

# **FRANK CIRILLO**

**NEW YORK  
REGIONAL HEARING  
TRANSCRIPT**

**May 5**

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THE DEFENSE BASE CLOSURE AND  
REALIGNMENT COMMISSION

REGIONAL HEARING

- New York
- Connecticut
- New Jersey
- Massachusetts

May 5, 1995

8:30 a.m. - 4:45 p.m.

Technologies Hall

U.S.S. Intrepid

46th Street and 12th Avenue

New York, N. Y.

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BEFORE:

Alan J. Dixon, Chairman

Commissioners:

Al Cornella

Rebecca Cox

S. Lee Kling

MG Josue Robles, Jr., USA (Ret)

Wendi Louise Steele

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## MORNING SESSION

8:30 a.m.

CHAIRMAN DIXON: Good morning, ladies and gentlemen. We are now ready to begin this Regional Hearing of the Defense Base Closure and Realignment Commission. My name is Alan Dixon. 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 are my colleagues: Commissioner Wendi Steele, Commissioner Al Cornella, Commissioner S. Lee Kling, Commissioner Joe Robles, and Commissioner Rebecca Cox who will arrive in about thirty minutes as she is on her way in from Washington.

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 have received has been exemplary and we thank you

1 very much.

2 The main purpose of the base visits  
3 we have conducted is to allow us to see the  
4 installations firsthand and to address with  
5 military personnel the all-important question of  
6 the military value of each base.

7 In addition to the base visits, the  
8 Commission is conducting a total of eleven  
9 regional hearings, of which today's is the  
10 eleventh. The main purpose of the regional  
11 hearings is to give members of the communities  
12 affected by these closure recommendations a  
13 chance to express their views. We consider this  
14 interaction with the community to be one of the  
15 most important and valuable parts of our review  
16 of the Secretary's recommendations.

17 Let me assure you that all of our  
18 Commissioners and our staff are well aware of the  
19 huge implications of base closure on local  
20 communities. We are committed to openness in  
21 this process and we are committed to fairness.  
22 All the material we gather, all the information  
23 we get from the Department of Defense, all of our  
24 correspondence, is open to the public. We are

1       faced with a very unpleasant and painful task,  
2       which we intend to carry out as sensitively as we  
3       can. Again, the kind of assistance we receive  
4       here is greatly appreciated.

5               Now let me tell you how we will  
6       proceed here today and how we have proceeded in  
7       all of our regional hearings.

8               The Commission has assigned a block  
9       of time to each state affected by the base  
10      closure list. The overall amount of time was  
11      determined by the number of installations on the  
12      list and the amount of the job loss. The time  
13      limits will be enforced strictly. We notified  
14      the appropriate elected officials of this  
15      procedure, and left it up to them, working with  
16      the local communities, to determine how to fill  
17      the block of time.

18              This morning we will hear testimony  
19      from the great State of New York for 105 minutes,  
20      and then from the great State of Connecticut for  
21      90 minutes. At the end of the Connecticut  
22      presentation, we have set aside a period of 30  
23      minutes for public comment, during which members  
24      of the public from the States of New York and

1 Connecticut may speak. We provided a sign-up  
2 sheet for this portion of the hearing, and hope  
3 that anyone who wishes to speak has already  
4 signed up. Let me stress that: If you want to  
5 talk in the public comment, sign up, please. We  
6 would ask those of you speaking at that time to  
7 limit yourselves to two minutes. A bell will  
8 ring when the two minutes is up. After the  
9 public comment, we will break for lunch and  
10 reconvene about 1:30 for 120 minutes of testimony  
11 from the great State of New Jersey and 30 minutes  
12 from the great State of Massachusetts. After  
13 those presentations there will be another  
14 30-minute period for public comment from New  
15 Jersey and Massachusetts. The hearing will be  
16 over at exactly 4:45 p.m.

17 Let me also say that the Base Closure  
18 Law has been amended since 1993, to require that  
19 anyone giving testimony before the Commission do  
20 so under oath. So I will be obligated to swear  
21 in the witnesses, and that will include  
22 individuals who speak in the public comment  
23 portion of the hearing.

24 Ladies and gentlemen, with that, I

1 believe we are about ready to begin. I am  
2 delighted to see the distinguished Governor of  
3 the great State of New York, and my old friend,  
4 the Senator from New York, Al D'Amato, here.  
5 Governor George Pataki and Senator Al D'Amato, we  
6 are delighted to see you, gentlemen. I  
7 understand that the two of you will limit your  
8 total remarks to ten minutes, so I guess you will  
9 fight between yourselves about how you divide  
10 that.

11 I want to say, ladies and gentlemen,  
12 that the senior Senator, Senator Moynihan, is not  
13 going to be here today because he is having minor  
14 cataract surgery. He has discussed the issues,  
15 of course, with the Commission on an extensive  
16 basis, as has his colleague, my old friend Al  
17 D'Amato. We excuse Senator Moynihan, though he  
18 would like to be here, because of the minor  
19 surgery he is undergoing.

20 Governor Pataki and Senator D'Amato,  
21 all the Commissioners express their appreciation  
22 for your great cooperation and your hospitality  
23 when we visited Rome Laboratory.

24 Gentlemen, you have your ten minutes.

1 GOVERNOR PATAKI: Thank you.

2 CHAIRMAN DIXON: Oh, pardon me. I do  
3 this all the time, Governor; you must forgive me.  
4 It is difficult to understand that you have to  
5 swear in leading public officials of our country,  
6 but it is required by law. Would all of you who  
7 are going to testify, if you would, all stand now  
8 and raise your right hand. It would facilitate  
9 matters.

10 Do you all solemnly swear or affirm  
11 that the testimony you are about to give to the  
12 Defense Base Closure and Realignment Commission  
13 shall be the truth, the whole truth and nothing  
14 but the truth?

15 (Eight speakers, in chorus): I do.

16 CHAIRMAN DIXON: Thank you very much.  
17 Delighted to see you, Governor.

18 GOVERNOR PATAKI: Nice to see you,  
19 Mr. Chairman.

20 Chairman Dixon, Commissioner Members,  
21 I would like to take this opportunity to welcome  
22 you all to New York. You have a tough  
23 assignment, and I admire each of you for having  
24 the patience and the stamina to serve on this

1 important panel.

2 I would also like to personally thank  
3 Senator Dixon for accepting our invitation to  
4 hold a regional hearing here in New York on board  
5 the historic Intrepid. During World War II, the  
6 Intrepid was damaged by enemy attacks on five  
7 separate occasions, but each time it lived to  
8 fight and serve another day. Just as the  
9 Intrepid battled for survival, we are here today  
10 fighting for New York's remaining military bases.  
11 Like the Intrepid, we New Yorkers don't give up  
12 without a fight. We are determined to do  
13 everything possible to keep the existing military  
14 missions in the Empire State.

15 No state -- I repeat, no state -- has  
16 ever suffered from defense cutbacks as severe as  
17 New York. Let me give you a few facts and  
18 figures. Let's look at the Department of Defense  
19 contractor awards between 1987 and 1994. New  
20 York's share of Pentagon contract awards dropped  
21 an incredible \$6 billion, from \$9.6 billion to  
22 \$3.6 billion. This is the largest drop of any  
23 state in the nation. The Pentagon estimates that  
24 \$1 billion in contracts supports 25,000 jobs.

1 That means New York lost 150,000 jobs in only a  
2 seven-year period.

3 Now let's look at bases. During the  
4 1993 round of base closures, New York lost a  
5 greater share of its Department of Defense  
6 personnel than any other state but one. Between  
7 1969 and 1994, New York lost 40 military  
8 installations.

9 In 1993, Griffiss Air Force Base was  
10 realigned by the Base Closure and Realignment  
11 Commission and Rome Lab was retained by the Air  
12 Force. Griffiss was given assurance that the  
13 military had no plans to close the Lab for at  
14 least five years. Now, only two years later, we  
15 have the Pentagon recommending to close Rome Lab.  
16 That is wrong.

17 Further, relocating Rome Lab isn't  
18 going to save money. It will cost the taxpayers  
19 upwards of \$200 million. It will not consolidate  
20 Department of Defense resources and it will not  
21 advance the military's goal of achieving  
22 efficiency.

23 Finally, and most importantly,  
24 closing Rome Lab will have a devastating effect

1 on our nation's defense. Rome Lab is fulfilling  
2 its military mandate, surpassing the highest  
3 expectation in the development of new  
4 technologies for the Air Force, other Department  
5 of Defense units, and other public customers.  
6 Those reasons are sufficient to justify Rome  
7 Lab's continued operation.

8 But our state has also made a moral  
9 and a financial commitment to keep Rome Lab in  
10 New York State. Rome Lab is the innovator of the  
11 technology exchange process through which new  
12 technologies are developed for both military and  
13 commercial applications, and then spun off to  
14 other applications. Despite the budget  
15 difficulties we face here in New York State this  
16 year, we have found bipartisan support for  
17 funding of over \$14 million for the New York  
18 State Technology Enterprise Corporation, NYSTEC,  
19 a catalyst for the technology exchange process at  
20 Rome Lab.

21 In addition, New York State's  
22 business community, led by NYNEX, and our  
23 educational institutions, led by Cornell, are  
24 contributing to our efforts to keep Rome Lab here

1 in New York.

2 Later this morning, you are going to  
3 hear testimony from other defense installations  
4 in New York State. We appreciate this  
5 opportunity to tell you about our other key  
6 Department of Defense missions, including Fort  
7 Hamilton, REDCAP, Fort Totten, Seneca Army Depot,  
8 Roslyn Air Guard Station, and the Naval Reserve  
9 Station on Staten Island. We are committed to  
10 keeping all of them in New York.

11 Let me also express our state's  
12 support for the Department of Defense's  
13 recommendation to expand the runway at Fort Drum.  
14 This ultramodern facility at Fort Drum, home to  
15 the world famous 10th Mountain Division, is one  
16 of the newest and finest military bases anywhere,  
17 and we support the Department of Defense's  
18 expansion of the air facilities at Fort Drum.

19 To summarize, closing Rome Lab would  
20 be wrong for at least the following reasons:  
21 first, it is an outstanding facility which  
22 performs a vital military function; second,  
23 relocating Rome Lab is not going to save money --  
24 in fact, it is going to cost more money and would

1 split up the vital human talent which makes this  
2 an award-winning facility; third, New York State  
3 has already suffered from base closings more than  
4 any other state in America; fourth, we have a  
5 unique system of public-private support for  
6 reducing costs and maximizing the efficiency of  
7 Rome Lab, including New York State funds of at  
8 least \$14 million initially, with other resources  
9 also to be committed; and fifth, Rome Lab should  
10 not be closed because BRAC said just two years  
11 ago that it would not be closed for at least five  
12 years, and in reliance on that five-year  
13 commitment, local, private and state funds were  
14 committed to build upon the talent and energy of  
15 Rome Lab. Rome Lab is a unique national asset  
16 and it should remain as such.

17           Again, Senator, thank you very much.  
18 We appreciate the sacrifice you are making to  
19 serve our nation as part of this Commission, and  
20 your fellow commissioners; we appreciate your  
21 time and dedication as well.

22           It is now my pleasure to turn over  
23 the hearing to someone who for over a decade has  
24 fought on behalf of New Yorkers -- my great

1 friend and our great Senator, Alfonse D'Amato.

2 CHAIRMAN DIXON: Your excellency, we  
3 thank you for that fine presentation. I look  
4 forward to hearing a five-minute speech from  
5 Senator D'Amato; I have never heard one before  
6 from him. (Laughter)

7 SENATOR D'AMATO: Governor, I want to  
8 commend you for your outstanding presentation.  
9 As a matter of fact, I think we may even have  
10 history recorded here, because I am going to ask  
11 that my full statement be entered into the record  
12 in its entirety.

13 CHAIRMAN DIXON: So ordered.

14 SENATOR D'AMATO: And then I want to  
15 add my personal thanks to that which the Governor  
16 has already made to our Commissioner -- and I say  
17 "our Commissioner" because he is doing this work  
18 on behalf of all of the people of the nation, and  
19 it is not an easy task. It entails tremendous  
20 hours and tremendous sacrifice. I want to  
21 commend you, Chairman Dixon, and all of your  
22 fellow Commissioners. I particularly want to  
23 thank those who have taken their time to visit  
24 these various facilities, Commissioner Cox,

1 Commissioner Steele, and all the other members,  
2 laboring incredible hours, flying throughout the  
3 country, getting up to visit bases at 5:30 and 6  
4 o'clock in the morning and then working through  
5 the day. That is what this process has entailed.

6 I believe that we have a very  
7 substantial case, particularly as it relates to  
8 Rome Labs and the REDCAP facility, which my  
9 friend, Congressman Quinn, will testify to. That  
10 is an absolute, you know, for it just shouldn't  
11 have been there, and he will tell you why. But  
12 the Governor has really put his finger upon it,  
13 and that is why I am not going to go through  
14 everything.

15 I submit this statement on behalf of  
16 the senior Senator. As you know, he is  
17 undergoing cataract surgery. That is the only  
18 thing that prevented him from being here.

19 For whatever reason, the Air Force  
20 overestimated, and I believe with knowledge, the  
21 potential savings of closing Rome Lab. Indeed,  
22 if you believe that command/control is absolutely  
23 essential -- and I believe we do -- and that we  
24 are going to continue that mission, then they

1 have deliberately distorted what the cost for  
2 carrying on that mission will be to the extent of  
3 \$150 million. And we have gone through this.  
4 Now, that is wrong. You can't say that you can  
5 do the work which is being done in approximately  
6 500,000 square feet, and recommend that it can be  
7 done in 224,000 square feet. The Commissioners  
8 have visited this facility. If you are going to  
9 carry on this work, there is no doubt that  
10 224,000 square feet is absolutely insufficient.  
11 There alone is \$100 million. That is absolutely  
12 inexcusable. What it comes down to is people in  
13 the military, the Pentagon, wanting to favor one  
14 over the other and come up with an easy way out,  
15 so that there will be other facilities that they  
16 will not have to close. That is not right. It  
17 is morally wrong. There is no way you can carry  
18 on this work. Now, if you say you are going to  
19 abandon this work, then say it. They don't say  
20 that. It is a total of \$150 million  
21 deliberately. The basic mathematics will  
22 demonstrate that when one looks at the cost  
23 factors. I know that Congressman Boehlert and  
24 others will go into detail to prove those facts.

1 And those facts have been submitted to the  
2 Commission already.

3 Secondly, it is a question of  
4 reliance and good faith -- relying on the Air  
5 Force, relying on the Commission of Deputy  
6 Secretary of Installations James Boatright, and I  
7 believe we have submitted a letter from  
8 Mr. Boatright to the Commission. The State of  
9 New York has made a commitment to expend \$14  
10 million. We anticipate 18,000 private sector  
11 jobs will come about as a result of this. In  
12 addition, NYNEX, private moneys, has committed,  
13 as a result of this, \$10 million for the Internet  
14 that connects as it relates to command/control.

15 So here we have the private sector,  
16 here we have the government of New York,  
17 committing tens of millions of dollars, because  
18 this is a Tier One lab that cannot be replicated.  
19 The governor touched upon it. We were there. We  
20 talked to the members of the Lab, to the  
21 technicians, to the engineers, to the scientists.  
22 Most of them will not relocate. The best you can  
23 get them to say is, if you can give us a facility  
24 where we can really carry on this work, maybe --

1 maybe. And that cannot be done. This work will  
2 be interrupted from anywhere from five to ten  
3 years if you are going to attempt to put together  
4 this package.

5 I submit to you that this is a tragic  
6 error. We have been devastated. We understand  
7 that there are tough decisions that have to be  
8 made. But both on the grounds of moral  
9 correctness and on the principles of fair play, I  
10 would hope that this Commission would reject the  
11 recommendation that has been made and take this  
12 installation off of the list and let Rome Labs  
13 continue to do its vital work.

14 I thank the chairman, I thank the  
15 Commissioners, and I thank all my colleagues who  
16 are here today and our Governor.

17 CHAIRMAN DIXON: I thank my  
18 distinguished friend for his usual eloquence. He  
19 speaks as well in five minutes as he does at  
20 greater length. (Laughter)

21 I am delighted to have this  
22 distinguished panel, which I trust is headed by  
23 Congressman Boehlert. Congressman, are you in  
24 charge of the 50 minutes allotted to those of you

1 who will talk to us about Rome Lab?

2 CONGRESSMAN BOEHLERT: I am, Mr.  
3 Chairman.

4 CHAIRMAN DIXON: We are delighted to  
5 see you.

6 CONGRESSMAN BOEHLERT: Thank you very  
7 much, Chairman Dixon, and members of the  
8 Commission. It is a pleasure to appear before  
9 you this morning to make the case for Rome  
10 Laboratory. It is a pleasure because, as we will  
11 demonstrate, the facts are so clearly on our  
12 side.

13 The speakers who follow me will  
14 present those facts in detail, so let me just  
15 outline the thrust of our remarks.

16 We hope to leave you with four key  
17 points: first, the idea that the government will  
18 save money by relocating Rome Laboratory is an  
19 illusion; second, the idea that military research  
20 will not be harmed by the relocation of Rome  
21 Laboratory is an illusion; third, the idea that  
22 the military will be achieving a cross-service  
23 consolidation of its research through the  
24 relocation of Rome Laboratories is also an

1 illusion; and fourth, the logical conclusion:  
2 Rome Laboratory is a high quality military asset  
3 that can best contribute to the nation's security  
4 at its current site.

5           You need not take my word for it or  
6 the word of the speakers who will appear shortly.  
7 I would like to submit for the record three  
8 letters from former top Air Force officials in  
9 support of Rome Laboratory. Copies of the  
10 letters are in the packets before you. One quote  
11 captures the flavor of their testimony. Five  
12 former chief scientists of the Air Force  
13 conclude: "Rome Laboratory is a unique and  
14 irreplaceable resource. Movement will severely  
15 damage that resource. Damage done will take  
16 years to rebuild." That is the point in a  
17 nutshell. Relocating Rome Laboratory will save  
18 no money. In fact, it would cost money, while  
19 damaging our nation's military capability.

20           The statute that established your  
21 Commission leaves no doubt as to what you should  
22 do in such a case. You should remove the  
23 facility from the list. The whole reason  
24 Congress created the Commission was to allow for

1 this type of independent analysis.

2 Our next speaker, Sheldon Silver, the  
3 highest ranking state Democrat official, will  
4 give you another set of reasons to keep the  
5 laboratory open. He will describe the economic  
6 impact on our state and the enormous commitment  
7 New York has made to insure that the military  
8 gets the greatest advantage possible from the  
9 laboratory. Speaker Silver will be followed by  
10 Oneida County Executive Ray Meier, who will  
11 explain in detail the issues concerning Rome  
12 Laboratory. Speaker Silver.

13 MR. SILVER: Good morning.

14 CHAIRMAN DIXON: Mr. Speaker, we are  
15 delighted to have you here.

16 MR. SILVER: Good morning, members of  
17 the Commission, and thank you for having me here.

18 Over time, Rome Lab has evolved as a  
19 unique model of public-private partnership, a  
20 partnership that has worked to the advantage of  
21 the state and, more importantly, to this  
22 Commission, to the U.S. military. Rome Lab's  
23 strong link with the private sector is a powerful  
24 economic development tool. Over 80 percent of

1 Rome Lab's annual budget is contracted out. Last  
2 year that translated to over 250 contracts worth  
3 more than \$170 million infused into New York's  
4 economy and 35,000 jobs throughout New York,  
5 primarily in small, high-technology businesses,  
6 the backbone of the retooling of the American  
7 economy in the post-Cold War era. Because of the  
8 excellent formal and informal networks that have  
9 been established over the years, Rome Lab's Air  
10 Force scientists and engineers are able to avail  
11 themselves of commercially available cutting-edge  
12 technology. These same networks give industry  
13 the knowledge of what is being developed at the  
14 Lab and stimulate opportunities to develop  
15 applications for technology the Lab has developed  
16 for the military. These networks and their  
17 economic impact extend far beyond the Rome area.  
18 The Lab's relationship with the REDCAP Air  
19 Defense Simulation facility in Buffalo, which the  
20 Department of Defense also seeks to close, has  
21 proven to be a true technology incubator for both  
22 Rome Lab and New York's private sector. For this  
23 reason, REDCAP must remain in proximity to the  
24 Lab and remain here in New York State.

1                   Speaking on behalf of the state  
2 legislature, we are committed to Rome Lab's  
3 future. In the Assembly's proposed economic  
4 development budget this year, we seek to target  
5 an additional \$3 million in working capital funds  
6 to businesses which partner with Rome Lab. In  
7 addition, these funds can be used to further  
8 reduce costs at the Lab. In addition to this  
9 effort, and with the assistance of NYSTEC, we can  
10 insure that the community's reuse plan for Rome  
11 Lab Research Park will serve as a model for a new  
12 form of military contribution to the development  
13 and growth of commercial companies throughout the  
14 United States.

15                   Rome Lab has the potential to create  
16 as many as 18,000 jobs over the next 20 years --  
17 people who will be working to keep alive the  
18 public partnership that is at the foundation of  
19 advancements in military technology, and that  
20 will assure that America retains its global  
21 competitiveness as we approach the 21st century.

22                   Now I am privileged to introduce our  
23 next speaker, Ray Meier, Oneida County Executive,  
24 who will continue with our presentation.

1 MR. MEIER: Thank you very much.

2 CHAIRMAN DIXON: Good to see you  
3 again, Mr. Meier.

4 MR. MEIER: Thank you, Senator. Good  
5 to see you.

6 Commissioners, good morning. It is  
7 now my privilege to present to you the case for  
8 Rome Laboratory. What I will do is briefly give  
9 you a quick introduction to the laboratory itself  
10 and what it does, and then we will show you how  
11 this decision that has been recommended to you as  
12 flawed is cost effective and how severely and  
13 unfairly it impacts my community.

14 First, let me tell you a little bit  
15 about Rome Laboratory, what kind of things are  
16 done there, and so forth.

17 Rome Laboratory is the military's  
18 preeminent C4I laboratory. C4I is an integrated  
19 approach to technology that combines command and  
20 control, communications, computers, and  
21 intelligence. That integrated technology has  
22 been recognized by leading military commanders  
23 and experts as the cutting-edge technology  
24 important to today's military and taking it into

1 the future for the missions of the future.

2 Let me try to be a little more  
3 specific about what this integrated approach to  
4 technology involves, taking into account those  
5 components that I just listed. Another way of  
6 looking at C4I is that it forms what amounts to  
7 the central nervous system of the Air Force. In  
8 looking at it from the perspective of the  
9 military commander, the integrated C4I concept  
10 develops the technology permitting a military  
11 commander to see the battlefield, to literally  
12 listen to the battlefield, to gather information  
13 from that sensory perception, to analyze it,  
14 determine what needs to be done, and then to  
15 bring force to bear upon an enemy to accomplish  
16 the military commander's mission.

17 Getting even more specific, we can  
18 look at some things that happened, for example,  
19 in the Gulf War, involving integrated C4  
20 technology that Rome Lab played a great part in  
21 things such as the SCUD Missile Protection  
22 System, so vital to success in the Gulf War, and  
23 technology such as the AWAC system. Rome Lab is  
24 on the cutting edge, and the technology that is

1 being developed there is as current as this  
2 morning's newspaper, which cites an article by  
3 Secretary of Defense Perry, a speech that he gave  
4 yesterday in Washington, where he identifies a  
5 new air planning system: technology developed at  
6 Rome Laboratory that permits Air Force commanders  
7 now to drastically shrink the time that it takes  
8 to plot an air war; work that used to be done  
9 before on a big screen with grease pencils is now  
10 done on a computer screen with technology  
11 developed at Rome Laboratory.

12 Maybe you might want to be a little  
13 skeptical, because it is just me here telling you  
14 that it is a lab of excellence. But it is not  
15 just us or the community or the State of New  
16 York. It is, indeed, the Air Force itself. When  
17 they went through the analysis leading up to the  
18 recommendation presented before you, they rated  
19 the labs. Rome Lab consistently rated as a Tier  
20 One lab. No other laboratory rated a Tier One  
21 Lab by the Air Force is the subject of a  
22 recommendation to close or realign before you.

23 But let's see who else says that Rome  
24 Lab is a lab of excellence. The graph before you

1 represents the entire universe of dollars that  
2 flows into Rome Lab for the purpose of purchasing  
3 the work that they do, C4I technology. 70  
4 percent of those dollars come from Air Force  
5 entities or other government entities that can  
6 spend those dollars with discretion, wherever  
7 they want. They vote with those dollars and they  
8 vote for the excellence that can be obtained at  
9 Rome Laboratory.

10 We tried to give you a brief  
11 introduction about what the lab is, and now I  
12 would like to turn really to the statutory  
13 criteria, those things that you as a Commissioner  
14 are charged by law with examining, to make your  
15 decision. We believe we will show you, as we go  
16 through this presentation, that the  
17 recommendation before you does not serve military  
18 value; indeed, it degrades and diminishes  
19 military value. We will show you that the return  
20 on investment analysis is flawed because it  
21 understates costs to close and overstates  
22 savings. We will show you that the economic  
23 impact is unduly severe and harsh, and a little  
24 later in the presentation we will talk to you

1 about the effect on our reuse strategy.

2           Laboratories are a little bit  
3 different kind of creature than some of the  
4 military installations you may be considering in  
5 your deliberations. Laboratories are not  
6 primarily buildings or equipment or real estate.  
7 Laboratories are people -- the people who work  
8 there, the things that they know, the talents  
9 that they have, the collegiality, the trust, the  
10 working relationships they have with each other.  
11 But yet laboratories are even more than that. In  
12 particular, in the case of Rome Laboratory, Rome  
13 Laboratory is an entire center of a network of  
14 connections with world-class academic  
15 installations and major corporate citizens of the  
16 State of New York, putting Rome Lab at the center  
17 of a hub that involves vibrant exchanges of ideas  
18 and work products and talents, both benefiting  
19 the institutions with whom they have  
20 relationships, and also, because of the return,  
21 enhancing the Lab's military value.

22           We have talked about C4I as an  
23 integrated technology and how it is the  
24 integration of these technologies that produces

1 programs and projects and technologies that form  
2 a cohesive whole. Let's be a little more  
3 specific about that. This graph depicts the  
4 proposal that is before you, and the splitting up  
5 of Rome Lab to two locations, Fort Monmouth and  
6 Hanscom. As you can see, the parts of the Lab  
7 that work on various technologies are spun off to  
8 different locations, some of which you see here  
9 just intuitively don't make sense: software  
10 technology to Hanscom and computer systems to  
11 Fort Monmouth.

12 But let's be even more specific about  
13 this, and let's look at some of the things that  
14 the Lab has played a great role in putting  
15 together. Jam resistant radar is something that  
16 is developed from the integrated C4I technology  
17 concept. That involved intense working  
18 relationships between the surveillance  
19 directorate at Rome Laboratory and the photonics  
20 element in Rome Laboratory. And yet, under the  
21 proposal before you, the scientists in those two  
22 elements of the Lab, instead of being down the  
23 hallway from each other, would be literally  
24 hundreds of miles apart. This is only one

1 example of how this disintegrates the entire  
2 concept of how the Lab gets its work done.

3           What is the reason for this  
4 recommendation before you? It is going to be  
5 argued to you that the reason for this proposal  
6 is something called military cross-servicing. If  
7 military cross-servicing is the purpose, then  
8 that term is something we ought to look at. What  
9 does it mean? Generally speaking, it means  
10 taking similar things done by different branches  
11 of the service, bringing them together in one  
12 place, so that you form a cohesive unit that  
13 comes out with a better and more efficient  
14 product. That is what it ought to mean.

15           Well, is that what they get done with  
16 this proposal? Let's take a look at it. What is  
17 happening here is really not cross-servicing.  
18 The Navy is declining to participate in Navy  
19 cross-servicing. With particular regard to the  
20 Army, what you see when you look at Fort Monmouth  
21 is that the technologies now there that comprise  
22 C4I, just photonics and some others, the Army is  
23 moving those technologies to Maryland. So, as  
24 this proposal goes through, when the piece of

1 Rome Lab that they tear off and take to Fort  
2 Monmouth arrives, there is going to be no one to  
3 interservice with. What you have here is  
4 something that takes place on an ad hoc and even  
5 chaotic basis. It does not promote  
6 interservicing. In fact, it serves to  
7 disintegrate the integrated C4I laboratory at  
8 Rome. What this is about is taking the  
9 productive work that is being done at Rome Lab  
10 and sacrificing it on the altar of an empty term.

11 Now let's turn to the subject of the  
12 return on investment, the dollars, because BRAC  
13 is supposed to be about saving the American  
14 taxpayers dollars.

15 It is interesting to note that the  
16 return-on-investment analysis has been using some  
17 cost figures that have changed repeatedly. The  
18 Air Force cost figures on the move of Rome Lab is  
19 and continues to be a work in progress.

20 Now let's turn to an item Senator  
21 D'Amato referred to, the one-time construction  
22 costs for the moving of Rome Laboratory. The  
23 investment analysis given to you indicates a new  
24 space requirement of 224,000 square feet. It

1 further assumes, if you look at the record, that  
2 that space can be achieved at the two receiving  
3 locations with no construction and, indeed, with  
4 only some renovation. The assumption is that a  
5 lot of the room at the two receiving sites is in  
6 moving condition, and that is how they arrive at  
7 this figure of \$98 a square foot to prepare these  
8 two sites, for a total construction cost  
9 presented to you of \$22 million.

10 Now let's look at a more reasonable  
11 estimate. The Laboratory itself certified to the  
12 Base Closure Executive Group a space need of  
13 615,000 square feet. Don't give them that.  
14 Factor in the 20 percent efficiency reduction  
15 that is used when you propose a consolidation, or  
16 490,000 square feet. For the guy who visits the  
17 Labs, the guy who thinks he can put this in  
18 224,000 can put toothpaste back into a tube.  
19 490,000 square feet is a more reasonable  
20 estimate, and from there all we have to do is  
21 look at the receiving sites. Clearly, new  
22 construction would be required to produce that  
23 much space, and the average of about 60 percent  
24 new construction to 40 percent renovation. We

1 can then go to construction costs here, and we  
2 find a blended and construction renovation cost  
3 of \$250 per square foot, which means the total  
4 one-time construction cost for this move is \$122  
5 million, a discrepancy of \$100 million.

6 But it doesn't stop there. Let's  
7 look at some of the rest of the one-time costs.  
8 Over \$30 million in one-time costs have been  
9 either omitted or understated. If you look at  
10 the analysis presented to you by the Air Force:  
11 they have no costs for information management,  
12 they have no costs included for equipment  
13 procurement. They have vastly underestimated the  
14 cost of moving equipment, by probably \$8 million  
15 in that item alone. If you look at the equipment  
16 moving costs, they only estimate the cost of  
17 moving the four largest items of equipment in a  
18 laboratory that has literally thousands of items  
19 of equipment.

20 This raises an interesting question.  
21 There are no procurement costs there. If you are  
22 not going to buy it and if you are not going to  
23 move it, how are you going to get the work done  
24 when you get there?

1                   We talked about one-time costs.

2                   Let's move now to the savings that the Air Force  
3                   claims. We believe you will see, if you look at  
4                   the record, that more than \$9 million of the \$11  
5                   million claimed in savings are illusory and,  
6                   indeed, the conclusion is that there are no  
7                   savings.

8                   Let's look first at this issue of  
9                   locality pay. You have to pay people. When you  
10                  put people in high cost-of-living areas, by  
11                  regulation you must give federal civil service  
12                  employees a cost-of-living differential. The  
13                  recommendation before you has no allowance for  
14                  locality pay, which is an anomaly because high  
15                  cost-of-living areas are considered in other  
16                  areas, such as construction costs. But they have  
17                  no allowance for that. All you have to do --  
18                  this isn't speculation, it is arithmetic -- is  
19                  take the payroll presented to you in the  
20                  recommendation, apply the locality pay factor  
21                  regulation, and you see there is an additional  
22                  \$2.3 million annual cost each and every year  
23                  occasioned by this move.

24                  Secondly, real property maintenance

1 costs. The Air Force analysis presented to you  
2 claims a savings of \$8.1 million in RPM costs.  
3 What they have done is, they have picked a figure  
4 which they say is the cost of real property  
5 maintenance at the lab -- which is high, but  
6 consider it for the moment -- and they claim it  
7 all as savings. It is not. The assumption is,  
8 depending on which square-foot figure you want to  
9 take, but take any one you want, that if you take  
10 up more square feet at new locations, there are  
11 no additional costs. That is intuitively wrong  
12 and ridiculous.

13 But let's look at what a more  
14 reasonable estimate is of the cost of maintaining  
15 the property at Rome Laboratory. We believe  
16 that, in reality, it is more in the range of  
17 \$1 million. We arrive at that by looking at the  
18 material that is in the record before you  
19 involving other installations. If you look at  
20 the laboratory at Los Angeles, that is about a 57  
21 cents per square foot maintenance cost. If you  
22 look at Hanscom, it is about \$1.39 per square  
23 foot maintenance cost. Pick a number on the high  
24 end and multiply it out. There are no

1 circumstances under which the real property  
2 maintenance costs at Rome Lab could conceivably  
3 exceed \$1 million.

4 What you arrive at here, in just these two areas,  
5 is that they have vastly overstated the projected  
6 annual savings by more than \$9 million.

7 All of this drives us, then, towards  
8 the bottom line, which is important here; they  
9 have underestimated these one-time costs; they  
10 have overestimated the annualized savings.

11 The real bottom line here is the  
12 return on investment. What does it cost to close  
13 and how long does it take us to get it back here?  
14 The Air Force analysis, suggested to you here  
15 today, says that it is four years. In reality, a  
16 reasonable analysis is that it is more like 100  
17 years and headed fast towards never.

18 It may well be that you are going to  
19 see some adjusted figures come during the next  
20 few days and weeks. Our assumption is that they  
21 won't really get much better. But we would  
22 suggest to you to keep your eye on the bottom  
23 line; that no matter what they do with the  
24 figures, if they cannot produce to you realistic

1 annualized savings, then the return on investment  
2 period is just what I said: headed towards  
3 never.

4 Finally, let me talk to you about  
5 economic impact for just a few moments. A lot of  
6 people are going to stand here and say to you  
7 Commissioners: don't hurt my community. In our  
8 case it is more than that. This piles on top of  
9 BRAC '93 and makes my community the single  
10 hardest-hit community in the United States  
11 impacted by an Air Force decision. The average  
12 job in my community pays \$25,000 a year; the  
13 average Rome Lab job pays \$50,000 a year. The  
14 point is, depending upon where you look at it --  
15 I look at it living with the folks here who have  
16 those jobs -- the impact is, in reality, double.

17 This graph depicts the size of the  
18 involved community's economic basis. Moving left  
19 to right, Fort Monmouth, Rome Lab, and Hanscom,  
20 you can see that the economies in the two  
21 receiving sites are larger than ours. The most  
22 important graph perhaps is on the right, which  
23 shows total personal income in the region in  
24 terms of billions, and the point is this: Those

1 jobs are critically needed for the health and  
2 well-being of my community's economy. The two  
3 receiving communities have economies that are so  
4 much larger that they will barely feel a ripple  
5 of positive impact.

6 We believe we have showed you this  
7 morning that this proposal diminishes and  
8 degrades military value. We believe that we have  
9 showed you that the return on investment analysis  
10 is wrong, that there are no savings in this  
11 proposal before you. We have shown you that this  
12 proposal works so severe a hardship on my  
13 community as to be unconscionable.

14 The argument that we have presented  
15 to you is not just a community's argument, it is  
16 not just New York's argument; it is an argument  
17 really on behalf of the country, because the work  
18 of Rome Lab is so vital to the continued success  
19 of the American military. The recommendation  
20 before you is bad public policy. It should not  
21 be permitted to stand.

22 I would now like to turn the  
23 presentation back to Congressman Boehlert, who  
24 will discuss the impact on our reuse plan.

1                   CONGRESSMAN BOEHLERT:  Mr. Chairman  
2                   and Commissioners, let me just pick up where  
3                   Mr. Meier left off.  We have described to you the  
4                   case for Rome Laboratory in terms of the BRAC  
5                   review criteria, but there is another factor to  
6                   consider:  the commitment of New York State and  
7                   the community to utilize Griffiss Air Force Base  
8                   in a way that will further increase the military  
9                   value of the Laboratory while helping the economy  
10                  of the region.  Both these goals are significant,  
11                  given the value of Rome Laboratory's research.  
12                  BRAC '93 recognized this when it directed that  
13                  Rome Laboratory continue to exist in a mixed-use,  
14                  military/private sector environment.  We have  
15                  proceeded diligently to implement BRAC '93's  
16                  vision.  The community, the state, and the Air  
17                  Force have invested two years of hard work and  
18                  literally millions of local, state and federal  
19                  taxpayer dollars to develop a model reuse plan  
20                  for Griffiss.

21                         On this next slide we have, the Air  
22                         Force itself has recognized the innovative nature  
23                         and importance of the Griffiss reuse plan.  We  
24                         should not nip in the bud this chance to

1 demonstrate a method for dealing with base  
2 realignments, a method with no losers, only  
3 winners -- the community, the state, the Air  
4 Force, and the nation.

5           The base reuse plan will ensure that  
6 the Lab will stand among its commercial and  
7 academic partners. New York State has committed  
8 \$12 million to facilitate technology transfer  
9 through the New York State Technology Enterprise  
10 Corporation. This will mean that Rome  
11 Laboratories research will result in more  
12 products -- products that will be of special  
13 value in this era of dual-use technology.  
14 Obviously, this strategy cannot work without the  
15 Laboratory as its centerpiece.

16           It is significant to note that this  
17 reuse plan has already weathered severe political  
18 storms. It has been backed by two  
19 Administrations and, as Speaker Silver's presence  
20 here demonstrates, it is backed by the leaders of  
21 both parties in Albany today. The reuse plan is  
22 simply one more good reason to remove Rome Lab  
23 from the base closure list.

24           I would now like to introduce my good

1 friend, Dr. John Sammon, whose career is a  
2 testimony to the value of technology transfer, to  
3 discuss this aspect of Rome Laboratory more  
4 fully. Dr. Sammon.

5 DR. SAMMON: Thank you, Sherry. I am  
6 here today to tell you of the concept of  
7 technology transfer through NYSTEC. This  
8 not-for-profit corporation is not a myth, it is  
9 not a theory, it is not an abstraction; it is a  
10 reality. New York State has funded \$12 million  
11 for the kickoff of NYSTEC. They have signed a  
12 contract with Syracuse Research Corporation to  
13 create NYSTEC, and it is in fact created, it is  
14 fully staffed, and its officers are operating out  
15 of Rome Laboratories.

16 My involvement in the creation of  
17 NYSTEC is fairly natural because I have spent  
18 most of my career involved in transferring  
19 technology from the government sector to the  
20 commercial sector. I founded my company 27 years  
21 ago, and for the first ten years of my operation,  
22 100 percent of our revenues came from Rome  
23 Laboratories. In the late '70s, we developed a  
24 technology transfer strategy and we created our

1 first commercial product: It was a computerized  
2 point-of-sale system that we sold to McDonald's.  
3 Today we are a \$100-million-annual corporation,  
4 we are a New York Stock Exchange corporation. We  
5 employ about 1,000 people, of which about 700  
6 work and reside in New York State.

7 I have drawn heavily on my  
8 experiences in part to help formulate the  
9 operation of NYSTEC. NYSTEC is going to work and  
10 it is going to create jobs in two ways.

11 The first way is that NYSTEC is going  
12 to go out and get contracts from non-DOD  
13 agencies, and develop for those agencies  
14 information systems. Now, there are two examples  
15 of existing programs at the Lab today. One  
16 example involves a system that is being built for  
17 the National Institute of Justice, and the second  
18 one is for the State Police of New York State.  
19 Both of them are information processing systems  
20 for forensic analysis, and each of them has the  
21 underpinning technology of CQ, which was  
22 developed at the Laboratory for the Air Force.

23 The second way jobs are going to be  
24 created I think is innovative and creative, and

1 it works as follows: NYSTEC, in conjunction with  
2 Rome Laboratories, is going to select  
3 entrepreneurial technical companies that do  
4 business in New York State. These companies are  
5 companies that already possess some dual-use  
6 technology. The concept is and the vision is  
7 that there are going to be contracts with Rome  
8 Laboratories, with these entrepreneurial  
9 corporations, to advance that dual-use technology  
10 for the benefit of the Department of Defense, but  
11 at the same time to create new commercial  
12 products and jobs. The second way the money for  
13 NYSTEC and the state funding is going to be used  
14 is to hire expert consultants to help in creating  
15 business plans, market analysis, and do the very  
16 important function of finding strategic  
17 joint-venture partners for these entrepreneurial  
18 corporations.

19 Let me give you a concrete example of  
20 how this is working. I just flew in last night  
21 from participation in Hambrecht & Quist's annual  
22 technology conference, and the hottest topic in  
23 that meeting out in San Francisco and the Silicon  
24 Valley was the dramatic and explosive demand for

1 software to go out on the information highway and  
2 to search for, retrieve, and automatically  
3 analyze electronic documents that are stored in  
4 databases all over the world. It turns out that  
5 Rome Laboratories and my company have been  
6 working independently for the last twenty years  
7 developing such technology for the various  
8 intelligence agencies in the government. We  
9 currently have a collaborative contract with Rome  
10 Laboratories to combine our technologies, to  
11 advance those technologies for the benefit of the  
12 Department of Defense and intelligence agencies.  
13 The outcome of this is going to be that the Air  
14 Force and the intelligence agencies will get to  
15 license commercially supportable software and pay  
16 hundreds of dollars for it in lieu of building a  
17 one-of-a-kind system that cost a million dollars  
18 to construct and millions of dollars to sustain  
19 and extend later on. The benefit to the  
20 community is the creation of a new business, high  
21 technology jobs, and that is the underlying  
22 principle of NYSTEC.

23 Let me conclude by saying that NYSTEC  
24 lies at the center of our reuse plan, is our hope

1 for the future, and without Rome Laboratories our  
2 whole reuse plan goes out the window.

3 I am not concerned about the future  
4 of my company. In fact, Rome Laboratories'  
5 moving from our area will not impact my company.  
6 The reason is that we have already made the  
7 transition from complete dependence on government  
8 contracts to commercial independence. But I am  
9 concerned that without Rome Laboratories we are  
10 not going to see any new technology corporations  
11 in our future in our community.

12 Thank you for this opportunity.

13 May I introduce the next speaker, Dr.  
14 Frank Rhodes, of Cornell University.

15 DR. RHODES: Chairman Dixon and  
16 Commissioners, I am president of Cornell  
17 University, located in Ithaca, New York, and I  
18 want to thank you for the opportunity to speak  
19 before you and to thank you for the care and  
20 concern with which you are looking at this  
21 difficult assignment.

22 I believe from my point of view there  
23 are three strong reasons for keeping Rome Labs  
24 where they are.

1                   The first is this: that Rome Lab is  
2 a model of a new pattern of cooperation, not just  
3 between government labs and industry, but a  
4 threefold model involving government labs,  
5 industry, and universities. At the very time  
6 that the President and the Congress are urging us  
7 to adopt that model and to link basic research to  
8 the marketplace, Rome Lab is an outstanding  
9 example of success in that particular field.

10                   There is a second reason, and that is  
11 that in this area Rome Lab shares unique  
12 facilities with the neighboring universities.  
13 Let me give two specific examples of that so far  
14 as Cornell University is concerned. Cornell  
15 University has the only national nano fabrication  
16 center. There is no other, not in Massachusetts,  
17 not in New Jersey. That center studies, designs  
18 and fabricates nano fabrication devices for use  
19 in the most sophisticated computers. We have a  
20 constant traffic between Rome Lab research  
21 workers and our faculty and students at Cornell.  
22 No other facility can provide that kind of  
23 interchange.

24                   A second example is that Cornell has

1 one of four national supercomputing centers. The  
2 others are in Pittsburgh, San Diego, and Urbana,  
3 Illinois. We have constant cooperation between  
4 that supercomputer center and Rome Lab. It  
5 involves everything from the design of new  
6 software and new networks to work in the  
7 three-dimensional structure of biological  
8 molecules which is essential to the  
9 pharmaceutical industry.

10 Reason number three. In this region  
11 there is the capacity for much greater  
12 cooperation than we have yet achieved. A recent  
13 study by Philip Anderson of the area that  
14 includes Rome Labs but goes to the west to  
15 Rochester and to the south to Ithaca and  
16 Binghamton concludes that this region has equal  
17 potential to Route 128 in Massachusetts and  
18 greater potential than the Research Triangle in  
19 North Carolina to revitalize the nation's  
20 science, technology and industry. The  
21 universities of this region are formidable. They  
22 include, for example, Columbia University,  
23 Syracuse University, Clarkson, Rochester  
24 University, RIT, RPI, and Cornell. And the

1 companies too represent an astonishing array of  
2 strength: Corning, GE, IBM, Kodak, Lockheed,  
3 Martin, and NYNEX. I want to suggest that to  
4 divide the Lab and to move away its members would  
5 deprive not just the region but the nation of a  
6 new source of strength.

7 To illustrate that, let me now  
8 introduce my colleague, Mr. Ivan Seidenberg, who  
9 is president and CEO of NYNEX.

10 CHAIRMAN DIXON: Thank you, Dr.  
11 Rhodes. Mr. Seidenberg.

12 MR. SEIDENBERG: Thank you, Dr.  
13 Rhodes.

14 Good morning, Mr. Chairman and  
15 Commissioners, my name is Ivan Seidenberg. I am  
16 chief executive officer of NYNEX, New York's  
17 largest private-sector employer. I am here  
18 representing a group of New York employers,  
19 including Grumman and Hazeltine. NYNEX began to  
20 work closely with Rome Laboratory as part of a  
21 project that we called the New York Network or,  
22 for short, NYNet. In a nutshell, NYNet combines  
23 the unlimited power of high-capacity broadband  
24 communications with the routing capabilities of

1 the ordinary telephone system. Our vision was to  
2 create a model, based on a public telephone  
3 network, that would let customers dial into and  
4 receive massive amounts of information, in the  
5 form of computer data, video images, voice or  
6 text, medical information, technical  
7 specifications, and so on.

8 The scientists at Rome Lab had the  
9 imagination to help us design such a network.  
10 NYNet is so powerful and transmits information so  
11 fast it can transport the entire Encyclopaedia  
12 Britannica in about a second. My company has  
13 invested \$10 million over the last four years in  
14 projects with Rome, including NYNet. We wouldn't  
15 have done that unless we were developing  
16 something our customers and the public want. And  
17 we wouldn't have made that investment, much of it  
18 in the form of infrastructure, if Rome Lab was  
19 not in New York, where our biggest customers are.  
20 If the lab were moved to Massachusetts and New  
21 Jersey, the work they do would not have the same  
22 value to NYNEX. Massachusetts, of course, is  
23 part of NYNEX's service territory. But if the  
24 Lab were moved to Hanscom Air Force Base, it

1 would take many years and great costs to  
2 re-create the critical mass to build such a  
3 center of technological excellence.

4           And without NYNEX's fullest  
5 collaboration with Rome, an emerging  
6 "supertechnology" of C3I -- Command, Control,  
7 Communications and Intelligence -- will never  
8 reach its potential. This will hamper one of the  
9 most important goals of the Department of  
10 Defense.

11           NYNEX is in an intensely competitive  
12 and important new industry. We must deliver  
13 cutting-edge technology and vital services to all  
14 our customers. If we don't, they'll go to our  
15 out-of-state and foreign competitors, like  
16 British Telecom, NTT, MCI or AT&T.

17           Rome Lab is a natural partner for us.  
18 They are as involved in telecommunications as we  
19 are and their customers are driven by an  
20 imperative as demanding as ours -- warfare and  
21 survival.

22           As a former soldier, and as CEO of a  
23 company whose infrastructure cannot be moved to  
24 another place, I appreciate having my allies

1 where I can reach them when I need them.

2 Rome has more cooperative research  
3 agreements than any other Air Force laboratory.  
4 It is as effective with civilian technology as  
5 military.

6 Yesterday I was part of a  
7 ribbon-cutting ceremony for the "Living  
8 Textbook," a project on NYNet that carries  
9 knowledge to children in New York City's Harlem,  
10 in Syracuse, Utica and Rome -- knowledge they  
11 would never have gotten otherwise and exposure to  
12 places they would never have seen.

13 Rome has helped pioneer  
14 "telemedicine." NYNET carries the vision and  
15 care of great doctors to rural areas, ensuring  
16 topnotch health care at a sustainable cost. The  
17 same technology will pave the way for delivering  
18 medical services for soldiers in the field.

19 NYNet lets manufacturers and  
20 designers work together on new products in a  
21 virtual space that allows for trial without  
22 failure, lowering the cost of product  
23 development.

24 None of this would have been possible

1 if Rome Lab were not in Central New York.

2 NYNEX has a sophisticated research  
3 arm. I can tell you that when you relocate a  
4 laboratory, you cause enormous disruptions, lose  
5 people, lose valuable time. You just don't risk  
6 moving a successful laboratory.

7 Basically, I'm a businessman. I know  
8 the place of a balance sheet in making decisions  
9 about reengineering. Rome Lab looks good on the  
10 balance sheet right where it is.

11 And I'm the leader of a technology  
12 company. I know that creative collaboration is  
13 indispensable for success.

14 Please keep Rome Lab in Rome. That's  
15 where it will bring the greatest benefits to the  
16 nation, its military and its business. Thank  
17 you.

18 CHAIRMAN DIXON: Thank you,  
19 Mr. Seidenberg.

20 CONGRESSMAN BOEHLERT: I yield thirty  
21 seconds to the Senator from New York.

22 SENATOR D'AMATO: Mr. Chairman and  
23 members of the Commission, after listening to  
24 this compelling presentation, I would just like

1 to make one further observation. Rome Lab is the  
2 only Tier One, fully integrated C4I laboratory.  
3 It is the only one. When we hear the chairman of  
4 NYNEX say that it would take years to  
5 reconstitute it, and you might not ever be able  
6 to achieve the critical mass, and it will cost  
7 tens if not hundreds of millions of dollars more,  
8 with no guarantee of attaining the capability  
9 that this lab has attained, this is sheer folly.  
10 I would hope that the Commissioners would remove  
11 this laboratory from the list so that it can  
12 continue to do its valuable work in the most  
13 economic and prudent way on behalf of all of our  
14 citizens. Thank you.

15 CHAIRMAN DIXON: Thank you very much,  
16 Senator.

17 CONGRESSMAN BOEHLERT: Thank you very  
18 much, Senator.

19 Mr. Chairman and Commissioners, that  
20 concludes our formal presentation. You can see  
21 the balance of our presentation. One of the  
22 reasons why we feel so good is because the facts  
23 are on our side. Not only do we have the state  
24 government and the county government and the city

1 government fully supportive of this effort, but,  
2 we have the university community and the business  
3 community. A merit-based decision leads one to  
4 conclude that Rome Laboratory should remain in  
5 Rome.

6 The rest of our time, Mr. Chairman,  
7 is available for any questions you might have. I  
8 would like to quickly answer a question that I  
9 would anticipate from both Commissioner Cox and  
10 Commissioner Steele, because much has been said  
11 about the reuse plan. I want to point out, and  
12 we will submit this information for the record,  
13 \$20 million has already been invested in the  
14 reuse plan. That is an investment that is going  
15 to pay handsome dividends for our national  
16 security, for the United States of America, for  
17 the State of New York, and for the region.

18 CHAIRMAN DIXON: Thank you,  
19 Congressman Boehlert. I congratulate you and  
20 your distinguished colleagues on an excellent  
21 presentation. My colleague Commissioner S. Lee  
22 Kling has a question.

23 COMMISSIONER KLING: As I understand,  
24 as a backup plan you have the reuse program that

1 you are working on and that is a combination of,  
2 state funds with private industry. I guess I  
3 don't understand what status that is actually in  
4 right now. Is the state committed to the funds  
5 involved?

6 CONGRESSMAN BOEHLERT: Yes.

7 GOVERNOR PATAKI: Commissioner, if I  
8 might respond to that. We are in the midst of a  
9 very difficult budget battle -- and it is good to  
10 see the Speaker here with me this morning -- but  
11 we are totally unified in a bipartisan way in our  
12 commitment to the Technology Enterprise  
13 Corporation, which is going to receive more than  
14 \$12 million in funding from the state to help the  
15 Lab develop the spin-off technologies that move  
16 military technologies into the private sector so  
17 that the military can remove costs, and benefit.  
18 So this is a bipartisan commitment. It is in our  
19 budget as agreed to. In addition to the private  
20 sector commitment and the university sector  
21 commitment, these are state funds that are  
22 committed and will be in our budget.

23 I have to confess I have no idea what  
24 a nano fabricator device is, Doctor, but I think,

1 when you heard the president of Cornell talk  
2 about that, his comment symbolizes the difference  
3 between a lab and some other type of military  
4 facility. A lab is not buildings. It is people,  
5 it is the relationship of those people, and it is  
6 relationships among the lab and the surrounding  
7 technology community, the private sectors, the  
8 university system. In reliance on the commitment  
9 that Rome Lab is going to continue, these  
10 relationships have developed with significant  
11 support from the state, with significant support  
12 from the private sector. If they are disrupted,  
13 they don't show up on the balance sheet but they  
14 will horribly affect the ability of the Lab to  
15 continue to perform a vital military function.

16 COMMISSIONER KLING: So can I just  
17 assume, then, that this program to do this is  
18 really down on a piece of paper as it is  
19 outlined?

20 GOVERNOR PATAKI: It is. A contract  
21 has been signed with the Syracuse Research  
22 Corporation. The funding is in our budget. But  
23 it is all contingent on Rome Lab continuing,  
24 because Rome Lab is the critical mass of talent

1 and scientific learning that makes all of this  
2 come together.

3 COMMISSIONER KLING: Thank you.

4 CHAIRMAN DIXON: Thank you very much,  
5 gentlemen, for an excellent presentation.

6 Congresswoman Susan Molinari, Mr. Joe  
7 Healey, and Deputy Mayor Reiter have been invited  
8 to be witnesses for Fort Hamilton/Naval  
9 Reserve-Staten Island.

10 Good morning, Congresswoman Molinari.  
11 I have to invite you and your colleagues to stand  
12 and raise your right hand.

13 Do you solemnly swear or affirm that  
14 the testimony you are about to give to the  
15 Defense Base Closure and Realignment Commission  
16 shall be the truth, the whole truth and nothing  
17 but the truth?

18 (Three speakers, in chorus): I do.

19 THE COURT: Congresswoman Molinari,  
20 we are delighted to have you, Mr. Healey and  
21 Deputy Mayor Reiter here. You are allotted  
22 fifteen minutes, under your control.

23 CONGRESSWOMAN MOLINARI: Thank you  
24 very much. After listening to the testimony that

1 preceded me, I have to make the statement that is  
2 on everyone's mind right now: It is clear that,  
3 after that extensive testimony, Rome was not  
4 built in a day. (Laughter)

5 I would like to thank you all, ladies  
6 and gentlemen of the Commission, and I appreciate  
7 the opportunity to express the views of all New  
8 Yorkers on the Secretary of Defense's proposal to  
9 realign Fort Hamilton, New York. I have the same  
10 feeling, however, that was expressed some time  
11 ago of a gentleman who was being mistreated on a  
12 visit to a distant town when he said, "But for  
13 the honor of it, I would really rather be  
14 somewhere else." This unfortunately is my third  
15 consecutive appearance before the Defense Base  
16 Closure and Realignment Commission. In 1991,  
17 both Fort Hamilton and Naval Station New York  
18 were added to the list by the Commission. They  
19 were subsequently removed from the list. In  
20 1993, Naval Station New York was recommended for  
21 closure by DOD, and the Commission eventually  
22 recommended it close. This year DOD has  
23 recommended the realignment of Fort Hamilton in  
24 Brooklyn. We in New York feel we have already

1 paid a high price in this base closure process.  
2 We hope we won't have to again this year. The  
3 proposal before you today has the Secretary  
4 proposing removing all active-duty military  
5 personnel from 442 family housing units on Fort  
6 Hamilton.

7 CHAIRMAN DIXON: Congresswoman, let  
8 me interrupt and stop the clock for a moment.

9 Ladies and gentlemen, I realize that  
10 many of your distinguished leaders are leaving  
11 the room and some are being interviewed by the  
12 press. However, Congresswoman Molinari and her  
13 group are here on very important public business  
14 and they are entitled to your attention.

15 CONGRESSWOMAN MOLINARI: Thank you,  
16 Mr. Chairman.

17 The Secretary has proposed removing  
18 all active-duty military personnel from 442  
19 family housing units on Fort Hamilton and  
20 relieving the Army of the housing. We believe  
21 the Secretary's recommendation is not only a  
22 substantial deviation from the base closure area,  
23 but also the remedy is an affront to our  
24 servicemen and -women and their families and to

1 good common sense.

2 Fort Hamilton is a small but  
3 important part of the military's infrastructure  
4 in the New York metropolitan area. I emphasize  
5 military and not Army because Fort Hamilton truly  
6 is a joint service installation. It provides  
7 command and control, and administrative support  
8 to all of the armed services in the local area.  
9 In fact, as you will see, the housing the  
10 Secretary proposes to get rid of is occupied by  
11 the Army, the Navy, the Air Force and Marine  
12 Corps families. We are pleased the Defense  
13 Department has again reaffirmed the vital role  
14 Fort Hamilton plays in carrying out our missions  
15 for our military. Fort Hamilton is headquarters  
16 of the New York City Area Command which provides  
17 a full range of support services to active-duty  
18 military personnel, Reserve National Guard  
19 military retirees and their dependents. In fact,  
20 the total population served by the Fort in the  
21 New York metropolitan area is 38,000 individuals.

22 Fort Hamilton is also home to the  
23 Military Entrance Processing Station, the MEPS,  
24 which processes all military inductees for the

1 five armed services in the New York-New Jersey  
2 area. Again, this is a vital military function.  
3 Fort Hamilton has important international  
4 responsibilities through its protocol bureau and  
5 foreign liaison officers. These agencies support  
6 the United States Military Mission at the UN and  
7 the hundreds of fine VIPs and students doing  
8 business or transiting through the New York City  
9 area each year.

10 Finally, Fort Hamilton is the home to  
11 many important research units, including the  
12 Eighth Medical Brigade, the largest deployable  
13 medical unit in the Army Reserve that served so  
14 admirably in Desert Storm.

15 So let me emphasize that the  
16 technicians and the people who carry them out are  
17 essential to our nation's military and frankly  
18 cannot be curtailed or relocated. So the  
19 Secretary of Defense therefore recommends that  
20 Fort Hamilton remain and the base family housing  
21 units be disposed of. His recommendation is  
22 silent why to eliminate Fort Hamilton's family  
23 housing units or where or how servicemen and  
24 women who must serve in the New York area are

1 going to live. It is the community's position  
2 that disposing of these family housing units will  
3 significantly diminish Fort Hamilton's military  
4 value by making service in the New York City area  
5 an impossible economic hardship for uniformed  
6 personnel and for our lower enlistees a financial  
7 impossibility.

8           This clearly is a substantial  
9 deviation from criterion number 1 of the eight  
10 base closure criteria. As you are aware, the  
11 Defense Department is facing an acute nationwide  
12 shortage of military housing. Much as I hate to  
13 say it here, the New York metropolitan area  
14 appears to have been targeted by DOD for a  
15 virtual elimination as military family housing.  
16 As you can see from the attached charts,  
17 attachment 34, in addition to Fort Hamilton's 44  
18 two-family housing units, DOD has also  
19 recommended disposal of close to 200 housing  
20 units at Fort Totten, this in addition to over  
21 1,440 family housing units canceled or disposed  
22 of through the closure of Naval Station New York.

23           The federal housing problem will  
24 reach an acute stage in the next two years when

1 the Coast Guard departs Governors Island, as they  
2 now plan. These actions fly in the face of  
3 Secretary Perry's overarching concern for the  
4 military housing as expressed in the Washington  
5 Post on March 7. Clearly, if this Commission  
6 approves the Secretary's recommendations, it will  
7 put 400 military families out on the streets of  
8 New York. Many military officers and enlisted  
9 personnel clearly will not be able to afford to  
10 live on a civilian economy in New York. They  
11 will either try to avoid service in this city  
12 altogether or leave their families elsewhere and  
13 serve here as geographic bachelors.

14 The attached Chart No. 4 will give  
15 you some idea of the hardship service personnel  
16 will encounter. As you see, the average rent for  
17 a two-bedroom apartment in the New York  
18 metropolitan area is \$1,000 per month. The  
19 housing allowance for a relatively senior  
20 enlisted E7 with dependents is \$350 per month.  
21 For an Army captain O3 with dependents, it is  
22 \$536 per month. I would simply ask you to  
23 consider the question: How can our military  
24 families afford these costs? In my opinion, and

1 I hope you agree, that very modest to the savings  
2 to the Army by closing Fort Hamilton housing,  
3 which we admit is about \$7,000 per year total,  
4 will be outweighed by the economic injury that  
5 will be inflicted on our military families.

6 At this point in the record, I would  
7 also like to include Senator Robert DiCarlo's  
8 testimony, and ask you to reject the Secretary's  
9 recommendation to dispose of Fort Hamilton's  
10 housing, as a deviation from military criterion  
11 number 1 and, frankly, a violation of common  
12 sense.

13 I appreciate the opportunity to  
14 present these points to you, and now would like  
15 to ask Joseph Healey to provide further  
16 elaboration. I thank you.

17 CHAIRMAN DIXON: Mr. Healey, before  
18 your remarks, let me say to the Congresswoman  
19 that the Senator's statement will be reproduced  
20 in the record, and we want you to know we are  
21 looking at housing all over the country. We are  
22 very much aware and very sensitive of the  
23 articles in the Washington Post, the statements  
24 of Secretary Perry and our own staff's knowledge

1 of housing projects. We thank you for your  
2 contribution. Mr. Healey.

3 MR. HEALEY: I will defer to the  
4 Deputy Mayor, and then I will follow her.

5 CHAIRMAN DIXON: Madam Mayor, please  
6 express to your distinguished Mayor, Rudolph  
7 Giuliani, the appreciation of the Commission for  
8 his hospitality today.

9 DEPUTY MAYOR REITER: I will do that.  
10 I join with Congresswoman Molinari in welcoming  
11 you to New York, and thank you for holding your  
12 hearings here today.

13 I am pleased to have the opportunity  
14 to address the Commission this morning. Mayor  
15 Giuliani has asked me to speak and represent the  
16 City of New York on military realignment and  
17 closure issues before the Commission. In  
18 addition to this brief statement, I am giving to  
19 the Commission a statement from the Mayor on the  
20 subject at hand.

21 For more than a century, Fort  
22 Hamilton and Fort Wadsworth guarded the approach  
23 to the city from the sea. Also, part of our  
24 history have been Fort Totten, Governors Island,

1 the Brooklyn Naval Station, and of course the  
2 short-lived Naval Station New York on Staten  
3 Island.

4 With the anticipated drawdown of  
5 Governors Island by the Coast Guard, only Fort  
6 Hamilton and Fort Totten will remain in the years  
7 ahead as a significant military presence in New  
8 York City. The Congresswoman has told you of the  
9 many vital missions performed at Fort Hamilton,  
10 and General Healey will speak of the critical  
11 nature of the housing there, as well as how  
12 important it is to keep that housing for our  
13 military members.

14 I have a different message and it is  
15 simply this: New York City very much supports  
16 our military and its members. Besides  
17 active-duty personnel, New York City is home to  
18 some 60,000 military retirees. We value deeply  
19 those military members who come here to serve  
20 their country. Therefore, we think it is very  
21 important that the military members who reside in  
22 New York have adequate housing, ample support  
23 services, and are not burdened with undue  
24 financial hardships.

1           If the family housing at Fort  
2           Hamilton and Fort Totten is taken away, the  
3           viability of the important neighborhoods around  
4           these bases will be threatened. In fact, without  
5           any additional support, they will most certainly  
6           decline.

7           As you all know, this is not the  
8           first time New York City has faced closure or  
9           realignment of its military properties. As a  
10          city, we continue to perform well, working with  
11          the Department of Defense in the redevelopment  
12          process of Fort Wadsworth and the Brooklyn Navy  
13          Base. These properties continue to be an  
14          economic and community asset to the city.  
15          However, at this juncture the question must be  
16          asked about how much more reduction and closure  
17          New York City can sustain. From our vantage  
18          point, and in comparison with the rest of the  
19          nation, we have borne too much already. We do  
20          not ask for special treatment, only the same  
21          equity that much of the rest of the nation has  
22          enjoyed throughout this process over the years.

23                   These realignment actions deserve a  
24          second look. We look forward to working with the

1 Commission to discuss the many ways in which the  
2 continued full operation of Fort Hamilton, Fort  
3 Totten, and the Naval Reserve Center in Staten  
4 Island are of tremendous importance to our city.

5 Thank you for your consideration.  
6 Again, welcome to the City of New York. And now  
7 General Healey.

8 CHAIRMAN DIXON: General Healey, we  
9 are delighted to have you.

10 GENERAL HEALEY: Thank you, Deputy  
11 Mayor.

12 Mr. Chairman, Commissioners, ladies  
13 and gentlemen, good morning. As has already been  
14 mentioned, my name is Joe Healey. I am a  
15 businessman from the City of New York. I am a  
16 retired major general from the Army side of the  
17 house, a former president of the Chamber of  
18 Commerce of New York and -- one thing that your  
19 predecessors got me into -- I am now a *pro bono*  
20 commissioner for the reuse of Naval Station New  
21 York as a result of BRAC '93.

22 My purpose here today, however, as is  
23 that of the Congresswoman and Deputy Mayor, is in  
24 defense of Fort Hamilton, that it not be

1 reassigned, and that BRAC '95 consider keeping  
2 Fort Hamilton intact.

3 To me, issue number one is, why is  
4 Fort Hamilton on the BRAC list in the first  
5 place? And the answer is: probably by mistake.  
6 The BRAC staff and the Commission can save DOD  
7 from contradiction due to some faulty staff work,  
8 in my opinion. As a former senior officer, I  
9 applaud civilian control of the military, but  
10 what we do not want to applaud is an honest  
11 mistake carried to absurdity, like wallpapering a  
12 house on fire.

13 DOD and DA, the leaders there, have  
14 driven the civilian and Congressional direction  
15 to reduce the cost of defense and therefore have  
16 caused us to make certain choices, certain value  
17 judgments. Fort Hamilton housing was estimated  
18 to have a cost of \$17,000 for house per housing  
19 unit, which compared unfavorably, and so the  
20 leaders went off to put Fort Hamilton on the BRAC  
21 list because of military value criteria number  
22 one, and the conclusion was that we realign.

23 The trouble is that the data is  
24 absolutely incorrect. Housing costs at Fort

1 Hamilton run about \$7,000 per annum per housing  
2 unit. How they got to 17 I don't know. It left  
3 Hamilton at 7. It went to Dix and it went to DA.  
4 Where it got mixed up I cannot attest to, but I  
5 can tell you this much: public law says that if  
6 you are beyond 15,000 you are in violation of the  
7 law, and it should have taken somebody to get  
8 that figure straight.

9 Here, then, is the dilemma that you  
10 can assist DOD with. They and many leaders in  
11 the military, but especially DA, where the  
12 problem is worse, declare again and again and  
13 again that the quality of life for our military  
14 members is of primary concern. Another  
15 concomitant major concern for the military  
16 leaders is the integrity of the military family.  
17 Well, if you get rid of the military housing, you  
18 do irreparable damage to the attractiveness of an  
19 all-volunteer force and you do irreparable damage  
20 to the military family, because we will turn our  
21 military leaderships back on our soldiers. We  
22 will force them to fend for themselves on the  
23 economy, where it is clearly demonstrated it is  
24 impossible, with the variable housing allowance

1 permitted for them, to live in the New York area.

2 Housing for soldiers and their  
3 families is not a perk. It is a leadership  
4 responsibility. Military housing is not a pawn  
5 on the budget board game. It is an honor that we  
6 must require of our leadership to give to our  
7 soldiers.

8 Look at the base at Fort Hamilton  
9 with respect to the number of units that are  
10 there in terms of housing support. I would just  
11 mention to you that that recruiting command has  
12 one major issue. It did 9,000 accessions last  
13 year. That is the best recruiting unit in the  
14 United States Army by definition and award. If  
15 you look at the mix there, you will see Army,  
16 Reserve, Marine, UN, Defense Intelligence Agency,  
17 DIA, United States Naval Reserve, ROTC. You  
18 know, if the SecDef walked in this room now and  
19 didn't know why that chart was up there, he would  
20 say, "Hey, guys, that's the way the system is  
21 supposed to work: multi-use, multi-force out of  
22 one base. Congratulations, guy." But we are  
23 going to close them.

24 I would tell you that if you wanted

1 to design a post that was inexpensive to run, was  
2 multipurpose in mission, was multiservice  
3 oriented in support function and in a good living  
4 environment, where families could be proud to  
5 live with their families and their spouse, in an  
6 area where families could be safe and accepted by  
7 a community, in an area where thousands of  
8 retirees are served by the post, you would design  
9 another Fort Hamilton. So why destroy it?

10 The issue really started with  
11 inaccurate cost data for housing and then jumped,  
12 without reasoning, to get rid of the housing at  
13 Fort Hamilton when all DA said was, let's dispose  
14 of the housing. Disposing does not mean closing.

15 The bottom line: let Fort Hamilton  
16 stand as it is for this BRAC consideration. The  
17 near-term considerations on privatization of  
18 housing will make us all a lot wiser in the  
19 near-term future. Thank you.

20 CHAIRMAN DIXON: Thank you very much,  
21 General Healy. We are indebted to you and to  
22 Deputy Mayor Reiter and her distinguished  
23 superior, Mayor Rudolph Giuliani, and to  
24 Congresswoman Susan Molinari.

1                   Now we will hear from Congressman  
2 Jack Quinn and his group on REDCAP Facility.  
3 Thank you very much. (Applause)

4                   Congresswoman Molinari, you have a  
5 large group at the hearing supporting you.

6                   CONGRESSWOMAN MOLINARI: I would like  
7 to thank the members of the various community  
8 councils and community groups for coming here to  
9 support us.

10                  CHAIRMAN DIXON: You did a good job  
11 for them.

12                  Congressman Jack Quinn, Mr. Calinski,  
13 the manager of REDCAP facility, Mr. Jack Wagner,  
14 of CALSPAN Corporation, have you all been sworn?

15                  I am sorry? What is the matter?

16                  CONGRESSMAN QUINN: We would like to  
17 have Fort Totten taken first.

18                  CHAIRMAN DIXON: You want Fort Totten  
19 instead. Fort Totten Congressman Gary Ackerman  
20 and Ms. Claire Schulman, the president of the  
21 Borough of Queens. If they are here, that is  
22 fine with us. We are glad to have you. Is that  
23 all right with everybody?

24                  CONGRESSMAN QUINN: Yes, if it is all

1 right with you and them.

2 CHAIRMAN DIXON: I am just trying to  
3 accommodate you folks.

4 Then for seven minutes, Fort Totten/  
5 Roslyn Air Guard Station. Congressman Gary  
6 Ackerman and Ms. Claire Schulman, the president  
7 of the Borough of Queens. Congressman, we are  
8 delighted to have you, sir.

9 You have you been sworn?

10 CONGRESSMAN ACKERMAN: We have been  
11 sworn.

12 CHAIRMAN DIXON: All right.

13 CONGRESSMAN ACKERMAN: Even with the  
14 recommendation, the Army's New York area command,  
15 specifically Fort Totten, is slated to remain the  
16 headquarters of the 77th Army Reserve Command,  
17 which is the largest Army Reserve unit in the  
18 country, comprised of 17,000 citizen soldiers.  
19 In fact, the Army plans to increase the size of  
20 the 77th ARC in the fiscal year 1995, also  
21 increasing full-time military personnel from 125  
22 to 143. The 77th also sent 3,200 troops to  
23 Operation Desert Storm. In addition, the New  
24 York area command will remain the Military

1 Entrance Processing Station for New York City,  
2 which handles some 35,000 applicants for  
3 enlistment in all the armed forces. The Army New  
4 York City Recruiting Battalion will also remain.  
5 A fourth major activity of the New York area  
6 command is to serve as headquarters of the Eighth  
7 Medical Brigade of the Army Reserve, the largest  
8 deployable medical unit in the Army Reserve,  
9 consisting of approximately 6,700 soldiers.

10 The continued substantial presence in  
11 New York of all the military services raised the  
12 question of where to house members of the  
13 military and their families. The Army's answer  
14 seems to be that they should dispose of their  
15 housing and pay the Navy \$3.1 million to house  
16 service members and their families in Mitchel  
17 Field. The Army's proposal to close Fort Totten,  
18 a substation of Fort Hamilton, is reported to  
19 save \$2 million annually.

20 However, it has recently come to our  
21 attention that the cost of housing at Fort Totten  
22 used by the Army to compute these savings may  
23 have been inaccurate, and indeed we believe they  
24 are. The Army itself is currently recomputing

1 the cost of housing at Fort Totten, and the  
2 results are not yet available. I believe the  
3 Army's \$3.1 million would be better spent  
4 refurbishing the housing at Fort Totten. In the  
5 end, the savings will be paltry or none. Even if  
6 the Army did reach agreement with the Navy for  
7 housing at Mitchel Field, Navy and Marine  
8 personnel would have a right of first refusal  
9 which would force Army personnel and their  
10 families to look for housing on the open market.

11 An article in the April 10 "Army  
12 Times" highlights how difficult it will be for  
13 Army personnel to find adequate housing in New  
14 York City and Long Island -- clearly, among the  
15 nation's most expensive areas for housing. The  
16 COLAs that the Army personnel receive are simply  
17 not enough to cover the cost of housing in this  
18 area.

19 I believe that continuing to house  
20 service members at Fort Totten will support  
21 President Clinton's and Secretary Perry's  
22 commitment to upholding the morale and welfare of  
23 service members and their families. How better  
24 than by providing housing in a picturesque part

1 of Queens, on the Long Island Sound, with access  
2 to excellent facilities in one of the nation's  
3 best neighborhoods. It doesn't get any better,  
4 and for you its cheap.

5 In short, I believe that Fort Totten  
6 should remain open because of the continued  
7 substantial military service presence in New  
8 York, because of the high cost of housing in the  
9 New York area, and because it will improve morale  
10 and welfare of service members and their  
11 families, and because change will result in  
12 little or no savings.

13 I therefore respectfully request that  
14 the Commission remove Fort Totten from the list  
15 of facilities to be closed.

16 It is now my pleasure to present to  
17 you the distinguished County Executive, the  
18 Borough President of Queens, Ms. Claire Schulman.

19 CHAIRMAN DIXON: Thank you,  
20 Congressman Ackerman.

21 Madam President, we are delighted to  
22 have you.

23 BOROUGH PRESIDENT SCHULMAN: Thank  
24 you for being here this morning and allowing us

1 to testify. My remarks will outline the reasons  
2 why Fort Totten is an irreplaceable resource for  
3 the Army and why its aspects greatly enhance the  
4 status and operational capacity of the Army's New  
5 York area command.

6 The regional map -- Fred, would you  
7 put that map up, please? -- the regional map  
8 illustrates the unique and strategic location of  
9 Fort Totten in Bayside, Queens, insofar as its  
10 proximity to bridges, highways, public  
11 transportation, airports, linking Totten to other  
12 military facilities, such as West Point and Fort  
13 Monmouth. These attributes have made Totten a  
14 preferred location for armed service personnel,  
15 including those assigned to the United Nations,  
16 Federal Office Building in Manhattan, Army  
17 recruiters, and ROTC professors.

18 Undoubtedly, these locational  
19 advantages also explain the Army's decision to  
20 place the New Jersey reserves under the command  
21 of Totten this fall. This move will expand the  
22 number of reservists assigned to Fort Totten 77th  
23 ARCOM Headquarters as well as its complement of  
24 full-time military personnel. Consequently, it

1 is safe to conclude that there will be an even  
2 greater demand for on-post housing, not less.

3 The base is part of an integrated hub  
4 of quality community resources that provide  
5 outstanding support for its residents. The  
6 combination of outstanding schools, excellent  
7 shopping, recreation and superior quality of life  
8 led the Citizens Committee of New York to rate  
9 the Bayside area as one of the top communities  
10 for raising children in New York City. In many  
11 cases, housing on the base is some of the finest  
12 and best in the city and certainly one of the  
13 best bargains, which should not be in the Army's  
14 best interest to relinquish.

15 I want to stress that the recent  
16 diminished use of Fort Totten housing has not  
17 been a matter of choice. In January 1995, before  
18 the issuance of the BRAC recommendations, the  
19 Fort Dix Command announced that housing at Fort  
20 Totten would be closed. As a result, military  
21 personnel seeking housing in the New York area  
22 were denied access to Fort Totten. We believe  
23 that the decision to close Fort Totten is, in  
24 part, driven by the Army's desire to get out of

1 the housing business. Thus, the Army is  
2 negotiating with the Navy to provide these  
3 services at Mitchel Field. We understand that  
4 under the proposed arrangements the Army would  
5 provide \$3.1 million to upgrade a portion of  
6 deteriorating housing facilities at Mitchel  
7 Field. This funding could be used at Fort Totten  
8 to much better advantage.

9 I also understand that the accuracy  
10 of the figures which justify the closure of Fort  
11 Totten has been called into question. It appears  
12 the anticipated savings would be far less than  
13 originally projected. Therefore, Army analysts  
14 are currently recomputing the savings, but the  
15 results are not yet available.

16 In sum, Fort Totten should remain  
17 open, as it provides the most opportunities in  
18 the most desirable location for the Army Reserve  
19 Command to accomplish its mission and realize its  
20 stated vision of an improved quality of life and  
21 work environment for personnel and family  
22 members. Thank you.

23 CHAIRMAN DIXON: Madam President, we  
24 are indebted to you and, of course, to

1 Congressman Ackerman for your excellent  
2 presentation. Thank you very much. (Applause)

3 THE COURT: Now we are delighted to  
4 hear from Congressman Jack Quinn, Mr. Calinski  
5 and Mr. Jack Wagner.

6 Have you all been sworn?

7 CONGRESSMAN QUINN: Yes, we have.

8 CHAIRMAN DIXON: Is there somebody  
9 missing?

10 CONGRESSMAN QUINN: Mr. Wagner is  
11 going to be a technical assistant with the  
12 slides. He is way over there.

13 CHAIRMAN DIXON: We are delighted to  
14 have you, Congressman Quinn.

15 CONGRESSMAN QUINN: Thank you. Mr.  
16 Chairman and Commissioners, I want to just take a  
17 brief moment to offer my strong support for  
18 REDCAP. We have heard already this morning from  
19 Senator D'Amato and, interestingly enough,  
20 Speaker Silver talking about the importance of  
21 REDCAP while we are at the other end of the state  
22 in Western New York. As a member of the House of  
23 Representatives who represents the facility, I  
24 have supported REDCAP since I came to Congress.

1 In my view, there are two overwhelming reasons<sup>7</sup>  
2 why the REDCAP facilities should remain as an  
3 independent testing facility under CALSPAN's  
4 domain.

5 \*First, REDCAP doesn't meet the  
6 criteria for consideration under the BRAC  
7 process. REDCAP has far less than the required  
8 300 employees, and isn't even a base in the first  
9 place. It is disappointing indeed to see it on  
10 the list.

11 \*Second, it is my understanding that  
12 the intention of the move is to cut cost. A  
13 priority of mine in the Congress is to cut cost,  
14 and you would think, therefore, that I would  
15 agree with this move. I do not. I fail to see  
16 the cost-effectiveness of removing the REDCAP  
17 facility now when it is completely upgraded and  
18 has been successfully serving its customers now  
19 for almost a year.

20 Mr. Chairman and members, I urge you  
21 to strongly consider this matter, keeping in mind  
22 the important testimony you have heard today and  
23 you will hear from Mr. Calinski in a moment.  
24 Above and beyond the economic impact in Western

1 New York, the country would lose a facility of  
2 truly unique military value.

3 Mr. Chairman, I will yield now to  
4 Mr. Calinski's technical information this  
5 morning.

6 CHAIRMAN DIXON: Thank you very much  
7 for that excellent presentation, Congressman. We  
8 are delighted to have Mr. Calinski.

9 MR. CALINSKI: Thank you very much.  
10 My name is Pete Calinski. I am the facility  
11 manager for REDCAP --

12 CHAIRMAN DIXON: Pardon me,  
13 Mr. Calinski, I am not able to hear you well. Is  
14 the mike working all right? Try to talk right  
15 into it, Mr. Calinski.

16 Could we have the accommodation in  
17 the back of the room necessary for Mr. Calinski  
18 here.

19 MR. CALINSKI: I am the facility  
20 manager for REDCAP. I have been an employee of  
21 CALSPAN Corporation for over twenty years.  
22 REDCAP is an integrated air defense simulation.  
23 We test how well our systems that we developed in  
24 this country can be used to penetrate enemy air

1 defenses.

2 In the handout you have in front of  
3 you, there are five sections. The first section  
4 of that handout is the briefing I am giving  
5 today. The second section is a small description  
6 of the REDCAP facility. The third is our  
7 analysis of the Air Force inputs to the BRAC  
8 process and our differences with that analysis.  
9 The fourth is a description, an article from a  
10 trade journal concerned with electronic combat,  
11 and it shows their concerns with moving REDCAP.  
12 The last is the text from the Senate  
13 Appropriations Committee Report that defines what  
14 conditions can be used to remove REDCAP.

15 I am going to have to add two slides  
16 here which give a description of what REDCAP  
17 does. On the left in this picture you see some  
18 aircraft penetrating. Those are U.S. aircraft.  
19 Their mission is to penetrate an enemy air  
20 defense area. They have got to do a bombing run,  
21 they have got to do something in there. The  
22 right-hand side is what the enemy has done to  
23 prevent interference in their air space. They  
24 have set up radars, command and control, all of

1 this to focus on air missiles and interceptors  
2 against our penetrating aircraft. This has to be  
3 tested. You have to understand how these systems  
4 work. Jammers. In order to do that you need a  
5 simulation. How do you do that?

6 The next slide, please.

7 You do it with a combination of  
8 computers and real people. You put the flight  
9 pads, the laydowns, the positions, the  
10 interconnections inside the computer. You get  
11 real people making the decisions. You get  
12 jammers, you can test them. You have real pilots  
13 with interceptors. That is what REDCAP does.  
14 That is how you determine the effectiveness of  
15 the systems that our country is building.

16 The next slide, please.

17 Now I will go into the briefing. The  
18 question comes: move REDCAP. It is essential to  
19 REDCAP's mission that we continue to be operated  
20 as we have been by CALSPAN. It was started under  
21 our own research and development money back in  
22 the early '60s, and we have been the only  
23 organization to operate, manage and upgrade  
24 REDCAP over that entire period. The best

1 military value can be achieved by leaving REDCAP  
2 at its present location.

3 We take exception to the findings of  
4 the Air Force that were in the report. This is  
5 the text from the Secretary of Defense report to  
6 the BRAC Commission. I don't have time to go  
7 through all the problems with this, but if you  
8 will turn to the next page you will see an  
9 example of our analysis of that report. The  
10 third part of that handout is actually the  
11 details that I am going to show you in this  
12 example. The text from the report is on the  
13 right-hand side. The section that we are  
14 specifically taking exception to is highlighted  
15 in red. If you look over, that is reproduced as  
16 the assertion. Then, comparing that assertion,  
17 you have the fact.

18 The assertion says REDCAP has  
19 utilized only 10 percent or will in the future.  
20 The fact is, we are over 100 percent capacity  
21 right now. It was an underestimate because the  
22 rule for estimating workload was to take the  
23 average of the 1992 and '93 workload, multiply it  
24 by .72, which was supposedly the level of budget

1 that would be in the future, and that is how you  
2 compute workload. The fallacy of that in the  
3 case of REDCAP is that in 1992 and '93 we had not  
4 yet been upgraded. We didn't have that many test  
5 customers. Since then our capacity has gone up  
6 by over 400 percent. In the future we expect a  
7 major increase in testing compared to the past.  
8 This is just one example of the problems we have  
9 with the Air Force recommendations.

10 As I said, the details are in that  
11 handout for all the other sections and have been  
12 presented to your staff.

13 The next slide, please.

14 This is the final selection criteria  
15 that you have to work to. I think you have  
16 seen it all. You understand what those are. I  
17 am going to address the first five criteria.

18 The first one, military value. The  
19 current and future mission requirements and  
20 impact on operational revenues. Our mission is  
21 more important than ever. We have the only  
22 modern-threat air defense system that you can  
23 test against. This country cannot develop  
24 adequate penetration aids without testings at

1 REDCAP. With the reduced budgets that DOD is  
2 seeing, we are going to have to reduce flight  
3 testing. Right now, a lot of tests are done by  
4 flight tests. It is good sense to have REDCAP.  
5 Our costs are much less to test at REDCAP in  
6 simulation and not on flights. And I want to  
7 point out our facility is not duplicated  
8 anywhere. They do not do our kind of testing  
9 anywhere else in the free world.

10 The second criterion is the  
11 availability of the conditions of air and land  
12 space. REDCAP requires no land or air space.  
13 We are a laboratory, about 20,000 square feet  
14 inside the CALSPAN Corporation facility. And  
15 it is interesting for REDCAP: the government  
16 doesn't pay rent, the government doesn't pay  
17 for the utilities, the government doesn't pay  
18 for security. Building maintenance, cleaning  
19 and so forth, are all handled by the CALSPAN  
20 Corporation. You can't get much cheaper than  
21 that. The receiving location, Edwards Air  
22 Force Base, has absolutely no place to house  
23 REDCAP.

24 The third issue: the ability to

1 accommodate contingency mobilization. In  
2 Buffalo, New York, we have fifty people trained  
3 to operate and upgrade REDCAP. Edwards Air  
4 Force base, no experience. We have over 40  
5 people trained to act as enemy operators, to  
6 take the place of the enemy operators in the  
7 real system. There is no one at Edwards Air  
8 Force Base like that. We have nearly 400  
9 additional technical staff at CALSPAN, highly  
10 skilled people who can fill in and handle surge  
11 capacity. Edwards Air Force Base has no surge  
12 capacity. And if there are lead times or  
13 between times in getting ready for one test and  
14 another one is coming out, CALSPAN absorbs the  
15 extra labor. Those people go to work on other  
16 CALSPAN tasks. If it was at Edwards Air Force  
17 Base, you would have to pay the full salary of  
18 those people all the time.

19 Our current location in CALSPAN: We  
20 have additional area, more than twice the area  
21 occupied by REDCAP right now, so we could  
22 absorb any additional capacity. As I said,  
23 Edwards does not have any additional capacity.  
24 They don't even have the initial capacity.

1           I want to point out that there are a  
2           large number of colleges and universities in  
3           the Buffalo area. Buffalo is a very low cost  
4           labor area, as opposed to California -- Edwards  
5           Air Force Base -- typically 29 percent higher  
6           salaries in the Edwards Air Force Base area.  
7           So you move REDCAP out there, even if they  
8           don't have the people, if they acquire them  
9           they have to hire them at a high salary.

10           The cost in manpower implications:  
11           REDCAP in Buffalo costs less to operate than it  
12           would at Edwards. In Buffalo, as I said, they  
13           don't pay rents, they don't pay for utilities,  
14           they don't pay for security or the surge  
15           capacity. If you move it to Edwards, you are  
16           going to have to pay for that security and the  
17           surge capacity and salaries.

18           In Buffalo, the government does pay a  
19           very small amount, \$900,000, to maintain the  
20           facility. You have that same cost at Edwards  
21           Air Force Base. They are still going to have  
22           to maintain computers, have technicians to run  
23           diagnostics, and so forth.

24           And the salaries: At REDCAP right

1 now, the government pays the salaries only of  
2 the people it is using at any given time. If  
3 you have a test and instead of 40 operators,  
4 you only need 20, the government pays for 20.  
5 That is the only cost. If you move it to  
6 Edwards Air Force Base, you are going to train  
7 40 operators and then they are going to have to  
8 pay those 40 operators whether they are being  
9 used.

10 The last of the evaluation criteria:  
11 return on investment. Our analysis shows the  
12 pure return on investment is negative. It will  
13 cost the government something like \$9.1 million  
14 to move REDCAP, not save it \$11 million.

15 The details I have given to your  
16 staff at previous meetings and in subsequent  
17 submittals to them. That analysis I assume  
18 they have accepted. I would be willing to  
19 update it if there are any questions. But what  
20 the Air Force failed to consider is the cost to  
21 pack up REDCAP -- \$6.5 million; the cost to  
22 restore the facility where it is now, \$1.3  
23 million; the cost to acquire and train  
24 appropriate staff. None of those have been

1           accounted for in the report.

2                   I am going to skip this next one. I  
3           am running a little tight on time. The  
4           question about co-locating. You can always get  
5           the data from REDCAP electronically. That has  
6           been proven before; it will be again.

7                   The question arises, why are we on  
8           the list? We are not really a base, a camp, a  
9           shipyard, or anything like that. As I said, we  
10          are a small facility inside of a contractor's  
11          domain. We don't have any civilian government  
12          jobs at REDCAP. We are all contractors.

13                   The last part of the handout is the  
14          Senate Appropriations Committee Report language  
15          that says you cannot move REDCAP unless you do  
16          a final and special report on the ability to  
17          link it. This action is trying to circumvent  
18          that.

19                   In summary, the government doesn't  
20          pay for the use of tests of any kind on REDCAP  
21          except for actual testing there. They pay only a  
22          minimum maintenance cost. The net present value  
23          of removing REDCAP is a cost, not a saving. The  
24          true cost to move the facility is \$13.8 million

1 or something like that, not \$1.7 million. Moving  
2 REDCAP means moving jobs out of the private  
3 sector and into government jobs. I thought  
4 better government says: move jobs from the  
5 government side into the private sector. This  
6 would be the opposite of that action. If you  
7 move REDCAP, you are going to destroy the  
8 capability that this country has.

9 Are there any questions?

10 CHAIRMAN DIXON: No. You have done a  
11 very fine job, and we want you and the  
12 Congressman to know we kind of wonder why you are  
13 on the list too. We will look at it.

14 CONGRESSMAN QUINN: That is the  
15 point. Thank you, Commissioners. We appreciate  
16 your time.

17 CHAIRMAN DIXON: Mr. Anthony  
18 Kominiarek, president of the AFGE Union on behalf  
19 of Seneca Army Depot. I am glad to see you  
20 again, sir. Have you been sworn, Mr. Kominiarek?

21 MR. KOMINIAREK: Yes, I have.

22 CHAIRMAN DIXON: You have three  
23 minutes.

24 MR. KOMINIAREK: I would like to

1 express our displeasure with the study that  
2 causes us to be recommended for closure. The  
3 tiered depot study has been proven to be  
4 inaccurate and flawed in terms of what it was  
5 originally sanctioned to accomplish. General  
6 Sullivan requested the ammunition community to do  
7 a study. He wanted a safer, shorter  
8 configuration, capable of supporting ARC while  
9 saving in terms of manpower, infrastructure and  
10 cost. The tiered depot study does not support  
11 General Sullivan's expectations, nor does it  
12 provide the alternative for national defense.  
13 Both the quantitative and qualitative analysis in  
14 this study is extremely questionable and lacking  
15 in meaningful substance. It is obvious that it  
16 distorts configuration and requirements for two  
17 ARC's to be provided by any configuration of the  
18 Army depots. Therefore, size should not be a  
19 major factor in determining who stays open. I am  
20 suggesting that by keeping Seneca Army Depot open  
21 that the storage and outloading requirements can  
22 still be easily met. Therefore, larger  
23 ammunition depots can be closed, resulting in  
24 additional cost reduction, infrastructure

1 reduction, configuration reduction and manpower  
2 reduction.

3 In addition to all cost savings  
4 associated with this strategy, the Department of  
5 Defense requires enhanced war fighting capability  
6 because of our unique power projection rapid  
7 deployment capability. Seneca has an outpost  
8 airfield runway of 12,000 foot, which is C-5  
9 capable for direct flight to Europe or Southeast  
10 Asia.

11 Conclusion here: We believe that the  
12 Seneca ammunition mission should not be only  
13 maintained but it should be increased. Thanks  
14 very much.

15 CHAIRMAN DIXON: Mr. Kominiarek, we  
16 appreciate that very fine presentation. As you  
17 know, I visited Seneca, and I saw the white deer  
18 and turkey and Finger Lakes. It is a beautiful  
19 part of your great state. We thank you, sir, for  
20 that very fine presentation. Thank you very  
21 much.

22 Ladies and gentlemen, we are going to  
23 stand in recess until 10:35 a.m. when we will go  
24 back immediately and on time at 10:35 a.m. to

1 hear the Governor of the great State of  
2 Connecticut, Governor John Rowland.

3 (Recess)

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1 CHAIRMAN DIXON: If everybody will  
2 take seats, we will appreciate it.

3 We now have the great State of  
4 Connecticut for 90 minutes with their  
5 distinguished leaders here. We are going to ask  
6 everyone who is going to testify to please stand  
7 and raise your right hand. Under the law we have  
8 to swear you in.

9 Do you all solemnly swear or affirm  
10 that the testimony you are about to give to the  
11 Defense Base Closure and Realignment Commission  
12 shall be the truth, the whole truth and nothing  
13 but the truth?

14 (Nine speakers, in chorus): I do.

15 CHAIRMAN DIXON: Thank you very much.

16 Governor Rowland, we are delighted to  
17 see you, sir, and we appreciate your being here  
18 to present the case of the great State of  
19 Connecticut.

20 GOVERNOR ROWLAND: Thank you very  
21 much, Mr. Chairman. First, let us thank you all  
22 for coming to New York. As the new Governor of  
23 Connecticut, I am pleased to have this  
24 opportunity to lead off our state's presentation.

1 The elected representatives will be making very  
2 brief remarks because we have some volunteer  
3 community groups that have a tremendous,  
4 substantial presentation to make.

5 Mr. Chairman and other members, as  
6 you know, many states have had economic problems.  
7 Connecticut has not been spared. We have had a  
8 disproportionate loss of jobs due to defense cuts  
9 across the nation. Eight years ago Connecticut  
10 was ranked first in terms of defense contracts  
11 per capita; we now rank number 12. Between 1984  
12 and 1994, we lost 133,000 manufacturing jobs and  
13 are projected to lose as many as 40,000 to 50,000  
14 more through 1998.

15 Connecticut is the only state that  
16 has lost population for three years in a row,  
17 largely due to defense cuts. This loss is a root  
18 cause of a "brain drain" of talented engineers  
19 and scientists and craftsmen who have had to  
20 leave the state to find work elsewhere.

21 I am not here today to blindly bemoan  
22 defense downsizing. As a former member of the  
23 House Armed Services Committee, I recognize how  
24 essential military value is in assessing DOD's

1 requirements. But we are here to tell you that  
2 Connecticut's dedication is to national security.  
3 Our state has an unusually educated and skilled  
4 workforce, and we have the infrastructure to  
5 support our extraordinary workforce. The  
6 scientists and engineers and the contractors and  
7 thousands of subcontractors cannot be replaced  
8 anywhere else in the nation.

9 We are committed to home-porting the  
10 Seawolf. We have told the Secretary of the Navy  
11 that. We are committed to doing our fair share.

12 The 1993 Commission unanimously voted  
13 to co-locate the Naval Nuclear Power and  
14 Propulsion Commands in New London, along with the  
15 SSN fleet and the other submarine training  
16 schools. What a unique opportunity to maximize  
17 economies of scale by basing these facilities  
18 together. This decision should not be reversed  
19 for one very simple reason, we believe: the  
20 numbers don't add up, logistically or  
21 financially.

22 We also believe the closure of the  
23 Naval Undersea Warfare Center is simply wasteful.  
24 It makes no sense to move the laboratory 55 miles

1 away from the ships, shipbuilder, and the  
2 tactical development squadron with which it must  
3 interact. Synergy exists in the New London area,  
4 and I will be happy to pass this picture around  
5 that shows the home-porting, it shows the  
6 submarine repair facility, the submarine builder,  
7 the submarine school, the tactical development,  
8 all located within the new London area. Those  
9 are facilities we don't have in Newport. It will  
10 cost a fortune to build those, and it does not  
11 count the environmental and endangered species  
12 problems, as well as many other problems they may  
13 have down South.

14 Lastly, the Stratford Army Engine  
15 Plant should not be closed for economic and  
16 strategic military readiness reasons.  
17 Rightsizing is working in Stratford, and we will  
18 clearly demonstrate that the costs to close the  
19 plant will be significantly higher than predicted  
20 by the DOD, in terms of both dollars and jobs.

21 The presentations you are about to  
22 hear this morning clearly outline ways in which  
23 the Department of Defense can reduce spending and  
24 enhance military value, while simultaneously

1 maintaining the vibrant infrastructure that has  
2 long been Connecticut's legacy.

3 It is now my pleasure to present the  
4 senior Senator from Connecticut, the Honorable  
5 Christofer Dodd.

6 SENATOR DODD: Thank you very much,  
7 Governor.

8 Mr. Chairman and members of the  
9 Commission, I am very proud to appear before you  
10 this morning to testify in behalf of our three  
11 locations in Connecticut that are the subject of  
12 this hearing, at this final regional gathering.

13 Let me also express our gratitude for  
14 the visits of Lee Kling and Al Cornella, who came  
15 to the state and had an opportunity to meet with  
16 the people in southeastern Connecticut and  
17 AlliedSignal as well. So we are deeply grateful  
18 for the time you have taken.

19 In the minute or so, Mr. Chairman,  
20 that I have this morning, I would like to draw  
21 your attention, if I could, and the attention of  
22 the Commission to two very important themes that  
23 I was hoping you would keep in mind as you listen  
24 to the testimony that we will be offering -- two

1 important themes that I think will run through<sup>d</sup>  
2 the presentations.

3           The first common thread or theme that  
4 runs through all three briefings is expertise,  
5 Mr. Chairman -- expertise in engineering,  
6 expertise in manufacturing, and expertise in  
7 teaching and training. Without any question, the  
8 State of Connecticut has one of the best  
9 educated, most technically proficient workforces  
10 in the country. We are the home to no fewer than  
11 1,600 large and medium-sized high-tech firms that  
12 perform some of the most sophisticated research  
13 in our nation, from submarines to radars, from  
14 aircraft engines to biotechnology. Connecticut,  
15 despite its small size, is in the lead. And that  
16 expertise cannot simply be picked up and moved.

17           The second theme, Mr. Chairman and  
18 members of the Commission, is integration.  
19 Specifically, I am referring to Connecticut  
20 facilities' unique ability to pull together all  
21 aspects of the manufacturing process, literally  
22 from inspiration to implementation. In the case  
23 of the Stratford Army Plant, we see the nation's  
24 only -- and I want to emphasize "only" --

1 integrated tank engine and engineering and design  
2 company in the country. The only one. In the  
3 case of the Naval Underwater Warfare Center, we  
4 see the integration of the finest existing  
5 underwater acoustics research in the country, and  
6 no one questions that at all. Finally, in the  
7 case of the Navy Nuclear Power School, we see the  
8 integration of all naval submarine nuclear  
9 training into one single location.

10 Again, I think the very basis by  
11 which the Base Closure Commission economizes is  
12 to try to look for efficiencies within the  
13 system. We believe, as you will see from the  
14 presentation this morning, that we more than meet  
15 the Commission's concerns in that regard. The  
16 cost efficiencies alone, I think, will speak for  
17 themselves.

18 Our Connecticut team obviously stands  
19 ready to answer any questions that you might have  
20 between now and the final deliberation in July.

21 Again, we thank you for giving us an  
22 opportunity to make this presentation. I will  
23 now turn to my colleague and Congressman from the  
24 Second Congressional District, Sam Gejdenson.

1                   CHAIRMAN DIXON: Thank you, Senator  
2 Dodd. We are delighted to have Congressman  
3 Gejdenson.

4                   CONGRESSMAN GEJDENSON: Thank you. I  
5 think we are in an appropriate place. At one  
6 point the Navy has to make a decision what to do  
7 with the aircraft carrier, whether building a new  
8 aircraft carrier makes sense to the taxpayer.  
9 And that is what you are doing. We have to  
10 reduce infrastructure. We have to make sure that  
11 in that process we don't cripple the mission of  
12 the government.

13                   When you look at the two facilities  
14 in my district, you are not going to reduce  
15 infrastructure. The proposal for the school, the  
16 proposal as it sits before you, is to build an  
17 entire new facility in the middle of the woods in  
18 South Carolina rather than co-locating the  
19 Nuclear Power School where all the other  
20 education, training and operation of nuclear  
21 submarines exist in Groton, Connecticut. It  
22 doesn't make sense, it is counterintuitive, there  
23 is no economic reason to do it. Putting the  
24 Nuclear Power School where it was originally

1 sent, with all the other training programs, is  
2 the right thing to do, and it is part of what I  
3 think your responsibilities will be if you look  
4 at the facts.

5           When you take a look at NUWC, the  
6 other facility in my district, it meets the same  
7 set of tests. If you close NUWC, you just create  
8 new infrastructure in Rhode Island 55 minutes  
9 ago. You take the men and women with all the  
10 their expertise and pull them out of their  
11 community. You are going to lose some of the  
12 best, most senior people. They told us that  
13 directly. You are going to abandon this facility  
14 and take them away from where the submarines  
15 operate, where the strategy for submarine warfare  
16 is created, and where the submarines are  
17 manufactured. The proposal as you have it  
18 doesn't help the mission of the Defense  
19 Department, doesn't save the taxpayers money. To  
20 the contrary, it will cost the taxpayers money.  
21 We will demonstrate that, and we hope you  
22 question our economic assessments, because the  
23 numbers we have are numbers that we have gotten  
24 from the Navy, they are the right numbers, and I

1 think, when you add them up, you will find that  
2 this community isn't here just telling you about  
3 the pain we are going to feel; they are telling  
4 you that what is best for this country is a  
5 decision not to build a new facility, not to move  
6 the Nuclear Power School to a place where it is  
7 isolated, and not to shut down the operations of  
8 our sonar systems, which are solely operating in  
9 New London. That is where they ought to stay.

10 It is now my privilege to introduce  
11 the junior Senator from the State of Connecticut,  
12 Senator Lieberman.

13 CHAIRMAN DIXON: We are delighted to  
14 have such a fine junior Senator.

15 SENATOR LIEBERMAN: Mr. Chairman, I  
16 appreciate the introduction,

17 CHAIRMAN DIXON: I thought you were  
18 the clean-up man.

19 SENATOR LIEBERMAN: Part of being the  
20 junior Senator is that they make me wait until  
21 the end to speak.

22 CHAIRMAN DIXON: You are the clean-up  
23 man.

24 SENATOR LIEBERMAN: Right.

1                   CHAIRMAN DIXON: My schedule says you  
2 are going to give us Mr. Frank O'Beirne. We are  
3 delighted to have you, Mr. O'Beirne.

4                   MR. O'BEIRNE: Thank you, sir. I  
5 think the Governor and Senator Dodd and  
6 Congressman Gejdenson have just given my pitch,  
7 but if you bear with me we will go into a little  
8 more detail.

9                   During this portion of the  
10 Connecticut briefing, I will be addressing the  
11 proposed Redirect for the Nuclear Power School  
12 and the Nuclear "A" School from New London,  
13 Connecticut, to Charleston, South Carolina.

14                  By way of a very short background, I  
15 am a graduate of the Naval Academy, George  
16 Washington University, and the Industrial College  
17 of the Armed Forces. My 30 years of active Naval  
18 Service included command of a nuclear powered  
19 ballistic missile submarine and command of the  
20 Naval Submarine Base at Kings Bay, Georgia,  
21 during the billion-dollar construction period of  
22 Trident submarine facilities.

23                  This is the magnitude of the facility  
24 I am going to be talking about this morning. In

1 2001, Nuclear Power School will average almost  
2 1,100 students on board at any given time, and  
3 "A" School about 960. If you add in 500  
4 instructors, we are talking about a community of  
5 about 2,560 individuals -- not an insignificant  
6 operation.

7 In 1993, DOD proposed and your  
8 predecessor Commission concurred in the total  
9 closure of the Navy facilities at Orlando,  
10 Florida. This meant the Nuclear schools had to  
11 move, and the Navy selected the Submarine Base at  
12 New London as the best location.

13 In the 18 months since that decision,  
14 the Navy has been busy at New London. \$10  
15 million worth of design, architect and  
16 engineering contracts, almost a half million  
17 dollars in actual construction, and approximately  
18 \$1 million in the planning and relocation of  
19 existing tenants in some of the buildings that  
20 were promised to the Nuclear Schools. All told,  
21 an expenditure of some \$11.5 million.

22 Now it is 1995 and Navy says it does  
23 not want the schools in New London. It would  
24 prefer to have them at the Naval Weapons Station

1 at Charleston, South Carolina.

2 Well, this begs the immediate  
3 question of what has changed since 1993? The  
4 Charleston option was available then but not  
5 selected. In fact, Charleston was not even one  
6 of the finalist candidate sites in 1993. The  
7 Navy now gives you the three reasons shown here  
8 for its new recommendation, and I am going to  
9 address each one of these in some detail in just  
10 a moment.

11 But one significant item I would like  
12 to bring to your attention: This was not the  
13 normal form of selection; that is, several  
14 competing options from configuration analysis,  
15 costed through the COBRA accounting model, and  
16 then the results compared and the best solutions  
17 selected. There were no other options considered  
18 or costed. The Navy simply said: This is what  
19 we want and they can have them.

20 So let's examine Navy's reasons. The  
21 Navy justification number 1: facilities no  
22 longer available. In 1993, Navy proposed to your  
23 predecessor Commission to turn over to the  
24 Nuclear Schools six existing buildings for

1 training and two older barracks. They  
2 additionally proposed at that time to build a  
3 third barracks, a messhall, a parking garage,  
4 medical/dental facilities, and some other  
5 associated support buildings.

6 Your predecessor Commission in 1993  
7 unanimously rejected the Navy proposal to strip  
8 the submarines from the submarine base. As a  
9 result of that decision, those two older barracks  
10 are no longer available. The sailors off the  
11 submarines that are still there will continue to  
12 use those older barracks. Significantly, though,  
13 every one of the buildings, the six buildings  
14 promised for the training forces, is still  
15 available.

16 If you will look to the right for a  
17 moment, I would like to show you a couple of  
18 pictures.

19 That first picture is Bledsoe Hall.  
20 This would be the primary building where the  
21 command structure would exist. It is only nine  
22 years old. It is some 75,000 square feet of  
23 training space.

24 The second picture, Gilmore Hall, one

1 of our oldest halls up there, has been used by  
2 the Submarine School for over 30 years, certainly  
3 to my knowledge. I attended it when I went  
4 through submarine school.

5 Next, Building 84. Unfortunately, it  
6 doesn't have a nice patriotic name, but it is  
7 still one of the major training buildings.

8 The three buildings I have shown you  
9 so far would make up two sides of a quadrangle  
10 which would be totally dedicated to the Nuclear  
11 Power Schools.

12 A fourth building I would like to  
13 show you is Cromwell Hall. This would be  
14 dedicated to the Nuclear Field "A" Schools.  
15 Interestingly enough, some years ago when Nuclear  
16 Power Schools were located at Submarine Base in  
17 New London, this was one of the buildings that  
18 they inhabited.

19 For comparison, let me show you what  
20 is at Charleston. This is it: about 400 acres  
21 of woods and wetlands. And I mean this really is  
22 it. There are a few single-lane dirt roads, some  
23 trees, some wetlands. But absolutely everything  
24 the schools need they are going to have to build

1       there.

2                       When I took this picture a month or  
3       so ago, I dearly would have loved to have one of  
4       those bald eagles or one of those red-cockaded  
5       woodpeckers sitting on one of the trees, or even  
6       an alligator at the base of the tree, but they  
7       weren't cooperating that day.

8                       Navy justification number 2:  
9       Co-location with moored training ships. This is  
10      a true fact. Location at Charleston would mean  
11      co-location with two retired nuclear submarines  
12      which are now used for the hands-on training of  
13      students in operating actual reactor plants after  
14      they have completed their six-month phase of  
15      classroom training. In 2001, approximately  
16      one-half of the nuclear power students will come  
17      to Charleston to train on these reactors and the  
18      other half will go up to Ballston Spa, New York,  
19      to train on reactors there. Co-location with the  
20      training ships does in fact mean eliminating the  
21      cost of moving some sailors from classroom  
22      training to reactor training.

23                      In certified data, based on known  
24      actual costs, this savings, which is shown here

1 as PCS or Permanent Change of Station savings, is  
2 just over a half a million dollars. That is per  
3 year. In the COBRA model, Navy has claimed an  
4 annual savings of \$6.3 million, more than ten  
5 times the actual known costs. They have done  
6 this on this basis: Instead of transferring  
7 young students, very few of whom have wives and  
8 kids and household goods, the Navy has taken the  
9 average claim for a senior petty officer with 1.2  
10 kids -- whatever .2 kids is, I haven't seen that  
11 one yet. This inflated claim accounts for the  
12 entire annual savings that I will show you in a  
13 moment in the Navy COBRA numbers.

14 Now, it is a significant fact that  
15 Nuclear Schools have moved twice over the last 25  
16 years, and significantly in neither move did the  
17 Navy consider co-location with its hands-on  
18 reactor training facilities as an important  
19 objective.

20 With the schools located in New  
21 London there are some real benefits. Shown here  
22 are some of the advantages.

23 Co-location with other basic and  
24 advanced schools. Co-location with the technical

1 schools and with the operating nuclear-powered,  
2 fleet, which the Navy in 1993 thought was very  
3 important.

4           With respect to the bottom item, in  
5 the submarine Force it is quite common for  
6 sailors to spend an entire career in one port,  
7 rotating from a sub to shore duty and from shore  
8 duty back to the submarine. It is very easily  
9 done in New London. With all the existing  
10 facilities, they can spend a twenty-year career  
11 and never leave New London. With the schools  
12 here, senior sailors could rotate from subs to  
13 instructor duty at the schools and from  
14 instructor duty back to subs or to the other  
15 facilities located at the submarine base. This  
16 would produce a significant quality-of-life  
17 stability for families, as well as future savings  
18 from eliminated household moves. There has been  
19 no credit taken within the COBRA model for any of  
20 these permanent change-in-station savings.

21           Navy justification number 3. Avoids  
22 significant building and renovation costs at New  
23 London. Well, it really doesn't do this. Showed  
24 here is what the Navy claims its Redirect would

1 cost and save. I point out, once again, that all  
2 of that annual savings of \$5.3 million is due  
3 solely to the inflated value of \$6.3 million used  
4 for the permanent change-of-station moves, as  
5 opposed to the documented historical figure which  
6 is certified within the COBRA data library.

7           The green box on the bottom displays  
8 a comparison of the military construction costs  
9 for New London and Charleston. The New London  
10 numbers on the top of the line are actual budget  
11 numbers taken out of the Navy budget. The  
12 Charleston numbers on the bottom are COBRA  
13 projections arranged in a front-loaded funding  
14 stream. One thing I would like to point out and  
15 note is that there is a two-year difference in  
16 the completion time of the expenditure of the  
17 obligation of funds.

18           We believe that there are significant  
19 problems with the Navy proposal. To use the old  
20 expression, they are comparing apples and  
21 oranges.

22           In addition to that, we also believe  
23 that they have left out a lot of known and  
24 certified costs.

1 I imagine that at this point in time  
2 of hearings that your Commission has been  
3 listening to, you must believe that there is not  
4 a single competent cost accountant anywhere  
5 within the armed services, because we all seem to  
6 stand here in front of you and say: costs are  
7 understated and savings are overstated, and you  
8 are going to hear that more.

9 So first the comparison of two very  
10 different facilities. New London is designed to  
11 a 1997 student loading while Charleston is  
12 designed to a 2001 student loading, about 170  
13 fewer students on board on any given day, and  
14 that translates to about 200 fewer barracks  
15 residents.

16 Second, at New London, all of the  
17 costs are budget quality. All of the designs at  
18 New London are past the 35 percent design review  
19 point. Some, like the barracks, are past a 100  
20 percent design review. These projects are ready  
21 to go to bid.

22 In comparison, Charleston is a  
23 computer concept with nonbudget-quality cost  
24 numbers. We have heard Navy in '91, '93, and

1       again this year, over and over, maintain that  
2       COBRA numbers are not budget-quality numbers, and  
3       they are right. COBRA numbers are good when you  
4       are comparing one COBRA number against another  
5       COBRA number. They are not good to compare with  
6       budget-quality numbers. And that is what Navy is  
7       asking you to do in this particular option. More  
8       than that, they are asking you to make a  
9       budgetary decision based on a comparison of  
10      budget numbers and COBRA numbers.

11                   Third, New London must complete by  
12      1999. Charleston would still have construction  
13      ongoing in the year 2000 and possibly into the  
14      year 2001.

15                   Now we get down and look at the  
16      actual facility differences, the physical  
17      differences, based on the fewer-student loading  
18      that Charleston is designed for.

19                   For the barracks it amounts to 44,000  
20      square feet of barracks. That is a building  
21      about 210 feet on the side.

22                   For the training it looks like only  
23      6,000 square feet of training, but in fact when  
24      you go and look into it in depth, that reduction

1 of 6,000 square feet could mean as much as \$10,  
2 million reduction in renovations, because they  
3 might not have to knock out walls in the existing  
4 building to increase a classroom to take care of  
5 one or two more students.

6 The parking? 3500 square yards of  
7 difference. Note the line there for the  
8 telephone costs. New London is proposing to  
9 upgrade telephones at a cost of \$1.3 million.  
10 The Charleston proposal does not contain a single  
11 dollar for any kind of a telephone installation.

12 Bottom line: The budgeted number at  
13 New London, \$162 million; the COBRA number for  
14 Charleston, \$147 million.

15 I said we believe that some  
16 significant costs have been omitted, and I would  
17 like to highlight just a couple of those.

18 First, the design/architect and  
19 engineering studies. As I have mentioned, we  
20 have already spent \$10 million in New London  
21 doing the A & E work, getting us up to the 35  
22 percent and 100 percent, doing all their design  
23 drawings. There is a certified data cost of  
24 \$10.5 million put into your data library that has

1       been left out of the COBRA because there is a  
2       claim that COBRA in fact contains money for  
3       design. The certified data number of \$10.5  
4       million was submitted by the people who have done  
5       this work at New London and know that the design  
6       costs attributed to COBRA are not realistic.

7               Secondly, the Charleston design, if  
8       you can call it a complete design -- we have not  
9       seen a picture yet -- has omitted all of the cost  
10      for infrastructure. The latest drawing shown to  
11      your staff analyst shows a clumping of buildings  
12      more than half a mile into the middle of those  
13      beautiful woods, but more than half a mile from  
14      the nearest road, from the nearest water, sewage,  
15      power lines, all of the utilities. And any  
16      construction costs for buildings stop five feet  
17      from the outer wall. So between that building  
18      you have to have something between you and the  
19      road.

20              There are no costs in there for an  
21      environmental impact statement or assessment. In  
22      fact, at the moment the Navy plan calls only for  
23      an assessment. Yet there are at least six known  
24      threatened or endangered species already located

1 within the Naval Weapons Station. We believe  
2 that a full environmental impact statement is  
3 required in light of the plant clearing and  
4 construction. There are also no costs attached  
5 for support functions moving to the station.  
6 There are no costs for any athletic facilities  
7 for these 2,000 active young men that are going  
8 to be studying all day there. The limited  
9 existing facilities, athletic facilities, are a  
10 mile and a half away, and they are committed 100  
11 percent of the time right now.

12 And finally, we show that there are  
13 no costs for delaying an Orlando closeout by as  
14 much as two years. Navy claims that they can  
15 accelerate the schedule, but they haven't  
16 included any costs at all for an acceleration,  
17 and you do not get acceleration for free. With  
18 respect to acquiring environmental permits, it is  
19 not clear that they could accelerate this at all.

20 So there are unanswered questions.  
21 What really is the plan at Charleston and what  
22 will it really cost when all of the appropriate  
23 associated costs are included? What is the  
24 impact of the other activities moving to the

1 weapons station? Just adding certified data  
2 costs takes the proposal well over that of New  
3 London, and probably the money expended at New  
4 London, some \$7 million or so, should also be  
5 added, since if the Charleston decision is  
6 selected, that would be money that would have  
7 been totally wasted but attributable to a  
8 Charleston decision.

9           On the other hand, what kind of  
10 reduction in costs could be made at New London?  
11 Let me give you one example, and this has been  
12 provided by Navy to your analysts. The current  
13 school requirement is for a student desk 30  
14 inches by 60 inches. If you reduce the size of  
15 that desk by 6 inches, that is, to 24 by 54, you  
16 could save \$3 million in one room alone by not  
17 having to knock out walls for the extra space  
18 required. There are other cost-saving ideas and  
19 these have been provided to your analysts, by  
20 Navy not by me, and they have this data to look  
21 at.

22           Of course, in the final run, your  
23 Commission must consider the competing options  
24 based on the criteria. I would like to run

1 through a fast comparison here.

2 First, current and future mission  
3 requirements: a school is a school. It can and  
4 will do its job adequately wherever you put it.

5 But second, availability and  
6 condition of land. At New London we have the  
7 land, we have facilities, and we have existing  
8 infrastructure. At Charleston you have the land,  
9 you have those woods.

10 Number 3. Contingency mobilization.  
11 Because of the different design student loading,  
12 at New London you would actually have an 8  
13 percent expansion capability should the size of  
14 the Navy nuclear fleet ever increase in the  
15 future. At Charleston, you are limited to the  
16 2001 number.

17 Number 4. Cost in manpower, and this  
18 is the biggie. We believe that the costs at New  
19 London are known; in fact, they are budgeted. At  
20 Charleston, they are COBRA numbers, we believe  
21 they are understated, and there is that favorite  
22 word that you have been hearing from all of the  
23 speakers -- "understated" costs.

24 For the last four criteria as to

1 return on investment, again I would point out the  
2 New London plan has to end by '99. The  
3 Charleston plan could end as late as 2001.

4 For the community impacts -- you have  
5 heard that both communities have economic  
6 impacts -- but for community infrastructure,  
7 either community can handle the influx of 2,500  
8 personnel without a problem. In New London, we  
9 had more personnel than that less than five years  
10 ago. In Charleston, of course, with the entire  
11 Naval Station closing, the community can easily  
12 handle that influx.

13 That takes us down to environmental.  
14 There is no environmental impact at New London.  
15 At Charleston, it is unknown.

16 I have lived through the process of  
17 building a new base at Kings Bay, Georgia. There  
18 were threatened species in the area. Let me tell  
19 you the problems and the delays are not  
20 insignificant when you are faced with this.

21 And finally, somewhat incredibly, the  
22 Navy does say in its proposal that its Charleston  
23 proposal would have a positive impact on the  
24 environment.

1           The purpose of BRAC is to reduce  
2 unnecessary infrastructure. Our conclusions are  
3 that the Navy/DOD recommendation in fact creates  
4 new infrastructure, builds new infrastructure in  
5 Charleston, and fails to utilize an existing  
6 excess capacity in New London. We believe there  
7 is no substantive gain based on the selection  
8 criteria and in fact it represents a significant  
9 deviation from criteria.

10           So it is our final recommendation to  
11 you to reject the Navy/DOD proposal for a  
12 redirection.

13           Thank you for your time. Subject to  
14 any questions, this completes my portion of the  
15 briefing.

16           CHAIRMAN DIXON: Thank you very much.  
17 Mr. O'Beirne. If there are any questions, we  
18 will do it at the end after the clean-up man.

19           MR. O'BEIRNE: Our next speaker is  
20 Mr. John Markowicz.

21           CHAIRMAN DIXON: Thank you very much.  
22 Delighted to have you, Mr. Markowicz.

23           MR. MARKOWICZ: Thank you,  
24 Mr. Chairman. They are all expecting me to give

1 this presentation that we have been working on,  
2 and I intend to give the Patton speech. I always  
3 wanted to stand in front of a big American flag  
4 and make a statement.

5 Chairman Dixon, Commissioners, good  
6 morning. My name is John Markowicz. I am a  
7 resident of Waterford, Connecticut. For 30  
8 years, since graduating from the Naval Academy, I  
9 have been involved in issues and matters related  
10 to the United States Navy. As a career naval  
11 officer, both on active duty and currently in the  
12 Naval Reserve, I have trained and served at sea  
13 with the very products that have been developed  
14 at the Naval Undersea Warfare Center in New  
15 London. For nearly 20 years as a local business  
16 executive, I've come to work with and know  
17 personally the hundreds of world-class scientists  
18 and engineers who are employed at the New London  
19 Laboratory. I am proud to call them neighbors  
20 and friends.

21 Since 1991, I have been directly  
22 involved in the Base Realignment and Closure  
23 process, first as a member of the 1991 National  
24 Interest Coalition, and since 1993 as a member of

1 the Submarine Base Realignment Coalition. Thank  
2 you for this opportunity to present the community  
3 perspective and position on the NUWC New London  
4 situation.

5 My remarks this morning will address  
6 three key areas, and they will include tables  
7 with substantive numerical information. Please  
8 bear with me.

9 I present what we believe is  
10 persuasive data that the 1995 DOD/Navy NUWC New  
11 London closure recommendation is significantly  
12 flawed. We believe that this recommendation  
13 compromises military value, significantly  
14 underestimates costs, and significantly  
15 overstates savings.

16 The current closure recommendation is  
17 based upon and links to the 1991 Laboratory  
18 Realignment decision, which we argued similarly  
19 compromised military value, significantly  
20 underestimated costs and significantly overstated  
21 savings. Regrettably, the process in 1991 was  
22 not as open as the process you have initiated.

23 A key document in 1991, the NUSC  
24 Consolidation Cost Analysis Study, was withheld

1 and only released to the community last week. We  
2 thank you for opening up the BRAC process to  
3 allow full public discourse and access to  
4 pertinent documents. The data I will present has  
5 been extracted from your BRAC library or from  
6 Congressional correspondence, and it has been and  
7 will continue to be shared with your staff.

8           The third key issue I intend to  
9 address is the current status of implementing the  
10 1991 Laboratory Realignment. It is the  
11 community's position that this action has  
12 significantly overrun its COBRA one-time cost  
13 estimate and it now exceeds the 100-year payback  
14 period. In other words, it will never return any  
15 savings.

16           It is our position that a significant  
17 deviation has occurred from the 1991 Realignment  
18 Plan and therefore the credibility of the 1995  
19 closure recommendation has been substantially  
20 undermined.

21           Let me summarize the current status  
22 of the New London Laboratory. The on-board  
23 personnel count is 999. Approximately 600  
24 persons are scheduled for transfer to Newport in

1 the fiscal year '96. This two-year delay and the  
2 associated schedule uncertainties have taken an  
3 emotional toll on the NUWC New London employees  
4 in the Submarine Electromagnetic Department,  
5 Surface Ship Sonar Directorate and Department,  
6 Fleet Support and Undersea Warfare Analysis  
7 personnel. The remaining 400 or so personnel  
8 comprise Submarine Sonar Department, Mobile  
9 Tactical Sonar personnel, and the Acoustic Array  
10 Research and Development Group.

11 As testified by the 1991 National  
12 Interest Coalition at the Boston BRAC hearings on  
13 28 May 1991, it remains the community position  
14 that the 1991 realignment plan was flawed in  
15 three critical areas.

16 The Personnel Plan was an exercise in  
17 creative accounting. The billet eliminations  
18 that were being claimed through the BRAC  
19 realignment were going to be achieved regardless  
20 because of a mandatory 5 percent per year DOD  
21 billet reduction program. In other words, credit  
22 was taken in the COBRA calculation for billets  
23 that were not going to be eliminated as a direct  
24 result of the BRAC realignment. It remains the

1 community's position then and now that only about  
2 30 to 40 actual billet savings would result  
3 through functional consolidation of two  
4 administrative groups.

5           It was also the community position  
6 that forcing personnel to transfer from New  
7 London to Newport would result in a "brain drain"  
8 of highly skilled and trained personnel.  
9 Regretfully, this has already started. More than  
10 300 attritions have occurred since 1991. During  
11 an 11-month period from October 1993 to August  
12 1994, 65 percent of the turnover were GS-12 or  
13 senior with 25 years, on average, of government  
14 experience. This data may even be significantly  
15 understated because many of the attritions and  
16 retirements occur in September, a month for which  
17 we do not have data.

18           The second major flaw was a  
19 significant understatement of one-time costs. I  
20 invite your attention to this next graphic.  
21 Please note the format. It is subdivided  
22 horizontally into four areas: one-time costs,  
23 recurring savings, payback period, and finally  
24 the personnel plan.

1                   It is further aligned vertically with  
2 one column for the 1991 estimate and a second  
3 column for the current estimate or status. The  
4 1991 estimate tabulates COBRA data used by the  
5 Government Accounting Office in their 1991  
6 analysis. The 1995 column is based upon the best  
7 information provided in the 1995 BRAC data calls  
8 or correspondence between the Department of the  
9 Navy and our Congressional delegation.

10                   Please first note that the 1995  
11 one-time costs do not add up to \$120 million, the  
12 the column over there. The three elements of  
13 this cost -- \$36 million, \$28 million and \$30  
14 million -- are from a 3 March 1994 Congressional  
15 letter, information provided to the delegation.  
16 The \$120 million total is from a 23 March 1995  
17 letter from the Office of Legislative Affairs. A  
18 more recent 20 April 1995 letter from Naval Sea  
19 Systems Command creates a new \$40 million BRAC  
20 activity called Mission Purification, and reduces  
21 the \$120 million number to around \$79 million.

22                   As with the Personnel Plan, we  
23 believe we are witnessing another exercise in  
24 creative accounting. Nonetheless, it can be

1 stated that the current one-time cost for the  
2 1991 realignment is between 35 percent to 100  
3 percent over budget. Significantly, please note,  
4 that zero dollars were estimated in 1991 for the  
5 Homeowners Assistance Program. This program has  
6 grown astronomically. It is now approximately to  
7 \$28 million. There were no Navy HAP estimates in  
8 1991 at all, hence the zero estimate.

9 In data presented to BRAC  
10 Commissioners on Monday, NUWC stated they had  
11 revised total HAP expenditure -- I am not talking  
12 about the '95, just for '91 -- to an expenditure  
13 estimated to be \$38 million.

14 The third major flaw is with the  
15 recurring savings. By eliminating 110+ billets  
16 at \$55,000 per billet, \$5.9 million in salaries,  
17 basically the bulk of the total savings, were  
18 estimated. As of 31 March 1995, 62 billets have  
19 been eliminated. This is about \$3.4 million in  
20 annual recurring savings. Please note, this as  
21 well as 300+ attritions or vacated billets have  
22 occurred with essentially minimal, that is, 32,  
23 transfers to Newport. As predicted by the  
24 National Interest Coalition, in effect the

1 savings could be accrued without BRAC realignment  
2 transfers.

3 Finally, we come to the 1991 payback  
4 period. It is the community position that  
5 because of the major one-time costs overrun,  
6 the payback period has increased to 100+ years  
7 or never. In the 1991 analysis, the GAO noted  
8 the sensitivity of the Lab realignment to  
9 one-time cost estimation errors. They reported  
10 a 50 percent error, or an approximately \$90  
11 million one-time cost, would yield a 100-year  
12 payback. Significantly, the actual 100-year  
13 COBRA breakpoint was at 35 percent error, or an  
14 approximately \$80 million one-time cost. Based  
15 upon even the most creative and current NUWC  
16 estimate of \$79 million one-time cost, which  
17 omits the \$16 million to \$38 million HAP  
18 expenditure, the payback period for the 1991  
19 realignment is at least 100 years. Please also  
20 note that the recently released 1991 NUWC  
21 Consolidation Cost Analysis Study certified \$93  
22 million as the best estimate of one-time cost  
23 for the proposed realignment. This turned out  
24 to be very accurate.

1                   This next graphic is not ours. It is  
2                   a NUWC graphic. It was presented to the  
3                   Congressional delegation staff on 18 April  
4                   1995, and it shows the NUWC fiscal year budgets  
5                   of the BRAC 1991 New London realignment. HAP  
6                   expenditures are not included. When you add  
7                   \$16 million to the FY92 to FY94 estimate, you  
8                   are now in the \$100 million range. When you  
9                   add the \$22 million HAP estimates for fiscal  
10                  years '95 and '96, you are also above \$100  
11                  million. These HAP expenditures just cited  
12                  were the expenditures that were presented to  
13                  the Commissioners on Monday by NUWC. The total  
14                  is \$38 million. Zero was budgeted.

15                  I realize that income is expected  
16                  from these sales, but to date, for the activity  
17                  that has occurred so far, the government has  
18                  lost \$10 million, and this is before the  
19                  additional 400 units hit the market for the '95  
20                  proposal which is on the table. I don't think  
21                  housing values were going up at that point.

22                  Please also note the \$87 million FY92  
23                  budget total. It speaks volumes. While \$59  
24                  million was the one-time cost estimate used in

1 1991 to justify the Lab realignment decision,  
2 the budget prepared at the same time requested  
3 \$87 million. \$80 million was the 100-year  
4 COBRA breakpoint. GAO sensitivity analysis  
5 noted \$90 million one-time cost would also  
6 result in a 100-year payback. Not only does  
7 this graph suggest no savings will result from  
8 the 1991 realignment, but also when you add on  
9 the HAP expenditures and these Mission  
10 Purification costs, you are well above \$100  
11 million.

12 Two quick points. The \$79 million  
13 fiscal year '95 budget does not include \$15  
14 million in MILCON, for a facility that was  
15 discovered by NUWC and briefed as a cost  
16 savings on Monday. Also, the HAP cost on  
17 Monday did not include adjustment for the  
18 market impact of the additional homes that will  
19 come on the market if you implement the '95  
20 plan.

21 In summary, it is our position that  
22 significant deviation has occurred from the  
23 1991 realignment plan and therefore the  
24 credibility of the 1995 closure recommendation

1 that is based upon this data has also been ,  
2 substantially undermined. I will not proceed  
3 to explain how we feel the estimation errors  
4 that flawed the 1991 realignment recommendation  
5 are being repeated in 1995.

6 The 1995 closure plan is summarized  
7 in the same format as the earlier table. In  
8 this recommendation, for a one-time cost  
9 estimate of \$23.4 million, DOD/Navy estimate \$8  
10 million annual recurring savings with a 3-year  
11 payback period. The personnel Plan includes  
12 151 turnovers over 5 years, though the  
13 execution is completed in two years, 58 billets  
14 eliminated, 269 transfers, and zero remaining  
15 in New London. As I stated in my opening  
16 remarks, we believe that, as with the 1991  
17 Plan, this recommendation compromises military  
18 value, underestimates costs, and overstates  
19 savings. I will address our comments in that  
20 order.

21 The first point: Military value is  
22 compromised. This is not only the community  
23 position, it is also the Navy position. By its  
24 own submissions, NUWC New London ranks higher

1           subjectively and quantitatively in military  
2           value than the NUWC Newport headquarters and  
3           NUWC Keyport facility -- a facility that was  
4           also realigned in 1991 but is not being  
5           recommended for closure.

6                         It is the community's position,  
7           however, that the true military value of the  
8           New London laboratory is its world-class  
9           acoustic and sonar scientists and engineers.  
10          The attrition started in 1991 will continue.  
11          Inflated estimates -- 85 percent -- of future  
12          personnel transfers, and relocations must  
13          recognize that, when the survey was conducted,  
14          staff personnel knew or were told to indicate a  
15          willingness to transfer to "protect  
16          themselves." But the best measure of future  
17          transfers is turnover attrition since 1991. I  
18          repeat, 300+ personnel have left -- 25 percent  
19          of the staff. 65 percent of these people were  
20          GS-12 or senior. Average government years of  
21          experience: 25. Many of these billets are  
22          being replaced by entry-level college  
23          graduates.

24                         On the side there, you have a picture

1 of New London Harbor. You are looking south,  
2 down the Thames River toward Long Island Sound.  
3 It captures what we think is important: it is  
4 called synergy. Within two miles of the bridge  
5 currently reside the Fleet, the SSN homeport,  
6 the submarine repair facility, the submarine  
7 builder General Dynamics, the submarine  
8 school -- and, hopefully, soon the nuclear  
9 power school -- and the tactical development  
10 squadron. The customer, the Fleet, is in New  
11 London, not Newport, Rhode Island. The sailor,  
12 the engineer, the welder, and the instructor  
13 are neighbors and friends. They shop at the  
14 same malls, they go to the same Little League  
15 games, they visit the same houses of worship.  
16 Synergy may be an overworked word, and I am  
17 sure you have heard it a lot, but in New London  
18 it's a real way of life -- and it works.

19 It is also cited as a key element in  
20 the Navy's own statement in their 1991 analysis  
21 study.

22 I have a quick personal example of  
23 what we mean by synergy. In the fall of 1991 I  
24 was a junior officer on a nuclear submarine in

1 New London, Connecticut. The Soviets had  
2 quietly acquired a new generation of quiet  
3 submarine. Our acoustic advantage had eroded,  
4 and it had to be restored, and restored  
5 quickly. In the drydock, in the winter, in New  
6 London, synergy came together. The submarine  
7 force provided the submarine; the repair  
8 facility provided the drydock; the shipbuilder  
9 provided the plans and the ship fittings; the  
10 lab provided the processors, the towed array  
11 and the technicians. The Tactical Development  
12 Squadron provided the tactics, and the  
13 Submarine School provided the instructors. In  
14 less than 60 days, a totally new sonar system  
15 was installed on an in-service submarine, the  
16 personnel were trained, we went to sea, and it  
17 worked, it deployed. That system has become  
18 the foundation of every submarine system built  
19 and designed since then. That happened in New  
20 London; it did not happen in Newport, Rhode  
21 Island.

22 Cost and savings. I will address  
23 these items in series.

24 One-time costs are underestimated. A

1       \$1.6 million Planning and Management unique  
2       cost and a \$1.1 million unique moving cost are  
3       included in the BRAC data call but not from  
4       COBRA data.

5                   More significantly, building  
6       rehabilitation and construction costs are  
7       unrealistic. The 1991 realignment plan has to  
8       spend nearly \$40 million to move approximately  
9       700 people and all their equipment from New  
10      London to Newport. The 1995 plan, which is  
11      going to move approximately 400 people, more  
12      than half the original number, and all their  
13      equipment, is going to do it for \$6.8 million  
14      in rehabilitation costs. This doesn't make  
15      sense. Shouldn't the estimate be closer to \$20  
16      million?

17                   Moreover, facility requirements in  
18      the BRAC data calls have specifications for  
19      "remoteness from high concentrations of  
20      ferromagnetic material and away from sources of  
21      acoustic, vibrational, and electromagnetic  
22      radiated interference," "in-ground implantation  
23      of major pressure vessels," and "acoustically  
24      quiet, especially at low frequencies, bedrock

1 and granite foundation is ideal." The proposed  
2 relocation site, Building 68 in Newport, sits  
3 on a pier that extends into Narragansett Bay.  
4 We suggest that, as a minimum, the \$5.3 million  
5 towed array facility, which is currently taken  
6 as a cost avoidance item in the BRAC 91 item,  
7 be reincluded in the cost estimate.

8 But then it appears that the Navy may  
9 have revised the cost of this facility upward  
10 because the numbers keep changing. At the BRAC  
11 briefing on Monday at NUWC, there was a new  
12 cost avoidance of \$14.3 million that was  
13 identified for something called the P152 towed  
14 array facility. This estimate has not been  
15 submitted as a 1995 certified cost avoidance,  
16 and it is not a cost element of the 1991 plan  
17 that I presented earlier. Where did it come  
18 from? When it is certified, we will revise our  
19 cost estimate accordingly. If you need a \$14  
20 million requirement for building in New London,  
21 how can it be omitted from the \$16.7 million  
22 Newport rehabilitation cost?

23 This brings us now to HAP --  
24 Homeowners Assistance Program. The Coast Guard

1 currently estimates \$27K per transfer as HAP  
2 costs for New London county relocations. At  
3 \$27K per transfer for 269 scheduled transfers,  
4 the one-time costs require a plus \$6.8 million.  
5 But this may be significantly understated  
6 because there was a \$22 million number that was  
7 presented on Monday. We received  
8 correspondence yesterday from the Army Corps of  
9 Engineers saying the total for '91 and '95 has  
10 to include the '95 end is \$57 million. And  
11 remember it was zero estimated in '91. It is  
12 \$.5 million today. \$57 million is what the  
13 Army Corps of Engineers says the government is  
14 going to spend before they get the money back,  
15 and they are losing money right now.

16 There are the costs to be included.  
17 We will take a look at those as they come up.  
18 Most significantly, there is a zero estimate  
19 currently in the budget for training and new  
20 hires. We think it is around \$55K per person.  
21 We have included that, and basically the  
22 summary of all the corrections we have are  
23 here. We think that the current costs are at  
24 least \$23 million off and therefore ought to be

1 adjusted upward accordingly.

2 Recurrent savings are overestimated.  
3 The major point here is that there is going to  
4 be no functional consolidation. The same with  
5 the billets. They can claim for savings in  
6 billets, that they are going to be eliminated  
7 through retirements and claiming that they are  
8 going to be eliminated through HAP. The total  
9 number of retirements will include the number  
10 of billets that they claim that will be reduced  
11 because of the BRAC process, and half of those  
12 billets are going to be transferred elsewhere  
13 in DOD out of the priority placement plan. How  
14 can that be savings?

15 The overhead account claims  
16 significant closure savings in the Base  
17 Operating Support and Real Plant Maintenance  
18 Accounts. Base Operating Support costs are not  
19 maintained by separate sites -- quoted from  
20 BRAC Data Call -- yet are estimated as 100  
21 percent greater in New London than Newport for  
22 the same number of people. It is the community  
23 position that these costs should be equivalent  
24 and recurring savings so adjusted.

1                   With respect to Real Plant  
2           Maintenance Accounts costs, while New London  
3           RPMA costs are \$1.1 million, Newport costs are  
4           estimated at zero. Newport gains Building 68  
5           from NETC with no additional Real Plant  
6           Maintenance Accounts costs? We calculate on a  
7           square-foot basis \$.5 million in RPMA costs for  
8           Newport and adjust Recurring Savings  
9           accordingly.

10                   When you add them all up, you can  
11           also toss in the recurrent savings for the  
12           building in London which graciously agreed to  
13           pick up the fire and emergency services, \$.6  
14           million in the data costs not included. This  
15           is what it all looks like. The \$8 million in  
16           savings is really more like zero. And you  
17           might say, boy, that is not realistic. Where  
18           is he coming from? Remember, there is no  
19           functional consolidation being proposed. It is  
20           a move.

21                   This table summarizes where we are  
22           at. We think the costs are up by 100 percent,  
23           the savings are close to zero. When you do all  
24           that, you are back to \$100 million again. No

1 savings.

2 In summary, with the DOD/Navy Closure

3 Plan:

4 Military value is compromised.

5 "World class" expertise and synergy  
6 are sacrificed.

7 No functional consolidation occurs.

8 100 percent one-time cost estimate  
9 error.

10 Annual recurring savings are nearly  
11 zero.

12 Payback period exceeds 100 years.

13 We have an alternative:

14 We recommend that you consider  
15 sustaining at NUWC New London the Acoustic  
16 Research & Development "Center of Excellence."

17 Reject the 1995 proposal.

18 Retain all NUWC Acoustic/Sonar  
19 billets in New London.

20 Utilize Newport P020 Building for  
21 NUWC Norfolk personnel vice lease.

22 Implementation of this recommendation  
23 to sustain the DOD/Navy Acoustic R&D "Center of  
24 Excellence" will yield savings as follows:

1           \$46 million would be saved if you  
2           don't implement this plan. We think that is  
3           the real savings. If you don't move the people  
4           that are currently scheduled to move in the '91  
5           action, you will save at least \$10 million in  
6           transfer, probably higher, because I didn't  
7           include any HAP calculations. You don't have  
8           to move a lot of equipment so you will probably  
9           save about \$24 million.

10           The lease that you will have to  
11           terminate for the NUWC Norfolk folks will save  
12           about \$6 million.

13           It will be half a million dollars  
14           cheaper to put the Orlando folks in New London.  
15           Savings: about \$78 million.

16           In conclusion, it is the community  
17           position that the DOD/Navy New London closure  
18           recommendation is not credible, it is  
19           significantly flawed, and it should be  
20           rejected.

21           Thank you for your time and, subject  
22           to your questions, that completes my  
23           presentation. Thank you.

24           CHAIRMAN DIXON: Thank you,

1 Mr. Markowicz. Again, if there are any  
2 questions, it will be at the conclusion of the  
3 presentation.

4 We are delighted now to have  
5 Congresswoman Rosa DeLauro, an old friend.

6 CONGRESSWOMAN DeLAURO: Chairman  
7 Dixon and members of the Commission, I appreciate  
8 this opportunity to testify today and to lead off  
9 our case for keeping open the Stratford Army  
10 Engine Plant. I especially want to say thank  
11 Commissioners Cornella and Kling for visiting  
12 Stratford this past Monday. As they can verify,  
13 the Stratford Army Engine Plant is a  
14 state-of-the-art facility with top-quality  
15 employees.

16 I come before you today not only for  
17 myself but also on behalf of Congressman  
18 Christopher Shays of Connecticut's Fourth  
19 District, who also has many constituents who work  
20 at the Stratford plant.

21 As Governor Rowland stated earlier,  
22 Connecticut has a proud history of supporting our  
23 nation's defense. That is especially true of  
24 Stratford, where there is not only the Stratford

1 Army Engine Plant but also Sikorsky Aircraft,  
2 where the Army's Black Hawk, the Navy's Sea Hawk,  
3 and other military helicopters are manufactured.  
4 Layoff announcements continue on an almost  
5 monthly basis, and just this week another 237  
6 jobs were lost at Sikorski.

7 The Stratford Army Engine Plant has a  
8 long and a proud history in our community, going  
9 back to 1929. The people who work there are all  
10 proud of the contributions that they make to  
11 defending our country, and their work remains  
12 vital to our national security today.

13 We believe the Army has substantially understated  
14 the military value of this facility, as well as  
15 the cost of closing it and reconstituting its  
16 capabilities elsewhere. That is the heart of the  
17 argument that we will make to you today.

18 The Stratford Army Engine Plant is  
19 the only place in the United States where we  
20 build the AGT1500 tank engines and the spare  
21 parts that will be used in the Abrams tank for  
22 the next 30 years. With no new tank engine in  
23 development, it is imperative that we maintain  
24 the capability resident in Stratford to extend

1 the life of the engines that are now in use; to  
2 build critical spare parts; to provide the field  
3 expertise that is necessary to resolve the  
4 problems that arise in our battlefield  
5 situations; and to quickly build new engines  
6 should that become necessary in a military  
7 emergency.

8 We will show you today that splitting  
9 up the workforce and the equipment at Stratford  
10 and then reconstituting this capability elsewhere  
11 simply is not feasible.

12 Commissioners Cornella and Kling can  
13 attest to the immense size and the mass of the  
14 production equipment for the recuperator, the  
15 most critical part of the AGT1500. This  
16 equipment is so large that it resides in its own  
17 building. It can only be moved at great cost and  
18 with great difficulty.

19 We will also tell you about the work  
20 already underway to convert this facility into a  
21 dual-use, military and commercial manufacturing  
22 site. The employees of this plant, the union  
23 members, and the management have worked together  
24 and they have worked tirelessly to do exactly

1     what every single defense contractor in this  
2     country should be doing: cut costs, improve  
3     productivity, and diversify its product line into  
4     the commercial marketplace.

5                     We believe that this dual-use  
6     approach maintains the vital military value of  
7     the Stratford Army Engine Plant, while reducing  
8     costs to the Army by expanding its commercial  
9     use. This is the best possible option for  
10    national security and the best option for the  
11    taxpayer.

12                    I thank you for your time this  
13    morning. Now I would like to turn the  
14    presentation over to Jim Robinson, vice president  
15    of AlliedSignal, and Retired Army Major General  
16    Peter McVey, whose last active-duty assignment  
17    was as Program Executive Officer for Armored  
18    Systems Modernization. Thank you.

19                    CHAIRMAN DIXON: Thank you,  
20    Congressman DeLauro. We are delighted to hear  
21    from Mr. Robinson.

22                    MR. ROBINSON: Thank you very much.  
23    We would like to cover today, in dealing with the  
24    Stratford Army Engine Plant, the following key

1 issues. Recognizing the dual-use realignment is  
2 in progress, General McVey will assess the  
3 military value, evaluating alternatives, as well  
4 as understanding of brief economic impact, and  
5 then a recommended alternative to the SAEP  
6 closure.

7 I would like to begin by going back  
8 in history for a couple of years. Prior to  
9 AlliedSignal's buying the Stratford Army Engine  
10 Plant for \$375 million six months ago, there was  
11 in process a blue ribbon panel which was put  
12 forth by Congress through the Defense Science  
13 Board to study the tank engine industrial base  
14 and to make recommendations. That blue ribbon  
15 panel made its report to Congress in April of  
16 1994, and as a result \$47.5 million was funded in  
17 the first of a three-year program to preserve the  
18 tank engine industrial base.

19 On the 14th of February of 1995, the  
20 Army's Acquisition Executive, Mr. Gil Decker,  
21 made the following points: He said this \$47.5  
22 million is a good investment because it retains  
23 engineering expertise, protects recuperator parts  
24 and production, downsizes to reduce overhead,

1 provides an engine durability enhancement program  
2 and initiates a service life extension program.  
3 I think the bottom line, the takeaway, is that a  
4 strong tank industrial base is desired by the  
5 Army.

6 Another point I would like to make  
7 today is that Stratford -- it is often called the  
8 Tank Plant -- but the Stratford Army Tank Plant  
9 is more than a tank engine plant. If you look at  
10 the chart that is in your books or on the screen  
11 on the left, it goes all the way from the tank,  
12 the strictly military AGT1500, to, on the right,  
13 the commercial. In this case it is the four  
14 engines that power the British LF507 RJ Avro. In  
15 between is a series of products such as the LCAC,  
16 which is a Navy product, over to the Chinook  
17 helicopter, the only helicopter that is in  
18 several of our services, and of course the UH-1  
19 helicopter. The bottom of the chart shows, on  
20 the bottom left, as we were in the process of  
21 downsizing, military spending was reducing the  
22 size of the plant. Nevertheless, even in the  
23 bottom of the trough there, the spending is still  
24 in the range of \$100 million per year. If you

1 couple that to the lower right, which is the  
2 commercial base, which Congresswoman DeLauro  
3 talked about, this business in Stratford, even if  
4 there is no tank business, is about a \$500  
5 million a year business, a significant business.  
6 AlliedSignal is transitioning this plant's  
7 operations into a cost-effective, viable  
8 operating site, with the help of a lot of people,  
9 including our bargaining units, who have just  
10 been super.

11 Another point I would like to make is  
12 the point of military and commercial production  
13 capability and the fact that it is integrated at  
14 the Stratford Army Engine Plant. If you look on  
15 the left side of the chart, it shows that we  
16 manufacture product in a series of cells. There  
17 is one cell that is Army or military unique, and  
18 that is the recuperator cell. There is one that  
19 is commercially unique. The rest of them are all  
20 integrated.

21 If you go to the right-hand side, you  
22 can see that, within those cells, AlliedSignal  
23 owns about a third of the machine tools and the  
24 government owns about two-thirds. If this plan

1 is closed and the machine tools become  
2 distributed to our other site in Phoenix where we  
3 have another engine manufacturing plant or to  
4 Corpus Christi and Anniston, Alabama, what you  
5 will have is machine schools going in every  
6 direction. The analogy I have used is that this  
7 would be similar in the case of a divorce where  
8 the dining room table goes to one party, the  
9 chairs go to someone else, and at the end of the  
10 day you don't have anything that is usable by  
11 either party. That is what we would have here.  
12 Because even in the recuperator facility, which  
13 is critical, in the words of the Army,  
14 AlliedSignal owns a number of the machine tools  
15 that would go off to other uses. So, splitting  
16 the capability is not really feasible.

17 The next chart shows the downsizing  
18 is already in progress. Really, the only point I  
19 would like to make here is that we were putting  
20 our money where our mouth was. We weren't  
21 depending on funding from the Army, although we  
22 are getting \$6 million. AlliedSignal also put in  
23 \$10 million of our own money to begin to downsize  
24 this facility to make it viable, because we

1 recognize the risk of moving our commercial  
2 product also, as well as moving the military  
3 product, such as the AGT1500.

4 I won't go through each of the board  
5 points, but the bottom line is that the SAEP '96,  
6 as we are calling it, is a realigned facility.

7 I would like to turn it back to  
8 General McVey and then come back and wrap it up  
9 later. He will talk about the military value.

10 CHAIRMAN DIXON: Glad to have you,  
11 General McVey.

12 GENERAL McVEY: I am Pete McVey, and  
13 I served in the Army for more than 36 years.  
14 Sixteen of those years I was closely associated  
15 with the Abrams tank, and the last eight years I  
16 was Program Executive Officer for Armored Systems  
17 Modernization. That is combat vehicles for the  
18 Army.

19 You may recall, from the TV exposure  
20 of the Abrams tank during Desert Storm, long dust  
21 clouds billowing behind it. What created the  
22 power to push a 68-ton tank 40 miles an hour  
23 cross-country was the AGT1500 engine. That  
24 engine, as you know, is built in Stratford. The

1 engine is a combat multiplier. The Army must  
2 have the capability to produce new AGT1500's to  
3 support foreign military sales, to improve the  
4 performance of the AGT1,500 already in service to  
5 the Army, and to send expert field service  
6 representatives to deploy units during  
7 hostilities. The tank engine is critical to the  
8 heavy industrial base and a significant portion  
9 of the Army's gas turbine engine industrial base  
10 which is located at Stratford.

11 The Army's maneuver forces must be  
12 able to move, shoot and communicate to be  
13 effective. Engine power equals mobility.  
14 Mobility for the armored force is critical. It  
15 provides the commanders the flexibility to choose  
16 the point of attack or the capability to  
17 reinforce in time to save the day. Without  
18 horsepower, one has a slow-moving tank. A  
19 slow-moving tank becomes a dead tank. Power for  
20 helicopter application is more dramatic depending  
21 upon where the power failure occurs. If one is  
22 to occur, I would prefer it to happen before  
23 lift-off.

24 On this next slide, you want to

1 reinforce that the Army has a requirement to have  
2 a complete engine industrial base -- a base that  
3 can design, develop, produce, support, sustain,  
4 troubleshoot. One can group these activities  
5 into three separate but interdependent  
6 components, that is, product engineering, product  
7 technology, and field technical support -- the  
8 three-legged stool, if you will. I will attempt  
9 to explain why.

10 The Army has studied the tank engine  
11 and the engine has met its requirements. But the  
12 recuperator had to be reworked, redesigned, or  
13 somehow improved. The Army focused on the  
14 recuperator, or the rear module, because that is  
15 where we were experiencing early power loss,  
16 making the tank a mobility casualty. In the  
17 ground application, the recuperator is a critical  
18 part of the gas turbine engine's performance.  
19 The people who design it know it best and they  
20 are located at Stratton.

21 Often the soldier or airman can put  
22 his vehicle in environments that engineers cannot  
23 conceptualize. Therefore, complex weapons  
24 systems will develop difficulties. As the engine

1 grows older and the vehicles add additional  
2 capability and weight, more demands for power  
3 will be requested and all will stress the design.  
4 It has happened in the past. The M1A1 added  
5 capability and added weight. That added weight  
6 precipitated the recuperator blow-out phenomenon.

7 Product engineering at Stratford  
8 solved the problem. They also redesigned the  
9 wine cup linkage. When you lost the wine cup,  
10 you lost the starter, fuel pump, and hydraulic  
11 pumps -- in short, you lost power; it couldn't go  
12 anywhere. Again, product engineering saved the  
13 day.

14 The same with fires. Early with the  
15 tank, we had a lot of fires. Tank fires make  
16 tankers nervous. The Stratford engineers again  
17 solved the problem. These actions saved the Army  
18 millions of dollars, and that is the value of  
19 product engineering.

20 The Stratford Plant is the sole  
21 source of repair parts to the Army depots for  
22 recuperator parts. Without that capability, the  
23 Army will be forced to live on the 10,000 AGT1500  
24 engines to support a little over 8,000 Abrams

1 tanks. That is very dangerous and it has never  
2 been done before. Historically, the Army has had  
3 one tank in service, one in development, and one  
4 in design. For tanks prior to the Abrams, the  
5 Army procured two spare engines for every tank  
6 produced. With the Abrams, the Army procured  
7 only one spare engine per three tanks. With the  
8 growing budget pressure, there is only one tank  
9 engine in service, none in development and none  
10 in design. The AGT1500 will be in service to the  
11 U.S. Army for at least 30 more years.

12 You ask why could this happen? The  
13 Army had envisioned a new Block III tank for  
14 introduction in service by the year 2001. When  
15 the Berlin Wall fell, the Army's tank engine  
16 technology base fell. The Army's new engine  
17 program became a victim of the budget. The  
18 impact of these events is that the Army plan to  
19 present the M1A2 was changed from new production  
20 program to a conversion program using older model  
21 tanks. No new engines. The Army's desire for a  
22 new tank in the late '80s with a new propulsion  
23 system meant no effort was made to upgrade the  
24 existing AGT1500 engine.

1                   As a result of these events, or  
2                   because of them, the tank will require an upgrade  
3                   to its power pack since the Abrams series tank  
4                   will be in service much longer than the Army  
5                   anticipated. The engineering capability to  
6                   design and develop a service life extension  
7                   program is resident at Stratford. For the Army  
8                   to plan on supporting the tank fleet without a  
9                   solid gas turbine industrial base is like  
10                  steaming full speed ahead in uncharted waters.

11                  The Army does not work in a pristine  
12                  laboratory setting. Most often, training and  
13                  combat take place in the harshest of  
14                  environments. Combat vehicles and aircraft go  
15                  where they are sent. They must have instant  
16                  support when required. During Desert Storm, we  
17                  had a clean-air problem. It was sand. It  
18                  clogged the air filters and it reduced engine  
19                  power. Field service representatives were sent  
20                  to the divisions. I remember in Saudi Arabia an  
21                  FSR, in the middle of nowhere, supervising and  
22                  teaching soldiers of the 24th Mechanized Division  
23                  Support Command how to repair and replace the  
24                  AGT1500 engine. The FSRs were recognized by the

1     Armor and Mechanized Division commanders as  
2     critical to their operations during Desert  
3     Shield/Desert Storm. The Army will need this  
4     capability again. As the vehicle grows older, it  
5     will require more care. That care comes from the  
6     product Support Division at Stratford.

7             The sand was also a problem for  
8     aviation and they turned to the engine developer  
9     again for help. The Army must retain this  
10    expertise to protect the soldiers sent into  
11    harm's way. I know the vignette I described for  
12    the FSR was duplicated for aviation in Desert  
13    Storm, and we simply cannot lose that capability.

14            Some say all of these functions can  
15    be moved. I personally disagree, because the  
16    Army Ground Turbine Database is resident at  
17    Stratford. The Huey and Chinook helicopter  
18    turbine data is also resident at Stratton. The  
19    Technical Data Package is maintained by  
20    AlliedSignal personnel. The Technical Data  
21    Package by itself will not be sufficient for  
22    another contractor to build these engines. One  
23    must have the data and tooling and process sheets  
24    and skilled workforce to interpret and implement

1 that data. All of that is resident at Stratford.

2 The real issue is, what does the Army  
3 lose by relocation? An experienced workforce  
4 that designed and developed and supported its  
5 products worldwide during the Cold War, in peace  
6 and war. To disturb or remove or move that  
7 capability may expose a hidden ingredient found  
8 only at Stratford. The synergy among the  
9 product, tooling, management and skilled  
10 workforce make the AGT1500, the T53 and the T55  
11 work. These ingredients are real.

12 During the tank development, U.S.  
13 Steel went on strike. They provided the hard  
14 steel for the exterior of the Abrams tank. U.S.  
15 Steel said they didn't want to make this product  
16 any more after the strike, so the Technical Data  
17 Package was given to Lukens Steel. The data  
18 package, the process sheets, and ultimately  
19 personnel in its skill took eight months to get  
20 the process right. Synergism is real.

21 The AGT1500 process should not be  
22 disturbed. It is the only engine that can power  
23 the tank fleet for years to come. When the Army  
24 needs to use tanks, it is a very serious state of

1       affairs for the government. We need to make sure  
2       that our soldiers get where they need to be. A  
3       good engine, well supported, makes that happen.

4                       MR. ROBINSON: Thanks. I would like  
5       to wrap up by looking at the alternatives, as  
6       well as the financials, of this alternative  
7       transaction here. First of all, we propose to  
8       look at two alternatives. One is to close the  
9       SAEP as suggested. The second is to keep it open  
10      as it will be realigned under what we call SAEP  
11      '96. The criteria are the cost/benefit ratios  
12      over 20 years NPV back to the current time, and  
13      also looking at the military value requirements.  
14      The military value requirements are based upon  
15      the Army's own words of what they desire, whether  
16      they keep it in Stratford, whether they move it  
17      to Anniston, or do whatever, and that is the  
18      ability to have contingency new engines, spare  
19      parts, product engineering, and field/technical  
20      support.

21                      In the lower left is Alternative 1,  
22      which is the closure. Our view is that if you  
23      dismantle the AGT1500 industrial base and if you  
24      recognize realistic closing cost, you will have

1 none of these things. Each of them is in red.  
2 You will have no capability. However, if you  
3 keep it open, you protect the industrial base,  
4 complete realignment in process, and implement  
5 the dual-use concept. You will in fact have  
6 exactly what the Army needs.

7 If we turn to the next page, cost  
8 comparison of alternatives, I would like to say  
9 that this is based upon the BRAC COBRA model, and  
10 the numbers that are used are consistent with  
11 that.

12 The very left-hand column going  
13 downward is the Army input, which basically says  
14 that there is an \$80 million savings over the  
15 20-year period, with a \$2 million one-time  
16 closing cost and a \$6 million annual cost  
17 avoidance. We won't dispute the annual cost  
18 avoidance because we believe that you can get the  
19 cost avoidance by downsizing facilities, so  
20 therefore we think that is real.

21 However, we would like to look at the  
22 other numbers. We believe it would cost about \$5  
23 million to close. The Army's own schedule is  
24 that there would be a \$20 million environmental

1 stabilization cost. That stabilization does not  
2 include a number on the basis of a study by  
3 Woodward and Clyde Consultants that was  
4 commissioned by the U.S. Army Corps of Engineers  
5 that said there is a potential \$422 million  
6 environmental liability for full closure and  
7 doesn't include this \$21 million for  
8 environmental stabilization. You have to secure  
9 the facility; it is still going to be there in  
10 all of its 2 million square feet.

11 Then, on the AlliedSignal side, we  
12 are responsible for moving our commercial product  
13 and our other military product probably out to  
14 Phoenix or some other AlliedSignal location.  
15 That is \$36 million. We have a liability for  
16 personnel costs to either separate those people  
17 from the company, rehire, relocate, or whatever,  
18 to the tune of \$7 million against the AGT1500,  
19 and \$61 million for commercial product, and then  
20 a small \$1 million idle facility/direct funding.

21 The bottom line for that is \$100  
22 million total cost, of which obviously most of it  
23 is on the AlliedSignal side, but nevertheless it  
24 is a cost to the Army, it is not a savings.

1                   On the other hand, if you look all  
2 the way to the right, retaining the SAEP '96, you  
3 can see that there is in fact a savings of \$35  
4 million using the same methodology.

5                   The point here, I think, is that,  
6 over a twenty-year period, these numbers are not  
7 staggering in one direction or another. What we  
8 are saying more than anything else is that,  
9 instead of going from a net cost, we go to a net  
10 savings and we retain the capability that General  
11 McVey and others have talked about as the viable  
12 alternative.

13                   I would like to take just a minute to  
14 talk about economic impact. We understand that  
15 economic impact will occur wherever these things  
16 occur, wherever closings occur, but we would just  
17 like to put the record straight that says that  
18 the Army's report said there would be two jobs  
19 lost in Fairfield County, \$200,000 disposable  
20 income loss, and no effect on gross regional  
21 product. We understand how those numbers were  
22 calculated, but we would like to put into the  
23 record that the Connecticut Center for Economic  
24 Analysis at the University of Connecticut

1 calculates that in fact across the state 3,289  
2 jobs will be lost because the 1,200 jobs at  
3 Stratford -- General McVey talked about a force  
4 multiplier, our plan is a job multiplier -- 3,200  
5 jobs, almost a billion dollars of disposable  
6 income, and \$2.6 billion of gross regional  
7 product -- a not insignificant economic impact to  
8 the State of Connecticut.

9           So, in summary, in the Army's own  
10 words, they want and need a strong tank  
11 industrial base. In proposing to close the  
12 plant, the Army has focused on new tank engine  
13 requirements and really has lost sight, in our  
14 view, of the military value of the synergy that  
15 is at SAEP. We also produce other products.  
16 Foreign military, commercial, spares and other  
17 engines.

18           Our fourth point is that this base  
19 can be moved, anything can be done, given enough  
20 time and enough money, but the risks and costs  
21 are high. As you heard, AlliedSignal owns many  
22 of the integral machines and owns the technical  
23 data packages that will go with us wherever we  
24 go. They will not go to Anniston or Corpus

1 Christi or anywhere else, at least not for free.

2 Finally, the Army projected savings  
3 for closing SAEP are overstated. The \$80 million  
4 savings are actually \$100 million in cost.

5 So our recommendation is to retain  
6 the realigned SAEP '96. We believe that it best  
7 protects the United States mission requirements  
8 and that it protects current and future military  
9 sales requirements, accommodates contingency  
10 requirements, minimizes the economic impact,  
11 avoids potentially major environmental costs,  
12 providing real cost savings to the Army and all  
13 of the other services that we support. Thank you  
14 very much.

15 CHAIRMAN DIXON: Thank you very much,  
16 Mr. Robinson. We thank you for that fine  
17 presentation by you, General McVey and  
18 Congresswoman DeLauro on behalf of Stratford Army  
19 Engine Plant.

20 We are delighted to have the clean-up  
21 man, the much younger of the two Senators,  
22 Senator Lieberman.

23 SENATOR LIEBERMAN: Thank you, Mr.  
24 Chairman, for that characteristically perceptive

1 introduction. (Laughter)

2 Mr. Chairman and distinguished  
3 members of the Commission, on behalf of Governor  
4 Rowland, the Connecticut Congressional delegation  
5 and, indeed, on behalf of the people of the State  
6 of Connecticut who have given us the honor to  
7 serve them, we thank you for the time and  
8 courtesy and thoughtful attention that you have  
9 given to the presentations that you heard this  
10 morning.

11 May I say, on behalf of all of us who  
12 are elected officials, to those who have made  
13 these presentations, how proud we are of the  
14 skill and effectiveness that you have shown  
15 today.

16 Members of the Commission, the  
17 presentations that you have just seen were  
18 prepared by people who know what they have told  
19 you, based on their daily lives, based on their  
20 own experience, and they are backed up by  
21 thousands of people in Stratford and Groton and  
22 New London who are similarly proud of the tank  
23 engines they make, the submarines they help  
24 develop, and the staff that they help train to

1 operate those submarines in defense of our  
2 country. They care deeply for their communities  
3 and for this country. They are here today  
4 because they could not remain silent in the face  
5 of these base closure recommendations that will,  
6 if adopted, jeopardize not only their towns and  
7 cities in Connecticut but the national security  
8 of the United States of America as well.

9 I do not make that point lightly. As  
10 a member of the Senate Armed Services Committee,  
11 I have the duty to insure that the men and women  
12 of our armed forces have all they need to be able  
13 to defend our country and protect our national  
14 interest. That I know is a duty and a  
15 responsibility that each of you who have accepted  
16 service on this Commission share.

17 Respectfully, I say that the three  
18 recommendations before the Commission regarding  
19 Connecticut are not in our national interest.  
20 All of them fail a basic test of the base closure  
21 process. They do not improve our nation's  
22 defense and they do not save our taxpayers'  
23 money. The cost of each of their recommendations  
24 that you have received from the Pentagon will far

1 exceed, as we have shown this morning, any  
2 savings they might generate. Closing the tank  
3 engine plant, moving the warfare center, and  
4 redirecting the training school will weaken our  
5 military strength. In fact, the economic and  
6 military cost of lost skills in emergency is  
7 incalculable. Simply put, I believe we have  
8 shown this morning that the three recommendations  
9 make no economic or military sense.

10 I want very briefly to recap three  
11 points directly relevant to the final selection  
12 criteria in the base closure role which will  
13 affecting you in making your decision.

14 First, there is no substantial  
15 military value; quite the contrary, as we have  
16 shown in keeping the plant engine plant in  
17 Stratford, the warfare center in New London, and  
18 in stopping the movement of the Power Training  
19 School from Groton. If the closure  
20 recommendations are not overturned, current and  
21 future mission requirements and the readiness of  
22 our armed forces will be significantly degraded  
23 because of the destruction of technical support  
24 bases, high-quality research, and existing and

1 potential synergisms -- it is a word that I think  
2 has taken meaning this morning.

3 Second, contingency mobilization and  
4 future total force requirements will not be  
5 served by the closure recommendations.

6 Third, there simply will be no return  
7 on investment from these closures. In fact, the  
8 cost will exceed the flawed estimates of savings  
9 that the services have provided to this  
10 Commission.

11 Mr. Chairman, in each case I am so  
12 proud that those who have presented testimony to  
13 you today have not just criticized the  
14 recommendations you have received, they have  
15 presented alternative recommendations which are  
16 more cost-effective and more supportive of our  
17 national defense.

18 Members of the Commission, I do not  
19 envy you the difficult decisions you must make in  
20 the weeks ahead. Because those decisions will  
21 affect the lives and livelihoods of countless  
22 people and the security of our country, I know  
23 you will weigh carefully what you have seen here  
24 this morning. All of us who have come here stand

1 ready to assist you in any way we can. But  
2 bottom line: We respectfully request that you  
3 reject these three recommendations, not just  
4 because that would be good for Connecticut, but  
5 because that would be best for the United States  
6 of America. I thank you.

7 That concludes our testimony. We are  
8 a little bit ahead of time. I am sure any of us  
9 would be glad to answer any questions that you  
10 might have.

11 CHAIRMAN DIXON: I thank you very  
12 much, your excellency, Governor Rowland, your two  
13 distinguished Senators, your fine  
14 Congresspersons, and the excellent presentation  
15 from the experts who came here and so eloquently  
16 presented your case.

17 We have a question from Commissioner  
18 Cornella.

19 COMMISSIONER CORNELLA: For General  
20 McVey or Mr. Robinson: As I calculate, there are  
21 only about 10,700 of the AGT1500 engines to be  
22 used over the next 30 years, is that correct?  
23 What kind of life do we get out of a new engine,  
24 as opposed to an overhauled engine?

1 MR. ROBINSON: First of all, every  
2 gas turbine engine has a period of time we call  
3 intervals; it has to be overhauled. Sometimes it  
4 is called on condition, and other times it is  
5 regularly scheduled. The new engine will go  
6 about 1,800 hours, and that is constantly  
7 changing. An overhauled engine, by the way --  
8 and I am making a point here -- that is  
9 overhauled at Anniston will get about 400 hours  
10 and an engine overhauled at Stratford will get  
11 about 1,200 to 1,300 hours. (Laughter) But you  
12 have to look at it in those three regards,  
13 because no new engine will go indefinitely. All  
14 gas turbine engines, whether it is airplane  
15 engine or tank engine, have intervals.

16 GENERAL McVEY: Sir, when I last  
17 looked when I was on duty, I think we calculated  
18 the mean time between failure for a new engine  
19 was about 2,500 hours. Rebuilt, I don't  
20 remember, 400 sounds about right. What I do know  
21 is that in the motor pools they used to fight  
22 about getting a repaired engine or a brand new  
23 one, because once they put it in, it stayed on.

24 COMMISSIONER CORNELLA: Either way,

1 in an overhauled engine it requires parts, the  
2 last time I knew about overhauled engines.

3 GENERAL McVEY: Yes, sir.

4 COMMISSIONER CORNELLA: Where do  
5 those component parts come from?

6 MR. ROBINSON: Most of the parts  
7 admittedly come from our supplier base. The Army  
8 buys directly from our supplier base. I think  
9 the issue here is that several of the critical  
10 parts, including some of what we call the hot  
11 parts, in the hot part of the engine, the turbine  
12 end as well as the recuperator, come from  
13 Stratford.

14 GENERAL McVEY: The recuperators all  
15 come from Stratford.

16 MR. ROBINSON: Yes, the recuperators  
17 all from the Stratford single source.

18 CHAIRMAN DIXON: I thank you. I  
19 thank the great State of Connecticut and its  
20 outstanding public people for that excellent  
21 presentation. We are going to have a public  
22 comment period.

23 (Applause)

24 CHAIRMAN DIXON: Will the seven folks

1 from Connecticut -- David Kelly, Phil Wheeler,  
2 Richard Blumenthal, Rudolf Weiss, Bill Moore, Ted  
3 Molligen, and Bob Bulmer -- please come forward  
4 to the microphone. The seven of you will need to  
5 raise your right hand so that I can deliver the  
6 oath.

7 Would you please raise your  
8 right-hand side.

9 Do you solemnly swear or affirm that  
10 the testimony you are about to give to the  
11 Defense Base Closure and Realignment Commission  
12 shall be the truth, the whole truth and nothing  
13 but the truth?

14 (Seven speakers, in chorus:) I do.

15 CHAIRMAN DIXON: Thank you.

16 Mr. David Kelly of the Statford Army Engine  
17 Plant.

18 MR. KELLY: Thank you. Good morning,  
19 Chairman Dixon and members of the BRAC  
20 Commission. My name is David Kelly and I am the  
21 president of Local 1010 United Auto Workers  
22 Union, which has represented employees at the  
23 Stratford Army Engine Plant since 1951.

24 In 1994 Local 1010 negotiated a

1 "Competitiveness Agreement" with the AlliedSignal  
2 Corporation which committed both parties to work  
3 together to achieve specific objectives for  
4 improving quality and operating efficiencies.  
5 The company and union recognized our industry was  
6 in transition and we would have to work  
7 cooperatively to rebuild a successful dual-use  
8 business with long-term job security for our  
9 members.

10           During the past six months we have  
11 initiated joint programs dealing with quality  
12 improvements, cross-training of employees,  
13 safety, commercial parts reload, engine overhaul  
14 procedures, and the layout of Kaizen  
15 manufacturing cells. These efforts have already  
16 produced positive results in many areas with more  
17 efficient manufacturing procedures, shorter parts  
18 cycle time, improved quality and lower costs.  
19 Local 1010 members have been building  
20 high-technology products for over 40 years.  
21 During the Korean War, the Vietnam War, the Gulf  
22 War and the long Cold War we built many products  
23 for the United States military. We believe this  
24 collective experience is an invaluable asset as

1 essential to national security as a highly  
2 trained combat unit.

3 The conversion of the Stratford Army  
4 Engine Plant to dual use commercial/military  
5 production is consistent with the BRAC goals of  
6 downsizing and realignment of the nation's  
7 defense establishment. It preserves the critical  
8 military value at significantly reduced costs to  
9 taxpayers. It avoids the economic hardship for  
10 our community and the State of Connecticut. It  
11 maintains a highly skilled workforce and the  
12 important industrial technology base.

13 For all of these reasons we ask that  
14 the BRAC Commission vote to keep the Stratford  
15 Plant open. Thank you.

16 CHAIRMAN DIXON: Thank you,  
17 Mr. Kelly. (Applause)

18 Mr. Phil Wheeler, Stratford Army  
19 Engine Plant.

20 MR. WHEELER: Good morning, Chairman  
21 Dixon and members of the Commission. My name is  
22 Phil Wheeler. I am a director of the  
23 International Union UAW. I want to state  
24 emphatically that the UAW strongly opposes the

1 Army recommendation to close the Army Engine  
2 Plant in Stratford, Connecticut. We believe  
3 the Army's justification for closing this  
4 facility is seriously flawed, and we are  
5 confident that the objective appraisal by the  
6 BRAC Commission will lead to similar conclusions.

7 The Stratford plant is the only  
8 engine production facility in the United States.  
9 As such, the plant serves an important military  
10 function to help meet national defense needs for  
11 our country.

12 The UAW has been the bargaining agent  
13 since 1951. Since then, our members have  
14 produced a variety of products for the military  
15 services, such as helicopter engines, missile  
16 components, marine engines and tank engines.

17 For many years the plant output was  
18 exclusively military. In the early 1980s the  
19 plant began limited production of commercial  
20 aircraft engines. Today the production mix is  
21 approximately 60 to 40 percent. By next year  
22 commercial work will represent 75 percent of the  
23 plant output. Thus, in addition to its military  
24 value, the Stratford Plant also presents an

1 opportunity to transition successfully a defense  
2 plant to a commercial enterprise. If this is to  
3 be accomplished, the plant would represent a  
4 shining example of dual-use technology,  
5 industrial production and diversification. The  
6 Army will be able to maintain engineering  
7 capability essential to national defense at a  
8 relatively low cost. The plant would be tooled  
9 and ready to meet mobilization contingencies with  
10 its skilled workforce already on the job. Labor  
11 and management are working cooperatively at  
12 Stratford to build a competitive  
13 military/commercial business. The government has  
14 a vital national interest in continuing to  
15 participate in this venture.

16 CHAIRMAN DIXON: Thank you,  
17 Mr. Wheeler. (Applause)

18 The distinguished Attorney General of  
19 the great State of Connecticut, Richard  
20 Blumenthal. We are delighted to have you,  
21 General.

22 ATTORNEY GENERAL BLUMENTHAL: Thank  
23 you very much. Like other members of the public  
24 sector who have thanked you in the past, I would

1 like to reiterate our gratitude to you for  
2 hearing us this morning. I want to emphasize,  
3 not so much as a lawyer but really as a member of  
4 the public, the importance of two factors:  
5 First, the human factor, and second, the  
6 environmental factor.

7 First, as to the human factor.

8 Although we are surrounded by great weapons and  
9 very smart weapons and we hear all the time about  
10 smart bombs, I think it can't be emphasized  
11 enough how committed Connecticut and its  
12 communities are to all of these facilities. The  
13 Stratford Plant, the Schools in New London, have  
14 the full and firm support of these communities,  
15 their families, schools, all institutions,  
16 committed to productivity, so that the people who  
17 sail from these ports, who study in the schools,  
18 who work on the assembly lines, who manage other  
19 people, who chart and check the quality of  
20 production, have the full support of these  
21 communities. We will continue to support them,  
22 cooperate with them, and try to make them more  
23 productive.

24 Second, as to the environmental

1 factor. Let me say very bluntly, having been  
2 through a number of fights involving endangered  
3 species and wetlands: To move to Charleston is  
4 an absolute mistake, because the potential for  
5 delay and additional hidden, unforeseen costs  
6 simply has not been counted in this proposal. I  
7 don't have to belabor that point. I don't want  
8 to take the Commission's time with that one or  
9 others.

10 But, once again, I emphasize to you  
11 the importance of considering the commitment of  
12 Connecticut to these facilities, its proud  
13 tradition of supporting the people and their  
14 productivity at these facilities. Thank you very  
15 much. (Applause)

16 CHAIRMAN DIXON: Mr. Bill Moore.

17 MR. MOORE: Thank you. Mr. Chairman  
18 and honorable members of the Commission, my name  
19 is William D. Moore. I am chairman of the  
20 chamber of commerce of Southeastern Connecticut.  
21 I am also chairman of the group that made the  
22 presentation on behalf of NUWC, Power Schools,  
23 the Naval Undersea Warfare Center. I am not  
24 going to say anything they did.

1 I would like to just touch briefly on  
2 some economic impacts that we have just received,  
3 and I will be presenting a copy of this video  
4 that the Navy put together in January of this  
5 year, which clearly discusses the synergy of  
6 Southeastern Connecticut. I advise you to read  
7 or watch it. I will also have a series of  
8 letters I will be presenting.

9 Very briefly, under the annual  
10 economic impact that will occur, should the  
11 recommendations take place, in addition to the  
12 downsizing taking place at Electric Boat  
13 Division, it will cause annual job and total  
14 public and private job loss of 14,003, from 1996  
15 to 2005. The annual job loss, if the NUWC  
16 leaves, Electric Boat continues, and we do get  
17 the Nuclear Training Schools, is still 11,020.  
18 The annual loss simply from losing the NUWC  
19 facility is 2,015. These are annual job losses  
20 that the community will receive. We also break  
21 out disposable income and gross regional product.  
22 These are hard numbers, these are facts.

23 Southeastern Connecticut is the most  
24 heavily dependent region in the country on

1 defense spending. 1992 per capita defense  
2 spending, \$9,850. The next closest, Fort Worth,  
3 Texas, \$2,800 per capita.

4 The economics of this don't make  
5 sense, as the presentation this morning showed,  
6 our logic is clear, the sensibility is evident,  
7 and we respectfully request that you reject those  
8 recommendations. Thank you.

9 CHAIRMAN DIXON: Thank you,  
10 Mr. Moore. (Applause)

11 Mr. Ted Molligen, Naval Undersea  
12 Warfare Center.

13 MR. MOLLIGEN: Good afternoon,  
14 everyone. I am Ted Molligen. I have 33 years of  
15 experience in Navy work, and from 1972 to '76 I  
16 served as the chief sonar scientist at the  
17 Submarine Development Squadron. In those days I  
18 learned from my submariner friends how critical  
19 sonar acoustic advantage is. Basically, if I can  
20 see you and you can't see me, then I can sneak up  
21 on you and shoot you at any time that I want.  
22 The military advantage of that is obvious.

23 When I got that job, the Soviets  
24 introduced a new generation of much quieter

1 submarines, causing a major hit to the United  
2 States acoustic advantage. On a crash basis we  
3 came up with major sonar improvements which  
4 offset the Soviet quieting. They were described  
5 earlier by John Markowicz. As the chief sonar  
6 scientist, I developed methods for using these  
7 new and different systems and taught them to our  
8 submarine force. For example, I invented this  
9 towed array slide rule which even today is  
10 carried and used by all U.S. nuclear submarines.

11 Now, acoustic advantage has two major  
12 components: submarine quietness and sonar  
13 sensitivity. Today, in 1995, for the first time,  
14 U.S. nuclear attack submarines are no longer the  
15 quietest at sea. The Navy has recently announced  
16 that six Russian SSNs at sea today are quieter  
17 than any of ours. More are coming. In this  
18 truly dangerous situation, it just doesn't make  
19 sense to damage our own capability to design  
20 better sonars.

21 Please, cancel the forced relocation  
22 of our civilian sonar designers from New London  
23 to Newport. I have many friends in this group  
24 who are simply disgusted. They know that the

1 move will cost more money, as we have  
2 demonstrated, than it will save. Many of them  
3 simply won't go.

4 CHAIRMAN DIXON: Thank you,  
5 Mr. Molligen.

6 Mr. Bob Bulmer.

7 MR. BULMER: Good afternoon. My name  
8 is Bob Bulmer, and I was employed for 33 years at  
9 NUWC New London, 20 years as a supervisor  
10 physicist in submarine sonar. The one thing I  
11 hope you remember from my comments is this: If  
12 NUWC New London is closed down, there will be a  
13 quantum drop in sonar expertise and corporate  
14 memory because many key people will leave. This  
15 loss will take place because of the effects of  
16 the unique hiring regulations imposed on all  
17 government laboratories over the years. Civilian  
18 billets are linked to military officer billets  
19 which go up in wartime and down in peace. The  
20 last major hiring effort was during the Vietnam  
21 War which ended in 1973. Very limited hiring was  
22 done thereafter. As a result, a majority of the  
23 New London sonar experts typically have over 23  
24 years of experience and can afford to leave if

1 they so choose. Because of the recurring hiring  
2 freezes, an inadequate pool of qualified  
3 scientists and engineering experts who can take  
4 over at the New London experts leave en masse.  
5 These expert scientists gave their knowledge by  
6 spending many weeks at sea testing sonar systems.  
7 With the drastic cutback in warships, the  
8 dedicated test time has virtually disappeared and  
9 scientists no longer can have the opportunity to  
10 gain this experience.

11 The existing experts are my  
12 contemporaries. I have discussed the move to  
13 Newport with some of them, and not one of them is  
14 willing to move. All they have indicated to  
15 management is that they might move, but only  
16 because it was in their best interests to say so.  
17 But when the moment of truth comes, they will  
18 leave. This will drastically reduce the military  
19 value of the remaining organization. The bottom  
20 line is: Move them and lose them. This means  
21 our country also loses its competitive edge in  
22 sonar technology. If this happens, aggressor  
23 nations need not worry about America's superior  
24 submarine deterrent. The superiority will have

1       been lost in the move to Newport. Thank you. ✓

2       (Applause)

3                   CHAIRMAN DIXON: Thank you,  
4       Mr. Bulmer. The great State of New York is  
5       recognized with eight public comment people:  
6       Mayor Joe Griffo, Assemblywoman RoAnn Destito,  
7       Dr. Marvin King, State Senator Nancy Lorraine  
8       Hoffman, Rusty Portner, Bernard Haber, John  
9       Lincoln, and Jack Russo.

10                   Will you all raise your right-hand  
11       side, please.

12                   Do you all solemnly swear or affirm  
13       that the testimony you are about to give to the  
14       Defense Base Closure and Realignment Commission  
15       shall be the truth, the whole truth and nothing  
16       but the truth?

17                   (Eight speakers, in chorus): I do.

18                   CHAIRMAN DIXON: Mayor Griffo, this  
19       is the third time I am going to listen to you.  
20       It is great to see you again, Joe.

21                   MAYOR GRIFFO: Senator, I am Joe  
22       Griffo, the mayor of the city of Rome. Mr.  
23       Chairman, having testified before you in  
24       Washington, D.C., in March and hosting you in

1 Rome last month and now appearing before you  
2 here, I feel that we are becoming old friends.

3 Be assured that we do appreciate the  
4 opportunity to present the case on behalf of the  
5 people of the city of Rome.

6 Rome, New York, is a small community,  
7 one that takes a great deal --

8 CHAIRMAN DIXON: Pardon me, Joe.  
9 Folks, you will have to file out in silence. The  
10 State of New York has a right to be heard. Mayor  
11 Griffio.

12 MAYOR GRIFFO: Thank you, Senator.

13 Rome, New York, is a small community  
14 which has a great deal of pride in itself. Of  
15 course, over the years the city of Rome has  
16 contributed greatly to that sense of pride, but,  
17 on the other hand, I am convinced that that same  
18 sense of pride, the integrity and work ethic of  
19 our people, has contributed to the success of the  
20 Rome Lab.

21 As some of you saw when you visited  
22 the Lab, what is truly special about the Lab is  
23 not only the physical facilities which are filled  
24 with some of the most sophisticated equipment

1 anywhere, but as a human resource the people who  
2 work at the Lab and the positions that support  
3 the Rome Lab -- research scientists, private  
4 business people, academics, and assorted others  
5 who go to work every day carrying out the mission  
6 of that laboratory. These, I believe, are the  
7 Lab's greatest resources and they cannot be  
8 replaced and they will not, by and large, choose  
9 to relocate if this decision is carried out.

10 In the end, you have to listen to all  
11 the arguments both for and against the relocation  
12 of the Lab, and you will have to make that  
13 decision based upon what is in the best interests  
14 of our nation. We have told you and will  
15 continue to prove that the numbers simply don't  
16 add up. We have pointed out the military  
17 effectiveness of this Lab would be jeopardized by  
18 its relocation, and today you saw, during our  
19 presentation, slides that present statements by  
20 Pentagon officials expressing the value of the  
21 Lab and the importance of the mission and why  
22 moving the Lab would be a mistake.

23 I urge you to take all of these  
24 things into consideration when deliberating the

1 fate of this Laboratory. Again, I thank you very  
2 much for these opportunities and for your service  
3 to our nation. (Applause)

4 CHAIRMAN DIXON: Thank you,  
5 Mr. Mayor.

6 We are delighted to see you,  
7 Assemblywoman Destito. We thank you for your  
8 hospitality when we visited Rome last.

9 ASSEMBLYWOMAN DESTITO: Thank you.  
10 Commissioners and Chairman Dixon, my name is  
11 RoAnn Destito, and I am proud to be the Assembly  
12 member from Rome, New York. We appreciate your  
13 continued interest in Rome Lab, and we are  
14 grateful for the opportunity you have provided  
15 for us to make our case. This morning and on  
16 other occasions you witnessed a tremendous  
17 bipartisan effort to argue for the retention of  
18 the Lab in New York State. Support is so strong  
19 that 94 members of our State Assembly wrote to  
20 the President urging him to not allow Rome Lab to  
21 be relocated. These days it may be difficult to  
22 find such widespread support on any issue. In  
23 the case of Rome Lab we are all united because of  
24 the soundness of our case.

1                   On the merits, moving Rome Lab would  
2 be wrong because it would be too costly and it  
3 would jeopardize the fantastic research that is  
4 being done there.

5                   The relocation of Rome Lab would be  
6 wrong for another reason. It goes back on  
7 promises that were made to the Rome community  
8 relating to the reuse plan. It would not only  
9 hinder our efforts to reuse Griffiss, but would  
10 also cast a doubtful shadow across the entire  
11 reuse process everywhere in America.

12                  People of Rome are resilient. We  
13 worked hard to develop a reuse plan that would  
14 allow us to recover from the loss of Griffiss.  
15 We are also fair, and we want to be treated  
16 fairly. We believe that if you play by the  
17 rules, the rules should not be changed midstream.  
18 If other states are allowed to pirate Rome Lab,  
19 including jobs that are now there and the  
20 potential jobs to be created in the High Tech  
21 Corporate Park, no community would be able to  
22 know with certainty that their reuse plan would  
23 not be upended just as it was about to be  
24 implemented.

1           To be candid, across the country the  
2 reuse planning process has not proceeded as  
3 smoothly as anyone would have liked it to.  
4 Communities are not always able to come to terms  
5 with the loss of a base and are therefore unable  
6 to come to agreement on a plan for its reuse. In  
7 Rome, we moved forward, forged a consensus, are  
8 now prepared to implement our plan. What is  
9 laudable about my community efforts is that we  
10 don't even seek to steal companies from another  
11 locale to bring them to Rome. Our plan calls for  
12 the growth of new industries. Thank you.

13           CHAIRMAN DIXON: Thank you. Dr.  
14 Marvin King, Rome Lab.

15           DR. KING: Mr. Chairman and members  
16 of the Commission, welcome to my neighborhood. I  
17 am Marvin King, and I am president of Riverside  
18 Research Institute. My office is a few blocks  
19 from here. We are an independent, nonprofit  
20 research institute that until 1967 was part of  
21 Columbia University. We now employ about 44  
22 people, and, interestingly, about a quarter of  
23 them are in an office outside of Hanscom Air  
24 Force Base in Massachusetts. We have worked with

1 the Rome Lab people for over three decades, and  
2 we have made some tremendous technical  
3 achievements in radar; in fact, in optics as  
4 well, where the techniques we developed some  
5 years ago are being used by the Hubbell Space  
6 Telescope today to further our knowledge of the  
7 universe.

8                   Since we already have an office  
9 outside Hanscom, my businessman's judgment is  
10 that my business might not suffer at all if some  
11 of Rome Laboratory was in fact moved there.  
12 However, my judgment as a research scientist is  
13 that it would be quite a mistake to break up Rome  
14 Laboratory.

15                   Mr. Chairman, I sent you a letter in  
16 March where I wrote that intangible factors are  
17 extremely important in Rome Laboratory's case,  
18 and I thought that the recommendations made by  
19 the administration might have neglected them.  
20 The intangibles at Rome Lab make the difference  
21 between doing a job that is just good enough and  
22 doing a job that is excellent. What Rome has is  
23 an exceptional and an uncommon  
24 cross-fertilization among their entire range of

1 technical experts, and this pays off and has paid  
2 off for years in better and smarter and faster  
3 ways of doing things. I am certain that if this  
4 institution were broken up, one could not  
5 assemble this again. This is a unique and very  
6 effective organization. These factors are too  
7 important to be neglected, and I hope and I  
8 expect that these will be considered by the  
9 Commission.

10 CHAIRMAN DIXON: Thank you, Dr. King.

11 (Applause)

12 THE COURT: Senator Nancy Larraine  
13 Hoffman.

14 STATE SENATOR HOFFMAN: Thank you,  
15 Mr. Chairman. I want to thank you and your staff  
16 for all the courtesies shown to us through this  
17 very difficult period, coming on the heels of  
18 BRAC 1993. We especially value the time that was  
19 shown by members of your staff to us.

20 I have had the pleasure of  
21 representing the Central New York area, including  
22 Rome Lab and Syracuse Air Force Base, for the  
23 past ten years. One of the things that we have  
24 created with the creation of Rome Lab's

1 remarkable information network is exactly what  
2 Congress intended in passing the Technology  
3 Transfer Act. We have shown that it is possible  
4 to bring the linkage of the business and the  
5 academic and scientific research communities into  
6 working relationships with the military for the  
7 benefit of all combined. That point really must  
8 be underscored. It was the Air Force that came  
9 to the State of New York, Oneida County, the city  
10 of Rome, and the rest of the scientific community  
11 in New York State and asked us to be partners ten  
12 years ago. We have done that, and now this  
13 information network simply cannot be dismantled,  
14 moved to two other states, and expected to  
15 function the same way.

16 One of the areas in which Rome Lab  
17 has been in the forefront in technology transfer  
18 is in the area of telemedicine. Recently  
19 declassified in parts so we can address it today,  
20 there will be a telemedicine demonstration at  
21 Fort Drum, New York, later this summer. That  
22 will involve Rome Lab, the Syracuse University  
23 Health Science Center and other facilities. This  
24 will be an experience that will demonstrate two

1 years ahead of the projected schedule how, under  
2 the supervision of Rome Lab, we will be able to  
3 have Army, Navy, Marine and Air National Guard  
4 all on maneuvers demonstrate the important  
5 advantages of battlefield medical communication  
6 with a state-of-the-art teaching hospital,  
7 Syracuse University Health Science Center. This  
8 would not happen without the direct involvement  
9 and control of Rome Lab.

10 Telemedicine is just one of many  
11 products of Rome Lab. To store information, Rome  
12 Lab developed the compact disk. Fiberoptics were  
13 first developed at Rome Lab, as well as the first  
14 satellite communications. We simply cannot have  
15 the same scientific synergy if Rome Lab is  
16 dismantled. Thank you.

17 CHAIRMAN DIXON: Thank you Senator.  
18 Rusty Portner.

19 MR. PORTNER: Thank you, Chairman  
20 Dixon, ladies and gentlemen of the Commission.  
21 My name is Rusty Portner and I would like to  
22 speak on behalf of the REDCAP. I worked for 18  
23 years in the Office of the Secretary of Defense  
24 as a director for electronic warfare, and during

1 those years we developed the electronic warfare  
2 systems that saved many aircraft and lives in  
3 Vietnam and those that worked so effectively  
4 against the Iraqi air defenses during the Persian  
5 Gulf. In my capacity there, I always insisted on  
6 REDCAP having the testing capability with the  
7 electronic system that we approved. Since that  
8 time, since I have left the government, I have  
9 watched a key program, the B1 bomber ACM program  
10 fail during its testings primarily because it  
11 skipped the development test program and  
12 particularly the hardware aspect of things. The  
13 Air Force, recognizing this, has come up with an  
14 electronic warfare test process which has  
15 hardware in the loop as an integral part of it.

16 I believe that the proposal to move  
17 the REDCAP away from Buffalo, New York, will  
18 result in a time gap when we will have no  
19 hardware and capability to test our systems. The  
20 time gap will result because the money in the  
21 estimate is not enough to move the hardware and  
22 install it in another facility.

23 Secondly, the Air Force will have to  
24 go into their budget in the out years to program

1 new funds to program new equipment and that will  
2 take time, and we will have no capability in  
3 between. We will lose a lot of key and  
4 experienced people who know how to set up these  
5 tests, how to run these tests, and then analyze  
6 the results of the tests if we go to some other  
7 facility and have to hire new people and train  
8 them. There are several PEW programs, those for  
9 the B2 Bomber, again for the B1 Bomber upgrade  
10 program, the Navy's support program and several  
11 aircraft programs.

12 So, in my mind, the result will be  
13 that the government will spend millions of  
14 dollars of taxpayers' money building electronic  
15 warfare equipments that may fail in tests. That  
16 is what happened to the B1 program before. That  
17 is why we put together an electronic combat test  
18 program in which hardware in the loop in REDCAP  
19 is a centerpiece, and that is why we should not  
20 approve a program that would cause this gap.

21 CHAIRMAN DIXON: Thank you.

22 Mr. Bernard Haber of Fort Totten.

23 MR. HABER: Thank you, Mr. Chairman,  
24 and members of the Commission: I am chairman of

1 Community Board 11, a lieutenant colonel in the  
2 Air Force Reserve, and I have with me today  
3 Mr. Kelty, who is chairman of Community Board 7.  
4 Fort Totten is in the jurisdiction of Community  
5 Boards 7 and 11. These community's boards  
6 represent more than 400,000 residents who live in  
7 the area of Fort Totten, namely Bayside,  
8 Douglaston, Little Neck, and Flushing. The Fort  
9 continues today to make a vital contribution to  
10 the defense of the nation. It is the home of the  
11 77th Reserve Command, the largest Reserve Unit in  
12 the United States. The DOD has recently spent  
13 several millions of dollars on renovating the  
14 existing facilities of Fort Totten and recently  
15 committed a \$2 million Reserve Center.

16 Closing the Fort has a substantial  
17 economic impact on the community, but also very  
18 important is the following: The Fort offers  
19 serviceable and affordable housing for the  
20 military who are assigned to New York City and  
21 who work in the various military offices and  
22 facilities in New York City. The Fort's location  
23 is adjacent to the best public school system in  
24 New York City, the best districts. Some of the

1 schools are within walking distance of the Fort.  
2 All are available to the children of the base.  
3 It offers an excellent transportation facility  
4 right next to the Fort, allowing a short ride to  
5 the railroad station, to Bayside, and to the  
6 subway station at Main Street -- all inexpensive,  
7 easy access for the various workplaces throughout  
8 New York City, to which service people are  
9 assigned. It also is an excellent neighbor to  
10 the community.

11 The proposal to move Fort Totten to  
12 Mitchel Field will not provide the educational  
13 system, the transportation system, the  
14 recreational facilities, the integration with the  
15 surrounding community, and the easy access to the  
16 highway and bridge system. There are many other  
17 advantages that can be detailed. Fort Totten  
18 should stay as an Army base in its entirety.  
19 Thank you.

20 CHAIRMAN DIXON: Thank you,  
21 Mr. Haber.

22 Mr. John Lincoln, from Seneca.

23 MR. LINCOLN: Thank you. My name is  
24 John Lincoln, and I have been a resident of

1 Seneca County for many years. I would like to  
2 thank the Commission for giving me the  
3 opportunity to speak on behalf of residents of  
4 Seneca County who support Seneca Army Depot.  
5 Facts have been presented and affirmed with  
6 documents presenting the assets and work of  
7 Seneca Army Depot.

8           Soon it will be time for the  
9 Commission to make final recommendations to the  
10 President. You have been tasked with reducing  
11 installation infrastructure, reducing manpower  
12 and costs, and reducing excessive Reserve staff  
13 within the Department of Defense. I feel that is  
14 a paramount responsibility.

15           I, as a citizen and taxpayer, charge  
16 you, Mr. Dixon and the members of your  
17 Commission, with making decisions that will, in  
18 the end, reflect the correct conclusion.

19           I also charge the Commission to  
20 remove and divorce yourselves from the political  
21 process and pressures that you have encountered  
22 or are about to encounter. There is no room for  
23 politics or political issues in the decisions you  
24 are about to make.

1                   We have purposely chosen in our  
2 county not to make this a political issue.  
3 However, our local legislators stand behind us.  
4 They reflect the attitude of our residents who  
5 have for over 50 years supported a military  
6 presence in our county. We in the county feel  
7 the results of your findings will affect every  
8 man, woman and child. The end results of your  
9 findings will affect the readiness of the  
10 Department of Defense in the defense of our  
11 nation.

12                   Power projection with rapid  
13 deployment is the key -- the key not only to our  
14 defense but also the key to possibly saving lives  
15 of the soldiers in the field. Treat your  
16 responsibilities as if your sons or daughters  
17 were those soldiers. Seneca is uniquely prepared  
18 to provide this power projection and these rapid  
19 deployment opportunities.

20                   In closing, the defense of our nation  
21 again is at stake and in your hands. Please make  
22 your decisions wisely and do what is right.

23 Thank you.

24                   CHAIRMAN DIXON: Thank you,

1 Mr. Lincoln. We are sure going to try to.

2 Finally, Mr. Jack Russo.

3 MR. RUSSO: Thank you, Mr. Chairman.

4 My name is Jack Russo. I am chairman of the  
5 Roslyn Water District. The Roslyn community is a  
6 small community situated on the North Shore of  
7 Long Island. What is up for proposal at the  
8 moment is consideration to close the Roslyn Air  
9 National Guard Station and to move it up to the  
10 Stewart International Airport. This, according  
11 to the reports and the materials that we have  
12 received, indicates that there will be a one-time  
13 cost of about \$2.4 million to make the change, at  
14 an estimated cost of about \$720,000 per year  
15 thereafter. We submit that this is a relatively  
16 difficult decision for you to make, but at the  
17 same time there are numbers that you should look  
18 at, and we would be happy to support the  
19 Commission with any further data that they would  
20 like to have.

21 There are 40 GS eligible employees  
22 that will have to be shifted up to Stewart Air  
23 Force Base. In addition, we have 100 Guardsmen  
24 that come in for drilling and for training.

1       These men come from AT&T and from NYNEX.  They  
2       have all of the expertise that is necessary for  
3       this communication unit to operate.  They are  
4       people in the field, and if they move up to  
5       Newburgh or wherever that location is going to  
6       be, we fear the loss of a very substantial  
7       expertise that will go with it.  I don't know if  
8       the Commission has reviewed the fact that there  
9       are a number of other federal operations at the  
10      base, including an FBI unit, a drug control unit,  
11      and several other secret operations that the base  
12      is host to.  In order for them to move up as well  
13      or to take on a commercial lease of some sort, we  
14      are looking at about 1 million 6 a year just to  
15      house the extra people that are there.  They take  
16      up about 27 percent of our total floor space at  
17      the base.

18                               CHAIRMAN DIXON:  Thank you very much.

19                               Ladies and gentlemen, the great State  
20      of New Jersey will be heard at precisely 1:30.  
21      We are going to take a short break for a little  
22      lunch.  We will be back precisely at 1:30 for the  
23      State of New Jersey.

24                               (Luncheon recess)

## 1 AFTERNOON SESSION

2 1:30 p.m.

3 CHAIRMAN DIXON: Good afternoon.

4 Welcome to our afternoon session. I am Alan  
5 Dixon, and with me are my fellow Commissioners,  
6 Commissioner Al Cornella, Commissioner Rebecca  
7 Cox, Commissioner S. Lee Kling, Commissioner Joe  
8 Robles, and Commissioner Wendi Steele.

9 This afternoon we will hear a  
10 presentation from the State of New Jersey, which  
11 will last for 120 minutes, and a presentation  
12 from Massachusetts, for 30 minutes. As is the  
13 case with all our regional hearings, the  
14 Commission has given blocks of time to each state  
15 based on the number of installations on the list  
16 and the job loss. We have left it to the elected  
17 officials and the community leaders to decide how  
18 to fill the block of time.

19 After the Massachusetts presentation,  
20 there will be a period of 30 minutes for  
21 additional public comment from New Jersey and  
22 Massachusetts. The persons who wish to speak at  
23 that time should have signed up in the lobby, and  
24 thereafter will limit themselves to two minutes.

1                   We will be ready to begin the New  
2 Jersey presentation as soon as I have sworn the  
3 witnesses. Would you all be kind enough to rise  
4 and raise your right hand.

5                   Do you solmenly swear or affirm that  
6 the testimony you are about to give to the  
7 Defense Base Closure and Realignment Commission  
8 shall be the truth, the whole truth and nothing  
9 but the truth?

10                   (Seven speakers, in chorus): I do.

11                   CHAIRMAN DIXON: Thank you very much.  
12 We are delighted to have the New Jersey  
13 delegation, and I believe that Senior Senator  
14 Bill Bradley is going first. Senator Bradley.

15                   SENATOR BRADLEY: Thank you very  
16 much, Mr. Chairman. This will be the first  
17 testimony I have ever given wearing glasses, so  
18 it will say something about our age.

19                   I thank the Commission for taking the  
20 time to attend this important regional hearing.  
21 I hope the testimony you will hear today will  
22 assist you in your difficult task.

23                   That task, of course, is to review  
24 Secretary Perry's recommended list of closures

1 and realignments, and make sure that those  
2 recommendations were based upon a fair and  
3 rational assessment of the value of those bases.

4           There are two main purposes to  
5 closing military installations: first, saving  
6 taxpayer dollars by reducing unneeded facilities,  
7 while at the same time preserving the level of  
8 military readiness that is essential to  
9 maintaining our strong national defense. Closing  
10 Bayonne Terminal and Lakehurst Naval Air Force  
11 Warfare Center thwarts both of these goals.  
12 Decisions to close these installations were based  
13 upon incorrect premises, incomplete analysis, and  
14 insufficient understanding of the unique  
15 attributes of these facilities.

16           The Base Realignment and Closure  
17 Report states that "Bayonne provides the Army  
18 with few military capabilities that cannot be  
19 accomplished at commercial ports." I believe  
20 this assertion, made without ample evidence or  
21 adequate study, is simply false. The expert  
22 testimony you will hear today refutes the Army's  
23 assertion, and warns of the decrease in military  
24 effectiveness that will occur as a result of such

1 a move.

2 Handling equipment such as M1 tanks  
3 and Bradley infantry fighting vehicles requires a  
4 labor force specially trained to handle such  
5 cargo: Bayonne has that labor force. Moving  
6 such equipment requires specialized access from  
7 railways and highways. Bayonne is the only place  
8 on the East Coast that has such access. It  
9 requires stringent security. Bayonne can  
10 accommodate every land-based weapons system in  
11 inventory without additional security upgrades.  
12 Finally, it requires that all of these elements  
13 work together in remarkably tight time frames to  
14 support our missions abroad. The only place on  
15 the East Coast that has all of these elements and  
16 can perform in such a time frame is the Military  
17 Ocean Terminal at Bayonne.

18 To sacrifice Bayonne would be to  
19 sacrifice a military asset that has proven its  
20 value to this nation over and over again. This  
21 move would come to haunt our military in the  
22 event of another sudden deployment such as Desert  
23 Storm or Operation Rescue Hope.

24 Mr. Chairman, you will also hear

1 today from experts on the Naval Air Warfare  
2 Center at Lakehurst. I think they will  
3 demonstrate to this Commission in no uncertain  
4 terms that the recommendation to realign  
5 Lakehurst does more than simply thwart the goal  
6 of saving taxpayer dollars; it poses a threat to  
7 the heart of naval aviation.

8 It is fitting that we sit here today,  
9 on the hangar deck of the *Intrepid*, to discuss  
10 the contribution that Lakehurst makes to our  
11 nation's defenses. The *Intrepid* served our Navy  
12 proudly for 37 years, but it is a museum today.  
13 It is no longer an aircraft carrier because the  
14 catapult and arresting gear is no longer  
15 functional.

16 When this gear fails, we no longer  
17 have the ability to launch and recover  
18 high-performance combat aircraft -- in other  
19 words, you've lost an aircraft carrier. As you  
20 will hear today, it is Lakehurst that designs and  
21 tests such equipment. Lakehurst is the heart of  
22 naval aviation, and destroying the synergies that  
23 exist there would turn other proud weapons such  
24 as the *Intrepid* into museums.

1           The expertise that New Jerseyans  
2 bring to the BRAC process served the state and  
3 the country well in 1993, when the Commission  
4 reversed the decision to close McGuire Air Force  
5 Base. That reversal was based upon the facts and  
6 grounded in the merits of McGuire's superior  
7 location astride the heart of the Northeast  
8 transportation corridor, and facilities and  
9 personnel, which can launch fully loaded cargo  
10 planes to Europe and enjoy unimpeded year-long  
11 fuel deliveries. I urge this Commission to  
12 maintain the integrity of that decision on  
13 McGuire, and allow McGuire to continue to carry  
14 out the mission it has been given.

15           Mr. Chairman, the mission of Fort Dix  
16 is also a proud one. The transfer of Fort Dix to  
17 the Reserve Command will be highly beneficial to  
18 the Army National Guard and Army Reserve Units.  
19 It is important, however, that Dix retain enough  
20 personnel to support that mission. I do not  
21 believe the current recommendation provides for  
22 this, and I hope the Commission's final report  
23 will reflect this need.

24           Finally, Mr. Chairman, I would like

1 to bring your attention to a group of people that  
2 have become reluctant experts on the BRAC  
3 process -- the New Jerseyans who have come here  
4 today to support Lakehurst, Bayonne, Fort Dix,  
5 McGuire, and Fort Monmouth. They are here  
6 because they live and work around these bases,  
7 and they know firsthand the value the  
8 installations have, not only to the economy of  
9 our state, but to the security of our nation. I  
10 look forward to hearing the testimony of some of  
11 these experts later today, and I thank them for  
12 being here to demonstrate their strong support  
13 for the mission of those bases.

14 You and your fellow Commissioners  
15 have a number of difficult decisions to make  
16 during this process. It is my hope, however,  
17 that after hearing from the individuals who will  
18 present testimony before you today, your decision  
19 to reject ill-advised recommendations for closure  
20 or realignment of these New Jersey facilities  
21 will be reversed.

22 CHAIRMAN DIXON: Thank you very much,  
23 Senator Bradley.

24 We are delighted to have your

1 colleague, my friend Senator Frank Lautenberg.

2 Senator Frank Lautenberg. (Applause)

3 SENATOR LAUTENBERG: Thank you very  
4 much, Mr. Chairman, Commissioners. I am sure you  
5 have heard it before but we welcome you to this  
6 region and the opportunity to discuss our  
7 problems and our opportunities as we see them  
8 with you.

9 I believe that the facilities at  
10 Lakehurst and Bayonne are critical to the success  
11 of America's post-Cold War power projection  
12 strategy. After hearing what the experts have to  
13 say about the military value of these bases, I  
14 hope that you will agree that New Jersey's bases  
15 represent the kind of critical asset that is  
16 required to project our country's military  
17 presence in times of urgent need. Closing  
18 Lakehurst, in my judgment, could put U.S. carrier  
19 operations at risk and, with them, America's best  
20 means of projecting power abroad quickly. We are  
21 being turned aside constantly by other countries  
22 who used to welcome our bases there, and they are  
23 saying no to America when they ought to be  
24 standing up and saying yes to America. One way

1 to project our forces is through aircraft  
2 carriers at Lakehurst, the agency that is most  
3 responsible for efficient and reliable service.

4 (Applause)

5 As you heard from my colleague, the  
6 catapulting and arresting gear aboard the  
7 *Intrepid* was developed at Lakehurst. Its  
8 pioneering efforts in contemporary engineering  
9 bring the entire carrier aviation research  
10 development testing engineering cycle under one  
11 roof. The result has been an astounding  
12 near-perfect degree of reliability in American  
13 carrier operations with over 2 million successful  
14 launches and retrievals in the past five years.  
15 Reducing that reliability even 1/2 of 1 percent  
16 translates to a loss of six aircraft and crews  
17 each day of carrier operations. At that rate,  
18 yearly losses would wipe out almost our entire  
19 inventory of American carrier-based operations.

20 The GAO point out that, when it comes  
21 to savings, the Navy's recommendation to close  
22 Lakehurst is based on substantial change to  
23 original estimates by the Navy's BRAC team.  
24 Simply put, it means that they made a mistake

1 when they estimated the closing costs of  
2 Lakehurst, reducing the cost for Lakehurst from  
3 just over \$218 million to just under \$97 million.

4 We owe it to the air crews and  
5 related carrier personnel to protect their lives  
6 and their well-being to the greatest extent  
7 possible. That is our responsibility, as they  
8 take on the responsibility to guard America's  
9 security.

10 I am also convinced that the  
11 Pentagon's recommendation to close the Bayonne  
12 Military Ocean Terminal and to use commercial  
13 ports instead is a grave and dangerous mistake.  
14 That action could endanger the heavy sea-lift  
15 capabilities vital to our national security.

16 In very significant military  
17 engagements since World War II, Bayonne has  
18 performed its mission perfectly. During the Gulf  
19 War, for example, Bayonne immediately and  
20 efficiently shipped the bulk of our heavy armor,  
21 Abrams M1 tanks and Bradley infantry fighting  
22 vehicles from as far away as Kentucky and Texas  
23 to the front where needed. Commercial ports in  
24 the East and the South cannot meet the Pentagon's

1 48-hour turnaround requirements. They lack  
2 adequate security, holding and staging areas, and  
3 they can't accommodate the outsized, noncontainer  
4 cargo that is critical at those times. They also  
5 lack the kind of labor force that we have at  
6 Bayonne to handle such cargo.

7 Most important, unlike Bayonne,  
8 commercial ports are reluctant to forgo  
9 commercial opportunity from the disruptions that  
10 result from the urgent, unforeseen requirements  
11 for military transport in support of our national  
12 security.

13 Also, I hope that the Commission will  
14 support the Pentagon's recommendation to expand  
15 Fort Monmouth's traditional Army electronics  
16 leadership to incorporate related Air Force  
17 R & D. Interservice R & D offers us tremendous  
18 long-term synergies and substantial immediate  
19 overhead and other cost savings. We cannot  
20 afford to pass up this opportunity to reduce  
21 costs in an era of declining defense spending.

22 The decision to expand McGuire Air  
23 Force Base's operations absolutely is correct.  
24 It is on target. It remains the only base that

1 can launch fully loaded cargo planes to Europe  
2 without refueling, the closest to where we are  
3 likely to have to be at a moment of crisis.  
4 McGuire still sits astride the Northeast's highly  
5 developed transportation corridor and continues  
6 to enjoy unimpeded year-long fuel deliveries.  
7 Ongoing military construction at McGuire is  
8 enhancing these capabilities and adding new ones.

9 And finally, while I support the  
10 Pentagon's recommendations to transfer Fort Dix  
11 from the Army's Forces Command to its Reserve  
12 Command, I am concerned, as you will hear from my  
13 colleagues over here, Congressman Saxton in  
14 particular, that the Army's legitimate needs for  
15 support staff and other operational support may  
16 have been underestimated. I hope that the  
17 Commission will take a closer look at this issue.

18 I appreciate the time that you have  
19 spent evaluating the complex issues related to  
20 closing bases and I hope that you will agree that  
21 our servicemen and -women are well served by New  
22 Jersey's bases. Thank you very much. (Applause)

23 CHAIRMAN DIXON: We are delighted to  
24 have the distinguished Governor of New Jersey,

1 Governor Christine Whitman, here. Thank you very  
2 much for honoring us. (Applause)

3 GOVERNOR WHITMAN: Thank you, Mr.  
4 Chairman and members of the committee. I am  
5 honored to have the opportunity to testify before  
6 you this afternoon. I recognize that the work  
7 you are doing is not easy, the decisions you have  
8 to make are not going to be easy, and of course  
9 you have been traveling around the country at  
10 breakneck speed and I know that is not easy. So  
11 I want to begin by thanking you for your service  
12 and for your willingness to hear from the people  
13 of New Jersey about the importance, both to our  
14 national defense and to the State of New Jersey,  
15 of Military Ocean Terminal Bayonne and Naval Air  
16 Warfare Center at Lakehurst. As Senators Bradley  
17 and Lautenberg have said, and as others who will  
18 follow me will point out, the value of these two  
19 installations to our national defense is clear.  
20 And the military values of having these two  
21 facilities in New Jersey, right where they are,  
22 is equally compelling.

23 Marine Ocean Terminal Bayonne enjoys  
24 the benefits of New Jersey's strategic location,

1 our highly skilled industrial workforce, and a  
2 tremendous intermodal transportation network that  
3 is available in our state. There is no evidence  
4 or experience to suggest that the important  
5 contribution MOTBY makes to our national defense  
6 can be duplicated at commercial ports. New  
7 Jersey has some of the finest commercial ports in  
8 the world, but it remains an untested assumption  
9 that commercial ports can and will provide a  
10 sufficient level of readiness in all  
11 circumstances of deployment and sustainment. I  
12 don't think we want to test this theory during a  
13 conflict when the lives of our troops are on the  
14 line.

15 Naval Air Warfare Center Lakehurst is  
16 part of an extensive military complex in South  
17 Jersey which includes Fort Dix and McGuire Air  
18 Force base. Lakehurst enjoys an unencroached  
19 environment that allows for the smooth and  
20 efficient training and deployment of our troops  
21 and testing of critical systems. In addition,  
22 the Lakehurst mission is clearly essential to  
23 naval carrier operations, as the Secretary of  
24 Defense's recommendation acknowledges. The

1 co-location of research and design, testing and  
2 manufacturing, greatly enhances aviation's  
3 support reliance and the safety of the men and  
4 women who make hundreds of thousands of carrier  
5 landings every day.

6 I believe you will find that no  
7 viable rationale exists for fragmenting these  
8 operations. In short, maintaining excellence in  
9 carrier operations means maintaining Lakehurst.  
10 It's that simple.

11 I also want to touch briefly on Fort  
12 Dix. Some people took a wait-and-see attitude  
13 when Fort Dix's mission was changed to be the  
14 training and mobilization center for our National  
15 Guard Reserves for the Northeast. But I think we  
16 can all agree that Fort Dix has been highly  
17 effective in filling this role. I do hope you  
18 will make certain that Fort Dix continues to  
19 receive the support needed to maintain its  
20 important mission.

21 Before I conclude, I would like to  
22 just address the value to the military of its  
23 presence in my state. New Jersey, as the hub of  
24 the Northeast, is a power projection platform.

1 Geography has placed my state and its ports one  
2 day closer in sailing time to Europe, the Middle  
3 East, and Southeast Asia, and our airports hours  
4 closer to any other location on the East Coast.

5 New Jersey is a very hospitable place  
6 for the military in a number of ways. The people  
7 of my state strongly support all the military  
8 installations located in New Jersey. This is  
9 demonstrated not only by the groundswell of  
10 support this process has engendered but also by  
11 the many people of our state who serve in both  
12 the active and reserve forces. New Jersey  
13 provides an outstanding environment for the  
14 military. Our private sector includes everything  
15 from high-tech to heavy industry, to research and  
16 development. Our infrastructure is without  
17 compare. Our roads, rail and air transport  
18 systems are among the finest in our country, and  
19 we have a highly educated and skilled workforce  
20 that has and will continue to contribute to  
21 advancement in military readiness.

22 Mr. Chairman, members of the  
23 Commission, I want you to know that if retaining  
24 our facilities in New Jersey is not in the best

1 interests of our national security, we will, of  
2 course, support your recommendations. But please  
3 also know that I offer this assurance with  
4 complete confidence: that you will agree that  
5 both MOTBY and Lakehurst do support our national  
6 security and should therefore be retained. Thank  
7 you very much. (Applause)

8 THE COURT: We are indebted to you,  
9 Governor Whitman, and to your colleagues,  
10 Senators Bradley and Lautenberg, for that very  
11 excellent presentation from each of you.

12 Now we are delighted to hear from a  
13 group supporting Bayonne Military Ocean Terminal.  
14 I take it that you will handle the allocation of  
15 your time. We are delighted to have you all.

16 Are you going to go first, Ms.  
17 Liburdi?

18 MS. LIBURDI: Congressman Menendez is  
19 going first.

20 CHAIRMAN DIXON: You just pick your  
21 order.

22 CONGRESSMAN MENENDEZ: Thank you,  
23 Mr. Chairman and members of the Commission. Good  
24 afternoon, Governor Whitman and our two United

1 States Senators, Senator Bradley and Senator  
2 Lautenberg. I am Congressman Robert Menendez,  
3 representing the 13th Congressional District of  
4 New Jersey, which is home of the Military Ocean  
5 Terminal at Bayonne. I am speaking of the  
6 decision-making process before the Commission  
7 which must balance policy and cost and, in the  
8 end, ensure the strength of our nation's  
9 security. MOTBY is a military port facility with  
10 a mission never before considered by the  
11 Commission. In fact, in each previous process,  
12 all port facilities have been considered  
13 essential. If you will note the May 1994 letter  
14 from Colonel Dean Smith, he states, in paragraph  
15 3:

16 "The three MTMC ports are all  
17 considered essential for the deployability  
18 mission and satisfy unique components of the  
19 mission."

20 Throughout the BRAC process, every  
21 attribute of MOTBY had the highest ranking, a  
22 fact cited by Commissioner Cornella at the  
23 Commission's March 7 hearing. There is very  
24 little change in quantifiable factors for port

1 facilities from the 1991 BRAC to the present.

2 This longstanding evaluation of  
3 MOTBY's value changed one week before the  
4 recommendation was due from the Secretary to the  
5 Commission. In Colonel Foster's letter dated  
6 February 24, 1995, both MOTBY and PHOTBA are  
7 seriously considered for closure. Oddly, the  
8 move is only filled with supporting data for the  
9 Oakland port. After repeated requests for data  
10 from my office, there is nothing -- I repeat,  
11 nothing -- which justifies the closure of MOTBY.

12 The MOTBY closure recommendation is  
13 based on the unstudied and untested assumption  
14 that dedicated military port facilities can be  
15 eliminated and that commercial capacity will be  
16 available to handle all current and future  
17 mission requirements. This is a very tenuous  
18 assumption, because in closing MOTBY you are not  
19 reducing excess capacity, you are losing an  
20 essential military capability which cannot be  
21 reestablished. We believe the Army proposal to  
22 close MOTBY substantially deviates from the first  
23 four selection criteria.

24 Criteria 1. The impact on the

1 operational readiness of the DOD's total force.  
2 There exists no study or test which examines,  
3 evaluates, or supports the assumption that  
4 sufficient commercial port facilities on the East  
5 and Gulf Coast are available to support power  
6 projection requirements with a minimum loss to  
7 operational capacity. On April 14, 1995, six  
8 weeks after, MTMC formulated a working group to  
9 begin to look at the problem "caused by  
10 unforeseen military cargo being sent through a  
11 port." And on April 19, 1995, MTMC estimated it  
12 will take between two to four years to transition  
13 MOTBY's mission to ports because of "several  
14 contractual restrictions which will affect any  
15 transfer."

16 Criteria 2. The availability of the  
17 facilities at both the existing and potentially  
18 receiving locations. Existence of commercial  
19 port capacity is not the same as availability.  
20 Lillian Liburdi, one of the nation's leading  
21 experts on both port matters and military traffic  
22 concerns, will discuss this problem.

23 Criteria 3. The ability to  
24 accommodate contingency mobilization and future

1 total force requirements at both existing and  
2 potentially receiving locations. General Dick  
3 Larsen will discuss the operational impact and  
4 risk to rapid mobilization and future force  
5 projection needs that the loss of MOTBY poses.  
6 But I draw the Commission's attention to a MTMC  
7 briefing to the Army, which stated: "Is the Army  
8 ready to give up access to their only port  
9 property on the East Coast? Once the port  
10 property is given up, it can never be recovered."  
11 The assumption is commercial ports can handle MRC  
12 workload. MTMC's conclusion was this is a major  
13 risk.

14 Criteria 4. Cost and manpower  
15 complications. There are no cost studies related  
16 to the Commission, the movement of cargo and  
17 equipment. Without cost studies we may never  
18 know or be able to control costs for the movement  
19 of cargo. Commissioners, I ask you, where are  
20 the studies on the port issue? They do not  
21 exist. It took more than six weeks after the  
22 Secretary's MOTBY closure recommendation to begin  
23 to look at the disruption and displacement of  
24 commercial port traffic caused by unforeseen

1 military cargo. Are we to believe that the  
2 selection criteria of the Commission allows for  
3 the elimination of military capability first, and  
4 then to ask questions later?

5 I respectfully submit that, based on  
6 the limited information that has been submitted  
7 to the Commission, there is substantial deviation  
8 from all four of the military value selection  
9 criteria.

10 I would like to turn now to Ms.  
11 Liburdi, one of the nation's leading port  
12 experts.

13 CHAIRMAN DIXON: Thank you very much,  
14 Congressman Menendez.

15 MS. LIBURDI: Thank you, Congressman  
16 Menendez. Good afternoon, Senators, Chairman  
17 Dixon, Commissioners.

18 I am the Director of the Port  
19 Department, Port Authority of New York and New  
20 Jersey. I have held this position for seven  
21 years. I am also an active member of the Surface  
22 Committee of the National Defense Transportation  
23 Association and currently chairing its Intermodal  
24 Subcommittee. This has enabled me to better

1 appreciate the needs of the military in working  
2 through and with commercial facilities.

3 I will focus my comments today on the  
4 key assumption of the BRAC analysis that there is  
5 sufficient commercial capacity on the East and  
6 Gulf Coasts to support the national military  
7 strategy. As Director of the Port of New York  
8 and New Jersey, I have firsthand knowledge that  
9 this, in fact, is not the case.

10 The graphs before you depict growth  
11 in container port activity at six East Coast  
12 ports from 1988 through 1994. Please note that  
13 there is a scale difference in each of these  
14 graphs ranging from New York and New Jersey,  
15 showing 1.4 million, 20-foot equivalent units of  
16 containers versus Jacksonville's 180,000, 20-foot  
17 equivalent units of containers. Traffic at all  
18 major ports, with the exception of Baltimore, has  
19 increased significantly each year. These  
20 increases range from 27 percent here in the Port  
21 of New York and New Jersey to 49 percent in  
22 Savannah, 48 percent in Hampton Roads, 39 percent  
23 in Charleston, and 37 percent in Jacksonville.  
24 While our ports differ greatly in size, it is

1 evident that these are all very busy and  
2 productive commercial terminal facilities.  
3 Several, including Charleston and Jacksonville,  
4 have recently expanded their facilities to handle  
5 increasing levels of commercial freight. Indeed,  
6 here in the Port of New York and New Jersey, we  
7 are actually using a portion of MOTBY to satisfy  
8 commercial needs.

9 Look at the photo before you. You  
10 can see the MOTBY peninsula. On the adjacent  
11 peninsula is the privately owned Global Marine  
12 Terminal, which is operating at approximately 130  
13 percent of its design capacity. At the extension  
14 of that peninsula you see the Auto Marine  
15 Terminal, which MOTBY is supplementing by  
16 accommodating import and export automobiles on a  
17 short-term stage basis for which we have  
18 otherwise run out of space in our commercial  
19 terminals.

20 Ports will work with the military but  
21 need additional time to provide needed space, and  
22 in some cases some have said no.

23 I don't mean to imply that in a time  
24 of national emergency, capacity could not be made

1 available. The ability of commercial ports to  
2 work in concert with military facilities and  
3 particularly with Military Ocean Terminal is well  
4 documented. It does not follow, however, that a  
5 commercial port can unilaterally accept cargo  
6 that a single or multi-scenario deployment may  
7 necessitate. Despite a history of successful  
8 collaborations, commercial ports are becoming  
9 increasingly unable to deal with the disruptions  
10 resulting from military activity. Without a  
11 declaration of national emergency, many ports are  
12 requiring lead time well beyond those that are  
13 currently assumed in joint planning orders, to  
14 provide land and berths for the military. In  
15 extreme cases, the Port of Houston recently  
16 turned away military business due to the  
17 pressures of its commercial business. This is  
18 clear evidence of the increasing difficulty in  
19 providing the space needed for military need.

20 While I would certainly agree with  
21 the Defense Department's determination that there  
22 are no operational requirements to retain  
23 military ports where primary capabilities can be  
24 duplicated at a commercial port, I do not agree,

1 as reported in the Federal Register, that Bayonne  
2 provides the Army with few military capabilities  
3 that cannot be accomplished at commercial ports.  
4 An honest assessment of commercial port  
5 facilities would reveal several fundamental  
6 differences that will limit a commercial port's  
7 ability to project the power required by our  
8 national military strategy.

9           What commercial ports are very good  
10 at is meeting the needs of their customers who  
11 have established timetables of vessel calls and  
12 estimates of how long cargo will stay in staging  
13 areas. Commercial ports, however, have not been  
14 designed to accommodate the special requirements  
15 of military cargo. Noncontainerized military  
16 equipment, armaments, combat vehicles and  
17 sustaining cargoes require specialized staging,  
18 restaging, security, intermodal access, and a  
19 trained labor force dedicated solely to this  
20 activity if we are going to assure safety and  
21 timeliness.

22           I will, in my remaining time,  
23 describe for you each of the critical facility  
24 elements necessary for successful deployment of

1 military cargo, and how these essential  
2 facilities are simply not present at commercial  
3 ports to the degree needed to support a  
4 conclusion that MOTBY should remain on the BRAC  
5 list.

6 I believe Commissioners Kling and  
7 Cornella saw for themselves on Tuesday that  
8 determination of whether a staging area is  
9 adequate depends on the type of cargo being  
10 handled. For military purposes the staging area  
11 must be designed to accommodate irregular shapes,  
12 sizes and other requirements of specialized  
13 military cargo. The weight and overall  
14 dimensions of this military cargo also dictate  
15 that the staging area be designed to support the  
16 loads placed by M1 tanks and Bradleys. MOTBY has  
17 substantial available open acreage which is  
18 properly configured for military needs. It has a  
19 concrete staging area along its operational  
20 berths, which allows unique staging  
21 configurations. This staging area is integrated  
22 with on-dock rail leading directly to the berths,  
23 thereby allowing for immediate transfer to  
24 shipside -- features that no commercial port can

1 match today.

2 Why? Because we design for boxes and  
3 containers weighing 40 tons, not tanks weighing  
4 72 tons; because we use asphalt which gets eaten  
5 up by tracked vehicles; and because we have  
6 Gantry cranes and stacked boxes which preclude  
7 helicopter landings at berthside.

8 Commissioners, unfortunately I've  
9 experienced firsthand the effect of terrorism. I  
10 was at the World Trade Center on the day it was  
11 bombed in 1993. So I fully appreciate why we  
12 must assure the safety of our facilities, our  
13 people, and our equipment.

14 For obvious reasons the national  
15 military strategy requires the perimeter of any  
16 facility to be secured. MOTBY is located on a  
17 peninsula and has a perimeter security line and  
18 another, more fortified security arrangement  
19 around the cargo handling facility. This level  
20 of security, which includes CCTV surveillance  
21 around the compound, is essential to a military  
22 deployment. Neither the Port of New York and New  
23 Jersey nor alternate ports which may be  
24 considered -- Norfolk, Baltimore, Savannah,

1 Charleston or Wilmington -- have a similar  
2 capability.

3 Yes, our cargoes are secured to  
4 prevent theft of containers or vehicles, but not  
5 to the degree of sophistication and control that  
6 MOTBY provides.

7 The power platform that Governor  
8 Whitman talked about, the capacity to project  
9 power, requires rail and switching systems able  
10 to accommodate dedicated rail shipments from  
11 inland warehouse depots and manufacturing sites.  
12 The rail installation at MOTBY is first rate,  
13 having been totally rehabilitated as a result of  
14 lessons learned during the Gulf War. This \$15  
15 million upgrade, designed by the United States  
16 Department of Transportation, produced facilities  
17 which provide an efficient, timesaving  
18 transportation link to the berthing facilities.  
19 Most of the rail shipments received at MOTBY are  
20 direct runs, eliminating time-consuming rail  
21 interchanges which could add days when taken to  
22 ports elsewhere, Norfolk and others. In contrast  
23 to this capability, rail access to the Port of  
24 New York and New Jersey's commercial facilities

1 was not designed with the specific needs of the  
2 military in mind. The same is true in Baltimore  
3 and Norfolk and Charleston and Savannah.

4 In addition to its custom-designed  
5 rail access, MOTBY enjoys unparalleled highway  
6 access, being located adjacent to the major  
7 north-south motor carrier roadway in the United  
8 States -- I95 -- and near the nation's major  
9 east-west roadway -- I80. This is important  
10 because a significant percentage of military  
11 cargo is delivered over the road. This, together  
12 with the dedicated gate entrance at MOTBY,  
13 provides quick and efficient delivery of these  
14 cargoes as well.

15 Given that military cargo is  
16 different from the type of vehicles and equipment  
17 normally handled at a commercial port, a trained  
18 labor force to move these pieces in an efficient  
19 manner is essential. International Longshoremen  
20 Association drivers at MOTBY have military  
21 drivers' licenses, permitting them to operate all  
22 military equipment including M1 tanks. Training  
23 sessions are underway now to qualify them on the  
24 new M1A2 tanks. It is not possible during times

1 of military mobilization to first train workers  
2 at commercial ports to do the specialized tasks  
3 associated with military cargoes. In past  
4 mobilization efforts, troops were required to be  
5 at commercial ports to move these vehicles,  
6 shrink-wrap helicopters prior to loading, and so  
7 on. In some cases staging had to take place at  
8 the home base. This deprived MTMC of its  
9 flexibility in its use of ships. In cases where  
10 alternate ships were used, restaging was  
11 required. Restaging, of course, costs time,  
12 money, and coordination effort. These factors  
13 were not considered in the Secretary of Defense's  
14 recommendation. Neither did the recommendation  
15 assess the effect of diverting military focus to  
16 managing port activities at a time when the  
17 military leadership should instead be  
18 concentrating on readying troops for deployment.

19 Just last month, we in the Port  
20 community began an assessment process with MARAD  
21 and the Military Traffic Management Command and  
22 the National Ports & Waterways Institute, which  
23 will lead to developing a generic computerized  
24 model which will evaluate the direct and indirect

1 disruption effects on commercial cargo of  
2 military deployment. This model which will take  
3 twelve months to develop, will be a planning  
4 tool, and it will also generate specific  
5 recommendations for port utilization during a  
6 military mobilization. It seems clear to me that  
7 the results of this study, coupled with an  
8 analysis of East and Gulf Coast port  
9 alternatives, must be made available before the  
10 Department of Defense can seriously make a  
11 closure recommendation for MOTBY. These analyses  
12 still will not, however, answer the basic  
13 question of whether commercial ports are willing  
14 to handle military traffic, and to what degree,  
15 in light of the commercial disruptions attendant  
16 upon such traffic.

17 As the Port Director of the largest  
18 general cargo port on the East and Gulf Coasts, I  
19 must tell you that I am very concerned when a key  
20 element of the national military strategy  
21 requires commercial ports to handle significant  
22 amounts of specialized military cargo without the  
23 appropriate planning, staging and investment in  
24 facilities and operations needed to achieve this

1 strategy. I believe that I cannot at my port  
2 provide the space, security, access, and trained  
3 labor in the efficient, timely manner needed to  
4 support the MTMC mission, to service troops to  
5 the scenario areas. I also sincerely doubt  
6 whether my colleagues at other ports could do so.  
7 On the other hand, MOTBY stands ready to perform  
8 these services with a proven, and unparalleled,  
9 record.

10                   Commissioners, I have seen,  
11 firsthand, in Desert Storm, Operation Restore  
12 Hope, and other deployments the efficiencies  
13 created by the unique facilities, by labor and by  
14 intermodal connections, all available at MOTBY.  
15 As an expert in the Port community, I truly  
16 believe that closing the Military Ocean Terminal  
17 Bayonne will not serve the military interest.

18                   General Dick Larsen is going to  
19 elaborate now on some of these points and how  
20 they impact on military readiness. As he does,  
21 please ask yourselves whether the thesis that  
22 MOTBY's closure will not affect MTMC's ability to  
23 meet its missions requirements because we in the  
24 commercial community can pick up the slack can be

1 sustained. Thank you.

2 CHAIRMAN DIXON: Thank you, Director  
3 Liburdi. We are indebted to you. (Applause)

4 General Larsen, we are honored to  
5 have you, sir.

6 GENERAL LARSEN: Thank you, sir.

7 Good afternoon, Commissioners and  
8 Senators. I am Dick Larsen. I am a retired  
9 major general of the United States Army. During  
10 my active duty I had the honor to command twice  
11 within the Military Traffic Management Command.  
12 My last assignment on active duty was in fact as  
13 the commander of MTMC. Also, once previously I  
14 commanded one of the two field area commands  
15 within MTMC. So I come to you today not only as  
16 a concerned citizen but also as a veteran who is  
17 intimately familiar with the performance and the  
18 capabilities of Military Ocean Terminal Bayonne  
19 and its organizational structure. As Congressman  
20 Menendez pointed out so aptly in his opening  
21 statement, in fact this is a different category  
22 of BRAC. We are not just relocating, we are not  
23 just realigning, but in fact we are eliminating a  
24 capability on the East Coast and the Gulf Coast

1 of the United States.

2 I think in my mind an analogy would  
3 be if you tried to move the Military Airlift  
4 Mission at McGuire Air Force Base to Philadelphia  
5 International Airport and tried to still  
6 guarantee the access and the capabilities of that  
7 airlift mission at Philadelphia.

8 When I looked at the military value  
9 that Military Ocean Terminal Bayonne -- MOTBY --  
10 brings not just to the United States Army but to  
11 the entire Department of Defense, all of the  
12 services and the agencies which utilize that  
13 facility, not only as tenants but also to ship  
14 equipment and supplies, the first thing that  
15 struck me was, when I was the commander of MCMT,  
16 I was preoccupied with the ability of our ports  
17 to handle on a short term, 24 hours or less, to  
18 garner the availability of the port facilities,  
19 be that diverse staging areas, marshaling areas,  
20 and many of the attributes that I think are  
21 absolutely necessary for the defense of this  
22 country and are absolutely necessary to ensure  
23 the defense transportation system and to deploy  
24 forces anywhere in the world from the United

1 States in the force projection scenario today.

2 That guaranteed availability, if  
3 there are not sufficient ports and berths and  
4 staging areas, in fact can result in more  
5 shipping, i.e., the projection platform being  
6 required.

7 The military security aspect that  
8 Lillian talked about was of utmost importance.  
9 It is not only certain aspects on an M1 tank are  
10 classified and have to be secured, it is also  
11 because the military equipment by nature has to  
12 be secure. They are lethal weapons, they are  
13 cannons and tanks and artillery and aircraft that  
14 have to be secured and have to be protected. As  
15 she pointed out very aptly on the map of MOTBY,  
16 it provides a very secure facility not only for  
17 the bringing in of tanks but also flying in of  
18 helicopters, etc.

19 The staging area that is provided at  
20 MOTBY: in fact, there is almost a million and a  
21 half square feet of storage under cover and  
22 several million square feet that are available in  
23 the open. Not only does this provide the ability  
24 to bring in a great deal of equipment and provide

1 a number of ships to be loaded concurrently, but  
2 it also ensures the ability to manifest and  
3 marshal the equipment in the priority order that  
4 is wanted overseas. So when General Schwartzkopf  
5 set forth his priority for units, he wanted a  
6 cavalry unit first and you have to place that  
7 properly in the staging area, the marshaling  
8 area, and on the ship itself, so that that war  
9 fighting commander overseas receives his or her  
10 equipment in the timely fashion that he wants.

11 The transportation center that we  
12 have in the Port of New York and New Jersey is  
13 one of the best in the country. You not only use  
14 the rails to bring in equipment, but you have a  
15 wonderful road system. Also, Newark Airport and  
16 the other airports are within close proximity to  
17 MOTBY.

18 As you see on the photograph, there  
19 is in fact a fast sealer ship that is berthed in  
20 Bayonne where that photograph was taken. That  
21 photograph not only provides you the rapid  
22 deployment platform, it can take up to  
23 one-seventh of a division, but it also provides a  
24 training platform on a day-to-day basis. It is a

1 training platform for the personnel who work and  
2 are stationed at MOTBY, but also for units  
3 throughout the United States who would have to  
4 use that type of a platform for deployment. So  
5 you can bring units in and they can practice on a  
6 load so when the day comes and they are told to  
7 go, they in fact will not have seen the ship for  
8 the very first time.

9           With respect to the experienced labor  
10 force that Lillian also talked about, my  
11 experience was, in dealing with the commercial  
12 ports, they have a wonderful force for loading  
13 containers and cars and fastening them down, but  
14 when it comes to dragging heavy chain to tie down  
15 M1 tanks and outsized heavy equipment, most  
16 commercial ports do not have that experience and  
17 training which exists today and every day at  
18 MOTBY. It just simply cannot be replicated, the  
19 capabilities, the accessibility, of MOTBY, any  
20 place in the United States other than Oakland  
21 Army Base on the West Coast. And the studies  
22 that were done for Oakland show that in fact the  
23 other commercial ports on the West Coast cannot  
24 take the full capabilities and necessities of the

1 military equipment through that far in the world.

2 I have three experiences that I want  
3 to share with you for my time frame not only in  
4 MTMC but before that. During Desert Shield/  
5 Desert Storm, I was the director of logistics for  
6 the U.S. Forces Command and was responsible for  
7 coordinating the deployment of the equipment and  
8 supplies from the Army Forces in the United  
9 States. I worked on a daily and probably an  
10 hourly basis with MTMC to ensure the deployment  
11 of those units.

12 As you can see, first of all,  
13 Bayonne -- MOTBY -- from the East and Gulf Coast  
14 provided anywhere from 10 to 15 percent of the  
15 equipment, regardless of how you want to measure  
16 that -- in square feet, in pieces, in measurement  
17 tons, or in ships loaded. The importance of that  
18 is that those pieces were the heavy, outsized  
19 military equipment that cannot normally be  
20 handled and shipped through a commercial port.

21 You can also see that there was a  
22 great deal of equipment that came back through  
23 here, through MOTBY, on a redeployment. The  
24 staging area that I talked about provided the

1 capability to bring that equipment back from the  
2 desert, put it in a secured, large staging area,  
3 rehab it and, in some cases, determine its final  
4 destination. Because we didn't know, when we  
5 came out of the war, where much of that equipment  
6 was going to go. So it gave us the opportunity  
7 to store that until such decisions could be made.  
8 If you look at the total redeployment out of the  
9 war, in fact about 10 percent of that equipment  
10 came to MOTBY.

11 Probably one of the greatest  
12 contributions during that time frame of the war  
13 was that the modernization of our units that took  
14 place in place for the M1A1 tanks and the M2  
15 Bradleys, most of that equipment was staged and  
16 shipped out of MOTBY.

17 Another example when I was commanding  
18 MTMC was Restore Hope. The 10th Mountain  
19 Division deployed all of its equipment through  
20 MOTBY. If it had not been for the rapid  
21 availability at MOTBY, I don't think the 10th  
22 Mountain Division could have been deployed as  
23 rapidly as it was. It was removed by Fort Drum  
24 by rail, by convoy and by air, all staged at

1 MOTBY and all moved. I think that was an  
2 exceptional example of how that can be done in  
3 very short notice.

4 The last example is a very small  
5 example but one I think that highlights the need  
6 for MOTBY. If you recall, there was a small  
7 Chinese ship called the Golden Venture which ran  
8 ashore in the New York area. There were a number  
9 of Chinese folks who died on board that ship.  
10 That ship then was taken by the INS and it needed  
11 a safe haven where it could be secured without  
12 the public or the media or anybody else hindering  
13 the investigation. They chose MOTBY to moor that  
14 ship, and that is where it stayed until the  
15 investigation was completed.

16 With respect to our concern for the  
17 availability of the commercial facilities, I use  
18 two examples, and I will name neither port.

19 During Restore Hope, I was told and  
20 asked by the port director that I make sure that  
21 the fast sea lift ship which had equipment that  
22 was moving to Somalia would be moved out by  
23 midnight that night because they had commercial  
24 ships that were bringing money to that port, and

1 I had to do that. There was no guarantee that  
2 they would give me berthing beyond midnight that  
3 night, even though we were involved in a military  
4 action.

5 The second example was a Gulf Coast  
6 port which, during the Gulf War, in fact did not  
7 provide us with the staging area and the berths  
8 that we needed to deploy the entire force. We  
9 had to move much of that equipment to a sister  
10 port. Some people are aware of what I am talking  
11 about. I will not name that port here.

12 So if you look at all of that, there  
13 in fact is a substantial difference between a  
14 commercial port and a Military Ocean Terminal  
15 such as Bayonne.

16 Would you put up the slide.

17 As Ms. Laburdi so aptly pointed out,  
18 in fact there are no studies that I am aware of  
19 that have gone in depth to see exactly, in these  
20 prosperous times, what commercial ports can in  
21 fact guarantee that capability and availability  
22 on a 24-hour basis.

23 I would lastly say to you that there  
24 were some other inconsistencies. Ammunition has

1 and does move through the Military Ocean Terminal  
2 at Bayonne, so it has gone particularly with the  
3 deploying units. I would change the  
4 recommendation statement and I would change that  
5 statement to read: Bayonne actually provides the  
6 Department of Defense with the capabilities that  
7 cannot be accomplished at commercial ports.

8 Thank you very much. (Applause)

9 THE COURT: Thank you, General  
10 Larsen.

11 CONGRESSMAN MENENDEZ: Mr.

12 Chairman -- thank you, General Larsen -- you have  
13 heard us direct ourselves to process, to  
14 deviation of criteria, to the questions of  
15 commercial port capacity and availability versus  
16 military ports and military value that both Ms.  
17 Liburdi and General Larsen have addressed. We  
18 now want to direct you to three areas related to  
19 costs which deviate from the criteria in the  
20 MOTBY closure proposal.

21 First, there are errors in the  
22 computation of facility closure costs. Second,  
23 there are errors in the alleged saving from  
24 closing MOTBY. Third, and most important, the

1 question of cost to do the mission. The Army  
2 estimates the total cost to complement this  
3 recommendation of \$44 million with savings over  
4 20 years of \$90 million. There is very sparse  
5 information in the COBRA model, but even a  
6 superficial review of it shows numerous  
7 unaccounted for costs which more than offset any  
8 savings.

9 An example is the COBRA failure to  
10 account for the change in regulations governing  
11 permanent change of station, which would increase  
12 the one-time cost by \$14.5 million. This change  
13 alone pushes the return on investment from five  
14 to six years. However, the major problem is that  
15 the Army evaluated only their own installation  
16 costs. The other DOD and federal tenants were  
17 enclaves. None of the other tenants were  
18 consulted prior to the MOTBY closure proposal,  
19 and none of the other tenants know what enclaving  
20 means to them. Had this information been sought  
21 in a timely fashion in accordance with the  
22 selection criteria, the cost figure for closure  
23 would have changed radically. The Army  
24 unilaterally has sought to relieve itself from

1 the costs of being a landlord, but this is a  
2 failure to follow the Secretary's cross-servicing  
3 guidance. It is also a deviation from the  
4 criteria to assess the impact on the DOD total  
5 force.

6 We learned during the site visits of  
7 Commissioners Cornella and Kling that the tenants  
8 proposed to be enclaved never expected and do not  
9 desire to be landlords. If they are enclaved,  
10 there will be capital costs and operating costs  
11 associated that will not be considered, and we  
12 will address those briefly.

13 If they are moved as a result of the  
14 Commission's decision, which is not the present  
15 recommendation, but if they are moved in the  
16 final analysis, then there are costs which in  
17 fact have not been factored, and we want to  
18 address those. But whether they are enclaved or  
19 relocated, there are significant costs involved  
20 which were not considered. In fact, MOTBY's  
21 federal tenants were not contacted regarding  
22 their potential relocation costs until April 3 of  
23 '95.

24 The latest figures from our financial

1 analysts, Coopers & Lybrand, indicate that the  
2 capital costs involved in creating a stand-alone  
3 enclave at MOTBY for the Navy and for the federal  
4 enclaved tenants would be at least \$29 million.  
5 These capital costs were not included in the  
6 COBRA. Their findings indicate that it will take  
7 over 30 years for the Army to recoup the cost  
8 necessary to close MOTBY and create a stand-alone  
9 enclave for selected tenants. The paper trail on  
10 MOTBY's costs begin on March 10, 1995. A  
11 refinement of a Navy data call was produced by  
12 the Military Sea Lift Command which added the  
13 cost of \$5.2 million. Preliminary estimates by  
14 the GSA of relocation costs for Federal Record  
15 Center of the MOTBY storehouses would be a  
16 roughly additional \$5 million. This does not  
17 include subsequent costs, expected to soar from  
18 15 cents to over \$7 per square foot. This is one  
19 of the many abandoned tenant agencies whose total  
20 costs for the closure are yet to be known.

21 It is estimated to cost between \$13  
22 million to \$37 million to move or scrap in place  
23 the hundreds of gigantic sea sheds and racks  
24 which belong to the MSC if they move. It appears

1 that the Army has mistakenly assumed that it is  
2 subsidized the other tenants. MOTBY is  
3 completely paid for by defense base operating  
4 funds. Those funds are attached to the mission  
5 of the cargo. MTMC calculates the cost to ship  
6 the cargo and thereby amortizes the cost of  
7 MOTBY. Even the low-priced federal tenants pay  
8 further reduces the Army's cost.

9 Just as the Army significantly  
10 underestimated the cost of closing MOTBY, it has  
11 overstated the savings it claims would result  
12 from a closing.

13 For example, there is a \$24 million  
14 one-time cost avoidance for dredging that is  
15 incorrect. Since that cost is related to  
16 environmental restoration and possibly facility  
17 reuse, it won't have to be dredged and paid for  
18 by DOD. Here again Colonel Foster's letter is  
19 wrong. He states in the letter that MOTBE needs  
20 dredging in order to reopen. MOTBY does not need  
21 dredging in order to reopen. Commissioners  
22 Cornella and Kling saw that MOTBY is open, it is  
23 operational, it has roll-on roll-off ships. It  
24 has the fast sea lift ship there. It is totally

1 operational right now. It is open. I don't  
2 understand that suggestion by Colonel Foster. It  
3 needs dredging to bring in even larger resupply  
4 vessels, and it is critical to note that MOTBY is  
5 one of the few East Coast facilities that has a  
6 dredging permit. However, as we learned at the  
7 site visit, even without dredging, MOTBY can  
8 handle larger ships than Sunny Point.

9 Just these few capital costs add up  
10 to about \$47.2 million. The MOTBY closure cost  
11 is off by more than 100 percent. The cost of  
12 closure is more than \$91.2 million, or more than  
13 the twenty-year savings of \$90 million. Overall,  
14 a significant portion of the alleged savings  
15 remaining in the Army calculations are just Army  
16 savings. Transferring MOTBY costs from the Army  
17 to another military service does not equal  
18 defense savings.

19 Finally, the most serious overarching  
20 cost problem is totally unstudied. It is the  
21 cost to the military for the mission of moving  
22 military cargo and equipment and the disruption  
23 of commercial ports.

24 The third Amendment of the

1 Constitution limits marshal law and mandates that  
2 defense agency requirements be satisfied with a  
3 minimum disruption of commercial activities.

4           Commissioners, please remember that  
5 military port usage is already the most  
6 commercialized activity in the entire DOD and, in  
7 cooperation with the Maritime Administration, has  
8 the longest experience with commercial activity.  
9 MARAD was never consulted about the proposed  
10 closure. Defense agencies must pay for services  
11 on the basis of commercial tariffs and are  
12 responsible for all costs arising from a loss of  
13 business.

14           Moreover, no labor costs were  
15 included in the estimates of the costs of  
16 purchasing commercial port services. The Army's  
17 assumption is that labor costs are a wash.  
18 Loading both military cargo and equipment like  
19 the M1 tanks is highly specialized, requires  
20 special reinforced piers and training. All  
21 exists at MOTBY. We have heard that in the  
22 overwhelming number of commercial ports they do  
23 not exist.

24           There is no legal authority to

1        disrupt commercial port operation in the absence  
2        of a declared emergency. By that time it may be  
3        long after the need to mobilize and use the  
4        ports. The Kuwaiti invasion was in August of  
5        1990, but Congress did not authorize the use of  
6        force until five months later. One terminal  
7        operator in the New York Harbor stated it would  
8        take 30 days to clear the facility working around  
9        the clock. And I ask, at what cost? Even  
10       Colonel Foster's letter points out resistance to  
11       48 hours' port response time, with the request to  
12       shift to 7 days. Without MOTBY, there is no  
13       guarantee of any immediate logistic response, a  
14       48-hour response or even a 7-day response. We  
15       are not reducing capacity; we are eliminating  
16       capability.

17                    The assumption of commercial port  
18       availability is predicated on the current  
19       regulatory regime which now exists at MARAD.  
20       Their are active budget proposals to eliminate  
21       MARAD. In the future, maritime commerce could be  
22       a totally unregulated marketplace with no price  
23       constraints from tariffs. Without MOTBY, there  
24       is no absolute legal assurance on timely access

1 to ports for fast power projection.

2 The Army claims that MOTBY will  
3 result in the loss of few capabilities, which we  
4 reject and General Larsen has described why.  
5 These capabilities are critical and time  
6 sensitive. The minimal loss referred to by the  
7 DOD, as relates to MOTBY, was eloquently  
8 addressed, and I think Commissioners Kling and  
9 Cornella have heard this by John Angelone, the  
10 president of Local 1588 of the International  
11 Longshoremen, at the site visit. To paraphrase  
12 him, he said, when the DOD refers to minimal  
13 loss, I ask of what? Time? Readiness? Resupply?  
14 In all of those respects, minimum loss is about  
15 placing in jeopardy the lives of American  
16 soldiers, especially if these factors mean a  
17 soldier not being properly prepared or waiting  
18 for tanks and helicopters as a result of loss of  
19 capability of time, readiness, and resupply.

20 Now, I have talked a lot about costs,  
21 but this is just simply not about balance sheets.  
22 Military values are about things we cannot buy:  
23 We cannot buy back time when there is a delay in  
24 the arrival of equipment. We cannot buy back an

1 American soldier's life when reinforcements or  
2 equipment comes too late. The criteria of  
3 selection makes sense. The MOTBY closure  
4 proposal does not.

5           Commissioners, I ask you to look at  
6 the unique military capability. You have heard  
7 from General Larsen and Ms. Liburdi, on MOTBY,  
8 and then the question becomes: Can we afford to  
9 lose this capability? I submit to you that, for  
10 the nation, we simply cannot. Thank you very  
11 much. (Applause)

12           CHAIRMAN DIXON: We thank you very  
13 much. Does that conclude the presentation for  
14 your panel?

15           CONGRESSMAN MENENDEZ: Yes, it does.

16           CHAIRMAN DIXON: We are indebted to  
17 you, Congressman Melendez and for your excellent  
18 presentation by your entire group. Thank you  
19 very much. One question by Commissioner  
20 Cornella.

21           COMMISSIONER CORNELLA: Mr. Angelone,  
22 are you under oath? I didn't notice it.

23           MR. ANGELONE: Yes, I am, sir.

24           COMMISSIONER CORNELLA: Could you

1 please give your full name and title, for the  
2 record?

3 MR. ANGELONE: John J. Angelone,  
4 president, ILA, Local 1588, that is,  
5 International Longshoremen's Association.

6 COMMISSIONER CORNELLA: Thank you.  
7 During our base visit, I think Ms. Liburdi and  
8 Mr. Kling were given the opportunity to take a  
9 ride on a helicopter over the port facilities in  
10 both New York and New Jersey. All of that falls  
11 under your area of responsibility; right, Ms.  
12 Liburdi? It would seem that if MOTBY would be  
13 closed and excessed, there would be a great  
14 opportunity for the Port Authority, in the sense  
15 that that could be put to use almost immediately,  
16 could it not?

17 MR. ANGELONE: Are you talking to me?

18 COMMISSIONER CORNELLA: No, I am  
19 talking to Ms. Liburdi first.

20 MS. LIBURDI: I don't believe it  
21 could be put to use immediately for the kind of  
22 operation you saw at the commercial facilities.  
23 I think you will hear from some of the public  
24 witnesses later that that in fact is not the

1 case; that there would be the need for major  
2 changes in the way the facility is designed and  
3 operated, particularly as you look at all those  
4 warehouse facilities that a commercial terminal  
5 just can't sustain, because we need 60 to 100  
6 acres of open area on every berth just to handle  
7 commercial traffic.

8 COMMISSIONER CORNELLA: But your  
9 concern here is more for the preservation of that  
10 facility as a military facility?

11 MS. LIBURDI: That's correct.

12 COMMISSIONER CORNELLA: That is what  
13 I am trying to establish.

14 MS. LIBURDI: That is correct.

15 COMMISSIONER CORNELLA: And,  
16 Mr. Angelone, is it not true that if this would  
17 go to a commercial facility, that your  
18 Longshoremen's Union would have the opportunity  
19 to put more people into that?

20 MR. ANGELONE: There is no doubt  
21 about that, sir. In fact, in the whole arena I  
22 am probably the only person who would benefit if  
23 the base were to close. But it is not the right  
24 thing. The base should stay open.

1                   COMMISSIONER CORNELLA: Your concern  
2 is not from a job standpoint?

3                   MR. ANGELONE: No, my concern is for  
4 military value and the American soldier, sir.

5                   COMMISSIONER CORNELLA: General  
6 Larsen, as far as the percentage of deployments  
7 regarding the East Coast and West Coast is  
8 concerned, do you have any idea what those  
9 numbers would be, in a percentage?

10                  GENERAL LARSEN: It depends on where  
11 the war is.

12                  COMMISSIONER CORNELLA: I know that.  
13 As far as what exists today.

14                  GENERAL LARSEN: I can't speak  
15 specifically of today. I can speak of my  
16 knowledge of the past. I would tell you that  
17 most of those deployments would take place on the  
18 East or Gulf Coast, primarily East Coast and Gulf  
19 Coast, not the West Coast. As I pointed out, the  
20 studies on the West Coast showed that Oakland  
21 Army Base in fact could not move all that  
22 military equipment through -- the commercial  
23 ports couldn't without Oakland being there. I  
24 think that is the same case on the East Coast. A

1 majority of the deployment would take place off  
2 the East Coast.

3 COMMISSIONER CORNELLA: The last  
4 question I have is: Reference was made to  
5 dredging at MOTBY, and I know it is being used as  
6 a port. How often would dredging have to take  
7 place? Is that a problem with MOTBY?

8 MS. LIBURDI: Dredging at MOTBY is  
9 probably once every eight to ten years, once it  
10 is actually dredged. It is not a problem. As  
11 Congressman Menendez indicated, they have a  
12 permit, they are ready to go, I am told, awaiting  
13 the closure decision.

14 COMMISSIONER CORNELLA: One last  
15 thing. Do they have a place to put that dredge?

16 MS. LIBURDI: They do behind a  
17 bulkhead that needs to be restored in order to  
18 assure ongoing berth capability.

19 CONGRESSMAN MENENDEZ: And which,  
20 Commissioner, will create further capacity to  
21 further be able to fulfil the mission, which is  
22 cargo and military equipment. All it is going to  
23 do is to enhance the ability of MOTBY, not to  
24 detract.

1                   CHAIRMAN DIXON: We have one question  
2 from Commissioner Steele.

3                   COMMISSIONER STEELE: Yes. Director,  
4 a question for you, if you you can help me  
5 understand something. As to your graph, the one  
6 that talks about the growth and activity, I  
7 understand how we are ramping up here, but, as I  
8 look at that, we are not addressing capacity.  
9 Correct me if I am wrong at the end here. Then,  
10 if you skip two pages, your throughput graph that  
11 you have talks about throughput per thousand  
12 feet. You look at Baltimore's throughput versus  
13 Charleston, and I glance at this on the surface  
14 and I think, gosh, Baltimore must have a lot of  
15 capacity that is not being utilized, as I go down  
16 this graph. Am I misinterpreting this?

17                   MS. LIBURDI: No, you are  
18 interpreting it correctly, but I think you need  
19 to add just one other factor that I mentioned  
20 before, and that is that you have to look at how  
21 the facility is designed and whether it is  
22 capable of actually handling the cargoes we are  
23 talking about.

24                   COMMISSIONER STEELE: Right. I

1 wasn't addressing that. I just wanted to know if  
2 I was interpreting it correctly.

3 MS. LIBURDI: You are absolutely  
4 right.

5 CHAIRMAN DIXON: Thank you, Ms.  
6 Steele.

7 I thank you for that excellent  
8 presentation. Now we will have Congressman Smith  
9 and his group from Lakehurst Naval Air  
10 Engineering. (Applause)

11 We are going to have to move along  
12 very rapidly. We are losing a little time here,  
13 ladies and gentlemen.

14 Congressman Smith, we are delighted  
15 to have you. Have you or your colleagues been  
16 sworn, Congressman?

17 CONGRESSMAN SMITH: No, we haven't,  
18 sir.

19 CHAIRMAN DIXON: I have five of you  
20 in your panel, is that correct? Would you all  
21 stand and raise your right hand?

22 Do you solemnly swear or affirm that  
23 the testimony you are about to give at the  
24 Defense Base Closure and Realignment Commission

1 shall be the truth, the whole truth and nothing  
2 but the truth?

3 (Five speakers, in chorus): I do.

4 CHAIRMAN DIXON: Thank you very much.  
5 Congressman Smith, you may proceed, and I  
6 understand that you will allocate the time of  
7 your group.

8 CONGRESSMAN SMITH: Yes.

9 CHAIRMAN DIXON: We thank you, sir.

10 CONGRESSMAN SMITH: Thank you very  
11 much, Mr. Chairman and members of the Commission.

12 First let me say at the outset that  
13 my name is Chris Smith. I am a member of the  
14 House of Representatives, have served for fifteen  
15 years, and Lakehurst Naval Air Warfare Center  
16 physically resides within my district and many of  
17 the people here are in my and other districts in  
18 proximity to it.

19 Mr. Chairman, as you know, aircraft  
20 carriers and the planes that fly off them remain  
21 our most useful, potent, flexible and  
22 cost-effective means of projecting military power  
23 around the world. Navy Lakehurst with its over  
24 3,000 employees has proven to be indispensable,

1 the linchpin if you will, to successful carrier  
2 aviation and the projection of U.S. military  
3 might. (Applause)

4 As chairman of both the international  
5 operations committee and the Committee on  
6 Cooperation in Europe, I am acutely aware that,  
7 notwithstanding the demise of the Berlin Wall and  
8 the initial euphoria over the breakup of the  
9 Soviet Union, the world grows more volatile, more  
10 uncertain, and more dangerous by the day. Mr.  
11 Chairman, I think you will agree that only the  
12 most naive observer would conclude that peace is  
13 at hand. Much of the world today is a cauldron  
14 of ethnic animosity, resurgent communism and  
15 religious extremism. Numerous post-Cold War  
16 democracies are at risk or in serious turmoil.  
17 The genocide in Bosnia, the slaughter in Chechnya  
18 and Ruanda, pervasive instability in the Middle  
19 East, Iran and Iraq's quest to secure weapons of  
20 mass destruction and deliver them, and the  
21 threats posed by North Korea and the People's  
22 Republic of China underscore the threats to  
23 United States security, regional stability, and  
24 peace.

1                    Since 1945, aircraft carriers, which  
2                    today number 12, with 13 air wings, with a  
3                    replacement value of some \$82 billion, have been  
4                    deployed to crisis spots more than 200 times. It  
5                    is my judgment that the probability is  
6                    exceedingly high, a certainty if you will, that  
7                    United States Naval air power will again be  
8                    summoned to avert, mitigate or solve a crisis  
9                    somewhere in the world. It is not a matter of  
10                   if, but when and where.

11                   The Pentagon's recommendation to  
12                   radically realign the missions of the Naval Air  
13                   Warfare Center at Lakehurst puts carrier aviation  
14                   at risk, especially in the short term, and will  
15                   cost two to three times more than the Pentagon  
16                   suggests.

17                   Navy Lakehurst is a unique,  
18                   one-of-a-kind, world-class facility, whose  
19                   primary function is to ensure that aircraft  
20                   safely launch and recover on the deck of a  
21                   carrier or other platform, and that support  
22                   equipment assist in the service of plane parts  
23                   and ordnance at sea. The long and distinguished  
24                   record of Naval Lakehurst in technology

1 development, engineering, developmental  
2 evaluation and verification, systems integration,  
3 prototype, manufacturing of air launch and  
4 recovery equipment, known with the acronym RA,  
5 and support equipment is nothing short of  
6 breathtaking. The co-location of the means of  
7 development, manufacturing, testing of aircraft  
8 carrier catapult and arresting gear and support  
9 equipment works extremely well. Why break it up?

10 In almost every instance at sea, our  
11 planes launch as advertised. Our aircraft are  
12 recovered without incident. If a glitch is found  
13 in design of a flight-critical item, who does the  
14 flight call? Navy Lakehurst. There at Lakehurst  
15 the requisite problem-solvers are immediately  
16 available, in close proximity to one another, to  
17 redesign it, to manufacture it, to test it, to  
18 fix it without delay, whatever it turns out to  
19 be.

20 The DOD scenario says relocate the  
21 prototype manufacturing of RA equipment, air  
22 launch and recovery equipment, to Navy Depot in  
23 Jacksonville, Florida, and support equipment to  
24 Patuxent River, Maryland. Artificially

1 separating the testing and evaluation  
2 capabilities, including the big catapults and  
3 arresting gear -- of course, that stays in  
4 Lakehurst -- from the prototype manufacturing  
5 function defies logic. It is unnatural. In a  
6 crisis situation, it could mean costly delays  
7 that put a mission in jeopardy. Delays during a  
8 crisis, Mr. Chairman, whether measured in hours  
9 or days, could quickly put the lives of our  
10 pilots, crews and sailors at risk. Any delays  
11 are likely to mean a degradation of mission  
12 confidence and safety. I defy anyone to make the  
13 case that flight readiness and safety are  
14 improved or even remain the same when design and  
15 manufacture of flight-critical prototype items  
16 are separated from the test and evaluation  
17 function. Can tearing apart a textbook case of  
18 concurrent engineering that has proven itself  
19 over and over and over again be justified to save  
20 money? I think not.

21 But, incredibly, Mr. Chairman, the  
22 DOD scenario doesn't even save money. It will  
23 actually cost taxpayers more for many decades.  
24 With all due respect to BSEC, the DOD alleged

1 cost savings are bogus, they disintegrate under  
2 scrutiny, and I am confident that this Commission  
3 will break apart those numbers and come to that  
4 same conclusion.

5 The actual cost of realignment is  
6 likely to be between two and three times higher  
7 than what DOD said it would be. That is not a  
8 minor miscalculation in DOD's data; it is a gross  
9 error. If someone working for me on my committee  
10 costed out a program or a scenario so shoddily,  
11 I'd fire him for the good of the order.

12 Thankfully, DOD too has misgivings  
13 about the numbers, and significantly asks you and  
14 your Commissioners to "more thoroughly examine  
15 the basis for the cost exclusions associated with  
16 scenarios in the technical centers," and  
17 Lakehurst is singled out by me. Simply put, the  
18 DOD recommendation estimates the one-time cost of  
19 realignment at \$135 million. The certified data  
20 from Admiral Bowes puts that number or the cost  
21 at \$162 million. The Save Lakehurst Committee,  
22 which I just say parenthetically is comprised of  
23 members of the committee and three distinguished  
24 former Navy personnel, including the former ExO

1 of Navy Lakehurst, Mike Hagy, who will be  
2 speaking shortly, have calculated \$218 million.  
3 A fourth set of figures that were just released  
4 this week from Naval Air Warfare Center in  
5 Lakehurst itself puts the price tag to implement  
6 the scenario -- they have been ordered to budget  
7 out what will it cost to implement -- the  
8 implementation figures come in between 269  
9 million and 289 million. If anything is clear,  
10 Mr. Chairman, it is that the costs are spiraling  
11 upward, not in the direction of savings.

12 Thus, the return on investment isn't  
13 three years, as DOD said at the time, but more  
14 like half a century. Most of us will be dead by  
15 the time the so-called savings accrue. What the  
16 Pentagon did to arrive at its phony \$97 million  
17 figure, Mr. Chairman, was to disallow huge  
18 documented costs of moving RA, the air launch  
19 recovery equipment and the support equipment, the  
20 big multi-ton machines, to Jacksonville and  
21 Patuxent River, respectively, as to cost of  
22 shipping items to Lakehurst for evaluation and  
23 testing, and they underestimated the military  
24 construction costs at all of the bases.

1           The Department of Defense said, for  
2           example, that the Naval Air Technical Training  
3           Center could move to Pensacola for a song and a  
4           dance -- \$199,000. What a bargain. It's  
5           ridiculous, Mr. Chairman. To rehab the existing  
6           structure that I walked through just a few weeks  
7           ago, the number that we were given, the most  
8           recent one, is a little over \$9 million.  
9           Moreover, the DOD figures show no cost associated  
10          with moving the enormous simulator known as  
11          Colossus to Florida.

12                 Here is another example, and there  
13          are many. The Pentagon's recommendation tells  
14          you nothing about the one-time moving cost of the  
15          air launch and recovery machines and equipment to  
16          Jacksonville. They acknowledge a mere \$1.5  
17          million for "machine foundations and electric  
18          services." The commander of the Naval Air  
19          Systems Command, Admiral Bowes, on the other  
20          hand, has certified that if the scenario is  
21          imposed, 123 ALRE machines will have to be sent  
22          packing to Jacksonville at a whopping cost of  
23          \$15.5 million. That is assuming that they have a  
24          place to put them and that some of the older,

1 one-of-a-kind machines don't break en route.

2 Mr. Chairman, the pattern of  
3 unreliable cost estimates repeats itself over and  
4 over in the DOD data, and I am certain and I am  
5 confident you are going to check it out.

6 Mr. Chairman, I visited each of the  
7 potential receiving stations. Unlike Lakehurst,  
8 for example, the Navy Depot in Jacksonville has  
9 excess capacity. I think many people would agree  
10 with that and the data supports that. It has a  
11 lot of excess capacity. Sadly, it is not the  
12 type of capacity needed to absorb the special  
13 Lakehurst mission from their point of view. That  
14 would require, and Admiral Bowes shows this  
15 again, another costly Milcon. It doesn't show up  
16 in the BRAC recommendation or the recommendation  
17 to you, and we think it ought to be on the table  
18 and transparent and open so everyone makes a  
19 decision based on all the facts.

20 Let me just conclude, Mr. Chairman,  
21 by noting that both of my brothers are pilots.  
22 Tom, as it happens, one of my older brothers,  
23 flew A7 fighter bombers off the SS Enterprise in  
24 the 1970s. He made numerous successful launches

1 and recoveries. I didn't know it then, but the  
2 safety of my brother's life and hundreds like him  
3 was assured because of the competence, because of  
4 the passion, and because of the professionalism  
5 of the team at Navy Lakehurst. Please, we urge  
6 this Commission, don't break it apart. If  
7 anything, it ought to be added to because it is  
8 working so well. It ain't broke. It doesn't  
9 need fixing. And I urge, as Commissioner  
10 Cornella, I think, saw and hopefully as he goes  
11 through his data will come to the conclusion, it  
12 is a gem of a facility. It is absolutely  
13 crucial. As the sign says up above us here, it  
14 is the heart of naval aviation. Don't drive a  
15 spike in it.

16 (Applause)

17 At this point I am very pleased to  
18 have three distinguished former Navy leaders,  
19 four really but three who have formed a group  
20 called Save Lakehurst Committee -- people who  
21 believe in military value, to continue the  
22 testimony. Commander Mike Hagy.

23 First we are going to show a short  
24 video, and then Mike Hagy, who has 4,300 hours'

1 flying time, Naval Academy graduate and former  
2 ExO of Lakehurst, will testify.

3 (Video shown)

4 (Applause)

5 MR. HAGY: My name is Michael Hagy.  
6 I was the executive officer of the base from 1988  
7 through 1991. I needed to come out and talk to  
8 you and see you, because I need to try to explain  
9 to many of you, although some of you know, what  
10 concurrent engineering means to naval aviation  
11 and to the carriers.

12 The first thing I want to say to you  
13 is that there is no way in the world the Navy  
14 would sacrifice its aircraft and crews due to the  
15 malfunction of this equipment. That won't  
16 happen. And when they break up Lakehurst, which  
17 is in your hands as we finish our presentation  
18 today, if they break up Lakehurst, and the first  
19 carrier that loses an aircraft, which happens in  
20 that environment, they won't try and put back  
21 together what exists today.

22 And so the words I am going to speak  
23 to you are not mine, Mike Hagy's, but I would  
24 like to show you the men and women of Lakehurst

1 who came with me, if they would stand.

2 (Applause) These are the artisans, these are the  
3 machinists, these are the union people, the  
4 secretaries, the logisticians, the supply, these  
5 are the very people that make concurrent  
6 engineering at Lakehurst a viable reality.

7 The Navy, through its base structure  
8 analysis team, its base structure evaluation  
9 committee, spent months, especially through  
10 November and December, trying to close Lakehurst.  
11 They could not do it. The cost was excessive at  
12 Lakehurst to close it, both in terms of  
13 construction at any gain activity, and the  
14 tremendous environmental cost at the gain  
15 activity to put mile-and-a-half-long jet tracks,  
16 catapults and arresting gear engines into the  
17 ground. It was incredible. They could not do  
18 it. And believe me, they tried. They came up  
19 with the idea of fencing Lakehurst, and in  
20 fencing Lakehurst, you see in the books that we  
21 provided a fascinating scenario. Fence  
22 two-thirds of the base but, oh, by the way, I  
23 want to keep some buildings out on the old part.  
24 And, yes, since I am giving up my manager and my

1 fire department and my hazardous materials, but I  
2 am going to move all that into the  
3 spends-responsible zone for \$26 million. They  
4 are a mile away, they are perfectly fine, there  
5 is nothing wrong with them. But to keep the  
6 fence scenario low cost, you will have to move  
7 these and reconstruct them onto the new section.

8 The Navy failed to close Lakehurst.  
9 They admitted how critical it is to carrier  
10 aviation. It is kind of like you try to do  
11 something and you try real hard, you are kind of  
12 up on that ladder and you are reaching and you  
13 are reaching, and then that little voice says,  
14 this is pretty stupid, and you can't let go and  
15 you just got to stretch a little further.

16 I believe what happened with the Navy  
17 process is, they put so much effort into  
18 Lakehurst, they had to come up with something.  
19 And they did. What they came up with was to take  
20 apart something that the DOD is strongly  
21 suggesting that we do throughout our armed forces  
22 and that is concurrent engineering.

23 I want to make concurrent engineering  
24 real to the Commission, because I didn't really

1 understand, and I was the executive officer and  
2 these people have spent months teaching me so  
3 that I understand.

4           There is perhaps nothing more  
5 important to an instructor pilot than the lives  
6 and the safety of the students he or she is  
7 entrusted with. Not the mission, not the  
8 training. You scrub the mission, you stop the  
9 training, if safety becomes paramount. I can  
10 imagine no worse fate than, as an instructor  
11 pilot with 400 or 500 flights training students,  
12 to lose one.

13           This innocuous little piece of metal  
14 (indicating) is a hydraulic line union nut. It  
15 failed. And when it failed, it failed on an  
16 aircraft carrier. It joins the heart of the  
17 catapult system, a 12,000-pound low-launch launch  
18 valve. I would bring them with me if I could  
19 have, but they are not on the shelf. They are  
20 not on the shelf. These are the folks that take  
21 them from the ship, take them from the  
22 manufacturer, make them right, and send them out.  
23 And there are none on the shelf.

24           When that innocuous piece of metal

1 failed, a training jet did not make safe flying  
2 speed, went off the bow of the ship and into the  
3 water. The pilot was killed.

4 Let me explain what happens on an  
5 aircraft carrier when you lose an aircraft. The  
6 very first thing you do is stop launching  
7 aircraft. You don't know what went wrong. The  
8 second thing you do is, you turn to those  
9 aircraft that are in the air and you get them  
10 safely down. If you can't get them safely down  
11 on a ship, you get them somewhere else, but you  
12 get them down. Because safety is paramount. And  
13 the third thing you do is, you call Lakehurst.  
14 You don't call Washington, D.C., you don't call  
15 Naval Air Warfare, Patuxent, Maryland. You call  
16 Lakehurst.

17 Within hours, Lakehurst launches an  
18 investigative team out of Norfolk, Virginia, and  
19 they go to wherever the carrier is. Within  
20 minutes, literally minutes during the normal  
21 working day, and within hours afterwards, these  
22 folks want a tiger team. We are talking about  
23 artisans and craftsmen machinists, we are talking  
24 about engineers, draftsmen, logisticians. They

1 form a tiger team and then they listen to what  
2 the ship says. What the ship said is that nut  
3 failed and the hydraulic fluid spurted out that  
4 was supposed to control the low-launch launch  
5 valve and to get the aircraft going down the deck  
6 at 300-some feet.

7 Two things happen. The first thing  
8 is the Navy inspects all of its low-launch launch  
9 valves to see, are there any more of them that  
10 have that nut? Because that is a substitution,  
11 that is a commercial-grade substitution a  
12 shipyard used. It was not to Lakehurst  
13 specifications. It was not to their drawings.

14 So, after making that one-time  
15 inspection, the Lakehurst team designed another  
16 one, one that can't be substituted for, one that  
17 is stronger, that won't fail.

18 And you know what? This is low-tech  
19 stuff. This is not rocket science. This is  
20 something that any world-class machine shop could  
21 make if they had a few weeks, if they could find  
22 the right people to give them the expert advice,  
23 if they could understand what it was used for, if  
24 they could get through how to request a proposal

1 or how to get a contract. Anyone could make  
2 that.

3 What is fascinating at Lakehurst is:  
4 they can make it, and they did, in less than 24  
5 hours. And when they make something like this,  
6 you would think, well, then they make a lot of  
7 them because they have over \$300 million a year  
8 that is given to them to support carrier  
9 aviation. But they don't. What they do is, they  
10 design it, they prototype the first one, they  
11 test it, until they understand it, help come up  
12 with a manufacturing process, and over 95 percent  
13 of their \$300 million in the last year goes to  
14 civilian contractors to build those parts. They  
15 only keep 5 percent in-house. They get it out  
16 there. They get it out in our community.

17 And they don't just do aircraft  
18 launch recovery equipment. They do war stoppers.  
19 This is a war stopper (indicating). It is  
20 pretty innocuous. It is a cast piece of metal.  
21 It fits on an aviator's gas mask. Days before  
22 Desert Storm, days before Desert Storm, the Navy  
23 found out that those fittings cracked. And when  
24 they found that out, they called the civilian

1 contractor and said: "We need them replaced, we  
2 need them replaced quickly," and the contractor  
3 said, "Can do. I will put them on another shift,  
4 I will get them to you within the next three  
5 months." That wasn't good enough and the Navy  
6 didn't know what to do. They turned to  
7 Lakehurst. This is not what Lakehurst does, but  
8 it is exactly what Lakehurst is capable of doing.  
9 They can work around the war stop. And what they  
10 did was, they checked and they found that, as to  
11 the process the contract says, it was true it  
12 would take months to do it that way. And so they  
13 put a tiger team together.

14 Now, I don't think that we are  
15 talking about aircraft launch and recovery  
16 equipment here. I think we are talking about  
17 smart engineers from across the spectrum,  
18 artisans and craftsmen, people who really  
19 understand work around concurrent engineering.  
20 This is not pretty but they made 540 of these in  
21 nine days. Every Navy pilot, every helicopter,  
22 every jet that was needed during Desert Storm,  
23 flew with the pilots knowing that if chemical or  
24 biological agents were introduced, the gas mask

1 would work. It is very important as a pilot to  
2 trust your equipment because you have got a lot  
3 of things on your mind. 4,300 hours in naval  
4 aircraft. I don't like to think about my  
5 equipment breaking. I think about conducting the  
6 mission.

7                   So I want to tell you one more story,  
8 and this story is pretty close to home for me.  
9 You saw in that videotape that young man say, "If  
10 you don't know what you are doing, we get hurt  
11 out here." You saw that wire snake across the  
12 deck. Did you see how fluid it looked? It  
13 looked real soft. This is a piece of that wire  
14 (indicating) that Lakehurst makes, the only place  
15 it is made in the world. They can't subcontract  
16 this. It is too flight-critical. No contractor  
17 in their right mind would take the incredible  
18 liability risk of a piece of equipment like this  
19 that has to work again and again.

20                   I have a very close friend who is  
21 still in the Navy and just made captain. He is  
22 an F14 pilot. His name is Ted. Ted brought his  
23 F14 aboard the Ranger one afternoon, touched down  
24 in Hook No. 3. He was in good shape. The moment

1 the carrier plane hits the deck and the nose  
2 comes down, you go to maximum thrust because if  
3 you miss the wire you are going flying. He hit  
4 the wire and felt the aircraft decelerate. And  
5 then something went wrong. It didn't stop. He  
6 kept rolling toward the deck edge and he went  
7 off, at 70 miles an hour, in a \$50 million jet.  
8 You could hear in his headset everybody  
9 screaming, "Eject, eject, eject." But all he  
10 could think of was: I'm controlling this  
11 perfectly good airplane. And he forgot the creed  
12 of a pilot: get out if you have to get out. He  
13 stayed with it. The gentleman in the back seat  
14 was Commander Jackson. He was pulled out of the  
15 cockpit. Commissioner Cornella knows what it is  
16 like staying in an F14 with 24 feet out in the  
17 back. Ted was pulled right through that plane.

18 He survived. He is one of my best  
19 friends. He got back on the ship, and the first  
20 thing he wanted to know was, "What put my  
21 airplane in the water?"

22 What put his airplane in the water  
23 was a torque coupling (showing). This is not  
24 high-tech stuff. This is down and dirty naval

1 aviation. What broke was a small weld, a small  
2 weld right there. That weld, when it snapped,  
3 Ted's I cable snapped, and he lost an aircraft.

4 What happens? The first thing that  
5 happens is that he quits flying the aircraft and  
6 stops launches. The second thing that happens --  
7 I will give you a light one to pass among you --  
8 the second thing that happens is that you get the  
9 aircraft on the deck. There is the weld. In  
10 that case they weren't sure what to do with the  
11 aircraft. Something is wrong. They got the  
12 airplane down.

13 The next thing you do, you call Navy  
14 Lakehurst. You call Navy Lakehurst. Within a  
15 couple of hours. Back at Lakehurst, they are  
16 taking a look at the piece that broke. You know  
17 what they found? They found a welding was bad,  
18 and then they asked the Navy to inspect all of  
19 those torque couplings, and they found all the  
20 welds were suspect for immediate catastrophic  
21 failure. They collected the supply system. They  
22 were filled with welds. Navy Lakehurst put its  
23 tiger team together, and within a few hours  
24 worked up a fix and began to work around the

1 clock 24 hours a day to fix that weld. They  
2 rejected one out of every two. For those of you  
3 in manufacturing, to reject one out of every two  
4 is difficult to do. But they did it. They got  
5 them out to the Fleet.

6 Then they didn't stop. They took  
7 that team, that expertise, and they figured out a  
8 way to do it in one piece so it would never  
9 happen again. One piece, never happen again. A  
10 little late for Ted. But I will tell something  
11 that Ted told me before I came down here, "Mike,  
12 in all my carrier launches and carrier  
13 recoveries, I never wondered if it would work. I  
14 worried about the mission, I worried about how I  
15 was going to fly, I was worried about that blast,  
16 was I going to do well, but I never worried that  
17 their work would fail me. If I worried about  
18 that, I couldn't fly."

19 I wouldn't get in a cockpit if I  
20 thought I had a one-in-ten chance of not going or  
21 one-in-a-hundred or one-in-a-thousand. I knew it  
22 would work.

23 The concurrent engineering system at  
24 Lakehurst is proposed to be torn into pieces with

1 engineers sent to Patuxent River, Maryland, with  
2 artisans sent down to Jacksonville.

3 By the way, they already admitted to  
4 us they forgot certain things. Oh, the artisans,  
5 yes, that fell through the cracks. That is a  
6 quote from the Navy Deputy Commander, Aircraft  
7 Warfare Center. What are these carriers going to  
8 do when one of these critical components breaks?  
9 Who are they going to call? Where are they going  
10 to call? And if they call Jacksonville, for  
11 example, then the engineers have to fly down to  
12 Jacksonville and they have to put a tiger team  
13 together. It will only take a day or two. And  
14 then when they test their equipment, they just  
15 have to take it up to Lakehurst. It will only  
16 take a day or two. And what that does to naval  
17 aviation is, it can literally shut it down. And  
18 the Navy won't do that. Believe me, when this is  
19 all over, if they break this thing apart, they  
20 will find a way to put it back together again.  
21 It is just not good business and it is not good  
22 for carrier aviation. It won't happen that way.  
23 And, by the way, the numbers are wrong. And, by  
24 the way, the return on the investment is going to

1 take over 50 years.

2 I will put that stuff aside and talk  
3 to you as a naval pilot and tell you something.  
4 If you start getting us to think about whether  
5 when we go down the track we are going to fly or  
6 not, you got your mind in the wrong place. We  
7 can't break this up. It is one of a kind. They  
8 won the Presidential Quality Award in '93, the  
9 equivalent of the Malcolm Baldrige. They are a  
10 model in DOD for concurrent engineering. A \$40  
11 million a year operation stacks up against an \$82  
12 billion replacement cost for carriers and air  
13 wings. That is a bang for your buck. That is a  
14 bang for your buck. And I'll tell you, these  
15 people aren't going to move in droves.

16 I ask you, as a naval aviator, as you  
17 go through the data, as you look at what you are  
18 doing, please hear my words. This is not a good  
19 decision. This is not smart for naval aviation.  
20 This is not: Well, maybe they will lose  
21 something, but it will work out all right. This  
22 is not about jobs in the community, economic  
23 impact. We are talking about being able to  
24 launch aircraft off ships like these. This is

1 not an aircraft carrier. This is just a  
2 parking-lot museum, because this carrier can't  
3 launch, you can't get an airplane off this deck,  
4 you can't recover one. This is a museum, a  
5 parking lot. We got 12 very expensive carriers  
6 out there and they need them in one place.

7 (Applause)

8 CONGRESSMAN SMITH: Mr. Chairman, I  
9 would like to give you Freeholder Director John  
10 Kelly, who speaks on behalf of Ocean County and  
11 the surrounding communities.

12 CHAIRMAN DIXON: You have 34 minutes  
13 50 seconds.

14 MR. KELLY: Good afternoon,  
15 Commissioners. My name is John Kelly and I serve  
16 as the director of the Board of Freeholders of  
17 Ocean County. I am here to testify personally on  
18 behalf of the tremendous outpouring of the people  
19 to Save the Lakehurst Naval Station. Military  
20 value is and must be the primary concern as we go  
21 through the BRAC Commission process. We in Ocean  
22 County realize and wholeheartedly support that  
23 concept.

24 We also believe that our presentation

1 this afternoon brings forth the data necessary to  
2 prove that the best decision this Commission can  
3 make in the best interest of our nation's defense  
4 is to keep the facility in Lakehurst in  
5 full-scale operation, both in the name of  
6 economics and, maybe more importantly, in the  
7 name of safety to our men and women in the  
8 military and to the very expensive equipment they  
9 utilize to protect our nation throughout the  
10 world.

11           However, community support is also  
12 very important and with us today are hundreds of  
13 people who traveled here by car, by train and in  
14 buses to attend this BRAC Commission hearing. It  
15 is on their behalf that I can personally testify  
16 to the full support of the county community.

17           In addition to my personal testimony,  
18 I would like to present the Commission with  
19 petitions signed by close to 13,000 residents,  
20 representing all the people that make up a  
21 community.

22           In addition to the petitions, we have  
23 hundreds upon hundreds of letters of commendation  
24 supporting the job that is done at Lakehurst.

1 While I do not have these letters on the dais  
2 with me at this time, I would ask that both the  
3 petitions and the letters of commendation be made  
4 part and parcel of the public record.

5 COMMISSIONER COX: We would be most  
6 happy to have them as part of the record.

7 MR. KELLY: Thank you very much for  
8 the opportunity to testify on behalf of my  
9 community.

10 CONGRESSMAN SMITH: Let me say we are  
11 very pleased to have Vice Admiral Richard  
12 Friichtenicht, who is the former CO, commander,  
13 of Lakehurst. Admiral, if you can say a few  
14 words, please.

15 VICE ADMIRAL FRIICHTENICHT: Yes, I  
16 would like to express my concern, as an ex-naval  
17 aviator and as ex-commanding officer of the  
18 aviation center, at breaking up what I call this  
19 team of engineers, test engineers, test people,  
20 the manufacturing group and its quality. That is  
21 the key. The key to naval aviation is the  
22 teamwork that the Naval Air Engineering Center  
23 people have displayed.

24 Since I have retired in 1991, I have

1       been a consultant for private industry, I have  
2       been working with McDonnell Douglas and Northrup  
3       and in major aerospace industries, in converting  
4       their industry into what they call integrative  
5       product development. Integrative product  
6       development is in fact a buzzword similar to  
7       total quality management and similar to, in fact,  
8       empiric engineering. The key to all of those is  
9       in fact teamwork, putting together your  
10      engineers, co-locating them with the  
11      manufacturing and the quality and the test people  
12      to make sure you do your product and do it right.

13               We learned a lesson from Japan in the  
14      auto industry many years ago. It took our U.S.  
15      industry many years to catch up, but they have in  
16      fact gone that route now, and we are now seeing  
17      better quality in our auto product. You have  
18      Boeing putting out a new airplane, 777, using  
19      integrative product development. It works. It  
20      has become the trend of the industry.

21               I am very concerned that the trend we  
22      see here at Lakehurst is in exactly the opposite  
23      direction, and it is going to be to the detriment  
24      of naval aviation. Thank you very much.

1 (Applause)

2 CHAIRMAN DIXON: We will now have  
3 Congressman Jim Saxton and his colleagues  
4 representing Fort Dix. I want to thank you very  
5 much, Congressman Smith. Thank you for an  
6 excellent presentation by your fine group.

7 (Applause)

8 I don't believe that your group has  
9 been sworn, Congressman. Have you been sworn,  
10 sir?

11 CONGRESSMAN SAXTON: We have not.

12 CHAIRMAN DIXON: How many are there  
13 in your group?

14 CONGRESSMAN SAXTON: There are four.

15 CHAIRMAN DIXON: Would you all please  
16 stand and raise your right hand.

17 Do you solemnly swear or affirm that  
18 the testimony you are about to give to the  
19 Defense Base Closure and Realignment Commission  
20 shall be the truth, the whole truth and nothing  
21 but the truth?

22 (Four speakers, in chorus:) I do.

23 CHAIRMAN DIXON: Thank you very much.  
24 Congressman Jim Saxton, we are glad to have you,

1 sir.

2 CONGRESSMAN SAXTON: Thank you, Mr.  
3 Chairman and Commissioners. As my colleagues are  
4 taking their seats, let me say that I came as the  
5 official representative of Fort Dix. But let me  
6 say that I represented Lakehurst Naval for some  
7 eight years --

8 CHAIRMAN DIXON: Pardon me,  
9 Congressman. Ladies and gentlemen, we must have  
10 silence honoring the Congressman and his  
11 colleagues who are testifying for Fort Dix.  
12 Congressman Saxton.

13 CONGRESSMAN SAXTON: -- for some  
14 eight years, that is, my representation of  
15 Lakehurst, before the last realignment of  
16 Congressional Districts. I just want to say that  
17 I second what was said here a few moments ago,  
18 and congratulate Congressman Smith and Mike Hagy  
19 and their colleagues for the fine presentation.

20 Mr. Chairman, with regard to Fort  
21 Dix, we are not going to take a lot of time here  
22 this afternoon. I think we have a rather unique  
23 duty to do and one that you will be pleased to  
24 hear, and that is because usually when you hear

1 from those of us who represent individual bases,  
2 you hear why the DOD recommendation is wrong. We  
3 are here to tell you that we think at this point  
4 the DOD recommendation is correct. That is  
5 because, beginning in 1989 when the basic  
6 training mission left Fort Dix and we began to  
7 configure ourselves to do Reserve component  
8 training, over the past six years we believe that  
9 we have cooperated with DOD, with the Department  
10 of the Army, and that today we have the premier  
11 Reserve component training base in the Northeast.  
12 That is why we agree that the current Forces  
13 Command, and the change to USARC, the U.S. Army  
14 Reserve Command, is a good and proper and  
15 productive and economically efficient concept for  
16 us to change. That is why the gentleman to my  
17 right, Brigadier General (Retired) Dave Cooper,  
18 the former chief of staff of the First Army, who  
19 was responsible for planning this action, and, on  
20 his right, Major General Rocco Negris, the former  
21 commander of Fort Dix, and, on his right Major  
22 General Don Logeaif, who is the former commander  
23 of the 21st Air Force located at McGuire Air  
24 Force Base -- which, incidentally, in 1947 was

1 carved right out of the middle of Fort Dix --  
2 and, on his right, Colonel Mike Warner, who is  
3 the immediate past commander of Fort Dix, all  
4 agree. These are the guys, I was going to say,  
5 who keep me smart, but that presupposes that I am  
6 smart to begin with. And so they are the guys  
7 that keep me informed.

8 I am going to turn to General Cooper  
9 in just one moment. But before I do that, from a  
10 policy point of view and as a member of the House  
11 Armed Services Committee, now the National  
12 Securities Committee, if you look at the slide  
13 that is on the board, you will see the U.S. Army  
14 Reserve Units in the Northeast and mid-Atlantic  
15 part of the country, who can avail themselves to  
16 this, the only Northeast base that is currently  
17 capable of carrying out a consolidated Reserve  
18 training mission, and the United States AR units  
19 that are available to themselves at Fort Dix;  
20 also the National Guard Units that are able to  
21 avail themselves to Fort Dix, who can come there  
22 on a weekend, drive in, pick up their equipment,  
23 and train for the entire weekend like they can  
24 nowhere else in the country.

1           The last slide that I would like to  
2 show you is the many capabilities that Fort Dix  
3 offers to the reserve component in terms of  
4 training, which is ongoing on a weekly basis --  
5 on a daily basis, I should say -- everything from  
6 M1A1 Abrams tanks that can do Level 8, Level 10  
7 and Level 12 training at Fort Dix, which is  
8 unlike any other base in the Northeast, save Fort  
9 Drum, which is fully occupied with an active  
10 unit. The mobilization unit there where more  
11 than 70 units were mobilized during Desert Shield  
12 and Desert Storm, the deployment capability which  
13 is available at Fort Dix because of its  
14 co-location with McGuire Air Force base and, of  
15 course, its sustainable quality of life,  
16 environmental correctness and, I might add,  
17 finally, economy of scale, which is so important,  
18 which Fort Dix offers with its almost 70,000  
19 acres of training area in the central-southern  
20 part of New Jersey.

21           So, with that as an introduction, let  
22 me turn very quickly to Major General (Retired)  
23 Dave Cooper who, as I said, was chief of staff of  
24 the First Army when this plan was put together.

1 MAJOR GENERAL COOPER: Thank you,  
2 Congressman Saxton.

3 Mr. Chairman, members of the  
4 Commission, in 1989 the Army decided to realign  
5 Fort Dix from an active duty post to a reserve  
6 component post. It was the right decision. I  
7 was a deputy commanding general of Fort Dix at  
8 that time, training active-duty soldiers. In  
9 1991 and '93 the Army's senior leadership  
10 reaffirmed its decisions regarding Fort Dix's  
11 principal missions: the strategic mobilization  
12 post for the entire Northeast corridor and a  
13 center of excellence for Reserve Component  
14 Training for all Reserve units, National Guard  
15 and Army Reserve, for the entire Northeast.  
16 These were the right decisions. In 1991, I was  
17 the chief of staff for the First United States  
18 Army, responsible for the mobilization and  
19 training of all the reserve component units in  
20 the Northeast, approximately 30 percent of  
21 alternate guard and Army Reserve units in the  
22 country.

23 In 1992, the first Army was tasked by  
24 Forces Command to conduct a study of all its

1 posts in the entire Northeast to determine the  
2 efficiency and effectiveness of each post in the  
3 areas of training, mobilization and costs. I was  
4 the study chairman. We used as our model for  
5 evaluation a total Army base scoring system and  
6 the Army's Midwest Army, the center of  
7 excellence. We presented our chief of staff of  
8 Forces Command that said: Of all the Army posts  
9 in the Northeast, Fort Dix was the only one that  
10 had the essential elements to mobilize our forces  
11 in such a way as to allow our country to project  
12 power anywhere it needed to by geographic  
13 location, with Bayonne Terminal and McGuire Air  
14 Force Base, the neighbors of Fort Dix. We  
15 concluded, after analyzing the data regarding the  
16 acreage for training areas, training  
17 capabilities, permanent facilities,  
18 infrastructure, growth potential and costs, that  
19 the vision for Fort Dix was the right one: the  
20 regional center of excellence for all National  
21 Guard and Army Reserve Units in the Northeast.

22 This afternoon we are pleased that  
23 for the past six years the vision for Fort Dix  
24 has been a shared and compelling one among the

1 Army's senior leadership, New Jersey's  
2 leadership, and the men and women who are Fort  
3 Dix. It is also our understanding that the  
4 mission given to Fort Dix by the Army is expected  
5 to be properly resourced. That is the right  
6 decision for base realignment 1995. Thank you.

7 CONGRESSMAN SAXTON: Mr. Chairman, I  
8 would just conclude in thanking you very much for  
9 giving us this opportunity to say so, and to say  
10 to you finally that I know that there are some  
11 who have represented to you that Fort Dix is not  
12 the only base that is currently capable of  
13 carrying out this mission in the Northeast  
14 mid-Atlantic region. I am here to assure you, as  
15 General Cooper just did, that it is the only  
16 base, for a number of reasons, that can carry out  
17 this vision. Thank you very much.

18 CHAIRMAN DIXON: Thank you,  
19 Congressman. Would you yield to one question  
20 from Commissioner Cornella, please.

21 COMMISSIONER CORNELLA: Yesterday at  
22 Baltimore we were given testimony that Fort Dix  
23 was not capable of Table 10 qualification. Could  
24 you tell us what tank table you are able to train

1 under in Fort Dix, please?

2 CONGRESSMAN SAXTON: I will pass that.  
3 question off to the real expert. I will just say  
4 to the other Commissioners that when Commissioner  
5 Cornella was at Fort Dix we had a full-scale tank  
6 fire demonstration, which the Commissioner was  
7 able to witness. I will ask General Cooper to  
8 explain our capability.

9 MAJOR GENERAL COOPER: Table 8 is the  
10 basic standard table to qualify all tank groups.  
11 It is the table that was used by all our Army  
12 tank divisions to get ready for any kind of  
13 combat situation, as we did in Desert Shield.  
14 Fort Dix can fire Table 8, which is an array of  
15 targets with a multitude of tanks going down the  
16 lanes. With some qualifications, Fort Dix can  
17 fire Tables 10 and 12 with different kinds of  
18 ammunition.

19 COMMISSIONER CORNELLA: I guess my  
20 question is, you are capable of tank  
21 qualification, is that correct?

22 MAJOR GENERAL COOPER: At Table 8,  
23 yes, we are.

24 COMMISSIONER CORNELLA: Thank you.

1                   CHAIRMAN DIXON: We thank you very  
2 much, Congressman Saxton, and your group for that  
3 excellent presentation.

4                   We will now have Tony Campi from Fort  
5 Monmouth.

6                   Mr. Campi, do you solemnly swear or  
7 affirm that the testimony you are about to give  
8 to the Defense Base Closure and Realignment  
9 Commission shall be the truth, the whole truth  
10 and nothing but the truth?

11                  MR. CAMPI: I do.

12                  CHAIRMAN DIXON: Thank you very much  
13 Mr. Campi.

14                  MR. CAMPI: Mr. Chairman,  
15 Commissioners, good afternoon. I am Tony Campi.  
16 I am the former director of the Research  
17 Development and Engineering Center at the Army's  
18 Communications Electronics Command at Fort  
19 Monmouth, New Jersey, and today I am representing  
20 a group of people interested in defense issues  
21 and the Fort Monmouth community. Today I would  
22 like to talk to you very briefly about a  
23 vision -- a vision of a National Center for  
24 Information Warfare, and I will talk to the

1 vision and I will talk to the opportunity for  
2 implementing that vision.

3           The National Center for Information  
4 Warfare, or, if you prefer, for Command Control  
5 Communications, Computers and Intelligence,  
6 generally referred to as C4I, the vision is  
7 simply this: co-location of information warfare,  
8 research and development elements of the three  
9 services in one place. Desert Storm changed the  
10 nature of warfare forever, that is, specifically  
11 with joint warfare, the Army, Navy, Air Force  
12 working together in a battle environment. Key to  
13 that is interoperability of information systems.  
14 As an example, the soldier talking to the fighter  
15 pilot, be it by voice or be it by sharing data  
16 from computer to computer.

17           Now, the emphasis on the military  
18 value goes something like this. There is an  
19 explosion of information technology in the  
20 commercial sector and, in fact, throughout the  
21 world. All services apply this technology to  
22 their command and control and communications  
23 system. They apply it, they may adapt it, but  
24 they use principally what comes out of the

1 commercial sector these days. The key point of  
2 the emphasis on military value is the synergy of  
3 the three services efforts being co-located,  
4 offsetting the shrinking resources for the  
5 programs that implement C4I. The budgets are  
6 declining for all three services, and here is an  
7 opportunity to put the R & D elements together  
8 and have that synergy and have that  
9 cost-effectiveness to implement the systems.

10 In terms of the emphasis on savings,  
11 we are talking co-location. Talk today about  
12 infrastructure cost: it results from the  
13 synergy. BRAC '93, in its report to the  
14 President, included a chapter on issues for  
15 further consideration, and first among these was  
16 interservicing. The Commission noted that the  
17 Department of Defense has been attempting for  
18 approximately 20 years without significant  
19 success, to interservice. The Commission went  
20 on: The efficiencies to be realized from  
21 interservicing dictate DOD conduct an exhaustive  
22 review and present its recommendations and  
23 actions during the 1995 round closure. Well,  
24 BRAC '95 DOD did indeed create a joint servicing

1 group to address the Commission's concerns, but  
2 little cross-servicing has resulted. Dr. Craig  
3 Dorman, head of this cross-servicing group on  
4 laboratories, recommended Fort Monmouth as the  
5 site of C4I co-location. The Air Force agreed to  
6 move a portion of labs to Fort Monmouth, as you  
7 know. While the Navy acknowledged the savings to  
8 be achieved by its Warfare Systems Command SPAWAR  
9 from space in Washington DO to available space in  
10 Fort Monmouth, they elected to forgo  
11 cross-servicing, preferred greater savings by  
12 moving SPAWAR to San Diego. The DO, with noted  
13 agreements for consolidating work done for two or  
14 more of the services, were limited and  
15 opportunities to achieve additional savings in  
16 infrastructure were missed. That is what we are  
17 talking about. The bottom line establishes now  
18 the beginnings of a National Center for  
19 Information Warfare by co-locating Air Force and  
20 Navy CQ activities with the Army Center for CQ at  
21 Fort Monmouth.

22 Why Fort Monmouth? There are four  
23 reasons. One is strategic location, and I think  
24 the governor earlier highlighted many things,

1 major road/rail arteries, military and commercial  
2 airports, and deep-water ports. New Jersey has  
3 the highest density of scientists and engineers  
4 of any state in the United States. In addition,  
5 there are a variety of nearby academic  
6 institutions and high-technology businesses which  
7 support the cutting edge of technologies required  
8 in the C4 area. And Fort Monmouth has 68  
9 research and development agreements with nearby  
10 Princeton University, Rutgers University, Stevens  
11 Institute, New Jersey Institute, AT&T Bell Labs  
12 BellCor, and many of these, by the way, happen to  
13 be in this prize area called photonics. In  
14 addition, we talked about the existing  
15 information warfare structure and culture. Fort  
16 Monmouth is the Army center for CQ guide, a model  
17 of excellence. Many programs are of joint nature  
18 already. Then, finally, physical plant. The  
19 Monmouth community has R & D facilities,  
20 administrative facilities, infrastructure to  
21 support all of this, and in terms of physical  
22 space, can support Rome, SPAWAR, the aviation and  
23 troop command elements that are proposed to move  
24 to Fort Monmouth.

1                   CHAIRMAN DIXON: Thank you very much,  
2 Mr. Campi. We are delighted to have you and  
3 Congressman Palone here, and we are now going to  
4 hear from the Massachusetts delegation.

5                   (Applause)

6                   We are delighted to have Senator  
7 Kerry, Senator Kennedy, Congressman Studds and  
8 General Fasina of the Massachusetts National  
9 Guard.

10                   First, under the law, I have to ask  
11 you to raise your right hand. I have to swear  
12 you in. That is the law, Senators.

13                   Do you solemnly swear or affirm that  
14 the testimony you are about to give to the  
15 Defense Base Closure and Realignment Commission  
16 shall be the truth, the whole truth and nothing  
17 but the truth?

18                   (Nine speakers, in chorus:) I do.

19                   CHAIRMAN DIXON: Thank you very much.  
20 We are delighted to have Senator John Kerry here,  
21 and he is recognized. Senator Kerry of  
22 Massachusetts. (Applause)

23                   SENATOR KERRY: Mr. Chairman and  
24 Commissioners, thank you very much. The members

1 of the delegation are going to try to proceed as  
2 rapidly as possible, and leave as much time for  
3 our base delegation, if you will, to testify.

4 Mr. Chairman, we would like, first of  
5 all, to thank you and the Commissioners. This is  
6 an extraordinarily important process, and I know  
7 as a former Senator you understand that better  
8 than anybody the chance to be able to come before  
9 you to plead a case where we think that either  
10 bad judgment or bad facts have been applied is  
11 critical. We know what we are talking about with  
12 respect to that, Mr. Chairman, because we have  
13 been before this Commission twice before in this  
14 situation, and twice before the members of this  
15 Commission saw things in a way that you will hear  
16 testimony about today. So we really rely on this  
17 process. This is the citizens' opportunity to be  
18 able to redress what we think is inappropriate  
19 judgment.

20 Why do I say that? Mr. Chairman, we  
21 are not going to be here today to argue economic  
22 impact. We are going to stay with the most  
23 important values: the military value and the  
24 cost and efficiency.

1           Using the the very criteria that were  
2 applied by the Base Structure Evaluation  
3 Committee, this base should stay open. By the  
4 military value analysis, the configuration  
5 analysis, by the models that were run by  
6 computer, Weymouth came out number one in  
7 demographics. Atlanta, which has been decided to  
8 be kept open, came out last. In military value,  
9 Weymouth came out the top, and again Atlanta was  
10 at the bottom.

11           It was only when the process was  
12 deviated from, when the measurement of reserve  
13 stations was melded with the measurement of  
14 operational stations, that suddenly out of thin  
15 air came this thing called Fleet discretion,  
16 which suddenly applied a whole new standard on  
17 which we to this day cannot still get an  
18 evaluative process in order to determine what the  
19 basis of judgment was.

20           On the merits there is a substantive  
21 secondary argument. You have first the process  
22 was violated. You have apples and oranges  
23 suddenly being measured at the end of the  
24 process. But, most importantly, on a judgment

1 about the value of this base, Mr. Chairman, on  
2 the merits of the standards set up by the  
3 evaluation committee, South Weymouth ought to  
4 stay open. It was ranked the most  
5 demographically rich region of all. If you move  
6 the Reserve activities of South Weymouth north to  
7 Brunswick, yes, it may be only two-plus hours  
8 from Boston, but if you have driven them lately  
9 you understand the difficulties of coming from  
10 most parts of Massachusetts and getting through  
11 Boston to go north. But for Connecticut, for  
12 Rhode Island, for the western part of the state,  
13 it becomes four hours, five hours away, and  
14 effectively will take away service.

15 You will hear from Paul Haley, a  
16 Harvard graduate law school student, now a state  
17 representative, a former F14 pilot on the  
18 Eisenhower, who is part of this Reserve. He will  
19 tell you the difficulties on the demographic  
20 basis.

21 Mr. Chairman, before I turn it over  
22 to Gerry Studds, I respectfully would simply ask  
23 the Commission, plead with the Commission, in the  
24 same way that the Commission before said that

1 Massachusetts ought to have a right to contribute  
2 people to this process, we believe that when you  
3 evaluate the standards that the Navy itself  
4 applied and measure it against the decision that  
5 was made, this Commission cannot help but come to  
6 the same conclusion that the prior two  
7 Commissions did, which is that South Weymouth  
8 serves the military purposes, the strategic  
9 purposes. It is a valuable station and it should  
10 not be lost, particularly against an Atlanta  
11 which has shared purposes with civilian  
12 activities and which would not be lost if it were  
13 shut down.

14 It is my pleasure to introduce the  
15 Congressman from the district, Gerry Studds.

16 CHAIRMAN DIXON: Thank you, Senator  
17 Kerry. We are delighted to have Congressman  
18 Studds with us.

19 CONGRESSMAN STUDDS: Thank you, Mr.  
20 Chairman. As you know, brevity comes easier to  
21 members of the House, so I will do my best here.  
22 (Laughter)

23 I want to thank you, Mr. Chairman,  
24 and the members of the Commission. You have in

1 many respects a thankless task, I don't envy you,  
2 but you should know how much you are respected  
3 and appreciated.

4 Our community, for one, saw this  
5 process work as it was intended to work two years  
6 ago. We made a case, as you are going to hear  
7 today, on the merits from the perspective of the  
8 Navy's needs, not our community's needs. Any  
9 community hurts when it loses a base, but what  
10 you will hear from very caring people is that the  
11 Navy needs this facility.

12 I would simply emphasize one point,  
13 if I may, and I am sure you will hear it again:  
14 As I think you know, Mr. Chairman, I, through  
15 you, as well, have requested an explanation and  
16 some documentation from the Navy about a key part  
17 of this decision-making process. It appears that  
18 a recommendation of a single individual, a very  
19 important one, to be sure, the Commander-in-Chief  
20 of the Atlantic Fleet, seems to have tipped the  
21 scales between closing a base that was apparently  
22 going to be left open, namely South Weymouth, and  
23 leaving open one that was slated to be closed,  
24 namely Brunswick Air Station in Maine. So far as

1 we are able to determine, that recommendation  
2 remains to this moment utterly undocumented.  
3 Such documentation, it seems to us, is vital for  
4 you to carry out your responsibilities to assess  
5 the basis and the rationale for this. It is  
6 also, as we understand it, required by the law.  
7 So we would urge you to look as carefully as you  
8 can at whatever rationale lies behind that  
9 apparent crucial recommendation that came  
10 through.

11 Finally, may I say that, to echo the  
12 words of Senator Kerry, this case you will hear  
13 is going to be one based on the needs of the  
14 United States Navy and of this country. It will  
15 not be the single, albeit painful, pleading of a  
16 single community.

17 We thank you for what you are doing.  
18 We particularly thanked you before. You took a  
19 very cynical citizenry and convinced them that  
20 something really can work. We appreciate it and  
21 we respect it.

22 CHAIRMAN DIXON: Thank you,  
23 Congressman Studds. (Applause)

24 CONGRESSMAN STUDDS: I don't think I

1 need to introduce our next speaker. Senator Ted  
2 Kennedy.

3 CHAIRMAN DIXON: We are delighted to  
4 have the great Senator from Massachusetts.  
5 (Applause)

6 SENATOR KENNEDY: Mr. Chairman, thank  
7 you very much. Just to echo what my colleagues  
8 have said, let me thank General Robles for coming  
9 up to South Weymouth and spending the time and  
10 asking the questions. When General Robles  
11 listened that afternoon, you could see that he  
12 had spent time, he had asked questions, he was  
13 informed and prepared for those meetings. I want  
14 to thank you, General, so much for your presence  
15 and the time that you have taken.

16 I am not going to make the case that  
17 South Weymouth is really the best in terms of the  
18 Reserve Units. I think that that has been made  
19 and recognized with all the awards that have been  
20 achieved by the men and women who have been  
21 associated with that base. But I want to focus  
22 attention, in the minute and a half that I have,  
23 on the process.

24 DOD established a process. They

1 reviewed the process in order to make the  
2 judgments according to BRAC. They reviewed the  
3 process and said that operations are going to be  
4 considered one way for the 20 operating Air  
5 Stations, and Reserve Units are going to be  
6 considered another way. That was the way DOD set  
7 it up. That is the way that they established it.  
8 What every citizen of Massachusetts and across  
9 the country understands is that South Weymouth  
10 was going to be maintained in November and  
11 December of that year and Brunswick was going to  
12 be closed. So when they followed the process  
13 that went on through, Brunswick was closed, South  
14 Weymouth was open.

15 Then suddenly the rules changed.  
16 Suddenly the system faltered. Suddenly there was  
17 some other intervention. And when there was some  
18 other intervention, we find out that South  
19 Weymouth took the hit.

20 We are entitled -- we are entitled --  
21 in terms of national security interest, if DOD is  
22 going to set the rules to be played by, to expect  
23 that those rules are going to be adhered to.  
24 They have established those rules on the basis of

1 very careful review.

2           Everyone understands if you made the  
3 judgment and said, all right, here are the  
4 Reserve Units, you are not No. 4 in terms of  
5 total evaluation, you are on the bottom. That is  
6 not the case. If we were on the bottom and then  
7 the judgment was going to be made, we are going  
8 to close one, we could understand it. But that  
9 was not the case. What had happened in this  
10 process was never considered with Brunswick, to  
11 consider consolidation of other operations, other  
12 air stations, that maybe there could have been a  
13 consolidation with other operations. No, they  
14 didn't even consider the consolidation of  
15 Brunswick with other Reserve units. No, that  
16 wasn't done. That wasn't done, that wasn't  
17 considered. Those are important factors.

18           We ask you to look through that  
19 process, and to follow the established procedures  
20 that were established by DOD. We think the men  
21 and women that are devoted to this country, proud  
22 to serve in the Reserve, will be there for our  
23 national security in the future.

24           We thank you for your courtesies to

1 us and, most of all, to our fellow citizens from  
2 Massachusetts. Thank you. (Applause)

3 CHAIRMAN DIXON: We thank you,  
4 Senator. Thank you, Senator Kerry, Senator  
5 Kennedy, Congressman Studds. Thank you for  
6 coming.

7 We are delighted to recognize State  
8 Representative Paul Haley. Are you going to be  
9 in charge of the time, Representative Haley?

10 MR. HALEY: Yes, sir. Mr. Chairman,  
11 I would like to recognize General Fasino, who is  
12 representing the Governor of Massachusetts.

13 CHAIRMAN DIXON: We are delighted to  
14 have up, general.

15 GENERAL FASINO: I am delighted to be  
16 here. I am representing Governor Weld and the  
17 citizens of Massachusetts. I will be submitting  
18 testimony on Governor Weld's behalf.

19 Governor Weld wanted me to express  
20 his serious concerns about the Navy's decision to  
21 close the Naval Air Station at Weymouth. Not  
22 only did the Navy fail to document the policy  
23 justifications for this decision, but it is  
24 Governor Weld's position that the Navy's

1 recommendation to close the Naval Air Station in  
2 South Weymouth and to disperse its Reserve Units  
3 deviates markedly from the base closure criteria  
4 by diminishing the readiness of the Reserves,  
5 weakening the ability of the Navy to mobilize in  
6 the New England region, and ignoring future  
7 manpower requirements of the Navy Reserve and  
8 reassigning units to substandard, nonexistent  
9 facilities when superior facilities exist at the  
10 Naval Air Station at South Weymouth.

11 I can tell the Commission from  
12 personal experience that from the perspective of  
13 demographics it would be a mistake for the Naval  
14 Reserve to abandon its Air Station in the Greater  
15 Boston Region. Our recruiters -- and I am  
16 talking about the National Guard recruiters --  
17 find the Greater Boston Area to be a rich target  
18 for the Army and Air National Guard. We simply  
19 do not experience the manpower shortfalls that  
20 other states face because of the quality of the  
21 people in the area.

22 The Massachusetts National Guard is  
23 impressed with the facilities at Naval Air  
24 Station South Weymouth and, with BRAC's approval,

1 is interested in locating a unit on the base.  
2 Specifically, the Guard is interested in moving a  
3 field artillery battalion totaling 45 full-time  
4 and 600 part-time guardsmen, as well as their  
5 trucks, howitzers and other equipment. This is a  
6 new, high-priority unit that is assigned to the  
7 contingency force pool. Stationing this unit at  
8 South Weymouth would centrally locate the entire  
9 unit, increasing its readiness and improving the  
10 efficiency of maintenance and training exercises.  
11 Moreover, its proximity to a military air field  
12 would provide ready access for deployment on  
13 mobilization exercises. In short, it makes  
14 military sense.

15 Locating the unit on the Naval Air  
16 Station at South Weymouth would require the  
17 construction of two buildings totaling almost  
18 100,000 square feet. The cost of this  
19 construction is estimated to be \$12 million.  
20 Massachusetts has committed to fund such  
21 construction from a \$100 million capital  
22 improvement fund intended for the state's  
23 military installations. Governor Weld signed  
24 this authorization into law on February 9.

1 Moreover, the state would willingly negotiate  
2 with the Navy to fund the improvement of other  
3 facilities or infrastructure at the Naval Air  
4 Station that would be used jointly by the Guard  
5 and naval personnel. As I mentioned, the  
6 legislation authorizing this capital improvement  
7 fund specifies that state funding is available  
8 only if the Naval Air Station at South Weymouth  
9 is enhanced or expanded under the 1995 base  
10 closure process.

11 I know that your Commission is  
12 looking for opportunities for cross-servicing and  
13 the joint use of facilities and infrastructure.  
14 The state's offer of funding the Guard  
15 installation would be an opportunity to create a  
16 joint facility at absolutely no cost to the  
17 federal government. I hope you will examine it  
18 carefully.

19 I thank you for this opportunity, Mr.  
20 Chairman.

21 CHAIRMAN DIXON: We thank you very  
22 much, General. (Applause)

23 MR. HALEY: Chairman Dixon and  
24 members of the Commission, we have an overhead

1 that we are going to use to help formulate our  
2 presentation today, but also inside your folder  
3 and your binders there are actual copies of those  
4 documents if you are not able to view the video  
5 if you would like to follow on with me.

6 What I would like to bring to your  
7 attention, sir, and to members of the Commission,  
8 is that this is the finest Naval Air Reserve  
9 Station in the United States. The reason that it  
10 is so is because it is so closely located to the  
11 best demographic area in the nation. We have so  
12 many young people that come off active duty and  
13 they affiliate with the Reserves while they  
14 attend Boston University, Boston College, BU,  
15 MIT -- the higher education mecca of the United  
16 States. Also, there are so many tremendous  
17 hospitals in the area and we have so many people  
18 that are affiliated with those hospitals that  
19 want to affiliate with the Naval Reserve.

20 On your first slide, you will see  
21 that we have 2,400 Reservists that participate at  
22 South Weymouth. The mission of those Reserves is  
23 to be called up and support the Fleet. They do  
24 that presently. I think Commissioner Robles

1 would be able to attest to the fact that the four  
2 units that testified last week were unbelievably  
3 qualified in their mission. What they were able  
4 to do in supporting the Commission currently in  
5 Bosnia is exemplary. The VP92 unit that is  
6 stationed at South Weymouth is the best P3 unit  
7 in the Navy's inventory. The Reserves can do the  
8 job. And it is a cost-effective way of providing  
9 for our nation's defense.

10 But we see in this situation here  
11 that the Navy still hasn't put a good plan  
12 together to deal with the Reserves. And this is  
13 an indication -- the decision to send some of our  
14 units to Brunswick -- that their whole reasoning  
15 is faulty.

16 On sheet 3 here you see that the  
17 military score that South Weymouth received was  
18 No. 4, 61.37. We have asked the Commission to  
19 look at adjusting that figure, because we have  
20 sent to the Commission five issues that we feel,  
21 if they were correctly scored, that we would be  
22 at a much higher value. We think we would be No.  
23 1. But clearly NAS Atlanta is way out of the  
24 realm. They are 10 points, at least, lower than

1 any other Reserve Air Station. By the control  
2 model that was set up, if in fact you keep a base  
3 after you close bases and that gives you an  
4 average military value not at least equal to or  
5 greater than what you had before, that scenario  
6 does not work. Any scenario that keeps that in  
7 Atlanta is out of that realm and is a substantial  
8 deviation.

9 If you look at page 4, you will see  
10 that the chairman from the BSEC reported on 9  
11 February in the scenario analysis that NAS  
12 Atlanta had a lower military value. That was  
13 recognized, but it had to stay because of  
14 demographics. Well, the facts just don't bear  
15 that out. They were rated No. 6 in demographics.  
16 They are unable to plan the units that they  
17 presently have down there. They are unable to  
18 man any of their units at the required legal  
19 level. Yet the recommendation is for Atlanta to  
20 expand. We are saying, Atlanta should close,  
21 Weymouth should continue to exist and Weymouth  
22 should thrive and Weymouth should be the receiver  
23 of those additional units.

24 On the next page you see the

1 technique that was used in the '93 round of base  
2 closures that was reviewed by the GAO and  
3 confirmed as appropriate and we have used this  
4 time the techniques that it looks at military  
5 value. That is the key ingredient. That ensures  
6 that our average military value for all  
7 activities in subcategory remains at least as  
8 good, and when we get through closing activities  
9 as it was before. That was deviated from.

10 On the next slide, you see the Navy  
11 demographic rankings. This is the model that was  
12 set up by the Navy themselves, and we are at  
13 least twice as good as most of those  
14 installations, including Atlanta, and 50 percent  
15 higher than most of them.

16 The decision was then complicated by  
17 an input from the CINC to allow for some South  
18 Weymouth units to go to Brunswick, two of the  
19 squadrons. Commissioner Robles will attest to  
20 the fact that last week, when those people  
21 reported to Commissioner Robles, they said that  
22 they were going to have significant difficulty in  
23 manning those units in Brunswick. 22 percent of  
24 the new squad and the C130 squad, that just stood

1 up in Weymouth because of BRAC '93, moved here  
2 within the last 15 months. They just stood up in  
3 February. 22 percent of those people said they  
4 could not now relocate to Brunswick. In addition  
5 to that, their first stop in most of their heavy  
6 logistics mission is down in Norfolk. It makes  
7 no military or operational sense to have them any  
8 further north. The P3's are working fine at  
9 South Weymouth. What has also happened at South  
10 Weymouth because of BRAC '93 is that we have had  
11 the consolidation of three service Reserve  
12 centers. We have tried to save costs; we have  
13 tried to present to the Commission ways to save  
14 costs. That is going to cost \$2.5 million under  
15 the new scenario to move those people back  
16 outside of this installation. Captain Fosner,  
17 who reported last week, said that the morale has  
18 never been better. This was a tremendous move  
19 for him, to be moved to South Weymouth and all  
20 the support that it had to give. It makes no  
21 sense. It is wasting the taxpayers' dollars to  
22 move them back out and to just ignore what  
23 happened in BRAC '93.

24 There is a next slide here which

1 shows the number of people that should be within  
2 a hundred miles of a particular area, and that is  
3 because in 1993 when the Reserves were addressed  
4 by the BSEC in response to a BRAC Commission  
5 request, the chairman reported that the Naval  
6 research force has consistently placed Reserve  
7 activities within major population areas. This  
8 maximizes the Reserve pool from which to draw  
9 within a reasonable commuting distance, generally  
10 defined as 100 miles. There are only 22 of the  
11 225 people in the P33 squadron that live within  
12 100 miles of Brunswick. And how are they going  
13 to get there? Those people, to their credit,  
14 said they will try to get there, they would like  
15 to continue to affiliate but they need an  
16 airlift. The projection is that 90 people will  
17 need an airlift from Connecticut and Rhode Island  
18 to get there. That does not make sense.

19           Additionally, Brunswick has had a  
20 historical problem with manning their units.  
21 This is their data call. And a bottom note for  
22 the two Reserve units they have had there  
23 remarks: Recruiting personnel of the appropriate  
24 training continues to be the single largest

1       problem for unit readiness. The ER service  
2       cannot go to Brunswick, they cannot exist there.  
3       What will happen, if anything, is, you have to  
4       man those units with active duty personnel. And  
5       where is the cost savings there? The Reserves  
6       make sense. They are doing the job at South  
7       Weymouth; they should continue to be able to do  
8       so.

9                       We ask that you reject this  
10       recommendation by the Secretary because it  
11       substantially deviates from the force structure  
12       and is a deviation from the model that was set  
13       up.

14                      We have a couple of other gentlemen  
15       here. Mike Voelker is an engineer on the base  
16       and he can tell you and attest to the fact our  
17       hangars are in excellent condition, a topnotch  
18       facility.

19                      MR. VOELKER: Good afternoon. My  
20       name is Mike Voelker. Good afternoon,  
21       Commissioners. My views expressed here are the  
22       views of this community committee and they are  
23       not the views of my employer, the Department of  
24       the Navy.

1                   Before you on the overhead you see a  
2                   sampling of \$8 million in contracts that rolled  
3                   into calendar year '95. Of these contracts, you  
4                   will notice two BRAC recommendations that the  
5                   Commission '93 made a decision on and have been  
6                   in place as of this past January 9, 1995, and  
7                   they have stood up. Presently we have a new  
8                   control tower that is under construction, and we  
9                   have a new family housing heating system which  
10                  improves the quality of life in our station in  
11                  progress.

12                  Next overhead. On June 27, 1993, the  
13                  BRAC voted unanimously on the Committee to Save  
14                  the Base South Weymouth proposal to consolidate  
15                  three Navy Reserve Centers and place them aboard  
16                  the Navy Air Station at South Weymouth,  
17                  Massachusetts. A BRAC Commissioner passed  
18                  comment that this was a sound economic proposal  
19                  and should be used as a model by the U.S. Navy.

20                  On April 28, 1995, during General  
21                  Robles' visit to in NAS South Weymouth, the  
22                  commanding officer of the Naval Reserve Center  
23                  did a presentation of his unit, and you can see  
24                  the Commission's decision in its merits where

1       this Reserve Center now receives full-fledged  
2       support with medical, billeting, galley,  
3       recruiting, fitness center support that they  
4       never had before in one facility. They are the  
5       only site in the United States that physically  
6       shares the existing assets. They use the  
7       spaces of the Naval Air Station at South  
8       Weymouth. They are the largest Reserve Center  
9       in New England. The morale and quality have  
10      improved dramatically. The bottom line is the  
11      reduced overhead for the Naval Reserve Center.

12               DOD's recommendation for the possible  
13      site is a return to their old facility. And  
14      when this happens, you are looking at a \$2.5  
15      million rehab at that facility before they can  
16      return. You are looking at increasing costs in  
17      medical and dental, increasing costs in  
18      billeting, increase in meal cost. Personnel  
19      support detachment is unknown, at present, as  
20      to how their records will be done. Losses in  
21      quality of life which they gained will be lost  
22      in the sense of no Naval Exchange, no billeting  
23      expenses, no housing, no WMR facilities. The  
24      bottom line is an increase in overhead for the

1           Naval Reserve Center.

2                       MR. HALEY:     We are in the  
3           presentation of the reasoning for the decision.  
4           Does it suggest how they are going to pay for all  
5           the costs and moves they are going to have to  
6           take place?  Again, there are no plans in place  
7           for the 1,000 Reservists that support other  
8           activities, outside of the squadrons.  You have  
9           heard about the \$2.5 million to relocate the  
10          service Reserves but there is no plan for the  
11          1,000 reservists.  There is no data that exists  
12          because there was no data in the record.  There  
13          was no ability to commingle and to be able to  
14          collate information from the active air stations  
15          to the reserve air stations.  And what should  
16          have been done, if they were interested in trying  
17          to save this vital base, that being Brunswick, is  
18          that they should have considered other  
19          alternatives.  They should have corrected some  
20          data to support the decision.  The record is  
21          absent of that.

22                       I would like to introduce John Yaney.

23                       MR. YANEY:  Thank you, Paul.  Good  
24          afternoon, Commissioners.

1                   As Paul just said and Senator Kennedy  
2                   so eloquently stated, the Navy, in its efforts  
3                   to shore up NAS Brunswick and reduce their  
4                   operating costs, looked at one and only one  
5                   solution to solving Brunswick's problems and  
6                   that solution was closing South Weymouth and  
7                   moving its assets to Brunswick. We contend  
8                   that there are many other solutions that the  
9                   Navy could have and should have examined in  
10                  order to avoid this mixing of apples and  
11                  oranges.

12                  We have proposed two solutions on the  
13                  overhead slide that you see. One is to move a  
14                  squadron called VQ-2 from Spain back to the  
15                  continental United States. The Navy has moved  
16                  a very similar squadron, VQ-1 in the Pacific,  
17                  from Guam back to Whidbey Island, Washington.  
18                  We see no reason why this squadron in the  
19                  Atlantic, which plays the exact same role,  
20                  could not be moved to Brunswick, shore up  
21                  Brunswick activities, and reduce the excess  
22                  capacity up there, while at the same time  
23                  saving the cost of operating this unit  
24                  overseas, including all of the family housing

1 costs that are involved.

2 NAS Jacksonville is also very  
3 heavily loaded at the present time. They have  
4 many P3 squadrons. They are now about to receive  
5 about six S3 squadrons in the proposed 1995 BRAC  
6 Redirect, and they have helicopters. Again we  
7 see no reason why one of these squadrons could  
8 not be moved from Jacksonville to relieve the  
9 capacity problems there. Move it to Brunswick  
10 and relieve Brunswick's capacity problems while  
11 leaving South Weymouth where it is.

12 A third alternative we have proposed,  
13 and this is a radical one, but two bases that the  
14 Navy felt they could no longer support in their  
15 full configuration but felt they were important  
16 because of their location, the Navy has decided  
17 to downsize. Those are Key West and Corpus  
18 Christi. Why couldn't they do the same to  
19 Brunswick, if necessary?

20 Moving on to the next slide, South  
21 Weymouth, as Paul said, has two major squadrons  
22 that we fly antisubmarine and cargo planes. We  
23 have a history of operating a wide variety of  
24 aircraft. Until the very recent past, we had a

1 Marine jet fighter attack squadron that was  
2 scheduled to transition into F18's. We had a  
3 naval antisubmarine helicopter squadron and we  
4 had a Marine helicopter squadron. There was  
5 never any difficulty in manning any of these  
6 squadrons. In fact, the Marine helicopter  
7 squadron, when it was deactivated, had so many  
8 people wanting to be a part of that squadron that  
9 it was manned at 150 percent of its authorized  
10 level. Meanwhile NAS Atlanta with a very similar  
11 squadron, has had extreme difficulty in supplying  
12 manpower that that squadron needs.

13 On the last slide that I would like  
14 to talk about, you will see several types of  
15 aircraft that we think South Weymouth would be  
16 ideal as a location for their operations. The  
17 C9B is a passenger transport squadron that indeed  
18 the Navy at one time considered moving from  
19 Atlanta to South Weymouth. That was the  
20 proposal. But suddenly when this Brunswick  
21 affair entered into the equation, that proposal  
22 was suddenly dropped. I just mentioned our  
23 Marine helicopter squadron that we had. We could  
24 easily accommodate that squadron that Atlanta has

1 now. F18's would be an ideal candidate and also  
2 additional PC3's.

3 At this time I will turn the floor  
4 back to Paul.

5 MR. HALEY: If you eliminate South  
6 Weymouth, you are going to lose this vital  
7 installation forever. If you close Atlanta  
8 because it coexists with the Air Reserve Base at  
9 Dobbins, you still may have the ability to get  
10 back in there. You are going to save just as  
11 much money by eliminating the overhead down there  
12 in Atlanta over the projected years as you would  
13 for losing Weymouth. However, you are going to  
14 keep a vital entity that is located on the ocean,  
15 of strategic value. The P3's that go to crack  
16 the submarines stop at Weymouth on their way to  
17 Reykjavik. The Reserves can do the mission. Let  
18 them do the mission. Let us thrive. Let us be  
19 the model of what the Navy can do with its  
20 Reserves.

21 The Army and the Air Force have  
22 recognized the value of the Reserves. The Navy  
23 has got to recognize that you have to have your  
24 facilities where your people are, where your best

1 people are, and this decision doesn't reflect  
2 that. They have deviated from the process: by  
3 ignoring their own military value rankings; by  
4 giving anecdotal evidence about demographics when  
5 their own studies don't bear that out to be true;  
6 and by at the last minute making a decision,  
7 where you have mixed apples and oranges, for  
8 Brunswick that affected our installation, a  
9 Reserve installation, when there is no data to  
10 make such a decision.

11 As Secretary Perry pointed out, the  
12 matrixes were so different from one subcategory  
13 to the other that to commingle the information  
14 made no sense. There was never any demographic  
15 data derived from any active installation. That  
16 is another significant deviation, in that they  
17 did not look at what was needed for the force  
18 structure plan in 1999.

19 I think that is the end of our  
20 discussion. Any questions?

21 COMMISSIONER ROBLES: No. Thank you  
22 very much, Representative Haley and  
23 Representative Mariano and the rest of your  
24 delegation. Excellent presentation. Also, I

1 want to thank you for the courtesies you extended  
2 to me when I was up there last week.

3 Unless my colleagues have any  
4 questions, that ends the Massachusetts portion of  
5 the hearing. Thank you all again for your  
6 presentation. (Applause)

7 We are now ready to begin a period  
8 set aside for public comment. Our intention is  
9 to try to ensure that all opinions on the  
10 recommendations of the Secretary affecting New  
11 Jersey and Massachusetts are heard. We have  
12 assigned approximately thirty minutes for this  
13 period.

14 We have asked persons wishing to  
15 speak to sign up before the hearing began. I  
16 have a list of people from both New Jersey and  
17 Massachusetts. We have also asked them to limit  
18 their comments to two minutes, and you will see  
19 we will have a display up here to tell you that  
20 your two minutes are up. Limit your comments to  
21 two minutes so everyone will be heard. Any  
22 written testimony, any inserts for the record  
23 that you would like to have, we would be more  
24 than happy to take those and we will make sure

1 that they do get entered in the record  
2 officially.

3 As to all of those from the State of  
4 New Jersey who have signed up, right now I have  
5 ten different individuals: Ms. McNamara,  
6 Mr. Regan, Mr. Lindberg, Mr. Mutter, Mr. Kaunitz,  
7 Ms. Anuario, Mr. Halbedl, Mr. Janiszewski, Ms.  
8 Zisman, and Congressman Pallone. If you will  
9 please come up. As you know, we are required to  
10 swear you, so I have to administer an oath.  
11 Would the ten of you please stand up.

12 Do you solmenly swear or affirm that  
13 the testimony you are about to give to the  
14 Defense Base Closure and Realignment Commission  
15 shall be the truth, the whole truth and nothing  
16 but the truth?

17 (Ten speakers, in chorus:) I do.

18 COMMISSIONER ROBLES: We will start  
19 with Ms. McNamara.

20 MS. ANN Y. McNAMARA: Good afternoon,  
21 Commissioners. It has been a long afternoon, and  
22 I appreciate both your listening to us and the  
23 job that you do. My name is Ann McNamara. I am  
24 mayor of the Borough of Tinton Falls and we are

1 home of part of Fort Monmouth, New Jersey.

2 I wanted to tell you that I am in  
3 complete agreement with the Department of  
4 Defense's proposal to move the Rome Labs from New  
5 York to Fort Monmouth. As a charter member of  
6 the Save Fort Monmouth Committee, I am intimately  
7 aware of the Fort Monmouth physical plant and the  
8 excellent support facilities we have there. Fort  
9 Monmouth possesses extensive low-cost expansion  
10 capacity. The Fort includes over a thousand  
11 acres on the main post. The Fort has  
12 state-of-the-art facilities to support the C4I  
13 mission. The Myer Center, which is in Tinton  
14 Falls, which may become home to Rome Labs,  
15 includes world-class laboratory space and  
16 state-of-the-art infrastructure to house  
17 thousands of engineers and scientists. There is  
18 no question that the Rome Labs can be  
19 accommodated comfortably at the Myer Center. The  
20 office and lab space is complemented by available  
21 housing for military families, and full-range  
22 medical, dental, military shopping and  
23 recreational facilities on post to support them.  
24 And for the civilian families that would

1 relocate, we have a full range of housing, we  
2 have great schools, and of course we have the  
3 beaches of the Jersey shore.

4 Fort Monmouth is currently co-located  
5 to a variety of nearby academic installations and  
6 high-tech businesses that support the  
7 cutting-edge technologies required at Fort  
8 Monmouth.

9 Commissioners, Fort Monmouth is  
10 ready, willing and able to meet the challenges of  
11 a reshaped military. Please do not lose this  
12 opportunity to designate Fort Monmouth a National  
13 Center for Information Warfare. The opportunity  
14 for economic cross-servicing will not happen by  
15 accident, but you can make it. Thank you.

16 COMMISSIONER ROBLES: Thank you, Ms.  
17 McNamara.

18 Mr. Jerry Regan.

19 MR. JERRY REGAN: I am a retired from  
20 Fort Monmouth. Prior to my retirement I was  
21 Director of Operations and Management for the  
22 Joint Communications Program at Fort Monmouth.  
23 We developed and delivered communications  
24 equipment for the Army, Navy, Air Force, and

1 Marines.

2 Thank you for allowing me to come  
3 before the BRAC Commission. I would like to  
4 bring my opinion into the discussion on reduction  
5 and excess capacity and advantages of  
6 cross-servicing.

7 It is evident that the United States  
8 Government is examining new ways to achieve  
9 efficiency in long-term cost savings. At the  
10 same time, it is important to maintain the  
11 strongest and smartest military force capability  
12 in the world to meet our defense needs. The  
13 solution that accomplishes both of these ends is  
14 reduction in duplicative functions that each  
15 military service performs independently of one  
16 another. Therefore, I strongly believe that the  
17 lab joint cross-service group was correct in its  
18 proposed alternative of voting the Air Force C4I  
19 functions from the wrong lab and the similar Navy  
20 functions from SPAWARs to Fort Monmouth, New  
21 Jersey. This is not only important from an  
22 economic perspective but it is more important  
23 from a military perspective. It is important to  
24 have all the services utilize the joint

1       communications and intelligence systems to  
2       maximize success and reduce errors on the  
3       battlefield.

4                   Cross-servicing communications and  
5       intelligence functions at Fort Monmouth will take  
6       our military into the 21st century. Fort  
7       Monmouth is uniquely located, it has the  
8       available space, and it has proven success in  
9       joint service-related experience to carry this  
10      vision into the 21st century.

11                   I respectfully request that the BRAC  
12      Commission make the rational decision and  
13      co-locate the Air Force's Rome Laboratories and  
14      the Navy's SPAWARs at Fort Monmouth. Thank you  
15      very much.

16                   COMMISSIONER ROBLES: Thank you,  
17      Mr. Regan.

18                   Mr. Arthur Lindberg.

19                   MR. ARTHUR LINDBERG: Thank you,  
20      Commissioners. I appreciate the opportunity to  
21      be here this afternoon in behalf of Lakehurst. I  
22      am here as a citizen of Ocean County, New Jersey,  
23      a retired naval officer with four years'  
24      experience at Lakehurst, and also as chairman of

1 the Save Lakehurst Committee. My involvement  
2 with the Save Lakehurst Committee was based on  
3 the experiences that I had at Lakehurst 17 years  
4 ago at which I witnessed an exceptionally high  
5 level of honesty, integrity and professionalism  
6 in the way that Lakehurst met the needs of the  
7 Navy and the efforts for world peace.

8           What I have found since my  
9 involvement is that those exceptional traits  
10 exist today at Lakehurst. As a result of the  
11 synergism from concurrent engineering and the  
12 exceptional teamwork that has been displayed by  
13 all the employees at Lakehurst, Lakehurst was  
14 designated by President Clinton as a quality  
15 organization. This is more than just a word. It  
16 is something that has been translated into  
17 life-cycle savings, approximately \$6 billion,  
18 with a billion dollars over the last eight years.  
19 These are not smoke and mirror numbers. These  
20 are numbers that have been verified by senior  
21 naval commands.

22           When you look at the savings, the  
23 exceptional safety that has been described to you  
24 before, as well as the mission, the effectiveness

1 of the mission that Lakehurst performs, it begs  
2 the question why break up Lakehurst.

3 There is possibly one fault with  
4 Lakehurst and that is that it has not adequately  
5 publicized all of its values to the Navy and to  
6 the local community. I hope at the end of this  
7 that your decision will be to permit Lakehurst to  
8 continue in meet its mission. Thank you.

9 COMMISSIONER ROBLES: Thank you,  
10 Mr. Lindberg.

11 Mr. Mark Mutter.

12 MR. MARK MUTTER: Good afternoon,  
13 Chairman Dixon -- who I see has stepped out --  
14 Commissioner Robles and members of the BRAC:

15 My name is Mark Mutter. I am the  
16 Deputy Mayor of Dover Township and a member of  
17 the Save Lakehurst Base Committee. I chaired the  
18 search committee which established the Save  
19 Lakehurst Base group last year. Dover Township  
20 is Lakehurst's neighbor to the east and is the  
21 county seat for Ocean County where the base is  
22 located. In our town, almost 400 employees work  
23 at the base and can and will be affected by your  
24 decision. But today I do not speak for my

1 community or my county; I speak for our country.  
2 As our presentation has already shown, any  
3 decision to dismantle Lakehurst would have a  
4 negative impact on carrier readiness.

5 As to this, my message is simple:  
6 seven-tenths. Seven-tenths of our globe is  
7 covered by water. When the astronauts returned  
8 on the capsule, which is above our head, in the  
9 1960s, they were greeted by a globe seven-tenths  
10 covered by water. As to this seven-tenths, this  
11 70 percent of this place we call home, the  
12 aircraft carrier speaks. It is the carrier which  
13 presents our country as the best presence around  
14 the globe as a superpower in the years to come.  
15 So, as you deliberate in the weeks ahead, as the  
16 common saying goes, act locally but think  
17 globally. Our country calls on you.

18 Thank you for your time.

19 COMMISSIONER ROBLES: Thank you.

20 Emil Kaunitz.

21 MR. EMIL KAUNITZ: Thank you. I  
22 appreciate the opportunity to come here and speak  
23 with you. I am president of Specialty Systems, a  
24 consulting company located in Tom's River, and my

1 company is currently doing work at Lakehurst,  
2 Patuxent River, and Jacksonville.

3 Just to review, Lakehurst, as we see  
4 these three activities, fits in as a development  
5 activity during the manufacturing and development  
6 business. They develop product. Patuxent River  
7 is in the test business and they are going to  
8 become the headquarters of Naval Air. And  
9 Jacksonville is a depot responsible for repairing  
10 and reworking equipment so they can keep it in  
11 service for a longer period of time. Each is  
12 excellent at what they do, but each has its own  
13 different expertise.

14 In considering the closure of  
15 Lakehurst, I think you should consider the  
16 following, because these are not normally  
17 addressed in any type of budgetary analysis.

18 Number one, the receiving facilities  
19 that are receiving the work out of Lakehurst are  
20 in a different business. They do not understand  
21 what Lakehurst does to the extent that Lakehurst  
22 does it. The people are not interchangeable.  
23 The only way I can describe that is to tell you  
24 that just because you can tune up the car and fix

1 a dented fender doesn't mean that you can build  
2 next year's model and put it into service.

3 Lakehurst has also developed very  
4 unique people skills. They have gone into  
5 concurrent engineering. They were ahead of  
6 industry in doing that. All of those skills,  
7 which are people skills, the most expensive types  
8 of skills that we can develop, will be lost if  
9 this transitioning and closure takes place. You  
10 will have to restart the learning curve and it is  
11 going to cost significant dollars, which are not  
12 addressed in any cost/benefit analysis. My  
13 feeling is that a closure of Lakehurst is going  
14 to have a lot of additional costs under the hood.

15 The bottom line line is that the  
16 closure of Lakehurst is not a movement of a  
17 function from one place to another. It involves  
18 putting a receiving base in a new business. We  
19 all know costs must be cut but the closure of  
20 Lakehurst is contrary to the mission's goals.  
21 Thank you. (Applause)

22 COMMISSIONER ROBLES: Thank you,  
23 Mr. Kaunitz.

24 Ms. Nina Anuario.

1 MS. NINA ANUARIO: Thank you very  
2 much. I am Nina Anuario. I am chairman of the  
3 board of the Toms River Ocean County Chambers of  
4 Commerce. I am also vice president of Corestates  
5 New Jersey National Bank. I arrived with the  
6 first ten people that followed you all onto the  
7 ship this morning, so I admire your stamina. I  
8 am feeling it right now.

9 Commissioners, thank you for this  
10 opportunity to speak to you on behalf of the  
11 business community of Ocean County regarding  
12 Lakehurst Naval Air Engineering Center and the  
13 negative impact closure of this business would  
14 have on the country, county, and the region. The  
15 business community and citizens of Ocean County  
16 are very proud to have a military base that is  
17 critical to national defense and world peace  
18 located in their region. We are a very proud and  
19 patriotic community and have recognized that  
20 military preparedness is of the utmost importance  
21 to our national safety. In addition, Navy  
22 Lakehurst is surrounded by woodlots and pinelands  
23 that buffer the surrounding communities for  
24 military testing, while there is also room for

1 expansion of the operations and facilities.

2 While our military concerns are first  
3 and foremost, should this base be closed we  
4 cannot ignore the obvious negative economic  
5 impact such a decision would have on Ocean County  
6 and the region. Navy Lakehurst is the single  
7 largest employer in Ocean County, with a payroll  
8 to Ocean County employees in excess of \$60  
9 million, and approximately \$2.5 million in  
10 contracts awarded to Ocean County companies.

11 The ripple effect that would occur  
12 should the base close is estimated to be in the  
13 hundreds of millions. We urge you to keep Navy  
14 Lakehurst intact and fully operational. With all  
15 the testimony you have heard today, we put our  
16 trust in your hands and pray God will guide you  
17 in your decision.

18 Thank you again for this opportunity  
19 to testify before this distinguished panel, and I  
20 would like to pass this on to be put on the  
21 record. Thank you.

22 COMMISSIONER ROBLES: Thank you, Ms.  
23 Anuario.

24 Tom Halbedl.

1 MR. TOM HALBEDL: Tom Halbedl, a  
2 teacher in the local regional high school. I  
3 would like to speak about joint programs in the  
4 military, Commissioners. I am grateful to be  
5 able to speak before the BRAC committee as a  
6 member of the Save Fort Monmouth Committee. I  
7 know the strength and future potential of Fort  
8 Monmouth well. The future of America's military  
9 strategy lies in the concept of cross-servicing  
10 of similar functions of the Air Force, Navy, and  
11 Army into one, especially the communication and  
12 intelligence functions. This will result in a  
13 meaner and smarter military force.

14 Fort Monmouth already is working  
15 towards the goals of jointness, and the first  
16 successful operational test of that strategy was  
17 in Operation Desert Storm. CECOM created a  
18 previous nonexistent intelligence dissemination  
19 capability which gave military operations in the  
20 Middle East a great advantage over our opponent.  
21 My vision of the future is having the three  
22 services' communications and intelligence  
23 functions consolidated. This will result in an  
24 information network that will give the services

1 rapid communications and intelligence information  
2 superior to that of our enemy and quicker  
3 response in our operations.

4 Fort Monmouth is fortunately a leader  
5 of joint service of the defensewide programs. It  
6 makes logical sense to continue this condition,  
7 and I urge the committee to approve the  
8 Pentagon's recommendation to close Rome Labs and  
9 transfer the C4I function to Fort Monmouth.  
10 Thank you.

11 COMMISSIONER ROBLES: Thank you, Mr.  
12 Halbedl.

13 Mr. Robert Janiszewski.

14 MR. ROBERT JANISZEWSKI: Good  
15 afternoon. My name is Robert Janiszewski. I am  
16 County Executive of the County of Hudson in New  
17 Jersey, proud home of the Military Ocean Terminal  
18 at Bayonne. For more than 50 years MOTBY has  
19 served this region and, more importantly, the  
20 nation with pride and distinction. Given its  
21 strategic location in the heart of New York  
22 Harbor, it is no surprise that military activity  
23 as recent as the Persian Gulf war, the Somalia  
24 relief operation and the Haitian deployment were

1 all staged from MOTBY. In addition, the \$14  
2 million Congressional appropriation was requested  
3 jointly by the Army Corps of Engineers and  
4 strategic planners at the Pentagon and was indeed  
5 received. Given that request and reception, it  
6 makes little sense that but weeks later this base  
7 would be recommended for closure.

8 As County Executive, I could speak  
9 for a long time about the economic impact that  
10 this base closure would have on my community.  
11 But as a Commissioner of the Port Authority of  
12 New York in New Jersey, I can safely say the  
13 following: The Port Authority supports the  
14 continued operation of MOTBY, the Port Authority  
15 opposes the closure and spin down of its  
16 activity, and the Port Authority firmly rejects  
17 the premise presented by the Secretary of Defense  
18 that commercial port operators in this port are  
19 willing or even able to absorb the substantial  
20 operation presently performed at MOTBY.

21 In closing, I urge this Commission to  
22 preserve this strategic and economic asset known  
23 as Military Ocean Terminal at Bayonne. Thank you  
24 very much. (Applause)

1                   COMMISSIONER ROBLES: Thank you,  
2 Mr. Janiszewski.

3                   Ms. Sylvia Zisman.

4                   I guess Ms. Zisman is not here.

5                   Congressman Frank Pallone, Jr.

6                   CONGRESSMAN PALLONE: Thank you very  
7 much, Commissioners. I just wanted to stress to  
8 you how excited we are at Fort Monmouth about the  
9 possibility of cross-servicing in creating an  
10 Information Warfare Center, and also how we feel  
11 very strongly that it is only this Commission  
12 that can make it happen. Many of you know, and I  
13 know particularly Commissioner Cox because she  
14 was at the last BRAC, that the only reason that  
15 the Army consolidation of Information Warfare  
16 Systems took place at Fort Monmouth was because  
17 of the BRAC. It wasn't something that was  
18 recommended by the Army or by the Pentagon.  
19 Similarly, when the idea of joint cross-servicing  
20 came about and we heard after the '93 BRAC that  
21 there was a possibility of this joint  
22 cross-service working group, we became excited  
23 because we thought the real possibility exists  
24 for the first time that the Army, the Air Force,

1 and the Navy would sort of eliminate their own  
2 political internal bickering and come up with an  
3 Information Warfare Center at Fort Monmouth.

4 As you heard today, the Air Force did  
5 recommend it. Navy did not. But what we are  
6 saying is, there is an opportunity for you as the  
7 BRAC to basically look at what the joint  
8 cross-service working group did and recommended  
9 that SPAWAR come to Fort Monmouth, that Rome or  
10 part of Rome come to Fort Monmouth, that part of  
11 Hanscom come to Fort Monmouth, because they felt  
12 it was very important to have this Information  
13 Warfare System cross-service function work and  
14 they felt this was the only opportunity under the  
15 BRAC process to let this happen.

16 But what we are really asking you is  
17 to look at our documents, look at what the GAO  
18 said, look at what the joint cross-service  
19 working group said. They felt there was a real  
20 opportunity for cross-servicing to actually  
21 create this communications center for one time at  
22 Fort Monmouth. We really feel that if you don't  
23 take the opportunity to do something like this,  
24 it will be lost.

1           It is very difficult. I am a member  
2 of Congress and I know how difficult it will be,  
3 once the BRAC breaks it up, to have that kind of  
4 unique opportunity occur again in the future. I  
5 don't think it will happen unless you step  
6 forward and make it happen.

7           We appreciate all the time and  
8 consideration you have given to our request.  
9 Thank you.

10           COMMISSIONER ROBLES: Thank you,  
11 Congressman.

12           That concludes the period of public  
13 comment from the State of New Jersey. Next we  
14 will have public comment from the State of  
15 Massachusetts.

16           The speakers are Tony Scopelleti,  
17 Neil Joyce, Kevin Glen, Marilyn Anderson, and  
18 William Barry.

19           Do you solmenly swear or affirm that  
20 the testimony you are about to give to the  
21 Defense Base Closure and Realignment Commission  
22 shall be the truth, the whole truth and nothing  
23 but the truth?

24           (Five speakers, in chorus:) I do.

1                   COMMISSIONER ROBLES: We will start  
2 off with Mr. Tony Scopelleti.

3                   MR. TONY SCOPELLETI: Good afternoon,  
4 Commissioners. Major General Robles, glad to see  
5 you again.

6                   COMMISSIONER ROBLES: Glad to see  
7 you, sir.

8                   MR. SCOPELLETI: I would like to  
9 bring up that fruit tree analogy, if you remember  
10 me correctly. You made a comment that picking  
11 bases is getting much harder, much like picking  
12 good fruit. I would like to express to the rest  
13 of the Commission some of the concerns we have at  
14 South Weymouth.

15                   We would just like to know, if there  
16 are rules set for the BRAC, why the Navy did not  
17 adhere to those rules? Why did the Navy reach by  
18 the Atlanta fruit to pluck the South Weymouth  
19 fruit, which was rated fourth in military value  
20 compared to sixth? One of the reasons was that  
21 Atlanta has demographics. Then why is Atlanta  
22 demographics rated No. 6 and Weymouth No. 1? Yet  
23 they still reached for South Weymouth's fruit.

24                   The '93 BRAC voted 7 to nothing to

1 consolidate the three Reserve centers at South  
2 Weymouth, becoming a model in this field. Yet  
3 now the Navy has come back in it and said, we are  
4 not going to do that, we are going to take that  
5 all apart, we are going to send the Reserves back  
6 to where they came, at a cost of \$2.5 million, to  
7 rehab the building that they just emptied. They  
8 have also, in the meantime, built a new tower, a  
9 firehouse addition, a PSD center, which cost  
10 almost \$7 million. Now we are here today saying,  
11 let's close it. Does the Navy really know what  
12 it is doing?

13 We, the community, have spent hours  
14 figuring out all these numbers, and we are just  
15 simple people and we can come up with a better  
16 answer than they did. We just hope that you do  
17 as the '93 BRAC did, review all these facts, and  
18 you will see that the community has presented a  
19 good case. Thank you very much. (Applause)

20 COMMISSIONER ROBLES: Thank you,  
21 Mr. Scopelleti.

22 Neil Joyce.

23 MR. NEIL JOYCE: Thank you. I am  
24 Neil Joyce. I am on the Save the Bases

1 Committee. I am here to remind you of how  
2 demographically rich the area we are in is. If  
3 you close South Weymouth, what you would be  
4 losing and what you could never return to,  
5 because of the economic impact in that area, is a  
6 rich demographic neighborhood. You are going to  
7 lose it. The Navy will lose if they close South  
8 Weymouth. I just wanted to reiterate about the  
9 demographically rich area that we are in. Thank  
10 you.

11 COMMISSIONER ROBLES: Thank you,  
12 Mr. Joyce. (Applause)

13 Mr. Kevin Glen.

14 MR. KEVIN GLEN: Good afternoon,  
15 Commissioners. I wasn't intending on speaking  
16 today; I came down in my riding clothes. You  
17 have to excuse my appearance. But they asked me  
18 to bring up the same question I posed to you in  
19 South Weymouth last week and ask the Commission:  
20 If money is the name of the game, why are we  
21 closing a Naval Air Station that is really not  
22 that expensive to operate? And I respectfully  
23 asked Commissioner Robles last week if he was  
24 aware of the Benge Commission Report. The Benge

1 report stated they closed Carswell Air Force Base  
2 in 1991. The United States Air Force said that  
3 they had a serious ground and air encroachment  
4 problem, that they anticipated this problem to --  
5 I am nervous -- to increase by 74 percent by the  
6 turn of the century. They said they had that  
7 much of a problem finding B52's and KC135's out  
8 of Carswell. Then the United States Navy decided  
9 we will move from Dallas to Dallas/Fort Worth in  
10 '93 at a cost of \$222 million. That just doesn't  
11 make sense to me.

12 I feel that South Weymouth is an  
13 excellent base. We can handle any aircraft you  
14 give us. Our governor has given us millions of  
15 dollars for military construction, and we can use  
16 that, and we can take your airplanes tomorrow.  
17 Thank you, sir.

18 (Applause)

19 COMMISSIONER ROBLES: Thank you,  
20 Mr. Glen.

21 Ms. Marylin Anderson.

22 MS. MARYLIN ANDERSON: Good  
23 afternoon, ladies and gentlemen of the  
24 Commission. My name is Marylin Anderson, and I

1 am administrative officer at the Public Works  
2 Department and work on the station. I am also a  
3 member of the Save the Base Committee. I really  
4 want to thank you all for considering South  
5 Weymouth in your thoughts. What I would like to  
6 discuss with you is a couple of issues.

7 First, I want to highlight the  
8 housing on our station. We have 270 units, 97  
9 leased units, and they are all in impeccable  
10 condition. I hope that you will notice the  
11 pictures that have been supplied to you. We know  
12 how Secretary of Defense Perry feels about proper  
13 housing, acceptable housing for the military.  
14 And we feel the same way on our station.

15 What I would also like to bring to  
16 your attention is the fact that South Weymouth,  
17 as you see, has total community support. One of  
18 these things in the '93 BRAC was the unbelievable  
19 community support that the BRAC Commissioners  
20 felt was absolutely second to none. The people  
21 of our community love the station, just as much  
22 as the people who work there, just as much as the  
23 Reservists who dwell there.

24 I want to read to you an excerpt of a

1 You have heard of the many arguments regarding  
2 the base's military value which, by itself,  
3 should highlight the need to preserve Navy  
4 Weymouth. But let me comment on several issues  
5 that pertain to the base and its integration into  
6 the fabric of the community. We in Weymouth  
7 value the military!

8 The base's crash and fire rescue  
9 personnel work closely with the Weymouth Fire  
10 Department and other communities on the South  
11 Shore. Their highly specialized training and  
12 foam truck make them the only unit on the South  
13 Shore to handle emergencies requiring the use of  
14 foam apparatus. Their assistance has been  
15 required in the past and they stand ready to  
16 assist the region as required.

17 When local fire departments are  
18 engaged, they provide backup coverage for the  
19 local stationhouses. This assistance is  
20 invaluable and would be financially impossible to  
21 duplicate at the local level.

22 Clearly, the economic impacts of a  
23 closure would be a blow to Weymouth that would  
24 ripple throughout the South Shore economy. Not

1       only would \$25 million in payroll be eliminated,  
2       but procurement and indirect spending would be  
3       lost to local businesses, many who rely on the  
4       base to keep them financially feasible. Many  
5       military and civilian personnel not only work on  
6       the base, but they also make it their home and  
7       contribute to the many activities that make the  
8       South Shore a great place to live in  
9       Massachusetts.

10                   The Naval Air Station is not only a  
11       neighbor; it coexists peacefully with the  
12       surrounding communities. The base and the  
13       community do work and live together because we  
14       value the military.

15                   Additionally, knowing the Boston  
16       Metro Region has the highest trained, skilled and  
17       educated workforce in the world; knowing that the  
18       Department of Defense must cut their current  
19       budget to meet future force reductions which  
20       would cost over \$5.4 million by the Navy's own  
21       estimate -- then why would the Navy eliminate a  
22       cost savings unit or move them out of the Boston  
23       Metro Region?

24                   This unit, the Prior Service Marine

1 Recruiting Regional Headquarters, will have to be  
2 co-located.

3 Ladies and gentlemen of the BRAC  
4 Commission, we very much appreciate the time and  
5 attention you have given to the Naval Air Station  
6 at South Weymouth. We want you to know: We  
7 value the military! Keep Navy Weymouth open.  
8 Thank you very much. (Applause)

9 COMMISSIONER ROBLES: Thank you,  
10 Mr. Barry.

11 We have now concluded the hearings of  
12 the Defense Base Closure and Realignment  
13 Commission. I want to thank all the witnesses  
14 who testified. You have brought to us some very  
15 valuable information, which I assure you will be  
16 given careful consideration by the Commission  
17 members and the Commission staff.

18 I also want to thank again all the  
19 elected officials and community members who have  
20 assisted us during our base visits and in  
21 preparation for this hearing. In particular, I  
22 would like to thank Governor Pataki and his staff  
23 for their assistance in helping to obtain this  
24 very historic and magnificent structure.

1                   Finally, I would like to thank the  
2                   citizens of the communities represented here  
3                   today that have supported the members of our  
4                   armed services for so many years, making them  
5                   feel welcome and valued in your towns. You are  
6                   the true patriots of this country. Thank you  
7                   all.

8                   This hearing is closed.

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