



Office of the Mayor

Ross A. Kearney, II

BRAC Commission

AUG 17 2005

Received

August 15, 2005

Mr. Anthony Principi, Chairman
BRAC Commission
2521 S. Clark Street, Suite 600
Crystal City – Polk Building
Arlington, Virginia 22202-3920

Dear Chairman Principi:

I would like to thank you again for serving our country as Chairman of the BRAC Commission. As you know, we in the City of Hampton are very concerned about the recommendation by the Department of Defense to close Fort Monroe in Virginia. Fort Monroe has been considered for closure in every previous BRAC round and, once sound analysis was brought to bear, it was concluded that Fort Monroe is the most suitable location for TRADOC, and the other commands located on the installation, and that the federal government would not save money by closing the base.

The City of Hampton strongly believes that the analysis behind the recommendation that Fort Monroe be closed was flawed. As such, we have prepared the attached report that addresses factors that were not considered in the COBRA calculations regarding the closure of Fort Monroe. City staff has already forwarded an electronic version of this report to Mr. Joseph T. Varallo, Jr. of your staff.

The attached document quantifies cost factors that have been raised during briefings provided to the BRAC Commission by the City of Hampton, the Commonwealth of Virginia, our Congressional delegation and officials at Fort Monroe itself. As such, this document should be viewed as a piece of the entire package of information on Fort Monroe that has been submitted to the BRAC Commission by the aforementioned parties. We have compiled this information based on documented factors considered in previous BRAC rounds, going back as far as the 1988 BRAC, all the way up to current information submitted in this BRAC round.

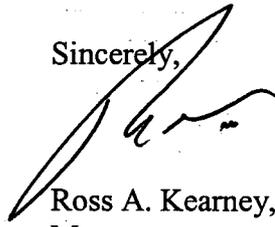
The City of Hampton would like to respectfully submit this information to the BRAC Commission for the record and we sincerely hope that the Commission reviews this information and incorporates these cost factors into your final analysis of Fort Monroe. We are confident that if the Commission examines these factors closely, the Commissioners will

"Oldest Continuous English-Speaking Settlement in America – 1610"

conclude that no savings will be achieved from the closing of Fort Monroe. In fact, we believe the Commission will find that closing Fort Monroe will result in the Federal government incurring substantial cost and, therefore, Fort Monroe should remain open.

Thank you for your time and consideration. Please feel free to contact me, or Assistant to the City Manager, Brian D. DeProfio (757-727-6067), with any questions regarding the material submitted.

Sincerely,

A handwritten signature in black ink, appearing to read "Ross A. Kearney, II". The signature is stylized with a large, sweeping initial "R" and a long horizontal stroke.

Ross A. Kearney, II
Mayor

Attachment

Cost of Closing Fort Monroe: Why Actual Costs Will Differ from BRAC Estimates



**City of Hampton, Virginia
August 12, 2005**

Background

Under the Defense Base Realignment and Closure (BRAC) Commission's recommendation for Fort Monroe, all existing personnel would be reassigned to other facilities and Fort Monroe would be closed with an estimated savings, over the next 20 years, of \$687 million in present value terms. When additional cost factors, not considered in the standard BRAC analysis, are considered, the closure of Fort Monroe will *cost* the federal government between \$1.391 billion and \$1.951 billion. Any projected net savings are at best founded upon questionable data.

Why estimated and actual costs will differ

The BRAC commission savings estimates were developed using a model called "Cost of Base Realignment Actions" or COBRA. For each proposed base closure or realignment, this model uses a limited amount of actual data pertaining to the affected facilities coupled with standard factors based on nation-wide averages to compute the estimated savings for base closures and realignments. Implicitly, this COBRA model assumes that the standard factors represent fairly the costs of closing individual facilities.

The *actual* costs of closing Fort Monroe are likely to differ significantly from the BRAC *estimates* for at least the following reasons:

Environmental costs The BRAC report states that environmental restoration costs are not considered in the cost of closing a facility because DOD is required to undertake environmental cleanup activities, over time, for *all* military facilities. Therefore, the BRAC report assumes these costs would not change due to base closure only. However, this assumption is not always appropriate. Even if certain cleanup costs are incurred eventually, there are at least two reasons why the assumption may not be valid:

- The standards for such work depend on the use to which the facility is put. If the facility is used for military purposes one standard is used; if used for residential or park land purposes a higher standard is used. Therefore, the environmental cleanup costs will increase substantially if Fort Monroe is closed and used for non-military purposes.
- DOD continues to demonstrate that they can operate a facility indefinitely without cleaning the facility, particularly in the case of Fort Monroe, where the Army has continued to operate the Fort for over 180 years without cleaning up the environmental contamination, or perhaps more accurately, without addressing the difficult issue of locating and safely removing unexploded ordinance, both on land and in waters immediately surrounding the installation. Therefore, the costs of cleanup could continue to be deferred so far into the future that the cost could be minimal to non-existent in present value terms.

There can be no doubt that the costs of closing Fort Monroe will increase as a direct result of environmental remediation that will be necessary to prepare the property for civilian use. The environmental contamination issue at Fort Monroe is the presence of unexploded ordinance (UXOs) buried on the Post. The Honorable Philip Grone, Deputy Under Secretary of Defense for Installations and Environment, acknowledged that cost estimates for UXO cleanup were unreliable in his testimony to the BRAC Commission on August 11, 2005 when he said, "cost estimates continue to fluctuate for the MMRP (Military Munitions Response Program)." Given the uncertainty around the cost of

cleaning up the ordnance at Fort Monroe, the additional environmental cleanup costs can be approximated by comparing two estimates:

- In a September 15, 1988 letter from the Deputy Post Commander for Fort Monroe to the Assistant City Manager for the City of Hampton (Appendix-Exhibit A), the costs of *complete decontamination* were estimated to be roughly \$700 million to \$952 million, if incurred at that time. If inflation during the last 17 years is considered, these costs would be 43 percent higher or roughly \$1 billion to \$1.36 billion. It is our understanding that no comprehensive environmental remediation cost analysis has been completed and that the most comprehensive study was conducted by the U.S. Toxic and Hazardous Material Agency (USATHAMA) in the early 1980s, this study was the basis of the 1988 numbers cited above. The letter also cited instances where unexploded ordnance had been found, generally still live. Live ordnance is still found on the Fort today.
- In a June 27, 2005 report, the Congressional Research Service released a report (Appendix-Exhibit B) on environmental cleanup costs for military base closures. For Fort Monroe, they cite a 2005 estimate of cleanup work *assuming continued military use of the land* of \$200 million.

The difference between the \$1 billion to \$1.36 billion cited in 1988 for complete decontamination and \$200 million cited by CRS for decontamination, assuming military usage, can be considered a rough indication of the difference in costs resulting from closing Fort Monroe. If closed, the *additional* environmental cleanup costs could be roughly \$800 million to \$1.16 billion.

While these estimates are approximations at best, they show that the apparent savings calculated by the COBRA model are likely to substantially differ from actual costs. In particular, if the estimate of \$800 million to \$1.16 billion in *additional* cleanup costs is roughly correct, the \$687 million savings would become *\$113 million to \$473 million in additional costs*, a substantial deviation from BRAC's basic intent to save money for investment in Transformational objectives.

Deducting the \$200 million from the clean up costs, as we have done above, is a very conservative approach considering that the environmental contamination at Monroe has been present for at least 57 years and, in many cases, for over 100 years. Fort Monroe's role as a coastal artillery Post began in 1823 and concluded in 1948. The vast majority of unexploded ordnance contamination present at Fort Monroe likely occurred during this time period. Therefore, it is reasonable to assume that the military could continue to operate Fort Monroe as a military Post indefinitely, as it has done for approximately 180 years, without cleaning up the Fort. Under this assumption closing Fort Monroe triggers the full \$1 billion to \$1.36 billion cost of environmental remediation.

Reversion of title to the Commonwealth of Virginia The deeds for the acreage at Fort Monroe provide that the land reverts to the Commonwealth of Virginia if it is no longer needed for national defense purposes. When the ownership of the land reverts, the costs of environmental cleanup *for military use* are not a fair measure of the reasonably anticipated environmental cleanup costs based upon civilian use. Further, the Army/DOD will not be able to leverage the value of the property to offset environmental cleanup costs.

Historic Preservation Fort Monroe is a Historic Landmark and has a long history. By law, it must be maintained by DOD until another entity agrees to maintain it in accordance with the Historic Preservation Act. Such costs can be substantially more than would be anticipated in the COBRA

model. At a minimum, the COBRA model should have had separate standard factors for instances where there are historic resource considerations with increased caretaker expenses mandated by law.

Costs of maintaining Fort Monroe in a closed condition The COBRA model estimates roughly \$2.3 million in annual costs of maintaining Fort Monroe until it is taken over by other entities. This estimate is based largely on the standard factors used in the COBRA model. However, actual costs are likely to be much higher given the additional maintenance that will need to occur due to the historic buildings and structures located at Fort Monroe. In the 1988 letter mentioned earlier (Appendix – Exhibit A), annual costs of \$8.9 million were cited based on actual experience at Fort Monroe. When adjusted for 17 years of inflation, the costs are \$12.7 million annually, roughly \$10 million more than the COBRA estimate. Over 20 years, this difference could accumulate to roughly \$150 million in additional costs in present value terms.

Cost of closure During the 1993 BRAC, the Army estimated that it would cost approximately \$127 million (Appendix-Exhibit C) to close Fort Monroe and transfer operations to Fort Eustis after Congressman Herbert Bateman requested that the Army develop an actual cost of relocation as opposed to using the standard COBRA cost factors during that BRAC. This \$127 million would be approximately \$163 million in today's dollars. Compared to the current DOD estimate of \$72 million (in 2006), the earlier estimate is \$91 million HIGHER than the current DOD estimate-again, it is not clear why there is such a disparity. What is clear is that the data relied upon by DoD is suspect.

Annual Savings/Operating Costs Based on the briefing provided to BRAC Commission Chairman Anthony J. Principi and Commissioner General Lloyd W. Newton by Fort Monroe during their site visit, it costs approximately \$30 million to operate Fort Monroe (Appendix-Exhibit D). However, the COBRA model estimated that it would save \$54 million annually if Fort Monroe were closed. Since the operations at Fort Monroe are all being transferred to other installations the only savings that DOD will be able to realize from closing Fort Monroe will be the costs associated with operating the Fort. DOD estimated the cost/savings in the COBRA model at \$687 million in net present value figures over the next 20-years.

If the actual cost of operating Fort Monroe were considered in the COBRA model the 20-year net present value savings from closing the Fort would have been \$357 million or approximately \$310 million lower than \$687 million estimated by the COBRA model.

Increased Operational Costs at Fort Eustis Based on the 1988 memo to the City of Hampton discussed above, (Appendix – Exhibit A) the relocation of operations from Fort Monroe to Fort Eustis would result in a \$26.8 million increase in operating costs annually. Adjusted for inflation, this annual increase in costs would be \$39.9 million in 2006 dollars. The net present value of the increase in costs over the next 20 year period would be \$727.5 million.

Each of the estimates above has been provided by the Army, the Department of Defense or other agency of the Federal Government over time. These figures have also been adjusted to present value or adjusted for inflation using the same factors as those used by the Department of Defense's 2005 COBRA model. Even if these previous estimates are only approximations, they suggest how much actual costs, based on requirements specifically related to the recommendations concerning Fort Monroe, might exceed estimated costs, based on the standard factors used in the COBRA model.

Summary of Cost Factors

The tables below summarize the difference in cost factor outlined above. The tables demonstrate that the savings associated with closing Fort Monroe, as estimated by the COBRA model, will not materialize when the *Fort Monroe specific cost factors*, as outlined above, are considered in the analysis.

Table 1 The table below summarizes the various costs outlined above with a focus on the lower end of the environmental clean up cost estimate (\$1 billion) for ordnance remediation. The difference between scenarios 1 and 2 is whether the environmental remediation cost are adjusted for the difference between the clean up for military use (2005 CRS Report) versus civilian (1980 USATHAMA Report).

(Table 1) Fort Monroe, Virginia Net Present Value Benefit/(Cost) Estimate Adjustment		
Savings/(Costs) Estimate Adjustment	Low Environmental Cost Estimate	
	Scenario 1	Scenario 2
DOD Estimated Savings	\$ 687,000,000	\$ 687,000,000
Environmental Remediation Cost Adjustment		
June 27, 2005 CRS Report	\$ 200,000,000	\$ 0
1980 USATHAMA Report	(\$1,000,000,000)	(\$1,000,000,000)
Historic Property preservation Cost Adjustment (1988 Fort Monroe Estimate)	(\$ 150,000,000)	(\$ 150,000,000)
Closure/Relocation Cost Adjustment (1993 Army Estimate)	(\$ 91,000,000)	(\$ 91,000,000)
Annual Savings/Operating Cost Adjustment (2004 Fort Monroe Actual)	(\$ 310,000,000)	(\$ 310,000,000)
Increased Operational Cost At Fort Eustis Adjustment (1988 Fort Monroe Estimate)	(\$ 727,000,000)	(\$ 727,000,000)
Total Adjusted Present Value Savings/(Costs)	(\$1,391,000,000)	(\$1,591,000,000)

Table 2 The table below summarizes the various costs outlined above with a focus on the higher end of the environmental clean up cost estimate (\$1.36 billion) for ordnance remediation. As with Table 1, the difference between scenarios 3 and 4 is whether the environmental remediation cost are adjusted for the difference between the clean up for military use (2005 CRS Report) versus civilian (1980 USATHAMA Report).

(Table 2) Fort Monroe, Virginia Net Present Value Benefit/(Cost) Estimate Adjustment		
Savings/(Costs) Estimate Adjustment	High Environmental Cost Estimate	
	Scenario 3	Scenario 4
DOD Estimated Savings	\$ 687,000,000	\$ 687,000,000
Environmental Remediation Cost Adjustment		
June 27, 2005 CRS Report	\$ 200,000,000	\$ 0
1980 USATHAMA Report	(\$1,360,000,000)	(\$1,360,000,000)
Historic Property preservation Cost Adjustment (1988 Fort Monroe Estimate)	(\$ 150,000,000)	(\$ 150,000,000)
Closure/Relocation Cost Adjustment (1993 Army Estimate)	(\$ 91,000,000)	(\$ 91,000,000)
Annual Savings/Operating Cost Adjustment (2004 Fort Monroe Actual)	(\$ 310,000,000)	(\$ 310,000,000)
Increased Operational Cost At Fort Eustis Adjustment (1988 Fort Monroe Estimate)	(\$ 727,000,000)	(\$ 727,000,000)
Total Adjusted Present Value Savings/(Costs)	(\$1,751,000,000)	(\$1,951,000,000)

Additional Factors to Consider

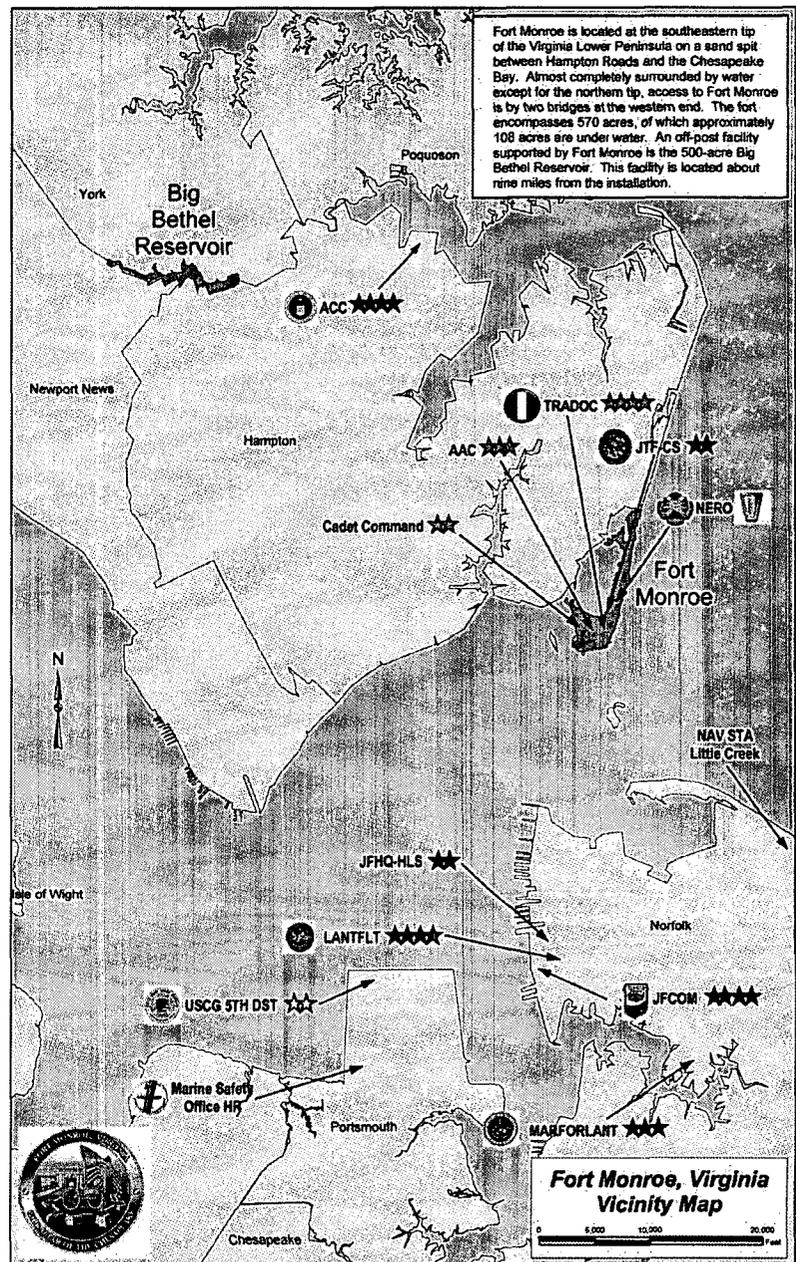
There are a variety of areas where the BRAC report on Fort Monroe asserted certain advantages that the operations at Fort Monroe would gain by the relocation of those activities to Fort Eustis and Fort Knox. The information below may shed some additional light on issues that may not have been considered in the BRAC report when reaching those conclusions.

Military Value/Surge Capacity Fort Monroe is one of the most secure military installations in the country and is strategically located in the Center of the joint environment of Hampton Roads -- in the middle of a hub of joint force commands (Air Combat Command, Fleet Forces Command, Joint Forces Command, NATO Allied Command, Marine Command, Reserve Command) -- making it an ideal site for TRADOC and other Commands focused on joint warfare. Fort Monroe must be viewed in the context of its relationship to Langley Air Force Base, Norfolk Naval Station and the other military installation in Hampton Roads.

The Naval Surface Warfare Center presently operates a facility at Fort Monroe that the Navy identifies as a critical operation that supports the Atlantic Fleet by measuring signatures of minesweepers. Their location at Fort Monroe is ideal due to the Naval ships traveling the thimble shoals channel and due to the varying depth conditions along the banks of Fort Monroe. But now, with the proposed closure of the Fort, this ideal location would no longer be available to the Navy during the war on terrorism. The BRAC analysis did not provide a solution to the loss of this critical operation.

The Joint Task Force Civil Support has identified Fort Monroe as the ideal location for their operation due to its central location on the East Coast and close proximity to Langley Air Force Base and Norfolk Naval Station. Interestingly, DoD's BRAC analysis also did not provide a realignment solution for JTF-CS.

Fort Monroe is also connected to the Norfolk HUB joint forces communications infrastructure making Fort Monroe one of the most well-wired military installations in the Country. Fort Monroe also has



over 90 acres of developable property that could accommodate over 1 million square feet of additional office space. The City of Hampton is prepared to assist the military in building out this space to house additional operations at Fort Monroe for costs well below market rents around the country.

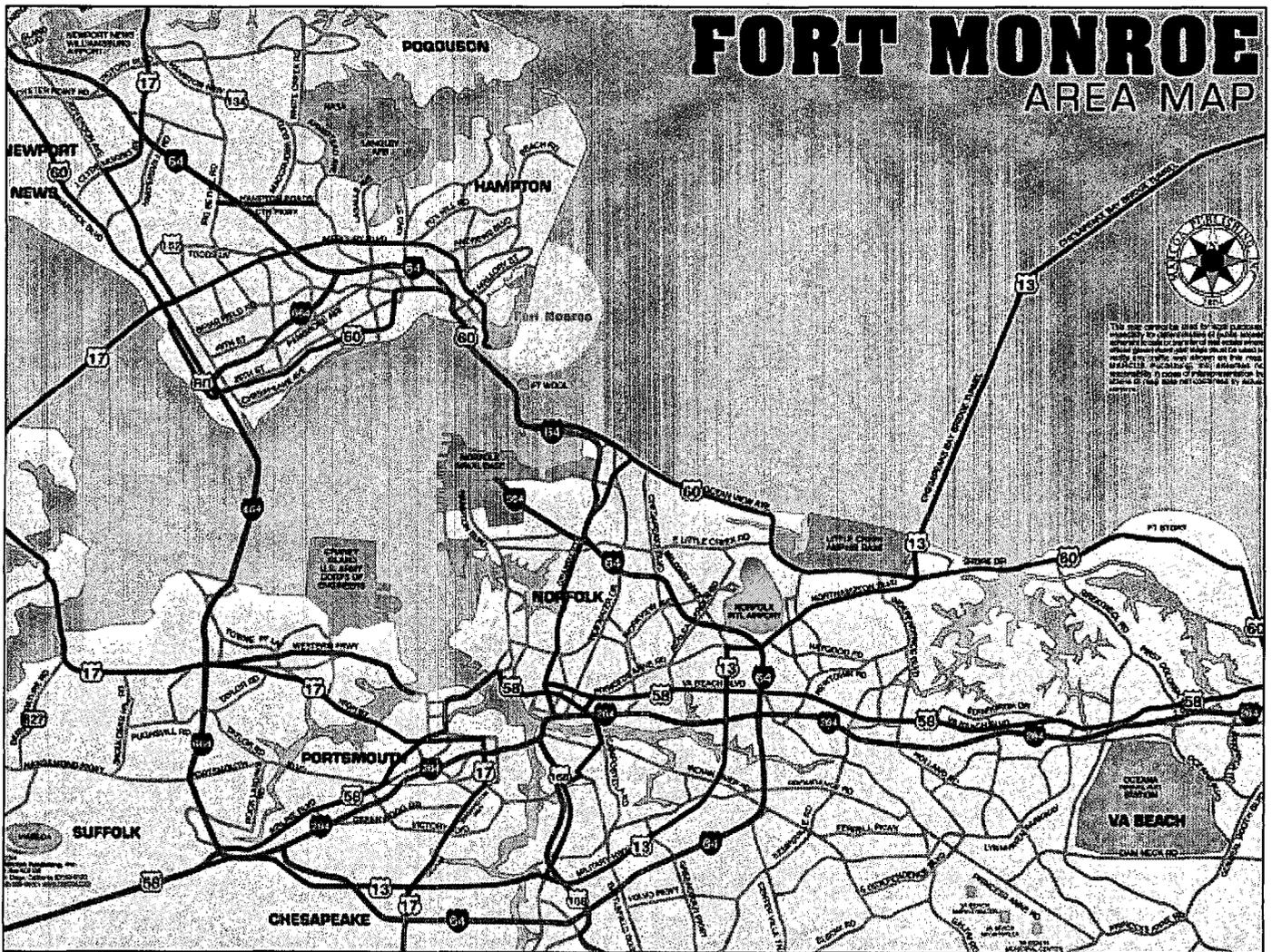
The recommendations regarding Fort Eustis essentially transform a training and logistics facility to an administrative facility. The assets at Fort Eustis that give it higher military value than Fort Monroe (available acreage for future development, access to deep water port and rail facilities) are largely being abandoned with the operations that will be realigned out of Fort Eustis to Fort Lee. Fort Lee does not have the deep-water access or other training facilities needed for some of the missions being realigned from Fort Eustis. Adequate training facilities are currently available at Fort Eustis for these training operations, as outlined by Mayor Frank during his presentation to the BRAC Commission on July 7, 2005.

Another cost effective alternative for preserving the facilities at Fort Eustis might be to relocate Forces Command (FORSCOM) to Fort Eustis as opposed to Pope Air Force Base, North Carolina. DOD analyzed this alternative as part of their BRAC analyses (Appendix-Exhibit E). One of the benefits cited by this analysis was locating FORSCOM in the vicinity of JFCOM. FORSCOM is the only departmental element of JFCOM not presently located in the Hampton Roads area. The costs associated with the relocation were marginally better in the analysis locating FORSCOM at Pope Air Force Base. However, BRAC Commissioner General James T. Hill, mentioned that the Army plans to build FORSCOM headquarters at Fort Bragg as opposed to Pope Air Force Base (Appendix-Exhibit F). The cost of this alternative was not considered by the BRAC analysis and should be considered in light of an alternative of relocating FORSCOM at Fort Eustis or Fort Monroe at potentially lower cost.

Transportation Fort Monroe is within a 10-15 minute drive from Langley Air Force Base, which offers military air shuttle service for Fort Monroe personnel to attend to Department of Defense issues at the Pentagon or other facilities in the vicinity of Washington D.C. Fort Monroe is also centrally located between two international airports (Norfolk and Newport News). Each of these airports are within a 20 –30 minute drive from Fort Monroe. Fort Monroe also has a landing zone facility to accommodate helicopter transportation for Fort Monroe personnel. The move to Fort Eustis would add an additional 25 minutes to these commutes when driving.

The move to Fort Eustis, as well as the move to Fort Knox, will take the operations currently located at Fort Monroe away from the hub of joint force commands in the Hampton Roads region (Air Combat Command, Fleet Forces Command, Joint Forces Command, NATO Allied Command, Marine Command, Reserve Command). Past BRAC rounds, and the current BRAC round, have acknowledged the great importance of keeping TRADOC and affiliated operations in close proximity to the other joint force operations noted above. The *Department of the Army – BRAC 2005 – Analyses and Recommendations* stated, “TRADOC HQs is moved to Ft. Eustis in order to remain within commuting distance of the Joint Forces Command (JFCOM) HQs in Norfolk, VA.” Fort Monroe is within a 25 minute drive to JFCOM headquarters in Norfolk, as compared to the 50 minute drive from Fort Eustis.

Additionally, Fort Monroe is within a 5 minute drive to the nexus of the Hampton Roads beltway (convergence of I-64 and I-664) which is located in the center of the City of Hampton. Again, it would take an additional 25 minutes to reach the beltway from Fort Eustis.



Child Care The City of Hampton operates the award winning Healthy Families Partnership, which offers parenting classes and playgroups for all people in the Hampton area. The home-visiting program under Healthy Families Partnership is offered exclusively to Hampton residents. The parenting classes assist families by providing cutting edge educational programs on how to raise healthy and well-adjusted children. The playgroups allow children to get socialization with other children and allows parents to interact with other parents and develop support networks.

Population Fort Monroe is one of the most secure military installations in the country and is strategically located in the center of the joint environment of the Hampton Roads Region. Being a peninsula itself, located in the center of the region, Fort Monroe offers the unique locational advantage of being central to the entire 1.5 million population of the region while being surrounded by water and, in essence, eternally protected from encroachment.

Alternatively, a shift in operations from Fort Monroe to Fort Eustis will move those operations from the center of the region's population to the periphery.

Conclusion

While the decision whether to close facilities will be made mainly on the basis of military value, the costs of such decisions are a key, driving factor of the BRAC process. It seems abundantly clear that

closing Fort Monroe will not yield cost savings based upon the several iterations of analyses associated with closing Fort Monroe that have been conducted in the past twenty years. In fact, the closing of Fort Monroe may cost the DOD between \$1.391 billion and \$1.951 billion when actual Fort Monroe specific cost factors such as environmental remediation and historic preservation requirements are included in the analysis.

In addition to the cost factors, there are a number of issues associated with the justification of closing Fort Monroe deserve closer scrutiny. Insufficient consideration seems to have been given to the synergy between the operations at Fort Monroe and the operations at Langley Air Force Base and Norfolk Naval Station or the loss of the Naval Surface Warfare facility and Joint Task Force Civil Support facility located on Fort Monroe.

Clearly, DoD put a substantial amount of time and effort into preparing its recommendations. However, at least with respect to Fort Monroe, the desired outcome of saving taxpayer dollars will not be achieved. The BRAC Commission and its staff is similarly engaged in the Herculean and thankless task of reviewing not only the data provided by DoD, but also the additional information being presented by impacted communities. The bottom line of this submission is simple: if the DoD proposal to close Fort Monroe moves forward and is implemented it is likely to end up costing the United States taxpayers a substantial amount of money instead of producing the desired savings. For the reasons discussed during the July 7, 2005 hearing, as supplemented by this document, we respectfully urge the Commission to amend the DoD recommendation and keep Fort Monroe open for continued service to the nation.

Appendix – Exhibit A



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY

HEADQUARTERS FORT MONROE
FORT MONROE, VIRGINIA 23651-6000

September 15, 1988



Deputy Post Commander

Mr. George Wallace
Assistant Administrator
City of Hampton
22 Lincoln Street
Hampton, Virginia 23669

Dear Mr. Wallace:

We appreciated the opportunity on September 12, 1988 to brief you and Mr. Burton on the various facets of the congressional initiative to close Fort Monroe.

As requested that day, I am enclosing a copy of the various deeds governing the land of Fort Monroe and a breakout of how the \$8M operational cost was derived.

If there is any other information we can provide, please do not hesitate to call or write.

Sincerely,


Dalene G. Bailey
Lieutenant Colonel, U.S. Army
Deputy Post Commander

Enclosures

RECEIVED

SEP 20 1988

CITY COUNCIL OFFICE

MAINTENANCE COSTS, FORT MONROE CLOSURE

REPAIR AND MAINTENANCE OF HISTORIC BUILDINGS\$6,500,000.00

Yearly maintenance expenditures over the part four years have averaged \$6.5 million. This includes labor and all materials. The need to repair and maintain historic structures would not change by any significant amount if the Army were to vacate Fort Monroe.

UTILITIES 1,150,000.00

Over the part four years, the cost of utilities averaged \$2.3 million. If most buildings were vacated, it is estimated that usage would be cut by approximately 50%. Buildings would still have to be heated to minimal levels, street and security lighting would have to be provided, water supplied, sewage disposal maintained, and communications kept functioning.

CARETAKERS 1,246,500.00

Security force (30).....\$846,500.00
Fire protection (no change in present levels) . 400,000.00

ESTIMATED ANNUAL MAINTENANCE CHARGES 8,896,000.00

CLOSURE COSTS (IN MILLIONS)

ONE TIME

● NEW FACILITIES FOR TRADOC	\$75.8
● MOVING COSTS	17.2
● MUNITIONS REMOVAL	700 TO 952
TOTAL	793 TO 1,045

ONGOING

● INCREASED OPERATIONAL COSTS AT NEW TRADOC LOCATION	26.8
● TRADOC FIXED OPERATING COSTS	175.0
● CARETAKING FORT MONROE	8.0
TOTAL	209.8

CONSTRUCTION REQUIRED

(FY 92 DOLLARS)

ADMINISTRATIVE BUILDING	40,136,600
COMPANY ADMIN/SUPPLY	922,600
BAND BUILDING	1,261,400
FAMILY HOUSING (329 UNITS)	28,386,400
BOQ (78 UNITS)	3,228,000
BEQ (87 UNITS)	1,538,600
TOTAL	<u>75,472,600</u>

EXECUTIVE SUMMARY

Fort Monroe is the home of the U.S. Army Training and Doctrine Command (TRADOC), which oversees all training for the Army. Its location was a primary factor in choosing this installation as a command Headquarters. The Air Force Tactical Air Command Headquarters and the Navy Commander in Chief, Atlantic, are within a few minutes' driving time, affording an ease of communication and coordination among the services that is vital when swift, joint action is essential. Fort Monroe is also an excellent site from a security viewpoint. The installation is almost completely surrounded by water. This relative isolation makes it easy to control all access from the mainland.

Fort Monroe is a national Historic Landmark, the highest category of historic property recognized under the Historic Preservation Act of 1966. According to a ruling from the Keeper of the National Register of Historic Places, the entire installation, including every structure located on it, is a part of the Landmark designation. As a Landmark, all construction and maintenance activities are governed by 36 CFR 800, Protection of Historic Properties.] The cost of repairing and maintaining installation structures is often escalated because of the need to follow stated guidelines for repairs to historic buildings. These guidelines mandate repair in kind, requiring such costly items as slate instead of asphalt shingles for roofs, custom-made wooden windows and specially-fabricated roof tiles.

We recently commissioned a special study from the Historic American Buildings Survey (HABS), a division of the National Park Service, which will differentiate Fort Monroe's buildings according to degrees of historic significance. This will aid in determining the level of authenticity required in repair work, so that expensive preservation techniques are not indiscriminately applied to buildings possessing little or no historic and architectural value. The final report is now in our possession. We expect to be able to reduce the maintenance costs using this HABS study.

Historic preservation law does not preclude us from utilizing the structural resources at Fort Monroe. While complying fully with 36 CFR 800, we have been able to carry out extensive renovation projects. Recently, several nineteenth-century barracks were converted to modern office space by demolishing all but the outer walls and constructing a new steel and concrete building within the outer shell. The

historic walls and original appearance were preserved. The restrictions imposed by legislation do not prevent such adaptive use, but they do ensure that a valuable heritage is not compromised.

Because of this need to safeguard the Historic integrity of Fort Monroe, it is true that operation and maintenance costs are frequently higher than those of less historic installations. However, it must be remembered that Fort Monroe is not only a major Army headquarters, but also a national showplace. Its status as a National Historic Landmark recognizes its values to the country and its heritage, and ranks it as one of our nation's treasures. Over 100,000 visitors a year come here from all over the world. Many visitors to the Headquarters, U.S. Army Training and Doctrine Command, are world leaders. These visitors will judge the United States of America partly by what they see here. For many, it will be their only visit to an American military installation.

Because of its high visibility, we carry out an intensive program of high-quality maintenance, which inevitably entails greater expenses. Our success in this area may be measured by the many awards received from the Keep Virginia Beautiful and Keep America Beautiful programs. Last year, Fort Monroe was the only Federal property to win an award from Keep America Beautiful.

From 1607 until the present day, Fort Monroe has played an important role in our nation's history. Considering the historic aspect, it may be likened to Mount Vernon or Independence Hall. Indeed, for America's black population, this installation is especially significant as the site where thousands of slaves received their freedom long before the Emancipation Proclamation. It is still known as the "Freedom Fort". The NAACP, in its 68th annual convention, passed a resolution calling on the Secretary of the Army to maintain Fort Monroe in active status.

Fort Monroe is a national treasure. The public would demand that it be preserved by the U.S. Government even if the Army did not own it. The U.S. Park Service would experience the same expense the Army does, but would not profitably use the buildings.

The situation regarding the disposition of real property at Fort Monroe is extremely complicated, and turns on tenure, the presence of unexploded munitions, historic preservation law, and the cost of complying with legal restraints on disposing of the land.

1 Most of the acreage at Fort Monroe is held under deeds from the Commonwealth of Virginia under which the land reverts to the state if it ceases to be used for the purposes of national defense. However, historic preservation law imposes a legal obligation upon the Army to maintain the historic landmark until another public or civilian agency assumes that responsibility. Virginia has expressed a reluctance to accept this financial burden. In 1978, talks were held with the National Park Service about the possibility of turning Fort Monroe into a national park. They responded that they would be unable to take that responsibility unless adequate extra funding for that purpose was provided.

No real savings would be realized by turning the installation over to another agency for caretaking, since the cost of maintaining the property would continue. Fort Monroe, with its mix of administrative and housing facilities, is best suited to use as a military installation. Other users would have to maintain the buildings without the full benefits of occupancy as gained by the Army. It should be emphasized that the best method of historic preservation is use. In effect, every tenant acts as a building caretaker and advocate for property maintenance, an advantage lost when structures stand vacant.

2 Any profit from the sale of real estate should not be considered as offsetting the costs of closure, because most of the land would not be available for sale, either because of deed covenants, historic preservation requirements, or the presence of unexploded ordnance.

3 The 1980 study estimated that providing new facilities to house TRADOC in another location would cost \$70.4 million. This sum, adjusted for inflation, would be \$93.5 million today. Not considered was the loss of swift coordination with the Air Force and Navy, and the extra costs associated with communication over a longer distance if TRADOC were located elsewhere.

5 The major capital cost would be for decontamination of the installation. Unexploded ordnance is often found, and is apparently located everywhere on Fort Monroe. We have found it necessary to impose a requirement that anyone digging anywhere on the installation obtain a permit, and the permit itself carries a warning that ordnance can be found. There have been several such finds in the past year. The most recent in March 1988, when a contractor excavating to install a utility line uncovered a 10" live cannonball only a few inches below the surface of the ground. Black powder, the most common explosive, can be especially dangerous when it dries after being wet. We have also found such volatile explosives as fulminate of mercury

and picric acid. Approximately 75 percent of unexploded ordnance found is still live. In the past ten years, we have recovered approximately 200 cannonballs, several thousand rounds of small arms ammunition, 1200 WWII anti-aircraft fuses, and several WWII 4" shells. Much of this came out of the moat; more remains.

⑥ A 1980 study by the U.S. Toxic and Hazardous Material Agency (USATHAMA) estimated the cost of complete decontamination at \$633.6 million. This figure would be close to \$700 million today.

In 1981, after very careful study of the problems involved, the Secretary of the Army decided that Fort Monroe should be retained as an active installation. The factors upon which that decision was based remain fully valid today. Fort Monroe, closed, would be a liability. Fort Monroe, active, is an asset to the Army, the Commonwealth of Virginia, and the nation.

In summary, there are two major reasons to keep Fort Monroe an active Army post. The economic reason is that closing the installation and relocating functions would cost about \$770 million. ⁷ The cost of keeping it open is less than \$10 million per year in repair and maintenance. Thus, you would need more than 77 years to pay back the closing cost. The second argument is that Fort Monroe is a national treasure and must be preserved for our people.

Appendix – Exhibit B

Order Code RS22065
Updated June 27, 2005

CRS Report for Congress

Received through the CRS Web

Military Base Closures: Role and Costs of Environmental Cleanup

David M. Bearden
Analyst in Environmental Policy
Resources, Science, and Industry Division

Summary

The upcoming 2005 round of military base closings has stimulated interest among potentially affected communities in how the bases to be selected for closure might be economically redeveloped to replace lost jobs. Environmental contamination can present a challenge to economic redevelopment, if funding or technological constraints would limit cleanup of the land to a degree that would be safe for its intended use. Most of the lands on bases closed under the previous four rounds have been cleaned up for their intended reuse, and have been transferred for redevelopment. However, some bases have yet to be cleaned up to an extent that would be adequate for the planned land use, presenting an obstacle to replacing lost jobs. Bases closed under the 2005 round could face similar delays in redevelopment, if a community's preferred land use would necessitate a costly and time-consuming degree of cleanup. This report will be updated as events warrant.

Introduction

Following the collapse of the former Soviet Union, Congress authorized four rounds of military base closings and realignments in 1988, 1991, 1993, and 1995.¹ As of the end of FY2001, the Department of Defense (DOD) had completed these actions and reduced its domestic infrastructure by about 20%. Although closure of installations under all four rounds is complete, environmental cleanup and economic redevelopment of some of these properties continues.

The pace and cost of cleaning up environmental contamination on base closure lands has been an ongoing issue, because of concern about human health and environmental risks and the public's desire to redevelop these properties for civilian uses. The completion of cleanup is often a key factor in economic redevelopment, because the land cannot be used for its intended purpose until it is cleaned up to a degree that would be safe

¹ For additional information, see CRS Report 97-305, *Military Base Closures: A Historical Review from 1988 to 1995*, by David Lockwood.

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for reuse. DOD issued its recommendations for another round of base closings and realignments on May 13, 2005, subject to review by a specially appointed commission, and approval by the President and Congress.² The upcoming round has raised concern among communities as to whether the cleanup of environmental contamination may pose challenges in redeveloping additional bases to replace lost jobs.

This report provides an overview of cleanup requirements for the transfer and reuse of base closure properties, discusses the status of property transfer on bases closed under prior rounds, examines costs to clean up bases closed under these prior rounds, and offers relevant observations and estimates of cleanup costs for the upcoming 2005 round.

Cleanup Requirements for Property Transfer and Reuse

Section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA, commonly referred to as Superfund) generally requires the United States (in this case, DOD) to clean up closed bases prior to transfer out of federal ownership.³ Property on a closed base is typically transferred to a local redevelopment authority (LRA) responsible for implementing a plan for civilian reuse.

To speed redevelopment, CERCLA authorizes early transfer under certain conditions.⁴ For bases on the National Priorities List (NPL) of the nation's most hazardous waste sites, early transfer requires the concurrence of DOD, the Environmental Protection Agency (EPA), and the governor of the state in which the property is located. For bases not on the NPL, concurrence of only DOD and a governor is required for early transfer. Early transfer can be advantageous in terms of redevelopment, if the intended land use would not present the potential for human exposure to contamination, and therefore not require cleanup. Conversely, redevelopment still could be delayed despite early transfer, if cleanup would be necessary to make the intended land use safe.

Whether a property is transferred after cleanup, or transferred early, the degree of cleanup can vary from site to site, depending on the cleanup standard used and the remedy selected to attain it. CERCLA does not specify cleanup standards for particular substances. Rather, it requires that cleanup comply with all legally applicable, relevant and appropriate requirements (ARARs) to protect human health and the environment, which include a host of federal and state standards for various hazardous substances.⁵

CERCLA does not explicitly require the consideration of land use in determining the degree of cleanup. However, in practice, land use is a key factor in deciding which cleanup standard is used, and what remedy is selected to attain it. Cleanup standards generally are stricter for land uses that would result in greater risk of human exposure to

² For information on the criteria that DOD used to select bases for the 2005 round, see CRS Report RS21822, *Military Base Closures: DOD's 2005 Internal Selection Process*, by Daniel Else and David Lockwood. Also see, CRS Report RS22061, *Military Base Closures: The 2005 BRAC Commission*, by Daniel Else and David Lockwood.

³ 42 U.S.C. 9620(h)

⁴ 42 U.S.C. 9620(h)(3)(C)

⁵ 42 U.S.C. 9621(d)

CRS-3

contamination. For example, cleanup is typically more stringent and more costly for land uses such as residential development, which could pose a higher risk of exposure to sensitive populations including children and the elderly. Cleanup is typically the least stringent and the least costly for industrial land uses, such as manufacturing, which could pose less risk of exposure.

EPA, or the overseeing state agency, is responsible for determining whether the selected remedy would attain the cleanup standard for a specific site.⁶ EPA has issued non-binding guidance for considering the "reasonably anticipated land use" in selecting cleanup remedies.⁷ DOD and the community, usually through the LRA, are responsible for determining how the land will be reused, in negotiating the terms of the property transfer. However, the community's ability to attain its preferred use is constrained, as the Defense Base Closure and Realignment Act does not require DOD to dispose of property on a closed base for a particular land use, nor within a certain time frame.⁸ Impediments to conveying the land for redevelopment may surface if DOD is resistant to transferring it for a purpose that the community desires because of cost considerations or technological limitations affecting cleanup of the contamination. EPA's guidance, noted above, acknowledges that some land uses may not be practical due to such challenges, and indicates that the cleanup objective may need to be revised, which may result in "different, more reasonable land use(s)."⁹

In addition to land use, numerous other factors can determine the degree and cost of cleanup, raising further issues. For example, cleanup does not necessarily require the removal of contamination, if a safe method of containing it is available to prevent exposure. Although containment is typically less costly than removal, some of the savings of containment can be offset by the costs of maintaining the containment method over the long term to ensure that it remains effective in preventing exposure. Tensions may arise between DOD and the community, if there is disagreement over the method selected to prevent exposure. Communities frequently prefer removal rather than containment, because of concerns about lingering risks and continuing costs if the method of containment were to fail over time. However, DOD may prefer containment to save costs, due to limited funding for the cleanup of many closed bases across the country.

Once a land use is agreed upon between DOD and the community, and a cleanup remedy is selected to make it safe for that land use, DOD generally administers and pays for the cleanup, regardless of whether cleanup is completed prior to transfer, or subsequently under an early transfer. In the case of an early transfer, the property recipient may choose to administer the cleanup as a means to speed the reuse of the land, but DOD typically would still pay the costs.

⁶ Both EPA and states play a role in the oversight of cleanup on federal facilities, including military installations. EPA typically is the lead agency at sites listed on the NPL, and states usually take the lead on those that are not listed on the NPL.

⁷ EPA. Office of Solid Waste and Emergency Response. *Land Use in the CERCLA Remedy Selection Process*. OSWER Directive No. 9355.7-04. May 25, 1995.

⁸ 10 U.S.C. 2687 note

⁹ EPA. Office of Solid Waste and Emergency Response. *Land Use in the CERCLA Remedy Selection Process*. OSWER Directive No. 9355.7-04. May 25, 1995. p. 7.

CRS-4

DOD remains obligated after cleanup is complete, if additional contamination is found later that requires remediation. However, DOD is obligated for further cleanup only to the extent that the degree of contamination found later would exceed applicable standards for the land use originally agreed upon for the transfer. If a community decides to use the land for another purpose that would require further cleanup, DOD would not be responsible for paying for it. In such cases, the additional costs of cleanup to make the land safe for a different purpose would be the responsibility of the property recipient.

Status of Property Transfer on Closed Bases¹⁰

The Government Accountability Office (GAO) reports that, as of the end of FY2003, 364,000 acres (72%) of the 504,000 acres of land on bases closed during the previous four rounds had been transferred for reuse. Approximately 95% of the transferred acreage had been transferred after cleanup was completed. Although early transfer has the potential to speed redevelopment, it has been used relatively infrequently for several reasons, such as the reluctance of a community to accept property before cleanup is finished and the lack of consensus within a community on reuse. DOD also may be hesitant to agree to early transfer if it would be required to expend more cleanup funds earlier than would be necessary otherwise, to make the land safe for reuse more quickly.

Approximately 91,000 acres (18%) on closed bases had been leased for reuse prior to the completion of cleanup. However, pending cleanup has delayed the permanent transfer of these properties, with reuse limited to purposes that would be safe considering the degree of contamination still present on these lands and the potential risk of human exposure. The remaining 49,000 acres (10%) had not been leased or transferred for reuse primarily because of environmental cleanup challenges. GAO found that some cleanup is necessary before transfer can occur on 98% of Air Force, 82% of Army, and 65% of Navy lands still awaiting transfer.

Cleanup Costs of Past Base Closure Rounds

DOD estimates that the closure of bases under the previous four rounds has resulted in an annual savings of \$7 billion in operational expenses. The costs of environmental cleanup have run into billions of dollars, discussed below, and have offset some of these savings gained from a reduced military infrastructure. However, a portion of the cleanup costs would have been incurred regardless, as DOD is required to clean up its operational installations at least to a degree that would be safe for military uses, somewhat reducing this offset. The incremental cost and time to clean up a closed base depends primarily on how extensive the cleanup must be to make the land safe for uses that would be less restrictive than military purposes, and pose a higher risk of human exposure. DOD reports that it had incurred approximately \$7 billion in cleanup costs through FY2004 at bases closed under the previous four rounds.¹¹ This amount reflects the *actual costs* of the cleanup process, from site identification and investigation to selection, design,

¹⁰ Government Accountability Office, *Military Base Closures: Updated Status of Prior Base Realignments and Closures*, GAO-05-138, January 2005. See pp. 10-19.

¹¹ Department of Defense, *Defense Environmental Programs Annual Report to Congress for FY2004*, April 2005, Appendix K and Appendix L, various pages.

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construction, operation, and monitoring of cleanup remedies.¹² About 44% of the \$7 billion was spent on cleanup in California, where DOD has identified more contaminated sites on closed bases than any other state.

Although the majority of the acreage on bases closed under the previous four rounds has been cleaned up and transferred, estimates of future costs to complete cleanup on lands awaiting transfer, and on those transferred early, remain substantial. DOD estimates that over \$3 billion would be necessary to complete cleanup of known contamination on these lands,¹³ with 59% of these costs attributed to cleanup in California. However, future costs could be higher than estimated, if new, or more stringent, regulations are issued that require a greater degree of cleanup than anticipated. Future costs also could be more than expected if unknown environmental threats, such as unexploded ordnance or additional hazardous substances, are discovered. On the other hand, costs at some sites may prove lower if more cost-effective cleanup technologies become available.

Relevant Observations for the Upcoming 2005 Round

The amount of money and time required to clean up additional bases recommended for closure in the 2005 round would depend on the type and extent of contamination present on those properties, and the actions that would be necessary to make the land safe for reuse. Cleanup can take many years, as the continuing remediation of certain bases closed between 1988 and 1995 demonstrates. As in prior rounds, availability of funding and capabilities of remediation technologies could limit the degree of cleanup of installations that may be closed in the 2005 round, making certain land uses infeasible and posing challenges to economic redevelopment.

The following table indicates DOD estimates to complete cleanup at the 33 "major" installations it has recommended for closure in 2005. These cost estimates are based on a degree of cleanup that would be safe for the current military use of the land. If a property were to be used for less restrictive purposes that would result in a higher risk of human exposure to contamination, a greater degree of cleanup likely would be required to make the land safe for that use. In such circumstances, more funding and additional time may be needed to complete cleanup than DOD currently has planned. Some cleanup also may be necessary on *realigned* installations, which are not included in the following table, if the change in the installation's mission would involve the transfer of contaminated land that is no longer needed by DOD.

¹² In January 2005, GAO reported \$8.3 billion in cleanup expenses at closed bases through the end of FY2003. This included funding *obligated* for cleanup, which would be paid at a later date upon completion of specific actions, in addition to actual costs incurred through this period. GAO's reported amount also included other costs, such as program management and support.

¹³ Department of Defense, *Defense Environmental Programs Annual Report to Congress for FY2004*, April 2005, Appendix K and Appendix L, various pages.

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**Major Military Installations Recommended by DOD for Closure in 2005:
Past Cleanup Costs Incurred and Estimates of Future Cleanup Costs**

Installation	State	Actual Costs Through FY2004	Estimated Costs to Completion
Kulis Air Guard Station	Alaska	a	a
Corona Naval Support Activity b	California	\$0	\$0
Onizuka Air Force Station b	California	\$139,000	\$0
River Bank Army Ammunition Plant	California	\$53,664,000	\$5,091,000
Concord Detachment Seal Beach Naval Weapons Station	California	\$57,564,000	\$79,069,000
New London Naval Submarine Base	Connecticut	\$57,642,000	\$23,141,000
Atlanta Naval Air Station	Georgia	\$1,473,000	\$2,596,000
Fort Gillem	Georgia	\$21,790,000	\$14,800,000
Fort McPherson	Georgia	\$7,924,000	\$7,301,000
Newport Chemical Depot	Indiana	\$19,366,000	\$4,874,000
Kansas Army Ammunition Plant	Kansas	\$32,165,000	\$25,271,000
New Orleans Naval Support Activity b	Louisiana	\$283,000	\$0
Portsmouth Naval Shipyard	Maine	\$48,614,000	\$35,256,000
Otis Air National Guard Base	Massachusetts	\$335,308,000	\$372,553,000
Selfridge Army Activity	Michigan	\$17,000	\$13,202,000
W.K. Kellogg Airport Air Guard Station b	Michigan	\$4,878,000	\$0
Mississippi Army Ammunition Plant	Mississippi	\$0	\$8,413,000
Pascagoula Naval Station	Mississippi	a	a
Hawthorne Army Depot	Nevada	\$35,539,000	\$465,078,000
Fort Monmouth	New Jersey	\$24,490,000	\$3,642,000
Cannon Air Force Base b	New Mexico	\$11,111,000	\$0
Niagara Falls International Airport Air Guard Station	New York	\$9,252,000	\$1,254,000
Umatilla Chemical Depot	Oregon	\$53,560,000	\$10,390,000
Pittsburgh International Airport Air Reserve Station b	Pennsylvania	\$600,000	\$0
Willow Grove Naval Air Station	Pennsylvania	\$6,867,000	\$6,235,000
Ellsworth Air Force Base	South Dakota	\$69,488,000	\$26,397,000
Brooks City Base	Texas	\$7,044,000	\$3,415,000
Ingleside Naval Station	Texas	a	a
Lone Star Army Ammunition Plant	Texas	\$25,557,000	\$1,156,000
Red River Army Depot	Texas	\$34,464,000	\$52,450,000
Deseret Chemical Depot	Utah	\$21,096,000	\$180,498,000
Fort Monroe	Virginia	\$1,830,000	\$201,165,000
General Mitchell Air Reserve Station	Wisconsin	c	c
All Installations		\$941,725,000	\$1,543,247,000

Source: Prepared by the Congressional Research Service using information from the Department of Defense, *Defense Environmental Programs Annual Report to Congress for FY2004*, April 2005, Appendix K and Appendix L, various pages. The above amounts indicate costs for actions directly related to cleanup, and do not include indirect costs such as program management and support. The above table supersedes the tables in prior versions of this CRS report, and reflects significantly revised amounts for some installations. Discrepancies were subsequently discovered in DOD's electronic database of cleanup cost estimates, upon which the original CRS table was based.

- a. In the above report, DOD did not indicate sites where remediation of contamination was or is required as of the end of FY2004.
- b. DOD indicated that all planned cleanup actions were complete as of the end of FY2004.
- c. DOD reported that cleanup was complete at General Mitchell Air Force Base, but did not indicate cleanup at the Air Reserve Station.

Appendix – Exhibit C

BATEMAN OPTIMISTIC ABOUT FORT D-DAY: PANEL WILL VOTE TODAY ON WHETHER TO CLOSE MONROE

[Final Edition]

Daily Press - Newport News, Va.

Author: DAVID LERMAN Daily Press

Date: Jun 23, 1993

Start Page: A.1

Section: National

Text Word Count: 872

Document Text

Copyright Chicago Tribune Co. Jun 23, 1993

Rep. Herbert H. Bateman said Tuesday he felt encouraged about the chances of saving Fort Monroe after talking to three members of the federal commission reviewing military base closings.

The seven-member Defense Base Closure and Realignment Commission is scheduled to vote today on whether to close the Hampton Army base.

A four-vote majority is needed to save the historic fort, which employs 2,700 military and civilian personnel.

Congressional aides have expressed growing confidence about the fort's chances in recent days, while cautioning that the final outcome remains uncertain. Sen. John W. Warner, R-Va., said last week he was very optimistic that Virginia bases on the commission's hit list, including Fort Monroe, would be spared.

While declining to discuss all details of his talks Tuesday, Bateman, R-Newport News, made it clear commission members offered supportive comments in three separate conversations.

Bateman, a member of the House Armed Services Committee and the Virginia delegation's point man for Fort Monroe, met privately with Commissioner Rebecca G. Cox for 15 or 20 minutes.

"I was encouraged by her understanding of the issue and the tenor of our discussion," he said. "She appeared to be very sympathetic to the military requirements."

Cox, a Continental Airlines executive and former White House aide to President Reagan, could not be reached Monday or Tuesday. Commission members have generally declined to discuss their thoughts on specific bases.

Bateman talked by telephone with Commissioner Beverly B. Byron, a former Maryland congresswoman with whom he worked on the Armed Services Committee. Byron, who visited Fort Monroe two weeks ago, has said she sees military value in the base, which is headquarters for the Army's Training and Doctrine Command, known as TRADOC.

Bateman said he also talked by phone with Commissioner Hansford T. Johnson, a retired Air Force general who now is chief of staff for the United Services Automobile Association.

"I'm again encouraged he understands the need" for the fort, Bateman said.

If the base is spared, the commission is expected to request the Army to plan for a cleanup of the cannonballs and other unexploded ordnance buried on the base.

The high cost of that cleanup has spared the base from past closure attempts at least since 1988. Army officials maintain a cleanup is not necessary as long as the base stays open.

But this year, commissioners have expressed frustration with what they see as continuing delays in addressing a cleanup they view as essential to protect public safety.

At a hearing last week, Johnson blasted Army leaders for inaction on the cleanup, calling it "an affront to every person in the Department of Defense."

So unlike previous rounds of base closures, a decision today to save Fort Monroe is likely to be based on defense considerations, not clean-up costs .

Commissioners have appeared sympathetic to Army complaints that moving TRADOC from Fort Monroe to Fort Eustis in Newport News would be overly disruptive and detract from Army strategic planning, even though the move would be only 20 miles up Interstate 64.

Bateman said he defended that argument with commissioners, saying, "A move of 20 miles is just as disruptive as a move of 100 miles or 500 miles."

The case for sparing Fort Monroe also got a boost late last week after the Army completed a new cost study claiming the savings from a closure would be smaller than first anticipated, and would take longer to realize.

When the commission voted in May to put Fort Monroe on the closure list, it was told such a move would cost \$60 million in one-time expenses and that the Pentagon would begin saving money in 1999. New figures compiled by the Army now conclude the cost of closure would be more than \$127 million, with no savings until the year 2008.

A commission spokesman said Tuesday the initial study failed to include the cost of building a new headquarters for TRADOC at Fort Eustis, thereby significantly understating the expense of a closure and exaggerating its savings.

Based on commission deliberations last month, those most eager to put Fort Monroe on the closure list were Robert D. Stuart Jr., a former ambassador to Norway and former president of the Quaker Oats Co.; commission chairman James Courter, a former New Jersey congressman; and Peter B. Bowman, a former commander of the Portsmouth Naval Shipyard in Maine. It is not known whether their views have changed since last month, but one congressional source said Courter has appeared more sympathetic in recent weeks, particularly after hearing an Army presentation at a Norfolk public hearing.

The commission, which is meeting through Sunday to vote on 238 targeted military bases across the country, must submit its closure list to President Clinton by July 1. Its recommendations are considered crucial because Clinton and the Congress can only vote the list up or down, without making any changes.

SCHEDULE

The seven-member Base closure and Realignment Commission begins its final deliberations today. Based on its tentative schedule, here's when local bases will be discussed, then voted on:

- * Today, 3 p.m.: Fort Lee, Petersburg.
- * Today, 3:45 p.m.: Fort Monroe.
- * Friday, 3:30 p.m.: Norfolk Naval Shipyard.
- * Saturday, 9 a.m.: Oceana Naval Air Station.
- * Saturday, 1:30 p.m.: Norfolk Naval Aviation Depot.

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Abstract (Document Summary)

[Herbert H. Bateman], a member of the House Armed Services Committee and the Virginia delegation's point man for Fort Monroe, met privately with Commissioner Rebecca G. Cox for 15 or 20 minutes.

Bateman talked by telephone with Commissioner Beverly B. Byron, a former Maryland congresswoman with whom he worked on the Armed Services Committee. Byron, who visited Fort Monroe two weeks ago, has said she sees military value in the base, which is headquarters for the Army's Training and Doctrine Command, known as TRADOC.

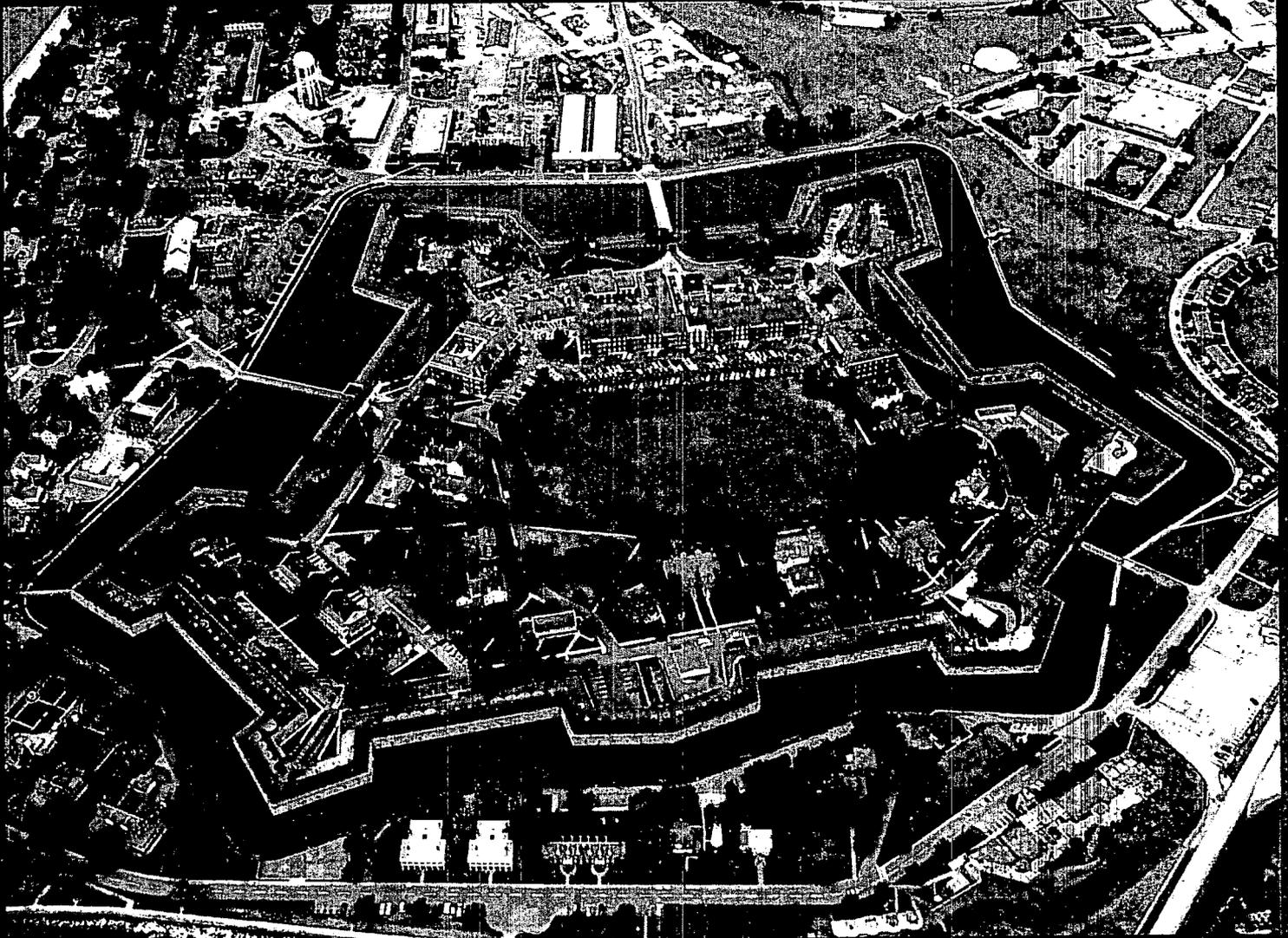
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Appendix – Exhibit D

Welcome to Fort Monroe, VA



Planning the Future, Preserving the Past



FORT MONROE BRAC COMMAND BRIEF

24 June 2005

AGENDA

0830-1000

Command Brief

COL Allmendinger

1000-1130

Tour Fort Monroe

COL Allmendinger

FORT MONROE EFFICIENT/PRODUCTIVE

even new activities on Fort Monroe since FY 200

Army Accessions Command

Installation Management Agency Northeast Region

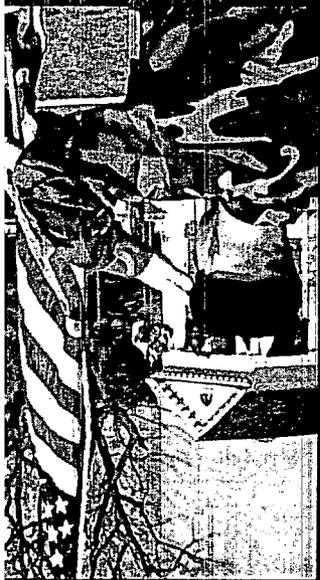
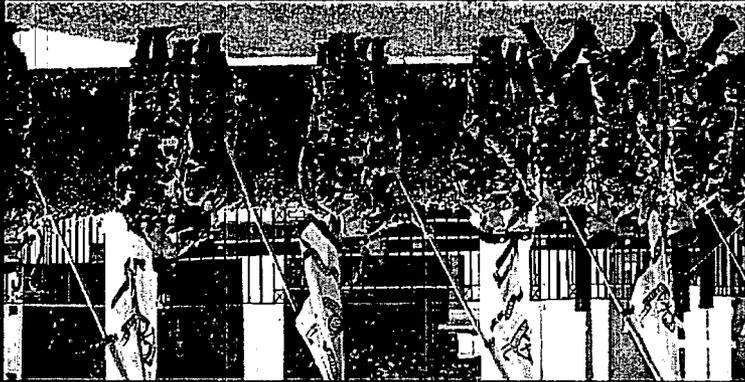
Army Contracting Agency Northern Region

Joint Task Force-Civil Support

Defense Contract Management Agency

NETCOM

Futures Center



LOW GARRISON OPERATING COSTS

(FY04 operating cost - \$30.4M)

Appendix – Exhibit E



FORSCOM SCENARIO

Payback/COBRA Comparison

	Relocate FORSCOM to Pope AFB, NC	Relocate FORSCOM to Fort Eustis	Relocate FORSCOM to Fort Carson, CO	Relocate FORSCOM to Peterson AFB,
One Time Costs	\$ 99M	\$ 93M	\$ 103M	\$ 110M
<i>MILCON</i>	\$ 56M	\$ 51M	\$ 57M	\$ 64M
<i>Civilian Moving/Ret/RIF(Net)</i>	\$ 20M	\$ 22M	\$ 24M	\$ 24M
<i>Program Management</i>	\$ 8M	\$ 8M	\$ 8M	\$ 8M
<i>Other / 1-Time Unique</i>	\$ 9M	\$ 9M	\$ 10M	\$ 10M
	\$ - 76M	\$ - 60M	\$ 2M	\$ + 137M
Payback Yrs / Breakeven	7 yrs / 2017	8 yrs / 2018	16 yrs / 2026	Never
State Savings	\$ - 15.1M	\$ - 13.1M	\$ - 8.4M	\$ + 3.0M
Reductions	50 / 125	50 / 125	50 / 125	50 / 125
Relocated	512 / 586	512 / 586	512 / 586	512 / 586
State/Recurring Net \$	\$ - 15.1M	\$ - 13.1M	\$ - 8.4M	\$ + 3.0M
Personnel	\$ - 15.8M	\$ - 12.8M	\$ - 11.6M	\$ - 8.8M
<i>Military Salaries</i>	-4.5	-4.5	-4.5	-4.5
<i>Mil Housing Allow.</i>	-2.3	-1.6	-1.3	-1.3
<i>Civilian Salaries</i>	-9.0	-6.7	-5.8	-5.8
TRICARE	\$ + 0.6M	\$ - 0.5M	\$ + 3.0M	\$ + 2.3M
Overhead (O&M)	\$ < 0.1M	\$ 0.2M	\$.2M	\$ + 9.6M
<i>Sustainment</i>	-0.4	-0.4	-0.3	-0.3
<i>Recap</i>	-0.3	-0.3	-0.2	-0.2
<i>BOS</i>	>0.7	0.8	0.7	0.7



HSA-0124 :

Re-locate FORSCOM

Candidate Recommendation: Realign Ft. McPherson, GA by relocating FORSCOM HQ 1 Pope AFB.

<p style="text-align: center;"><u>Justification</u></p> <p>Justification: Potential closure of Ft McPherson, GA. Relocates FORSCOM in the vicinity of XVIII ABN Division, 82nd ABN Division, and USA Special Operations Command.</p>	<p style="text-align: center;"><u>Military Value</u></p> <ul style="list-style-type: none"> ✓ The HSA JCSG Military Value (MV) Model results indicate Pope AFB is ranked 29 of 147 installations, while Ft. McPherson is ranked 102 of 147 installations. This move would increase MV from .856 to .894. ✓ Complies with Transformational Options to consolidate HQs at a single location and eliminate stand-alone HQs.
<p style="text-align: center;"><u>Payback</u></p> <p> Total Time Cost: \$ 99.4M Total Implementation Cost: \$ 72.1M Annual Recurring Savings: \$ 15.1M Payback Period: 7 yrs / 2017 Net MV (Savings): \$ 75.6M </p>	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> ✓ <u>Criterion 6.</u> Could result in max potential reduction of 2,731 jobs (1614 direct jobs/1117 indirect jobs) in the Atlanta-Sand Springs-Marietta, GA Metropolitan Statistical area, which is 0.10 percent of the economic area employment. ✓ <u>Criterion 7. Risky</u> (Pope AFB has 6 areas rated Red-Graduate/PHD programs, Median House Value; Vacant Rental Sales Units, Pop./Physician, UCR Index) ✓ <u>Criterion 8.</u> Reported issues at Pope AFB (Red for Noise & Water Resources). No environmental impact reported for Ft. McPherson.

- | | | | |
|----------------------------|--|--|--|
| <p>Category</p> <p>BRA</p> | <ul style="list-style-type: none"> ✓ Capacity Analysis / Data Verification ✓ Military Value Analysis / Data Verification | <ul style="list-style-type: none"> ✓ JCSG/MilDep Recommended ✓ Criteria 6-8 Analysis | <ul style="list-style-type: none"> ✓ De-conflicted w/JCS ✓ De-conflicted w/Mil |
|----------------------------|--|--|--|



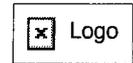
HSA-0055 [C]: Co-locate FORSCOM

Candidate Recommendation: Realign Ft. McPherson, GA by relocating FORSCOM at Ft. Eustis, VA.

<u>Justification</u>	<u>Military Value</u>														
<p>merge common support functions. realize savings through the potential closure of Ft. McPherson, VA. relocates FORSCOM in the vicinity of JFCOM.</p>	<ul style="list-style-type: none"> ✓ MILVAL Eustis: 43/147 (MAH model) ✓ MILVAL McPherson: 102/147 ✓ MILVAL Peterson (alt): 5/147 ✓ MILVAL Carson (alt): 79/147 ✓ MILVAL Pope (alt): 29/147 ✓ Complies with Transformational Options to consolidate HQs at a single location and eliminate stand-alone HQ 														
<u>Payback</u>	<u>Impacts</u>														
<table> <tr> <td>One Time Cost:</td> <td>\$ 93M</td> </tr> <tr> <td>MILCON:</td> <td>\$ 51M</td> </tr> <tr> <td>OPV:</td> <td>\$ - 60M</td> </tr> <tr> <td>Payback Yrs/Break Even Yr:</td> <td>8 yrs / 2018</td> </tr> <tr> <td>Ready State Savings:</td> <td>\$ - 13M</td> </tr> <tr> <td>M/Civ Reductions:</td> <td>50 / 125</td> </tr> <tr> <td>M/Civ Relocated:</td> <td>512 / 586</td> </tr> </table>	One Time Cost:	\$ 93M	MILCON:	\$ 51M	OPV:	\$ - 60M	Payback Yrs/Break Even Yr:	8 yrs / 2018	Ready State Savings:	\$ - 13M	M/Civ Reductions:	50 / 125	M/Civ Relocated:	512 / 586	<ul style="list-style-type: none"> ✓ <u>Criterion 6</u>: Could result in max potential reduction of 2,700 jobs (1614 direct jobs/1117 indirect jobs) in the Atlanta-Sandy Springs-Marietta, GA Metropolitan Statistical area, which is 0.10 percent of the economic area employment. ✓ <u>Criterion 7. Risk Neutral</u> (No red areas) ✓ <u>Criterion 8. Amber</u> (only red was water resources)
One Time Cost:	\$ 93M														
MILCON:	\$ 51M														
OPV:	\$ - 60M														
Payback Yrs/Break Even Yr:	8 yrs / 2018														
Ready State Savings:	\$ - 13M														
M/Civ Reductions:	50 / 125														
M/Civ Relocated:	512 / 586														

Strategy	✓ Capacity Analysis / Data Verification	<input type="checkbox"/> JCSG/MilDep Recommended	✓ De-conflicted w/JCSG
BRA	✓ Military Value Analysis / Data Verification	✓ Criteria 6-8 Analysis	✓ De-conflicted w/Mil

Appendix – Exhibit F



Originally published on Tuesday, July 19, 2005 in the Local & State

Military defends BRAC plans

By Henry Cuningham

Military editor

WASHINGTON — A member of the BRAC commission questioned whether the Air Force could meet the airlift needs of Fort Bragg should the Pentagon's plan to close and realign military bases be enacted.

The commission member, retired Air Force Gen. Lloyd "Fig" Newton, questioned during a hearing here Monday.

"Absolutely yes," said Gen. T. Michael Moseley, the Air Force vice chairman of the commission.

The Pentagon defended its proposals to close and realign military bases during a hearing before the independent commission.

The Base Realignment and Closure commission is the only body that can delete bases from the Pentagon's list.

The plan includes turning Pope Air Force Base over to Fort Bragg and relocating the Army Forces Command, or FORSCOM, from Fort McPherson in Atlanta to the Bragg-Pope complex.

The plan calls for moving Pope's 43rd Airlift Wing to Little Rock Air Force Base in Arkansas.

The Pentagon's plan includes replacing the active-duty wing of C-130s at Pope with a smaller reserve squadron, which effectively would be a tenant on the existing post.

Army troops board and cargo is loaded onto the Air Force airplanes at Pope's Ramp. The airplanes from Pope and other bases are used for local training and overseas deployments.

"The Army has continuous training requirements that go on day to day, including contingency tasking," Moseley said. "That joint training is a two-way street for the individual jumping out of the airplane but for the individual who stays on the airplane. We see no breaking down or detriment through the recommendation that the Air Force and Army are going to continue that partnership."

Newton asked about bringing to Pope planes for airborne exercises, rather than aircraft permanently assigned to the base.

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“The issue is the presence of the aircraft and the training opportunity,” where the airplane is permanently assigned, Moseley said. He said there exposing more people to the 18th Airborne Corps and the 82nd Air

Michael W. Wynne, chairman of the Infrastructure Steering Group, spok of the Pentagon’s May 13 plan.

“It supports the Army’s plan for relocation of FORSCOM,” Wynne maintains an airfield capability for the continuing Army presence at Fort allows the Air Force and the Army to train together.

“It also fosters joint interaction. This allows efficient consolidation of i management functions. The existing operational relationships will, in fac and, we believe, additional operational training synergies will emerge fro relationships.”

Hopes for Pope

The hearing gave little hope to Cumberland County officials who want commission to reject the proposal and keep an active-duty airlift wing a Force Base.

The commission at 1:30 p.m. today is scheduled to vote on whether to specific proposals for further study. The final vote will come the week c The commission must send its report by Sept. 8 to the president, who can or reject the entire plan.

The Pentagon’s plan calls for bringing FORSCOM, a four-star headquart Army Reserve Command, a three-star headquarters, to Pope.

Anthony Principi, who chairs the BRAC commission, in a letter July 1 Pentagon why it wants to realign Pope rather than close it.

During the hearing, retired Army Gen. James T. Hill, one of nine commis the Army plans to build a headquarters on Fort Bragg, rather than Po FORSCOM

“I think it has more to do with the preference, if you will, of the commanc FORSCOM as to where they would like to be located than it has to do contiguous property,” Wynne said.

Cumberland County officials have lobbied the BRAC commission to keeping the active-duty wing at Pope. They question whether Pope could same level of service as an Army airfield. They also say the Army doe specialists — such as firefighters and munitions handlers — in many of tl areas to operate an Air Force airfield.

Retired Brig. Gen. Paul Dordal is working with Cumberland County offi the wing at Pope. He was disappointed that the commissioners failed to fc the issues surrounding the base.

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“They did ask some very pointed questions in some of the other areas, to Air National Guard realignment...,” Dordal said after the hearing. “I was they would ask the same type of pointed questions about Pope Air Force that didn’t happen. They asked very general questions, and the Air Force with some very not-unexpected answers that supported their posit

The proposal for Pope calls for stationing airplanes from the National Guard Force Reserve at the base. State governors and adjutants general have the Pentagon for trying to take away its airplanes through the BRAC process officials said they were not informed or consulted. Air Force officials sai

Plane speaking

Retired Navy Adm. Harold Gehman criticized proposals in the BRAC to move reserve airplanes. The plan, he said, is intended to address b

“It appears to violate several standing regulations and laws,” Gehman appeared to have several hidden policy issues.” The proposal, he said, will the active-duty Air Force to “get better access to airplanes.”

Wynne said the proposal to relocate A-10 attack jets from Pope Air Force Moody Air Force Base in Georgia would provide opportunities to support center at Fort Benning, Ga., the training site for infantry and arm

An afternoon hearing with the Overseas Basing Commission raised doubt proposal to relocate an unidentified number of European-based forces to Between 61,000 and 70,000 troops would relocate to the United S

The chairman, Al Cornella, said the moves come during a time of uncertainty availability of space at U.S. bases to house the troops and their families. “an uncertainty about the adequacy of airlift planes to deploy those forces crisis. The wars in Iraq and Afghanistan have depleted pre-positioned weapons that those troops would use, Cornella said.

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