

National Aeronautics and
Space Administration
Office of the Administrator
Washington, DC 20546-0001



August 1, 2005

The Honorable Anthony J. Principi
Chairman
2005 Defense Base Realignment and Closure Commission
2521 S. Clark Street, Suite 600
Arlington, VA 22202

Dear Mr. Chairman:

The Department of Defense Base Realignment and Closure (BRAC) recommendations include the closure of the Mississippi Army Ammunition Plant (MSAAP) located on NASA Stennis Space Center (SSC). NASA understands that the Army currently intends to transfer the MSAAP to SSC in an "as-is" condition if it is approved for closure.

NASA has several concerns with this approach. The MSAAP is on 4,200 acres of NASA land that was provided to the Army by permit for 50 years ending in January 2028. It now consists of 1.7 million square feet of building space, including 53 buildings, 46 storage structures, and associated infrastructure. The latter includes roads and parking lots, a sanitary waste treatment facility, an industrial waste treatment facility, potable water, fire fighting water, gas, and electrical and communications distribution systems. The MSAAP was deactivated in 1991, and since then, many of the facilities have been abandoned, placed in a mothballed status, or outleased to private and public tenants by the Army. Accepting this significant amount of property, much of which is in an advanced state of deterioration, would levy an undue burden on NASA with no budget identified for repair, maintenance, and operations.

While NASA anticipates being able to continue current outleases for tenants of the MSAAP, and expects to attract new tenants as well, such revenues will be grossly inadequate. NASA has assessed the condition of the MSAAP facilities and estimates that the MSAAP generally is in poor-to-fair condition, with repair needs totaling \$49.2 million. Additionally, there are 25 MSAAP buildings that are so severely deteriorated that repair is not viable, and these buildings will require demolition at a cost of approximately \$5.3 million. Upgrading and ensuring that the site-wide emergency systems, such as fire alarms, are compatible with SSC's systems are estimated to require another \$2.5 million. Finally, there are several areas and items that have been identified in planning documents that require environmental cleanup, which preliminarily has been estimated at a cost of \$6.2 million. We understand that this cost estimate is very preliminary and could actually be much higher, but we have included it here to provide a placeholder in this process. We feel that the above are minimum costs associated with the potential transfer of MSAAP to NASA.

Some of these costs may be offset by organizations interested in becoming MSAAP tenants. There are indications that some facilities are being upgraded as new customers occupy the MSAAP; planned investments by other Government agencies may reduce the deferred maintenance costs by at least \$7.8 million. Even taking these potential savings into account, NASA estimates the cost impact of the transfer to be \$55.4 million.

Therefore, we urge the BRAC Commission to consider inserting language in the final BRAC recommendations that requires the Army to fund the needed repairs, upgrades, demolition, and environmental cleanup, as outlined above, in the total amount of \$55.4 million prior to transfer of the MSAAP facilities. Additionally, NASA should receive any reimbursement the Army was authorized to collect as incentives to its MSAAP tenants under the Armament Retooling and Manufacturing Support Initiative Act of 1993. NASA requests these conditions be included in the final BRAC to offset operational and maintenance costs at the MSAAP while NASA seeks additional private and public tenants for MSAAP facilities.

Thank you for your consideration. Specific questions regarding this issue may be addressed to Thomas Q. Donaldson V, Rear Admiral, USN (Ret), Director, Stennis Space Center, at (228) 668-2121. The NASA Headquarters point of contact is Eugene F. Hubbard, Director, Facilities Engineering and Real Property, at (202) 358-1090.

Sincerely,

A handwritten signature in black ink, appearing to read "M. D. Griffin", with a long horizontal flourish extending to the right.

Michael D. Griffin
Administrator