Executive Correspondence
DCN 8244

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

BRAC Commission

AUG 23 2005

AUG 23 2005

Received

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

Dear Chairman Principi:

I am pleased to forward to you the Department's responses to your questions for the record supporting the Department's testimony before the Commission on August 20, 2005.

Because it is of such importance to the Department's operations and to reshaping our future military support structure, I want to specifically address the issue of the reapplication of savings from military personnel eliminations resulting from BRAC recommendations. I trust you will find the following points useful:

- Personnel savings are an especially important tool for improving efficiency and effectiveness. As with monetary savings, military personnel reductions resulting from a BRAC recommendation allow the Department to reapply these personnel to address shortfalls in stressed career fields, generate new capabilities, and to improve operational effectiveness.

- A recommendation rejected due to the discounting of military personnel savings will create "stranded assets" devoted to militarily inefficient, unnecessary, and wasteful efforts that are, in the judgment of the Joint Chiefs of Staff, no longer required to be performed. In those cases, these assets will not be available to fill other billets which will remain vacant unless additional force structure is added, at increased cost.

- The Department's Total Obligation Authority does not go down as a result of BRAC actions. This reinforces the fact that savings from BRAC actions are available and reallocated to purchase other unfunded requirements.

- The Department estimates that its BRAC recommendations would require a one-time implementation cost of $24 billion, producing total savings over 20 years of $73 billion for a 20 Year Net Present Value (NPV) of approximately $49 billion.

At the August 20th hearing, it was suggested that if military personnel savings are removed, these recommendations would require the Department to spend $24 billion in one-time costs to realize less than $15 billion in savings. However, this calculation ignores the fact that the resulting savings are net savings above the implementation costs. Even with the military personnel portion of our projected savings discounted, the BRAC recommendations produce $39 billion in savings.

I realize that some of the Commission's concern about military personnel savings resulted from comments made to the Commission during testimony provided by the Government Accountability Office (GAO). The Department has had extensive discussions with GAO about this subject. GAO's stated concern relates not to whether there are military personnel savings, but whether these savings are available for other uses. I encourage the Commission to engage in further discussions with GAO concerning this critical issue. In this regard, allow me to quote from the highlights page of the GAO's July 1, 2005, BRAC report concerning this issue:

> "*Much of the projected net annual recurring savings (47 percent) is associated with eliminating jobs currently held by military personnel. However, rather than reducing end-strength levels, DoD indicates the positions are expected to be reassigned to other areas, which may enhance capabilities, but also limit dollar savings available for other uses.*"

We appreciate the thoroughness of your efforts and we will continue to provide support and assistance to the Commission staff as your analysis proceeds. The Department is committed to providing accurate information to the Commission. Should you have any questions on this matter, please have your staff contact Mr. Peter Potochney, Director, BRAC, at (703) 614-5356.

Sincerely,

Michael W. Wynne
Chairman, Infrastructure Steering Group

Enclosure:
As stated

Questions for the Record
Base Closure and Realignment Commission

Final Hearing with Department of Defense Officials
Held on August 20, 2005
(Please respond such that responses are to Commission NLT 10 AM Aug 23)

1. During a joint Pope/Bragg Commission visit, Garrison leadership identified 7 possible sites to locate FORSCOM headquarters and USARC. Did the 7th Special Forces Group (SFG) leadership consider some of these alternate sites at Fort Bragg to build new headquarters and barracks to support their expansion? Are joint collocation with AFSOC and the opportunity to train in terrain similar to their AOR the main justifications for the 7th SFG's move to Eglin AFB, or are there other reasons?

   Response: The primary justification to move the 7th Special Forces Group to Eglin AFB, FL, from Fort Bragg, NC, is to enhance joint training and operations opportunities through joint co-location. Other recommendations affecting Fort Bragg, NC, (i.e., the activation of a newly formed modular brigade combat team within the 82d Airborne Division and the relocation of headquarters for U.S. Army Forces Command and the Army Reserve Command) require military construction which further justifies the 7th SFG's move from Fort Bragg, NC to Eglin AFB, FL. Both the Army Special Operations Command and the U.S. Special Operations Command supported the recommendation based on operational considerations.

2. The Aviation Logistics School move requires significant investment - $290 million even using the reduced number recently provided by the Department. That puts the proposal in the top 10% of all recommendations for cost. With a payback period of 45 years, is the benefit of such a major investment worth the expense – especially considering we are talking about consolidating enlisted maintenance training with officer pilot training?

   Response: Yes, in spite of the requirement for investment, this recommendation increases Military Value and helps the Army achieve its transformation objectives. It consolidates the two schools of the aviation branch, allows the Army to train as it fights, and enhances the ability to develop doctrine for the Army's new modular aviation brigades containing maintenance, logistics, and pilots.

Moving the Aviation Logistics School from Fort Eustis to Fort Rucker is based on the concept employed by all Services. Training maintenance personnel at the same place we train the weapon system crews joins a service provider with the customer, allowing the maintainer trainees to see and appreciate how the system is used and understand how critical their piece of the system is to mission success.

Additionally, recent advances in maintenance monitoring systems blur the line between maintainers and pilots. These systems give both sets of personnel a more complete understanding of the performance of the aircraft. Consolidating these functions at a single location supports the advancement of new and emerging maintenance and operational concepts.

While not a subject of the above question, there was some discussion at the August 20th hearing concerning another important training recommendation, the initiative to expand joint culinary training. In response to that discussion, it is important to note that the recommendation to establish a culinary center of excellence completes a consolidation/co-location of military food service training. The Department currently conducts all advanced and professional development food service training at Fort Lee, VA. The Services already have an administrative and training cadre at Fort Lee to support advanced and professional development food service training. As such, the BRAC initiative would bring initial food service training to the place where all other food service training is accomplished. Instead of separating Airmen from their service, this recommendation will bring the new food service trainees to join their senior food service mentors. Each of the Service training staffs endorsed this recommendation and if not approved, initial food service training will be left where it is today, stranded, in a less efficient configuration.

3. Regarding the Ft. Monmouth recommendation, the Commission is concerned with the rationale for relocating the Night Vision functions from Ft. Belvior to Aberdeen. Please explain clearly why this relocation makes sense.

Response: The Army is in the process of Transformation to achieve the goals of Network Centric Warfare (NCW). As a result, its R&D establishment must transform as well to meet its many formidable technical challenges. Comprehensive situational awareness is the key capability that the technical community must provide our warfighters to fully realize NCW.

To achieve comprehensive situational awareness requires the integration of sensors, networking technologies, information processing and command and control into complex operational, system and technical architectures. Geographically separated labs with directly related technical capabilities significantly impair the Army's ability to achieve its goals for NCW in a cost efficient and timely manner. The Army's objective in creating a consolidated C4ISR R&D Center at APG is to bring together in a culturally unified environment the situational awareness technologies and systems of Night Vision Lab with those of Communications, Electronics, Research, Development and Engineering Center (CERDEC) to significantly reduce risk, dramatically increase payoff, and to accelerate the realization of NCW over the next several decades.

Additionally, Aberdeen Proving Ground (APG) has a significant level of test and evaluation activities. Aberdeen Test Center (ATC) at APG has been conducting testing of C3 systems for over 20 years from Single Channel Ground to Air Radio System (SINCGARS) and Enhanced Position Location and Reporting System (EPLRS) to the current Network Centric Warfare system, e.g., Mounted Battle Command on the Move (MBCOTM). The Test and Evaluation capabilities that exist at APG today and the recommendation to consolidate the Army Test and Evaluation Command (ATEC) Headquarters at APG are complementary, and can be readily expanded to provide direct support to additional C4ISR programs while in the early development stages of acquisition.

4. Does the Army plan to move other RDAT&E activities to Aberdeen in the future by other than BRAC means?

   Response: Currently, there are no plans to re-station other Research, Development, Acquisition, Testing and Evaluation (RDAT&E) organizations to Aberdeen Proving Grounds.

5. Concerning TECHJCSG page 22, Defense Laboratories, why is the Information Systems Directorate at Wright-Patterson Air Force Base being proposed to move to Hanscom Air Force Base when Rome Research Site is the Headquarters for this Directorate? Also, why is this course of action proposed when Rome is clearly ranked higher in military value than Hanscom?

Response: The Technical Joint Cross-Service Group (TJCSG) framework was to establish multifunctional, multidisciplinary RDAT&E Centers enabling expeditious delivery of technology to the warfighter. Rome and Hanscom were both candidates to host such a Center. Rome had the highest Air Force military value in the Information Research function but does not conduct Information Systems Development & Acquisition (D&A). Hanscom had the highest Air Force military value in the Information Systems D&A function and conducts Information Systems research.

The movement of the Information Directorate research personnel at Wright Patterson Air Force Base to Hanscom will enable synergy with the Electronic Systems Command, a D&A information systems organization. This synergy will expedite the transition of science and technology from research into acquisition programs.

Similar research/D&A synergy cannot be as inexpensively established at Rome. This would require moving development and acquisition functions from Hanscom to Rome to establish a RD&A center because Rome lacks D&A functions. Such a move would require moving a large number of personnel from Hanscom. The relocation of Wright Patterson Information Systems Research personnel to create a multifunctional center at Hanscom is less expensive because fewer than 100 positions will be moved.

6. To what extent do you anticipate a problem with the loss of intellectual capital with respect to the two planned recommendations from Naval Base Ventura County to China Lake?

Response: As in past BRAC rounds, intellectual capital is a concern. It was considered and will be managed to ensure there is no decline in capability. China Lake currently supports technical capability of this nature and we fully expect that they will be able to support the additional functions/workload as well.

7. The Joint Cross Service Groups for the most part did not visit affected units and organizations before making their recommendations. We have found errors that would have been easily corrected had a simple visit been conducted. Why wasn't this part of your standard procedure to insure that you were making valid recommendations instead of combinations by title or simple organizational description of function?

Response: The Department stands behind its recommendations. We believe that many of the issues that have been presented to the Commission as recommendation "errors" are based on comments from personnel who may neither have a broad enough perspective to understand the military and operational benefits that will result from implementing the recommendations nor have they had the time to thoroughly conduct detailed site surveys.

Each Joint Cross-Service Group (JCSG) was staffed by subject matter experts from each Military Service and the Joint Chiefs, along with Defense Agencies that perform functions considered by that JCSG. These personnel not only know the base level operations, they also have a broader perspective about the Department's overall performance and requirements for these functions that is not always in evidence by personnel working at the base level.

The requirement in the BRAC statute to use only certified data precluded the use of *ad hoc* information collected by field visits. The analysis leading up to our recommendations used data certified by the appropriate Military Department or Defense Agency. The recommendations went through a very thorough multi-step review process by personnel knowledgeable about the specific units affected by the recommendations and the functions performed at the units involved. This review also included the leadership of the Military Departments and Defense Agencies before the recommendations were presented to the Secretary.

8. Fleet Readiness Centers was the single largest 20 year NPV of savings ($4.724B) on your entire list. It has been very difficult to analyze the accuracy of these savings. How did you evaluate the savings in manpower and engineering process improvement to achieve such a large savings and how confident are you in these savings?

Response: Integrating Intermediate and Depot level maintenance operations to achieve manpower, facility, and inventory reductions by transforming to the Fleet Readiness Center concept should produce significant savings, demonstrated by Navy's experience on several pilot programs. For instance, the NAVAIR Depot personnel have been working with the Intermediate Maintenance sailors at AIMD Norfolk to 'shortstop' items that would normally have been sent to a depot for repair. In the case of an E-2C Hawkeye main landing gear aft door, the charge using existing maintenance concepts would have been about $14,000. Using the FRC concept, it was

repaired at the AIMD, by qualified people, in a much shorter time, for about $1,200. Expansion of this concept as recommended should allow for DoD and Navy to achieve significant savings.

9. We understand the necessity to consolidate management of like functions to realize efficiencies with geographically proximate bases/activities. However, historically BOS accounts have been inadequately funded to meet BOS requirements and facility upkeep. A senior Joint Basing Group official expressed doubt during GAO review that there would be a single funding model because BOS as currently exists has too many diverse activities to model. Regarding H&SA JCSG page 41 Joint Basing recommendation, how do you intend to insure the Services provide adequate BOS funding?

   Response: The Department has made significant efforts in the last year to establish delivery mechanisms, joint governance, and to develop Common Delivery of Installation Support (CDIS) standards that also preserve service-unique combat capabilities. This effort will be the key to establishing standard output levels of service and a single funding model applicable to all components, similar to the Facilities Sustainment Model and other joint installation management tools. For Joint Basing, success of implementation will be based on maintaining levels of funding consistent with established standards with the ultimate goal of achieving standard funding levels determined by the CDIS effort. Ultimately it will be OSD and joint oversight that ensures Joint Bases are adequately/uniformly funded.

10. H&SA page 49 Relocate Miscellaneous Department of Navy Leased Locations includes Federal Office Building 2 (FOB2, Navy Annex) which is DoD owned and presumably AT/FP compliant. The Defense Authorization Act 2000 provides for transfer of the property to Arlington Cemetery. Navy Annex is not leased property. Why was it included as a leased item recommendation?

    Response: The Headquarters and Support Activities Group worked closely with the Military Departments throughout this BRAC round to develop comprehensive administrative space packages addressing a full range of emerging issues in the NCR. These include but are not limited to; temporary leased space, Pentagon Renovation swing space and the legislated closure of FOB 2. Since the Navy Annex will not be available after 2012, the Navy administrative space in this complex was treated as temporary space that needed to be relocated. As such, it was included with the larger Navy

Leased Space recommendation. The language in the Navy recommendation was crafted to allow the flexibility necessary to address the full spectrum of issues that may present at the time of implementation.

11. The Industrial Cross Service Group had a number of recommendations to reduce and realign capacity for Army and Navy Depots. Why were there no recommendations regarding Air Force Depots?

Response: All 28 DoD depots fully participated in the process by responding to and certifying their inputs to the Capacity, Military Value and COBRA scenario data calls.

The Industrial Joint Cross-Service Group (IJCSG) used a strategy that minimized depot maintenance sites, regardless of Service, while increasing the overall military value of 57 distinct commodities at the retained sites. (The IJCSG looked at entire commodities, not individual customers of those commodities, or individual depots).

The lack of realignment, or closure of any one Service depot (i.e., AF Depots) is, in large part, due to available capacity across the other DoD depots for the specified commodity groups. By way of history, during BRAC 1993, three of six Navy depots were closed. In BRAC 1995, two of five Air Force depots were closed.

An Air Force depot maintenance activity is being recommended for BRAC action; specifically, the depot maintenance being performed at Lackland AFB, TX is recommended for realignment to Tobyhanna Army Depot.

12. Many of the recommendations were "bundled" to show savings yet when broken down, many individual pieces showed only costs. Was there specific guidance to the Services and Joint Cross Services Groups to specifically "bundle" recommendations to show savings? Were saving goals assigned?

Response: The Department did not issue savings goals or targets in BRAC 2005, nor was there direction to bundle recommendations to show savings. It is important to note that Military Value was the primary consideration and costs and savings are but one element of Military Value. DoD combined candidate recommendations that were linked by strategy into a smaller number of integrated recommendations. While bundling strategically linked recommendations resulted in recommendations with higher paybacks

appearing to subsidize those with lesser paybacks, it is important to note that there are no instances where the primacy of Military Value was subverted.

13. DoD has testified that many of the individual BRAC recommendations have interdependencies with other recommendations. Is there any documentation of which recommendations are interdependent and in what way?

Response: DoD's BRAC Volume I indicates linkages by location. Functional or strategic linkages, however, are documented within the individual recommendations. Examples include the Army's Maneuver Training recommendation to relocate the Armor School from Fort Knox, KY to Fort Benning, GA. This recommendation is linked to a variety of other recommendations that capitalize on the space made available by this action. For instance, two recommendations from the Headquarters & Support Activities (H&SA) group consolidate/co-locate Active and Reserve Personnel/Recruiting centers and Army Headquarters and Field Operating Agencies into space made available at Fort Knox. Additionally, the closure of Fort Monroe is also linked to the Maneuver Training recommendation by relocating the Army's Accession Command to Fort Knox. These are but a few examples. As recommendations may be altered during the process we request that the Commission work closely with us to ensure any changes do not have unintended consequences.

14. DOD spent over two years developing the recommendations with supporting data, analysis and documentation. These efforts resulted in DOD proposing MILCON projects and developing DD Form 1391s for each project.

a. Why was OSD unwilling to provide the Commander of Naval Installation's most current information to the BRAC Commission for the R&A Staff to review, reconcile and assess?

b. Since the Department had over two years to develop the construction costs, what are the differences between the 1391 construction estimates and the estimates in the COBRA Runs that make the release of this information difficult?

c. Are the cost estimates between the COBRA data and the 1391s that different?

Response: As in prior rounds, the Department refines Military Construction projects through the budget process prior to approving them and submitting the 1391s to Congress. This process will not have valid 1391-level information until well after the Commission submits its recommendations to the President. While it is true that some field activities and other organizations have begun to prepare estimates for projects in anticipation of recommendations being implemented, these estimates are preliminary, not certified, and have not received the scrutiny of the budget process which involves the chain of command (e.g. major commands, comptroller, and DoD IG organizations). Our experience is that military construction cost data for both BRAC and any other construction projects developed this early in the planning stage, typically indicates inflated costs. This is often the case because user organizations have a tendency to over estimate project scope and minimize potential efficiencies. These efficiencies include, for example, the renovation of existing facilities instead of building new ones. Providing preliminary 1391s at this time would produce misleading information and false accuracy.

Further, the Military Construction costs for DoD's recommendations are based on certified data and the COBRA tool which assured a level playing field in developing cost estimates fulfilling the statutory requirement to treat all bases equally. Using preliminary 1391s which have not been completed for all installations involved in the recommendations would mean that not all bases are being treated equally in accordance with the statute.

DoD has not compared the preliminary 1391s with the COBRA estimates, because these preliminary 1391s have not been completed and will change as the recommendations are implemented and the associated budgets developed. As in prior rounds, the COBRA estimates are the baseline upon which DoD builds implementation budgets. It is important to note that the Government Accountability Office has found that costs used in COBRA are conservative and overestimate costs. In their report MILITARY BASES: Lessons Learned From Prior Base Closure Rounds (GAO/NSIAD-97-151), GAO stated "The DoD IG has completed a series of audits comparing most budget requests for BRAC military construction projects with the COBRA estimates, which showed that the budget requests, on average, were 7.9 percent less than original estimates."

15. DOD has recommended relocating the Officer Training Command (OTC) from the Naval Air Station Pensacola, FL to Naval Station Newport, RI.

Based on revised Force Structure Plan (FSP) for FY06 thru FY11, the Average On Board (AOB) student requirements has dropped significantly from DOD's initial assessment of 958 AOB to 463 AOB students. This revised FSP increases classroom square foot excess capacity 78% at OTC Newport, RI.

a. Why is this recommendation still valid with so much excess capacity?

Response: Excess capacity at Newport, along with military value, are the main reasons Newport has been chosen as the receiver site for several officer-training functions. The Navy's analysis showed it was economical to utilize the existing capacity to consolidate like training (OTC) as well as to relocate other stand-alone officer training (Supply School). These relocations, in conjunction with the officer training functions that already exist at Newport, create a "Center of Excellence" for officer training that is both economical and synergistic.

16. BACKGROUND: The Department and the Navy have repeatedly testified that Oceana is the only suitable place for the East Coast Master Jet Base. The Navy has also asserted that the ability to co-locate all strike fighter assets provides: "significant cost savings while increasing material, operational and training efficiencies and improves the quality of life and quality of service of our aircrew and maintenance personnel."

However, the Navy's Final Environmental Impact Study of July 2003 stated that only 8 of the 10 F-18 Super Hornet squadrons could be located at Oceana because of noise and air quality concerns. Consequently, 2 of the 10 new Super Hornet squadrons are planned for stand-up at Cherry Point, NC.

QUESTION: Doesn't the evidence of developmental encroachment in the Oceana area already constrain the operational readiness, adversely impact the Navy's operating budget to maintain two Super Hornet sites and contradicts the issues that were cited in the Department's 5 August response regarding the advantages of single siting all the Strike fighter squadrons?

Response: Operationally, there are maintenance and support efficiencies gained by single siting. However, there are often other considerations that shape the ultimate decision (such as available capacity, op-tempo of units, etc.). The Navy tries to take advantage of existing capacity and minimize new construction where practical. MCAS Cherry Point is the Marine Corps'

location for TACAIR assets on the east coast. Efficient use of existing facility capacity was a major consideration as outlined in the Record of Decision (ROD): "ALT 6 maximizes the use of existing infrastructure at both NAS Oceana and MCAS Cherry Point, achieves economies of scale in support, maintenance, training, and personnel requirements, optimizes effective FCLP training, and reduces or minimizes environmental impacts at all affected locations."

17. Has anyone in the DoD seriously studied and analyzed the advantages of relocating the Navy Master Jet Base to Cecil Field FL with the caveat that the field would be provided free and clear of all Non-DoD activities? If so, please advise us today of your assessment.

Response: At the request of Commission, the Navy did run COBRA on relocating aviation assets to Cecil Field. The analysis is not of the same quality as most of our internal analyses but it does clearly show a significant investment would be required even if we were able to discount the property value. Moving to a facility that would require such a significant investment and produce almost no savings, without demonstrably improving readiness (Oceana squadrons are Fleet ready), is neither in the best interest of national defense nor the taxpayer. Additionally, although the facility provides a few benefits to some of today's operations (no overall evaluation has been made of the pluses/minuses), the unknown operational requirements being generated by future platforms and the inability of anyone to evaluate the impact of those future op tempo requirements at the facility means we are taking a risk that this facility will best serve our operational needs of the future. To be worth that investment, any recommendation now MUST be the right answer for the long term. We do not believe any recommendation to relocate TACAIR assets has demonstrated a satisfactory cost/benefit to take that risk today.

18. We understand that the Services are conducting site surveys and other detailed analyses related to many of their BRAC recommendations. These efforts provide more detailed and up-to-date data on the BRAC actions.

    a. What are the locations where a field survey has been conducted for the express purpose of defining requirement to support proposed mission scope or change resulting from BRAC?

b. Will OSD withhold this information and force the Commission to make a decision with knowledge that the OSD data presenting available to us in inaccurate for major decisions.

c. We understand that the field surveys have been or are now being scrubbed for detail. After the close examination we would expect that the costs will rise as has been demonstrated by the final costs v. estimates used during past BRAC rounds. How does the Secretary propose to fund the new construction within a constrained budget that may result from a low return on savings that may result from the current BRAC round?

Response: As in prior rounds, the Department refines Military Construction projects through the budget process prior to approving them and submitting the 1391s to Congress. This process will not have valid 1391-level information until well after the Commission submits its recommendations to the President. While it is true that some field activities and other organizations have begun to prepare estimates for projects in anticipation of recommendations being implemented, these estimates are preliminary, not certified, and have not received the scrutiny of the budget process which involves the chain of command (e.g. major commands), comptroller and DoD IG organizations.

Because the information gathered in site surveys is informal, incomplete, preliminary and of questionable accuracy, DoD has not compiled the information and does not have a list of locations where the surveys have been conducted. The cost data provided to the Commission is based on certified data and was developed using COBRA. This process assured that DoD treated all bases equally in accordance with the statute. There is no evidence to support the assertion that the preliminary field data indicates that the COBRA cost data provided to the Commission is inaccurate.

The Government Accountability Office has found that costs used in COBRA are conservative and overestimate costs. In their report MILITARY BASES: Lessons Learned From Prior Base Closure Rounds (GAO/NSIAD-97-151), GAO stated "The DoD IG has completed a series of audits comparing most budget requests for BRAC military construction projects with the COBRA estimates, which showed that the budget requests, on average, were 7.9 percent less than original estimates." Based on the experience of prior rounds in which costs were found to be lower, and our

estimates of anticipated savings and costs, the Department programmed sufficient funds to implement the recommendations.

19. Please respond to Commissioner Gehman's request to Secretary Dominguez during August 11th ANG Hearing regarding providing the Commission with another, clearer, methodology to deliberate on at the Secretary's recommendations regarding movement and retirement of specific aircraft. Specifically, Commissioner Gehman asked if the Air Force could "...find another way to satisfy your requirements (on movement of aircraft) and ours too."

Response: The Air Force is authorized to move and retire aircraft after BRAC without additional legislation. We remain convinced the proposed BRAC force structure laydown is the best possible option within the BRAC 2005 guidance. The Air Force requires specific language in the recommendations regarding the end state of aircraft movements and the removal of flying functions in order to implement BRAC effectively without an intervening and separate decision process that risks politicization of the movements.

20. Please respond to Commissioner Turner's question to Admiral Willard during the August 20th Department of Defense Hearing as to why the Department rejected use of the purported savings potential of the "Federal City" concept at Naval Support Activity New Orleans during BRAC. Also explain the Navy's sense of the value added of the "Federal City" concept.

Response: While informal discussions at the local level regarding the "Federal City" concept have been on going for several years, none have resulted in any "approved" proposal that the Navy could use in its analysis during BRAC. The BRAC recommendations considered only those data elements that could be considered as "in place," as opposed to offers that were in discussion. This philosophy is consistent with our assessment of our own capacity/capability. For instance, unless we had approved legislation authorizing the building of new facilities we did not count on any programmed action that was not approved and authorized. We also did not receive any request from the community to close any part of NSA New Orleans.

Having said that, there are two major issues associated with this question that need to be considered – military value and cost. The Federal City

project addresses the cost, but doesn't consider the issue of the selection criteria we used in BRAC, which places military value as a primary consideration. Our evaluation addressed the relocation of assets from Naval Support Activity (NSA) New Orleans to improve the military value and effectiveness of the functions currently located there. The results of this analysis collocates the Navy Reserve Personnel Command, the Enlisted Placement Management Center, and the Naval Reserve Recruiting Command at Naval Support Activity Mid-South, Millington to create a Navy Human Resources Center of Excellence, improves personnel lifecycle management, and furthers active and reserve component total force integration and effectiveness. The relocation of the Navy Reserve Command to Naval Support Activity Norfolk, VA, also enhances internal active and reserve component interoperability. These relocations are driven by our military value assessment and are in concert with the objectives of the Department of the Navy in this BRAC round. The remaining functions at NSA New Orleans, including the Marine Forces Reserve (MARFORRES), are relocated to Naval Air Station (NAS), Joint Reserve Base, New Orleans, allowing a total closure of NSA New Orleans and more fully utilizing our base at NAS New Orleans (including the consolidation of the Marine Corps Reserve Support Command (MCRSC) from Kansas City, MO with MARFORRES). Additionally, the recommendation is supported by economics of the total closure action, which requires a $164.59 million investment to realize a 20-year NPV of $276.42 million, a very good return on investment, which will result in better military value and new facilities.

The Department of the Navy did analyze and consider an alternate scenario that would have consolidated MARFORRES and MCRSC on the NSA property on the West Bank of the Mississippi River and closed the East Bank. Our analysis of this realignment scenario indicated the return on investment was less beneficial than the recommended closure scenario. Specifically, NAS New Orleans was selected as the best receiver site because of the opportunity to reduce infrastructure footprint at two other locations. We also considered the synergies and other benefits arising from the consolidation of installation management requirements and the economies of scale gained that provide the greatest overall military value to the Department.

It is the Department of the Navy's understanding that the proposed Federal City Project would essentially be the same as the Navy's earlier candidate recommendation scenario to realign NSA onto the West Bank property, and

close the East Bank property, but with several exceptions. The impact of this proposed project would undermine the several streamlining initiatives noted above. Specifically, the proposal for the Federal City Project does not account for the realignment of the Naval Reserve Forces commands to NSA Norfolk, the Naval Reserve Personnel commands to NSA Mid-South, Millington, nor the Eighth Marine Corps District to NAS JRB Ft. Worth. These moves are important to the Department of the Navy. Additionally, the Federal City project does not identify what would be the ultimate cost to the Navy by participating in the project. Although we have received a promise of being able to occupy new facilities under a PPV like arrangement, at less than fair market value, the return on investment was never calculated. Therefore, the anticipated value of participating in the Federal City Project does not compare to continuing with the recommendation as set forth. The City is not precluded from pursuing such arrangements with non-DON activities as part of their reuse plan for the NSA site.

21. In the Joint Cross Service Group, H&SA JCSG page 8 Recommendation, the recommendation is to disestablish the Counterintelligence Field Activity (CIFA) and the Defense Security Service (DSS) and consolidate their components into the newly created DoD Counterintelligence and Security Agency.

    a. This is an internal organizational change and not a base closure or realignment. Why has it been being submitted for BRAC consideration?

Response: The statement that this recommendation is not a base closure or realignment is incorrect. As outlined in Volume VII of DoD's Final BRAC 2005 Report, the recommendation to consolidate CIFA and DSS closes and realigns 15 DoD leased installations across the United States, and consolidates them to one. It eliminates nearly a million gross square feet of leased space, leverages secure and underused DoD owned space, and frees up another 510,000 square feet to facilitate other BRAC actions. This transformational recommendation recognizes that the complementary missions of CIFA and DSS are intricately intertwine. Experience has demonstrated that military department criminal and counterintelligence investigative organizations increasingly deploy as teams for a specific mission, or as elements in complementary missions. This recommendation produces a 7.6% manpower savings, pays for itself in seven years, and produces $172.7M Net Present Value savings over 20 years.

b. On what date was the DoD Counterintelligence and Security Agency created?

Response: Timing of the stand-up of the new DoD Counterintelligence and Security Agency will be determined by the Department during the implementation phase.

Executive Correspondence
DCN 8244

OFFICE OF THE UNDER SECRETARY OF DEFENSE
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

ACQUISITION
TECHNOLOGY
AND LOGISTICS

AUG 22 2005

BRAC Commission

AUG 23 2005

Received

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

Dear Chairman Principi:

The Department appreciates the opportunity to provide testimony at the August 11, 2005, Commission hearing regarding environmental and reuse considerations associated with the list of Base Closures and Realignments recommended by the Department of Defense. I appreciate the analysis the Commission is now conducting to evaluate the Department's recommendations against the force structure plan and selection criteria.

In reviewing environmental considerations, I would like to highlight a few issues. First, and most importantly, the Department is starting with a mature restoration program through which the Department has developed significant information on environmental conditions on our installations, restoration projects are already identified and in various stages of completion, and required funding and goals have been established to achieve required environmental actions. As discussed in my written testimony and reflected in the enclosed chart, the Department has already invested $576 million in installation restoration at the 33 major installations proposed for closure. This equates to 84 percent of sites identified at Response Complete or Remedy in Place. The sites remaining will cost the Department between $1.03 billion and $1.05 billion, with half of that required for remediating military munitions as part of the Military Munitions Response Program sites for which the Army provided costs as of the end of Fiscal Year 2003.

Second, consistent with practice in prior BRAC rounds, the Department did not include environmental restoration costs in the cost of closure calculations. Since the Department of Defense has a legal obligation to perform environmental restoration regardless of whether a base is closed, realigned, or remains open, environmental restoration costs at closing bases are not costs attributable to a closure or realignment action. This approach responds to Government Accountability Office (GAO) concerns that determining final restoration costs could be problematic before a closure decision, since neither reuse plans nor studies to identify related restoration requirements would have been initiated.

During the hearing and in subsequent follow-up letters, the Commission asked the Department to answer a number of questions for the record. Responses to the specific questions follow:

1. *[From Chairman Principi's August 12, 2005 letter to Mr. Grone] Commissioner Coyle asked the Panel a question concerning an earlier question that the Chairman raised about the cost of environmental cleanup at Cannon Air Force Base in New Mexico being zero. Commissioner Coyle asked that if you think it is going to be zero, then why is it zero and if it is some other number, what would you think a more likely number would be?*

   Tab 6 of the Cannon AFB data submitted to the BRAC Commission estimates a cost to complete (CTC) of $1.2 million. This number is valid and consistent with the information provided in the Fiscal Year 2003 Defense Environmental Restoration Program (DERP) Annual Report to Congress used in developing the recommendations, and as well as the Fiscal Year 2004 Annual Report to on the program.

   The expressed concern appears to arise from statements in the report to Congress by The Congressional Research Service (CRS) *Military Base Closures: Role and Cost of Environmental Cleanup, updated June 27, 2005* (page CRS-6). In that report, CRS reported $0 as the estimated CTC for Cannon AFB. A footnote to this information stated: "DoD indicated that all planned cleanup actions were complete as of the end of Fiscal Year 2004." While it is true that remedies for all planned cleanup actions are in place at Cannon, the Department expects to incur $1.2 million to reach response complete, which is reflected in the BRAC data submitted to the Commission.

2. *[From Chairman Principi's August 12, 2005 letter to Mr. Grone] Commissioner Coyle asked the Department of Defense to provide information on the Navy's track record in relation to estimating environmental cleanup cost. He asked for a comparison of the estimated environmental cleanup costs at Navy bases in BRACs one through four, the actual dollars spent to date and the current cost to complete.*

   In 1995, much of the effort in the cleanup program was focused on characterizing contaminated sites and analyzing remedial alternatives. At such early stages, estimates for final remedies are likely to change. At the start of Fiscal Year 1996, the Navy estimated the CTC for the installation restoration sites from the 1988, 1991, 1993 and 1995 BRAC rounds to be $2.214 billion in Fiscal Year 1996 dollars. Over the next nine years, the Navy expended $1.908 billion in then year dollars and has an end of Fiscal Year 2004 CTC of $0.801 billion in Fiscal Year 2004. Therefore, the total cost for the prior rounds is $2.709 billion which is a 23 percent increase over the initial estimate. All the numbers have been normalized

to constant Fiscal Year 2005 dollars. Given the cleanup program is much further along at this stage, the Navy expects much less cost growth.

Compared to 1995, we currently have a mature installation restoration program under DERP. Installation restoration sites have been identified and are being actively worked with state and EPA regulators. For instance, the Navy expended $56.5 million at Naval Submarine Base New London through Fiscal Year 2003 for installation restoration. Clean-up technologies have vastly improved in the ensuing 10 years and have been implemented to accelerate restoration and lower cost where possible. We are confident that the DERP CTC numbers used in the BRAC 2005 Criterion 8 process are more accurate than prior rounds.

3. *[From Chairman Principi's August 12, 2005 letter to Mr. Grone] Commissioner Coyle also asked for additional information on the $23 million environment cost estimate for the New London Naval Submarine Base. This question relates to how the Navy's estimate would increase if it was based on the environmental standards of the State of Connecticut.*

The State of Connecticut, particularly the Department of Environmental Protection, has been an active partner with the Department of the Navy in the Installation Restoration program at Naval Submarine Base New London. The Department of Environmental Protection has worked closely with the Navy in performing its oversight role since October 26, 1994. Under the Defense and State Memorandums of Agreement (DSMOA), DoD has provided reimbursement funding for the regulatory oversight of the New London program. The Department has provided the State of Connecticut as much as $1.5 million annually between the period Fiscal Year 1995 to Fiscal Year 2004 for oversight of New London as well as the restoration sites at Naval Undersea Warfare Center Detachment in East Lyme and the Naval Weapons Industrial Reserve Plant in Bloomfield.

In addition, the State of Connecticut, the Environmental Protection Agency, and the Department of Navy signed a Federal Facility Agreement (FFA), that *"(i) Provide for the appropriate involvement by the State in the initiation, development, selection and enforcement of Remedial Actions to be undertaken at the NSB New London (NSBNL), including the review of and comment on all applicable data as it becomes available; consultation regarding studies and reports; the development of action plans and other deliverables; and identification and integration of State ARARs* for the Remedial Action process;" (*ARARs- Applicable, Relevant and Appropriate Requirements)*

The FFA commits the Navy to completing remedial action required agreed to by the three parties before conveying the property. This FFA anticipates that remedy

selection will be the product of a three-party discussion, taking into consideration the use to be made of the property, and allows for early transfer of property before remediation is complete.

4. *[From Chairman Principi's August 12, 2005 letter to Mr. Grone] Commissioner Bilbray asked for an assessment of the cost to complete environmental restoration numbers included in the GAO report (refer to GAO-05-785, page 46). He asked for information on what is included in the $949 million figure that GAO uses in their report. He also questions why the cost to cleanup operational ranges is not included in the environmental restoration total and why the estimate is provided with such a wide range of costs. In his example he uses Hawthorne Army Depot and the upper end of the cleanup amounts for the operational ranges to show how the cost to cleanup Hawthorne for reuse could increase by $147 million.*

   The DERP's cost to complete estimates include completion costs for response actions (i.e., identification, investigation, and removal actions, remedial actions, or a combination of removal and remedial actions) to address Installation Restoration Program (IRP) and Military Munitions Response Program (MMRP) hazards. All anticipated costs required to complete the restoration of the site, as well as the costs of complying with applicable legal and regulatory requirements are included in the estimates.

   As stated in Policy Memorandum Four—Selection Criteria 7 and 8, "although remediation of munitions contamination is a form of environmental restoration, the costs of remediating munitions contamination on operational ranges are not captured in existing estimated costs to complete. Estimates of such costs are not available in an auditable or certifiable without site survey and preliminary analysis of contamination, which is not attainable within the BRAC analytical timeframe." The Army provided low and high cost estimates for a few installations which have operational ranges for information purposes only. These costs were not used in the decision making process nor should they be considered as part of the cost to complete.

5. [From Frank Cirillo's August 16, 2005, letter to the clearinghouse] It is our understanding that the Department provided environmental restoration cost data for each facility recommended for closure, based upon the Defense Environmental Restoration Program, Annual Report to Congress for Fiscal Year 2003 (FY2003 Report). During the Environmental Hearing August 11, 2005, the Prepared Statement for Philip W. Grone provided a chart that gives the environmental restoration cost to complete for the 33 major installations proposed for closure. During a review of the data we could not confirm the following costs: Fort Monroe, $20M; Kansas AAP, $79.8M and WK Kellogg Regional Airport, $36.2M. Previous responses to clearinghouse questions (CT-0563 and E0474) indicate the

WK Kellogg Regional Airport and Fort Monroe costs to complete environmental restoration are $0. From the FY2003 Report Kansas AAP has $33.39M. Please provide the certified data to back up the costs to complete environmental restoration shown in the chart. It would be beneficial if the certified environmental restoration cost to complete data for all 33 installations were provided.

The data provided in the chart ware derived from the cost to complete information provided in the Summaries of Scenario Environmental Impact (SSEIs) supporting the recommendations. In order to err on the conservative side, the chart included the high end of the Military Munitions Response Program costs estimates, if they were reported. This methodology explains the differences in the numbers seen in the chart and that reported in the responses to Commission inquiries. Specific explanations for each of the installations mentioned are detailed below:

Ft. Monroe: Ft. Monroe Installation Restoration cost to complete as reported in the FY 2003 report to Congress and included in the certified data is $0. In the Ft. Monroe SSEI which summarizes certified data, the Army reported an estimate of $500 thousand to $20 million for clearance and restoration for the moat. Erring on the side of being conservative, the $20 million was used in the chart provided in the testimony. The Army's response to Commission inquiry E0474 only reported the installation restoration cost of $0 and not the moat cost.

Kansas AAP: Kansas AAP Installation Restoration cost to complete as reported in the FY 2003 report to Congress and included in the certified data is $33.2 million. In the Kansas AAP SSEI, the Army reported an estimate of $4.7 million to $46.6 million for operational range cleanup. As stated above, this estimate was for information purposes only and should not be included in our cost to complete estimate because it does not have the same level of fidelity as the Installation Restoration Program and Military Munitions Response Program estimates. The high end of this range cost was inadvertently included in the chart provided in the testimony. The correct CTC for Kansas AAP is $33.2 million. A similar error occurred with Lone Star AAP. The high end of the estimate ($5.8 million) to cleanup three ranges was inadvertently included in the chart provided in the testimony. The correct CTC for Lone Star is $2.7 million.

WW Kellogg Regional Airport: The Kellogg Regional Airport Installation Restoration CTC as reported in the Fiscal Year 2003 report to Congress and included in the certified data is $36.2 million. The Air Force's response to the Commissions inquiry (CT-0563) indicating $0 for restoration shows that the restoration was completed in May of 2005. The difference in the figures reflects the fact that the Air Force completed the remaining cleanup between the time the estimate used in the Fiscal Year 2003 report to Congress and in the certified data

was developed and the response to inquiry. The Chart used in the testimony reflects certified data as of Fiscal Year 2003 to be consistent with the material provided to the Commission.

The chart used in the testimony and enclosed here is based on certified data whose source is the SSEIs provided to the Commission with each recommendation. The cost to complete costs include Installation Restoration Program and Military Munitions Response Program numbers that were reported on the SSEI's. As noted in the response to question four, the costs for operational ranges were not included.

Thank you for the opportunity to provide comments on these issues. If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

Philip W. Grone
Deputy Under Secretary of Defense
(Installations and Environment)

Enclosures as Stated

Enclosure 1

Installation	Invested Through FY03 ($M)	Cost-to-Complete FY04+ ($M)	Total Sites	Preliminary Assessment/ Site Inspection	Remedial Investigation/ Feasibility Study	Remedial Design/ Remedial Action	Remedy In-place/ Response Complete
Brooks City Base	41.9	4.2	17	0	0	0	17
Cannon Air Force Base	12.5	1.2	27	0	0	0	27
Concord NWS	54.9	40.1	69	9	17	1	42
Deseret Chemical Depot	NA	66.9	32	3	5	3	21
Ellsworth Air Force Base	67.4	27.0	21	0	0	0	21
Fort Gillem	27.1	18.0	13	0	6	0	7
Fort Mcpherson	NA	8.8	14	2	0	0	12
Fort Monmouth	11.0	2.9	44	1	0	0	43
Fort Monroe	NA	20.0	17	13	0	0	4
General Mitchell International Airport	2.1	0.0	9	3	0	0	6
Hawthorne Army Depot	28.3	383.2	144	18	3	5	118
Kansas AAP	30.7	33.2	35	1	16	2	16
Lone Star AAP	21.3	2.7	57	0	3	1	53
Massachusetts Military Reservation (MMR)	83.5	146.8	85	4	7	5	69
Mississippi AAP	NA	2.3	48	2	0	0	46
New London NSB	56.5	23.9	29	4	6	2	17
New Orleans NSA	0.2	0.0	5	0	0	0	5
Newport Chem Depot	NA	1.2	18	1	2	0	15
Niagara Falls International Airport ARS	9.2	1.4	14	0	0	0	14
Onizuka Air Force Base	0.0	0.0	5	0	0	0	5
Pittsburgh International Airport	NA	NA	3	0	0	0	3
Portsmouth NSY	46.8	47.1	35	3	8	0	24
Red river Army Depot	17.9	49.1	54	0	13	1	40
Riverbank AAP	50.2	10.5	13	1	0	0	12
US Army Garrison Selfridge	NA	13.3	12	8	0	0	4
Willow Grove NAS	6.3	10.3	13	0	4	0	9
Wk Kellogg Regional Airport	7.9	36.2	10	0	0	0	10
Total	**576**	**961**	**843**	**73**	**90**	**20**	**660**
*Includes only $146.8 for Otis AFB (provided separately by the Air Force)							
Umatilla army depot**	54	10	120	0	0	1	119
** Umatilla Army Depot funded in previous BRAC rounds							
Naval Air Station Atlanta	NA	0	NA	NA	NA	NA	NA
Naval Station Ingelside	NA	0	NA	NA	NA	NA	NA
Naval Station Pascagoula	NA	0	NA	NA	NA	NA	NA
Naval Station Support Activity Corona	NA	0	NA	NA	NA	NA	NA

Enclosure 2

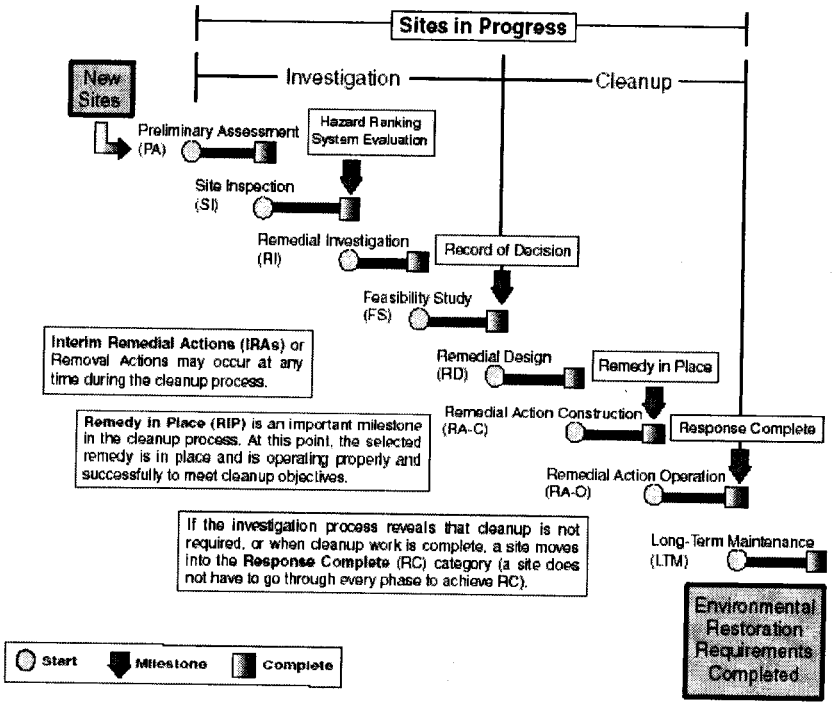
DON QFR RESPONSES FROM 11 AUG 05 BRAC COMMISSION HEARING

Department of the Navy -

1) New London - Provide a detailed breakdown of Department of the Navy estimates for completing cleanup at New London. What roles did the Federal EPA and CT Department of Environmental Protection play in establishing cleanup standards and cost estimates?

The Department of the Navy carefully considered the impact of costs related to potential environmental restoration by using the Defense Environmental Restoration Program (DERP) costs funded through the Defense Environmental Restoration Account (DERA). These were chosen because they were a source of known, pre-existing environmental restoration projects that could be certified. The DERP follows Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), passed by Congress in 1980, which established a requirement and a framework for the identification, investigation, and cleanup of hazardous substances resulting from past practices. The CERLA approach, which the DoD uses for all DERP sites, is

Figure 13
CERCLA Environmental Restoration Process Phases and Milestones



outlined below:

Partnership between the Department of the Navy, the states, and other Federal agencies facilitates the successful environmental cleanup at Department of the Navy installations. The Department of the Navy has continually involved the EPA and the state of Connecticut in planning and implementation of the environmental cleanup and restoration activities at NSB (NSB) New London.

The Department of the Navy has a Federal Facility Agreement (FFA) signed in January1995 with U.S. Environmental Protection Agency (EPA) and the then State of Connecticut Commissioner for the Department

of Environmental Protection, to involve the EPA in the environmental restoration process by detailing the agency's and the State's roles in the environmental restoration process at NSB New London. Since, NSB New London is a DERP installation; the Department of the Navy follows the CERCLA process. State standards and regulations are taken into account depending on their applicability and appropriateness to the cleanup. The FFA notes in pertinent part:

[From the Purpose of Agreement section of the FFA between the EPA, the State of Connecticut and the Department of the Navy regarding NSB New London]:

> *"(i) Provide for the appropriate involvement by the State in the initiation, development, selection and enforcement of Remedial Actions to be undertaken at the NSB New London (NSBNL), including the review of and comment on all applicable data as it becomes available; consultation regarding studies and reports; the development of action plans and other deliverables; and identification and integration of State ARARs* for the Remedial Action process; "*
> *(*ARARs- Applicable, Relevant and Appropriate Requirements)*

Additionally, the Department of the Navy has a Defense and State Memorandums of Agreement (DSMOA) with the State of Connecticut. DMSOA establishes an ongoing partnership between the state and DoD. DSMOAs, which facilitate active state participation in DoD's cleanup program, provide the states with funding to reimburse their contributions to DERP. DoD provides reimbursement to the states for technical services for up to one percent of DERA and one and one half percent of BRAC costs. Additionally, DSMOAs specify that DoD will reimburse states for regulatory oversight provided in support of Federal environmental restoration activities at DoD installations. Acceptance of these funds indicates state regulatory involvement in the DoD DERP program. The current DSMOA that the Department of the Navy has with the State of Connecticut was signed in April 1998, and the State of Connecticut was reimbursed for less than $1 million for FY04 (from the *Defense Environmental Programs Fiscal Year 2004 Annual Report to Congress*). Through FY95 through FY04, the state of Connecticut has received DSMOA funding for actions at DoD installations ranging from $1.5M to less than $1M annually. After signing a DSMOA, the State of Connecticut and the Department of the Navy enter into a 2-year cooperative agreement (CA) that outlines the activities the state will perform and the funding it will receive. The current CA for the State of Connecticut was signed in July 2004 and lasts until June 2006.

The remaining $23.9 million listed as Cost to Complete for NSB New London from DERA the pays for the Cost to Complete (CTC) clean-up, yearly inspections, groundwater monitoring and any anticipated long-term monitoring and maintenance associated with the cost at 10 remaining sites identified at NSB New London. "Clean-up" under DERP is undertaken on a "clean to current use" standard, which in the case of New London is industrial. Of the 23 CERCLA sites originally identified at NSB New London, 13 sites have been cleaned up including 3 landfill sites that have been capped. The three-landfill sites that are capped include on-going groundwater monitoring and yearly inspections. Monitoring at these sites was planned for 30 years. The first site monitoring began in 1998 and the other landfill sites began in 1999 and 2001.

A specific summary of the current, as of Fall 2004, installation restoration costs at NSB New London is provided below:

NSB NEW LONDON, CT
INSTALLATION RESTORATION PROGRAM (CTC Data as of President's Budget Submission-Fall 2004 submission)

IR Sites	CTC Costs*	CTC Details
Site 2 - Area A Landfill	$1,682,100	Site has been capped. Estimate is based upon current costs for O&M of the cap.
Site 3 – Area A Downstream	$1,673,610	Site has been remediated. Estimate is based upon current costs to monitor and maintain the wetlands restoration.
Site 6 – DRMO	$1,547,428	Site has been capped. Estimate is based upon current costs for O&M of the cap.
Site 7 – Torpedo Shops	$1,367,871	The ROD stipulates that the soil will be excavated and disposed off-site. GW will be monitored.
Site 8 – Goss Cove Landfill	$2,008,811	Site has been capped. Estimate is based upon current costs for O&M of the cap.
Site 10 – Fuel Oil Storage Tanks (Lower NSB)	$2,478,238	This CTC is based on in-situ type clean up alternatives (soil vapor extraction, air sparging) and enhanced bioremediation.
Site 11 – Power Plant Oil Tanks (Lower NSB)	$2,189,184	This CTC is based on in-situ type clean up alternatives (soil vapor extraction, air sparging) and enhanced bioremediation.
Site 13 – Building 79 Waste Oil Pit (Lower NSB)	$2,156,649	This CTC is based on in-situ type clean up alternatives (soil vapor extraction, air sparging) and enhanced bioremediation.
Site 14 – Overbank Disposal Area Northeast	$86,105	This CTC is costs associated with preparing a no further action ROD.
Site 17 – Building 31 (Lower NSB)	$955,169	This CTC is based on excavation of lead contaminated soil and disposal off-site.
Site 19 – Solvent Storage Area (Lower NSB)	$800,503	This CTC is based on excavation of lead contaminated soil and disposal off-site.
Site 21 – Berth 16 (Lower NSB)	$1,249,386	This CTC is based on excavation of lead contaminated soil and disposal off-site.
Site 22 – Pier 33 (Lower NSB)	$1,744,016	This CTC is based on excavation of lead and TPH contaminated soil and disposal off-site.
Site 24 – Building 174 (Lower NSB)	$1,289,693	This CTC is based on excavation of PAH and TPH contaminated soil and disposal off-site.
Site 25 – Lower Base Incinerator (Lower NSB)	$1,786,019	This CTC is based on excavation of lead contaminated soil and disposal off-site.
UST 01 – Dolphin Mart	$84,857	This CTC is 3 years of monitored natural attenuation.
UST 05 – Mitchell Manor (NY)	$42,967	This CTC is 1 year of monitored natural attenuation.

NSB NEW LONDON, CT
STATE OF CONNECTICUT ARARS

Requirement	Citation	Status
Remediation Standard Regulations	CSG 22a-133k; RCSA 22a-133k – 1 through 3	Applicable
Hazardous Waste Management: Generator and Handler Requirements, Listing, and Identification	RCSA 22a-449© 100-101	Applicable
Hazardous Waste Management: Treatment, Storage or Disposal Facility Standards	RCSA 22a-449© 104	Applicable
Hazardous Waste Management: Generator Standards	RCSA 22a-449© - 102	Applicable
Connecticut Guidelines for Soil Erosion and Sediment Control	Connecticut Council on Soil and Water Conservation	To Be Considered
Water Quality Standards	CSG 22a-426	Applicable
Inland Wetlands and Watercourses	CSG 22a-37 through 45, RCSA 22a-39-1 through 15	Applicable
Water Pollution Control	RCSA 22a-430-1 through 8	Applicable
Coastal Management Act	CSG 22a-90 to 112	Applicable
CT Endangered Species Act	CSG 26-303to 314	Applicable
State Hazardous Waste Management: Interim Status Facilities and Groundwater Monitoring Requirements, Closure and Post-Closure Requirements	RCSA 22a-449© 105	Relevant and Appropriate
State Solid Waste Management	RCSA 22a-209-1 to 15	Applicable
Safe Storage of Oil and Chemical Liquids	RCSA 29-337-1 to 3	Applicable
Air Pollution Control – Control of Organic Compound Emissions	RCSA 22a – 174-20	Applicable
Air Pollution Control – Control of Odors	RCSA 22a-174-23	Applicable
Air Pollution Control – Control of Hazardous Air Pollutants	RCSA 22a-174-29	Applicable
Air Pollution Control – Control of Particulate Emissions	RCSA 22a-174-18	Applicable
Connecticut Water Diversion Policy Act	CSG 22a-365 to 378	Applicable
Tidal Wetlands	RCSA 22a-30-1 through 17	Applicable
Control of Noise Regulations	RCSA 22a-69-1 through 7.4	Applicable

Notes: CSG = Connecticut General Statutes
RCSA = Regulation of Connecticut State Agencies

NSB NEW LONDON, CT
FEDERAL ARARS

Requirement	Citation	Status
Cancer Slope Factors		To Be Considered
Reference Dose		To Be Considered
Clean Water Act: Section 402, National Pollution Discharge Elimination System	33 USC 1342 40 CFR 122 through 125	Applicable
Clean Water Act: Section 404	33 USC 1344; 40 CFR Part 230 and 33 CFR Parts 320-323	Applicable
Executive Order 11990: Protection of Wetlands	Executive Order 11990, 40 CFR Part 6, Appendix A	Applicable
Executive Order 11988: Floodplain Management	Executive Order 11988	Applicable
Fish and Wildlife Conservation Act	16 USC Part 661 et seq.; 40 CFR Section 6.302	Applicable
Coastal Zone Management Act	16 USC Parts 1451 et seq.	Applicable
Federal PCB regulation under TSCA	40 CFR Part 761	Applicable
RCRA – General requirements	40 CFR Part 264 Subpart A	Relevant and Appropriate
RCRA – Preparedness and Prevention	40 CFR Part 264 Subpart C	Relevant and Appropriate
RCRA – Contingency Plan and Emergency Procedures	40 CFR Part 264 Subpart D	Relevant and Appropriate
RCRA – Releases from Solid Waste Management Units	40 CFR Part 264 Subpart F	Relevant and Appropriate
RCRA – Closure and Post-Closure Requirements	40 CFR Part 264 Subpart G	Relevant and Appropriate
Clean Air Act – National Emissions Standards for Hazardous Air Pollutants (NESHAPs)	40 CFR Part 61	Relevant and Appropriate
Clean Air Act – Non-methane organic compounds NMOCs	Proposed Rule – 56 FR 24468, to be codified at 40 CFR Part 60 Subpart WWW	To Be Considered
USEPA Technical Guidance – Final Covers on Hazardous Waste Landfills and Surface Impoundments	EPA/ 530-SW-89-047	To Be Considered
Water Quality Criteria for DDT and Metabolite	EPA 440-80-038	To Be Considered
Technical Basis for Deriving Sediment Quality Criteria for Non-Ionic Organic Contaminants for Protection of Benthic Organisms by using Equilibrium Partitioning	EPA-822-R-93-011	To Be Considered
NOAA Incidence of Adverse Biological Effects within Ranges of Chemical Concentration in Marine and Estuarine Sediments	Long et al.	To Be Considered
Guidance on Remedial Actions for Superfund Sites with PCB Contamination	OSWER Directive 9355.4-01	To Be Considered

Notes: USC = United States Code; CFR = Code of Federal Regulations

How estimates are done and evolve over time:

The Department of the Navy, as well as Army and Air Force, use a proven parametric model for estimating cleanup costs. This model incorporates past experience with specific cleanup technologies as well as the professional judgment of Department of the Navy remedial project managers. The Cost-to-Complete (CTC) for individual sites are added to provide a base-wide CTC. The CTCs are updated annually and provided to regulators, the public and the Congress.

The following provides some insight on how CTC estimates might change if an active base gets approved for closure. There will be some marginal additional costs for closing such units as currently operating underground storage tanks. However, closure costs for operating units were included separately in the BRAC analysis and thus accounted for already. Some adjustments may also be necessary depending on the status and level of specificity of the LRA's reuse plan at the time a site is cleaned up. In many cases, there is no or minimal additional cost for conducting cleanups to be compatible with reuse plans. For example, in cases where DoD conducts "removals" (contamination excavated), there is no change in cost. The cleanup is the same for all uses. In a relatively small subset of sites where a specific reuse plan is incompatible with current use, the Department of the Navy and the LRA will work together to resolve the incompatibility. Department of the Navy remedy selection officials consider both the historical use of the property and the reasonably anticipated use. Simply put, each remedy selection is unique. For example, a practical land use plan should incorporate an existing landfill and designate the parcel as open land, park, or recreation area. Many sites can be cleaned up to non-restricted or residential standards for marginal cost increases over land with use restrictions. In other cases, where a parcel had a long history of heavy industrial use, a similar industrial use for the future might be more appropriate. We are optimistic that close collaboration between LRAs and DoD can result in land use plans that accommodate the needs of the community, recognize historical uses and special environmental conditions and result in practical, cost-effective remedy selections that can be supported by all parties, including regulators.