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LETTER OF CERTIFICATION

July 26, 2005

Mr. Kenneth Small
Air Force Team Leader
Defense Base Closure and Realignment Commission
2521 South Clark Street, Suite 600
Arlington, VA 22202

*Received
Ken Small
8/3/05*

Dear Mr. Small:

In response to your request, the City of Clovis submits this letter to certify the data provided in the document *Regional Economic Impact of Cannon Air Force Base*. The document was prepared at the request of our community for the purpose of responding to the May 13 recommendation by the U.S. Department of Defense to close Cannon AFB.

By this letter, I certify that data in the document mentioned above contains no critical discrepancies or inaccuracies. I also certify that all sources of data can be referenced or are available from public reports or websites.

If you have further questions related to the document, I invite you to contact Randy Harris at (505) 769-9000 or Erin Ward at (505) 644-2583.

Sincerely,

David Lansford
Mayor

cc: Duke Tran



"Serving Our Community"

Regional Economic Impact Of Cannon Air Force Base

July 2005

INTRODUCTION

On May 13, 2005, the State of New Mexico learned that Cannon Air Force Base, eight miles west of Clovis on the state's high eastern plains, was recommended for closure under the 2005 Base Realignment and Closure (BRAC) process. Within days, the state's congressional delegation and its governor, Bill Richardson, vowed to combat the recommendation and offered assistance to community leaders to mount a review of the criteria that led to the recommendation. This report addresses the impact of Cannon AFB on local employment (jobs), labor income (payroll), and total industry output (materials, services, labor, and inter-industry dependencies). The report responds to an analysis published by the U.S. Department of Defense (DoD) showing a potential loss of one in every five local jobs if Cannon were to close.

OBJECTIVE

The objective of the report is to provide information on the economic impact of Cannon AFB on the communities of Clovis and Portales (Curry and Roosevelt

counties) and compare the employment findings with those of the Department of the Air Force as published in DoD's May 13 *Base Closure and Realignment Report*.¹

BACKGROUND

The 2005 BRAC process represents the fifth round of military realignments and closures. It is the latest round in a process that began in the early 1960's when then-Secretary of Defense Robert McNamara determined it was necessary to downsize the nation's inventory of military installations created during World War II and the Korean Conflict. Without consulting Congress, the Office of the Secretary of Defense established the criteria for the selection of bases and closed 60 installations.

In the 1970's Congress intervened in the process. In August 1977 President Jimmy Carter approved Public Law 95-82. It required DOD to notify Congress when a base was a candidate for reduction or closure; to prepare studies on the strategic, environmental, and local economic consequences of such an action; and to wait 60 days for a congressional response.

Congress has enacted two laws since 1977 that provide for closure of military installations within the continental United States: P.L. 100-526 enacted in 1988 and P.L. 101-510 in 1990. The laws allow the realignment of facilities, in part or in whole, and provide guidance on the process.

The principal mechanism for implementing base closures and reductions in both statutes has been an independent, bipartisan commission, nominated by the President and confirmed by the Senate. Under the BRAC process, the Secretary of Defense makes recommendations to the commission. The commission reviews these recommendations and makes its own recommendations to the President. The President then reviews the recommendations and either sends those back to the commission for additional work or forwards them, without changes, to Congress. The

¹ Report found at website: www.defenselink.mil/brac

recommendations then go into effect unless disapproved by a joint resolution of Congress.

Since 1988, there have been four bipartisan Defense Base Closure and Realignment Commissions that recommended the closure of 125 major military facilities and 225 minor military installations and the realignment in operations and functions of 145 others. By another accounting, the four BRAC rounds achieved 97 base closings and 55 major realignments. This has resulted in net savings to taxpayers of more than \$16 billion through 2001 and more than \$6 billion in additional savings annually.²

In reference to the 2005 closure and realignment recommendations, cost savings, if fully implemented, would equal or exceed the past four BRAC rounds combined.

2005 BRAC

Although the 2005 BRAC process is similar in many respects to previous rounds (1988, 1991, 1993, and 1995), the legislation authorizing the 2005 BRAC made a number of changes. Significant to this report, the law obligates the Secretary of Defense to provide an economic analysis of the impact to the local community when a base is considered for realignment or closure. The new law narrows the guidance on economic analysis to determining the impact “on existing communities in the vicinity of the military installations.”

The law authorizing the 2005 BRAC provides guidance on a number of other issues, many of which are reflected in the current BRAC criteria for evaluating military installations (See Attachment A). A comparison of the 2005 BRAC criteria to earlier rounds is provided in Table 1.

² Reference found at www.globalsecurity.org/military/facility/brac.htm

Table 1. Comparing 2005 BRAC Criteria to Previous Criteria			
2005 Criteria		Previous Criteria³	Change
The current and future mission capabilities and the impact on operational readiness of the Department of Defense's total force, including the impact on joint warfighting, training, and readiness.		The current and future mission requirements and the impact on operational readiness of the Department of Defense's total force.	Replaces "requirements" with "capabilities." Emphasizes the importance of jointness.
The availability and condition of land, facilities and associated airspace (including training areas suitable for maneuver by ground, naval or air forces throughout a diversity of climate and terrain areas and staging areas for the use of the Armed Forces in homeland defense missions) at both existing and potential receiving locations.		The availability and condition of land, facilities and associated airspace at both existing and potential receiving locations.	Explicit recognition of the need for staging areas for homeland defense missions. Explicit recognition of training areas as an important criterion and greater detail on the need for diversity in training areas.
The ability to accommodate contingency, mobilization, and future total force requirements at both existing and potential receiving locations to support operations and training.		The ability to accommodate contingency, mobilization, and future total force requirements at both existing and potential receiving locations.	Clarifies need for future options for both operations and training.
The cost of operations and manpower implications.		The cost and manpower implications.	Sharpens the distinction between the cost of operations and manpower implications.
The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs.		The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs.	No change.
The economic impact on existing communities in the vicinity of military installations.		The economic impact on communities.	Narrows the definition of economic impact.
The ability of both the existing and potential receiving communities' infrastructure to support forces, missions, and personnel.		The ability of both the existing and potential receiving communities' infrastructure to support forces, missions, and personnel.	No change.
The environmental impact, including the impact of costs related to potential environmental restoration, waste management, and environmental compliance activities.		The environmental impact.	Explicit recognition of the costs of environmental cleanup activities.

Source: www.tomudall.house.gov/pdf/ACF983E.pdf

³ The criteria were identical for the 1991, 1993, and 1995 BRAC rounds.

Also of note, the 2005 BRAC legislation authorizes an increase from eight to nine in the number of individuals serving on the BRAC Commission. The new law allows for a base to be added to the closure list, but requires that at least two commissioners visit the installation prior to making such a recommendation. The law also permits the Secretary of Defense to propose to place a military base into caretaker status if the installation is deemed important for future national security.

As of this writing, the 2005 BRAC process is well under way. Nine individuals have been appointed to serve on the Commission:

- Anthony J. Principi, chairman, former Secretary of Veterans Affairs (2001-05)
- James H. Bilbray, former Democratic House member from Nevada (1987-95)
- Philip Coyle of California, former Assistant Secretary of Defense
- Ret. Adm. Harold W. Gehman of Virginia, a former NATO Supreme Allied Commander
- James V. Hansen of Utah, a former Republican House member (1981-03)
- Ret. Army Gen. James T. Hill of Florida, former Commander of the U.S. Southern Command
- Ret. Air Force Gen. Lloyd "Fig" Newton, former Air Force Vice Chief of Staff
- Samuel Knox Skinner of Illinois, former Secretary of Transportation
- Ret. Air Force Brigadier General Sue Ellen Turner of Texas, former Director of Nursing Services, Office of the USAF Surgeon General

A list of upcoming key dates and deadlines:

- Sept. 8: BRAC Commission to make its own base closure recommendations.
- Sept. 23: Presidential decision on whether to accept or reject the BRAC recommendations in their entirety, the White House's only options. If Bush accepts the plan, it becomes final within 45 legislative days, unless Congress passes a joint resolution to block the entire package.

- Oct. 20: If Bush rejects the BRAC recommendations, the commission has until this date to submit a revised list of proposed closures.
- Nov. 7: President to approve or disapprove the revised recommendations.
- April 15, 2006: The commission terminates.

UNDERSTANDING THE AIR FORCE EMPLOYMENT IMPACT ANALYSIS

This section responds to the employment impact analysis for Cannon AFB conducted by the Air Force and published in DoD's May 13 *Base Closure and Realignment Report*.

Economic Impact Tool

To estimate the employment impact of a proposed realignment or closure, DoD used a certified database and developed what is known as the "calculator," or the Economic Impact Tool (EIT), to determine outputs. According to DoD, the EIT calculates total potential job change for a base realignment or closure "scenario." If Cannon AFB were to close, EIT calculations show that 2,824 jobs would be lost locally and an additional 1,956 jobs would be lost through indirect/induced effects.

The DoD report defines the impacted community as the "Clovis Micropolitan Statistical Area," which is identified through population data as Curry County, NM. The potential impact on local jobs is calculated as -20.47% of total area employment, a percentage reached by dividing the number of potential job losses (-4,780) over total area employment (23,348).⁴

Employment data (input) for Cannon AFB for 2007, the year of closure, are reported in Table 2. The Air Force-generated economic impact (output) of closing Cannon AFB is shown Table 3.

⁴ Data supplied by the Air Force, found at website www.defenselink.mil/brac

Type of Employment	No. of Jobs Impacted
Direct Military	-2,385
Direct Civilian	-384
Direct Student	0
Direct Contractor	-55
Cumulative Direct	-2,824
Cumulative Indirect/Induced	-1,956
Cumulative Total	-4,780

Source: Close Cannon Scenario, EIT Run, USAF Deliberative Document 0114v3, found in archive directory at www.defenselink.mil/brac

ROI ⁵ Population (2002)	44,921
ROI Employment (2002)	23,348
Authorized Manpower (2005)	3,919
Authorized Manpower (2005) / ROI Employment (2002)	16.79%
Total Estimated Job Change	-4,780
Total Estimated Job Change / ROI Employment (2002)	-20.47%

Source: Close Cannon Scenario, EIT Run, USAF Deliberative Document 0114v3, found in archive directory at www.defenselink.mil/brac

In regard to Cannon AFB, the DoD evaluation process requires the Air Force to determine the economic impact (positive or negative) of dispersing Cannon's 60 F-16 fighter jets to other locations. Using the EIT tool, the receiving bases demonstrate positive employment impacts as a result of Cannon's closure (See Attachment B).

METHODOLOGY

This analysis calculates the regional economic impact of Cannon AFB and compares the employment impacts with those reported by the Air Force.

⁵ Defense Department acronym for "Region of Influence," also identified as the Clovis, NM, Micropolitan Statistical Area.

Data Collection

This analysis uses FY 2004 Cannon AFB employment and spending data, the most current 12-month data available. Employment and payroll inputs are shown in Table 4.

Type of Employment	Number of Jobs	Payroll⁶ Dollars
Active Duty	3,846	\$125,669,337
Appropriated	400	25,503,071
Other Civilian	290	3,666,535
Private Sector	349	2,364,345
TOTAL	4,885	\$147,203,288

Source: *Economic Impact Assessment FY04, 27th Fighter Wing, Cannon AFB*

Table 5 shows construction and procurement spending (inputs) at Cannon AFB for businesses with a presence in the local area or on contract awards requiring the use of locally supplied goods and services.

⁶ Excludes employment benefits

Table 5. Construction and Procurement Spending at Cannon AFB, FY 2004	
	Dollar Amount
Construction Contracts	
Operations & Maintenance	\$11,787,281
Military Family Housing	90,999
Non-appropriated Fund	133,000
AAFES	105,000
Military Construction Program	0
Subtotal	\$12,116,280
Procurement: Services, Materials, Equipment and Supplies	
Service Contracts	\$9,000,000
Utilities and Energy	3,907,588
Telecommunications	1,351,800
Subtotal	\$14,259,388
Commissary, Base Exchange, Health and Education	
Defense Commissary Agency	\$487,895
Health CHAMPUS & Tri-Care	6,719,868
Tuition Assistance	979,000
Per Diem (Off-Base Meals)	273,000
Lodging	471,900
Subtotal	\$8,931,663
TOTAL PROCUREMENT, CONSTRUCTION	\$35,307,331

Source: *Economic Impact Assessment FY04, 27th Fighter Wing, Cannon AFB*

Data Analysis

This report uses the method of input-output (I/O) modeling, a scientifically reliable method for measuring the economic consequences of spending. Two databases are secured for this purpose: (1) IMPlan Pro (v 2.0.125), adopted by the New Mexico Department of Labor for economic analyses, is used to determine the impact of military contract and procurement spending and the impact of household spending by military and civilian employees. (2) The Regional Industrial Multiplier System (RIMS II), generated by the Bureau of Economic Analysis of the U.S. Department of Commerce, is used for verification and generating employment impacts in the education sector, a sector that was modified for local conditions.

Two regional analyses are conducted: The first determines impacts to employment, labor income, and industrial output in Curry County (Clovis) only. This analysis follows the 2005 BRAC guidance to identify impacts in existing communities in the vicinity of the military installation. A second analysis calculates impacts to the combined region of Curry and Roosevelt counties. The second analysis accounts for the impact of residents of Cannon Meadows, a 150-unit military housing complex in the city of Portales (Roosevelt County), 19 miles to the north of Clovis.

For both analyses, direct employment is separated into manpower categories for military personnel, civilian military employees, and base contractors. Some 349 private sector jobs are deemed residentiary and are removed from the input data to prevent the positions from being counted twice (i.e., bank tellers, credit union employees).

Both analyses take into account local procurement and construction spending at Cannon AFB. This spending, which amounted to \$34,328,330 in 2004, is divided into business sectors and assigned industry-specific multipliers. Contract dollar amounts are assigned to sectors that include telecommunications; architectural and engineering services; warehousing and storage; highway, street, bridge and tunnel construction; power generation and supply; and commercial and institutional building maintenance, among others.

Whenever possible, 2004 data is used for this analysis. A GDP Price Index deflation factor of 0.9617 is applied when calibrating dollars between 2004 and 2002.

The IMPlan and RIMS II databases allow for the calculation of economic impact or, from another perspective, the loss to the community should Cannon be closed or realigned to a location outside the state. Under no circumstance do the models predict or encourage the closing of Cannon AFB, nor do they anticipate the expansion or consolidation of the base.

Below are several assumptions of I/O modeling that should be taken into account when interpreting the results:

- Impacts are calculated as numerically linear and proportional;
- Each industry is assumed to have unlimited access to the materials necessary for its production;
- Changes in the economy are assumed to affect an industry's output but will not alter the mix of materials and services that are required to make an industry's products; and
- Each industry is treated as if it provides a single, primary or main product, and all other products of that industry are viewed as byproducts.

FINDINGS OF THIS ANALYSIS

Curry County

Tables 6 shows the impact of payroll and contract spending at Cannon AFB on employment (jobs), labor income (payrolls), and total industry output (materials, services, labor, and inter-industry dependencies) in Curry County. Table 7 shows summary data on the impact of Cannon AFB, calculated as the percentage of area totals.

Table 6. Economic Impact of Payroll and Contract Spending at Cannon AFB – Curry County Only

	Military & Civilian Appropriated Payroll	Construction & Procurement	Totals
Employment (number of jobs)			
Direct	4,536	522	5,058
Indirect	0	66	66
Induced	1,522	86	1,608
Total	6,058	674	6,732
Payroll (thousands of \$)			
Direct	298,040	15,000	313,040
Indirect	0	1,680	1,680
Induced	34,110	1,920	36,030
Total	332,150	18,600	350,750
Industry Output (thousands of \$)			
Direct	298,040	32,420	330,460
Indirect	0	4,450	4,450
Induced	108,670	6,120	114,790
Total	406,710	42,990	449,700

Source: IMPlan Pro (v 2.0.125)

Input data: *Economic Impact Assessment FY04, Cannon AFB and Procurement Guidance and Data*, <http://www.dior.whs.mil/peidhome/guide/procoper.htm>

Table 7. Economic Impact Summary – Curry County Only

	Cannon Totals	Area Totals	% Impact
Employment (number of jobs)	6,732	22,015	30.58
Payroll (thousands of \$)	350,750	1,077,395	32.56
Industry Output (thousands of \$)	449,700	1,660,180	27.09

Source: IMPlan Pro (v 2.0.125)

Input data: *Economic Impact Assessment FY04, Cannon AFB and Procurement Guidance and Data*, <http://www.dior.whs.mil/peidhome/guide/procoper.htm>

Curry and Roosevelt Counties Combined

Table 8 shows the impact of payroll and contract spending at Cannon AFB on employment (jobs), labor income (payrolls), and total industry output (materials, services, labor, and inter-industry dependencies) in Curry and Roosevelt counties combined. Table 9 shows summary data on the impact of Cannon AFB, calculated as the percentage of area totals.

Table 8. Economic Impact of Payroll and Contract Spending at Cannon AFB – Curry and Roosevelt Counties Combined

	Military & Civilian Appropriated Payroll	Construction & Procurement	Totals
Employment (number of jobs)			
Direct	4,536	535	5,071
Indirect	0	63	63
Induced	1,540	82	1,622
Total	6,076	680	6,756
Payroll (thousands of \$)			
Direct	290,070	14,830	304,900
Indirect	0	1,660	1,660
Induced	35,140	1,800	36,940
Total	325,210	18,290	343,500
Industry Output (thousands of \$)			
Direct	290,070	32,360	322,430
Indirect	0	4,570	4,570
Induced	101,860	5,840	107,700
Total	391,930	42,770	434,700

Source: IMPlan Pro (v 2.0.125)

Input data: *Economic Impact Assessment FY04, Cannon AFB and Procurement Guidance and Data*, <http://www.dior.whs.mil/peidhome/guide/procoper.htm>

Table 9. Economic Impact Summary – Curry and Roosevelt Counties Combined

	Cannon Totals	Area Totals	% Impact
Employment (number of jobs)	6,756	29,820	22.66
Payroll (thousands of \$)	343,500	1,506,229	22.81
Industry Output (thousands of \$)	434,700	2,409,210	18.04

Source: IMPlan Pro (v 2.0.125)

Input data: *Economic Impact Assessment FY04, Cannon AFB and Procurement Guidance and Data*, <http://www.dior.whs.mil/peidhome/guide/procoper.htm>

Based on the RIMS II multipliers for local and state education, some 32 direct and induced employment impacts were identified as missing from the education sector in the Curry-Roosevelt area. The positions were added manually to the impact tables with their added salary and output measures.

Federal Impact Aid

Cannon AFB is responsible for more than \$900,000 in annual federal impact aid to the State of New Mexico. This spending is not included in the current analysis because impact dollars for education are reallocated to schools throughout the state.

COMPARISON WITH AIR FORCE FINDINGS

Table 10 shows a comparison of employment impacts generated for (1) Curry County only, the (2) Curry-Roosevelt area, and (3) those reported by the Air Force, if Cannon AFB were to close.

Table 10. Employment Impact Comparison – Curry County Only, Curry-Roosevelt Combined, Air Force

	Direct	Indirect	Induced ⁷	Total	Area Employment	Impact ⁸
Curry County Only	5,058	66	1,608	6,732	22,015	-30.58%
Curry and Roosevelt	5,071	63	1,622	6,756	29,820	-22.66%
Air Force	2,824	0	1,956	4,780	23,348	-20.47%

DISCUSSION

In comparing employment impacts, it is important to remember that the Air Force defines the impacted area as the Clovis Micropolitan Statistical Area, or Curry County. The Air Force does not include Roosevelt County in its impact area, which has the effect of concentrating the potential employment impact within a smaller area. Even so, the two Curry-County-Only analyses demonstrate considerable difference in potential employment impact. The analysis conducted here shows a -30.58% potential impact in local jobs, significantly greater than the Air Force's estimate of -20.47%. When Roosevelt County is included, an addition that should have the effect of diluting the impact, the potential employment impact of closing Cannon AFB measures -22.66%, still greater than the Air Force estimate.

IMPlan Database

A July 2005 report from the U.S. Government Accountability Office (GAO) states that DoD obtained military and civilian employment multipliers from the Minnesota

⁷ Generated by consumer spending of those employed by Cannon AFB and its vendor

⁸ Negative percentages are impacts associated with the potential loss of jobs were Cannon AFB to close. In the positive, these same percentages reflect the impact of employment at Cannon AFB on the local economy.

IMPLAN Group, provider of the IMPlan database.⁹ It is likely the multipliers used by DoD are identical to those used in this report.

Authorized Manpower

The Air Force uses 2007 authorized manpower statistics to determine employment impact, which until recently were considered classified and unavailable to the public. The new information highlights what appears to be a planned downsizing of 1,534 military employees from 2005 staffing levels. This apparent reduction in active duty personnel would occur regardless of BRAC. For the Air Force economic impact analysis, the lower staffing level has the effect of reducing the employment impact. The IMPlan/RIMS II analysis, on the other hand, works from 2004 manpower data, providing perhaps a more realistic picture of regional job losses.

Walker Air Force Base

The closing in 1967 of Walker AFB in nearby Roswell, New Mexico, offers an historic precedent when reviewing the potential impact of closing Cannon AFB. Like Clovis, the city of Roswell is surrounded by large tracts of public land and maintains commercial businesses that support a substantial farm and ranch community. In the year prior to closure of Walker AFB, Roswell recorded a population of some 48,000 people, a population similar to the current population of Curry County. Three years after Walker AFB closed, Roswell's population had fallen 30%. The 2000 Census--taken 33 years after Walker AFB's closure--places Roswell's population at 45,293, still somewhat smaller than its population in the mid-1960's. If Roswell's experience is a guide, the IMPlan/RIMS II calculation of the potential loss of 30.58% of all jobs in Clovis/Curry County appears realistic.

Lack of a Weighted Factor

⁹ *Military Bases: Analysis of DOD's 2005 Selection Process and Recommendations for Base Closures and Realignments*, Government Accountability Office (GAO) report to Congressional Committees, GAO-05-785. July 2005.

The potential impact of Cannon AFB on local jobs, payrolls, and industrial output is considerable. Although economic impact is one of the eight BRAC criteria and is included within the evaluation elements, it is not calculated as an independent or weighted factor in assigning final value to any military installation. In the case of Cannon AFB, regional economic impact is a significant factor.

SUMMARY

Among bases listed by DoD for potential reduction or closure under BRAC, the recommendation to close Cannon AFB appears the harshest of all in terms of its impact on the nearby community. The *Base Closure and Realignment Report* states:¹⁰

Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 4,780 jobs (2,824 direct jobs and 1,956 indirect jobs) over the 2006-2011 period in the Clovis, NM, Metropolitan Statistical Area, which is 20.5 percent of economic area employment.

This estimate poses the largest job loss as a percentage of community employment of all the BRAC recommendations. Among bases recommended for realignment or closure, Cannon's potential impact in area jobs exceeds the second largest impact by nearly twice.

This report makes an argument that the full impact of Cannon AFB on the local community may, in fact, be greater than estimates generated by the Air Force. Impact analyses using IMPlan and RIMS II multipliers find a larger 30.58% potential loss in local jobs, or the potential loss of almost one in every three existing jobs in Curry County alone. A study area that combines Curry and Roosevelt counties identifies a potential employment loss of 22.66% of area jobs, approximately one in every four or five jobs.

While arguments can be made regarding the validity of the Air Force employment numbers, it is fair to say, no matter which analysis is adopted, the potential impact to

¹⁰ Department of Air Force Recommendations and Justifications, Vol. II, Section 3, p. 32

the Clovis-Portales community is sizable. Impacts that reach more than 10% of regional jobs are rare. A cursory review of New Mexico history finds that, if Cannon were to close, the potential economic impact would likely be among the worst ever to occur in the state. If Cannon were to close, it is also likely that the nearby communities of Clovis and Portales might never fully recover within the lifetimes of the current residents.

References

Base Closure and Realignment Report, publication of the Department of Defense, Vols. I, II.
Found at www.defenselink.mil/brac

Economic Impact Assessment FY04, publication of the 27th Fighter Wing. Cannon AFB, NM.

Military Procurement Guidance and Data spreadsheet. Found at
www.dior.whs.mil/peidhome/guide/procooper.htm

Online Labor Market Information (MLI) database, New Mexico Department of Labor. Found
at www.dol.state.nm.us

ATTACHMENT A

BRAC 2005 Selection Criteria

Military Value

- (1) The current and future mission capabilities and the impact on operational readiness of the total force of the Department of Defense, including the impact on joint warfighting, training, and readiness.
- (2) The availability and condition of land, facilities, and associated airspace (including training areas suitable for maneuver by ground, naval, or air forces throughout a diversity of climate and terrain areas and staging areas for the use of the Armed Forces in homeland defense missions) at both existing and potential receiving locations.
- (3) The ability to accommodate contingency, mobilization, surge, and future total force requirements at both existing and potential receiving locations to support operations and training.
- (4) The cost of operations and the manpower implications.

Other Considerations

- (5) The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs.
- (6) The economic impact on existing communities in the vicinity of military installations.
- (7) The ability of the infrastructure of both the existing and potential receiving communities to support forces, missions, and personnel.
- (8) The environmental impact, including the impact of costs related to potential environmental restoration, waste management, and environmental compliance activities.

From the Base Closure and Realignment Report, Vol. 1, Chap.3, p. 18.

ATTACHMENT B

COBRA PERSONNEL/SF/SUSTAINMENT/RECAP/BOS DELTAS REPORT (COBRA v6.10)
Data As Of 5/4/2005 4:29:12 PM, Report Created 5/20/2005 8:36:26 AM
Department : USAF
Scenario File : C:\Documents and Settings\COBRA Working\COBRA USAF 0114V3 (125.1c2) Close
Cannon.CBR
Option Pkg Name: COBRA USAF 0114V3 (125.1c2) Close Cannon
Std Fctrs File : C:\COBRA 6.10\BRAC2005.SFF

Personnel
Base Start* Finish* Change %Change

Cannon AFB 2,769 0 -2,769 -100%
Andrews AFB 8,057 8,170 113 1%
Dane County Regional 284 342 58 20%
Kirtland AFB 6,702 6,717 15 0%
Joe Foss Field AGS 284 343 59 21%
Nellis AFB 8,080 8,340 260 3%
BASE X (AIR FORCE) 2,940 2,978 38 1%
Hill AFB 16,501 16,723 222 1%

TOTAL 45,617 43,613 -2,004 -4%

Square Footage

Base Start Finish Change %Change Chg/Per

Cannon AFB 2,199,000 0 -2,199,000 -100% 794
Andrews AFB 4,691,000 4,693,350 2,350 0% 21
Dane County Regional 727,000 727,000 0 0% 0
Kirtland AFB 6,137,000 6,137,152 152 0% 10
Joe Foss Field AGS 411,000 411,000 0 0% 0
Nellis AFB 4,658,000 4,679,756 21,756 0% 84
BASE X (AIR FORCE) 1,947,403 1,947,403 0 0% 0
Hill AFB 9,124,000 9,133,513 9,513 0% 43

TOTAL 29,894,403 27,729,174 -2,165,229 -7% 1,080.

Base Operations Support (2005\$)

Base Start* Finish* Change %Change Chg/Per

Cannon AFB 14,662,144 0 -14,662,144 -100% 5,295
Andrews AFB 42,038,028 42,466,408 428,379 1% 3,791
Dane County Regional 2,986,836 3,039,079 52,243 2% 901
Kirtland AFB 68,705,420 68,811,295 105,874 0% 7,058
Joe Foss Field AGS 2,017,418 2,053,313 35,895 2% 608
Nellis AFB 36,538,603 37,393,538 854,935 2% 3,288
BASE X (AIR FORCE) 18,380,156 18,497,109 116,953 1% 3,078
Hill AFB 69,390,813 70,179,466 788,653 1% 3,552

TOTAL 254,719,419 242,440,208 -12,279,211 -5% 6,127

COBRA PERSONNEL/SF/SUSTAINMENT/RECAP/BOS DELTAS REPORT (COBRA v6.10) - Page 2

Data As Of 5/4/2005 4:29:12 PM, Report Created 5/20/2005 8:36:26 AM

Department : USAF

Scenario File : C:\Documents and Settings\COBRA Working\COBRA USAF 0114V3 (125.1c2) Close
Cannon.CBR

Option Pkg Name: COBRA USAF 0114V3 (125.1c2) Close Cannon

Std Fctrs File : C:\COBRA 6.10\BRAC2005.SFF

Sustainment (2005\$)

Base Start Finish Change %Change Chg/Per

Cannon AFB 10,698,123 0 -10,698,123 -100% 3,863
Andrews AFB 16,474,241 16,477,898 3,657 0% 32
Dane County Regional 2,579,767 2,579,767 0 0% 0
Kirtland AFB 30,365,709 30,366,031 322 0% 21
Joe Foss Field AGS 1,554,571 1,554,571 0 0% 0
Nellis AFB 25,094,105 25,157,424 63,319 0% 243
BASE X (AIR FORCE) 8,161,604 8,161,604 0 0% 0
Hill AFB 33,939,303 33,964,665 25,362 0% 114

TOTAL 128,867,423 118,261,960 -10,605,462 -8% 5,292

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Recapitalization (2005\$)

Base Start Finish Change %Change Chg/Per

 Cannon AFB 10,933,499 0 -10,933,499 -100% 3,948
 Andrews AFB 15,551,057 15,554,602 3,545 0% 31
 Dane County Regional 1,603,688 1,603,688 0 0% 0
 Kirtland AFB 20,908,530 20,908,795 264 0% 18
 Joe Foss Field AGS 903,025 903,025 0 0% 0
 Nellis AFB 19,915,315 19,975,827 60,512 0% 233
 BASE X (AIR FORCE) 6,909,608 6,909,608 0 0% 0
 Hill AFB 28,009,115 28,029,421 20,306 0% 91

TOTAL 104,733,836 93,884,965 -10,848,871 -10% 5,414
 Sustain + Recap + BOS (2005\$)

Base Start Finish Change %Change Chg/Per

 Cannon AFB 36,293,766 0 -36,293,766 -100% 13,107
 Andrews AFB 74,063,326 74,498,908 435,582 1% 3,855
 Dane County Regional 7,170,291 7,222,534 52,243 1% 901
 Kirtland AFB 119,979,660 120,086,121 106,461 0% 7,097
 Joe Foss Field AGS 4,475,014 4,510,909 35,895 1% 608
 Nellis AFB 81,548,023 82,526,789 978,766 1% 3,764
 BASE X (AIR FORCE) 33,451,368 33,568,321 116,953 0% 3,078
 Hill AFB 131,339,231 132,173,552 834,321 1% 3,758

TOTAL 488,320,678 454,587,134 -33,733,544 -7% 16,833

Plant Replacement Value (2005\$)

Base Start Finish Change %Change Chg/Per

 Cannon AFB 1,322,953,349 0 -1,322,953,349 -100% 477,773
 Andrews AFB 1,881,677,862 1,882,106,862 429,000 0% 3,796
 Dane County Regional 194,046,247 194,046,247 0 0% 0
 Kirtland AFB 2,529,932,186 2,529,964,186 32,000 0% 2,133
 Joe Foss Field AGS 109,265,980 109,265,980 0 0% 0
 Nellis AFB 2,409,753,071 2,417,075,071 7,322,000 0% 28,161
 BASE X (AIR FORCE) 836,062,557 836,062,557 0 0% 0
 Hill AFB 3,389,102,918 3,391,559,918 2,457,000 0% 11,067

TOTAL 12,672,794,170 11,360,080,821 -1,312,713,349 -10% 655,046

Close Cannon Scenario, EIT Run, USAF Deliberative Document 0114v3, found in archive directory at www.defenselink.mil/brac

ATTACHMENT C

Cannon AFB Largest Contract Awards to New Mexico Companies, 2004					
Business	Location	Amount	Code	Name of Product/Service	
Nick Griego & Sons Construction	Clovis	6072	Y119	Other Administrative & Service Buildings	
Gerald A. Martin LTD	Alb	8622	Y119	Other Administrative & Service Buildings	
Nick Griego & Sons Construction	Clovis	4426	Y119	Other Administrative & Service Buildings	
Nick Griego & Sons Construction	Clovis	-68326	Y119	Other Administrative & Service Buildings	
Nick Griego & Sons Construction	Clovis	4606	Z199	Maint/Other Miscellaneous Buildings	
Nick Griego & Sons Construction	Clovis	5588	Y299	All Other Non-Building Facilities	
Nick Griego & Sons Construction	Clovis	-13269	Y199	Other Administrative & Service Buildings	
Gerald A. Martin LTD	Alb	1648	Y119	Other Administrative & Service Buildings	
Albuquerque Surveying Co. Inc.	Alb	26212	R404	Land Surveys, Cadastral Svcs (non-construction)	
Nick Griego & Sons Construction	Clovis	5786	Y199	Other Administrative & Service Buildings	
Gerald A. Martin LTD	Alb	57678	Y199	Other Administrative & Service Buildings	
Nick Griego & Sons Construction	Clovis	4837	Y119	Other Administrative & Service Buildings	
Nick Griego & Sons Construction	Clovis	25592	Y119	Other Administrative & Service Buildings	
Albuquerque Surveying Co. Inc.	Alb	20883	R404	Land Surveys, Cadastral Svcs (non-construction)	
WT Denton Mechanical Inc.	Clovis	26557	J045	Maint & Repair of Eq/Plumbing & Heating Equipment	
Nick Griego & Sons Construction	Clovis	25761	Y119	Other Administrative & Service Buildings	
Gerald A. Martin LTD	Alb	9642	Y119	Other Administrative & Service Buildings	
DMJMH+N Inc.	Alb	10000	C211	Architect-Engineering Services	
DMJMH+N Inc.	Alb	16037	C211	Architect-Engineering Services	
Nick Griego & Sons Construction	Clovis	2720	Y119	Other Administrative & Service Buildings	
Nick Griego & Sons Construction	Clovis	9328	Z199	Maint/Other Miscellaneous Buildings	
Gerald A. Martin LTD	Alb	7240	Y119	Other Administrative & Service Buildings	
Nick Griego & Sons Construction	Clovis	1473	Y119	Other Administrative & Service Buildings	
DMJMH+N Inc.	Alb	2690	C211	Architect-Engineering Services	
Nick Griego & Sons Construction	Clovis	2567	Y119	Other Administrative & Service Buildings	
MV Industries, Inc.	Alb	0	Y299	All Other Non-Building Facilities	
Geo-Test, Inc.	Santa Fe	8794	F015	Well Drilling/Exploratory Services	
Gerald A. Martin LTD	Alb	2029	Y119	Other Administrative & Service Buildings	
Nick Griego & Sons Construction	Clovis	3559	Y119	Other Administrative & Service Buildings	
Geo-Test, Inc.	Santa Fe	16511	F015	Well Drilling/Exploratory Services	
Nick Griego & Sons Construction	Clovis	8213	Z199	Maint/Other Miscellaneous Buildings	
Gerald A. Martin LTD	Alb	16711	Y119	Other Administrative & Service Buildings	
Gerald A. Martin LTD	Alb	21763	Y119	Other Administrative & Service Buildings	
Nick Griego & Sons Construction	Clovis	2991	Z199	Maint/Other Miscellaneous Buildings	
Nick Griego & Sons Construction	Clovis	2437	Z299	All Other Non-Building Facilities	
Nick Griego & Sons Construction	Clovis	3101	Y299	All Other Non-Building Facilities	
Nick Griego & Sons Construction	Clovis	1117	Y119	Other Administrative & Service Buildings	
Gerald A. Martin LTD	Alb	1485	Y119	Other Administrative & Service Buildings	

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Gerald A. Martin LTD	Alb	31382	Y119	Other Administrative & Service Buildings
Nick Griego & Sons Construction	Clovis	936346	Y124	Airport Runways
Nick Griego & Sons Construction	Clovis	12035	Z199	Maint/Other Miscellaneous Buildings
Gerald A. Martin LTD	Alb	8046	Y119	Other Administrative & Service Buildings
Nick Griego & Sons Construction	Clovis	-11592	Y119	Other Administrative & Service Buildings
MV Industries, Inc.	Alb	-168613	Z249	Maint/Other Utilities
United Enterprise Builders, Inc.	Clovis	158000	Y300	Restoration Activities
United Enterprise Builders, Inc.	Clovis	-1444	Z119	Maint/Other Administrative & Service Buildings
Nick Griego & Sons Construction	Clovis	679346	Z119	Maint/Other Administrative & Service Buildings
Cumbre Construction Inc.	Alb	40120	Z213	Maint/Mine Fire Control Facilities
Cumbre Construction Inc.	Alb	39558	Z124	Maint/Airport Runways
Nick Griego & Sons Construction	Clovis	-2452	Z222	Maint/Highways, Roads, Streets & Bridges
Nick Griego & Sons Construction	Clovis	416980	Z222	Maint/Highways, Roads, Streets & Bridges
Dick's Electric, Inc.	Melrose	1999	Z119	Maint/Other Administrative & Service Buildings
Dick's Electric, Inc.	Melrose	2209	Z119	Maint/Other Administrative & Service Buildings
White Sands Construction Inc.	Elephant Butte	93125	Y162	Recreational Buildings
MV Industries, Inc.	Alb	16445	Y119	Other Administrative & Service Buildings
Moberly Moving & Storage Inc.	Clovis	117060	V003	Packing/Crating Services
Burkett Moving & Storage Co.	Clovis	59365	V003	Packing/Crating Services
Cumbre Construction Inc.	Alb	85770	Z249	Maint/Other Utilities
Stoven Construction Inc.	Alb	1564341	Z119	Maint/Other Administrative & Service Buildings
Stoven Construction Inc.	Alb	-1307	Z119	Maint/Other Administrative & Service Buildings
Nick Griego & Sons Construction	Clovis	5456	Z222	Maint/Highways, Roads, Streets & Bridges
Cumbre Construction Inc.	Alb	9542	Z119	Other Administrative & Service Buildings
Dick's Electric, Inc.	Melrose	17351	Z199	Maint/Other Miscellaneous Buildings
ENMRSH, Inc.	Clovis	-107947	S203	Food Services
Dick's Electric, Inc.	Melrose	146096	Z119	Maint/Other Administrative & Service Buildings
Cumbre Construction Inc.	Alb	27856	Z129	Maint/Other Airfield Structures
Nick Griego & Sons Construction	Clovis	39952	Z111	Maint/Office Buildings
Cumbre Construction Inc.	Alb	772	Z124	Maint/Airport Runways
Key Communications	Roswell	-107300	J058	Maint & Repair of Eq/Communication Equipment
Dick's Electric, Inc.	Melrose	72642	Z119	Maint/Other Administrative & Service Buildings
ENMRSH, Inc.	Clovis	166007	S203	Food Services
Cumbre Construction Inc.	Alb	9836	Z119	Maint/Other Administrative & Service Buildings
Dick's Electric, Inc.	Melrose	11067	Z119	Maint/Other Administrative & Service Buildings
Cumbre Construction Inc.	Alb	120000	Z119	Maint/Other Administrative & Service Buildings
Nick Griego & Sons Construction	Clovis	684743	Y124	Airport Runways
ENMRSH, Inc.	Clovis	51267	S203	Food Services
Nick Griego & Sons Construction	Clovis	95914	Z222	Maint/Highways, Roads, Streets & Bridges
United Enterprise Builders, Inc.	Clovis	100000	Y300	Restoration Activities
Key Communications	Roswell	-26220	J058	Maint & Repair of Eq/Communication Equipment
Nick Griego & Sons Construction	Clovis	74168	Z222	Maint/Highways, Roads, Streets & Bridges
Cumbre Construction Inc.	Alb	48642	Z119	Maint/Other Administrative & Service Buildings
Cumbre Construction Inc.	Alb	230000	Z119	Maint/Other Administrative & Service Buildings

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Dick's Electric, Inc.	Melrose	24700	Z119	Maint/Other Administrative & Service Buildings
AAA Appliance Service	Clovis	30560	W049	Lease or Rent of Eq/Maintenance & Repair Shop
ENMRSH, Inc.	Clovis	112611	S203	Food Services
ENMRSH, Inc.	Clovis	115184	S203	Food Services
Moberly Moving & Storage Inc.	Clovis	-43384	V003	Packing/Crating Services
Stoven Construction Inc.	Alb	5052	Z119	Maint/Other Administrative & Service Buildings
ENMRSH, Inc.	Clovis	977803	S203	Food Services
Southwest Lawn Services	Clovis	522591	S208	Landscaping/Groundskeeping Services
Stoven Construction Inc.	Alb	48817	Z119	Maint/Other Administrative & Service Buildings
Dick's Electric, Inc.	Melrose	110695	Z119	Maint/Other Administrative & Service Buildings
Cumbre Construction Inc.	Alb	73267	Z221	Maint/Airport Service Roads
Cumbre Construction Inc.	Alb	54360	Z129	Maint/Other Airfield Structures
Stoven Construction Inc.	Alb	40973	Z119	Maint/Other Administrative & Service Buildings
Nick Griego & Sons Construction	Clovis	1181	Z119	Maint/Other Administrative & Service Buildings
C GS Janitorial & Lawn Service	Clovis	184890	S208	Landscaping/Groundskeeping Services
United Enterprise Builders, Inc.	Clovis	-20000	Y300	Restoration Activities
Nick Griego & Sons Construction	Clovis	55473	Z222	Maint/Highways, Roads, Streets & Bridges
MV Industries, Inc.	Alb	77112	Z119	Maint/Other Administrative & Service Buildings
Nick Griego & Sons Construction	Clovis	37989	Z222	Maint/Highways, Roads, Streets & Bridges
Key Communications	Roswell	209018	J058	Maint & Repair of Eq/Communication Equipment
Cox Southwest Holdings, LP	Clovis	51278	D316	Telecommunication Network Management Services
Dick's Electric, Inc.	Melrose	10000	Y159	Other Industrial Buildings
Dick's Electric, Inc.	Melrose	21535	Z119	Maint/Other Administrative & Service Buildings
Dick's Electric, Inc.	Melrose	3115	Z119	Maint/Other Administrative & Service Buildings
MV Industries, Inc.	Alb	55523	Z119	Maint/Other Administrative & Service Buildings
Industrial Electric-Automation	Alb	33529	H139	Quality Control Svcs./Materials Handling Equipment
MV Industries, Inc.	Alb	9205	Z119	Maint/Other Administrative & Service Buildings
Nick Griego & Sons Construction	Clovis	383491	Z222	Maint/Highways, Roads, Streets & Bridges
Stoven Construction Inc.	Alb	26686	Z119	Maint/Other Administrative & Service Buildings
Stoven Construction Inc.	Alb	484692	Z119	Maint/Other Administrative & Service Buildings
ENMRSH, Inc.	Clovis	296739	R426	Communications Services
Moberly Moving & Storage Inc.	Clovis	27595	V003	Packing/Crating Services
Nick Griego & Sons Construction	Clovis	4150	Z222	Maint/Highways, Roads, Streets & Bridges
Dick's Electric, Inc.	Melrose	295638	Z119	Maint/Other Administrative & Service Buildings
		10361712		