropine for nerve gas
2 attacks, to mobile hospital units, DDOU met their needs with
3 our accuracy and dependability as has always been our
4 trademark.

5 Thank you very much.

6 COMMISSIONER MONTOYA: Thank you very much.

7 Ms. Rose Day.

8 MS. DAY: Honorable Commissioner and staff. I
9 want to appeal to you, not only as a member of the DDOU work
10 force, but as a mother and a grandmother and a great
11 grandmother.

12 We're living in a country now, in a world where
13 there is going to be many Hitlers, probably more than we'll
14 ever know, that will arise. And, having been through Pearl
15 Harbor, and seeing my loved ones there, I do not wish to see
16 our country again put in that predicament, where all of our
17 eggs are centered in one basket, on the coast.

18 DDOU was put where it was as a backup force, as a
19 place where ammunitions and other things could be stored,
20 clothing and electronic equipment could be stored, without
21 deteriorating from the elements.

22 We have an excellent work force, which has been
23 shown to you. And we have a very educated work force. We have
24 four wonderful universities that are all within a few hundred
25 miles of each other, and they are contributing largely to the

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1 work force at DDOU.

2 We have our Hill Air Force Base, we have medical
3 units, and I have worked personally on developing programs, the
4 bar coding for the materiel release documents for pink
5 tickets. We're working now as a task force to bring into
6 computer systems that will, we hope, help everybody. There is
7 a lot of problems in these, and it takes an intelligent work
8 force to work through these problems. These men have presented
9 to you a wonderful reason why you should keep DDOU open, and I
10 echo every one of them.

11 We've got the best country in the whole world.
12 We've got the best state in the whole world, and I think we've
13 got the best work force. We have always been number one; we'll
14 always do our best, and we will to the ends.

15 Thank you, sir.

16 COMMISSIONER MONTOYA: Thank you. Ms. Evelyn
17 Dill.

18 MS. DILL: Good morning. Chairman Dixon,
19 Honorable Commission Members, I appreciate your Commission
20 allowing the public to express our facts and statements to
21 you.

22 For 52 proud years DDOU has served all military
23 services and offered humanitarian assistance worldwide.

24 Your mission is to achieve real cost savings and
25 avoid duplication of effort. I would submit that DDOU has done

1 its share of downsizing and cost containment. Since this
2 fiscal year end '93, and through June of this year, we will
3 have achieved significant downsizing, and yet, we are still
4 getting the supplies to our customers on time. Our number one
5 quality has not diminished.

6 You want to avoid -- you're interested in avoiding
7 duplication of effort and cost containment. Listen to this:
8 DDOU was rated low in their military value because of excess
9 storage capacity, yet the depot at Tracy is in the process of
10 building a new storage complex, and it also has plans to build
11 a hazardous complex in accordance with California's very costly
12 EPA standards.

13 Taxpayers have been paying for the Sharpe Army
14 depot's automated storage facilities for years, and they are
15 still paying contractors to get the facility to function
16 properly.

17 And you need to know that at DDOU our automated
18 mechanization already will store and retrieve more items than
19 will be accomplished at Sharpe.

20 It's time to stop wasting money on white elephant
21 facilities and new facilities. DLA should make use of their
22 existing facilities that have already proven their good, such
23 as DDOU.

24 We have many people -- thank you.

25 COMMISSIONER MONTROYA: Thank you very much.

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1 Mr. Ted Nevarez.

2 MR. NEVAREZ: Thank you. Mr. Chairman,
3 Commissioners: My coworkers, the committees on foreclosure
4 representatives have said a mouthful. I don't know how much
5 more I can add to all of this except that I honestly feel like
6 a beat-up Chevy in the midst of Cadillacs, BMWs, looking at a
7 Governor that could potentially become a president of the
8 United States of America, a senator that more than likely will
9 become a Supreme Court Judge, surrounded by generals and
10 high-ranking officials. I am the face of a man at the other
11 side of the scale. I am the individual that probably will be
12 most effected by any closure anywhere probably.

13 Anyway, in the words of a now famous philosopher,
14 Momma said, "Life is like a box of chocolates; you never know
15 what you're going to get." I represent the age group in our
16 work force in which a new career, after base closure, is
17 feasible. I'm not afraid of starting over. On the other hand,
18 I am in the age group which will be greatly impacted the
19 hardest, with new families, and, of course, new mortgages.

20 I stand before you in my Kermit the Frog outfit to
21 somehow convey to you my love, my appreciation, my confidence
22 and support for DDOU.

23 My contention is that, if you consider the
24 information that has been given to you -- I'm a little
25 nervous -- in a fair and objective manner, DDOU is number one,

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1 and has been number one for several years.

2 In my 15 years as civil service employees, working
3 in different capacities, job titles, et cetera, I testify to
4 you that the Defense Depot Ogden is a quality installation.

5 Finally, I also represent, as I said earlier, the
6 little guy. The one whom receives everything that perceives or
7 flows from the top, from the top down, that is. Please put a
8 face.

9 COMMISSIONER MONTOYA: Thank you, Mr. Nevarez.
10 Thank you.

11 And last, Mr. Tim Craner.

12 MR. CRANER: Good morning. Just a brief
13 statement. As you've seen in the slides, history has shown
14 DDOU is one of the best depots in the United States. It has
15 large capacity for expansion that should not be counted against
16 us. At this day and age, yes, there is no real threat for a
17 world war. Let's hope that doesn't continue to tomorrow. If
18 it does, where do we expand to.

19 In God's infinite wisdom, he placed our heart in the
20 center of our body. There was a reason for that: It's
21 efficiency. Why put the heart in the right heel? By not
22 placing DDOU as the hub of the west and having it remain as a
23 depot, you're placing the heart in your right heel. It's
24 stupid to do that.

25 We've shown efficiency. We've shown the greatest

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1 work force in DLA. We've got awards for seven years to show
2 that; then they quit giving awards. The competition just says,
3 let's forget about it, we cannot compete there.

4 We have the most educated work force in DLA. We
5 have the most college graduates, as well as high school
6 graduates. We have needless to say the most dedicated work
7 force. We are only the small representation of the depot
8 that's come here. We put on the green shirts to look like
9 frogs to draw attention.

10 Utah is sometimes insignificant in the picture of
11 the whole United States. You don't hear a great deal about
12 us. That's good. We're a dedicated work force; we're not
13 afraid to work; we're not afraid to work for less wages than
14 other people. Utah building cost index is 93 percent of the
15 national average. In California it's 126 percent of the
16 national average. If you want to build something, why not in
17 Utah and save, what, 35 percent?

18 Once again, I just want to think thank you. Right
19 now in BRAC '95 you're considering closure of the best of the
20 best. This is -- I won't say my opinion, but we're cutting
21 down to only the best will survive. DDOU is that. Thank you.

22 COMMISSIONER MONTOYA: Thank you. And on behalf
23 of the Commission, I do want to thank all the employees for
24 coming to New Mexico and showing the support that you do, I'm
25 sure every day, to your country. Thank you very much. Senator

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1 Hatch and delegation from Utah, again, thank you for your
2 outstanding presentation, and good to see you.

3 Let me now ask the New Mexico speakers to come
4 forward: Mr. Don Kawal, Ruth Tuiz, Mayor Chavez, Bob Hoffman,
5 Raymond Madison, Jerome Gruber, Mike Vinyard, and Mr. George
6 Pierce.

7 Will the members of the delegation please raise your
8 right hand.

9 (The witnesses were sworn.)

10 COMMISSIONER MONTOYA: We'll first start with Mr.
11 Don Kawal, the Chairman of the Greater Albuquerque Chairman of
12 Commerce.

13 MR. KAWAL: Mr. Chairman and members of the BRAC
14 Commission, my name is Don Kawal, Chairman of the Greater
15 Albuquerque Chairman of Commerce, a membership comprised of
16 2600 members.

17 Since Kirtland's genesis in March of 1941,
18 Albuquerque and Kirtland Air Force Base have grown together
19 side by side. The relationship has evolved into a special
20 partnership, a partnership that we call a Partnership in
21 Pride. Our Kirtland Partners make a 3.2 billion dollar cash
22 flow contribution to our economy. They are active participants
23 in our community, through activities such as United Way,
24 Scouting, Church, and Habitat for Humanity.

25 Recently Kirtland volunteers made a significant role

1 in painting out graffiti in our community. We of the business
2 community recognize outstanding performance by members of the
3 Kirtland team with \$130,000 a year awards program. The
4 Albuquerque community is connected to Kirtland.

5 We understand that our federal government wants to
6 be more efficient and more productive, and we are willing to
7 accept the consequence. However, we are not convinced that the
8 analysis shows that the proposed realignment results in cost
9 improvements. Those of us in the private sector may have seen
10 significant productivity improvements in recent years, and
11 suggest that our federal government take advantage of the
12 productive workers and the community infrastructure that exists
13 here in Albuquerque.

14 Lastly, we are sensitive to the fact that our state,
15 California, Pennsylvania, Texas, and many others have faced
16 closures in earlier BRAC grounds, but we are pleased to know
17 that this process is based on facts. The facts are --

18 COMMISSIONER MONTOYA: Thank you, Mr. Kawal, good
19 to see you. Next is the Chair-Elect of the Albuquerque Hispano
20 Chamber of Commerce, Ruth Tuiz.

21 MS. TUIZ: Chairman, and members of the BRAC
22 Commission in New Mexico. My name is Ruth Tuiz. I come to you
23 as chairman elect of the Albuquerque Hispano Chamber of
24 Commerce. We represent more than 1200 small businesses here in
25 the Albuquerque metropolitan area, businesses who contribute

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1 millions of dollars to the Albuquerque economy each year, and
2 businesses who work as contractors, subcontractors, and who
3 receive significant portions of their business as a result of
4 their very close relationships with Kirtland Air Force Base.

5 As the State's leading advocate for small
6 businesses, we are extremely concerned about your plans to
7 close Kirtland Air Force Base. We have several options before
8 you for consideration. One of those is the apparent
9 feasibility of positioning the base at a location which can be
10 reused for other purposes. So far a feasibility recovery plan
11 for the base has not been presented, which we believe to be a
12 violation of BRAC criteria. It is our position that reuse is
13 not an option. Kirtland Air Force Base does not have
14 sufficient potential for reuse, as only three percent of the
15 base appears to be available for commercial development. The
16 remaining property is not accessible for reconstructing or
17 redevelopment, because, despite the proposed closure, the
18 federal government continues to own 50 percent of Kirtland Air
19 Force Base even after it's shutdown.

20 Our plea to you is to consider the 450-million-
21 dollar-per-year impact that Kirtland Air Force Base has on our
22 community. The impact cannot be replaced by attempting to
23 create second-rate alternatives for utilizing the base
24 property.

25 The State of New Mexico, which already ranks 46th in

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1 per capita income, cannot afford to lose such a vital
2 contributor to our community. Again, I'd like to repeat, the
3 State of New Mexico, which already ranks 46th in per capita
4 income cannot afford to lose such a vital contributor to our
5 economy. Thank you for the time.

6 COMMISSIONER MONTOYA: Thank you.

7 Next will be the Mayor of Albuquerque, Martin
8 Chavez.

9 MAYOR CHAVEZ: Mr. Chairman, Commissioners, on
10 behalf of the City of Albuquerque, we are delighted that you
11 chose to hold these hearings in Albuquerque. For our friends
12 from Utah and Colorado, we provided some Utah and Colorado
13 weather for the afternoon perhaps.

14 I want to speak very briefly as a native son of
15 Albuquerque because I was born and raised within six miles of
16 Kirtland Air Force Base, and we always knew -- a secret like
17 this is hard to keep -- that we had a substantial stockpile of
18 nuclear weapons, and there has always been a comfort level,
19 because it was safeguarded by the United States military.
20 That's been very significant, because we have had an excellent
21 relationship between the civilian population and the base. And
22 what's proposed here is a complete removal of that military
23 umbrella. And I'm not aware of anywhere in the world where
24 there is that complete civilization of a nuclear stockpile.
25 That may be appropriate, but the concern that I have as a

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1 native son is that, up until December, as best we can tell from
2 the Air Force minutes, Albuquerque was the receiving base.
3 Receiving. It wasn't until they decided that air quality might
4 be superior to Albuquerque, which that rests on its own merits,
5 that it was decided that we'd be a giving base. It was decided
6 to do this substantial conversion.

7 So what I would suggest to you, if we're going to
8 have this substantial a complete civilization of a nuclear
9 stockpile, perhaps more than the eight weeks that went into the
10 analysis is inadequate. It's a big move.

11 I spent a week, two weeks ago in Israel with the
12 Mayor of Oklahoma City and his wife on a tour there, and in
13 light of what happened yesterday, I'm very nervous as an
14 Albuquerquean, to see the umbrella lifted from Kirtland Air
15 Force Base.

16 We're going to have about 10,000 Albuquerqueans out
17 on the Plaza for lunchtime. I know you're eating in. It's a
18 beautiful today. They really love Kirtland, and are
19 appreciative of our fair city. Thank you.

20 COMMISSIONER MONTOYA: Thank you, Mayor.

21 Mr. Bob Hoffman, Economic Forum.

22 MR. HOFFMAN: Mr. Chairman, members of the
23 Commission, I had the privilege of serving in Roswell during
24 the closure and cutback of Walker Air Force Base, and I know
25 what a cutback, what a closure can do to a community, not only

1 to the community, but to the entire region of the state; the
2 cut back in employees, cut back in the economy. And we had an
3 advantage because we did have reuse. But up here, as we look
4 at Kirtland and what would be left after the change, we
5 wouldn't have any reuse. We'd have 8,000, and you take a
6 multiplier of fact, looking at probably 14,000 jobs that we
7 would have to replace. And we do not have the facilities at
8 Kirtland that would be able to do this. And then, when you
9 take a look at the impact in a major city like this of
10 Albuquerque, that affects the entire State of New Mexico.

11 Again, it's not just the impact on this city. It's
12 an impact on the entire economy of New Mexico, because 70
13 percent of Albuquerque people immigrations come from within the
14 state; people coming here looking for work, looking for jobs.
15 We're going to have our hands full trying to replace the jobs
16 that we're going to lose. But, more importantly, is the
17 economy, the number of dollars.

18 New Mexico is located and we're in a situation where
19 we can't afford this type of loss. And we urge you to
20 reconsider what you've heard here today and take a look at not
21 only keeping Kirtland open as it is, but bring other facilities
22 in here.

23 We've got a wonderful city that warmly welcomes the
24 military, and we could expand out there, and we'd like to see
25 you do that, expand Kirtland Air Force Base and don't take

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1 anything away. Thank you.

2 COMMISSIONER MONTOYA: Thank you, Mr. Hoffman.

3 Mr. Raymond Madson.

4 MR. MADSON: Good morning, Mr. Chairman,
5 Commission members. I'm going to put a little different spin
6 on things.

7 In my memory, from World War II on, this country has
8 realized the value of maintaining an effective military force.
9 Unfortunately, the life of a military member has several
10 drawbacks not normally experienced by most individuals in
11 civilian life. These include relatively low pay, periodic
12 transfers, which uproot families and send them to non-choice
13 locations, frequent family separations, and hostile conditions,
14 danger, numerous other related factors. In order to recruit
15 the caliber of individuals needed to operate and maintain our
16 highly technical and sophisticated weapons systems, the
17 government has offered certain incentives to induce individuals
18 to accept a career in the military. These inducements
19 include: Free medical care for life; commissary; base exchange
20 privileges, space available transfer, housing, welfare
21 facilities and legal assistance, and other specific benefits.
22 Most military retirees settle permanently near military
23 installations such as Kirtland Air Force Base in order take
24 advantage of the benefits that were promised as an inducement
25 for their career. I personally retired in the area because of

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1 the availability of Kirtland Air Force Base.

2 If Kirtland Air Force Base is closed or downsized to
3 the point that the government's commitment to retirees cannot
4 be met, it will result in considerable economic hardship to me
5 and my family, as well as numerous other retirees that chose
6 Albuquerque as home because of the base. Therefore, I have
7 begun an effort to encourage, initiate and/or support
8 legislation to provide a special cost of living allowance, or
9 COLA, to all military retirees suffering economic loss as a
10 result of a base downsizing or closure, and that COLA should be
11 equal to the increased cost experienced by the individual
12 retiree as a result of the downsizing. Thank you.

13 COMMISSIONER MONTOYA: Thank you, sir. Thank you
14 very much.

15 Mr. Jerome Gruber.

16 MR. GRUBER: Commissioners, I'm a veteran and
17 concerned citizen, that's all. If, in fact, there is nuclear
18 weapons stored at Kirtland, please think long and hard about
19 this and not politically about what you're doing, and who is
20 the guardian: Civilians or military. I realize cost is in
21 line, but again think long and hard of what you're doing.
22 Thank you.

23 COMMISSIONER MONTOYA: Thank you. Mr. Mike
24 Vinyard.

25 MR. VINYARD: Good morning, distinguished ladies

1 and gentlemen. I represent the Zia Chapter of the Paralyzed
2 Veterans of America.

3 The proposed downsizing of Kirtland Air Force Base
4 would have a devastating effect on the members of the disabled
5 veteran community, many of which are forced to live under the
6 poverty line and are essentially dependent on the Air Force for
7 their very existence. Combined base and V.A. resources service
8 and estimated 28,000 retirees and dependents in and around the
9 Albuquerque area. Adding in nonretired veterans eligible for
10 V.A. medical care makes this number even larger. Everyone
11 would be forced to pay a price if Kirtland is downsized. This
12 cannot be allowed to happen.

13 The V.A. and the Air Force have formed a tight bond
14 in joining to provide high quality medical care to the joint
15 active duty/retired community. The pilot program combining the
16 Air Force and V.A. medical centers has been cited nationally as
17 a stunning success and the way of the future. The synergy
18 generated by this joint effort has resulted in extremely high
19 quality medical care being available which has, in turn, drawn
20 additional veterans into this area.

21 The proposed reduction in resources at Kirtland will
22 have a negative ripple effect throughout that entire disabled
23 veteran community. A reduction in services of at Kirtland Air
24 Force Base will force many people to turn completely to the
25 commercial community to seek goods and services. These are

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1 people that have chosen Albuquerque as their home in part
2 because the V.A. can meet their needs. Due to the extent of
3 their disabilities, many of the people are living on budgets
4 that just don't allow ends to meet. The domino effect of a
5 reduction in services would ultimately push the brunt of the
6 impact on those least able to afford it -- the disabled
7 veteran, unable to match salaries with his or her able-bodied
8 peers. These are the same veterans who gave unselfishly to
9 their country. Now, due to their situations in life, they will
10 have to absorb a disproportionate share of the repercussions of
11 downsizing. This cannot be allowed to happen.

12 The Veterans Administration, and V.A. Hospital in
13 particular, are the lifeblood of significant portion of the
14 local population. Any reduction in base services won't just
15 mean being inconvenienced. It will mean going without --
16 without new clothes, without food, and without medical care.
17 For some, the results will be truly devastating. I implore you
18 to take rapid and decisive action to prevent any reduction in
19 the roles and missions of the organizations and personnel at
20 Kirtland Air Force Base.

21 Thank you for your time.

22 COMMISSIONER MONTOYA: Thank you.

23 Mr. George Pierce.

24 MR. PIERCE: They saved the best to last. My
25 name is George Pierce, and I'm the legislative chairman for the

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1 Albuquerque Chapter of the Retired Officer's Association.
2 There are currently 11,000 military retirees in the Albuquerque
3 area, and we're the ones who went out and got petitions signed
4 in support of Kirtland. I have with me over 10,000 signatures
5 on petitions which were gathered by the veterans, by citizens
6 protesting the realignment of Kirtland. I would like this fact
7 noted in the record that many citizens are concerned about the
8 proposed actions at Kirtland. If Kirtland is realigned as
9 planned, we will lose those facilities which attracted military
10 retirees to the area. There will be no incentive for retirees
11 to come to Albuquerque. Not only would Albuquerque lose the
12 6,000 plus jobs immediately as a result of the realignment,
13 there will be a long-range erosion of the local tax base
14 because of the loss of future military retirees. There will be
15 no incentive for future retirees to come.

16 Thank you for your time.

17 COMMISSIONER MONTOYA: Thank you very much. Mr.
18 Chairman.

19 COMMISSIONER DIXON: I thank Admiral Montoya for
20 chairing that public comment period. That was very excellent.
21 We thank you. We're indebted to you for your contribution.

22 I want to thank Governor Johnson and everyone for
23 coming here today and making such a fine presentation for the
24 State of New Mexico.

25 And we're now going to stand in adjournment until

1 1:00 this afternoon, and at 1:00 this afternoon the State of
2 Colorado will be here for 55 minutes.

3 (The noon recess was held.)

4 COMMISSIONER DIXON: Good afternoon, ladies and
5 gentlemen, and welcome to our afternoon session. I'm Alan
6 Dixon. With me are my fellow Commissioners, Al Cornella,
7 Rebecca Cox, S. Lee Kling, Ben Montoya, Josue Robles and Wendi
8 Steele.

9 This afternoon we'll hear a presentation from the
10 State of Colorado which will last for 15 minutes. And as is
11 the case with all of our regional hearings, the Commission has
12 given a block of time to each state based on the number of
13 installations on the list and the job loss. We've left it to
14 elected officials in the community to decide how to fill the
15 block of time.

16 After the Colorado presentation, there will be a
17 period of 15 minutes for additional public comment. The
18 persons who wish to speak at that time should sign up now out
19 in the lobby. They are asked to limit themselves to two
20 minutes.

21 We'll be ready to begin the Colorado presentation as
22 soon as I've sworn the witnesses.

23 Would all of you that are going to testify please
24 rise and raise your right hands.

25 (The witnesses were sworn.)

1 COUNCILWOMAN MOSELY: Mr. Chairman, ladies and
2 gentlemen of the Commission, I'm very proud to be here today
3 representing the almost 250,000 citizens of the City of Aurora,
4 Colorado. I'm especially appreciative of the thousands of
5 volunteers who have worked so diligently with our elected
6 local, state, and congressional officials and leaders of our
7 business community since we first learned that Fitzsimons might
8 be on this closure list. Hundreds of those volunteers have
9 traveled to Albuquerque today by various modes of
10 transportation to show their support for what has truly been a
11 broad-based community effort.

12 Mr. Chairman, at this time I would like to ask all
13 of those wonderful people who came from Aurora, Colorado, to
14 please stand. Thank you.

15 Also you have received over 20,000 letters of
16 support. And I have a few more that were just collected that
17 we would like to have entered into the record as well.

18 As a member of the Aurora City Council, I know how
19 many of my neighbors, friends, and constituents rely on
20 Fitzsimons for care. In Colorado alone more than 400,000
21 military veterans rely on Fitzsimons for the care they have
22 earned and so richly deserve.

23 Every year Fitzsimons serves up to one million
24 active duty military personnel, their families and retirees in
25 14 states, with a full complement of health care services.

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1 COMMISSIONER DIXON: Thank you very much.

2 We're pleased at this time to recognize the
3 distinguished Mayor of the City of Aurora, Mayor Paul Tauer.

4 MAYOR TAUER: Thank you, Mr. Chairman, and we
5 want to thank the members of the Commission as well, and wish
6 you a good afternoon. Especially would like to thank
7 Commissioners Cornella and Kling for coming to visit Fitzsimons
8 Hospital the other day.

9 Let me introduce the members of our panel. First of
10 all, as I mentioned, my name is Paul Tauer, the Mayor of the
11 City of Aurora. Edna Mosley, an Aurora City Council member.
12 We also have some other council members here. Actually, almost
13 half of our council is here with us today. Next is Mr. Dennis
14 Johnson, the president of Norwest Banks of Aurora. Next to him
15 is David Pohlman, who is a retired veteran and small
16 businessman. Next to him is Irene Kornelly, who is
17 representing Governor Roy Romer. And next to her is Mark
18 Engman, representing Ben Nighthorse Campbell. And next to him
19 is Andrew Merritt, representing Senator Hank Brown.

20 And, without any further ado, we will begin with a
21 brief video presentation. And during that video presentation,
22 we will have members of our community bring up over 21,000
23 signature cards for people all over the United States
24 supporting Fitzsimons Army Medical Center.

25 (A videotape was shown.)

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1 Nationally, Fitzsimons' 14-state area of responsibility is
2 larger than any other in the United States. As a result,
3 closing the hospital will mean transporting patients thousands
4 of miles away from care. Many retirees have already conceded
5 that they will be forced to relocate outside of the State of
6 Colorado in order to be closer to a surviving hospital.

7 Governor Romer has contacted the governors of 14
8 states served by Fitz to help determine the effects that
9 closing the hospital will have upon their constituents, and our
10 senators and representatives in the Congress have likewise
11 contacted their colleagues. And earlier the Honorable Senator
12 Hatch from Utah spoke to you. Senator Hatch has signed that
13 agreement, because Utah is one of those 14 states.

14 To close Fitzsimons and require beneficiaries to
15 travel even further for medical care would be not only a
16 hardship upon them, but it could be life threatening as well.
17 This type of long distance care could be especially difficult
18 for patients who require care for chronic illnesses, such as
19 kidney dialysis, heart and other cardiac conditions, physical
20 therapy, and many other types of care that simply cannot be
21 interrupted.

22 I think that it is not only ironic, but
23 unconscionable that, just as our Congress has finished its
24 first 100 days and completed the work on the "Contract with
25 America," that we are now breaking our contract with military

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1 retirees and their families.

2 In addition to the retention of Fitzsimons being in
3 our national self-interests, I believe that it is also
4 important to understand just now vital Fitzsimons is to our
5 community and our state, and how much would be lost if it were
6 closed.

7 For example, Fitzsimons is the second largest
8 employer in the City of Aurora. It employs 6.9 percent of the
9 work force in our community. Fitzsimons contributes an annual
10 total of \$802.45 million according to the 1991 figures in
11 economic benefits to the state and the region. That's almost
12 one billion dollars, which is approximately 12 percent of the
13 annual budget that the State of Colorado has adopted for 1996.

14 Fitzsimons has an annual payroll of \$157 million,
15 and consumers inject \$192 million into the local economy as a
16 result of its presence. The total earnings impact in Aurora
17 and the Denver metropolitan area is more than \$238 million
18 dollars a year. More than 240 small businesses depend upon
19 Fitzsimons for their economic survival. This facility spends
20 almost \$52 million a year on local, nonconstruction contracts,
21 many of which have been awarded to local and area businesses.
22 The total value of construction contracts for projects either
23 recently completed or in progress, are planned, is
24 approximately \$283.5 million. And this includes the new child
25 care center and the updated Oak laboratory, which is going to

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1 be moved, at additional expense, to Texas.

2 The total employment directly related to Fitzsimons
3 and all of the other facilities located there is more than
4 7,000 jobs. This figure, now, combined with indirect
5 employment, increases the total to more than 12,300 people who
6 depend upon Fitzsimons for their livelihood. The local sales
7 tax generated is \$2.8 million a year with state sales tax
8 derived, \$2.4 million a year, and state income tax generated as
9 a result of Fitzsimons is \$9.3 million.

10 So you can see easily that the economic impact upon
11 our community is enormous. And these statistics are very
12 important, because they illustrate, in black and white terms,
13 brick and mortar terms, as well as in human terms, what the
14 loss to our community would be if Fitzsimons were to leave.

15 This illustration does not intend, however, to
16 address the many volunteer contributions that active duty and
17 retired military people bring to our community on a daily
18 basis. They are members of four churches, and in our PTAs, and
19 in Boy Scout and Girl Scout groups, and in our service
20 organizations. They are the volunteers for Meals on Wheels and
21 the coaches of our youth athletic leagues. They read stories
22 at our public libraries and serve on our city and state boards
23 and commissions.

24 The community at large has reached out to Fitzsimons
25 community, and we have joined hands together in a mutually-

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1 beneficial partnership. Aurora Metropolitan Denver, the State
2 of Colorado, the 14-state region, and indeed our nation will
3 really care deeply if Fitzsimons is closed.

4 In the Army's justification for closing Fitzsimons,
5 they site figures for the projected negative economic impact
6 that are significantly lower than the ones we know to be true.
7 How is this possible? Upon the loss of Lowry Air Force Base,
8 Aurora and Denver together created an innovative and exciting
9 model redevelopment plan. As a matter of fact, it was one that
10 was cited by Secretary Perry as being a model.

11 Closing Fitzsimons would be devastating to our
12 community. Not only would we lose a valuable economic
13 generator, but I think, even more importantly, we would lose an
14 irreplaceable medical facility which is the sole provider of
15 medical care for a significant portion of our population, the
16 military retiree community and their families. We can't afford
17 to do that, nor, in good conscience, should we want to.

18 Thank you.

19 COMMISSIONER DIXON: Thank you very much, Mrs.
20 Mosely.

21 MR. JOHNSON: Good afternoon.

22 COMMISSIONER DIXON: Good afternoon, Mr.
23 Johnson.

24 MR. JOHNSON: Mr. Chairman, Commissioners, you
25 have a most difficult task, and I appreciate you're taking this

1 time with us.

2 Many of the decisions made by the Department of
3 Defense were made with one consideration paramount. The DOD
4 and the military services need to retain assets that cannot
5 easily be replaced; those are large maneuver areas, deep water
6 ports, and I would submit the ability to conduct telemedicine
7 from Aurora, Colorado. Uniquely, it is Fitzsimons' location in
8 the greater Denver area on the 105th meridian that would allow
9 it to play a key role in the further development of these
10 technologies. Because of our location, we have the capability
11 to communicate simultaneously with the European, continental,
12 and the pacific rim, with a single satellite uplink to a
13 geosynchronous orbiting satellite. This ability compliments
14 our defense goal of being able to support two major conflicts
15 simultaneously, which all but happened recently with events in
16 Iraq and Korea. No other medical facility can duplicate this
17 capability.

18 Businesses which are leaders in the
19 telecommunications industry, such as Direct TV, TCI, US West,
20 Hughes, and TRW have all located in Colorado for that very
21 reason. We believe that the Army should as well. Our
22 satellite communication potential has the ability to provide
23 training and guidance to military physicians all over the
24 globe. Computer simulated virtual reality programs broadcast
25 to satellites to facilities around the world, the ability to

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1 downlink the information and use it to conduct advanced
2 training that was never before possible.

3 With the addition of the University of Colorado's
4 medical centers training facilities and capabilities, the
5 educational prowess Fitzsimons brings to bear is second to
6 none. We are on the threshold of a new era in military health
7 care. Fitzsimons has the potential to play a leadership role
8 in developing new technology areas in telemedicine, which is
9 unmatched. Telemedicine is the future of military medicine and
10 has technological applications in the following ways:

11 Electronic dog tags, personnel status monitoring,
12 telementoring, telepresent surgery, and many others. These
13 have been tested real-time, real life, and are now referred to
14 as remote clinical communications systems.

15 Our CCS is a state-of-the-art Clinical Consultation
16 System, which provides the field physician the ability to send,
17 by satellite or regular telephone services, two-way voice,
18 facsimilie and high resolution digital images from any location
19 worldwide, to a medical center. Our CCA enables a physician at
20 a remote location to consult with a physician at the medical
21 center and obtain expert advice on management of critical or
22 unusual cases. It provides a means to augment the medical
23 staff at the deployed hospital and to prove the high quality of
24 care already available to our soldiers.

25 Through improved technology, and sound business

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1 practices, Fitzsimons has the capabilities of combining the
2 community's efforts and talents with those of the Army to
3 improve combat casualty care and provide better health care to
4 all beneficiaries.

5 No longer should we talk about peacetime care versus
6 wartime care. Instead, we should focus our efforts toward
7 continuous care for our beneficiaries at home and abroad. And
8 it is Fitzsimons Army Medical Center that I believe can fulfill
9 this mission better than any other military medical facility.

10 Thank you.

11 COMMISSIONER DIXON: Thank you very much, Mr.
12 Johnson.

13 MAYOR TAUER: Mr. Chairman, members of the
14 Commission, when a person like myself comes before a
15 decision-making body like this, it is difficult to try and
16 decide what approach to use: Come hat in hand and beg? That's
17 not my style. Be insulting, accusatory, inflammatory,
18 emotional? That's not my style either, although I can do it.
19 But I'm known for being honest, blunt, and straightforward.
20 And I don't mean to offend anyone, especially those who are ex-
21 military personnel on the Commission by some of my remarks, but
22 I feel that it's absolutely necessary to say what I have to
23 say.

24 I am so angry and frustrated at the discrepancies
25 and the process that has taken place so far, and the

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1 stonewalling that we have received, that it is really hard for
2 me not to adopt a different type of approach.

3 Chairman Dixon, you are reported to have said that
4 the Commission intends to look very hard at the situation of
5 garbage in, garbage out. And we hope you do.

6 Commissioner Cox, you were reported to have
7 questioned why the Joint Cross Services Group's work did not
8 get more consideration. We ask the same question. The report
9 challenged the process and said it was rife with politics.

10 Only eight months ago the DLA argued for Fitzsimons
11 as being critical to their mission before a congressional
12 subcommittee for funding. How could its value have changed so
13 much in eight months? Although there are 12 major medical
14 facilities that were looked at by the Joint Cross Services
15 Group, only three were compared by the Army, and only one was
16 ever really considered for closure from the very beginning.

17 I guess I'm grateful to be here before you one more
18 time to lay out some of the facts and figures that we have, in
19 a process that we feel that is so flawed that it cannot
20 legitimately be used to close any base, much less Fitzsimons
21 Army Medical Center. Even more amazing is the fact that none
22 of the errors between the raw data that was developed and the
23 numbers that were given to you, not one of those errors was in
24 favor of Fitzsimons Army Medical Center. A statistical and
25 mathematical impossibility that certainly raises the question

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1 how could this happen. Well, the answer is, that it can't,
2 unless someone is paying attention to the numbers. And,
3 certainly, it gives the appearance, to any reasonable person,
4 that a decision was made first, and then the data assembled to
5 justify that decision.

6 Fitzsimons, it's obvious, is very important to us.
7 You've heard that Fitzsimons serves as active duty, dependent
8 and retiree population of almost 1 million in 12 states,
9 covering between a third to a quarter of our country. You've
10 heard the huge impact it has on our economy. You've heard of
11 its irreplaceable location for telecommunications and
12 telemedicine. You've heard us question the fairness of closing
13 a fourth federal installation in the Denver metropolitan area
14 in less than a decade.

15 What you have not heard, and what I will now share
16 with you is our real concern about the analysis of Fitzsimons.
17 It contains a series of significant flaws in the methodology,
18 the process and the data. The flaws, errors, and omissions
19 that we have found and have outlined in our report are terribly
20 disappointing to a community that has not only tolerated, and,
21 even more, accepted the military within its community, but, in
22 fact, has gone out of its way to welcome the military with open
23 arms and has embraced them as truly an integral part of us.

24 It is heart wrenching to now be so obviously
25 betrayed in a way like we have been and treated the way we feel

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1 is so shabbily in return.

2 And you should be disappointed as well, because I
3 believe that you will conclude, after reviewing our findings,
4 that you cannot reasonably judge Fitzsimons Army Medical
5 Center, or for that matter any major medical center, from this
6 information.

7 Our concerns fall into four main areas:
8 Methodology, process, data, and fairness.

9 To methodology let me mention, number one, square
10 footage. The most heavily weighted criterion of merit used to
11 measure a medical facility's total military value is its
12 physical size. Therefore, according to the Army criteria, if
13 you took a box of Band-Aids and put it in the Super Dome, and
14 put a red cross on the side of the Super Dome, it would be
15 considered a more effective medical facility than the Mayo
16 Clinic. I changed that just a little bit for you.

17 Now, in one, we're assessing maneuver kind of
18 installation, which requires vast amounts of land for armor
19 exercises, or a depot, which needs considerable room to
20 maintain, and overall equipment, or a training base, which
21 requires room to marshal men and materiel, then, using sheer
22 size makes sense, but it makes little sense when they are
23 evaluating medical treatment facilities. We looked for a
24 private sector medical company or index which uses the size of
25 a medical facility as its most important component in the

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1 quality of care and couldn't find any. I urge you to do so as
2 well, and I expect you will also be unsuccessful in your
3 search.

4 Number two: Temporary buildings. For some
5 inexplicable reason some buildings counted in the square
6 footage calculations and some do not. At Fitzsimons we have
7 buildings with three specific purposes: Health care,
8 instruction, and research. Wooden instructional buildings are
9 considered temporary structures with a life of five years;
10 however, there are wooden instructional buildings with more
11 than 110,000 square feet of usable space that have been in use
12 for up to 50 years, and continue in use today, and yet are not
13 included in the analysis of Fitzsimons. Well, I do not believe
14 square footage is the way to measure the facility's
15 usefulness.

16 Not counting these facilities is the difference
17 between Fitzsimons rank ahead of Tripler or behind it. The
18 Army's suggestion that wooden constructional buildings are
19 temporary and of no use or no value is simply wrong. And, by
20 not counting them, Fitzsimons' square footage is underestimated
21 by 93 percent.

22 Number three: Deployment formula. Utilization of
23 the same deployment formula for medical as far as for maneuver
24 bases has no relevance to the real world. Medical personnel
25 are deployed through areas of conflict by automobile and by

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1 air. Patients injured in conflict are transported to hospitals
2 by air. The formula which ranks proximity to air, rail and
3 ship as 30 percent of deployment, and proximity to highway
4 routes as ten percent has absolutely no relevance to
5 Fitzsimons' ability to get personnel to conflict and injured
6 soldiers home for treatment. If this is to be used at all, air
7 should be the top-rated criteria, followed by road, and rail.
8 And ship should not be used at all, or receive minimal
9 consideration.

10 Number four: The use of ports for deployment
11 measure. In addition to the general problems with the
12 deployment measure, utilizing ports is doubly wrong and a
13 particularly bad measure, and detrimental to Fitzsimons' case.

14 Fitzsimons was located in the center of the country
15 originally for security reasons. It had been open less than a
16 week when the first soldiers injured at Pearl Harbor were
17 brought there for treatment. Fifty years later, the first
18 injured soldiers from Desert Storm were brought to Fitzsimons.
19 Now, the very reason for its existence is being used against
20 it.

21 Number five: Cost per active duty personnel. In
22 comparisons with Walter Reed and Tripler, the cost per person
23 is based on active duty personnel within a 40-mile catchment
24 area. Fitzsimons serves a 12-state area, covering thousands
25 and thousands of square miles. Is Fitzsimons really

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1 responsible for serving military personnel and their dependents
2 outside of the 40-mile catchment area? Certainly, it is. Why
3 then, aren't they factored into the cost of providing service?
4 Only six percent of Fitzsimons' clients are within the 40-mile
5 catchment area. The two major bases served by Fitzsimons, Fort
6 Carson and Fort Riley, are both outside that 40-mile limit, and
7 they provide two-thirds of the military personnel served by
8 Fitzsimons.

9 This is perhaps the most ludicrous fallacy of the
10 whole assessment process. Number six: Stand-alone
11 facilities. The Defense Department decided to compare only
12 three stand-alone facilities: Walter Reed, Tripler, and
13 Fitzsimons. Why? Do we provide care differently because of
14 this measure? Of course not.

15 In fiscal year 1997, it's projected that Fitzsimons
16 will rank either third or fourth in each beneficiary population
17 category of the 12 lead agent regional hospitals. BRAC is
18 supposed to identify excess capacity. Fitzsimons is the only
19 tertiary care facility in a 12-state region. How can that be
20 surplus capacity? If you want to look at surplus capacity,
21 look at the Washington, D.C. area, or the San Antonio area.
22 Again, the methodology is questionable. The Joint Cross
23 Services Group rated all 12 hospitals, and, yes, they
24 recommended closure of Fitzsimons, but they did not adjust the
25 numbers to fit the recommendation. In fact, Fitzsimons ranked

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1 in the middle of all the 12, with the prospect of moving up by
2 1997. It makes us wonder why Fitzsimons was selected out of
3 the middle of all those to be the one to be selected, and
4 Tripler, which was at the bottom, was not.

5 Looking at those, these six issues calls into
6 question the analysis, and, therefore, the recommendation for
7 closure. The hospitals which were evaluated, their size, the
8 buildings counted and not counted, rail, and ship transport,
9 versus air transport of doctors and patients, et cetera. All
10 of this will make it difficult to and bring into question the
11 process as to why Fitzsimons was rated worst of the medical
12 facilities, when, in fact, if you put all these things
13 together, it would have rated first instead of last.

14 When these flaws are coupled with the fact that
15 there is the 30 percent reduction in the military results in
16 only an eight percent need for military health care, a prudent
17 course of action would be not to close any medical center
18 unless you're provided analyses that will allow meaningful
19 comparisons among comparable facilities. And, yet, I wonder if
20 anything that we show, despite how distorted and accurate or
21 lack of reasonableness or common sense it demonstrates on the
22 part of the Army's decision to close Fitz, will make a
23 difference.

24 I refer to two recent newspaper articles, one which
25 said -- from the GAO -- that it has reservations about the

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1 Army's methodology concerning a few facilities it wants to
2 close. But Fitzsimons was not one of those. Very strange.
3 And an article about a hearing that you held on Monday which
4 said, "Commission members asked few questions about Fitzsimons,
5 and none said anything to suggest agreement with decision to
6 close." We hope that that's because it may be too early.

7 But I'm not finished. Let me go on by addressing
8 the process. The Health Care Index -- the Health Care Index,
9 HCI used by the Army to measure the cost of providing care at
10 the three stand-alone facilities supersedes the measures used
11 by the medical Joint Cross Services Group. While the HCI shows
12 Fitzsimons is a most expensive facility to provide care by a
13 wide margin, the Medical Joint Services Group analogous value
14 shows the three medical centers' cost to be very similar,
15 except that Fitzsimons is the least expensive, rather than most
16 expensive of the three facilities on a cost per patient
17 measure.

18 We do not have enough data to tell you exactly why
19 the HCI differs as dramatically as it does from the Joint
20 Services Group finding, but we have found two questionable
21 variables. First, the HCI compares different population groups
22 in its calculations. Second is, the measure itself is
23 difficult to understand, and leads to widely different costs.
24 The HCI shows cost differentials between 200 and 400 percent
25 between Fitzsimons, Walter Reed, and Tripler. The Joint Cross

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1 Services Group's work finds only a 10.9 percent cost per
2 patient differential, with Fitzsimons being the least, rather
3 than most expensive. The Army's valuation neither ignored or
4 rejected the cost per patient statistics that were generated by
5 the Medical Joint Cross Services Group, and, instead, used the
6 Health Care Index.

7 The decision seems questionable for at least two
8 reasons. First, straightforward, easy to understand index that
9 had been tested and retested by an interagency health care
10 group is dismissed and replaced with a complex internal index.
11 Second, the HCI comes up with statistics that seem to require
12 further analysis.

13 How in the world could either Walter Reed be so
14 efficient or Fitzsimons be so inefficient that their costs
15 could vary by 400 percent?

16 Data, number eight, cost of living. Denver's cost
17 of living is 27 percent less than Washington's and 29 plus
18 percent less than Honolulu's. Lower housing costs are 20
19 percent less than Honolulu, 54 plus percent less than
20 Washington. The Army has suggested that the cost of providing
21 medical care and construction is higher in Denver than either
22 Washington or Honolulu. How can that be true?

23 Number nine, proximity to the airport. The Army
24 lists Fitzsimons as being 11 miles away from the airport for
25 med-vac transport. However, DIA will not be used for -- I'm

1 sorry Fitzsimons is more than 11 miles from DIA, but DIA will
2 not be used for air med-vac. That role has been done by
3 Buckley International Guard Base, and will continue to be, and
4 Buckley is five miles from Fitzsimons.

5 While the differences do not seem constant,
6 generally, it is a difference between being judged equal to the
7 other facilities or not on this measure.

8 Number ten, patients at Tripler. When we add the
9 number of active duty personnel and their dependents who are
10 eligible to receive care at Tripler, the number of retired
11 personnel and their dependents who are eligible to receive care
12 at Tripler, Defense Medical Information Service reports roughly
13 15,000 or 83 percent fewer than total used by the Army for
14 comparison with Fitzsimons. You should want your staff to
15 double-check these numbers.

16 Fairness: How much is enough? We've --

17 COMMISSIONER DIXON: Mr. Mayor, I don't mean to
18 interrupt you, sir, but I do want to advise that 40 minutes of
19 your 55 minutes has been used up. Our timer is not operating
20 correctly, so I'll be a little lenient. And I apologize for
21 the interruption.

22 MAYOR TAUER: That's all right. If you don't
23 take that warning out of my time, I think we'll make it. Thank
24 you very much. Thank you for warning me.

25 COMMISSIONER DIXON: I promise you the warning

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1 will not come out of your time.

2 MAYOR TAUER: Thank you. No, I think we will
3 finish on time. I'm pretty sure, but thank you. I'm supposed
4 to have the bulk of the presentation. So, thank you.

5 We have just closed Lowry Air Force Base, the Rocky
6 Mountain Arsenal and Rocky Flats, and we have heard that
7 Secretary Perry testified on March 1, 1995, that the Navy did
8 not include facilities in California that would have been
9 recommended for closure, were it not for the impact of previous
10 closures.

11 And I would suggest that what is fair for California
12 is fair for Colorado. And Fitzsimons should figure in that
13 same equation.

14 Regional considerations: Regional aid is the
15 largest geographic region in the continental United States.
16 The sparsely populated service area, one such as the one
17 Fitzsimons oversees, is not justification for reducing the care
18 to its residents. Fitzsimons serves a larger population than
19 all but two of the other field agent hospitals. People should
20 be the major consideration and not some other agenda. There
21 will be some people served by Fitzsimons that will literally
22 die sooner if Fitzsimons is closed due to various economic
23 considerations and hurdles that will be imposed upon them.

24 Alternatives: If the Defense Department wants to
25 close a medical center, why does it look to coordinate the work

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1 between almost co-located facilities in Washington and San
2 Antonio, instead of recommending closure of the only facility
3 serving 12 states and the only facility in the United States
4 that will be able to take care -- take advantage of
5 telemedicine opportunities -- take full advantage, because of
6 its location.

7 The savings: Number 14. The savings of \$300 over
8 20 years, identified by the Army ignored the fact of the need
9 to rehire some civilian personnel. How is it possible to spend
10 \$100 million on construction to replace Fitz in various
11 locations with new facilities around the country and not hire
12 new employees? 65 percent of the annual savings is from laying
13 off civilian employees; \$200 million a year. That means that
14 they have to operate, if they hire no new civilian employees,
15 three times more efficiently than any medical facility operates
16 today. If they rehire them, they lose that \$200 million
17 dollars per year in savings, which eats up all the savings of
18 the 20 years that they have purported in a year and a half.
19 Does it really seem reasonable they won't rehire personnel? I
20 don't think so.

21 There are studies that have shown over the years
22 that it actually will cost \$32 million a year to close
23 Fitzsimons Hospital and provide the same service through the
24 private sector.

25 And, finally, environmental impacts. Tripler failed

1 list. And remember the unfortunate tragedy that occurred just
2 yesterday. And Fitzsimons is capable of responding to such a
3 catastrophe anywhere in a 12-state region.

4 Thank you.

5 CHAIRMAN DIXON: I thank you very much, Mr.
6 Mayor. Thank you very much. Now there is ten minutes left,
7 and I take note of the fact that there are four of you. I want
8 to be a little lenient, because it's our fault that the timer
9 is not working correctly, but I just want you to know that we
10 are on some limited time.

11 MR. POHLMAN: Thank you.

12 COMMISSIONER DIXON: Glad to have you here, Mr.
13 Pole.

14 MR. POHLMAN: Thank you, Commissioners and Mr.
15 Chairman. I'm going to be very brief. I'm going to talk
16 briefly about methodology which we used in order to conduct the
17 study that we have entered into the record.

18 COMMISSIONER DIXON: Mr. Pohlman, I'm sorry to
19 interrupt. I can't hear you.

20 MR. POHLMAN: Is that better?

21 I'm going to talk briefly about the methodology used
22 to conduct the study which we have entered into the record.

23 We reviewed the Army installation assessment based
24 on method, validity, and the mathematics. To be very honest,
25 the mathematics that we looked at were all correct. We didn't

1 to report wetlands, and yet received the top score for
2 underreporting. Walter Reed failed to report contaminated
3 sites, and yet received the top score for underreporting.

4 I'm going to omit a remark; it might be offensive.

5 Finally, I want to issue a challenge. If you, as
6 the Base Realignment Closure Commission, entrusted with the
7 responsibility of ensuring validity and fairness of the
8 process, want to question us further, after reviewing our
9 entire report -- and please do so -- or would like to have us
10 debate the Army on any part of the data, you tell us where and
11 when, and we'll be there.

12 In the old days, when people felt that they were
13 wronged, they had fought a duel. Well, I won't argue whether
14 that was right or wrong in those days, but I think that there
15 is some legitimacy in challenging in the face of wrongdoing.
16 And I think that's very legitimate. And we're issuing one here
17 and now.

18 Remember what you saw in our video. Ask
19 Commissioner Kling what it was like to be surrounded by Fitz
20 supporters at Fitzsimons. I think I have proven the military
21 value of Fitzsimons. If not, our report certainly will, with
22 actual data. I've shown you why the process is flawed and
23 seemed to be unfair to us. But those people who served our
24 country and decided how and where to live, should help you to
25 take the final step to remove Fitzsimons from the closure

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1 try -- we looked at the cross-correlation between the sites for
2 fairness, validity, and accuracy. Three sites being Walter
3 Reed, Tripler, and Fitzsimons Army Medical Centers. We
4 gathered materials, primarily materials provided for the BRAC
5 Commission by the Army, the data calls that were sent out to
6 the installations to provide raw material that the Army used.
7 We looked at the Joint Cross Service Group's materials, both
8 raw materials and reported materials, memorandums, notes,
9 letters, various spreadsheets. We were able to come up with
10 data runs from the Fitzsimons Army Medical Center, directives
11 and reports. We determined the priorities that the Commission
12 was going to be looking at. Therefore, we spent most of our
13 time looking at the military value assessment. We did look
14 briefly at return on investment, and then briefly on the
15 community impact. We reviewed the process and compared it to
16 the Military Joint Cross Services Group's assessment. We
17 reverse engineered all of the spreadsheets that the Army used
18 in order to come up with the numbers that they came up with;
19 that's the only way. We weren't given the formulas internally
20 that we requested. We reverse engineered the numbers to
21 produce the same. We concentrated upon the DPA models and the
22 COBRA model on the return on investment. We did come up with
23 the same results that they did.

24 When we added the raw data, we came up with the
25 numbers that you'll see in the report. The numbers, using raw

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1 data reported to the Army, reversed the decision, placing
2 Fitzsimons first, Walter Reed in the middle, and Tripler last.
3 This is somewhat similar to the data provided by the Medical
4 Joint Cross Services Group, which reported military hospitals
5 on 14 sites -- 12, the 12 regions, the two duplicated sites
6 within Region 1 and Region 6. In that case, Walter Reed came
7 out first, Fitzsimons came out 8th, and Tripler came out dead
8 last.

9 We could not find any reason numerically, or
10 supported by the data in the Medical Joint Cross Service Group
11 report, that supported the conclusion that Fitzsimons should be
12 closed. Their data did not support that. However, their
13 conclusion was to close Fitzsimons. The data was at odds with
14 what they said.

15 You've already heard about the Army data why it was
16 at odds. It's contained in the reports. If you have any
17 questions we'd be glad to answer them.

18 Thank you.

19 COMMISSIONER DIXON: Thank you very much, Mr.
20 Pohlman.

21 MS. KORNELLY: I think, in the interest of time,
22 I will not get up to the podium, if that's all right with you.

23 I'm here representing Governor Roy Romer from the
24 State of Colorado. I want to thank Chairman Dixon for giving
25 us this time to present to you, and the Governor also

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1 appreciates the time you spent with Mr. Cornella and Mr. Kling
2 last Friday. I now have a statement which he's requested that
3 I read into your record.

4 To Chairman Dixon and to the other members of the
5 Commission.

6 I am sorry that I am not able to testify before your
7 Base Realignment and Closure Commission this afternoon in
8 Albuquerque. However, Irene Kornelly, the director of my
9 Office of Statewide Defense Initiatives is present, and I have
10 asked her to read this letter into the record. Fitzsimons is
11 very important to me and to the people of Colorado.

12 Fitzsimons is a vital part of our country's national
13 defense system. If I believed that Fitzsimons was nothing more
14 than jobs and money for Colorado, I wouldn't challenge the
15 Department of Defense's recommendation for closure. I'd tell
16 you that we are willing to do our share and to take our lumps.
17 However, the facts, as presented by Mayor Tauer, do not support
18 this.

19 Fitzsimons compares favorably with other hospitals
20 not slated for closure. Of the 12 regional lead agent
21 hospitals, Fitzsimons is projected in fiscal year '97 to
22 provide service for the fourth largest active duty population
23 in the country; to provide service for the third largest
24 military family population; and to provide service to the third
25 largest population of other beneficiaries. Additionally,

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1 Fitzsimons is easily accessible for air and med-vac by virtue
2 of its proximity to Buckley Air National Guard Base.

3 Similarly, Fitzsimons continues to play an important
4 role in the military system.

5 Just as the first troops injured at Pearl Harbor
6 were brought to the brand new Fitzsimons in 1941, the first
7 injured troops from Desert Storm were brought to Fitzsimons 50
8 years later.

9 Fitzsimons is one of only 15 hospitals designated
10 nationally by the Department of Defense to serve as a center
11 for "Persian Gulf War Syndrome" patients.

12 Fitzsimons is the leading facility for women's
13 military medical issues.

14 And Fitzsimons is positioned to be a leading center
15 of telemedicine because of Colorado's unique location and the
16 telecommunications industry that has grown here.

17 Fitzsimons and the State of Colorado have developed
18 an important partnership through the University of Colorado
19 Health Science Center. We have a joint research facility
20 actually located on the base. Fitzsimons contracts for a
21 number of services to the medical school. And, additionally,
22 the joint medical school programs operated by these two
23 institutions provide cost-effective training that benefits both
24 military and the state. Fitzsimons is the only accredited
25 military medical center in the entire Central-Western region of

1 the nation. The loss of Fitzsimons would rob the military of
2 needed resources it could not replace in the other parts of the
3 country for the same amount of dollars.

4 While I stand by my previous statement that we must
5 all do our share to reduce unnecessary government and that
6 military bases have to meet national defense interests in order
7 to remain open, I urge you to look at what the metropolitan
8 area of Denver has had to experience from the federal
9 government in the last few years.

10 Number 1, we have just closed Lowry Air Force Base
11 and we are working very hard for its redevelopment; number two,
12 we have closed the Rocky Mountain Arsenal, which is an Army
13 facility, and we will spend at least the next generation to get
14 it cleaned up enough so that it will ever be usable by the
15 community, and number three, we've lost the employment and
16 economic benefits of Rocky Flats and have, once again, been
17 left with the responsibility of cleanup of this massive site.

18 In the Navy's testimony before you last month it was
19 stated that additional facilities in California would have been
20 recommended for closure were it not for the impact of previous
21 rounds of base closures. If the Navy spares bases from closure
22 because an area has done its share and if California can be
23 spared additional closures because of what it has already
24 suffered, then it is reasonable for you to consider whether the
25 Denver metro area and the small State of Colorado should suffer

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1 an additional economic loss and be committed to use the
2 planning resources necessary to deal with a fourth major
3 closure of a federal installation.

4 Fitzsimons Army Medical Center is an important part
5 of our country's military medical system and an important part
6 of Colorado. It has proven its military necessity and should
7 continue to play the role it has as a lead hospital for Region
8 providing necessary medical care for active duty and retired
9 military personnel and their families.

10 Thank you for your consideration of the comments
11 from the Governor. I hope, when you finish consideration of
12 all the information that you have received today, that the Base
13 Closure and Realignment Commission will decide against closing
14 Fitzsimons.

15 Sincerely, Roy Romer, Governor of Colorado.

16 COMMISSIONER DIXON: Thank you, Mrs. Kornelly.
17 Mr. Engman.

18 MR. ENGMAN: Thank you, Mr. Chairman. I will be
19 brief. I would just like to read a brief statement from
20 Senator Campbell.

21 I am sorry that I was unable to come here in person
22 today, but I want to underscore my commitment to measure
23 Fitzsimons Army Medical Center. We've all heard about the
24 Black Hole. This isn't just a cute sound byte. This facility
25 is important to the entire Midwest of the United States. I

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1 would like to enter into the written record a letter to
2 Chairman Dixon signed by eight senators from six states, myself
3 and Senator Brown, along with Senators Dole, Daschle, Baucus,
4 Pressler, Hatch and Simpson. I would also like to enter into
5 the record a letter I received from Senator Dole. In part this
6 letter says: I agree that the loss of this vital facility
7 could be extremely detrimental to the regional defense medical
8 system and undermine cost-effective medical care for thousands
9 of active duty and retired veterans.

10 The representatives from Aurora have worked
11 incredibly hard, and they make an excellent case for
12 Fitzsimons.

13 I urge Commissioners to carefully consider their
14 arguments. I would like to address one issue of particular him
15 interest to me. The U.S. Army plans two major chemical weapons
16 incineration sites; this region one near Pueblo, Colorado, one
17 near Tooele, Utah. Those plants bring with them the threat,
18 however small, of exposure to chemical agents like mustard gas
19 and nerve gas. Fitzsimons is the only facility in the region
20 with the capabilities to treat chemical exposure cases due to
21 its important and ongoing work with military personnel
22 suffering from Agent Orange and Persian Gulf Syndrome. I would
23 like to know how the Army plans to keep that kind of expertise
24 readily available if Fitzsimons closes; if we're going to have
25 chemical weapons incinerators in our backyards. I know we all

1 have to sacrifice our share in order to cut spending and the
2 deficit. It is also my job to make sure that this BRAC process
3 is fair to my state and constituents, and that the BRAC
4 Commissioners have considered all perspectives.

5 Thank you very much.

6 CHAIRMAN DIXON: I thank you, Mr. Engman.

7 Mr. Merritt.

8 MR. MERRITT: Mr. Commissioner, Senator Brown
9 asked me to pass on his regrets that he couldn't be here and
10 read the statement real briefly.

11 Mr. Chairman and members of the Base Closure and
12 Realignment Commission, four separate studies have been
13 conducted to analyze the importance of Fitzsimons Army Medical
14 Center and the most cost-effective means of ensuring the
15 military's medical needs are met. Each study concluded that
16 keep Fitzsimons open and continuing with construction of the
17 new replacement hospital was the least cost alternative.

18 Specifically, in 1987, the Army conducted an
19 economic analysis after which the Assistant Secretary of
20 Defense for Health Affairs announced a new Fitzsimons would be
21 constructed. In March 1991, another Army economic analysis
22 concluded, "The total savings generated by providing care at
23 Fitzsimons Army Medical Center, as compared to not operating
24 Fitzsimons, are enough to pay back the cost of constructing a
25 new facility." In October and November of '91 a "quick

1 response" economic analysis was conducted which reviewed three
2 catchment areas for Fitzsimons, within a 40-mile radius, 100-
3 mile radius and the 12-state regional catchment area, and under
4 no scenario was closure of Fitzsimons him justified.

5 Finally, BRAC '93 conducted a COBRA computer model
6 cost analysis of Army health service needs and graduate
7 education and did not recommend closure of Fitzsimons. This
8 analysis found economic merit in a reduced patient load at
9 Fitzsimons and found economic merit in the retention of
10 Fitzsimons even when the \$390 million replacement hospital
11 project was considered.

12 Mr. Chairman, the level of scrutiny of the need for
13 this hospital has been intense. For seven years, the
14 requirements have been reviewed and rereviewed. The
15 overwhelming weight of the evidence suggests that Fitzsimons
16 should remain open. We are certain that as the members of the
17 Commission review all of the available data that you will come
18 to the same conclusion.

19 Thanks in advance for your consideration and for all
20 of your hard work.

21 COMMISSIONER DIXON: I thank you, Mr. Merritt.
22 I thank all of you fine distinguished people from Colorado for
23 your very excellent, helpful presentation. We are indebted to
24 you. Thank you very much.

25 And now we are going to have eight citizens from the

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1 great State of Colorado in a public comment period. And if
2 they'd all come up here, please, we're going to have to swear
3 you in as well.

4 Dave Pohlman, Nadine Caldwell, Don Armstrong, Nelson
5 Soper, Rex Diehl, Adeline Diehl, John Smith, and Edmee Hills.
6 Could you all come up here, ladies and gentlemen, and raise
7 your right hand. I'm obligated under the law to do this to
8 you. And I regret that we impose, but it's part of the law as
9 you would all readily, I'm sure, understand. Thank you,
10 folks. Raise your right hands.

11 (A discussion was held off the record.)

12 COMMISSIONER DIXON: Thank you very much.

13 Mr. Dave Pohlman, Future of Fitzsimons Initiative.
14 We've heard Mr. Pohlman before, we're delighted to hear him
15 again.

16 MR. POHLMAN: Thank you very much for the
17 opportunity to speak to you Mr. Chairman and Commissioners.

18 I want to point out that the veterans retirees and
19 veterans did not create the conclusion or expectation that they
20 were going to get free medical care. This is something that
21 was promised to them when they entered the Army. As we have
22 pointed out in our report, there are numerous instances today
23 where we see that it is not in fact free. The DOD is promising
24 to take care of the veterans and retirees, a concept called
25 Tri-Care. A concept; it is not operational. Based on the

1 history of concepts and how far they go, I'm certain that the
2 costs will not be free. To give an example: If only 50
3 percent of the eligibles in a 12-state medical region covered
4 by Fitzsimons Army Medical Center enrollment fees, \$63 million
5 a year. This is not free medical care. Their medical
6 co-payments, with an average of two patient visits per year,
7 \$3.45 million. This is not free medical care. This is not
8 what the veterans were promised.

9 The first -- this may be the very first major
10 medical center closure that I'm aware of. Fitzsimons is in the
11 middle of a 12-state region which covers almost 800,000
12 veterans, families, retirees and their families in active
13 duty. Many of these people are on fixed incomes and have been
14 for years. They depend upon the military medical care as part
15 of their retirement plan as they were promised. They can't
16 afford Tri-Care; they can't afford CHAMPUS. These people will
17 not attend doctors as incorrectly assumed by the Department of
18 Defense. Patient loads go down. On CHAMPUS, the reason they
19 can't afford it, what happens, many times people can't afford
20 the care don't go when they need to, therefore, making
21 conditions worse. When they finally get to see a physician,
22 it's too late, inoperable, and cannot be cured. We do not want
23 to do this. The patient was promised medical care, we expect
24 it to --

25 COMMISSIONER DIXON: Thank you, Mr. Pohlman.

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1 The Honorable Nadine Caldwell, a member of the Aurora City
2 Council. We are delighted to have you.

3 MS. CALDWELL: Thank you very much. Fitzsimons
4 is within my ward. I represent 40,000 people, many of whom
5 bought their homes in my ward to be near Fitzsimons where they
6 can have medical care and BX and commissary privileges,
7 services that they were always promised. They made a large
8 financial commitment to be near Fitz. As you probably know,
9 Lowry Air Force Base was closed in September 1994. Lowry is
10 also within my ward, and is only two miles from Fitzsimons.
11 The closing of Fitzsimons would be a double-whammy that will
12 totally devastate our community. The combined job loss to
13 Aurora would be 10,000 jobs, if Fitzsimons also closes.

14 Commissioners, loss to Aurora -- there is no way a
15 city can overcome that economic loss, and there is no reason a
16 city should have to bear that burden. We cannot take another
17 hit.

18 My husband gave 33 years to his country in military
19 service, and expected a return on that investment, that
20 investment return is in serious jeopardy, as it is for all
21 those retirees in the Aurora-Denver metro area, and the 14
22 states that Fitz serves.

23 When Commissioners Kling and Cornella visited Aurora
24 recently, they witnessed firsthand the support of the community
25 for Fitzsimons.

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1 I think testimony was presented today that shows we
2 have the facts on our side, and it is up to you as
3 Commissioners to come to an honest and a fair decision, as
4 stated by Chairman Dixon.

5 And I'd just like to tell you that closing a
6 military base is a gut-wrenching, heart-breaking thing that I
7 hope none of you ever have to go through. And I don't want to
8 have to go through it again. Thank you.

9 CHAIRMAN DIXON: Thank you, Mrs. Caldwell.

10 The Honorable Don Armstrong, Colorado State
11 Representative. We're delighted to see you Representative.

12 CONGRESSMAN ARMSTRONG: Mr. Chairman, Commission
13 members, I'll be very short and sweet. I am here on behalf of
14 the Colorado General Assembly. In early February I delivered
15 House Resolution 1010 to your base closure director to have put
16 in the records with comments, and I hope those comments and
17 that House Resolution is within your records. If I may ask --

18 COMMISSIONER DIXON: It is in our library, I
19 assure you.

20 CONGRESSMAN ARMSTRONG: On behalf of the Colorado
21 General Assembly, my house district, and my neighborhood, I
22 plead with you not to close this base.

23 In closing, as a member of this neighborhood, I was
24 born and raised there. Please don't devastate our
25 neighborhood. Thank you.

1 COMMISSIONER DIXON: That you Representative
2 Armstrong.

3 Nelson Soper of the Aurora Veterans' Committee. Mr.
4 Soper, we're honored to have you.

5 MR. SOPER: Mr. Chairman, Commission members,
6 Fitzsimons to me was like my human service in March '48. July
7 '74, I retired. I got a retirement certificate. My wife, who
8 has Parkinson's disease, also got her certificate. Without
9 Fitzsimons, we would be drastically hurting medicalwise, as our
10 veterans out here who took the trip from Colorado yesterday in
11 a blizzard snowstorm to present our case to the Commission, and
12 hope we can do some good, and we've got to keep fighting. I
13 don't believe in old soldiers never die, they just fade away.
14 To me, that's what Mr. Perry is trying to do.

15 Thank you.

16 COMMISSIONER DIXON: Thank you very much, Mr.
17 Soper.

18 Mr. Rex Diehl, retired military person, and I
19 believe his wife Adeline. We're delighted to have you, Mr. and
20 Mrs. Diehl.

21 MR. DIEHL: My wife Adeline is here to help prop
22 me up in case I need it.

23 COMMISSIONER DIXON: She looks like she can
24 handle it. How do you do, Adeline?

25 MR. DIEHL: I was put on the retirement list some

1 20 years ago, and about ten years ago, after I failed a
2 treadmill and some other tests I heard the dreaded words from
3 the cardiologist at Fitzsimons. The words were, "You have
4 heart disease," and then in the paperwork it says, "this obese
5 individual." Well, I knew I put on a little, but that hits you
6 pretty hard.

7 Anyway, I had quadruple bypass surgery, and about
8 five years ago I felt I wasn't exercising enough maybe, and I
9 started out to Fitzsimons on Mondays, Wednesdays, and Fridays
10 to the cardiac rehab program Phase 3. And this is administered
11 by a number of wonderful and caring cardiac nurses, who have
12 volunteered this duty in addition to their other work in the
13 hospital. Right now, the director is a Lieutenant Colonel
14 Diane Anderson who leaves her family around 6:00 every morning
15 and comes over to the base gym where those of us who have had
16 heart problems, from 30 to 50 of us, walk around the gym. And
17 we have our pulse rate taken, and our pressure -- blood
18 pressure. And it's truly a wonderful program. And it consists
19 of men and women who are veterans and their mates and some
20 military widows. And I don't know where these people are going
21 to go if the thing is folded up.

22 I might just add that we wanted to mention that we
23 have a son who is three years out of medical service and is now
24 serving as an Air Force flight surgeon to a flying squadron in
25 the eastern base, and he's got to go on to advanced training in

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1 another year. And if they keep cutting back the military
2 medical facilities, I don't see where he has a future in
3 military medicine, and I wish he did.

4 Thank you.

5 COMMISSIONER DIXON: Thank you, Mr. Diehl. Mrs.
6 Diehl.

7 MRS. DIEHL: I only want to add that Fitzsimons
8 is not just a base; it's not just a place for military and
9 everything. It's a family, and they all really, really care.

10 COMMISSIONER DIXON: God bless you, Mrs. Diehl.

11 John Smith, Retired Military Officers.

12 MR. SMITH: Thank you, Mr. Chairman. Now that
13 you've heard all speak, I hope that the BRAC members' minds are
14 not dull and you will not stop up your ears. Nor close your
15 eyes. If you have not, then your eyes would see and your ears
16 would hear, and your mind finally would understand that the
17 data which we have presented here should help you in your
18 deliberations to decide the efficacy of maintaining or closing
19 Fitzsimons. Retirees are not here to plead their own selfish
20 interests. We feel that the case that has been made by Mayor
21 Tauer and others should prove that the whole area should be
22 looked at again.

23 For example, in 1991, the Army itself said that they
24 could save \$32 million a year by taking care of beneficiary and
25 military personnel at Fitzsimons, as opposed to letting other

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1 providers do that through CHAMPUS.

2 Now, in 1993, the Army is singing another tune.
3 They are saying now that they can save \$15 million over 20
4 years. Even though they know that they are going to spend \$49
5 million a year for increased CHAMPUS costs because of that
6 decision.

7 Now, let's make one thing perfectly clear: Just
8 like Fitzsimons is cutting back, and the DOD is cutting back,
9 don't you sit there for one minute and think that the hospitals
10 in the Denver area are not also going to cut back.

11 COMMISSIONER DIXON: Thank you, Mr. Smith.

12 Edmee Hills, National Chair, Veterans Widows
13 International Widows, Inc.

14 MS. HILLS: Mr. Chairman, members of the
15 Commission, in addition of these oral remarks, I have prepared
16 a written presentation for the benefit of the members of the
17 Commission and have previously provided the BRAC '95 office
18 with several documents in support of my suggestion of
19 realignment for FAMC. I do concur with the decision by both of
20 the Department of the Army and GAO to close Fitzsimons for
21 reasons outlined in my written remarks. However, ever since I
22 was made aware by Mr. Simmons, director of the V.A.-DOD sharing
23 medical office of the act of July of 1983, I have worked on the
24 idea of a V.A.-DOD joint venture, first on Lowry Air Force
25 Base, then now at Fitzsimons.

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1 I truly believe BRAC '95 should realign FAMC in
2 combination with that of the Denver V.A. MC into a V.A.-DOD
3 joint venture, similar as Tripler in Hawaii, which is a
4 tremendous success. FAMC is, at this time, a state-of-the-art
5 hospital with top-of-the-line medical equipment, as Mr. Kling
6 and Mr. Cornella were able to witness last week.

7 Meanwhile, for different reasons, the Denver V.A. MC
8 is in dire need to relocate. Everyone would benefit; both the
9 Veterans and DOD beneficiaries. DECA and MWR facilities would
10 continue to operate on Fitzsimons; the CHAMPUS headquarters
11 would not have to relocate elsewhere; and last, but not least,
12 beaucoup federal dollars would be saved.

13 As of late, I have been able to gather much --

14 COMMISSIONER DIXON: Thank you, Mrs. Hills.

15 MS. HILLS: Thank you.

16 COMMISSIONER DIXON: Thank you very much.

17 Ladies and gentlemen, we are indebted to the great
18 State of Colorado, its distinguished leaders, and this fine
19 audience for this excellent presentation, and this 7th hearing
20 of the BRAC Commission is concluded.

21 (The hearing was concluded.)
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1 STATE OF NEW MEXICO)
2) ss
3 COUNTY OF BERNALILLO)

4 REPORTER'S CERTIFICATE

5 I, Jennifer Bean, a Certified Shorthand Reporter and Notary
6 Public, DO HEREBY CERTIFY that I reported the foregoing hearing
7 in stenographic shorthand and the foregoing is a true and
8 correct transcription of the proceeding had upon the taking of
9 this hearing.

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15 Jennifer Bean
16 Certified Court Reporter #94
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