

DCN: 6577

Community also delivered a large aerial map of the installation and surrounding area which is not searchable. A smaller version is at Tab 4, slide 12. Original is in Analyst's office.

Community Presentation

Department of the Navy
Human Resources
Service Center-Southeast
NASA-Stennis Space Center
Mississippi

Library Routing Slip 2005 BRAC Commission Materials
Title of Item: COMMUNITY PRESENTATION
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Congress of the United States
Washington, DC 20515

July 29, 2005

General James T. Hill (USA, Ret)
Defense Base Closure and Realignment Commission
2521 South Clark Street, Suite 600
Arlington, VA 22202

Dear General Hill,

On behalf of our constituents, we want to thank you for your service on the BRAC Commission generally and your recent service as the Chairman of the Regional Hearing held in New Orleans, Louisiana. We believe that all of the Mississippi communities made compelling cases for Commission actions that could improve the BRAC recommendations.

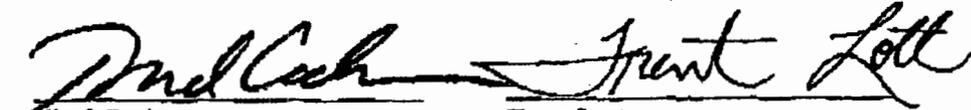
At that hearing, two representatives from the Partners for Stennis discussed the benefits resulting from consolidating the Navy's Human Resource Service Centers (HRSC) for the Northeast and Southeast at the Stennis Space Center, home of HRSC-SE. This approach would save \$5.7 million in construction costs versus the proposed new site at a different military installation. In addition, the Stennis consolidation recommendation would keep the mission at the Navy HRSC with the highest military value, maximize jointness and operational synergies, improve force protection, and minimize disruption to the ongoing mission. We wholeheartedly support this proposal.

Following their presentation, you stated that a member of the BRAC Commission staff had raised an issue about Commission's legal ability to engage in this action. [Uncertified Transcript, BRAC Commission Regional Hearing, New Orleans, Louisiana, pp. 94-95 (July 22, 2005).] To aid the BRAC Commission in its review of this issue, we are submitting a short legal memorandum on the Commission's authority to change the receiving location for this consolidation.

In addition, we would like to draw your attention to a prior example of the BRAC Commission changing the proposed receiving location for a recommended move. In the 1993 BRAC round, the Department of Defense planned to move the headquarters of the U.S. Army Communications Electronic Command (CECOM) from leased space outside Fort Monmouth to Rock Island Arsenal, Illinois. Instead, the BRAC Commission's decision moved the CECOM headquarters into space directly on Fort Monmouth property. The Stennis proposal involves a less sweeping change since it proposes consolidation at the current HRSC-SE site that is already under Commission review instead of movement to a new receiving location.

We hope that you find this information useful and that the BRAC Commission will consider the Stennis consolidation proposal presented at the Regional Hearing. Please contact us if there remains any question over the Commission's legal authority under the BRAC statute in this matter.

Sincerely,



Thad Cochran
United States Senator

Trent Lott
United States Senator



Gene Taylor
Member of Congress

Encl: Legal Memorandum on the Authority of BRAC Commission to Recommend Consolidation of Navy Civilian Personnel Offices to the Site of Human Resource Service Center-Southeast at Stennis Space Center, MS

cc: The Honorable Anthony Principi
Chairman
Defense Base Closure and Realignment Commission

David Hague
General Counsel
Defense Base Closure and Realignment Commission

Christine Hill
Director, Congressional Affairs
Defense Base Closure and Realignment Commission

Legal Memorandum on the Authority of BRAC Commission to Recommend Consolidation of Navy Civilian Personnel Offices to the Site of Human Resource Service Center-Southeast at Stennis Space Center, MS

Introduction

At the Regional Hearing in New Orleans, LA on July 22, 2005, community representatives from Partners for Stennis addressed the BRAC Commissioners on the Department of Defense (DoD) recommendation to consolidate certain Navy Civilian Personnel Offices. The recommendation would relocate both the Human Resource Service Center-Northeast (HRSC-NE) and the Human Resource Service Center-Southeast (HRSC-SE) to a new consolidation site to be located at the Naval Support Activity-Philadelphia. The Stennis representatives supported the consolidation but asked that the two activities be consolidated at the HRSC-SE site because of the lower costs and higher military value of that site.

At the conclusion of the presentation, General Hill, presiding Commissioner for the hearing, said that the BRAC Commission would study the recommendation but that there could be legal issues precluding Commission consideration of the proposal for consolidation at Stennis. Presumably these legal issues involve requirements in the BRAC statute¹ for certain Commission actions that would change a DoD recommendation. This memorandum discusses the scope of these legal requirements and demonstrates why these requirements are not applicable to the Stennis consolidation proposal. Accordingly, the BRAC Commission has the authority to change the recommendation to support consolidation of HRSC-NE and HRSC-SE at the Stennis site.

I. The Recommendation and the Proposed Change

The Headquarters and Support Activities Joint Cross-Service Group recommended consolidating Civilian Personnel Offices within each Military Department and the Defense Agencies. The relevant portion of the recommendation for purposes of this memorandum is:

Realign Human Resource Service Center-Northeast, 111 S. Independence Mall, East, Bourse Bldg, a leased installation in Philadelphia, PA, by relocating the Civilian Personnel Office to the Naval Support Activity Philadelphia, PA. Realign Human Resource Service Center-Southeast, 9110 Leonard Kimble Road, a leased installation at Stennis Space Center, MS, by relocating the Civilian Personnel Office to the Naval Support Activity Philadelphia, PA, and consolidating it with the relocated Human Resource Service Center-Northeast at the Naval Support Activity, Philadelphia, PA.²

¹ Defense Base Closure and Realignment Act of 1990 as amended (part A of title XXIX of Public Law 101-510, 10 U.S.C. 2687 note).

² Department of Defense Base Closure and Realignment Report, Vol. I, Part 2 of 2: Detailed Recommendations (May 2005), Section 5: Recommendations -- Headquarters and Support Activities Joint Cross-Service Group, pp. H&SA - 19 through H&SA - 20.

It is helpful to note that this portion of the Navy Civilian Personnel Office recommendation involves three distinct geographical locations:

- (1) The Downtown Philadelphia Leased Space (current HRSC-NE site);
- (2) The Stennis Center Building (current HRSC-SE site); and,
- (3) The South Philadelphia Warehouse (proposed future receiver site at Naval Support Activity-Philadelphia).

The DoD recommendation would consolidate the personnel from the Downtown Philadelphia Leased Space and the Stennis Center Building to a new site at the South Philadelphia Warehouse. The COBRA [Cost Of Base Realignment Action] analysis supporting this recommendation includes \$8.7 million for renovation of the South Philadelphia Warehouse on property at NSA-Philadelphia.

Stennis community representatives have made several arguments in favor of an alternate consolidation recommendation, one that would combine the two activities at the HRSC-SE site. This recommendation could be accomplished through an additional expenditure of \$3 million to add an additional 20,000 sq.ft. of Class A office space to the Stennis Center Building that houses HRSC-SE. This alternate consolidation recommendation would save at least \$5.7 million while minimizing moves and mission disruption and maximizing military value. Stennis community representatives also pointed out that HRSC-SE occupies its current building lease-free, paying only small operating costs, and the building is located on a secure federal installation, negating the estimated \$2 million cost assumed in the COBRA analysis for meeting AT/FP standards.

The issue that has arisen is whether the BRAC Commission has the authority to adopt the Stennis consolidation recommendation. Resolution of this issue requires an examination of the relevant statutory requirements and the impact of the proposed alternate consolidation recommendation.

II. The Scope of Legal Requirements for Changes to BRAC Recommendations

The ability of the BRAC Commission to make changes to DoD recommendations is constrained by certain statutory provisions.³ For example, in all circumstances the BRAC Commission must make specific findings (e.g., that the DoD recommendation substantially deviated from the force structure plan and final selection criteria, and that the proposed BRAC Commission change is consistent with the force structure plan and final selection criteria) and vote in public hearings.

Other procedural requirements, however, only apply to changes that could be described as an “add” to the DoD recommendations (e.g., publishing the proposed changes 45 days before transmitting recommendations to the President, notifying the Secretary and providing an opportunity to testify in a public hearing, requiring the support of at least seven Commissioners). These requirements only apply to changes in the recommendation that would:

- (i) add a military installation to the list of military installations recommended by the Secretary for closure;
- (ii) add a military installation to the list of military installations recommended by the Secretary for realignment; or
- (iii) increase the extent of a realignment of a particular military installation recommended by the Secretary.⁴

³ See Sections 2903(d)(2)(C) and 2914(d)(3).

⁴ See Section 2903(d)(2)(D).

It is apparent that the proposed Stennis consolidation recommendation would not result in the addition of a new military installation for closure or realignment. Therefore, the only issue is whether the proposal would increase the extent of the realignment at an impacted facility; e.g., the Downtown Philadelphia Leased Space.

III. The Extent of the Realignment

Although both of the DoD recommended moves are realignments, in each case all personnel would be relocated to a new receiving location. With regard to the HRSC-NE personnel currently working at the Downtown Philadelphia Lease Space, all would be moved regardless of whether the receiving location is the South Philadelphia Warehouse at NSA-Philadelphia or the Stennis Center Building in Mississippi. As illustrated by the chart below, **the Stennis consolidation recommendation would NOT increase the extent of the realignment.**

	Current Personnel ⁵	Personnel After Implementation of DoD Recommendation	Personnel After Implementation of Stennis Recommendation	Increase in Extent of Realignment
Downtown Philadelphia Leased Space	221	-0-	-0-	NONE

The purposes of the BRAC statutory provisions are to inform DoD employees and communities of the scope of the potential loss of personnel at a specific military installation and to offer them the opportunity to be heard through the BRAC process. Those purposes have been met through the publication of the DoD BRAC recommendations and the opportunities for community input through the time given Pennsylvania at the Regional Hearing and the mechanisms for direct input to the Commission.

The BRAC statute does not support the argument that a BRAC Commission change in the ultimate receiving location for DoD personnel requires additional procedural steps that would bar consideration of the Stennis consolidation recommendation. Indeed, once a recommendation is made to move personnel through the BRAC process, it is commonplace for other communities to seek consideration of their local installations as the new site for the personnel who are subject to realignment.

IV. Conclusion

The language of the BRAC statute is unambiguous. The BRAC Commission may consider any receiving location it deems most appropriate site for the personnel subject to realignment as long as a resulting Commission recommendation would not increase the extent of the realignment. Failure to do so would be contrary to the affirmative responsibilities of the BRAC Commission to review the recommendations and to apply the force structure plan and final selection criteria.

The BRAC Commission has the authority to consider the Stennis consolidation recommendation.

⁵ Employment figure is taken from Department of Defense Base Closure and Realignment Report, Vol. VII, Headquarters and Support Activities Joint Cross-Service Group Report (May 2005), H&SA JCSG Capacity Analysis (20 April 2005), p. 205 of Report.

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No. 5

SERVING THE UNIQUE FEDERAL AND COMMERCIAL CITY AT THE JOHN C. STENNIS SPACE CENTER

Stennis selected for services center

NASA announced May 9 that Computer Sciences Corp. of Falls Church, Va., was selected as the prime contractor for the NASA Shared Services Center and it will be located at Stennis Space Center in South Mississippi.

The total value of the contract, including all options, is approximately \$230 million over the 10-year performance period.

The NSSC will bring 450 jobs to SSC with an average salary of \$50,000. It will be a con-

solidation of activities currently being done across NASA in the areas of human resources, procurement, financial management and information technology operations. NASA expects significant annual savings from consolidating services, once the NSSC transition is completed. It is due to be operational in October 2005.

"We look forward to establishing a world-

See NSSC on Page 8

Selection's significance

Sen. Thad Cochran: "The selection of the Stennis Space Center to lead NASA in its consolidation efforts reflects well upon the reputation the citizens of Mississippi have established as world-class workers and service providers. I credit many factors, including the hard work of the staff at Stennis, as well as Gov. Barbour and his economic development

team, in earning this recognition."

Sen. Trent Lott: "Stennis Space Center is an engine for Mississippi's economic growth, and this decision by NASA is the latest example of how the unique facilities that NASA Stennis offers can work to attract various types of jobs."

Rep. Gene Taylor: "This is a huge development not only for Stennis and South Mississippi, but for the entire region."

NSSC: CSC awarded contract

Continued from Page 1

class organization to provide the kind of timely, efficient and effective support so important to NASA operations," said NSSC Executive Director Richard Arbuthnot. "We look forward to working with CSC and the Stennis community to get the NSSC up and running," he said.

Selection was based on a competitive process. The state of Mississippi passed a bond appropriation totaling \$23.7 million to provide the building for the NSSC. Lockheed Martin supported CSC's proposal by offering interim facilities at SSC while the new building is being constructed.

The state of Louisiana assisted in this effort

through a \$1 million training support package. More than 27 percent of SSC employees live in Louisiana.

"Naturally, we are pleased that NASA Stennis Space Center was chosen as the site for NASA's Shared Services Center," said NASA SSC Director Thomas Q. Donaldson V.

"This decision is a reflection of the outstanding contractor team of CSC and Lockheed Martin that initially selected and proposed Stennis to be the site for the NSSC. The hard work and commitments by the States of Mississippi and Louisiana, as well as by our NASA-contractor workforce, are evident in this selection."

For more information about the NSSC on the Internet, visit <http://www.nssc.gov/>



January 28, 2004

Mr. Kurt Haglund
The Staubach Company
401 9th Street, NW
Suite 1050
Washington, DC 20004

Dear Mr. Haglund:

We are pleased to submit this proposal and believe it clearly demonstrates the uniqueness of Stennis Space Center (SSC) relevant to the NASA Shared Services Center (NSSC) site nomination guidelines and criteria. Our proposal offers the following key advantages:

- > a site currently operating a shared services concept, saving NASA \$8M/year
- > a geographic location which results in economic impact to two states – MS and LA
- > a location in a designated Rural Development Area (RDA)
- > a location with the lowest labor rates, lowest crime rate, and affordable housing
- > a new facility built at minimum cost, and designed to LEED standards, with shared occupancy of the facility by 4 universities and 1 community college

If we appear hungry to host the NSSC, we are, but this proposal represents more than that. It is an opportunity for NASA to establish a third line of business at Stennis, increase the NASA workforce here by 50%, and cement its leadership role. It also will increase the savings to NASA, by locating the NSSC at Stennis. It will bring measurable prosperity to a region in our Nation that is long overdue for federal investment. The significant impact on our surrounding communities is clearly acknowledged in the supportive letters from the Governors of both Mississippi and Louisiana. Simply stated, it is the right thing to do for NASA, the Nation, and the region.

I invite you to delve into the details of our proposal and we stand ready to assist in your deliberation in any manner possible. We welcome this opportunity to showcase our Center, our people, and our home.

Cordially,

T. Q. Donaldson V, RDML USN (Ret)
Director



a) **Executive Summary Narrative Description (Abstract)**

Stennis Space Center (SSC), as a Rural Development Area, proposes to host the NASA Shared Services Center (NSSC). SSC and the State of Mississippi are providing a new administrative facility that exceeds sustainable design parameters and meets the LEED™ Gold Class A Standard. Including the new state facility in the SSC Shared Services Pool will substantially reduce the NSSC's life cycle operating costs. This location would also benefit from one of the lowest labor rates in the country. The facility will host the Center of Higher Learning, a university consortium that will address NSSC workforce continuing education needs. Currently roundtrip air service is available to SSC employees at two airports (Louis B. Armstrong International Airport in New Orleans, LA and Gulfport-Biloxi International Airport in Gulfport, MS). In addition, chartered commuter air service is proposed for NASA employees on a 3-day per week basis between Stennis International Airport and Ronald Reagan Washington National Airport in Washington D.C. Additionally, the Gulf Coast quality of life afforded by nationally recognized recreation, shopping and entertainment venues complete this best-value proposal.

b) **Site Address**

NASA
Building 1103 West
Stennis Space Center, MS 39529-6000

c) **Major Participants and Collaborators**

State of Mississippi
State of Louisiana

d) **Critical Decision Timeframe Issues**

Building Requirements Schedule:

<u>Phase</u>	<u>Date</u>	<u>staff</u>	<u>net (sq. ft.)</u>	<u>gross (sq. ft.)</u>
I	(10/05-09/06)	196	51,300	57,000
II	(10/06-09/07)	400	103,500	115,000
III	(10/07-09/08)	470	121,500	135,000

- Notes: 1. Facility activation in June 2005 is contingent upon selection of Stennis Space Center No Later Than (NLT) March 1, 2004.
2. Design start on March 15, 2004 and construction start on July 1, 2004.

e) **Points of Contact**

Primary:	Kevin Power 228-688-1490 kevin.p.power@nasa.gov	Alternate:	Mike Dawson 228-688-4707 michael.c.dawson@nasa.gov
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Nomination Benefits

John C. Stennis Space Center is a unique community home to over 30 Federal/state organizations and nearly 60 technology-based companies. As a Federal City, Stennis has more than thirty-five years of experience accommodating ventures similar to the NASA Shared Services Center (NSSC). This synergy leads to the sharing of costs, services and technical capabilities that make Stennis a national model of teamwork and government cost effectiveness. Cornerstones of the Stennis Space Center Proposal include construction of an efficient and flexible LEED™ Class A facility, recruitment of an educated, highly motivated workforce and the application of the Stennis Space Center shared cost model.

LEED™ Class A Facility

Construction of a new LEED™ Gold facility is the initial cornerstone of our proposal. As a result of the center's long-term partnership with the State of Mississippi funding for the construction of the proposed NSSC facility will be provided by the state. The State's rationale for making this investment is centered around the anticipated economic development in the area surrounding Stennis Space Center resulting from the addition of 470 new jobs. This partnership offers the lowest cost option to NASA by significantly reducing the Agency's initial cash outlays to activate the facility and substantially reducing the facility's life-cycle operating costs by incorporation into the existing Stennis Shared Services pool.

Located adjacent to the main administrative complex the facility will meet the LEED™ Gold standards for new construction. The 135,000 square foot facility will include naturally lit, temperature controlled, multi-story atria and lobbies; that not only ease entry and flow into and through the building, but also convey a vibrant open atmosphere into the core administrative areas. Additionally, the building's construction will incorporate efficient floor plans to accommodate various workflows and space requirements, as well as a flexible communications infrastructure to take advantage of existing and newly implemented technological advances at SSC.

NSSC Workforce

Recruitment and retention of an educated, highly motivated workforce from the surrounding area is easily accomplished. According to the U.S. Census Bureau for the 2000 Census report, Hancock, Harrison and Pearl River Counties in Mississippi and St. Tammany Parish in Louisiana, the areas surrounding Stennis Space Center and the proposed site of the NSSC, indicate an available workforce of over 212,000. At present, the overall size of the available workforce for the specified NSSC-associated labor categories, based on 2002 Bureau of Labor Occupational Employment Statistics (OES) Survey is 84,900. Other projections contained within these reports show continued growth of 26.25% within the available workforce thru 2015 while the median age, which is 37, is projected to increase to only 38.07 by 2015. These data demonstrate the excellent stability in the age of the workforce and its consistent growth of the workforce over time. Educational levels indicate that 81% of the available workforce has a high school education with over 23.8% having graduated from college. State ACT scores indicate high schools in the area match or exceed the national average of 20.8. The 2002-2003 District Report Cards required by the "No Child Left Behind Act of 2001," reflect that of the Mississippi public school districts in



the Stennis area 65% scored at level 4 (Exemplary) or level 5 (Superior-Performing) and 85% scored at level 3 (Successful) or higher. These results compare favorably to national standards.

The employees of the NSSC will have significant educational and training opportunities to continue their growth at the nominated site location. Established in 1989, the Center of Higher Learning, located at Stennis Space Center, is a consortium of three universities, the University of Southern Mississippi, Mississippi State University, the University of New Orleans, and Pearl River Community College which offers education and training opportunities ranging from Cisco certifications to Doctoral programs. The proposed NSSC site is also proximally located to several minority higher education universities, Alcorn State and Jackson State Universities in Mississippi and Xavier, Dillard and Southern Universities in Louisiana.

Nationally recognized as one of the top retirement and tourist destinations the Mississippi Gulf Coast and Southern Louisiana offer the NSSC workforce an exceptional Quality of Life. Housing costs, which are 15% below the national average, low crime rates, excellent medical and health facilities along with nationally recognized shopping venues provide perspective NSSC employees with additional quality of life value.

Accessibility to SSC and the proposed NASA Shared Services Center site is convenient, economical and fast. Two airports, Gulfport-Biloxi International Airport located in Gulfport, MS and the Louis B. Armstrong International Airport in New Orleans, LA provide nationwide access to the site. Commuter air services with flights on Monday, Wednesday and Friday are proposed to accommodate personnel directly between SSC and the NSSC site to Washington D.C. Local access to SSC and the proposed NSSC site averages less than 30 miles with a commuting time of less than 35 minutes. Remarkably, due to the location of SSC, employee travel is in the "Reverse Direction" of normal business commuting traffic. SSC commuters experience essentially no commuting congestion delays and no lost time.

Labor and Facility Costs

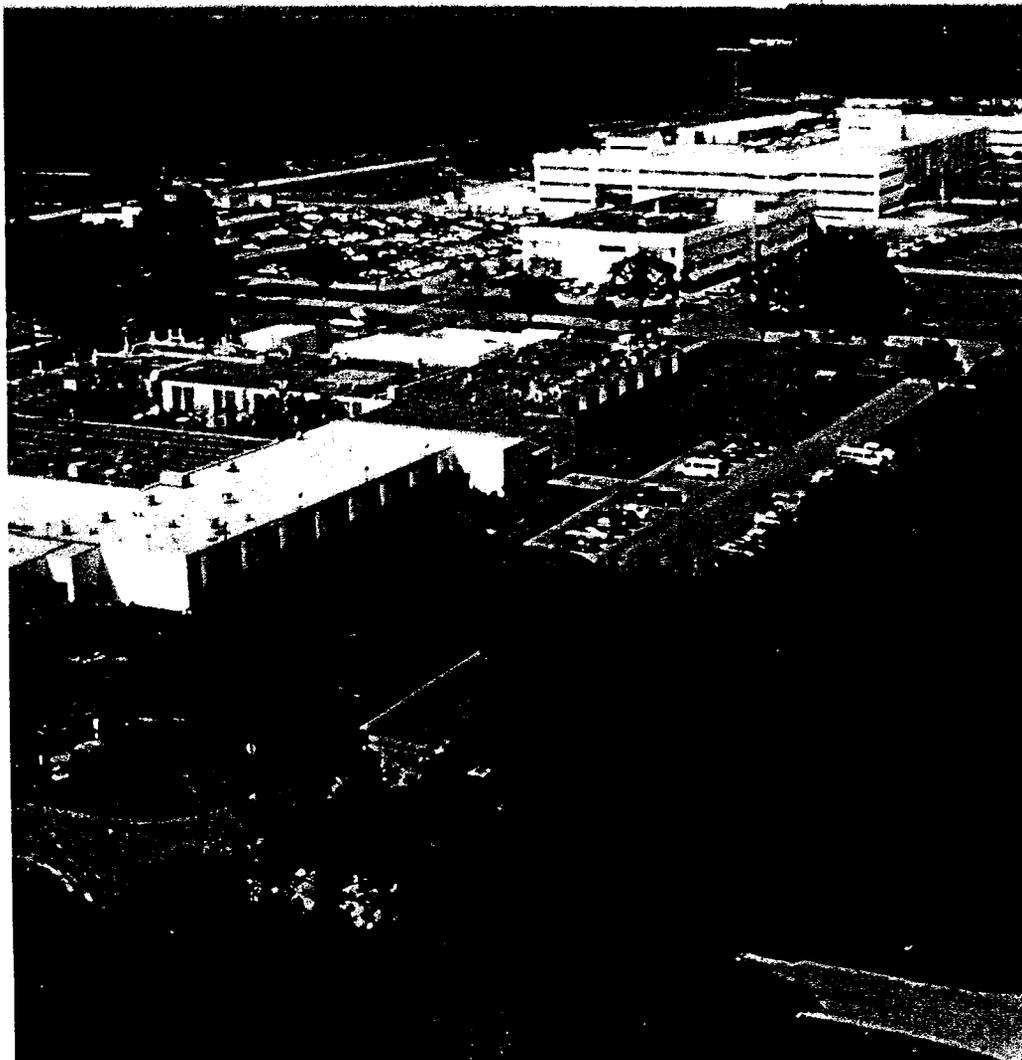
A significant strength of the Stennis site location is the cost-effectiveness of the labor pool within the supporting area. Department of Labor (DoL) wage rates for the Mississippi Gulf Coast Region are among the lowest in the country; with an aggregate labor rate of \$14.36 for the required NSSC labor categories.

As previously referenced, the State of Mississippi will provide an investment of \$20,905,000 in the new NSSC facility. This investment will be recouped in five years through a fixed term five-year lease and additional state income taxes, increased sales tax revenues and economic multipliers resulting from a \$30,000,000 per year average payroll.

The NSSC life-cycle operating costs are significantly lower than any comparable facility location. These lower costs result from being a resident of the unique Federal City that has evolved at Stennis Space Center over the past thirty-five years. Common operating costs are shared by each organization based on number of personnel accommodated and space they occupy. With the addition of 470 NSSC personnel, an estimated cost structure of \$771.55 per person and a rate of \$12.97 per square foot reflects a 13% per person and a 5% per square foot cost reduction. The



more personnel and square footage included in the respective pools the greater the decline in all resident organizations' overall operating costs. The 2002 Staubach Report states, "The Stennis Space Center Federal City is a cost model for others to emulate. It is a win-win situation for all involved."

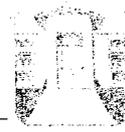


Stennis Space Center Administrative Complex showing the Mississippi Technology Transfer Center, the proposed site of the NASA Shared Services Center



Executive Summary Response Form

		Summary Justification
Human Capital and Workforce	Available Workforce	<ul style="list-style-type: none"> • Proven workforce supporting four major U.S. Government installations in the local area; Kessler Air Force Base, Naval Construction Battalion Center, Stennis Space Center, and Michoud Assembly Facility. • Directly comparable workforce supporting two shared resource centers within 30 miles of proposed NSSC site; National Finance Center, USDA at Michoud and the Navy Southeast Human Resource Outsourcing Center at Stennis Space Center. • Stennis Space Center area workforce has grown by 65% over the last 10 years and demonstrates a stable median age of 37 years. • Over 88,000 housing units (\$70,000 and above) in the Stennis Space Center area, with approximately 11% vacancy rate compared to the national average of 9%, provides NSSC workforce with ample housing opportunities.
	Education and Training	<ul style="list-style-type: none"> • 23.8% of the area workforce has graduated from college comparing favorably with the national average. • Educational resources/institutions easily available to the potential workforce include University of Southern Mississippi and William Carey College on the Mississippi Gulf Coast, along with Tulane University, University of New Orleans, Loyola, Xavier, and Holy Cross in the New Orleans metropolitan area. • The Center of Higher Learning Consortium, representing Mississippi State University, University of Southern Mississippi, and University of New Orleans is located in the same building with the NSSC, and offers curricula tailored to the SSC workforce.
	Workforce Diversity	<ul style="list-style-type: none"> • All four counties in the Stennis workforce area have a high diversity index ranking above the 50 percentile. The national average index ranking of diversity is just above the 40 percentile. • Five major minority universities are within the average recruiting distance of the Stennis Space Center: Jackson State University and Alcorn State University in Mississippi, along with Southern, Dillard, and Xavier Universities in Louisiana.
	Quality of Life	<ul style="list-style-type: none"> • Gulf Coast area housing cost is 15% below the national average. • Stennis area cost of living is among the lowest of the NSSC candidate sites. • Mississippi Gulf Coast and New Orleans are internationally recognized destination resorts with world-class shopping, recreation, and entertainment venues.



Executive Summary Response Form

	Facility Workspace Efficiency	<ul style="list-style-type: none"> • New 135,000 gross square feet, three-story building designed to NSSC requirements with a floor plate size of 45,966 square feet. • Flexible building plan featuring a combination of fixed offices with demountable walls and modular office arrangements. • Unique atrium, lobby, and passageway design that allows unrestricted flow from one area to another. • Net 121,500 square footage proposed is 90% of gross square footage maximizing the net usable area, Gross-to-net ratio of 1.11.
Facility	Regional Access and Location	<ul style="list-style-type: none"> • NSSC will be a part of, and located within, a unique "Federal City" that is SSC. • Staubach August 2003 "Report on Real Property Opportunities for Expanded use of NASA facilities" summary assessment stated, "Stennis is the best example of a center that has attracted other Federal agencies to occupy land and buildings." • Average commute time to SSC is 30 minutes with zero "commuter congestion delay". • Banks, cafeterias, dry cleaners, auto service station, barbershop, Navy exchange, classrooms, and conference center are within a 3-minute walk. In addition a childcare and wellness center is located within 3 minutes of the proposed NSSC site. • Undergraduate and graduate courses for NSSC employees available in the NSSC facility. • SSC is located in a "Rural Area" per Rural Development Act of 1972.
	Physical Quality Requirements	<ul style="list-style-type: none"> • New building designed to NSSC specifications that meet LEED™ Gold Class A building parameters. • Phased construction meets the NSSC building requirements schedule for occupancy and square footage. • Net 121,500 square feet proposed is 90% of gross square footage maximizing the net usable area (Gross-to-net ratio of 1.11). • Facility site location and infrastructure were specifically selected to accommodate a 100% NSSC expansion. • Natural interior lighting of common areas and office space is maximized due to three atria and exterior facade design. • 90% of work areas and office spaces have access to natural light.
	Security	<ul style="list-style-type: none"> • IT security is the best in NASA based upon CIO performance measures. • Stennis Space Center Security accommodates agency critical SSME test infrastructure as well as national security interests of the Department of Defense.



Executive Summary Response Form

National Accessibility	Round-trip Flight Availability	<ul style="list-style-type: none"> ● Shuttle service proposed by the Hancock County Port and Harbor Commission/ Private Vendor to operate between Stennis International Airport and Ronald Reagan Washington National Airport (D.C.). Proposed flights available on Monday, Wednesday and Friday to all Stennis employees. Port of call within 7 miles of proposed NSSC site. ● Central location along with access, cost and travel time from New Orleans International Airport and Gulfport International Airport compare favorably with other candidate sites.
	Visitor Accommodation and Affordability	<ul style="list-style-type: none"> ● Recreation, shopping, dining, and entertainment venues within the destination resorts of the Mississippi Gulf Coast and the New Orleans area are internationally recognized. ● Entertainment opportunities between the MS Gulf Coast and New Orleans should compete favorably with any other NASA site.
	Stability of Utilities/Communication Infrastructure	<ul style="list-style-type: none"> ● Partnership with Mississippi Power, a division of Southern Company, to operate and maintain the Stennis substation. ● Four switchable power feeds to the administrative area complex provide a stable power supply. ● Communication systems reliability is 99.999% ● Utility infrastructure services critical operations for DOD and NASA Rocket Propulsion Testing. ● Utility rates at SSC are among the lowest in the Agency, with a power system reliability of 99.9999%. ● NSSC operations will not be interrupted by natural disaster or terrorist event due to the self-contained nature of Stennis Space Center's utilities infrastructure, which ensures an uninterrupted flow of operations to critical NASA and national security programs.
Cost	Estimated Workforce Cost	<ul style="list-style-type: none"> ● Cost effectiveness of the labor pool within the supporting area is demonstrated by some of the lowest labor rates in the country (\$14.36 aggregate labor rate for the NSSC contractor labor categories).
	Thirty-five year Cash Flow	<ul style="list-style-type: none"> ● State of Mississippi's investment of \$20,905,000 accommodates the Center of Higher Learning (CHL) and the NSSC. The State will recoup its investment in five years through a fixed-term lease and additional income taxes, sales taxes and economic multipliers resulting from a \$30,000,000 per year payroll. ● Life-cycle operating costs for the NSSC and Center of Higher Learning are significantly lower than those of a comparable facility due to the unique share cost model at Stennis. ● Adding the new NSSC and CHL facility to the shared services pool will reduce the per-person rates by 13% and the square footage rated by 5%.
	Initial Cash Requirement	<ul style="list-style-type: none"> ● No initial charges for facilities activation are required. However, an estimated cost of \$4,725,000 for furnishings, fixtures and equipment is provided for the NSSC full cost review.
	Estimated Facility and Other Cost	<ul style="list-style-type: none"> ● The Stennis shared cost model insures stabilized ongoing operating costs. These costs have increased by less than 1% per year over the past 15 years. Shared service rates have been approved by NASA Space Flight Enterprise IPO (HQ) for FY04-09.



3.1 Human Capital and Workforce

3.1.1 Available Workforce

The workforce area defined for the NSSC comprises Harrison, Hancock, and Pearl River Counties of Mississippi and St. Tammany Parish in Louisiana, as well as the associated metropolitan areas. Data from the U.S. Census Bureau for the 2000 census indicates the available workforce for Harrison, Hancock, and Pearl River Counties and St. Tammany Parish to be approximately 212,000. The overall size of the available workforce for the specific NSSC-associated labor categories, based on the 2002 Bureau of Labor Statistics Occupational Employment Statistics (OES) Survey, is 84,900. A breakdown of these labor categories, and associated annual wage information is presented in Appendix 3.1.1.1

To illustrate general employment growth trends in the NSSC workforce area, Woods and Poole Economics 2003 State Profile report provide estimates and projections for employment and earnings through 2015. This report shows a 6.45% growth in non-farm employment since 2000 and a 64.15% growth since 1990. Projections contained in the report indicate 4.15% growth into 2005 and 26.25% growth by 2015. The median age of this workforce in 2003 was 37 years. The average median age was 32.77 years in 1990 and is projected to increase only to 38.07 in 2015. These data demonstrate both excellent stability in the age of the workforce and consistent growth in the total availability of the workforce over time. Complete details of these data are found in the copy of the Woods & Poole 2003 State Profile report contained in Appendix 3.1.1.2

The NASA Stennis Space Center workforce has dramatically changed over the past

decade. From FY 1994 to FY 2003, NASA SSC achieved a 42-percent increase in its civil service complement. This increase is a result of continued growth in mission assignments and growing infrastructure of this unique Federal city. NASA SSC has benefited from an unusually low attrition rate over the last three years of 2.4%, with an average workforce age of 44.7 years, the youngest in the Agency. At the end of 2003, approximately 17% of NASA SSC's workforce will be eligible to retire within five years, compared to the Agency level of 25 percent. This again demonstrates the benefits in the Stennis Space Center area of both an excellent stability in the age of the workforce and consistent growth in the total availability of the workforce to meet demand over time.

Comparable Employment Opportunities

The NASA Stennis Space Center is often referred to as a "Federal City" due to its extensive NASA/tenant relationship with more than 30 different Federal/state agencies, contractors, and universities; these onsite similar contractor-supporting organizations have a total population consisting of over 4600. Other employment opportunities in the Stennis Space Center area include:

- USDA National Finance Center with 1,800 civil servants and 200 contractors at the NASA Michoud facility north of New Orleans.
- Keesler Air Force Base (KAFB) with 12,500 active duty and 2000 civilian employees.
- Gulfport Naval Construction Battalion Center (NCBC) with over 4,200 active duty personnel and over 1,400 civilian personnel.

The combination of excellent stability in the age of the workforce and consistent growth in the total availability of the workforce over



time combined with the other comparable employment opportunities in the Stennis area, provide for both a large and growing labor pool with strong related feeder systems.

Housing

Data from the 2000 U.S. Census reveals that there are approximately 88,000 single-family housing units (\$70,000 and up) within the four county Stennis area. Appendix 3.1.1.3 contains a breakout by value range and county. Additionally, data contained in 3.1.1.3 shows that the rental/housing vacancy rate for the South, 11.8%, is higher than the national rate, 9%, and has been for the past 5 years. Due to population, historical and continuing growth trend, as well as the higher than average vacancy rate of the area, a more than sufficient supply of existing and new homes in the \$70,000 and up category are available for the NSSC workforce in easy commuting distance. Appendix 3.1.1.4 is a map illustrating, by U.S. Census block, the location and volume of housing in the Stennis area.

3.1.2 Education and Training

In his March 2003 annual economic impact study, Dr. Charles A. Campbell, Professor of Economics, Mississippi State University, reported that of the 4,626 individuals comprising the Stennis Space Center workforce in 2002, 59% held a four year college degree or higher (see Appendix 3.1.2.1). This has grown from 55% in 1998.

Of the approximate 212,000 people in the available workforce for the Stennis area, data from the U.S. Census Bureau indicates in 2000 that 81% of the workforce had graduated from high school and 23.8% had graduated from college. These education levels are comparable to the national averages of 80% and 24% respectively.

The Stennis Space Center area includes 8 four year universities: The University of Southern Mississippi – Gulf Park Campus, Long Beach, MS; Tulane University – University College Biloxi Campus, Biloxi, MS; William Carey College, Biloxi, MS, Tulane University, New Orleans, LA; University of New Orleans, New Orleans, LA; Southern University, New Orleans Campus, New Orleans, LA; Loyola and Xavier University, New Orleans, LA.

The employees of the NSSC will themselves have significant education and training opportunities to continue their growth at the nominated site location. These education and training opportunities range from Cisco Certifications to a Masters of Business Administration (MBA). In 1989, the NASA Stennis Space Center working with the State of Mississippi established on site the Center of Higher Learning (CHL), a consortium of three Universities, University of Southern Mississippi (USM), Mississippi State University (MSU) and the University of New Orleans (UNO), and Pearl River Community College. CHL is located in the building to which the proposed NSSC structure will be connected.

CHL serves as the coordinator for academic programs and offers a wide variety of individual classes and complete degree programs for the employees and organizations of the Stennis Space Center.

The Mission of CHL is to:

- Provide incentives for Agencies and Organizations to locate to and remain at the Stennis Space Center through on-site education and research programs.
- Complement the capabilities of SSC organizations by establishing partnerships with State and Federal agencies and other organizations to facilitate mutually beneficial program development.
- Provide a central location to serve the needs of all SSC employees as well as the businesses and residents of surrounding communities.

CHL operates under the guidance and oversight of the Stennis Policy Board on Higher Education. This appointed committee consists of representatives from NASA, the Commander for Naval Meteorology and Oceanography Command, Naval Oceanographic Office, Naval Research



Laboratory, National Data Buoy Center, Lockheed Martin Stennis Operations, and the State of Mississippi. A NSSC representative would be a member of this Board.

3.1.3 Workforce Diversity

Population and Workforce Diversity

The NSSC workforce area is noted for its diversity with respect to population characteristics. A recent Claritas Diversity Study (See Appendix 3.1.3.1) using data from the 1990 and 2000 U.S. Census determined all four counties in the service area have a diversity rank above the 50th percentile, with Harrison County exceeding the 75th percentile when ranked on diversity. With these rankings, the NSSC service area meets or exceeds the requirements necessary to generate a strongly diverse workforce population base.

In addition, the NSSC area is located near several minority higher education institutions. These universities are Alcorn State University and Jackson State University in Mississippi, along with Dillard, Southern, and Xavier Universities in Louisiana (See Appendix 3.1.3.2). As a member of the ASEE Faculty Fellows Program, Stennis Space Center has an established relationship with minority faculty from historically black colleges and universities in the NSSC service area. Existing Research I-classified universities in Louisiana and Mississippi have strong minority enrollments in many of the occupational disciplines critical to the NSSC's success.

The Stennis Space Center area will lend itself well to NSSC achieving a diverse work force as Appendix 3.1.3.1 demonstrates in showing NASA SSC's current results toward building a diverse workforce that mirrors the Nation.

3.1.4 Quality of Life

As illustrated in Appendix 3.1.4.1, the Mississippi Gulf Coast is recognized among the top retirement and tourist areas nationally. Tourist attractions include: Mississippi Gulf Coast's 26 miles of white sand beaches, 12 resort casinos, 23 golf courses, 237 restaurants, 42 cultural attractions and mild year round climate. Cultural attractions include: New Orleans and the University of Southern Mississippi symphonies, Broadway plays, Little Theaters, New Orleans Metropolitan Museum of Art, Aquarium of the Americas, numerous museums, and appearances by world class artists including Placido Domingo who appears this April at the Mississippi Gulf Coast Coliseum.

Several of the best school districts for both Mississippi and Louisiana are located in the Stennis area. As the chart in Appendix 3.1.4.2 illustrates, the mean ACT scores in 2002 for students coming out of the area high schools are better than or very close to the 2002 national average of 20.8.

The 2002-2003 District Report Cards, required under the "No Child Left Behind Act of 2001", reflect that for the Mississippi public school districts in the Stennis area, 65% of the schools scored at level 4 (Exemplary) or level 5 (Superior-Performing) and that 85% scored at level 3 (Successful) or higher. The St. Tammany Parish school district in Louisiana also had favorable ratings in its 2002-2003 District Report Card. Details may be found in Appendix 3.1.4.3

Cost of Housing

Housing cost in the Southeast region is the lowest in the nation and the Stennis Space Center area is no exception. The cost of housing for 2003 in the Gulfport-Biloxi Metropolitan Statistical Area (M.S.A.),



representing the Mississippi Gulf Coast area around Stennis was 85% of the National average.

Add to this the lower cost of utilities in the Stennis area and as the chart in Appendix 3.1.4.4 illustrates the composite cost of living (COL) for housing and utilities is only 92% of the national average.

The 2000 U.S. Census data on population change for U.S. Counties indicates that for the period from 1990 to 2000, St. Tammany Parish, LA and Hancock County, MS were in the top 10% fastest growing counties in the nation. Pearl River County, MS was in the top 15% and Harrison County, MS in the top 33%. Projections of population growth contained in the Woods & Poole 2003 State Profile report (See Appendix 3.1.4.5) predict continued growth in each of these counties well into 2015. With strong projected growth, housing in the Stennis Space Center area represents a sound investment, whether one plans to retire here or sell and move at a later date.

Examples of housing around the Stennis Space Center area in the less than \$100,000, less than \$200,000 and less than \$300,000; examples may be found in Appendix 3.1.4.6

Community Safety Assessment

The Red Cross and Salvation Army, among others, are immediately responsive to all major emergencies. Shelters are pre-designated, equipped and ready for use, if needed. Additionally, the proposed NSSC's location at Stennis Space Center offers unmatched reliability in the event of a natural disaster or terrorist event. This demonstrated reliability is due to the self-sustaining nature of Stennis Space Center's utilities infrastructure, which ensures an uninterrupted flow of operations.

Crime Index

Based on the FBI's Uniform Crime Reports for 2002, the associated Metropolitan Statistical Area (MSA) for the Stennis Space Center had a crime index rate of 5,288.4 per 100,000 inhabitants. As the chart in Appendix 3.1.4.7 illustrates, this index rate places Stennis about in the middle when compared to the rates for M.S.A.s associated with other NASA centers.

Shopping

Shopping in the area around the Stennis Space Center ranks among the best in the nation. The Mississippi Gulf Coast offers numerous shopping centers scattered across the coast, which includes such department stores as Dillard's, McRae's, Belk's, Sears, and JCPenney's. Outlet and discount shopping is also available.

Antique shops and specialty stores are clustered in Bay St. Louis and Pass Christian, as well as Ocean Springs. These cities are gaining wide reputations as prime places to find collectibles, which include sculptures, prints, paintings, metal works and pottery.

New Orleans also offers world class shopping in venues such as the River Walk shopping complex, French Quarter boutiques and



antique shops, and upscale stores like Brooks Brothers, Saks Fifth Avenue, Macys, and Sharper Image.

Economic Development Plans from Local Authorities

As required by the Economic Development Administration, the South Mississippi Planning and Development District (SMPDD) annually prepares and updates the Community Economic Development Strategy (CEDS) for each county in its district. The SMPDD has prepared extensive CEDS for Hancock, Harrison and Pearl River Counties that make up the area surrounding the NASA Stennis Space Center. Copies of each of these CEDS as well as the economic plan for St. Tammany Parish, LA, are included in Appendix 3.1.4.8

Health

Among all the M.S.A.s associated with NASA Centers, Stennis in 2003 had the lowest COL index for health care as shown in the chart found in Appendix 3.1.4.9

3.2 Facility

The NSSC will be provided a LEED™ Gold Class A facility that incorporates an outstanding working environment including naturally lit, temperature controlled, multi-story atria and lobbies that not only ease entry and flow into and through the building, but also convey a vibrant atmosphere into the core administrative areas.

Construction of the facility will adhere to all regulatory requirements and will be phased to turn over major sections of the NSSC facility to the customer. Phasing of construction will meet the building requirements schedule and allow occupancy as required. The sections will have designed buffer zones to ensure customer isolation from the remainder of the construction.

The facility is designed for placement on an existing parking lot for minimal impact on the environment. Native plants, optimal performance equipment, efficient construction materials and remote energy monitoring provide for top energy efficiency. Indoor air quality will be monitored and low emitting interior materials and sunlight over 90% of the interior will provide for an excellent interior performance.

Additional property is available adjacent to the proposed building location for an expansion wing and parking development.

3.2.1 Facility Workspace Efficiency

The main thrust of the facility design is the open, convenient walking floor layout where all interior spaces are provided direct sun light. This is possible due to the unique atrium, lobby and passageway design that allows occupants to walk easily from one area to the next. The interior environmental conditions of the facility are optimal due to select construction materials, high performance systems and continuous remote environmental and energy monitoring.

The proposed building site will be located directly behind (west of) building 1103 and will be interconnected with a covered walkway. Building 1103 currently houses the Mississippi Technology Transfer Center and The University of Southern Mississippi Center of Higher Learning Visualization Center.

The facility as shown in Appendix 3.2.1.1 features three large atriums with immediate access from lobbies, corridors, offices, and conference rooms. Each atrium is approximately 50 feet by 50 feet and extends from the ground level up through all three floors and terminates at the skylights. The net square footage will be approximately 90% of



the gross square footage and the basic floor plate size will be 45,966 square feet. From the main lobby, employees and visitors have immediate access to core building facilities such as elevators, stairwells, restrooms, and corridors that lead to the building operational areas. In addition hallways follow the atriums allowing for direct passage to interior conference areas and offices, allowing best use of natural lighting into the interior as shown in Appendix 3.2.1.2.

The flexible building plan for each floor will feature office spaces with a combination of movable hard walls and modular office furniture as required to suite customer needs. Flexibility will also be achieved by using a raised floor system, where appropriate, that will enable all HVAC ducts, electrical conduit, and communications to be run under the floor to make space modifications faster, easier, and cleaner.

Desktop communications will be modular allowing easy movement of computers and phones when moving wall partitions. The building plan will also encourage informal meeting sessions by providing semi-private and open meeting spaces throughout the facility on each floor. Various interior architectural finishes will be used to provide a modern, crisp, clean appearance suitable for a "Class A" building.

Open wall space and floor area will be provided for display of artwork with appropriate lighting. Conference rooms, training rooms, offices, work rooms, etc. will be provided with roll down projection screens, drop down projectors, dry erase boards, and other equipment as required. A designated area will be provided for the storage and collection of recyclables.

3.2.2 REGIONAL ACCESS & LOCATION

Status & History

For thirty-five years SSC has managed a "Federal City" in which operational facilities, services and costs are mutually and equitably shared by the host and agency tenants based upon the number of agency personnel assigned to the Center and the floor space occupied by them. Services can be requested by any tenant from the NASA host on a reimbursable basis. This unique "Federal City" was recognized in a Staubach report "Report on Real Property Opportunities for Expanded Use of NASA Facilities, August 1, 2003" with the summary assessment that "Stennis is the best example of a Center that has attracted other Federal agencies to occupy land and buildings." Since the early 1970's all SSC-resident agencies have executed their missions successfully and efficiently. Their mission scope has ranged from local industrial and laboratory operations to major international field missions including implementation and staging of the Global Atmospheric Research Program's Atlantic Tropical Experiment.

Host & Site Capabilities for NSSC

Today, as the Staubach study indicated, SSC is uniquely positioned and experienced to accept and support other agency tenants—such as NSSC. The State of Mississippi has already sponsored and built two buildings at SSC. The nominated NSSC Building would be attached to one of these, part of which houses the tenant education programs of the Center of Higher Learning. The proposed NSSC is also within a two-minute walking distance of the main Site cafeteria, bank, credit union, Navy Exchange, dry cleaners, travel office, medical dispensary, barbershop and main conference center. A fully equipped Employee Wellness Center and Child Care Facility are within easy access and can be



reached in less than 3 minutes. Site taxi services, fire protection, police assistance, communications, information technology, security, and public affairs assistance; including conferencing support are readily available services. All services are tailored to user needs, responsive and characteristically available on short notice. Demand services include graphics arts, audio-visual assistance, photographic coverage, industrial shops, movers and conference set-up assistance.

Many other routine services are uniquely available because they are shared among the tenants at SSC. See section 3.1.2 for employee education programs provided by the Center of Higher Learning (CHL). Courses leading to degrees in virtually every administrative skill or study area can be structured and offered ranging from Associate Degrees to Doctoral Programs. All offerings are based on specific tenant need and new offerings are developed within, at most, one year.

Other amenities include two onsite retail facilities (exchanges), three cafeterias, a full service automobile repair and service station, a fully equipped recreation area including tennis, basketball and other courts, softball fields, archery and rifle ranges. Nearly 10,000 acres of pristine natural areas for hiking, biking and nature studies are available to off-duty employees. In addition to the sports, the SSC Recreation Association operates an after hours onsite riverside lounge, sponsors bow and gun clubs, barbeques and other events. A SSC speaker's bureau affords opportunities and encourages employees to meet and work with student, civic and social organizations in the local communities.

Location and Other SSC Attributes

Since its creation as NASA's Center for Rocket Engine Testing and Certification SSC has occupied a 13,500 acre central site

surrounded by 125,300 acres of acoustic buffer zone. Most of the acreage is located in South Mississippi, however the center's western boundary includes portions of the Honey Island Swamp Wildlife Area in Louisiana. (See Appendix 3.2.2.1) In addition, Stennis Space Center's Mississippi acreage is encompassed by a rural area by the USDA director of Rural Development for the state of Mississippi.

SSC Employee Access & Commuting

Employee access to SSC is almost exclusively by private vehicle. The sole access from both the north and south is Mississippi Highway 607 (S-607), which runs through SSC and connects with both I-59 and I-10. On its north end, S-607 accommodates the commuter traffic flow both ways on I-59 as well as US Highway 11 (US-11) and Mississippi 43 (S-43) north of I-59. The south end of S-607 includes the exit for both eastbound and westbound traffic on I-10. It then continues south to connect directly to US 90. S-607 is a restricted access roadway. It is a divided four-lane roadway south of SSC and a single two-lane road north of SSC. See Appendix 3.2.2.2 for SSC commuter access roadways.

Traffic surveys at both SSC's north and south gates are performed biannually. The last survey was conducted in August 2002. (See Appendix 3.2.2.3) Daily traffic was 1559 vehicles at the north gate and 3315 vehicles at the south gate. The maximum rate for any hour was 935 vehicles at the south gate and 490 vehicles at the north gate. No backlogs occurred at either gate. Paragon Systems, which provides security to SSC, predicts that the addition of 500 vehicles per day would not impact significantly the traffic into or out of SSC.



Most of the SSC employees live in one of three general areas:

- Slidell – Covington, Louisiana
- Picayune – Poplarville, Mississippi
- Waveland to Ocean Springs, Mississippi

The average commuting time from these areas to SSC is about 35 minutes. Most of the commute is over interstate highways and restricted traffic roadways. Remarkably, due to the unique location of SSC, employee travel is in the reverse direction to the normal business commuting traffic in all instances. SSC commuters experience essentially no commuting congestion delays. Thus, the projection by the Texas Highway Institute and Kiplinger's of a loss of 3 to 4 workdays per year per employee due to commuter congestion in urban areas is not applicable to SSC commuter traffic. (See Appendix 3.2.2.4)

3.2.3 Physical Quality Requirements

This highly efficient building envelope will provide a flexible, unique, multistory facility designed for low energy and natural resource consumption. The site will provide an outstanding use of land space by utilizing an existing parking lot and previously improved land negating environmental impact. Sited next to the main administrative and employee service facilities there is a close by parking area with two off loading zones. The facility will be constructed of pre-cast light colored concrete with light colored membrane roof and aluminum roof accents at entries. The building will consist of three-story construction with elevators located in the main lobby. The main features of the facility are the three story atriums and two story vaulted lobbies as shown in Appendix 3.2.3.1.

As a result of the open design there is an abundance of direct light via the three interior atrium areas and also the exterior façade

windows. Naturally lit passageways open to atriums that lead to the interior offices. Individual cubicles are provided direct light.

Certified Category Six enhanced data systems with multiple drops, flexible desktop and conferencing communication systems will be provided. Redundant power systems and backup power are provided with a "State of the Art" Energy and Environmental Monitoring System. These systems provide SSC with unmatched self-sustaining reliability in the areas of electrical power and water.

The facility will be constructed using a pre-cast concrete structure and utilize a mix of pre-cast concrete with full glass elements on the facade that will project a strong and professional appearance.

3.2.4 Security

NASA/DOD security badge system is in place. Staffed security gates at all entries with roving patrols are provided. Exterior Video Surveillance and building entry control is available. The new First Response Facility is under construction within 1 minute of NSSC location.

SSC has an aggressive IT Security program. Among the best in NASA with significant intrusion monitoring and control that provides confidentiality, integrity and availability of data and information for our user community. A training program to increase awareness and provide updates on IT security programs and processes is in place.



3.3 National Accessibility

3.3.1 Round-Trip Flight Availability

Commercial air service is available to SSC employees at two airports, Gulfport-Biloxi International Airport and New Orleans' Louis Armstrong International Airport. In addition, a proposed commuter air service has been arranged for NASA employees on a three days per week basis between Stennis International Airport and Ronald Reagan Washington National Airport in Washington D.C.

Gulfport-Biloxi International Airport is located adjacent to US Highway 49 south of the Interstate 10 exit about 35 miles east of SSC. The driving time to this airport from SSC is less than 45 minutes. New Orleans' Louis Armstrong International Airport is located about 55 miles West of SSC on the airport-only access to Interstate 10. Driving time to this airport from SSC is less than 1 hour and 15 minutes. Stennis International is 7 miles east of SSC on Interstate 10. Driving time to Stennis International is less than 20 minutes. (See Appendix 3.3.1.1)

Flights from Gulfport-Biloxi International Airport serve the airports nearest to NASA Headquarters and all NASA Centers except San Jose CA and Hobby Field in Houston, Texas. (See Appendix 3.3.1.2) SSC-based passenger access to Gulfport-Biloxi International Airport is by private vehicle only. But offsite long term and short term parking is available at the terminal.

Passenger air flights at New Orleans Louis Armstrong International Airport serve the nearest airports to NASA Headquarters and all NASA Centers. (See Appendix 3.3.1.3) Commercial bus service is accessible from the New Orleans Louis Armstrong Airport. The bus pickup point is located at the South Gate.

This service provides 9 trips daily to the airport. The earliest pickup for the airport is 4:00 AM and the last return leaves the terminal at 11:30 PM. The ticket cost is \$30.00 one-way or \$54.00 for a round trip. Onsite taxi service is available for travelers from their office buildings to the South Gate during business hours.

In addition to commercial bus service, SSC maintains a fleet of 25 GSA vehicles and a contract with Park and Fly vehicle parking at the New Orleans Louis Armstrong Airport. This service allows federal employees and authorized contractor employees a transportation option to their privately owned vehicles.

Air Charter flights between Stennis International Airport and Ronald Reagan Washington National Airport in Washington D.C. are currently being arranged with Creston Aviation of Ft Lauderdale FL. (See Appendix 3.3.1.4) Flights will depart Stennis International Airport about 6:00 AM on Mondays, Wednesday and Friday and will arrive in Washington before 10:00 AM. Departures will leave Ronald Reagan Washington National Airport at about 6:00 PM on the same days to arrive at Stennis International about 9:00 PM. Airfares will be at the government employee rate which is about \$200.00 per flight—for Washington. Initially 30 seats per flight will be provided by the air charter service, but provisions to increase the seating and/or expand the service at the same ticket cost have been arranged. In the event of sever weather or other unforeseen problem at Stennis International Airport; New Orleans Lakefront Airport is available as a backup landing field.



3.3.2 Visitor Accommodation and Affordability

Hancock, Harrison and Pearl River Counties in Mississippi along with St. Tammany Parish in Louisiana comprise the area surrounding John C. Stennis Space Center. Within this area are over 25,000 hotel, condominium and casino resort sleeping rooms for new employees and business visitors of the proposed NSSC. Many of these facilities offer excellent conference and convention space, perfect for any business need. Additionally Southern Louisiana and the Mississippi Gulf Coast take a back seat to no other area of the country in the food we serve, the entertainment values we promote and the recreational activities we have developed.

Of the 25,000 sleeping rooms previously referenced over 80% are located within a 30-mile radius of Stennis Space Center and the proposed NSSC. Most of these facilities offer a traditional rating structure with an average daily rate of less than seventy dollars per day as well as a rating structure that accommodates any government per diem. Having been home to numerous federal facilities for many years, businesses in Mississippi and Louisiana have a broad-based historical perspective in dealing with and honoring federal guidelines.

3.3.3 Stability Of Utilities/ Communications Infrastructure

Electricity is provided and sustained by Mississippi Power, a division of Southern Company, who is an industry leader in inexpensive and reliable power. The internal power grid at Stennis includes four switchable feeds to the proposed site. The electrical infrastructure has virtually an uninterruptible service history with a reliability of 99.9999%.

The backup plan for outages includes generators at the Stennis Data Center building. The majority of the data center is less the 3 years old with the remainder being less than 5 years old. One-fifth of the data center is replaced every year. The digital telephone switch system is less than 2 years old. The communications facilities have an excellent history with a reliability of 99.999%.

The Stennis Data Center has recently completed installation of a new Fibre Channel Storage Area Network. This infrastructure capability allows for high speed archival and retrieval of data for business and scientific systems. Storage expandability of the system includes up to 32.7 Terabytes of online data via a Fibre Channel RAID storage and up to 135.6 Terabytes of near online data via Robotic Tape Storage Library. Additionally, the data center maintains rack mounted blade servers for application/web hosting. There is sufficient facility, rack, and networking infrastructure in place to double the current processing power for the data center.

The NSSC HVAC infrastructure will be a new installation at a central area plant. Stennis will control the water and sewer systems and multiple water towers will allow for uninterruptible servicing.

The demonstrated stability of Stennis Space Center utilities and telecommunications is a significant benefit to sustainable NSSC operations under any adverse conditions. Stennis Space Center has historically operated without interruption of services to critical NASA and national security programs as a result of self-sustaining utility infrastructure.



Section 4.0 Cost Criteria

The following discusses the four required cost criteria:

- 4.1 Criteria 1: Estimated Workforce Cost
- 4.2 Criteria 2: Thirty-five-year Cash Flow
- 4.3 Criteria 3: Initial Cash Requirement
- 4.4 Criteria 4: Estimated Facility and Other

4.1 Estimated Workforce Cost

One of the significant strengths of the Stennis site location is the cost-effectiveness of the labor pool within the supporting area. Department of Labor (DoL) wage rates for Mississippi Gulf Coast Region are among the lowest in the country. Appendix 4.1.1 depicts DoL labor rates for the Mississippi Gulf Coast Metropolitan Statistical Area and illustrates the \$14.36 aggregate labor rate that addresses the required NSSC labor categories. Appendix 4.1.2, the January 2004 Salary Table for civil servants, was used to provide the required average salary for a GS12/5. The accompanying wage of \$65,232 includes the general schedule increase of 1.5% and the appropriate locality adjustment effective January 2004. These rates are highlighted in Appendix 4.1.3 as the basis for the Contractor Labor Costs and the Civil Service Labor Costs respectively. The Contractor labor costs reflect the local labor rates at Stennis Space Center that include 53% overhead, 1.48% G&A, and 5.9% profit. As Appendix 4.1.3 describes, the full cost of the anticipated contract labor workforce of 106 personnel in fiscal year 2006 is **\$5,206,159**. Ninety civil servants in fiscal year 2006 will cost **\$7,975,590** representing a total fiscal year 2006 labor cost of **\$13,181,749**, NSSC labor costs for fiscal year 2007 total **\$26,541,907**, for contractor (245 full-time personnel) and civil servants (155 full-time personnel). NSSC labor costs for fiscal year 2008 total **\$31,153,205** and encompasses a workforce of

470 full-time contractor and civil service personnel.

4.2 Thirty-five Year Cash Flow

As a result of the long-term partnership between Stennis Space Center and the State of Mississippi, existing State plans to expand the Mississippi Technology Transfer Facility are being accelerated to accommodate the NSSC as well. The State's rationale for making this investment are centered around the anticipated economic development in the Rural Development Area surrounding Stennis Space Center resulting from the addition of 470 new jobs. The investment of \$20,905,000 (Appendix 4.2.1) into the new NSSC facility will be recouped in five years through a fixed-term five year lease and additional income taxes, sales taxes and economic multipliers resulting from a \$30,000,000 per year average payroll applied to the State's economy. In the event that this approach is determined to involve an augmentation of appropriations, Stennis recognizes that congressional authorization would be required, similar to the 1985 legislation authorizing NASA to accept the State of Mississippi's original investment in the Mississippi Technology Transfer Center facility. Appendix 4.2.1 addresses these recurring facility costs of \$597,286 per year for the first five years of NSSC operation that will meet the fixed-term lease obligation.

Even though these estimates are not required Appendix 4.2.1 illustrates the estimated costs of \$4,725,000 for fixtures, furnishings, and equipment for facility activation.. This figure, based on furnishing 135,000 square feet, is customary and reasonable for similar facilities within the Stennis Shared Services Pool.

The NSSC facility life-cycle operating costs shown in Appendix 4.2.1 are significantly



lower than a comparable facility location. These lower costs result from being a resident of the unique Federal City that has evolved at Stennis Space Center over the past thirty-five years. This Federal City currently encompasses more than thirty federal, state, and private organizations that participate in a partnership arrangement allowing common base operating costs to be shared. Each organization pays a share of the common operating costs based on the number of personnel accommodated and the space they occupy. The White Paper contained in Appendix 4.2.2 describes the Stennis Shared cost support services and the cost model for liquidating the common operating costs within the shared services pool.

Common operating costs levied against the number of resident organization personnel include: medical services, environmental operations and management, mail services, on-site and airport shuttle transportation, and communications infrastructure maintenance. Operating costs computed against square footage of space occupied include: roads and grounds maintenance, building maintenance, custodial services, fire and security services, and utility systems maintenance.

Other services charged directly to the resident organizations include natural gas and electric utilities computed on a square footage basis as well as Information Technology Services and phone service charged on a per person basis.

Appendix 4.2.3 itemizes the common operating costs expected for the NSSC at the Stennis location. Costs determined by number of personnel are shown as \$771.55 per person. This rate was applied against the NSSC phasing plan for accommodating 196 personnel in 2006, 400 in 2007 and a steady state of 470 through 2040. The rate of \$12.97 per square foot was computed based on the

phased occupancy plan of 53,900 square feet occupied in 2006, 110,000 square feet occupied in 2007, and a steady state of 135,000 square feet occupied through 2040. The Other Costs summary in appendix 4.2.3 is based on 2004 rates approved by the Space Flight Enterprise IPO. In reality the addition of 470 personnel and 135,000 square will reduce the per person rates by approximately 13% and the square footage rates by approximately 5%. Such is the nature of the shared cost service pool; as more personnel and square footage are included in the respective pools the resident organizations' overall operating costs decline.

4.3 Initial Cash Requirement

As illustrated in Appendix 4.2.1, initial cash outlays will be required for furnishings fixtures and equipment. Although the nomination guidelines do not require this estimate, it is provided for the NSSC full cost computation. The provided figure of \$4,725,000 is based on the NSSC facility square footage and charges to outfit comparable space at Stennis Space Center during 2003.

4.4 Estimated Facility and Other Cost (stabilized)

With its entry into the Stennis Shared Services Pool, the NSSC will benefit from the economies of liquidating common operating costs in cooperation with the other resident agencies. Appendix 4.4.1 depicts the shared services operating costs at a constant level beginning in year three (fiscal year 2008). As the NSSC reaches its full complement of 470 personnel, the resultant "Other Costs" for shared services is shown as \$3,464,233 per year through the 35-year NSSC life cycle. The cumulative five-year cost of



\$158,397,907 reflects these historically stable rates.

One of Stennis Space Center's documented performance goals is to maintain the shared services rates on par with or below the Department of Labor/ CPI inflation rate. Appendix 4.4.2 shows the Stennis Space Center Occupancy Rates Trends since our 1989 benchmark with Department of Labor. Over this 15-year period, Department of Labor CPI has increased by 50% while Stennis Space Center Occupancy rates have increased around 12%. Note that the occupancy rates since 1999 are essentially level. Stable occupancy rates are reflective of a stable Center population experiencing positive growth trends. Appendix 4.4.3 illustrates the Federal City population over the past 15 years and shows an overall upward trend contributing to very stable shared operating costs.

The Stennis Space Center shared services cost model has been reviewed several times in the past 15 years by the NASA Office of the Chief Financial Officer (Code B). As the formulas in Appendix 4.2.2 illustrate, when new facilities and personnel are added to the shared cost pool, all resident agencies experience significant cost savings. For example, with the addition of NSSC into the shared services pool computed at 2004 rates, the overall square footage rate will decrease by 5% and the per person rate by 13%. As the Center continues to grow, all resident organizations including the NSSC will benefit by the gained efficiencies.

Predictable and stable rates are the hallmarks of the NASA and resident organization partnership within the Federal City. This partnership between Federal, State, Academic and private organizations affords important opportunities for both operating costs savings

as well as programmatic success. NASA provides and oversees a team of support contractors who operate and maintain facilities and laboratories and provide technical, security and other support services that address NASA and resident organizations program requirements. Significant benefits are derived through cost savings and cost avoidance that result from combining land and facility resources. Of no less importance are the opportunities for collaboration between resident organizations and the resultant programmatic synergy. Added benefits include the economic impact on the Rural Development Area encompassing Stennis Space Center further emphasized as employees retire and make the Mississippi Gulf Coast their permanent home. As the 2002 Staubach Report States, "The Stennis Space Center Federal City is a cost model for others to emulate. It is a win-win situation for all involved."

Appendix 2.1.1



United States
Department of
Agriculture

Rural
Development

Suite 631, Federal Building
Jackson, Mississippi 39269
Phone: (601) 965-4316
FAX: (601) 965-4088

Nick Walters
State Director

January 27, 2004

Mr. Thomas Q. Donaldson V
Director, Stennis Space Center
Building 1100, Mail Code AA00
Stennis Space Center, MS 39529

Dear Mr. Donaldson:

Thank you for your recent inquiry to my office as to whether the proposed "rural area", which includes the Stennis Space Center and a portion of its "Buffer Zone" as well as portions of Hancock and Pearl River Counties in Mississippi, qualifies as a "rural area" within the regulations of the Rural Development Act of 1972 and as amended. I have researched the situation and concluded that the proposed area including the Stennis Space Center does meet this definition of a "rural area".

I appreciate your taking the time to check with me on this issue. If this office can be of further assistance in this matter, please do not hesitate to contact me again. If you need any information on our programs, you may log on to our website at www.rurdev.usda.gov/ms

Sincerely yours,

A handwritten signature in black ink that reads "Nick Walters". The signature is fluid and cursive, with the first name "Nick" being particularly prominent.

NICK WALTERS
State Director

NW/si



University of Arkansas • Fayetteville, Arkansas • Phone: (479) 575-2000 • Fax: (479) 575-2003

School of Law
Fayetteville
Arkansas, 72701

January 9, 2003

Mr. William T. Hughes
Building 1103
Stennis Space Center, Mississippi 39529

Dear Mr. Hughes:

As requested, I have considered whether the John C. Stennis Space Center is, or is in, a "rural area" in the meaning of the Rural Development Act (P.L. 91-524, Title IX, § 901 (Nov. 30, 1970); 84 Stat. 1383, as amended, codified at 7 U.S.C. § 2204b-1(b) ("RDY"). This letter reports the research and findings of that consideration.

I. Findings

The Stennis Space Center is located in a "rural area" within the meaning of the RDY. It is not in a city or town of over 50,000 inhabitants. Nor is it in an "urbanized area contiguous and adjacent to such a city or town."

II. Research

A. The Rural Development Act, Generally

The Rural Development Act currently provides:

a. Congressional commitment. The Congress commits itself to a sound balance between rural and urban America. The Congress considers this balance so essential to the peace, prosperity, and welfare of all our citizens that the highest priority must be given to the revitalization and development of rural areas.

b. Location of Federal facilities. Congress hereby directs the heads of all executive departments and agencies of the Government to establish and maintain departmental policies and procedures giving first priority to the location of new offices and other facilities in rural areas as defined in the private business enterprise exception in section 306(a)(7) of the Consolidated Farmers Home Administration Act of 1961, as amended.

This act was initially part of Public Law 91-524, Title IX, § 901 (Nov. 30, 1970); 84 Stat. 1383. That act originally required in paragraph (b), "Congress hereby directs the heads of all executive departments and agencies of the Government to establish and maintain, insofar as practicable, departmental policies and procedures with respect to the location of new offices and other facilities in areas or communities of lower population density in preference to areas or communities of high population densities." This language was removed from paragraph (b), and the current language giving "first priority ... in rural areas" was substituted, by the Rural Development Act of 1972 (P.L. 92-419 (Aug. 30, 1972), Title VI, § 601, 86 Stat. 674).

The Rural Development Act of 1972 designated the definition of a "rural area" to be that found in "section 306(a)(7) of the Consolidated Farmers Home Administration Act of 1961 ["FHA"], as amended," which is codified at 7 U.S.C. § 1926(a)(7). That definition was deleted by amendments to the FHA passed in 2002. (P.L. 107-171, Title VI, Subtitle A, §§ 6001-6007(a), 6008, 6020(b)(1) (May 13, 2002); 116 Stat. 352, 355, 363)("2002 act"). Another provision was enacted in those amendments, which was codified at 7 U.S.C. 1991(a). Although the RDA was not itself amended to reflect these changes, this definition clearly applies.

B. The Definition of "Rural Area" in the FHA.

An error in codification might appear to have repealed the definition of "rural area" in section 306(a)(7) of the FHA. Despite this error, it is clear that Congress has intended the definition of "rural area" now within section 343(a) of the Consolidated Farm and Rural Development Act to substitute for the definition repealed from section 306(a)(7). Congress's intent becomes clear only through consideration of non-codified text in references to the 2002 act.

Further, agencies charged under the Rural Development Act with its implementation have applied this definition in rules promulgated in 2003.

An important qualification must be considered regarding any source of this definition. There are several, very different Congressional mandates dealing with "rural areas." Definitions arising from other statutes have different purposes, different histories, and different applications. A definition of "rural area" created either for unspecified purposes or for any purpose other than defining the Rural Development Act or the required portions of the FHA does not apply to this act.

1. Definition of "Rural Area" in the FHA

The RDA requires application of the FHA definition of "rural area" for the purposes of the private business enterprise exception 7 U.S.C. § 1926(a)(7). That definition was deleted by the Farm Security and Rural Investment Act of 2002, (P.L. 107-171 (May 13, 2002), Title VI, Subtitle A, §§ 6001-6007(a), 6008, 6020(b)(1), 116 Stat. 352, 355, 363). Instead, Section 6020 of the 2002 act specifies:

Sec. 6020. Definition of Rural and Rural Area.

(a) In General.--Section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)) is amended by adding at the end the following:

(13) Rural and rural area.--

(A) In general.--Except as otherwise provided in this paragraph, the terms "rural" and "rural area" mean any area other than--

- (i) a city or town that has a population of greater than 50,000 inhabitants; and
- (ii) the urbanized area contiguous and adjacent to such a city or town.

116 Statutes at Large 362-363. This definition is codified at 7 U.S.C. § 1991(a)(13). It is clearly the intent of Congress that this amendment of section 343(a) serves also to amend section 306(a)(7), which is the basis for the RDA. Subpart (b) of Section 6020 specifies

(b) Conforming Amendments.--

(1) Section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) is amended by striking paragraph (7).

116 Statutes at Large 363 (uncodified). Thus, the definition of "rural area" that Congress has enacted that substitutes for the definition still required in the RDA of "the private business enterprise exception in section 306(a)(7) of the Consolidated Farmers Home Administration Act of 1961, as amended."

2. Other Agency Interpretations of the RDA

The General Services Agency has issued a Federal Management Regulation concerning Locating Federal Facilities in Rural Areas. (GSA FMR Bulletin 2003-B1, 68 Federal Register 2776, January 21, 2003). That bulletin is "intended to assist Federal agencies, having their own statutory authority to acquire real property, in complying with the Rural Development Act of 1972." That bulletin became effective January 21, 2003 and is to remain in effect indefinitely. Paragraph 5 of that bulletin states:

5. What "rural area" definition does GSA recommend for Federal agencies having their own statutory authority to acquire real property?

GSA recommends that Federal agencies, having their own statutory authority to acquire real property, use the following "rural area" definition:

"Rural area means a city, town, or unincorporated area that has a population of 50,000 inhabitants or less, other than an urbanized area immediately adjacent to a city, town, or unincorporated area that has a population in excess of 50,000 inhabitants, as specified in 7 U.S.C. 2009."

68 Fed. Reg. 2777. Although the reference in this FMR is to the provision then at 7 U.S.C. 2009, and this provision was also deleted by amendment by the 2002 act, the GSA has not amended its bulletin.

The Internal Revenue Service, among other agencies, has adopted the GSA definition for intra-agency compliance with the RDA. This is the purpose of the report that was cited as a reference in the appendix of the NASA NSSC Site Nomination Guidelines and Criteria, December 8, 2003, at page 35. Treasury Department, Procedures Established to Ensure Compliance With the Rural Development Act of 1972 Were Not Consistently Followed; Inspector General for Tax Administration Reference Number 2003-10-177, August 2003. (Available at <http://www.treas.gov/tigta/2003reports/200310177fr.html>). That report criticizes the IRS for failing to follow the RDA, and it quotes and adopts the GSA standard from 68 Fed. Reg. 2777 as the appropriate agency standard.

NASA has adopted the same standard as the GSA standard quoted above, at least for the purposes of the NSSC review. By citing to the IRS adoption of the GSA standard for "the discussion of the definition of 'rural area'" it would appear that the standard designated by NASA for "rural area" is "a city, town, or unincorporated area that has a population of 50,000 inhabitants or less, other than an urbanized area immediately adjacent to a city, town, or unincorporated area that has a population in excess of 50,000 inhabitants."

While it does not appear that NASA has promulgated a rule adopting the GSA definition for agency-wide use, this reference in the Site Nomination Guidelines and Criteria is adequate for the purpose of the NSSC proposal. Further, the only definition of "rural area" that has been promulgated by NASA that is currently in force is NASA's Rural Area Small Business Plan, adopted to implement Congressional requirements not under the RDA but under Public Law 100-590 to promote contractors from rural areas 48 C.F.R. 1819.7101 (55 F.R. 47479, Nov. 14, 1990; 62 F.R. 36704, 36710, July 9, 1997). That regulation employs both a differing definition of "area" and a differing definition of "rural" from any of the definitions that adopted by the RDA through successive amendments of the FHA. Although an agency definition of a term within a statute is not necessarily dispositive, the definition incorporated into the NSSC Site Nomination Guidelines and Criteria is identical to that adopted by Congress in 2002.

C. The Definition of "Rural Area" in the Rural Development Act.

The current definition of a "rural area" in the Rural Development Act is any area that fails to meet either of two criteria. Under the 2002 act, "rural and rural area" includes any area other than--

- (i) a city or town that has a population of greater than 50,000 inhabitants; and
- (ii) the urbanized area contiguous and adjacent to such a city or town.

Thus, a rural area is not a city or town that has a population of greater than 50,000 inhabitants. A rural area is not the urbanized area contiguous and adjacent to a city or town of greater than 50,000 inhabitants. All other areas are rural areas.

D. The Populations of the Stennis Space Center Area

Stennis Space Center was originally located in Hancock County, Mississippi, in part because its rural location would allow the testing of the massive Saturn program rocket engines of the Apollo space program without hazard to an urban area. Although communities in the region have grown larger since then, the SSC retains its rural character.

The SSC is not in a city or town. The SSC does not contain an inhabited city or town. The SSC is not contiguous and adjacent to any city or town.

The SSC is not in an urbanized area. The area of the SSC is heavily forested and has no habitations. The areas contiguous to the SSC are either forest, marshland, or agricultural lands. The population of these contiguous areas amount to 838 inhabitants in Pearl River, Mississippi, 1,728 in Hancock County, Mississippi, for a total of 2,566 inhabitants in the areas contiguous to the SSC. The population density estimated by the Census Bureau for the contiguous area south of the SSC is 34

inhabitants per square mile. The Census Bureau estimates the density for the contiguous area north of the SSC to be 115 inhabitants per square mile. See U.S. Census Bureau, Census 2000 Redistricting Data (Public Law 94-171) Summary File, Matrix PL(http://factfinder.census.gov/servlet/ThematicMapFramesetServlet?ds_name=DEC_2000_PL_U&geo_id=16000US2837600&tree_id=400&map_name=DEC_2000_PL_U_M00090&lang=en). Applying a more expansive definition of the SSC area, and in consultation with local officials, SSC has determined that in its contiguous area of 24.77 square miles there are 2,566 inhabitants (including the 838 in Pearl River, County, Mississippi and 1,728 in Hancock County, Mississippi) for a population density of 103.6 per square mile. The Census Bureau calculates the extent of an "urban fringe" of an "urbanized area" as that area that has a density of greater than 1,000 inhabitants per square mile. Thus, no part of the areas contiguous to the SSC is of an urban level of density.

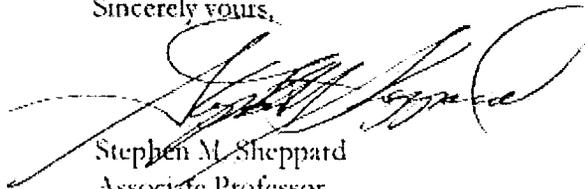
The cities or towns that are neither adjacent nor contiguous but are closest to the SSC that are subject to reporting in the 2000 census are Pearlinton, Mississippi, which is 6.5 miles southwest of SSC and has a population of 1,684; Picayune, Mississippi, which is 11 miles northeast of SSC with a population of 10,560; Kain, Mississippi, which is 16 miles southeast from SSC and has a population of 2,040; Waveland, Mississippi, which is 16 miles south of SSC and has a population of 6,674, and Bay St. Louis, Mississippi, which is 19 miles southeast of SSC and has a population of 8,209. Although none of these towns are adjacent and contiguous to SSC, if any were, they would not be of a size to meet the definition excluding an area contiguous from such a city or town from being in a rural area.

III. Conclusion

The Stennis Space Center is not in a city or town of greater than 50,000 inhabitants. Nor is the Stennis Space Center in an urbanized area contiguous and adjacent to a city or town of over 50,000 inhabitants. Therefore, the Stennis Space Center is located in a "rural area" within the meaning of the Rural Development Act.

If you have any questions regarding the any aspect of this report, please contact me at (479) 474-7127 or at sheppard@uark.edu.

Sincerely yours,



Stephen M. Sheppard
Associate Professor

Lecturing in Environmental and International Law,
Property, and the Philosophy of Law



BRAC Commission Regional Hearing Community Follow up

Partners for Stennis
Thursday, August 4, 2005

Department of the Navy
Human Resources Service Center-Southeast
NASA-Stennis Space Center
Mississippi

Nasa Shared Services Center Set to Open October 1st, 2005 at Stennis Space Center

- Site proposals were received from 6 of the 9 NASA centers, including:
 - Glenn Research Center-Cleveland, OH
 - Johnson Space Center-Houston, TX
 - Kennedy Space Center-Cape Canaveral, FL
 - Langley Research Center-Langley, VA
 - Marshall Space Flight Center-Huntsville, AL
 - NASA-Stennis Space Center-Hancock County, MS

- Proposals were evaluated by the NASA Shared Services Center (NSSC) Implementation Team based upon of Mission Suitability, Cost, Technical Approaches, Staffing Solutions, and other financial factors

Nasa Shared Services Center Set to Open October 1st, 2005 at Stennis Space Center

- May 5, 2005, NASA awarded the NSSC contract to Computer Sciences Corporation (CSC) of Falls Church, VA, to be located at Stennis Space Center, MS
- NSSC will perform a variety of consolidated transactional and administrative activities being done at each NASA Center and Headquarters
- The Mission of NSSC is similar to that of the NAVY Human Resources Service Centers in the Southeast & Northeast:
 - Provide high quality, cost-effective, efficient, selective services for human resources, procurement, financial management and information technology operations

Independent Confirmation

Stennis Space Center is the superior consolidation location for the Department of NAVY Human Resources Service Center- Southeast & Northeast

Stennis Space Center as the Site

- Offers a site currently operating multiple shared services concepts, saving the federal government millions of dollars
- Offers a geographic location that economically impacts two states—MS/LA
- Is located in a designated Rural Development Area (RDA)
- Is located in an area with the lowest labor rates, lowest crime rate and affordable housing
- Offers the opportunity to expand existing facilities at minimum costs near the same site as four universities and one community college

NASA Shared Services Center

A Case Study

(details provided in the NSSC proposal)

- Human Capital & Workforce
 - Available Workforce
 - Education & Training
 - Workforce Diversity
 - Quality of Life
 - Facility Workspace Efficiency
- Facility
 - Physical Quality Requirements
 - Security

NASA Shared Services Center

A Case Study

(details provided in the NSSC proposal)

- National Accessibility
 - Round-trip Flight Availability
 - Visitor accommodation and affordability
 - Stability of utilities/communication infrastructure

NASA Shared Services Center

A Case Study

(details provided from the NSSC proposal)

- Cost
 - Estimated Workforce Cost
 - Shared costs model
 - Estimated facility and other costs

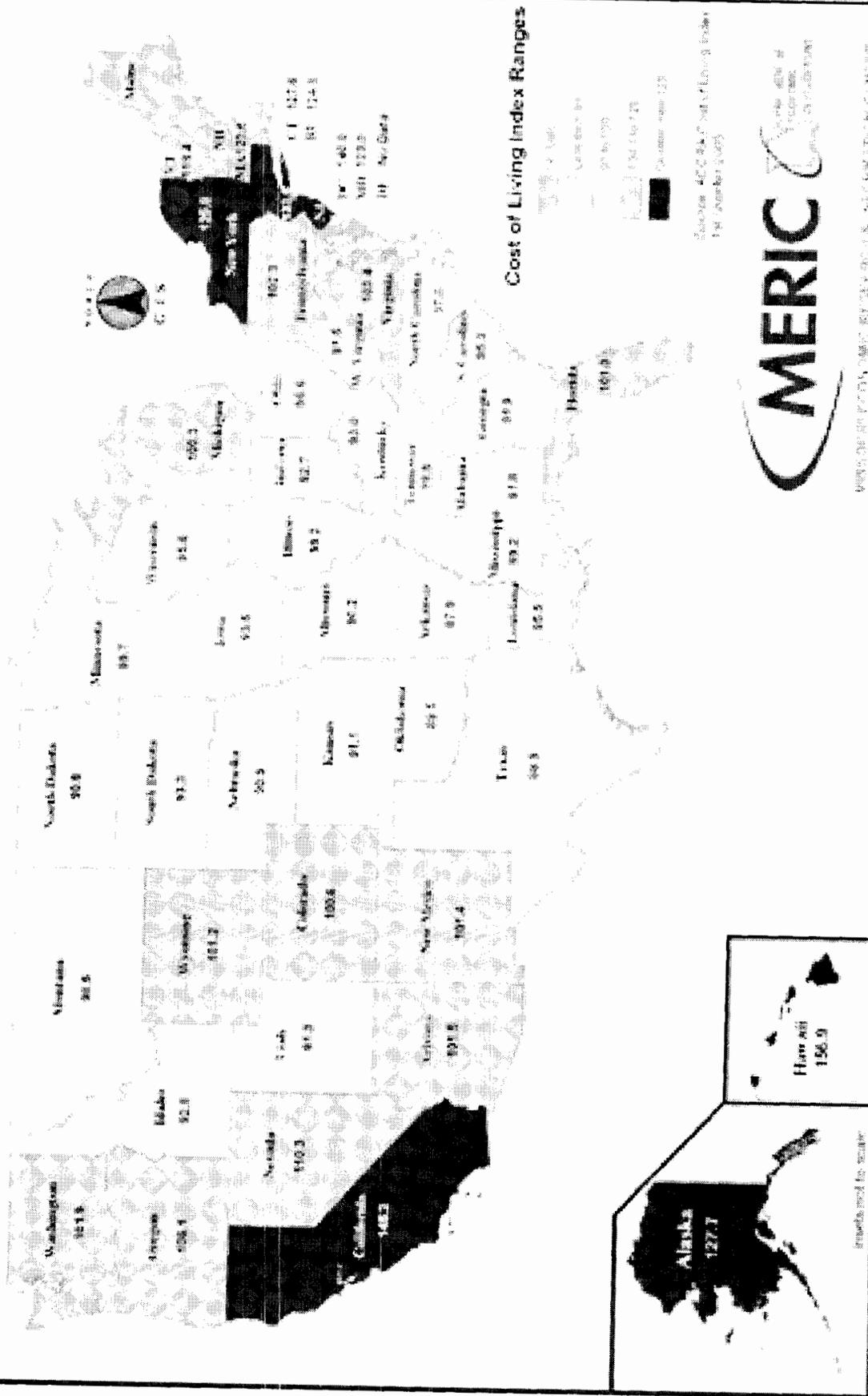
MS Cost of Living is Lower than PA

- In the 1st quarter of 2005, Mississippi was among three states with the lowest cost of living in the United States (of the 47 states and the District of Columbia surveyed by ACCRA*).
- The least expensive areas to live continue to be the Midwest and Southern States.

**ACCRA is the Council for Community and Economic Research, formerly the American Chambers of Commerce Research Association*

Composite Cost of Living Index

1st Quarter 2005



1st Quarter 2005 Cost of Living Figures

State	Rank	Index	Grocery	Health Care	Housing	MISC	Transportation	Utilities
AK	44	127.7	139.8	138.5	133.9	119.9	121.1	123.4
AL	12	91.8	97.2	88.8	80.0	98.3	96.8	93.1
AR	1	87.9	90.1	90.7	77.9	92.5	90.5	94.6
AZ	32	101.5	105.6	101.5	102.7	99.1	100.5	102.4
CA	47	145.2	126.3	117.2	220.1	113.0	114.9	103.4
CO	28	100.6	105.0	103.0	103.5	97.6	101.9	95.1
CT	43	127.6	111.3	118.5	164.2	110.7	110.1	120.6
DC	46	140.0	105.3	120.5	214.1	111.1	111.2	105.2
FL	29	101.0	102.0	102.5	102.2	100.7	105.1	93.3
GA	13	91.9	98.3	100.1	78.3	96.7	95.9	99.1
HI	48	156.9	149.7	112.2	216.5	124.6	127.5	150.5
IA	18	93.5	88.3	92.8	89.4	96.2	96.5	101.0
ID	15	92.8	89.7	96.7	82.3	99.8	98.8	95.7
IL	25	99.2	98.4	98.3	97.6	99.4	103.9	100.5
IN	14	92.7	92.1	100.0	85.0	94.6	97.7	101.2
KS	9	91.1	87.3	90.7	85.3	94.8	95.7	96.5
KY	16	93.0	97.0	93.0	81.4	97.5	98.8	99.9
LA	20	95.5	98.2	93.6	90.2	98.6	96.3	96.3
MA	39	120.6	114.5	113.8	135.3	111.2	107.5	133.2
MD	40	123.0	104.2	109.0	155.3	110.5	112.4	113.3
MI	27	100.3	102.5	99.5	97.8	101.1	101.7	100.6
MN	26	99.7	93.2	101.9	94.2	102.5	103.0	110.4
MO	6	90.2	93.4	92.8	80.8	96.1	93.8	88.7
MS	3	89.2	91.2	92.6	72.6	97.3	95.7	98.6
MT	24	98.5	105.4	100.5	88.4	102.0	101.6	103.1
NC	23	97.0	101.2	100.6	93.3	99.1	98.4	92.4
ND	7	90.6	94.8	95.6	79.6	95.8	92.5	95.5
NE	8	90.9	95.6	87.5	78.2	94.4	94.6	107.5

Source ACCRA

1st Quarter 2005 Cost of Living Figures

State	Rank	Index	Grocery	Health Care	Housing	MISC	Transportation	Utilities
NJ	45	133.8	121.1	107.8	179.6	116.2	106.1	114.5
NM	31	101.4	102.2	103.0	103.2	99.3	102.7	100.8
NV	37	110.3	106.9	112.1	121.2	104.0	106.0	108.2
NY	42	125.8	111.6	108.3	157.2	110.6	109.4	127.8
OH	22	96.6	101.8	94.8	89.1	96.9	99.7	108.7
OK	4	89.5	92.4	93.6	80.1	94.0	91.2	94.3
OR	36	106.1	112.9	112.4	103.9	106.9	107.1	97.2
PA	34	102.3	101.9	97.9	102.9	101.5	102.7	105.1
RI	41	124.8	115.5	108.8	156.4	111.6	96.2	123.4
SC	19	95.3	102.1	96.4	88.6	98.5	93.8	95.6
SD	17	93.3	94.7	95.3	79.4	105.0	84.8	98.1
TN	5	89.6	94.9	94.2	78.4	96.7	91.7	86.6
TX	2	88.9	87.1	97.9	77.4	95.0	94.6	94.6
UT	10	91.3	96.3	88.5	80.5	97.9	102.6	84.0
VA	35	103.4	100.3	99.5	107.5	101.3	96.3	111.1
VT	38	118.4	107.7	106.9	131.7	114.8	109.2	119.5
WA	33	101.9	105.4	119.1	99.5	102.7	105.4	91.6
WI	21	95.6	91.5	98.6	92.4	96.9	100.0	100.8
WV	11	91.5	91.6	99.8	81.3	96.8	96.9	94.3
WY	30	101.2	110.4	95.6	98.7	98.8	97.2	110.4

Source ACCRA

ACCRA Cost of Living Index based on Comparison of Gulfport-Biloxi MS Area to the Philadelphia, PA Area

Location	Total (100%)*	Grocery (14%)*	Housing (29%)*	Utilities (10%)*	Trans. (10%)*	Health (4%)*	Misc. (33%)*	Avg. Rent**	Avg. Home Price***
Gulfport-Biloxi, MS Area	92.5	101.4	73.9	93.6	98.7	104.4	101.3	\$726	\$189,900
Philadel- phia, PA	123.2	127.7	135.3	122.0	113.3	116.1	115.1	\$1,238	\$355,244
Percent Diff.	+33.2%	+25.9%	+83.1%	+30.3%	+14.8%	+11.2%	+13.6%	+70.5%	+87.1%

Source: ACCRA Cost of Living Index sample data. Data represent the index calculated for **2005 First Quarter**.

*The national average cost for each index area is set at "100", and the indices for each place are then calculated based upon their relation to that average. In addition, the total cost of living index does not include taxes.

**Avg Rent - two bedrooms, unfurnished, excluding all utilities except water, 1 1/2 or 2 baths, 950 sq ft.

***Avg Home Price - 2,400 sq ft. living area, new house, 8,000 sq ft. lot, 4 bedrooms, 2 baths.

Population & Labor

County/Parish	St. Tammany	Hancock	Harrison	Pearl River	Total
Total Population	191,268	42,967	189,601	48,621	472,457
16+ In Labor Force	66,927	18,904	87,237	20,792	193,860

- St Tammany & Hancock in the Top 10% fastest growing counties in the Nation; Pearl River in the Top 15%; Harrison County in the Top 33%
- Employment Level: 96% (2004); Median Age of workforce: 37
- Education Levels: 81% High School Graduates; 23% College Graduates
- National Levels: 80.4% High School Graduates; 24.4 College Graduates

Regional Technical Schools, Community Colleges & Universities

MS & AL	Enrollment
USM (3 campuses)	15,232
Gulf Coast Community College (6 campuses)	12,962
Pearl River Community College (three campuses with one in Hancock County)	6,443
William Carey College (three campuses)	2,365
USA, Mobile, AL	13,538

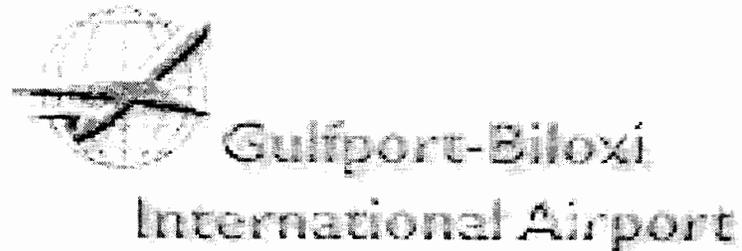
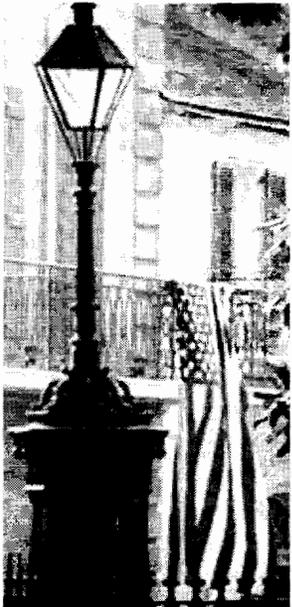
- Center for Higher Learning at Stennis Space Center is a consortium of three universities and one community college [USM, MSU, UNO, PRCC] offering CISCO certifications to Doctoral programs.
- Eight four year universities in the region

Regional Technical Schools, Community Colleges & Universities

Louisiana	Enrollment
Dillard University	1,625
LSU School of Medicine, NO	2,908
Loyola University, NO	5,582
Southern University, NO	4,650
Tulane University, NO	11,000
UNO, NO	16,308
Xavier University, NO	3,304
Delgado Community College, NO	15,143
Our Lady of Holy Cross College, NO	1,198

Air Service

- Gulfport-Biloxi Regional Airport
 - All Jet Service
 - Airtran, ASA/Delta, Continental, Northwest
 - Flights to: Houston, Memphis, Atlanta, Tampa, Orlando, Ft. Lauderdale
 - Coming soon, direct flights to DC and NYC
- New Orleans International 45 minutes west of Hancock County



Stennis is the Smart Choice for Consolidation

- For more information, contact:

Partners for Stennis

Chuck Benvenuti, CPA, Chairman of the Board

John Harral, Attorney, Board of Directors

Hal Walters, Chairman, Stennis Military Council

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CONSTRUCTION COMPANY, INC.

P.O. Box 2579 • Bay St. Louis, MS • 39521-2579 • 228-467-0872 • fax 228-466-3945

August 3, 2005

BRAC Commission
2521 South Clark Street, Suite 600
Arlington, VA 22202

Re: Navy Human Resources Service Center
Southeast/Stennis Space Center, MS

Dear Commissioners:

I am the President of G.M.&R. Construction Company, Inc. located in Waveland, Mississippi. G.M.&R. is a general contractor specializing in commercial building construction. G.M.&R. has constructed a number of commercial buildings at Stennis Space Center. As a result I am very familiar with construction costs at Stennis, including costs of expanding or renovating existing office buildings.

It is my opinion that the cost of expanding the existing building where the Navy's Human Resources Service Center – Southeast is located at Stennis would be approximately \$150.00 per square foot. I am told that the facility would need to be expanded by approximately 20,000 square feet to accommodate the additional mission if HRSC – Northeast were consolidated with HRSC – Southeast at Stennis. Therefore, it is my opinion that the expansion of the Stennis facility to first class office space to accommodate the consolidated Center would be approximately \$3,000,000.00.

The opinions expressed in this letter are based on my actual construction experience in South Mississippi and at Stennis Space Center and are made in good faith and to the best of my ability.

Sincerely,



Henry Martinez, Sr.
President

cc: file

Introductions

John Harral, Attorney
Chuck Benvenuti, CPA

Partners for Stennis
Board of Directors



Human Resources Service Center-Southeast



HRSC-SE

- One of six Navy-wide centers in US
- \$12M budget in FY03
- 150 employees
- Serving 29,000+ Navy & Marine Corps Civilian employees in 10 Southeastern States, Puerto Rico & Cuba



The DOD Recommendation

- Realign and Consolidate Navy Civilian Personnel Offices

HRSC-Northeast
Philadelphia, PA

HRSC-Southeast
Stennis Space
Center, MS

New HRSC Center
Naval Support
Activity
Philadelphia, PA



The Flawed Assumptions

- **DOD Recommendation based on flawed assumptions:**
 - **HRSC-SE is a typical “leased installation”**
 - **HRSC-SE needs additional force protection totaling \$2 million**

The Flawed Assumptions

- **Therefore, HRSC-SE is assumed to be:**
 - **More costly**
 - **Less secure****than a facility that would be located on NSA Philadelphia property**
- **Recent GAO analysis of DOD-BRAC process agrees that assumptions on HRSC-SE are flawed**

HRSC-SE is NOT A Typical Leased Installation

- **DOD owns the installation**
- **Co-located with 5 other Navy installations**
- **Facility / Base has Level 1 security rating**
- **Navy installation is rent free**

HRSC-SE is NOT A Typical Leased Installation

- Navy does pay its share of the operating costs - \$12.53/sq ft, among lowest in Nation**
- This is approximately 50% lower than NSA Philadelphia estimates**

The Facts

- **Navy HRSC-SE at Stennis Space Center:**
 - **Fact: HRSC-SE is Less Costly**
 - **Fact: HRSC-SE is More Secure**
 - **Fact: HRSC-SE has Higher Military Value**
- than the proposed new site at Naval Support Activities (NSA) in South Philadelphia, PA.**

The Facts

- **DOD did not consider current, accurate, and complete data about HRSC-SE during its BRAC deliberations.**
- **That data clearly demonstrates that the recommendation to move HRSC-SE substantially deviates from BRAC selection criteria.**

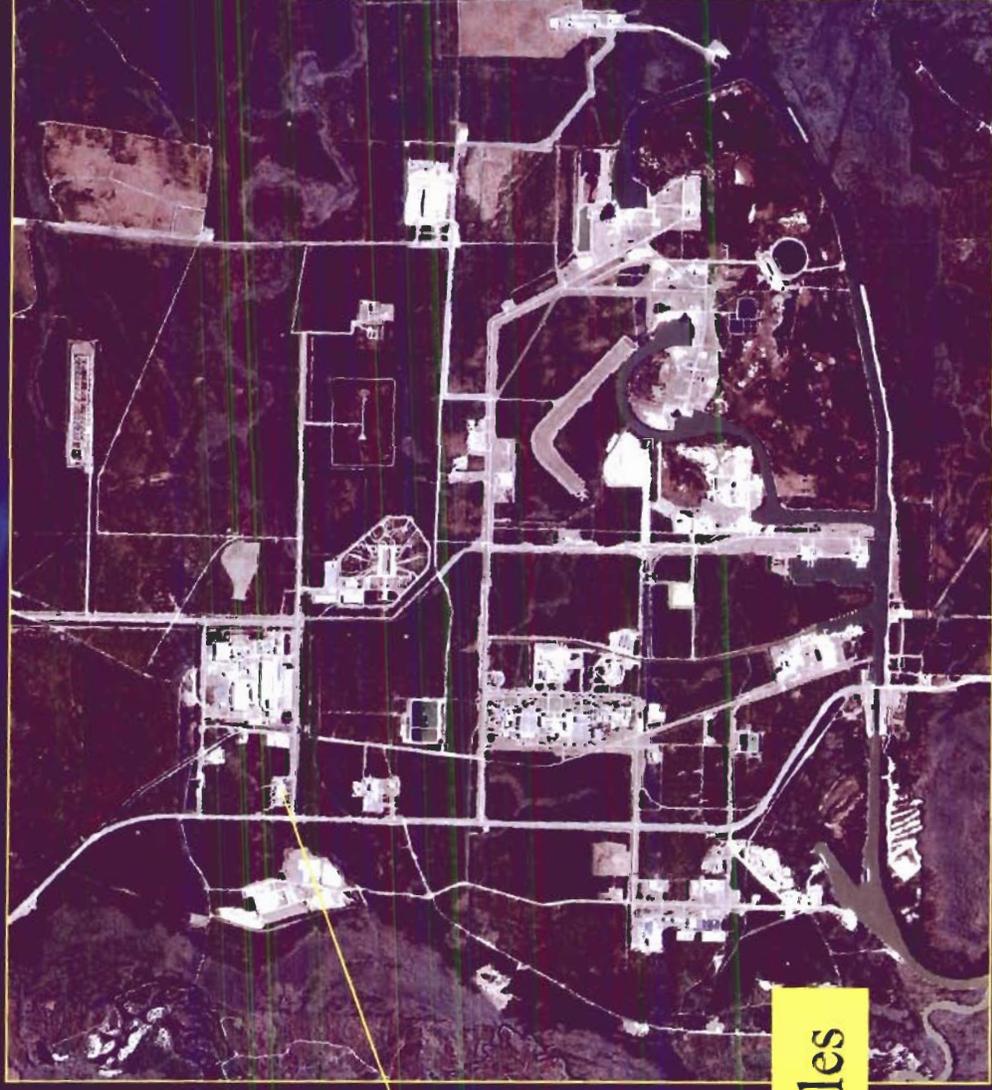
The Facts

- **HRSC-SE Building:**
 - **Outstanding State-of-the-Art Office facility renovated in 1999**
 - **High density storage space**
 - **Located on Secure Federal Property**
 - **No rental charges**

14,800 Acre Federal Facility

Ample space for future expansions

HRSC-SE
Site



New Orleans - 40 Miles



Consolidating HRSC-SE and NE at Stennis More Cost Effective

- **COBRA models show renovation of former warehouse at NSA Philadelphia will cost \$8.7 million**
- **\$3 million will expand first class offices at HRSC-SE**
- **HRSC-SE Savings: \$5.7 million**

Human Resources Service Center Southeast at Stennis



Military Value Favors Stennis

- HRSC-SE had a higher military value score than HRSC-NE
- HRSC-SE military value score would be even higher if “leased space” bias was corrected in analysis
- Stennis factors definitely indicate advantage over NSA Philadelphia site

Installation	MV Score	Rank (25)
HRSC Southeast (Stennis)	0.672	10
HRSC Northeast (Philadelphia)	0.358	20

Force Protection

- **Force Protection concerns strongly favor consolidation at Stennis**
- **High Level of Security: Stennis has Level 1 security rating**
- **Stennis has a secure 14,800 acres with a 125,000 acre protective buffer zone**

Jointness & Synergy at Stennis



**Commander,
Naval Meteorology
and Oceanography
Command**



**Special
Boat
Team 22**



**Naval
Oceanographic
Office**



**Human Resources
Service Center
Southeast**



**Naval
Research
Laboratory**



**Naval Small Craft
Instruction and
Technical Training
School**

**Home of the New
NASA Shared Services Center
Starting October 1, 2005**



Substantial Deviations

- **Criteria #1: DOD failed to consider superior force protection and jointness available at Stennis.**
- **Criteria #2: DOD failed to consider superior availability and condition of land and facilities at Stennis.**
- **Criteria #4 & 5: DOD failed to consider accurate data on the costs of operations and costs of realignment.**

Summary

- **HRSC-SE is currently located in an outstanding facility that:**
 - **Offers high military value**
 - **Operating costs among the lowest in Nation**
 - **Provides greater security than the proposed site at NSA Philadelphia**

Summary

- **Stennis Space Center is THE location for consolidation of HRSC-SE & HRSC-NE**
 - **Lower consolidation costs**
 - **Better infrastructure**
 - **Greater expandability**
 - **Superior force protection**

Introduction

Thank you, Mr. Chairman and members of the Base Realignment and Closure (BRAC) Commission for this opportunity to address the issues regarding the Department of the Navy, Human Resources Service Center-Southeast (HRSC-SE). The Center is located in a Federal installation at NASA-Stennis Space Center. My name is John Harral. I am a local attorney and regional community leader. I also serve on the Board of Directors of Partners for Stennis, a multi-state group of community leaders who support NASA-Stennis Space Center (Stennis). Joining me today is the Chairman of Partners for Stennis, Mr. Chuck Benvenuti, a local CPA and regional community business leader.

The DoD Recommendation

The Navy Human Resources Service Center-Southeast has an annual budget of \$12 million and 150 employees. It is one of six Navy-wide centers in the United States, serving more than 29,000 Navy and Marine Corps Civilian employees in 10 Southeastern States, Puerto Rico and Cuba.

The recommendation from the Department of Defense (DoD) to the BRAC Commission is to realign and consolidate the Navy Civilian Personnel Offices in the Northeast at Philadelphia, Pennsylvania and in the Southeast at Stennis Space Center in Mississippi to create a new Human Resources Service Center at Naval Support Activity in Philadelphia.

We support DoD's wise decision to achieve further savings in its human resources operations through consolidation. Today, we will present documented testimony that makes a compelling case for consolidating the Navy Human Resources Service Center Southeast and Northeast at NASA-Stennis Space Center (Stennis) in Mississippi. Stennis is a unique federal and commercial city where HRSC-SE is co-located with several Naval tenants and 30 agencies. It is also home to the new NASA Shared Services Center. Stennis just won a national competition for this new human resources and administrative service center for all of NASA.

The Flawed Assumptions

We respectfully submit that DoD's recommendation to move the HRSC-SE is wrong and based on flawed assumptions. DoD assumes that it is a typical "leased installation" and thereby more costly. DoD assumes it is less secure, lower in quality, and unavailable for expansion. DoD assumes it is less attractive in terms of jointness and synergy, and that HRSC-SE is in need of additional force protection totaling \$2 million. Therefore, HRSC-SE is assumed to be more costly and less secure than a facility that would be located on Naval Support Activities (NSA) Philadelphia property.

The Government Accounting Office (GAO) analysis of the DoD-BRAC process agrees that assumptions on HRSC-SE are flawed. Specifically, it confirms that the force protection analysis by DoD is wrong regarding BRAC "leased space" assumption. Excerpts from the report are as follows (see page 159):

- "Group applied cost factors consistently to all 'leased' locations;"
- "Did not collect data whether existing 'leases' met standards;"
- "Could result in wrongly applying this factor at a location (already) meeting force protection requirements;"
- "Group applied over \$2 million in ... force protection cost avoidance to relocate (at) Stennis;"
- "Even though Stennis may be as secure as ANY military installation."

In fact, DoD did not consider current, accurate and complete data about HRSC-SE during the BRAC deliberations. That data clearly demonstrates that the recommendation to move HRSC-SE substantially deviates from BRAC selection criteria.

The Facts

These are the facts we would ask the Commission and staff to consider:

- **HRSC-SE is NOT a typical leased installation:**
 - DoD owns the installation;
 - it is co-located with five other Navy installations;
 - the Facility/Base has a Level 1 security rating.

- **The terms of the Navy's agreement do not include rental charges.**
 - The Navy only pays for a share of base operating expenses--currently \$12.53 per square foot, among the lowest in the nation.
 - This is approximately 50% lower than cost estimates that will be incurred at NSA Philadelphia.

- **Navy HRSC-SE at Stennis Space Center is:**
 - less costly;
 - more secure;
 - has higher Military Value than the proposed site at Naval Support Activities (NSA) in South Philadelphia, PA.

- **Quality of Facility:**
 - outstanding state-of-the-art office facility renovated in 1999;
 - high density storage space;
 - located on secure federal property.

- **There is ample space to accommodate any foreseeable future expansions.**
 - The fact is, HRSC-SE is situated at a 14,800-acre Federal facility surrounded by a 125,000-acre buffer zone at NASA-Stennis Space Center.
 - The 125,000-acre acoustical buffer zone is considered a national asset.
 - Stennis is located on the Mississippi Gulf Coast, 40 miles east of New Orleans.
 - Stennis is a unique federal and commercial city comprised of NASA, the Naval Meteorology and Oceanography Command, and more than 30 federal, state, academic and private organizations and numerous technology-based companies.
 - It is also home to the new NASA Shared Services Center. Stennis just won a national competition for this new human resources and administrative service center for all of NASA.
 - Stennis is America's largest rocket test complex. The Center was established in the early 1960's to test the Saturn V engines for the Apollo spacecraft to go to the Moon. Today, all Space Shuttle Main Engines are test fired and proven flight-worthy at Stennis. Components of rocket engines for future spacecraft are also tested there.

- **Consolidating HRSC-SE and HRSC-NE at Stennis is more cost effective:**
 - COBRA models show renovation of a former warehouse at NSA Philadelphia will cost \$8.7 million;
 - Approximately \$3 million will expand first class offices at HRSC-SE;
 - This will save \$5.7 million in warehouse renovation costs;
 - HRSC-SE currently has 150 personnel;
 - Today, HRSC-SE will accommodate 230 office personnel;
 - 80 of the HRSC-NE personnel can be immediately accommodated at HRSC-SE;

- Remaining HRSC-NE personnel and storage can be accommodated with a 20,000 square foot addition;
- This allows NE and SE seamless continuity with no interruption of services;
- The Navy will improve human resources performance during consolidation because the Navy's top-rated HRSC-SE will remain fully operational;
- Operational costs at HRSC-SE are among the lowest in the nation.

Other Factors

Cost is not the only factor favoring HRSC-SE as the clear superior location for this consolidation.

- **Military Value Favors Stennis:**

- HRSC-SE had a higher military value score than HRSC-NE;
- HRSC-SE ranked 10th out of 25 while HRSC-NE ranked 20th;
- HRSC-SE military value raw score was nearly double that of HRSC-NE;
- HRSC-SE military value score would be even higher when "leased space" bias is corrected in the analysis;
- Stennis factors definitely indicate advantage over NSA Philadelphia site.

- **Force Protection criteria strongly favor consolidation at Stennis:**

- HRSC-SE is Level 1 security rated due to sensitive NASA and Navy activities;
- NASA-Stennis Space Center site is 14,800 acres, surrounded by a 125,000-acre protective buffer zone;
- HRSC-SE is in a secure federal facility that meets all the Navy's anti-terrorist needs;
- HRSC-SE building is already within a secure area;
- Security guards patrol the building perimeter;
- Badged access control further protects the facility.

- **Jointness and Synergy at Stennis:**

- **HRSC-SE is co-located with several Navy tenants and 30 agencies** within the Stennis Space Center "Federal City";
- **Stennis is also home to the new NASA Shared Services Center**, after a national competition.
 - Stennis is the national consolidation site for human resources and administrative activities currently being conducted at eight NASA centers and Headquarters.
 - This independently confirms Stennis as the superior consolidation location.
 - Stennis offers synergistic, co-located expertise and interoperability in human resources, procurement, financial management and IT operations.

- Stennis also houses a large percentage of our nation's supercomputer capacity; and, is home to one of the nation's largest information pipeline capacities.
- **Other major Naval activities at the Stennis Space Center:**
 - Naval Meteorology and Oceanography Command and Commander;
 - Naval Oceanographic Office;
 - Naval Research Laboratory;
 - Special Boat Team 22 (Navy Seals);
 - Naval Small Craft Instruction and Technical Training School (NAVSCIATTS); SBT and NAVSCIATTS belong to Special Operations Command; (Together with the Navy, these units make Stennis a joint service facility.)
- **Other Points to consider:**
 - The Navy will improve human resources performance during consolidation because the Navy's top-rated HRSC-SE will remain fully operational.
 - The Navy will maintain better personnel service during the consolidation.
 - The Navy reduces pressures of "grade creep" because of lower living costs at HRSC-SE.
 - Federal law requires high priority for HRSC-SE:
 - Stennis is within a Rural Development Zone;
 - The Rural Development Act requires:
 - Every U.S. agency to give, "the *highest priority* to the revitalization and development of rural areas;"
 - Congress directed "giving *first priority* to the location of new offices and other facilities in rural areas."

Substantial Deviations

- The data strongly indicate that the DoD recommendation to BRAC regarding HRSC-SE substantially deviated from four major selection criteria because it did not properly consider current, accurate and complete data.
- DoD improperly considered the superior force protection and jointness of HRSC-SE resulting in a substantial deviation from selection criteria # 1.
- DoD improperly considered the superior availability and condition of land and facilities at HRSC-SE resulting in a substantial deviation from selection criteria #2.
- DoD improperly considered the cost of operations and realignment of HRSC-SE resulting in a substantial deviation from selection criteria #4 & 5.

Summary

In conclusion, HRSC-SE is currently located in an outstanding facility that offers high military value, has operating costs that are among the lowest in the Nation, and provides greater security than the proposed site at NSA Philadelphia. Consolidation of these operations at HRSC-SE would support a strong Navy Center of Excellence for human resources due to jointness with NASA's Shared Services Center. HRSC-SE is the preferable consolidation location because of lower consolidation costs, better infrastructure, greater expandability and superior force protection.

NASA-Stennis Space Center is the most cost effective and secure location to consolidate the Navy's Southeast and Northeast Human Resources Service Centers. The Navy saves at least \$5.7 million by not renovating an old warehouse in south Philadelphia. In addition, the Navy will maintain higher levels of performance by having its number one HRSC on-line and fully operational at all times during the consolidation.

The Navy's very positive experience with the earlier consolidation that created the HRSC-SE proved that the "Federal City" in Stennis Space Center provides all the ingredients necessary to be an efficient, secure, first class operation. That is why HRSC-SE is the Navy's top-rated Human Resources Center. The continuing growth and success of the Navy's presence at Stennis is further proof that consolidating these operations at HRSC-SE will make our country more secure. It will save money and provide the best mechanism to efficiently deliver quality services without interruption. In short, it is the smart thing to do.

Recommendation

We are respectfully requesting the BRAC Commission to fairly and fully review the DoD recommendation in this matter. We are convinced this review will lead you to conclude that the DoD has deviated substantially from its own criteria and that the consolidation of these facilities should be at NASA-Stennis Space Center. Thank you again for the opportunity to appear before the Commission.

Partners for Stennis

Citizens & Businesses for

Space, Earth & Ocean Exploration

c/o Hancock Chamber, 412 Highway 90, Suite 6

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