

REGIONAL HEARING ISSUE SUMMARY
New Orleans Regional Hearing
July 22, 2005

State of Mississippi

Keesler Air Force Base, Biloxi, MS

- Witness: Lt. Governor Amy Tuck
 - Mississippi has difficulty recruiting and retaining physicians but the GME program brings physicians with “high demand specialties” to the area.
 - There will be a significant impact on medical care and therefore substantial deviations from Criteria 1 & 6.
 - The VA hospital in Gulfport is closing because Washington argued Keesler could help with the tertiary and specialty care load.
 - Medical care mission was underrated in the MILVAL section.

- Witness: Representative Gene Taylor
 - The main justification for closing the center is the poor ranking the facility received for the condition of the building. This data used is flawed and the corrected data reveals the center should have been placed 44 places higher. JC-S admitted the error but they are still waiting for a response
 - 56,000 people are affected by the recommendation including veterans, retirees and dependents.
 - There was no attempt to contact the facility or the community during analysis.

- Witness: Lt. Gen. Clark Griffith (USAF Ret.)
 - The recommendation is wrong because it eliminates inpatient care and the GME, severely reduces the medical access in a 4-state area, affects over 94,000 active duty personnel, and negatively impacts readiness and jointness to all regional bases.
 - The methodology is wrong because more emphasis is placed on buildings rather than military health care (25% vs. 20%) resulting in significant math errors, and there was no community input.
 - The results are wrong because the recommendation will not save \$30M dollars per year (personnel savings are questionable because end strength did not change), additional costs related to TRICARE were not factored in, and the projected job loss will be higher once loss from GME is factored in.
 - *Question Commissioner Coyle: What kind of condition is Keesler in?*
Answer: The building is in good shape but there are some things that do need to be done mostly because of the backlog of unfunded renovations. They have really old dental facility (separate from hospital) but what does

REGIONAL HEARING ISSUE SUMMARY
New Orleans Regional Hearing
July 22, 2005

the aging condition of dental facility has nothing to do with taking inpatients out of the hospital?

- *Question Commissioner Coyle:* Briefing chart quoting Sec. Wynne. Will not recommend that eliminates the GME. Is it physically possible to conduct GME without the patient? *Answer:* Can not have teaching without patients. For example the GME program at Wright-Patterson is a failure because right now the only people they kind find is foreign students on work visas.

Naval Station Pascagoula

- Witness: Governor Haley Barbour
 - Location and proximity to Northrop Grumman's shipyard in Pascagoula has "strategic value which was not properly recognized in the Pentagon's recommendations".
- Witness: Representative Gene Taylor
 - DoD considered only two scenarios when formulating the recommendation.
 - The Cost savings projected is almost entirely off-set
 - The July 2005 GAO report states that there will be no savings if the recommendation goes through.

Witness: Jim Brooks

- Removing strategic naval presence in the Gulf of Mexico will leave a National Security and Homeland Defense Gap.
- "NSP is entrenched with the interagency team, can leverage it's proximity to Northrop Grumman Ship Systems and is sharing overhead with the Coast Guard."
- *Question Commissioner Coyle:* In your view was proper credit given for joint operations? *Answer:* No specific credit was given.

*Naval Humans Resource Center, Stennis
Space Center, Hancock County, MS*

- Witness: Lt. Governor Amy Tuck
 - The service quality, cost and the security data indicate the best place to consolidate the new joint center is at Stennis Space Center.
 - Please review and comment on the projected costs for the existing environmental and safety concerns at the AAP at Stennis Space Center

REGIONAL HEARING ISSUE SUMMARY
New Orleans Regional Hearing
July 22, 2005

because the preliminary review suggests the cost savings will be higher than the recommendations suggest.

- Witness: Representative Gene Taylor
 - Consolidation should have been considered at Stennis Space Center because the facility is new, secure and it is owned by the Government.

- Witness: John Harral
 - Force protection and jointness was not considered resulting in a deviation from criteria #1.
 - Availability and condition of land and facilities was not considered resulting in a deviation from criteria #2.
 - Cost of operations and realignment was not considered therefore resulting in deviations from criteria #4 and #5.

186th Air National Guard Air Refueling Wing, Meridian, MS

- Witness: Lt. Governor Amy Tuck
 - The 186th should not be realigned or enclaved because it is “highly rated, highly competent, highly efficient and highly necessary for mission readiness in the Gulf”.
 - The Adjutant General, Major Gen. Harold Cross nor Governor Barbour was consulted about the proposed realignment.

- Witness: Representative Chip Pickering
 - Remove Key Field from the realignment list because the recommendation substantially deviate from the criteria by negatively impacting training and readiness and the costs exceed the projected savings over the next 20 years.

- Witness: Lt. Col Langford Knight (ANG Ret.)
 - Remove Key Field from the realignment list because the recommendation substantially deviate from the criteria by negatively impacting training and readiness and the costs exceed the projected savings over the next 20 years.
 - DoD did not adhere to the AF Principle of Optimal Proximity when proposing the tanker basing plan. The proposed recommendation would

REGIONAL HEARING ISSUE SUMMARY
New Orleans Regional Hearing
July 22, 2005

cause an interruption in tanker coverage ultimately increases the costs of refueling in the region.

- "Leaving twelve tankers or increasing the numbers of aircraft assigned would save money and help fill the gap in Southeastern tanker coverage for training and homeland defense".
- Question Commissioner Turner: It looks as though there are 19 parked not 17 on the slide. Answer: Can park 19 (as shown) want to show surge capabilities.

Comments

- Witness: Lt. Governor Amy Tuck
 - Mississippi does not contest the closure of Army Reserve Center in Vicksburg, the realignment of the Naval Technical Training program at Naval Air Station Meridian and the closure of the AAP at Stennis Space Center but please review the projected costs concerning existing environmental and safety concerns at the AAP.
- Witness: Representative Gene Taylor
 - Opposed another round of BRAC.

REGIONAL HEARING ISSUE SUMMARY
New Orleans Regional Hearing
July 22, 2005

State of Louisiana

Naval Support Activity (NSA) New Orleans, LA and the Federal City Project

- Witness: Senator Mary Landrieu
 - The BRAC process will be counterproductive unless savings and efficiencies can be achieved through the procedure. The goal of the State of Louisiana's presentation is to provide accurate information to help make an informed decision.
- Witness: Governor Kathleen Blanco
 - The state Legislature and the City of New Orleans have committed \$50M-\$100M in guaranteed funding to the Federal City Project an innovative joint facility (explained in depth by Major General David Mize) that will save more money and be implemented earlier than the BRAC proposal.
- Witness: Senator David Vetter
 - NSA New Orleans should be considered for realignment versus closure because six of the eight BRAC criteria were improperly applied to form the recommendation and the report did not take into consideration the pre-BRAC proposal (Federal City) which will "result in improved cost savings and increased mission efficiency" if implemented.
- Witness: Representative William Jefferson
 - The consolidation of facilities through the proposed Federal City project saves money because security, maintenance and utilities are "centralized". Also, the plan promotes synergies between the services.
 - The proposed plan would ensure the continuity of the collaborative relationship between NSA, the community and local businesses. NSA personnel have enhanced solidarity by participating in various activities benefiting the local community. In turn, New Orleans supports military presence. Nevertheless, without the military personnel the local businesses will lose their primary consumers.
- Witness: C. Ray Nagin, Mayor of New Orleans
 - The Federal City plan is an initiative that "out-BRAC's the DoD BRAC" because it is "more transformational, more joint, more efficient, closes unneeded facilities and saves a lot more money".

REGIONAL HEARING ISSUE SUMMARY
New Orleans Regional Hearing
July 22, 2005

- The personnel costs were underestimated, the recapitalization budget-“inflated”, and the economic impact-minimized. Also, MILVAL is the most important criteria and NSA is highly rated (top 15%).
- Witness: Major General David Mize, USMC (ret) Chairman, Military Advisory Committee
 - The analysis does not support closure because NSA is highly rated for MILVAL, there is a weak justification for relocation and potential net cost savings are overstated. When corrected 7 of the 8 criteria (there is no environmental impact) “strongly reinforce the retention of NSA New Orleans”.
 - NSA has higher MILVAL (HQ&S Activities): 41 out 337 top 15%. The receiving bases have less MILVAL than NSA.
 - Weak justification for relocation includes \$190M cost for only 1.5% end strength reduction. Also, credit was taken for the reduction of 253 personnel (even though there is no reduction in end strength for Marines and Navy reductions have already been accounted for);
 - Collocating active and reserve headquarters because the navy emphasizes a net-centric warfare philosophy (savings can be achieved without sharing a physical location), the Navy Marine Corps Internet System allows connection between geographically separate locations and there is an existing interoperability between the Navy and Marine Corps Reserves.
 - Actual cost savings \$256M less than expected (\$276M vs. \$20M). This includes unaccounted personnel costs (1,513 civilians on base not 650 also Norfolk and Millington have higher contractor costs), overstated recap cost and PPV housing agreement liabilities that were overlooked.
 - Combined job loss of 8,503 will occur from economic factors such as the potential termination of NASA’s program at Michoud, zero job growth in the area, the cutback in LPD-17 ship building orders and the potential job loss at NSA (approximately 3000 including 940 drilling reservist not accounted for).
 - Federal City Plan: Innovative Model of Transformation is an implementation plan for Joint Readiness. The state and the City of New Orleans have invested \$750,000 (there is a proposed \$200M) in Federal City a “Joint National Security Facility”.
 - The Federal City plan will save the federal government \$250M (\$230M more than corrected DoD savings) through various ways including eradicating up-front MILCON costs (\$112M in savings). Also, Enhanced Use Leasing builds a project 40% faster than MILCON therefore the Federal City plan can begin initial occupation in 2008 vs. 2011).
 - *Question Commissioner Coyle:* Mentioned California base support. Mentioned in your comments about long term service plans. Since NSA has higher MILVAL, New Orleans has lower contracting costs, and the Federal City project would save more money and would return valuable east bank land to

REGIONAL HEARING ISSUE SUMMARY
New Orleans Regional Hearing
July 22, 2005

the city of New Orleans. What is it that the long term plan the services have are trying to accomplish? *Answer:* Speculating (I would ask the Navy) Efficiency is the initiative within the singular service contacts. Operational and reserves close by you can save some people. They only saved 22 people by consolidating in Norfolk. The reality often doesn't match the long term service plans which are thought out generically.

- *Question Commissioner Hill-* If BRAC would accept the Federal City proposal (possibly including a 2-year or so stipulation for the implementation period) understanding the testimony and legislature and add language that if the money would not be forthcoming then the recommendation would go into affect. *Answer:* The two year stipulation would be fine with us.

Defense Information Systems Agency (DISA)

- Witness: Senator Mary Landrieu
 - The analysis used to evaluate DISA Slidell did not capture their testing and developing capabilities and therefore consolidating these functions at Ft. Meade (a Headquarters facility) would actually cost the DoD more money.
- Witness: Senator David Vetter
 - The recommendation was based on flawed data because DISA, DTCF (a testing facility) was incorrectly categorized as a headquarters, the facility only costs the government \$1 per year (MILCON at the potential receiving base would exceed \$12M), and the facility meets force protection requirements.
- Witness: Mayor Ben Morris
 - DISA Slidell is not a headquarters activity as indicated in the report. Its mission includes testing and evaluating activities and according to the Director of Testing collocating testing functions with headquarters components will not increase efficiency.
 - The cost analysis used to justify the consolidation does not include the all relocation costs and the cost to support and test current programs (not captured in COBRA) savings associated with contractor personnel is 100% inflated.
 - Testing and evaluating activities (TE 1 Falls Church) should be consolidated at DISA Slidell because it will save \$64.4M immediately (\$1 a year lease), has 110,000 sq. /ft of building space located on a secure facility that complies with current force protection standards.
 - The demographics used for the City of Slidell were wrong including population, median income, median home values, public school system (graduation rate is 92% not .9%), higher education and crime levels. Also, the

REGIONAL HEARING ISSUE SUMMARY
New Orleans Regional Hearing
July 22, 2005

economic impact does not take in consideration the 20-30% of NSA New Orleans personnel that reside in Slidell.

REGIONAL HEARING ISSUE SUMMARY
New Orleans Regional Hearing
July 22, 2005

Florida

Naval Air Station Jacksonville & Naval Station Mayport

- Witness: Admiral Robert J. Natter, USN (Ret.)
 - The State of Florida requests that the Commission add “a requirement that the Navy upgrade Naval Station Mayport to nuclear status” because the Atlantic Fleet’s current infrastructure is not capable of supporting an all-nuclear carrier fleet.

- Witnesses: Representative Ander Crenshaw & Mayor John Peyton
 - Look at Cecil Field as a feasible replacement to NAS Oceana.
 - The recommendation concerning the realignment of P-3 operations and the regional engineering function is consistent with MILVAL criteria, saves money and improves readiness.
 - The community can handle and support additional military personnel and families.
 - Consider upgrading Naval Station Mayport to CVN-capable status.
 - Question Commissioner Hill: The percentage of people that commute from Jacksonville to Kings Bay is 20%. How long is the commute?
Answer: 25-30 minutes.

*Space Coast
Naval Ordinance Test Unit*

- Witnesses: Captain Bill Borger, (USN, Ret.) & Representative Dave Weldon
 - The DoN just completed a two year analysis that included assessments of NOTU’s mission, cost and, safety and the DoN decided to keep the operation.
 - NOTU is in “close, joint cooperation with its Air Force host, the 45th Space Wing”. Consolidation would directly impact the synergy between the test engineers at NOTU and the 45th Space Wing.
 - The direct mission support personnel that will be affected by the recommendation is approximately 750 (including contractors) not 195.
 - Anti-Terrorism/Force Protection is not enhanced by moving the mission to Kings Bay.
 - NOTU’s mission is distinct and if moved would require recreating infrastructure and relocating contractor personnel to support the mission which is a cost the recommendation did not include.

REGIONAL HEARING ISSUE SUMMARY

New Orleans Regional Hearing

July 22, 2005

- *Question Commissioner Hill:* How many launches a year? There are two or three on east coast. Undertake the launches on the west coast as well?
Answer: Yes
- *Question Commissioner Coyle:* Payback period would be 10 years not 7. Why would it even be that short? Answer: Unless Navy is going to stop doing them someone needs to. I don't believe DoN. Saving money on cutting grass or security guards. Answer: Unique

Naval Air Station Pensacola

- Witnesses: Vice Admiral Jack Fetterman, USN (Ret.) and Representative Jeff Miller
 - Locating OTC in Pensacola reduces overhead costs by 31%, circumvent travel costs because 38% of OTC graduates remain at Pensacola, there is existing available infrastructure. Also it will reduce ROI in half and triple NPV.
 - NETC and NETPDTC should remain because the recommendation deviated from the BRAC criteria and it would negatively impact future training and readiness. The cost of relocation is not necessary because it does not enhance MILVAL.
 - CNATRA should move to NAS Pensacola because of the critical role it plays in Joint training, its geographical location and MILCON is not required.
 - Consolidation of DFAS does not make sense because MILVAL rankings indicate the sites are already cost effective and will result in the loss of expertise (70% of the employees will not relocate and approximately 47% are eligible for retirement). Also, the sites have unique and high profile customers with sensitive systems and data. Also, DFAS Pensacola has lowest locality pay in DFAS, some of the lowest costs, and no lease issues.
 - DFAS Saufley Field should be reconsidered by itself (not as a data collection sub-location of NAS Pensacola) from a MILVAL/operational standpoint. Nevertheless, both centers have high MILVAL (Saufley Field ranked #2 and Pensacola ranked #6).
 - SPAWAR Pensacola should remain in Pensacola because of the unique and highly educated/skilled workforce, the cost of moving customers own equipment and hardware was not included, new MILCON requirements would change the ROI and the possible loss of readiness and mission capabilities are problematic.
 - Military rotary wing training should not be consolidated at Ft. Rucker because it was analyzed and not supported in the past; the installation is already slated to receive almost 1M sq. /ft. (can they handle more?), the airspace and runway is congested and Navy Helicopter training is unique.

REGIONAL HEARING ISSUE SUMMARY

New Orleans Regional Hearing

July 22, 2005

- Examine the existing training facilities and infrastructure at NAS Pensacola because this may result in savings to MILCON, personnel and training costs.
- Determine the MILVAL of realigning Navy Regions.
- Direct DoD to restudy the recommendation of relocating the Naval Areomedical Research Laboratory to Wright-Patterson AFB because of the health care available in Pensacola.

Comments

- Witness: Governor Jeb Bush
 - The state of Florida supports considering reopening Cecil Field (which was closed in '93) as an alternative to NAS Oceana.
 - Florida's military installations are unencumbered with regards to air, sea and land operating space.
 - Florida's legislature is pro-military.
- Senator Bill Nelson
 - Consider upgrading Naval Station Mayport to CVN-capable status.
 - Requests that the Commission reverses the recommendations affecting the Naval Ordinance Test Unit because the DoD did not consider "on-site" missions or the "economics of its current and future contractor-support situation".
 - Removing training policy and management activities away from Pensacola (where the training occurs) may affect the quality of both functions. "Education and training often require dramatically different resources and environments," and therefore it is nonsensical to collocate officer education and training.
 - Consolidate the F-100's at Tyndell AFB because it is where most of the work originates. Also, Chem-bio researchers should not be consolidated elsewhere because it would affect ongoing research (not moving) at Tyndall.
 - With regards to the additional recommendation to close NAS Oceana: Consider Cecil Field because it was a mistake to close it 15 years ago, all of the structures have been rehabbed and there is no encroachment.
- Witness: Senator Mel Martinez
 - Consider upgrading Naval Station Mayport to CVN-capable status
 - DoD Data supporting the OTC, NETC and DFAS recommendations at Pensacola is "consistently inconsistent" and "incomprehensibly inaccurate".

REGIONAL HEARING ISSUE SUMMARY
New Orleans Regional Hearing
July 22, 2005