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1995 Defense Base Closure & Realignment Commission

Final Deliberations Transcript

June 22—23, 1995

Ed Brown
Army Team Leader

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

OPEN MEETING

8:30 a.m.

Hart Senate Office Building
Room 216
Washington, D.C.

Friday, June 22, 1995

COMMISSIONERS PRESENT:

Alan Dixon

Alton W. Cornella

Rebecca G. Cox

J.B. Davis

S. Lee Kling

Benjamin Montoya

Wendi Louise Steele

Josue Robles

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P R O C E E D I N G S

CHAIRMAN DIXON: Good morning, ladies and gentlemen, and welcome to the first day of the final deliberations of the 1995 Defense Base Closure and Realignment Commission.

My name is Alan Dixon, and I am chairman of the Commission. With me are my colleagues, Commissioners Cornella, Rebecca Cox, General J.B. Davis, S. Lee Kling, Admiral Benjamin Montoya, General Joe Robles, and Wendi Steele.

Today, we will begin to decide which military bases to recommend to the President for closure or realignment. It is a painful responsibility which none of us sought, but which we are determined to carry out in a deliberate way that will improve long-term military readiness and insure we are spending the American taxpayers' money in the most efficient way possible.

Yet, as unappealing as our task is, I can assure every American taxpayer that we are as well-prepared for it as any eight people could be. In the 16 weeks since we received the recommendations of the Secretary of Defense, commissioners and staff have made 205 visits to the 165

military installations and activities. We conducted 16 regional hearings around the country and in Guam. We held another 13 hearings in Washington and have had hundreds of meetings with community representatives and elected officials.

The commissioners have worked hard. The staff has worked hard. The process has been open at every point, and whatever the outcome of our votes, I am confident when I say I believe that every community on the list has been treated and will be judged fairly.

Before I describe how the final deliberations will be conducted, I wanted to offer my thanks on behalf of the other commissioners and our staff to all the military and civilian personnel who have cooperated with us completely and graciously during what is clearly a traumatic time for them. They show character beyond words and do their country proud.

Now, let me describe how these deliberations will proceed. When we finish our work today, we will resume work in this room at 8:30 tomorrow morning and Saturday morning. If we have not finished by Saturday, we will take off Sunday and return here Monday morning at 8:30 and for as many mornings as necessary.

We have deliberately left these work days open-ended and will know only late on each day what time we will stop work. For those reasons, it is impossible to predict in advance what time of what day a base will be considered.

We will begin in a few minutes with a presentation by our staff cross-service team. This presentation will include the installations in the following categories: Air Force laboratories and product centers; Air Force depots; Army depots; Navy depots/warfare centers; Navy technical centers; and the Dugway Proving Ground and a group of five miscellaneous Air Force installations.

As will be the case throughout the deliberations, our staff will present the commissioners with the results of its review and analysis of the data underlying the recommendations on the Secretary's list and regarding the bases the Commission added for consideration on May 10.

After the presentation on each installation, there will be as many questions and as much debate as the commissioners desire, and then it will be appropriate to entertain a motion for some kind of action. It is our intention to vote on each installation after its presentation. The final result on each base will be known a

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hat time, notwithstanding the fact that we have until july 1 o deliver our formal report to the President.

the cross-service team is finished, we will nove[redacted]the Air Force, then the Navy, the Army, and inally[redacted] Defense Logistics Agency.

Now, let me take a minute to describe our voting procedure, because it may be slightly confusing at times. The base closure statute affords the recommendations for of the Secretary of Defense a presumption of correctness. From a practical standpoint, that means the Commission can overturn or modify the Secretary's recommendation only by a majority vote.

If a motion to reject or modify the Secretary's recommendation ends in a tie, then the motion fails and the Secretary's recommendation stands. In addition, in order to overturn the Secretary's recommendation, the Commission must make a specific finding that the recommendation has substantially deviated from the force structure and base closure criteria.

In the case of a motion to accept the Secretary's recommendation, a tie vote is all that is needed to support the Secretary. A majority vote is not necessary. The base

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closure statute does not give the same presumption to bases added to the list by the Commission. These bases can be closed or realigned only with a majority vote.

Further, there is no need to make a motion to keep an added base open. We do not have to vote on all the bases we added, and if we do not vote, that particular base will remain open.

The Chair will try to make sure we all understand these distinctions as we proceed with the voting.

Now, before I recognize the Commission staff director David Lyles, who will begin the presentations, I would [redacted]o say a few words about the difficult task at hand [redacted]w I approach it. I believe the elimination of excess infrastructure in the Defense Department is critical to the ability of the military services to maintain and modernize their forces over the next decade.

All of us are aware of the pressures on the defense budget. In the last 10 years, the defense budget has declined almost 40 percent in real terms. For FY 1996, the military budget for modernization and procurement of new weapons is $39.4 billion -- down 71 percent since 1986, and in real terms at its lowest level since 1950.

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Since 1986, we have reduced the size of the military by 30 percent. If this Commission closes everything the Department wants closed this year, we will have reduced the infrastructure by just 21 percent in all four rounds of base closure.

There are no bad bases left to vote on. All the installations before us have made it through three rigorous rounds of cuts. Nonetheless, throughout our four months of visits, hearings and analysis, certain indisputable facts emerge: First, DOD officials have testified that even after this round is completed, there will still be significant excess infrastructure in the Defense Department.

Second, DOD officials have also testified that the services are counting on the savings from this round to reverse the decline in their modernization funding. Third, the overall defense budget is likely to decline over the next few years. And fourth, this is the last round of closures under the current, expedited procedure, and it is unclear whether Congress will ever authorize another round.

[redacted]ing said that, I believe it is critical that the com[redacted] achieve at the very minimum the level of savings prop[redacted] March by the Secretary of Defense. I would

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1 personally prefer to achieve greater savings.
2 As I have said earlier, the base closure law allows
3 the Commission to remove a base from the Secretary's list
4 only if it finds substantial deviation from the force
5 structure plan or the selection criteria. For my part, I
6 will apply a very rigid test to this question of substantial
7 deviation, because I believe that closing bases now is the
8 key to the continued readiness and future modernization of
9 our military forces.
10 Now, ladies and gentlemen, we're ready to begin.
11 And I would ask that all the staff members who may be
12 testifying today please stand, and I will administer the
13 oath.
14 [Staff sworn.]
15 CHAIRMAN DIXON: Director Lyles, you may begin,
16 sir. And thank you from this entire Commission for the
17 excellent work done by you and your staff.
18 MR. LYLES: Thank you, Mr. Chairman, and good
19 morning, Mr. Chairman and members of the Commission. Before
20 we turn to the Commission review and analysis staff to begin
21 a discussion of the closure and realignment recommendations,
22 I would like to take just a moment or two to make two points

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1 to set the stage for the Commission's discussions over the
2 next several days.
3 The first point involves the financial and
4 budgetary context of the Commission's deliberations. As you
5 can see from the first chart on the screen there, back on
6 March 1st, the Defense Department estimated that the base
7 closure and realignment recommendations they were forwarding
8 to the Commission had one-time, up-front costs of $3.74
9 billion, with annual savings of 1.77 billion once they were
10 implemented, and a 20-year savings of $21 billion.
11 Two things have happened since March 1st that have
12 changed or could change these cost and savings estimates.
13 The first is that the military services, principally the Army
14 and the Air Force, have gone out and done detailed site
15 surveys of the installations on their closure lists. As a
16 result of these site surveys, the services have revised the
17 one-time cost and annual savings projections on a number of
18 their recommendations.
19 The second line on this chart shows the cumulative
20 results of these revisions. Using the Defense Department's
21 own figures, the one-time cost to implement their March 1st
22 recommendations have now gone up by $337 million, or 9

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1 percent. Their annual savings have gone down by $146
2 million, or 8.3 percent. And the 20-year savings have gone
3 down by $1.9 billion, a little over 9 percent.
4 The second thing that has happened, Mr. Chairman,
5 is that the Secretary of Defense and the Secretary of the
6 Army have written, asking the Commission to remove several
7 installations from the March 1st list. These installations
8 are listed on the second chart and include Kirtland Air Force
9 Base in the Air Force, Dugway Proving Ground, and two smaller
10 installations in the Army.
11 If the Commission agrees with the Department's
12 recommendation to remove these installations from the list,
13 the financial result is shown on this slide. The one-time up
14 front cost to implement the closures and realignments
15 declined by 225 million, or 6 percent, from the March 1st
16 figure. The annual savings declined by 199 million, or 11
17 percent. And the 20-year savings declined by 2.1 billion, or
18 10 percent.
19 So, Mr. Chairman, the message here is that if the
20 Commission were just to accept the Defense Department's
21 recommendations as they stand now, using the Defense
22 Department's numbers, the annual savings would be 11 percent

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1 lower, and the 20-year savings would be 10 percent lower than
2 the Defense Department estimated when they sent the list to
3 the Commission on March the 1st.
4 The second area I would like to highlight briefly,
5 Mr. Chairman, is the Commission's approach to economic impact
6 and cumulative economic impact in our analysis of the Defense
7 Department recommendations over the past four months.
8 Economic impact is one of the eight selection criteria
9 considered by the Defense Department when they drew up their
10 closure recommendations.
11 In the presentations by the Commission's staff over
12 the next several days, you will see estimates for economic
13 impact and for cumulative economic impact for each
14 installation on the Secretary of Defense's list of
15 recommendations, as well as on the Commission's list of bases
16 added for consideration.
17 The economic impact of a proposed closure or
18 realignment of an installation is defined as "The direct and
19 indirect job loss resulting from a realignment or closure as
20 a percent of the employment base within its economic area."
21 The cumulative economic impact of a closure or
22 realignment is "The direct and indirect job loss as a percent

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1 of the employment base resulting from the proposed 1995
2 closure or realignment action, other proposed 1995 closure or
3 realignments across all the services within the same economic
4 area, and prior closure or realignment actions across all the
5 services within the same economic area."
6 Mr. Chairman and commissioners, I think our hearing
7 record demonstrated that the economic impact estimates
8 presented are just estimates and are considered by most
9 technicians to be worst-case estimates, and the actual
10 economic impacts of base closures may or may not reflect this
11 worst case.
12 I would also like to emphasize that the data and
13 the methods used to estimate economic impacts are well-
14 documented and are applied consistently across all the
15 installations in the Commission's review process. We have
16 had two senior economists on our staff helping us in this
17 area, Mr. Dave Henry from the Department of Commerce, and Mr.
18 Bob Wilson from FEMA.
19 Mr. Chairman, with these introductory remarks, I
20 think the staff is ready to proceed with the first category
21 of closure and realignment recommendations. Mr. Ben Borden,
22 our director of review and analysis, is on my right. And on

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1 my left is Mr. Jim Owsley, the team chief of the cross-
2 service team, who will begin the discussion and presentation.
3 MR. OWSLEY: Thank you. Good morning, Mr. Chairman
4 and commissioners. It's a pleasure to be here this morning
5 to present our analysis of the Secretary of Defense's
6 recommendations on product centers and laboratories,
7 logistics centers, depots, and air warfare centers.
8 Assisting me on the first portion of my testimony is Dick
9 Helmer; next to him is Les Farrington; and then last in line,
10 Frank Cantwell, all senior analysts for the Commission staff.
11 The cross-services presentation today will address
12 29 installations. The installations are divided into seven
13 categories that you see on the screens before you. Category
14 A is the Air Force product centers and laboratories; Category
15 B is the Air Force depots; Category C is the Army depots;
16 Category D is Navy depots and warfare centers; Categories E
17 through G includes 15 installations that span the Air Force,
18 Navy, and Army.
19 We would now like to get into the first of the
20 product centers. The next chart depicts the seven Air Force
21 product centers and laboratories. They are Hanscom Air Force
22 Base, Rome Laboratory, Wright-Patterson Air Force Base,

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1 Kirtland Air Force Base, and Brooks Air Force Base. The
2 three shaded installations are those that are recommended by
3 the Department of Defense for closure or realignment. We
4 have a map that shows the location of each of these
5 installations.
6 Our next chart begins with the first installation,
7 which is the Rome Laboratory, located at Griffiss Air Force
8 Base in New York. Rome Laboratory is the Air Force center of
9 excellence for command, control, communications, computers,
10 and intelligence, known as C4-I. And it is one of the Air
11 Force's tier I top laboratories.
12 According to the Chairman of the Joint Chiefs of
13 Staff -- and I quote -- "In each of the world wars of this
14 century, new technology debuted that revolutionized the way
15 we fought wars. The revolution occurring today is in C4-I."
16 Chart A-4 -- will you please put the chart back?
17 This chart shows the Secretary of Defense's recommendation
18 and the cost-savings personnel and the economic impact
19 involved.
20 The Secretary's recommendation is to close Rome
21 lab. Chart A-5 shows the DOD proposed relocation of Rome
22 Laboratory's activities and personnel positions to Hanscom

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1 Air Force Base and Fort Monmouth, New Jersey. Under this
2 plan, the lab site, a modelling and fabrication facility,
3 along with personnel, will remain at Griffiss Air Force Base.
4 The next chart shows the issues we have reviewed.
5 The DOD position is that its costs are fair and have a six-
6 year return on investment, while the community's position is
7 that it will take more than 100 years for the return on
8 investment. Our review and analysis show a 13-year return on
9 investment.
10 The second issue involves space. DOD's position is
11 that space is available for the renovation at Hanscom Air
12 Force Base without constructing new facilities. The
13 community's position is that renovated and new facilities
14 will be needed. The staff, because of a timing problem on
15 the facility to be modified at Hanscom, found that a new
16 facility or an investment in interim facilities will be
17 required.
18 DOD's position on Rome activity to be moved to Fort
19 Monmouth is that they will increase cross-servicing. The
20 community's position is that it breaks up teams of highly
21 committed individuals without standing C4-I expertise and
22 capabilities who are currently involved in DOD and

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1 interservicing projects. We believe that no increase in
2 cross-servicing is likely to occur from this relocation.
3 DOD's position is that some loss in Rome's
4 laboratory missions effectiveness will result, but they will
5 return at a later date. The community's position is that
6 most key personnel will not relocate and that the lab will
7 never be the same.
8 We believe there is a high probability that team
9 expertise would be seriously degraded by the closure and
10 relocation. Many personnel will not move and, as a result,
11 the gaining installations would have to hire new people who
12 will have to be trained.
13 The Air Force, the last issue is one involving re-
14 use. And the Air Force is no longer committed to the
15 community's re-use plan, because the law requires them to
16 look at bases that are open equally each time they start the
17 process. There's a 1993 letter to the then Commission from
18 the Deputy Assistant Secretary of the Air Force for
19 installations stating, "The Air Force has no plans to close
20 or relocate Rome Laboratory within the next five years."
21 The community believes this program promise limits
22 its redevelopment of Griffiss Air Force Base Rome Lab. The

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staff believes that the re-use plan will be impaired by Rome Lab closure.

ıst chart on Rome Lab shows the pros and cons whic ıve discussed previously. And those pros are conso d infrastructure will be gained at the gaining installation and will eliminate some excess laboratory space. The cons are the one-time costs to do this and the longer-term return on investment and the breakup of a proven lab team.

This ends our presentation on Rome Laboratory. Do you have any questions?

CHAIRMAN DIXON: Thank you very much, Mr. Owsley.

Do any of my colleagues have any questions of Mr. Owsley or of any member of the staff regarding Rome Labs?

Commissioner Kling?

COMMISSIONER KLING: Mr. Owsley, I noticed the large difference in the annual savings between what the Department of Defense has shown and what the staff does. What accounts for that? What's the largest factor that makes this almost 40 percent difference? And the other question to do with that is, this is a very high technical location.

And you've touched on the fact that we would

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seriously impair or could impair the effectiveness of that. Would you kind of touch on that a little bit, as well, as to what the staff's feelings on that respect are?

MR. OWSLEY: Yes. I would like to touch on the latter first and then ask Mr. Helmer, who did the analysis, to cover the cost portion of that. Rome Lab is a highly rated lab by the Air Force and has been in operation for many, many years. They assist many, many agencies of the government other than the Air Force and particularly in the intelligence community.

They have interrelated labs that assist each other in pr They're totally netted together in fiber optics netw o they have immediate communications, clear comm ations. I think, as in almost any laboratory in this country that is judged really good, the thing that makes a laboratory or technology center are the people.

And in this case, as we went through the laboratory and we stopped and talked to people and we had several visits to Rome Lab, a large number of these people indicated that they were long-term residents of the area. And some were near retirement, not ready to take retirement, but would take early retirement if it meant relocating themselves and their

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family.

So it seems likely that the continuity of a team hat has been together for many years will certainly be nterrupted. The Air Force concurs with this, but they elieve they have a management plan that would put them ogether with some like type people in some cases at Hanscom Air Force Base and that in time, the team synergism through ıew hires and the personnel that do move would come back ogether as good a team as Rome currently has.

I should point out that Rome Laboratory does report o the Hanscom command, so this is not like taking a aboratory that is totally new to a command, because the ommander of Hanscom is also the commander of Rome. So there s a plus there, if you will, that he and his staff will nderstand Rome Laboratory. And that mitigates to some legree the concern that we have, but it does not replace the eople that I believe would not move.

CHAIRMAN DIXON: Mr. Helmer, can you cast any light n the commissioner's question on cost?

MR. HELMER: Yes, sir. The basic difference etw r –

RMAN DIXON: Talk into your mike, Mr. Helmer.

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1 MR. HELMER: I'm sorry. Excuse me.
2 CHAIRMAN DIXON: Thank you very much.
3 MR. HELMER: The basic difference between our
4 estimate and the Air Force's is that we moved less people, as
5 far as the personnel eliminated were concerned. We felt that
6 the Air Force overstated the savings personnel-wise. We also
7 added $8 million for the interim building to locate people or
8 to construct, if you will, a new facility. Those are the
9 basic differences.
10 COMMISSIONER KLING: You're comfortable with those
11 figures?
12 MR. HELMER: Yes, sir, we are.
13 COMMISSIONER KLING: Thank you.
14 CHAIRMAN DIXON: Are there any other questions by
15 my colleagues?
16 COMMISSIONER MONTOYA: Yes, Mr. Chairman.
17 CHAIRMAN DIXON: Commissioner Montoya.
18 COMMISSIONER MONTOYA: I wish to focus on the
19 savings side, because there the percentage change is even
20 larger than on the cost side. Can one of you put your finger
21 on one or two variables as to why there's such a large swing
22 between the community position and ours and the Department's

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1 in the savings piece?
2 MR. HELMER: Yes, sir. The main savings in the
3 analysis result from personnel eliminations. And we
4 eliminated less people in the Air Force.
5 COMMISSIONER MONTOYA: And how about the community?
6 Why are the community savings so low?
7 MR. HELMER: Well, the community did a number of
8 things. They included, for example, a higher discount rate.
9 The standard rate we're using is in the area of, I believe,
10 2.75. And theirs is 4.85. They also included things like
11 locality pay. And they also didn't accept the personnel
12 reductions.
13 COMMISSIONER MONTOYA: Did not, you say?
14 MR. HELMER: Did not, yes.
15 COMMISSIONER MONTOYA: Thank you.
16 CHAIRMAN DIXON: Are there any further questions by
17 any of the commissioners?
18 COMMISSIONER COX: Mr. Owsley –
19 CHAIRMAN DIXON: Commissioner Cox.
20 COMMISSIONER COX: I was on the 1993 Commission,
21 and I certainly agree that the '95 Commission is in no way
22 bound by the 1993 Commission. But I do note that there are

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1 over 40 directs, redirects, or changes from decisions we did
2 make in 1993.
3 And while I'm not in the position of defending all
4 the of '93 decisions and certainly things have changed since
5 then, I am interested in sort of what the differences are
6 from 1993 in the DOD recommendation. And we obviously
7 decided in 1993 that moving the Rome labs was not cost-
8 effective.
9 Since then, if you might just tell me a little bit
10 – and it's certainly not a big factor, but a factor in this
11 re-use plan. Because one of the arguments has been, "Gosh,
12 we counted on the Rome labs for the re-use plan. We were
13 entitled to do so, not because the '93 Commission didn't
14 close it, but because the Air Force made a commitment to it."
15 What is the re-use plan? Have there been legitimate
16 reliances on the Air Force commitment?
17 MR. OWSLEY: Yes, commissioner. After the closing
18 of Griffiss Air Force Base where Rome is located and the
19 Commission and the Air Force's position to keep Rome lab in
20 place, the Rome lab people tried to offset the loss of the
21 personnel and the economic effects of losing Griffiss by
22 starting a re-use plan that involved as its hub Rome's

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1 technology center to draw in technology companies not too
2 unlike what has happened at the parent, Hanscom Air Force
3 Base, in that area, as we know, around Boston.
The city around there and the State of New York has
[illegible]t in approximately $10 million to date to start a re-use
[illegible]ctivity. That re-use activity that we have seen
7 presentations on -- and it shows and it uses right in the
8 center of that industrial technology complex is Rome
9 Laboratory.
10 And because of the nature of the work they do,
11 there will be a propensity to draw other like firms, which is
12 what Rome was trying to do, was to develop a technology
13 rather than manufacturing base, because they believed that
14 that would propel them into the future.
15 They did use Rome as a base. They relied on the
16 five years. And if you look at their plan that they
17 presented to us several times, it focused around the
18 probability that Rome might have to be privatized or might
19 have to stand on its own at the end of the five-year period.
20 So it was an important assumption on their part.
21 I will say that as you look at the laboratory
22 structure and what I believe led the Air Force to the

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1 recommendation is they have a serious reduction in lab
2 dollars coming in the future.
3 And they had to look for ways to consolidate things
4 to get ready for those reductions that are imminent. So
5 there was a difference in the Air Force's recommendation in
6 '93 versus '95 for those reasons. Thank you.
7 COMMISSIONER COX: Thank you.
8 CHAIRMAN DIXON: Are there any further questions
9 from any commissioner regarding this staff report on Rome?
10 COMMISSIONER DAVIS: Mr. Chairman, just one short
11 one.
CHAIRMAN DIXON: Commissioner Davis.
COMMISSIONER DAVIS: Recognizing that one of the
[illegible]iving reasons is to do some consolidation among
15 laboratories that DOD put this one forth, or one of the
16 advertised reasons, clearly, I just -- is this an opinion --
17 will we lose synergism by not doing that, or do you think you
18 can sustain the level of good work that Rome performs if they
19 stay right where they are?
20 MR. OWSLEY: I think you will retain the synergism
21 that Rome has with the other services in that better by
22 keeping them where they are. Hanscom is not a C4-I activity

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1 per se. It's an acquisition activity, mainly. They do
2 control Rome Laboratory, but they do not do the same kind of
3 C4-I activities.
4 The cross-services group recommended that the
5 synergy in the C4-I area would be enhanced by moving all of
6 the C4-I activities to Fort Monmouth, New Jersey, where the
7 Army has a large organization doing that. And that would
8 have enhanced getting the Navy, Army, and Air Force together.
9 But that recommendation was not picked up by any one of the
10 services.
11 COMMISSIONER DAVIS: Thank you, Mr. Chairman.
12 CHAIRMAN DIXON: Thank you, Commissioner Davis.
13 Are there any questions of any commissioner of the
14 staff?
15 (No response.)
16 CHAIRMAN DIXON: Is there a motion? Pardon me.
17 Commissioner Steele.
18 COMMISSIONER STEELE: One final thing, really
19 quickly. So the bottom line with that, Mr. Owsley, was
20 though the joint cross-service group recommended it for
[illegible]osure in their proposal to increase cross-servicing, the
[illegible]commendation that came to us actually does not

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1 significantly increase cross-servicing at all; is that
2 correct?
3 MR. OWSLEY: The cross-service group did not
4 recommend it for closure. It recommended its realignment to
5 Fort Monmouth, New Jersey, along with the Navy's SPAWAR and
6 other such C4-I activities. There could have been great
7 synergism occur there, but the services -- each of the
8 services, for the reasons that they analyzed, did not adopt
9 that recommendation. So in the end, the Air Force, in trying
10 to consolidate on their own, recommended the movement of Rome
11 Laboratory to Hanscom.
12 COMMISSIONER STEELE: Thank you.
13 CHAIRMAN DIXON: Is there any other question by any
14 commissioner of this staff?
15 (No response.)
16 CHAIRMAN DIXON: Is there any motion by any
17 commissioner regarding the recommendation of the Secretary of
18 Defense with reference to Rome Laboratory? Is there a
19 motion?
20 COMMISSIONER ROBLES: Mr. Chairman, before we have
21 a motion, can we --
22 CHAIRMAN DIXON: Commissioner Robles.

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1 COMMISSIONER ROBLES: I didn't realize we were
2 going to go right into the vote. That's my fault. But I
3 think there ought to be -- I want to make just a couple of
4 statements, because I think it's applicable to this whole
5 family of things we're going to talk about.
6 CHAIRMAN DIXON: Commissioner Robles.
7 COMMISSIONER ROBLES: I spent most of my adult life
8 in the military and in the Army, and so I'm a simple soldier.
9 So I'm going to come at it from a simple point of view. I'm
10 gravely concerned about this whole category of laboratories
11 and production centers in all the services. And let me tell
12 you why.
13 One of my responsibilities on active duty was to
14 make a lot of these things happen, do realignments, come up
15 with alternatives, work BRAC issues. And it was relatively
16 easy when we're talking about moving force structure type
17 decisions. That is, it was easy to move a tank battalion or
18 move a brigade or move a tactical fighter wing. We know how
19 to do this, the military. They know how to do it. They have
20 done it for all of my tenure in the military. And it's
21 pretty straightforward.
22 What concerns me greatly is that as we start the

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1 defense downsizing, the focus now is on infrastructure.
2 We're going to do the force structure reduction. That's
3 going to happen automatically. And, as you look at the track
4 record since '89, we have done that very well. We have taken
5 over a third of the military's capability -- war fighting
6 capability out very quickly.
7 But when we start to dabble in infrastructure and
8 start to make adjustments in infrastructure, we don't have
9 quite as good a template to do that. And I worry a lot when
10 we start to move labs around. I worry a lot when we start to
11 move very highly sophisticated test centers. I worry a lot
12 when we move basic production facilities in which there is no
13 analogue in the civilian sector.
14 The military has always been a leader in these
15 laboratory facilities. And a lot of the work that happens in
16 the military labs spins off to the civilian sector. At the
17 same time, we're cutting back on FFRDCs, federally funded
18 research and development center grants, to universities and
19 other places.
20 So I just have to say that as we get ready to vote
21 on this whole family of laboratories and on this whole family
22 of infrastructure and production facilities and things in

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which there are really no good analogues in the civilian sector -- there are many in some sectors, but there's a lot of the [illegible] which there's a void out there -- that we don't put t[illegible]he same bucket as moving a tank battalion or a tactica[illegible]ter wing or a force structure action that's relatively simple by military standards and we think twice.

And so I just have to say that this is sort of -- if you don't want to call it my protest, statement that I just am very nervous about starting to break apart labs that have taken years to construct to build the teamwork to do the certifications to get the right teams in place and say, "Yeah, we can do that."

And you use the same analogue like, well, take those 58 tanks and move them from Fort A to Fort B." So that's my soapbox for the day, but I think it's something we ought to think about as we start to vote in some of these critical decisions.

CHAIRMAN DIXON: Thank you very much, Commissioner Robles.

Are there any other questions or statements?

(No response.)

CHAIRMAN DIXON: Is there a motion?

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COMMISSIONER COX: Mr. Chairman.

CHAIRMAN DIXON: Commissioner Cox.

MOTION

COMMISSIONER COX: Having been moved by Commissioner Robles' very fine remarks, I move that the Commission find that the Secretary of Defense deviated substantially from final criteria 1, 4, and 5 and, therefore, the Commission reject the Secretary's recommendation on Rome Laboratory and instead adopt the following recommendation: Retain Rome Laboratory, Rome, New York, including all activiti[illegible] and facilities. The Commission finds that this recor[illegible]ation is consistent with the force structure plan and [illegible]iteria.

CHAIRMAN DIXON: Is there a second to the motion by Commissioner Cox?

COMMISSIONER STEELE: I second the motion.

CHAIRMAN DIXON: It is seconded by Commissioner Steele. Are there any comments or remarks concerning this motion by Commissioner Cox?

(No response.)

CHAIRMAN DIXON: If not, counsel will call the roll on the motion by Commissioner Cox, seconded by Commissioner

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Steele.

MS. CREEDON: Commissioner Cox?

COMMISSIONER COX: Aye.

MS. CREEDON: Commissioner Davis?

COMMISSIONER DAVIS: Aye.

MS. CREEDON: Commissioner Kling?

COMMISSIONER KLING: Aye.

MS. CREEDON: Commissioner Montoya?

COMMISSIONER MONTOYA: Aye.

MS. CREEDON: Commissioner Robles?

COMMISSIONER ROBLES: Aye.

MS. CREEDON: Commissioner Steele?

COMMISSIONER STEELE: Aye.

MS. CREEDON: Commissioner Cornella?

COMMISSIONER CORNELLA: Aye.

MS. CREEDON: Mr. Chairman?

CHAIRMAN DIXON: Aye.

MS. CREEDON: Mr. Chairman, the votes are eight ayes and zero nays.

CHAIRMAN DIXON: The vote on the first motion is eigh[illegible] and no nays. And the recommendation of the Secr[illegible]f Defense is unanimously rejected.

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1 MR. OWSLEY: The next center that we're going to
2 cover --
3 CHAIRMAN DIXON: Pardon me. Ladies and gentlemen,
4 it will be a long few days. And we understand that some will
5 leave when their results have been obtained, and we respect
6 that. Please do it in an orderly way. We have got a lot of
7 work to do.
8 Commissioner Owsley? I mean -- pardon me. Mr.
9 Owsley.
10 (Laughter.)
11 MR. OWSLEY: I will take promotions any time I can
12 get them.
13 CHAIRMAN DIXON: Don't ever take this job, Jim.
14 I'm telling you. Mr. Owsley.
15 MR. OWSLEY: Thank you. The next laboratory area
16 that we'll cover is Kirtland, which will be covered by Mr.
17 Frank Cantwell.
18 MR. CANTWELL: Good morning, Mr. Chairman,
19 commissioners. March 1st, the Department of Defense
20 recommended the realignment of Kirtland Air Force Base. The
21 Department's recommendation would relocate most of the units
22 currently located on Kirtland, leaving the Phillips

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1 Laboratory in a contoned area.
2 Of special note, Kirtland is also the home of the
3 Department of Energy's Sandia National Laboratory. The slide
4 on the left -- and could you please put the base analysis
5 slide on the right. The slide on the left is an excerpt from
6 a memorandum sent from Secretary Perry to Chairman Dixon.
7 I would like to summarize the paragraph on the left
8 by saying that after the Secretary reviewed the results of
9 the site survey, he felt that this recommendation was no
10 longer fiscally or operationally sound. The fiscal concerns
11 are shown on the base analysis slide on the right.
12 CHAIRMAN DIXON: May I interrupt you, Mr. Cantwell?
13 MR. CANTWELL: Yes, sir.
14 CHAIRMAN DIXON: I doubt that there's any question
15 in the mind of any commissioner regarding Kirtland. If the
16 Chair is wrong, would any commissioner who thinks otherwise
17 speak up? But my only thought was, it's going to be a long
18 time, and this one is not in any -- is there any debate about
19 it? Is there any commissioner that needs to hear more?
20 (No response.)
21 CHAIRMAN DIXON: Is there a motion on Kirtland Air
22 Base?

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1 COMMISSIONER DAVIS: Mr. Chairman, I have a motion.
2 CHAIRMAN DIXON: Commissioner Davis.
3 MOTION
4 COMMISSIONER DAVIS: Sir, I move the Commission
5 find the Secretary of Defense deviated substantially from
6 final criteria 4 and 5 in the force structure plan.
7 CHAIRMAN DIXON: Is there a second to the motion by
8 Commissioner Davis?
9 COMMISSIONER MONTOYA: Second.
10 COMMISSIONER DAVIS: Sir, I'm going to have to put
11 an add-in here.
12 CHAIRMAN DIXON: Pardon me, commissioner. I
13 apologize.
14 COMMISSIONER DAVIS: The Washington weather has got
15 me on a postnasal drip, and so I had to slow down, sir.
16 CHAIRMAN DIXON: Excuse me.
17 COMMISSIONER DAVIS: The Commission reject the
18 Secretary's recommendation on Kirtland Air Force Base, New
19 Mexico, and instead adopt the following recommendation:
20 Retain Kirtland Air Force Base, including all units, base
21 activities, and facilities. The Commission finds this
22 recommendation is consistent with the force structure plan

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1 and final criteria. Thank you, sir.
2 CHAIRMAN DIXON: Thank you, Commissioner Davis.
3 And my apologies.
Is there a second?
COMMISSIONER MONTOYA: Second, Mr. Chairman.
CHAIRMAN DIXON: Commissioner Montoya seconds the
7 motion of Commissioner Davis.
8 Are there any comments regarding the motion?
9 (No response.)
10 CHAIRMAN DIXON: Counsel, will you call the roll?
11 MS. CREEDON: Commissioner Davis?
12 COMMISSIONER DAVIS: Aye.
13 MS. CREEDON: Commissioner Montoya?
14 COMMISSIONER MONTOYA: Aye.
15 MS. CREEDON: Commissioner Kling?
16 COMMISSIONER KLING: Aye.
17 MS. CREEDON: Commissioner Robles?
18 COMMISSIONER ROBLES: Aye.
19 MS. CREEDON: Commissioner Steele?
20 COMMISSIONER STEELE: Aye.
21 MS. CREEDON: Commissioner Cornella?
22 COMMISSIONER CORNELLA; Aye.

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1 MS. CREEDON: Commissioner Cox?
2 COMMISSIONER COX: Aye.
3 MS. CREEDON: Mr. Chairman?
4 CHAIRMAN DIXON: Aye.
5 MS. CREEDON: Mr. Chairman, the votes are eight
6 ayes and zero nays.
7 CHAIRMAN DIXON: And the motion is unanimously
8 adopted. And the original recommendations of the Secretary
9 of Defense which have been, of course, amended by subsequent
10 correspondence to the Commission, is set aside and overruled.
11 So for the folks in the audience, anyone watching
12 that did not understand what has taken place, with respect to
Rome Laboratory and Kirtland Air Force Base, the votes of the
Commission have held that those two bases remain open.
15 MR. OWSLEY: The next category that we'll cover is
16 Brooks Air Force Base, San Antonio, Texas. The chart on the
17 left indicates the Air Force's position relative to Brooks.
18 There are a lot of words, but essentially, the recommendation
19 is to close Brooks and move the major portions of it to
20 Wright-Patterson Air Force Base in Ohio.
21 Among its activities, Brooks Air Force Base
22 conducts approximately 40 percent of the human systems and

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1 aerospace related medical research and product development
2 within the Department of Defense. Brooks's primary
3 components are the human systems center Armstrong laboratory,
4 the Air Force School of Aerospace Medicine, and the Air Force
5 Center for Environmental Excellence.
6 Will you put up the next two charts? The Air Force
7 plans to consolidate similar activities and has recommended
8 the closure of Brooks and the movement of the mission and
9 personnel to Wright-Patterson Air Force Base in Ohio.
10 Wright-Patterson conducts about 20 percent of DOD's aerospace
11 medical research.
12 The overriding issues in this recommendation are
13 the closure costs, the disruption of the mission, and the
14 condition of facilities. Implementation of the
15 recommendation would require an up-front cost of over $200
16 million and has the potential to interrupt many critical
17 research projects.
18 More than half of the professional staff at Brooks
19 have said they probably will not move. This figure is based
20 on a petition that was circulated at the center which was
given to us on our visit. Some of the activity at Wright-
Patterson is similar to that of Brooks. However, the

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1 existing excess space at Wright-Patterson intended for Brooks
2 is not currently suitable to accept the Brooks activities.
3 This is borne out by the fact that the Air Force
4 projects it would have to construct or renovate nearly 1
5 million square feet to be able to take on the Brooks mission.
6 Brooks currently operates in very nice and well-maintained
7 facilities in a campus-like environment in San Antonio.
8 The San Antonio community would most prefer that
9 Brooks remain open as it is. They, however, have offered a
10 sound proposal that would preserve the Brooks mission and its
11 linkage to the San Antonio biomedical community by placing
12 into cantonment most of the Brooks facilities.
13 Cantonment saves the 200 million up-front costs of
14 the Air Force's recommendation, and it offers additional
15 annual savings of nearly $18 million and net present value
16 savings of 248 million by having the Brooks base operating
17 services taken over by nearby Lackland reorganization Kelly
18 Air Force Base. The cantonment plan would also make part of
19 Brooks available for re-use.
20 The map on the left indicates the spaces that are
21 intended for Brooks at Wright-Patterson. They are not
22 contiguous while they are at Brooks. And this is a concern

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1 that has been expressed by the community. The map on the
2 right reflects the Brooks proposed cantonment. You can see
3 the continuous nature of the buildings in the shaded area on
4 the map.
5 I might add that the Air Force has informed the
6 Commission officially that if the Commission were to decide
7 to reject the Department's recommendation on Brooks, the Air
8 Force would prefer to retain Brooks open as is rather than to
9 place Brooks into cantonment. The Air Force believes that
10 cantonment is unworkable in the long term.
11 Our last chart summarizes the pros and cons that
12 you have heard previously. Are there any further questions
13 on Brooks?
14 CHAIRMAN DIXON: Are there any questions by any
15 commissioner of Mr. Owsley or others on the staff concerning
16 Brooks Air Force Base, San Antonio?
17 Commissioner Kling?
18 COMMISSIONER KLING: Mr. Owsley, my question goes
19 to when you look at this presentation about the cantonment
20 from the community, it looks like you still receive quite a
21 bit of savings, with a smaller up-front cost and so forth.
22 What is the Air Force's reasoning that it feels that they

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1 cannot live with the contonement proposal?
2 MR. OWSLEY: It is unclear that -- as you know, the
3 COBRAs are comparative tools. And in the case when you go
4 into a contonement, you don't really have a comparative thing
5 that you're trying to do. So those estimates would probably
6 have to be refined by the Air Force and the people there.
7 There is a feeling that there will not be that large of a
8 savings if you really get into the final analysis that the
9 Air Force would have to do.
10 It would also require services to be provided from
11 approximately 10 to 20 miles away, depending on whether you
12 use San Antonio -- I mean, Kelly or you use Lackland Air
13 Force Base to furnish those services. The Air Force has
14 previous experience they had in other areas, and they just do
15 not believe this is a satisfactory way to preserve the
16 lifestyle that encourages good working by their people.
17 So they really believe that they would rather have
18 the base remain open if you are not going to accept their
19 recommendation. And, by the way, we believe that as a staff,
20 after looking where the service would have to come from and
21 things like that, that the Air Force is correct in that.
22 COMMISSIONER KLING; I'm glad to hear that. I

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1 happened to visit Brooks myself, and I feel this is a very
2 special place that does awful fine work in something that we
3 have ' look at very closely. And I feel the same way that
4 Co oner Robles felt about Rome, that this is something
5 yo o break up and you hate to separate down.
6 nd the facilities, by the way, are pretty fine
7 there, about as fine as I've seen anyplace. Anyway, thank
8 you.
9 CHAIRMAN DIXON: Thank you very much, Commissioner
0 Kling.
1 Are there any further -- pardon me, Mr. Owsley. Do
2 you have a response?
3 MR. OWSLEY: I think I should say that the one
4 thing that didn't come out here in these pros and cons is the
5 man-machine interface, which is essentially the cockpit with
6 the pilot and that the Air Force believes would be better
17 handled with the relocation to Wright-Patterson. And the
18 staff certainly agrees with that part of the Air Force
19 analysis, because Wright-Patterson really does control the
20 cockpit and those kinds of things.
21 I would also point out that this is only 20 some
22 odd people or so from the Brooks operation, and the Air Force

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1 might want to consider moving those people if this
2 recommendation does not go through.
3 CHAIRMAN DIXON: They can do that without BRAC, of
4 course.
5 MR. OWSLEY: Yes.
6 CHAIRMAN DIXON: Mr. Farrington, do you have a
7 comment?
8 MR. FARRINGTON: Yes, sir. I might just add, on
9 the number of people, I have a breakdown on the number of
10 people in this man-machine interface, which is the crew
11 technology kind of work that's done at Wright-Pat and also at
12 Br 35 civilians, 59 military, and 44 contractors, for a
13 to 4 people. That's the breakdown of that man-
14 ma
15 CHAIRMAN DIXON: Thank you.
16 Are there any further questions?
17 COMMISSIONER STEELE: Yes, Mr. Chairman.
18 CHAIRMAN DIXON: Commissioner Steele.
19 COMMISSIONER STEELE: I just want to say I agree
20 with Commissioner Robles' soapbox on this subject, so I won't
21 repeat it. But just to add on this subject, it's not only
22 the relationship -- I mean, the scientists at Brooks. It's a

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1 relationship with other entities in the community,
2 universities and with NASA, which I think is also very
3 important.
4 And we have received numerous letters from all of
5 those entities supporting retaining Brooks at its current
6 location. So I just wanted to make that comment.
7 CHAIRMAN DIXON: Thank you, Commissioner Steele.
8 Are there any further comments or questions of
9 staff?
0 COMMISSIONER DAVIS: Yes, sir.
1 CHAIRMAN DIXON: Commissioner Davis.
2 COMMISSIONER DAVIS: I would like to speak to the
3 man-machine interface. Having been a beneficiary of some of
4 the -- as an aviator, having been a beneficiary of some of
5 the Brooks products over the years, one of the things that is
6 nice about Brooks' current location is the fact that they
7 have a fairly significant laboratory and that you have a
8 considerable amount of young pilots at Randolph Air Force
9 Base you can draw from and some of us older pilots that you
0 can draw from Kelly Air Force Base.
1 nd I again would like to join General Robles on
2 hi box about tinkering with a superb lab. I do agree

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1 with the staff that we had a DOD-mandated relationship in San
2 Antonio called SARPMA, which was the San Antonio Real
3 Property Maintenance Agency, which caused all that to be done
4 by one agency and was finally disbanded because it actually
5 added cost to the process.
6 COMMISSIONER DAVIS: Thank you, Mr. Chairman.
7 CHAIRMAN DIXON: Thank you, Commissioner Davis.
8 Are there any further comments?
9 COMMISSIONER ROBLES: Mr. Chairman?
10 CHAIRMAN DIXON: Commissioner Robles?
11 COMMISSIONER ROBLES: I think -- and I need to say
12 this on the record, because we're very -- and this gets
13 mostly to Mr. Lyles' concern about savings. I think in this
14 case, we have a two-edged issue. Issue one is, it's the
15 wrong thing to do to break up this world class lab and move
16 it somewhere else.
17 But I think pragmatically, from my on-the-ground
18 look at Brooks, you're talking about a lot of facilities, a
19 lot of buildings, a lot of chambers, a lot of test facilities
20 that require special engineering, special piping, special
21 certification, special environmental concerns. And although
22 I won't say I don't believe the numbers, I will tell you that

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1 a number of COBRAs are ordinal measures, not cardinal
2 measures.
3 And the fact of the matter, I think, is that you
4 will incur an enormous cost to reconstruct all those very
5 specialized and sensitive facilities at other places. So not
6 only doesn't it make sense from a synergistic point of view,
7 it doesn't make sense from an economic point of view.
8 CHAIRMAN DIXON: Thank you, Commissioner Robles.
9 Are there any further questions or comments?
10 COMMISSIONER MONTOYA: I have a comment, Mr.
11 Chairman.
12 CHAIRMAN DIXON: Commissioner Montoya.
13 COMMISSIONER MONTOYA: I wish to register a dissent
14 from the Air Force view that one has to have separate
15 logistics support facilities at every base, regardless of
16 their distance apart. I happen to have lived under a
17 different model.
18 And I believe as budgets get tougher, as dollars
19 get more difficult to come by, particularly in the logistics
20 end of things, that the Air Force would be well-served or DOD
21 would be well-served to consider themselves a holding company
22 and provide common support to the activities in the San

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1 Antonio area. Because I think there are savings that can be
2 achieved there. And so I just want to register that I don't
3 accept the position that every place has to have its own
4 logistics tail. Thank you.
5 CHAIRMAN DIXON: Thank you, Commissioner Montoya.
6 Are there any further questions or comments?
7 (No response.)
8 CHAIRMAN DIXON: Is there a motion?
9 COMMISSIONER DAVIS: Mr. Chairman, I have a motion.
10 CHAIRMAN DIXON: Commissioner Davis.
11 MOTION
12 COMMISSIONER DAVIS: Sir, I move the Commission
13 find the Secretary of Defense deviated substantially from
14 final criteria 1, 4, and 5 and, therefore, the Commission
15 reject the Secretary's recommendation on Brooks Air Force
16 Base and instead adopt the following recommendation: Retain
17 Brooks Air Force Base, including all activities and
18 facilities. The Commission finds this recommendation is
19 consistent with the force structure plan and final criteria.
20 CHAIRMAN DIXON: Is there a second to the motion by
21 Commissioner Davis?
22 COMMISSIONER STEELE: I second the motion.

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1 CHAIRMAN DIXON: It is seconded by Commissioner
2 Steele.
3 Is there any further comment?
4 (No response.)
5 CHAIRMAN DIXON: The counsel will call the roll.
6 MS. CREEDON: Commissioner Davis?
7 COMMISSIONER DAVIS: Aye.
8 MS. CREEDON: Commissioner Kling?
9 COMMISSIONER KLING: Aye.
10 MS. CREEDON: Commissioner Montoya?
11 COMMISSIONER MONTOYA: Aye.
12 MS. CREEDON: Commissioner Robles?
13 COMMISSIONER ROBLES: Aye.
14 MS. CREEDON: Commissioner Steele?
15 COMMISSIONER STEELE: aye.
16 MS. CREEDON: Commissioner Cornella?
17 COMMISSIONER CORNELLA: Aye.
18 MS. CREEDON: Commissioner Cox?
19 COMMISSIONER COX: Aye.
20 MS. CREEDON: Mr. Chairman?
21 CHAIRMAN DIXON: Aye.
22 MS. CREEDON: Mr. Chairman, the vote is eight ayes

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1 and zero nays.
2 CHAIRMAN DIXON: And the motion is adopted. And
3 the public in the room and observing this proceeding is
4 advised that Brooks Air Force Base San Antonio Air Force Lab
5 remains open by the vote of this Commission.
6 Director Lyles, is your staff prepared to go to Air
7 Force depots?
8 MR. LYLES: Yes, sir, we are, Mr. Chairman.
9 MR. OWSLEY: I would like to introduce the new
10 member who has arrived, Ms. Ann Reese, who is the deputy team
11 leader for the cross-service group.
The next category, as the Commission noted, is the
Air Force depots. The slide depicts the entire universe of
the maintenance facilities within the Department of Defense
15 and is being displayed so that you can have a visual image of
16 the numbers and locations of DOD's depots.
17 My second slide displays a history of the base
18 closure process in the depot maintenance area. I have only
19 listed those organizations that are considered depots. For
20 example, Newark Air Force Base is not listed because it is
21 considered a specialized support center. The depots that
22 have not been closed are listed first in blue.

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1 Those that have been proposed by the Department of
2 Defense for closure during this cycle are listed in green.
3 Those that have been closed or proposed for closure -- excuse
4 me. Those that have been closed are listed in red.
5 The Army has either closed or proposed for closure
6 six of its original nine depots. The Navy has closed or
7 proposed for closure 10 of its 18 maintenance depot
8 facilities. The Air Force and Marine Corps have not closed
9 maintenance facilities.
10 We will now move to the Air Force depots, where Ms.
11 Reese will pick up the presentation.
12 MS. REESE: Good morning. This slide depicts DOD-
13 wide depot maintenance capacity, core workload in FY '99.
14 Maximum potential capacity is defined as "The optimum depot
15 configuration and employment levels with no significant
16 capital improvements and no military construction
17 expenditures."
18 It's also important to point out that maximum
19 potential capacity is one 40-hour shift capacity. The
20 services reported capacity on a commodity-by-commodity basis
and anticipate fiscal year '99 capacity of 165 million hours.
"Core" is defined as "That workload that the services have

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1 determined must stay in-house to ensure the ability to
2 mobilize." FY '99 core is 78 million hours.
3 A guiding principle through the DOD BRAC process
4 was that DOD depot structures must be sized to core. The
5 depot infrastructure should be sized appropriately to be able
6 to do core work in-house, and other work may be done by the
7 private sector. Workload is anticipated to be 94 million
8 hours in FY '99.
9 The next slide, or the one on the right, is Air
10 Force-wide depot figures. To ensure that the capacity
11 numbers were solid, the depots reported the workload that
12 they had actually performed on a commodity-by-commodity basis
13 during their high water mark year in the late 1980s, plus the
14 capacity they have built minus the capacity that has been
15 demolished. In fact, it reports the capability that they had
16 in the high water mark years, the workload that they were
17 able to perform.
18 The total FY '99 Air Force depot capacity is 57
19 million direct labor hours. The total FY '99 Air Force depot
20 core workload is 27 million direct labor hours. The Air
21 Force anticipates 29 million hours of workload in FY '99.
22 All the numbers were reported by the Air Force as certified

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1 data to the joint cross-service group. In FY '99, 47 percent
2 of the capacity will be utilized with core hours and 51
3 percent with workload.
4 The chart on the left displays the same data for
5 each of the Air Force depots. And it's intended to give you
6 a sense of the capacity utilization at each of the Air Force
7 depots. Robins has the highest capacity utilization, 68
8 percent; Kelly is 29 percent utilized on a single 40-hour
9 work week.
10 This slide summarizes the missions on each of the
11 Air Force ALC installations. In all cases, the air logistics
12 center is the major tenant or the main tenant on the base.
13 The air logistics center is primarily comprised of a depot
14 maintenance and material management function. The chart
15 lists across the top the products managed by the air
16 logistics center.
17 The next row displays the specialty of that depot.
18 A number of years ago, the Air Force adopted a technical
19 repair concept in which commodities were single-sided.
20 You'll often hear reference to "centers of excellence," and
21 that's what this reference is.
22 The third row displays the force structure as of

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1 1997. Please note that the National Guard units listed at
2 McClellan are dependent on your decision to move them from
3 Moffett Field through the BRAC '95 process. The bottom row
4 summarizes the Air Force's operational concerns and mission
5 impact with the installation full closure.
6 This chart shows the tiers that the Air Force
7 determined for both installations and depots. The tier was
8 determined by uniformed leaders and senior civilians on the
9 Air Force Base Closure Executive Group. Their tier serves as
10 proxy for military value. You'll note that I've ordered the
11 columns according to the BCEG vote to establish the
12 installation tier.
13 This chart display some data from the DOD Depot
14 Maintenance Council indicators report. This report is
15 prepared for the DOD Depot Maintenance Council and contains
16 performance data on all DOD maintenance activities. The
17 first slide on this chart shows actual '94 maintenance hour
18 cost without the cost of material. You can see there the
19 costs range from a low of $53.53 at Robins to a high of
20 $62.15.
21 COMMISSIONER STEELE: Excuse me, Mrs. Reese, one
22 second. I have a question, Mr. Chairman. Would you like us

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to hold our questions on charts until the end of the briefin ~r ask as we go through? Do you have a preference?

IRMAN DIXON: I have no objection to asking a ques it's an appropriate question at this point in time. ahead.

COMMISSIONER STEELE: Okay. On your first line there about the labor hour cost, when we visited Kelly Air Force Base, they threw numbers before us and said that on certified data, their labor cost was lower than all of the other ALCs. Could you please tell us what your source is and if you know what the differences might be in opinion here?

MS. REESE: Yes. The source that I'm using is the DOD depot maintenance indicator report. The report is prepared for the Deputy Undersecretary of Defense for Logistics. It's prepared for his council. The council is comprised of representatives from each one of the military depots.

And the data is agreed to by each one of the military departments. I think it is a thoroughly examined number, and I have confidence in the data that's contained in this report. I'm sorry. I'm not clear on the source of Kelly's data that was presented.

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COMMISSIONER STEELE: But we did try to find that out, did we not?

MS. REESE: We did.

COMMISSIONER STEELE: And just lastly on this chart, on aircraft on time, I received some information from the community down there that said that Kelly delivered 1 out of 19 C-5s on time for 5 percent rate, but Tinker's on time deliveries were 3 of 51 KC-135s in the same period, for a 6 percent rate.

Obviously, the numbers up there show very different numb Again, I wonder if we know what the difference is here ich information ought to be the certified infor before us.

MR. OWSLEY: I think I was given that one to check out. We again used in this data the depot maintenance report, which is forwarded to DOD by Air Force Materiel Command. I called the Air Force Materiel Command on the report, and they said that is a report that we should be using as a group to give correct relative weightings to each of the centers, that there are many ways that centers look at things, and some of them they look at as a community also.

But they said in the end, they synthesize this and

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send it forward. And it is, in fact, the Air Force position n the DOD on deliveries. We could not as we got those numbers ascertain exactly how those lower numbers came about. t was very difficult, because if some of the planes go hrough, they get additional work packages sent to them. And hat affects schedules. And there's a lot of data kept out here.

But I would point out again that we were limited in ime, and we tried to use the official reports and did go ack to that part of the Air Force and ask was this the eport that we should be using. And they did confirm that.

COMMISSIONER STEELE: Okay. Just to close that out eal quickly, the original work package on the C-5 at Kelly ncreased by 166 percent, I am told. How does that impact on me delivery? And then we can make this real quick and move n.

MR. OWSLEY: As you remember, that was brought up o us on our visits to San Antonio. When I contacted AFMC eadquarters, they explained that the way the airplanes are iver dules and budgets is by the centers -- whichever ent that receives an airplane, they're allowed to ear n within 30 days and get on it and inspect it.

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And then, they report an anticipated schedule and cost.

I asked about added work packages, and they said if there are truly added work packages that increase the scope of the original job, that each ALC is then given schedule relief to that number of days for that package and that they do consider that in what they send forward to DOD in their final report.

COMMISSIONER STEELE: Okay. Thank you, Mr. Owsley.

CHAIRMAN DIXON: Thank you very much.

COMMISSIONER ROBLES: Mr. Chairman, I need to follow up, because I need to understand this more clearly.

CHAIRMAN DIXON: Commissioner Robles.

COMMISSIONER ROBLES: Mr. Owsley, I need to make sure I understand in my simple mind how this works. The fact of the matter is, are you telling me that those numbers right there take into account the additional work that comes out of an aircraft overhaul once they break it down and realize that what they thought was going to take 10 hours may, in fact, take 20 hours, because there's a lot more damage underneath that? Is that what you're telling me?

MR. OWSLEY: No, sir.

COMMISSIONER ROBLES: Okay. I didn't think so.

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Because General Fogleman yesterday, we talked to him, who was the old TRANSCOM commander, he was very clear about that. He says the C-5 fleet has always been our most fragile fleet. And we flew the legs off of that fleet during Desert Storm, as I can attest to from my days over there.

And so when you tear down a C-5 and all of a sudden think it's going to take a standard -- because they do standard work-ups -- and we find out that it's going to take twice that standard work-up because there's a lot more delayed Desert Storm damage or delayed erosion in there, that they go ahead and do the work, because it's prudent sense once you tear the aircraft down.

And if this takes into account the new work and they have a standard model for these additional enhancements, then I'll think these are apples and apples. Otherwise, I think we're talking about apples and oranges here.

MR. OWSLEY: I really want to clarify that, commissioner. What I said is that the aircraft comes in. They're allowed to tear the aircraft down and then make a report back to AFMC headquarters, giving their estimate of how long it would take to repair that airplane and schedule in cost to do so. That is like a little negotiation that

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occurs.

If there's added work, not work that should have been anticipated in a tear-down, that added work package is given. But if, for instance, an ALC underestimates or misses something like you're talking about, the schedules and budgeted price are not adjusted for that. We discussed that also, but they felt over a long period of time since the centers are not obligated for the whole fleet when they make one airplane tear down, that adjustments do occur as they get smarter on the condition of the airplanes coming in.

But it certainly does not cover if an airplane, for instance, say -- 30 days isn't an extremely long time on a C-5, as you know. It might be on a fighter plane, but a C-5 is enormous and is old and has a lot more difficult ways of getting into the airplane than a modern airplane has. So they could, indeed, miss a big part of the work package, and that would afterwards make them miss schedules and budgets.

COMMISSIONER ROBLES: And my only point was, on an airplane like the C-5A, which went through an enormous workload during Desert Storm, like our tanks in the Army did, you know, your standard convention is out. And it will be years before you figure out how all that worked out. So I

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1 just wanted to make sure I understood what you were telling
2 us here.
CHAIRMAN DIXON: You may proceed, Mrs. Reese.
MS. REESE: Thank you. I want to make one more
comment about the cost data, just to be more complete with my
6 answer to Commissioner Steele. The source of this data that
7 I have on the screen is DOD data. I think you've also been
8 presented with data that has been prepared by outside
9 companies, private sector firms. This is all DOD data.
10 Turning to the next slide, the DOD BRAC
11 recommendation to downsize all Air Force depots has two
12 components. Two million square feet of depot space will be
13 moth-balled. This will eliminate the amount of square
14 footage used by the depot but will not eliminate depot
15 infrastructure.
16 Slightly less than 2,000 personnel positions would
17 be eliminated. The personnel number is based on an
18 assumption that engineering of the depot process will result
19 in a 15 percent productivity improvement. This is the first
20 time that downsizing has ever been pursued through the BRAC
21 process. Downsizing will not reduce overhead costs. As a
22 result, costs per hour will increase.

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1 The Commission has received a number of revisions
2 to the downsizing recommendation. I am displaying two
3 versions of the BRAC recommendations, the recommendation that
4 was forwarded on the 1st of March, and the recommendation
5 that Secretary of the Air Force testified to last week.
6 The original downsizing recommendation requires
7 $183 million of one-time costs and would result in steady-
8 state savings, annual savings of $89 million, and a net
9 present value of $991 million. Last week, Dr. Widnall used a
10 version which would require $234 million in one-time costs
11 and result in savings of $92 million a year and net present
value of $975 million.
As we reviewed the military department's COBRA
esults, we saw significant differences between the results.
15 Examining the assumptions behind the military department's
16 COBRAs, we also saw significant differences. This chart
17 displays the differences in COBRA assumptions that impact
18 annual savings. And it shows the differences between the Air
19 Force's assumptions and the Commission's staff assumption.
20 The Air Force assumes a six-year period to close a
21 depot installation. Based on discussions that we have had
22 with DOD personnel and based on historical experiences of the

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1 services that have closed large industrial activities, we
2 believe a three-year time to close is realistic. But to be
3 conservative, we assumed a four-year period. Further, we
4 built in a one-year planning period so, in fact, the time to
5 close that the Commission staff assumed is five years.
6 The Air Force COBRAs assume, we believe, an
7 unrealistically small number of personnel eliminations.
8 Drawing on the experience of the other military services with
9 installation closures and drawing on Jim Owsley's 42 years of
10 experience in the defense industrial business, we realize
11 that personnel eliminations will result from closure and
12 consolidation of workload.
13 We assumed that 15 percent of selected air
14 logistics center personnel would be eliminated to include
15 depot maintenance personnel, materiel management,
16 contracting, and computer support personnel. We believe that
17 this is a very conservative estimate, and we base it in part
18 on the Air Force's downsizing BRAC recommendation, which
19 eliminates 15 percent of direct labor depot personnel.
20 We also assumed a 15 percent elimination of ALC
2 ical facility personnel and management overhead personnel.
hose personnel realigned, we would realign an additional

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1 9 percent personnel to provide base operating support at the
2 receiving location, with the exception of Kelly, where we
3 realigned all base operating personnel for Air Force tenants
4 being contoned to Lackland, which is an issue that I'll talk
5 about in a couple of minutes.
6 The Defense Agency assumptions are scenario-based
7 and will also be explained in detail on an upcoming slide.
8 The Commission staff assumption is that eliminations are
9 evenly phased over the last four years, and no personnel are
10 eliminated or realigned until the up-front planning year.
11 1997.
12 COMMISSIONER COX: Ann, on that question, you all
13 on the four-year time to close, which is really five because
14 of the planning year, didn't evenly phase. When the Air
15 Force assumption says six years, was that evenly phased over
16 six years?
17 MS. REESE: No, ma'am. The Air Force assumed that
18 all of the position eliminations would occur in the very last
19 year, in the sixth year.
20 COMMISSIONER COX: So nothing would happen for six
21 years, and then in the sixth year, everything would happen?
22 MS. REESE: All the positions would be eliminated

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1 at that point. Yes.
2 COMMISSIONER COX: I see. Thank you.
3 CHAIRMAN DIXON: Thank you, Commissioner Cox.
4 Proceed, Mrs. Reese.
5 COMMISSIONER STEELE: Mrs. Reese, quick question.
6 CHAIRMAN DIXON: Commissioner Steele.
7 COMMISSIONER STEELE: On your 15 percent assumption
8 for elimination of selected ALC personnel, what kind of
9 assumptions do the Navy and Army use? I respect Mr. Owsley's
10 private sector service and experience immensely, but I would
11 like to compare this within the Department, if I could,
12 please.
13 MS. REESE: The Navy and the Army have up-front
14 position eliminations of 20 to 40 percent for industrial
15 activities similar to what —
16 COMMISSIONER STEELE: So you took a pretty
17 conservative route, here?
18 MS. REESE: I believe we did. That's right.
19 COMMISSIONER STEELE: Thanks for clarifying that.
20 CHAIRMAN DIXON: Proceed, Mrs. Reese.
21 MS. REESE: Thank you. The next slide lists the
22 COBRA assumptions that impact one-time cost. We did not

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1 think it appropriate to include civilian accrued leave cost
2 as a BRAC cost, because it's the obligation of the government
3 to pay regardless. We also thought it inappropriate to
4 include an additional $30 million to implement each closure,
5 given that the COBRA already includes a factor which
6 calculates this cost.
7 The COBRA factor calculates a 4 to $9 million
8 amount for conversion agency cost, depending on the size of
9 the depot closure. No other service, and with only one
10 exception within the Air Force, is there an additional amount
11 on top of the COBRA factor included.
12 We also did not believe it reasonable to include
13 the cost to send equipment through the excess system.
14 Historical experience indicates that proceeds equal cost.
15 Equipment buyers come out to the shop floor to buy the
16 equipment and pay the cost to move it.
17 To transition a product line requires the shut-down
18 of one line and the start-up of another production line. If
19 dollars were not an issue, one would probably set up two
20 parallel lines.
21 This is not practical, so typically, companies, as
22 the other services have proposed, do a build ahead an interim

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contractor support to avoid the high cost of duplicate lines. This is why we used this assumption rather than the Air Force proposition, which embodied both; that is, parallel lines and inter[illegible]ntractor support.

[illegible]lso disallowed the cost to procure new equip[illegible] The Air Force assumed that all equipment would be moved or excessed and repurchased. This assumption does not recognize that there is considerable duplication of equipment, and consolidating work would permit increased utilization of specialized equipment that might otherwise be underutilized.

Furthermore, the Air Force has already a schedule of equipment replacements and funds set aside in their budgets to do so. Finally, we used the DLA projections to move inventory. They would bear the costs we have experienced with distribution depot closures.

This slide is an illustrative example of the personnel impact of our COBRA assumptions. You can see that a 15 percent personnel elimination in the ALCs and a 50 percent personnel assumption in the management overhead results in a significant increase in the number of personnel eliminated at an ALC.

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Almost 20 percent of the personnel savings accrue from Defense agency actions. The Defense Logistics Agency personnel savings match the Defense Logistics Agency COBRAs that they've run. The resultant savings would be accrued by the Defense Logistics Agency.

DLA's assumptions are based on the historical experience that they've had with closing distribution depots. The Defense Commissary personnel will be eliminated with the closure of an installation. The Defense Finance and Accounting Agency personnel will be fully realigned to the receiving location.

[illegible] Information Agency personnel are the inforr[illegible]processing people that you've seen in the Defense mega[illegible]s during your visits to the air logistics centers. We eli[illegible]ated the personnel from the Information Services Agency due to a letter that we've received from the Department of Defense indicating that, with a closure of an ALC, there would also be the closure of the mega-center.

We realigned all Air Force tenants except the Air Force audit personnel who support the Air Logistics Center, and we eliminated those positions. Of the personnel realigned, we also realigned a 9 percent additional personnel

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o provide base operating services at the receiving location.

COMMISSIONER COX: Question for you. You indicated - and I just want to make sure I understand you -- that our numbers, once we use the 15 percent on the ALCs, I thought ou said matched the COBRA numbers. What does that mean?

MS. REESE: I'm sorry. Would you repeat that?

COMMISSIONER COX: I thought you had said that the umbers, our numbers on -- staff numbers -- on the 15 percent eduction, and how many eliminated that would be, matched the OBRA numbers.

MS. REESE: I'm sorry. I perhaps misspoke. The 15 ercent that we assumed, of selected ALC personnel, was hosen, in part, because the Air Force used that assumption ith their downsizing, but there were no position liminations contained in the closure COBRAs that the Air orce prepared.

COMMISSIONER COX: I see.

MS. REESE: So we based our 15 percent, in part, on e downsizing proposal, which would eliminate 15 percent of rect labor in the depot category.

COMMISSIONER COX: They, themselves, in their own opo[illegible]iminated 15 percent, not necessarily as a closure

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1 but as a downsizing?
2 MS. REESE: Yes, that's right.
3 COMMISSIONER COX: And then the COBRA, their COBRA
4 proposals --
5 MS. REESE: For downsizing?
6 COMMISSIONER COX: No, for closure.
7 MS. REESE: For closure.
8 COMMISSIONER COX: When we asked for closure
9 COBRAs, that's where this 373 elimination comes from?
10 MS. REESE: That's right.
11 COMMISSIONER COX: Versus your projection of 1401?
12 MS. REESE: That's correct.
13 COMMISSIONER COX: Thank you.
14 CHAIRMAN DIXON: Thank you, Commissioner Cox.
15 Proceed, Ms. Reese.
16 MS. REESE: Kelly Air Force Base was treated
17 differently by the Air Force and by ourselves. Kelly Air
18 Force Base is adjacent to Lackland Air Force Base. In fact,
19 some facilities on Kelly Air Force Base support units
20 assigned to Lackland. For example, the runway at Kelly is
21 used by the 76th Munitions Squadron, Wilford Hall, and the
22 Interagency Air Force Academy.

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1 Also, there are a number of tenant units on Kelly
2 not associated with the Air Logistics Center, that would be
3 expensive to relocate, which could be easily reassigned to
4 Lackland Air Force Base. The best example of this is the
5 433rd Air Lift Wing. The 433rd is an Air Force Reserve wing
6 that flies the C-5 aircraft.
7 The Air Force Kelly closure scenario would assign
8 all of the Kelly tenants not associated with the Air
9 Logistics Center to Lackland Air Force Base. The Commission
10 staff adopted the Air Force scenario -- close the Air
11 Logistics Center and all units associated with the ALC, but
12 keep the runway open and assign all remaining units to
13 Lackland Air Force Base.
14 COMMISSIONER COX: And I'm sorry. Then the only
15 base where we assume that the tenants would stay, as part of
16 Lackland?
17 MS. REESE: Yes, ma'am, that's correct.
18 CHAIRMAN DIXON: Proceed, Ms. Reese.
19 MS. REESE: This slide summarizes the results of
20 the Air Force closure COBRAs. The one-time costs range from
21 a low of $575 million to a high of $1.3 billion. Steady
22 state savings range from $62 million to $87 million. The

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1 number of years for return on investment ranges from seven to
2 28 years.
3 You can see the results of the personnel
4 realignments and eliminations that follow the assumptions
5 that we just highlighted.
6 This chart -- Brian, could you put both up
7 simultaneously? Thank you. The chart on the right shows the
8 results of the COBRAs that the Commission staff prepared. We
9 simply adjusted the Air Force closure COBRAs with the
10 assumptions that I've reviewed with you. You can see that
11 the assumptions very much drive the results of COBRA.
12 The one-time costs to close come down slightly and
13 range from $409 million to $1.1 billion, and the steady state
14 savings improve substantially and range from $153 million to
15 $178 million. The period of time before a return on
16 investment is reduced markedly. The closure of Kelly and
17 McClellan return after one year
18 COMMISSIONER STEELE: Ms. Reese, could you explain
19 that one-year return, when that actually is? That isn't the
20 year after? Just please tell us what that means. How did
21 you get to 2007, say, on Hill?
22 CHAIRMAN DIXON: Do you understand the question,

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1 Ms. Reese?
2 MS. REESE: From the information we've displayed
here, the return would come -- of course, we have a one-year
planning year in our COBRAs that the Air Force did not. But
the return would come in 2001, one year after the
6 implementation period.
7 COMMISSIONER STEELE: So it's five years plus, then
8 it's one year, and that's when your return on investment
9 occurs; correct?
10 MS. REESE: That's correct.
11 COMMISSIONER STEELE: Okay. Thank you. And that's
12 the same way that the DOD -- the COBRA numbers we got from
13 the DOD are?
14 MS. REESE: Right.
15 COMMISSIONER COX: The closure year plus whatever
16 the return on investment is?
17 MS. REESE: Right, using the same discount rates
18 and the same assumptions there.
19 COMMISSIONER COX: Right. And I want to talk about
20 discount rates later, but let's go ahead.
21 COMMISSIONER KLING: Ms. Reese?
22 CHAIRMAN DIXON: Commissioner Kling.

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1 MS. REESE: Yes, sir?
2 COMMISSIONER KLING: I just want to be sure that
3 we're understanding the same thing. We -- the staff -- went
4 back to the Air Force and asked them to do these runs that
5 we're looking at up here, to give us their cost to close,
6 savings, and so forth.
7 MS. REESE: That's correct.
8 COMMISSIONER KLING: So these figures that you're
9 doing were after we asked the Air Force to run these numbers
10 for us?
11 MS. REESE: The chart on the right displays the
COBRAs that the Air Force prepared.
COMMISSIONER KLING: Right.
MS. REESE: We took --
15 CHAIRMAN DIXON: The chart on the left, Ms. Reese.
16 MS. REESE: I'm sorry. Yes.
17 CHAIRMAN DIXON: The chart on the left.
18 MS. REESE: The chart on the left, that's correct.
19 CHAIRMAN DIXON: We did ask them, that's their
20 figures.
21 MS. REESE: Right, those are their figures. We
22 have a COBRA expert on the staff who took those COBRAs and

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1 simply changed assumptions -- took the very same COBRAs and
2 simply made assumptions changes -- and the results are on the
3 right.
4 COMMISSIONER KLING: And you are now in the process
5 of going through what those assumptions were.
6 MS. REESE: Right. I've reviewed those
7 assumptions, that's correct.
8 COMMISSIONER KLING: Okay.
9 COMMISSIONER COX: Let me make sure I understand --
10 because we talked about the assumptions and the personnel and
11 that -- where it is the MILCON costs, for example -- did we
12 make assumptions on that, where they said, "We're going to
13 have to build a C-5 hangar at Tinker" or "We're going to have
14 to build or replace a nuclear reactor at McClellan"? What
15 assumptions did we use? Did we use theirs? Did we second
16 guess those?
17 MS. REESE: We did not change any of the
18 assumptions, any of the MILCON costs built into the Air Force
19 COBRAs.
COMMISSIONER COX: So whatever they said they would
have to do to move that work, and whatever cost they said
that was, we took it?

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1 MS. REESE: We took it.
2 COMMISSIONER COX: So, for example, the C-5 hangar
3 which has been a big issue at Kelly --
4 MS. REESE: Yes. The Air Force assumptions of a
5 $52 million cost to replicate the C-5 hangar at another Air
6 Force Base was both in the Air Force and our COBRA run.
7 COMMISSIONER COX: Okay. And that's true on every
8 MILCON?
9 MS. REESE: That's true on every MILCON.
10 COMMISSIONER COX: Are there assumptions -- let's
11 say the nuclear facility at McClellan -- where they said it
12 would be really expensive to move it and we said, "Oh, we're
13 not going to," or did, every time they say they were going to
14 move something and pay for it, we took that same assumptions?
15 MS. REESE: We took all of the MILCON assumptions.
16 COMMISSIONER COX: Everything?
17 MS. REESE: The only assumptions that we've
18 changed, I've highlighted on a line-by-line basis for you.
19 We've changed no other assumptions than those I've given you
20 a specific list for in the last two slides.
21 COMMISSIONER COX: Since we only changed the
22 savings assumptions, we didn't change the costs?

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1 MS. REESE: We affected one-time costs slightly.
2 The annual savings were impacted because the difference in
3 the positions eliminated we thought reasonable -- in fact,
4 conservative -- in the phasing of those position
5 eliminations.
6 COMMISSIONER COX: Essentially, there are a lot of
7 -- not a lot -- there are several assumptions that you all
8 changed, but the biggest dollar assumption was the positions
9 eliminated?
10 MS. REESE: That's correct.
11 COMMISSIONER COX: That was the largest?
12 MS. REESE: That's correct.
13 CHAIRMAN DIXON: Proceed, Ms. Reese.
14 COMMISSIONER COX: I'm sorry. While we're on that
15 since we're on it anyway, the --
16 CHAIRMAN DIXON: Commissioner Cox.
17 COMMISSIONER COX: -- the assumptions that the
18 Defense Department used in all of their COBRAs and in their
19 recommendations, and the assumptions that we have used,
20 assume a 2.75 percent discount rate; is that correct?
21 MS. REESE: That's right.
22 COMMISSIONER COX: And what is that discount rate?

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1 Where do we get that? Where do they get that?
2 MS. REESE: Where do they get that?
3 COMMISSIONER COX: We didn't get it. We used
4 theirs.
5 MS. REESE: That's right. And that was at the time
6 the base closure preparation process began, that was the
7 accepted discount rate and I think, for consistency, the
8 decision was that that would remain the figure used
9 throughout. We did not change that figure in our COBRAs.
10 COMMISSIONER COX: Right. Otherwise, we wouldn't
11 be able to compare it to the original Defense numbers.
12 MS. REESE: Correct.
13 COMMISSIONER COX: However, as I understand it,
14 shortly thereafter, that assumption changed, as far as the
15 government --
16 MS. REESE: I guess there was an update.
17 COMMISSIONER COX: -- assumption on what the cost
18 of money is, and most people would say a 2.75 percent cost of
19 money is really low. And that assumption changed, as I
20 understand it, and GAO also looked at this and recommended
21 that a more reasonable assumption on the cost of money would
22 be 4.85 percent; is that correct?

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1 MR. OWSLEY: That's correct.
2 COMMISSIONER COX: And my understanding – and that
3 m[illegible]t so much difference in some things and a lot of
4 di[illegible]e in those – it could make a lot of difference,
5 par[illegible]rly where you have a high one-time cost, because
6 that cost of money is important; and so, even though I know
7 we used the 2.75 for a good reason, we can't compare it by
8 using some other number.
9 Were you all able to run both their numbers and our
10 numbers on this, using the GAO –
11 MS. REESE: Yes.
12 COMMISSIONER COX: – presumption of a 4.85
13 percent? I wonder if you could just tell us what did to the
14 return on investment?
15 MS. REESE: Yes. We have a slide that will show
16 you the difference. The net present value changes slightly.
17 The return on investment for those things that pay back later
18 changes slightly for those things that have an earlier return
19 on investment, cost of money –
20 COMMISSIONER COX: Doesn't change that much?
21 MS. REESE: – doesn't change that much, exactly.
22 CHAIRMAN DIXON: Have you concluded, Commissioner

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1 Cox?
2 COMMISSIONER COX: Well, I just wanted to check.
3 So what we're saying is, even though you would show less
4 savings, obviously, over a 20-year period, still on Kelly and
5 McClellan, the return on investment here, you would still –
6 MS. REESE: Is the same.
7 COMMISSIONER COX: – make back your money, even at
8 a 4.85 percent discount rate?
9 MS. REESE: Yes, ma'am, that's correct.
10 CHAIRMAN DIXON: You may proceed, Ms. Reese.
11 COMMISSIONER COX: Thank you.
12 MS. REESE: Thank you, Chairman.
13 Switching gears from COBRA results, this slide
14 shows how workload would be distributed with a closure of two
15 depots. We have frequently been asked if workload can be
16 accommodated with the closure of two Air Force depots.
17 This chart shows the distribution of core workload
18 to remaining depots. The basis of this distribution is the
19 Air Force Base Closure Executive Group meeting minutes and
20 briefing materials, and the Joint Cross-Service data.
21 The Air Force's study of potential depot closure
22 contained a listing of appropriate workload moving from

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1 McClellan and Kelly to other depots. We can list the types
2 of work, by a commodity-by-commodity grouping, and the
3 numbers of hours. We can list it in great detail, in other
4 words, if you wish to see it.
5 We have also examined this Air Force distribution
6 on a commodity-by-commodity basis, and have confirmed that
7 the core workload fits on a single shift within the capacity
8 available at the remaining three depots.
9 COMMISSIONER STEELE: Ms. Reese?
10 MS. REESE: Yes.
11 CHAIRMAN DIXON: Commissioner Steele.
12 COMMISSIONER STEELE: Okay. So the bottom line on
13 this is we all know there's excess capacity, but we all know
14 capacity is not capacity. You have to look at what it is and
15 if it fits, and the same with core.
16 MS. REESE: Right.
17 COMMISSIONER STEELE: We all know there's more
18 capacity than there's core workload, but core is not core;
19 it's specific types of core. This simple-looking chart,
20 th[illegible] has a level of detail to the item, based on DOD data.
21 I[illegible]hat you're telling us today?
22 [illegible]S. REESE: That's right. This chart reflects a

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1 distribution of work on a commodity-by-commodity basis, and
2 the commodities go down to a great level of detail.
3 COMMISSIONER STEELE: Okay.
4 MS. REESE: So, you know, when you look at it on a
5 commodity-by-commodity basis, you're really looking at the
6 capability of a depot to perform a certain type of work, a
7 capability to perform a certain commodity group.
8 COMMISSIONER STEELE: Okay. And it also does not
9 take into account any other depot capacity throughout the
10 Department?
11 MS. REESE: That's correct.
12 COMMISSIONER STEELE: This is just Air Force?
13 MS. REESE: That's precisely right. This is all
14 within the Air Force, yes.
15 COMMISSIONER STEELE: Thank you.
16 CHAIRMAN DIXON: And did you have a question,
17 Commissioner Robles?
18 COMMISSIONER ROBLES: Yes, I do. I just wondered,
19 now, since this is core workload, by definition, is this the
20 stuff we want to do in-house? There has been a conscious
21 corporate decision that that is workload to be done in-house,
22 right?

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1 MS. REESE: That's right.
2 COMMISSIONER ROBLES: So another way to look at
3 this, the spin I put on this ball is, once you – if you make
4 the decision to close two of those Air Logistics Centers, the
5 amount of capacity that's left, your surge capacity for core
6 work in wartime – and please, I don't want to get into the
7 one-shift, two-shift, because you have to have a constant
8 base of analysis.
9 But, for normal peacetime operations, the amount
10 that's between the top of the yellow and the top of whatever
11 that chartreuse color is or whatever it is, is the excess
12 capacity left in the entire United States Air Force.
13 MS. REESE: That's the unused –
14 COMMISSIONER ROBLES: And could you kind of tell me
15 what that is? If you took that little piece and that little
16 piece and that little piece, how much capacity are we talking
17 about?
18 MS. REESE: Okay. Just a minute.
19 MR. OWSLEY: While she's looking for that number,
20 Commissioner, I would like to point out that this is a
21 single-shift basis and, in the recent desert conflict, each
22 of the ALCs was called on to do special things, and they did

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1 it by either putting on a full second shift or one half a
2 shift, and were able to meet all of the surge requirements
3 with no problem. They all discussed that with us on our
4 visits.
5 COMMISSIONER ROBLES: Mr. Owsley, in all deference,
6 I understand that. But the fact of the matter is that,
7 during World War II, we put women in hard hats in factories,
8 and wartime, which Desert Storm was, is a whole different
9 issue. Yes, you could. But, for analysis purposes, you want
10 to put this on a level playing field, and that's why you use
11 one shift.
12 There's a lot of things you could do under
13 extraordinary circumstances for a limited amount of time.
14 But we're talking about day-to-day peacetime operations,
15 which is, hopefully, the majority of the work we're talking
16 about here.
17 MS. REESE: The capacity would be 32 million hours;
18 the core work, of course, remains at 27 million hours. And
19 that is an 85 percent utilization so, in other words –
20 COMMISSIONER ROBLES: So what you're telling me is,
21 if you close two depots, you leave the United States Air
22 Force 15 percent excess capacity?

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1 MS. REESE: That's correct.
2 COMMISSIONER ROBLES: I want to make sure we remember that, because I'll talk about that later on.
3 COMMISSIONER STEELE: And I will probably add to that, that reasonable people could disagree that one shift
6 should be the maximum that you look at for capacity on this
7 issue.
8 CHAIRMAN DIXON: Commissioner Cox.
9 COMMISSIONER COX: When we say 85 percent -- and
10 maybe, Mr. Owsley, you're the right person to answer this --
11 in the airline business, if we can get to 85 percent load
12 factor, we would consider that -- you wouldn't even try to
13 get past. I mean, that would be full capacity.
14 Is 85 percent -- can you really run a depot at 100
15 percent? Don't you have down time? Do you have to allow for
16 C-5s taking longer than people thought they might take? You
17 have to allow for fixing the equipment.
18 I guess what I'm asking is, when we say 85 percent
19 capacity, is that -- in business, a lot of times that would
20 be the most you would ever really get. I mean, that would
21 be, for all intents and purposes, 100 percent.
22 MR. OWSLEY: If you operate at 85 percent, the

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1 board of directors will leave you alone?
2 COMMISSIONER COX: Yes. That's for sure.
3 MR. OWSLEY: The thing that I would like to point
4 out, that's pointed out by General Curtis, is that these
5 figures do not contain the ability to do airplanes. Outside
6 air spaces and certain logistics centers, such as San Antonio
7 Warner Robins, do quite a bit of airplane work outside.
8 Because of the --
9 COMMISSIONER COX: Outside, meaning on the
10 aprons or ramps?
11 MR. OWSLEY: On ramps, tarmacs, and that. Because
of the very nature of that, the services did not try to
capture that when they reported depot capacity, so you have
14 to remember all the time that this excludes airplane capacity
15 on ramps and that, but it does include all the back shops --
16 plating, machine shop -- that support the airplane.
17 COMMISSIONER STEELE: And, Ms. Reese, does or
18 doesn't --
19 CHAIRMAN DIXON: Commissioner Steele.
20 CHAIRMAN DIXON: -- does or doesn't it include
21 efficiencies of co-locating work?
22 MS. REESE: No. This is simply taking the core

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1 work that is distributed throughout five depots currently and
2 taking the same number of hours, and putting them on a
3 commodity-by-commodity basis within three depots.
4 COMMISSIONER STEELE: So even though the workload
5 would pick up on any of these categories, it says it would
6 just plug along at the exact same rate even though it would
7 be co-located?
8 MS. REESE: That's correct.
9 COMMISSIONER STEELE: Thank you.
10 COMMISSIONER ROBLES: Yes, but let me make sure I
11 understand that.
12 CHAIRMAN DIXON: Commissioner Robles.
13 COMMISSIONER ROBLES: I understand efficiencies,
14 but you didn't factor inefficiencies, either.
15 MS. REESE: No, sir, because --
16 COMMISSIONER ROBLES: Because sometimes, when
17 you're mixing apples and oranges and peaches and pears, you
18 have some inefficiencies there.
19 And the second thing, 85 percent capacity, I think,
20 last time I checked, is optimal. You never want to squeeze
anything down to much more than 85 percent capacity, because
22 you take into account nothing for work stoppages, overhead

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1 cranes that break.
2 And my central question on this is, did you look at
3 the critical path? The question is, you can move all this
4 stuff and dense pack it in something, but is there a critical
5 -- does your analysis for that 15 percent capacity look at a
6 critical path?
7 There are certain things. You may have all the
8 ramp space in the world, and you may have all the hangar
9 space in the world but, if you do a critical path analysis,
10 everything has to go through this back shop operation, and I
11 assume that none of that could be done, because we're talking
12 about a very complex analysis.
13 MR. OWSLEY: Commissioner, excuse me. The Air
14 Force did not have time to do that, nor did any of the other
15 services, nor did we.
16 The only one we did look at is we tried to see what
17 would happen with the C-5, because it did, in some ways,
18 relate to the B-52 transfer that the ALCs experienced a
19 number of years back, and that was the only place. But that
20 is not a critical path analysis. That would take a great
21 deal of time.
22 COMMISSIONER ROBLES: So this is really a gross

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1 macro-analysis?
2 MR. OWSLEY: Yes.
3 CHAIRMAN DIXON: Are there any further questions of
4 Mr. Owsley or Ms. Reese on this graph?
5 COMMISSIONER COX: I'm sorry. To get back to that
6 question --
7 CHAIRMAN DIXON: Commissioner Cox.
8 COMMISSIONER COX: -- realizing you didn't do a
9 critical path, did we, though, look at specific commodities?
10 When we say you could move -- you'd have this capacity at
11 Tinker or Robins or Hill if you closed McClellan and Kelly,
12 it wasn't in overall man hours, it was a "Move this to that."
13 it was a setting out, as the DOD would have done -- did -- in
14 their own COBRA?
15 MR. OWSLEY: Most of this is from DOD. First of
16 all, they gave it to us in their COBRAs.
17 Secondly, most of their COBRAs were based on a
18 study called the AFMC-21 Study, which was done over a long
19 period of time, which did, in fact, take commodity-by-
20 commodity engine study, C-5 study for moving the C-5 from San
21 Antonio to Tinker. It was done by Air Force experts in that
22 business, and we used their scheduling and things to do that.

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1 So this isn't like the Air Force has not looked at
2 consolidating depots before. They have done it many times
3 and the AFMC-21 Study was set up for how would we look in the
4 future, and we used that a great deal, as did the Air Force
5 report it in their COBRAs, that this data is from the AFMC-21
6 Study.
7 CHAIRMAN DIXON: You may proceed, Ms. Reese.
8 MS. REESE: Thank you. This chart is an example of
9 the cost advantage of consolidating maintenance work. We
10 have averaged the labor hour rate of two Air Force depots
11 that do engine work and we show here that the consolidation
12 of engine work reduces hourly overhead rate such that there
13 is a $73 million annual savings. The savings is substantial,
14 but it's not addressed or recognized by the COBRAs.
15 COMMISSIONER STEELE: Ms. Reese, I'm sorry, a quick
16 question.
17 CHAIRMAN DIXON: Commissioner Steele.
18 COMMISSIONER STEELE: Because there are a lot of
19 questions on Kelly, and I want to make sure I have the full
20 picture here.
21 Kelly, I believe, is the designated center of
22 excellence for engines or whatever? What's the term I ought

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to be using here?
MS. REESE: Technical repair center.
COMMISSIONER STEELE: Technical repair center for eng[illegible] So you would assume the expertise is there. We're using averages here, and averages make me nervous, because I'm voting on specifics.
If engines came to Kelly, versus if engines went to another ALC, is there a dramatic change in the savings or not?
COMMISSIONER STEELE: I think there's a change in savings of about $3 million, based on the labor hour cost. Kelly's rate is slightly higher, and so there is somewhat of a change.
COMMISSIONER STEELE: Okay. But the savings are just for consolidation; that is the main driver here?
MR. OWSLEY: We should point out that we did receive, from each of the communities, on engines -- because it's one of the two instances where you can compare something very similar, and all this business that we're into here is the engine business, even though the engines are different at both places -- they both furnished us with their figures and what we tried to do is meld them together.

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It doesn't make a great deal of difference, but we tried not to show one and the other. We tried to meld them together to show that there is significant savings by consolidation without efficiencies being considered.
And again, this study was done, and the AFMC-21 study, that said Kelly could do all of the engines in the Air Force or that Tinker could do all of the engines in the Air Force.
COMMISSIONER STEELE: Let me just ask one more level of detail, please. The director of financial mar[illegible]nt from Kelly Air Force Base provided us a jet engine tes[illegible]apability memorandum, and he says:
[illegible]ile both Tinker and Kelly have four large universal test cells, the equipment for each center was built by different manufacturers. Neither place can test all Air Force engines. However, with modifications, additional facilities and equipment, and substantial taxpayer investment, either depot could accommodate the requirement.
I know we're within the same commodity, but we have different types of machines we're talking about here. I'd like you to address both the cost to modify, test cells one place or another, if you could please, and what percentage of

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workload is that at Kelly ALC?
MS. REESE: What percentage of workload?
COMMISSIONER STEELE: Yes.
MS. REESE: Okay. Each of the ALCs do about 2-1/2 million hours of engine work. I think that Kelly has about 7 million hours of capacity and Tinker has about 5 million hours of capacity for engine work. So the statement that's being made in that memo that you've just read, the statement was that both would fit either place?
COMMISSIONER STEELE: Correct.
MS. REESE: That is a correct statement. The capacity numbers that were provided to us assumed that there was no military construction required and no significant capital improvement costs required. There would be a cost to modify, that maybe Jim Owsley could speak to, in terms of the engine test cells.
MR. OWSLEY: You know, this was something we talked to both commanders and, if you remember, when you were at both places, they did say there was a study that had been cor[illegible]d for moving to either direction on the engines. Th[illegible]uld be adapters and cell modifications in types of the[illegible]ment, but there would be no major MILCON involved in

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that and, really, if one looks at the total cost of engine work and that, the adapters are not the large thing.
There would also be, if you recall in your visits, they test engines differently at the two places. Basically, tinker hangs them on an overhead stand; San Antonio has upward stands. So there would either have to be an adaptation made to the overheads or you would have to transport the Tinker stands for their engines -- I mean Kelly -- if you moved them to Tinker.
This was all taken into consideration in the Air Force studies. It was inputted in their COBRAs. As recently as yesterday I talked to Air Force headquarters about this and they said the numbers which they had given us in their COBRA for MILCON are correct for a movement of this nature. And we used -- if you recall earlier testimony -- we used the Air Force MILCON in these assumptions. We didn't try to go up or down on it.
CHAIRMAN DIXON: Commissioner Robles.
COMMISSIONER ROBLES: Ms. Reese, I apologize for the never-ending briefing, but, as you can see, some of the things we're drawing out here are going to be central to our later discussion.

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Let make sure I heard you correctly. You told me that core work, when you closed two and consolidated three, there's about 15 percent excess capacity left for core work. But, in the world of engines, if I heard you right, Kelly has 7 million hours worth of capacity.
MS. REESE: That's right.
COMMISSIONER ROBLES: Tinker has 5.
MS. REESE: That's right.
COMMISSIONER ROBLES: There's about 2-1/2 that's done in total workload, and that is a projected workload for forever?
MS. REESE: No. It's a workload for FY '99.
COMMISSIONER ROBLES: And how much engine workload, if any, is being done at Tinker right now?
MS. REESE: There's about 2-1/2 million hours --
COMMISSIONER ROBLES: So if you took the 2-1/2 that's being done at Kelly and the 2-1/2 that's being done at Tinker, you max out Tinker's capability. So you're at 100 percent of capacity on engine work; is that correct?
MS. REESE: The Tinker commander indicated that he has the capacity to do 5.1 million hours --
COMMISSIONER ROBLES: So he has .1 million hours

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worth of excess capacity or is there something I'm missing here?
MR. OWSLEY: May I correct that, please? At the Tinker presentation, it was 5.7 million hours that Tinker is able to do, not 5 million hours.
COMMISSIONER ROBLES: Okay. What do you say it is, then? If you combine the two engine workloads, how much excess capacity to do engine work will be left in the United States Air Force?
COMMISSIONER STEELE: On a single shift.
COMMISSIONER ROBLES: On a single shift. And we're not going to get into this other shift till later.
MR. OWSLEY: It's about 10 percent, Commissioners.
COMMISSIONER ROBLES: 10 percent. So you now take 15 percent overall excess capacity and you now have 10 percent on engine work. And yes, there are various permutations and combinations of that number, but I'm just trying to stick to a constant thread here.
MR. OWSLEY: Commissioner, I would like to point out to you that this is only talking about the U.S. Air Force. If you had followed the Cross-Service Team's recommendation, there would have been work going to

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1 Jacksonville and Cherry Point, and excludes the engine
2 capability for these engines that are in the private sector.
3 So there was a look to move engines around to other
4 places than just between the two Air Force depots, so there
5 would be an ability, if needed, to do some of these things at
6 other places.
7 COMMISSIONER ROBLES: And any notion about how much
8 capacity there we're talking about?
9 MR. OWSLEY: I'm not prepared to --
10 COMMISSIONER ROBLES: I'm just interested in where
11 else they do F-100 engines and how much is done in the
12 private sector.
13 MR. OWSLEY: We would -- I'm sorry. I can't give
14 you that capacity that's remaining in the United States. I
15 do know that the Air Force looked. There are certain engines
16 at Tinker and certain engines at Kelly that could be done
17 fairly easily at Jacksonville, but Jacksonville does not
18 begin to have the capacity that either Kelly or Tinker has.
19 And then there was some classes of engines that the
20 Cross-Service Group -- which included the Air Force and the
21 Navy in that -- looked at that could be done at Cherry Point,
22 and I do not have those details here with us today.

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1 CHAIRMAN DIXON: You may proceed now, Ms. Reese.
2 COMMISSIONER COX: I'm sorry.
3 CHAIRMAN DIXON: Commissioner Cox.
4 COMMISSIONER COX: On that workload, basically 5
5 million -- between the two current workloads, Tinker and
6 Kelly, that's about 5 million man hours. Is that all core
7 workload today or are we doing some non-core in the depots?
8 MS. REESE: The Air Force reported that that's
9 their core work.
10 COMMISSIONER COX: That's all core workload. And
11 what is the projection? You mentioned in 1999 the number was
12 different, that we weren't necessarily going to be doing
whatever we're doing today in 1999. Do we have a way to look
at a projection over the years? Is it likely to go up. Are
we going to have more engines, less engines? Do we have to
16 do more work because we're using them more often?
17 MR. OWSLEY: Excuse me. It is likely that there
18 will be less engine hours, because, as both Air Force centers
19 told us, the hours in between maintenance are going down, or
20 the hours between are increasing, because the engine
21 manufacturers have become more reliable in the engines that
22 they're now putting out.

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1 I would also like to say that, you know, on core,
2 we don't want to discredit it, because we use it a lot and
3 try to work with it, but at Kelly, for instance, they're
4 doing, you know, a fair number of ship engines that are not
5 core to the Air Force, and the Navy does have, both in Navy
6 facilities and private facilities, ability to do that, but
7 they sent them to Kelly because they got a better price doing
8 those engines at Kelly. So there is some flexibility in
9 core, albeit we don't have it defined here today.
10 COMMISSIONER COX: But we're projecting the same
11 core on out into the future?
12 MS. REESE: The core figures were reported for FY
13 '99.
14 COMMISSIONER COX: And they are the same, I'm
15 sorry, as this year, for example?
16 MS. REESE: The core in '99 -- I haven't looked at
17 this year. I believe that the core work will be reduced from
18 now to '99. I know that the services are going through a
19 process of looking at the Roles and Missions Commission
20 Report that recommends that all of the depot work be
21 privatized, and I know that the Air Force's initial position
is that, just to get to core, they'd have to put about 20

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1 percent more in total out to the private sector than what
2 they're doing right now.
3 MR. OWSLEY: Current workload is about 4.4 million
4 hours.
5 COMMISSIONER COX: So the 5 million in '99 is
6 actually an increase on the current?
7 MS. REESE: No, that's a more precise figure. I'm
8 sorry. I was speaking in round numbers.
9 CHAIRMAN DIXON: Are there further questions?
10 COMMISSIONER KLING: Yes.
11 CHAIRMAN DIXON: Commissioner Kling.
12 COMMISSIONER KLING: Just a comment. It is fair to
13 say, like the Roles Commission did say, the private sector is
14 still out there, available to do an awful lot, if we get
15 caught into it, right? Is that a fair statement?
16 MR. OWSLEY: That's correct. I'd like to just
17 point one more thing out, very quickly. I talked at length
18 to both of these centers, because the engines is a very
19 important thing to anybody that wants to get in the air.
20 Most of the work in the Air Force depots is turning
21 out now, is moving over to intermediate maintenance as
22 opposed to depot maintenance, and they expect that trend to

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1 even increase in the out years, and what that essentially
2 means is that the nature of an engine overhaul becomes less
3 today because they find preventative maintenance is much
4 better than waiting until you blow a hole in an engine and it
5 becomes a major overhaul repair.
6 So they have to have less complicated equipment in
7 total, but they have to have more of the equipment, because
8 there are more engines.
9 CHAIRMAN DIXON: Commissioner Cox.
10 COMMISSIONER COX: More numbers here. I'm just
11 registering what you just said. 4.4 million is the projected
12 workload for '99?
13 MS. REESE: FY '99. Yes.
14 COMMISSIONER COX: And 5.7 million is the capacity?
15 COMMISSIONER ROBLES: The commander of Tinker
16 indicated that his capacity was 5.7 million hours for engine
17 work.
18 COMMISSIONER COX: So that's more than a 10 percent
19 excess capacity? I thought we were talking about 5 and 5.7?
20 MR. OWSLEY: I can tell you at this point, I'm not
21 sure I can multiply.
22 CHAIRMAN DIXON: Well, try to answer the question

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1 that the Commissioner Cox is asking. This is very serious
2 business. Let's proceed. Commissioner Cox.
3 COMMISSIONER COX: It would be over a 20 percent
4 excess capacity --
5 MR. BORDEN: It's 29.5.
6 COMMISSIONER COX: There we go. Thank you.
7 CHAIRMAN DIXON: All right.
8 MR. OWSLEY: Thank you, Ben.
9 CHAIRMAN DIXON: Are there any further questions?
10 COMMISSIONER ROBLES: Yes, just one quick question.
11 CHAIRMAN DIXON: Commissioner Robles.
12 COMMISSIONER ROBLES: You said that the commander
13 of Tinker said that?
14 MS. REESE: Yes, when asked --
15 COMMISSIONER ROBLES: In all deference to
16 commanders at depots, I understand what they get paid to do.
17 What does the United States Air Force say?
18 MS. REESE: 5.1 million hours capacity.
19 COMMISSIONER ROBLES: Okay. Let's not get
20 mesmerized by what a depot commander says. Remember, they're
21 in the business of doing workload. And, having been one for
22 most of my adult life, commanders have a sense in their

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lexicon. It's called "can do."

S. I'm interested in what the Department says pra[illegible]lly can be done.

[illegible]IRMAN DIXON: Are there any further questions or statements before Ms. Reese proceeds? Commissioner Cox.

COMMISSIONER COX: I'm sorry. I see that Ben had his calculator out and, since I asked for the 29 percent based on the commander, I should ask for what percentage is the excess capacity in 1999, based on the Air Force's numbers?

MR. BORDEN: Based on those numbers of 4.4 and 5.1, that's 15.9 percent.

COMMISSIONER COX: 15.9 percent. Thank you.

MS. REESE: And to further answer Commissioner Robles' question about engine capacity, I did a quick calculation of the Jacksonville capacity, and there's about 650,000 hours of unutilized capacity in Jacksonville.

COMMISSIONER ROBLES: Thank you.

CHAIRMAN DIXON: Now, are there any further questions?

(No response.)

CHAIRMAN DIXON: Ms. Reese, you may proceed.

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1 MS. REESE: Thank you. Next slide. Fine.
2 This chart is an example -- excuse me. This last
3 slide summarizes the economic and tiering information that I
4 presented, so you can more easily see the differences between
5 installations.
6 The one-time costs that the Commission staff used
7 for their COBRA assumptions declined slightly. The annual
8 savings and return on investments driven by the differences
9 in personnel assumptions are the more marked difference. The
10 adjustments that we've made to our COBRA assumptions are very
11 con[illegible]ive. We believe that the savings that we've listed
12 are [illegible]alistic.
13 [illegible] closure of Air Force depots could reduce excess
14 DOD infrastructure and could make funding, not otherwise
15 available, available for flying hours, investment, or quality
16 of life.
17 And that concludes my presentation.
18 CHAIRMAN DIXON: That concludes your presentation,
19 Ms. Reese? Are there any questions?
20 COMMISSIONER COX: Yes.
21 CHAIRMAN DIXON: Commissioner Cox.
22 COMMISSIONER COX: We say the one-time costs

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1 decreased slightly, but it's a pretty large percent. I'm
2 just looking at first one -- McClellan, 5.75 to 4.10. Can
3 you tell me what -- my math is pretty bad too, at this point
4 -- but that's $165 million difference, well over 10 percent
5 decrease -- what are the big factors in that?
6 MS. REESE: One of the factors was the assumption
7 that we not include a $30 million amount for Base Conversion
8 Agency costs on top of --
9 COMMISSIONER COX: Of the $9 million?
10 MS. REESE: -- on top of the $9 million.
11 COMMISSIONER COX: Okay. So that's $20-something
12 million.
13 MS. REESE: Yes. Just a second. Yeah. Another
14 one-time costs that comes down is the moving costs. We're
15 realigning fewer personnel through our COBRA assumptions.
16 COMMISSIONER COX: Is there an average? I see Mr.
17 Bivins back there -- there is an average moving cost? How do
18 we get that number?
19 MS. REESE: Okay. We're going to pull that out.
20 COMMISSIONER COX: Okay. I guess I'm looking for,
21 is [illegible]00 million of the $165 million or is that $20
22 mi[illegible]

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1 MS. REESE: I guess we're pulling out a slide that
2 will answer your question.
3 COMMISSIONER COX: Okay. And also, if you would
4 just go through that on Kelly, too?
5 MS. REESE: Yes.
6 COMMISSIONER COX: Not every one, but the big
7 numbers.
8 MS. REESE: Okay. Well, another significant
9 difference was the -- surprisingly, the DLA projection to
10 move inventory was substantially lower in all cases except,
11 in one ALC, it was higher. I think it was about $20 million
12 less.
13 We used DLA's assumption based on the fact that
14 they've had experience with closing distribution depots and,
15 of course, they're the people that are going to be bearing
16 the costs, so we used their costs, rather than the Air
17 Force's costs.
18 Another cost is the civilian terminal leave cost.
19 I think it's about a $5 million or $7 million difference.
20 We assumed that the terminal leave or accrued annual leave is
21 an obligation of the government, regardless, so we also took
22 that out of our COBRA assumptions.

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1 What are the other big differences?
2 CHAIRMAN DIXON: Are there any further questions of
3 Ms. Reese?
4 COMMISSIONER KLING: I have a comment I'd like to
5 make.
6 CHAIRMAN DIXON: Commissioner Kling has a comment.
7 COMMISSIONER KLING: You know, I had the -- and
8 I'll say this -- I had the privilege of visiting every one of
9 these depots, and I'm speaking for myself. I can be
10 particularly proud of what we have out there, of all these
11 installations. These are wonderful, wonderful places and the
12 people are absolutely spectacular at every one.
13 However, saying that, when you look at some of
14 these figures and when you look across each location, and you
15 see multiple plating facilities, you see multiple painting
16 facilities, you see multiple machine shop facilities, it
17 kinds of leads you to fact of saying, we do have a lot of
18 duplication and, when you look out -- and just forgetting the
19 figures and the numbers -- you see tremendous capacity
20 available in all these depots.
21 And then you, of course, look at the Roles
22 Commission, that says the private sector is another direction

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1 to go for these depots -- which I happen to believe, that
2 that is a thing in the future -- all of this, it leads you to
3 a conclusion, as painful and as tough as it is, and
4 unpleasant, that the direction to go is to close some of
5 these facilities, these depot facilities that we have.
6 And I just wanted to make the comment that they're
7 all wonderful, they're all great, they serve this country
8 very, very well, and it's very, very tough, but that's -- I
9 just wanted to make that statement.
10 CHAIRMAN DIXON: Thank you, Commission Kling.
11 Commissioner Steele and then Commissioner Davis.
12 Commissioner Steele.
13 COMMISSIONER STEELE: Okay. A general question and
14 then a couple of specifics, if I could, please.
15 The Dorn memo that's been referred to at times, I
16 believe projects in 1999 or dictates in 1999 that the
17 employment level in the ALCs drops 26,000 people from, I
18 guess, about 72,000 today; is that correct? Are those
19 numbers right?
20 MS. REESE: That sounds right.
21 MR. OWSLEY: Yes, they have.
22 COMMISSIONER STEELE: So tell me how that's going

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1 to impact this, as well. I mean, we always say we need all
2 the depot personnel, largely, to do this workload, but even
3 though they need it, they're going to lose 26,000 people by
4 '99 as directed by the Department.
5 How does that impact -- number of ALCs affect that
6 workload balance?
7 MS. REESE: Well, you know, the ALCs have been
8 through a tremendous amount of downsizing over the past many
9 years. This is just a further hit, if you will, that the
10 ALCs will have to take, and it gets relatively more
11 expensive, on a labor-hour rate, to run these places because,
12 you know, of course, when you maintain all five, you maintain
13 the cost, you know, the infrastructure to run them, with
14 fewer and fewer personnel.
15 I think it would be tremendously difficult to
16 take --
17 COMMISSIONER STEELE: To spread that workforce out
18 over five versus a number less than five.
19 MR. OWSLEY: I think we should correct one thing.
20 The Dorn memo really has to be in effect by 2001.
21 COMMISSIONER STEELE: Okay. I'm sorry.
22 MR. OWSLEY: I just want to make sure we don't --

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1 COMMISSIONER STEELE: Okay. Specifically with
2 Kelly, just a couple more things. The AFMC study projected
3 the $52 million MILCON for the annual maintenance of 13 C-5
4 aircraft in this one memorandum I've been given, and the
5 annual projected workload is 21 aircraft.
6 I'm wondering if the numbers we are using match up
7 with the actual workload necessary in this particular
8 category?
9 MR. OWSLEY: The 13 versus 21 was brought up by the
10 San Antonio community. I believe that's the only place I've
11 seen it. I called AFMC headquarters on this twice now, and
their projections are, and certainly in the time frame that
this BRAC would take place, will be 13 aircraft, and that's
what they based their COBRAs on and that's what they based
15 the $52 million for the hangar on.
16 Other than that, there is a possibility that you
17 might get into some situation where you indeed had to process
18 through more aircraft. One time there was 33 C-5s setting
19 down at San Antonio and they were trying to process them very
20 quickly, but the number that they were supposed to use during
21 this exercise, both the ALCs and in inputting data and the
22 people receiving the data, was 13 airplanes per year to be

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1 processed.
2 COMMISSIONER STEELE: Okay. Do you all have a
3 backup chart on some of these costs, Kelly's specific costs
4 on C-5 and engines?
5 MS. REESE: On C-5 engines?
6 COMMISSIONER STEELE: Well, C-5 workload and
7 engines, just the differences between what Kelly or the
8 community has stated and what you believe those numbers ought
9 to be, just so we can make sure we have addressed everything
10 here. And the reason I ask, earlier I had asked the question
11 of what percentage of workload at Kelly is the C-5 and is
12 engine work.
13 MS. REESE: You would like to see the percentages?
14 COMMISSIONER STEELE: Yes. What is the total
15 amount of workload at Kelly that's in these two functions.
16 MS. REESE: Okay. Could we have slide 48-A please?
17 CHAIRMAN DIXON: Slide 48-A, please.
18 MS. REESE: This is the composition of the major
19 work at Kelly, and you can see that the C-5 airframe is about
20 24 percent, C-5 engine is 29 percent, all other engines, you
know, the difference, if you will, is 30 percent. And so in
total, C-5 and engines is 83 percent of Kelly's work.

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1 COMMISSIONER STEELE: Okay. I asked all this
2 because I am an economist by background and by nature but the
3 decision is readiness, military value and making sure things
4 fit, which is why I want to get very specific on -- even
5 though I agree with the assumptions we are proceeding with
6 here, I want to know, you know, real numbers and real
7 amounts, if you wonder why I'm digging so deeply here.
8 We had a cost chart also, I believe, Ms. Reese,
9 comparing data?
10 MS. REESE: Yes, we have. Could I have chart 48-B,
11 please?
12 CHAIRMAN DIXON: 48-B.
13 MS. REESE: This is a chart that shows numbers that
14 were displayed on a memorandum that indicate the Kelly
15 community estimates of costs for the categories that I have
16 listed on the left. And I have also picked up the costs that
17 the Air Force includes in those categories and then we have,
18 as I mentioned, changed some assumptions in our COBRAs and so
19 you can see the differences.
20 The Kelly community estimates construction costs
21 for the C-5 hangar of $82 million -- or, excuse me, they
22 estimate military construction of $82 million. The Air Force

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1 includes a $52 million construction cost for C-5 hangar. We
2 have included that in our COBRA as well. There is other
3 construction costs that the Air Force have put into their
4 COBRAs to support C-5 work for a total of $78 million that
5 can be attributed to C-5 work in the Air Force COBRAs. And
6 as I mentioned, we didn't change any of the MILCON costs in
7 our own.
8 COMMISSIONER STEELE: Okay. There is a large
9 differential on transfer of equipment. Have we looked into
10 that?
11 MS. REESE: Yes, I have tried to determine the
12 basis for that $102 million and have been unsuccessful. I
13 simply pulled, for the next two columns, what is contained in
14 the Air Force and our COBRAs for the cost for transfer
15 equipment. I can not tell you what is in the 102. I have
16 asked.
17 MR. OWSLEY: We furnished that 102 million after it
18 was submitted to AFMC headquarters and yesterday they called
19 us and said they can not reconcile with that number and that,
20 again, that their numbers and the COBRAs and the FMC-21 is
21 based on 13 airplanes and that those are their correct
22 numbers as they have them in the COBRA. We don't know where

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1 the 102 came from -- or the makeup of it. We know where it
2 came from.
3 COMMISSIONER STEELE: So that is the C-5 workload.
4 And under the staff closure assumptions, the up-front cost to
5 close was 412 and some million and that the piece for the C-5
6 would be somewhere between the commission number and the
7 community number, maybe the Air Force's number in there.
8 MS. REESE: What I am displaying on the commission
9 staff column is out of that COBRA that you are making
10 reference to of a total 412 one-time cost.
11 COMMISSIONER STEELE: Okay. And the C-5 workload
12 plus the engines. And we didn't have a dollar amount on
13 engines to move them, did we, earlier when we discussed
14 engines? The gentleman, the financial director from Kelly,
15 had said it was a significant taxpayer investment. Do we
16 have a dollar sign that goes to that or an estimate, educated
17 estimate at all?
18 MS. REESE: There is the cost for modifications, as
19 I understand it, included in the Air Force COBRAs.
20 COMMISSIONER STEELE: That's right. I apologize.
21 I remember.
22 MS. REESE: I don't know -- I don't have reference

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to that immediately. I did not change it in our version of the CORRA.

COMMISSIONER STEELE: Okay. Mr. Chairman, I have some questions on McClellan as well. We have kind of been talking a lot about Kelly but if you would like I will pull back those until we shift gears, whichever you prefer.

CHAIRMAN DIXON: Commissioner, I want to accommodate every commissioner and then I want to remind every commissioner we have voted only three times so far. But I certainly am interested in having every commissioner be fully heard. Commissioner Davis is next.

COMMISSIONER DAVIS: Sir, as you can tell, we are in an excruciating period. And mentioning excruciating, I hope we have a health and maintenance break here shortly.

CHAIRMAN DIXON: After the vote we will have one, Commissioner. We are going to have a vote before we have a health break.

COMMISSIONER DAVIS: A couple things. Having ridden about two and a half feet from some of the products that Kelly does, and I know Mr. Owsley talked about intermediate and we'll do a little bit better, I know the services are divesting their intermediate maintenance because

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the mean time between failure improvements occurred across the products.

But I still think there will be a legitimate amount of depot work that will be required, some slight reduction, but I'm not sure I agree with significant reduction, which I thought you led us to believe.

MR. OWSLEY: Well, they said that in engines was all. I don't know about the rest.

COMMISSIONER DAVIS: Well, the problem with engines, or jet aircraft engines, is catastrophic failures sometimes require excess capability. And I note you talked about joint service groups but yet the Secretary of Defense neglected to pass any of those on. We acknowledge that so it's not the duty of this commission to try to fix that.

Sir, I would like to make -- join General Robles with -- this is my soap box. I am very familiar with these products and we've got a very fine staff here, but as staffs tend to do things we seem to be overly fascinated on capacity -- depot capacity. Staffs love to measure things and capacity is the easiest thing to measure, and bean counters love capacity because it's easy to measure.

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But capacity can generally be equated to buildings. There are some other measurements, but capacity can generally be equated to buildings. And, frankly, some over-capacity helps. It allows that surge work that all of us who have flown these jet engines would like the capability to exist. It allows some commanders, frankly, with over-capacity -- and I mean more buildings than they really need at the present time -- to tear down some buildings that should have been torn down a long time ago but, frankly, they could not afford to because they had to keep the capability that capacity gave them going.

Capacity is important and we should concern ourselves with it, but capability is the one thing that we really need to keep our eyes on the ball. Capability is what -- is men, women and machines, and what they produce. Capability is what provides us that war-fighting capability.

In the Chairman's opening remarks he stated, and I quote, "Since 1986 we have reduced the size of the military 30 percent." That is capability lost since 1986. Those are forces that are gone. The Air Force depots have drawn down their forces by 32.08 percent in that same time frame since 1986, and I suspect if I couldn't get the Army and the

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1 Navy's numbers on such short notice, but I think if you look
2 at the Army and the Navy you are going to see exactly the
3 same thing.
4 That is capability that is lost before we take any
5 action on any depot of any service here today. Closing
6 depots, in my view, is a very, very serious thing. It can
7 severely disrupt that service and, in particular in this
8 discussion, the Air Force's capability, war-time capability.
9 You have heard all the discussions about Kelly and
10 McClellan and their capabilities, the C-5 high bay hangar.
11 The C-5 is a particularly different weapon system and there
12 are many times a C-5 must be under cover to perform any
13 maintenance function. So ramps also are capability, are
14 capacity, but they can't necessarily be totally measured in
15 capability.
16 We only need to remember the time you could look on
17 one of these depots' ramps and see F-15s sitting out there
18 without any engines in them because we didn't have the
19 capability to rebuild those engines and get them flying
20 again. And we can not ever forget the Tinker hangar fire.
21 In reducing capacity to the optimum amount,
22 whatever that might be, we lose, I think, capacity and

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1 capability to do more joint cross servicing. Privatization
2 can work, but privatization takes a long time to get started
3 and with proprietary information you may not be able to do it
4 at all. It depends on the contractor.
5 So as we reduce capacity, I would recommend that we
6 do it very carefully. We keep our eyeball on the capability
7 and make sure we do not impact on those vital weapons
8 programs that we are considering here, such as maybe the F-
9 22, the B-2, and others.
10 Thank you, Mr. Chairman.
11 CHAIRMAN DIXON: Thank you, Commissioner Davis.
12 Commissioner Montoya.
13 COMMISSIONER MONTOYA: Mr. Chairman, I think that
14 we could talk about these numbers the rest of the week and
15 avoid the ultimate, and I want to be the first to throw a
16 rock, not at anyone but in a big pond and start the ripple
17 effect. So I'm going to put my stake in the ground on where
18 it is this commissioner thinks we ought to go, and maybe that
19 will advance the thought to a vote.
20 First of all, I want to give the Air Force credit
21 for what they have done in this sense. I have come to
22 believe that they believe what they have put forth sincerely

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1 and accurately, based upon their philosophy.
2 I also want to dispel out of my reasoning the chart
3 that we saw this morning that pits employee productivity base
4 against base in any way, shape or form. I think that
5 productivity at a base is often a function of leadership, is
6 often a function of management, and often a function of the
7 kind of work you're doing. And one gets into all sorts of
8 subjectivity. So that, for me, is off the scope.
9 But the facts are that over the course of the years
10 the other two services have, in fact, closed depots. When I
11 graduated from the Naval Academy we had some fourteen
12 shipyards and now we are contemplating going to four. And so
13 there have been some serious depot downsizings over time of
14 some very, very important facilities.
15 As I view the facts, we are about the business of
16 saving money and about matching productive capacity in this
17 country to our workload. I believe that to close no depots
18 would be shirking the job that we have before us. I also
19 believe, having heard the Air Force, having heard them and
20 believe them, that maybe closing two would be too much.
21 However, if I have the option of zero or two, then I think
22 two would still be appropriate, based on my analysis.

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1 The issue for me is which one. We have, by my
2 numbers and gathering data, gathered up about $800 million
3 for the Air Force to close something, 566 in the laboratories
4 we chose not to close, plus 234 million from the ALCs in
5 general. So there is money there to close something and so
6 the issue is which one and as difficult as this is for me, I
7 come down and I will only comment on the one not to close and
8 leave it to my colleagues to further help me with the debate
9 of which one.
10 I don't think closing the depot at Sacramento,
11 McClellan Air Force Base, is the right one. And why do I say
12 that? First of all, I don't think that the savings are there
13 to the extent they are at other places, number one. Number
14 two, those that would argue that to close that base would
15 create a clean kill environment; i.e., the base goes away,
16 because of an issue that exists there that we all acknowledge
17 but we don't calculate, which are a serious environmental
18 problem. If we close McClellan Air Force Base and the Air
19 Force will live with that base around its neck for the next
20 ten to fifteen years at enormous cost, and I can not ignore
21 that fact when we're talking about saving money.
22 The functions that are done at McClellan are not

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1 unlike the laboratories that we have just kept open. They
2 are extremely unique functions. They do not fit well in
3 matching with other of the depots in the country and,
4 therefore, I don't think that there is the further potential
5 of cost savings from consolidations.
6 And, lastly, and it is a criteria which I have
7 looked at very, very hard, this is the one place where if you
8 close this particular base the military is gone. There have
9 been two other base closures taken place in Sacramento, one
10 Air Force base, one Army base. If McClellan goes, there is
11 going to be a cumulative impact unlike any other location
12 and, secondly, those federal employees will not have safe
13 haven in their area, which would be possible at other
14 locations. And I think that that is, all things being equal,
15 a factor that ought to be considered.
16 I want to conclude by saying I want to make it
17 clear that I am going to vote for the closure of a base. I
18 won't vote for this one. And I also believe that there is a
19 possibility this commission will close two, based on my sense
20 of the questioning and sense of our commissioners, and I am
21 prepared to go there too, Mr. Chairman.
22 Thank you.

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1 CHAIRMAN DIXON: Thank you, Commissioner Montoya.
2 Commissioner Robles.
3 COMMISSIONER ROBLES: Mr. Chairman, since we have
4 joined the debate I think I need to, if you thought I was on
5 a soap box before, you will really think I'm on a higher soap
6 box now. And I am going to talk to you not from my
7 previous -- and I spent a lot of my years -- you know my
8 unique background that I was one of these dual track guys in
9 the Army that spent about half my time as a commander or in
10 operational billets and half my time into programming,
11 budgeting, and analysis business.
12 You have heard a dizzying array of numbers in front
13 of you this morning. If you think that's bad, you ought to
14 have been here for the last six or seven weeks trying to
15 absorb these great numbers. So I'm not going to try to
16 confuse you any more. The law of large numbers speak. There
17 is excess capacity in the United States Air Force depot
18 system, period. We can argue all day long about how much
19 capacity, fine-tune it down to the nth degree, but I think,
20 and you know from day one when I started my line of
21 questioning when we had the testimonies, I have always
22 believes there was excess capacity.

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1 The issue was how much and what was the prudent
2 thing to do. Now, I want to dispel the notion that
3 downsizing is bad. I personally participated in the United
4 States Army's downsizing efforts, and because we didn't have
5 any money and we had to downsize. But one thing that was
6 always paramount in our analyses was that we were always
7 looking at the current pocket book but an eye on the future.
8
9 And so when we decided to close ammunition plants,
10 for example, we just didn't close the ammunition plant; we
11 warm-based a lot of the facilities, left a hotline or two
12 open, so that in time of war we would have the ability to
13 search quickly and get on with it.
14 Now, I have heard a lot of talk about the private
15 sector, and I work in the private sector today, but there are
16 just some things that the private sector does not do well,
17 nor does it have the facilitation to do well and it would
18 take an enormous amount of time to do that. You just don't
19 fix tanks in the private sectors. You don't fix C-5As at
20 this time in the private sector.
21 Now, I'm not saying that's not a strategic thrust
22 that we ought to not take, and I'm not saying that in the

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1 year 2000 or 2005 or 2010 we won't be there, but I'll tell
2 you I was in the service for almost 30 years and we have been
3 talking about privatization since the day I came in as
4 lieutenant and we aren't that much farther ahead today than
5 we are now.
6 So given that as a backdrop, I think we have to be
7 very, very careful that we don't take a -- go a bridge too
8 far and really cut a capacity that I worry about. And you
9 say, well, if you spent so much time as a war fighter, why
10 aren't you fighting about force structure? I'll tell you.
11 Force structure is easy. It is relatively easy to cut out
12 force structure. It is hard as heck to cut out
13 infrastructure, and especially maintenance infrastructure.
14 When I was the Army's budget director I was on --
15 some of the folks here -- I was on depots big time because I
16 thought their overhead was too high. I thought that there
17 was excess capacity. But I never, ever was a champion of
18 closing everything we had down. What I said was we got to
19 get more efficient, we've got to cut our overhead, et cetera,
20 et cetera.
21 And so I have heard a lot of debate today about all
22 that and I will tell you that I believe as my colleague,

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1 Admiral Montoya, that we do have responsibility to close some
2 of that capacity. I also believe we have responsibility to
3 close one depot.
4 I don't believe that we want to close two and get
5 our capacity and capability down so tight that if we ever had
6 to fly the C-5A, for example, its wings off again, we would
7 be scrambling to say, Jacksonville, can you do this? Tinker,
8 can you go to two shifts and do your other work? Private
9 sector, can you help us? Yes, we could do that on an interim
10 basis, but you're not going to do that quickly and without
11 having any readiness impact or operational impact.
12 Now, the other part of this is an operational
13 commander being handed a lot of these BRAC decisions from
14 BRAC '88, '91, and '93. You've got to implement them and,
15 yes, you will get it done. But you will get it done very
16 often more inefficiently, longer, and certainly more
17 expensively. The track record shows that clearly,
18 irrespective of testimony I have heard here. It has
19 traditionally cost us more.
20 And so we also have to guard against the notion
21 that just because you see a set of numbers on a chart you can
22 make those set of numbers walk immediately and you can make -

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1 - you could do it for that number. If that's the case, a
2 very senior officer told us yesterday if you can certify
3 tho[illegible]bers I'll do this in a heartbeat. The answer is we
4 car[illegible]use it doesn't work quite that easy.
5 [illegible]d in all deference to the discussion you just
6 heard, I remember the first time I went on a C-5A. That is a
7 complex weapons system. It is not a 747, it is not just an
8 engine; it is a complete weapons system that has all sorts of
9 diagnostic self-tests in it. I have flown many hours in one.
10 In fact, when I was in Desert Storm I had to come back on
11 emergency leave and what brought me back, a C-5B. And I was
12 amazed at the capability of that aircraft.
13 I also know that I was an assistant division
14 commander for logistics over there and my job was to arm,
15 fuel, and fix the force, and so I was very attuned to
16 logistics and maintenance capability. And I'm telling you if
17 we hadn't had that organic maintenance capability to fix that
18 air frame, the C-130 fleet and the C-5 fleet, we wouldn't
19 have had a successful Desert Storm.
20 We can talk about all the war fighting you want.
21 The key to Desert Storm was the logistics infrastructure, the
22 flow of men and material, the ability to maintain that force

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1 out there in the desert when there was nothing but sand, and
2 the organic capability we had in the United States Armed
3 Forces.
4 So I just caution all of my colleagues that before
5 we take a bridge too far, before we get in a zeal to get
6 mesmerized by numbers and cut all our capacity, before we
7 take a risk that may be ill-advised, that we carefully think
8 exactly what we are doing here and not like a deer in the
9 street get in the headlights, look at the numbers and say,
10 oh, yeah, we can make that happen; that's the right thing to
11 do. [illegible]ay be the right thing to do, but we ought to walk
12 tha[illegible] little slowly up the trail.
13 [illegible]having said that, sir, I yield my time.
14 [illegible]HAIRMAN DIXON: Now, I thank every commissioner
15 for every question and every statement and tell every
16 commissioner that I cast hundreds of thousands of votes in 42
17 years. A lot of them I didn't like, but at some time you
18 have to vote.
19 Does any commissioner have anything further they
20 want to say before we come to the hard question?
21 Commissioner Steele.
22 COMMISSIONER STEELE: I just wanted to say I agree

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with General Davis greatly on that if we proceed in a direction that this commissioner has decided to proceed, we will not have some, for my vote anyway, I am willing to let go of some really top-notch, even state-of-the-art depot facilities. I think all five Air Force ALCs are just incredible installations. They truly are.

My frustration throughout this entire round, and actually watching BRAC since '91, is the issue of inter-servicing that you addressed. And I've seen the ball bounce back and forth between the department and the commission and back to department and back to a BRAC commission, and I think the department did an outstanding job in creating the joint cross service group to look at inter-servicing and truly utilizing some of these assets but, unfortunately, I feel like they were given a responsibility but not the authority to make it happen.

And I point no fingers specifically at anyone, but somewhere the leadership wasn't exercised to make that happen. The ball is back in this commission's court. I think [illegible] any BRAC commission that -- and it's the last sta[illegible] directed BRAC commission, I would add at this po[illegible]

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1 Any BRAC commission that has the value of the
2 experience base of men and women who have served in the armed
3 services is also going to have individuals that feel that for
4 a BRAC commission to be extremely independent, your -- we
5 would be going too far. We would be pushing into operational
6 decisions back at department's level and that the decision
7 ought to be made back at DOD. I've seen it go back and
8 forth.
9 It's the last round at this point. Nobody has been
10 giving much on inter-servicing. I feel like the overhead is
11 doing more damage to readiness, carrying that overhead, than
12 under the assumptions that are presented today would allow a
13 transfer of some of those functions in excessing some of that
14 overhead. And so at this point I am -- however difficult
15 this is, and I can't even tell you how difficult this is for
16 me, I am willing to proceed to vote to close some --
17 CHAIRMAN DIXON: I thank Commissioner Steele. Is
18 there any other commissioner that has any statement that the
19 commissioner wants to make or any question any commissioner
20 wants to ask?
21 COMMISSIONER DAVIS: Mr. Chairman.
22 CHAIRMAN DIXON: Commissioner Davis.

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1 COMMISSIONER DAVIS: I need to add one final
2 statement, and I very much respect Admiral Montoya's remarks.
3 We're classmates so we've known each other a long time. All
4 the service depots are fine depots and I agree that closing
5 them is particularly excruciating. But depots are not depots
6 are not depots so, you know, closing half of the Navy depots
7 and closing part of the Army depots previously is important
8 but it may not be as relevant as we might want to make it.
9 My particular concern, a specific concern as it
10 involves engines, is that we have not had a new engine come
11 on board, and as I'm sure Senator Dixon in his previous life
12 remembers, that new engines are a very difficult process and
13 you end up with some sort of catastrophic failure or blade
14 failure or something like that that requires a lot of care
15 and feeding early on that's done jointly with the depots and
16 the private sector.
17 The one thing the depots do give you a very good
18 capability is immediate reaction to a problem. So please,
19 commissioners, let's keep it in mind that the kind of
20 capability that we are about to vote on to either keep or
21 throw away.
22 CHAIRMAN DIXON: Thank you, Commissioner Davis.

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1 Now is there any other commissioner who would like to make
2 any statement or ask any question?
3 COMMISSIONER CORNELLA: Mr. Chairman.
4 CHAIRMAN DIXON: Commissioner Cornella.
5 COMMISSIONER CORNELLA: I would just like to
6 respond briefly, and I will keep it brief. I just wanted to
7 add that I also believe the key to readiness is also
8 training. It is also equipment. It is also money. And for
9 us to maintain excess infrastructure at the expense of our
10 young men and women in the military, I think would be
11 inexcusable. And I know there is a fine line that we have to
12 reach in there somewhere, whether we decide today to close
13 zero, one, or two, I think we need to keep that issue in mind
14 also.
15 Thank you, Mr. Chairman.
16 CHAIRMAN DIXON: I thank you, Commissioner
17 Cornella. And Commissioner Kling.
18 COMMISSIONER KLING: Just one last thing. We
19 voted. We started out by voting on our labs and our high
20 tech and our sophisticated areas and we voted on every one of
21 those to reject the Department of Defense's recommendation.
22 We can't have it all ways. We either have to be able to

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1 support our sophisticated and our future development and
2 research and training or we have to reduce the sums from our
infrastructure some way.
The only place it seems to me from what we're doing
that we have to reduce that infrastructure. We have some room
6 and we have the capability as being presented and we do have
7 the over-capacity as from the depot that we have here, and
8 that is why I support the reducing of the number of depots.
9 CHAIRMAN DIXON: I thank you, Commissioner Kling.
10 Now is there any other commissioner who would like to make
11 any statement?
12 COMMISSIONER ROBLES: Mr. Chairman.
13 CHAIRMAN DIXON: Commissioner Robles.
14 COMMISSIONER ROBLES: Mr. Chairman, the buck stops
15 here. I would like to make a motion.
16 CHAIRMAN DIXON: Commissioner Robles, you are
17 recognized for a motion.
18 MOTION
19 COMMISSIONER ROBLES: I move the commission find
20 the Secretary of Defense deviated substantially from final
21 criteria one, four, and five, in the force structure and,
22 therefore, the commission reject the Secretary's

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1 recommendation on air logistics centers at Hill Air Force
2 Base, Utah; Kelly Air Force Base, Texas; McClellan Air Force
3 Base, California; Robins Air Force Base, Georgia; and Tinker
4 Air Force Base, Oklahoma, Texas; and, instead, adopt the
5 following: to close McClellan Air Force Base, California,
6 including the air logistics centers and the defense
7 distribution depot, Sacramento; to retain the radiation
8 center and make it available for dual use and/or research, or
9 close as appropriate; to consolidate the remaining workloads
10 to other DOD depots as determined by the Defense Depot
11 Maintenance Council and/or to private sector commercial
activities; to move the required equipment and any required
personnel to the receiving locations. All other activities
14 and facilities at the base will close. The commission finds
15 this recommendation is consistent with the force structure
16 plan and final criterion.
17 CHAIRMAN DIXON: Is there a second to the motion of
18 Commissioner Robles?
19 COMMISSIONER CORNELLA: I second the motion.
20 CHAIRMAN DIXON: It is seconded by Commissioner
21 Cornella and the counsel will call the roll.
22 MS. CREEDON: Mr. Chairman.

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1 CHAIRMAN DIXON: Aye.
2 MS. CREEDON: Commissioner Steele.
3 COMMISSIONER STEELE: Aye.
4 MS. CREEDON: Commissioner Robles.
5 COMMISSIONER ROBLES: Aye.
6 MS. CREEDON: Commissioner Montoya.
7 COMMISSIONER MONTOYA: Nay.
8 MS. CREEDON: Commissioner Kling.
9 COMMISSIONER KLING: Aye.
10 MS. CREEDON: Commissioner Davis.
11 COMMISSIONER DAVIS: Aye.
12 MS. CREEDON: Commissioner Cox.
13 COMMISSIONER COX: No.
14 MS. CREEDON: Commissioner Cornella.
15 COMMISSIONER CORNELLA: Aye.
16 MS. CREEDON: Mr. Chairman, the votes are six ayes
17 and two nays.
18 CHAIRMAN DIXON: The commission has voted six to
19 two in favor of closure at McClellan, in accordance with the
motion of Commissioner Robles. Now the chair is going to
declare a seven-minute recess and will gavel us into the
hearing again at precisely 10 minutes after 11:00.

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1 (A brief recess was taken.)
2 CHAIRMAN DIXON: Ladies and gentlemen, we are going
3 to return to the last vote. There is a correction required,
4 I understand, from counsel to that last motion. And so
5 without any further discussion -- well, no, not without any
6 further discussion. If anybody has any discussion, that's
7 all right. But we are going to go to that motion again.
8 Commissioner Robles, let the record show that this
9 will be a motion, a corrective motion, with respect to the
10 activity that just took place regarding the last motion put
11 by Commissioner Robles. Commissioner Robles, you are
12 recognized again to correct that last motion.
13 MOTION
14 COMMISSIONER ROBLES: Thank you, Mr. Chairman. I
15 would like to make a motion to amend the motion I just made
16 to close McClellan Air Force Base. I move the motion to
17 close McClellan Air Force Base be amended to read, in
18 addition to everything that we had voted on and I read
19 before, to add the following: to move the common use ground
20 communication electronics to Tobyhanna Army Depot,
21 Pennsylvania.
22 CHAIRMAN DIXON: All right. Is there a second to

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1 that motion?
2 COMMISSIONER COX: Second.
3 CHAIRMAN DIXON: Seconded by Commissioner Cox. And
4 the counsel will call the roll.
5 COMMISSIONER CORNELLA: Discussion, please.
6 CHAIRMAN DIXON: Pardon me, Commissioner Cornella.
7 COMMISSIONER CORNELLA: I am concerned about
8 directing the move and destination of individual missions.
9 Today we will consider the closure of more than one air
10 logistics center. While I fully support cross-servicing, I
11 still feel the Air Force needs the latitude to decide where
12 missions will be moved.
13 CHAIRMAN DIXON: Thank you, Commissioner Cornella.
14 Are there any further comments before we take a vote on this
15 corrective motion by Commissioner Robles? If not, the
16 counsel will call the roll.
17 MS. CREEDON: Mr. Chairman.
18 CHAIRMAN DIXON: Aye.
19 MS. CREEDON: Commissioner Steele.
20 COMMISSIONER STEELE: Aye.
21 MS. CREEDON: Commissioner Robles.
22 COMMISSIONER ROBLES: Aye.

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1 MS. CREEDON: Commissioner Montoya.
2 COMMISSIONER MONTOYA: No.
3 MS. CREEDON: Commissioner Kling.
4 COMMISSIONER KLING: Aye.
5 MS. CREEDON: Commissioner Davis.
6 COMMISSIONER DAVIS: Aye.
7 MS. CREEDON: Commissioner Cox.
8 COMMISSIONER COX: I'm sorry. We're voting only on
9 the amendment?
10 CHAIRMAN DIXON: Only on the motion, only on the
11 amendment.
12 COMMISSIONER COX: Aye.
13 MS. CREEDON: Commissioner Cornella.
14 COMMISSIONER CORNELLA: No.
15 MS. CREEDON: Mr. Chairman, the votes on the
16 amendment to the motion are six ayes and two nays.
17 CHAIRMAN DIXON: And the chair announces that the
18 votes are six ayes and two nays and the correction is made to
19 the previous amendment offered by the distinguished
20 commissioner, Commissioner Robles. Adding to that amendment
21 that motion, with this additional amendatory language.
22 And is counsel satisfied the record is clear on

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1 that?
2 [illegible]. CREEDON: Yes, sir.
3 [illegible]AIRMAN DIXON: What is the further pleasure of
4 the [illegible]ission with respect to the remaining four air
5 logistic center installations and depots? Is there any
6 further discussion?
7 (No response.)
8 CHAIRMAN DIXON: Is there any further discussion at
9 this time?
10 (No response.)
11 MOTION
12 CHAIRMAN DIXON: Commissioners, I move the
13 commission find the Secretary of Defense deviated
14 substantially from final criteria one, four, and five, and
15 the force structure and, therefore, the commission reject the
16 Secretary's recommendation on air logistics centers at Hill
17 Air Force Base, Utah; Kelly Air Force Base, Texas; McClellan
18 Air Force Base, California; Robins Air Force Base, Georgia;
19 and Tinker Air Force Base, Oklahoma, and instead adopt the
20 following recommendation: realign Kelly Air Force Base,
21 Texas, including the air logistics center and the defense
22 distribution depot, San Antonio; consolidate the workloads to

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1 designated receiver locations as determined by the Defense
2 Depot Maintenance Council; move the required equipment and
3 any required personnel to the receiving locations. The air
4 field and all associated support activities and facilities
5 will be attached to Lackland Air Force Base, Texas, as will
6 the following units: the Air Intelligence Agency, including
7 the cryptologic depot; the 433rd Airlift Wing; the 149th
8 Fighter Wing; and the 1827th Engineering Installation
9 Squadron. The commission finds this recommendation is
10 con[illegible]ent with the force structure plan and final criteria.
11 [illegible]d that is the motion with respect to Kelly and
12 th[illegible] inquires as to whether there is a second.
13 [illegible]OMMISSIONER CORNELLA: I second the motion.
14 CHAIRMAN DIXON: That motion is seconded by
15 Commissioner Cornella. Is there any comment or any
16 discussion of any kind whatsoever?
17 COMMISSIONER DAVIS: Mr. Chairman.
18 CHAIRMAN DIXON: Commissioner Davis.
19 COMMISSIONER DAVIS: Sir, I won't repeat the
20 rhetoric that I did some time ago, but as you know for me
21 personally and my concern that the severe damage this will
22 cause to out-year program such as the F-22, the B-2, the C-

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1 17, and those things that the Air Force is going to have to
2 pay for that might not have the money for in this process.
3 And I would like to take this time to urge my
4 fellow commissioners to reject this motion simply because the
5 Air Force has downsized its capability in its depots by 32
6 percent before we voted on McClellan ALC.
7 And I would request the honor of going first on the
8 vote, sir.
9 CHAIRMAN DIXON: Commissioner, you have that honor.
0 Are there any further comments?
1 COMMISSIONER ROBLES: Mr. Chairman.
2 CHAIRMAN DIXON: Commissioner Robles.
3 COMMISSIONER ROBLES: I have to echo the comments
4 of my fellow commissioner. I think that all of us who sit at
5 this table have stepped up to the plate. We just voted to
6 close one air logistics center. I think voting to close a
7 second air logistics center is absolutely the wrong thing to
8 do. I think not only does it impact near-term operations but
9 it w[illegible] have a substantial impact in the future of the Air
0 F[illegible] capability to do its engine work and it's C-5 work.
1 [illegible] I urge my fellow commissioners in the strongest
2 te[illegible] not try to bring this capacity down to such a small

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1 number that we are going to put that at jeopardy.
2 CHAIRMAN DIXON: Are there any further comments by
3 any commissioner?
4 (No response.)
5 CHAIRMAN DIXON: I ask counsel to call the name of
6 Commissioner Davis first.
7 MS. CREEDON: Commissioner Davis.
8 COMMISSIONER DAVIS: No.
9 MS. CREEDON: Mr. Chairman.
10 CHAIRMAN DIXON: Commissioner Cox.
11 MS. CREEDON: I'm sorry. Commissioner Cox.
12 COMMISSIONER COX: Aye.
13 CHAIRMAN DIXON: Oh, excuse me. I thought that
14 Commissioner Cox asked to be recognized.
15 COMMISSIONER COX: No.
16 CHAIRMAN DIXON: I apologize. I will vote, if you
17 don't mind. My name was called, Commissioner. Aye.
18 Commissioner Cox has voted aye.
19 MS. CREEDON: Commissioner Robles.
20 COMMISSIONER ROBLES: Nay.
21 MS. CREEDON: Commissioner Steele.
22 COMMISSIONER STEELE: Aye.

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1 MS. CREEDON: Commissioner Kling.
2 COMMISSIONER KLING: Aye.
3 MS. CREEDON: Commissioner Cornella.
4 COMMISSIONER CORNELLA: Aye.
5 MS. CREEDON: Commissioner Montoya.
6 COMMISSIONER MONTOYA: Mr. Chairman, I ask to vote
7 last because I am really troubled by this. I have high
8 regard for my two military colleagues but I also have
9 tremendous regard for the Air Force and the Congress and I
10 feel that a five to six-year closure profile that if we've
11 done the wrong thing today that they will make it right
12 before it's too late because of their ability to change laws
13 and to reexamine things.
14 I do not want the record to show that this was all
15 split along three military members opposing our six, or our
16 five very distinguished civilian colleagues and, also, I
17 think it's right to require a change in approach to manage
18 our production capability, and so I vote aye.
19 CHAIRMAN DIXON: Commissioner Montoya votes aye.
20 MS. CREEDON: Mr. Chairman, the votes are six ayes
21 and two nays.
22 CHAIRMAN DIXON: The vote is six ayes, two nays,

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1 and the motion carries. Will the staff accommodate the
2 commission by changing to those who will now prepare for
3 their presentation on Army depots?
4 Have we everyone up at the table that will be part
5 of the presentation on Army depots?
6 MR. LYLES: Yes, sir, Mr. Chairman. We are ready
7 to proceed.
8 CHAIRMAN DIXON: Where is Mr. Owsley? Is he part
9 of that presentation? Who will proceed?
10 MR. LYLES: Mr. Chairman, we are ready to proceed
11 and the discussion of Army depots will be a joint
12 presentation by the army team headed by Ed Brown with Bob
13 Miller, and also Jim Owsley and Glenn Knoepfle will also take
14 part in this discussion. But we are ready to proceed, sir.
15 CHAIRMAN DIXON: All right. And who will proceed
16 first? Mr. Brown?
17 MR. BROWN: I will, Mr. Chairman.
18 CHAIRMAN DIXON: Thank you, Mr. Brown.
19 MR. BROWN: Good morning, Mr. Chairman and
20 commissioners. The chart on page C-1 in your book and the
21 accompanying map on page C-2 show the names and locations of
22 the Army's five depots. In developing its recommendations,

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1 the Army was guided by its operational blueprint to retain
2 core capability size to support the sustainment needs while
3 consolidating functionally maintaining separate electronic
4 oriented ground and air depots.
5 Tobyhanna is the electronics oriented depot.
6 Anniston, Red River and Letterkenny are ground combat vehicle
7 depots. Letterkenny is also the depot at which the 1993
8 commission consolidated tactical missile maintenance. Corpus
9 Christi, located on Naval Air Station Corpus Christi, serves
10 as the Army's aviation oriented depot, having responsibility
11 for repair and overhaul of rotary wing aircraft.
12 In performing its military value analysis, the Army
13 analyzed installations, not activities on installations.
14 Hence, there is no military value ranking for Corpus Christi.
15 The Secretary of Defense recommended the closure of
16 Red River Army Depot, Texas, and the realignment of
17 Letterkenny Army Depot, Pennsylvania. These recommendations
18 are in agreement with alternatives developed by the joint
19 cross service group for depot maintenance.
20 On May 10th the commission added Tobyhanna Army
21 Depot, Pennsylvania, and Letterkenny Army Depot for further
22 consideration for closure. The staff suggests that the

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1 commission hear the briefings on all the Army's depots before
2 voting on any recommendations or alternatives. Lieutenant
3 Colonel Bob Miller will discuss the first depot, Red River,
4 and the Army's desire to consolidate its ground combat
5 vehicle maintenance into a single depot. Mr. Glenn Knoepfle
6 will discuss Letterkenny and Tobyhanna.
7 CHAIRMAN DIXON: Mr. Brown, we will proceed as you
8 have requested, and that is the way we did on the Air Force
9 and we'll do that the same way on the Army. Do all your
10 presentations. Any questions in view of request by
11 Commissioner Steele and others the last time, I think as we
12 go along we do charts. If a commissioner has a question I
13 believe it's in the context of that moment the best time to
14 ask the question anyway so I think Commissioner Steele was
15 entirely right about that.
16 So as we go along you may be interrupted, but when
17 we have concluded everything we will then come to the vote.
18 MR. BROWN: Lieutenant Colonel Bob Miller.
19 LIEUTENANT COLONEL MILLER: Good morning. Could we
20 have the next chart, please? Chart C-3 is a base analysis
21 chart for Red River Army Depot, the Army's recommendation,
22 and also for the Distribution Defense Depot for Red River,

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1 the co-located defense depot for Red River, the co-located
2 defense depot for Defense Logistics Agency.
3 Red River Army Depot provides a variety of
4 sustainment missions for the Department of Defense. The key
5 are maintenance and overhaul of light combat vehicles,
6 remanufacture of road wheels, tires and track shoes, as well
7 as the storage and maintenance of ammunition. Co-located
8 with the Army depot are several tenants, the largest of which
9 is the Defense Distribution Depot, Red River. These
10 activities perform their missions with outstanding results.
11 The Department of Defense's justification for
12 closing Red River Army Depot is that current ground
13 maintenance depot capacity exceeds requirements. Red River
14 can not assume the heavy mission -- the heavy combat vehicle
15 mission from Anniston without considerable and costly
16 modifications. Available capacity at Anniston makes
17 realignment of Red River most logical. Closure of Red River
18 Army Depot is consistent with the recommendations of the
19 joint cross service group for depot maintenance.
20 The justification for closing the Defense
21 Distribution Depot is its co-location with the maintenance
depot under the recommendation for closure.

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1 As you see, there are two columns of numbers. They
2 represent the Red River Army Depot in the center column and
3 the Defense Distribution Depot to the right. Most important
4 for Red River Army Depot are the high net present value and
5 personnel impacts. Also notice that the Army shows an
6 immediate return on investment.
7 Next chart. In our analysis we reviewed several
8 issues. I will brief those issues shown on the left. I am
9 also prepared to discuss any of the issues shown to the right
10 should you desire.
11 Next chart. Chart C-5 is a summary of the first
12 two major issues, and they are for Red River Army Depot. The
13 key issues enclosing Red River Army Depot is the capability
14 of Anniston Army Depot to assume responsibility for all
15 ground combat vehicle depot maintenance. Should the
16 commission decide to close Red River and Letterkenny Army
17 Depot, Anniston will be the only depot available for depot
18 maintenance of ground combat vehicles.
19 Review of Anniston's capability shows that
20 consolidation of these missions is possible. After assuming
21 combat vehicle workload from Red River and Letterkenny.
22 Anniston would be operating at 78 percent of peacetime

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1 capacity on a 40-hour or one-shift, eight-hour, five-day work
2 schedule. Projections for wartime requirements would require
3 Anniston to operate on a two-shift, eight-hour, seven-day-a-
4 week schedule. This is based on a projected workload of 8.4
5 million man-hours in a wartime. And 7.7 of these actual man-
6 hours would be for ground combat vehicles and the rest for
7 support equipment.
8 The impact on the local economy, as the second
9 issue shows, is significant in the Texarkana area. DOD
10 forecasts a 7.8 percent impact for Red River Army Depot alone
11 and the cumulative impact is 6.6 percent. As shown, the
12 community even forecasts a higher number of 21 percent.
13 Chart C-6 are the two major issues for Defense
14 Distribution Depot Red River. Unlike most co-located defense
15 distribution depots, the depot at Red River has a
16 distribution mission that is 80 percent to customers other
17 than the maintenance activities co-located or part of Red
18 River Army Depot.
19 COMMISSIONER COX: I'm sorry. 80 percent of the
20 work they do there doesn't have anything to do with the
21 depot?
22 LIEUTENANT COLONEL MILLER: 80 percent of the

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1 distribution mission that's accomplished by DLA out of
2 Defense Distribution Depot Red River supports customers other
3 than Red River Army Depot, for example, Fort Hood. Fort
4 Carson.
5 COMMISSIONER COX: I see. Is that normally DLAs
6 would have a greater percentage of their work have to do with
7 the depot?
8 LIEUTENANT COLONEL MILLER: Normally, the co-
9 located depot with a maintenance activity would be the
10 inverse of that; 80 percent of the mission would be to
11 support the maintenance activity where 20 percent would be
12 customers other than what's on the installation.
13 COMMISSIONER COX: So is this unusual because of
14 Fort Hood and some of the other installations around there?
15 It's in a place that it tends to be useful for those others?
16 LIEUTENANT COLONEL MILLER: It is centrally
17 located. Being in Texas it's close to Fort Hood, Fort
18 Carson, Fort Riley, Fort Bliss, and so on. I would probably
19 turn to the DLA team.
20 COMMISSIONER COX: We can get on with it. I just
21 was surprised to see that.
22 LIEUTENANT COLONEL MILLER: Okay.

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1 CHAIRMAN DIXON: Commissioner Robles.
2 COMMISSIONER ROBLES: I wold like to clarify that
3 as a division commander who commanded the division of Red
4 River and Fort Riley and I was one of its big customers.
5 The uniqueness of Red River. Red River sits in close
6 proximity to four of the Army's heavy mechanized forces, plus
7 an armored CAV regiment, which is a preponderance of its
8 heavy combat power. Their mission was to give us all the
9 repair parts we need to fix our force so it was ideally
10 suited there and that is probably an anomaly because no other
11 DLA distribution depot is so geographic -- just happens to be
12 sitting perfectly in the perfect geographic spot.
13 COMMISSIONER KLING: Can that be picked up from the
14 remaining depots if this was not there? Can that capability
15 be picked up like that?
16 LIEUTENANT COLONEL MILLER: If you look at the
17 other depots, I think if you took all the defense
18 distribution depots for the DOD's recommendations, there
19 would still be an excess of storage capacity; however, that
20 might not be true based on the ALC recommendations that were
21 just voted on.
22 COMMISSIONER ROBLES: Commissioner Kling, if I

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1 could just comment a second. I am going to give you a ware
2 fighter's perspective. As you know, we have gone through an
3 enormous amount of change in the Department of Defense, a lot
4 of it precipitated by some wonderful things called the
5 Defense Management Review Initiatives. And one of the things
6 that the Defense Management Review Initiatives did was to
7 downsize the amount of inventory the tactical units carry in
8 their stores. They wanted -- it's analogous to the just-in-
9 time inventory concept in the private sector.
10 So what we basically have done is we said since we
11 are only -- we're going to draw down our inventories of
12 repair parts and things we need to keep our force viable. We
13 were bet on the distribution depots being able to deliver
14 the needed parts just in time. To the extent you move it
15 from right there to some more geographically dispersed place,
16 yes, you get the repair parts but you will add days and, in
17 some cases, weeks to that pipeline. And I'm just saying if I
18 were wearing my big red one patch today I would be over there
19 arguing like crazy that's a dumb thing to do.
20 COMMISSIONER KLING: Why would that be?
21 COMMISSIONER ROBLES: Because as you stretch that
22 pipeline out and move that to other distribution depots that,

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1 one, don't have the background in sorting those kind of very
2 unique parts for combat systems and as you stretch it out,
3 the order ship time just will go up. It will go up because
4 you have fewer of those distribution hubs and so they -- the
5 law of large numbers. They service a lot more customers.
6 And even though from a businessman it's hard to
7 envision that not being a very efficient process, it's not
8 the same as shipping dresses or shipping widgets. The
9 business of shipping repair parts for Army combat vehicles,
10 there are 6,600 plus combat vehicles in the Army Mechanized
11 Division and they carry some 7,000 lines of repair parts and
12 they go in size from something that's huge to something
13 that's small, and it is a complex business.
14 I tell you, I spent my whole adult life trying to
15 fix that distribution system and I think expanding it out
16 farther away will make it even worse. Just my professional
17 judgment.
18 COMMISSIONER COX: Mr. Borden, I wonder if I could
19 just ask a technical question. This recommendation came from
20 the DOD and I know a lot of them, the DLA and the depot
21 recommendations come together. It seems to me we ought to at
22 least be considering the DLA section given that workload

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1 separately. Will we be considering this together or could we
2 consider those separately?
3 CHAIRMAN DIXON: Do you understand the question?
4 MR. BORDEN: Bob Cook, come here. I'll start out
5 answering your question and Bob can give you more specifics.
6 COMMISSIONER COX: Okay.
7 MR. BORDEN: I believe the recommendation came to
8 us as two separate recommendations.
9 COMMISSIONER COX: Two separate. So we could do
10 that separately.
11 MR. BORDEN: One for Red River and then one for the
12 DLA distribution depot. Is that correct?
13 MR. COOK: That's true.
14 COMMISSIONER COX: Okay.
15 CHAIRMAN DIXON: Now let me get the record
16 straight. I don't like to interrupt people here, but that's
17 not Director Lyles. Does the reporter know who that is?
18 MR. COOK: No, sir, Mr. Chairman.
19 CHAIRMAN DIXON: Do you know who that is, reporter?
20 Please identify yourself.
21 MR. COOK: Mr. Chairman, my name is Bob Cook and I
22 am the inter-agency issues team lead. And we will in the

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1 next couple days be briefing the Defense Logistics Agency.
2 They were indeed, Commissioner Cox, presented
3 individually by DOD and the DLA. As a result of previous
4 votes that concern the ALCs, DLA now has a significant
5 shortfall and we will be briefing those. So I would suggest
6 that perhaps the vote on the distribution depot and the DLA
7 portion be slipped until we do that presentation.
8 COMMISSIONER COX: I think that's a good
9 suggestion, if everyone would agree.
10 CHAIRMAN DIXON: I think that it is apparent that
11 the commissioners agree with you, Commissioner Cox.
12 MR. COOK: Thank you, Mr. Chairman.
13 CHAIRMAN DIXON: Are there further -- where are we
14 here now?
15 COMMISSIONER COX: Just to make it clear --
16 CHAIRMAN DIXON: Commissioner Cox.
17 COMMISSIONER COX: -- any vote we now take would be
18 on the depot only. We would not be voting on the outcome of
19 the DLA at Red River Base.
20 CHAIRMAN DIXON: Is that the staff's view as well?
21 MR. COOK: Yes, sir, Mr. Chairman. I would suggest
22 that we do just that in light of the area distribution

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1 function that the Defense Depot Red River has, which is
2 dissimilar to most of the other co-located depots.
3 CHAIRMAN DIXON: And that is Mr. Cook again,
4 reporter. Okay, now how are we doing here?
5 COMMISSIONER COX: Great.
6 CHAIRMAN DIXON: Anybody else have a question? Are
7 we able to proceed? Now who is up to bat? Is it you, Mr.
8 Owsley?
9 MR. OWSLEY: Sir, Bob Miller is continuing.
10 COMMISSIONER CORNELLA: Mr. Chairman.
11 CHAIRMAN DIXON: Commissioner Cornella.
12 COMMISSIONER CORNELLA: I would ask that we would
13 discuss and decide on both of these issues together. If we
14 postpone the DLA side, I don't think it's appropriate to take
15 a vote because that may impact whether or not the depot side
16 remains.
17 CHAIRMAN DIXON: Where is my director? Could you
18 come here, Mr. Lyles, and help us a little bit here? Can you
19 get down here? Mr. Cook is usurping your throne. Now, will
20 you resolve this issue for us so that we can figure out how
21 to proceed on this matter? We are having a procedural
22 difficulty here.

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1 MR. LYLES: Yes, sir, Mr. Chairman, I will try to.
2 The recommendations on both Letterkenny and on Red River
3 include also the closure of the defense distribution depot at
4 both facilities. That was part of the Defense Department's
5 recommendation in both cases.
6 The defense distribution center at Red River is
7 different from others in that a large percentage of its
8 customers are outside the depot. The commission really has
9 two choices. One, whether to vote on the defense
10 distribution -- the closure, the proposed closure of the
11 defense distribution center at Red River at the same time
12 that you vote on the question of whether or not to close the
13 depot, or you could delay the vote on the defense
14 distribution center at Red River until you discuss all of the
15 depots in the defense agency's portion of the presentations,
16 probably sometime tomorrow or Saturday.
17 CHAIRMAN DIXON: If the chair could have a moment,
18 if you would indulge the chair only a moment to hear from
19 counsel so at least I know what my lawyer is telling me.
20 May I have the attention of the staff and the
21 commission? Now, there have to be two separate motions on
22 each of these. That is the counsel's clear opinion. Is that

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1 right?
2 MS. CREEDON: Yes, sir.
3 CHAIRMAN DIXON: Now, we can vote them, you know,
4 simultaneously with reference to each of the installations or
5 we can slip the DLA part till later. Counsel advises we can
6 do that. Now, it's simply a procedural question and the
7 chair is --
8 COMMISSIONER ROBLES: No, Mr. Chairman, I don't
9 think it's a procedural question, if I might.
10 CHAIRMAN DIXON: All right.
11 COMMISSIONER ROBLES: What I heard Mr. Cook say is
12 that not only is this distribution depot different than most
13 other DLA distribution depots because of its great amount of
14 repair parts and other supplies it provides to the mechanized
15 force in the central United States, but also because of just
16 the recent votes we took in closing those two air logistics
17 centers, there will be an impact on DLA distribution centers
18 in total and you have to factor that input first before you
19 vote on this.
20 So there is a two-headed sword here. Not only do
21 you have to worry about that it's 80 percent to its central
22 customers, but now we have closed two air logistics centers

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1 by our vote and there is going to be an impact on DLA and
2 we've got to factor that in.
3 CHAIRMAN DIXON: You're absolutely correct. One
4 man at a time can make our lady, as the case may be, please.
5 Now, Commissioner Robles, what are you saying you want us to
6 do in view of that sage observation?
7 COMMISSIONER ROBLES: Well, the observation is that
8 because of that dilemma it would have been normally easy to
9 go say let's look at the depot function and the maintenance
10 function, but if you separate that and wait till we do the
11 logistics analysis we are probably going to get disconnected.
12 So I think the best compromise may be to go through
13 the three depots and look at the maintenance, then follow
14 that on with the DLA presentations, if you can get there that
15 fast, so at least you have some linkage there. Otherwise,
16 either that or we all have to concentrate extra hard to
17 remember what was said about the maintenance function on the
18 decision until they make the presentation from DLA. And I
19 don't know that the staff is capable of pulling all that
20 together that quickly.
21 COMMISSIONER DAVIS: Mr. Chairman, I might remind
22 that we have already voted on two DLA functions.

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1 CHAIRMAN DIXON: The chair is aware of that. Thank
2 you, Commissioner Davis. Commissioner Kling.
3 COMMISSIONER KLING: And I would be much more
4 comfortable having voted on those two Air Force depots to get
5 our information altogether as far as depots overall when we
6 get it later, and I would rather from this -- I think we are
7 going to do a better job if we just concentrate on the depot
8 alone at this time as far as Red River and Letterkenny and so
9 forth goes.
10 CHAIRMAN DIXON: Do I have a consensus of my
11 commissioners on this?
12 COMMISSIONER COX: I'm not sure I understand what
13 the consensus is.
14 CHAIRMAN DIXON: Well, I'm trying to find out are
15 we all satisfied to vote on depots only at this point in
16 time.
17 COMMISSIONER COX: And we'll get DLAs altogether
18 later.
19 CHAIRMAN DIXON: Right.
20 COMMISSIONER KLING: Particularly in light of --
21 COMMISSIONER COX: With Memphis and the other DLAs.
22 COMMISSIONER KLING: And particularly in light of

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1 the fact of our past vote here just with the Air Force.
2 COMMISSIONER COX: Right. And particularly in
3 light of the fact that at least this one even if we close the
4 maintenance depot at Red River we may well not close the DLA.
5 I just don't want us to get in a position of necessarily
6 linking that. We have the option.
7 CHAIRMAN DIXON: All right. Now, Commissioner Cox,
8 I want to ask you all whether I understand what you are
9 individually trying to say. I think I sense we have
10 consensus that we vote on the Army depots now and take the
11 DLAs later when we get to that section of the presentation.
12 Is that satisfactory with everybody? Do I have a consensus
13 on how we do this?
14 COMMISSIONER CORNELLA: You have one objection, so
15 you don't have a consensus.
16 CHAIRMAN DIXON: All right. Let me hear from you.
17 COMMISSIONER MONTOYA: You have two, sir.
18 CHAIRMAN DIXON: Wait a minute now. Okay.
19 Commissioner Cornella, what makes you happy?
20 COMMISSIONER CORNELLA: South Dakota.
21 CHAIRMAN DIXON: Well, everybody can understand
22 that. Commissioner Cornella, besides that, tell us what --

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1 COMMISSIONER CORNELLA: I think the -- you know,
2 the issue is that these are really tied together. I believe
3 that if we would vote at a later time to keep the DLA at Red
4 River, DLA, that it would really impact my decision on what
5 we were going to do with the repair depot, so I don't see how
6 we separate them at this time.
7 COMMISSIONER MONTOYA: And, Mr. Chairman, I am in
8 the same camp as Mr. Cornella.
9 COMMISSIONER DAVIS: Mr. Chairman, I share
10 Commissioner Cornella's -- we are not presupposing the
11 motion. If we want to separate the DLA function in the
12 motion we can do that; i.e., say either reject DOD or if we
13 were going to take the tack of closing Red River then make
14 the motion to keep that DLA function open because 80 percent
15 of it is --
16 CHAIRMAN DIXON: Would you yield, Commissioner
17 Davis, simply for this because I yield to your expertise on
18 the subject matter. But we are going to have to vote
19 separately on them anyway. You do understand that. We are
20 going to have to have separate votes on Army depots and
21 related DLAs. Is that correct, counsel?
22 MS. CREEDON: That is correct. It would be a total

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of four votes.
CHAIRMAN DIXON: So we are not talking about not ha[illegible]e votes. We are going to have lots of votes for yo[illegible] know.
COMMISSIONER KLING: Could I ask a question of the staff?
CHAIRMAN DIXON: All I am trying to figure out -- Commissioner Kling, ask a question -- but how are we going to do it procedurally? Commissioner Kling.
COMMISSIONER KLING: My question is to Mr. Cook. Will you be prepared to do this in a better manner if you can think this thing through and pull this whole thing together, including the Air Force? Will we be better off looking at all of the DLAs together and the AL -- I mean, yeah, and the effect that the ALs give?
MR. COOK: Yes, we will be prepared to do that, Commissioner Kling.
COMMISSIONER KLING: I'm sorry?
MR. COOK: We will be prepared to do that in the overall context of the DOD storage picture.
COMMISSIONER KLING: Total?
MR. COOK: Yes, sir. Across the country.

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COMMISSIONER KLING: So you would be better -- my question is will you be better off to do this in total as opposed to us looping together one spot right now?
MR. COOK: Yes, sir, we can do that later and would be better off doing that from a storage picture. And I can't talk to the maintenance perspective.
CHAIRMAN DIXON: Now let me make this observation. I want to get this clear. We might have to have a procedural vote. We can do that. Are the staff people and are you sayi[illegible] Mr. Cook, you would prefer to do the DLA and have the vo[illegible] that later?
[illegible]R. COOK: Yes, Mr. Chairman.
[illegible]HAIRMAN DIXON: Okay, it looks like we've got a division up here. Can we just have a division among the commissioners to decide how we do it?
COMMISSIONER CORNELLA: Well, I'm wondering if it wouldn't be appropriate that we would do the DLA first because that is going to impact the amount of workload at the depot in the sense that if we decided later and you have eliminated the depot repair side, that is going to be an issue to me.
COMMISSIONER COX: I guess the concern --

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CHAIRMAN DIXON: Could I have an observation, Commissioner Cox, from Director Lyles, because most of you were working with staff when this procedure was put together and this comes up as a surprise to the chair.
May I hear from the director?
MR. LYLES: Yes, sir, Mr. Chairman. I think what we could do to, if I could be so bold as to suggest something here, what we could do is have a discussion on the Army depots and conclude that discussion, and then we could come back -- Bob, correct me if I'm wrong -- we could come back and have the presentation on the DLA depots involving those two Army depots and then continue with the rest of the cross service group.
CHAIRMAN DIXON: Well, now, here, are you saying -- and this is what I thought maybe was under discussion earlier -- that we could discuss the DLAs related to these depots with the depots? Now, what is the matter with that? Well, is there anything the matter with that?
COMMISSIONER MONTOYA: I'm fine with that.
[illegible]HAIRMAN DIXON: Is anybody not fine with that?
[illegible]OMMISSIONER COX: My only concern with that --
[illegible]HAIRMAN DIXON: Speak, Commissioner Cox.

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COMMISSIONER COX: Is that what we see from Lieutenant Colonel Miller is that unlike other DLA operations which normally do most of their work with the depot, this one does the vast majority of its work unrelated to the depot and so it might be a perfectly reasonable and rational decision to close the depot but not to close the DLA, and that might be particularly true given the fact that we just closed distribution -- a large capacity of distribution system in San Antonio and in Sacramento.
CHAIRMAN DIXON: Commissioner Cox, could I interrupt? There are going to be separate votes and it might turn out that way.
COMMISSIONER COX: But my concern is, as we know, there are other distribution groups involved that are scheduled for tomorrow -- Memphis, Ogden. And their argument had been if there is needed capacity by virtue of closing two ALCs that they ought to be given the option of filling that needed capacity.
And so that we -- particularly since this one -- I mean, honestly, the truth of the matter is Letterkenny's DLA mostly does Letterkenny work. You really wouldn't keep Letterkenny's DLA if you were going to close the maintenance

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work at Letterkenny. This one is an anomaly and, therefore, might be treated more as a stand-alone facility. My only point is that we should look at DLA capacity altogether, at least as to this one, which seems to be an anomaly.
COMMISSIONER KLING: And we may need some capacity from Kelly or someplace to go perhaps to Red River.
COMMISSIONER COX: Right, right.
CHAIRMAN DIXON: Well, commissioners, you have all made wonderful statements and I still don't know how to proceed. Someday we have to vote. Now, how are we going to do this?
COMMISSIONER STEELE: Mr. Chairman, I just have one thought here.
CHAIRMAN DIXON: Commissioner Steele.
COMMISSIONER STEELE: I see what we could do. Well, we could probably do a hundred things with this group of eight, but two things: We could either vote now on which way we are going to proceed and just move ahead, or we could take, if it's going to take Mr. Cook -- or if Mr. Cook would feel more comfortable doing that section when they have had some time to absorb the impact of our earlier votes, we could move this section to the time we were planning to do the DLA,

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have it together, as many commissioners would like, but allow the staff to be fully prepared, as they need. I hate to throw that wrench in the hopper but that might --
CHAIRMAN DIXON: No, I don't think the chair wants to do that. I think the Chair wants to stay on this track. The Chair will vote any way you want to do it. The Chair knows he has to vote.
All I want to know is how you want to do it. But I want to stay on the Army depots. That is the order here. Now, do you want to vote on the Army depots separate from the DLAs, or do you want to hear the DLAs referenced to these Army depots at the time you are hearing this? That is all.
COMMISSIONER COX: Maybe as a compromise, we could brief both now -- the depot and the DLA, and since we have to vote separately anyway, we could see how that went. And, if it turns out that there is some reason to separate them, after we get done voting separately on the depots as we must do, then we would decide that then.
CHAIRMAN DIXON: The Chair is willing to do that. How many are willing to do that?
COMMISSIONER KLING: I will, under one condition; that Mr. Cook has had the chance to absorb and anticipate

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1 what would have taken place with Kelly and --
2 CHAIRMAN DIXON: Are you prepared to do that, Mr.
3 Cook, at the appropriate time?
4 MR. COOK: I am, Mr. Chairman.
5 CHAIRMAN DIXON: Poor Mr. Cook is a man without a
6 sign. Okay, you are going to be able to do that. Are there
7 any objections to proceeding this way? Is there any
8 commissioner that has any objection about what we are going
9 to do?
10 Director Lyles?
11 MR. LYLES: Mr. Chairman, I suggest we complete the
12 presentation on the Red River Depot, and go back to
13 Lieutenant Colonel Miller.
14 LIEUTENANT COLONEL MILLER: We will continue with
15 Chart C-6, with the second issue, which is cost-to-move
16 inventory.
17 The community expressed concern that DOD did not
18 accurately portray the cost to move actual inventory in
19 storage at Red River Defense Distribution Depot. The
20 community stated that that cost could be as high as $319
21 million and was based on moving 14,000 vehicles and 120,000
22 tons of stock out of the depot.

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1 DOD's position in the original recommendation, and
2 reaffirmed later on, is the plan is not to move the entire
3 stockage of vehicles based on the closure. Vehicle inventory
4 would be $5.8 million for moving, and $12.7 million for the
5 stockage. These reflect a portion of the actual which is
6 show on the chart.
7 Next chart. What Chart C-7 shows is a summary of
8 the scenarios as DOD portrayed them. On the left is Red
9 River Army Depot. The costs and savings shown here reflect
10 the Commission's COBRA results, after review of military
11 construction.
12 Actually, there is a $531,000 cost. Please note
13 the change -- I got a chart ahead of myself.
14 What is on the left is Red River Army Depot's
15 original recommendation from DOD, as amended by the update to
16 the personnel numbers that they gave us about a month ago.
17 Notice, annual savings is $92.8 million.
18 Immediate return on investment. You can see the
19 comments there. About the only concern that you really have
20 with this is placing all your combat track vehicle workload
21 into one depot.
22 If you look at the numbers, Anniston will hold the

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1 workload.
2 COMMISSIONER COX: Could we talk about that for
3 just a minute?
4 CHAIRMAN DIXON: Commissioner Cox.
5 COMMISSIONER COX: We went through this before --
6 is 85 percent enough? Is 90 percent too much?
7 Would you talk about the capacity of Anniston to
8 hold all of the ground vehicle --
9 LIEUTENANT COLONEL MILLER: First of all, talking
10 to AMC -- AMC's goal is to have 85 percent capacity in their
11 depots. That is what they would like to see.
12 COMMISSIONER COX: That is on a one-shift, five-day
13 a week?
14 LIEUTENANT COLONEL MILLER: Normal operations;
15 correct. So I would like to pull up a back-up chart, 52-
16 Alpha.
17 MR. COOK: I went to Anniston, so I would like to,
18 after Colonel Miller talks about it, tell you what I saw as I
19 walked the buildings.
20 LIEUTENANT COLONEL MILLER: Sir, what I have
21 briefly tried to show in this chart in the two lines that you
22 see on there, the current funded program workload for the

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1 Fiscal Year 1999 on the bottom, and the one on the top is the
2 projected war time requirements, based on the modeling that
3 the Army has done.
4 That reflects a figure of 8.4 million man hours,
5 where the projected funded workload actually reflects about
6 3.2 million man hours.
7 The bar to the right is a computation of the three
8 depots stacked on top of each other, operating at a 1-8-5
9 shift, with the maximum potential capacities that exist in
10 those depots.
11 The one on the left is Anniston Army Depot, using
12 the same maximum potential capacity but showing you two shift
13 changes, one going to 80-hour workload and one going to a 2-
14 8-7 shift, or
15 112-hour work week.
16 In other words, Anniston can handle the projected
17 war-time workload of 8.4 million man hours, on a 2-8-7 shift,
18 and can handle on a 1-8-5 shift, the peace-time program
19 funded workload.
20 COMMISSIONER COX: I am sorry. Anniston's capacity
21 today, how many hours is that --
22 LIEUTENANT COLONEL MILLER: That is about 4 million

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1 man hours. Maximum potential capacity for Anniston Army
2 Depot on a 1-8-5.
3 CHAIRMAN DIXON: Commissioner Kling.
4 COMMISSIONER KLING: So what you are saying is
5 that, moving everything to Anniston is going to get us right
6 up to the brink of their capacity.
7 COMMISSIONER COX: In war-time.
8 LIEUTENANT COLONEL MILLER: In peace-time, they
9 would be operating 78 percent of capacity.
10 COMMISSIONER KLING: But in a surge capacity, they
11 would have to go to the extra hours?
12 LIEUTENANT COLONEL MILLER: They would have to go
13 to a 2-8-7, and on a 2-8-7, I think Anniston can operate at
14 about 11 million man hours.
15 CHAIRMAN DIXON: Commissioner Robles.
16 COMMISSIONER ROBLES: Let me put a little
17 perspective here. I went to Anniston intentionally so that I
18 could walk the ground. I hate to keep harping on the fact
19 that numbers mesmerize you, but numbers mesmerize you.
20 The fact of the matter, you can look at a number so
21 long and you can say -- oh, yes, this is perfect, and then
22 wring out every bit of capacity.

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1 So I said -- show me your plan for moving all the
2 ground vehicle work here in Anniston. They had done a
3 beautiful job. They had building by building exactly how
4 they were going to put -- where the lathes were going to go,
5 where the machines were going to go, et cetera.
6 When I left there, the impression I got is, yes, it
7 can be done. 78 percent. I question that number big time.
8 They are going to shoehorn in there --
9 COMMISSIONER KLING: Which way do you question
10 this?
11 COMMISSIONER ROBLES: I think there will be less
12 than that, but from a physical space point of view -- when
13 you line up all the machines and bring in all the vehicles
14 and put in all the work stations, they are going to shoehorn
15 in everything into Anniston. It can be done. It can
16 physically be done, but you have absolutely no slack.
17 If one of those gigantic overhead cranes goes belly
18 up, you have just impacted a whole bunch of work and there's
19 no other place to do it.
20 If you have a fire, if you have a tornado -- if
21 anything happens, you are going to have a problem, further
22 compounded by the fact that Anniston's layout is pretty

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1 compact. They did a good job of having all the buildings
2 cl[illegible]gether, so you can have a lot of sympathetic things
3 t[illegible]pen if one things goes down.
4 [illegible]guess what really got my attention and impacts on
5 this question is: There is more iron laying around at
6 Anniston Army Depot than I have ever seen, including when I
7 was in Desert Storm and it was everywhere.
8 They have things there for years and years and
9 years, and it is just waiting for disposition instruction.
10 If you move all of the Army's ground combat vehicles to
11 Anniston Army Depot, it will fit, but you might as well have
12 the most gigantic yard of iron and the most over-full
13 buildings that I have personally seen in my nearly 30 years
14 of military service. And I worry about that a lot.
15 CHAIRMAN DIXON: Are there any further questions,
16 or shall Colonel Miller proceed?
17 COMMISSIONER KLING: Can I just back up on the --
18 CHAIRMAN DIXON: Mr. Kling.
19 COMMISSIONER KLING: Because we have the depot as a
20 distribution -- separate here. The total, as I understand --
21 and I wanted to ask you -- is the staff comfortable with
22 these figures?

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1 Is that the one-time cost -- roughly $109 million
2 for both -- is that fair? Is that a correct statement? And
3 that the annual savings comes to almost $100 million? Are
4 you comfortable with those figures?
5 LIEUTENANT COLONEL MILLER: Speaking for the Red
6 River Army Depot, the only costs, looking at the
7 implementation plan at Anniston Army Depot, there is a
8 military construction cost of $531,000, which is not included
9 in the DOD's recommendation.
10 That would bring your one-time cost up and bring
11 you[illegible] present value down by a half-million.
12 [illegible]MMISSIONER KLING: But together, you are saying
13 that [illegible]re comfortable with the fact that the one-time cost
14 is roughly $100 million, annual savings of roughly $100
15 million?
16 LIEUTENANT COLONEL MILLER: Yes, sir.
17 CHAIRMAN DIXON: Commissioner Cox.
18 COMMISSIONER COX: Could you just walk me -- I know
19 that there were some other one-time costs that the community
20 raised with us. I know you have it on your chart here, and
21 you mentioned it, but I would like you to walk us through it.
22 There were a whole bunch of vehicles just kind of hanging out

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down there at Red River.
The community indicated that they believed, and it sure look like it would be tough to move all of those without having -- I have forgotten what it was -- but vans-full of vehicles for the next two years, or something, up to Anniston.
You seem to be saying that you are confirming the DOD numbers on moving, and I am just wondering -- how are they planning on moving that?
LIEUTENANT COLONEL MILLER: I would have to actually defer to Mr. Cook, or one of the analysts for the actual plan, but we went back to DOD -- DLA confirmed, as well as the Army item manager, that the number of vehicles they were moving from Red River Army Depot to Anniston Army Depot was a portion, but not all of the vehicles that are currently at Red River.
Some were going to be disposed of as excess for different projects, and some of them are going to be issued out to other units. Some of them are actually owned by genc[illegible]
[illegible]MISSIONER COX: Aren't owned by them?
[illegible]TENANT COLONEL MILLER: Right.

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1 COMMISSIONER COX: Can I presume from what you say
2 here, that some of them might just be on a normal schedule,
3 going away? Going out to the field? Going to whatever?
4 LIEUTENANT COLONEL MILLER: That is correct.
5 COMMISSIONER COX: You wouldn't backfill those, and
6 so as they went out, presumably, they would anyway?
7 LIEUTENANT COLONEL MILLER: Right.
8 COMMISSIONER COX: So you wouldn't be moving all of
9 the vehicles there.
10 LIEUTENANT COLONEL MILLER: Some of the vehicles at
11 Red River Army Depot would be issued to units from Red River
12 during the implementation period.
13 COMMISSIONER COX: I see. Thank you --
14 COMMISSIONER DAVIS: Mr. Chairman?
15 CHAIRMAN DIXON: Commissioner Davis.
16 COMMISSIONER DAVIS: Colonel Miller, we talk about
17 capacity, and again, I go back to my capability argument --
18 how many new tanks -- funded new tanks do we have on the
19 drawing board?
20 LIEUTENANT COLONEL MILLER: None, sir.
21 COMMISSIONER DAVIS: How many funded new Bradleys
22 do we have on the drawing board?

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1 LIEUTENANT COLONEL MILLER: I don't think we have
2 any.
3 COMMISSIONER DAVIS: How many funded new 113's do
4 we have on the drawing board?
5 LIEUTENANT COLONEL MILLER: Zero, sir.
6 COMMISSIONER DAVIS: What you are telling me, we
7 are going to have to repair all those things that we have
8 got -- all that iron sitting around out there if we want to
9 have a force in the future?
10 LIEUTENANT COLONEL MILLER: Yes, sir.
11 COMMISSIONER DAVIS: Thank you, Mr. Chairman.
12 CHAIRMAN DIXON: Thank you, Commissioner Davis.
13 Where are now? Are you going to go forward,
14 Colonel Miller?
15 LIEUTENANT COLONEL MILLER: Sir, the only thing I
16 would like to highlight to the right is, Defense Distribution
17 Depot Numbers. As Commissioner Kling pointed out, you have
18 to add those together to get the total impact of the single
19 recommendation.
20 That concludes the formal presentation that I have.
21 CHAIRMAN DIXON: All right. Are there any
22 questions of staff on this presentation on Army depots?

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1 COMMISSIONER CORNELLA: Yes, sir.
2 CHAIRMAN DIXON: Commissioner Cornella?
3 COMMISSIONER CORNELLA: You had referenced the 80
4 percent distribution in regard to the depot earlier -- the
5 DLA side now. I know you are not DLA, but I want to ask you
6 that question because you referenced it.
7 Isn't it true -- that is really a significant
8 number in comparison to a DLA depot, co-located with a repair
9 depot?
10 LIEUTENANT COLONEL MILLER: Yes, sir. It is almost
11 just the opposite.
12 COMMISSIONER CORNELLA: But even that 20 percent
13 doesn't really tell the true story, because are not each of
14 those Bradley's -- are they counted as one individual item?
15 Is this by item capacity?
16 LIEUTENANT COLONEL MILLER: Yes, that is by item
17 capacity.
18 COMMISSIONER CORNELLA: So really, if a Bradley
19 went out of there, or a screw goes out of there, it is the
20 same number of items; right?
21 LIEUTENANT COLONEL MILLER: I think the numbers
22 change depending on if you use dollars, or if you use weight

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or if you use item transactions.
COMMISSIONER CORNELLA: So really, that 20 percent is even significant in itself; it probably creates a great deal of their workload? Because if you are dealing with big items here -- we are not dealing with a screw and a bolt that we put in a box; we are dealing with something that is going to go on a flat car and be shipped.
LIEUTENANT COLONEL MILLER: Sir, I would agree.
MR. COOK: Mr. Chairman.
CHAIRMAN DIXON: Mr. Cook.
MR. COOK: You are right. Commissioner Cornella, the issue is, the 20 percent are those line items that are directed towards the maintenance effort. If a Bradley goes out on a flatcar, that is an issue to the field, or it is leaving the yard to go someplace else. That might very well be -- that is part of the other 80 percent.
What we are talking about when we talk 20 percent are those things that are on the shelf, dedicated to go to the maintenance line.
COMMISSIONER CORNELLA: I understand. Thank you.
COMMISSIONER STEELE: I have a question for Mr. Miller, please.

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CHAIRMAN DIXON: Commissioner Steele.
COMMISSIONER STEELE: When we talk about the depot workload at Letterkenny or Red River, if you could please address for us how they ranked in the tiering. I personally agree with my colleague to my right, but I am very concerned that the Army has left no wiggle room and all the eggs in one basket. And there are several arguments that bother me.
When I look at how I am going to address that concern of readiness and surge, and the two options before me, if you could tell me the capabilities that those places have and how they ranked and such?
LIEUTENANT COLONEL MILLER: To address the tiering? How they ranked the depots?
COMMISSIONER STEELE: Yes, sir. And their capability to absorb some of the surge that I am concerned that I am giving up if I accept all of these recommendations.
LIEUTENANT COLONEL MILLER: To address the tiering, I'd refer back to Chart C-1, which is the one that Mr. Brown headed off with. And the Army ranked their depots --
CHAIRMAN DIXON: Put up C-1.
LIEUTENANT COLONEL MILLER: This is how the Army ranked their depots, and the method they used for coming up

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with this is a modeling called decision pad, where they actually give objective values to different quantities and weighted those in a decision matrix.
Those are the same weights that came out of the decision, and the numbers rate from 6.4 for Tobyhanna down to 2.3 for Letterkenny. Then they applied the strategy of the objective blueprint and the stationing strategy, and the numbers stayed the same.
COMMISSIONER STEELE: What is the number for Red River, please?
LIEUTENANT COLONEL MILLER: The number for Red River was 5.
COMMISSIONER STEELE: 5? And then --
LIEUTENANT COLONEL MILLER: And Anniston was 6.1.
COMMISSIONER STEELE: Okay.
COMMISSIONER COX: Tobyhanna doesn't do any ground vehicles?
LIEUTENANT COLONEL MILLER: Correct. Tobyhanna is unlike the other three depots in that they don't do any ground vehicles. Now, Letterkenny, Red River, and Anniston do ground vehicles as well as other commodities. Most notable of those is the missile work that's done at

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Letterkenny.
COMMISSIONER COX: What other things does Anniston do?
LIEUTENANT COLONEL MILLER: Anniston does basically small arms and combat vehicles and, by combat vehicles, they do the heavy combat -- the tanks, the AVLBs -- and they also have the demil facility.
COMMISSIONER COX: Are the lines different? At Anniston you do certain ground vehicles and at Red River you do different ground vehicles? Are there crossover? Are they all doing all the same vehicles?
LIEUTENANT COLONEL MILLER: The Army has accepted the center of excellence concept, as have the other services. I believe, and, right now, Red River Army Depot does the light combat vehicles; Letterkenny does self-propelled and towed howitzers; and the heavy combat vehicles are done at Anniston Army Depot.
If you look at the capabilities, though, within Anniston, Anniston has the capability of assuming all the workloads and all the specific functions that either of the other two have. Anniston currently works with aluminum, on the Sheridan. They work with the heavy metals on the M-1

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tank.
Up at Letterkenny, they do one on a Howitzer, which is, I believe, not aluminum, it's a type of light steel and then, at Red River, they mainly do aluminum-hulled vehicles, which are the Bradleys and the 113s.
COMMISSIONER COX: Is that a difference?
LIEUTENANT COLONEL MILLER: Is it a big difference? It's a skill difference and there's some differences in equipment, so yes, it would be a big difference in making sure you had the people and the equipment to do the work.
CHAIRMAN DIXON: Colonel, have you completed the part about Red River? Because I don't think you've given us Letterkenny yet, have you?
LIEUTENANT COLONEL MILLER: Sir, I'm not going to discuss Letterkenny. After Red River, we're going to give over to Mr. Knoepfle, who is the analyst for Letterkenny.
CHAIRMAN DIXON: If there are any other questions of you before we go to Mr. Knoepfle, let's -- are there any?
COMMISSIONER KLING: Yes, sir.
CHAIRMAN DIXON: Commissioner Kling.
COMMISSIONER KLING: Did you, by any chance, put any information together on what it would take -- I think I

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know the answer -- but if we maintained one line of vehicle maintenance at Red River?
LIEUTENANT COLONEL MILLER: Yes, sir, we did. Just recently, we looked at a COBRA where we had moved the 113s out of Red River and would leave only the Bradley line that's there, as it exists. And just almost a back-of-the-envelope thing, just taking the workload and using a percentage of the workload, the savings at Red River Army Depot from moving the 113s were approximately $20 million a year, with a net present value of $233 million over the 20-year period.
The big difference was the elimination of the personnel, 386 people involved, in repairing the 113s and the 6 percent reduction in base ops in the COBRA.
COMMISSIONER KLING: But I just would say, "Okay, you you're going to leave only the Bradley line there, period, with our one-time costs and our annual savings, what's going to happen to those two, if you have it? I think I probably know the answer.
LIEUTENANT COLONEL MILLER: The one-time costs would actually go down significantly from the original Army's -- or the net present value and the steady state savings would go down significantly from what the Army's original

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1 recommendation was.
2 e original recommendation was that $1.17 billion
3 fo[illegible]resent value. The net present value of leaving the
4 Bra[illegible]ne there and only closing out the 113 would be $233
5 million, about a 25 percent rate. You lose about 75 percent
6 of the actual savings, on the economics, just the numbers.
7 MR. LYLES: Commissioner, you can compare the
8 numbers that Lieutenant Colonel Miller just gave you to C-3
9 in your books or there on the screen there.
10 You could see the one-time costs in the Army's
11 recommendation is about $51.6 million and the recommendation
12 he just described, the one-time cost would be &7 million.
13 The annual savings are $92 million and the one-time costs
14 under the proposal that was just outlined, one-time savings,
15 would be about $20 million.
16 CHAIRMAN DIXON: Commissioner Robles.
17 COMMISSIONER ROBLES: Just a comment, and then
18 another observation. But I understand that there would be a
19 significant drop in steady stream savings, but I remember the
20 Army Chief of Staff focusing not on steady stream savings,
21 but up front costs.
22 He said: "The problem I have is, I don't want to

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1 get rid of any of my good stuff and I only have so much up
2 front costs, and really, that's my driving equation -- up
3 front costs." So if you're telling me that the up front
4 costs are significantly degraded or dropped by doing this, in
5 the Army's Chief of Staff's -- ex-Army Chief of Staff's --
6 view, that's a good use story.
7 Now, let me just break over and again, amongst all
8 these numbers, put some experience, personal experience. And
9 I hate to keep using personal experience, but that's the only
10 kin[illegible] experience that I have, and so I have to talk about
11 m[illegible]onal experiences.
12 [illegible]aughter.)
13 COMMISSIONER ROBLES: And, because I was intimately
14 involved with Red River Army Depot in my Desert Storm buildup
15 and in my days as division commander, I know a lot about this
16 depot, and I'll just have to make some observations.
17 The first observation I'll make is that the Army --
18 and I'm not second-guessing the Army leadership. I know why
19 they're doing it. I know why they closed two-thirds of their
20 depots. They closed two-thirds of their depots because they
21 need bucks. I know that better than anybody, because I was
22 the vacuum cleaner looking for bucks for many years on the

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1 Army staff, as Mr. Brown knows.
2 But, as you look for bucks, you don't want to do
3 something dumb and, from a war-fighting perspective, a
4 commander's perspective, Red River has always been the center
5 of excellence for doing live track combat vehicles. That's
6 why it has a value of 5, which is double the value of a lot
7 of other depots in the Army system; so it's not as if this is
8 not a good depot. This is a great depot.
9 So you have to really question, do you really want
10 to put all your combat, ground combat vehicles and ground
11 vehicles in total at one place? And yes, you could do it;
12 and yes, you could work double and triple shifts; and yes,
13 you would figure out a way to do it, if you could find it
14 amongst all that stuff that's out there at Anniston.
15 But, if you could do all that, is that a prudent
16 thing to do when you only have one ground depot, one air
17 depot, and one communication electronics depot, and, in this
18 case, they can't do each other's laundry?
19 You could Force that ground work to Letterkenny,
20 [illegible] probably could do it eventually, over time. Anybody
21 [illegible]o it. Enough money, enough time, you could do
22 an[illegible]ng. But that is not their expertise. I don't think

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1 you could ever take it to Tobyhanna and have it done.
2 Then I get to the argument about privatization.
3 Could we take this out to the private sector? Probably some
4 day, but not for a long time, because there is absolutely no
5 facilitation in the private sector to take a Bradley fighting
6 vehicle, or a 113, or an artillery piece, or any of the other
7 live track vehicles we have, and have the right milling
8 machines, the machine that can pick up a whole chassis and
9 lift it up and make it clean as a baby's behind, and all the
10 things that they do there.
11 (Laughter.)
12 COMMISSIONER ROBLES: And all I have to say is that
13 it is a center of excellence. So do we really want not to
14 have any surge capacity in the United States Army for its
15 combat vehicles? The Army is not big airplanes or big ships.
16 it's a lot of little combat vehicles. As I said, there are
17 over 6,000 combat vehicles in an Army division -- ground
18 vehicles -- in an Army division and, at end stage, there's
19 going to be 10 of those, so you can multiply 10 times 6,000.
20 General Davis was very eloquent. I'll say it with
21 a little more passion. There isn't anything on the books or
22 is there likely to be anything on the books in R&D for a new

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1 tank, a new fighting vehicle, a new anything.
2 We're going to have to live, in the Army, with what
3 we have, product improve it, schlep it, baby it, fix it --
4 like we've been doing on two-and-a-half ton trucks, that are
5 older than most of you in this room, forever, since the
6 Korean war; and with are going to have to keep fixing this
7 stuff.
8 And I'd just say, if you want to push all that
9 fixing through one depot and take the risks attendant to
10 that, I think that is not prudent.
11 Finally, in this case, I have to look at economic
12 impact. I went down there, along with many of our
13 commissioners. On the ground right now there's about an 11
14 percent unemployment rate. We're talking about two counties
15 on the Texas side, three counties on the Arkansas side.
16 If we do this, we're going to double -- at least
17 double -- their unemployment rate. There are not a lot of
18 alternatives in that part of Texas and Arkansas. There are
19 not. It is not a big city. It is not a metropolitan area.
20 You are going to basically geographically disperse those
21 people and restructure the economy of that part of the
22 country. I just don't think that's smart.

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1 CHAIRMAN DIXON: Thank you very much, Commissioner
2 Robles. Are there any further comments before we go to
3 Letterkenny?
4 (No response.)
5 CHAIRMAN DIXON: Would you proceed, then, with
6 Letterkenny, Mr. Knoepfle?
7 MR. KNOEPFLE: Good morning, Mr. Chairman. Good
8 afternoon, I guess. I will be discussing the Letterkenny and
9 Tobyhanna Army depots. I will concentrate on the tactical
10 missile consolidation effort, which also includes the pending
11 transfer of missile workload from Hill Air Force Base to the
12 Army.
13 This chart shows a comparison of closing costs and
14 estimated savings resulting for the DOD recommendation to
15 realign Letterkenny and a Commission alternative that would
16 close Tobyhanna.
17 Next chart.
18 The 1993 Commission reversed DOD's recommended
19 realignment of Letterkenny and instead established a
20 consolidated DOD depot activity for the repair of DOD
21 tactical missile guidance systems and related support
22 equipment.

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1 The 1993 Commission was specifically asked by the
2 Secretary of Defense to explore options for inter-servicing
3 and include appropriate inter-service consolidation in its
4 final recommendations. The 1993 Commission serviced inter-
5 servicing options for tactical missiles, ground
6 communications and electronics, wheeled vehicles, and rotary
7 aircraft commodities.
8 The recommendation to consolidate tactical missile
9 maintenance at Letterkenny was first suggested by the Defense
10 Depot Maintenance Council in a report issued 18 January 1991.
11 In comparison, the 1995 recommendation would terminate all
12 depot-level work at Letterkenny, including the ongoing
13 missile consolidation effort.
14 DOD's 1995 recommendation preserves the concept of
15 inter-servicing for tactical missiles but, instead, would
16 send the guidance and control system workload to Tobyhanna.
17 Tactical missile guidance and control sections taken from up-
18 rounding missiles kept in Letterkenny's secured storage area
19 and also from other similar locations strategically located
20 around the country would be sent for repair and overhaul to
21 Tobyhanna, rather than Letterkenny.
22 Please note that a significant portion of the

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1 guidance system workload includes a wide range of support
2 equipment, other support equipment, including missile
3 launchers, command and control shelters, and radar apparatus.
4 The 1995 recommendation also provides for the
5 transfer of combat vehicle workload to Anniston. As stated
6 previously -- and you've heard a lot of discussion about this
7 -- the Army believes that the work can be absorbed in
8 Anniston's existing infrastructure and, because of declining
9 workload in the out years, no personnel transfers are planned
10 from Letterkenny to the activity at Anniston.
11 Next chart.
12 This chart shows the transition of tactical missile
13 work from 11 sites into one central location at Letterkenny,
14 as mandated by the 1993 Commission. The shaded systems
15 indicate the workload that has already transitioned into
16 Letterkenny. So far, Letterkenny has spent about $26 million
17 of the $42 million missile consolidation budget.
18 In terms of workload transfers, about half of the
19 workload packages have already transferred. Please note that
20 three of the workload packages which have not yet
21 transitioned to Letterkenny are currently assigned to the
22 private sector.

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1 Next chart.
2 COMMISSIONER COX: The 1993 recommendation required
3 that the private sector work come into the government.
4 MR. KNOEPFLE: Yes, ma'am.
5 COMMISSIONER COX: Does the 1995 recommendation
6 also require that the private sector come in?
7 MR. KNOEPFLE: It does not address that issue.
8 COMMISSIONER COX: And, therefore, the private
9 sector would have to come in and move to Tobyhanna?
10 MR. KNOEPFLE: That's correct, as well as any
11 future systems. The technical part of the language --
12 COMMISSIONER COX: Any future systems, as well?
13 MR. KNOEPFLE: Yes.
14 COMMISSIONER COX: Thank you.
15 MR. KNOEPFLE: This chart compares Tobyhanna's
16 depot capacity to the combined workload forecast for
17 Tobyhanna's workload electronics, plus the tactical missile
18 work recommended for transfer from Letterkenny.
19 You can see that Tobyhanna's overall capacity is
20 sufficient to absorb Letterkenny's missile workload, along
21 with our other currently programmed work. That,
22 incidentally, raises the capacity utilization rate from about

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1 49 percent, I believe, to 70 percent.
2 COMMISSIONER STEELE: Excuse me. Question for you
3 there.
4 CHAIRMAN DIXON: Commissioner Steele.
5 COMMISSIONER STEELE: The action we took earlier,
6 putting ground communications and electronics workload into
7 Tobyhanna, how does that affect your capacity --
8 CHAIRMAN DIXON: That's a good question. What's
9 the answer to that?
10 COMMISSIONER STEELE: I'm glad you liked that my
11 earlier --
12 MR. KNOEPFLE: Back up, Chart 62. The combination
13 of missile work plus electronics work from McClellan would
14 raise Tobyhanna's utilization rate to 83 percent, and that's
15 based on the maximum potential capacity unit of measurement.
16 COMMISSIONER STEELE: Okay. Thank you very much.
17 CHAIRMAN DIXON: Thank you, Commissioner Steele.
18 MR. KNOEPFLE: The next chart, please.
19 This chart provides --
20 COMMISSIONER DAVIS: Mr. Chairman?
21 CHAIRMAN DIXON: Commissioner Davis.
22 COMMISSIONER DAVIS: I'm not sure whether Glenn --

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1 well, you were on the process, too. The '93 joint direction
2 was to move the missiles into -- all these missiles you had
3 listed on that chart -- into Letterkenny --
4 MR. KNOEPFLE: Miles and related equipment, that's
5 right.
6 COMMISSIONER DAVIS: -- and related equipment, to
7 do that work. And, all those that were colored in dark have
8 in fact, moved, and all the rest of them are programmed to
9 move; is that correct??
10 MR. KNOEPFLE: That's correct, sir.
11 COMMISSIONER DAVIS: Unless altered by this
12 process?
13 MR. KNOEPFLE: Right.
14 MR. OWSLEY: One question that came up when we had
15 industry in is, that requires a contracting officer to direct
16 that work out of their plant and, in some cases, that hasn't
17 been implemented yet so, you know, just saying that action
18 without the contracting officer to, say, issue a change order
19 to use that says, "From now on, send your missiles here," in
20 some cases that hasn't been done, and I think the Army needs
21 to look into that.
22 MR. KNOEPFLE: The total consolidation effort is

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1 scheduled to be complete at Letterkenny by 1999, barring any
2 changes to the 1993 recommendations.
3 COMMISSIONER COX: The rest of the missiles from
4 the -- most of the rest of the missiles not moved yet from
5 depots, other government depots, are the Hill missiles?
6 MR. KNOEPFLE: That's correct. That's the bulk of
7 the -- there are some that are scheduled to come in from
8 Anniston in 1996-1997. The ongoing work at Hill is scheduled
9 for transfer into Letterkenny in the summer.
10 COMMISSIONER COX: In the next month, July, August?
11 MR. KNOEPFLE: August-September time frame.
12 COMMISSIONER COX: And is that training done, I
13 mean --
14 MR. KNOEPFLE: Letterkenny people are current at
15 Hill Air Force Base undergoing training in preparation for
16 receipt of that workload, and there are a few people at Ogden
17 who are sort of waiting in the wings, I guess you'd say, to
18 determine. They're planning to move, but no commitment, no
19 firm commitments have been made. There's about 80 people at
20 Hill Air Force Base that do the work on the Sidewinder and
21 Maverick missile, at the present time.
22 COMMISSIONER COX: Are we going to get into Hill

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1 Air Force Base?
2 MR. KNOEPFLE: Yes, we will. Yes.
3 COMMISSIONER COX: Okay.
4 MR. KNOEPFLE: This chart – no, Brian, C-13. Keep
5 that up there. This chart provides a comparison of costs and
6 savings for the DOD recommendation and two alternatives
7 investigated by the Commission. We've included closure costs
8 for both the maintenance depot and the DLA distribution
9 depot.
10 In the case of Letterkenny, DLA has gone on record
11 and says if the host maintenance activity closes, the
12 distribution depot is a likely candidate to follow, simply
13 because it primarily supports the maintenance mission, not
14 entirely, but they've gone on record to say if the
15 maintenance depot goes down, that the DLA distribution is a
16 good candidate to follow.
17 COMMISSIONER COX: The percentage of work done by
18 the DLA is much higher with the depot than we saw --
19 MR. KNOEPFLE: It's well over 50 percent.
20 The first column summarizes the DOD recommendation.
21 The Army recently updated its COBRA analysis to provide for
22 the transfer of 450 personnel slots to Tobyhanna, rather than

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1 the original 300. Also, the enclaved ammunition and missile
2 storage area will retain 801 employees rather than the
3 original 491.
4 The changes were made as a result of concerns
5 raised by the community. Letterkenny community officials
6 argued that the Army's initial COBRA analysis only provided
7 for the transfer of core workload and not the above core
8 workload.
9 It is our understanding that the Army plans to use
10 the additional 310 employees within the enclave area until a
11 d n can be made with regard to the possible
12 ation of the above core work.
13 COMMISSIONER COX: At the moment, though, under
14 either the '93 or '95 recommendation, could they privatize
15 any missiles?
16 MR. KNOEPFLE: No, they could not.
17 COMMISSIONER COX: So that would require us taking
18 some action --
19 MR. KNOEPFLE: That's correct.
20 COMMISSIONER COX: -- to overrule the '93
21 recommendation?
22 MR. KNOEPFLE: The services have seen fit to

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1 categorize only about one-third of the tactical missile
2 workload as core and two-thirds as non-core, and Roles and
3 Missions would say that that's a likely candidate for
4 possible privatization.
5 The second column shows the results of DOD's COBRA
6 analysis to move the total missile maintenance package to
7 Hill Air Force Base. One-time cost for this option is $89
8 million, and this estimate does not include the cost to
9 construct new storage facilities at Utah.
10 As you might remember, at the Adds hearing, we had
11 a one-time cost to accomplish this transfer of $220 million,
12 which included a cost to build a substantial number of
13 igloos, and we found out, later on, that storage was not a
14 significant part of that --
15 COMMISSIONER DAVIS: Can I follow up on that one?
16 CHAIRMAN DIXON: Commissioner Davis, follow up,
17 please.
18 COMMISSIONER DAVIS: Yes, sir. So, in fact,
19 Letterkenny is the only that has the capability to store all
20 inds and work on them at the same time?
21 MR. KNOEPFLE: Within the same facility.
22 COMMISSIONER DAVIS: Yes, within the same facility.

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1 MR. KNOEPFLE: All up-rounding facilities are
2 scattered throughout the country.
3 COMMISSIONER DAVIS: And you do not have that at
4 Hill and you certainly don't have it at Tobyhanna?
5 MR. KNOEPFLE: You have that at Hill for some.
6 COMMISSIONER DAVIS: Some?
7 MR. KNOEPFLE: Yes.
8 COMMISSIONER DAVIS: But there's deemed to be kind
9 of an efficiency to have both the storage area and the
10 maintenance capability at the same place, not necessary, but
11 there is, when you ship it back and forth, your lag times
12 drop down?
13 MR. KNOEPFLE: There's some synergism gained by
14 that through, you know, less transportation costs and maybe
15 some sharing of personnel.
16 COMMISSIONER DAVIS: Thanks, Glenn.
17 CHAIRMAN DIXON: Thank you, Mr. Knoepfle. You may
18 proceed.
19 MR. KNOEPFLE: Thank you.
20 The third column summarizes the COBRA analysis to
21 close Tobyhanna --
22 COMMISSIONER COX: I'm sorry. Just to go back, the

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1 $89 million one-time cost, does Hill have the capacity to do
2 all of what Tobyhanna would do?
3 In other words, we know they can't store and
4 disassemble at Hill or Tobyhanna, but the things that the DOD
5 recommends moving to Tobyhanna – the guidance and control
6 and some of the related work -- could Hill pick that up? Do
7 they have the capacity to do that?
8 MR. KNOEPFLE: The infrastructure is there to pick
9 up.
10 COMMISSIONER COX: With some of these MILCON --
11 MR. KNOEPFLE: Yes, they have a significant amount
12 of excess space at Hill Air Force Base.
13 COMMISSIONER COX: Do you think they will still
14 have excess space when McClellan and San Antonio close?
15 MR. OWSLEY: The answer to that is yes.
16 COMMISSIONER COX: Yes.
17 MR. OWSLEY: They will have less, but they'll still
18 have quite a bit, because, if you remember the individual
19 charts we went to, not a lot of that work that would be
20 transferred by the Air Force would end up at Hill Air Force
21 Base. Some would, but in the areas where we saw the excess
22 capacity and that upstairs storage area and all that, that's

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1 devoted to missiles, that will not be utilized with the work
2 that's going to transfer.
3 COMMISSIONER COX: Thank you.
4 CHAIRMAN DIXON: Proceed, Mr. Knoepfle.
5 MR. KNOEPFLE: Next chart, please.
6 This chart shows the issues that we looked at when
7 we did our analysis. The items on the left, I'll be talking
8 to; the items on the right can be discussed, if you so
9 desire.
10 You might want to leave that one up there, Brian,
11 and move on to the next chart.
12 This chart shows some of the pros and cons of
13 performing missile maintenance at Tobyhanna, as suggested by
14 the DOD's 1995 recommendations. Some information for the two
15 alternatives is also included.
16 All three of these options, I might point out,
17 preserve, in theory, the concept of inter-servicing. The
18 Tobyhanna option would assign the work to the Army's lowest-
19 cost depot. It would increase Tobyhanna's utilization rate
20 from 49 to 70 percent and, since this work is mainly
21 electronics-oriented the workload could blend into
22 Tobyhanna's facility but, with some additional building

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1 renovation expenditures.
2 COMMISSIONER COX: I'm sorry. The numbers you're
3 looking at, do they include, now that we have voted, anyway,
4 to move the ground communication work from McClellan to
5 Tobyhanna?
6 MR. KNOEPFLE: No, they don't. That would raise
7 the utilization rate to in the neighborhood of 83 percent.
8 COMMISSIONER COX: 83 percent. And we probably
9 haven't, but we had a MILCON for moving missiles there and we
10 had a MILCON for moving ground communications there, because
11 we got it from the COBRAs on the Air Force depots.
12 Is everybody using the same space here? Are those
13 MILCONs completely different? Are we counting on some space
14 for bulk missiles and whatever? Did we ever run them
15 together, that if you would move both of them there, what the
16 MILCON would be?
17 MR. KNOEPFLE: The MILCON for moving the missiles
18 into Tobyhanna is about $5 million. Basically, it's building
19 renovation costs.
20 COMMISSIONER COX: But we have a one-time cost here
21 of $50 million of which, I guess, $5 million is MILCON. But
22 we're assuming they're moving into some space. What I'm

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1 worried about is we're assuming that the ground
2 communications people and the missile people are now all
3 moving into the same space.
4 MR. KNOEPFLE: The answer to that question is the
5 Tobyhanna executive civilian has indicated to us that the
6 ground communications workload from McClellan is very similar
7 to the current work that's being done at Tobyhanna, so the
8 work, he said, would blend in, right in with the ongoing
9 benchtop -- he described it as benchtop type work.
10 COMMISSIONER COX: Right. That's what they've said
11 about the missile work, too.
12 MR. KNOEPFLE: When we walked through Tobyhanna
13 depot, they showed us the space. Essentially, it was several
14 open bays where they would put the missile work. And I might
15 add that the number of square feet that Tobyhanna plans to
16 allocate to that work is somewhat less than Letterkenny is
17 using at the present time, but engineers say it will work.
18 COMMISSIONER COX: All right. But we've never had
19 an opportunity to run a COBRA that said, "Move everything
20 together, the missiles and the electronics"?
21 MR. KNOEPFLE: Not precisely.
22 COMMISSIONER COX: We don't know what the impact of

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1 the two together is?
2 MR. KNOEPFLE: No, we have not.
3 COMMISSIONER COX: Thank you.
4 CHAIRMAN DIXON: Mr. Knoepfle, proceed.
5 MR. KNOEPFLE: The center column here talks to the
6 Hill option. Hill was suggested by the community group that
7 supports the base. It should be noted up front that the Air
8 Force does not endorse the transfer of additional missile
9 maintenance workload into the Hill facility. However, the
10 Secretary of the Air Force stated, during the June 14th
11 hearing, that she would accept all or part of the work, if so
12 directed.
13 Currently about 80 Air Force employees are working
14 on the overhaul of guidance and control sections for Maverick
15 and Sidewinder missiles and, as I said previously, that work
16 will transfer to Letterkenny during the summer of 1995.
17 The third column addresses some of the pros and
18 cons of continuing with the missile consolidation effort at
19 Letterkenny. Rejection of DOD's recommendation would leave
20 the Letterkenny industrial area open, to include both combat
21 vehicle, possible future expansion of public and private
22 teaming, and, of course, the tactical missile maintenance

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1 consolidation.
2 But, without any new workload, the projected FY '95
3 utilization rate would be 52 percent, based on maximum
4 potential capacity, compared to the currently programmed
5 workload estimates, or 26 percent if only core workload is
6 considered.
7 Next Chart. This talks about the issues, with
8 regard that the Letterkenny Community raised with regard to
9 the costs.
10 The Letterkenny Community as recognized that
11 expanded workload base would reduce -- that an expanded
12 workload base would reduce overhead costs.
13 As a solution to this problem, they have suggested
14 several alternatives. For example, expand the use of future
15 public/private teaming arrangements and possible transfer of
16 work from other closing activities.
17 These options were provided to the Army for comment
18 and we were recently notified that the DOD's position with
19 regard to Letterkenny realignment has not changed.
20 While United Defense anticipates follow-on work on
21 the Palladin Enterprise Project, company officials told us
22 that contracts from the National Guard and FMS orders that

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1 would extend this work to 2001 time frame, have not been
2 finalized pending a decision on the 1995 BRAC recommendation.
3 Now with regard to the cost to close, or realign
4 Letterkenny, the GAO reported that the Army had inadvertently
5 failed to consider $3 to $5 million the COBRA cost analysis.
6 The Commission staff, in fact, found that several
7 important cost elements were overlooked.
8 For example, the Army has already requested $3.7
9 million to renovate existing facilities at Tobyhanna and
10 Anniston; $750,000 at Anniston, and about $3 million at
11 Tobyhanna. The Army has also developed an estimate to
12 develop a radar test site at a cost of about $2 million.
13 Commission staff also found that personnel costs
14 estimated -- that could cost as much as $10 million was not
15 considered in the Army's COBRA analysis.
16 Adding the $15 million to the Army's projection, it
17 brings the one-time costs to $65 millon. However, these
18 oversights do not change the DOD's estimated annual savings
19 and return on investment.
20 Next chart. This chart summarizes some of the
21 concerns raised by the Tobyhanna Community when the
22 Commission staff looked at a possible alternative -- to close

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1 Tobyhanna and move the electronics workload into Letterkenny.
2 Tobyhanna was ranked as the Army's number one depot
3 with regard to military value and the Chairman of the Joint
4 Cost Service Group has affirmed that assessment.
5 While our analysis shows that Tobyhanna Depot could
6 possibly fit into Letterkenny's existing brick and mortar
7 infrastructure, the cost of building renovation would be
8 extensive -- in the neighborhood of $76 million.
9 Next chart. The last chart provides a summary of
10 the pros and cons of DOD's recommendation to realign
11 Letterkenny and assign the combat vehicle workload to
12 Anniston. At the end of the implementation period, 1999,
13 Letterkenny facility would be left with only the conventional
14 ammunition and missile storage and disassembly mission.
15 DOD's recommendation preserves inter-serving of
16 depot level tactical missile maintenance, but the mission
17 would be relocated to the Tobyhanna facility to eliminate
18 excess depot infrastructure.
19 The Commission alternative to close Tobyhanna would
20 eliminate the Army's newest and highest rated depot. The
21 costs applicable to the Commission alternative are
22 considerably higher.

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1 Mr. Chairman, this concludes my presentation.
2 CHAIRMAN DIXON: Thank you, very much, Mr.
3 K Are there any questions of Mr. Knoepfle by anybody
4 o aff, or does any Commissioner have a comment?
5 COMMISSIONER DAVIS: Mr. Chairman.
6 CHAIRMAN DIXON: Commissioner Davis.
7 COMMISSIONER DAVIS: I would I would like, Mr.
8 Knoepfle, to get your assessment. Right now, Letterkenny is
9 in fact doing the Palladin Project. I was there; I saw it.
10 MR. KNOEPFLE: That is correct.
11 COMMISSIONER DAVIS: And they have the capacity to
12 continue that and that, in fact, they do have the capability
13 and the capacity to do further military vehicles -- in your
14 view -- if they were facilitized and manned to do that?
15 MR. KNOEPFLE: Yes, sir; they do.
16 COMMISSIONER DAVIS: Thank you.
17 CHAIRMAN DIXON: Thank you, Commissioner. Are
18 there any further questions of any of the staff, or any
19 further statements before there is a motion?
20 COMMISSIONER KLING: Just one?
21 CHAIRMAN DIXON: Commissioner Kling and then
22 Commissioner Cox.

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1 COMMISSIONER KLING: Is Mr. Cook still there?
2 CHAIRMAN DIXON: Mr. Cook even had a sign for a
3 while. What happened to Mr. Cook?
4 MR. COOK: I am right here. I still have the sign.
5 CHAIRMAN DIXON: The elusive Mr. Cook.
6 COMMISSIONER KLING: Just one question about Red
7 River, back to the distribution. You heard Commissioner
8 Robles' statement about that if we close the distribution
9 depot there, we would hurt the ability to respond quickly,
10 maybe readiness.
11 y question to you is, could we not -- Do you
12 b hat that is true, or could these other depots --
13 di ion areas not replace just as effectively, and
14 morat? I think that Commissioner Robles said, yes, it can be
15 replaced, but we will lose timing, we will lose readiness.
16 MR. COOK: Commissioner Kling, there are
17 alternatives if the Commission decides to retain capacity.
18 The DLA position is
19 out-source that capacity for any shortfall. However, there
20 are other depots that have been recommended for closure,
21 specifically the one at Memphis and the one at San Antonio
22 that can handle the Red River workload --

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1 COMMISSIONER KLING: Can or can't?
2 MR. COOK: Can definitely handle the Red River
3 workload and accommodate it well.
4 COMMISSIONER KLING: And accomplish what the
5 Commissioner questioned, whether it was able to be done?
6 MR. COOK: Yes, sir.
7 CHAIRMAN DIXON: Are there any further questions of
8 Mr. Knoepfle, or anybody from the staff regarding this issue?
9 COMMISSIONER COX: I have a question.
10 CHAIRMAN DIXON: Commissioner Cox.
11 COMMISSIONER COX: I have a question and it is on
12 the issue of privatization. In 1993, as Mr. Knoepfle, we
13 were very interested in cross-servicing missiles. The only
14 place to do that and do storage and disassembly was at
15 Letterkenny, and while I think we made a lot of really good
16 decisions in 1993, including
17 inter-servicing the missiles, I think perhaps we made one bad
18 decision as to that issue.
19 That is, preventing the military from having the
20 ab o privatize those missiles. And, in fact, as you
21 lc our chart, you will see that some of them will even
22 be ng out of the private sector at our direction, into

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1 the public sector.
2 That is certainly inconsistent with the new roles
3 and missions and where the DOD, even across the board, seems
4 to be going.
5 So I want to explore the possibility of privatizing
6 those missiles, or at least giving the DOD the authority to
7 privatize those missiles should they so desire.
8 If we remove that prohibition, or because we did it
9 and we said "all missiles" -- if we made it clear that, in
10 fact, that it would be all right if the DOD wanted to, if it
11 were considered not core, et cetera, to leave the private
12 sector missiles in the private sector, even to further
13 privatize missiles currently in the public sector, and, in
14 fact, a fair amount of that were done and, as we know, there
15 are the cost service group, and others, at the Army are very
16 anxious to get about the process of doing that.
17 Would it make sense not to spend the one-time cost
18 to move it to Tobyhanna right now, or at least to see if they
19 would move to the private sector, given the DOD -- we would
20 avoid, wouldn't we, if we let it play out at Letterkenny, the
21 $15 million in one-time costs?
22 MR. KNOEPFLE: You could avoid those costs, yes.

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1 And I believe the Army's plan for leaving the extra 300
2 people within the enclave area to buy time, if you will, to
3 consider those options.
4 COMMISSIONER COX: You would have to leave some
5 people there to do that work while you were either
6 privatizing it, or not privatizing.
7 MR. KNOEPFLE: That is correct.
8 MR. OWSLEY: I would point out, though, you would
9 lose the annual savings. Because if you looked at those
10 rates of those depots, Letterkenny is considerably higher
11 than anyone else and that is because they lack absorption,
12 and unless someone puts some work in there -- and if you
13 would go on with the move of the vehicles to Anniston, that
14 will no longer be $82 an hour, it will be $100-some odd.
15 COMMISSIONER COX: Presumably we wouldn't privatize
16 the missiles if it costs us move to privatize them.
17 MR. OWSLEY: No. What I am talking about, if you
18 leave missile work in Letterkenny and take out the vehicle
19 work, the cost per hour is going to go up significantly.
20 Someone needs to consider if that should be the desire, there
21 ought to be something else to absorb the overhead structure
22 that is there.

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1 COMMISSIONER COX: Or, could you leave the Army the
2 ability to either privatize them, and if they wanted to do
3 that, not spend the one-time cost to Tobyhanna, or move to
4 Tobyhanna if in fact it is not cheaper to privatize? It may
5 well not be cheaper to privatize.
6 MR. OWSLEY: You could be right. You could do any
7 one of those things that you said, Commissioner. You could
8 privatize by just changing your language from 1993 and let
9 the Army go on with their current recommendation, which is to
10 move the electronics to a low-cost place, which is Tobyhanna,
11 and to load up Anniston, which is a recommendation. And you
12 could take away that onerous language at the same time you
13 are doing that.
14 COMMISSIONER COX: Right. I guess what I am
15 looking at is a third possibility. That, plus, if there --
16 What has happened, we have already spent money to consolidate
17 these missiles at Letterkenny. We have moved people, we have
18 trained people and what we are talking about is doing it,
19 again.
20 If we were going to privatize a large section of
21 those missiles as some at the DOD are very anxious to do, it
22 wouldn't make sense to do that all again, if you could avoid

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it.
I am looking for an option that says -- give them the option to privatize the whole thing, move the whole thing to Tobyhanna, or do some combination of that during a period.
MR. OWSLEY: We certainly did not look at that option. It was not on the table. We all talked about it a bit, but you would have -- to get any cost analysis of benefit, you would have to decide and give someone a year when you are going to privatize and get the stuff out there.
An analysis could be performed once we knew that.
CHAIRMAN DIXON: Any further questions?
(No response.)
CHAIRMAN DIXON: Are there any other questions of this staff regarding their complete presentation which is now before you?
(No response.)
CHAIRMAN DIXON: Are there any further questions? Are there any further comments, or is there a motion?
COMMISSIONER DAVIS: Mr. Chairman, I have a motion.
CHAIRMAN DIXON: Do you have a motion, Commissioner Cox?
COMMISSIONER COX: Oh, no. I am sorry. I

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understand that Commissioner Robles had a motion, but -- whatever. I don't have a motion.
CHAIRMAN DIXON: Here is my understanding from counsel. Army Letterkenny and Depot Letterkenny are connected.
MR. OWSLEY: Yes.
CHAIRMAN DIXON: And if one goes, they both go. There is no distinguishing feature with respect to that particular installation, and I think there is no dispute about that.
MR. OWSLEY: That is right.
CHAIRMAN DIXON: The Chair will entertain a motion.
COMMISSIONER ROBLES: Mr. Chairman, I have a motion.
CHAIRMAN DIXON: Commissioner Robles.
COMMISSIONER ROBLES: Mr. Chairman, I move --
CHAIRMAN DIXON: Just a minute, Commissioner Robles. Counsel is asking me a question.
COMMISSIONER DAVIS: I would yield to my Army colleague if it is the same motion I have.
CHAIRMAN DIXON: The Chair is an innocent bystander. Commissioner Robles.

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COMMISSIONER ROBLES: I don't know if he wanted to do a motion first. I am not sure mine -- my motion will be the same as his, so maybe --
CHAIRMAN DIXON: The Chair sure doesn't care who goes first. Anybody want to go first?
COMMISSIONER ROBLES: I will make a motion --
CHAIRMAN DIXON: Commissioner Robles, you make the motion.

MOTION

COMMISSIONER ROBLES: I move the Commission find the Secretary Defense deviated substantially from Final Criteria One, Two, Four and Five, and therefore, the Commission reject the Secretary's recommendation on Letterkenny Army Depot, and instead, adopt the following recommendation:
Realign Letterkenny Army Depot by transferring the towed and self-propelled combat vehicle mission to Anniston Army Depot; retain an enclave for convention ammunition storage and tactical missile disassembly and storage; change the 1993 Commission's decision regarding the consolidation of tactical missile maintenance at Letterkenny by transferring missile guidance system workload to Tobyhanna Army Depot, or

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private sector commercial activities.
The Commission finds this recommendation is consistent with the four structure plan and final criteria.
CHAIRMAN DIXON: Is there a second to the motion made by Commission Robles?
COMMISSIONER MONTOYA: Second.
CHAIRMAN DIXON: Seconded by Commissioner Montoya.
COMMISSIONER DAVIS: Mr. Chairman.
CHAIRMAN DIXON: Commissioner Davis?
COMMISSIONER DAVIS: Mr. Chairman, I would like to propose an amendment to that. Would that be proper at this point?
CHAIRMAN DIXON: I think an amendment is entirely proper. Commissioner Davis.
COMMISSIONER DAVIS: If you will give me a second, I will try to find where we differ.
CHAIRMAN DIXON: Do you want to confer with counsel?
COMMISSIONER DAVIS: Yes.
I would like to amend it to say realign Letterkenny Army Depot and Tobyhanna Army Depot, Pennsylvania -- Letterkenny and Tobyhanna will become a combined depot

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activity under one command as determined by the Department of the Army; the tactical maintenance missile workload will consolidate under the control of the consolidated depot command; missile repair work may be assigned to either the private sector or Letterkenny and Tobyhanna facilities, as deemed appropriate; the Letterkenny facility will retain all currently programmed ground vehicle workload; other ground combat vehicle workload will move to Letterkenny, as deemed appropriate.
The Commission finds this recommendation is consistent with the four structure plan and final criteria.
CHAIRMAN DIXON: Counsel advises me that that is in the nature of a substitute amendment. Is there a second to the amendment -- to the motion offered by Commission Davis? Is there a second?
COMMISSIONER CORNELLA: For purpose of discussion, I second that.
CHAIRMAN DIXON: Seconded by Commissioner Cornella. Counsel will call the role.
COMMISSIONER ROBLES: Mr. Chairman, before I go -- since I did the original amendment. After we vote on this substantive amendment --

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CHAIRMAN DIXON: We come back to you.
COMMISSIONER ROBLES: You will come back to me.
CHAIRMAN DIXON: If this amendment fails, I come back to you.
COMMISSIONER ROBLES: That is fine.
COMMISSIONER KLING: We are voting on Commissioner Davis' motion.
CHAIRMAN DIXON: We are voting on Commissioner Davis' motion, seconded by Commissioner Cornella.
If it passes, that is the established decision of the Commission with respect to Letterkenny. If it fails, we revert back to the motion by Commissioner Robles.
Is there any question by Commissioners before Counsel calls the role?
COMMISSIONER MONTOYA: No question, but there ought to be time for discussion or a statement.
CHAIRMAN DIXON: Fine. Commissioner Montoya.
COMMISSIONER MONTOYA: It seems to me that that motion is a kind of -- proposes the kind of thing that I would like to see all military services have, that kind of flexibility to be able to combine overhead, to move work around, to improve the efficiency of the Armed Services.

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1 But, clearly we have a Base Closure Commission
2 be[illegible]se it is almost impossible to do that, and this motion
3 [illegible] confuse the issue. Whether I like it or not, it
4 [illegible] confuse the issue, so I am going to vote to oppose
5 it, because I think we ought to be leaving behind us a trail
6 of very clean decisions.
7 CHAIRMAN DIXON: Thank you, Commissioner Montoya.
8 Commissioner Kling.
9 COMMISSIONER KLING: I would like to support that;
10 that I believe the operational aspects of how we go into this
11 and what we do with it be left to the Armed Forces.
12 CHAIRMAN DIXON: Are there any further comments by
13 any Commissioner before Counsel calls the role? Commissioner
14 Cox?
15 COMMISSIONER COX: I just might ask a question,
16 because now I am confused. Commissioner Davis, your
17 proposal, as I understand it, would allow -- The DOD did not
18 propose realignment -- closing Letterkenny. You are
19 proposing realigning Letterkenny, as did the DOD, and doing
20 two other thins, as I understand it -- allowing
21 privatization, which I certainly support --
22 COMMISSIONER DAVIS: Correct.

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1 COMMISSIONER COX: And, allowing the DOD, if they
2 so desire, completely up to them, not to spend the one-time
3 cost to move the missile work to Tobyhanna if they can
4 privatize it in place.
5 COMMISSIONER DAVIS: That is correct.
6 COMMISSIONER COX: In other words, there is no
7 point in moving it to Tobyhanna if what you are going to be
8 doing is privatizing. What you would want to do is, in a few
9 years, or a year -- whatever it was -- deciding whether or
10 not it should be privatized, and if so, you phase it out at
11 I[illegible]kenny.
12 [illegible]ou wouldn't spend money to move it to Tobyhanna
13 a[illegible]n phase it out, and this would give them the option to
14 do that.
15 And, as I understand it, it would also give them
16 the option, but not direct, ground vehicle work in the
17 Letterkenny.
18 Is that correct?
19 COMMISSIONER DAVIS: Your characterization is
20 correct.
21 COMMISSIONER COX: Mr. Kling said he thought we
22 should give them the option, and that is why I was a little

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1 confused. I just want to make sure that that is the intent
2 of the motion.
3 COMMISSIONER STEELE: Mr. Chairman.
4 CHAIRMAN DIXON: Commissioner Steele.
5 COMMISSIONER STEELE: I am sorry. Commissioner
6 Davis, does it also, if I am not mistaken -- Does it do one
7 more thing?
8 COMMISSIONER DAVIS: Right.
9 COMMISSIONER STEELE: In retaining the current
10 ground program ground combat vehicle workload so, in essence,
11 that portion would also stay at Letterkenny and not go to
12 Anniston?
13 COMMISSIONER DAVIS: I am sorry. Commissioner
14 Steele, say, again?
15 COMMISSIONER STEELE: Does it also not do one
16 additional thing by retaining all currently programmed ground
17 combat vehicle workload at Letterkenny, versus moving that to
18 Anniston, as the recommendation --
19 COMMISSIONER DAVIS: That was my intention, yes.
20 COMMISSIONER COX: Is that your intention? I know
21 [illegible]d it that way, but --
22 COMMISSIONER DAVIS: Retain the Palladin workload

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1 there.
2 COMMISSIONER COX: But just the Palladin, not the
3 rest of the ground -- The other ground vehicle workload
4 there.
5 COMMISSIONER DAVIS: Retain the current ground
6 combat workload until it runs out.
7 COMMISSIONER COX: Can I make a suggestion?
8 CHAIRMAN DIXON: Commissioner Cox?
9 COMMISSIONER COX: That we make that discretionary
10 with the Army, as well? The reason I raise that, as I
11 understood the intent of your proposal, it was in a sense to
12 give the DOD the authority to phase out Letterkenny if they
13 decide to do that, if they privatize the missiles and move it
14 to Tobyhanna.
15 So if they wanted to move ground work in, fine, but
16 that should be at the option of them.
17 COMMISSIONER DAVIS: Mr. Chairman, I am afraid I
18 have confused this issue. My intent was to maximize the
19 centralization as it has already been mandated by the 1993
20 BRAC, sustain the ground combat capability and permit
21 additional surge loads be added to Letterkenny as required.
22 CHAIRMAN DIXON: Thank you, Commissioner Davis.

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1 Are there any further comments? The question before us is a
2 motion by Commissioner Davis that, in effect, is a substitute
3 to the motion by Commission Robles.
4 We are prepared, if there is no further
5 conversation, to vote on the motion by Commissioner Davis.
6 Is there any objection to going to the vote?
7 COMMISSIONER MONTOYA: Call the question.
8 CHAIRMAN DIXON: Good. Counsel, call the role.
9 MS. CREEDON: Commissioner Davis.
10 COMMISSIONER DAVIS: Aye.
11 MS. CREEDON: Commissioner Kling.
12 COMMISSIONER KLING: No.
13 MS. CREEDON: Commissioner Montoya.
14 COMMISSIONER MONTOYA: No.
15 MS. CREEDON: Commissioner Robles.
16 COMMISSIONER ROBLES: Nay.
17 MS. CREEDON: Commissioner Steele.
18 COMMISSIONER STEELE: Nay.
19 MS. CREEDON: Commissioner Cornella.
20 COMMISSIONER CORNELLA: No.
21 MS. CREEDON: Commissioner Cox.
22 COMMISSIONER COX: Aye.

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1 MS. CREEDON: Mr. Chairman.
2 CHAIRMAN DIXON: No.
3 MS. CREEDON: Mr. Chairman, the vote is six nays,
4 and two ayes.
5 CHAIRMAN DIXON: The vote is six nays, two ayes;
6 the motion by Commissioner Davis fails and the Chair
7 announces that we revert to the motion by Commissioner
8 Robles. Counsel will now call the role on the motion by
9 Commissioner Robles. Commissioner Davis.
10 COMMISSIONER DAVIS: Mr. Chairman, it has been so
11 long ago, could we have it re-read?
12 CHAIRMAN DIXON: Why don't we do that? Read
13 Commissioner Robles' motion, again.
14 COMMISSIONER ROBLES: Mr. Chairman, I would be glad
15 to re-submit the motion.
16 CHAIRMAN DIXON: Thank you. Would you, please,
17 Commissioner Robles?
18 COMMISSIONER ROBLES: Mr. Chairman, I move the
19 Commission find the Secretary of Defense deviated
20 substantially from Final Criteria One, Two, Four and Five,
21 and therefore, the Commission reject the Secretary's
22 recommendation on Letterkenny Army Depot, and instead adopt

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1 the following recommendation:
2 Realign Letterkenny Army Depot by transferring the
3 towed and self-propelled vehicle mission to Anniston Army
4 Depot; retain an enclave for the conventional ammunition
5 storage and tactical missile disassembly and storage; change
6 the 1993 Commission's decision regarding the consolidation of
7 tactical missile maintenance at Letterkenny by transferring
8 missile guidance system workload to Tobyhanna Army Depot, or
9 private sector commercial activities.
10 The commission finds this recommendation is
11 consistent with the four structure plan and final criteria.
12 CHAIRMAN DIXON: I thank the Commissioner for re-
13 reading his motion. Counsel will call the role.
14 COMMISSIONER COX: Can I just make a comment?
15 CHAIRMAN DIXON: Commissioner Cox.
16 COMMISSIONER COX: I get back to my concern on this
17 motion that, while we give them the authority to do private
18 sector, we force them to spend money, and move people to
19 Tobyhanna at the same time. I don't think that makes sense.
20 If we are going to privatize, we ought to leave them the
21 option of not spending the money to move.
22 I think we are forcing dollars spent out that just

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1 simply aren't necessary.
2 CHAIRMAN DIXON: Are there any further comments?
3 (No response.)
4 CHAIRMAN DIXON: Counsel, call the role.
5 MS. CREEDON: Commissioner Robles.
6 COMMISSIONER ROBLES: Aye.
7 MS. CREEDON: Commissioner Steele.
8 COMMISSIONER STEELE: Aye.
9 MS. CREEDON: Commissioner Cornella.
10 COMMISSIONER CORNELLA: No.
11 MS. CREEDON: Commissioner Cox.
12 COMMISSIONER COX: No.
13 MS. CREEDON: Commissioner Davis.
14 COMMISSIONER DAVIS: No.
15 MS. CREEDON: Commissioner Kling.
16 COMMISSIONER KLING: Aye.
17 MS. CREEDON: Commissioner Montoya.
18 COMMISSIONER MONTOYA: Aye.
19 MS. CREEDON: Mr. Chairman.
20 CHAIRMAN DIXON: Aye.
21 MS. CREEDON: Mr. Chairman, the votes are five ayes
22 and three nays.

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1 CHAIRMAN DIXON: Motion carries. Announcement for
2 the public here, so that there is no question about it: That
3 vote, which is a majority vote, supports the Department of
4 Defense recommendations with a moderate variation.
5 COMMISSIONER ROBLES: Mr. Chairman.
6 CHAIRMAN DIXON: Commissioner Robles.
7 COMMISSIONER ROBLES: Are you entertaining
8 additional motions on this whole area of Army depots?
9 CHAIRMAN DIXON: Yes, I am, sir.
10 COMMISSIONER ROBLES: I would like to make a
11 motion.
12 CHAIRMAN DIXON: Commissioner Robles, you are
13 recognized.
14 MOTION
15 COMMISSIONER ROBLES: I move that the Commission
16 find the Secretary of Defense deviated substantially from
17 Final Criterion One, and therefore, the Commission reject the
18 Secretary's recommendation on Red River Army Depot, and
19 instead, adopt the following recommendation:
20 Realign Red River Army Depot by moving all
21 maintenance missions except for that related to the Bradley
22 Fighting Vehicle Series to other depot maintenance

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1 activities, including the private sector; retain conventional
2 ammunition storage in the interim training center, the rubber
3 production facility and civilian training education in Red
4 River.
5 The Commission finds this recommendation is
6 consistent with the Four Structure Plan and Final Criteria.
7 CHAIRMAN DIXON: Is there a second to the motion by
8 Commissioner Robles?
9 COMMISSIONER KLING: I second that one.
10 CHAIRMAN DIXON: It is seconded by Commissioner
11 Kling. Is there any comment regarding this motion? Is there
12 any discussion concerning this motion?
13 COMMISSIONER COX: I wonder, Chairman –
14 CHAIRMAN DIXON: Commissioner Cox.
15 COMMISSIONER COX: I wonder, Commissioner, if you
16 would just explain what we are doing. Commissioner Robles,
17 Commissioner Cox ask that you elaborate on what you are
18 doing.
19 COMMISSIONER ROBLES: What we are basing doing is,
20 given my testimony on the fact that we needed a warm-base
21 capability, we didn't want to put all our eggs in one basket,
22 I think it is prudent that we down-size Red River Army Depot.

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1 and only leave the Bradley line there; find ways to get in
2 efficiencies and costs down to a level that the Department of
3 the Defense, and the Department of Army specifically can live
4 with, but retain the ability for surge capability, or other
5 catastrophes or disasters, to be able to restock those other
6 lines, and run the facility at full production if necessary.
7 But, in the meantime, you only maintain the Bradley line,
8 which is a very specialized and unique sort of skilled labor
9 force that is required for our national defense.
10 COMMISSIONER COX: The C-113s and some of the other
11 wheeled vehicles would continue to move to Anniston, but the
12 Bradley's would stay here?
13 COMMISSIONER ROBLES: That is correct.
14 COMMISSIONER MONTOYA: Mr. Chairman, I have a
15 comment.
16 CHAIRMAN DIXON: Let's get this clarified, and then
17 I will recognize you, Commissioner Montoya. This motion
18 addresses the depot –
19 COMMISSIONER ROBLES: Only the depot, not the DLA.
20 CHAIRMAN DIXON: All right. Who asked –
21 COMMISSIONER MONTOYA: Mr. Chairman, on the chance
22 that my vote on this may seem inconsistent with the position

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1 I took regarding the ALCs, on the issue of surge capacity and
2 so forth; I see this distinction very clear in that the Army
3 has, in fact, closed many depots. They are down to the last
4 ones.
5 I share the concern with Commissioner Robles on
6 this one, for that fact and that fact, alone. I would almost
7 favor keeping this particular base open, as is, and have
8 Anniston work out their synergies over time. But, again, I
9 think we have to give clearer directions than just leave too
10 many things in the air for fear that we will create dogfights
11 in our trail.
12 So I will support the motion to submit it.
13 CHAIRMAN DIXON: Are there any further comments by
14 any Commissioner regarding this motion?
15 (No response.)
16 CHAIRMAN DIXON: Counsel will call the role.
17 MS. CREEDON: Commissioner Robles.
18 COMMISSIONER ROBLES: Aye.
19 MS. CREEDON: Commissioner Steele.
20 COMMISSIONER STEELE: Aye.
21 MS. CREEDON: Commissioner Cornella.
22 COMMISSIONER CORNELLA: Aye.

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1 MS. CREEDON: Commissioner Cox.
2 COMMISSIONER COX: Aye.
3 MS. CREEDON: Commissioner Kling.
4 COMMISSIONER KLING: Aye.
5 MS. CREEDON: Commissioner Montoya.
6 COMMISSIONER MONTOYA: Aye.
7 MS. CREEDON: Mr. Chairman?
8 CHAIRMAN DIXON: No.
9 MS. CREEDON: Commissioner Davis.
10 COMMISSIONER DAVIS: Aye.
11 MS. CREEDON: Mr. Chairman, the votes are seven
12 ayes, and one nay.
13 CHAIRMAN DIXON: Votes are seven ayes and one nay.
14 The motion is carried.
15 May I say to my fellow Commissioners, we can either
16 take a brief break and have a bite to eat and come right back
17 in here -- and I would hope it wouldn't take more than half-
18 hour at the most, or we can go to the DLA part of Red River
19 which I would like to do to conclude this issue on Red River.
20 What is the Director saying to me?
21 MR. LYLES: Mr. Chairman, I believe there are two
22 remaining issues associated with this category; one is the

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1 defense distribution depot at Letterkenny, and the other is
2 the defense distribution depot at Red River. I think, given
3 the Commission's action just now, I think it would be staff's
4 recommendation that you could go ahead and act on both of
5 those, right now.
6 CHAIRMAN DIXON: All right. I think that point is
7 well taken. On the Letterkenny question, where the result is
8 already not in dispute, I think -- could we go to that first?
9 Is someone prepared to make a motion on the Letterkenny DLA
10 question?
11 COMMISSIONER ROBLES: Mr. Chairman, I have a
12 motion.
13 CHAIRMAN DIXON: Would you read that motion,
14 please?
15 MOTION
16 COMMISSIONER ROBLES: I move that the motion find
17 that the Secretary of Defense did not deviate substantially
18 from the four structure plan and final criteria; therefore,
19 that the Commission adopt the following recommendation to the
20 Secretary of Defense:
21 Disestablish the defense distribution depot,
22 Letterkenny, Pennsylvania, DDLP; material remaining at DDLP

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1 at time of disestablishment will be relocated to the defense
2 distribution depot, Anniston, Alabama, DDAA, and to optimum
3 storage space within the Department of Defense distribution
4 system.
5 CHAIRMAN DIXON: That is a motion by Commissioner
6 Robles. Is there a second to that motion?
7 COMMISSIONER KLING: I second that motion.
8 CHAIRMAN DIXON: Seconded by Commissioner Kling.
9 Is there any comment, or can we go to the role call?
10 (No response.)
11 CHAIRMAN DIXON: Counsel will call the role.
12 MS. CREEDON: Commissioner Robles?
13 COMMISSIONER ROBLES: Aye.
14 MS. CREEDON: Commissioner Steele.
15 COMMISSIONER STEELE: Aye.
16 MS. CREEDON: Commissioner Cornella?
17 COMMISSIONER CORNELLA: Aye.
18 MS. CREEDON: Commissioner Cox.
19 COMMISSIONER COX: Aye.
20 MS. CREEDON: Commissioner Davis.
21 COMMISSIONER DAVIS: Aye.
22 MS. CREEDON: Commissioner Kline.

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1 COMMISSIONER KLING: Aye.
2 MS. CREEDON: Commissioner Montoya.
3 COMMISSIONER MONTOYA: Aye.
4 MS. CREEDON: Mr. Chairman.
5 CHAIRMAN DIXON: aye.
6 MS. CREEDON: Mr. Chairman, the votes are eight
7 ayes and zero nays.
8 CHAIRMAN DIXON: That motion carries unanimously,
9 going with the result already obtained on the previous motion
10 on Letterkenny.
11 Did I understand that I had a consensus here, that
12 we go to the Red River DLA question and then we can conclude
13 for a bite to eat? Is there any further comment or any other
14 questions of any Commissioner before we go to the question?
15 (No response.)
16 CHAIRMAN DIXON: Is there a motion?
17 COMMISSIONER ROBLES: I have a motion, Mr.
18 Chairman.
19 MOTION
20 CHAIRMAN DIXON: Commissioner Robles.
21 COMMISSIONER ROBLES: I move that the Commission
22 find that the Secretary of Defense deviated substantially

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1 from final criteria one and, therefore, that the Commission
2 reject the Secretary's recommendation on Defense Distribution
3 Depot Red River, Texas, DDRT, and instead adopt the following
4 recommendation:
5 Defense Distribution Depot Red River, Texas, DDRT,
6 remain open and is not disestablished. The Commission finds
7 this recommendation is consistent with the four structure
8 plan and final criteria.
9 CHAIRMAN DIXON: Are there any comments regarding
10 this motion? Oh, wait; is there a second to the motion?
11 COMMISSIONER CORNELLA: I second the motion.
12 CHAIRMAN DIXON: Commissioner Cornella seconds that
13 motion.
14 Are there any comments regarding this motion?
15 COMMISSIONER MONTOYA: I have a comment, Mr.
16 Chairman.
17 CHAIRMAN DIXON: Commissioner Montoya.
18 COMMISSIONER MONTOYA: With the assistance of
19 counsel, I believe that we ought to amend this to permit or
20 make room for the flexibility of this depot to be realigned
21 or downsized commensurate with the action we just took in
22 realigning Red River.

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1 I think that that somehow has to be worked into
2 this motion.
3 MR. LYLES: I would agree, Mr. Chairman, that that
4 is possible.
5 COMMISSIONER COX: As well.
6 CHAIRMAN DIXON: Just a moment. If I just have the
7 benefit of staff's view here. I see Mr. Cook and Director
8 Lyles; what is your view on this?
9 MR. LYLES: Mr. Chairman, let me recognize Bob
10 Cook.
11 MR. COOK: Mr. Chairman, I think the workload
12 adjustment would follow because the defense depot is there to
13 support the maintenance mission. The mission goes down, the
14 workload will automatically go down, perhaps except for the
15 regional distribution mission, which will be retained.
16 So that should be within the purview of the Defense
17 Logistics Agency to accommodate that workload transfer.
18 COMMISSIONER COX: And therefore, we would not need
19 to change the motion; that that would happen as part --
20 MR. LYLES: You are saying an operational unit will
21 happen.
22 MR. COOK: Yes, sir; I think that is correct.

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1 COMMISSIONER MONTOYA: Mr. Chairman, to the extent
2 that we are all assured of that and it is on the record, I
3 would withdraw my motion.
4 CHAIRMAN DIXON: All right. Are there any further
5 comments or questions by any of the Commissioners?
6 (No response.)
7 CHAIRMAN DIXON: Counsel will call the role.
8 MS. CREEDON: On the motion made by Commissioner
9 Robles, Commissioner Robles.
10 COMMISSIONER ROBLES: Aye.
11 MS. CREEDON: Commissioner Steele.
12 COMMISSIONER STEELE: Aye.
13 MS. CREEDON: Commissioner Cornella?
14 COMMISSIONER CORNELLA: Aye.
15 MS. CREEDON: Commissioner Cox.
16 COMMISSIONER COX: Aye.
17 MS. CREEDON: Commissioner Davis.
18 COMMISSIONER DAVIS: Aye.
19 MS. CREEDON: Commissioner Kling.
20 COMMISSIONER KLING: I vote aye, also, on the basis
21 that we do have an understanding that this will be looked
22 into, operating on a down-sizing basis.

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1 MS. CREEDON: Commissioner Montoya.
2 COMMISSIONER MONTOYA: Aye.
3 MS. CREEDON: Mr. Chairman.
4 CHAIRMAN DIXON: No.
5 MS. CREEDON: The vote is seven ayes and one nay.
6 CHAIRMAN DIXON: The motion carries, and I think we
7 have completed everything with respect to Letterkenny and Red
8 River. Have we, Director?
9 MR. LYLES: Yes, sir, Mr. Chairman, we have.
10 CHAIRMAN DIXON: Now, ladies and gentlemen, we are
11 going to take a very brief luncheon break. I am hoping we
12 can get back here by 1:30, if I am not imposing unduly, which
13 would be 25 minutes. Is there any problem with anybody here?
14 I see some people looking a little shocked. All right.
15 Ladies and gentlemen, I have been asked to announce
16 that Senate Security rules require that you not leave any
17 unattended personal items in this hearing room during the
18 lunch break.
19 The room will be swept during the break and any
20 unattended items will be removed by the Capitol Police.
21
22

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1 We will be back here at 1:30 p.m. We are in
2 temporary recess for lunch.
3 (Whereupon, a luncheon recess was taken at 1:05
4 p.m.)

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1 AFTERNOON SESSION
2 (1:35 p.m.)
3 CHAIRMAN DIXON: Ladies and gentlemen, we are going
4 to get going here if we can find the Commissioners.
5 What are we on now, Director? Navy Depot Warfare
6 Centers?
7 MR. LYLES: Yes, sir, Mr. Chairman.
8 CHAIRMAN DIXON: Do you have your staff on Navy
9 Depot Warfare Centers?
10 MR. LYLES: We are here and ready to go, sir.
11 CHAIRMAN DIXON: Ladies and gentlemen, thank you
12 for your kindness this morning. There were a lot of tough
13 votes, and some that I am sure people were emotionally
14 involved in very deeply. I appreciate the fact that nobody
15 got involved in any displays that interrupted the
16 proceedings.
17 It was very sophisticated of you and I am indebted
18 to you.
19 Is staff ready to go ahead with the Navy
20 Depot/Warfare Centers?
21 MR. LYLES: Yes, we are, Mr. Chairman.
22 CHAIRMAN DIXON: Proceed.

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1 MR. LYLES: Mr. Owsley, from the Joint Cross
2 Service Team.
3 MR. OWSLEY: I have the team of people, the
4 analysts, here with me. Dick Helmer, Brian Kerns and Less
5 Farrington, who are the senior analysts on this.
6 CHAIRMAN DIXON: Who is going to proceed?
7 MR. OWSLEY: I am sir.
8 CHAIRMAN DIXON: Okay. Go ahead, Mr. Owsley.
9 MR. OWSLEY: The first chart depicts the three
10 installations in this category, which is the Louisville,
11 Indianapolis and Lakehurst, New Jersey. If we put up the
12 next chart, we can get right on.
13 The DOD recommendation is to close the Naval
14 Surface Warfare Center, Crane Division, Detachment,
15 Louisville, Kentucky; relocate the appropriate functions,
16 personnel, equipment and support to other naval activity,
17 primarily the Naval Shipyard, Norfolk, Naval Surface Warfare
18 Center, Fort Wainemee, and the Naval Surface Warfare Center,
19 Crane, Indiana.
20 Louisville performs depot level maintenance on the
21 Navy's ships self-defense systems, gun and gun-fire control
22 systems, surface missile launchers, and standard missile

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1 rocket motor casings.
2 The Joint Cross Service Group for depot maintenance
3 recommended the closure of the depot activities at
4 Louisville, and the Navy followed this closure
5 recommendation.
6 The Navy estimates a one-time closure cost of $104
7 million with a return on investment in three years, after
8 implementation. The Navy also estimates this recommendation
9 will result in a net present value of $244 million.
10 Chart D-3, please.
11 I will address two major issues, closure costs and
12 a naval audit service report conducted on this closure
13 recommendation.
14 The Commission staff, as you will see, had run a
15 COBRA with costs that were excluded by the Navy that need to
16 be a part of the COBRA estimate, in order to do a more
17 accurate assessment of closure recommendation.
18 The Staff COBRA estimates a one-time closure cost
19 to be $136 million, with a return on investment in five years
20 after the implementation. This would result in a net present
21 value of $169 million.
22 There have been issues brought up by the community

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on repair standards -- that is the work papers needed to repair, and how you do those. The staff ran those to with the Navy and with the investigative agencies, and ve that everybody is satisfied now with where we are on those answers.

The community concerns were about the costs, and, again, there was an investigative service report done. There were some irregularities in some of the documentation, but nothing, as the IG reported, that would affect the BRAC recommendation.

So based on those things, we went on and basically looked at what the Navy had said, and believe this is a good recommendation. There is one further subject, however, that needs to be discussed and that is the Navy's support of the community's desire to privatize this activity.

If you go to the privatization chart, please.

The Louisville Community presented to the Navy several times, as they did with us, a way to privatize the shipyard and maintain a great capability that is there. Particularly, there is the capability in the plating area, with the new plating shop that was completed just three years ago at the cost of approximately $80 million.

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The community's proposal would bring in two private companies who are already working on Navy products that are done in that depot. They would also seek private sector investment or assistance in a plating area to bring in private work over Navy work.

The Navy has concurred that they will encourage this activity. It will require a small contingent of Navy in-service engineers to stay for whatever period of time the Navy work stays there. This is not unusual since the in-service engineers are with the products in the Navy wherever ould be. This would be a contingent of 300 to 400 -- however the Navy judges that.

COMMISSIONER KLING: Can I interrupt you, one minute?

MR. OWSLEY: Yes.

COMMISSIONER KLING: When it comes to the privatization proposal, do you have the figures -- and I know that this still tentative of where they are coming to on the privatization issue, but -- Do we have any figures, if it was worked out and consummated, what it would save the Navy?

MR. OWSLEY: Brian, do you have that figure?

MR. KERNS: No, sir, we do not.

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MR. OWSLEY: It was something that was very close, at least in an estimate. They don't have a firm estimate because of the nature -- you know, where they are on the privatization. But it would actually improve over what the Navy would save by closing the shipyard down and moving it to other places.

COMMISSIONER KLING: I remember when we were there that one of the things that was a material cost -- you wouldn't have the relocation expenses for a lot of the personnel that would be ending up staying there under the private relationships. That was a material aspect --

MR. OWSLEY: Yes. The estimate was somewhere in the neighborhood of $100 million because they would not move all of those people that -- the Navy would have to either relocate the people or have to have authorization billets at the receiving locations.

The Navy has been very supportive of the community and, based on that, these are all the charts we have. We would endorse the Navy's position, as the staff, that the e of this warfare center meets in their downsizing e they have capability in excess of their requirements. If there are any further questions on that, we

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would be glad to answer them.

CHAIRMAN DIXON: Are there any further questions concerning this subject matter -- on the privatization matter, you mean, Owsley, or just on the general subject matter of Louisville?

MR. OWSLEY: Our findings were that the Navy's numbers, although a little high in some areas, were so close to what we came up with -- we had no real differences in the findings. It is still a viable alternative to close the shipyard and to support the privation that has been recommended by the community.

COMMISSIONER STEELE: I have one question.

CHAIRMAN DIXON: Commissioner Steele.

COMMISSIONER STEELE: It is actually for counsel. Just on our authority as a commission regarding privatization, can we allow it but not direct it? Or, can we direct it, as well? If you could just let me know what our authority is.

MS. CREEDON: Your earlier statement was correct. We can allow it; we cannot direct it.

COMMISSIONER STEELE: Thank you.

CHAIRMAN DIXON: I think one has to say that any

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language we use in any motion we make here is kind of advisory in nature; that we are not really mandating that something occurs; is that correct, Counsel?

MS. CREEDON: Yes.

CHAIRMAN DIXON: Commissioner Kling.

COMMISSIONER KLING: I would make one comment, following what you said. I did have a conversation with the Secretary of the Navy and with Mr. Danzig, who confirmed to me -- and I believe they did also at the hearings -- that they are very supportive of this issue and going forward with privatization, in general, wherever they can, which I think is absolutely -- it is a great approach and a great direction. We do want to encourage that, I feel, in any way that we possibly can.

CHAIRMAN DIXON: Thank you, Commissioner Kling. I think that expresses probably the view of every member of the Commission regarding that particular situation. I suppose all of us feel a little bit of frustration that we can't go further than we are able to go in the motions that we will consider here.

Are there other comments by other Commissioners?

(No response.)

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CHAIRMAN DIXON: If there are no further comments --

MR. OWSLEY: We have no further charts.

CHAIRMAN DIXON: Do we want to do them all? Excuse me.

Okay. Counsel thinks it is appropriate to vote on this one right now. Is there a motion by anybody?

COMMISSIONER KLING: I would like to make one.

MOTION

CHAIRMAN DIXON: Commissioner Kling.

COMMISSIONER KLING: As I just said, I think we are going in the right direction and I am really delighted that the Navy is supporting this. So I would like to move that the Commission find that the Secretary of Defense deviated substantial from final criteria one and four, and therefore, that the Commission reject the Secretary's recommendation on Naval Surface Warfare Center, Crane Division, Detachment, Louisville, Kentucky, and instead adopt the following recommendation:

Close the Naval Surface Warfare Center, Crane Division, Detachment, Louisville, Kentucky; transfer workload equipment and facilities to the private sector or private

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1 local jurisdiction, as appropriate, if the private sector can
2 accommodate the workload on site, or, relocate necessary
3 functions, along with necessary personnel, equipment and
4 support to other Navy technical activities, primarily the
5 Naval Shipyard, Norfolk, Virginia, Naval Surface Warfare
6 Center, Port Hueneme, California, and the Naval Surface War
7 Center, Crane, Indiana.
8 To the extent that workload is moved to the private
9 sector, such personnel as are necessary should remain in
10 place to assist with transfer to the private sector to
11 perform functions compatible with private sector workload, or
12 are necessary to sustain or support the private sector
13 workload and to carry out any transition activities.
14 The Commission finds this recommendation is
15 consistent with the four structure plan and final criteria.
16 CHAIRMAN DIXON: I thank the Commissioner for that
17 motion. Is there a second?
18 COMMISSIONER STEELE: I will second the motion.
19 CHAIRMAN DIXON: Commissioner Steele seconds the
20 motion by Commissioner Kling. Are there any comments?
21 (No response.)
22 CHAIRMAN DIXON: Counsel will call the role.

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1 MS. CREEDON: Commissioner Kling.
2 COMMISSIONER KLING: Aye.
3 MS. CREEDON: Commissioner Montoya.
4 COMMISSIONER MONTOYA: Aye.
5 MS. CREEDON: Commissioner Robles.
6 COMMISSIONER ROBLES: Aye.
7 MS. CREEDON: Commissioner Steele.
8 COMMISSIONER STEELE: Aye.
9 MS. CREEDON: Commissioner Cornella.
10 COMMISSIONER CORNELLA: Aye.
11 MS. CREEDON: Commissioner Cox.
12 COMMISSIONER COX: Aye.
13 MS. CREEDON: Commissioner Davis.
14 COMMISSIONER DAVIS: Aye.
15 MS. CREEDON: Mr. Chairman.
16 CHAIRMAN DIXON: Aye.
17 MS. CREEDON: Mr. Chairman, the votes are eight
18 ayes and zero nays.
19 CHAIRMAN DIXON: That motion is adopted
20 unanimously.
21 The effect of that, of course, so that I may
22 explain for the audience; we encourage privatization. We do

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1 not have the power, as I understand it from counsel, to
2 mandate. We encourage privatization. We expressed the
3 unanimous view of the Commission that it is our view that
4 that would be the appropriate thing to do.
5 Mr. Owsley.
6 MR. OWSLEY: Thank you. The next installation we
7 will cover is the Naval Warfare Center, Indianapolis,
8 Indiana. This is very similar to the Louisville situation
9 that we just went through.
10 The DOD recommendation is to close the Naval
11 Warfare Center, Aircraft Division, Indianapolis, Indiana;
12 relocate necessary functions along with associated personnel,
13 equipment and support to other naval technical activities,
14 primarily Naval Surface Warfare Center, Crane, Indiana, Naval
15 Air Warfare Center, Aircraft Division, Patuxent River,
16 Maryland, and Naval Air Warfare Center, Weapons Division in
17 China Lake, California.
18 Indianapolis performs research/development tests,
19 evaluation and prototyping of avionics, weapon guidance
20 control and ship and ground base electronic systems.
21 The Joint Cost Service Group for Test and
22 Evaluation recommended the realignment of the measurement

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1 facility testing for air-to-air and air-to-ground weapons at
2 one of the five sites, including China Lake. The Navy
3 followed this recommendation.
4 The Joint Cost Service Group for Laboratory
5 recommended air vehicle work from Indianapolis to Patuxent
6 River. The Navy followed this recommendation.
7 The Navy estimates a one-time closure cost of $78
8 million, with a return on investment in one year after
9 implementation. The Navy also estimates this recommendation
10 will result in a net present value of $392 million.
11 I will address one major issue, closure costs for
12 this recommendation. The Commission staff has run a COBRA
13 with costs that were excluded by the Navy that need to be a
14 part of the COBRA estimate in order to make accurate
15 assessments of the closure recommendation.
16 The staff COBRA estimates a one-time closure cost
17 to be $125 million, with a return on investment in three
18 years after implementation.
19 The Indianapolis Community has presented this
20 Commission with a proposal to privatize this installation as
21 an alternative re-use. The community plan is to form an
22 employee stock ownership program with the personnel

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1 recommended to be eliminated or realigned.
2 The new corporation would work alongside a
3 contingent of Naval engineers to remain at Indianapolis. The
4 City's representatives have identified a closure avoidance of
5 $187 million based on estimates of closure costs. They have
6 identified savings to be DOD in the form of reduced
7 infrastructure and eliminating personnel from the Government
8 payroll.
9 The Navy was presented with this proposal by the
10 community and believes the existing language in the
11 recommendation gives them sufficient leverage to implement
12 this concept if they so desire.
13 Recommendation language strong enough to allow this
14 proposal to be implemented has been requested and the
15 Commission has requested strong, encouraging language to
16 support this privatization.
17 That is all that we have on Indianapolis. We will
18 answer questions.
19 CHAIRMAN DIXON: If there are any questions, Mr.
20 Owsley. We thank you, very much. I believe I reflect the
21 view of the Commission when I say that all of us are aware of
22 the fact that this is another suggested privatization that is

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1 warmly supported by Commissioners, generally, I believe.
2 Is there any necessity for comments, or can we have
3 a motion?
4 COMMISSIONER KLING: I so move, Mr. Chairman.
5 CHAIRMAN DIXON: Commissioner Kling.
6 COMMISSIONER KLING: I might say that the Mayor of
7 Indianapolis, Mayor Goldsmith, is a foremost mover on this
8 type of thing. I would hope that we can proceed quickly on
9 that.
10 MOTION
11 COMMISSIONER KLING: I would move that the
12 Commission find that the Secretary of Defense deviated
13 substantially from final criteria one and four, and,
14 therefore, that the Commission reject the Secretary's
15 recommendation on Naval Air Warfare Center, Aircraft
16 Division, Indianapolis, Indiana, and instead adopt the
17 following recommendation:
18 Close the Naval Air Warfare Center, Aircraft
19 Division, Indianapolis, Indiana and transfer workload,
20 equipment and facilities to the private sector, or local
21 jurisdiction, as appropriate, if the private sector can
22 accommodate the workload on site, or relocate necessary

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1 functions along with the necessary personnel, equipment and
2 s[illegible] to other naval technical activities, primarily the
3 [illegible]urface Warfare Center, Crane, Indiana, Naval Air
4 [illegible] Center, Aircraft Division, Patuxent River, Maryland,
5 and Naval Air Warfare Center, Weapons Division, China Lake,
6 California.
7 To the extent that workload is moved to the private
8 sector, such personnel as are necessary should remain in
9 place to assist with transfer to the private sector to
10 perform functions compatible with private sector workload, or
11 are necessary to sustain or support the private sector
12 workload and to carry out any transition activities.
13 The Commission finds this recommendation is
14 consistent with the four structure plan and final criteria.
15 CHAIRMAN DIXON: You have heard the motion. Is
16 there a second to the motion by Commissioner Kling?
17 COMMISSIONER CORNELLA: Second.
18 CHAIRMAN DIXON: That is seconded by Commissioner
19 Cornella. Is there any comment by any Commissioner?
20 (No response.)
21 CHAIRMAN DIXON: Counsel will call the role.
22 MS. CREEDON: Commissioner Kling.

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1 COMMISSIONER KLING: Aye.
2 MS. CREEDON: Commissioner Montoya.
3 COMMISSIONER MONTOYA: Aye.
4 MS. CREEDON: Commissioner Robles.
5 COMMISSIONER ROBLES: Aye.
6 MS. CREEDON: Commissioner Steele?
7 COMMISSIONER STEELE: Aye.
8 MS. CREEDON: Commissioner Cornella?
9 COMMISSIONER CORNELLA: Aye.
10 MS. CREEDON: Commissioner Cox?
11 COMMISSIONER COX: Aye.
12 MS. CREEDON: Commissioner Davis.
13 COMMISSIONER DAVIS: Aye.
14 MS. CREEDON: Mr. Chairman.
15 CHAIRMAN DIXON: Aye.
16 MS. CREEDON: Mr. Chairman, the vote is eight ayes
17 and zero nays.
18 CHAIRMAN DIXON: The motion is unanimously adopted.
19 Mr. Owsley.
20 MR. OWSLEY: Thank you. The next activity that
21 will be discussed is the Naval Air Warfare Center, Lakehurst,
22 New Jersey.

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1 The Department of Defense recommendation is to
2 close the Naval Air Warfare Center, Aircraft Division, in New
3 Jersey, except transfer in place certain facilities and
4 equipment to the Naval Air Warfare Center, Aircraft Division,
5 Patuxent, Maryland; relocate other functions and associated
6 personnel and equipment to the Naval Air Warfare Center,
7 Aircraft Division, Patuxent River, Maryland, and the Naval
8 Aviation Depot, Jacksonville, Florida; relocate the Naval Air
9 Technical Training Center, Detachment Lakehurst, to Naval Air
10 Station, Pensacola, Florida; relocate the Naval Mobile
11 Construction Battalion to the Army's Communication Electronic
12 Command, Airborne Engineering Evaluation Support Activity,
13 and the Defense Reutilization and Marketing Office to other
14 government-owned spaces.
15 Lakehurst is the Navy's primary installation. It
16 performs aircraft launch and recovery/research development
17 tests and evaluations, prototyping and manufacturing for
18 catapult and carrier platform functions.
19 The Joint Cross Service Group for Laboratory
20 [illegible]mended all in-service engineering fixed-flight sub-
21 [illegible] be consolidated at Lakehurst. The Navy estimates one-
22 [illegible] closure costs of $97 million, with a return on

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1 investment in three years after implementation.
2 The Navy also estimates this will result in a net
3 present value of $358 million.
4 I will address three major issues that have come up
5 on this subject: the dismantlement of interdependent
6 functions, the effects on fleet emergency response, and
7 closure cantonment costs for this recommendation.
8 The DOD recommendation will dismantle
9 interdependent functions from Lakehurst and relocate them to
10 other Naval facilities. The DOD has stated there may be some
11 industrial economic performance advantages by splintering
12 this installations functions.
13 The community identified a 99 percent success rate
14 for the products Lakehurst produces. The catapult operation
15 at Lakehurst is responsible for it cannot afford to suffer
16 even a minor change in the percentage of availability.
17 Each function at Lakehurst is interdependent on the
18 other. The catapult research development, test and
19 evaluation function depend on the prototyping and
20 manufacturing of materials.
21 The Navy wants to break this apart and send the
22 functions from New Jersey, south to Florida. The Navy

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1 recommends Lakehurst be cantoned with the R&D facilities
2 remaining in New Jersey.
3 The functions that would move to Florida would
4 remain dependent on the facilities remaining in New Jersey.
5 Lakehurst interdependent functions are essential to
6 fleet emergencies, and when they exist together, Lakehurst
7 can respond instantaneously with all resources in one place.
8 The response time to fleet emergencies will be
9 vulnerable to the necessary travel of parts and personnel
10 between Lakehurst and Jacksonville. It is estimated it will
11 take 50 days longer to respond to carrier catapult
12 emergencies if the DOD recommendation is implemented.
13 The Naval Air Technical Training Facility has
14 recommended to transfer to the Naval Air Station, Pensacola.
15 The Navy estimated in the COBRA costs sufficient funds to
16 dismantle, pack and ship to Florida. However, they did not
17 provide any of the naval air systems command's Certified
18 MILCON required to reconstruct this facility.
19 This cost was inserted into the Commission's COBRA.
20 Chart D-15, please.
21 Those are the major items regarding Lakehurst. I
22 am available to answer any questions you may have.

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1 CHAIRMAN DIXON: Do any of my colleagues have
2 questions of Mr. Owsley on Lakehurst?
3 COMMISSIONER MONTOYA: I have a question.
4 CHAIRMAN DIXON: Commissioner Montoya.
5 COMMISSIONER MONTOYA: Would you happen to have an
6 overview of the facility and, using that, describe the
7 closure scenario and then the future testing scenario
8 associated with this?
9 MR. KERNS: Yes, we do have. Can you bring out
10 Backup 69-A?
11 MR. OWSLEY: What this view is, Commissioner, is –
12 the heavy yellow line is the Navy's recommended cantonment
13 area which would embody the catapult and the sled operations
14 that you can see in the long concrete area that is shown
15 there.
16 What happens now, if you look at the blue areas,
17 they will take those functions which are on the base –
18 because that area is part of the base and they will move them
19 into the cantonment area.
20 What happens if there is a part that comes back in
21 failed now, or if there is an emergency in the fleet, all the
22 activities are in this one facility to respond very quickly.

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1 The Navy concurs in this.
2 They have no problem that the rapid response is
3 there.
4 What happens, as you can see, is a very short
5 movement of parts, engineering prototypes and things, if you
6 do have a problem -- to get them out, test them on the sled,
7 take them back into the engineering area, evaluate them; if
8 you need, go back out, again, or to the catapult area.
9 What would happen under the cantonment is that the
10 catapult and those things would be kept there because they --
11 Initially the Navy had proposed moving them, but it turned
12 out to be way too costly, so what they are doing is
13 separating the in-service engineering functions and moving
14 them to other Navy facilities.
15 They are taking the support equipment, the yellow
16 boxes, as you and I know them, that are done there to support
17 these activities, and they are moving those to Pax River.
18 They are moving the manufacturing or the prototype shop that
19 responds quickly to fixes, or takes the design engineering
20 part for this development and makes it quickly so the
21 engineers can see what they have done -- they are moving that
22 to Jackson -- or, propose to move that to Jacksonville.

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1 It does take away a quick response capability,
2 unless you have airplanes standing by, or something, you
3 know, to move those.
4 Now, in terms of the valves which are the critical
5 issue on the catapult, in that the Navy says that they would
6 handle this in some measure by building up the stockpile and
7 be able to move valves back and forth out of stockpiles vis-
8 a-vis fixing them, as they have been doing, a number of them
9 in the past.
10 So essentially, they are keeping the ability to use
11 the catapult there, but they are putting the training in to
12 Pensacola. You would train someone and with the training
13 center there, they go out of the training area; they go out
14 and use the catapult and the seat ejection and everything.
15 Now, they will have to train in Pensacola. They
16 will come TDY to Lakehurst and perform their hands-on with
17 the sleds and the catapults; go back down -- and this is the
18 scenario that is described by the Navy -- go back down to
19 their training. Then they will make one more trip back up,
20 then graduation through that course. So it does require TDY
21 of the students back and forth from Pensacola to Lakehurst,
22 whereas they're right there now.

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1 It also involves people moving parts back and forth
2 to see that, if they work, they'll fabricate these parts in
3 Jacksonville then will ship them back up to this area to see
4 that they work properly and, you know, if all things go well,
5 they will. I don't have any reason to think that they won't.
6 But, should there be a problem, they will have to ship them
7 back to Jacksonville and then back up to Lakehurst.
8 So they've just simply made the logistics more
9 difficult. I don't think anyone believes it's impossible.
10 COMMISSIONER MONTOYA: Thank you.
11 CHAIRMAN DIXON: Commissioner Kling.
12 COMMISSIONER KLING: Just following up on that a
13 little bit more, really, what you're saying is we're taking
14 the engineering, we're taking the manufacturing, we're moving
15 those, and yet we're leaving what they would engineer and
16 what they'd manufacture at that spot.
17 As manufacturing in your lifetime -- that has been
18 your business, manufacturing and doing that -- do you think
19 this makes -- are there any major fallacies to this? How do
20 you look upon this?
21 MR. OWSLEY: The function is very clear to me, that
22 they work much better being together. What the Navy does in

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1 almost all their recommended closures during this and
2 previous things, is they reduce personnel significantly and,
3 when they close an activity, they don't transfer everybody,
4 so they save some money.
5 We asked: "If you can do without those people, why
6 don't you downsize and keep the Lakehurst complex?"
7 To that, there is the response that there is some
8 synergism and overhead that can be cut out by moving to these
9 other activities, because the Navy is moving, as you will
10 notice, during this whole hearing, when you get to the Navy
11 part, and then the ones involved here are centralizing at
12 Patuxent River, and some in Norfolk, but a lot in China Lake.
13 So you'll see a lot of movement of things to the
14 three primary areas that the Navy believes that they can
15 support in the future. So that was a part of the drive.
16 What they're trying to do is centralize things in those three
17 regions.
18 I think that, when they finally found out that they
19 could not move the catapults and things like that, there may
20 not have been enough time for them to consider leaving the
21 things that they'd already decided to move that supported
22 those activities.

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1 MR. FARRINGTON: I'd like to add a comment please
2 -- Les Farrington.
3 I had the opportunity to make two --
4 CHAIRMAN DIXON: Excuse me, Mr. Farrington.
5 MR. FARRINGTON: I'm sorry.
6 CHAIRMAN DIXON: I'm just looking around up here.
7 Mr. Farrington.
8 MR. FARRINGTON: I've had the opportunity to make
9 two visits to Lakehurst and observe the operation in total.
10 It's not just a logistics question, and this is really not a
11 cost issue, of those increased costs putting it way over a
12 savings.
13 This is a problem of design teams being broken up,
14 being able to respond to fleet emergencies and fleet
15 problems, and it's not a manufacturing capabilities. It's a
16 onesie, twosie operation. They design replacement part or
17 modified part, do the drawing, do the prototyping, and then
18 go out to industry and buy the part, if that be the case.
19 So this is a problem of breaking up design teams, I
20 believe, and spreading them out to different places, and not
21 being able to respond to the fleet in a timely manner, which
22 as you well know, could result in serious consequences if

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1 that wouldn't be taken care of.
2 Thank you.
3 CHAIRMAN DIXON: Are there any further comments or
4 questions by commissioners? Who is asking for recognition?
5 Commissioner Cornella.
6 COMMISSIONER CORNELLA: I visited a fair number of
7 installations, and I would say, if I had to put two of them
8 that didn't make any sense on a list, this would be one of
9 the two.
10 This started out that we were going to look at, I
11 think, at closing this installation. It was quickly
12 determined that, as you see the left hand of that slide up
13 there, that the five test tracks, the launch facility test
14 area, and all the things that are located there, it was
15 quickly determined that it just didn't make a lot of sense.
16 So it was decided to try to cantone this and, in
17 that process, I believe the cost of moving all that equipment
18 to Jacksonville was left out. We addressed that at previous
19 hearings, and I'm not going into great detail on that, other
20 than to say that there are substantial costs there that may
21 not be accounted for at this point, that will be incurred if
22 that move is made.

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I don't dispute that there could be some savings on [illegible]y taking the action recommended by the Secretary, but I [illegible]also close one wing of the Pentagon and probably [illegible]ce savings, too. This is not an issue about costs or savings. This is an issue about Criterion No. 1, or military readiness.

What this facility does it is produces prototypes in some cases, and procures all single-point items that are dealing with the launch and recovery of aircraft from Naval ships.

If the move is made, valves that are remanufactured at Jacksonville will have to be shipped back up to Lakehurst for testing, as I understand it. Right now, that is being done for -- I believe the figure was $66,000 a year; and it's projected that that would cost how many million dollars if that move is made? Is there such a figure that you have?

MR. KERNS: There was a figure that was provided by the community, and the Navy felt that it was grossly over-exaggerated, based on travel estimates.

COMMISSIONER CORNELLA: But there's no dispute that it would cost more to ship those valves -- which are about as big as a Volkswagen -- to ship those valves from

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Jacksonville?

MR. KERNS: No, there is no dispute.

COMMISSIONER CORNELLA: Okay, rather than just taking them across the base and testing those valves?

MR. KERNS: Yes.

COMMISSIONER CORNELLA: And, if they would have to be retested, they would have to -- or remanufactured, if there was a problem with the valve, it would go all the way back to Jacksonville and back again.

You know, as I've said, this recommendation, to me, [illegible] that makes the least sense, and I support rejection of [illegible]commendation.

CHAIRMAN DIXON: Thank you, Commissioner Cornella. Are there further comments? Commissioner Steele?

COMMISSIONER STEELE: My only comment -- and it was going to be quick -- Mr. Farrington, the community says there will be a 50-day separation, response time, and your staff finding is a longer response time. Do you anticipate a very lengthy response time like the community does?

MR. FARRINGTON: Yes, we would.

COMMISSIONER STEELE: That concerned you? Okay.

MR. FARRINGTON: Yes, we would.

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COMMISSIONER STEELE: Okay. That was my only question. Thank you.

CHAIRMAN DIXON: Thank you. Are there any further questions or statements? Mr. Owsley.

MR. OWSLEY: I need to speak for the Navy on this one. If they're willing to spend the money or rotate the valves around, they can have valves near where they need to have them and they can take the additional time without fleet risk, and they made that clear to us. There is money involved with that, but they can protect the schedule -- and I think we need to say that -- with spares being available.

CHAIRMAN DIXON: All right. Are there further comments or any further questions?

COMMISSIONER COX: I just want to support Commissioner Cornella's comment. I also had the opportunity to visit Lakehurst; and, while it may have started out as a good idea, by the time it got done, it's very clear that operationally and readiness will clearly be affected.

CHAIRMAN DIXON: Thank you, Commissioner Cox. Are [illegible] any further comments or questions?

[illegible] (No response.)

[illegible] CHAIRMAN DIXON: Is there a motion?

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COMMISSIONER CORNELLA: I have a motion, sir.

CHAIRMAN DIXON: Commissioner Cornella.

M O T I O N

COMMISSIONER CORNELLA: I move that the Commission find that the Secretary of Defense deviated substantially from Final Criterion 1 and, therefore, that the Commission reject the Secretary's recommendation on Naval Air Warfare Center, Aircraft Division, Lakehurst, New Jersey and, instead, adopt the following recommendation:

"The Naval Air Warfare Center, Aircraft Division, Lakehurst, New Jersey will remain open. The Commission finds this recommendation is consistent with the force structure plan and final criteria."

CHAIRMAN DIXON: Is there a second?

COMMISSIONER COX: Second.

CHAIRMAN DIXON: Commissioner Cornella moves and Commissioner Cox seconds a motion to keep open Lakehurst. Are there any further comments?

(No response.)

CHAIRMAN DIXON: Counsel will call the roll.

MS. CREEDON: Commissioner Cornella.

COMMISSIONER CORNELLA: Aye.

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MS. CREEDON: Commissioner Cox.

COMMISSIONER COX: Aye.

MS. CREEDON: Commissioner Davis.

COMMISSIONER DAVIS: Aye.

MS. CREEDON: Commissioner Montoya.

COMMISSIONER MONTOYA: Aye.

MS. CREEDON: Commissioner Robles.

COMMISSIONER ROBLES: Aye.

MS. CREEDON: Commissioner Steele.

COMMISSIONER STEELE: Aye.

MS. CREEDON: Mr. Chairman.

CHAIRMAN DIXON: No.

MS. CREEDON: Commissioner Kling.

COMMISSIONER KLING: Aye.

MS. CREEDON: Mr. Chairman, the vote is seven ayes and one nay.

CHAIRMAN DIXON: The vote is seven ayes and one nay. The motion carries, and Lakehurst remains open.

MR. OWSLEY: The next area that we will cover is electronic combat testing facilities.

CHAIRMAN DIXON: Wait a minute, now, Mr. Owsley. I think you're thrown us off the Air Force group.

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MR. LYLES: Tab E in your notebooks, Mr. Chairman.

CHAIRMAN DIXON: What?

MR. LYLES: Tab E in your notebooks.

CHAIRMAN DIXON: Okay. Air Force Installations.

MR. OWSLEY: And the first group up here is electronic combat testing facilities. We're going to talk about three installations as a group, because of their inter-relation to electronic combat testing. The three installations are Eglin, REDCAP, and AFEWES.

DOD proposes closing the Electronic Combat Testing Facility at Air Force's Electronic Warfare Evaluation Simulator Activity -- AFEWES -- Fort Worth, Texas; the Real-Time Digitally Controlled Analyze Processor -- REDCAP -- Buffalo, New York; and moving the Electromagnetic Test Environment at Eglin Air Force Base, Florida to Nellis. All of these realignments will have a significant impact on electronic combat test and evaluation infrastructure.

The current Air Force electronic test and evaluation process uses test range and simulation facilities at AFEWES, REDCAP, and Eglin to test new electronic combat equipment against potential threats before that equipment is flown on Eglin's open-air range. This process allows

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1 equipment to be tested on the ground before starting
2 expensive airborne testing.
3 The Air Force is proposing to disestablish this
4 infrastructure and develop a new simulation facility at
5 Edwards Air Force Base and focus its open-air testing at the
6 Nellis Air Force Base complex.
7 A major issue with two of these inter-related
8 electronic combat realignments -- Eglin and AFEWES -- is
9 cost. In each case, costs have been increased or costs have
10 been significantly understated.
11 Other issues deal with electronic linking and test
12 capabilities. In conducting our analysis, we relied heavily
13 on two sources -- DOD's Board of Directors for Test and
14 Evaluation and Georgia Tech's Research Institute. The
15 independent board, which consists of senior-level
16 representatives from Army, Navy, and Air Force, has examined
17 the consolidation electronic combat testing facilities.
18 Georgia Tech recently completed a comprehensive of the
19 electronic combat infrastructure.
20 In addition, we obtained data from Air Force's Air
21 Warfare Center and Special Operations Command that showed
22 additional costs of having to conduct operation at Nellis,

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1 rather than Eglin, based on the proposed move.
2 The testing community supporting these electronic
3 combat facilities has demonstrated strong support for the
4 completion of an Electronic Combat Master Plan in order to
5 ensure infrastructure changes to the electronic combat
6 facilities are made in the most cost-effective manner.
7 On June 20, 1995, the Air Force provided the
8 Commission with a draft copy of the Air Force's contribution
9 to the master plan. The Air Force has advised that the DOD
10 master plan is currently being drafted by the board of
11 directors and is scheduled to be completed prior to fiscal
12 year 1997.
13 I will now discuss each of these test facilities:
14 DOD recommends the realignment of Eglin Air Force
15 Base by relocating the Electromagnet Test Environment to the
16 Nellis Air Force Base complex. All other activities and
17 facilities associated with Eglin are to remain open. The
18 costs proposed by DOD have increased, but are still
19 considerably below staff finding that would indicate the most
20 to be cost-effective.
21 The second issue is range consolidation. The Air
22 Force proposed consolidation testing at Nellis. The

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1 community is concerned with testing delays and points out
2 that Edwards is also involved, causing increased costs. The
3 Nellis-Edwards consolidation dismantles the highest rated
4 electronic test range in DOD.
5 The last issue is the Electronic Combat Master Plan
6 that was agreed by all as necessary prior to the move of test
7 assets. The scenario summary indicates a DOD-projected two-
8 year return on investment. As previously discussed, the
9 increased costs indicate there will never be a payback.
10 This ends the discussion on Eglin Air Force Base.
11 Do you have any question on this testing activity?
12 COMMISSIONER COX: Can I ask some questions about
13 cost?C
14 CHAIRMAN DIXON: Commissioner Cox.
15 COMMISSIONER COX: If I'm looking at the right one
16 here, you all are projecting a one-time cost of $15.7 million
17 for the move?
18 MR. OWSLEY: That's correct.
19 COMMISSIONER COX: And the return on investment is
20 never?
21 MR. FARRINGTON: That's because of the recurring
22 costs that have been added for the cost of operations from

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1 AFSOC and AWC to the Nellis range.
2 COMMISSIONER COX: And this isn't just the
3 community's view? You all have looked at it and you agree?
4 MR. OWSLEY: We've got data in the recurring costs.
5 We've got data from both AFSOC and AWC. We're using a lot of
6 acronyms here.
7 COMMISSIONER COX: Right.
8 MR. OWSLEY: The Special Operations Force has moved
9 their operation to Holbert Field, which is at Eglin or right
10 at Fort Walton Beach, to cut down on these costs and make
11 accessibility of testing quick.
12 Unless they move their headquarters and the plains
13 and things to the Holbert Field operation, they will have to
14 fly their airplanes from Florida out to the West Range to run
15 their tests, and those costs were excluded, and we received
16 those costs and put them in our estimates.
17 COMMISSIONER COX: So you've looked at these,
18 you've validated them, to the extent that that's possible to
19 do?
20 MR. OWSLEY: Yes, we have.
21 COMMISSIONER COX: I I'm having a hard time in the
22 sense that one of the things we've heard from the Air Force

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1 is that they're really tight on one-time costs. They are
2 very concerned that they're going to be spending limited
3 dollars on one-time costs, even if there are savings in the
4 future.
5 Now, we have a huge one-time cost and no savings in
6 the future. I guess I'm trying to figure out why we're doing
7 this.
8 MR. OWSLEY: Commissioner, the Air Force, I don't
9 believe, has concurred in our findings.
10 COMMISSIONER COX: I see.
11 MR. OWSLEY: So I don't want to indicate that they
12 have. There are further questions raised by the community
13 that we did not have time to investigate thoroughly, and that
14 is the cost of actually setting up these new simulators and
15 that, and how long it will take to get them online, and those
16 tests, or those costs, were not in the Air Force COBRA, and
17 that's because they believe they can set them up very quickly
18 and not have to spend money. That has not been the case in
19 the past. They may be fortunate this time.
20 MR. FARRINGTON: An example of that type of cost
21 would be the MILCON cost to accommodate those 17 simulators
22 that will be going from Eglin to Nellis. The Air Force is

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1 looking at what that would cost. They have not estimated
2 that.
3 We took that cost from the board of directors
4 study, that independent group, so that's where we got our
5 number in the MILCON area. The Air Force has not estimated,
6 so we put that in.
7 COMMISSIONER COX: Maybe Commissioner Davis could
8 comment.
9 CHAIRMAN DIXON: Commissioner Davis.
10 COMMISSIONER DAVIS: I have a couple questions.
11 One of them is, this should be part of an electronic combat
12 plan, which we've been trying to put together for years, and
13 you received a draft plan, I think, just recently. Did you
14 have a chance to take a look at it? And how does that play?
15 MR. OWSLEY: That is the Air Force only. The
16 combat plan requires all three services. We do not have
17 anything from them. I personally have not had time to review
18 it. We got it like two nights ago, as you know.
19 CHAIRMAN DIXON: Mr. Farrington.
20 MR. FARRINGTON: That is the Air Force input. It
21 mentions the other services, Army and Navy, but it doesn't go
22 into any detail in terms of what their future plans would be

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1 in electronic combat.
2 I might mention that the FY '97 is the date upon
3 DOD expects to have that master plan completed, so it's
4 ut in the future.
5 COMMISSIONER DAVIS: May I continue? There are
6 several other related programs that go along with it; and, in
7 your estimation, the synergy of those other programs don't
8 mandate a move on this particular case?
9 MR. OWSLEY: No, I think the problem -- and you
10 really you know now this is a complex area we're trying to
11 discuss in a few minutes, here, because you and I have talked
12 about that -- the thing that is worrisome to the test
13 community is that, in fact, they are dismantling a fair
14 amount of the capability of REDCAP, which is the program that
15 flies airplanes into the danger areas, and AFEWES, which is
16 the facility that tests the electronic equipment aboard that
17 airplane to jam things as they go along that path.
18 The Air Force intends, they said, in the future --
19 if possible, and that have funding -- to reassemble those
20 capabilities out west, but they do not have those costs in
21 the COBRAs.
22 So we understand some of the things bothering the

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1 Air Force, they believe these facilities are under-utilized
2 -- and, you know, we can talk about it -- and, indeed, in
3 many instances, I believe that's the case.
4 However, to rebuild, three years ago, the Air Force
5 spent $50 million to modernize AFEWES in Fort Worth, Texas,
6 to make it up to current threats. That will be lost when
7 they dismantle it and do not move it to the west test
8 complex. There is a big disagreement.
9 You know, the west test complex that they're
10 talking about is a training range now, basically, as opposed
11 st range. They're trying to make that conversion from
12 ing range to a test range. And that's not to say that
13 don't have both those capabilities out west. They do.
14 They just don't have as much free air time, nor do they have
15 the emitters that the Air Force committed to putting into
16 Eglin for the last 20 years.
17 COMMISSIONER DAVIS: If this Commission rejects the
18 Department of Defense, there's nothing to prevent the
19 Department of Defense from going ahead and making those
20 moves?
21 MR. OWSLEY: No, sir, that's correct. In fact,
22 this is below the threshold, and we were openly told in our

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1 meetings with them that they put it in to avoid having to get
2 on into this issue of getting the master plan approved, and
3 that.
4 I think that's of concern to me, because it's not
5 easy to get the testing community to agree on things, and I
6 understand that, but it would be nice if they had a stronger
7 input before this action is taken.
8 COMMISSIONER DAVIS: And one last question. Eglin
9 Air Force Base, is it related to any of these other moves
10 that we're talking about, or will it stand on its own?
11 MR. OWSLEY: No, sir; it will stand on its own. We
12 have motions on their one, because they were presented by the
13 Department of Defense that way.
14 COMMISSIONER STEELE: Mr. Chairman?
15 CHAIRMAN DIXON: Are there any further questions?
16 Commissioner Steele.
17 COMMISSIONER STEELE: For General Davis, if you
18 could just let me know your comfort level or lack of comfort
19 level with this as a group, I would appreciate hearing your
20 on on this.
21 COMMISSIONER DAVIS: Well, given my past history,
22 not sure that's very helpful.

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1 (Laughter.)
2 CHAIRMAN DIXON: Give it a try, General, give it a
3 try.
4 COMMISSIONER STEELE: I thought I was being nice.
5 I didn't know I'd put you on the spot.
6 COMMISSIONER DAVIS: The problem with this
7 particular issue -- and there are some things we can't talk
8 about in this room -- is that the Air Force and Department of
9 Defense has been trying to put together an electronic combat
10 plan for years and years and years, and to try to get it
11 meshed into a very complete road map that would give us a
12 sort of an R&D approach for the future years.
13 I haven't seen one in my last 15 years of service.
14 We keep hearing there's one and this hot biscuit is going to
15 show up very soon. This would be the first part of forcing
16 that issue, if we approved these motions.
17 However, on the other hand, the Air Force could go
18 ahead and do this part, anyway, without our help. There is
19 some concern in the Air Force that, if we don't force it, the
20 issue will not be forced.
21 CHAIRMAN DIXON: Now, Commissioner Kling.
22 COMMISSIONER KLING: Just on that same subject, so

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1 I guess what we're saying here, I believe, is that, from a
2 dollars and cents standpoint, this probably doesn't make
3 sense, because, if you just took the three locations, you'd
4 have roughly $19 million in up front costs and a savings of
5 $3 million a year, 3.8, plus whatever we think is higher.
6 So there must be -- this must make very, very good
7 sense, from a training, from a future development, and a
8 better way to operate bases. Is that a fair assumption?
9 MR. OWSLEY: I believe that that's the Air Force's
10 position, sir.
11 CHAIRMAN DIXON: Mr. Farrington.
12 MR. FARRINGTON: May I just add one point to
13 General Davis's point?
14 I haven't given up on inter-servicing, even though
15 this past BRAC '95 results were fairly disappointing, of
16 which you are aware. I think this master plan, or some such
17 document, would help or maybe start the road along further to
18 obtain the servicing. And considering, for example, the
19 Navy's, you know, China Lake capability that they have up
20 there in electronic combat, maybe we can get more inter-
21 servicing through that process than we have up to now.
22 CHAIRMAN DIXON: Okay. Thank you, Mr. Farrington.

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1 Do you have something to say about --
2 MR. OWSLEY: One last thing I should say. In the
3 meeting, the subject came up of funding, and the Air Force
4 representatives in the meeting also believed that this BRAC
5 funding would help them accomplish something which they do
6 not currently have funding to do.
7 CHAIRMAN DIXON: Okay. Any further questions? Is
8 there any further comment?
9 COMMISSIONER COX: I would just ask Commissioner
10 Davis a question, because I feel uncomfortable in the sense I
11 feel like we're being used by the group that wants to have
12 the master plan, which may be a very good idea, and that
13 group apparently wants funding, as well, but there are no
14 savings here.
15 So is this an appropriate BRAC decision? Should we
16 be deciding to go down the master plan? Is that right?
17 COMMISSIONER DAVIS: Some of those constraints have
18 not bothered us before.
19 COMMISSIONER COX: That's true.
20 COMMISSIONER DAVIS: But I would say that the
21 process here, the BRAC would help the service do something
22 they've been unable to do by themselves.

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1 COMMISSIONER COX: I guess I'd feel better about it
2 if it saved money.
3 COMMISSIONER DAVIS: This particular one will not.
4 Now, there's one later on that we've got to have, because it
5 saves money.
6 CHAIRMAN DIXON: Are there any further questions or
7 philosophical discussions by any of my colleagues?
8 (No response.)
9 CHAIRMAN DIXON: Is there a motion?
10 (No response.)
11 CHAIRMAN DIXON: If we only had a motion. Is there
12 a motion?
13 M O T I O N
14 COMMISSIONER KLING: So moved. I would move the
15 Commission find the Secretary of Defense did not deviate
16 substantially from the final criterion, Force Structure, and,
17 therefore, the Commission adopt the following recommendation
18 of the Secretary of Defense:
19 "Realign Eglin Air Force Base, Florida.
20 "The Electromagnetic Test Environment, consisting
21 of eight electronic combat threat simulator systems and two
22 EC Pod systems will relocate to Nellis Air Force Base

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1 Complex, Nevada.
2 "Those emitter-only systems at the Air Force
3 Development Test Center at Eglin Air Force Base necessary to
4 support the Air Force Special Operations Command, the United
5 States Air Force Air Warfare Center, and Air Force Materiel
6 Command Armament, Weapons, Test and Evaluation Activity, will
7 be retained.
8 "All other activities and facilities associated
9 with Eglin will remain open."
10 CHAIRMAN DIXON: You've heard the motion by
11 Commissioner Kling to realign Eglin. Is there a second?
12 COMMISSIONER COX: I'm sorry. This would spend the
13 money and realign Eglin.
14 COMMISSIONER CORNELLA: I second the motion.
15 CHAIRMAN DIXON: There's a second by Commissioner
16 Cornella. Is there any comment by any Commissioner?
17 (No response.)
18 CHAIRMAN DIXON: Are there any questions by
19 Commissioner?
20 (No response.)
21 CHAIRMAN DIXON: Counsel will call the roll.
22 MS. CREEDON: Commissioner Kling.

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1 COMMISSIONER KLING: Aye.
2 MS. CREEDON: Commissioner Montoya.
3 COMMISSIONER MONTOYA: Aye.
4 MS. CREEDON: Commissioner Robles.
5 COMMISSIONER ROBLES: Aye.
6 MS. CREEDON: Commissioner Steele.
7 COMMISSIONER STEELE: Aye.
8 MS. CREEDON: Commissioner Cornella.
9 COMMISSIONER CORNELLA: Aye.
10 MS. CREEDON: Commissioner Cox.
11 COMMISSIONER COX: No.
12 MS. CREEDON: Commissioner Davis.
13 COMMISSIONER DAVIS: Aye.
14 MS. CREEDON: Mr. Chairman?
15 CHAIRMAN DIXON: Aye.
16 MS. CREEDON: Mr. Chairman, the vote is seven ayes
17 and one nay.
18 CHAIRMAN DIXON: And the motion to realign Eglin
19 prevails.
20 MR. OWSLEY: The next area, Mr. Commissioner, is
21 the part we discussed of this, which is REDCAP, which is
22 located in New York. REDCAP is a test facility that

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1 simulates an enemy air defense system in order to measure how
2 effective aircraft can penetrate an enemy's air space.
3 Although the chart being displayed shows three
4 issues, I will stick my comments to cost and estimated work
5 load. As you can see, estimated one-time cost to close is
6 increased from 1.7 to 3.7 million due to an additional
7 military construction and moving costs associated with this
8 action. Based on DOD's recommendation to move 40 percent of
9 the total mission, commission staff findings estimated an
10 actual one-time cost of 4.2 million with a payback period in
11 five years.
12 Utilization was estimated at very low by the Air
13 Force, while the community differed greatly to 93 percent.
14 The board of directors who assessed it said utilization was
15 at 50 to 60 percent for Fiscal '94 and '95. And I don't
16 think there was so much a difference as it might indicate
17 there. It was the ground rules at which one went to judge
18 utilization, whether setup time and data reduction was part
19 of the test or not.
20 The scenario summary shows the pros and cons and
21 the differences in the cost factors previously discussed.
22 Are there any further questions?

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1 CHAIRMAN DIXON: Are there any questions of Mr.
2 Owsley regarding REDCAP?
3 (No response.)
4 CHAIRMAN DIXON: Are there any comments by any
5 commissioner regarding this issue?
6 COMMISSIONER COX: Mr. Owsley –
7 CHAIRMAN DIXON: Commissioner Cox.
8 COMMISSIONER COX: I know there is an issue here of
9 whether – are these government employees?
10 MR. OWSLEY: No, these are contractor employees
11 operating in a contractor facility using government
12 equipment.
13 CHAIRMAN DIXON: Any further questions of Mr.
14 Owsley?
15 (No response.)
16 CHAIRMAN DIXON: Any further comments?
17 (No response.)
18 CHAIRMAN DIXON: Is there a motion?
19 COMMISSIONER DAVIS: I have a motion, Mr. Chairman.
20 CHAIRMAN DIXON: Commissioner Davis.
21 M O T I O N
22 COMMISSIONER DAVIS: I move the commission find the

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1 Secretary of Defense did not deviate substantially from the
2 final criteria on force structure and, therefore, the
3 commission adopt the following recommendation of the
4 Secretary of Defense: To establish a real-time visually
5 controlled analyzer processing activity REDCAP at Buffalo,
6 New York; required test activities necessary to support it be
7 located at Air Force Flight Test Center Edwards Air Force
8 Base, California; any remaining equipment will be disposed
9 of.
10 CHAIRMAN DIXON: And is there a second to that
11 motion?
12 COMMISSIONER KLING: Second.
13 CHAIRMAN DIXON: Commissioner Kling seconds the
14 motion of Commissioner Davis. Any comments?
15 (No response.)
16 CHAIRMAN DIXON: Any questions?
17 (No response.)
18 CHAIRMAN DIXON: Counsel will call the roll.
19 MS. CREEDON: Commissioner Davis.
20 COMMISSIONER DAVIS: Aye.
21 MS. CREEDON: Commissioner Kling.
22 COMMISSIONER KLING: Aye.

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1 MS. CREEDON: Commissioner Montoya.
2 COMMISSIONER MONTOYA: Aye.
3 MS. CREEDON: Commissioner Robles.
4 COMMISSIONER ROBLES: Aye.
5 MS. CREEDON: Commissioner Steele.
6 COMMISSIONER STEELE: Aye.
7 MS. CREEDON: Commissioner Cornella.
8 COMMISSIONER CORNELLA: Aye.
9 MS. CREEDON: Commissioner Cox.
10 COMMISSIONER COX: No.
11 MS. CREEDON: Mr. Chairman.
12 CHAIRMAN DIXON: Aye.
13 MS. CREEDON: Mr. Chairman, the vote is seven ayes
14 and one nay.
15 CHAIRMAN DIXON: And that motion passes seven to
16 one.
17 Air Force Electronic Warfare Evaluation System,
18 Fort Worth.
19 MR. OWSLEY: DOD recommends that the Air Force
20 Electronic Warfare Evaluation Simulator activity in Fort
21 Worth be disestablished and moved to Edwards Air Force Base,
22 California. Workload and selected AFEWES equipment will be

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1 transferred to Edwards and the remaining equipment is to be
2 disposed of.
3 AFEWES is a unique laboratory created in 1958 for
4 the testing the effectiveness of aircraft defensive counter-
5 measures. It is located within Air Force plant four and
6 operated by Lockheed Fort Worth Company.
7 I would like to address -- if you would put up the
8 next chart, please. I would like to address three issues:
9 cost, capability and electronic data linking. The DOD board
10 of directors, Georgia Tech, and the AFEWES community have
11 significant concern over the cost to move Edwards
12 S -- move AFEWES to Edwards. I should point out Georgia
13 n these instances, by the way, is working for the U.S.
14 Air Force. That is why they are being referred to and used.
15 They are not operating independently.
16 The staff believes that costs have been
17 significantly underestimated by the Air Force. The current
18 one-time cost according to the Air Force is $9 million with a
19 payback of 13 years. As you can see on the chart being
20 displayed, after applying commission staff estimates, the
21 disestablishment of AFEWES is not cost-effective. Relocating
22 AFEWES capabilities poses a major technical risk because of

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1 the system's unique ability to fully evaluate aircraft
2 performance in a defense threat environment.
3 Electronic data linking has been offered as an
4 alternative to co-locating to a major test range. The Air
5 Force did not believe this was possible. They commissioned
6 Georgia Tech to do this. Georgia Tech shows it to be cost-
7 effective and feasible.
8 We will go to the final chart, which is a scenario
9 chart which repeats these issues we have just talked about.
10 The 13-year ROI has been seriously questioned by the
11 commission staff; however, it is hard to come by all the
12 figures since we are only talking about reconstructing part
13 of this capability.
14 I will take any questions.
15 CHAIRMAN DIXON: Are there any questions of Mr.
16 Owsley?
17 COMMISSIONER DAVIS: I do have one, Mr. Chairman.
18 CHAIRMAN DIXON: Commissioner Davis.
19 COMMISSIONER DAVIS: What is the cost that -- we
20 ct for this, is that correct?
21 MR. OWSLEY: Yes, we contract with Lockheed Fort
22 n, who used to be General Dynamics.

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1 COMMISSIONER DAVIS: What is the cost of the
2 contract on an annual basis?
3 MR. OWSLEY: I don't think we have this, but I can
4 tell you it is quite -- I know -- I guess whether it's quite
5 expensive depends on how much oil you have. There is 100
6 people approximately involved, Commissioner, that is required
7 to keep this open, which I consider quite a few people for an
8 activity that sometimes is not used and then other times it
9 becomes very vital. That is a problem the Air Force has that
10 they're trying to get -- through the years we're trying to
11 get more users to cut down the cost but it is a cost to the
12 Air Force.
13 COMMISSIONER DAVIS: So the Air Force effectively
14 could kill the program by removing that funding line from
15 their budget?
16 MR. OWSLEY: Yes, that's correct.
17 COMMISSIONER DAVIS: Thank you.
18 CHAIRMAN DIXON: Are there any further questions of
19 Mr. Owsley regarding this particular issue?
20 (No response.)
21 CHAIRMAN DIXON: Is there any comment by any
22 commissioner?

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1 (No response.)
2 CHAIRMAN DIXON: Is there a motion by any
3 commissioner?
4 COMMISSIONER DAVIS: I have a motion.
5 CHAIRMAN DIXON: Commissioner Davis.
6 MOTION
7 COMMISSIONER DAVIS: I move the commission find the
8 Secretary of Defense deviated substantially from the final
9 criteria one, four, and five and, therefore, the commission
10 reject the Secretary's recommendation on the Air Force
11 Electronic Warfare Evaluation Simulator AFEWES and instead
12 adopt the following recommendation: retain the Air Force
13 Electronic Warfare Evaluation Simulator. The commission
14 finds this recommendation is consistent with force structure
15 plan and final criteria.
16 COMMISSIONER CORNELLA: I second the motion.
17 CHAIRMAN DIXON: All right. It is moved by
18 Commissioner Davis, seconded by Commissioner Cornella, that
19 we reject the Secretary's recommendation on the Air Force
20 Electronic Warfare Evaluation Simulator and retain the
21 simulator.
22 Is that correct? That is the motion?

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1 COMMISSIONER DAVIS: That is the motion.
2 CHAIRMAN DIXON: Are there any comments on the
3 motion?
4 (No response.)
5 CHAIRMAN DIXON: Counsel will call the roll.
6 MS. CREEDON: Commissioner Davis.
7 COMMISSIONER DAVIS: Aye.
8 MS. CREEDON: Commissioner Kling.
9 COMMISSIONER KLING: Aye.
10 MS. CREEDON: Commissioner Montoya.
11 COMMISSIONER MONTOYA: Aye.
12 MS. CREEDON: Commissioner Robles.
13 COMMISSIONER ROBLES: Aye.
14 MS. CREEDON: Commissioner Steele.
15 COMMISSIONER STEELE: Aye.
16 MS. CREEDON: Commissioner Cornella.
17 COMMISSIONER CORNELLA: Aye.
18 MS. CREEDON: Commissioner Cox.
19 COMMISSIONER COX: Aye.
20 MS. CREEDON: Mr. Chairman.
21 CHAIRMAN DIXON: No.
22 MS. CREEDON: Mr. Chairman, the vote is seven ayes

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1 and one nay.
2 CHAIRMAN DIXON: And the motion is carried and the
3 recommendation of the Secretary is rejected.
4 Hill Air Force Base, Utah, Test and Training Range.
5 MR. OWSLEY: I think most people are familiar with
6 this. We have simply one cost chart and one chart to explain
7 DOD recommends the realignment of Hill Air Force Base by
8 disestablishing the test range activity at Utah Test and
9 Training Range, changing the management responsibility for
10 the test range from Air Force Material Command to Air Combat
11 Command.
12 The staff found no issues with respect to this
13 realignment. Are there any questions?
14 CHAIRMAN DIXON: Are there any questions of Mr.
15 Owsley with respect to the Hill Air Force Base, Utah, Test
16 and Training Range?
17 (No response.)
18 CHAIRMAN DIXON: Are there any comments by any
19 commissioner?
20 (No response.)
21 CHAIRMAN DIXON: Is there a motion?
22 COMMISSIONER STEELE: I will make a motion.

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1 CHAIRMAN DIXON: Commissioner Steele.
2 MOTION
3 COMMISSIONER STEELE: I move the commission find
4 the Secretary of Defense did not deviate substantially from
5 the final criteria and force structure plan and, therefore,
6 the commission adopt the following recommendation of the
7 Secretary of Defense: Realign Hill Air Force Base, Utah.
8 The permanent Air Force Materiel Command Test Range activity
9 at the Utah Test and Training Range will be disestablished.
10 Management responsibility for operation of the UTTR will
11 transfer from AFMC to Air Combat Command. Personnel,
12 equipment and systems required for use by ACC to support the
13 training range will be transferred to ACC. Additional AFMC
14 manpower associated with the operation will be eliminated.
15 Some armament weapons test and evaluation workload will
16 transfer to the Air Force Development Test Center, Eglin Air
17 Force Base, Florida, and the Air Force Flight Test Center,
18 Edwards Air Force Base, California.
19 CHAIRMAN DIXON: And that is a motion. Is there a
20 second to the motion by Commissioner Steele?
21 COMMISSIONER DAVIS: I second it.
22 CHAIRMAN DIXON: It is seconded by Commissioner

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1 Davis. Are there any comments by any commissioners
2 concerning the motion?
3 (No response.)
4 CHAIRMAN DIXON: Is there any question by any
5 commissioner?
6 (No response.)
7 CHAIRMAN DIXON: Counsel will call the roll.
8 MS. CREEDON: Commissioner Steele.
9 COMMISSIONER STEELE: Aye.
10 MS. CREEDON: Commissioner Cornella.
11 COMMISSIONER CORNELLA: Aye.
12 MS. CREEDON: Commissioner Cox.
13 COMMISSIONER COX: Aye.
14 MS. CREEDON: Commissioner Davis.
15 COMMISSIONER DAVIS: Aye.
16 MS. CREEDON: Commissioner Kling.
17 COMMISSIONER KLING: Aye.
18 MS. CREEDON: Commissioner Montoya.
19 COMMISSIONER MONTOYA: Aye.
20 MS. CREEDON: Commissioner Robles.
21 COMMISSIONER ROBLES: Aye.
22 MS. CREEDON: Mr. Chairman.

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1 CHAIRMAN DIXON: Aye.
2 MS. CREEDON: Mr. Chairman, the vote is eight ayes
3 and no nays.
4 CHAIRMAN DIXON: That motion unanimously carries.
5 Williams Air Force Base.
6 MR. OWSLEY: The next activity, Williams, involves
7 a redirect. Currently operating at the former Williams Air
8 Force Base is the Armstrong Labs Air Crew Training and
9 Simulation Facility. The actions of the 1991 commission
10 mandated moving the facility to Orlando, Florida, for it to
11 be co-located with Army and Navy simulation activities there.
12 The current recommendation is to leave this facility in place
13 as a stand-alone facility.
14 Other options include returning to the '91
15 commission's decision and the option of moving to Luke Air
16 Force Base. We have studied both of these. They have proven
17 to be cost-ineffective and, therefore, we are available for
18 any questions relative to this.
19 CHAIRMAN DIXON: You heard the statement by Mr.
20 Owsley. Is there any question by any commissioner of Mr.
21 Owsley or his staff?
22 (No response.)

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1 CHAIRMAN DIXON: Any comments by any commissioner?
2 (No response.)
3 CHAIRMAN DIXON: Any motion by any commissioner?
4 COMMISSIONER DAVIS: I have a motion.
5 CHAIRMAN DIXON: Commissioner Davis.
6 COMMISSIONER DAVIS: But I have one question that
7 goes along with it.
8 CHAIRMAN DIXON: Commissioner Davis.
9 COMMISSIONER DAVIS: The Armstrong Lab is contained
10 not only in Mesa but there is parts of it on Luke Air Force
11 Base?
12 MR. OWSLEY: That's true.
13 COMMISSIONER DAVIS: So the motion will have to –
14 well, the motion will have to say what? In the Phoenix area?
15 Because it's located in two different places, is the problem.
16 I don't want to make them move what they have got at Luke
17 back to Mesa.
18 MR. OWSLEY: If we accept the recommendation that
19 was in the DOD submittal we'll be fine, which I can't read.
20 It's too far away.
21 COMMISSIONER DAVIS: Well, I don't – I'm sorry, I
22 don't get the –

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1 CHAIRMAN DIXON: Let's take a moment here for the
2 commissioner and counsel to examine this. Is it the opinion
3 of the director down there wants to say something that we're
4 all right if we accept the recommendation –
5 MR. OWSLEY: The general facility and then any
6 detachments somewhere else?
7 MR. LYLES: As I understand it, Mr. Chairman, we
8 are just talking about the facility at Mesa. Is that
9 correct, Jim?
10 MR. OWSLEY: That's correct.
11 CHAIRMAN DIXON: All right.
12 MOTION
13 COMMISSIONER DAVIS: Thank you, sir. I move the
14 commission find the Secretary of Defense did not deviate
15 substantially from the final criteria on force structure and,
16 therefore, the commission adopt the following recommendation
17 of the Secretary of Defense: Change the recommendation of
18 the 1991 commission regarding the relocation of Williams Air
19 Force Base Armstrong Laboratory Air Crew Training Research
20 Facility to Orlando, Florida, as follows: The Armstrong
21 Laboratory Air Crew Training Research Facility at Mesa,
22 Arizona, will remain at its present location as a stand-alone

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1 activity.
2 CHAIRMAN DIXON: And is there a second to that
3 n?
4 COMMISSIONER STEELE: I'll second that motion.
5 CHAIRMAN DIXON: Seconded by Commissioner Steele.
6 Are there any comments or questions?
7 (No response.)
8 CHAIRMAN DIXON: Counsel will call the roll.
9 MS. CREEDON: Commissioner Davis.
10 COMMISSIONER DAVIS: Aye.
11 MS. CREEDON: Commissioner Kling.
12 COMMISSIONER KLING: Aye.
13 MS. CREEDON: Commissioner Montoya.
14 COMMISSIONER MONTOYA: Aye.
15 MS. CREEDON: Commissioner Robles.
16 COMMISSIONER ROBLES: Aye.
17 MS. CREEDON: Commissioner Steele.
18 COMMISSIONER STEELE: Aye.
19 MS. CREEDON: Commissioner Cornella.
20 COMMISSIONER CORNELLA: Aye.
21 MS. CREEDON: Commissioner Cox.
22 COMMISSIONER COX: Aye.

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1 MS. CREEDON: Mr. Chairman.
2 CHAIRMAN DIXON: Aye.
3 MS. CREEDON: Mr. Chairman, the vote is eight ayes
4 and zero nays.
5 CHAIRMAN DIXON: And the motion carries
6 unanimously. And the chair might observe that this is
7 another example, Director and Mr. Owsley, of the fact that we
8 are going to need to give some kind of ability to these
9 various services in the Department of Defense to do
10 corrections on what we do in this BRAC. This is just another
11 ple of that. And I would point out that we will be
12 g recommendations to the Congress but we are going to
13 the service and the Department of Defense in pretty
14 tough shape if we don't get some method for them to do this
15 in the future without another BRAC coming up soon.
16 MR. OWSLEY: A point very well taken since these
17 requirements changed is why they said let's stay where we
18 are.
19 CHAIRMAN DIXON: Okay. Naval Technical Centers.
20 MR. OWSLEY: The first activity to be discussed in
21 here is the Naval Air Warfare Center Weapons Division, Point
22 Mugu, California. Point Mugu was added by the commission to

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1 study Naval Air Warfare Center Point Mugu for realignment to
2 China Lake. Data received from the Navy shows that the cost
3 to realign negates any significant savings and significant
4 Naval Air Warfare Center personnel reductions over the past
5 few years allowed little opportunity for further
6 consolidations.
7 Therefore, we are ready to answer any questions on
8 Point Mugu.
9 CHAIRMAN DIXON: Now let me explain the situation
10 here. This is an add-on, is that correct?
11 MR. OWSLEY: That's correct, Mr. Chairman.
12 CHAIRMAN DIXON: Any questions or comments are
13 welcome. My understanding is in this situation if there is
14 no motion this is just an add-on and remains in the situation
15 it was in before we voted on May 10th, open.
16 MR. OWSLEY: That's correct, Mr. Chairman.
17 CHAIRMAN DIXON: Okay. Any questions, any
18 comments, any motions?
19 COMMISSIONER MONTOYA: Mr. Chairman.
20 COMMISSIONER COX: I just might make a comment that
21
22 CHAIRMAN DIXON: Wait. Commissioner Montoya.

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1 COMMISSIONER MONTOYA: Thank you. I think I can
2 save us some time. Commissioner Cox and I visited this
3 facility and we visited -- I think it went on the list and we
4 went there because it was under a cloud from a DODIG report,
5 and so we went to satisfy ourselves whether there was still
6 or any factual basis for that.
7 We found, quite frankly, in military value an
8 outstanding facility, a very close command and control
9 relationship between China Lake and Point Mugu, truly a
10 national asset. We also found, as you see today, the cost to
11 close is just not cost-effective.
12 And so I believe I would like to have Mr. Owsley
13 confirm for the record the status of that DODIG report based
14 upon our analysis and get it on the record and get on with
15 voting. And I would also recommend a vote to take it off the
16 list so that will also be on the record in this case. I
17 would urge that upon my colleagues.
18 CHAIRMAN DIXON: Commissioner Cox.
19 COMMISSIONER COX: I will just echo the
20 commissioner's comments. It was, indeed, an excellent
21 facility and I think he said it well as a national treasure.
22 And I think the folks out there are to be commended both for

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1 what they are doing and for the efficiency and capability
2 that they have developed and are continuing. And I agree
3 with the commissioner that we ought to vote just to set the
4 record straight.
5 CHAIRMAN DIXON: Will you make a motion to take it
6 off then, Commissioner?
7 MOTION
8 COMMISSIONER MONTOYA: Mr. Chairman, I move to
9 remove Naval Weapons Center Weapons Division, Point Mugu,
10 California, from any further consideration.
11 CHAIRMAN DIXON: Is that seconded by you,
12 Commissioner Cox?
13 COMMISSIONER COX: Yes, second.
14 CHAIRMAN DIXON: Counsel will call the roll.
15 COMMISSIONER DAVIS: May I have one comment, sir?
16 CHAIRMAN DIXON: Excuse me. Commissioner Davis.
17 COMMISSIONER DAVIS: I have been on the ground
18 there once and phoned that range several times and I would
19 like to add my support to the admiral's motion.
20 CHAIRMAN DIXON: Thank you.
21 COMMISSIONER KLING: My only question was, Mr.
22 Chairman, I thought that a motion was not necessary.

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1 CHAIRMAN DIXON: It is not necessary but every
2 commissioner has the right to make a motion if a commissioner
3 wants to and my good friends and colleagues, Commissioner
4 Montoya and Commissioner Cox feel very strongly that we
5 goofed on this one and we ought to make the record clear we
6 are taking it off.
7 You got any problem with that? Okay. Counsel will
8 call the roll.
9 MS. CREEDON: Commissioner Montoya.
10 COMMISSIONER MONTOYA: Aye.
11 MS. CREEDON: Commissioner Robles.
12 COMMISSIONER ROBLES: Aye.
13 MS. CREEDON: Commissioner Steele.
14 COMMISSIONER STEELE: Aye.
15 MS. CREEDON: Commissioner Cornella.
16 COMMISSIONER CORNELLA: Aye.
17 MS. CREEDON: Commissioner Cox.
18 COMMISSIONER COX: Aye.
19 MS. CREEDON: Commissioner Davis.
20 COMMISSIONER DAVIS: Aye.
21 MS. CREEDON: Commissioner Kling.
22 COMMISSIONER KLING: Absolutely.

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1 MS. CREEDON: Mr. Chairman.
2 CHAIRMAN DIXON: Aye.
3 MS. CREEDON: Mr. Chairman, the vote is eight ayes
4 and zero nays.
5 CHAIRMAN DIXON: Eight to nothing we goofed, and
6 it's off. Mr. Owsley.
7 MR. OWSLEY: Commissioner Montoya, did you want me
8 to answer that question about the IG report?
9 COMMISSIONER MONTOYA: Why don't you answer it
10 for -- well, answer it in one line but have it in the record.
11 Would you, please?
12 MR. OWSLEY: It was a case of an obsolete report
13 that many of the things that they observed were true at one
14 point in time but were overtaken by events such as the
15 consolidation that we saw in the command down 20 percent. It
16 was a failure to recognize work that was lurking around the
17 corner and was about to arrive and did arrive before the IG
18 report was issued. It should have been taken into
19 consideration, in my opinion.
20 So I think we were chasing something that was out
21 of date, so those things all entered into it. Most of the
22 Navy's comments in rejecting that report were accurate.

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1 COMMISSIONER MONTOYA: Thank you.
2 CHAIRMAN DIXON: Thank you. Naval Air Warfare
3 Center, Warminster, Pennsylvania.
4 MR. OWSLEY: DOD recommends the closure of the
5 Naval Air Warfare Center Aircraft Division, Warminster,
6 Pennsylvania, and relocation of appropriate functions,
7 equipment, and support to other technical activities,
8 primarily the Naval Air Warfare Center Aircraft Division,
9 Patuxent River, Maryland.
10 There were no major issues that were identified
11 with respect to this closure. Are there any questions?
12 CHAIRMAN DIXON: Are there any questions?
13 (No response.)
14 MOTION
15 CHAIRMAN DIXON: Commissioners, I move that the
16 commission find that the Secretary of Defense did not deviate
17 substantially from the force structure plan and final
18 criteria and, therefore, that the commission adopt the
19 following recommendation of the Secretary of Defense: Close
20 the Naval Air Warfare Center Aircraft Division, Warminster,
21 Pennsylvania; relocate appropriate functions, personnel,
22 equipment, and support to other technical activities,

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1 primarily the Naval Air Warfare Center Aircraft Division,
2 Patuxent River, Maryland.
3 Is there a second?
4 COMMISSIONER KLING: Second.
5 CHAIRMAN DIXON: Any comment?
6 (No response.)
7 CHAIRMAN DIXON: Counsel will call the roll.
8 MS. CREEDON: Commissioner Cornella.
9 COMMISSIONER CORNELLA: Aye.
10 MS. CREEDON: Commissioner Cox.
11 COMMISSIONER COX: Aye.
12 MS. CREEDON: Commissioner Davis.
13 COMMISSIONER DAVIS: Aye.
14 MS. CREEDON: Commissioner Kling.
15 COMMISSIONER KLING: Aye.
16 MS. CREEDON: Commissioner Montoya.
17 COMMISSIONER MONTOYA: Aye.
18 MS. CREEDON: Commissioner Robles.
19 COMMISSIONER ROBLES: Aye.
20 MS. CREEDON: Commissioner Steele.
21 COMMISSIONER STEELE: Aye.
22 MS. CREEDON: Mr. Chairman.

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1 CHAIRMAN DIXON: Aye.
2 MS. CREEDON: The vote, Mr. Chairman, is eight aye
3 and zero nays.
4 CHAIRMAN DIXON: The motion is carried unanimously.
5 Naval Command and Control Ocean Surveillance Center,
6 Warminster, Pennsylvania.
7 MR. OWSLEY: The Department of Defense recommends
8 closure of the Naval Command Control and Ocean Surveillance
9 Center, RDT&E Division Detachment, Warminster, Pennsylvania,
10 and the relocation of appropriate functions, personnel,
11 equipment, and support to other technical activities,
12 primarily to the Naval Command Control and Ocean Surveillance
13 Center, RDT&E Division, San Diego, California, and to the
14 Naval Command Control and Ocean Surveillance RDT&E Division
15 Detachment, Warminster, Pennsylvania -- excuse me, I'm
16 reading a dual slide here. And the remaining activities
17 would go to the surveillance center in Naval Oceanographic
18 Office Bay, St. Louis, Mississippi.
19 There were no major issues were identified by the
20 communities during this process and we had no problem with
21 the figures, as you see on the chart.
22 Are there any further questions?

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1 CHAIRMAN DIXON: Are there any questions of Mr.
2 Owsley?
3 (No response.)
4 CHAIRMAN DIXON: Commissioner Cornella, do you have
5 a motion?
6 COMMISSIONER CORNELLA: I do, sir.
7 CHAIRMAN DIXON: Commissioner Cornella.
8 MOTION
9 COMMISSIONER CORNELLA: I move that the commission
10 find that the Secretary of Defense did not deviate
11 substantially from the force structure plan and final
12 criteria and, therefore, that the commission adopt the
13 following recommendation of the Secretary of Defense: Close
14 the Naval Command Control and Ocean Surveillance Center,
15 RDT&E Division Detachment, Warminster, Pennsylvania; relocate
16 appropriate functions, personnel, equipment, and support to
17 other technical activities, primarily to the Naval Command
18 Control and Ocean Surveillance Center, RDT&E Division, San
19 Diego, California, and the Naval Oceanographic Office Bay,
20 St. Louis, Mississippi.
21 CHAIRMAN DIXON: I second the motion. Are there
22 any comments or questions?

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1 (No response.)
2 CHAIRMAN DIXON: Counsel will call the roll.
3 MS. CREEDON: Commissioner Cornella.
4 COMMISSIONER CORNELLA: Aye.
5 MS. CREEDON: Commissioner Cox.
6 COMMISSIONER COX: Aye.
7 MS. CREEDON: Commissioner Davis.
8 COMMISSIONER DAVIS: Aye.
9 MS. CREEDON: Commissioner Kling.
10 COMMISSIONER KLING: Aye.
11 MS. CREEDON: Commissioner Montoya.
12 COMMISSIONER MONTOYA: Aye.
13 MS. CREEDON: Commissioner Robles.
14 COMMISSIONER ROBLES: Aye.
15 MS. CREEDON: Commissioner Steele.
16 COMMISSIONER STEELE: Aye.
17 MS. CREEDON: Mr. Chairman.
18 CHAIRMAN DIXON: Aye.
19 MS. CREEDON: Mr. Chairman, the vote is eight ayes
20 and zero nays.
21 CHAIRMAN DIXON: Now, by those last two unanimous
22 votes the commission has closed Naval Air Warfare Center and

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1 Naval Command and Control Ocean Surveillance Center,
2 Warminster, Pennsylvania.
3 All right, Naval Air Warfare Center, Oreland,
4 Pennsylvania.
5 MR. OWSLEY: Yes. DOD recommends the closure of
6 the Naval Air Warfare Center Aircraft Division Open Water
7 Testing Facility, Oreland, Pennsylvania.
8 We found that there were no major issues were
9 identified in our analysis and, therefore, we have no further
10 information to offer.
11 Is there any questions?
12 CHAIRMAN DIXON: Are there any questions of Mr.
13 Owsley?
14 (No response.)
15 CHAIRMAN DIXON: Are there any comments by
16 commissioners? Commissioner Cornella.
17 MOTION
18 COMMISSIONER CORNELLA: I move that the commission
19 find that the Secretary of Defense did not deviate
20 substantially from the force structure plan and final
21 criteria and, therefore, that the commission adopt the
22 following recommendation of the Secretary of Defense: Close

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1 the Naval Air Warfare Center Aircraft Division Open Water
2 Test Facility, Oreland, Pennsylvania.
3 CHAIRMAN DIXON: I second that motion. Any
4 comments?
5 (No response.)
6 CHAIRMAN DIXON: Counsel will call the roll.
7 MS. CREEDON: Commissioner Cornella.
8 COMMISSIONER CORNELLA: Aye.
9 MS. CREEDON: Commissioner Cox.
10 COMMISSIONER COX: Aye.
11 MS. CREEDON: Commissioner Davis.
12 COMMISSIONER DAVIS: Aye.
13 MS. CREEDON: Commissioner Kling.
14 COMMISSIONER KLING: Aye.
15 MS. CREEDON: Commissioner Montoya.
16 COMMISSIONER MONTOYA: Aye.
17 MS. CREEDON: Commissioner Robles.
18 COMMISSIONER ROBLES: Aye.
19 MS. CREEDON: Commissioner Steele.
20 COMMISSIONER STEELE: Aye.
21 MS. CREEDON: Mr. Chairman.
22 CHAIRMAN DIXON: Aye.

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1 MS. CREEDON: Mr. Chairman, the vote is eight ayes
2 and zero nays.
3 CHAIRMAN DIXON: Ladies and gentleman, by that
4 vote, unanimous vote, Naval Air Warfare Center, Oreland,
5 Pennsylvania, is closed.
6 Naval Undersea Warfare Center, New London,
7 Connecticut.
8 MR. OWSLEY: The Department of Defense recommends
9 that the Naval Undersea Warfare Center Newport Division, New
10 London, Connecticut, be disestablished and relocated to the
11 Naval Undersea Warfare Center Newport Division, Newport,
12 Rhode Island. The New London facility is to be closed except
13 that Pier 7 is to be retained and transferred to the Naval
14 Submarine Base, New London.
15 The site presently occupied by the U.S. Coast Guard
16 in New London will be transferred and the U.S. Coast Guard's
17 Navy Submarine Base New London Magnetic Silencing Facility
18 will remain in its present location as a tenant of the U.S.
19 Coast Guard. Naval Reserve units will relocate to other
20 naval activities, primarily to Newport, Rhode Island, and
21 Submarine Base, New London, Connecticut.
22 This closure completes the undersea warfare

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1 consolidation begun in BRAC '91. Community cited concern
2 with loss of world class expertise and synergy. Major errors
3 in estimating one-time costs and the suitabilities of
4 facilities in Newport to house the towed array.
5 We put these questions to the Navy. They answered
6 all the community concerns, including direct contact with the
7 community, and we believe they were adequately answered.
8 Are there any further questions?
9 CHAIRMAN DIXON: Are there any further questions?
10 (No response.)
11 CHAIRMAN DIXON: Are there any further comments?
12 (No response.)
13 MOTION
14 CHAIRMAN DIXON: Commissioners, I move that the
15 commission find that the Secretary of Defense did not deviate
16 substantially from the force structure plan and final
17 criteria and, therefore, that the commission adopt the
18 following recommendation of the Secretary of Defense:
19 Disestablish the Naval Undersea Warfare Center Newport
20 Division, New London detachment, New London Connecticut;
21 relocate necessary functions with associated personnel,
22 equipment and support to Naval Undersea Warfare Center

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1 Newport Division, Newport, Rhode Island; close the NUWC New
2 London Facility, except retain Pier 7, which is transferred
3 to the Navy Submarine Base, New London; the site presently
4 occupied by the U.S. Coast Guard Station, New London, will be
5 transferred to the U.S. Coast Guard; the Navy Submarine Base,
6 New London, Magnetic Silencing Facility will remain in its
7 present location as a tenant of the U.S. Coast Guard; Naval
8 Reserve units will relocate to other naval activities,
9 primarily NUWC Newport, Rhode Island, and Navy Submarine
10 Base, New London, Connecticut.
11 Is there a second?
12 COMMISSIONER KLING: Second, Mr. Chairman.
13 CHAIRMAN DIXON: Seconded by Commissioner Kling.
14 Are there any comments or questions?
15 (No response.)
16 CHAIRMAN DIXON: Counsel will call the roll.
17 MS. CREEDON: Commissioner Kling.
18 COMMISSIONER KLING: Aye.
19 MS. CREEDON: Commissioner Montoya.
20 COMMISSIONER MONTOYA: Aye.
21 MS. CREEDON: Commissioner Robles.
22 COMMISSIONER ROBLES: Aye.

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1 MS. CREEDON: Commissioner Steele.
2 COMMISSIONER STEELE: Aye.
3 MS. CREEDON: Commissioner Cornella.
4 COMMISSIONER CORNELLA: Aye.
5 MS. CREEDON: Commissioner Cox.
6 COMMISSIONER COX: Aye.
7 MS. CREEDON: Mr. Chairman, Commissioner Davis is
8 recused from this vote.
9 CHAIRMAN DIXON: Commissioner Davis is recused.
10 Let the record show that.
11 MS. CREEDON: Mr. Chairman.
12 CHAIRMAN DIXON: Aye.
13 MS. CREEDON: Mr. Chairman, the vote is seven ayes
14 and zero nays.
15 CHAIRMAN DIXON: And on that vote the motion
16 carries. Naval Biodynamics Laboratory, New Orleans,
17 Louisiana.
18 MR. OWSLEY: The Naval Biodynamics Lab in New
19 Orleans conducts biomedical research as to the effects of
20 mechanical forces on Navy personnel. The Department
21 recommends to close this facility; however, it is expected
22 the University of New Orleans will take over the facility and

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1 it will be available in the future on a contractual basis, if
2 needed.
3 We have no objections or found no differences to
4 this.
5 CHAIRMAN DIXON: Are there any questions of Mr.
6 Owsley?
7 (No response.)
8 CHAIRMAN DIXON: Is there any comment by any
9 commissioner?
10 (No response.)
11 MOTION
12 CHAIRMAN DIXON: Commissioners, I move that the
13 commission find that the Secretary of Defense did not deviate
14 substantially from the force structure plan and final
15 criteria and, therefore, that the commission adopt the
16 following recommendation of the Secretary of Defense: Close
17 the Naval Biodynamics Laboratory, New Orleans, Louisiana, and
18 relocate necessary personnel to Wright-Patterson Air Force
19 Base, Dayton, Ohio, and Naval Aeromedical Research
20 Laboratory, Pensacola, Florida.
21 Is there a second?
22 COMMISSIONER KLING: Second, Mr. Chairman.

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1 CHAIRMAN DIXON: Are there any comments?
2 (No response.)
3 CHAIRMAN DIXON: Are there any questions?
4 (No response.)
5 CHAIRMAN DIXON: Counsel will call the roll.
6 MS. CREEDON: Commissioner Kling.
7 COMMISSIONER KLING: Aye.
8 MS. CREEDON: Commissioner Montoya.
9 COMMISSIONER MONTOYA: Aye.
10 MS. CREEDON: Commissioner Robles.
11 COMMISSIONER ROBLES: Aye.
12 MS. CREEDON: Commissioner Steele.
13 COMMISSIONER STEELE: Aye.
14 MS. CREEDON: Commissioner Cornella.
15 COMMISSIONER CORNELLA: Aye.
16 MS. CREEDON: Commissioner Cox.
17 COMMISSIONER COX: Aye.
18 MS. CREEDON: Commissioner Davis.
19 COMMISSIONER DAVIS: Aye.
20 MS. CREEDON: Mr. Chairman.
21 CHAIRMAN DIXON: Aye.
22 MS. CREEDON: Mr. Chairman, the vote is eight ayes

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1 and zero nays.
2 CHAIRMAN DIXON: That motion unanimously carries.
3 Naval Medical Research Institute, Bethesda, Maryland.
4 MR. OWSLEY: The Naval Medical Research Institute
5 in Bethesda, Maryland, conducts biomedical research in
6 support of operating forces. The Department's recommendation
7 is relocate this facility to Walter Reed with the exception
8 of the diving facility, which would be moved to Panama City,
9 Florida.
10 Do you have any questions on this motion?
11 CHAIRMAN DIXON: Are there any questions of Mr.
12 Owsley?
13 (No response.)
14 MOTION
15 CHAIRMAN DIXON: Commissioners, I move that the
16 commission find that that the Secretary of Defense did not
17 deviate substantially from the force structure plan and final
18 criteria and, therefore, that the commission adopt the
19 following recommendation of the Secretary of Defense: Close
20 the Naval Medical Research Institute, Bethesda, Maryland;
21 consolidate the personnel of the diving medicine program with
22 the Experimental Diving Unit Naval Surface Warfare Center

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1 Dalhgren Division Coastal Systems Station, Panama City,
2 Florida; relocate the Infectious Diseases Combat Casualty
3 Care and Operational Medicine programs, along with necessary
4 personnel and equipment to the Walter Reed Army Institute for
5 Research at Forest Glen, Maryland.
6 Is there a second?
7 COMMISSIONER KLING: Second, Mr. Chairman.
8 CHAIRMAN DIXON: Are there any comments and are
9 there any questions?
10 (No response.)
11 CHAIRMAN DIXON: Counsel will call the roll.
12 MS. CREEDON: Commissioner Kling.
13 COMMISSIONER KLING: Aye.
14 MS. CREEDON: Commissioner Montoya.
15 COMMISSIONER MONTOYA: Aye.
16 MS. CREEDON: Commissioner Robles.
17 COMMISSIONER ROBLES: Aye.
18 MS. CREEDON: Commissioner Steele.
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella.
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Commissioner Cox.

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1 COMMISSIONER COX: Aye.
2 MS. CREEDON: Commissioner Davis.
3 COMMISSIONER DAVIS: Aye.
4 MS. CREEDON: Mr. Chairman.
5 CHAIRMAN DIXON: Aye.
6 MS. CREEDON: Mr. Chairman, the vote is eight ayes
7 and zero nays.
8 CHAIRMAN DIXON: That motion unanimously carries.
9 Naval Research Lab Underwater Sound Reference, Orlando,
10 Florida.
11 MR. OWSLEY: The Naval Research Laboratory
12 Underwater Sound Reference Detachment in Orlando, Florida,
13 studies and sets standards associated with underwater sound
14 measurements. The Department's recommendation is to close
15 this facility and relocate its mission, personnel, and
16 equipment to Rhode Island, where it will be co-located with
17 the Navy Full Spectrum Laboratory.
18 The community expressed a concern that an
19 irreplaceable facility could be lost; however, analysis
20 reveals other Navy facilities can absorb the mission without
21 loss. I would also like to point out that we had the Navy
22 talk directly to the Florida people that were concerned about

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1 this and I believe their concerns were answered.
2 Are there any other questions?
3 CHAIRMAN DIXON: Are there any questions of Mr.
4 Owsley?
5 COMMISSIONER DAVIS: I have one question.
6 CHAIRMAN DIXON: Commissioner Davis.
7 COMMISSIONER DAVIS: Apparently, this lake the
8 Florida delegation keeps talking about has very particular
9 qualities. Is where the Navy is going to relocate it
10 duplicate those particular qualities?
11 MR. OWSLEY: We discussed that, and that is the
12 particular area that we had the community get involved with
13 us and with the Navy. And I believe the community understood
14 the Navy's position, that they had this covered. It sounded
15 like a reasonable approach to us, General Davis.
16 CHAIRMAN DIXON: Are there any further questions?
17 Commissioner Kling?
18 MOTION
19 COMMISSIONER KLING: Mr. Chairman, I move that the
20 commission find that the Secretary of Defense did not deviate
21 substantially from the force structure plan and final
22 criteria; and therefore, that the commission adopt the

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following recommendation of the Secretary of Defense
lish the Naval Research Laboratory Underwater Sound
ced attachment, Orlando, Florida.
Relocate the calibration of standards function with associated personnel, equipment and support to the Naval Undersea Warfare Center, Newport Division, Newport Rhode Island, except for the tank facility one, which will be accessed.
CHAIRMAN DIXON: I second that motion. Are there any comments or questions? Counsel will call the role.
MS. CREEDON: Commissioner Kling.
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya.
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles.
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele.
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella.
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox.
COMMISSIONER COX: Aye.

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MS. CREEDON: Commissioner Davis.
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Mr. Chairman.
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is eight ayes and zero nays.
CHAIRMAN DIXON: That motion is unanimously adopted. Naval Command Control and Ocean Surveillance Center, Norfolk, Virginia.
MR. OWSLEY: The Department of Defense
mendations is close the in-service engineering East
attachment, St. Julien's Creek Annex, Norfolk,
nia, of the Naval Command Control and Ocean Surveillance Center, except retain in place the transmit and receive equipment antennas currently at the St. Julien Creek Annex.
Relocate functions, necessary personnel and equipment to the Norfolk Naval Shipyard, Norfolk, Virginia. There are no major issues with this recommendation.
CHAIRMAN DIXON: I thank you. Are there any questions to Mr. Owsley? Any comments? Commissioner Kling.
MOTION
COMMISSIONER KLING: Mr. Chairman, I move that the

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commission find that the Secretary of Defense did not deviate from the force structure plan and final criteria; and therefore, that the commission adopt the following recommendation of the Secretary of Defense. Close the in-service engineering East Coast attachment, St. Julien's Creek Annex, Norfolk, Virginia, of the Naval Command Control and Ocean Surveillance Center; except retain in place the transmit and receive equipment and antennas currently at the St. Julien's Creek Annex.
Relocate function, necessary personnel, and equipment to Norfolk Naval Shipyard, Norfolk, Virginia.
CHAIRMAN DIXON: And I second that motion. Are there any comments or questions? Counsel, call the roll.
MS. CREEDON: Commissioner Kling.
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya.
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles.
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele.
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella.

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COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox.
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis.
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Mr. Chairman.
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is eight ayes and zero nays.
CHAIRMAN DIXON: And that motion unanimously carries. Are you folks there at the table prepared now to go to Army installations, Mr. Owsley?
MR. OWSLEY: Yes, we are. The next installation is Dugway Proving Ground, Utah. The original recommendation that Dugway Proving Ground be realigned by relocating the smoke and obscurant mission to Yuma Proving Ground, Arizona, and some elements of chemical biological research to Aberdeen Proving Ground, Maryland. Also, English Village was to be disposed of, and test and experimentation facilities to support the Army and DOD missions would be retained.
On June 14th, the Secretary of Defense supported the removal of the BRAC recommendation on Dugway Proving

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Ground. Are there any questions?
CHAIRMAN DIXON: Yeah, the Secretary has asked that we reject this. Now, is that correct? You have a letter from the Secretary, asking this be rejected.
MR. OWSLEY: That's correct.
CHAIRMAN DIXON: Are there any further questions?
COMMISSIONER ROBLES: Mr. Chairman, just one quick question.
CHAIRMAN DIXON: Commissioner Robles.
COMMISSIONER ROBLES: Would you just clarify for the record what the Army's proposal is on English Village?
MR. OWSLEY: Other than keeping it open and hoping at some time there will be a privatization of that, they did not give a particular proposal with the recommendation.
COMMISSIONER ROBLES: But as you understand it, they are going to keep it open?
MR. OWSLEY: Yes, sir, they are.
COMMISSIONER ROBLES: Okay.
COMMISSIONER KLING: Rightly so.
COMMISSIONER STEELE: Yes, rightly so.
CHAIRMAN DIXON: Are there further questions or comments? Is there a motion?

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MOTION
COMMISSIONER KLING: Mr. Chairman, I move the commission find the Secretary of Defense deviated substantially from final criteria 1 and 8; and therefore, the commission reject the Secretary's recommendation on Dugway Proving Ground, and instead adopt the following recommendation. Retain Dugway Proving Ground, including all activities and facilities. The commission finds this recommendation is consistent with the force structure plan and final criteria.
CHAIRMAN DIXON: Is there a second to the motion of Commissioner Kling?
COMMISSIONER STEELE: I am delighted to second that motion.
CHAIRMAN DIXON: All right, Commissioner Steele seconds that motion. And are there any comments? Counsel, call the roll.
MS. CREEDON: Commissioner Kling.
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya.
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles.

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1 COMMISSIONER ROBLES: Aye.
2 MS. CREEDON: Commissioner Steele.
3 COMMISSIONER STEELE: Aye.
4 MS. CREEDON: Commissioner Cornella.
5 COMMISSIONER CORNELLA: Aye.
6 MS. CREEDON: Commissioner Cox.
7 COMMISSIONER COX: Aye.
8 MS. CREEDON: Commissioner Davis.
9 COMMISSIONER DAVIS: Aye.
10 MS. CREEDON: Mr. Chairman.
11 CHAIRMAN DIXON: Aye.
12 MS. CREEDON: Mr. Chairman, the vote is eight ayes
13 and zero nays.
14 CHAIRMAN DIXON: And the request of the Secretary,
15 is supported unanimously. Now, ladies and gentlemen, that
16 concludes, as I understand it, the cross service section of
17 our work. I want to say that, in the opinion of the chair,
18 this was the most difficult part, on balance, of our entire
19 program -- highly controversial, very, very difficult. I
20 want to congratulate the staff on an outstanding job.
21 It was a difficult job, well researched. And I
22 congratulate all of you on a fine job. Thank you very, very

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1 much.
2 MR. OWSLEY: Thank you, Mr. Chairman.
3 CHAIRMAN DIXON: Thank you, Mr. Owsley. And
4 Director, are you ready to go forward?
5 MR. LYLES: Mr. Chairman, we're ready to go forward
6 with the Air Force team, at the convenience of the
7 commission.
8 CHAIRMAN DIXON: We're going to declare a five-
9 minute break, and then we'll be back here in five minutes,
10 and we'll go to the Air Force.
11 [A brief recess was taken.]
12 CHAIRMAN DIXON: We're ready to testify concerning
13 the Air Force. Do you have someone missing, Director?
14 MR. LYLES: I think we can proceed, Mr. Chairman.
15 We have the Air Force team in place and ready to go, sir.
16 CHAIRMAN DIXON: All right, we're going to go to
17 the Air Force. Director Lyles.
18 MR. LYLES: Mr. Chairman, Frank Cirillo, the Air
19 Force team chief will begin the presentation of the
20 recommendations for closure and realignments in the Air
21 Force.
22 CHAIRMAN DIXON: All right, Mr. Cirillo.

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1 MR. CIRILLO: Thank you, Mr. Chairman, and I also
2 have Mr. Olson, Mr. DiCamillo at the table with me for the
3 first portion of our presentation. Commissioners, the first
4 slide, which is just ahead of Tab A in your book represents
5 the 13 categories the Department of the Air Force used in
6 their analysis of 100 major Air Force bases. The shaded
7 categories have bases to be discussed today.
8 We'll brief the missile and large aircraft
9 categories together, due to their relationship; and then
10 cover the undergraduate pilot training category. The depot,
11 laboratory and test categories of the Air Force have already
12 been briefed by the cross service team. Finally, we'll cover
13 those installations today and the remaining categories, as
14 shown.
15 If you go to Tab A on Slide A1 and also the map.
16 We'll first cover the missile and large aircraft categories.
17 The four bases indicated with an M are the missile bases.
18 Also note in this slide that four bases were excluded by the
19 Air Force for mission or geographical reasons. We'll be
20 addressing only the three shaded bases. The tiers shown at
21 the left for the non-excluded bases reflect the Air Force for
22 ranking respective installations within each category.

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1 As a reminder, Mr. Chairman and commissioners, the
2 Secretary of the Air Force used the tiers to develop their
3 closure and realignment recommendations. I will now turn
4 this category over to Mr. David Olson, who will discuss Grand
5 Forks and Minot Air Force Bases; and then to Mr. Rick
6 DiCamillo, who will discuss Malmstrom Air Force Base and a
7 related redirect from McDill Air Force Base in Florida. Mr.
8 Olson.
9 MR. OLSON: Mr. Chairman, commissioners, in the
10 large aircraft missile category, we have studied DOD
11 recommendations for Grand Forks and Malmstrom Air Force Base
12 as well as commission adds for Grand Forks and Minot Air
13 Force Bases. This chart reflects the Air Force assessed
14 overall value of the Grand Forks and Minot Air Force Bases
15 as well as the costs and savings of the DOD recommendation
16 and the commission alternatives.
17 DOD recommended the Grand Forks realignment because
18 of a reduction in intercontinental ballistic missile force
19 structure, in accordance with the nuclear posture review,
20 which requires inactivation of one missile field within the
21 Air Force. The commission adds provide the Minot missile
22 field for consideration as an alternative to Grand Forks, as

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1 well as the potential for substantially more savings with the
2 complete closure of Grand Forks Air Force Base.
3 If I could have the next slide, A4, please. These
4 are the issues associated with the DOD recommended
5 inactivation of the missile field at Grand Forks, and the
6 commission alternative to close Grand Forks. The key issue
7 with respect to the missile field, is operational
8 effectiveness. The Air Force rated Grand Forks its least
9 capable missile field, based on five criteria -- ability to
10 reach targets; size and orientation of the field; geological
11 effects on survivability; weather impacts on operations and
12 maintenance; and logistics supportability.
13 The community argues that all missile fields are
14 equally capable and have performed their missions effectively
15 for the past 30 years. Staff findings support the DOD
16 position. All missile fields are fully capable, but the high
17 water table at Grand Forks reduces survivability. The alert
18 rate at Grand Forks has been consistently lower than at
19 Minot. And on-site depot support costs have been higher.
20 At the time the DOD recommendation was received,
21 there was uncertainty about whether implications for the
22 Grand Forks anti-ballistic missile system and ballistic

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1 missile defense might preclude inactivation of the Grand
2 Forks Minuteman field. Indeed, it was for this reason that
3 the Minot missile field was added for consideration.
4 On May 9, the commission received a letter from the
5 Deputy Secretary of Defense, indicating that representatives
6 of DOD, the Joint Chiefs of Staff, the State Department, the
7 Arms Control and Disarmament Agency, and the National
8 Security Council staff had determined that ABM considerations
9 would not preclude inactivation of the Grand Forks Minuteman
10 field. Subsequent correspondence with DOD confirms
11 inactivation of the Grand Forks Minuteman field will not
12 affect the U.S. right to retain an ABM system deployment area
13 at Grand Forks.
14 And it will not require demolition of the ABM
15 facilities. It should be noted, however, it may be necessary
16 to leave a small number of empty silos in place at Grand
17 Forks. The staff finds that the interagency position
18 resolves the potential ABM obstacles. This finding also
19 affects costs, because the community believes that ABM
20 demolition costs, if required, should be added to the cost to
21 inactivate the missile field.
22 However, since there are no ABM related costs, the

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1 Grand Forks missile field has a lower cost to inactivate than
2 DOD included $5.5 million for housing demolition at
3 Forks, increasing annual recurring savings by $3.7
4 n. This appears to be a sound investment strategy that
5 produces substantial long-term savings, but would not be
6 necessitated by a decision to realign Grand Forks.
7 As such, the costs and savings associated with this
8 action were removed from the decision COBRA. In studying
9 Grand Forks for a complete closure, the value of the core
10 tanker concept is an issue. This is a component of military
11 value which the commission must weigh against the savings for
12 a complete closure. Both the Air Force and the community
13 argue the organizational improvements, operational
14 capabilities, and fiscal efficiencies of core tanker bases
15 are essential to meeting current military challenges.
16 Staff findings indicate that the core tanker unit
17 at Grand Forks has been successful in sustaining a high
18 deployment rate in support of global operational
19 contingencies. On average, over the past year, on a given
20 day, 66 percent of Grand Forks tankers were off station,
21 combining four squadrons of tankers at Grand Forks fully uses
22 the air field, and achieves efficiencies and supply

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1 maintenance and facilities utilization.
2 Grand Forks is an important operational location
3 for supporting both strategic nuclear and contingency
4 deployment operations, CINC STRATCOM, CINC TRANSCOM, the Vice
5 Chairman of the Joint Chiefs, and the Air Force Chief of
6 Staff strongly support retaining the core tanker mission at
7 Grand Forks because of its operational location. In
8 addition, the staff notes that the runway at Grand Forks was
9 updated to Code 1 in 1994.
10 The hydrant system, essential to effective tanker
11 tions, has been upgraded. Airfield facilities are
12 n. And state and local zoning assure that there will be
13 irfield encroachment in the foreseeable future. The
14 final two issues, tanker saturation in the Northwest and the
15 tanker shortfall in the Southeast were raised by DOD as part
16 of the rationale for relocating tankers from Malmstrom Air
17 Force Base to McDill Air Force Base.
18 Grand Forks has a North Central location, and as
19 such, does not contribute to the tanker saturation problem in
20 the Northwest. It is, in fact, the only North Central
21 location to support the single integrated operations plan.
22 Although there is a tanker shortfall in the Southeast, when

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1 the number of locally based tankers is measured against
2 training requirements, this is not an important issue, and
3 considered against the operational requirements at Grand
4 Forks.
5 Slide A5, please. The Minot issues are closely
6 related to those at Grand Forks. Missile field operational
7 effectiveness is better at Minot. The geology is more
8 survivable. The alert rate is the highest in the Air Force.
9 The depot support costs are the lowest in the Air Force. By
10 these measures, Minot is not only better than Grand Forks,
11 but better than F.E. Warren and Malmstrom, as well.
12 The DOD position was that Minot could be
13 substituted for Grand Forks if ABM implications became a
14 show-stopper for the Grand Forks recommendation. The
15 interagency review concluded there are no ABM related
16 obstacles; and the Minot alternative is no longer required
17 for this reason. Although the Air Force evaluated missile
18 and large aircraft missions separately, the Minot community
19 believes that the missions should be considered together when
20 ulating military value, because they provide operational
21 iencies.
22 The staff finds there is shared overhead, and the

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1 nuclear missions are able to share the weapons storage area.
2 The next two slides, please. Mr. Chairman, these charts
3 summarize the DOD recommendation and the commission
4 alternatives, and provide pros and cons of each. I would be
5 pleased to answer any questions you may have at this time.
6 CHAIRMAN DIXON: Is there anything more on Grand
7 Forks or Minot by anybody on your staff? Are there any
8 questions of the staff, concerning Grand Forks or Minot?
9 COMMISSIONER STEELE: Yes, sir.
10 CHAIRMAN DIXON: Commissioner Steele.
11 COMMISSIONER STEELE: Just a comment -- more
12 comment than a question. But I wanted to compliment, for the
13 department, their message of wanting to retain the core
14 tanker wing was so loud and clear in writing, that it might
15 be a violation of the Paperwork Reduction Act. We got so
16 many letters on the subject; it was definitely a message
17 delivered and heard. And I appreciate that clear guidance.
18 My frustration on the issue in one area is when I
19 went up to Grand Forks, after we added the base for closure.
20 Prior to that, on March 30th, both on the base visit I didn't
21 go to and the regional hearing, when we were still looking at
22 the alternative between the missile field at Grand Forks or

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1 Minot, because we hadn't received the letter on the ABM
2 issue, the Air Force said that there were no water problems
3 in the silos for the past two years.
4 Topside grading and improved seals have eliminated
5 topside water intrusion into silos. And again they testified
6 that the missile silos at Grand Forks have had a reputation
7 for leaking, but that problem was eliminated in '92. Then we
8 looked at the issue of closure of Grand Forks, and we sort of
9 focused on the core tanker wing. Then we kind of removed
10 that issue, because the strong support from the core tanker
11 wing up there.
12 And then the testimony from the Air Force was, last
13 Wednesday -- I was not aware that the Air Force says there
14 were no water problems at Grand Forks. We're spending
15 considerably more money to operate those silos at Grand Forks
16 than we are at Minot or anywhere else. And if they're not
17 spending it on the water issue, I don't know what they're
18 spending it on.
19 And I guess my frustration is that Ogden, which is
20 the depot that supports the missile wings, says that the
21 water maintenance -- the percentage of maintenance that's
22 spent on the water problem is only 5 percent. And while it

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1 was higher at Grand Forks than other missile wings, the Grand
2 Forks overall maintenance dollars was still lower than
3 Malmstrom.
4 So I just wanted to voice my frustration at having
5 spent a wonderful day up there, and really did enjoy my
6 visit. But I felt that I was getting very different stories
7 on the water problem, depending upon the outcome that the
8 department was seeking on this issue. And I just thought I'd
9 voice that. Now I feel better, and I see no substantial
10 deviation, and we can move forward.
11 CHAIRMAN DIXON: Thank you, Commissioner Steele.
12 That doesn't require a response, I don't think. Is there any
13 further comment or question from anybody, concerning what the
14 staff has reported? Is there a motion?
15 COMMISSIONER KLING: Yes, sir, Mr. Chairman.
16 CHAIRMAN DIXON: Commissioner Kling.
17 MOTION
18 COMMISSIONER KLING: I move the commission find the
19 Secretary of Defense did not deviate substantially from the
20 force structure plan and final criteria; and therefore, that
21 the commission adopt the following recommendation of the
22 Secretary of Defense. Realign Grand Forks. The 321st

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1 missile group will inactivate in Minutemen 3 missiles to
2 relocated to Malmstrom Air Force Base, Montana. A small
3 number of silo launchers at Grand Forks may be retained if
4 required.
5 The 319th Air Refueling Wing will remain in place.
6 All activities and facilities at the base associated with the
7 319th Air Refueling Wing, including family housing, the
8 hospital, commissary and basic exchange, will remain open.
9 CHAIRMAN DIXON: That's a motion. Is there a
10 second to the motion?
11 COMMISSIONER STEELE: I'll second the motion.
12 CHAIRMAN DIXON: And Commissioner Steele seconds
13 the motion. Are there any further comments or questions?
14 Counsel, call the roll.
15 MS. CREEDON: Commissioner Kling.
16 COMMISSIONER KLING: Aye.
17 MS. CREEDON: Commissioner Montoya.
18 COMMISSIONER MONTOYA: Aye.
19 MS. CREEDON: Commissioner Robles.
20 COMMISSIONER ROBLES: Aye.
21 MS. CREEDON: Commissioner Steele.
22 COMMISSIONER STEELE: Aye.

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1 MS. CREEDON: Commissioner Cornella.
2 COMMISSIONER CORNELLA: I recuse in this issue.
3 CHAIRMAN DIXON: Commissioner Cornella recuses on
4 this issue.
5 MS. CREEDON: Commissioner Cox.
6 COMMISSIONER COX: Aye.
7 MS. CREEDON: Commissioner Davis.
8 COMMISSIONER DAVIS: Aye.
9 MS. CREEDON: Mr. Chairman.
10 CHAIRMAN DIXON: Aye.
11 MS. CREEDON: Mr. Chairman, the vote is seven ayes
12 and zero nays.
13 CHAIRMAN DIXON: And on that vote, the motion
14 carries unanimously, with one recusal. And I believe I'm
15 correct in stating, counsel, that on Minot, unless there is
16 some objection by commissioners, there is not activity
17 required. That was an add on. Is there any suggestion by
18 anybody that they want to do an exercise on Minot? Or may we
19 just save ourself that moment of grace there? Good. Then
20 the Chair declares that Minot Air Force Base, North Dakota,
21 remains open.
22 No activity needed, since it was an add on.

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1 Malmstrom Air Force Base.
2 MR. CIRILLO: Mr. DiCamillo will cover that, Mr.
3 Chairman.
4 CHAIRMAN DIXON: Mr. DiCamillo.
5 MR. DiCAMILLO: Commissioners, carrying on with the
6 large aircraft category, we have Malmstrom Air Force Base,
7 Montana recommended by Department of Defense for realignment.
8 The recommendation realigns the 43rd Air Refueling Group and
9 its 12 KC-35 tankers from Malmstrom to McDill Air Force Base,
10 Florida. Further, the recommendation closes the Malmstrom
11 air field to fixed wing operations.
12 This chart reflects the overall value of the base
13 and cost and savings associated with the recommendation. A9,
14 please. The next chart previews the issues associated with
15 the recommendation. The bold issues on the left of the chart
16 will be discussed in more detail in the following chart. The
17 leading issue in this recommendation is the Air Force's
18 position there is a tanker saturation problem in the
19 Northwestern U.S.
20 The community did not address tanker saturation,
21 but rather recommended the addition of more tankers be moved
22 into Malmstrom to take advantage of excess capacity and

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1 outstanding facilities. Our analysis reflects 70 tankers at
2 Fairchild Air Force Base in Spokane, Washington, which is one
3 of three core tanker bases in the Air Force. Conversely,
4 there is a lack of tankers located in the Southeast U.S.,
5 where there is a high demand for air refueling training
6 capability.
7 The Air Force contends the relocation of Malmstrom
8 tankers to McDill will alleviate the Southeast tanker deficit
9 partially, and provide a cost effective approach for
10 retaining and operating McDill air field, which is the
11 subject of a redirect which I will address shortly. The
12 commission staff agrees with the deficiency in tanker
13 resources to support training in the Southeast, and notes the
14 relocation will partially relieve the problem, as I
15 mentioned.
16 Another issue is the Malmstrom field elevation --
17 3,500 foot elevation in runway length limits maximum gross
18 weight take off capability for the KC-135 tankers, which
19 translates to reduced air refueling off load capabilities
20 during operational deployment missions. The community
21 maintains combast maximum gross weight take offs occur only
22 about 10 percent of the time.

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1 Staff concurs with the gross weight take off
2 limitations, and notes that gross weight take off capability
3 at McDill is 23,000 pounds greater than Malmstrom. Finally,
4 there is excess capacity existing at Malmstrom Air Force
5 Base. I don't think anybody denies that. No one really
6 disputes this, but differs in the method of resolving the
7 problem. The Air Force proposal would close down the fixed
8 wing air field operations after relocation of the tankers,
9 while the community advocates adding two more squadrons of
10 aircraft -- approximately 24 KC-135s -- to the base to make
11 use of excess capacity.
12 We concur with the community that there is excess
13 capacity, and the base could probably handle more tankers,
14 but with additional military construction. However, this
15 approach would exacerbate the Northwest tanker saturation
16 problem. Next chart, please. The final chart is the
17 scenario summary.
18 MR. CIRILLO: Yes, Mr. Chairman, this is a scenario
19 summary for this base. But after you've looked it over, I
20 recommend that we go on to McDill, to discuss it, before we
21 actually vote.
22 CHAIRMAN DIXON: Yes, we're going to do that,

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1 because they're paired.
2 MR. CIRILLO: Yes, sir.
3 CHAIRMAN DIXON: So move right along.
4 MR. DiCAMILLO: Chart A12, please. Mr. Chairman
5 and commissioners, I would like to address the redirect of
6 McDill Air Force Base at this time, since it is coupled with
7 the realignment of Malmstrom and the KC-135s. The chart
8 before you gives the background of actions taken by previous
9 commissions, regarding McDill Air Force Base. The redirect
10 proposes the Air Force retain McDill air field as part of the
11 Air Force Base.
12 The Air Force will continue to operate the runway
13 and its associated activities. And the Department of
14 Commerce will remain as attendant, under the DOD
15 recommendation. A13, please. This is a summary of the DOD
16 recommendations, with the pros and cons. The cost and
17 savings for this redirect are reflected in the Malmstrom
18 realignment.
19 The reason for no costs is shown at the top part of
20 the chart. This completes my briefing, and I'll be glad to
21 answer any questions.
22 CHAIRMAN DIXON: I thank you very much. Are there

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1 any questions? Are there any comments?
2 COMMISSIONER STEELE: I have one brief comment.
3 CHAIRMAN DIXON: Commissioner Steele.
4 COMMISSIONER STEELE: Just so my colleagues know,
5 when I was at Grand Forks, and we were still entertaining the
6 motion of closing the entire base, I asked a visiting general
7 that day if we did relocate the KC-135s from Grand Forks,
8 would the Air Force still want to move the aircraft from
9 Malmstrom; and he responded, yes. And I just wanted to share
10 that with my colleagues.
11 CHAIRMAN DIXON: I thank you. Are there any
12 further comments?
13 (No response.)
14 CHAIRMAN DIXON: Is there a motion? Mr. Davis.
15 COMMISSIONER DAVIS: Being a fighter pilot, I hate
16 to throw away any runway. I tried to find that there was
17 significant deviation in trying to keep the runway, but I got
18 no support whatsoever. So I submit the following motion.
19 MOTION
20 COMMISSIONER DAVIS: I move the commission find the
21 Secretary of Defense did not deviate substantially from the
22 force structure plan and final criteria; and therefore, the

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1 commission adopt the following recommendation of the
2 Secretary of Defense.
3 Realign Malmstrom Air Force Base. The 43rd Air
4 Refueling Group and its KC-135 aircraft will relocate to
5 McDill Air Force Base, Florida, or as appropriate. All fixed
6 wing aircraft flying operations at Malmstrom will cease, and
7 the air field will be closed. The small air field
8 operational area will continue to be available to support
9 helicopter operations of the 40th Rescue Flight, which will
10 remain to support the missile operations.
11 All base activities and facilities associated with
12 the 41st Missile Link will remain.
13 CHAIRMAN DIXON: Thank you, Commissioner. Is there
14 a second to that motion?
15 COMMISSIONER KLING: Second that, Mr. Chairman.
16 CHAIRMAN DIXON: Seconded by Commissioner Kling.
17 Is there further comment or any questions? Counsel will call
18 the role.
19 MS. CREEDON: Commissioner Davis.
20 COMMISSIONER DAVIS: Aye.
21 MS. CREEDON: Commissioner Kling.
22 COMMISSIONER KLING: Aye.

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1 MS. CREEDON: Commissioner Montoya.
2 COMMISSIONER MONTOYA: Aye.
3 MS. CREEDON: Commissioner Robles.
4 COMMISSIONER ROBLES: Aye.
5 MS. CREEDON: Commissioner Steele.
6 COMMISSIONER STEELE: Aye.
7 MS. CREEDON: Commissioner Cornella.
8 COMMISSIONER CORNELLA: I recuse myself on this
9 matter.
10 CHAIRMAN DIXON: Mr. Cornella recuses himself.
11 MS. CREEDON: Commissioner Cox.
12 COMMISSIONER COX: Aye.
13 MS. CREEDON: Mr. Chairman.
14 CHAIRMAN DIXON: Aye.
15 MS. CREEDON: Mr. Chairman, the vote is seven ayes
16 and zero nays.
17 CHAIRMAN DIXON: Malmstrom's realigned, according
18 to that vote, unanimously. McDill Air Force Base. Is there
19 any further comment or are there any questions concerning
20 McDill? And if not, is there a motion?
21 COMMISSIONER DAVIS: I have a motion, sir.
22 CHAIRMAN DIXON: Commissioner Davis.

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1 MOTION
2 COMMISSIONER DAVIS: I move the commission find the
3 Secretary of Defense did not deviate substantially from the
4 force structure plan and final criteria; and therefore, the
5 commission adopt the following recommendation of the
6 Secretary of Defense.
7 Change the recommendation of 1991 and 1993
8 commissions, regarding the closure and transfer of McDill Air
9 Force Base air field to the Department of Commerce, as
10 follows. Redirect the retention of McDill air field as part
11 of the McDill Air Force Base. The Air Force will continue to
12 operate the runway and its associated activities. Department
13 of Commerce will remain as attendant.
14 CHAIRMAN DIXON: I'll second that motion, and I
15 would again observe, this is another example of a
16 revisitation of prior BRACs. And I hope the Congress is
17 aware of the fact that there's not going to be another BRAC
18 in a couple of years. I'm sure they're relieved about that;
19 but we're going to have to have some way of correcting these
20 BRAC activities. So that's part of what we're going to
21 recommend to the Congress.
22 I see distinguished members here. Counsel will

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1 call the roll.
2 MS. CREEDON: Commissioner Davis.
3 COMMISSIONER DAVIS: Aye.
4 MS. CREEDON: Commissioner Kling.
5 COMMISSIONER KLING: Aye.
6 MS. CREEDON: Commissioner Montoya.
7 COMMISSIONER MONTOYA: Aye.
8 MS. CREEDON: Commissioner Robles.
9 COMMISSIONER ROBLES: Aye.
10 MS. CREEDON: Commissioner Steele.
11 COMMISSIONER STEELE: Aye.
12 MS. CREEDON: Commissioner Cornella.
13 COMMISSIONER CORNELLA: I recuse myself on this
14 matter.
15 CHAIRMAN DIXON: Commissioner Cornella recuses
16 himself.
17 MS. CREEDON: Commissioner Cox.
18 COMMISSIONER COX: Aye.
19 MS. CREEDON: Mr. Chairman.
20 CHAIRMAN DIXON: Aye.
21 MS. CREEDON: Mr. Chairman, the vote is seven ayes
22 and zero nays.

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1 CHAIRMAN DIXON: All right, and that motion
2 prevails unanimously, and the redirect takes place.
3 Undergraduate pilot training.
4 MR. CIRILLO: Yes, if everybody will turn to Tab B
5 and charts B1 and B2. The map on your right reflect the
6 bases in the Air Force Undergraduate Pilot Training, or
7 called the UPT category. We'll be discussing the shaded
8 bases. The Air Force recommended Reese Air Force Base,
9 Texas, for closure. And on May 10th, the commission added
10 three bases for further consideration.
11 I'll now turn the presentation over to Lieutenant
12 Colonel Merrill Beyer, for the UPT category.
13 LIEUTENANT COLONEL BEYER: Mr. Chairman and
14 commissioners, I'd like to begin my remarks with some
15 comments about cross servicing, and then address capacity,
16 and then quickly hit on the key issues. The Secretary of
17 Defense formed a joint cross service group to study ways to
18 reduce excess capacity in the pilot and navigator
19 undergraduate training programs by consolidation of Air
20 Force, Navy, and Army unique programs where it made sense to
21 do so.
22 This group presented its alternatives for closure

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1 and realignment actions to the services. Each service then
2 performed their own analysis in determining their final
3 recommendations to the Secretary of Defense. The staff
4 examined the efforts of the services to integrate fixed wing
5 pilot and navigator undergraduate training, and finds the Air
6 Force and Navy training commands have made great strides to
7 consolidate training programs, reduce excess capacity, and
8 retain those programs unique to each service.
9 We should be looking at slide B3. Capacity is the
10 overriding issue in the Air Force UPT category. Currently,
11 the Air Force is operating its UPT bases well below capacity.
12 However, the Air Force plans to increase its pilot training
13 requirements 52 percent, as its pilot population returns to
14 normal. DOD performed its capacity analysis based on this
15 increased requirement. The Secretary of the Air Force
16 recommended one UPT base, Reese Air Force Base, for closure.
17 On the 14th of June, General Fogleman and the Air
18 Force Chief of Staff reconfirmed the recommendation for
19 closure of no more than one UPT base, stating Reese Air Force
20 Base is the right installation to close. Although he noted a
21 single closure was a reasonable risk, he did express some
22 concerns about the capacity of the three remaining UPT bases,

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1 slightly outside the FY DAC, or beyond the six-year closure
2 period.
3 Please turn to slide B4, and you can leave B3 up as
4 well. Thank you. This chart summarizes the Air Force
5 analysis of UPT capacity after the planned 52 percent
6 increase in requirements. The staff finds the closure of one
7 Air Force UPT base to contain acceptable risks to the Air
8 Force's ability to meet its pilot training requirements. The
9 closure of more than one UPT base, however, will simply not
10 allow the Air Force to meet its pilot training requirements.
11 Please turn to slide B5, B5 only. The Secretary of
12 Defense recommended the closure of Reese Air Force Base, the
13 deactivation of the 64th flight training wing, and the
14 redistribution or retirement of all assigned aircraft. The
15 commission added Columbus, Laughlin, and Vance Air Force
16 Bases as possible substitute for Reese. The primary criteria
17 for analysis in the UPT category are shown on this slide.
18 The most significant are highlighted.
19 The functional value of each base to perform the
20 UPT mission, the costs involved in training pilots, and the
21 economic impacts of closure on the local communities are the
22 key. If there are no questions on this chart, I'll address

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1 the specific issues relevant to the UPT category, first,
2 weather. Please turn to slide B6.
3 The Secretary of Defense recommendation is based on
4 analysis performed by the UPT joint cross service group and
5 utilized by the Air Force in arriving at their
6 recommendation. The UPT joint cross service group assigned
7 values to several measures of merit in order to determine the
8 functional value of each UPT base. Weather is one of these
9 measures of merit. Staff finds that 15 percent is
10 insufficient for this vital attribute of UPT, and instead
11 used a weighting factor of 30 percent.
12 If there are no questions, we can turn to slide B7.
13 The next issue is the air space surrounding each UPT base.
14 Staff finds no base is deficient in air space. And we can
15 turn to slide B8. Encroachment like weather is a vital
16 factor for the safe and efficient conduct of UPT flight
17 training operations. The UPT joining cross service group
18 assigned a weighting factor for encroachment of 6 percent.
19 Staff finds this to be insufficient, and instead assigned a
20 value of 20 percent.
21 Slide B9, please. This chart compares economic
22 impact. Laughlin has the highest potential economic impact

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1 -- 21.4 percent. Please turn to B10. On this summary chart
2 I've listed the primary issues in the UPT category for easy
3 comparison. Mr. Chairman, if there's no questions, we can
4 throw up the scenario slides, charts B11 and 12. This
5 concludes my remarks, sir.
6 CHAIRMAN DIXON: Thank you very much, Colonel
7 Beyer. Are there any questions of the colonel?
8 COMMISSIONER COX: Colonel Beyer, I wonder if we
9 could go back to the capacity issue, and if you could go into
10 some further detail. As you know, one of the other services
11 thought perhaps they should rethink what the needs for their
12 training were. And if you would just walk through what the
13 capacity issues are again, and whether we're close to the
14 edge.
15 LIEUTENANT COLONEL BEYER: The capacity charts are,
16 I believe, B3 and B4. Turn your attention to chart B4.
17 Pilot training capacity is listed on the left table, and
18 reflects the maximum capacity of each base.
19 COMMISSIONER COX: And that's if, on a five-day a
20 week -- one shift, so to speak.
21 LIEUTENANT COLONEL BEYER: No, that is the maximum
22 capacity. In other words, if you are going full bore,

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1 working a lot of weekends, because you will have weather
2 attrition during the week. And remember that weekends are
3 when you're flying those cross-country training missions. So
4 once you get to 95 percent of that number, you're going to
5 exasperate your capacity problem because things start to
6 break down, in terms of training effectiveness and safety.
7 So that number is really 100 percent. That's a
8 maximum. And you might be able to get more than that over a
9 year's time. But you can't operate that way continuously.
10 COMMISSIONER COX: I see.
11 LIEUTENANT COLONEL BEYER: So that is a true
12 reflection of the maximum capacity of that base.
13 COMMISSIONER COX: Okay. So the total maximum
14 capacity, 1,228.
15 LIEUTENANT COLONEL BEYER: Correct.
16 COMMISSIONER COX: And the requirement --
17 LIEUTENANT COLONEL BEYER: On the requirement
18 side --
19 COMMISSIONER COX: This is their version of core
20 requirement or something, adds up to --
21 LIEUTENANT COLONEL BEYER: The requirement is 1078
22 right now, giving you 150 excess. The Air Force states that

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1 they need 100 of those slots during the period of 2001 to
2 2011, when they will be transitioning to the new joint
3 primary aircraft training system aircraft. And they use 39
4 slots to transition instructors from the T-37 to the T-38, as
5 requirements dictate. For example, instructor pilots being
6 reassigned or getting out of the Air Force.
7 COMMISSIONER COX: So, now at 139 -- we're 151
8 excess, minus 139.
9 LIEUTENANT COLONEL BEYER: Correct.
10 COMMISSIONER COX: So we're at 11 excess. And are
11 those numbers -- obviously you don't know exactly where we're
12 going to be a number of years from now -- but that training
13 capacity, you think it tends to be a little high, a little
14 conservative?
15 LIEUTENANT COLONEL BEYER: I think the training
16 capacity --
17 COMMISSIONER COX: Does the kind of training plan
18 that comes in make a difference?
19 MR. CIRILLO: Just as a comment, a reminder that
20 the excess capacity that's shown -- and correct me if I'm
21 wrong, Merrill -- includes the 52 percent growth increase
22 between the years 1996 and 2002.

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1 COMMISSIONER COX: Mm-hmm.
2 MR. CIRILLO: As General Fogleman did express some
3 [illegible]rns in the area, he talked about a potential increase in
4 [illegible] hiring by the airlines. He talked about a potential
5 increase from requirements by the reserves. So conservative
6 depends on the perspective. This right here does consider
7 that growth in the next six years. But as you can see, it's
8 right at the level that the Air Force would be comfortable
9 with, but no more than that with the closure of one.
10 You might want to expand that a little bit more,
11 Merrill, as far as the requirements.
12 LIEUTENANT COLONEL BEYER: The chief of staff said
13 that he is depending on some assumptions that they've made in
14 their requirements model to hold true. And if they do hold
15 true, he is comfortable that they can meet their requirements
16 with the remaining capacity achieved through three bases
17 through the five year -- the future year defense plan. But
18 after that, because of uncertainty with a number of
19 requirements, particularly in the area of the reserve
20 component, he is not so sure.
21 COMMISSIONER COX: And the margin of error here
22 could be really low.

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1 LIEUTENANT COLONEL BEYER: A couple of assumptions
2 being wrong on the part of the Air Force could put the
3 requirements up a little bit.
4 CHAIRMAN DIXON: Are there any further questions?
5 COMMISSIONER DAVIS: Yes, sir.
6 CHAIRMAN DIXON: Commissioner Davis.
7 COMMISSIONER DAVIS: I have a couple. I'd like to
8 take that a little bit farther. The Air National Guard
9 training requirements are already built into there; isn't
10 [illegible]t correct? It's about two per squadron, per year.
11 LIEUTENANT COLONEL BEYER: That's correct.
12 [illegible] COMMISSIONER DAVIS: And what would be the maximum
13 [illegible] Air Force reserve -- the maximum requirements for Air
14 Force reserve? It's not much more than that, because they're
15 fairly balanced; is that not correct?
16 LIEUTENANT COLONEL BEYER: The Air Force reserve
17 squadrons do not have the ability to absorb new pilots at the
18 same rate that the active duty does, because of the nature of
19 flying that they do. They have part-time pilots that come
20 in. They don't have the continuity with instructor pilots
21 there to take new pilots in out of pilot training and provide
22 the seasoning and the training they would need to get to

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1 combat ready status.
2 So they're limited in the number of new pilots that
3 they can absorb.
4 COMMISSIONER DAVIS: And additionally, the 52
5 percent -- a lot of them are what we call backed pilots or
6 backed UPTs, that have not gone to pilot training yet. And
7 that considers all those?
8 LIEUTENANT COLONEL BEYER: The backed pilots will
9 be out of the pilot population over the next two years.
10 COMMISSIONER DAVIS: Okay.
11 LIEUTENANT COLONEL BEYER: So we're talking about
12 the next six years. So the last four years of that, that
13 will not be an issue.
14 COMMISSIONER DAVIS: Now, there are two UPT bases
15 that are not on here. You have the NJEPT at Wichita Falls,
16 and you have the PIT capability. Is there service capacity
17 in those two? B14.
18 LIEUTENANT COLONEL BEYER: The Air Force pilot
19 [illegible]ining requirement of 1078, shown on B4, is that portion of
20 [illegible]otal requirement assigned to the four UPT bases under
21 [illegible]deration. The remaining requirement is assigned to
22 [illegible]ppard Air Force Base, and is shown on this chart. And

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1 that's 125; and that includes both the active and the reserve
2 component.
3 Sheppard's the site of the Euro-NATO Joint Jet
4 Pilot Training Program, and in accordance with international
5 agreements is excluded by the Air Force from consideration
6 here. I'm showing it because to complete the picture of
7 capacity in undergraduate pilot training. As this chart
8 shows, if you compare requirements to capacity, they have
9 about 11 percent excess.
10 But I'd like to point out that pilot production at
11 Sheppard can only increase by 19 more pilots, in order to
12 remain below that 95 percent capacity that I talked about
13 before. So 11 percent may look like a lot, but it's really
14 not there. Sheppard effectively is now at maximum capacity.
15 COMMISSIONER DAVIS: Well, then, I guess it goes
16 back to Commissioner Cox's question. Do we have adequate
17 capability to meet requirements?
18 MR. CIRILLO: There's a reasonable comfort level is
19 what we can say; a reasonable comfort level.
20 COMMISSIONER DAVIS: And that's what the Air Force
21 tells us?
22 MR. CIRILLO: General Fogleman did express some

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1 concerns if some of the assumptions that he bases his numbers
2 on, that the Air Force bases their numbers on, don't come
3 true, if the hiring goes up, they could be dipping into their
4 excess capacity.
5 CHAIRMAN DIXON: Any further questions? Any
6 further comments? Is there a motion?
7 COMMISSIONER KLING: Yes, sir, Mr. Chairman.
8 CHAIRMAN DIXON: Commissioner Kling.
9 M O T I O N
10 COMMISSIONER KLING: I might say that this is
11 another case where we hate to have to pick and choose.
12 However, downsizing, we know, is necessary. And having said
13 that, Mr. Chairman, I move the commission find the Secretary
14 of Defense did not deviate substantially from the force
15 structure plan and final criteria; and therefore, the
16 commission adopt the following recommendation of the
17 Secretary of Defense.
18 Close Reese Air Force Base. The 64th flying
19 training wing will inactivate, and its assigned aircraft will
20 be redistributed or retired. All activities and facilities
21 of the base, including family housing and the hospital, will
22 close.

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1 CHAIRMAN DIXON: I second the motion. Any comments
2 or questions? Counsel will call the role.
3 MS. CREEDON: Commissioner Kling
4 COMMISSIONER KLING: Aye.
5 MS. CREEDON: Commissioner Montoya.
6 COMMISSIONER MONTOYA: Aye.
7 MS. CREEDON: Commissioner Robles.
8 COMMISSIONER ROBLES: Before I vote, I have to say
9 that never having spent much time on Air Force bases for
10 undergraduate pilot training, I was struck by the absolute
11 magnificent quality of every base in that system. And this
12 is a hard call, and I guess that if the consensus is 12
13 percent excess capacity is okay, reasonably okay,
14 reluctantly, I'll say aye.
15 MS. CREEDON: Commissioner Steele.
16 COMMISSIONER STEELE: Aye.
17 MS. CREEDON: Commissioner Cornella.
18 COMMISSIONER CORNELLA: Nay.
19 MS. CREEDON: Commissioner Cox.
20 COMMISSIONER COX: No.
21 MS. CREEDON: Commissioner Davis.
22 COMMISSIONER DAVIS: Aye.

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1 MS. CREEDON: Mr. Chairman.
2 CHAIRMAN DIXON: Aye.
3 MS. CREEDON: Mr. Chairman, the votes are six ayes
4 and two nays.
5 CHAIRMAN DIXON: Six ayes, two nays, and the
6 Department of Defense's recommendation on Reese is sustained
7 by the adopted motion. Now, may I inquire of counsel and
8 staff, Columbus, Laughlin and Vance are all add-ons, are they
9 not?
10 MR. CIRILLO: That's correct, Mr. Chairman.
11 CHAIRMAN DIXON: Now, I'm going to inquire if
12 there's any commissioner who has any objection to the chair
13 declaring that there's not sufficient support on the
14 commission to act further on these three. Is there any
15 question by anybody? Then under the authority vested in me
16 as chairman, these three bases being add ons, and the
17 necessary support not being present to consider them present,
18 the chair declares Columbus Air Force Base, Mississippi;
19 Laughlin Air Force Base, Texas; and Vance Air Force Base,
20 Oklahoma, remain open. Satellite control.
21 MR. CIRILLO: Yes, sir. Mr. Chairman, if we turn
22 to Tab C, we'll cover the satellite control category. Chart

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1 C1 and the map at C2 represent the two bases in that
2 category. Mr. Mark Pross will discuss the Secretary's
3 recommendation to realign Onizuka Air Station, as well as a
4 related redirect for Lowry Air Force Base, in Colorado.
5 MR. PROSS: Mr. Chairman and commissioners, DOD
6 recommended realigning Onizuka Air Station. The 750th space
7 group will inactivate, and its functions will relocate to
8 Falcon Air Force Base, Colorado. Detachment two of the space
9 and missile systems center of the Air Force material command
10 will also relocate to Falcon.
11 Some tenants will remain in existing facilities.
12 All activities and facilities associated with the 750th space
13 group, including family housing, the clinic, commissary, and
14 base exchange, will close. DOD justified realigning
15 CHAIRMAN DIXON: Pardon me, Mr. Pross. Ladies and
16 gentlemen, there's beginning to be a little stirring in the
17 back of the hall. And we're moving along pretty quickly
18 here. I'd appreciate it if the visitations could take place
19 outside. Mr. Pross.
20 MR. PROSS: Thank you, sir. DOD justified
21 realigning Onizuka since the Air Force has one more satellite
22 control installation that it currently needs to support

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1 projected future Air Force satellite control requirements.
2 Onizuka ranked lower than Falcon in the satellite control
3 category, when all eight criteria are applied. As you can
4 see on this slide, the Air Force ranked Onizuka in tier
5 three.
6 Finally, Falcon has superior protection against
7 current and future electronic encroachment; reduced risk
8 associated with security and mission disrupting
9 contingencies, such as emergencies and natural disasters; and
10 significantly higher closure costs. Mr. Chairman and
11 commissioners, it may be helpful to describe briefly
12 Onizuka's mission.
13 Onizuka is a space satellite control installation
14 in Sunnyvale, California, that provides technical support for
15 national space operations. Onizuka conducts telemetry
16 monitoring and tracking, and provides controlling commands to
17 operational defense assets, space vehicles and satellites,
18 orbiting the earth. Major units include the 750th space
19 group, which operates and maintains a worldwide network of
20 nine remote satellite tracking stations that support over 90
21 DOD satellites, and detachment two, which is the designated
22 DOD facility for space research, development, test and

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1 evaluation.
2 The 750th is responsible for the operations,
3 maintenance, and logistical support of the Air Force
4 satellite control network. It also supports NASA's space
5 shuttle, NATO, and allied nations' satellites. It schedules,
6 allocates and configures Air Force satellite control network
7 common user resources, and resolves resource allocation
8 conflicts. Finally, the 750th provides a host base operating
9 support at Onizuka.
10 Next slide, please. The overriding issue
11 concerning this realignment are the national security
12 implications of satellite control redundancy, single node
13 versus dual node. DOD's position is that that backup
14 capability and redundancy for controlling individual
15 satellites will not be lost with this realignment. Although
16 the United States still has a requirement for satellite
17 control redundancy, two fully functional satellite control
18 nodes; i.e., at Onizuka and at Falcon are no longer required.
19 The community argues Onizuka's mission objectives
20 require a robust, flexible, responsible and enduring
21 satellite control capability. Backup resources are required
22 to eliminate single failure points and provide continuous

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1 uninterrupted control capability in the event of war, natural
2 disaster or sabotage.
3 The community argues an Air Force policy directive
4 also requires geographically separated backup satellite
5 control capability. Staff analysis indicates backup
6 capability and redundancy for satellites will not be lost
7 with this realignment.
8 Backup capability for individual satellites could
9 be provided to payload command and control, geographically
10 separate mission processing facilities, the nine remote
11 satellite tracking stations around the world or mobile
12 assets.
13 Mr. Chairman and Commissioners, the proposed BRAC
14 1995 action to realignment Onizuka will not in any way
15 increase risk associated with satellite control or reduce
16 redundancy.
17 The next major issue on the slide is a single node
18 operation study. That's an issue that emerged recently
19 because of its existence and the cost estimates contained in
20 this study. And at this time will staff please pass out
21 copies of that study?
22 This study was conducted in 1993 and 1994 by the

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1 Air Force Material Command, the Air Force Space Command and
2 the classified tenants at Onizuka to assess the impact of
3 closing Onizuka and to estimate the cost and operational risk
4 of closure.
5 The community argues the relevant issue for the
6 Commission's consideration is the cost estimates. The
7 community concluded that the Air Force has planned to close
8 Onizuka ever since 1994. They also conclude that all costs
9 associated with moving Detachment 2 and the classified
10 tenants belong in the cost calculations of DOD's
11 recommendation.
12 Finally, they argue that the one-time cost to close
13 Onizuka are $699 and a return on investment of 27.1 years.
14 Staff analysis shows a single node operation study was not
15 part of the BRAC 1995 analysis because, one, it was conducted
16 before the BRAC 1995 process, and two, its assumptions were
17 fundamentally different from DOD's recommendation.
18 The study was based on the complete replication of
19 all Onizuka facilities and brand new facilities while the
20 BRAC 1995 realignment targeted only the consolidation of
21 redundant activities utilizing excess capacity where
22 available.

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1 Detachment 2 has two components, only one of which
2 belongs in the cost calculation. The satellite control
3 flight operations and engineering component consists of 17
4 personnel that would relocate to Falcon under the proposed
5 realignment and consolidate with Detachment 5, which is
6 already there.
7 The RDT&E component consists of 331 personnel and
8 is being relocated to Kirtland Air Force Base to consolidate
9 the Space and Missile Center's RDT&E functions, which is a
10 force structure move.
11 This consolidation is not BRAC related, nor does it have any
12 affect on the Onizuka realignment. Nonetheless, this
13 consolidation is on hold pending BRAC action.
14 In the single node operation study, the classified
15 tenets account for 520 million of the 699 million cost to
16 close. Under the proposed realignment, only one classified
17 mission would be required to locate.
18 The other classified missions will remain at
19 Onizuka until they expire. The cost for realigning the one
20 classified mission is 80.2 million and was included in the
21 total 121.3 million realignment cost.
22 The current return on investment is seven years

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1 without relocation, and the classified mission, that's about
2 a year to a year and a half. The Air Force plan is to
3 eventually close Onizuka once all the classified tenants'
4 missions phase out or move out by the Year 2004 or later.
5 Let me just summarize quickly that the single node
6 operation study is not connected to ongoing multi-year
7 upgrade efforts for the Air Force satellite control network.
8 These are not the result of the Onizuka realignment and are
9 required with or without the realignment.
10 Mr. Chairman and Commissioners, the final two
11 issues deal with excess capacity. As I mentioned, the Air
12 Force has one more installation than it needs. The community
13 argues that both Falcon and Onizuka are required, and staff
14 analysis shows that the classified tenants will not phase out
15 or move their missions until after the BRAC '95 time frame.
16 Thus, DOD's recommendation is for a realignment and not a
17 closure.
18 Finally, if Onizuka closes its family housing and
19 other support functions, the whole concept of a federal
20 airfield will be severely damaged. The Air Force, basically,
21 wants to eliminate its enlisted personnel so it can provide
22 less base operating support.

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1 Staff analysis shows that the Air Force wants to
2 convert operations to civilian control and eliminate
3 personnel so it can close all housing and related support
4 facilities at the Onizuka annex located at Moffett Federal
5 Airfield.
6 CHAIRMAN DIXON: Are there any questions of
7 Mr. Pross?
8 COMMISSIONER COX: Yes, Mr. Chairman. How many
9 people are with the 750th? There are several missions here,
10 but how many people are with the 750th today, not the rest of
11 the classified missions?
12 LIEUTENANT COLONEL PROSS: The 750th includes 31
13 officers, 52 enlisted, 47 civilian and 127 contractor.
14 COMMISSIONER COX: So, I'm sorry, without the
15 contractor, about 100?
16 LIEUTENANT COLONEL PROSS: About 120.
17 COMMISSIONER COX: About 120 for the 750th. And
18 most of the savings, as you mentioned, the one, the three --
19 excuse me. There are several missions, classified missions
20 here, some of which will fully themselves out eventually,
21 other of which will be moved under this proposal, and
22 [illegible]s the 80 million.

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1 How much of the savings of this proposal come from
2 moving the classified mission?
3 LIEUTENANT COLONEL PROSS: The classified mission
4 does not generate any manpower savings. However, of the
5 approximately $8.9 million in current operating cost at
6 Onizuka for military housing, medical clinic, family support
7 services and what not, only about 654,000, or 7.4 percent,
8 can be attributed to the classified mission.
9 COMMISSIONER COX: So most of the savings --
10 virtually all of the savings and not so much of the cost, as
11 you mentioned, come from getting rid of duplication between
12 Falcon and Onizuka?
13 LIEUTENANT COLONEL PROSS: Yes. The savings come
14 from the consolidation of the 750th with its counterpart at
15 Falcon, and a smaller savings come from elimination of some
16 base operating support, but primarily it's from the
17 consolidation, not from the classified mission.
18 COMMISSIONER COX: As I understand it, the DOD, and
19 maybe this is just semantics, is not saying that they don't
20 need a dual node capacity anymore but that they will leave
21 the basis for that dual node capacity at Onizuka until they
22 are able to develop whatever architecture allows them to do

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1 it without it?
2 LIEUTENANT COLONEL PROSS: That's correct.
3 Although the personnel will relocate to Falcon, the equipment
4 will be left at Onizuka in what's called a warm backup
5 capability that could be quickly manned in case of an
6 emergency.
7 COMMISSIONER COX: Right.
8 LIEUTENANT COLONEL PROSS: The upgrade probably
9 will not come on line until 2001 or 2002. This is a massive
10 upgrade in the Air Force base control network.
11 COMMISSIONER COX: Right. The network upgrade
12 won't be on until 2001, 2002.
13 LIEUTENANT COLONEL PROSS: That's correct.
14 COMMISSIONER COX: That doesn't necessarily mean
15 that the ability to do a dual node backup will be completed
16 then?
17 LIEUTENANT COLONEL PROSS: The backup and
18 redundancy could be provided now through these other major --
19 as I mentioned, the processing centers, the remote tracking
20 stations, mobile units, they, basically, can keep -- the ball
21 is in the air, if you will, until the network can be
22 reconstructed.

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1 COMMISSIONER COX: Right. The command and control
2 backup is available through the other, but the network is
3 not?
4 LIEUTENANT COLONEL PROSS: That's right. Network
5 backup would not be available --
6 COMMISSIONER COX: And that's the reason why they
7 want to keep that ability to do it?
8 LIEUTENANT COLONEL PROSS: That's right.
9 COMMISSIONER COX: I guess part of my concern with
10 this, and we went through this before on another issue, we
11 have limited BRAC funds that can be available, and all of the
12 services are anxious to make sure that there is enough money
13 to close these bases.
14 The one-time costs are very high, as we mentioned
15 before. The Air Force based their whole strategy on
16 downsizing the ALCs on the inability to cover the one-time
17 costs. We just voted through a series of motions to spend
18 one-time costs of a little over $54 million for a net loss of
19 savings.
20 So we're using BRAC funds, in my view, to do some
21 things that really weren't intended by BRAC. What we're
22 seeing here, and at least there are some savings out of this

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1 one, is that we're losing $80 million of BRAC funds to move a
2 mission with no savings.
3 The savings – and a mission that is going to be at
4 a base that at most can't close until 2003, 2004, maybe even
5 completely close longer than that if the networking
6 availability is not available in 2003 or 2004 when these
7 other missions complete what they're doing.
8 The big savings here are coming from the 750th, and
9 actually, that one-time cost isn't that high. But as a
10 practical matter, the way you're getting those savings is
11 because you've got duplicative people in both Onizuka and
12 Falcon, and right now they back each other up, and they don't
13 believe that you need those people to back each other up.
14 I don't believe you need to do this whole move and
15 do it under BRAC, if what you can do is you just don't need
16 as many people as you have today in Onizuka.
17 So I'm concerned that even any detriment on the
18 dual node backup – and as I understand it, at least as to
19 the networking, if there is a problem, it would take some
20 period of time to get a networking dual node backup once we
21 move these people – we can get much of the savings by simply
22 removing the duplicative people between Onizuka and Falcon,

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1 and we don't have to spend $80 million to move someone which
2 has no savings, which is not to say that ultimately the goal
3 isn't to close this.
4 It's very clear that the goal is to close this, and
5 there is some thought that if we spend $80 million now maybe
6 ten years from now we can close Onizuka. I just question
7 whether that's a wise use at this moment of very limited BRAC
8 dollars.
9 LIEUTENANT COLONEL PROSS: According to the Air
10 Force, if you moved out the classified mission that's going
11 to continue for some indefinite period of time – it costs
12 $80 million – that would lay the groundwork, if you will,
13 for eventually closing Onizuka once the other classified
14 missions either phase out or fly out.
15 COMMISSIONER COX: Absolutely.
16 LIEUTENANT COLONEL PROSS: The annual recurring
17 savings are about $16.1 million per year. The return on
18 investment is about seven years. Without the classified
19 mission, that ROI would be one or one and a half years.
20 COMMISSIONER COX: No. I understand. That's what
21 I'm saying. We're paying to move the classified mission,
22 which is fine. The goal is, in the long run, to save money,

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1 we hope, out of moving that classified mission, because you
2 ultimately could close Onizuka.
3 But I just question when you've got an Air Force
4 saying you can't make us spend these one-time dollars,
5 because we have a real short-term crisis here, why we're
6 allowing the BRAC to be used in a number of these cases to
7 make decisions, frankly, that they could make themselves and
8 that shouldn't be using BRAC funds. So I have a concern
9 about this.
10 CHAIRMAN DIXON: All right. Are there any further
11 statements by any other Commissioner or any questions by any
12 other Commissioner? Is there a motion?
13 COMMISSIONER MONTOYA: I want to ask a question,
14 Mr. Chairman. CHAIRMAN DIXON: Commissioner Montoya.
15 COMMISSIONER MONTOYA: A very simple question.
16 Somewhere in your dissertation this fact is buried, I think.
17 It's very simply, when – in the chronology of closing, when
18 would the Air Force spend most of their one-time costs? This
19 goes to what Mrs. Cox has been saying, and I share her
20 concern given what we handed the Air Force this morning.
21 When do you expect most of that money to be spent?
22 LIEUTENANT COLONEL PROSS: I think this would be in

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1 the 1998 to 2000 time frame.
2 COMMISSIONER MONTOYA: It would be out that far?
3 LIEUTENANT COLONEL PROSS: Yes, sir.
4 COMMISSIONER MONTOYA: Thank you.
5 CHAIRMAN DIXON: Thank you. Are there any other
6 questions?
7 COMMISSIONER KLING: Just a fast one, sir?
8 CHAIRMAN DIXON: Commissioner Kling.
9 COMMISSIONER KLING: Are you comfortable with the
10 figures that you have that you're looking at, the cost to
11 close and savings?
12 LIEUTENANT COLONEL PROSS: There was a site survey
13 done after the original COBRA came out, and the annual
14 recurring savings went from 30.3 million down to 16.1
15 million. The cost to close went from 124 million to 121
16 million. So they didn't change very much. Return on
17 investment stayed at about seven years.
18 CHAIRMAN DIXON: Any further questions of
19 Mr. Pross?
20 (No response.)
21 CHAIRMAN DIXON: Any further statements by any
22 Commissioner?

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1 (No response.)
2 CHAIRMAN DIXON: Is there a motion?
3 COMMISSIONER COX: I have a motion.
4 CHAIRMAN DIXON: Commissioner Cox.
5 M O T I O N
6 COMMISSIONER COX: The Commission find the
7 Secretary of Defense deviated substantially from Final
8 Criteria 1, 4 and 5 and the Force Structure Plan, and
9 therefore the Commission reject the Secretary's
10 recommendation on Onizuka Air Station California and instead
11 adopt the following recommendation:
12 Retain Onizuka Air Station, including all base
13 activities and facilities. The Commission finds this
14 recommendation is consistent with the Force Structure Plan
15 and Final Criteria.
16 CHAIRMAN DIXON: Thank you, Commission, Cox. Is
17 there a second to the motion?
18 COMMISSIONER MONTOYA: Second.
19 CHAIRMAN DIXON: Commissioner Cox moves and
20 Commissioner Montoya seconds that motion to reject the
21 recommendation of the Secretary of Defense. Are there any
22 further comments?

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1 (No response.)
2 CHAIRMAN DIXON: Counsel will call the roll.
3 MS. CREEDON: Commissioner Cox?
4 COMMISSIONER COX: Aye.
5 MS. CREEDON: Commissioner Davis?
6 COMMISSIONER DAVIS: No.
7 MS. CREEDON: Commissioner Kling?
8 COMMISSIONER KLING: No.
9 MS. CREEDON: Commissioner Montoya?
10 COMMISSIONER MONTOYA: Aye.
11 MS. CREEDON: Commissioner Robles?
12 COMMISSIONER ROBLES: Nay.
13 MS. CREEDON: Commissioner Steele?
14 COMMISSIONER STEELE: Aye.
15 MS. CREEDON: Commissioner Cornella?
16 COMMISSIONER CORNELLA: No.
17 MS. CREEDON: Commissioner Davis?
18 CHAIRMAN DIXON: You asked Mr. Davis.
19 MS. CREEDON: Oh, I'm sorry. I'm sorry. Mr.
20 Chairman?
21 CHAIRMAN DIXON: No.
22 MS. CREEDON: Mr. Chairman, the vote is 3 ayes and

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5 nays.
CHAIRMAN DIXON: A reversal of that, of course, ould support the Secretary. Now, does the Commissioner want other motion? Perhaps we should have another motion. I lieve it's the first time it has occurred today. Is there another motion, Commissioner Davis?
COMMISSIONER DAVIS: Yes, sir.
MOTION
COMMISSIONER DAVIS: I move the Commission find the Secretary of Defense did not deviate substantially from the Final Criteria and the Force Structure Plan, and therefore the Commission adopt the following recommendation of the Secretary of Defense:
Realignment Onizuka Air Station. The 750th Space Group will inactivate, and its functions will relocate to Falcon Air Force Station Colorado. Some tenants will remain in existing facilities. All activities and facilities associated with the 750th Space Group, including family housing and the clinic will close.
CHAIRMAN DIXON: I second that motion. Counsel will call the roll.
MS. CREEDON: Commissioner Davis?

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COMMISSIONER DAVIS: Aye.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Nay.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Nay.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Nay.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is 5 ayes and 3 nays.
CHAIRMAN DIXON: And the Commission supports the recommendation of the Secretary of Defense that Onizuka be realigned.
MR. CIRILLO: Mr. Chairman, if you'd turn to page C-6, this is another redirect. This is for Lowry Air Force

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Base. Lowry Air Force Base was closed during the 1991 Commission but a cantonment area was left. In that cantonment area was the 1001st Space Systems Squadron. This redirect calls for the inactivation of the Space Systems Squadron.
If you go to C-7, it points out the DOD recommendation and the specifics of that recommendation. Included in the recommendation is the fact that some Detachment 1 personnel and equipment will relocate to Peterson Air Force Base --
CHAIRMAN DIXON: Mr. Cirillo, would you forgive more interrupting? This is a redirect, and I've inquired of my colleagues, and there is no controversy. Is there a motion by my colleagues regarding Lowry Air Force Base?
COMMISSIONER DAVIS: I have a motion.
MR. CIRILLO: I do have one issue, and that is the fact that there is an error in the language in this particular --
CHAIRMAN DIXON: We're aware of that, Mr. Cirillo. Commissioner Davis.
MOTION
COMMISSIONER DAVIS: Mr. Chairman, I move the

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Commission find the Secretary of Defense deviated substantially from Final Criteria 2, and therefore the Commission reject the Secretary's recommendation on Lowry Air Force Base and instead adopt the following recommendation:
Change the recommendation of 1991 Commission regarding the cantonment of the 1001st Space Support Squadron at Lowry Support Center as follows: Inactivate 1001st Space Systems Squadron now designated Detachment 1 Space System Support Group and close all related facilities.
Some Detachment 1 personnel and equipment will relocate to Peterson Air Force Base Colorado under Space Systems Support Group while the remainder of the positions will be eliminated. The Commission finds this recommendation is consistent for the Force Structure Plan and Final Criteria. And I would ask counsel does that include --
CHAIRMAN DIXON: I second the motion, and I'm advised by counsel the language is in there. Is that right, Mr. Cirillo?
MR. CIRILLO: Right.
CHAIRMAN DIXON: Are there any further comments or questions?
(No response.)

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CHAIRMAN DIXON: Counsel will call the roll.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Mr. Chairman.
CHAIRMAN DIXON: Aye.
MS. CREEDON: The votes are 8 ayes and 0 nays.
CHAIRMAN DIXON: And that's a redirect of Lowry, and again let me point out that I see congressmen and senators in the room. You're going to have to have some kind of a provision in the law, I hope in the DOD authorization

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bill this year, to help with these changes that BRAC has experienced in the past and that we'll not have the mechanism to do subsequent to this '95 BRAC. Air Force Reserve F-16s.
MR. CIRILLO: Mr. Chairman, on Tab D, actually, we'll be discussing in the next two areas the Air Force Reserve category. Just one point out on Tab No. D-1, page D-1, is that the Air Force did not tier these facilities but rather closed them primarily based on cost and geographical considerations.
Lieutenant Colonel Merrill Beyer will be discussing the fleet fighter reserve bases, and he'll be followed by Mr. DiCamillo, who will be covering the C-130 bases.
LIEUTENANT COLONEL BEYER: I will first discuss capacity. Please refer to Slide D-3. The Base Closure Executive Group sites several concerns with two closures. First, the overriding reason for the Reserve is to recruit qualified personnel to support the Air Force.
Second, cutting too deep will be impact combat readiness and peacetime operational capability. For these reasons, the Secretary of Defense supported the closure of one Reserve F-16 base. Please turn to Slide D-4.
This chart chose the bases in the Air Force Reserve

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1 F-16 category now under consideration. The Secretary of
2 Defense's recommendation for closure is Bergstrom. Carswell
3 and Homestead were added by the Commission for consideration
4 as additions or substitutions. In addition, Homestead has
5 two redirects from the '93 Commission.
6 Please turn to Slide D-5. This chart compares the
7 bases under consideration. The Secretary of Defense's
8 recommendation is to close Bergstrom. According to DOD,
9 closure of the Bergstrom Air Reserve Base is the most cost-
10 effective option.
11 Carswell is a cost-effective installation for the
12 Reserves. If there are no more questions, I will -- if there
13 are no questions, I will address the issues relevant to each
14 base in the Reserve F-16 category.
15 COMMISSIONER COX: Colonel Beyer?
16 LIEUTENANT COLONEL BEYER: Yes.
17 CHAIRMAN DIXON: Commissioner Cox.
18 COMMISSIONER COX: I wonder if I might ask about
19 the one-time costs and annual savings. As I understand it,
20 there is an issue on both Bergstrom and Homestead, and so we
21 should at least talk about it.
22 Both of them are on bases where at the moment they

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1 are paying higher costs than they might pay, almost for sure
2 will pay, when they become tenants on those particular
3 facilities. That's sooner rather than later at Bergstrom in
4 a year or so but expected at some point at Homestead. I
5 wonder if you might speak to that.
6 LIEUTENANT COLONEL BEYER: Both of these Air
7 Reserve Bases will become Air Reserve Stations when the
8 airfield facilities revert over to the local communities, and
9 both will benefit from the same reductions in costs. The
10 COBRA is a comparative model, and our determination is that
11 the comparisons remain valid in the numbers here.
12 COMMISSIONER COX: They remain valid as to each
13 other?
14 LIEUTENANT COLONEL BEYER: Correct, between
15 Homestead and Bergstrom.
16 COMMISSIONER COX: Right, but not necessarily as to
17 Carswell. Do we expect Carswell's annual costs to go down
18 significantly in the next few years?
19 LIEUTENANT COLONEL BEYER: No, but Carswell is
20 already a federal installation, and if we close the -- if we
21 deactivate the 301st Fighter Wing, the installation does not
22 close.

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1 COMMISSIONER COX: Right.
2 LIEUTENANT COLONEL BEYER: There are no benefits
3 received by the DOD in that.
4 MR. CIRILLO: Further, that installation, the
5 Carswell unit, has been there since the '91 Commission. So
6 they've already been there for --
7 COMMISSIONER COX: Believe me, I'm well aware of
8 that one. We put a few in there ourselves in 1993. I'm just
9 trying to get to the fact that at Bergstrom for sure in a
10 year the costs of that base station then will go down because
11 the airport will open. At Homestead, we expect that to
12 happen, although it is not as predictable in timing. Is that
13 correct?
14 MR. CIRILLO: As Lieutenant Colonel Beyer said, on
15 a balance, that's a correct statement. When the cargo
16 airport does go over and takes operation at Bergstrom Air
17 Force Base, there will still be some costs to the borne by
18 the Air Force.
19 COMMISSIONER COX: Sure.
20 MR. CIRILLO: For example, fire protection and
21 rescue, and we're not exactly sure what that cost will be,
22 but it won't go down as immediately as 1996. There will

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1 still be an increased cost because they'll still be providing
2 that assistance.
3 LIEUTENANT COLONEL BEYER: I should also point out
4 that an agreement with the Base Conversion Agency in Dade
5 County includes a $1.4 million subsidy by Dade County for the
6 Homestead ARB. So that will come right off the base
7 operating support costs for the Air Force.
8 COMMISSIONER COX: Okay.
9 COMMISSIONER DAVIS: Can I do a follow-on on both
10 of those? What will those costs come down to, the one-time
11 costs -- or the annual savings?
12 LIEUTENANT COLONEL BEYER: A ballpark would be
13 about $4 million a year.
14 COMMISSIONER DAVIS: Each?
15 COMMISSIONER COX: Each.
16 LIEUTENANT COLONEL BEYER: Each.
17 COMMISSIONER DAVIS: And that would include the
18 $1.4 million subsidation by Dade County?
19 LIEUTENANT COLONEL BEYER: The $1.4 million subsidy
20 would be on top of that.
21 COMMISSIONER DAVIS: So it would be 5.something at
22 Homestead and 4 million at Bergstrom. Okay.

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1 CHAIRMAN DIXON: Any further questions?
2 COMMISSIONER ROBLES: Yes. Colonel Beyer, just a
3 quick question.
4 CHAIRMAN DIXON: Commissioner Robles.
5 COMMISSIONER ROBLES: Did I understand you -- I'm
6 sure I did but just clarify -- the Air Force position you
7 said was that they close one of those F-16 bases, not two or
8 more?
9 LIEUTENANT COLONEL BEYER: That's correct.
10 COMMISSIONER ROBLES: And you didn't give any sort
11 of valid judgment from a staff point of view. Do you think
12 that is the correct analysis, that they should only close
13 one? So we're really trying to find out which one of those
14 three to close?
15 LIEUTENANT COLONEL BEYER: Staff finds that that is
16 a correct assessment that they should only close one.
17 COMMISSIONER MONTOYA: I have a comment, Mr.
18 Chairman.
19 CHAIRMAN DIXON: Commissioner Montoya.
20 COMMISSIONER MONTOYA: This issue almost turned
21 into a tale of two Texas cities with a famous promise in
22 between, and I must commend both cities for being very

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1 straightforward, very entrepreneurial on this issue.
2 But I want the record to show that my assessment
3 is, one, the military value of creating this -- continuing to
4 create this joint base, Reserve base at Carswell, has
5 tremendous appeal, and two, the promise -- when you look at
6 the language very carefully and look at the whole tape, there
7 is some ambiguity in the promise.
8 At the minimum it says that the fighter wing will
9 stay there through the end of 1996, at least through the end
10 of 1996, and that's well within the BRAC time period in which
11 one would close, and it could remain that long to meet that
12 promise if it really was needed and then move.
13 So in the final analysis, I think that the country
14 is best served by creating that joint Reserve base at
15 Carswell.
16 CHAIRMAN DIXON: I thank Commissioner Montoya. Are
17 there any further comments?
18 COMMISSIONER COX: Mr. Montoya, if I might discuss
19 that further, I certainly agree with the value of the
20 Carswell Air Force Base and would not in any way suggest that
21 we change Carswell.
22 I feel like I have to speak as to the '91 and '93

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BRAC recommendations at Bergstrom because I was very involved in them. and I think I have a better idea than almost anyone what they are and what they meant, which is not to say I believe in any way we should try to move the reserve of Dallas.

This is a Bergstrom-only issue or, perhaps, a Bergstrom versus Homestead issue, but in any case, in my mind, it's not a Carswell issue. And that is, in 1991, the DOD and the BRAC indicated that if, in closing Carswell Air Force Base, the community were prepared to build an airport and become a host to that reserve, that, in fact, that would be available but that they would have to make an indication that they were prepared to do that by a certain date in 1993 and that. in fact, they would have to make an airport.

They would have to have a viable airport by 1996. That was in the 1991 recommendation. In 1993, several days before the city passed a referendum indicating their interest in making an airport and committing some monies to do so, the Department of Defense indicated that despite the fact that they had made the commitment that they would keep a reserve there if by a certain date the city made that commitment, the DOD recommended that the reserve base be disestablished and

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moved.

The BRAC Commission felt very strongly when several — when in fact the community passed that indication of support, including monetary value, before the date that was required in the 1991 recommendation and committed to by the Air Force, that that was unfair.

What we did, then, is say no to the DOD moving that reserve base at that time, but we kept with the 1991 recommendation that just committing to an airport and even starting building an airport was not enough because we were worried that Bergstrom might never get their airport done. might be 2001, 2002, or it might be like the Denver rport and take an extra $2 billion and five years later.

So we put in our recommendation that the same commitment — we intended to put the same commitment, same request that it must be done by 1996, and, in fact, Bergstrom is going to open a cargo airport in 1996.

They are splitting the operations between a passenger airport and the old airport and the cargo airport because of that commitment that they would have to have a viable open airport by 1996. I feel while there is not a contractual agreement between the government or the BRAC with

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Bergstrom that they have met every — so far everything that we said that we would keep a reserve there if they did it.

They indicated and they started building an airport by 1993, and it appears that they will have it open by 1996. So does that mean we can't change our mind? No way. Of course we can change our mind, but there was a commitment there, and I feel, certainly as a member of the '93 Commission, that there was a commitment there, and that that's what it was.

It wouldn't have made any sense, frankly, for us to say we'll keep a reserve unit there until you open an airport. I mean, it had to have been if you open an airport in 1996 we will come it. So I just raise that as a little bit of history.

CHAIRMAN DIXON: Thank you, Commissioner Cox. Commissioner Kling.

COMMISSIONER KLING: I'd like to follow-up on that, because I happen to believe — I feel the same way that Commissioner Cox does, and I guess I have to understand it a little bit better, and I heard very well what you said.

But if we did give a commitment in '93 that we uld maintain this Air Force — the reserve if they proposed

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with the airport, and if they are proceeding with it, even though they haven't completed it, I don't understand philosophically how we can turn around now and say, well, we've changed our mind, and we're not going to recognize that anymore.

Have you checked into that? Have you looked into this aspect? What's your comments on that?

MR. CIRILLO: Yes. There are commitments, but the commitments as far as from a legal basis —

COMMISSIONER KLING: Not a legal basis.

MR. CIRILLO: From a legal basis —

COMMISSIONER KLING: But we did make — otherwise, everything that is said is correct?

MR. CIRILLO: That is correct. Everything that is said is correct, and the issues that are up there the Commissioners are very familiar with, pretty much lays them all out on the line as far as where we are on a legal basis and as far as a moral basis.

COMMISSIONER KLING: I happen to —

MR. CIRILLO: Force structure —

COMMISSIONER KLING: I happen to agree that I have a problem with that, then.

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MR. CIRILLO: The one issue I would have to comment on is when the commitment was made there was no promises given at that time or it was clarified by the individual that force structure is bound to go down.

Since then force structures have gone down from a 26 fighter wing equivalent to 20 fighter wing equivalents. Force structure has gone down. The Air Force has in excess, actually, of two fighter units, and they would fix one as the issues that you're familiar with. They're up there.

They would get rid of one by deactivating this installation and the other one by conversion actions at another installation, convert a fighter unit to another type of aircraft.

CHAIRMAN DIXON: Thank you, Mr. Cirillo.

COMMISSIONER KLING: I would have to assume the city also went out and raised money to accomplish and to build this.

MR. CIRILLO: They had a referendum to support it. As a matter of fact, the decision to keep the reserve unit there in 1991 was contingent upon the referendum to be signed by, I think it was, June of 1993, and that referendum was taken care of in June.

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COMMISSIONER KLING: I would only just say in finishing that I'd hate to do business the way that I say one thing and then three years later or two years later I change my mind.

CHAIRMAN DIXON: Commissioner Robles.

COMMISSIONER ROBLES: Mr. Chairman, I'd like to shift the spotlight over to Homestead Air Force Base. Let's just say that the 482nd Fighter Wing was relocated or inactivated from Homestead Air Force Base. What other missions, tenants or support would be located at Homestead Air Force Base, or would Homestead Air Force Base provide if we took that fighter wing and moved it somewhere else or inactivated it?

MR. CIRILLO: The only thing that's at Homestead right now is the unit — I'm sorry, the fighter unit. There is a redirect in there to bring a unit back into there, into Homestead, that's currently located at Patrick Air Force Base.

So if the unit at Homestead Air Force Base was either closed or if the base was closed and the unit was allowed to be either disestablished by the Air Force or moved to another location, that would also relieve an excess of

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1 fighter units.
2 COMMISSIONER ROBLES: Are there any other bases in
3 the Air Force structure that only support one unit?
4 MR. CIRILLO: None that I can think of.
5 COMMISSIONER ROBLES: I'm just trying to figure out
6 the rationale for this particular -- and I understand all
7 that went down in 1992, et cetera, but this is 1995 and the
8 future. I'm just trying to --
9 MR. CIRILLO: In 1993, the Commission -- each of
10 the communities -- I'll have to point out each of the
11 communities feel there is a commitment, the Carswell
12 community, the joint Reserve base in '93. We've already
13 talked about this one, the Homestead, their base, their unit
14 was -- after the hurricane, their reserve unit was retained
15 there by the Commission in 1993.
16 Each of them feel that there is a commitment, but
17 you're right in saying that at Homestead there is only that
18 one unit. They do have another Air National Guard unit that
19 pulls alert down there on occasion, but that's in a separate
20 unrelated area.
21 But the only unit there is the reserve unit, and
22 like I mentioned, and the Air Force wants to not move the

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1 301st Rescue Unit down there that is currently located at
2 Patrick Air Force Base that was supposed to go back to
3 Homestead as a result of the '93 recommendations.
4 COMMISSIONER ROBLES: So I guess what you're
5 telling me the bottom line is we're trying to sort out here
6 -- or we're trying to sort out which commitment we ought to
7 honor, all three of them, one of them, two of them.
8 MR. CIRILLO: I just call your attention to the
9 Secretary's recommendation. The Secretary's recommendation
10 was one, and then -- the one unit, and that was Bergstrom,
11 and we've had other comments.
12 If you wish to, we could look at the Homestead
13 slide, the issues that have come up since then, as far as the
14 retention of Homestead. They talked about strategic location
15 there.
16 CHAIRMAN DIXON: Now, let's Commissioner Robles
17 pursue his course. Commissioner Robles.
18 COMMISSIONER ROBLES: I would at least like to see
19 those issues with respect to Homestead because, you know, if
20 we're in the business -- our charter has to look at these
21 things and say one of a kind --
22 COMMISSIONER DAVIS: We have not briefed Homestead

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1 yet, but -- Mr. Chairman?
2 CHAIRMAN DIXON: Commissioner Davis.
3 COMMISSIONER DAVIS: I could say that we just had
4 an Assistant Secretary of the Air Force make a commitment.
5 The President at the time and the presidential candidate made
6 a commitment on keeping Homestead open, but I would like to
7 review the Homestead --
8 CHAIRMAN DIXON: If memory serves me, in that
9 presidential election, both presidential candidates promised
10 it. That will happen next time again, I suspect, as well.
11 Now, what do you want to say about this, Commissioner Davis?
12 COMMISSIONER DAVIS: Sir, I'd like to get the
13 Homestead brief so we can talk about it --
14 MR. CIRILLO: D-12 and D-13 --
15 CHAIRMAN DIXON: Now wait. Now wait. We're
16 still -- pardon me, but we're still on Bergstrom,
17 essentially, are we not?
18 MR. CIRILLO: That's correct.
19 CHAIRMAN DIXON: I wonder if we pursued that
20 assiduously and whether everybody is satisfied?
21 COMMISSIONER COX: If I could ask just one more
22 question about Bergstrom, and then I'd like to move on to

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1 Homestead, too.
2 CHAIRMAN DIXON: Commissioner Cox.
3 COMMISSIONER COX: On Bergstrom, it's my
4 understanding that if we reject the Secretary's
5 recommendation, the DOD's recommendation, that they would
6 rather that they get rid of an F-16 unit by themselves --
7 literally get rid of this F-16 unit and convert it to a
8 tanker unit or whatever. So they would take care of the
9 extra F-16 unit; is that correct?
10 LIEUTENANT COLONEL BEYER: By internal conversion
11 action.
12 COMMISSIONER COX: By internal conversion. And so
13 the need to get rid of an -- we don't have to worry about
14 getting rid of an F-16 unit; is that correct?
15 LIEUTENANT COLONEL BEYER: The issue is cost.
16 COMMISSIONER COX: Right. Understandably, you
17 don't get rid of the infrastructure. I certainly agree.
18 COMMISSIONER STEELE: I have one final question on
19 Bergstrom, please. Just for the Bergstrom community's sake,
20 we heard from the Carswell community that Bergstrom's long-
21 term plans for the airport had a runway or something going
22 right through where the reserve unit is currently located,

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1 but then I later heard that that was an early version of the
2 plan and that has since changed.
3 And I wonder if you could just let us know if the
4 city plans to go right through the reserve unit if it stays
5 or if they have decided to work around it.
6 LIEUTENANT COLONEL BEYER: What you're referring to
7 is an early drawing, I think about 1993, that showed terminal
8 expansion into the reserve cantonment area. And once the
9 city of Austin realized that that was unacceptable, because
10 the cantonment is federal property, and it simply wasn't an
11 option, they redrew their terminal expansion plan.
12 And there is no infringement upon the cantonment
13 area. As a matter of fact, the airport is built around the
14 cantonment area specifically to accommodate the reserve.
15 COMMISSIONER STEELE: So from your knowledge, it
16 was an oversight. It's not a city plan to want any kind of
17 reserve unit to move out?
18 LIEUTENANT COLONEL BEYER: That's correct.
19 COMMISSIONER STEELE: Okay.
20 COMMISSIONER COX: In fact, as I understand it, as
21 you've mentioned, it cost them more to move the terminal so
22 they could make sure it was not in the way of the cantonment

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1 area.
2 LIEUTENANT COLONEL BEYER: Make no mistake about
3 it, the city has accommodated the reserve and its cost them
4 for it, and also they were going to convert Bergstrom into
5 their airport at any rate whether the reserves were there or
6 not.
7 COMMISSIONER COX: Oh, I agree.
8 CHAIRMAN DIXON: Now, let the Chair say there has
9 been some discussion up here. What we're going to do, we're
10 going to discuss all of these Air Force Reserve F-16s, and
11 then we'll either make a selection or we won't make a
12 selection, but we'll muddle around until we do something.
13 Now, what are we on next?
14 COMMISSIONER MONTOYA: Mr. Chairman, I'd like to
15 make one more comment on Bergstrom.
16 CHAIRMAN DIXON: Commissioner Montoya.
17 COMMISSIONER MONTOYA: I don't want to have it
18 appear that this gentleman has a conscious and I don't
19 regarding promises. I do need to make another observation.
20 Our Congress is dealing these days with promises called
21 entitlements, and they're having a heck of a time with that.
22 CHAIRMAN DIXON: No kidding.

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1 COMMISSIONER MONTOYA: And when I was in the Navy,
2 we went through a process -- you won't believe this process
selling ships to home ports, and community spent enormous
ounts of money and resources to get Navy ships to come.
And I can tell you that today Galveston, Staten
6 Island, Mobile, Alabama, Lake Charles, Louisiana, who made
7 significant commitments are still waiting for their Navy ship
8 to arrive, and it probably never will because times change.
9 And I think that we've got to keep that in mind as we think
10 about government promises.
11 CHAIRMAN DIXON: Well, as a member that was there
12 during the home porting debates who spoke against home
13 porting, I have to share the view of my distinguished
14 colleague. Next question.
15 LIEUTENANT COLONEL BEYER: The final comment I have
16 on Bergstrom is that if the decision is to close Bergstrom
17 there are other federal agencies and DOD units, including the
18 Texas National Guard, that would move into the facilities
19 vacated by the fighter wing there.
20 COMMISSIONER DAVIS: Mr. Chairman?
21 CHAIRMAN DIXON: Commissioner Davis.
22 COMMISSIONER DAVIS: With your permission, it looks

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1 like we're starting to get into -- we're looking for a winner
2 in this competition. So it would be my recommendation that
3 we brief all three bases that are in competition and then do
4 the appropriate motions thereafter.
5 CHAIRMAN DIXON: Okay. I think that's an excellent
6 idea, and if there are no objections, let's do it.
7 LIEUTENANT COLONEL BEYER: I direct your attention
8 to slide D-7 --
9 COMMISSIONER COX: I'm sorry, Colonel Beyer.
10 Before we do that, you just made a statement that the
11 National Guard or somebody was interested in taking over the
gstrom. Do we have any letters to that effect?
LIEUTENANT COLONEL BEYER: We have minutes of
eetings of the local military council, if you will, that
15 shows of all the people that are prospective tenants for
16 Bergstrom what their plans are in the event of a closure of
17 the --
18 COMMISSIONER COX: Does the local military council
19 get to decide where the National Guard goes?
20 LIEUTENANT COLONEL BEYER: It would be
21 representatives from the Texas National Guard that are there
22 expressing the plans, and nothing is firm, of course. These

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1 are notes about future events that are no guarantee. This is
2 perspective only.
3 COMMISSIONER COX: This is their hope for a reuse
4 if Bergstrom goes; is that correct?
5 LIEUTENANT COLONEL BEYER: Correct. That is
6 correct.
7 COMMISSIONER COX: And nobody in the Governor's
8 office or the National Guard has indicated that that's what
9 they want to do?
10 LIEUTENANT COLONEL BEYER: Correct.
11 COMMISSIONER COX: Thank you.
12 CHAIRMAN DIXON: Thank you, Commissioner Cox.
13 MR. CIRILLO: Mr. Chairman?
14 CHAIRMAN DIXON: Mr. Cirillo.
15 MR. CIRILLO: Yes, sir. We've covered a lot of the
16 issues on the chart there. I don't know if anybody has any
17 questions. We can go through these issues one at a time, but
18 it appears to include the force structure reductions which
19 you already covered and the fact which is a total base
20 closure and which isn't.
Obviously, Bergstrom and Homestead would be.
swell would not, and the cost issue, which is the last.

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1 If anybody has any questions on those, we'd be glad to cover
2 those with you.
3 CHAIRMAN DIXON: Are there any questions of
4 Mr. Cirillo or any observations by any of the Commissioners
5 or even any suggestion about which one we vote on first?
6 Because the Chair doesn't have a dog in his bite. I'm just
7 trying to get through this Air Force Reserve F-16 question.
8 COMMISSIONER COX: I have a suggestion, too. I
9 have a motion. CHAIRMAN DIXON: You have a motion?
10 COMMISSIONER COX: I think it will help clarify
11 matters.
12 CHAIRMAN DIXON: Let's hope so.
13 COMMISSIONER COX: Even though we added it to the
14 list, I suggest that we vote to take out of further
15 consideration Carswell. That will at least get that one out
16 of the way.
17 CHAIRMAN DIXON: All right.
18 MOTION
19 COMMISSIONER COX: So I move that we remove
20 Carswell Air Force Reserve from any further consideration.
21 COMMISSIONER DAVIS: I second that motion.
22 CHAIRMAN DIXON: Okay. Moved by Commissioner Cox

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1 and seconded by Commissioner Davis that Carswell, which is an
2 add-on --
3 COMMISSIONER COX: Right.
4 CHAIRMAN DIXON: But just to clarify the record --
5 COMMISSIONER COX: Just to clarify.
6 CHAIRMAN DIXON: -- I think it's a good idea, be
7 removed from the list. Is there any further comment?
8 (No response.)
9 CHAIRMAN DIXON: Counsel, call the roll.
10 MS. CREEDON: Commissioner Cox?
11 COMMISSIONER COX: Aye.
12 MS. CREEDON: Commissioner Davis?
13 COMMISSIONER DAVIS: Aye.
14 MS. CREEDON: Commissioner Kling?
15 COMMISSIONER KLING: Aye.
16 MS. CREEDON: Commissioner Montoya?
17 COMMISSIONER MONTOYA: Aye.
18 MS. CREEDON: Commissioner Robles?
19 COMMISSIONER ROBLES: Aye.
20 MS. CREEDON: Commissioner Steele?
21 COMMISSIONER STEELE: Aye.
22 MS. CREEDON: Commissioner Cornella?

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1 COMMISSIONER CORNELLA: Aye.
2 MS. CREEDON: Mr. Chairman?
3 CHAIRMAN DIXON: Aye.
4 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
5 0 nays.
6 CHAIRMAN DIXON: Commissioner Cox, thanks for a
7 good idea. We've clarified that Carswell is not any longer
8 on the list, and Carswell remains open, having been placed on
9 as an add-on. Commissioner Steele.
10 MOTION
11 COMMISSIONER STEELE: I would like to make a motion
12 regarding Bergstrom. I move the Commission find --
13 CHAIRMAN DIXON: Wait just a minute, will you,
14 Commissioner Steele?
15 COMMISSIONER STEELE: Sure.
16 CHAIRMAN DIXON: I'm getting advice of counsel
17 before I get in trouble.
18 COMMISSIONER STEELE: All right.
19 CHAIRMAN DIXON: Okay. Commissioner Steele, if you
20 would please indulge the Chair, I think Commissioner Davis'
21 position is in order. He would like to have a briefing on
22 Homestead before we go further. Would you mind doing that?

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1 COMMISSIONER STEELE: That's not only appropriate,
2 it's fair, and it's a great idea.
3 CHAIRMAN DIXON: You're very kind, and now we are
4 going to brief on Homestead.
5 LIEUTENANT COLONEL BEYER: I draw your attention to
6 charts D-12 and D-13 on Homestead. The first issue is the
7 issue of Reserve F-16 force structure reductions, and the
8 staff finds that the draw-down in and of itself does not
9 require a base closure, and the closure of Bergstrom is a
10 cost, not a draw-down issue.
11 In regards to the issue of total base closure, as
12 stated previously, DOD states the recommendation to
13 deactivate the 924th Fighter Wing at Bergstrom allows the Air
14 Force to achieve more savings.
15 The community at Homestead argues the '93
16 Commission directed the return of both 301st Rescue Squadron
17 and the 482nd Fighter Wing to Homestead because of the
18 military value of the base, the recruiting value of Dade
19 County and the economic impact to the community after the
20 devastation of the hurricane.
21 Staff finds deactivation of the 842nd Fighter Wing
22 allows a complete closure. The Bergstrom closure, however,

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1 is more cost-effective.
2 Next, the issue of commitments. We've discussed
3 that, I believe, already including the commitment of the Dade
4 County --
5 COMMISSIONER KLING: Excuse me. You know, at the
6 bottom of D-7, and I'm sure you got that there, it says,
7 "Airport development involves no detrimental reliance on Air
8 Force commitment."
9 LIEUTENANT COLONEL BEYER: What I'm referring to
10 there is the fact that the city was proceeding a pace with
11 the development of Bergstrom as its airport whether or not
12 the reserve was there.
13 COMMISSIONER KLING: So you're saying to me that
14 even if we -- if we close down Bergstrom, the airport is
15 going forward, no other effects to it? It's not going to
16 cost them anything anymore? Everything is --
17 LIEUTENANT COLONEL BEYER: To be absolutely fair,
18 the city is saving money by going to Bergstrom compared to
19 developing an airport somewhere else. Also, they have spent
20 some money to accommodate the reserve cantonment location.
21 For example, a second runway is being constructed. The
22 distance from the first runway is sufficient to cover the

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1 area of the cantonment. If that cantonment was there, the
2 runways would be closer together.
3 However, another aspect of that is to allow
4 simultaneous departure and arrival operations, the FAA
5 requires a certain separation of runways. To allow
6 intercontinental range aircraft to land at Austin, you need
7 certain length of runways. So it could be argued that the
8 city was going to be spending the money anyway.
9 COMMISSIONER COX: Does it require that --
10 CHAIRMAN DIXON: Commissioner Cox.
11 COMMISSIONER COX: -- amount of room between the
12 two runways, Colonel Beyer, on the commercial airport?
13 LIEUTENANT COLONEL BEYER: It does not require the
14 amount of room that is being used to accommodate the
15 cantonment area. There is a greater distance to accommodate
16 the cantonment area.
17 COMMISSIONER COX: Thank you. And is it not true
18 that in 1991 before Carswell was closed and before the first
19 BRAC indicated that the reserve would stay there if in fact
20 they met the June 1993 date that Austin was, in fact,
21 building another airport elsewhere and had already started
22 the money and the planning for that, and so the move to

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1 Bergstrom was, perhaps, not in detrimental reliance but
2 certainly as a cause, approximately cause, from the closure
3 of Carswell and following an agreement that if they move
4 forward on that airport by 1993 that they would have a
5 reserve?
6 LIEUTENANT COLONEL BEYER: You mean the closure of
7 Bergstrom Air Force Base?
8 COMMISSIONER COX: Right, in 1991, when the
9 commitment was first made by BRAC that the Reserves would
10 stay there if in fact the -- if that by June 1993 they had
11 passed the referendum to do so.
12 LIEUTENANT COLONEL BEYER: The city did change its
13 plans because the '91 Commission did close Bergstrom Air
14 Force Base. That is correct.
15 COMMISSIONER COX: Thank you.
16 COMMISSIONER DAVIS: Mr. Chairman, could we return
17 to Homestead one of these days?
18 CHAIRMAN DIXON: Commissioner Davis, I'm delighted
19 to do it. How about returning to Homestead.
20 LIEUTENANT COLONEL BEYER: I'm not on Chart D-13.
21 The issue is strategic location. The strategic location of
22 Homestead has about used by SOUTHCOM and U.S. ACOM for

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1 several contingency operations in the Caribbean and Latin
2 America.
3 The staff finds Homestead has high military value.
4 It was recognized by the '93 Commission as the primary reason
5 to retain the base. The final issue is range access.
6 The base has excellent access to valuable over-
7 water supersonic airspace and the Avon Park Air-to-Ground
8 Gunnery Range. Air Combat Command deploys its fighter units
9 frequently to the base to exploit the training value of this
10 airspace.
11 The community argues the unencroached land area and
12 strategic location of the base cannot be replicated by other
13 bases in Florida or the Gulf of Mexico. Staff agrees. Those
14 are the issues. Are there any questions on Homestead?
15 COMMISSIONER DAVIS: I have a question.
16 CHAIRMAN DIXON: Commissioner Davis.
17 COMMISSIONER DAVIS: Supersonic ranges. There are
18 some people believe that you just go fly out over the water
19 and go as fast as you want to go with no control whatsoever,
20 but supersonic ranges, first of all, are not that -- are they
21 that plentiful? Do they require control?
22 LIEUTENANT COLONEL BEYER: The loss of airspace is

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1 a continuous problem for the Air Force, for the U.S.
2 military, and when we move out of an area there is a danger
3 that airways and other real estate encroachment, if it's on
4 the ground, will lead to the loss of value training airspace.
5 So Homestead does have access now to that airspace.
6 COMMISSIONER DAVIS: The $88 million that are
7 allocated by the federal government to Homestead, if we close
8 Homestead, will we save any of that money?
9 LIEUTENANT COLONEL BEYER: No. That is not DC
10 money. According to the rules that we're operating under, we
11 cannot claim that as a BRAC savings. That was a commitment
12 by the Congress to the community to recover economically
13 after the hurricane.
14 If Homestead Air Reserve Base closes, that money
15 will be spent somewhere else at Homestead Municipal Airport,
16 but it will still be spent there.
17 COMMISSIONER DAVIS: The Air Force Air National
18 Guard maintains an alert detachment, and that is literally --
19 although Key West has some FA-18s, it's the only Air Force
20 alert detachment between Mr. Castro and Miami; is that
21 correct?
22 LIEUTENANT COLONEL BEYER: That's correct, sir.

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COMMISSIONER DAVIS: Well, I would just tell my "eagues a little bit of my impassioned speech earlier. is strategically a very important base. It's not a very nsive base. The money is already committed. You can't get it back if you want to.

Secondarily, Air Combat Command and the commander himself has told us that he wants to maintain that as a weapons training detachment because of its access to the supersonic ranges and Avon Park, which is a very good range, in Central Florida.

Secondarily, with the advent of additional airplanes such as the F-22, we'll have more and more need for supersonic airspace because they cruise at supersonic speeds. Mr. Chairman, I do thank you for finally getting Homestead up on the docket.

CHAIRMAN DIXON: Commissioner Davis, it has been my great pleasure and honor to be accommodating to you, sir. Commissioner Kling, what can I do for you?

COMMISSIONER KLING: Might as well stay on Homestead.

CHAIRMAN DIXON: Well, fine. You go right ahead.

COMMISSIONER KLING: The 301st was going to move

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back to Homestead, right?

LIEUTENANT COLONEL BEYER: That's correct.

COMMISSIONER KLING: Now they're not going to move to Homestead?

LIEUTENANT COLONEL BEYER: That is your --

COMMISSIONER KLING: The Air Force is recommending they do not?

MR. CIRILLO: That's the recommendation of the Secretary of Defense.

COMMISSIONER KLING: Yes.

MR. CIRILLO: That they not move back. We'll ess that right after this.

COMMISSIONER KLING: Yes. I understand. So otherwise, part of the use of Homestead is now not going to take place?

MR. CIRILLO: That's correct.

COMMISSIONER KLING: That was going to be there before?

MR. CIRILLO: That's correct.

COMMISSIONER KLING: Which does affect some of the costs of operating there, I have to assume, if you have less operations there.

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MR. CIRILLO: Yes, sir. That's correct.

COMMISSIONER COX: I have some questions on Homestead, too. If we would move to close -- move the reserve, close the reserve unit at Homestead, does that mean we would be closing the supersonic range?

LIEUTENANT COLONEL BEYER: That's hard to tell any time you close a base. I can't predict the outcome of that.

COMMISSIONER DAVIS: If I may answer your question?

CHAIRMAN DIXON: Commissioner Davis.

COMMISSIONER DAVIS: You can make other arrangements for the supersonic range. Normally, he who schedules it, manages it, needs to be very close to it.

COMMISSIONER COX: But we would continue to schedule and manage it whether or not there was a reserve unit at Homestead?

COMMISSIONER DAVIS: Yes.

MR. CIRILLO: I think McDill manages it right now.

COMMISSIONER COX: McDill manages it? And would that change if we move the unit at Homestead?

MR. CIRILLO: It would not.

LIEUTENANT COLONEL BEYER: It would be a matter of w much use the airspace receives, and if it's not being

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utilized, the FAA would recognize that and as part of their normal process of reconfiguring the airspace --

COMMISSIONER COX: Has the FAA indicated that they'd like to take over that airspace? Have they indicated an interest?

MR. CIRILLO: I'm not aware of that.

COMMISSIONER COX: Thank you.

MR. CIRILLO: I'm not aware of any such indication of that. The airspace is being used. It's being managed.

COMMISSIONER COX: Thank you.

COMMISSIONER STEELE: May I follow-up on the exact same point? Does BRAC have any authority to allow the Department to retain use of that airspace? I don't know if we have any legal authority to do that, if this is an open question or not, and it's something we're concerned about. I took a step here, a hypothetical step.

LIEUTENANT COLONEL BEYER: I'd refer that to counsel.

MS. CREEDON: There is no requirement to get rid of it. The Air Force has the ability to retain it if they desire. Closure of the base does not equate to closure of the range. It is an asset that the Air Force can do with as

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they wish.

COMMISSIONER STEELE: Okay. Thank you for clarifying that.

CHAIRMAN DIXON: May I ask my colleagues something on this debate? I don't know if we've gotten to the point where we're ready to vote yet, but could I respectfully ask my friend Commissioner Davis whether it might not be somewhat helpful to first determine whether we're going to redirect, as requested, with respect to the planes at Patrick?

COMMISSIONER DAVIS: The rescue detachment, sir?

CHAIRMAN DIXON: I wonder if we ought to resolve that first. I'm not trying to force that upon anybody, but it occurs to me that at least for this person, and I can only speak for one commissioner, it would help me a little bit to resolve what I ultimately need to.

COMMISSIONER DAVIS: Let's say, for instance, we rejected the redirect and made the rescue detachment stay at Homestead. Then, you would find yourself in a position to have to do it again. I don't think there is anything wrong with your approach. We'll just have to pursue it, if for some reason, the Homestead closes -- or doesn't close.

COMMISSIONER COX: If we did reject the redirect,

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that would make it -- we would be, obviously, less interested in closing Homestead.

CHAIRMAN DIXON: Well, now, let's see. If we reject the redirect on Patrick, in effect, the '93 order would be invoked, and that would ultimately --

COMMISSIONER COX: And that unit would be Homestead.

CHAIRMAN DIXON: -- put more at Homestead.

COMMISSIONER COX: Exactly.

COMMISSIONER DAVIS: Sir, I didn't know we were going to talk about that, but only 25 percent of their business is up at Patrick Air Force Base. The other 75 percent is training down in the southern tip of Florida.

CHAIRMAN DIXON: Well, I don't care which way we do it. I'd just like to find out if we're ready -- I don't mind talking some more. Does somebody want to ask anymore questions or make a speech? I like the speeches. They're very entertaining, and I've been richly rewarded by them.

COMMISSIONER STEELE: Just so you don't forget that I have a Bergstrom motion lurking out here, that's all. We can continue as long as we need to.

CHAIRMAN DIXON: Okay. Now, somebody's got to do

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1 something around here. I'm just trying to find a way to --
2 COMMISSIONER COX: Should we follow-up on the
3 Chairman's suggestion? Because I really don't know the
4 issues on the redirect, and I would be interested in whether
5 or not that makes sense to redirect them out of Homestead.
6 We put them in there in 1993. I understand they want to go
7 to Patrick, but that's about all I know.
8 CHAIRMAN DIXON: Well, the assets are at Patrick
9 because of the hurricane, right?
10 MR. CIRILLO: That's correct.
11 CHAIRMAN DIXON: And if we don't redirect, I
12 thought those assets went back to Homestead.
13 MR. CIRILLO: That's correct.
14 CHAIRMAN DIXON: Thus putting more assets at
15 Homestead.
16 MR. CIRILLO: That's correct.
17 CHAIRMAN DIXON: So the question is shall we
18 redirect and follow the recommendations of Secretary of
19 Defense and redirect and keep the assets at Patrick?
20 MR. CIRILLO: Correct.
21 CHAIRMAN DIXON: So why don't we find that out?
22 MR. CIRILLO: I agree.

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1 CHAIRMAN DIXON: Now, I don't care if we find it
2 out, but sometime we're going to have to vote on it.
3 LIEUTENANT COLONEL BEYER: We'll put up D-17 and D-
4 18, and if you wish to, we could look at that redirect.
5 CHAIRMAN DIXON: Oh, that's great. Let's do that.
6 LIEUTENANT COLONEL BEYER: This is the first of two
7 redirects regarding Homestead. The first concerns the 301st
8 Rescue Squadron currently at Patrick. The '93 Commission
9 recommended the 301st return to Homestead once its facilities
10 are rebuilt.
11 The unit evacuated from Homestead to Patrick after
12 the base was destroyed in August '92 by Hurricane Andrew.
13 The Secretary of Defense's recommendation is to relocate the
14 301st to Patrick Air Force Base, its current temporary
15 location.
16 Chart D-18 summarizes the criteria to consider for
17 this recommendation. I should point out that the unit is
18 comprised of both recuse helicopters and specially configured
19 air refueling C-130s. The personnel eliminated and the
20 economic impact numbers are for the Homestead, not the
21 Patrick, community. I'm prepared to discuss the relevant
22 issues. If there aren't any questions, please turn to slide

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1 D-19.
2 CHAIRMAN DIXON: Well, let's stop there just a
3 minute before you turn. Now, that has to do with the assets
4 at Patrick that went there because of the hurricane from
5 Homestead?
6 LIEUTENANT COLONEL BEYER: That's correct.
7 CHAIRMAN DIXON: And the Secretary of Air has
8 recommended the Secretary of Defense recommend to the
9 Commission that we redirect and change the '93 and keep those
10 assets at Homestead. Thus, that asset would not -- I mean at
11 Patrick. This it would not go to Homestead if we follow the
12 Secretary of Defense. Is that substantially --
13 LIEUTENANT COLONEL BEYER: That's correct.
14 CHAIRMAN DIXON: Okay. Now what are you going to
15 look at next here now?
16 LIEUTENANT COLONEL BEYER: We're going to look at
17 the issues relevant to this redirect.
18 CHAIRMAN DIXON: Okay. Good.
19 LIEUTENANT COLONEL BEYER: On the one chart, D-19.
20 The first issue is recruiting. DOD states the Central
21 Florida area can adequately support unit recruiting
22 requirements. The Homestead community argues that it also

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1 can support recruiting. Staff finds that both areas are
2 satisfactory.
3 Regarding costs, the Homestead community argues DOD
4 has exaggerated the TDY costs in the COBRA and understated
5 the military construction costs if the two active duty units
6 currently occupying the 301st facilities at Patrick do not
7 depart as planned, the facility earmarked for the 301st, I
8 should say.
9 Staff finds there are no cost avoidance savings by
10 not returning the unit to Homestead, but the active duty
11 units at Patrick are not likely to remain there. They are
12 going to -- they are planned to move. DOD military
13 construction estimates are accurate.
14 Regarding the impact on Homestead, this redirect,
15 the community argues, will reduce the Air Force contribution
16 to operating the airfield. The staff finds that with the
17 482nd Fighter Wing and the Florida Air National Guard Alert
18 Detachment and other federal agencies that are in the process
19 of moving back to Homestead, for example, the Customs
20 Service, the airfield will remain viable without the 301st.
21 On the mission issue, DOD has assigned a space
22 shuttle support mission to the 301st Rescue Squadron as its

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1 primary peacetime tasking while retaining its combat rescue
2 mission. This was an issue in '93 as well.
3 The space shuttle support mission is an ideal
4 mission for the Reserves, but more importantly it allows ACC
5 to free the active duty rescue unit at Patrick for combat
6 rescue tasking.
7 The Homestead community argues that the space
8 shuttle support mission accounts for only 5 percent of the
9 301st Rescue Squadron's flying time and can be adequately
10 supported at Homestead with a detachment at Patrick.
11 Staff finds the unit can support the shuttle
12 mission better at Patrick, particularly the helicopters, but
13 it can be supported at Homestead. The C-130s can be based at
14 either Patrick or Homestead. For combat search and rescue
15 readiness training, Patrick's proximity to the Avon Park
16 Gunnery Range is an advantage for the helicopters.
17 The point here is that one of the options the
18 Commission might entertain is to create a detachment
19 situation for the unit, either place it at Homestead or
20 Patrick with a detachment at the other for the helicopters.
21 On the last issue, the '93 Commission commitment to Dade
22 County, we've pretty much discussed this already.

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1 COMMISSIONER DAVIS: Mr. Chairman, the helicopters
2 can operate either place.
3 CHAIRMAN DIXON: Yes, of course.
4 COMMISSIONER DAVIS: If that helps you.
5 MR. CIRILLO: I do want to make one correction for
6 the record on the airspace just handed me by Mr. Flippen, our
7 FAA representative. He pointed out that the warning areas,
8 the supersonic warning areas, one is controlled by Eglin,
9 another by Key West. The range, the Avon Park range, is the
10 one controlled by McDill. So I did want to point that out
11 for the record.
12 CHAIRMAN DIXON: All right.
13 LIEUTENANT COLONEL BEYER: If you'll turn now to
14 slide D-20, this chart will provide you the scenario summary
15 for the redirect. That concludes my presentation for this.
16 CHAIRMAN DIXON: Thank you, Certainly Beyer.
17 What's the pleasure -- any Commissioner have any questions or
18 statements?
19 COMMISSIONER STEELE: I have a suggestion.
20 CHAIRMAN DIXON: Commissioner Steele.
21 COMMISSIONER STEELE: Even though my Bergstrom
22 motion is in order, I would be delighted to immediately

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follow a motion on this particular issue should my colleagues
h to do so.
CHAIRMAN DIXON: I didn't know we had a Bergstrom
on pending. Do we?
COMMISSIONER STEELE: Way, like, 45 minutes ago
or —
CHAIRMAN DIXON: Well, I apologize to my friend.
COMMISSIONER STEELE: No, no. That's okay.
CHAIRMAN DIXON: Have you made such a motion?
COMMISSIONER STEELE: No. I was just to start, and
then we moved into —
CHAIRMAN DIXON: Oh, you're ready to make such a
motion? You're ready to make a Bergstrom motion?
COMMISSIONER STEELE: Right. And that was the
plan, but I would be glad to wait, if we want to address this
issue —
CHAIRMAN DIXON: Oh, I remember now. You withheld
it to accommodate Commissioner Davis. All right. I've
caught up again.
COMMISSIONER CORNELLA: Mr. Chairman, I have a
motion.
CHAIRMAN DIXON: Well, now, before you do that,

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Commissioner Cornella, don't put me on the spot here.
Commissioner Steele withheld doing a motion to accommodate
Commissioner Davis, and I feel a little reluctant to
recognize someone for a motion before her if my friend has
concluded his remarks.
COMMISSIONER DAVIS: I have, but I think
Commissioner Steele will yield to —
COMMISSIONER STEELE: A motion on this issue only.
CHAIRMAN DIXON: Will you yield to Commissioner
Cornella?
COMMISSIONER STEELE: If it's a motion or this
e.
COMMISSIONER CORNELLA: It is.
CHAIRMAN DIXON: It is. Very well done.
Commissioner Cornella.
COMMISSIONER CORNELLA: I'm afraid if we take one
more step away from Bergstrom we'll be dealing Howard Air
Force Base from Panama. So I'm going to make a motion.
CHAIRMAN DIXON: Well, we've wandered around a
little here. Commissioner Cornella.
COMMISSIONER CORNELLA: This is a motion on the
redirect.

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CHAIRMAN DIXON: Okay.
MOTION
COMMISSIONER CORNELLA: I move the Commission find
the Secretary of Defense did not deviate substantially from
the Final Criteria and Force Structure Plan and therefore the
Commission adopt the following recommendation of the
Secretary of Defense:
Change the recommendation of the 1993 Commission
regarding Homestead Air Force Base as follows: Redirect the
301st Rescue Squadron with its associated aircraft to
relocate to Patrick Air Force Base, Florida.
CHAIRMAN DIXON: Is there a second to the motion by
Commissioner Cornella?
COMMISSIONER KLING: I second that.
CHAIRMAN DIXON: And that motion is seconded by
Commissioner Kling. Now, are there any more comments or
questions?
(No response.)
CHAIRMAN DIXON: Then counsel will call the roll on
motion by Commissioner Cornella to redirect on Homestead
atrick.
MS. CREEDON: Commissioner Cornella?

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COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is 8 eyes and
0 nays.
CHAIRMAN DIXON: The Commission unanimously votes
to redirect in accordance with the Secretary of Defense's
recommendations.
LIEUTENANT COLONEL BEYER: At this time it might be
appropriate to go to slides D-15 and D-16, the scenario

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summary for the Reserve F-16 issue.
CHAIRMAN DIXON: D-16.
LIEUTENANT COLONEL BEYER: D-15 and 16.
CHAIRMAN DIXON: D-15 and 16.
MR. CIRILLO: And at this time only the DOD
recommendation and Alternative 2 are up for discussion.
CHAIRMAN DIXON: Okay.
COMMISSIONER STEELE: Okay. Is the ball back in my
court at this moment? Mr. Chairman, are we back on this?
CHAIRMAN DIXON: Commissioner Steele.
COMMISSIONER STEELE: All right. And I preface
this motion with my making it has no reflection on Homestead.
I feel that commitments were made to the Bergstrom community.
If they get to keep an F-16 unit, that's fine. If the
Department has to turn that into another type of unit, that's
fine.
MOTION
COMMISSIONER STEELE: That said, the move the
Commission find the Secretary of Defense deviated
substantially from Final Criteria 1 and therefore the
Commission reject the Secretary's recommendation on Bergstrom
Air Force Base Texas and instead adopt the following

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recommendation:
Keep Bergstrom Air Force Base open, including the
924th Fighter Wing and all base activities and facilities.
The Commission finds this recommendation is consistent with
the Force Structure Plan and Final Criteria.
CHAIRMAN DIXON: You've heard the Commissioner's
motion. Is there a second to the Commissioner's motion?
COMMISSIONER COX: Second.
CHAIRMAN DIXON: It's moved by Commissioner Steele
and seconded by Commissioner Cox that the Commission reject
the recommendation of the Secretary of Defense on Bergstrom.
Are there any further comments?
(No response.)
CHAIRMAN DIXON: Counsel will call the roll.
MS. CREEDON: Commissioner Steele.
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: No.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: No.

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1 MS. CREEDON: Commissioner Kling?
2 COMMISSIONER KLING: Aye.
3 MS. CREEDON: Commissioner Montoya?
4 COMMISSIONER MONTOYA: No.
5 MS. CREEDON: Commissioner Robles?
6 COMMISSIONER ROBLES: Aye.
7 MS. CREEDON: Mr. Chairman?
8 CHAIRMAN DIXON: No.
9 MS. CREEDON: Mr. Chairman, the votes are 4 ayes
10 and 4 nays.
11 CHAIRMAN DIXON: All right. 4 ayes, 4 nays.
12 Secretary of Defense wins. The motion fails. The
13 recommendation of the Secretary of Defense, the presumption
14 carries in favor of the Secretary of Defense. All right.
15 Counsel tells me I need another motion here.
16 COMMISSIONER DAVIS: I have a motion, Mr. Chairman.
17 CHAIRMAN DIXON: Commissioner Davis.
18 MOTION
19 COMMISSIONER DAVIS: I move the Commission find the
20 Secretary of Defense did not deviate substantially from the
21 Final Criteria and Force Structure, and therefore the
22 Commission adopt the following recommendation of the

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1 Secretary of Defense:
2 Close Bergstrom Air Reserve Base. The 924th
3 Fighter Wing AFEWES will inactivate. The Wing's F-16
4 aircraft will be redistributed or retire. Headquarters 10th
5 Air Force AFEWES will relocate to Naval Air Station Fort
6 Worth Joint Reserve Base Texas.
7 CHAIRMAN DIXON: Is there a second to the motion by
8 Commissioner Davis?
9 COMMISSIONER CORNELLA: Second.
10 CHAIRMAN DIXON: Seconded by Commissioner Cornella.
11 Is there any comment or any questions by any Commissioner?
12 COMMISSIONER KLING: I have to assume we're voting
13 on the complete reverse of what we just voted on.
14 CHAIRMAN DIXON: Commissioner Kling, your
15 astuteness is beyond debate. Is there any further comment by
16 anybody?
17 COMMISSIONER STEELE: Mr. Chairman, I'm sorry.
18 CHAIRMAN DIXON: Commissioner Steele.
19 COMMISSIONER STEELE: Mine is not at this moment,
20 because I was looking at the wrong motion in front of me and
21 noticed halfway through. Could we please repeat that motion?
22 I apologize. Could we just read it one more time?

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1 CHAIRMAN DIXON: The motion of Commissioner Davis?
2 COMMISSIONER STEELE: Yes, please.
3 CHAIRMAN DIXON: Commissioner Davis, would you
4 please read your motion again?
5 COMMISSIONER DAVIS: I'd be happy to, sir. I move
6 the Commission find the Secretary of Defense did not deviate
7 substantially from the Final Criteria and Force Structure and
8 therefore the Commission adopt the following recommendation
9 of the Secretary of Defense:
10 Close Bergstrom Air Reserve Base. The 924th
11 Fighter Wing AFEWES will inactivate. The Wing's F-16
12 aircraft will be redistributed or retire. Headquarters 10th
13 Air Force AFEWES will relocate to Naval Air Station Fort
14 Worth Joint Reserve Base Texas.
15 CHAIRMAN DIXON: I thank you, Commissioner Davis,
16 and that motion is seconded by Commissioner Cornella. Are
17 there any further comments or questions?
18 (No response.)
19 CHAIRMAN DIXON: Counsel will call the roll.
20 MS. CREEDON: Commissioner Davis.
21 COMMISSIONER DAVIS: Aye.
22 MS. CREEDON: Commissioner Kling?

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1 COMMISSIONER KLING: No.
2 MS. CREEDON: Commissioner Montoya?
3 COMMISSIONER MONTOYA: Aye.
4 MS. CREEDON: Commissioner Robles?
5 COMMISSIONER ROBLES: No.
6 MS. CREEDON: Commissioner Steele?
7 COMMISSIONER STEELE: No.
8 MS. CREEDON: Commissioner Cornella?
9 COMMISSIONER CORNELLA: Aye.
10 MS. CREEDON: Commissioner Cox?
11 COMMISSIONER COX: No.
12 MS. CREEDON: Mr. Chairman?
13 CHAIRMAN DIXON: Aye.
14 MS. CREEDON: Mr. Chairman, the vote is 4 ayes and
15 4 nays.
16 CHAIRMAN DIXON: And the vote is tied, and the
17 Secretary of Defense's recommendation, having the blessing of
18 the presumption, prevails.
19 MR. CIRILLO: If you turn to D-21, Lieutenant
20 Colonel Beyer will occur the next one.
21 CHAIRMAN DIXON: It is clear, I think, that
22 Bergstrom, therefore, is closed in accordance with the

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1 recommendation of the Secretary of Defense. I wonder whether
2 everybody understands the little nuances here.
3 Now where are we now, Mr. Cirillo? All right.
4 Now, let's see now, we've acted on Bergstrom. We've acted on
5 Carswell. We've acted on the redirect on the 301st.
6 Now, I don't want to presume anything here. I can
7 go to the other redirect, or I can go to Homestead. What's
8 the pleasure of my colleagues?
9 LIEUTENANT COLONEL BEYER: Do the redirect, sir,
10 and then if there's a --
11 CHAIRMAN DIXON: All right. Then, let's do the
12 redirect. Is there a motion on Homestead on -- I mean, on
13 the redirect on the 726th?
14 COMMISSIONER CORNELLA: Yes. I've got one.
15 CHAIRMAN DIXON: Commissioner Cornella.
16 MOTION
17 COMMISSIONER CORNELLA: I move the Commission find
18 the Secretary of Defense did not deviate substantially from
19 the Final Criteria and Force Structure Plan and therefore the
20 Commission adopt the following recommendation of the
21 Secretary of Defense:
22 Change the recommendation of the 1993 Commission

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1 regarding the relocation of the 726th Air Control Squadron
2 from Homestead Air Force Base to Shaw Air Force Base South
3 Carolina as follows: Redirect the 726th ACS to Mountain Home
4 Air Force Base Idaho.
5 CHAIRMAN DIXON: You've heard the motion by the
6 Commissioner. Is there a second to the motion by
7 Commissioner Cornella?
8 COMMISSIONER KLING: Second the motion.
9 CHAIRMAN DIXON: Commissioner Cornella's motion is
10 seconded by Commissioner Kling. Are there any further
11 comments?
12 (No response.)
13 CHAIRMAN DIXON: Are there any questions?
14 (No response.)
15 CHAIRMAN DIXON: Counsel will call the roll.
16 MS. CREEDON: Commissioner Cornella?
17 COMMISSIONER CORNELLA: Aye.
18 MS. CREEDON: Commissioner Cox?
19 COMMISSIONER COX: Aye.
20 MS. CREEDON: Commissioner Davis?
21 COMMISSIONER DAVIS: Aye.
22 MS. CREEDON: Commissioner Kling?

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COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is 8 ayes and no nays.
CHAIRMAN DIXON: And the redirect is approved. Now, Commissioners, we have left Homestead. Homestead is an add-on. If there is a motion, it requires five votes to close. If there is no motion, the Chair makes a declaration. I await the pleasure of my colleagues. Is there a motion on Homestead?
(No response.)
CHAIRMAN DIXON: Chair declares Homestead open. Air Force Reserve C-130s.
MR. CIRILLO: Mr. DiCamillo will cover that.
MR. DiCAMILLO: May I have slide E-3, please? Sir,

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the slide I have just called for reflects the Air Force's concern for closing more than one C-130 Air Force Reserve installation, much the same as Colonel Beyer addressed in his opening remarks on the F-16s.
CHAIRMAN DIXON: Pardon me, Mr. DiCamillo. Folks, I appreciate from time to time there is a little enjoy some sometimes some sadness, but would you file out as kindly as you can? Thank you very kindly. Mr. DiCamillo.
MR. DiCAMILLO: Yes, sir. I'd also like to note that the Secretary of the Air Force has come on record to the Commission supporting O'Hare installation, O'Hare International Airport Air Reserve Station as a substitute for closure or an alternative for the closure of Pittsburgh.
Slide E-4, please. Commissioners, this chart lists the bases which are presented in this briefing. The Air Force recommendation was to close Pittsburgh Air Reserve Station and redistrict its C-130 assets. During the Commission adds on May 10th, the other five bases were added to the list.
CHAIRMAN DIXON: May I interrupt you, Mr. DiCamillo?
MR. DiCAMILLO: Yes, sir.

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CHAIRMAN DIXON: The Chair has to recuse himself on one of these questions, but I believe it was clear to everybody that the Air Force is firm in its request that we not honor its original request concerning Pittsburgh. Is that correct, Mr. DiCamillo?
That is to say, the Air Force had originally put Pittsburgh -- am I correct? Pittsburgh's on the list.
MR. DiCAMILLO: Pittsburgh's on the list, yes, sir.
CHAIRMAN DIXON: But they later sent us a letter, have they not, saying they do not want Pittsburgh closed?
MR. DiCAMILLO: Mr. Kress, would you distribute the June 9th letter?
CHAIRMAN DIXON: Well, I've seen it. Has every Commissioner season that letter? Then I withdraw my -- I thought every Commissioner understood that the Air Force now has reversed itself and does not want to close Pittsburgh. I'd hoped we could shorten that, but do you want to hear some on that, then?
MR. DiCAMILLO: Sir, I think the letter just says they would accept O'Hare as a substitute or alternative for Pittsburgh.
MR. CIRILLO: Right. They've noted it as an

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acceptable substitute.
CHAIRMAN DIXON: Okay. Well, what's the pleasure of the Commission? Do you want to hear all the different criteria?
MR. DiCAMILLO: I have the charts up on the --
COMMISSIONER KLING: What you're saying here is that -- or what the Air Force is saying is that they would like to substitute O'Hare in place of Pittsburgh. So why don't we move on to look at --
MR. DiCAMILLO: Okay. Put up -- let me see, here. counter if
MR. CIRILLO: Put up E-8 and E-9.
MR. DiCAMILLO: Right. E-8 and E-9, please. These are the summary charts that show the pros and cons. We have all six -- we have the DOD recommendation and the Commission Alternatives 1 through 5.
CHAIRMAN DIXON: Permit me to interrupt you, Mr. DiCamillo. The Chair has to recuse himself on one part of the question, but I think that Commissioner Cornella has a motion. What is the motion, Commissioner?
MOTION
COMMISSIONER CORNELLA: Mr. Chairman, I move the

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Commission find the Secretary of Defense deviated substantially from Final Criteria 4 and 5 and therefore the Commission reject the Secretary's recommendation on Greater Pittsburgh IAP Air Reserve Station Pennsylvania and instead adopt the following recommendation:
Keep open Greater Pittsburgh IAP Air Reserve Station Pennsylvania, including the 911th Airlift Wing and its C-130 aircraft. The Commission finds this recommendation is consistent with the Force Structure Plan and Final Criteria.
CHAIRMAN DIXON: I thank you, Commissioner Cornella. Is there a second to the motion of Commissioner Cornella?
COMMISSIONER KLING: Second.
CHAIRMAN DIXON: It's seconded by Commissioner Kling. Now, let me say to my colleagues I'm advised by counsel that if view of the fact that I must recuse myself on the base in my state, it is proper to recuse myself on this vote as well, and the Chair will recuse himself. Are there further comments on the questions concerning Pittsburgh or any questions?
(No response.)

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CHAIRMAN DIXON: Counsel, call the roll. This is on a question to reject the Secretary of Defense's original recommendation concerning Pittsburgh with the understanding there is a letter says they want to keep Pittsburgh.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: And Mr. Chairman, you are recused?
CHAIRMAN DIXON: I have recused, and General Davis is here.
MS. CREEDON: General Davis.
COMMISSIONER DAVIS: The motion is to reject?
CHAIRMAN DIXON: Yes.

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1 COMMISSIONER DAVIS: I vote aye.
2 CHAIRMAN DIXON: Okay.
3 MS. CREEDON: Mr. Chairman, the vote, then, is 7
4 ayes and 0 nays.
5 CHAIRMAN DIXON: Okay. 7 ayes, 0 nays, and the
6 Chair recuses, and the Secretary of Defense's original
7 request is rejected in view of the Secretary of Defense's
8 modification of that and request that Pittsburgh remain open.
9 I think that's a fair summation. Pittsburgh is open.
10 COMMISSIONER CORNELLA: I have another motion, Mr.
11 Chairman?
12 CHAIRMAN DIXON: Commissioner Cornella.
13 MOTION
14 COMMISSIONER CORNELLA: I move the Commission find
15 the Secretary of Defense deviated substantially from Final
16 Criteria 1, 4 and 5 and therefore the Commission adopt the
17 following recommendation:
18 Modify the closure of O'Hare IAP Air Reserve
19 Station as recommended by the 1993 Defense Base Closure and
20 Realignment Commission by deactivating the 928th Airlift Wing
21 rather than relocating the unit and distribute its C-130
22 aircraft to Air Reserve C-130 units at Dobbins Air Reserve

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1 Base Georgia and Peterson Air Force Base Colorado.
2 Or, as appropriate, close O'Hare IAP Air Reserve
3 Station Illinois, as proposed by the City of Chicago,
4 relocate the 126th Air Refueling Wing Air National Guard to
5 Scott Air Force Base Illinois and relocate the remaining
6 assigned Air National Guard units to locations acceptable to
7 the Secretary of the Air Force, provided the City of Chicago
8 can demonstrate that it has financing in place to cover the
9 full cost of replacing facilities except for FAA grants for
10 airport planning and development that would otherwise be
11 eligible for federal financial assistance to serve the needs
12 of civil aviation at the receiving location, environmental
13 impact analysis, moving and any added costs of environmental
14 cleanup resulting from higher standards or a faster schedule
15 than DOD would be obliged to meet if the base did not close
16 without any cost whatsoever to the federal government.
17 If the City of Chicago agrees to fund the full cost
18 of relocating the Army Reserve activity, such activity shall
19 also be relocated to a mutually acceptable site; otherwise,
20 it shall remain.
21 Extend the commencement of the closure from the
22 recommendation of the 1993 Commission to July 1996 with a

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1 completion date no later than July 1999. If these conditions
2 are not met, the 126th Air Refueling Wing will remain at
3 O'Hare International Airport.
4 The Commission finds this recommendation is
5 consistent with Force Structure Plan and Final Criteria.
6 CHAIRMAN DIXON: Is there a second to the motion by
7 Commissioner Cornella?
8 COMMISSIONER DAVIS: Second.
9 CHAIRMAN DIXON: And it's seconded by Commissioner
10 Davis. Are there any further comments or questions?
11 (No response.)
12 CHAIRMAN DIXON: Counsel will call the roll.
13 MS. CREEDON: Commissioner Cornella?
14 COMMISSIONER CORNELLA: Aye.
15 MS. CREEDON: Commissioner Cox?
16 COMMISSIONER COX: Aye.
17 MS. CREEDON: Commissioner Davis?
18 COMMISSIONER DAVIS: Aye.
19 MS. CREEDON: Commissioner Kling?
20 COMMISSIONER KLING: Aye.
21 MS. CREEDON: Commissioner Montoya?
22 COMMISSIONER MONTOYA: Aye.

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1 MS. CREEDON: Commissioner Robles?
2 COMMISSIONER ROBLES: Aye.
3 MS. CREEDON: Commissioner Steele?
4 COMMISSIONER STEELE: Aye.
5 MS. CREEDON: And Mr. Chairman, as you've
6 indicated, you are recused.
7 CHAIRMAN DIXON: The Chair recuses himself.
8 MS. CREEDON: So that the vote on this one, Mr.
9 Chairman, is 7 ayes and 0 nays.
10 CHAIRMAN DIXON: 7 ayes and 0 nays, and the motion
11 prevails, and O'Hare is closed subject to the conditions.
12 Now I inquire of my colleagues the Wisconsin -- General
13 Mitchell Wisconsin is an add-on; is that correct? It's an
14 add-on.
15 MR. CIRILLO: As is --
16 CHAIRMAN DIXON: Well, I'm going to do them one at
17 a time, if my colleagues will permit me. Now, is there
18 anything that has any desire to make a motion with respect to
19 this Wisconsin C-130 Air Reserve base? Is there anybody that
20 declares to make a motion or desires to make a motion about
21 this Wisconsin base?
22 (No response.)

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1 CHAIRMAN DIXON: The Chair declares General
2 Mitchell IAP Wisconsin open. Now, Minneapolis-St.Paul.
3 Minneapolis-St.Paul, Minnesota, Air Force Reserve C-130 base
4 is an add-on. Are there any Commissioners here that have a
5 desire to make any kind of a motion with respect to this
6 Minnesota Air Reserve C-130 base?
7 (No response.)
8 CHAIRMAN DIXON: A couple of Commissioners are mad,
9 but they're not going to make a motion. All right. The
10 Chair declares Minneapolis-St.Paul open. Niagara Falls, New
11 York, is an add-on Air Force Reserve C-130 base. Is there
12 anyone here that cares to make a motion about Niagara Falls?
13 (No response.)
14 CHAIRMAN DIXON: The Chair declares Niagara Falls
15 open. Youngstown-Warren Ohio Air Force Reserve C-130 base is
16 an add-on. Is there any Commissioner that cares to make a
17 motion or make any statements regarding this Air Reserve
18 base?
19 (No response.)
20 CHAIRMAN DIXON: The Chair declares Youngstown-
21 Warren open. Air National Guard.
22 MR. CIRILLO: Mr. Chairman, this is the last full

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1 category we'll discuss today. Chart F-1 on your left and the
2 map F-2 shows the five Secretary of Defense recommendations.
3 Note that like the Reserve category, the Air Force
4 did not tier the Air Force bases. Instead, their
5 recommendations were based on expected cost benefit
6 considerations. Mr. Craig Hall will do the presentation for
7 the Air Force team.
8 CHAIRMAN DIXON: Mr. Hall.
9 MR. HALL: Mr. Chairman, with your permission, I'd
10 like to make a few very brief points about this category in
11 general and how it was handled differently from other
12 categories and then go into each recommendation individually.
13
14 First chart, F-3. First, Air National Guard bases
15 were not evaluated against one another for closure. As units
16 maintain a relationship with their respective states,
17 relocating Guard units across state lines is not practical.
18 Further, recruiting needs of each unit have to be considered.
19 Consequently, the Air Force examined this category
20 solely for cost-effective relocations to other active Air
21 Reserve nearby installations.
22 Second, since these five Air National Guard

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1 installations do not employ 300 or more civilians, they did
2 complete data calls or questionnaires for the base
re process. The Air Force also did not perform an
sis of military value on these installations.
5 Consequently, relatively little information existed
6 on these installations for the Air Force's Base Closure
7 Executive Group to consider during its deliberations. Much
8 of the data needed to determine the cost-effectiveness of
9 these relocations was collected after base closure
10 recommendations were announced.
11 As a result, these recommendations were not as
12 cost-effective once more accurate costs and savings were
13 fully developed. I'd like to turn to each recommendation
14 individually.
15 Chart F-7. Under the DOD recommendation regarding
16 the closure of Moffett Federal Air Field Air Guard Station,
17 the unit would relocate to McClellan Air Force Base
18 California. Since this Commission moved earlier to close
19 McClellan Air Force Base, the DOD recommendation cannot be
20 implemented.
21 Given the cost associated with relocating the unit
22 to another Air Force Base, the Air Force recommends and the

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1 Commission staff concur the Guard station and unit should
2 remain at Moffett Federal Airfield. Mr. Chairman, we'll now
3 entertain any questions you may have regarding this
4 recommendation.
5 COMMISSIONER COX: How about motions? Do you have
6 a question? COMMISSIONER KLING: Are you going to go on
7 through, or do you want to do them one at a time?
8 MR. HALL: One at a time, yes.
9 COMMISSIONER COX: Mr. Chairman?
10 CHAIRMAN DIXON: The Chair recognizes Commissioner
11
12 COMMISSIONER COX: I'm prepared to do a motion if
13 e is no discussion.
14 CHAIRMAN DIXON: Yeah. Let's do that, but let me
15 make an announcement now. The Chair may be overreaching. If
16 any Commissioner feels I am, feel free to object.
17 We are within striking distance of finishing the
18 work regarding the Air Force. I would very much like to work
19 into the night sometime for a while on the Navy.
20 Now, I don't want to burden my colleagues beyond
21 what the brain and the bottom will endure, but if I could
22 indulge all of you and ask you to think about working until,

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1 maybe, 8:30 or 9:00, could you live with that? We'll take a
2 little break along here or something. If there is an
3 objection, I'd want to hear it.
4 COMMISSIONER MONTOYA: Mr. Chairman, I couldn't.
5 Let me tell you why, Mr. Chairman. I've worked like a son of
6 a gun getting ready for today emotionally studying, and I
7 don't feel at this moment adequately studied for the Navy
8 where I feel I have a particular obligation to be fully ready
9 to go.
10 CHAIRMAN DIXON: All right.
11 COMMISSIONER MONTOYA: And I was looking forward to
12 having this evening to do that.
13 CHAIRMAN DIXON: Well, now, Commissioner, I
14 appreciate very much your honesty in saying that because our
15 obligation is to do this in the right way. I would not want
16 any Commissioner to go beyond what that Commissioner is
17 prepared to do today.
18 So your suggestion is you don't want to go any
19 further than the Air Force. Is that what you were saying,
20
21 COMMISSIONER MONTOYA: Yes, sir.
22 CHAIRMAN DIXON: Is there anybody else who shares

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1 that feeling? One person having that view is enough for the
2 Chair.
3 COMMISSIONER ROBLES: I second that.
4 CHAIRMAN DIXON: I think, then, if my colleagues --
5 I'm sure we'd want to honor the view of any colleague.
6 That's fine. Then pardon me for interrupting you,
7 Commissioner.
8 COMMISSIONER MONTOYA: I would like to add I'm
9 prepared to go until it freezes over tomorrow night.
10 CHAIRMAN DIXON: Let's see how that goes tomorrow,
11 but I appreciate very much that suggestion. At least it
12 would appear that when we finish the Air Force tonight we're
13 going to conclude for the evening. Commissioner Cox.
14 COMMISSIONER STEELE: May I ask a question? I'm
15 sorry.
16 CHAIRMAN DIXON: Commissioner Steele.
17 COMMISSIONER STEELE: Just would it be a
18 possibility to do DLA tonight? I just offer that as a --
19 CHAIRMAN DIXON: Well, I got the sense that my
20 colleague, who had spent a lot of time in preparation and so
21 forth, felt that he wanted to have time to prepare for
22 tomorrow.

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1 COMMISSIONER STEELE: Okay. I didn't know if that
2 was Navy specific.
3 CHAIRMAN DIXON: That's kind of you to inquire.
4 COMMISSIONER STEELE: Okay. All right. That's
5 fine.
6 COMMISSIONER MONTOYA: I think we need to be fair,
7 and I don't feel ready for any more after today.
8 CHAIRMAN DIXON: That's fine. I'm satisfied that's
9 the right thing to do. Commissioner Cox.
10 COMMISSIONER COX: I'm prepared to offer a motion
11 on Moffett, if we're at that point.
12 CHAIRMAN DIXON: Say it again.
13 COMMISSIONER COX: I'm prepared to offer a motion
14 on Moffett.
15 CHAIRMAN DIXON: Good. Do so.
16 M O T I O N
17 COMMISSIONER COX: I move, given the events of this
18 morning, the Commission find the Secretary of Defense
19 deviated substantially from Final Criterion 2 and therefore
20 the Commission reject the Secretary's recommendation --
21 excuse me, from Criteria 4 and 5 and therefore the
22 Commission --

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1 CHAIRMAN DIXON: Wait a minute a minute, now. Why
2 don't we start this one over again. I lost track there.
3 Would you mind, Commissioner? There are a couple of these
4 going around here.
5 COMMISSIONER COX: There are. Let's start over. I
6 move the Commission find the Secretary of Defense deviated
7 substantially from Final Criteria 4 and 5 and therefore the
8 Commission reject the Secretary's recommendation on Moffett
9 Federal Airfield Air Guard Station California and instead
10 adopt the following recommendation:
11 Keep open Moffett Field Airfield Air Guard Station,
12 including the 129th Rescue Group and associated aircraft.
13 The Commission finds this recommendation is consistent with
14 the Force Structure Plan and Final Criteria.
15 COMMISSIONER CORNELLA: Seconded.
16 CHAIRMAN DIXON: Commissioner Cox makes the motion
17 seconded by Commissioner Cornella. As I understand it, if
18 the Chair may inquire, this is in view of prior actions of
19 this date with respect to McClellan?
20 COMMISSIONER COX: Exactly.
21 CHAIRMAN DIXON: Are there any further comments
22 about this?

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(No response.)
CHAIRMAN DIXON: I think my Commissioner colleagues would share the fact that that's the appropriate thing to do, in view of what we did earlier today. Counsel, call the roll.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote are 8 ayes and

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0 nays.
CHAIRMAN DIXON: And the motion is adopted, and Moffett Federal Airfield Air Guard Station California remains open. North Highlands.
MR. HALL: Chart F-9, please. Under the DOD recommendation regarding the closure of North Highlands Air Guard Station, the unit would relocate to McClellan Air Force Base California. Since this Commission moved earlier to close McClellan Air Force Base, the DOD recommendation cannot be implemented.
Given the costs associated with relocating the unit to another Air Force base, the Air Force recommends and Commission staff concur the Guard station and unit should remain at North Highlands. We're prepared to answer any questions.
CHAIRMAN DIXON: I think none are necessary. Is there a motion?
COMMISSIONER CORNELLA: I have a motion, sir.
CHAIRMAN DIXON: Motion by Commissioner Cornella.
MOTION
COMMISSIONER CORNELLA: I move the Commission find the Secretary of Defense deviated substantially from Final

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Criterion 2 and therefore the Commission reject the Secretary's recommendation on North Highlands Air Guard Station California and instead adopt the following recommendation:
Keep open North Highlands Air Guard Station, including the 162nd Combat Communications Group and the 149th Combat Communications Squadron and associated aircraft. The Commission finds this recommendation is consistent with the Force Structure Plan and Final Criteria.
CHAIRMAN DIXON: And is there a second?
COMMISSIONER KLING: Second.
CHAIRMAN DIXON: Seconded by Commissioner Kling. And again, this is in accordance with the previous activities this day by the Commission. Counsel will call the roll.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.

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MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is 8 ayes and 0 nays.
CHAIRMAN DIXON: North Highlands remains open.
MR. HALL: The next Guard Station up for recommendation is Ontario International Airport Air Guard Station California and the relocation of the Combat Communications and Weather units to March Air Reserve Base also in California.
The recommendation requires $900,000 in up-front costs and has an ROI of nine years. In the next chart, we show the pros and cons associated with this recommendation. There are no community or staff concerns regarding this recommendation. We'll now answer any questions the Commissioners may have.

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CHAIRMAN DIXON: Are there any questions regarding Ontario?
(No response.)
CHAIRMAN DIXON: Is there a motion?
COMMISSIONER DAVIS: Mr. Chairman, I have a motion.
CHAIRMAN DIXON: Commissioner Davis.
MOTION
COMMISSIONER DAVIS: I move the Commission find the Secretary of Defense did not deviate substantially from the Final Criteria and Force Structure Plan and therefore the Commission adopt the following recommendation of the Secretary of Defense:
Close Ontario International Airport Air Guard Station and relocate the 148th Combat Communications Squadron and the 210th Weather Flight to March Air Reserve Base California.
CHAIRMAN DIXON: Is there a second?
COMMISSIONER KLING: Second.
CHAIRMAN DIXON: Seconded by Commissioner Kling. Counsel will call the roll.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.

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MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is 8 ayes and 0 nays.
CHAIRMAN DIXON: Ontario remains open -- gets relocated to March Air Force Base. Thank you. Roslyn.
MR. HALL: The next Air Guard station we are considering for closure is Roslyn Air Guard Station New York and relocation of the Combat Communications Group and Electronic Installation units to Stewart International

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1 Airport Air Guard Station New York.
2 The relocation of these units requires $14.2
3 on up front and has a two-year return on investment.
4 Net present value and ROI assumed DOD will be able to
5 sell the Roslyn property at or near market value. This Guard
6 Station is on 50 acres of property 27 miles east of New York
7 City on Long Island, New York.
8 Next chart, please. The next chart shows the
9 issues associated with this recommendation. The site survey
10 completed after the March recommendations revealed that
11 adequate facilities were not available at Stewart
12 International Airport.
13 As a result, relocation costs increased from $2.4-
14 to $14.2 million. However, according to the Air Force,
15 prospects exist for realizing revenue from the sale of the
16 Guard Station property. This revenue estimated at $22.4
17 million would be used to offset the costs associated with
18 relocation of the unit.
19 The Air Force would have to receive at least $14
20 million by 1999 for the property if the proposal is to be
21 cost-effective. The use of these proceeds was not part of
22 the original DOD recommendation.

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1 Only when these proceeds from the sale of the
2 property are used is this recommendation cost-effective. If
3 these proceeds are not realized, the net present value is a
4 net cost of $11.3 million, and the ROI becomes 100 plus
5 years.
6 There are two points I'd like to make regarding
7 this issue. First, DOD policy generally discourages the use
8 of such proceeds from property sales in calculating the costs
9 and savings of closure recommendations, since proceeds may
10 never be realized.
11 Second, the Air Force did not include revenue from
12 the sale of land as part of any other base closure
13 recommendation. However, it feels this situation is unique
14 because of the location of the property.
15 Generally, the community opposes the closure of the
16 guard station has raised doubts as to whether the sale of the
17 property for commercial development is realistic given zoning
18 restrictions. Next chart, please.
19 The next chart summarizes the pros and cons
20 regarding this recommendation. The costs and savings, ROI
21 and NPV on this chart reflect the use of proceeds from the
22 sale of the Guard Station property. Again, only when these

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1 proceeds are used is this recommendation cost-effective. Mr.
2 Chairman, I'll now entertain any questions on this
3 recommendation.
4 CHAIRMAN DIXON: Thank you, Mr. Hall. Are there
5 any questions of Mr. Hall? Mr. Kling?
6 COMMISSIONER KLING: One quick one. That value of
7 22 million, did they obtain an appraisal, I have to assume,
8 on that? Where does that figure come from?
9 MR. HALL: The Air Force Real Estate Agency
10 estimated the value at $22.4 million. Because the proceeds
11 or because the anticipation of the sale of the property came
12 in late in the process, there is some doubt as to whether
13 they'll actually get anything for the property or not given
14 the base closure laws.
15 COMMISSIONER KLING: So we're going to tie the
16 close-down to receiving the monies up front. They have to
17 receive the monies --
18 MR. HALL: Yes, they do. They have to receive $14
19 million by 1999.
20 CHAIRMAN DIXON: Any other questions?
21 (No response.)
22 CHAIRMAN DIXON: Is there a motion?

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1 COMMISSIONER DAVIS: Yes, sir. I have a motion.
2 CHAIRMAN DIXON: Commissioner Davis.
3 MOTION
4 COMMISSIONER DAVIS: I move the Commission find the
5 Secretary of Defense deviated substantially from Final
6 Criteria 4 and 5 and therefore the Commission reject the
7 Secretary's recommendation on Roslyn Air Guard Station New
8 York and instead adopt the following recommendation:
9 Close Roslyn Air Guard Station and relocate the
10 213th Electronic Installation Squadron and the 274th Combat
11 Communications Group to Stewart International Airport AGS New
12 York if Roslyn Air Guard Station can be sold for its fair
13 market value.
14 The 722nd Air Medical Staging Squadron will
15 relocate to suitable lease space within the current
16 recruiting area. The Commission finds this recommendation is
17 consistent with the Force Structure Plan and Final Criteria.
18 CHAIRMAN DIXON: Very well. That's a motion. Is
19 there a second to the motion by Commissioner Davis?
20 COMMISSIONER STEELE: I'll second the motion.
21 CHAIRMAN DIXON: Commissioner Steele seconds the
22 motion. Counsel will call the roll.

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1 MS. CREEDON: Commissioner Davis?
2 COMMISSIONER DAVIS: Aye.
3 MS. CREEDON: Commissioner Kling?
4 COMMISSIONER KLING: Aye.
5 MS. CREEDON: Commissioner Montoya?
6 COMMISSIONER MONTOYA: Aye.
7 MS. CREEDON: Commissioner Robles?
8 COMMISSIONER ROBLES: Aye.
9 MS. CREEDON: Commissioner Steele?
10 COMMISSIONER STEELE: Aye.
11 MS. CREEDON: Commissioner Cornella?
12 COMMISSIONER CORNELLA: Aye.
13 MS. CREEDON: Commissioner Cox?
14 COMMISSIONER COX: Aye.
15 MS. CREEDON: Mr. Chairman?
16 CHAIRMAN DIXON: Aye.
17 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
18 0 nays.
19 CHAIRMAN DIXON: And the motion carries.
20 Springfield-Beckley. MR. HALL: Mr. Chairman, the final
21 recommendation regarding the Air National Guard is the
22 closure of Springfield-Beckley Municipal Airport Air Guard

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1 Station Ohio and the relocation of the F-16 Fighter Group and
2 Combat Communications Group to Wright-Patterson Air Force
3 Base Ohio.
4 The one-time cost associated with this
5 recommendation is about $25 million with an 11-year return on
6 investment. Chart F-16 shows the issues we're planning to
7 brief on the left and issues we are prepared to brief on the
8 right.
9 Chart F-17, please. The savings associated with
10 this recommendation are largely derived from elimination of
11 personnel and base operating support costs. The estimate of
12 personnel and base operating support savings has decreased
13 since the relocation was originally proposed in March.
14 As a result, the relocation of this unit is not as
15 cost-effective as originally estimated. It now offers an 11-
16 year return on investment, almost twice the original estimate
17 of six years.
18 In general, the first two issues on the chart
19 address community concerns regarding the true savings of this
20 recommendation and the quality of facilities at Wright-
21 Patterson. In both cases, Commission staff generally concur
22 with DOD.

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1 Moving to the third issue on this chart, the City
2 of Springfield has recently proposed to provide fire crash
3 rescue services during the non-flying hour units -- or non-
4 flying hour hours of this unit. This proposal, if accepted,
5 would save about half a million annually in personnel costs.
6 If this proposal, assumed to be in place, the ROI
7 regarding this closure would increase to 13 years. The Air
8 Force and Air National Guard are receptive to this offer if
9 the Commission does not close the Guard Station. However, it
10 is only a proposal and was not factored into the original
11 estimate of return on investment.
12 The Commission staff concur with the community that
13 this proposal would reduce operating costs and increase the
14 ROI to 13 years.
15 CHAIRMAN DIXON: Mr. Hall, may I interrupt you?
16 MR. HALL: Yes, sir.
17 CHAIRMAN DIXON: The Secretary of the Air Force
18 through the Secretary of Defense has advised us that they've
19 changed their mind about this. Is that right? Is there a
20 motion?
21 COMMISSIONER STEELE: I'd like to make a motion.
22 CHAIRMAN DIXON: Commissioner Steele.

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1 COMMISSIONER STEELE: Is there a comment?
2 MR. HALL: If they have, sir, I do not know about
3 it. It's entirely possible.
4 CHAIRMAN DIXON: Well, I'm terribly sorry,
5 Mr. Hall. The Chairman is entirely out of order. I was told
6 that we had notification from them that they'd changed their
7 mind about this. That isn't true. There is an argument
8 about the numbers; is that right?
9 MR. HALL: Informally, they have told us that if
10 this relocation had an 11-year ROI on March 1st it would not
11 have been on the base closure list.
12 COMMISSIONER COX: But they haven't written us.
13 MR. HALL: They haven't formally written to the
14 Commission.
15 CHAIRMAN DIXON: So you've got me back in the same
16 place now, have you?
17 MR. CIRILLO: They have informally --
18 CHAIRMAN DIXON: They've informally changed their
19 mind, but they haven't written us a letter? Is that what
20 you're telling me, Mr. Hall?
21 MR. HALL: That's correct, sir.
22 COMMISSIONER STEELE: I'd make the same motion

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1 anyway.
2 CHAIRMAN DIXON: Is everybody comfortable they've
3 changed their mind? Commissioner Steele, you're recognized
4 for a motion.
5 MOTION
6 COMMISSIONER STEELE: I move the Commission find
7 the Secretary of Defense deviated substantially from Final
8 Criteria 4 and 5 and therefore the Commission reject the
9 Secretary's recommendation on Springfield-Beckley Municipal
10 Airport Guard Station and instead adopt the following
11 recommendation:
12 Keep open Springfield-Beckley Municipal Air Guard
13 Station, including the 178th Fighter Group, the 251st Combat
14 Communications Group and the 269th Combat Communications
15 Squadron. The Commission finds this recommendation is
16 consistent with the Force Structure Plan and Final Criteria.
17 CHAIRMAN DIXON: Okay. That's the motion. Is
18 there a second? COMMISSIONER COX: I'll second.
19 CHAIRMAN DIXON: Second by Commissioner Cox. If
20 there are no -- are there any comments?
21 (No response.)
22 CHAIRMAN DIXON: Counsel will call the roll.

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1 MS. CREEDON: Commissioner Steele?
2 COMMISSIONER STEELE: Aye.
3 MS. CREEDON: Commissioner Cornella?
4 COMMISSIONER CORNELLA: Aye.
5 MS. CREEDON: Commissioner Cox?
6 COMMISSIONER COX: Aye.
7 MS. CREEDON: Commissioner Davis?
8 COMMISSIONER DAVIS: Aye.
9 MS. CREEDON: Commissioner Kling?
10 COMMISSIONER KLING: Aye.
11 MS. CREEDON: Commissioner Montoya?
12 COMMISSIONER MONTOYA: Aye.
13 MS. CREEDON: Commissioner Robles?
14 COMMISSIONER ROBLES: Aye.
15 MS. CREEDON: Mr. Chairman?
16 CHAIRMAN DIXON: Aye.
17 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
18 0 nays.
19 CHAIRMAN DIXON: And Springfield-Beckley remains
20 open. Redirects.
21 MR. CIRILLO: Yes, sir, Mr. Chairman. The last two
22 today, if you'll turn to chart G-1, this redirect relieves

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1 the -- changes the responsibility of the operation of an
2 airfield from a contingency airfield at Griffiss Air Force
3 Base, which was closed -- realigned in the 1993 Commission.
4 The Air Force will rebuild the runway at Fort Drum
5 to support the 10th Mountain Division. That's the essence of
6 this. There is no community issues on this issue, and if
7 you'll turn to G-3, it shows you all the figures.
8 COMMISSIONER COX: Just so I remember from '93, we
9 had intended to leave the runway open at Griffiss and thought
10 that would take care of the problem, and I take it that's now
11 much more expensive than we had hoped it might be when we
12 believed that, and now this is an alternative which is at
13 least less expensive?
14 MR. CIRILLO: That's correct. We were concerned
15 then at the cost, you might recall, which it appeared like it
16 was going up, and that's exactly right. The cost to do the
17 contingency contract went up a lot more, and it's a lot more
18 effective for them to build a $52 runway replacement at Fort
19 Drum. That's correct.
20 COMMISSIONER COX: Thank you.
21 CHAIRMAN DIXON: Are there any further questions?
22 (No response.)

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1 CHAIRMAN DIXON: Is there a motion?
2 COMMISSIONER DAVIS: I have a motion, Mr. Chairman.
3 CHAIRMAN DIXON: Commissioner Davis.
4 MOTION
5 COMMISSIONER DAVIS: I move the Commission find the
6 Secretary of Defense did not deviate substantially from the
7 Final Criteria and Force Structure and therefore the
8 Commission adopt the following recommendation of the
9 Secretary of Defense:
10 Change the recommendation of 1993 Commission
11 regarding support of the 10th Infantry Division Light, Fort
12 Drum, New York, at Griffiss Air Force Base as follows:
13 Close the essential airfield that was to be
14 maintained by the contractor at Griffiss Air Force Base and
15 provide the mobility contingency training support to the 10th
16 Infantry Division Light from Fort Drum Airfield mission
17 essential equipment from -- essential airfield at Griffiss
18 Air Force Base will transfer to Fort Drum.
19 CHAIRMAN DIXON: Thank you, Commissioner Davis. Is
20 there a second for the motion put by Commissioner Davis?
21 COMMISSIONER KLING: I second.
22 CHAIRMAN DIXON: Seconded by Commissioner Kling.

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1 Counsel will call the roll. Commissioner Robles, being a
2 [illegible] gentleman, will second this one.
3 MS. CREEDON: Commissioner Davis?
4 COMMISSIONER DAVIS: Aye.
5 MS. CREEDON: Commissioner Kling?
6 COMMISSIONER KLING: Aye.
7 MS. CREEDON: Commissioner Montoya?
8 COMMISSIONER MONTOYA: Aye.
9 MS. CREEDON: Commissioner Robles?
10 COMMISSIONER ROBLES: Aye.
11 MS. CREEDON: Commissioner Steele?
12 COMMISSIONER STEELE: Aye.
13 MS. CREEDON: Commissioner Cornella?
14 COMMISSIONER CORNELLA: Aye.
15 MS. CREEDON: Commissioner Cox?
16 COMMISSIONER COX: Aye.
17 MS. CREEDON: Mr. Chairman?
18 CHAIRMAN DIXON: Aye.
19 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
20 8 nays.
21 CHAIRMAN DIXON: And the redirect is adopted
22 unanimously.

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1 MR. CIRILLO: Mr. Chairman, the Air Force's last
2 activity of the day under consideration is another redirect
3 for Griffiss. As a result of the realignment in 1993, if
4 you'll look at Chart 4, the 485th Engineering Installation
5 Group, a communications outfit, was to move to Hill Air Force
6 Base.
7 That proved to be expensive. As a result of this
8 redirect, the Secretary's recommendation is to disestablish
9 the unit and to relocate its assets to Kelly, McClellan and
10 Tinker Air Force Base.
11 In light of the activities of this morning, when we
12 [illegible] to Chart No. G-6, I don't have any other issues. If
13 [illegible] have any other questions --
14 CHAIRMAN DIXON: Are there any questions of
15 Mr. Cirillo regarding this redirect question?
16 (No response.)
17 CHAIRMAN DIXON: Is there a motion?
18 COMMISSIONER DAVIS: Yes, sir.
19 CHAIRMAN DIXON: Commissioner Davis.
20 MOTION
21 COMMISSIONER DAVIS: Mr. Chairman, this is such a
22 fast-moving train, I want to make sure I got all the numbers

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1 here. I move the Commission find the Secretary of Defense
2 deviates substantially from Final Criterion 3 and therefore
3 the Commission reject the Secretary's recommendation on
4 Griffiss Air Force Base New York as it pertains to the 485th
5 Engineering Installing Group and instead adopt the following
6 recommendation:
7 Change the recommendation of 1993 Commission
8 regarding the transfer of the 485th Engineering Installation
9 Group from Griffiss Air Force Base New York to Hill Air Force
10 Base Utah as follows:
11 Inactivate the 485th EIG, transfer its engineering
12 and installation functions, as operational requirements
13 dictate, in accordance with Department of Air Force policy.
14 The Commission finds this recommendation is consistent with
15 the Force Structure Plan and Final Criteria.
16 CHAIRMAN DIXON: Thank you, Commissioner Davis. Is
17 there a second to that motion?
18 COMMISSIONER KLING: I second that motion.
19 CHAIRMAN DIXON: Seconded by Commissioner Kling.
20 [illegible] if there are no further comments, counsel will call the
21 [illegible]
22 MS. CREEDON: Commissioner Davis?

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1 COMMISSIONER DAVIS: Aye.
2 MS. CREEDON: Commissioner Kling?
3 COMMISSIONER KLING: Aye.
4 MS. CREEDON: Commissioner Montoya?
5 COMMISSIONER MONTOYA: Aye.
6 MS. CREEDON: Commissioner Robles?
7 COMMISSIONER ROBLES: Aye.
8 MS. CREEDON: Commissioner Steele?
9 COMMISSIONER STEELE: Aye.
10 MS. CREEDON: Commissioner Cornella?
11 COMMISSIONER CORNELLA: Aye.
12 MS. CREEDON: Commissioner Cox?
13 COMMISSIONER COX: Aye.
14 MS. CREEDON: Mr. Chairman?
15 CHAIRMAN DIXON: Aye.
16 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
17 0 nays.
18 CHAIRMAN DIXON: And that redirect is unanimously
19 adopted. Now, may I say to staff for the Air Force you've
20 done an exemplary and outstanding job and both this
21 Commission and the country are indebted to you for that fine
22 work. We thank you.

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1 Now, ladies and gentlemen, momentarily we're going
2 to go into recess until 8:30 -- adjourn until 8:30 tomorrow
3 morning when we'll take up the Navy. Let me say this. A
4 number of military people and members of the Congress have
5 asked through the day to talk to the Chair.
6 I am embarrassed to decline those requests because
7 every one of them is a friend, and I always am reluctant to
8 decline speaking with someone, but I spoke to everybody from
9 October of last year until midnight Tuesday, made my last
10 call at 11:30 Tuesday night to a congressman whose name I
11 could give if I had to.
12 I feel that I've done my duty. I don't believe
13 anybody says that this individual has not been open and
14 willing to discuss with all people their concerns, but I
15 think, you know, it's fish or cut bait time. And we're going
16 to be working pretty hard here, and so I regret I can't talk
17 more with others.
18 The other thing I want to say is several requests
19 have been made through the day to juggle the order on some of
20 these things. The staff worked literally hundreds and
21 hundreds of hours to get this thing in shape. We're moving
22 along miraculously well given the fact that some of these

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1 things we touched today were highly controversial, as tough a
2 vote as you ever have to cast in your lifetime.
3 And so I hope everybody understands that it isn't a
4 lack of care for your view. It's the responsibility of doing
5 this job right that motivates us and forgive us if we've
6 temporarily miffed you a bit by going about our business.
7 If there is any other Commissioner has anything
8 that he or she wants to say before I drop this gavel, when I
9 drop it, we're going to adjourn until 8:30 in the morning.
10 Do any of my Commissioners have anything they want to say?
11 (No response.)
12 CHAIRMAN DIXON: Right here in this room 8:30 in
13 the morning, the Navy.
14 (Whereupon, at 5:50 p.m. the hearing was
15 adjourned.)
16 * * * * *

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

OPEN MEETING

8:30 a.m.

Hart Senate Office Building
Room 216
Washington, D.C.

Friday, June 23, 1995

COMMISSIONERS PRESENT:

Alan Dixon

Alton W. Cornella

Rebecca G. Cox

J.B. Davis

S. Lee Kling

Benjamin Montoya

Wendi Louise Steele

Josue Robles

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1 P R O C E E D I N G S
2 CHAIRMAN DIXON: Good morning, ladies and
3 gentlemen. This is the second day of the final deliberations
4 of the Defense Base Closure and Realignment Commission. We
5 had a very productive day yesterday. We considered and acted
6 on all of the recommendations in the cross service and Air
7 Force areas. Out of a total of 174 base closure and
8 realignment recommendations before the commission, we acted
9 on 66 of them yesterday, or almost 40 percent.
10 Today we will begin with the Navy and then proceed
11 to the Army and the defense agencies. All of the commission
12 staff were sworn in at the beginning of our deliberations
13 yesterday.
14 Now, all the commissioners are here. Some are
15 coming in a little bit more slowly than others, but let me
16 say to my fellow commissioners it is the view of the chair we
17 can finish today. I intend to press for that with very short
18 breaks and a short lunch to achieve closure today in the real
19 sense of the commission's closure.
20 Is there any commissioner had any objection to
21 trying to achieve the end of this process today?
22 (No response.)

1 CHAIRMAN DIXON: All commissioners feel prepared to
2 go forward then. Is there any commissioner has any comment
3 before we begin?
4 (No response.)
5 CHAIRMAN DIXON: With that, we are ready to begin
6 and the commission staff director, Mr. David Lyles, will
7 begin the Navy presentation.
8 David Lyles.
9 MR. LYLES: Good morning, Mr. Chairman. We are
10 ready to start with the Navy presentation and Alex Yellin,
11 the Navy team chief, will begin.
12 MR. YELLIN: Good morning, Mr Chairman. I would
13 like to begin by discussing our Navy facilities in Guam and
14 Eric Lindenbaum will present the staff findings.
15 LIEUTENANT COMMANDER LINDENBAUM: Good morning,
16 Chairman. The key to understanding the Guam recommendations
17 is understanding where the military sea lift command, or MSC
18 vessels, need to be home ported. The MSC ships, where they
19 go, so goes the Ship Repair Facility, the Fleet Industrial
20 Supply Center, the helicopter squadron, AC-5, and the
21 majority of the support personnel which make up Naval
22 Activities Guam.

1 Shifting deployment patterns in the western Pacific
2 have greatly lessened the requirement to maintain a fully
3 functioning Naval base on Guam. They have also lessened the
4 requirement to home port the military sea lift command, or
5 MSC vessels in Guam. This, in no way, lessens the strategic
6 value of Guam. The military, in fact, will continue to have
7 a substantial presence on Guam if all the recommendations as
8 they presently are written are accepted. In fact, there will
9 be over 7,000 active duty military people remaining on Guam.
10 To start off with Naval Activities Guam, the
11 recommendation I will briefly summarize, is to realign Naval
12 Activities Guam, relocate all ammunition and support
13 personnel and vessels to Naval Magazine Lualualei, Hawaii;
14 relocate all combat logistics force ships and associated
15 personnel to Naval Support Pearl Harbor; and, relocate the
16 military sea lift command personnel and Diego Garcia support
17 functions also to Naval Station Pearl Harbor; disestablish
18 the Naval Pacific Meteorology and Oceanographic Center
19 WESTPAC, except for moving the typhoon warning center, which
20 relocates to Naval Pacific Meteorology and Oceanographic
21 Center Pearl Harbor; disestablish Afloat Training Group and
22 all other Department of Defense Activities present on Guam

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may remain as tenant activity of Naval Activities Guam or appropriate Naval activity. Also at the very end, retain waterfront assets for support, mobilization and contingencies to support the Afloat tender.

As you can see from the figures and the COBRA alysis up there, this is a very large savings for the Navy, l when combined with the four other Guam recommendations, onstitutes a net present value savings of over $1.85 billion over the life cycle and a savings of $133.1 million per year savings.

Mr. Chairman, now I would like to turn to the issues unless you have any questions on the figures for the initial COBRA analysis.

CHAIRMAN DIXON: Please do, Commander.

LIEUTENANT COMMANDER LINDENBAUM: Thank you, sir. The first point again deals with the shifting deployment patterns in the western Pacific and the relocation of the military sea lift command ships. It is certainly not meant by the original language of the recommendation that the MSC ships and the associated support should forever be moved to Hawaii; on the contrary, just by the fact that deployment patterns are shifting shows that needs change over time.

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This is why alternate language has been addressed by the Navy Guamanian officials and operational commanders. This alternate language would remove all references to a receiving location and would leave the receiving site up to the implementation process. This has been agreed upon in principle by all sides involved.

The next point I would like to elaborate on relates to the weather center on Guam. Originally, it appeared that Navy had said there was no excess capacity in the weather center category. The on-scene commander, during his impressive presentation during the base visit, stressed the operational importance of the weather center there on Guam.

Upon questioning, the Navy showed excess capacity which allowed the weather center on Guam to be closed was eated by the Guam recommendation itself. The Navy also owed that through a phased implementation plan and the dition of satellite retransmission equipment which -- and this equipment is included in the COBRA analysis -- that there will be no operational impact by the closing of the weather center on Guam.

Next I would like to comment on the Naval magazine issue on Guam. It was requested by several --

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MR. YELLIN: Put up A-4, please. Excuse me.

LIEUTENANT COMMANDER LINDENBAUM: It was requested by several members of the Guam legislation that the Naval magazine on Guam be closed or consolidated. We sent this analysis and this request -- excuse me, we sent the request over to the Navy to look at and they conducted an analysis.

The first scenario they looked at dealt with closing the magazine outright and moving it up to Anniston Air Force Base, which is on the northern end of the island. This would come at a cost of $355 million and would necessitate taking all ammunition when it is brought to the island and then when it is taken off the island through downtown Agana on trucks. This alone is a safety risk that the Navy felt was not doable.

To get rid of this safety risk they decided they would have to build pier facilities at the northern end of the island. To do this it would cost $1.22 billion to create the facilities at the northern end, which would mean you would not have to drive the ammunition through downtown Agana.

Both of these alternatives, the Navy felt and our RNA staff agreed with, were not economical and not feasible

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also for operational reasons.

The next issue deals with the Guam Land Use Plan, or GLUP. GLUP '94 is a second iteration of a plan which identifies releasable lands and consolidates military facilities. Presently there are over 3,600 acres of Navy property on the GLUP '94 process. And just to emphasize, the GLUP process is outside -- presently outside the Base Closure and Realignment Commission process.

If all GLUP properties are accepted for closure, then the DOD footprint on Guam will be reduced from greater than one third to less than one quarter. The GLUP process also serves to underscore the working relationship the military has with the government of Guam and, hopefully, this will form the basis of a successful economic revitalization process because, easily, the greatest concern of both the community and the government of Guam is over re-use of an excess facilities and/or lands.

The RNA staff feels the position of the DOD and the correct position is represented in a letter from Assistant Secretary of the Navy, Secretary Perry, of which you have a copy at each of your places. I would like to quote one paragraph from that.

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"It is our objective to convey through long-term leases, outright transfers, or any other mutually agreeable arrangement, as much of the land and facilities as possible from the affected activities on Guam so as to stimulate local economic growth."

Finally, on the Navy Activities issues, the community and the government of Guam have asked for a two-year delay in the implementation of any recommendation which would delete or realign any billet off of Guam. This recommendation was passed to the Navy for analysis and the Navy has calculated it will cost over $242 million to delay the implementation of the savings on Guam. This is not consistent with the goals of the BRAC process, this part of the recommendation.

Mr. Chairman, are there any further questions on Naval Activities Guam?

CHAIRMAN DIXON: Well, let me ask you this question, Commander Lindenbaum, because I believe that there will be some different actions contemplated here. I have heard everything you have said. Now, are you saying that this letter from the Navy contemplates what the Navy feels is appropriate with respect to Guam outside the recommendations

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already given us by the Department of Defense and that we should make no other accommodations because of cost?

LIEUTENANT COMMANDER LINDENBAUM: Yes, sir. The people that I have talked to, both at the base structure analysis team and the base structure evaluation team, have always said all along had it always been there intentions to maximize the amount of re-use that the community can have. In fact, it is to their economic benefit for the Navy to foster a spirit of re-use on the island to allow them to take over as much of the facilities as possible so the government would not have to either mothball, which doesn't work well on Guam, or would have to maintain some type of holding status any properties or facilities.

CHAIRMAN DIXON: Now, you have talked about deferring this for a couple years and the cost of a couple hundred million dollars, and I would suggest that we ought not to contemplate a cost of that kind.

There is some other discussion about the fleet supply center. What about that?

LIEUTENANT COMMANDER LINDENBAUM: I will be getting to each of the -- those fall under four other separate recommendations.

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1 MR. YELLIN: Mr. Chairman, would you like us to and
2 the other commissioners, to brief all of the activities
3 together?
4 CHAIRMAN DIXON: Well, is that satisfactory? Why
5 don't you do that? Why don't you just go through the list.
6 MR. YELLIN: We can go ahead, Mr. Chairman, and go
7 through all of the Guam discussions.
8 CHAIRMAN DIXON: I apologize to the commander. I
9 thought that that was the extent of the contribution.
10 LIEUTENANT COMMANDER LINDENBAUM: This is just
11 Naval Activities. Now I would like to go on to Ship Repair
12 Facility Guam.
13 CHAIRMAN DIXON: Thank you. Who is doing the ship
14 repair?
15 LIEUTENANT COMMANDER LINDENBAUM: Correction. Let
16 me go to Naval Air Station, please.
17 CHAIRMAN DIXON: Naval Air Station, okay.
18 MR. YELLIN: That's A-5 and A-6.
19 LIEUTENANT COMMANDER LINDENBAUM: The former Naval
20 Air Station Guam in Agana was closed as part of the 1993
21 recommendation and part of that recommendation to Intel air
22 squadrons, VQ-1 and VQ-5, and a helicopter squadron, HC-5,

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1 were sent up to Anniston Air Force Base.
2 What this recommendation you see before you does is
3 allows VQ-1 and VQ-5 to be relocated to CONUS and allows HC-
4 5, the helicopter squadron, to be relocated where the MSC
5 ships go. The HC-5 is a true follower activity of the MSC
6 ships because the MSC ships have the helicopters embarked
7 with them when they deploy.
8 As you can see from the issues slide, it can be
9 broken down into two parts. First the VQ-1 and VQ-5. They
10 have already left the island and have been consolidated by
11 the operational commander with other like intelligence
12 squadrons back in the continental United States.
13 The HC-5, which would be relocated wherever the MSC
14 ships go, does have one issue, and that is if they do leave
15 there will be no organic SAR capability left on Guam, or
16 search and rescue. The Coast Guard has been notified of this
17 and is aware of the issue.
18 Are there any questions on Naval Air Station Agana
19 before I move on?
20 (No response.)
21 LIEUTENANT COMMANDER LINDENBAUM: Okay, the Ship
22 Repair Facility, please. The recommendation for Ship Repair

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1 Facility Guam is to close the Ship Repair Facility Guam,
2 except retain the piers, floating drydock as typhoon
3 anchorage and recompression chamber and floating crane and
4 transfer that to Naval Activities Guam.
5 The part of what is retained there would allow the
6 access to be maintained to Guam. And this goes back, once
7 again, to the strategic importance of Guam and its location.
8 Under the issues for Guam you will see that SRF Guam
9 presently has excess capacity. It is presently operating at
10 72.4 percent of its capacity and the MSC ships, which could
11 possibly leave under the recommendation, represent 35 percent
12 of that 72.4.
13 Re-use issues. Once again, I believe the DOD's
14 position is summarized in Secretary Perry's letter, which I
15 have already quoted the applicable part from.
16 Are there any questions in regards to SRF Guam
17 before I move on?
18 (No response.)
19 LIEUTENANT COMMANDER LINDENBAUM: I would like to
20 go to the Fleet Industrial Supply Center Guam. The Fleet
21 Industrial Supply Center Guam, or FISC Guam, the
22 recommendation is to outright disestablish the Fleet

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1 Industrial Supply Center Guam.
2 The commission has an alternate recommendation,
3 which comes from an input from the operational commander,
4 Commander USCINCPAC. He has asked for the retention of the
5 fuel farm facility. The retention of this facility insures
6 both military control of the facility, but also continues
7 fuel support of the remaining DOD activities on Guam such as
8 Anniston Air Force Base and the Navy Telecommunications
9 Center.
10 Mr. Chairman, are there any questions in regards to
11 the supply center on Guam, or FISC Guam?
12 COMMISSIONER STEELE: I just one this one, when we
13 were in Guam, is it not correct that we heard that it was
14 actually an oversight by the Navy to -- even in the
15 disestablish had the potential of losing the fuel farm
16 because we need it both for war reserves and just for the
17 operations of activities that remain on the island?
18 LIEUTENANT COMMANDER LINDENBAUM: I'm not quite
19 sure if oversight is the correct word. The Navy --
20 COMMISSIONER STEELE: That was the word used but --
21 LIEUTENANT COMMANDER LINDENBAUM: One section of it
22 would like to get out of the fuels business and they believed

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1 that a private firm might be able to come in and take over
2 the fuel farm and privatize it and then the Navy would buy
3 back from it fuels.
4 COMMISSIONER CORNELLA: Commissioner Steele, being
5 present at that same conversation, I heard the same words
6 that you did.
7 COMMISSIONER STEELE: It was said pretty clearly.
8 And I realize you weren't there at that part of that
9 conversation, but it was stated as an oversight and because
10 if commercial activity took it over they couldn't use 80
11 percent of the fuel farm anyway because it's a different type
12 of fuel and the tanks are below ground and all sorts of
13 stuff. We probably don't need to get into the detail here,
14 but it was something needed for war reserves and daily
15 operations. I just wanted to make sure my colleagues were
16 aware of that.
17 MR. YELLIN: Commissioner Steele, I think as Eric
18 was explaining, there is a difference of opinion in the Navy.
19 We went back and asked them about this and the official
20 position of the Navy that developed the base closure
21 recommendations through the Secretary said that they didn't
22 need it. But you are absolutely right, the operational

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1 commander has clearly indicated that he needs to -- he wants
2 to keep it. You are absolutely right. There is that
3 controversy there within the Navy on that.
4 COMMISSIONER STEELE: Thank you.
5 LIEUTENANT COMMANDER LINDENBAUM: I would like to
6 shift to Public Works Center Guam, please. Public Works
7 Center Guam was removed from the list by the Secretary of the
8 Navy for excessive job loss reasons.
9 On the slide you can see two possible alternatives.
10 The first one is the commission alternative to close. The
11 figures you see were passed to the Navy for their analysis
12 and you can see a 42-year turnback on a return on investment.
13 The second alternative is to realign. The realign
14 does have a positive economic return. You can see an
15 immediate return on investment. What the realignment does is
16 take the center and it will realign it to a detachment at
17 Public Works Center Pearl Harbor, and they will be able to
18 remove some of their excess overhead. This will then make
19 the center more economical to run and they will be able to
20 pass on lower costs to their clients. They do operate in
21 that regards as a DBOF activity. Excuse me for the acronym.
22 Defense Base --

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1 MR. YELLIN: -- Business Operating Fund. I would
2 like to add something on that related to the Public Works
3 Center. As you see here, the staff believes and agrees with
4 the Navy that a public works center detachment would save
5 jobs and would save some money. The community has indicated
they feel that this sends the wrong sign to the
employees there at the public works center at a time when
many other organizations in Guam will be having personnel
9 reductions.
10 The Navy has indicated that this is not a major
11 issue for them, that they could operate either way and, in
12 fact, as a DBOF, or industrially funded activity, a public
13 works center sizes its work force to the workload so that
14 would be done no matter what we would do here.
15 COMMISSIONER MONTOYA: As a matter of fact, Mr.
16 Yellin, I have, as you know, I am familiar with this world of
17 engineers and Navy and I have had some later on discussions
18 and Ms. Steele will probably be offering a motion to permit
19 the flexibility to have that command remain in place but to
20 be able to downsize over time, as the rest of the Navy
21 downsizes. So we are going to be recommending the command
22 remain.

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1 LIEUTENANT COMMANDER LINDENBAUM: One final part on
2 Public Works Center Guam I would like to add is the former --
3 the officer housing at the former Naval Air Station Agana is
4 owned presently by Public Works Center Guam. The community
5 has asked for this housing to be excessed. To excess this
6 housing would be consistent with the GLUP process since this
7 housing is a stand alone housing. It does not abut upon any
8 other military base and it is on the only thing left over
9 from the Naval Air Station. And the RNA staff also believes
10 that this would be the correct thing to do and consistent
11 with the GLUP process.
12 MR. YELLIN: That concludes our presentation on
13 Guam activities.
14 CHAIRMAN DIXON: Are there questions of staff,
commissioners?
(No response.)
17 CHAIRMAN DIXON: Are there questions of staff? Are
18 there statements by any commissioners and, particularly, the
19 two that visited there that want to make some observations
20 about this?
21 COMMISSIONER STEELE: I would just state that at
22 this point I feel very comfortable that the motions that we

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1 have drafted, though you will hear substantially deviated
2 from time to time -- that is because changes needed to be
3 made -- there isn't a substantial deviation in the sense of
4 taking away the Navy's flexibility to achieve great savings.
5 And the flip side for Guam as well, the substantial
6 deviations, the new language, allows for the government of
7 Guam to have maximum flexibility for re-use of assets.
8 And I just feel very comfortable that the language
9 that I intend to propose as motions, and Commissioner
10 Cornella as well, is the best of all worlds for all parties
11 involved.
12 CHAIRMAN DIXON: Commissioner Kling.
13 COMMISSIONER KLING: Following through what
14 Commissioner Steele just said, what are the amount of savings
15 from the Navy's recommendation to the one that Commissioner
16 Steele is going to do? What are we losing in the way of
17 savings? What is the difference? Tell me the major
18 difference and the major cost of it.
19 COMMISSIONER STEELE: Actually, I can answer that.
20 CHAIRMAN DIXON: Does the commander understand what
21 Commissioner Steele's motions will be?
22 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir.

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1 Commissioner, let me --
2 COMMISSIONER KLING: Maybe we should have the
3 motion and then --
4 COMMISSIONER STEELE: You know, I can answer that.
5 The answer is we don't know the answer, but it allows -- for
6 a good reason. It allows the Navy to determine what they
7 would like to do, meaning if they choose for operational
8 reasons to put the MSC ships in one place or another, it is
9 fully their decision to make that choice. And they, I
10 believe, have sent us letters saying that that flexibility
11 would be fine. They haven't said they want them in Hawaii;
12 they haven't said they are going to keep them in Guam. It
13 just provides them the flexibility to work with the
14 government of Guam to proceed in the best course for both
15 parties.
16 COMMISSIONER KLING: So, really, what you are
17 saying is that the Navy is comfortable with this.
18 COMMISSIONER STEELE: That is fully my
19 understanding. Would you concur?
20 MR. YELLIN: Commissioner Kling, the staff's
21 assessment would be that we would use the original -- the
22 COBRA information we have displayed to you. The Navy has a

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1 lot of options in the motions that I believe you are going to
2 propose and so they could do the implementation, in essence,
3 in the way they had anticipated.1
4 COMMISSIONER STEELE: In some ways -- I'm sorry,
5 just to add to that, there is some words that say the 1994
6 Guam Land Use Plan. These are additional properties on Guam
7 that the Navy has been trying to excess for a number of
8 years. In fact, if they can get those off their books and
9 transferred to the government of Guam there would be some
10 savings there as well for the Navy.
11 COMMISSIONER KLING: But just to answer the
12 question, the Navy is comfortable with the direction we're
13 going?
14 MR. YELLIN: Yes, sir.
15 CHAIRMAN DIXON: Commissioner Cornella.
16 COMMISSIONER CORNELLA: You know, I would add to
17 that because this is something we spent a tremendous amount
18 of time on. I mean, if there is one issue that we have spent
19 the majority, at least of this commissioner's time, it has
20 been spent on Guam and on the issues regarding Guam.
21 On June 14th we posed the questions that will arise
22 here today to the Navy and they agreed to the language that

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1 is contained in these motions.
2 Is that not correct?
3 MR. YELLIN: Yes, sir.
4 COMMISSIONER CORNELLA: Okay. Thank you very much.
5 CHAIRMAN DIXON: May I ask you that then this, Mr.
6 Yellin, and I would urge my colleagues who have some
7 exceptional knowledge because of their visitation to
8 enlighten the chair and perhaps other commissioners as well.
9 I count nine motions here.
10 COMMISSIONER STEELE: No, sir. I see some
11 alternative motions.
12 CHAIRMAN DIXON: Or at least the potentiality of
13 nine are in my draft book here.
14 MR. YELLIN: Mr. Chairman, some of those are
15 alternatives.
16 CHAIRMAN DIXON: Okay.
17 MR. YELLIN: Are exclusive -- I mean, some of them
18 would not be -- if one within that group is accepted for a
19 specific facility, the others would not be.A
20 CHAIRMAN DIXON: All right. Now, here is one
21 accepting the Secretary's recommendation and then there are
22 variations doing a variety of things in what I see is eight

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1 other motions around here. All right, then may I suggest, is
2 it all right with my colleagues if we do it this way: As a
3 motion is offered, I wonder if someone on the staff would
4 enlighten us about the consequences of that motion.
5 MR. YELLIN: Yes, sir.
6 CHAIRMAN DIXON: Can we do that?
7 MR. YELLIN: Yes, sir.
8 CHAIRMAN DIXON: Does anybody want to offer a
9 motion?
10 COMMISSIONER STEELE: Yes, sir.
11 CHAIRMAN DIXON: Commissioner Steele.
12 MOTION
13 COMMISSIONER STEELE: Mr. Chairman, you will love
14 this one. It's about 30 lines long. I move that the
15 commission find that the Secretary of Defense deviated
16 substantially from final criteria one and, therefore, the
17 commission reject the Secretary's recommendation on Naval
18 Activities Guam and, instead, adopt the following
19 recommendation:
20 Realign Naval Activities Guam; locate all Military
21 Sea Lift Command assets and related personnel and support at
22 available DOD activities or in rented facilities as required

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1 to support operational commitments; disestablish the Navy
2 Pacific Meteorology and Oceanographic Center WESTPAC, except
3 for the Joint Typhoon Warning Center, which relocates to the
4 Naval Pacific Meteorology and Oceanographic Center Pearl
5 Harbor, Hawaii; disestablish the Afloat Training Group
6 WESTPAC; all other Department of Defense activities that are
7 presently on Naval Activities Guam may remain either as a
8 tenant of Naval Activities Guam or other appropriate Naval
9 activity; retain waterfront assets for support, mobilization,
10 and contingencies to support the Afloat tender and to support
11 shared use of these assets consistent with operational
12 requirements, if appropriate; dispose of property owned by
13 Naval Activities declared releasable under the 1994 Guam Land
14 Use Plan with appropriate restrictions. The commission finds
15 this recommendation is consistent with the force structure
16 plan and final criteria.
17 COMMISSIONER CORNELLA: I second that motion.
18 CHAIRMAN DIXON: All right. The motion is offered
19 by Commissioner Steele and seconded by Commissioner Cornella.
20 Now, Mr. Yellin, this motion rejects the Secretary's
21 recommendation and makes substantial modifications.
22 Would you enlighten us?

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1 MR. YELLIN: Yes. Commander Lindenbaum will
2 discuss that.
3 CHAIRMAN DIXON: Commander Lindenbaum.
4 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir. The
5 first thing it does is it allows operational flexibility to
6 station the MSC ships where the Navy best feels they should
7 be. The second part that it does is includes the GLUP, or
8 the Guam Land Use Plan, lands in the BRAC process. The
9 reason why they want that is they had the first process was
10 1977 and they still have lands which are being held up in the
11 court system. If you include it in the BRAC process it goes
12 through quicker. Economic revitalization can also occur
13 faster.
14 CHAIRMAN DIXON: And is the Secretary of the Navy
15 comfortable with this motion?
16 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir.
17 COMMISSIONER STEELE: Let me add one more
18 embellishment, if I could, please. Mr. Chairman, it makes
19 one more difference. On the line that says, "retain
20 waterfront assets for support, mobilization, and
21 contingencies to support the Afloat tender," we add, "and to
22 support shared use of these assets consistent with

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1 operational requirements, if appropriate."
2 And that comes from the letter we read earlier from
3 Mr. Perry.
4 CHAIRMAN DIXON: Okay. Always quit when you are a
5 winner, Commissioner Steele. You're ahead on this one.
6 COMMISSIONER STEELE: Well, I'm being fair, sir.
7 CHAIRMAN DIXON: Is there any further comment?
8 COMMISSIONER DAVIS: Yes, sir.
9 CHAIRMAN DIXON: Okay, Commissioner Davis.
10 COMMISSIONER DAVIS: I realize you have not been
11 able to cost the difference, or have you, between the
12 original request of the Department of Defense and this one?
13 MR. YELLIN: The reason why it's difficult to cost
14 this is that it does not specify a specific location for the
15 MSC ships to go. The location that is called out in the
16 original recommendation scenario, which says Hawaii, is still
17 an applicable option for the Navy for this. And the
18 assumption is that the Navy will work in their best interest
19 top do things that are operationally and economically
20 beneficial.
21 So that is why the staff is recommending that you
22 would use the original COBRA results as, right now, our best

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1 assessment of this alternative. It does give the Navy
2 flexibility and the assumption is that the Navy will do what
3 is in their best interest as a balancing of operational and
4 cost issues to do that.
5 CHAIRMAN DIXON: May counsel call the roll?
6 Counsel will call the roll.
7 MS. CREEDON: Commissioner Steele.
8 COMMISSIONER STEELE: Aye.
9 MS. CREEDON: Commissioner Cornella.
10 COMMISSIONER CORNELLA: Aye.
11 MS. CREEDON: Commissioner Cox is recused on this
12 issue. Commissioner Davis.
13 COMMISSIONER DAVIS: Aye.
14 MS. CREEDON: Commissioner Kling.
15 COMMISSIONER KLING: Aye.
16 MS. CREEDON: Commissioner Montoya.
17 COMMISSIONER MONTOYA: Aye.
18 MS. CREEDON: Commissioner Robles.
19 COMMISSIONER ROBLES: Aye.
20 MS. CREEDON: Mr. Chairman.
21 CHAIRMAN DIXON: Aye.
22 MS. CREEDON: Mr. Chairman, the votes are seven

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1 ayes and zero nays.
2 CHAIRMAN DIXON: Seven ayes and no nays.
3 Commissioner Cox recused herself. And that motion to deviate
4 from the Secretary's recommendation is adopted.
5 Is there a further motion?
6 COMMISSIONER STEELE: Yes, Mr. Chairman.
7 CHAIRMAN DIXON: Commissioner Steele.
8 MOTION
9 COMMISSIONER STEELE: I move that the commission
10 find that the Secretary of Defense deviated substantially
11 from final criteria one and, therefore, the commission reject
12 the Secretary's recommendation on Naval Air Station Agana,
13 Guam, and, instead, adopt the following recommendation:
14 Change the receiving site specified by the 1993
15 commission (1993 Commission Report at page 1 - 21) for the
16 "aircraft, personnel, and associated equipment" from the
17 closing Naval Air Station Agana, Guam, from "Andersen Air
18 Force Base Guam to other Naval or DOD air stations." The
19 commission finds this recommendation is consistent with the
20 force structure plan and final criteria.
21 CHAIRMAN DIXON: And is there a second to the
22 motion of Commissioner Steele?

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1 COMMISSIONER CORNELLA: I second that, sir.
2 CHAIRMAN DIXON: Commissioner Cornella seconds the
3 motion. Are there any comments or questions? Mr. Yellin and
4 Commander Lindenbaum, what is your comment with respect to
5 this motion?
LIEUTENANT COMMANDER LINDENBAUM: Sir, this allows
[illegible] C-5 helicopter squadron to be co-located to wherever the
8 [illegible]C vessels go.
9 CHAIRMAN DIXON: Is the Secretary of the Navy
10 comfortable with it?
11 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir.
12 CHAIRMAN DIXON: Are there any other comments?
13 (No response.)
14 CHAIRMAN DIXON: Counsel will call the roll.
15 MS. CREEDON: Commissioner Steele.
16 COMMISSIONER STEELE: Aye.
17 MS. CREEDON: Commissioner Cornella.
18 COMMISSIONER CORNELLA: Aye.
19 MS. CREEDON: Commissioner Cox is recused.
20 Commissioner Davis.
21 COMMISSIONER DAVIS: Aye.
22 MS. CREEDON: Commissioner Kling.

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1 COMMISSIONER KLING: Aye.
2 MS. CREEDON: Commissioner Montoya.
3 COMMISSIONER MONTOYA: Aye.
4 MS. CREEDON: Commissioner Robles.
5 COMMISSIONER ROBLES: Aye.
6 MS. CREEDON: Mr. Chairman.
7 CHAIRMAN DIXON: Aye.
8 MS. CREEDON: Mr. Chairman, the votes are seven
9 ayes and zero nays.
10 CHAIRMAN DIXON: Seven ayes, zero nays.
11 Commissioner Cox recuses. And that motion is adopted.
12 Are there any further motions?
13 COMMISSIONER CORNELLA: I have a motion, sir.
14 CHAIRMAN DIXON: Commissioner Cornella.
1 MOTION
1 [illegible] COMMISSIONER CORNELLA: I move that the commission
17 [illegible] that the Secretary of Defense did not deviate
18 substantially from the force structure plan final criteria
19 and, therefore, that the commission adopt the following
20 recommendation of the Secretary of Defense:
21 Close the Naval Ship Repair Facility Guam, except
22 transfer appropriate assets, including the piers, floating

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1 drydock, its typhoon base and anchorage, the recompression
2 chamber and the floating crane, to Naval Activities Guam.
3 CHAIRMAN DIXON: Is there a second to the motion
4 put by Commissioner Cornella?
5 COMMISSIONER STEELE: I second the motion.
6 CHAIRMAN DIXON: Seconded by Commissioner Steele.
7 Mr. Yellin, Commander Lindenbaum, do you have any comment?
8 MR. YELLIN: This is a direct acceptance of the DOD
9 recommendation and that's still in accordance with the Navy
10 desires.
11 CHAIRMAN DIXON: Any questions by any commissioner?
12 (No response.)
13 CHAIRMAN DIXON: Counsel will call the roll.
14 MS. CREEDON: Commissioner Cornella.
15 COMMISSIONER CORNELLA: Aye.
16 MS. CREEDON: Commissioner Davis.
17 COMMISSIONER DAVIS: Aye.
18 MS. CREEDON: Commissioner Cox is recused on this
19 vote. Commissioner Kling.
20 COMMISSIONER KLING: Aye.
21 MS. CREEDON: Commissioner Montoya.
22 COMMISSIONER MONTOYA: Aye.

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1 MS. CREEDON: Commissioner Robles.
2 COMMISSIONER ROBLES: Aye.
3 MS. CREEDON: Commissioner Steele.
4 COMMISSIONER STEELE: Aye.
5 MS. CREEDON: Mr. Chairman.
6 CHAIRMAN DIXON: Aye.
7 MS. CREEDON: Mr. Chairman, the votes are seven
8 ayes and zero nays.
9 CHAIRMAN DIXON: Seven ayes, zero nays.
10 Commissioner Cox recuses herself. And the motion carries
11 unanimously. Are there any further motions?
12 MOTION
13 COMMISSIONER CORNELLA: Yes, sir. I move that the
14 commission find that the Secretary of Defense deviated
15 substantially from final criterion one and, therefore, the
16 commission reject the Secretary's recommendation on Fleet
17 Industrial Supply Center Guam and, instead, adopt the
18 following recommendation:
19 Disestablish the Fleet Industrial Supply Center
20 Guam; retain appropriate assets in the FISC fuel facilities,
21 including Piers D and E, tanks farms, and associated
22 pipelines and pumping systems under DOD operational control

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1 to support military service fuel requirements. The
2 commission finds this recommendation is consistent with the
3 force structure plan and final criteria.
4 CHAIRMAN DIXON: You hear the motion by
5 Commissioner Cornella. Is there a second?
6 COMMISSIONER STEELE: I second the motion.
7 CHAIRMAN DIXON: Commissioner Cox seconds (sic).
8 Mr. Yellin.
9 MR. YELLIN: Sir, what this does is it takes in the
10 operational commander's wishes to retain the fuel farm assets
11 and also it means in the COBRA analysis a less savings of $46
12 million over the net present value life cycle time.
13 CHAIRMAN DIXON: The Secretary of the Navy
14 acquiesces?
15 LIEUTENANT COMMANDER LINDENBAUM: Sir, I think
16 there is still some controversy but I think it has been
17 acceptable to them because of the operational commander's
18 concerns.
19 CHAIRMAN DIXON: Any questions?
20 COMMISSIONER STEELE: Just a legal comment.
21 CHAIRMAN DIXON: Commissioner Cox.
22 COMMISSIONER STEELE: That is what I was going to

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1 say. Just since Commissioner Cox is recused, make sure it
2 says Commissioner Steele as second. That's all. Or anyone
3 else.
4 CHAIRMAN DIXON: Did I say Commissioner -- I
5 apologize. Commissioner Steele seconds. Commissioner Cox
6 recused herself. I apologize.
7 COMMISSIONER CORNELLA: One last comment, sir, on
8 this. This is the issue that we discussed just a moment ago
9 where the operational commanders, both the Commander in Chief
10 of the Pacific Fleet and the Commander in Chief Pacific, have
11 indicated that we need these facilities for war reserves an
12 for Andersen Air Force Base. So I think it is important that
13 we accept this recommendation.
14 CHAIRMAN DIXON: Are there any further comments
15 before counsel calls the roll?
16 (No response.)
17 CHAIRMAN DIXON: Counsel will call the roll.
18 MS. CREEDON: Commissioner Cornella.
19 COMMISSIONER CORNELLA: Aye.
20 MS. CREEDON: Commissioner Cox is recused.
21 Commissioner Davis.
22 COMMISSIONER DAVIS: Aye.

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1 MS. CREEDON: Commissioner Kling.
2 COMMISSIONER KLING: Aye.
3 MS. CREEDON: Commissioner Montoya.
4 COMMISSIONER MONTOYA: Aye.
5 MS. CREEDON: Commissioner Robles.
6 COMMISSIONER ROBLES: Aye.
7 MS. CREEDON: Commissioner Steele.
8 COMMISSIONER STEELE: Aye.
9 MS. CREEDON: Mr. Chairman.
10 CHAIRMAN DIXON: Aye.
11 MS. CREEDON: Mr. Chairman, the votes are seven
12 ayes and zero nays.
13 CHAIRMAN DIXON: Motion carries. Are there any
14 further motions?
15 COMMISSIONER STEELE: Yes, sir.
16 CHAIRMAN DIXON: Commissioner Steele.
17 MOTION
18 COMMISSIONER STEELE: I move that the commission
19 find that the Secretary of Defense deviated substantially
20 from final criteria five and, therefore, the commission
21 recommend the following: Realign Public Works Center Guam to
22 match assigned workload; close the officer housing at the

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1 former Naval Air Station, Agana, Guam. The commission finds
2 this recommendation is consistent with the force structure
3 plan and final criteria.
4 CHAIRMAN DIXON: Is there a second to Commissioner
5 Steele's motion?
6 COMMISSIONER CORNELLA: Second.
7 CHAIRMAN DIXON: Commissioner Cornella seconds the
8 motion. Commander Lindenbaum, do you have any comment on
9 that particular subject?
10 MR. YELLIN: Mr. Chairman.
11 CHAIRMAN DIXON: Mr. Yellin.
12 MR. YELLIN: The issue here related to the workload
13 sizing in the Public Works Center, that fits every statement
14 we have had from the Navy about what their plans are for the
15 Public Works Center.
16 Concerning the housing, the Navy's response on the
17 housing in Guam is that their preference would be to look at
18 the housing as a unit after they do all the realignments and
19 determine at that time what housing they would like to keep
20 or dispose of. So for this part of this motion, the Navy's
21 official position is that they would like us not to do that.
22 COMMISSIONER STEELE: May I ask you a clarifying

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1 questions?
2 MR. YELLIN: Sure.
3 COMMISSIONER STEELE: Does not the Navy have
4 adequate housing on the island of Guam, in fact, excess
5 housing due to Andersen and other places?
6 MR. YELLIN: Commissioner Steele, the amount of
7 reductions of personnel in Guam that are anticipated show
8 that there is significant housing available even if this
9 housing is closed. You are absolutely right.
10 COMMISSIONER STEELE: And at this point there are
11 doctors, I believe, living in the housing instead of folks
12 that were working at the Naval Air Station?
13 MR. YELLIN: The housing at the Naval Air Station
14 was always part of the Navy's overall housing so it housed
15 people from all over the activities. But you are right, this
16 does not house people that were at the Naval Air Station in
17 the past.
18 COMMISSIONER STEELE: Thank you.
19 CHAIRMAN DIXON: But now let me see if I understand
20 this now. We are closing here officer housing.
21 MR. YELLIN: Yes, sir.
22 CHAIRMAN DIXON: Now, the Congress has just -- I

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1 believe the only thing they have added money on this year is
2 housing over in the House side just now. And we had had a
3 lot of earlier discussions about our concern about military
4 housing.
5 Are we doing the right thing here? Is this what
6 people want us to do?
7 MR. YELLIN: Mr. Chairman, there are significant
8 excess housing, military housing, available on Guam so this
9 would not impact -- in the staff's opinion, the Navy's
10 position is that they would prefer not to have the commission
11 determine which housing to excess and which to keep. They
12 would like to do that themselves.
13 CHAIRMAN DIXON: Is this what both Commissioner
14 Cornella and Commissioner Steele think we ought to do after
15 looking at things over there?
16 COMMISSIONER CORNELLA: I do, sir. There are other
17 dynamics into this situation and I can't go into because
18 of --
19 CHAIRMAN DIXON: Ah, there are big secrets here.
20 COMMISSIONER CORNELLA: Well, they're not that big.
21 And if I had to make one suggestion for future commissions, I
22 would say that all commissioners should sit in on all

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1 classified briefings. But that aside, I would say -- where
2 is that housing located, Mr. Yellin?
3 MR. YELLIN: Mr. Chairman, the housing is at the
4 Naval Air Station.
5 COMMISSIONER CORNELLA: What is the situation
6 regarding the Naval Air Station? Where is that at in this
7 process?
8 CHAIRMAN DIXON: Commissioner Cornella, I don't
9 think we need to go at it any more. Commissioner Montoya, I
10 think, also agrees that this is probably the right thing to
11 do. Is there any commissioner that things otherwise because,
12 if not, we don't need to go into it more.
13 MR. YELLIN: I didn't mean to mislead anyone. The
14 staff certainly believes that there is plenty of housing
15 available on Guam, even if this is closed.
16 CHAIRMAN DIXON: Okay, good. Counsel will call the
17 roll.
18 MS. CREEDON: Commissioner Steele.
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella.
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Commissioner Cox is recused.

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1 Commissioner Davis.
2 COMMISSIONER DAVIS: Aye.
3 MS. CREEDON: Commissioner Kling.
4 COMMISSIONER KLING: Aye.
5 MS. CREEDON: Commissioner Montoya.
6 COMMISSIONER MONTOYA: Aye.
7 MS. CREEDON: Commissioner Robles.
8 COMMISSIONER ROBLES: Aye.
9 MS. CREEDON: Mr. Chairman.
10 CHAIRMAN DIXON: Aye.
11 MS. CREEDON: Mr. Chairman, the vote is seven ayes
12 and zero nays.
13 CHAIRMAN DIXON: The motion is adopted. Are there
14 any further motions?
15 COMMISSIONER MONTOYA: Mr. Chairman, I would like
16 to make a comment. I have been associated with in and around
17 Guam since the mid-1960s and some of these issues we have
18 talked about today have been around since before
19 Representative Underwood was born, I think. And these two
20 commissioners and what they have done, they have advanced
21 Guam Navy relations tremendously, even in the face of some
22 very difficult issues for Guam. They deserve a lot of credit

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1 for becoming experts, sorting this out, and bringing the
2 parties together. They have just done an incredible job.
3 COMMISSIONER STEELE: Thanks.
4 MR. YELLIN: Mr. Chairman, from the staff
5 standpoint too, we appreciate all their efforts. This has
6 been a very confusing and moving target for all of us. We
7 appreciate their help.
8 CHAIRMAN DIXON: Are there any further motions?
9 COMMISSIONER STEELE: We're done, sir.
10 CHAIRMAN DIXON: Commissioner Cornella?
11 COMMISSIONER CORNELLA: No, sir, thank you.
12 CHAIRMAN DIXON: That does it. Well, I know that
13 every one of us on this Commission appreciate very much the
14 efforts of Commissioner Steele and Commissioner Cornella
15 their visitation there. And their reports back and their
16 thoughts about this have been very useful. I know those
17 folks that represent Guam share that appreciation. We thank
18 you all.
19 COMMISSIONER STEELE: I just wish we could have
20 kept our frequent flyer miles.
21 (Laughter.)
22 MR. YELLIN: Mr. Chairman, I would now like to

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1 proceed with the Naval Reserve Air Stations. Doyle Reedy
2 will give the staff presentation.
3 MR. REEDY: Good morning, Mr. Chairman. Could I
4 get slides B2 and B3, please.
5 Mr. Chairman, the Navy has recommended closing the
6 Reserve Air Station at South Weymouth, Massachusetts. The
7 Navy wants to move its reserve asset at South Weymouth to an
8 active duty base at Brunswick, Maine.
9 As you can see by the chart, the closure shows an
10 almost immediate savings of over $27 million per year. The
11 savings are largely attributable to a reduction in civilian
12 jobs at South Weymouth. During the course of the Navy's base
13 closing process the commander in chief of the Atlantic fleet
14 determined that the Navy needed to retain an active duty air
15 station north of Norfolk.
16 This permitted the Navy to consider the option of
17 closing a nearby reserve air station, South Weymouth, and at
18 the same time keep what the Navy had determined to be a more
19 capable air station open. As you know, the distance between
20 South Weymouth and Brunswick is about 150 miles.
21 The community at South Weymouth has said that its
22 reserve air station can easily accept new missions. The Navy

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1 prepared COBRA analyses for several scenarios for those new
2 missions. All of them required construction at South
3 Weymouth and the COBRA economics were much less favorable
4 than the South Weymouth closure.
5 With that, I will be happy to answer any questions
6 you might have.
7 CHAIRMAN DIXON: Are there any questions of Mr.
8 Reedy?
9 (No response.)
10 CHAIRMAN DIXON: Is there a motion?
11 MR. YELLIN: Mr. Chairman, I would like to suggest,
12 if you don't have any problems with it, to go on and have us
13 brief Atlanta prior to having motions on this category.
14 COMMISSIONER ROBLES: Before you brief Atlanta I
15 would like to give a quick synopsis of the two major issues
16 revolving around South Weymouth.
17 South Weymouth I visited along with several other
18 commissioner; two major concerns. Concern A was that during
19 this whole deliberation of analysis for potential closures in
20 the reserve naval air station category they were sitting
21 firmly somewhere in the middle, four or six, if I recall
22 right.

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1 And the naval air station Atlanta, and another,
2 were below them. And that at time very late in the process
3 the operational commander of the Atlanta fleet decided that
4 they needed a full up, full service naval air station north
5 of Norfolk and so they started to look for that capability.
6 And at that point in time Naval Air Station South Weymouth
7 was analyzed along with Brunswick as a combination of the two
8 where you would have active and reserve forces on one base.
9 The decision was made that Brunswick would stay open and
10 South Weymouth would close.
11 Their first issue was: We were put in a special
12 category. We were being analyzed and compared to all our
13 fellow reserve naval air stations and now we're mixed in a
14 hybrid here and we're the only one that's considered for a
15 mixed hybrid and that's not fair.
16 The second issue was that a geographic, demographic
17 issue of which all of us who served on active duty are very
18 sensitive to, you have to station reserve units where there
19 is the right demographic profile and where there is the right
20 skill sets for the type of units you're doing it or the unit
21 will flounder. You won't be able to recruit and eventually
22 the unit will be non-ready.

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1 And they believe that around the South Boston area
2 they have such a skill set and they would not get a lot of
3 those people who are currently members of those very fine
4 units at South Weymouth to commute the 150 miles up to
5 Brunswick to join the reserve unit up there. Those are the
6 two central issues.
7 In light of that I made a motion, as you know, to
8 add Naval Air Station Atlanta to look at that issue of
9 fairness and should we, in fact -- were there other options
10 about taking from units from Atlanta, for example, and move
11 them up to Brunswick, et cetera.
12 So, when you hear the analysis about Atlanta you
13 need to put those two issues in context. And when we come
14 back to South Weymouth you need to put those two issues in
15 context.
16 MR. YELLIN: Yes, sir.
17 CHAIRMAN DIXON: Thank you, Commissioner Robles.
18 Mr. Yellin.
19 MR. YELLIN: Doyle, proceed with Atlanta, please.
20 MR. REEDY: Slide B4 and 5, please. Mr. Chairman,
21 the Commission added Naval Air Station Atlanta to its list of
22 possible closures because it had a low military value

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1 ranking, as Commissioner Robles just said. The Navy opposes
2 closing NAS Atlanta and says that the military value ranking
3 is only the starting point for making a decision about
4 whether or not to close the facility.
5 Mr. Chairman, our analysis shows that collocating
6 whenever possible with other military services allows the
7 Navy to reduce it's operation and maintenance costs by
8 sharing base support expenses. The collocation of NAS
9 Atlanta with Dobbins AFB saves the Navy money.
10 As you can see from the chart, Mr. Chairman, in
11 addition to saving money through collocation, relocating
12 reserve squadrons to NAS Atlanta can be done at virtually no
13 cost to the Navy.
14 The F-18 reserve squadrons going to Atlanta were
15 going to be relocated to the Marine Corps Air Station at
16 Beaufort, South Carolina. By going to Atlanta, however, the
17 recruiting demographics needed to staff the units improved
18 markedly.
19 Finally, Mr. Chairman, we have reviewed recruiting
20 demographics at both Atlanta and South Weymouth. Both are
21 very good locations for recruiting aviation reservists.
22 CHAIRMAN DIXON: I'm sure.

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1 MR. REEDY: Our analysis of Atlanta confirms, Mr.
2 Chairman, that the Navy position that the low military value
3 ranking for NAS Atlanta was not an accurate portrayal of the
4 air station is a correct one.
5 Mr. Chairman, I will be happy to answer any
6 questions.
7 CHAIRMAN DIXON: Thank you, very much. But I don't
8 know whether you have told me what I want to hear here.
9 Everybody here is smart enough to know that Boston and
10 Atlanta are both good recruiting areas.
11 The question is, which of these is the better base,
12 I guess. What are your thoughts on that? There is a 4 of 6
13 and a 6 of 6, and you say it is better than a 6 of 6. I
14 guess you are telling me that.
15 MR. REEDY: Well, we looked at the ranking aspect
16 and the reason that Atlanta was ranked lower was because of
17 demographics and also because it was farther away from a
18 training area. But, we found that the demographics was
19 comparable between the two bases, but the training range use
20 that was beyond a 100-mile range, only 10 percent of the
21 training in Atlanta was done in that range. So it wasn't a
22 key decision point.

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1 I think what the Navy did was look at the ranking,
2 the numbers, and then applied a little common sense to it and
3 said -- we really -- we can explain away some of these
4 differences in the ranking process.
5 I think, the comparison of reserve bases to active
6 duty bases, that is in the interest of the total force
7 concept that the Navy wants to enjoy in the coming --
8 MR. YELLIN: Mr. Chairman, there are numerous
9 reserve aviation units that are at active bases. In fact,
10 the units that are proposed for moving to Atlanta -- the two
11 F-18 reserve squadrons, were planned to go from one active
12 base to another active base in the 1993 recommendation.
13 The staff does not believe looking at a scenario
14 that encompasses capacity available at active duty air
15 stations is inconsistent with the Navy's process or is
16 improper at all.
17 COMMISSIONER ROBLES: Mr. Chairman, I --
18 MR. YELLIN: It indicates an effective, cost-
19 effective usage of capacity.
20 CHAIRMAN DIXON: Commissioner Kling and then
21 Commissioner Robles. Commissioner Kling.
22 COMMISSIONER KLING: I believe it is also a face

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1 that we are not comparing, really, apples to apples.
2 MR. YELLIN: That is right.
3 COMMISSIONER KLING: I remember when I was there --
4 you can't compare them. They are two very different types of
5 places, very different types of operations. I think it is
6 probably fair to say -- I think we forgot to mention a very
7 big point; that is at Weymouth, 60 percent, I believe it is,
8 of the reservists live within 50 miles of Brunswick. Is
9 that -- No, they live within 50 miles and they can drive the
10 150 --
11 MR. REEDY: Sixty-four percent, I think, live
12 within 150 miles.
13 COMMISSIONER KLING: I think --
14 MR. REEDY: You are right. The comparison has to
15 be made between Brunswick and Weymouth. That is the essence
16 of the argument here; not between Atlanta and Weymouth.
17 COMMISSIONER KLING: I think that those of us that
18 visited there -- this may be correct -- would be comfortable
19 with the fact that if you were going to choose between
20 Atlanta and Weymouth, you certainly pick -- Atlanta would be
21 the one to remain open. I believe that is a fair statement.
22 And then the second aspect of it is, at South

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1 Weymouth, moving it to Brunswick, the distance that people
2 would have to travel is not exorbitantly bad in that
3 particular -- it is not good. You like to be right next --
4 but it is not that far removed. Would that be a fair
5 synopsis?
6 MR. REEDY: That is right, and by closing Weymouth,
7 you reduce excess capacity there, and by moving the Weymouth
8 assets over to Brunswick you remove excess capacity on the
9 activity duty base.
10 COMMISSIONER KLING: And the figures will kind of
11 speak for themselves, if you look at them.
12 MR. REEDY: In fact, we have another chart.
13 CHAIRMAN DIXON: Could I hear from Commissioner
14 Robles first?
15 COMMISSIONER ROBLES: What I was going to add to
16 the issue -- we don't want to get too hung up on a reserve
17 category. They just happen to have been in the reserve
18 category because that was their major use function, but there
19 were a lot of instances and active and reserve being mixed,
20 as Mr. Yellin said. That is the appropriate thing.
21 But more importantly, two other points: The
22 facilities at Brunswick are superior, infrastructure

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1 facilities, than the facilities at South Weymouth. The big
2 issue about the Atlanta Naval Air Station, it is a dual-use
3 base. It is a joint-use base. It has all services
4 participating and it is truly a synergistic base which is, I
5 think, a model of what other bases want to be -- like, to
6 have Army, Navy, Marine Corps, Air Force on the base and be
7 able to share the cost of operating that facility based on
8 the usage factor of the particular unit.
9 But it was a fairness issue and we need to look at
10 both of them.
11 MR. REEDY: That is exactly correct, Commissioner
12 Robles. In fact, a lot of the training is done at Brunswick
13 by the Weymouth people already because the facilities are
14 over there.
15 COMMISSIONER STEELE: And with Atlanta, I believe
16 we heard the number -- they saved 40 percent of their
17 overhead because of being co-located. Was that a correct
18 number?
19 MR. REEDY: Pretty close.
20 MR. YELLIN: Yes, there is a significant operating
21 cost advantage because of shared facilities, shared costing
22 at the joint facility in Atlanta.

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1 MR. REEDY: Atlanta, if you just looked at the
2 numbers, the costs, it is a low cost with a high pay off.
3 COMMISSIONER KLING: You mean Atlanta?
4 MR. REEDY: Atlanta, because it is co-located base.
5 COMMISSIONER KLING: Okay.
6 CHAIRMAN DIXON: Are there any further questions
7 about South Weymouth or Atlanta?
8 (No response.)
9 CHAIRMAN DIXON: Are there any further questions by
10 any Commissioner?
11 (No response.)
12 MR. YELLIN: By the way, this slide that we are
13 just putting up is a summary of some of the different
14 alternatives that were looked at by the Navy, reviewed by the
15 staff, related to alternatives to the closure South Weymouth,
16 or alternatively to the closure of Atlanta.
17 CHAIRMAN DIXON: Is there -- pardon me, sir. Did
18 you want to say something?
19 MR. REEDY: I was going to talk a little bit about
20 the chart. But that is fine.
21 CHAIRMAN DIXON: Are there any questions by any of
22 the Commissioners?

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(No response.)
CHAIRMAN DIXON: Is there any motion? Commissioner Kling?

MOTION

COMMISSIONER KLING: Mr. Chairman, I would like to ve that the Commission find that the Secretary of Defense not deviate substantially from the four structure plan final criteria and, therefore, that the Commission adopt the following recommendation of the Secretary of Defense:
Close Naval Air Station, South Weymouth, Massachusetts; relocate its aircraft and necessary personnel, equipment and support, to Naval Air Station, Brunswick, Maine; relocate the Marine Corps Reserve Support Squadrons to another facility in a local area, or to NAS Brunswick; re-establish Naval Reserve Center, Quincy, Massachusetts; and change the receiving site specified by the 1993 Commission for consolidation of Navy and Marine Corps Reserve Center, Lawrence, Massachusetts, Naval Reserve Center, Chicopee, Massachusetts, and Naval Reserve Center, Quincy, Massachusetts from NAS South Weymouth, Massachusetts, to Naval Reserve Center, Quincy, Massachusetts.
CHAIRMAN DIXON: Is there a second to the motion by

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Commissioner Kling?
COMMISSIONER DAVIS: Seconded.
CHAIRMAN DIXON: Seconded by Commissioner Davis. Are there any comments by any Commissioners, or any questions by any Commissioners?
(No response.)
CHAIRMAN DIXON: Counsel, call the role.
MS. CREEDON: Commissioner Kling.
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya.

COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles.
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele.
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella.
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox.
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis.
COMMISSIONER DAVIS: Aye.

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MS. CREEDON: Mr. Chairman.
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is eight ayes and zero nays.
CHAIRMAN DIXON: That motion is unanimously adopted and the Secretary of Defense's position is supported on Naval Air Station, South Weymouth.
What is the pleasure of the Commission on Naval Air Station, Atlanta, on this list? Is there a motion?
COMMISSIONER KLING: Yes.
CHAIRMAN DIXON: Commissioner Kling.
COMMISSIONER KLING: Well, that was an add, Mr. Chairman.
CHAIRMAN DIXON: Is there any motion at all on it? That is an add-on. Is there any motion?
(No response.)
CHAIRMAN DIXON: Atlanta is declared open.
MR. REEDY: I would now like to discuss Naval Air Station, Detroit.
CHAIRMAN DIXON: Please do.
MR. REEDY: Mr. Chairman, the Navy wants to change the receiving site specified by the 1993 recommendation, and

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relocate the Marine Corps Reserve Center in Detroit, Michigan, to Selfridge, Michigan.
The Navy wants to avoid the cost of moving, while at the same time staying within the Detroit Area where recruiting is good. The move to Selfridge, rather than the Twin Cities Area, as originally planned, will save about $ million.
I will be happy to answer any questions.
CHAIRMAN DIXON: Are there any questions by any of the Commissioners?
COMMISSIONER ROBLES: Just one quick question.
CHAIRMAN DIXON: Commissioner robles.
COMMISSIONER ROBLES: Does that say that the move has already been made to Selfridge? So, why are we here talking about this?
MR. REEDY: The 1993 recommendation based on the Navy's request in 1993, which was confirmed by the Commission, requires them to move to Twin Cities. During the implementation, after 1993, the Navy determined that that was not the best place for them; to keep them in the Detroit Area was possible, would save money.
So they need a redirect of the -- change the1993

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recommendation to allow them to do this and not to do the Twin Cities move.
COMMISSIONER ROBLES: I won't make any comment about that, but it seems to me, if they already moved them in anticipation of this Commission's finding, that probably wasn't the right thing to do.
MR. REEDY: Any move in anticipation, or in advance of any decision on the part of the 1995 is a temporary move, and so if the Commission overturns this, then they will have to proceed with going to Twin Cities.
COMMISSIONER ROBLES: I am just making a statement for the record. I just don't think -- you know, that is like putting a gun to your head and saying -- you know -- go ahead and pull the trigger.
I mean, when you move a unit in anticipation of a decision being made, I think that is pretty blatant.
COMMISSIONER COX: Is that what that means, Alex?
MR. REEDY: The issue is that they Navy wanted to proceed with moving out of the Detroit facility as soon as possible to start generating those savings. And when they did the planning, they determined that they could stay locally, and so as not to delay the savings from the

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initial -- you know, leaving the facility in Detroit as soon as they could, they made this move in anticipation of this.
CHAIRMAN DIXON: Okay, they were bad boys. Anybody got a motion?

MOTION

COMMISSIONER KLING: Mr. Chairman, I move that the Commission find that the Secretary of Defense did not deviate substantially from the four structure plan and final criteria and, therefore, that the Commission adopt the following recommendation of the Secretary of Defense:
Change the receiving site specified by the 1993 Commission for the Mt. Clemens, Michigan, Marine Corps Reserve Center, including MWSG-47, and supporting unit, for Marine Corps Reserve Center, Twin Cities, Minnesota, to Air National Guard, Selfridge, Michigan.
CHAIRMAN DIXON: That is a motion. Is there a second?
COMMISSIONER MONTOYA: Second.
CHAIRMAN DIXON: Commissioner Montoya seconds Commissioner Kling's motion. Are there any comments by any Commissioners regarding this?
(No response.)

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1 CHAIRMAN DIXON: Counsel, call the role.
2 COMMISSIONER KLING: Aye.
3 MS. CREEDON: Commissioner Montoya.
4 COMMISSIONER MONTOYA: Aye.
5 MS. CREEDON: Commissioner Robles.
6 COMMISSIONER ROBLES: Aye.
7 MS. CREEDON: Commissioner Steele.
8 COMMISSIONER STEELE: Aye.
9 MS. CREEDON: Commissioner Cornella.
10 COMMISSIONER CORNELLA: Aye.
11 MS. CREEDON: Commissioner Cox.
12 COMMISSIONER COX: Aye.
13 MS. CREEDON: Commissioner Davis.
14 COMMISSIONER DAVIS: Aye.
15 MS. CREEDON: Mr. Chairman.
16 CHAIRMAN DIXON: Aye.
17 MS. CREEDON: Mr. Chairman, the vote is eight ayes,
18 and zero nays.
19 CHAIRMAN DIXON: The motion unanimously passes.
20 Training Air Stations, Naval Air Station, Meridian,
21 Mississippi.
22 MR. YELLIN: Yes, sir, Mr. Chairman. Jim Brubaker

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1 will give the staff presentation.
2 LIEUTENANT COLONEL BRUBAKER: Good morning, Mr.
3 Chairman, Commissioners. If I could have slide C-2 up on the
4 left, please.
5 Mr. Chairman, this recommendation will close the
6 Naval Air Station and relocate undergraduate strike/pilot
7 training.
8 The air station's major tenant, the Naval Technical
9 Training Center, or NTTC, will close and its training
10 functions will be relocated to other training activities.
11 It should be noted here that the COBRA dated shown
12 on the slide includes the relocation of NTTC. The one-time
13 cost associated with this action, $73.3 million, with an
14 annual savings of $26.9 million, with a one-year return on
15 investment. The net present value over a 20-year period is
16 approximately $345 million.
17 You can see by this slide that there is a
18 significant economic impact to this MSA as a result of the
19 action, on the order of about 8 percent.
20 Slide C-3 up on the right, please.
21 The first issue I will discuss is the mission of
22 Naval Air Station, Meridian. As you can see by this slide,

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1 it is to conduct intermediate and advance strike training in
2 the T-2, TA-4 aircraft.
3 The community agrees with this position but also
4 maintains that the base is suitable for joint training. The
5 R and A staff agrees with the community position in that the
6 Naval Air Station, Meridian, offers a potential for joint
7 training due to its proximity to Columbus Air Force Base and
8 it sharing of the bombing and strafing range that is located
9 approximately mid-way between those two facilities.
10 The next issue is that of the training requirement.
11 This will be discussed later in the presentation, however, I
12 would like to point out at this time what might be construed
13 as an error that shows the community position on this topic
14 as "no discussion".
15 This is an inaccurate representation of the
16 community's position. However, for the purposes of this
17 slide, they don't establish requirements and therefore, it
18 was left off.
19 The next issue is that of the operations for PTR,
20 or pilot training requirement.
21 The DOD position on this very important issue is
22 that 1,887 operations per pilot training requirement is

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1 required for the combined T-2 and TA-4 syllabus currently
2 being flow at Meridian.
3 A figure of 1,511, which is the Navy position,
4 operations per PTR, is an average number when you fly the
5 combined T-2, T-45 syllabus. An even lower of operations
6 will be required when the intermediate/advance syllabus is
7 flown entirely in the T-45 aircraft.
8 COMMISSIONER STEELE: May I ask a question right on
9 that point?
10 CHAIRMAN DIXON: Commissioner Steele.
11 COMMISSIONER STEELE: We heard some comment that
12 there is a draft new syllabus for some of the aircraft which
13 decreases the amount of training necessary. Could you just
14 clarify what that is?
15 LIEUTENANT COLONEL BRUBAKER: I have heard that
16 there is a syllabus in a draft stage. It has not come to our
17 attention at the Commission that that has actually been
18 signed off by the Secretary of the Navy.
19 COMMISSIONER STEELE: Does it affect these
20 operations? Which aircraft are we discussing?
21 LIEUTENANT COLONEL BRUBAKER: I think the intent of
22 going to the T-45 is that ultimately, when the T-45 is fully

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1 delivered and operational in Kingsville, that the syllabus
2 will, in fact, be reduced because you will no longer be
3 required to complete two separate familiarization courses
4 with two different aircraft. You will go into an
5 intermediate phase in a T-45, and you will proceed right into
6 the same aircraft for the advance phase.
7 So, in effect, it will be a net decrease in the
8 syllabus requirements.
9 MR. YELLIN: The 1,511 figure that the Navy used
10 was for a blend of this which encompassed some elements of
11 the reduced T-45 syllabus requirements -- the current ones.
12 I think the Services are always looking to try to do things
13 more efficiently. That is probably likely that all the
14 training curriculum are being looked at to see if they can be
15 improved.
16 COMMISSIONER CORNELLA: Mr. Yellin, isn't it a
17 little difficult to deal with things that aren't here yet,
18 that we don't know about?
19 MR. YELLIN: Yes, sir.
20 COMMISSIONER CORNELLA: And take them under
21 consideration? I don't see how that can even be a part of
22 the discussion.

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1 COMMISSIONER STEELE: Commissioner, my intent was
2 not to put a hypothetical in here. There was a claim that
3 this was going to affect the ability of Kingsville to retain
4 it or not. I just wanted to clarify for the record what we
5 knew and didn't know regarding that subject.
6 COMMISSIONER CORNELLA: Thank you.
7 CHAIRMAN DIXON: Okay. Mr. Yellin.
8 MR. YELLIN: Commissioner Cornella, I think the
9 issue here on the operations for PTR -- because that is the
10 significant factor in the determination of the capacity of
11 the scenario that the Navy is proposing -- that there is some
12 element of uncertainty in that in that the T-45 is a new
13 system. There is not a lot of historical data to look at, as
14 we do have with the current procedures for strike training.
15 COMMISSIONER CORNELLA: I appreciate that. You
16 know, it is difficult to deal with the overwhelming amount of
17 material that we have here without referring to possibly non-
18 existent syllabus, and things like that.
19 LIEUTENANT COLONEL BRUBAKER: Just for
20 clarification, and I will get into it a little bit later --
21 right at Kingsville today, there are approximately 50 T-45
22 aircraft on location there. At Meridian, Meridian has no T-

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1 45 aircraft. They have about 160 combined total between the
2 TA-4 and the T-2 syllabus.
3 Approximately 50 percent of the studies that go to
4 the advanced stage of Kingsville today have completed the
5 intermediate page of their training in the T-2 aircraft at
6 Meridian.
7 CHAIRMAN DIXON: Is there any further presentation?
8 LIEUTENANT COLONEL BRUBAKER: Yes, sir. The Navy
9 feels as those these numbers are realistic. The community
10 agrees with the operations for PTR of 1887 for the T-2, TA-4
11 syllabus in that they are historical numbers. Their position
12 changes, however, to a number that looks like 1822 operations
13 per PTR, as a more realistic figure to be utilized for the 50
14 percent split projected for the year 2000, utilizing both the
15 T-2 and the T-45 aircraft.
16 The R and A staff agrees with the 1887 number as
17 the operations PTR for the current T-2 and TA-4 syllabus
18 being flown. The TA-4 aircraft will be phased out of the
19 inventory around the year 1998-1999. The T-2, however, will
20 be required to augment the T-45 training system because of
21 the planned procurement of the
22 T-45, until around the year 2007, thus, the required T-2/T45

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1 syllabus.
2 The projections for the T-45 are projections only.
3 Historical data for this aircraft is still being created.
4 The next issue is that of the advanced E-2/C-2
5 training. The annual requirement for this category of pilot
6 is 36 per year. The DOD position is that the E-2/C-2
7 training is not part of strike training in that, when the
8 analysis was run, these students were in Pensacola undergoing
9 their training there.
10 The community position is that ultimately this
11 advanced E-2/C-2 syllabus will revolve around the T-45 in
12 that it will be the only carrier qualified training aircraft
13 in the inventory.
14 Since the Department of the Navy analysis was
15 completed, the plan is to move this function to a strike base
16 at the same time.
17 The R and A assessment is that this training is
18 currently being conducted at Pensacola in the T-2/C aircraft
19 and that this function could ultimately transfer to another
20 base.
21 If I could have slide C-4 up on the right, please.
22 The next issue to be discussed is the suitability

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1 of Corpus Christi as an outlying field for Kingsville.
2 The Department of Defense position is that the
3 capacity calculations for Corpus Christie will be suitable
4 after the proposed runway extensions.
5 The Meridian community feels as though the capacity
6 calculations for Corpus Christi are over-stated and that the
7 single siting of strike training is not possible because of
8 the capacity numbers.
9 The R and A staff concurs with the DOD position in
10 that the planned runway extension will have a significant
11 impact on the runway capacity at Corpus.
12 In addition, another alternative could be to
13 rethink the issue of the outlying Field Goliad that is
14 potentially, if the Commission were to allow its re-use, help
15 to alleviate the concern about some of this surge capacity in
16 the Kingsville Area.
17 The annual capacity at Goliad is roughly the same
18 as Kingsville's current outlying field at Orange Grove in
19 that it is a single runway and it is not a home field; it is
20 not where you could bed down aircraft.
21 If you could put C-5 up on the right, please.
22 This is a difficult slide but I will try to talk

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1 everybody through it here.
2 Strike pilot training requirements are currently
3 funded to the 336 level as indicated on the top of this
4 slide. On the 10th of May, this year, the CNO released a
5 revised PTR letter raising the strike requirement to 360
6 pilots per year. This increase was due to the Navy being
7 assigned the requirement to fulfill the U.S. Air Force EF-111
8 mission which requires the Navy to buy four additional EA6-B
9 squadrons and their own internal requirement to buy back six
10 additional F-18 squadrons across the fit-up or future years
11 defense plan.
12 The Navy calculated their surge requirement based
13 upon the funded PTR of 336 plus 20 percent, giving them a
14 surge requirement of approximately 403.
15 The community contends that the strike PTR should
16 also include a weighted number of E-2/C-2 pilots since they
17 will be flying a similar aircraft and that eventually, as a
18 result of transferring this function to a strike base, will
19 have an impact on flight operations.
20 If you make this assumption, strike plus C-2/C-2
21 training incorporated in the revised May 1995 increase, shown
22 in the middle of this slide, will give you a PTR of 382.

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1 If, then, you calculate a surge capacity of putting
2 in the 20 percent factor, you come up with a requirement to
3 be able to support 458 strike pilots per year. But the
4 bottom line here is that the Navy's runway capacity figures,
5 you only show a runway capacity in order to support at PTR of
6 396.
7 These calculations are based on one home airfield
8 and two outlying airfields being utilized 100 percent of the
9 time. The Navy believes that this is close enough to the 403
10 number that they are funded to, to be acceptable, and that is
11 about 18 percent.
12 COMMISSIONER DAVIS: Colonel Brubaker, can I ask
13 you a quick question?
14 LIEUTENANT COLONEL BRUBAKER: Yes, sir.
15 COMMISSIONER DAVIS: When you talk about the 20
16 percent surge figure, can you elucidate a little bit on that?
17 Is that because of weather problems, or instructor short-fall
18 problems, or blockages of the runway? Is that --
19 LIEUTENANT COLONEL BRUBAKER: I think those would
20 be more construed as kind of recovery operations -- where you
21 had a thunderstorm move in and you got deferred for a day or
22 two, you had to leave for a day. Surge capacity is a wartime

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1 reserve mode and it would be for a duration of time.
2 In the way that the Navy budgeting system works
3 within DOD, money that we will get in FY 1996 to spend on
4 aircraft was appropriated -- or made the decision -- it was
5 back in 1994. Likewise, as new requirements come down the
6 road, there is going to be a period of time between when the
7 requirement is established and when the money is available to
8 support that requirement.
9 COMMISSIONER DAVIS: The only reason I am getting
10 at that, I just want to know where in that whole formula you
11 have, do you factor in those recovery shortfalls and other
12 things? I understand surging for, in the classical sense of
13 surge, for mobilization, wartime, or whatever. But where do
14 you factor in that you are running at 100 percent?
15 We heard a lot of testimony yesterday that if you
16 want to run a depot at 85 percent; any time you run above the
17 85 percent, you really don't have any flexibility. Where is
18 the flexibility figure in that number?
19 LIEUTENANT COLONEL BRUBAKER: I have a back-up
20 slide. If I could put that up for just a couple of minutes.
21 If I could put Navy Back-up 20-A -- could I put that on the
22 left side?

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1 These are the assumptions that were made in
2 calculating runway capacity. The assumptions were that you
3 had 237 training days per year -- that takes into account,
4 you get two weeks off for Christmas and New Year's, you get
5 eight Federal holidays, you get four safety stand-downs per
6 year and a change of command per year. So you come up with
7 237.
8 Those are ideal days and the assumption is that you
9 are working five days a week in order to get that.
10 The home field capacity was assumed that the
11 daylight capacity, now that we have been talking about that,
12 is 12.1 hours per day. For an outlying field, the factor is
13 a little bit lower in that it is 11.6. The thought being,
14 that you have to get there and that you have to come back --
15 so the hours are reduced there.
16 For single runway operations, in the case of an
17 outlying field, 54 operations per hour -- about one per
18 minute is a comfortable figure to work with. It is a number
19 that the Navy has come and said -- that is a doable number.
20 If you have dual runways, then you get 80 operations per hour
21 in that type of an environment.
22 These are the numbers that went into coming up with

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1 those -- number of annual ops available for those airfields.
2 COMMISSIONER DAVIS: Colonel Brubaker, are you
3 finished?
4 LIEUTENANT COLONEL BRUBAKER: If I could just
5 clarify; the way you find out that capacity at that
6 particular airfield is to take the runway capacity, divide
7 that by the number of operations per PTR -- and that is why
8 that number is so critical. It makes a difference if you are
9 using 1887 historical numbers in the T-2, TA-4, or trying to
10 do a projection for the future, or a -- It makes a big
11 difference.
12 CHAIRMAN DIXON: Commissioner Davis.
13 COMMISSIONER DAVIS: Yes, sir. Again, Colonel
14 Brubaker has already gone through some of the calculus for
15 me. I have a series of questions.
16 First of all, 1887 was the PTR for the T-2/T-4, and
17 the Navy has already included the calculations to the
18 efficiencies they are going to receive on the T-45 and
19 brought those operations down to 1822.
20 MR. YELLIN: 1511.
21 LIEUTENANT COLONEL BRUBAKER: 1511 is the Navy-
22 agreed upon -- that is the middle of the road where you are

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1 utilizing the T-2 and the T-45 syllabus.
2 COMMISSIONER DAVIS: But we are not going to get to
3 that point until 2000-something.
4 LIEUTENANT COLONEL BRUBAKER: Well, 2007 when we go
5 to the T-45. It could potentially be lower than that number.
6 This transition stage, we are trying to create a weighted
7 average, per se. The 1511 number makes the assumption that
8 you are doing part of the training in the T-2 aircraft and
9 then going on to the T-45.
10 It also takes into account that some students don't
11 ever see a T-2; they will go right into a T-45. So what we
12 have to bear in mind now, there is only 50 available and the
13 delivery schedule calls for 12 per year.
14 COMMISSIONER DAVIS: What kind of experience do the
15 services have in the T-45? How many years?
16 LIEUTENANT COLONEL BRUBAKER: In the last BRAC
17 round, they were not included -- so, within the last couple
18 of years, sir.
19 MR. YELLIN: It is very recent, sir.
20 COMMISSIONER DAVIS: So we have a not mature
21 system, is what you are saying.
22 MR. YELLIN: Yes, sir.

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1 COMMISSIONER DAVIS: A not mature system can give
2 you variances because of problems with the engines, airframes
3 and thins like that?
4 MR. YELLIN: Yes, sir. There is not the historical
5 experience base that we have with the other.
6 COMMISSIONER DAVIS: Now, can I go back to your
7 revised strike PTR by the Navy? They revised that strike PTR
8 based on buying back A-6s that were going out of the
9 inventory.
10 MR. YELLIN: Buy new EA-6Bs to replace --
11 COMMISSIONER DAVIS: Remanufactured?
12 LIEUTENANT COLONEL BRUBAKER: Yes, actually, they
13 would be a remanufacture, and the intent was to get the
14 mission with the EF-111 going by the wayside, the Navy has
15 been assigned that mission of the EA-6Bs, to take over the
16 EF-111 mission.
17 Four squadrons worth of airplanes, on the order of
18 about 16 airplanes.
19 COMMISSIONER DAVIS: Again, I would have to check,
20 but there was I think some attempt by the Air Force to try to
21 buy that back. All that would take out of that process is
22 how many -- is what I am trying to get to -- If that didn't

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1 happen, how many would that take out?
2 LIEUTENANT COLONEL BRUBAKER: Sixteen airplanes,
3 four squadrons.
4 COMMISSIONER DAVIS: How many PTR slots?
5 MR. YELLIN: That is not an easy calculation to get
6 to.
7 COMMISSIONER DAVIS: It would be 16 -- about two a
8 year, probably.
9 LIEUTENANT COLONEL BRUBAKER: Yes, sir.
10 COMMISSIONER DAVIS: Because of the maturity of
11 those pilots?
12 MR. YELLIN: Yes, sir.
13 COMMISSIONER DAVIS: Them my final piece of the
14 calculus is that you have a chance to review all this; you
15 see the projected requirements; you see the capability of
16 Kingsville and with the associated flight areas, and you have
17 seen the capability of Meridian.
18 In the staff's view, is that a too-tight PTR, and
19 because of the way the Navy does pilot training in that, that
20 they have to do a lot detachments; they don't have a training
21 carrier any more, so consequently they have to wait for a
22 carrier to appear -- Does that make that PTR calculation too

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1 tight from an operational standpoint?
2 LIEUTENANT COLONEL BRUBAKER: Again, I don't have
3 the operational commander here. My assessment is that there
4 is no training carrier any more; you are exactly correct.
5 When those critical T-45 assets are in Kingsville
6 today and they deploy to either the West Coast or the East
7 Coast to make those carrier qualifications happen, they take
8 that asset away from the home field, thereby rendering the
9 capacity at the home field to be less than --
10 COMMISSIONER DAVIS: But Colonel Brubaker, what I
11 am trying at it is, given all those vagaries, the fact that
12 the T-45 is not matured yet, given the fact that you have to
13 go on detachments, given the fact that you don't have a
14 training carrier, does that PTR make your palm sweat, or
15 doesn't it?
16 I guess that is what I am getting at -- if Meridian
17 closes.
18 MR. YELLIN: Well, Commissioner, we have already
19 heard from Chief of Naval Operations, that it bothers him,
20 personally, although the Secretary of the Navy has come back
21 very strongly to say that we believe that we have the
22 capacity to do that.

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1 The staff has spent a lot of time looking at this
2 and it is a very tight -- a very tight fit.
3 COMMISSIONER DAVIS: Thank you, very much.
4 MR. YELLIN: I hesitate to be any more specific
5 than that. It makes some optimistic assumptions that about
6 es. The Navy has come back to us each time we have
7 tioned these, and they have indicated that they believe
8 the uncertainty here is made up by the savings of
9 closing the capacity.
10 COMMISSIONER DAVIS: Let me take it one step
11 farther: If for some reason or another they can't meet the
12 PTR, what are their options?
13 MR. YELLIN: Well, not meeting the PTR has direct
14 readiness impact on the fleet.
15 COMMISSIONER DAVIS: But you don't have a surge
16 capability any place that they could go to?
17 MR. YELLIN: Well, there are other places that they
18 send people for detachments --
19 COMMISSIONER DAVIS: No, but --
20 MR. YELLIN: You are absolutely right,
21 Commissioner. In my experience in working on this process
22 since 1991 -- In 1991, the Navy had three bases doing strike

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1 training. They eliminated one in 1991 and they are proposing
2 to eliminate a second of the three in 1995, and also they
3 tried in 1993. So that means of the three bases in 1991 --
4 and the PTR rate has not gone down that substantially from
5 that period of time.
6 Those are projections. They are trying to
7 anticipate the efficiencies that they are going to get with
8 the T-45. But, as we have seen from the Navy -- certain
9 people in the Navy, including this Chief of Naval Operations,
10 has been very concerned about that.
11 The official Navy position is that they feel
12 comfortable enough to continue with the recommendation even
13 thought it is a very tight fight.
14 CHAIRMAN DIXON: Commissioner Kling.
15 COMMISSIONER KLING: Looking forward to the down-
16 g aspect. You know, you touched on that a minute ago.
17 d you look forward to that? Wouldn't that relieve this
18 to some extent?
19 MR. YELLIN: The strike pilot training rate, the
20 336 or the 360, that is the future projection.
21 COMMISSIONER KLING: That is already there.
22 MR. YELLIN: I was trying to go back to a higher

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1 number, back int he early 1990s when we first started looking
2 at base closures in this category. The numbers have not gone
3 down, along with a reduction from three bases to two, and
4 then to one. However there was excess capacity in the
5 beginning.
6 Even the Chief of Naval Operations admits that if
7 you keep both of them open, you will not fill them both up.
8 COMMISSIONER KLING: So we are just kind of --
9 MR. YELLIN: It is a problem when particularly you
10 look at only Navy requirements, you don't look at DOD
11 aviation training requirements, as a whole, which the Joint
12 Corps Service Group attempted to do. When you look at them,
13 you have pieces of excess at different bases -- It is not
14 necessarily easy to eliminate a whole base in many cases.
15 This is one of the problems you are running into
16 here, is that if you have two now, to go to one, it really
17 does make it very tight.
18 COMMISSIONER KLING: Would it push us to the cross-
19 servicing if we did this? Doing more of it?
20 MR. YELLIN: The implementation of cross-servicing
21 may or may not happen in the future. We really -- certainly
22 from the staff's standpoint, we were hoping made from before,

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1 the Defense Department would have provided us with some
2 cross-servicing recommendations related to aviation training.
3 They have not.
4 The Services, as a result, looked at their
5 requirements within each of the Services.
6 One issue we have not talked about though that the
7 community has brought up a number of times, is that Columbus
8 Air Force Base and Meridian are very close together. In
9 fact, they do share training areas, they do share facilities
10 together.
11 There is a potential in the future, if there is
12 inter-servicing of pilot training, that that could be an
13 efficient mix. But we got no recommendations and no
14 information from the Defense Department or the Services to
15 really give us any way to analyze that from an implementation
16 standpoint.
17 CHAIRMAN DIXON: Commissioner Cox.
18 COMMISSIONER STEELE: I want to make one comment.
19 CHAIRMAN DIXON: Commissioner Steele.
20 COMMISSIONER STEELE: And then we can pass back. I
21 agreed -- and last Wednesday, I asked several questions about
22 the jointness, Commissioner Kling, because I was wondering if

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1 we could use that Meridian complex more efficiently, or
2 utilize Columbus to alleviate the Navy problem here.
3 I believe we took out the excess capacity on the
4 Air Force side yesterday. We got down to a 12 percent surge
5 wiggle room. So now, unless something changes with the Air
6 Force's 52 percent increase number, we are not going to have
7 that flexibility at Columbus, or at another Air Force base,
8 to absorb any Navy.
9 We kind of took away our options there, in my
10 opinion.
11 CHAIRMAN DIXON: Can we have Commissioner Cox'
12 question.
13 COMMISSIONER COX: I want to ask two quick
14 questions. I want to make sure I understood your answer to
15 Mr. Robles' question, because I think it is important.
16 I mean, we are looking at basically touchdowns and
17 take-offs every minute, so you want to make sure that the 237
18 training days is right. Is that where the bad weather comes
19 in, and the -- we are doing all the sort of problems by
20 coming down to 237 days?
21 LIEUTENANT COLONEL BRUBAKER: No, the 237 days are
22 strictly admin days, calculated ahead of time.

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1 COMMISSIONER COX: That is it?
2 LIEUTENANT COLONEL BRUBAKER: Yes. If you have a
3 bad day, now we are talking about flying into the evening.
4 We are talking about having to fly on the weekends. Those
5 are kind of recovery operations.
6 MR. YELLIN: There is some weather attrition built
7 into the PTR, itself, though.
8 COMMISSIONER COX: Okay, so the weather comes in
9 there. But, other than that, you are really talking about
10 every minute having to have an operation to get this
11 capacity?
12 LIEUTENANT COLONEL BRUBAKER: Yes, yes.
13 COMMISSIONER COX: Well, we would love to do that
14 in the commercial business. And then let me ask you a final
15 question.
16 In 1993, we went through this very same issue. As
17 I recall, the PTR was virtually identical to the now revised
18 PTR. Is that correct?
19 MR. YELLIN: The PTR, as I recall, Commissioner
20 Cox, in 1993, we were looking at a PTR in the 380s.
21 COMMISSIONER COX: 382 --
22 MR. YELLIN: It had dropped down with the 336, but

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1 it is now --
2 COMMISSIONER COX: It is coming back up.
3 MR. YELLIN: This is a variable. That is one of
4 the reasons why you would have a surge requirement in there;
5 is that there is uncertainty about airlines hiring pilots,
6 about missions moving. These kind of issues aren't certain.
7 We picked the 20 percent to display here because
8 that is what the Navy indicated to us that they felt
9 comfortable with as surge requirements. The staff believes
10 that that is a reasonable window to look at, the 20 percent
11 surge.
12 COMMISSIONER COX: Even if we didn't go to the
13 revised May 360, but went with the original, plus the E-2/C-
14 2, and the 20 percent, then we are --
15 MR. YELLIN: The Navy's official position on E-2/C-
16 2 is that it is uncertain where that is going to go. The
17 reality is that within the 2001 timeframe, that is our
18 evaluation period, that it does not appear that it will be
19 going to Kingsville, during that timeframe. The T-2, which
20 performs that function -- E-2/C-2 will still be in place at
21 that time.
22 Their position is that this E-2/C-2 additional

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1 workload, if that came into the system for T-45s at
2 Kingsville, with a Meridian closure, that that would be
3 another one of these surge type of issues, uncertainties,
4 that the 20 percent would try to take care of.
5 But if you include the 22 PTR from E-2/C-2, into
6 the 336, you get 358 -- if you do 20 percent on top of that,
7 then we don't believe that the calculations for the
8 Kingsville scenario fit. That is the 430.
9 Now, as I said, the Navy's position is that that
10 fits within the 20 percent on the 336 and these things are
11 not necessarily additive. But what we are trying to do here
12 is to lay out to you -- and I guess we are not helping you as
13 directly as we could, but we are trying to display this as
14 best we can with all the uncertainties here for you to look
15 at.
16 There are a lot of them and I think we had kind of
17 a unique circumstance here with the Chief of Naval Operations
18 stepping up on his own to express his concerns, but we have
19 also had the Secretary come back with a strong response, that
20 he still supports the closure.
21 CHAIRMAN DIXON: Are there further questions?
22 COMMISSIONER DAVIS: Yes, sir.

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1 CHAIRMAN DIXON: Commissioner Davis. Did you
2 say --?
3 COMMISSIONER STEELE: It was the two of us.
4 COMMISSIONER DAVIS: I want to follow back to
5 Commissioner Robles' comment yesterday. You know, if you
6 have two training areas and you ask me if I would like to
7 have three, as an operations manager, I am going to say yes.
8 It gives you a comfort level. I am uncomfortable
9 with the comfort level on this PTR.
10 CHAIRMAN DIXON: Are there any further comments or
11 questions?
12 COMMISSIONER STEELE: You may go first.
13 CHAIRMAN DIXON: Is somebody posing a question or
14 making a statement? Commissioner Montoya.
15 COMMISSIONER MONTOYA: I want to make sure that all
16 of us understand something. Under oath, the CNO did
17 something unusual. He took it on his own shoulders to render
18 a personal opinion. He was very careful about it, but
19 nonetheless, he did.
20 I think his nervousness, if we follow this
21 calculation, Mr. Yellin -- and just me that I have it
22 right -- I think he is looking at his 360 number, the revised

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1 requirement that he thinks he has, and he is going to go seek
2 more aircraft because of revised mission requirements, and
3 now he takes that 360 and --
4 MR. YELLIN: We don't have 360, plus 20 percent,
5 but it is close to the 430 if you put 20 percent.
6 COMMISSIONER MONTOYA: Okay. That is really what
7 he is focusing upon. Now he is not an aviator. Now if were
8 an aviator, I think General Davis would say -- he may have
9 not even hedged a bit. He may have been even stronger. I
10 don't want to speculate, but he clearly was very, very
11 concerned about that. That is what we felt as a Commission
12 last week.
13 COMMISSIONER STEELE: My comment here --
14 CHAIRMAN DIXON: Commissioner Steele.
15 COMMISSIONER STEELE: Looking at the 360, we talked
16 about the four squadrons of EA6-Bs, but in addition to that,
17 is there not six squadrons of FA-18 EFs, that are also going
18 to build into that -- 72 aircraft?
19 MR. YELLIN: Yes. It is the combination of those
20 that created the increase in the pilot training rate.
21 COMMISSIONER STEELE: And then the 22 E-2/C-2s is
22 because the Navy wants to have all of the T-45s in one

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1 location versus two, so they won't have -- When the T-2
2 training leaves Pensacola, they want to site that at
3 Kingsville.
4 You kind of have to add the 22 to the 360, and then
5 add 20 percent.
6 MR. YELLIN: That is the very big number at the
7 bottom, the 458. If you include that.
8 COMMISSIONER STEELE: Thanks. I just wanted to
9 make sure.
10 MR. YELLIN: We tried to provide all the options.
11 Clearly, if that is your anticipated requirement, plus surge,
12 then you are clearly significantly in excess of the capacity
13 of the Navy's scenario at Kingsville.
14 CHAIRMAN DIXON: Are there any further questions or
15 comments?
16 COMMISSIONER DAVIS: Yes, sir.
17 CHAIRMAN DIXON: Commissioner Davis?
18 COMMISSIONER DAVIS: I want to make absolutely sure
19 I understand. The FA-18s and the EA-6s are funded; right?
20 MR. YELLIN: No, sir, they are not. They are not
21 funded. They are -- it is a requirement now, they have to go
22 back through the budget process and get the funding for those

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1 requirements.
2 COMMISSIONER DAVIS: And this is a question I
3 should have asked, and I hate to do it and display my
4 ignorance. But the E-2 is a prop airplane, isn't it, but the
5 Navy's selection of the T-45 is to get them an understanding
6 of the T-45, even though it's a propeller-driven airplane?
7 MR. YELLIN: The E-2/C-2 pilots have to be able to
8 land on carriers, and T-45 in the plans now, the Navy's plan
9 will be that that will be the only training plane that will
10 be available to training people to land on carriers.
11 COMMISSIONER DAVIS: That was a better answer than
12 the one I had. Thank you very much.
13 MR. YELLIN: Yes, sir. Thank you.
14 CHAIRMAN DIXON: Are there any further questions?
15 COMMISSIONER MONTOYA: I want to ask a
16 clarification question.
17 CHAIRMAN DIXON: Commissioner Montoya.
18 COMMISSIONER MONTOYA: Looking ahead here, we have
19 the NTTC issue. Clearly, if you close Meridian, the Naval
20 Technical Training Center moves.
21 MR. YELLIN: Yes, sir.
22 COMMISSIONER MONTOYA: But, if you keep Meridian

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1 open, isn't there still an open question of whether or not we
2 shouldn't consider separately whether to keep NTTC or not?
3 MR. YELLIN: Yes, sir. This is a -- and we were
4 going to talk about this right at the end of this discussion;
5 but this is kind of a unique base. It's the only one that
6 I've had, in my experience in base closure, that the services
hey needed to close twice.
It is mentioned in two different recommendations.
mention in the Meridian Naval Air Station recommendation
10 and there also is a separate recommendation for that. If you
11 wouldn't mind, I'd like to talk real briefly about that.
12 COMMISSIONER MONTOYA: Just a minute, Mr. Yellin.
13 Mr. Chairman, as we look at the various recommendation
14 options, there's none -- at least under Meridian it says,
15 just keep the base open and silent on the NTTC. And my
16 concern is, or my feeling is that we have to deal with the
17 Meridian issue, period, and then deal separately with the
18 NTTC.
19 CHAIRMAN DIXON: I think if you look at the second
20 motion, Admiral --
21 COMMISSIONER MONTOYA: The second motion is --
22 CHAIRMAN DIXON: Let's see if Madelyn can help you

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1 here.
2 (A discussion was held off the record.)
3 COMMISSIONER MONTOYA: So I'm told I have a motion
4 that, by its very nature, if you keep the base open, you keep
5 NTTC open but then, subsequent to that, we can turn right
6 around and close it. That's what she's saying. All right.
7 MR. YELLIN: Yes.
8 COMMISSIONER MONTOYA: I understand.
9 MR. YELLIN: It would have been, I think, a bit
10 more straightforward if the Meridian recommendation had not
11 discussed NTTC.
12 COMMISSIONER MONTOYA: Yes.
13 MR. YELLIN: I think the concern of the Navy in
14 doing that was probably the fact that, if Meridian closes,
15 NTTC really cannot stay there by itself.
COMMISSIONER MONTOYA: Okay.
MR. YELLIN: But there is the option, if the air
ion stays open, that NTTC, because there are operational
19 and training reasons to move the schools to be co-located
20 with other schools, that the Navy's position is that that is
21 an appropriate operational issue, although we did get a
22 separate COBRA from the Navy that indicates that that is a

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1 fairly lengthy -- that's a 19-year payback.
2 COMMISSIONER MONTOYA: Okay.
3 MR. YELLIN: If Naval Air Station Meridian stays
4 open, we asked for a COBRA from the Navy which breaks out the
5 cost of moving, closing NTTC Meridian and moving it. And we
6 have a slide on if you'd like to see but, in summary, it has
7 a $31 million one-time cost and it is a 19-year payback.
8 So, financially, it's not an attractive move but,
9 operationally, those schools there are appropriately located
10 with other schools at Athens, Georgia and Newport, Rhode
11 Island. So, for training co-location, the movement away from
12 Meridian is appropriate, but the economics are not favorable.
13 There is a significant one-time cost for construction, and
14 that really reduces the -- that lengthens the payback on
15 that, significantly.
16 COMMISSIONER DAVIS: One additional question.
17 CHAIRMAN DIXON: Commissioner Davis.
18 COMMISSIONER DAVIS: The NTTC, what do they train
19 there? What kind of folks do they train, and are they
20 aircraft related?
21 MR. YELLIN: No, they are not. This is an
22 independent school. They train the supply rating, such as

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1 dispersing clerks and storekeepers; and they also train
2 religious personnel; and they have also laundry personnel;
3 and it's a whole bunch of -- it is the -- it's a school that
4 was put there to take advantage of the support and overhead
5 of the air station, but it is not related to aviation.
6 All the aviation enlisted training, which was
7 primarily performed in Memphis, with the '93 closure of
8 Memphis as a training center, all that training is at
9 Pensacola. So all the enlisted aviation rate training is,
10 for the most part, done now in Pensacola. This is
11 miscellaneous training that some they want to move to Newport
12 and the supply-related things they want to move to the Supply
13 Corps School in Athens, Georgia.
14 CHAIRMAN DIXON: All right. Are there any more
15 questions or statements? Commissioner Robles. Commissioner
16 Robles.
17 COMMISSIONER ROBLES: Thank you, Mr. Chairman. I
18 think Commissioner Steele wants to make a quick comment,
19 here.
20 COMMISSIONER STEELE: Well, it's not funny anymore,
21 because you waited so long. I was just going to say we've
22 been on the road for two-and-a-half weeks straight, and we

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1 went to look at the school where they were doing the laundry,
2 and we were real tempted to have a demonstration. But it's
3 kind of lost in the timing, here.
4 CHAIRMAN DIXON: Okay. Commissioner Robles.
5 COMMISSIONER ROBLES: I'd like to make one quick
6 statement and then ask one question, Mr. Yellin.
7 First, the quick statement. There was some talk
8 here, and I'd support my colleague on the CNO's comment.
9 Having worked both for the chief of a service and the
10 secretary of a service, the chief of a service gets paid to
11 make operational calls. By Title X, he's paid to organize,
12 train, and equip the force. So it is not unusual for the
13 chief of service to give you the operational requirement, as
14 he sees it.
15 Now, wise men and these senior guys agree to
16 disagree, but I thought it was particularly instructive and
17 illustrative that the CNO told us what he really believed,
18 from an operational point of view, under his Title
19 X responsibilities.
20 The dizzying array of T-45s, T-44s, T-34s, T-2s --
21 could you explain to me, in quick, simple terms, how this
22 movement of all these airplanes and modernization is going to

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1 go on this fleet here? There's kind of a domino effect here.
2 They're going to single-site the T-45s at Kingsville, but
3 they're going to bring some more, maybe later, to Meridian,
4 and they're going to what at wherever.
5 MR. YELLIN: We have a backup slide that may be
6 useful to help us with the discussion. I'll have Colonel
7 Brubaker --
8 LIEUTENANT COLONEL BRUBAKER: If you could, put up
9 Navy backup 12, please, James, put it up on the right side.
10 COMMISSIONER ROBLES: This is it. This is
11 perfectly clear.
12 (Laughter.)
13 COMMISSIONER ROBLES: Would you please, at least
14 for other folks, for whom it isn't quite so clear, at
15 least --
16 (Laughter.)
17 LIEUTENANT COLONEL BRUBAKER: Yes, sir. What we've
18 got here, this is the Navy's pilot training syllabus. All
19 the students -- and there are about, in this new letter, a
20 total of about 1,200 pilot requirements per year. 360 of
21 those are strike pilots but, nonetheless, all 1200 of the
22 Navy pilots eventually go in through primary training in the

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1 T-34 aircraft, as indicated on the left.
2 After their primary phase is complete -- and that's
3 done currently today at Whiting Field in Corpus Christi,
4 Texas -- they select their pipe. If they go to strike, they
5 could go anywhere of two places right now:
6 They could either go to Meridian, in which they
7 would do their intermediate flying in the T-2 aircraft, and
8 they're advanced in the A-4; or they could go to Meridian for
9 intermediate, Kingsville for advanced; or they could go to
10 Kingsville, if they were in the T-45 TS syllabus, and do
11 intermediate in advanced training entirely in the T-45.
12 If they chose maritime, currently they continue on
13 now in the T-34 for the --
14 COMMISSIONER COX: Colonel Brubaker?
15 LIEUTENANT COLONEL BRUBAKER: Yes, ma'am.
16 COMMISSIONER COX: Could you just, as you go
17 through each of these, explain how the '95 recommendations
18 would change any of it?
19 LIEUTENANT COLONEL BRUBAKER: The '95
20 recommendation, in this particular case, and in the case of
21 strike training, was that you would eliminate one of those
22 two training bases up there.

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1 COMMISSIONER COX: So all of would go to
2 Kingsville?
3 LIEUTENANT COLONEL BRUBAKER: All of it would go to
4 Kingsville.
5 COMMISSIONER COX: All of it.
6 LIEUTENANT COLONEL BRUBAKER: That's the issue.
7 COMMISSIONER ROBLES: And all would be done with T-
8 45s?
9 LIEUTENANT COLONEL BRUBAKER: Excuse me, sir?
10 COMMISSIONER ROBLES: And all would be done with T-
11 45s?
12 LIEUTENANT COLONEL BRUBAKER: Eventually, that's
13 correct. Don't forget, the TA-4 is going to be phased out
14 around the '98 or '99 time frame. The intent would be, until
15 the buy is complete for T-45s, that you would have a mix of
16 T-2s and T-45s. All the advanced syllabus would be done in
17 the T-45s and a mix of people would do their intermediate
18 phase in the T-2.
19 COMMISSIONER DAVIS: I think this slide is useful
20 for education everybody, but I would urge the commissioners
21 not to get into detail in any motions they might be
22 contemplating, to give the Navy the operational flexibility

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1 that they need in the future.
2 COMMISSIONER ROBLES: That's not my intent. I just
3 want to understand how all this flows together, because PTR
4 and the training is a central issue in this Meridian
5 discussion. I just want to make sure I understand. I
6 visited, and I thought I understood it, but every day I hear
7 a different fact.
8 CHAIRMAN DIXON: Is there anything further, Colonel
9 Brubaker, that you have to say regarding this subject matter?
10 LIEUTENANT COLONEL BRUBAKER: No, Mr. Chairman.
11 CHAIRMAN DIXON: Now, are there any further
12 questions or statements?
13 (No response.)
14 CHAIRMAN DIXON: The Chair notices, on the tough
15 ones, there are a lot more questions and statements. The
16 Chair learned a horrible truth in two years of public
17 service: in the end we have to vote. Now, whenever you're
18 ready, the Chair is ready.
19 COMMISSIONER MONTOYA: Mr. Chairman, I have a
20 motion.
21 CHAIRMAN DIXON: Commissioner Montoya.
22 M O T I O N

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1 COMMISSIONER MONTOYA: I wish to make it clear
2 that, notwithstanding what appear to be differences of
3 opinion between the leadership and the Navy, I arrive at this
4 motion, this conclusion, on my own, based on what I've
5 learned independently.
6 I have not been lobbied by people in the Navy to
7 take this position, in just want to make that very, very
8 clear, that this is an independent judgment based on what we
9 did yesterday with the Air Force, based upon a visit to
10 Columbus, based upon the opportunity for future joint
11 training, which I think we can forge, if we leave the
12 capacity available to make that happen.
13 Therefore, I move that the Commission find that the
14 Secretary of Defense deviated substantially from Final
15 Criteria 1 and 3 and, therefore, that the Commission reject
16 the Secretary's recommendation on Naval Air Station Meridian,
17 Mississippi and, instead, adopt the following recommendation:
18 "Naval Air Station Meridian, Mississippi will remain open.
19 It's major tenant, the Naval Technical Training Center, will
20 also remain open. The Commission finds this recommendation
21 is consistent with the Force Structure Plan and Final
22 Criteria."

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1 CHAIRMAN DIXON: Commissioner Montoya has made a
2 motion. Is there a second?
3 COMMISSIONER ROBLES: I second.
4 CHAIRMAN DIXON: Is seconded by Commissioner
5 Robles. Is there any further comment or are there any
6 further questions?
7 (No response.)
8 CHAIRMAN DIXON: Counsel will call the roll.
9 MS. CREEDON: Commissioner Montoya.
10 COMMISSIONER MONTOYA: Aye.
11 MS. CREEDON: Commissioner Robles.
12 COMMISSIONER ROBLES: Aye.
13 MS. CREEDON: Commissioner Steele.
14 COMMISSIONER STEELE: Aye.
15 MS. CREEDON: Commissioner Cornella.
16 COMMISSIONER CORNELLA: Aye.
17 MS. CREEDON: Commissioner Cox.
18 COMMISSIONER COX: Aye.
19 MS. CREEDON: Commissioner Kling.
20 COMMISSIONER KLING: Aye.
21 MS. CREEDON: Mr. Chairman.
22 CHAIRMAN DIXON: No.

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1 MS. CREEDON: Commissioner Davis.
2 COMMISSIONER DAVIS: Aye.
3 MS. CREEDON: Mr. Chairman, the vote is seven ayes
4 and one nay.
5 CHAIRMAN DIXON: The vote is seven ayes and one
6 nay. The necessary majority having been obtained, Naval Air
7 Station Meridian and NTTC remain open.
8 MR. YELLIN: Mr. Chairman, could I inquire of
9 counsel whether we should --
10 CHAIRMAN DIXON: Just a moment, now. Let's clarify
11 something.
12 (A discussion was held off the record.)
13 CHAIRMAN DIXON: Now, let me repeat this, so there
14 isn't any doubt about it. Counsel had misheard what
15 happened.
16 The Chair declares that, on the seven to one vote,
17 Naval Air Station Meridian, Mississippi and the Naval
18 Technical Training Center, remain open. Any question among
19 the commissioners about that result?
20 COMMISSIONER MONTOYA: That was my intent.
21 CHAIRMAN DIXON: That's the result.
22 COMMISSIONER MONTOYA: Thank you. Because, now,

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1 we're going to address NTTC, yes, independently.
2 CHAIRMAN DIXON: Oh, all right.
3 COMMISSIONER MONTOYA: It's next, is it not?
4 MR. YELLIN: Yes, sir.
5 CHAIRMAN DIXON: All right, now. Is that
6 understood? All right. Let's pursue this, now. Now, we go
[illegible]aval Technical Training Center; is that correct?
[illegible] MR. YELLIN: Yes, sir. Do you have any further
9 [illegible]stions? I have some overheads.
10 COMMISSIONER MONTOYA: I want to see the COBRA.
11 MR. YELLIN: Yes, sir. Put up on -- I apologize;
12 you'll have to jump ahead -- the E-7 and E-8, James, please.
13 The COBRA that's displayed here is what I
14 summarized a few moments ago. This is Navy COBRA based on
15 our request to split out the effect of the NTTC, which was
16 encompassed in the original COBRA for NAS Meridian.
17 And, as you can see, it has a $31 million one-time
18 cost, which is caused by construction required at the
19 receiving locations, has a minimal annual savings, in part
20 because it shares a lot of its costs at the Naval air
21 station; and the result is that it has a 19-year payback and
22 it does not have a net present value savings. It has a small

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1 cost.
2 There are, however -- if you can look at E-8 --
3 there are some issues that we did speak about, about co-
4 location of this training with other locations, with the
5 Supply Corps School in Athens and with the other Naval
6 training schools at Newport, Rhode Island.
7 There is a synergy there with those other schools
8 and there are appropriate places to move these schools from
9 Meridian. However, the economics do not appear to be
10 favorable to that. But the operational issues are there.
11 The Navy has indicated that they would like to move
12 the school, even if the air station stayed open, because they
13 feel there are operational advantages to doing it.
14 COMMISSIONER MONTOYA: Tell me something. I
15 haven't been there in a long time, Mr. Yellin, and didn't
[illegible] this time. How is the quality of life regarding
[illegible]nts, barracks, housing, instructors; and is that an
18 [illegible]e at the receiving sites?
19 COMMISSIONER ROBLES: Can I address that, since I
20 visited, and I walked through that building? It's a world-
21 class building. It's relatively modern. The quality of life
22 of those students is wonderful. They walk across the street

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1 and go to class.
2 Everybody I saw -- the commander, the female
3 lieutenant commander who headed it up, was delighted to be
4 there. There may be some operational concerns. I can't see
5 them, but there may be. But the economics certainly don't
6 support it and it doesn't seem like it would pass the common-
7 sense test.
8 MR. YELLIN: Commissioner Robles, I didn't mean to
9 imply that the Navy indicated they had any problems with the
10 school, because I think it certainly is operating well there
11 and it is -- my impression agrees with Commissioner Robles'.
12 It's a nice, self-contained part of the base, separated from
13 the air field, separated from family housing. It's a
14 compact, kind of campus arrangement.
15 The Navy has indicated to us, though, that they're
16 trying to co-locate similar schools, particularly officer
17 training with enlisted training, and some of that would
18 happen here with this closure.
19 COMMISSIONER MONTOYA: One more question. This is
20 the kind of schools that are "finishing schools," where the
21 sailors then would leave there, right to their next
22 operational assignment?

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1 MR. YELLIN: Yes, sir. They're ANC schools,
2 primarily.
3 COMMISSIONER MONTOYA: Okay. ANC? Okay.
4 MR. YELLIN: Yes.
5 CHAIRMAN DIXON: Commissioner Steele.
6 COMMISSIONER STEELE: Just a brief question. The
7 one-time costs and annual savings, have they changed at all
8 since the original recommendation?
9 MR. YELLIN: No.
10 COMMISSIONER STEELE: So there's nothing revised
11 here?
12 MR. YELLIN: We did not get, until very late in the
13 process, from the Navy, the separate COBRA. The data, the
14 COBRA data that we showed you earlier for the Naval Air
15 Station Meridian closure included the closure and movement of
16 the school as part of it since, if the air station closes, it
17 has to close.
18 COMMISSIONER STEELE: So, even though it's a 19-
19 year payback, the Navy wants to do it?
20 MR. YELLIN: Yes.
21 COMMISSIONER STEELE: They must want to do it. I
22 don't know. Okay. I'm just checking.

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1 CHAIRMAN DIXON: Any further questions of Mr.
2 Yellin?
3 (No response.)
4 CHAIRMAN DIXON: Are there any further questions?
5 (No response.)
6 CHAIRMAN DIXON: Are there any further statements?
7 (No response.)
8 CHAIRMAN DIXON: Is there a motion on NTTC?
9 COMMISSIONER ROBLES: Mr. Chairman, I have a
10 motion.
11 CHAIRMAN DIXON: Commissioner Robles.
12 MOTION
13 COMMISSIONER ROBLES: I move that the Commission
14 find that the Secretary of Defense deviated substantially
15 from Final Criterion 5 and, therefore, that the Commission
16 reject the Secretary's recommendation on Naval Technical
17 Training Center Meridian, Mississippi and, instead, adopt the
18 following recommendation:
19 "The Naval Technical Training Center Meridian,
20 Mississippi will remain open. The Commission finds this
21 recommendation is consistent with the Force Structure Plan
22 and Final Criteria."

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1 CHAIRMAN DIXON: Is there a second to the motion of
2 Commissioner Robles?
3 COMMISSIONER KLING: Second, Mr. Chairman.
4 CHAIRMAN DIXON: Commissioner Kling seconds the
5 motion of Commissioner Robles.
6 Are there any comments, statements, or questions?
7 (No response.)
8 CHAIRMAN DIXON: Counsel will call the roll.
9 MS. CREEDON: Commissioner Robles.
10 COMMISSIONER ROBLES: Aye.
11 MS. CREEDON: Commissioner Steele.
12 COMMISSIONER STEELE: Nay.
13 MS. CREEDON: Commissioner Cornella.
14 COMMISSIONER CORNELLA: Aye.
15 MS. CREEDON: Commissioner Cox.
16 COMMISSIONER COX: Aye.
17 MS. CREEDON: Commissioner Davis.
18 COMMISSIONER DAVIS: Nay.
19 MS. CREEDON: Commissioner Kling.
20 COMMISSIONER KLING: Aye.
21 MS. CREEDON: Commissioner Montoya.
22 COMMISSIONER MONTOYA: Aye.

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1 MS. CREEDON: Mr. Chairman.
2 CHAIRMAN DIXON: Nay.
3 MS. CREEDON: Mr. Chairman, the vote is five ayes
4 and three nays.
5 CHAIRMAN DIXON: And the five to three vote being a
6 sufficient majority, the motion is carried and the position
7 of the Secretary of Defense is rejected and NTTC Meridian
8 remains open.
9 MR. YELLIN: I would not like to proceed with Naval
10 Air Station Corpus Christi.
11 LIEUTENANT COLONEL BRUBAKER: If I could, please
12 have Slide C-6 up on the left and C-7 on the right, please.
13 The DOD recommendation is to realign the Naval Air
14 Station Corpus Christi as a Naval air facility and to
15 relocate the undergraduate pilot training function to Naval
16 Air Station Pensacola, Florida and the Naval air station at
17 Whiting Field, Florida.
18 The one-time cost associated with this realignment
19 is $13 million with an annual savings of $5.1 million and an
20 immediate return on investment. The net present value over a
21 20-year period is $106.4 million.
22 The economic impact is reduced here by a redirect

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1 of the helicopter assets out of NAS Alameda, a redirect which
2 we'll touch on later.
3 The first issue I'd like to discuss is the capacity
4 of receiving size to accept the T-34 and the T-44 aircraft.
5 The DOD position is that sufficient excess capacity
6 exists at both Pensacola and Whiting Field. The Corpus
7 community wants to retain the T-44 maritime training and
8 further contends that the capacity of Pensacola will not
9 support maritime training in addition to the other training
10 currently being conducted there. The R and A staff concurs
11 with the DOD position, in that sufficient excess capacity
12 exists at other air stations.
13 The next thing I'd like to discuss is the maritime
14 training remaining at Corpus Christi.
15 The DOD position is that, by moving the maritime
16 training out of NAS Corpus Christi, that this action will
17 eliminate excess training capacity while, at the same time,
18 increasing available capacity at the air field for the
19 planned T-45 operations out of NAS Kingsville. Under this
20 plan, NAS Corpus Christi will be utilized as an outlying
21 field for the T-45 training.
22 As mentioned above, the community position on this

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1 is that they support the retention of maritime training at
2 NAS Corpus Christi, Texas. The R and A staff agrees with the
3 Navy position that the recommendation does eliminate excess
4 capacity.
5 The Navy recommendation changes Corpus Christi from
6 a Naval air station to a Naval air facility. Although the
7 Navy could make this change without a BRAC action, they
8 believe it is an integral part of their overall
9 recommendation.
10 Mr. Chairman, are there any questions?
11 CHAIRMAN DIXON: Are there any questions of Colonel
12 Brubaker?
13 COMMISSIONER ROBLES: Colonel Brubaker, question.
14 CHAIRMAN DIXON: General Robles -- Commissioner
15 Robles.
16 COMMISSIONER ROBLES: Could you please tell me,
17 just explain to me -- and I'm asking this question because a
18 very senior Navy four-star, who used to be CINCLANT, said --
19 an aviator, by the way -- that -- he talked about the quality
20 of the air space over Corpus Christi, Kingsville, and the
21 southern part of Texas versus the Pensacola area; and, as I
22 understand it, the Navy is dense-packing Pensacola to put as

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1 many different types of aircraft and as many aircraft as
2 possible in there.
3 He's concerned about the safety aspect. He said,
4 you know, there's just a lot of safety factors here. So I'm
5 very interested in any analysis you all did about his
6 concerns that it would be preferable to not congest the
7 Pensacola area more by bringing more aircraft to Pensacola,
8 as opposed to using the relatively unencumbered air space
9 down in that southern part of Texas, which is one of the
10 reasons they put all those air stations down there, was it's
11 outside the major traffic routes and there's a lot of
12 unencumbered space down there.
13 Could you comment on both those issues?
14 LIEUTENANT COLONEL BRUBAKER: A position could be
15 made to accept your comment in regards to safety and,
16 certainly, within Naval aviation, as in all forms of
17 aviation, there is a certain amount of risk associated with
18 training Naval aviation, and pilots in general.
19 The assessment by the Navy is that the available
20 air space and the runway capacity at Pensacola and the
21 Whiting Field complex down there supports that additional
22 training down there and, by going down there, they reduce the

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1 -- or create the availability of the air field at Corpus to
2 support T-45 operations.
3 I should point out, however, that Corpus is not
4 recommended for closure, that there are also customs
5 operations flying in and out of there on a daily basis; there
6 are Coast Guard operations going in and out of there, and
7 there is a proposed redirect for later that would move the
8 mine warfare helicopters from NAS Alameda into Corpus
9 Christi, as well.
10 COMMISSIONER ROBLES: Is any of that at risk? I
11 mean, do you think, the staff analysis, that's all going to
12 work and flow the way you think it is?
13 MR. YELLIN: Obviously, the Navy's proposal does
14 move a lot more training into the Pensacola-Whiting complex.
15 The Navy has an assessment they have done, and they have done
16 analysis, which they've shown us, and they feel they have the
17 capacity there.
18 But the comments you're hearing, though, are
19 reflective of the fact that the Navy is accepting significant
20 missions from the Air Force for navigator training, combined
21 NFO-navigator training, which will be done in the Pensacola
22 area, and what we're moving from Corpus up there will add

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1 significantly. The Navy's position, that they've shown us,
2 is that the air space and the air field capacity is there to
3 do that.
4 COMMISSIONER ROBLES: I understand that. I guess,
5 you know, the reason I brought this issue is, anytime anybody
6 says anything about safety in the aviation world, your
7 antennae go up and, when a four-star aviator says that, your
8 antennae go really, really high up in the air -- and who had
9 operational responsibility for a major geographic part of the
10 world.
11 And what you're saying is, there is some room for
12 concern on the safety issue.
13 CHAIRMAN DIXON: Are there any further questions?
14 COMMISSIONER STEELE: Yes.
15 CHAIRMAN DIXON: Commissioner Davis, I think, had
16 asked for recognition, first. Commissioner Davis.
17 COMMISSIONER DAVIS: Will the approval of Meridian
18 Naval Air Station open reduce the requirement to download the
19 T-45s?
20 MR. YELLIN: Yes. By keeping Meridian open, we
21 have kept extra capacity open. If the Commission provides
22 the flexibility, Commissioner Davis, that you have previously

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1 discussed, in realigning where they put training missions
2 after they -- as part of a potential movement of the training
3 mission out of Corpus, then that would certainly expand the
4 area and would help alleviate some of the --
5 COMMISSIONER DAVIS: Mr. Chairman, that's one of my
6 concerns, that we have significantly altered the Navy's
itecture for pilot training, and we probably ought to
ide them as many options to readjust their program as
sible, and I will make a motion to that effect.
10 COMMISSIONER STEELE: What I was going to add to
11 that was in concert --
12 CHAIRMAN DIXON: Commissioner Steele.
13 CHAIRMAN DIXON: -- with Commissioner Davis, and
14 actually took half of the question away, because, Colonel
15 Brubaker, you and I, when we spoke to the Navy, there were
16 some who were -- concern is not the right word, so much, on
17 this issue, as they felt that the Corpus language was largely
18 due to the Navy proceeding with the anticipation that
19 Meridian was going to be closed.
20 So, to provide the flexibility for the Navy to sort
21 this out and do what is most efficient for them, I concur
22 with my colleague that that would be a wise move.

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1 COMMISSIONER COX: Can I just ask a question of
2 both --
3 CHAIRMAN DIXON: Commissioner Cox.
4 COMMISSIONER COX: -- Commissioner Davis and
5 Commissioner Steele, because I certainly agree with the
6 concept. But Mr. Yellin said something, and I want to make
7 sure I understand where you all are going.
8 We should provide the flexibility of movement,
9 whether -- including not moving. I mean, if they wanted to
10 stay at Corpus, that's fine. If they want to move them,
11 that's fine, that we're not requiring that they be moved out
12 of Corpus.
13 MR. YELLIN: Commissioner Cox, the retention of any
14 extra training capacity does provide the Navy more
15 flexibility to move things around.
1 COMMISSIONER COX: Right.
1 MR. YELLIN: So the retention --
18 COMMISSIONER COX: I just want to make sure a
19 motion doesn't say you have flexibility to move them
20 somewhere but you have to move them, that if we're going to
21 give them flexibility, we ought to just say --
22 MR. YELLIN: That is certainly an option for the

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1 commissioners to consider.
2 CHAIRMAN DIXON: Are there any further questions or
3 any further statements with respect to Corpus Christi, Texas?
4 (No response.)
5 CHAIRMAN DIXON: Is there a motion by anyone with
6 respect to Naval Air Station Corpus Christi, Texas.
7 COMMISSIONER DAVIS: Mr. Chairman, I have a motion.
8 CHAIRMAN DIXON: Commissioner Davis.
9 MOTION
10 COMMISSIONER DAVIS: I move the Commission find
11 that the Secretary of Defense deviated substantially from
12 Final Criteria 1, 2, and 3 and, therefore, the Commission
13 reject the Secretary's recommendation on Naval Air Station
14 Corpus Christi, Texas and, instead, adopt the following
15 recommendations:
16 "That Naval Air Station Corpus Christi, Texas
17 remains open, and realign as necessary.
18 "The Commission finds this recommendation is
19 consistent with the Force Structure Plan and the Final
20 Criteria."
21 CHAIRMAN DIXON: Is there a second?
22 COMMISSIONER MONTOYA: Second.

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1 CHAIRMAN DIXON: There is a second by Commissioner
2 Montoya. Are there any further comments?
3 COMMISSIONER STEELE: I just want to make sure.
4 CHAIRMAN DIXON: Commissioner Steele.
5 COMMISSIONER STEELE: This allows the Navy full
6 flexibility? I just want to make sure I understand.
7 COMMISSIONER DAVIS: This, according to counsel,
8 gives the Navy full flexibility to realign, as necessary --
9 COMMISSIONER STEELE: Or not realign?
10 COMMISSIONER DAVIS: -- or not realign, as
11 necessary.
12 COMMISSIONER STEELE: Okay. Thank you.
13 COMMISSIONER DAVIS: And the counsel, I hope, is
14 right.
15 COMMISSIONER COX: So, if the Navy decides not to
16 move the T-44s out of Corpus, they could do that? We don't
17 require it, the move, and we don't prevent them staying?
18 MR. YELLIN: I think it's similar back to some of
19 the things we did with an element of the Guam recommendation,
20 where we're giving the Navy the opportunity to do the
21 scenario they provided to us, but we've also given them an
22 opportunity to do other things, and this provides additional

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1 flexibility for them in the future to do things as their
2 requirements --
3 COMMISSIONER DAVIS: And I can't point out the
4 impact. We have, in a major way, altered the Navy's pilot
5 training requirement, and we must give the Department of the
6 Navy an opportunity to structure properly. They can't open
7 any new bases, but, consequently, they won't spend any more
8 money, or they may not spend some of the money they've
9 already got programmed, because of the realignment that's
10 taken place.
11 CHAIRMAN DIXON: Well, the only comment the Chair
12 would like to make is, I wonder why we continue to do them
13 all these favors when it is the Navy itself that made the
14 request of us. This is the second favor in a row we've done
15 them.
16 The observation the Chair would like to make is
17 that I think that the services run their shops pretty well,
18 as the evidence of the entire history of this nation
19 demonstrates. But if my colleagues want to continue to fine-
20 tune, we'll do that.
21 Are there any further comments?
22 (No response.)

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1 CHAIRMAN DIXON: Counsel will call the roll.
2 MS. CREEDON: Commissioner Davis.
3 COMMISSIONER DAVIS: Aye.
4 MS. CREEDON: Commissioner Kling.
5 COMMISSIONER KLING: Aye.
6 MS. CREEDON: Commissioner Montoya.
7 COMMISSIONER MONTOYA: Aye.
8 MS. CREEDON: Commissioner Robles.
9 COMMISSIONER ROBLES: Aye.
10 MS. CREEDON: Commissioner Steele.
11 COMMISSIONER STEELE: Aye.
12 MS. CREEDON: Commissioner Cornella.
13 COMMISSIONER CORNELLA: Aye.
14 MS. CREEDON: Commissioner Cox.
15 COMMISSIONER COX: Aye.
16 MS. CREEDON: Mr. Chairman.
17 CHAIRMAN DIXON: No.
18 MS. CREEDON: Mr. Chairman, the vote is seven ayes
19 and one nay.
20 CHAIRMAN DIXON: Seven ayes and one nay, and the
21 motion is adopted.
22 Operational air stations, the Marine Corps' Air

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1 Station El Toro and Tustin, California.
2 MR. YELLIN: Yes, Mr. Chairman. Colonel Brubaker
3 will also provide the staff presentation for this category,
4 for most of the bases in this category.
5 LIEUTENANT COLONEL BRUBAKER: If I could have Slide
6 D-2 up on the left, please.
7 Mr. Chairman, the 1993 Commission directed that the
8 Navy move several F-14 squadrons, and this particular -- I'm
9 sorry.
10 CHAIRMAN DIXON: Colonel, would you permit me to
11 interrupt you? I'm going to declare about a five-minute
12 recess, and then we'll come right back to this subject.
13 LIEUTENANT COLONEL BRUBAKER: Yes, Mr. Chairman.
14 CHAIRMAN DIXON: Thank you, sir.
15 (A brief recess was taken.)
16 CHAIRMAN DIXON: Would the room come to order?
17 Would the visitation in the back of the hall, back by the
18 back wall, be discontinued, please, and would the
19 commissioners take their seats and would staff be prepared to
20 proceed again on Marine Corps Air Station El Toro?
21 MR. YELLIN: Sir, Colonel Brubaker will begin.
22 LIEUTENANT COLONEL BRUBAKER: Mr. Chairman, the

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1 1993 Commission directed that the Navy move several F-14
2 squadrons, along with E-2 squadrons, out of NAS Miramar to
3 NAS Lemoore. It also directed that the Marine Corps move
4 numerous fixed-wing and rotary-wing assets from Tustin and El
5 Toro into Naval Air Station Miramar.
6 This 1995 redirect changes the receiving sites for
7 the squadrons and related activities at Miramar from Lemoore
8 to other Naval air stations, primarily the Naval Air Station
9 Oceana, Virginia. It also changes the receiving sites for
10 the Marine Corps Air Station Tustin, California assets from
11 Miramar to other Naval air stations, primarily the Marine
12 Corps Air Station at New River, North Carolina and the Marine
13 Corps Base Hawaii, specifically the Marine Corps air facility
14 at Kaneohe Bay.
15 The one-time cost associated with this redirect is
16 $92 million with an annual savings of $6.9 million and an
17 immediate return on investment. The net present value of
18 this redirect is $346.8 million.
19 The air stations at El Toro and Tustin were closed
20 in previous rounds. Therefore, the base operating cost and
21 personnel data are not available, as those efficiencies were
22 claimed in the previous rounds.

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1 Slide 3, D-3, up on the right, please.
2 I'd like to briefly describe the direction provided
3 by the '93 Commission to the services. A significant number
4 of helicopters were directed from Marine Corps Air Station
5 Tustin to Miramar and a large number of fixed-wing aircraft
6 were directed from El Toro to Miramar.
7 To make room for these arriving aircraft, the Navy
8 moved a significant number of F-14s and E-2 aircraft out of
9 Miramar to NAS Lemoore. The Navy's Top Gun Squadron was also
10 directed to NAS Fallon, Nevada.
11 D-4 up on the right, please.
12 You'll see here the proposed laydown for '95. The
13 numbers of aircraft shown are estimates for the types and
14 models of aircraft identified. Of importance is that
15 approximately 29 helicopters previously slated to go from
16 Tustin will now be going to Marine Corps Base Kaneohe Bay,
17 Hawaii and to Marine Corps Air Station New River, thus
18 creating some excess space down at Miramar.
19 Slide D-5, please, on the right.
20 The first issue I'd like to discuss is the reduced
21 construction costs as a result of this redirect. The DOD
22 position is that, by reducing the aircraft, by redirecting

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1 the aircraft out of NAS Lemoore, that s action will eliminate
2 construction costs at NAS Lemoore and utilize existing
3 capacity at NAS Oceana.
4 There have been no concerns expressed by the
5 community at NAS Lemoore. The R and A staff concurs with the
6 DOD position and the construction costs eliminated at NAS
7 Lemoore is approximately $345 million.
8 The next issue that I'll discuss is the co-location
9 of fixed-wing and rotary-wing aircraft at NAS Miramar.
10 The DOD position is that some helicopters have
11 already moved and that the Marine Corps currently operates
12 this type and mix on a smaller scale at other locations,
13 specifically on-board LHAs and LHDs. There have been no
14 concerns expressed by the community of San Diego; and the R
15 and A staff, in this case, concurs with the DOD position.
16 The next issue concerns the use of March Air Force
17 Base and, at this time, I'd like to make available to the
18 Chairman and his commissioners a letter from the Commandant
19 of the Marine Corps, General Carl Mundy.
20 CHAIRMAN DIXON: Do we have that letter?
21 LIEUTENANT COLONEL BRUBAKER: It is coming. A
22 letter from the Commandant of the Marine Corps, General Carl

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1 Mundy to the Commission, dated the 22nd of June 1995, stating
2 the Marine Corps position on March Air Force Base, and I
3 quote:
4 "When all factors are included, the Marine Corps
5 can neither afford to operate an additional stand-alone air
6 station nor is it required to meet its mission."
7 The DOD position is that they do not want to open
8 up a Reserve base for active duty because of the increased
9 operating costs. The Riverside County community wants the
10 Marine helicopters to be permanently based at March, however.
11 The R and A staff concurs with the DOD position: the Marine
12 Corps cannot afford an additional stand-alone air field, nor
13 is an additional base required to support its mission.
14 Mr. Chairman, are there any questions?
15 CHAIRMAN DIXON: Are there any questions, my fellow
16 commissioners, of Colonel Brubaker or the staff?
17 COMMISSIONER STEELE: I have a question on what you
18 last said.,
19 CHAIRMAN DIXON: Commissioner Steele.
20 COMMISSIONER STEELE: Who does want to go to March?
21 I understand who says they can't afford it. Who did you say
22 did want to go to March?

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1 LIEUTENANT COLONEL BRUBAKER: I'm not sure who
2 wanted to go. The Navy does not want to go.
3 MR. YELLIN: I think, Commissioner Steele, we have
4 had comments from Marine Corps personnel who have said that
5 they are concerned about the joint helicopter and fixed-wing
6 operations at Miramar; and the community has certainly felt
7 that -- the community at Riverside -- the March Air Force
8 Base community has very strongly presented the fact that
9 having them separated would be an improvement, from an
10 operational standpoint.
11 But, when we went back and questioned the Navy
12 Department leadership and the Marine Corps leadership, they
13 indicated that costs are very high to do that and that they
14 really feel that they can operate satisfactorily with the
15 scenario that the Navy Department has presented to us.
16 COMMISSIONER STEELE: Okay. Since this one -- I
17 think some commissioners feelings of things going different
18 places. Whatever motion is read, if somebody could do what
19 we did with Guam, and walk me through what we're changing,
20 I'd appreciate it, if we change anything.
21 CHAIRMAN DIXON: Are there any further questions of
22 the staff? Commissioner Cox.

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1 COMMISSIONER COX: I just wish to make a comment on
2 the last one, and that is this: that it is true that the
3 Navy and Marine Corps leadership have formally said that they
4 don't want to move to March, and I don't think anybody is
5 trying to make them move to March.
6 But it's not just Marine Corps personnel who have
7 ated that they have serious operational concerns with
8 g to Miramar. It is very senior Marine Corps personnel,
9 are in charge of those operations and whose job it is to
10 make that work.
11 MR. YELLIN: I didn't mean to mischaracterize it.
12 COMMISSIONER COX: I just wanted that clear, it's
13 not just the Riverside community and a few errant Marines out
14 there.
15 COMMISSIONER DAVIS: And, as an aviator, mixing
16 helicopters and fixed-wing aircraft is not an easy thing to
17 do. It can be done. The Navy does it routinely, in their
18 fleet operations, and the U.S. Air Force and the Army do it
19 routinely, in their operations; but it does add an element of
20 risk and thrill when you go through the process.
21 COMMISSIONER MONTOYA: Mr. Chairman?
22 CHAIRMAN DIXON: Commissioner Montoya.

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1 COMMISSIONER MONTOYA: Just an observation.
2 Alluding back to your comments earlier regarding the BRAC
3 fine-tuning operations of the services, I think what we did
4 before was really untie their hands, as opposed to fixing for
5 them where things went.
6 The reason I say that is because you've observed, a
7 couple of times, this is the last BRAC. In other words, what
8 we fix in this BRAC is likely to be law for some period of
9 time, unless somebody changes it and, even in this BRAC, we
10 have a series of redirects where the services have rethought
11 their initial position and so they have the benefit of coming
12 to us to help them change past thinking, which is healthy.
13 And so, as I have visited the sites and as I have
14 learned more, the way I'm headed is, try to provide as much
15 flexibility around the decision as possible, given that
16 re going to be stuck with whatever we say and, when it's
17 it's over, I think.
18 So that's sort of the spirit in which I have
19 approached some of these site-specific recommendations, sir.
20 CHAIRMAN DIXON: May I respond --
21 COMMISSIONER MONTOYA: Yes, sir.
22 CHAIRMAN DIXON: – to my good friend, Commissioner

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1 Montoya, and express this view? And I respect his, very
2 much:
3 In the first place, I think it will be the
4 consensus of the Commission, from every discussion I've had,
5 that we will recommend another BRAC, probably in 2001, after
6 two Presidential elections and at the termination date of the
7 final tail of this BRAC. Now, whether the Congress has the
8 stomach for it is a question for the Congress, and I
9 appreciate that.
10 But the other part of what we can recommend, I
11 believe the Congress will readily accept, and that is a
12 recognition of the fact that, throughout this process, we
13 keep on seeing these redirects and these changes in
14 evaluation by the separate services and the Department of
15 Defense as they go along looking at what they've done in the
16 other BRACs, which I understand, because I'm not going to say
17 to this audience and this country that I haven't re-evaluated
18 certain things that I've done in my life and corrected
19 things. So there's nothing the matter with that, and I think
20 the Congress sees that.
21 What's beginning to bother the Chair is the fact
22 that we -- and I don't mean this critically of anybody -- so

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1 often want to suggest to them how they might be able to do it
2 a little bit better. And the Chair would only suggest they
3 thought about this a long time, too. The separate services
4 thought about this a long time, too.
5 I appreciate that last vote was a very tough vote a
6 while ago, and you had the difference between the chief
7 executive officer and the Secretary of the Navy. But, at the
8 request of the Congressman involved, when the chief executive
9 officer was sitting there, I said to him, I said, "Now, does
10 the Secretary of the Navy stick by his guns?" And the
11 Secretary of the Navy wrote back this Chairman and said, "I
12 do." He had considered it. He had taken the risk. And the
13 Chair then took the risk.
14 And that's what the Chair says: these folks
15 thought about it, too.
16 COMMISSIONER ROBLES: But, Mr. Chairman, I feel
17 compelled to respond.
18 CHAIRMAN DIXON: Well, I honor your response,
19 Commissioner Robles.
20 COMMISSIONER ROBLES: The fact of the matter is,
21 when I raised my hand and said, "I hereby do swear," one of
22 the things they told me is that, if in my military judgment,

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1 because I'm supposed to be apolitical, I did not agree with
2 the political leadership or appointed leadership, I should
3 stand forth and state my convictions clearly.
4 CHAIRMAN DIXON: Absolutely.
5 COMMISSIONER ROBLES: And I think what the Chief of
6 Naval Operations was doing was just that. Now, it is up to
7 us to factor all that into the equation, and determine what
8 the right answer is.
9 CHAIRMAN DIXON: Oh, I agree with that.
10 Commissioner Robles, I spent 42 years voting, and I disagreed
11 with people all the time in good humor, and went and had a
12 drink with them that night. I didn't have any problem with
13 anybody else had to say here or any vote anybody else cast.
14 Love you all, cast my own, you cast yours.
15 Now, any further questions or statements?
16 (No response.)
17 CHAIRMAN DIXON: All right, what's the motion? Is
18 there a motion?
19 COMMISSIONER COX: I have a motion.
20 CHAIRMAN DIXON: Commissioner Cox.
21 COMMISSIONER COX: Let me make sure this is the

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1 right one.
2 MOTION
3 COMMISSIONER COX: I move that the Commission find
4 that the Secretary of Defense did not deviate substantially
5 from the Force Structure Plan and Final Criteria and,
6 therefore, that the Commission adopt the following
7 recommendation of the Secretary of Defense:
8 "Change the receiving sites for squadrons and
9 related activities at NAS Miramar specified by the 1993
10 Commission, the 1993 Commission Report at Page 1 through 18,
11 from NAS Lemoore and NAS Fallon to other" – excuse me. I
12 have the wrong one.
13 CHAIRMAN DIXON: That's all right, Commissioner
14 Cox. Do you want to start over on it when you get the
15 correct one that satisfies you?
16 COMMISSIONER COX: Yes. I'm sorry.
17 CHAIRMAN DIXON: No problem at all.
18 COMMISSIONER COX: I'm sorry. That was the correct
19 one, so I will continue.
20 "-- from NAS Lemoore and NAS Fallon to" -- this is
21 the one I was reading. Okay. I'll start over again, to make
22 sure.

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1 CHAIRMAN DIXON: Would you, Commissioner?
2 Commissioner Cox.
3 COMMISSIONER COX: I move that the Commission find
4 that the Secretary of Defense did not deviate substantially
5 from the Force Structure Plan and Final Criteria and,
6 therefore, that the Commission adopt the following
7 recommendation of the Secretary of Defense:
8 "Change the receiving sites for squadrons and
9 related activities at NAS Miramar specified by the 1993
10 Commission, the 1993 Commission Report at Page 1 through 18,
11 from NAS Lemoore and NAS Fallon to other Naval air stations,
12 primarily NAS Oceana, Virginia; NAS North Island, California;
13 and NAS Fallon, Nevada;
14 "Change the receiving sites for MCAS Tustin,
15 California specified by the 1993 Commission from NAS North
16 Island; NAS Miramar; or MCAS Camp Pendleton to other air
17 stations, primarily MCAS New River, North Carolina; MCB
18 Hawaii; MCAF Kaneohe Bay; MCAS Camp Pendleton, California;
19 NAS Miramar, California; and March Air Force Base,
20 California.
21 "The Commission finds this recommendation is
22 consistent with the Force Structure Plan and Final Criteria."

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1 CHAIRMAN DIXON: Now, the Chair is going to ask –
2 we can have a discussion, but there's a problem with the
3 motion that requires some corrective analysis. And let me
4 say, in the time frame that we do the work we do here, it's a
5 miracle we're not having more of these problems.
6 I want to say to the people in this room and the
7 people in this country, this staff has been working on
8 Saturdays and Sundays, 15-and-16-hour days, for I think a
9 month or more. I was kidding my friend, Charlie Smith,
10 because he hasn't played golf in a month. I'm telling you
11 folks, this is pretty bruising work.
12 I don't make any apology for the fact that they
13 have to look at a motion another time here, because some of
14 us sit here and make the speeches and they go do the grunt
15 work all the time, 16 hours a day, seven days a week.
16 So we're going to let them get this thing right
17 and, the minute we've got it right, counsel will know and
18 then we'll go ahead and do it.
19 But, Commissioner Kling, did you want to say
20 something in the meantime?
21 COMMISSIONER KLING: No, Mr. Chairman. I just
22 wanted to understand and ask the question, I think, that

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1 maybe is being asked. Is the motion that was made supported
2 by the Navy?
3 CHAIRMAN DIXON: Before we ask it, do you think we
4 ought to see what the final motion is going to be? They're
5 doing some repair work on it.
6 COMMISSIONER DAVIS: It's being modified slightly.
7 COMMISSIONER KLING: Then I will hold the question.
8 MR. YELLIN: Commissioner Kling, the Navy -- the
9 two changes, as I interpret, in the motion involve taking out
10 the Navy's statement that these would be redirected only to
11 other Naval air stations. It gives more flexibility to go to
12 any air station and it specifically identifies March as one
13 of the options.
14 COMMISSIONER KLING: Options or requirements?
15 MR. YELLIN: Options.
16 COMMISSIONER STEELE: Why would they be opposed,
17 Mr. Yellin, if it is the same as they had and a little bit
18 broader? I'm not tracking, here.
19 COMMISSIONER COX: I don't think they're opposed.
20 COMMISSIONER STEELE: Well, they said – I believe
21 we were just told the Navy opposed the change, and I'm
22 wondering why they would.

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1 MR. YELLIN: Maybe I should -- I know the counsel
2 is busy now. I think maybe we should get her guidance on
3 what is the impact on the Navy of specifically including
4 March in that list.
5 COMMISSIONER COX: It also changes it to air
6 stations.
7 MR. YELLIN: Air stations, right. That's right.
8 It takes out the -- the Navy wants to be able to move these
9 units to other Navy Department facilities.
10 COMMISSIONER COX: And would they be unable to do
11 so under this motion?
12 MR. YELLIN: No, they could do that.
13 Now, I would like to get counsel's guidance, or
14 maybe she should provide guidance to you, about what does the
15 inclusion of March do, in that statement, to the Navy,
16 whether there is a requirement to move something to every
17 base that's on that list or whether that's merely an option
18 that we're leaving open for them, that their recommendation
19 does not allow.
20 COMMISSIONER COX: Well, counsel -- we'll wait.
21 MR. YELLIN: The Navy recommendation does not allow
22 the Navy to move units to March Air Force Base.

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1 COMMISSIONER COX: And this recommendation is
2 intended to allow them, if they so desire, and certainly, if
3 counsel believes that it does something more than that, then
4 I would be happy to amend.
5 CHAIRMAN DIXON: Commissioner Cox, I think, for the
6 purpose of the record, we ought to have the motion again.
7 COMMISSIONER COX: Okay.
8 CHAIRMAN DIXON: And may the record show, reporter
9 – Madam Reporter – that the Commission is now entertaining
10 the motion that Commissioner Cox and counsel have drafted
11 that I believe accomplishes the intention of Commissioner
12 Cox. Am I correct about that, counsel?
13 MS. CREEDON: Yes, sir.
14 CHAIRMAN DIXON: All right. Now Commissioner Cox
15 will be recognized again for a motion.
16 MOTION
17 COMMISSIONER COX: I move that the Commission find
18 that the Secretary of Defense deviated substantially from the
19 Force Structure Plan and Final Criteria 1, 2, and 3 and,
20 therefore, that the Commission adopt the following
21 recommendation of the Secretary of Defense:
22 "Change the receiving sites for squadrons and

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1 related activities at NAS Miramar specified by the 1993
2 Commission, 1993 Commission Report at Page 1 through 18 from
3 NAS Lemoore and NAS Fallon to other Naval air stations,
4 primarily NAS Oceana, Virginia; NAS North Island, California;
5 and NAS Fallon, Nevada.
6 "Change the receiving sites for MCAS Tustin,
7 California specified by the 1993 Commission from NAS North
8 Island; NAS Miramar; or MCAS Camp Pendleton to other air
9 stations, primarily MCAS New River, North Carolina; MCB
10 Hawaii; MCAF Kaneohe Bay; MCAS Camp Pendleton, California;
11 NAS Miramar, California; and March Air Force Base,
12 California.
13 "The Commission finds this recommendation is
14 consistent with the Force Structure Plan and Final Criteria."
15 CHAIRMAN DIXON: That is the motion you are
16 satisfied with, now, Commissioner Cox.
17 COMMISSIONER DAVIS: I second, Mr. Chairman.
18 CHAIRMAN DIXON: And that is seconded by
19 Commissioner Davis.
20 COMMISSIONER COX: But I would like to ask the
21 counsel a question that's been raised by Mr. Yellin.
22 CHAIRMAN DIXON: All right.

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1 COMMISSIONER COX: And that is, it was the
2 intention only to broaden -- the Navy asked for flexibility
3 in what to do with these assets. In 1993, we told them a
4 specific "You must move these assets from here to there."
5 The Navy asked us to give them flexibility and give them
6 several options on where they might move these assets.
This would give them the flexibility that they
[illegible]d for and add, as a suggestion, the areas that they said
[illegible] might want to move these to -- March. But it is not the
10 intention of this Commissioner to require that they move to
11 March and it is the intention of this Commissioner to leave
12 the Navy the flexibility wherever they want to.
13 And I want to make sure that this motion does not
14 in any way require a move, a specific move to a specific
15 base. In fact, it's intended to unrequire the 1993 specific
16 moves as requested by the Navy.
17 CHAIRMAN DIXON: Let me say, now, we have a problem
18 right now that this Chairman used to have when he tried
19 lawsuits in the old days. His client would be talking to him
20 while he was trying to hear what the other lawyer was saying.
21 Now, counsel was talking to Commissioner Davis. I
22 want to make sure, does counsel understand what Commissioner

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1 Cox asked?
2 MS. CREEDON: Yes, sir.
3 CHAIRMAN DIXON: Okay. What's the answer?
4 MS. CREEDON: Because of the importance of this
5 particular question, I would like a few minutes to go do a
6 little research on this one. I am not completely comfortable
7 with the answer to this question, and, if you could, Mr.
8 Chairman, if you could pass on this one and come back to this
9 one in a few minutes, why, I'd do a few minutes, because I
10 don't want to do something that is incorrect in this
11 instance.
12 CHAIRMAN DIXON: All right. There's a motion and a
13 second but, rather than -- I think what we'll do is leave
14 that in the record for now, while counsel reviews this and so
15 forth, and we'll go on to the next subject matter. I don't
[illegible]t to make a mistake on something like this. I suspect the
[illegible]r isn't going to vote, anyway, in support of it. But I
[illegible]t want a mistake in the record about it.
19 So let's go to the next question.
20 MR. YELLIN: Sir, the next is NAS Alameda.
21 CHAIRMAN DIXON: Naval Air Station Alameda,
22 California.

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1 LIEUTENANT COLONEL BRUBAKER: And, if we could have
2 Slide D-6 up on the left, please.
3 This recommendation changes the receiving sites
4 specified by the 1993 Commission from NAS North Island and
5 NASA Ames/Moffett to other Naval air stations, primarily the
6 Naval Air Facility Corpus Christi, Texas, to support the Mine
7 Warfare Center of Excellence at the nearby Naval station at
8 Ingleside, Texas.
9 This recommendation has limited cost data
10 associated with it, because these savings were realized as
11 part of the 1993 round and, therefore, are not being claimed
12 as additional savings in this round.
13 Could I have Slide D-7 up on the right, please?
14 On the slide, you can see that the '93
15 recommendation sent Marine Reserve RH-53s to the NASA
16 Ames/Moffett Air Field and the Navy's mine warfare
17 helicopters, MH-53s, to the NAS at North Island.
18 The 1995 redirect calls for the Marine Reserve RH-
19 53s to go to other Naval air stations and the Navy's mine
20 warfare helicopters to be consolidated at the Naval air
21 station in Corpus Christi, Texas near the Mine Warfare Center
22 of Excellence.

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1 Could I have D-8 on the right, please?
2 The first issue deals with the consolidation of
3 mine warfare helicopters -- in this case, MH-53s -- near the
4 Mine Warfare Center of Excellence in Ingleside. This makes
5 operational sense. DOD claims this will ease the air traffic
6 situation in the San Diego area and saves the necessary costs
7 of construction at NAS North Island, of approximately $30.4
8 million.
9 There were no negative concerns expressed by the
10 respective communities. The R and A staff thereby concurs
11 with the DOD's position.
12 The second issue deals with the Marine Reserves
13 that fly the RH-53 helicopters. As a result of this
14 redirect, these helicopters, if approved by the Commission,
15 will be allowed to relocate to other Naval air stations.
16 There were no concerns expressed by the communities
17 in this scenario. The R and A staff finds that the co-
18 location of these assets with other Reserve aviation assets,
19 possibly of the joint Reserve base at NAS Fort Worth or other
20 Naval air stations would be in the best interests of both the
21 operational commander and the reservists tasked to support
22 and maintain this valuable asset.

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1 Mr. Chairman, are there any questions at this time?
2 CHAIRMAN DIXON: Are there any questions of Colonel
3 Brubaker on Naval Air Station Alameda, California?
4 (No response.)
5 CHAIRMAN DIXON: Are there any statements of any
6 Commissioner on Naval Air Station Alameda, California?
7 (No response.)
8 CHAIRMAN DIXON: Is there a motion by any
9 Commissioner on Naval Air Station Alameda, California?
10 COMMISSIONER MONTOYA: Mr. Chairman, I have a
11 motion.
12 CHAIRMAN DIXON: Commissioner Montoya.
13 M O T I O N
14 COMMISSIONER MONTOYA: I move that the Commission
15 find that the Secretary of Defense did not deviated
16 substantially from the Force Structure Plan and Final
17 Criteria and, therefore, that the Commission adopt the
18 following recommendation of the Secretary of Defense:
19 "Change the receiving sites specified by the 1993
20 Commission for the closure of Naval Air Station Alameda,
21 California, 1993 Commission Report at Page 1-35, for
22 'aircraft, along with the dedicated personnel, equipment, and

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1 support' and 'Reserve aviation assets' from 'NAS North
2 Island' and 'NAS Ames/Moffett Field,' respectively to 'other
3 Naval air stations, primarily the Naval Air Facility Corpus
4 Christi, Texas, to support the Mine Warfare Center of
5 Excellence, Naval Station Ingleside, Texas.'"
6 CHAIRMAN DIXON: I second that motion.
7 Are there any further comments or questions by any
8 commissioner?
9 (No response.)
10 CHAIRMAN DIXON: Counsel will call the roll.
11 MS. KING: Commissioner Davis.
12 COMMISSIONER DAVIS: Aye.
13 MS. KING: Commissioner Kling.
14 COMMISSIONER KLING: Aye.
15 MS. KING: Commissioner Montoya.
16 COMMISSIONER MONTOYA: Aye.
17 MS. KING: Commissioner Robles.
18 COMMISSIONER ROBLES: Aye.
19 MS. KING: Commissioner Steele.
20 COMMISSIONER STEELE: Aye.
21 MS. KING: Commissioner Cornella.
22 COMMISSIONER CORNELLA: Aye.

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1 MS. KING: Commissioner Cox.
2 COMMISSIONER COX: Aye.
3 MS. KING: Mr. Chairman.
4 CHAIRMAN DIXON: Aye.
5 MS. KING: Mr. Chairman, the vote is eight ayes and
6 zero nays.
7 CHAIRMAN DIXON: And the motion is unanimously
8 adopted to support the Secretary of Defense in respect to
9 Naval Air Facility Alameda.
10 Naval Air Station Cecil Field, Florida.
11 LIEUTENANT COLONEL BRUBAKER: Could I have Slide D-
12 9 up on the left, please?
13 Mr. Chairman, this recommendation changes the
14 receiving sites specified by the 1993 Commission for the F-
15 18s and S-3 aircraft to other Naval air stations, primarily
16 the Naval air station at Oceana, Virginia; the Marine Corps
17 air station at Beaufort, South Carolina; and the Naval air
18 station at Jacksonville, Florida; and the Naval air station
19 at Atlanta, Georgia, or other Navy and Marine Corps air
20 stations with the necessary capacity and support
21 infrastructure.
22 In addition, it recommends the retention of OLF, or

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1 the Outlying Field White House, the Pinecastle Target
2 Complex, and the Yellow Water Family Housing Area.
3 The one-time cost associated with this redirect is
4 $66.6 million with an annual savings of $11-/2 million and an
5 immediate return on investment. The net present value of
6 this redirect is $407.4 million. And it should be brought
7 out that the Naval air station at Cecil was closed by the
8 1993 Commission and, therefore, the base operating budget and
9 personnel information are not included.
10 Could I have Slide D-10 up on the right, please?
11 This slide depicts where the '93 Commission sent
12 the aircraft. The F-18s were going to Marine Corps Air
13 Station Cherry Point; the S-3s were going to NAS Oceana; and
14 the Reserve squadron of F-18s were going to Marine Corps Air
15 Station at Beaufort.
16 The '95 recommendations change the receiving sites
17 for these aircraft. The S-3s will go to NAS Jacksonville;
18 eight fleet squadrons and the fleet replacement squadron of
19 F-18s will go to Naval Air Station Oceana; two squadrons of
20 F-18s will go to Marine Corps Air Station Beaufort, South
21 Carolina; and two Reserve F-18 squadrons will go to NAS
22 Atlanta.

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1 Could I have Slide D-11 up on the right, please?
2 COMMISSIONER DAVIS: Before you go on --
3 LIEUTENANT COLONEL BRUBAKER: Yes, sir.
4 COMMISSIONER DAVIS: -- at some point, are you
5 going to tell us what construction had taken place?
6 LIEUTENANT COLONEL BRUBAKER: Yes, sir.
7 COMMISSIONER DAVIS: Thank you.
8 LIEUTENANT COLONEL BRUBAKER: Yes, sir.
9 COMMISSIONER DAVIS: The first issue I'd like to
10 discuss is the issue of excess capacity at NAS Oceana.
11 The DOD position on this is that, by moving the F-
12 18s to NAS Oceana, the utilization of already existing
13 capacity at Oceana will eliminate the need for new
14 construction at Cherry Point.
15 The communities' positions vary on this topic.
16 Obviously, the NAS Oceana community has favorable comments
17 and North Carolina is concerned about the 7-1/2 percent
18 increase in employment base that will not occur. The R and A
19 staff concurs with the DOD position. The reduction in force
20 structure and the accelerated retirement of the A-6 aircraft
21 has created this excess capacity at Oceana.
22 The second issue is the potential construction

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1 costs at Marine Corps Air Station Cherry Point from the '93
2 recommendations.
3 The Navy position was that a 10 percent reduction
4 is possible. The community feels as though the construction
5 costs at Cherry Point are inflated. The R and A staff finds
6 that the reduced construction costs, to $300.8 million, is a
7 reasonable figure for the remaining force structure.
8 The third issue I'd like to discuss is the air
9 conformity at Oceana.
10 COMMISSIONER DAVIS: I'm sorry, Colonel Brubaker.
11 LIEUTENANT COLONEL BRUBAKER: Yes, sir.
12 COMMISSIONER DAVIS: The construction reduction to
13 300? So you're saying, to move it to Oceana --
14 MR. YELLIN: The cost to move to Cherry Point that
15 was confronting the Navy was about $300 million.
16 COMMISSIONER DAVIS: Thank you.
17 LIEUTENANT COLONEL BRUBAKER: That's the remaining
18 construction, based on a reduced force structure that would
19 have to move now, and it would still be about $300 million at
20 Cherry Point.
21 COMMISSIONER DAVIS: Thank you, sir.
22 LIEUTENANT COLONEL BRUBAKER: The third issue I'd

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1 like to discuss is the air conformity at Oceana.
2 The DOD position is that the number of aircraft and
3 personnel assigned at Oceana after this action will be less
4 than the levels that there were there in 1990. The
5 conformity determination will be completed by the Navy prior
6 to the movement of aircraft.
7 The community position is that and Navy and the
8 Commission have not completed the specific year-to-year
9 conformity analysis for this recommendation and that there is
10 a potential for non-conformity.
11 The R and A staff has determined that the Navy, not
12 the Commission, must demonstrate conformity and this
13 conformity appears to be likely.
14 Mr. Chairman, are there any questions?
15 CHAIRMAN DIXON: Are there any questions of Colonel
16 Brubaker?
17 COMMISSIONER STEELE: Yes, Mr. Chairman.
18 CHAIRMAN DIXON: Commissioner Steele.
19 COMMISSIONER STEELE: On that last point, Colonel,
20 so you're saying, in the Navy's recommendation -- I haven't
21 re-read it here for a second -- they will not move? I mean,
22 if there's an environmental problem, what will be do? Why

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1 don't I just ask it that way?
2 LIEUTENANT COLONEL BRUBAKER: That conformity
3 determination will have to be made before the aircraft are
4 actually moved into position.
5 COMMISSIONER STEELE: Okay. Say there was a
6 problem. What are the Navy's options or where would the
7 aircraft be that are down?
8 LIEUTENANT COLONEL BRUBAKER: That would be up to
9 the individual services, to be able to determine that.
10 COMMISSIONER DAVIS: Is it an air quality
11 attainment or non-attainment area? Is that the problem?
12 LIEUTENANT COLONEL BRUBAKER: It's a non-attainment
13 area.
14 COMMISSIONER DAVIS: But do they have sufficient
15 credits within the state to --
16 LIEUTENANT COLONEL BRUBAKER: The Navy's position
17 is that this is a very new rule, very new law, and so there's
18 not a lot of experience with it.
19 Their assessment is, though, that the way they
20 looked at it, in 1990, the level of planes and personnel at
21 Oceana was at a level that exceeds the number of planes and
22 personnel that will be at Oceana with the implementation of

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1 this redirect and the El Toro redirect, so that they will not
2 come back up, even after the implementation of these two
3 recommendations, up to a level that exceeds where they were
4 in 1990; and so, for that reason, they believe that
5 conformity will be determined.
COMMISSIONER DAVIS: But they're within the
[redacted]inia Beach air quality index?
8 MS. NURRE: This is Deirdre Nurre. I'm the
9 environmental analyst from the interagency team.
10 Commissioner Davis, your question was, are they in a non-
11 attainment area? The answer is, yes they are.
12 Would you like --
13 COMMISSIONER DAVIS: Yes, please.
14 MS. NURRE: The conformity determination is
15 required for aircraft moving into an area that's in non-
16 attainment. For these purposes of our analysis, they have to
17 deal with 1990 as the baseline.
18 Now, a large number of aircraft have left Oceana,
19 out of that non-attainment area, and it's shown that the
20 additional aircraft coming in will be ultimately less than
21 the number going away, so it appears very likely that the
22 Navy could identify conformity.

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1 COMMISSIONER DAVIS: That was my point. Is it the
2 airplanes that are planned to be assigned to NAS Oceana are
3 less than those from the baseline of 1990, therefore it's
4 reasonable to believe that conformity can be achieved? Is
5 that correct?
6 MS. NURRE: The Navy has confidence in that, and I
7 have confidence in the Navy's analysis.
8 COMMISSIONER DAVIS: All right. And I have one
9 other question -- aviation-type question. What about
10 encroachment within NAS Oceana? It's a very wonderful place
11 to be, with resort areas around it. Is that a problem?
12 LIEUTENANT COLONEL BRUBAKER: The community has
13 gotten involved, and they've appropriated a significant
14 amount of dollars towards. There are a couple of schools
1 in the AQs; and the community is working well in hand
1 [redacted] the Navy in order to rectify those problems that have
17 been identified.
18 CHAIRMAN DIXON: Any further questions?
19 COMMISSIONER STEELE: Yes, Mr. Chairman.
20 CHAIRMAN DIXON: Commissioner Steele.
21 COMMISSIONER STEELE: So we're saying, if we accept
22 the redirect, there's a cost avoidance of the $300 million at

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1 Cherry Point?
2 MR. YELLIN: Yes.
3 COMMISSIONER STEELE: When the Cherry Point folks
4 testified before us, they said that after the action by the
5 '93 Commission, they passed bonds and built schools and thus
6 and such, assuming this was going to happen. Do you know
7 what kind of numbers are behind that statement?
8 MR. YELLIN: The only specific information we have
9 is that the Navy, the Defense Department has spent
10 approximately $25 million in doing planning and other
11 preparatory work for this work. That is, the Navy considers
12 that a sunk cost, but that has been done.
13 I don't have any specific figures from the
14 community, although this was – the community around Cherry
15 Point would have to be expanded and they were anticipating
16 and had made efforts to do that, based on the '93
17 recommendation.
18 I would expect that substantial efforts have been
19 made. I don't know that any specific construction has
20 actually occurred in the area, but certainly the community
21 has indicated that a lot of plans were made to do that.
22 Now, one of the things that we do want to point out

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1 is that Cherry Point is still considered by the Navy and
2 Marine Corps as a premier facility. They still plan to keep
3 140 aircraft there. That's a substantial air field.
4 However, the doubling of the aircraft there, which
5 was anticipated by the '93 recommendation, the Navy now does
6 not want to do it, because they can minimize their costs by
7 using this capacity at Oceana.
8 COMMISSIONER STEELE: Just one final question; and
9 it's a shame we don't know what the community has already
10 spent. We've known that on a lot of other things, so I wish
11 I knew that at this moment.
12 But, given I don't, is it a possibility to put some
13 squadrons there, given their testimony under oath was they
14 had built schools and passed bonds and things, that would not
15 require MILCON to give this $300 million, or is it just not a
16 cost-effective option for the Navy at this time to go to
17 Cherry Point?
18 MR. YELLIN: There is excess capacity at Cherry
19 Point now for approximately two squadrons of planes.
20 LIEUTENANT COLONEL BRUBAKER: That's correct, two
21 squadrons worth of airplanes.
22 MR. YELLIN: However, they would still need to have

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1 a maintenance facility, intermediate maintenance facility
2 constructed or created there at significant cost.
3 And then there is the operational and logistics
4 problems for the Navy of splitting these units up. If they
5 can have them at one location, which they're proposing to do
6 at Oceana, then that is a significantly better operational
7 and logistics support basis to base your planes, having them
8 all at one place.
9 COMMISSIONER STEELE: Given that, I'll reluctantly
10 support the Navy's recommendation, because we don't have the
11 numbers on the other, but I think it's a shame, if they have
12 spent a lot of money under the anticipation that this would
13 happen, and we're --
14 MR. YELLIN: We have similar situations. The El
15 Toro redirect that we talked about before also eliminated
16 about $300 million of construction and major expansion of the
17 Naval air station at Lemoore near Fresno, California; and
18 they are probably in the same situation, also.
19 And you have here, too, Marine Corps Air Station
20 Cherry Point and NAS Lemoore, that are both great bases and
21 that both have significant excess capacity left at them
22 because of this redirect.

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1 CHAIRMAN DIXON: Thank you, Mr. Yellin. Are there
2 any further questions of Mr. Yellin or staff, or are there
3 any more statements by any commissioner?
4 (No response.)
5 CHAIRMAN DIXON: Is there a motion? Is there a
6 motion?
7 COMMISSIONER MONTOYA: Yes, sir.
8 CHAIRMAN DIXON: Commissioner Montoya.
9 MOTION
10 COMMISSIONER MONTOYA: I move that the Commission
11 find that the Secretary of Defense did not deviated
12 substantially from the Force Structure Plan and Final
13 Criteria and, therefore, that the Commission adopt the
14 following recommendation of the Secretary of Defense:
15 "Change the receiving sites specified by the 1993
16 Commission (1993 Commission Report at Page 1-20) from Marine
17 Corps Air Station Cherry Point, North Carolina; Naval Air
18 Station Oceana, Virginia; and Marine Corps Air Station
19 Beaufort, South Carolina to other Naval air stations,
20 primarily Naval Air Station Oceana, Virginia; Marine Corps
21 Air Station Beaufort, South Carolina; Naval Air Station
22 Jacksonville, Florida; and Naval Air Station Atlanta, Georgia

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1 or other Navy or Marine Corps air stations with the necessary
2 capacity and support infrastructure.
3 "In addition, add the following:
4 "To support Naval Air Station Jacksonville, retain
5 OLF White House, the Pinecastle Target Complex, and the
6 Yellow Water Family Housing Area."
7 CHAIRMAN DIXON: You've heard the motion by
8 Commissioner Montoya. Is there a second to that motion.
9 COMMISSIONER DAVIS: I'll second.
10 CHAIRMAN DIXON: It is seconded by Commissioner
11 Davis. Is there any discussion?
12 (No response.)
13 CHAIRMAN DIXON: Counsel will call the roll.
14 MS. KING: Commissioner Montoya.
15 COMMISSIONER MONTOYA: Aye.
16 MS. KING: Commissioner Robles.
17 COMMISSIONER ROBLES: Aye.
18 MS. KING: Commissioner Steele.
19 COMMISSIONER STEELE: Aye.
20 MS. KING: Commissioner Cornella.
21 COMMISSIONER CORNELLA: Aye.

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1 MS. KING: Commissioner Cox.
2 COMMISSIONER COX: Aye.
3 MS. KING: Commissioner Davis.
4 COMMISSIONER DAVIS: Aye.
5 MS. KING: Commissioner Kling.
6 COMMISSIONER KLING: Aye.
7 MS. KING: Mr. Chairman.
8 CHAIRMAN DIXON: Aye.
9 MS. KING: Mr. Chairman, the vote is eight ayes,
10 and zero nays.
11 CHAIRMAN DIXON: The vote is eight ayes, zero nays,
12 and the recommendation of the Secretary of Defense is
13 supported by the Commission.
14 MR. YELLIN: I would now like to go onto Naval Air
15 Facility, Adak, Alaska; and Doyle Reedy will present this.
16 MR. REEDY: Mr. Chairman, the Navy has proposed
17 closing the Naval Air Facility at Adak, Alaska, and is in the
18 process of drawing down its presence there. According to the
19 Navy, its antisubmarine warfare surveillance mission no
20 longer requires Adak to base or support its aircraft.
21 As you can see from the slide, Mr. Chairman,
22 closing Naval Air Facility Adak will result in an annual

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1 savings of about $26 million. Recently the Alaska State
2 Legislature introduced a resolution calling for taking steps
3 to develop a new community for the western Aleutians at Adak
4 once the military withdraws.
5 The closing of NAF Adak, however, has caused the
6 Coast Guard to voice concern about losing a base from which
7 they can stage their search and rescue and law enforcement
8 operations.
9 Recently we asked the Department of the Navy to
10 respond to a letter we received from Secretary Pena at the
11 Department of Transportation asking that the Commission
12 consider the Coast Guard's interest in maintaining NAF/Adak.
13 The Navy's position was that operating base is solely for use
14 by another department or agency is not feasible or
15 permissible without specific congressional action.
16 Mr. Chairman, I'll be happy to answer your
17 questions.
18 CHAIRMAN DIXON: Are there any questions of Mr.
19 Reedy concerning Adak?
20 (No response.)
21 CHAIRMAN DIXON: Are there any statements by any
22 Commissioner concerning Adak?

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1 COMMISSIONER DAVIS: Yes, sir, Mr. Chairman.
2 CHAIRMAN DIXON: Mr. Davis.
3 COMMISSIONER DAVIS: I would like to state that
4 Adak/Alaska served us very well. It was sort of the bastion,
5 the outpost to counter the Russian bearers as they traversed
6 to the northern part of the United States. I hate to see it
7 go, but it has outlived its usefulness.
8 CHAIRMAN DIXON: Thank you, Commissioner Davis. Is
9 there a motion in view of that remark by the distinguished
10 Commissioner?
11 COMMISSIONER CORNELLA: Mr. Chairman.
12 CHAIRMAN DIXON: Commissioner Cornella.
13 MOTION
14 COMMISSIONER CORNELLA: I move that the Commission
15 find that the Secretary of Defense did not deviate
16 substantially from the four structure plan and final criteria
17 and, therefore, that the Commission adopt the following
18 recommendation of the Secretary of Defense, close Naval Air
19 Facility, Adak, Alaska.
20 CHAIRMAN DIXON: Is there a second to the motion by
21 Commissioner Cornella?
22 COMMISSIONER MONTOYA: Second.

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1 CHAIRMAN DIXON: Seconded by Commissioner Montoya.
2 Are there any comments?
3 (No response.)
4 CHAIRMAN DIXON: The counsel will call the roll.
5 MS. KING: Commissioner Cornella.
6 COMMISSIONER CORNELLA: Aye.
7 COMMISSIONER KLING: Commissioner Cox.
8 COMMISSIONER COX: Aye.
9 MS. KING: Commissioner Davis.
10 COMMISSIONER DAVIS: Aye.
11 MS. KING: Commissioner Kling.
12 COMMISSIONER KLING: Aye.
13 MS. KING: Commissioner Montoya.
14 COMMISSIONER MONTOYA: Aye.
15 MS. KING: Commissioner Robles.
16 COMMISSIONER ROBLES: Aye.
17 MS. KING: Commissioner Steele.
18 COMMISSIONER STEELE: Aye.
19 MS. KING: Mr. Chairman.
20 CHAIRMAN DIXON: Aye.
21 MS. KING: Mr. Chairman, the vote is eight ayes,
22 and zero nays.

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1 CHAIRMAN DIXON: And on that unanimous vote the
2 Naval Air Facility at Adak, Alaska, is closed in accordance
3 with the request of the Secretary of Defense.
4 MR. REEDY: The next base is Key West, Mr.
5 Chairman, slides D-14 and 15, please. Mr. Chairman, the Navy
6 recommends realigning the Naval Air Station at Key West to
7 make it a Naval Air Facility. Also under the proposal the
8 Navy would turn over certain portions of the waterfront to
9 the local community.
10 Realigning the Key West Naval Air Station allows
11 the Navy to continuous access to needed air space and ranges,
12 while at the same time reducing unneeded infrastructure. No
13 aviation assets are being moved in or out of the facility,
14 and there will only be a small number of military personnel
15 transferred from the area.
16 I'd be happy to answer your questions on that.
17 MR. YELLIN: I'd like to make one comment. We have
18 received a request from the Navy to have a slight
19 modification to the original recommendation to give them
20 broader opportunities to release excess property than the two
21 specific locations in their recommendation. So you have a
22 motion in front of you that does modify the recommendation.

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1 I just want to let you know that that is a Navy request, that
2 now they realize that they wanted to have broader language
3 for --
4 CHAIRMAN DIXON: Mr. Yellin.
5 MR. YELLIN: Yes, sir.
CHAIRMAN DIXON: Is this the language they want,
[illegible]align Naval Air Station, Key West, to Naval Air Facility.
[illegible]pose of all property not required to support operational
9 commitments, including certain portions of Truman annex and
10 Trumble Point, including piers, wharfs and buildings"? Is
11 that the language they want?
12 MR. YELLIN: Yes, sir, that is the change.
13 CHAIRMAN DIXON: Are there any other questions?
14 (No response.)
15 CHAIRMAN DIXON: Are there any comments?
16 (No response.)
17 CHAIRMAN DIXON: Is there a motion?
18 M O T I O N
19 COMMISSIONER CORNELLA: Mr. Chairman.
20 CHAIRMAN DIXON: Commissioner Cornella.
21 COMMISSIONER CORNELLA: I move that the Commission
22 find the Secretary of Defense deviated substantially from

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1 final criterion one and, therefore, that the Commission
2 reject the Secretary's recommendation on Naval Air Station,
3 Key West, Florida; and instead adopt the following
4 recommendation: realign Naval Air Station, Key West, Florida
5 to a Naval Air Facility and dispose of all property not
6 required to support operational commitments, including
7 certain portions of Truman annex and Trumble point; including
8 piers, wharfs and buildings.
9 The Commission finds this recommendation is
10 consistent with the four structure plan and final criteria.
11 CHAIRMAN DIXON: I second that motion. Are there
12 any comments by any Commissioners?
13 (No response.)
14 CHAIRMAN DIXON: Counsel will call the roll.
[illegible] MS. KING: Commissioner Cornella.
[illegible] COMMISSIONER CORNELLA: Aye.
17 MS. KING: Commissioner Cox.
18 COMMISSIONER COX: Aye.
19 MS. KING: Commissioner Davis.
20 COMMISSIONER DAVIS: Aye.
21 MS. KING: Commissioner Kling.
22 COMMISSIONER KLING: Aye.

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1 MS. KING: Commissioner Montoya.
2 COMMISSIONER MONTOYA: Aye.
3 MS. KING: Commissioner Robles.
4 COMMISSIONER ROBLES: Aye.
5 MS. KING: Commissioner Steele.
6 COMMISSIONER STEELE: Aye.
7 MS. KING: Mr. Chairman.
8 CHAIRMAN DIXON: Aye.
9 MS. KING: Mr. Chairman, the vote is eight ayes,
10 and zero nays.
11 CHAIRMAN DIXON: The vote is eight ayes and zero
12 nays, and the request of the Secretary of Defense in regard
13 to Key West is supported by the Commission.
14 Now, do I understand, Counsel, that the motion is
15 now in order?
16 MS. KING: Yes.
17 CHAIRMAN DIXON: Are we satisfied now that the --
18 COMMISSIONER COX: This is the El Toro redirect?
19 CHAIRMAN DIXON: Well, let me just say that,
20 certainly, no one is critical about this. These things are
21 so highly complicated and the time frame in which we do them
22 so constricted that I'm hopeful that we have these things as

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1 much in accord with what we need to do as possible.
2 Do you have that motion now, Commissioner Cox?
3 COMMISSIONER COX: Mr. Chairman, I would like to
4 withdraw my previous motion.
5 CHAIRMAN DIXON: The record will show that
6 Commissioner Cox has withdrawn all previous motions in
7 respect to Air Station El Toro, and so forth.
8 COMMISSIONER COX: And I have a new motion, which
9 my understanding is that Counsel and the Navy have looked at
10 and even if the last motion did create a problem, this one
11 clearly does what we expected it to do, which is to give the
12 Navy flexibility on where to move the assets from the '93
13 redirect.
14 CHAIRMAN DIXON: All right. And would you read it?
15 M O T I O N
16 COMMISSIONER COX: I move that the Commission find
17 that the Secretary of Defense deviated substantially from
18 final criteria one, two and three, therefore, that the
19 Commission reject the Secretary's motion; adopt the following
20 recommendations of the Secretary of Defense: change the
21 receiving sights for squadrons and related activities at NAS
22 Miramar specified by the 1993 Commission report at page one

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1 through 18, from NAS LeMoore and NAS Fallon, to other Naval
2 air stations, primarily NAS Oceana, Virginia, NAS/North
3 Island, California and NAS/Fallon, Nevada.
4 Change the receiving sights for MCAS Tustin,
5 California specified by the 1993 Commission from NAS/North
6 Island, NAS/Miramar, or MCAS Camp Pendleton to other air
7 stations consistent with operational requirements.
8 The Commission finds this recommendation is
9 consistent with the four structure plan and final criteria.
10 CHAIRMAN DIXON: And that is the motion by
11 Commissioner Cox. Is there a second?
12 COMMISSIONER DAVIS: I second.
13 CHAIRMAN DIXON: There is a second by Commissioner
14 Davis. Now, I'm told, Mr. Yellin and Colonel Brubaker and
15 others, that the Navy folks have looked at this. Is that
16 right, Director Lyles, am I told that that is accurate?
17 MS. CREEDON: That's correct, Mr. Chairman.
18 CHAIRMAN DIXON: All right. And Counsel is
19 satisfied that we've got this thing in the right shape now.
20 Are there any further questions by anybody?
21 COMMISSIONER COX: And just to say again what we
22 intended to do, which was to give the Navy the option if they

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1 so desired -- and only if they so desired -- to move, among
2 other places, to March.
3 CHAIRMAN DIXON: And they're satisfied, they've
4 conferred with you and I understand they're satisfied with
5 this motion. Are there any further questions?
6 (No response.)
7 CHAIRMAN DIXON: Counsel, call the roll.
8 MS. CREEDON: Commissioner Cox.
9 COMMISSIONER COX: Aye.
10 MS. CREEDON: Commissioner Davis.
11 COMMISSIONER DAVIS: Aye.
12 MS. CREEDON: Commissioner Kling.
13 COMMISSIONER KLING: Aye.
14 MS. CREEDON: Commissioner Montoya.
15 COMMISSIONER MONTOYA: Aye.
16 MS. CREEDON: Commissioner Robles.
17 COMMISSIONER ROBLES: Aye.
18 MS. CREEDON: Commissioner Steele.
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella.
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Mr. Chairman.

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1 CHAIRMAN DIXON: Aye.
2 MS. CREEDON: Mr. Chairman, the vote is eight ayes,
3 and zero nays.
4 CHAIRMAN DIXON: And the motion by Commissioner Cox
5 is adopted.
6 COMMISSIONER MONTOYA: Mr. Chairman.
7 CHAIRMAN DIXON: Commissioner Montoya.
8 COMMISSIONER MONTOYA: While we're fixing things, I
9 also have to fix an eyebrow and a gnat on a motion we adopted
10 previously. You recall that we rejected the Secretary's
11 recommendation regarding the realignment of Naval Air Station
12 Corpus Christi, and we left it named Naval Air Station Corpus
13 Christi instead of a Naval Air Facility.
14 Now, in the motion on redirecting the helicopters
15 from Alameda to Corpus Christi, I inadvertently used the
16 language before me and called it a Naval Air Facility. I
17 want to correct that to a Naval Air Station to have the
18 record consistent.
19 MS. CREEDON: That's correct.
20 CHAIRMAN DIXON: All right. I don't believe that
21 requires a roll call, but let me just say is there any
22 objection from any Commissioner?

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1 (No response.)
2 CHAIRMAN DIXON: Let the record show, Madame
3 Reporter, all eight Commissioners being present. That
4 correction is made.
5 COMMISSIONER MONTOYA: Thank you, Mr. Chairman.
6 CHAIRMAN DIXON: Thank you, Commissioner Montoya.
7 MR. YELLIN: Mr. Chairman, there is only one air
8 station remaining. Please put up D-16 and 17, this is Naval
9 Air Station Barber's Point. There is a redirect to correct
10 an error in the '93 recommendation. The Navy now wants to
11 retain -- the Naval Air Station at Barber's Point was closed
12 in '93. Now the Navy wants to be able to retain a landfill,
13 commissary facilities and two beaches, which should have been
14 included as retained facilities in the '93 recommendation.
15 They would like to change that. The community is supporting
16 of that, the staff sees no problems with this redirect
17 recommendation.
18 CHAIRMAN DIXON: Okay. Are there any questions?
19 (No response.)
20 CHAIRMAN DIXON: Seems pretty simple. Any motion
21 by any Commissioner?
22 COMMISSIONER CORNELLA: Yes, sir.

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1 CHAIRMAN DIXON: Commissioner Cornella.
2 MOTION
3 COMMISSIONER CORNELLA: I move that the Commission
4 find that the Secretary of Defense did not deviate
5 substantially from the four structure plan and final criteria
6 and, therefore, that the Commission adopt the following
7 recommendation of the Secretary of Defense: change the
8 recommendation of the 1993 Commission regarding items
9 excepted from the closure of Naval Air Station Barber's
10 Point, Hawaii, 1993 Commission at page one and 19; and from
11 retain the family housing as needed for multi-service use,
12 including the following family housing supported facilities,
13 commissary facilities, public work center compound with a
14 sanitary landfill, and beach recreational areas known as
15 Nimitz Beach and White Plains Beach.
16 CHAIRMAN DIXON: Is there a second?
17 COMMISSIONER DAVIS: I second.
18 CHAIRMAN DIXON: Mr. Davis seconds. Are there any
19 comments?
20 (No response.)
21 CHAIRMAN DIXON: Counsel will call the roll.
22 MS. CREEDON: Commissioner Cornella.

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1 COMMISSIONER CORNELLA: Aye.
2 MS. CREEDON: Commissioner Cox.
3 COMMISSIONER COX: Aye.
4 MS. CREEDON: Commissioner Davis.
5 COMMISSIONER DAVIS: Aye.
6 MS. CREEDON: Commissioner Kling.
7 COMMISSIONER KLING: Aye.
8 MS. CREEDON: Commissioner Montoya.
9 COMMISSIONER MONTOYA: Aye.
10 MS. CREEDON: Commissioner Robles.
11 COMMISSIONER ROBLES: Aye.
12 MS. CREEDON: Commissioner Steele.
13 COMMISSIONER STEELE: Aye.
14 MS. CREEDON: Mr. Chairman.
15 CHAIRMAN DIXON: Aye.
16 MS. CREEDON: Mr. Chairman, the vote is eight ayes,
17 and zero nays.
18 CHAIRMAN DIXON: That motion is unanimously
19 adopted. Training centers, Navy Nuclear Power Propulsion
20 School, Orlando.
21 MR. YELLIN: Yes, sir, Eric Lindenbaum will make
22 the presentation on this base.

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1 LIEUTENANT COMMANDER LINDENBAUM: Good morning,
2 again, Chairman.
3 CHAIRMAN DIXON: Good morning.
4 LIEUTENANT COMMANDER LINDENBAUM: The Navy Nuclear
5 Power Propulsion Center redirect comes from a combination of
6 1993 recommendations. The first were sent to school to New
7 London, but in a second recommendation the submarines in New
8 London were retained, which meant facilities which had been
9 earmarked for the school would not be available.
10 The present recommendation would send the school to
11 the Navy Weapons Station just outside of Charleston instead
12 of to the sub base in New London.
13 On the first slide you can see two COBRA runs. The
14 first is a DOD submission. The second is the Commission's
15 estimate. As you will see from the issues slides, despite
16 the seeming similarity in the bottom lines of the two COBRA
17 estimates there are several costs and savings figures which
18 have changed from the staff's analysis.
19 During the initial analysis it was discovered that
20 the student loads at New London and Charleston were not the
21 same. The New London estimate was higher than Charleston's
22 and it was felt -- especially by the community and the R and

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1 A staff that this would lead to a higher cost estimate for
2 New London. The Navy did not revise its estimate for the New
3 London, instead stating that they would use the budgeted
4 figure, as was their policy, because budget data when it is
5 available, they feel, is more accurate.
6 The R and A staff felt that a revised estimate with
7 equal student load would be more accurate. Also during the
8 initial analysis it was discovered that the PCS, or the
9 moving cost savings associated with Charleston option were
10 overstated.
11 Upon further analysis the Navy determined that they
12 were overstated and they corrected their figure downwards
13 from $6.2 million per year to $2.882 million per year. Their
14 final point on the first issues slide deals with the
15 infrastructure costs at Charleston.
16 The primary contention by the New London community
17 is that not all infrastructure costs were captured by the
18 COBRA program. There appears to be some merit to this claim,
19 as the COBRA analysis is not site specific. This means that
20 the COBRA generated costs would be the same whether the
21 building was built 100 yards or two miles from any existing
22 utilities. This is the reason why the R and A staff felt

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1 that the planning facility cost estimate figures, which are
2 site specific, would be more accurate.
3 Could you please replace E-3 with E-4? Thank you.
4 The first issue on the second issue slide deals
5 with a possible delay in closing Orlando if the Charleston
6 on is accepted. This may -- and I emphasize "may" --
7 up to a one year cost of keeping Orlando open. For the
8 d A staff's estimate, which is worse case scenario for
9 Charleston, the cost of $14 million to operate Orlando for an
10 additional year was included.
11 The next issue deals with a possible wetlands
12 problem, but in actuality, the R and A staff found no
13 problem. There are 405 acres available for an 80 acre
14 facility. And the Department of Interior has already
15 verified there are no endangered species or critical habitats
16 on the site in question.
17 The final point on the issue slide deals with the
18 base operating cost for Charleston relative to those of New
19 London and Orlando. The revised figures are $3 million per
20 year less expensive than New London; and over $15 million per
21 year less expensive than for Orlando. The Orlando difference
22 is explained by Orlando having to shoulder all the burden of

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1 the base operating costs by itself. The New London
2 difference is based on a revision the Navy conducted in
3 response to R and A staff concerns.
4 My final slide will show a side-by-side comparison
5 of the New London, Charleston and Orlando options. But
6 before we move on to the Orlando scenario, Mr. Chairman, are
7 there any questions on the issues which I have already shown?
8 CHAIRMAN DIXON: Commissioner Steele.
9 COMMISSIONER STEELE: The BOS costs -- just to make
10 sure everything is equal here -- okay, you say the Navy
11 submitted new data, certified data that reduced Charleston's
12 BOS cost by about half from their original estimate, they
13 came back?
14 LIEUTENANT COMMANDER LINDENBAUM: Yes, ma'am, that
15 rect.
16 COMMISSIONER STEELE: Did we apply whatever
17 nale for that change across the board? Do we have
18 everything even?
19 LIEUTENANT COMMANDER LINDENBAUM: The rationale and
20 the certified data call is all correct. The reason why the
21 Navy's BOS costs went down was an error in their initial
22 certified data call, which included the nice east command's

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1 overhead costs in the Charleston Weapons Station cost -- and
2 that is an error. We found the error and then we corrected
3 it. That is why their costs went down.
4 COMMISSIONER STEELE: Okay. Now, looking at
5 Charleston specifically here for a second -- because as we
6 recall there was a national nightly news program on this
7 issue that made it look like we'd be dumber than dirt to
8 accept it, so I'd like to make sure we have it all out
9 here -- the site plan for the Charleston proposal, it
10 includes all of the infrastructure, everything we need? Is
11 it certified? Do we know it is what they need to do at
12 Charleston to move this?
13 LIEUTENANT COMMANDER LINDENBAUM: The R and A
14 staff's COBRA reflects the planning facilities estimate,
15 certified 1391 cost estimate which includes everything.
16 COMMISSIONER STEELE: Okay. Looking at New London
17 for a second, I understand there is a small facility option,
18 that they could have done it, New London. Could you address,
19 again, if we've looked at that and made sure we've looked at
20 all three sites equally?
21 LIEUTENANT COMMANDER LINDENBAUM: The staff's
22 analysis allowed them cost reductions. And I also did --

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1 correction, the staff did a sensitivity analysis which gave
2 New London everything that they wanted in regards to the
3 analysis: a cost reduction; I zeroed out the BOS cost
4 differential; I applied their PCS savings and I used the
5 lower PCS savings. And in the final sensitivity analysis the
6 Charleston option still came out with a $65 million net
7 present value and an annual savings over New London of $2.5
8 million per year.
9 COMMISSIONER STEELE: And the savings are largely
10 due to the fact that even if you had the school in New London
11 or Orlando, you would have to go to Charleston to train at
12 those subs? And that annual recurring savings, if it's at
13 Charleston, indeed, says you're doing what's right for the
14 taxpayers and the Navy in the long haul, to site it there?
15 Is that your testimony?
16 LIEUTENANT COMMANDER LINDENBAUM: Yes, that is
17 correct. And neither of the other two options can get over
18 the fact that one half of the prototype training is already
19 stationed in Charleston. So there will always be a recurring
20 $2.88 million per year savings associated with moving to
21 Charleston.
22 CHAIRMAN DIXON: Thank you, Commissioner Steele.

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1 Are there any other further questions from any other
2 Commissioner?
3 (No response.)
4 CHAIRMAN DIXON: Is there a motion?
5 COMMISSIONER MONTOYA: I think we need to hear the
6 Orlando -- leaving it in place versus moving to Charleston.
7 LIEUTENANT COMMANDER LINDENBAUM: Yes, sir, that's
8 the next.
9 COMMISSIONER MONTOYA: There is another piece yet.
10 CHAIRMAN DIXON: All right.
11 LIEUTENANT COMMANDER LINDENBAUM: On the first
12 slide up in the left of the COBRA analysis you can see the
13 two COBRA analysis -- one submitted from the Orlando
14 community, one submitted from the Department of the Navy upon
15 request.
16 As you can see from the bottom line, there is a
17 very large discrepancy between what the Orlando community
18 feels is correct and what the Navy feels is correct. The
19 basis of this differential can be traced to the base
20 operating budget in the COBRA submitted by the community.
21 They did not increase their base operating budget.
22 They presently are located with the Navy Training

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1 Center, and they share overhead costs with several other
2 commands. If they are to remain as a single, stand alone
3 entity, they must shoulder the burden of all overhead costs.
4 That was not reflected in their community COBRA.
5 It is reflected in the Navy's Orlando option COBRA.
6 And that is why you see a return of investment of, in their
7 words, "never."
8 Are there any questions in regard to the Orlando
9 option?
10 CHAIRMAN DIXON: Are there any questions of
11 Commander Lindenbaum? Commissioner Cox?
12 CHAIRMAN COX: I have a question, just so I make
13 sure I understand. We have a number of these redirects and
14 the same issue would come up, but to make sure I understand
15 how it works. In 1993 we directed the folks from Orlando to
16 New London. At that time we took some savings, presumably,
17 we assumed there were some savings. And now we're
18 redirecting. Nothing ever happened. They didn't actually
19 move yet, they're still in Orlando. And now we're
20 redirecting them to Charleston.
21 One of the concerns that has been raised -- if you
22 just look at all the numbers we could make a lot of money by

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1 just moving people around on paper and never moving them,
2 because every time we move somebody we save money. So I just
3 want to make sure that, in fact, that's not what is
4 happening.
5 One of the things that comes in the COBRA analysis
6 as a savings, if you want to put it that way, is the cost
7 avoidance -- it's cheaper to do it in Charleston than it is
8 in New London. Now, are we including that cost avoidance?
9 LIEUTENANT COMMANDER LINDENBAUM: There is some
10 cost avoidance for not having to build up in New London.
11 There also is some cost -- which is some costs or planning
12 costs -- which have already been conducted in New London, and
13 also to back out of contracts. Those costs are included as a
14 cost to take the Charleston option.
15 COMMISSIONER COX: Right. And so we've already
16 counted that. I mean, in 1993 we counted that cost, whatever
17 it is, and now we're saving it and so it's a savings.
18 Obviously, as always, there is less one-time costs if you
19 stay where you are; if you don't move, there aren't any
20 costs. And that would be in your COBRA model for staying in
21 Orlando, as well.
22 And I guess the question is, that's been raised is

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1 that's not fair. You weren't spending the money to move to
2 New London; in a sense, Orlando is getting hurt by virtue of
3 the fact that you're taking $162 million in savings from the
4 '93 to the '95 redirect and counting it against Orlando. I'm
5 probably not stating that very well. I just want to make
6 sure that that's not what is happening.
7 LIEUTENANT COMMANDER LINDENBAUM: For the Orlando
8 option they are given the benefit of the doubt in both
9 locations, and they were given the higher of the two cost
10 estimates as a savings for keeping the school in that
11 location. Still the recurring costs -- go back to the base
12 operating budget again -- cause that option not to be
13 economically feasible.
14 COMMISSIONER COX: Right. So they got the same
15 credit, so to speak, that Charleston got for the non-
16 necessity of doing the New London building.
17 LIEUTENANT COMMANDER LINDENBAUM: Yes, ma'am, the
18 cost avoidance of not having to build up in New London was
19 also applied to the Orlando option.
20 COMMISSIONER COX: Thank you very much. Are there
21 any further questions?
22 COMMISSIONER MONTOYA: I have a motion, Mr.

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1 Chairman.
2 CHAIRMAN DIXON: Commissioner Montoya.
3 M O T I O N
4 COMMISSIONER MONTOYA: I move that the Commission
5 find that the Secretary of Defense did not deviate
6 substantially from the four structure plan and final criteria
7 and, therefore, that the Commission adopt the following
8 recommendation of the Secretary of Defense: change the
9 receiving site specified by the 1993 Commission, 1993
10 Commission report at page 1-38, for the Nuclear Power School
11 or the Navy Nuclear Power Propulsion Training Center from the
12 submarine school at the Naval Submarine Base, New London to
13 Naval Weapon Station, Charleston, South Carolina.
14 CHAIRMAN DIXON: Is there a second.
15 COMMISSIONER KLING: Second.
16 CHAIRMAN DIXON: And there is a second by
17 Commissioner Kling. Are there any comments?
18 (No response.)
19 CHAIRMAN DIXON: Are there any questions?
20 (No response.)
21 CHAIRMAN DIXON: Counsel will call the roll.
22 MS. CREEDON: Commissioner Montoya.

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1 COMMISSIONER MONTOYA: Aye.
2 MS. CREEDON: Commissioner Robles.
3 COMMISSIONER ROBLES: Aye.
4 MS. CREEDON: Commissioner Steele.
5 COMMISSIONER STEELE: Aye.
6 MS. CREEDON: Commissioner Cornella.
7 COMMISSIONER CORNELLA: Aye.
8 MS. CREEDON: Commissioner Cox.
9 COMMISSIONER COX: Aye.
10 MS. CREEDON: Commissioner Davis is recused.
11 Commissioner Kling.
12 COMMISSIONER KLING: Aye.
13 MS. CREEDON: Mr. Chairman.
14 CHAIRMAN DIXON: Aye.
15 MS. CREEDON: Mr. Chairman, the vote is seven ayes,
16 and zero nays.
17 CHAIRMAN DIXON: And the motion is adopted.
18 MR. YELLIN: Mr. Chairman, we've already done NTTC
19 Meridian, so we can skip over that and Commander Lindenbaum
20 will do the NTC redirect next. That's on E-9.
21 LIEUTENANT COMMANDER LINDENBAUM: Navy training
22 centers redirect has no community objection to this. There

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1 were no communities which even addressed the issue. What it
2 does is removes the reference to Service School Command from
3 the '93 recommendation and allows three schools to be co-
4 located with already existing facilities to get rid of cost
5 avoidance for MILCON.
6 MR. YELLIN: This is merely another one of a kind
7 of a correction to one of the details that came up in the
8 implementation of the major closures of NTC Orlando and San
9 Diego in '93.
10 CHAIRMAN DIXON: Are there any questions of Mr.
11 Yellin on this particular issue?
12 (No response.)
13 CHAIRMAN DIXON: Are there any comments on this
14 issue?
15 (No response.)
16 CHAIRMAN DIXON: Is there a motion?
17 COMMISSIONER MONTOYA: I have a motion, Mr.
18 Chairman.
19 CHAIRMAN DIXON: Commissioner Montoya.
20 M O T I O N
21 COMMISSIONER MONTOYA: I move that the Commission
22 find that the Secretary of Defense did not deviate

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1 substantially from the four structure plan and final criteria
2 and, therefore, that the Commission adopt the following
3 recommendation of the Secretary of Defense:
4 Change the recommendation of the 1993 Commission,
5 1993 Commission report at page 1-38, concerning the closure
6 of Naval Training Center, Orlando, Florida, by deleting all
7 references to Service School Command from the list of major
8 tenants; change the recommendation of the 1993 Commission,
9 1993 Commission Report at page 1-39, concerning the closure
10 of Naval Training Center, San Diego, California, by deleting
11 all references to Service School Command, including Service
12 School Command, electronic warfare, and Service School
13 Command, surface, from the list of major tenants.
14 CHAIRMAN DIXON: Is there a second to the motion by
15 Admiral Montoya?
16 COMMISSIONER KLING: Second, Mr. Chairman.
17 CHAIRMAN DIXON: It is seconded by Commissioner
18 Kling.
19 Are there any statements, questions or comments by
20 any Commissioner?
21 (No response.)
22 CHAIRMAN DIXON: I am advised by counsel, I must

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1 recuse on this vote. Counsel will call the vote, roll call.
2 MS. CREEDON: Commissioner Montoya.
3 COMMISSIONER MONTOYA: Aye.
4 MS. CREEDON: Commissioner Robles.
5 COMMISSIONER ROBLES: Aye.
6 MS. CREEDON: Commissioner Steele.
7 COMMISSIONER STEELE: Aye.
8 MS. CREEDON: Commissioner Cornella.
9 COMMISSIONER CORNELLA: Aye.
10 MS. CREEDON: Commissioner Cox.
11 COMMISSIONER COX: Aye.
12 MS. CREEDON: Commissioner Davis.
13 COMMISSIONER DAVIS: Aye.
14 MS. CREEDON: Commissioner Kling.
15 COMMISSIONER KLING: Aye.
16 MS. CREEDON: Mr. Chairman, with your recusal, the
17 vote is seven ayes, and zero nays.
18 CHAIRMAN DIXON: And the motion is adopted.
19 COMMISSIONER MONTOYA: Mr. Chairman.
20 CHAIRMAN DIXON: Commissioner Montoya.
21 COMMISSIONER MONTOYA: I am looking at the clock
22 and I am looking at the subject matter we are about to go

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1 into. I just want to raise this: I am going to suggest that
2 we take testimony on both Portsmouth and Long Beach entirely
3 before we vote. I suspect that that may take -- the
4 discussion and voting -- may take half-hour or so, so I am
5 prepared to stay and do it. But, I would prefer to wait and
6 quick bite to eat, come back and get on it. Just an idea.
7 CHAIRMAN DIXON: I thank the Commissioner very
8 much. If the Commissioner would indulge me. This is another
9 one of those tough ones, and I think that our lunch will
10 digest more easily if we do this first -- if my Commissioners
11 would indulge me. I would like to get Long Beach and
12 Portsmouth out of the way and then take lunch.
13 Is there any objection to going forward?
14 COMMISSIONER MONTOYA: Only if lunch doesn't become
15 er, sir.
16 CHAIRMAN DIXON: Well, there is always that
17 ibility. Let's see how it goes.
18 Naval Shipyard, Long Beach, California.
19 MR. YELLIN: Larry Jackson will give the staff
20 presentation on shipyards.
21 CHAIRMAN DIXON: Mr. Jackson.
22 MR. JACKSON: Good morning, Commissioners, Mr.

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1 Chairman.
2 Slide F-2, please. Thank you.
3 In the analysis of naval shipyards, capacity is an
4 important topic. Some confusion has risen over the capacity
5 numbers and I would like to clarify that issue before we
6 proceed.
7 The Navy in their analysis used total excess
8 capacity. It is represented here by the white bars. Excess
9 capacity is expressed in thousands of direct labor man years.
10 On this slide, the Navy requirement is represented by the
11 zero line.
12 From left to right, total excess capacity is
13 depicted for the scenarios in which the shipyard is listed
14 below the bar closed. The proposed Navy scenario, in which
15 Long Beach closes, directs approximately 40 percent of the
16 Long Beach workload into the private sector.
17 This effectively reduces the Navy out-year workload
18 requirements. The Department of the Navy did not account for
19 this, instead assuming, in their capacity analysis, that all
20 of the Long Beach workload was assumed by other naval
21 shipyards.
22 R and A staff has estimated the changes to total

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1 excess capacity in those scenarios which entail the closure
2 of Long Beach Naval Shipyard, and they are presented here in
3 black.
4 Essentially, what you have in the scenario where
5 Long Beach and Guam close, 19 percent total excess capacity;
6 staff has added on approximately five more percent of excess
7 capacity to represent 24 percent total. In the scenario
8 which entails the closure of Long Beach, Portsmouth and Guam,
9 we have added on approximately six percent of total excess
10 capacity to have a total of seven percent total excess.
11 Now, the Navy would like for me to point out that
12 there are some 60-40 split issues here that are involved and
13 that those numbers that staff has calculated, they feel,
14 should be a little bit lower.
15 Slide F-3, please.
16 COMMISSIONER KLING: Right now, you are saying --
17 CHAIRMAN DIXON: Commissioner King.
18 COMMISSIONER KLING: I just want to be sure I am
19 with you. Right now, exactly as we stand doing nothing, is
20 29 percent -- give or take excess.
21 With Long Beach and Guam, we will still have 24
22 percent. If they are closed we will still have 24 percent

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1 excess?
2 MR. JACKSON: Yes, sir.
3 MR. YELLIN: The Navy's number is 19 and the
4 staff's number is 24 because the closure of Long Beach, in
5 essence, reduces the Navy's requirement.
6 COMMISSIONER KLING: But there will still more than
7 ample --
8 MR. JACKSON: There is a slight difference, but it
9 is ample; yes, sir.
10 MR. YELLIN: We wanted to bring this up in large
11 part because the one percent number -- and the Navy still
12 supports that number -- the staff believes that it is really
13 seven percent.
14 COMMISSIONER COX: I am sorry, Mr. Yellin. When we
15 were at Portsmouth, they said -- if you close Portsmouth, we
16 will only have an excess capacity of one percent. They were
17 talking about both nuclear and conventional, and assuming
18 that all of the work that they planned to put in the private
19 yards out of Long Beach stayed in the public yards?
20 MR. YELLIN: Yes.
21 COMMISSIONER COX: What you are telling us, if you
22 look at total capacity, which is, given the fact that nuclear

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1 and conventional are different -- perhaps not the right way
2 to look at it, but nonetheless, if you do look at total
3 capacity, that one percent number was off by 5-6 percent?
4 MR. YELLIN: Yes.
5 COMMISSIONER ROBLES: Mr. Jackson, could you define
6 "ample"? You said there would still be ample -- I am just
7 trying to get a base reference here.
8 Yesterday we heard the depot analysis, 85 percent
9 we were shooting for and therefore, 15 percent excess was
10 ample. I am just trying to get what ample is in Navy jargon.
11 MR. YELLIN: I don't think the staff is trying to
12 present that 7 percent is ample or not. We just wanted to
13 get the right number.
14 COMMISSIONER ROBLES: No. You said it was ample,
15 and I am just trying to get what reference -- Are you saying
16 90 percent utilization, 85 percent utilization, 75 percent
17 utilization. What is ample?
18 MR. JACKSON: Sorry, sir. I was talking about the
19 scenario in which Long Beach and Guam closed, where the
20 Department of the Navy has calculated 19 percent excess
21 capacity.
22 COMMISSIONER ROBLES: And that is ample by their

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1 definition? That is what they consider to be sufficient
2 wiggle room, margin -- whatever you want to call it -- to be
3 able to do unforeseen things, surge, whatever.
4 MR. JACKSON: They haven't stated that
5 specifically, but it would give them some wiggle room; yes,
6 sir.
7 MR. YELLIN: And that is supported by their
8 recommendation, so whether it is stated or not, that is
9 implied that this is acceptable to them, and going down to
10 the lesser number is not acceptable to them.
11 COMMISSIONER ROBLES: Okay.
12 CHAIRMAN DIXON: Proceed.
13 MR. JACKSON: You now see before you Slide F-3, in
14 addition to Slide F-2. This slide is unchanged since the
15 adds hearing. It has been the subject of considerable
16 discussion.
17 The Department of the Navy and Portsmouth community
18 have pointed out that the Navy only broke out nuclear
19 capacity in order to prevent reducing their organic/nuclear
20 capacity below acceptable levels.
21 Staff broke out the conventional and nuclear
22 capacity in order to point out the difference in philosophy

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1 the Navy has regarding nuclear and conventional work.
2 Slide F-4, please.
3 COMMISSIONER DAVIS: Before you go on to F-4.
4 MR. JACKSON: Yes,sir.
5 CHAIRMAN DIXON: Commissioner Davis.
6 COMMISSIONER DAVIS: Can you just kind of walk
7 through and tell me what this means?
8 MR. JACKSON: Yes, sir.
9 COMMISSIONER DAVIS: I think I know what it means,
10 but I want to make sure that I totally understand this.
11 MR. JACKSON: This is very much like the slide F-2.
12 At the zero line you have the Navy's requirement -- what they
13 Navy stated their requirement was for capacity, in this case,
14 in the Year 2001.
15 What you see are the bars above the line in black
16 represent the nuclear excess capacity, and that is expressed
17 in thousands of direct labor man years, and I have also
18 included some percentages in there -- and in white, you see
19 the non-nuclear excess capacity.
20 The different pairs of bars correspond to the
21 scenarios depicted down below which are, from left to right,
22 the present, DOD recommendation, and then --

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1 COMMISSIONER DAVIS: Pick an example. Not the one
2 on the left and not the one on the right, and tell me -- in
3 both cases, we have negative capacity in non-nuclear areas.
4 Can that capacity be absorbed in the nuclear excess?
5 MR. JACKSON: It can, and that is why the Navy used
6 total excess capacity.
7 CHAIRMAN DIXON: Thank you, Commissioner Davis.
8 Proceed, Mr. Jackson.
9 MR. JACKSON: Slide F-4, please.
10 This slide presents the DOD recommendation to not
11 close Long Beach Naval Shipyard and the standard figures
12 regarding that recommendation. I would point out that the
13 20-year COBRA savings for the shipyard are quite large. This
14 is a reflection of the large numbers relative to other Navy
15 activities of civilian employees for the most part.
16 I would further point out that with shipyards, it
17 is very difficult to come up with a closure scenario that is
18 not supported by COBRA.
19 COMMISSIONER KLING: So you are totally comfortable
20 with these numbers provided by the Navy?
21 MR. JACKSON: I have run stress tests. I am not
22 totally comfortable with these numbers, but I have run stress

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1 tests on the Long Beach scenario.
2 Long Beach indicated to the Commission and provided
3 us with information that indicated that the shipyard's budget
4 submission to close the shipyard was actually about $433
5 million to close.
6 The Navy's costs in COBRA show $74.5 million to
7 close. What I did, to give the benefit of the doubt to the
8 community and to the shipyard, working with our staff expert,
9 I calculated -- added in all of those savings, all of those
10 costs that were not covered by the $74 million -- and ran a
11 COBRA on that.
12 The results were that you have a one-time cost of
13 $156.35 million.
14 COMMISSIONER KLING: That is the number you are
15 comfortable with?
16 COMMISSIONER COX: And what were the annual
17 savings?
18 MR. JACKSON: The annual savings were reduced from
19 $130.6 million to $114.8 million a year. The 20-year net
20 present value reduced from $1.95 billion to $1.45 billion.
21 So about half-billion.
22 COMMISSIONER DAVIS: ROI?

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1 MR. JACKSON: ROI was two years -- 1999.
2 COMMISSIONER COX: And we have talked about this
3 before in other services -- our number, the COBRA number, the
4 Department of Defense numbers rely on a 2.75 percent discount
5 for a very good reason -- that is the way they came over. We
6 have not tried to change them, but I think many of us -- and
7 certainly even the GAO who reviewed this -- think that the
8 cost of money is considerably higher than 2.75 percent, and
9 recommended that we use a 4.87 percent.
10 Were you able to run those numbers based on a 4.85
11 percent, more realistic cost of money number?
12 MR. JACKSON: Yes, ma'am, we were. There is a more
13 conservative scenario that I ran for Long Beach, also. I ran
14 the DOD submission at the 4.85 percent GAO rate, effectively,
15 and the numbers that result from that -- your 20-year net
16 present value changes to $1.62 billion.
17 COMMISSIONER COX: On the DOD numbers.
18 MR. JACKSON: Yes, ma'am. Now, on the most
19 conservative COBRA run that we ran on the Long Beach Naval
20 Shipyard, in the shipyard scenario when you move work from
21 one shipyard to another, the delta -- the difference in the
22 mandate rates at each shipyard -- are accounted for.

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1 There were savings in the COBRA that resulted from
2 that which I eliminated, again, to give Long Beach the
3 benefit of the doubt.
4 So, in the scenario in which the closure costs were
5 increased, according to the shipyard submission for closure
6 budget, and the mandate rate, delta, was eliminated. I also
7 increased the discount rate.
8 The one-time cost to close remained at $156
9 million. The annual savings remained at $114 million, and
10 the 20-year net present value was not quite $1 billion; it
11 was $992 million.
12 So, you end up with about a billion dollars in 20-
13 year net present value savings.
14 CHAIRMAN DIXON: Any further questions?
15 COMMISSIONER COX: Just to give us the whole
16 area -- I mean, basically, depending on what numbers you use
17 for costs and for savings and a discount rate -- a more
18 reasonable discount rate -- you are looking at -- that would
19 get you, at a low, down to a savings of about $900-something
20 million.
21 MR. JACKSON: $992 -- almost a billion.
22 COMMISSIONER COX: Right, about the same as we

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1 would have saved, for example, on closing Red River. And,
2 the high, using the lowest discount rate -- that I don't
3 think anybody thinks is reasonable -- of 1.95.
4 MR. JACKSON: That is correct.
5 CHAIRMAN DIXON: Are there any further questions?
6 COMMISSIONER STEELE: Just one.
7 CHAIRMAN DIXON: Commissioner Steele.
8 COMMISSIONER STEELE: Just the basic philosophy in
9 the Navy analysis. Your F-3 -- if we adopted the Navy's
10 proposal to close Long Beach and Guam, you would lose more
11 non-nuclear capacity than you have excess on there. And in
12 the Navy's recommendation, I believe they talk about going to
13 the private sector -- I don't know if they use the word
14 "capacity", but on the West Coast they did use private sector
15 when they were looking at their analysis though they
16 testified that they did not measure it -- they assumed the
17 presence of it.
18 On the East Coast, they did not do that. Is that
19 correct?
20 MR. JACKSON: That is correct.
21 CHAIRMAN DIXON: Are there any further questions?
22 COMMISSIONER ROBLES: One quick question.

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1 CHAIRMAN DIXON: Commissioner Robles.
2 COMMISSIONER ROBLES: Did I hear you say earlier --
3 I thought I did and I just want to make sure I heard the
4 right thing; that the Navy could make up that shortfall in
5 conventional capacity with their nuclear excess capacity.
6 MR. JACKSON: That is correct.
7 COMMISSIONER ROBLES: Is that feasible; is that
8 operationally feasible?
9 MR. JACKSON: Yes, sir.
10 COMMISSIONER ROBLES: Would the Navy entertain
11 doing that?
12 MR. JACKSON: Yes, sir. In fact, I have seen
13 schedules proposed with the closure of Long Beach and it is
14 feasible.
15 CHAIRMAN DIXON: Are there any further questions?
16 COMMISSIONER MONTOYA: Mr. Chairman.
17 CHAIRMAN DIXON: Commissioner Montoya.
18 COMMISSIONER MONTOYA: As we are getting close to
19 voting, I think, I would like to -- for my fellow
20 Commissioners -- lay out the issues as I have studied them,
21 for a few moments.
22 CHAIRMAN DIXON: You are recognized, Commissioner

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1 Montoya.
2 COMMISSIONER MONTOYA: Thank you. Let me take a
3 moment and take a page from those that say that numbers are
4 numbers, but -- they are more than numbers when one considers
5 something this significant -- this kind of an asset that,
6 once we give it up, we had better recognize it is gone; it is
7 done. It is out of Navy inventory.
8 I would make no bones about the fact that Navy
9 really wants to close this shipyard.
10 There is no doubt in my mind. At least, the Navy
11 at the leadership level. So get that on the table right
12 away.
13 But, in my looking at this, the Navy has applied
14 two different risk policies to these two shipyards, one in
15 Portsmouth and the one in Long Beach.
16 On the East Coast, the Navy has assessed the
17 capacity in the private sector and in the public yards, and
18 they recognize that there is a high possibility because of
19 the lack of work over the years coming up, that somebody is
20 going to close. They have chosen deliberately that they will
21 keep the -- they are recommending keeping the Portsmouth
22 Naval Shipyard open and let the private sector float the best

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1 it can.
2 On the West Coast another tack has been taken,
3 primarily because of the nuclear issue. The Navy has adopted
4 the policy that they will close the public yard in order to
5 sustain a week private sector workload primarily in the area
6 where the Navy wants to create a mega-home port in the San
7 Diego Area.
8 That is a risk that they have -- I have questioned
9 it and they acknowledged it and they are willing to take it.
10 I have a couple of issues -- first of all, the risk
11 taken is inconsistent when one looks at it on its face and
12 discount the nuclear issue.
13 The Navy is building and plans to build a major
14 home port in San Diego and, to an extent it is severable and
15 distinct from the Long Beach Naval Shipyard issue, however, I
16 have some documentation as late as the 19th of June -- a
17 group of environmental folks wrote you a letter -- and I
18 don't know if you have got it, Mr. Chairman, the 19th June
19 letter.
20 The Navy is in the process of doing an
21 environmental impact statement to do considerable -- I have
22 one here if we need to see it.

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1 The Navy is going to do considerable dredging,
2 considerable filling, considerable construction and bring in
3 additional supports ships into San Diego to do ship repair
4 work if Long Beach closes. The first volley has been fired
5 by this group of people who are saying -- we are going to
6 take that on. We don't like what it is we see.
7 So, I don't have any doubt that the Navy will
8 prevail and have their home port, because NEEPA is procedure,
9 rather than a substantive law, but it could take quite a
10 while.
11 The Navy wants to support the private industry in
12 San Diego because they like to do work on Navy ships next to
13 where the sailors live. But on the other hand, the Navy also
14 says that we are willing to do away with our conventional
15 shipyards and will absorb the work in the non-nuclear yards,
16 which means that if for some reason you have a labor dispute
17 in the San Diego area and the work can be done, or if you do
18 not -- if you are not able to construct that home port in San
19 Diego and you close Long Beach, you are going to be doing
20 Navy work in Bremerton, which is a heck of a lot further from
21 San Diego home-ported ships than the Long Beach Naval
22 Shipyard.

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1 So I find an inconsistency in saying we can absorb
2 the non-nuclear work in nuclear yards, and on the other hand,
3 we want to do all of our repair work in San Diego with the
4 private sector because they are near our sailors.
5 So I find that to be a very inconsistent argument.
6 I have probed the issue of large drydock in Long Beach.
7 Drydock Number one exists there and it handles Enterprise-
8 size aircraft carriers and other large -- hull/large desk
9 ships.
10 In checking with staff, the Navy, in 1993, made
11 Drydock Number One an issue and felt that they needed it. I
12 have asked has the number of big-decked ships gone away since
13 1993? The answer I have; no, that the numbers remain very
14 similar.
15 I had seen correspondence inside the Navy
16 expressing some concern with the loss of Drydock Number one,
17 but I must also be fair and tel you that that correspondence
18 has been seen by the Navy leadership and they are also
19 willing to take that risk.
20 Last, I wish to say that with the closure of
21 McClellan yesterday and now with the closure of Long Beach,
22 one of our criteria -- though down at the bottom -- it

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1 nonetheless is concerning cumulative economic impact on a
2 state or a community.
3 I think clearly the closure of this shipyard,
4 coupled with yesterday's closure, does exactly that. So this
5 Commissioner though, clearly, is going to vote for sustaining
6 the Navy's request to keep Portsmouth open, I have my
7 reservations -- deep reservations about closing this shipyard
8 during these times of uncertainty at this point in the Navy's
9 planning.
10 Thank you for the time, Mr. Chairman.
11 CHAIRMAN DIXON: Thank you, Commissioner Montoya.
12 I regret very much that I feel compelled to respond.
13 I have held my tongue, except for one occasion this
14 morning when I vented some frustration about our votes on
15 Meridian and then the follow-up vote on Corpus Christi.
16 I want to say one more time that there is a purpose
17 for this painful exercise. And, it is that the Congress is
18 not supplying the necessary funding for our Armed Services.
19 The force levels have been cut over 30 percent, the
20 appropriated amounts, 40 percent. We are down to about a
21 1950 level and the reason for these painful exercises is a
22 meaningful reason. It is to find some money to be put to

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1 better uses by the Services in connection with force levels,
2 procurement and other things.
3 Now, every vote taken has been a responsible vote
4 and one that I understand.
5 Clearly, Meridian, Red River, in particular, were
6 difficult votes and an excellent case had been made. The
7 Chair cannot quarrel -- though the Chair did not vote that
8 way -- the Chair did not quarrel too much with the views of
9 this colleague who see that matter otherwise, particularly in
10 the case of Meridian, where you had the very difficult
11 situation where, in effect, the Chief differed with the
12 Secretary.
13 I am sure that that was a very difficult call and
14 everyone will agree it was clearly kind of a risky question.
15 So one had to understand what occurred.
16 Long Beach was placed on here by the Secretary of
17 the Navy. You know, let me say, we put on Portsmouth.
18 That was an act by the Commission. There was a lot
19 of agitation about the fact that the numbers were fairly
20 similar. We went to Portsmouth -- all eight of us. The
21 chief came there. He gave us a very hard case for why you
22 couldn't just look at the numbers.

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1 We all understand that there are other things --
2 you can get a lot of different numbers in this business.
3 Lord knows I would be the first to understand that after many
4 years in public service. You can get a number for almost
5 anything.
6 I think that the Navy has made a strong case
7 concerning their views there. That will, of course, be
8 another issue after we get beyond this issue. But, we are
9 approaching the moment where our actions, if we fail to
10 support the Services on some of the hard decisions, that they
11 didn't like either, I think reflect on the process to some
12 extent.
13 Now, this is a big vote. I know it is a big vote.
14 I know it is a difficult vote. I respect, very much, my
15 friend who has just made the remarks he made. I see the
16 quality of the observation and the emotional soundness
17 expressed by him in respect to the concerns about economic
18 experiences in some of these communities.
19 That is tough. It is really unpleasant. It is
20 probably the hardest thing we do. You don't ever have any
21 fun going to these places and seeing those signs that say --
22 you know, this is the only job I got, and this is my

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1 daughter. There is no fun in that.
2 There is no fun in that. This is nothing but pain.
3 But the question here is, are we going to recognize
4 that it was the same experience -- you know, I am pretty
5 satisfied that the Secretary of the Navy would be delighted
6 if we had the levels we had in the Reagan years that this
7 chairman, as a Senator, voted for. I am not a Republican.
8 I voted for those levels. I voted against those
9 cuts and I don't know how I got in this spot, but now I am
10 here trying to find other money after it is all gone.
11 I know that the Congress is reflecting the views of
12 its constituency. The most amazing thing in this world is,
13 nobody wants to spend more money on defense and nobody wants
14 to close their base.
15 Oh, I can understand that, too. I think that this
16 is probably the critical vote on this whole issue. I had to
17 put everybody on the spot that way, but we have done some big
18 ones here -- Meridian, Red River, Lakehurst.
19 I would just want to say to my colleagues that
20 everything we are looking at is good stuff. Everything we
21 are looking at is good stuff. This is a good port and there
22 is another one in existence that we have looked at -- that is

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1 going to be the next one we look at.
2 The Navy has said to us, we ought to close Naval
3 Shipyard, Long Beach, California. I don't want to close it.
4 I don't want to close it, but I want to support the Navy on
5 this one.
6 Are there any further comments?
7 COMMISSIONER MONTOYA: Mr. Chairman, a short
8 response.
9 CHAIRMAN DIXON: Commissioner Montoya.
10 COMMISSIONER MONTOYA: This is so important that I
11 think we ought to make sure we debate it until we are
12 satisfied. I am sure you would agree with that.
13 CHAIRMAN DIXON: Oh, positively. Please make your
14 statement.
15 COMMISSIONER MONTOYA: Yes, sir. And I don't think
16 in this case -- this is not a matter of money or more
17 appropriations. What this is, it is a zero-sum gain. You
18 are going to have so many ships, you are going to have so
19 much workload, you are going to have so many dollars
20 appropriated to affect that workload.
21 This is a choice of whether you do it in the
22 private sector or the public sector.

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1 As far as Portsmouth goes, the Navy has chosen, for
2 their good reasons, to keep it public. In this case, they
3 have chosen to go the other way. I think there is reason to
4 doubt it, and I would rest there, Mr. Chairman. Thank you.
5 CHAIRMAN DIXON: And I highly regard your opinions
6 and your position. Others may want to press theirs.
7 I just want to say this, in the private sector when
8 people have all of these problems, they close down plants,
9 they lay off people -- they worry about the bottom line. I
10 realize we are talking about the government.
11 The government has a bottom line, too. A lot of
12 people are being criticized -- I want to say this as a favor
13 to Congress
14 -- A lot of people are being criticized in the Congress for
15 making a lot of tough cuts right now. People back home
16 say -- holy cow, they hit me that time. I don't like it now.
17 All the other cuts were great, but, now, this one affects me.
18 I am not too happy about this cut.
19 I say that this is an unpleasant piece of duty
20 requiring us to bite the bullet and do some things we don't
21 want to do. And if we are not saving any money, we ought not
22 to be in existence.

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1 We ought not to be going through this exercise if
2 it is not about that.
3 Are there any other comments?
4 COMMISSIONER CORNELLA: Mr. Chairman, I have a
5 [illegible]ent.
6 CHAIRMAN DIXON: Commissioner Cornella.
7 COMMISSIONER CORNELLA: You said a few moments ago
8 that you love us, and I want to tell you -- we love you, too.
9 As long as we are having this love-in, I have to express a
10 little bit of it.
11 CHAIRMAN DIXON: Commissioner Cornella.
12 COMMISSIONER CORNELLA: I mean that, because we
13 have traveled to and fro across this country many times
14 together and got to know each other, and really appreciate
15 and respect each other's opinion.
16 This is a difficult, difficulty process. We have
17 said it a thousand times, and I guess that makes a thousand
18 and one. There have been three previous rounds and now we
19 are down to tough decisions.
20 What we are seeing here today, I think, is the
21 frustration of those tough decisions. We are acting as an
22 independent commission and if we feel, at times, in my

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1 opinion, that certain installations have to come off the list
2 and we don't generate the savings, I guess that is a problem
3 that I can deal with.
4 I don't believe that we can be a rubber stamp for
5 the Department of Defense. I know that is not what Chairman
6 Dixon is indicating, but I feel it is important that we treat
7 each individual installation as a separate installation from
8 this point forward and not say that because we have to
9 produce a certain amount of savings that we are going to vote
10 a certain way.
11 Those are my comments, sir, and I still love you.
12 CHAIRMAN DIXON: Thank you, Commissioner Cornella.
13 [illegible]eeling is mutual.
14 Anybody else have anything to say?
15 COMMISSIONER COX: Mr. Chairman.
16 CHAIRMAN DIXON: Commissioner Cox.
17 COMMISSIONER COX: I want to echo Commissioner
18 Cornella's, as well. I do think we have to -- we are here to
19 provide some independent judgment. We are also very aware
20 that the statute and our mission is to give the Department of
21 Defense an enormous presumption and I hope we are all doing
22 that, as much as possible.

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1 As to the specifics of Long Beach, let me just say
2 that this is an issue of inconsistency to some extent. And,
3 it is true, if the issue were that we wanted to privatize
4 more, that would be fine. But the impact of this is not just
5 that the Department of Defense is deciding to privatize on
6 the East Coast, or conventional versus nuclear -- but, there
7 is literally picking risks and the risks that they are
8 picking are -- you know, do we have enough drydock capability
9 for the long ships, versus the nuclear -- and they are
10 deciding.
11 They are deciding to protect the private sector,
12 which is fine, on the West Coast. The actual impact of this,
13 given the 60-40 rule, is they put all of the dollars that
14 they say they plan to put on the West Coast into the private
15 sector -- they will have to take dollars out of the private
16 sector on the East Coast.
17 This is not a philosophical decision on behalf of
18 the Department of Defense, that private sector is good. It
19 is a decision that they are going to move private sector on
20 the West Coast. And I also want to echo Ben's views, that
21 [illegible] sort of theory that this going to help the fleet by
22 [illegible]ng the work back to the fleet in San Diego, which is not

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1 necessarily true.
2 One, 60 percent of it, because it is the large
3 ships, are not going to go into San Diego. They can't fit
4 into San Diego, they don't have a dock in San Diego. It is
5 going up a long ways from the home port in San Diego.
6 From that perspective, as well, even the stuff that
7 is available to San Diego in the private sector, after they
8 take it out of the private sector on the East Coast, is not
9 necessarily going to San Diego. It gets bid all up and down
10 that West Coast.
11 So, this sort of -- you know, we are doing this to
12 help the fleet and be helpful and bring this work back home
13 to the soldiers, I question the value of that. I do have a
14 concern and I think we have to give that independent look
15 ourselves.
16 CHAIRMAN DIXON: Thank you, Commissioner Cox.
17 Commissioner King.
18 COMMISSIONER KLING: I have to say that I --
19 everything in life is a risk. We have a risk in every one of
20 the motions that we have looked at and the votes we have
21 taken. In all of them that I have looked at, this is one
22 that I believe that we have the ability -- that we can take

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1 this risk, I should say.
2 We do this other places. A risk is when you have
3 no back up and when you don't know what to do about it. This
4 one, we know what to do with. We, at least, have the ability
5 in the private sector to handle, without a question of a
6 doubt.
7 I also go then to the fact that the Chief made a
8 very, very strong case about Portsmouth. He came to
9 Portsmouth. He talked to us about Portsmouth. I believe he
10 has made the same case, reverse, here: They need this one
11 taken down because they have the ability to handle it in
12 other manners.
13 Having said that, I guess we can all make our great
14 statements -- I, for one, am totally supportive of the
15 Department's recommendation as respects Long Beach and that
16 is where I would come from. I am prepared to make that
17 motion whenever anybody is ready.
18 CHAIRMAN DIXON: Thank you, Commissioner Kling.
19 Are there any more statements, arguments or questions before
20 Commissioner Kling's put his motion?
21 COMMISSIONER ROBLES: Yes, sir.
22 CHAIRMAN DIXON: Commissioner Robles.

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1 COMMISSIONER ROBLES: The tough call about this
2 one, as everybody has said, is the fact that the economics
3 are not compelling in this one -- they are overwhelming. But
4 I think it is also, since we are here making statements for
5 the record and making sure everybody knows what our
6 philosophical underpinning is -- Our criteria that we are
7 looking at, the eight criteria -- the first four are military
8 value.
9 Those ought to be the pre-eminent criteria to look
10 at. Economics are certainly underpinning all of that. We
11 did not create the economic hole in the Department of
12 Defense. I don't believe this Commission withdrew any budget
13 authority from the Department of Defense.
14 The Department of Defense did not withdraw its own
15 budget authority.
16 This -- the rest of the Congress has a share in
17 this business because it is the United States Congress
18 dealing with a whole magnitude of problems that has, in fact,
19 we want a down-payment on the end of the Cold War, and we are
20 going to start to take budget authority out of the Department
21 of Defense.
22 Always faster than the structure is coming out.

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1 Always faster. There is at least a 10 to 15 percent
2 differential between structure coming down and resources
3 coming out.
4 I lived that during the last six or seven years,
5 that caused me to not sleep many nights trying to figure out
6 how to balance the books. Now we are faced with an issue
7 directly that revolves around that very simple issue.
8 I dare say that if the Department of the Navy had
9 the adequate budget authority, this facility would not be on
10 this list today. But, given that they had no option, they
11 had to put it on the list and we are here arguing the fine
12 points of it.
13 I don't say that the economics are not
14 overwhelming, and I would not want to cast a vote to harm
15 future readiness, but I think all of us ought to remember --
16 we didn't create this problem and this is a bigger problem
17 than BRAC 1995.
18 CHAIRMAN DIXON: I want to thank my colleague for
19 expressing more eloquently than I was able to, and from his
20 own personal experience, what I wanted to say. That was very
21 well put. I thank him.
22 Are there any other comments? Are there any

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1 questions?
2 (No response.)
3 CHAIRMAN DIXON: Is there a motion? Commissioner
4 Kling.
5 MOTION
6 COMMISSIONER KLING: I move that the Commission
7 find that the Secretary of Defense did not deviate
8 substantially from the four structure plan and final
9 criteria, and therefore, that the Commission adopt the
10 following recommendation of the Secretary of Defense:
11 Close the Naval Shipyard, Long Beach, California,
12 except retain sonar dome government-owned contractor operator
13 facilities and those family housing units needed to fulfill
14 the Department of Navy's requirements, particularly those at
15 Naval Weapon Station, Seal Beach, California; relocate
16 necessary personnel to other naval activities, as
17 appropriate, primarily Naval Weapon Station, Seal Beach, and
18 naval activities in the San Diego, California Area.
19 CHAIRMAN DIXON: I second the motion. Are there
20 any further comments?
21 (No response.)
22 CHAIRMAN DIXON: Counsel will call the role.

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1 MS. CREEDON: Mr. Chairman.
2 CHAIRMAN DIXON: Aye.
3 MS. CREEDON: Mr. Kling.
4 COMMISSIONER KLING: Aye.
5 MS. CREEDON: Commissioner Montoya.
6 COMMISSIONER MONTOYA: Nay.
7 MS. CREEDON: Commissioner Robles.
8 COMMISSIONER ROBLES: Aye.
9 MS. CREEDON: Commissioner Steele.
10 COMMISSIONER STEELE: Aye. I am just going to make
11 a comment for one second here. I agree a thousand percent
12 with what Commissioner Robles has said, and I feel the Navy
13 has picked and selected artificially their logic on East
14 Coast, but that said, I am still going to vote "aye".
15 MS. CREEDON: Commissioner Cornella.
16 COMMISSIONER CORNELLA: Aye.
17 MS. CREEDON: Commissioner Cox.
18 COMMISSIONER COX: Nay.
19 MS. CREEDON: Commissioner Davis.
20 COMMISSIONER DAVIS: Aye.
21 MS. CREEDON: Mr. Chairman, the vote is six ayes
22 and two nays.

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1 CHAIRMAN DIXON: The vote is six ayes, two nays,
2 and we support the recommendation of the Secretary of Defense
3 that Long Beach be closed.
4 Now, ladies and gentlemen and Commissioners,
5 Portsmouth was put on the list by a vote of the Commission.
6 It is an add-on. As such, I will remind the Commission again
7 that it requires a direct activity by the Commission to
8 close. And if there is no motion, Portsmouth remains open.
9 Is there any motion on Portsmouth?
10 (No response.)
11 CHAIRMAN DIXON: I will ask a second time. Is
12 there any motion on Portsmouth.
13 (No response.)
14 CHAIRMAN DIXON: Portsmouth open.
15 COMMISSIONER MONTOYA: I am hungry, Mr. Chairman.
16 CHAIRMAN DIXON: We will recess for lunch until one
17 o'clock.
18 (A luncheon recess was held at 12:25 p.m.)

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1 AFTERNOON SESSION
2 CHAIRMAN DIXON: Okay, ladies and gentlemen. If I
3 am reading my schedule correctly and the agenda, we are now
4 at Naval Shipyard, Philadelphia, Norfolk Detachment,
5 Pennsylvania; is that correct?
6 MR. YELLIN: Yes, sir.
7 CHAIRMAN DIXON: Mr. Jackson and Mr. Yellin.
8 MR. YELLIN: Yes, sir. We would like to proceed.
9 CHAIRMAN DIXON: Please do.
10 MR. JACKSON: These are the pertinent numbers on
11 the Norfolk Detachment of the Philadelphia Naval Shipyard.
12 This completes the closure of the 1991 Commission and will
13 facilitate community re-use.
14 The savings of approximately $8.8 million a year
15 result from not having to pay for any base operating support
16 costs.
17 MR. YELLIN: Mr. Chairman, in 1991, the Navy
18 indicated that they needed to maintain the Philadelphia
19 Shipyard Drydocks and facilities in a mothball status.
20 Consistent with their presentation on Long Beach, they say
21 they no longer need to keep drydocks - large drydocks --
22 Philadelphia has two carrier drydocks; they no longer keep

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1 these as an insurance policy.
2 That is consistent with their Long Beach position.
3 CHAIRMAN DIXON: This supports that desire on the
4 part of the Navy?
5 MR. YELLIN: To get out of the cost of operating --
6 they don't need them any more and they are going to put them
7 out for community re-use.
8 CHAIRMAN DIXON: Are there any comments, or may I
9 turn to Commissioner Montoya for a motion?
10 COMMISSIONER MONTOYA: You may.
11 CHAIRMAN DIXON: Commissioner Montoya.
12 MOTION
13 COMMISSIONER MONTOYA: I move that the Commission
14 find that the Secretary of Defense did not deviate
15 substantially from the four structure plan and final
16 criteria, and therefore, that the Commission adopt the
17 following recommendation of the Secretary of Defense:
18 Change the recommendation of the 1991 Commission
19 related to the closure of the Philadelphia Naval Shipyard,
20 Commission Report at page 5-28, to delete "and preservation",
21 line 5, and "for emergent requirements", line 6-7.
22 CHAIRMAN DIXON: I second that motion. Are there

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1 any comments?
2 (No response.)
CHAIRMAN DIXON: Counsel, call the role.
MS. KING: Commissioner Montoya.
5 COMMISSIONER MONTOYA: Aye.
6 COMMISSIONER COX: Commissioner Robles.
7 COMMISSIONER ROBLES: Aye.
8 MS. KING: Commissioner Steele.
9 COMMISSIONER STEELE: Aye.
10 MS. KING: Commissioner Cornella.
11 COMMISSIONER CORNELLA: Aye.
12 MS. KING: Commissioner Cox.
13 COMMISSIONER COX: Aye.
14 MS. KING: Commissioner Davis.
15 COMMISSIONER DAVIS: Aye.
16 MS. KING: Commissioner Kling.
17 COMMISSIONER KLING: Aye.
18 MS. KING: Mr. Chairman.
19 CHAIRMAN DIXON: Aye.
20 MS. KING: Mr. Chairman, the vote is eight ayes and
21 zero nays.
22 CHAIRMAN DIXON: The motion carries unanimously.

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1 Naval Underwater Warfare Center, Keyport.
2 MR. YELLIN: Next, we have the supervisor,
3 shipbuilding on the scheduling next, I think, Mr. Chairman.
4 No.
5 MR. JACKSON: Keyport is next, sir. Slide F-14 and
6 F-15.
7 This slide presents the standard information
8 regarding the Naval Undersea Warfare Center in Keyport,
9 Washington. The mission of NUWC, Keyport, is to provide
10 tests, evaluation, in-service engineering, maintenance and
11 industrial support for undersea warfare systems.
A substantial portion of the industrial workload at
NUWC, Keyport, can easily be assumed by the Puget Sound Naval
14 Shipyard. Doing so will allow Naval Undersea Warfare Center,
15 Keyport, to consolidate its operations onto government
16 property. Currently, they have some leased storage.
17 This is a win-win for both activities.
18 CHAIRMAN DIXON: Good.
19 COMMISSIONER MONTOYA: Mr. Chairman, I have a
20 motion.
21 CHAIRMAN DIXON: If there are no comments,
22 Commissioner Montoya is recognized for a motion.

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1 (No response.)
2 MOTION
3 COMMISSIONER MONTOYA: I move that the Commission
4 find that the Secretary of Defense did not deviate
5 substantially from the four structure plan and final criteria
6 and, therefore, that the Commission adopt the following
7 recommendation of the Secretary of Defense:
8 Realign Naval Undersea Warfare Center, Keyport,
9 Washington, by moving its ships, combat systems, console
10 refurbishment, depot maintenance and general industrial
11 workload to Naval Shipyard, Puget Sound, Bremerton,
12 Washington.
13 CHAIRMAN DIXON: Second the motion. Any comments?
14 (No response.)
15 CHAIRMAN DIXON: Counsel, call the role.
16 MS. KING: Commissioner Montoya.
17 COMMISSIONER MONTOYA: Aye.
18 MS. KING: Commissioner Robles.
19 COMMISSIONER ROBLES: Aye.
20 MS. KING: Commissioner Steele.
COMMISSIONER STEELE: Aye.
MS. KING: Commissioner Cornella.

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1 COMMISSIONER MONTOYA: Aye.
2 MS. KING: Commissioner Cox.
3 COMMISSIONER COX: Aye.
4 MS. KING: Commissioner Davis.
5 COMMISSIONER DAVIS: Aye.
6 MS. KING: Commissioner Kling.
7 COMMISSIONER KLING: Aye.
8 MS. KING: Mr. Chairman.
9 CHAIRMAN DIXON: Aye.
10 MS. KING: Mr. Chairman, the vote is eight ayes,
11 and zero nays.
12 CHAIRMAN DIXON: The motion is adopted unanimously.
13 Supervisor, Shipbuilding, Conversion and Repair,
14 San Francisco.
15 MR. JACKSON: Slides F-11 and F-12. Slide F-11
16 presents the standard information regarding the supervisors
17 of shipbuilding, conversion and repair. The mission of the
18 SUPSHIPS is to oversee private shipyard work being conducted
19 for the Navy, whether it is new construction or ship
20 maintenance.
21 With the closure of Navy home ports in the Long
22 Beach Area, the SUPSHIP in that area has seen a considerable

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1 decrease in workload. The Navy has recommended SUPSHIP Long
2 Beach foreclosure.
3 Supervisor, Shipbuilding San Francisco was removed
4 by the Secretary of the Navy for economic impact reasons and
5 added by the Commission for consideration, on May 10th.
6 CHAIRMAN DIXON: Any questions of Mr. Jackson?
7 (No response.)
8 CHAIRMAN DIXON: Commissioner Montoya.
9 MOTION
10 COMMISSIONER MONTOYA: Mr. Chairman, I move that
11 the Commission find that the Secretary of Defense did not
12 deviate substantially from the four structure plan and final
13 criteria and, therefore, that the Commission adopt the
14 following recommendation of the Secretary of Defense:
15 Disestablish supervisor, shipbuilding, conversion
16 and repair, United States Navy, Long Beach, California;
17 relocate certain functions, personnel and equipment to
18 Supervisor, Shipbuilding, Conversion and Repair, United
19 States Navy, San Diego, California.
20 CHAIRMAN DIXON: Second the motion. Any comments?
21 (No response.)
22 CHAIRMAN DIXON: Counsel will call the role.

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1 MS. KING: Commissioner Montoya.
2 COMMISSIONER MONTOYA: Aye.
3 MS. KING: Commissioner Robles.
4 COMMISSIONER ROBLES: Aye.
5 MS. KING: Commissioner Steele.
6 COMMISSIONER STEELE: Aye,.
7 MS. KING: Commissioner Cornella.
8 COMMISSIONER CORNELLA: Aye.
9 MS. KING: Commissioner Cox.
10 COMMISSIONER COX: Aye.
11 MS. KING: Commissioner Davis.
12 COMMISSIONER DAVIS: Aye.
13 MS. KING: Commissioner Kling.
14 COMMISSIONER KLING: Aye.
15 MS. KING: Mr. Chairman.
16 CHAIRMAN DIXON: Aye.
17 MS. KING: Mr. Chairman, the vote is eight ayes,
18 zero nays.
19 CHAIRMAN DIXON: The motion carries.
20 Now, is it Supervisor, Shipbuilding, Conversion and
21 Repair, San Francisco, California. Understand this is an add
22 on.

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1 MR. YELLIN: Yes, sir. The staff's assessment is,
2 when we reviewed this, was that this group is already being
3 realigned and down-sized in an appropriate manner. Closure
4 would be disruptive to their plan, which appears to be
5 appropriate for the --
6 CHAIRMAN DIXON: In view of what Mr. Yellin is
7 saying, is there any activity by any Commissioner that is
8 desired on this?
9 (No response.)
10 CHAIRMAN DIXON: If not, I remind you once again
11 that the Chair has the power to declare this -- well, I don't
12 know what I declare.
13 San Francisco will remain open.
14 MR. YELLIN: The next category, Mr. Chairman, is
15 Navy Fleet and Industrial Supply Centers. David Epstein will
16 be making the presentations. Please put up -- Oakland is
17 first. Please put up G-2 and G-3.
18 MR. EPSTEIN: FISC Oakland was not on the Secretary
19 of Defense's list. The COBRA prepared by the BSAT and
20 provided to staff in March showed a net present value savings
21 of $228 million.
22 It was removed from consideration by the Secretary

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1 of the Navy because of his concern over cumulative job
2 losses. The data on the slide on your left were calculated
3 by the BSAT after the Commission placed the FISC on the list
4 for closure consideration.
5 These data reflect an NPV, net present value, of
6 $151 million savings. Please also note, the FISC is ranked
7 7th of the eight Navy FISCs.
8 FISC Oakland is currently providing support to
9 local activities, most of which were closed by BRAC 1993.
10 With the impending closure of these sites and the relocation
11 of the carrier and other ships previously home-ported at NAS
12 Alameda, FISC's workload and employment levels are dropping.
13 After 1998, its sole responsibility will be as host
14 to its
15 30-odd tenants, and under current plans, the FISC itself will
16 be down to 20 by 1998.
17 A major justification given in 1993 for keeping
18 FISC Oakland was that it provided vital support to various
19 overseas locations. Since then, the Navy has made other
20 arrangement for support of these commands.
21 The major issues which were identified by community
22 and Navy deal with re-use. Under Congressional legislation,

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1 the Secretary of the Navy was authorized to lease FISC
2 Oakland land to the Port of Oakland for 50 years.
3 Originally, the land was to be leased at fair
4 market value, but a revision to the legislation changed the
5 payment to $1 per year.
6 FISC Oakland owns land in three Bay Area
7 jurisdictions: Oakland, Alameda and Richmond. Each
8 jurisdiction has its own opinion as to what should happen to
9 the land within its borders.
10 Alameda wants to have the land within that city,
11 BRAC'd, and plans to use the approximately 169 acres of FISC
12 land which lie within its borders and adjoins NAS Alameda,
13 which was closed by BRAC 1993, for an industrial park and for
14 housing.
15 Within Richmond lies the Point Molate Naval Fuel
16 Depot of FISC Oakland, which ceased fuel operations and is
17 scheduled to close this Fiscal Year. It contains buildings
18 on the national register of historic places.
19 The City hopes the facility will be BRAC'd and that
20 it will be transferred to it for $1. The property must be
21 determined clean by standards established by various EPAs.
22 Under Public Law 100-180, Section 2338, as amended,

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1 the Secretary of the Navy was authorized to sign the 50-year
2 lease. The Navy has been in active negotiations with Port of
3 Oakland, which operates as part of the city and plans to
4 build a huge intermodal project.
5 This project is anticipated to generate numerous
6 new jobs. The city and Navy recently signed leases for two
7 of four parcels of FISC land and expressed concern that if
8 the remaining parcels are handled through the BRAC process,
9 availability of the land may be delayed.
10 The estimated cost of the intermodal facility is
11 $500 million and project delays might make investors nervous
12 and possibly result in the projects cancellation. Thus, the
13 city desires to insure no FISC open land, with the possible
14 exception of a specific 75-acre area not considered for
15 lease, be slated for any Commission action.
16 The discussion about the desire of the three
17 municipalities may be a little confusing, so let me show you
18 a slide which summarizes the alternatives.
19 Please put up Slide NBU-50.
20 First alternative is to do nothing, thus keeping
21 FISC Oakland and all the land in Oakland available for lease.
22 Second possibility is to vote to close all of FISC

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1 Oakland, including all of its lands.
2 A third possibility to vote to close all of FISC
3 Oakland, including all its land and move DFAS and Military
4 Sea Command, the two major tenants, to government-owned
5 space.
6 The fourth possibility is to realign FISC Oakland,
7 including closing Point Molate, closing the Navy Supply
8 Annex, Alameda, closing FISC Oakland, and retaining all but
9 75 specifically described acres of land.
10 The fifth possibility is to realign FISC Oakland
11 only closing Point Molate and Alameda.
12 Of particular concern to R and A staff was the DOD
13 recommendation to move Military Sea Command, Pacific, and
14 DFAS, to lease space in Oakland. Staff believes government
15 space is almost always preferable to leased space,
16 particularly when space is available on a DOD facility which
17 can provide or share personnel, security and base operating
18 costs.
19 R and A staff also requested BSAT run an excursion
20 reflecting moving into government-owned space at Oakland Army
21 Base. The lower savings $49 million, which appears in the
22 lower right-hand corner of the slide, were attributable to

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1 $62 million in one-time costs in buildings occupied until one
2 year ago, and to a very high base operating support at Army
3 Oakland.
4 R and A staff would have preferred to recommend
5 movement into government-owned space, but given this
6 scenario, it is strongly recommended that government-owned
7 facilities be carefully considered.
8 Does anybody have any questions?
9 CHAIRMAN DIXON: Thank you, Mr. Epstein. Are there
10 any questions or comments?
11 COMMISSIONER KLING: Yes,sir.
12 CHAIRMAN DIXON: Commissioner Kling.
13 COMMISSIONER KLING: The question is -- I believe
14 Commissioner Steele was there, and Commissioner Cornella and
15 I were there. One of the big issues -- and I just want to be
16 sure we get this -- and I believe I understand it, and I
17 believe I asked our counsel the question, but one of the big
18 issues was -- The legislation allowed Navy to go ahead and to
19 lease with an option to buy, or lease and at the end of the
20 period, transfer the property to the port. We were concerned
21 that by closing it, we would affect that lease that is in the
22 process of being signed. I don't think it has been signed

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1 completely yet, but it is the next thing to it.
2 I believe counsel has said closing this will not
3 t the legislation, and that that lease and the ability
e the property to the community can go forward as they
5 negotiated. Is that correct?
6 MR. EPSTEIN: That is my understanding, sir.
7 COMMISSIONER KLING: Then the next point with this,
8 and I believe everybody is kind of comfortable with that -- I
9 know the Commander was very adamant and very comfortable with
10 that, as well. The other point was is that in one of the
11 adjacent buildings, that the accounting function was in the
12 process of moving to another building and to taking this old
13 warehousing space -- and I believe attempting to renovate it
14 and to move the complete accounting facilities for the area
15 into this property, that if I remember was going to be at
16 something like $150 a square foot.
17 I may be wrong with that figure, but it was a
18 substantial sum of money that we questioned -- why go into
19 leased space and why not go into government-owned spaces?
20 Did I get that right or wrong?
21 MR. EPSTEIN: It is my understanding that DFAS has
22 requested $18 million for that MILCON Project.

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1 COMMISSIONER KLING: And the square feet was, if I
2 remember, 125,000. So if you divide that back, you get
3 almost $150 a square foot, which is an enormously high cost
4 to go in and spend. But I guess we are rejuvenating pretty
5 old property, where you could certainly go and build a new
6 building, maybe.
7 MR. YELLIN: Yes, sir. Those kind of conversion
8 costs come close to new buildings.
9 COMMISSIONER KLING: Anyway, so that is pretty much
10 where we were. I believe, Mr. Cornella, are you in agreement
11 with that?
1 COMMISSIONER CORNELLA: Yes, I am to a point. I
1 that was our concern, but my question is this: It was
14 understanding this is basically going away by itself. Is
15 that not correct?
16 MS. KING: If you re referring to the whole
17 facility.
18 COMMISSIONER CORNELLA: I am talking FISC Oakland
19 is what I am referring to.
20 MR. EPSTEIN: FISC --
21 COMMISSIONER CORNELLA: Except for 36 to 46 acres,
22 somewhere in that number that the Navy would retain. The

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1 remainder of it would be released to the Port of Oakland or
2 the City of Oakland for $1. Now, there was special
3 legislation created in the United States Congress in order to
4 make that happen.
5 Now, what are we accomplishing by BRACing this
6 thing, rather than letting that go forth?
7 MR. EPSTEIN: Potentially saving $150 million.
8 COMMISSIONER CORNELLA: How are we going to save
9 that $150 million without interfering with the process as
10 they have set it up -- the United States Congress?
11 MR. EPSTEIN: It is my understanding that any BRAC
12 action that closes the facility will not affect the ability
13 to conduct that lease.
14 COMMISSIONER CORNELLA: Where are we getting that
15 $150?
16 MR. EPSTEIN: We are getting rid of a huge
17 infrastructure that is going to remain to keep the tenants --
18 COMMISSIONER CORNELLA: I just asked if it was
19 going away regardless --
20 MR. YELLIN: Commissioner Cornella, the issue
2 e -- we need to make a distinction -- is supply center
tions are going away, in essence, but FISC Oakland

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1 employees will have to be retained, significant number of
2 them to act as building managers, building operators for the
3 government tenants that are planned to remain.
4 COMMISSIONER CORNELLA: Now this in the 36 to 46
5 acres that remain?
6 MR. EPSTEIN: Yes, sir. This is to retain
7 basically -- to be the landlord for the many government
8 tenants -- primarily, the biggest ones are the DFAS and the
9 MSC that will retain there, and there is a significant cost
10 to continue to operate that property for those people. That
11 is the primary basis for the savings, is eliminating that.
12 COMMISSIONER CORNELLA: Under option four, we have
13 retain all but 75 acres of land.
14 MR. EPSTEIN: Yes,sir. It is a specific 75 acres
15 that we have tentative longitude and latitude markings for.
16 MR. YELLIN: But that would not create the savings
17 that we are showing for the closure scenario.
18 COMMISSIONER CORNELLA: Well, I have to tell you, I
19 visited this thing. I have been here for two days and
20 haven't been confused on any issue -- I am confused because I
21 don't understand why we are doing this. I know you can say,
22 well, we can't get 4150 million.

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1 Those figures are higher than I thought we saw when
2 we were out there in Oakland, and when we talked about
3 whether or not this should be BRAC'd, and it would interfere
4 with that process.
5 This is not what I was expecting today, I guess.
6 I know we have talked about all of this and I know
7 no one is bringing up something on short notice here, but
8 without understanding this further, it would be difficult for
9 me to support it.
10 COMMISSIONER COX: I wasn't there, so I am really
11 confused.
12 CHAIRMAN DIXON: Commissioner Cox.
13 COMMISSIONER COX: Could I ask a couple of
14 questions? Can we first break out the Molate and Alameda?
15 They're three different parcels of land, right?
16 MR. EPSTEIN: Yes, ma'am.
17 COMMISSIONER COX: Something in Richmond, something
18 in Alameda, and then the Oakland. So forget Oakland for a
19 minute. Richmond and Alameda, are those lands at all
20 involved in the lease?
21 MR. EPSTEIN: There is special legislation that
22 could potentially affect Alameda, but the city of Alameda

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1 would prefer to get the land through the BRAC process,
2 instead of taking their chances with the lease.
3 COMMISSIONER COX: Does the Navy agree?
4 MR. EPSTEIN: For no -- no exception taken to that
5 position.
6 COMMISSIONER COX: No, do -- I mean, no exception
7 taken -- I mean, did we call them up and say, "Jeez, we'd
8 like to at least move that portion of land," and they said,
9 "Okay, fine"?
10 MR. EPSTEIN: No.
11 MR. YELLIN: Counsel, I'm not sure if you could
12 help us with this, but it's our understanding that the Navy's
13 judgment is that they would prefer not to continue to be the
14 landlord. If the community needs this property over the long
15 term, they would prefer to have it be excessed and
16 transferred to the community.
17 COMMISSIONER COX: So they would agree on that
18 portion, and we're clear that the Alameda and Richmond
19 portions, at least at the moment, are not involved in
20 whatever they're trying to do at the Oakland terminal?
21 MR. EPSTEIN: That's correct.
22 COMMISSIONER KLING: But they do want that

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1 property.
2 MR. EPSTEIN: The communities would like the
3 property.
4 COMMISSIONER COX: The communities want the
5 property.
6 COMMISSIONER KLING: As I remember, the Navy would
7 like to give it to them.
8 COMMISSIONER COX: Does the Port of Oakland object
9 to Alameda and Richmond getting their property?
10 MR. YELLIN: No.
11 COMMISSIONER KLING: No.
12 COMMISSIONER COX: No. So maybe we could sort --
13 okay. That's those two.
14 Now, this is where I get really confused.
15 COMMISSIONER KLING: Well, it would be helpful if
16 our counsel would explain a little something to do with the
17 lease, I believe, too, and the legislation. I think it will
18 help.
19 CHAIRMAN DIXON: All right. Let's try that.
20 MS. CREEDON: The legislation provides the
21 Secretary of the Navy with discretionary authority to enter
22 into leases with the Port of Oakland, the City of Oakland,

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1 and the City of Alameda. It's discretionary authority, and
2 it's long-term discretionary authority at minimal
3 compensation. That discretionary authority is compatible
4 with the decision to close.
5 The Secretary of the Navy still retains that
6 discretionary authority to enter into all of those leases,
7 notwithstanding whether the property is open or closed under
8 BRAC.
9 COMMISSIONER COX: My understanding is that at
10 least two leases have been entered into.
11 MS. CREEDON: Two leases have been entered into,
12 and those leases are not defeated by the closure of FISC
13 Oakland; those leases would remain in full force and effect
14 until such time as the parties may make some other
15 arrangements.
16 COMMISSIONER COX: And do any costs on either side
17 get changed? In other words, right now they have a lease to
18 do something. By virtue of our BRAC'ing it, does the Navy
19 get out of something it agreed to do under that lease, or
20 agreed to do as part of that lease, or does the community get
21 something more by not BRAC'ing it versus not BRAC'ing it?
22 MS. CREEDON: The terms and conditions of the lease

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1 would stay in effect until such time as the parties did
2 something else, so this would not have an impact on the
3 lease, unless the parties wanted to do something different.
4 What this does is it provides the opportunity for
5 the community, if they should desire, to act to get ownership
6 of the land, rather than just a leasehold interest in the
7 land.
8 COMMISSIONER COX: My understanding -- and, again,
9 I really don't have an understanding, so what I had heard,
10 anyway -- was that part of the problem here is that the Navy
11 had agreed to do something as part of this lease, as part of
12 the process that this lease is going through, that, if we
13 close it, they would not then have to do. I'm not even sure
14 what that was -- move tenants, pay something -- I don't know.
15 Is that --
16 MS. CREEDON: Well, the legislation allows the
17 Secretary to enter into the lease at no cost to the lessee,
18 and this doesn't have anything to do with the terms and
19 conditions of the lease, so, whatever the terms and
20 conditions of the lease might be, they would continue in full
21 force and effect.
22 COMMISSIONER COX: Two of these portions of the

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1 land in Oakland, not Richmond and Alameda, are signed. Are
2 the other two -- is whatever project they're doing dependent
3 on signing the other two? I mean, can they now stop the
4 project because the leases -- the last two leases -- aren't
5 signed?
6 MR. EPSTEIN: The Port of Oakland said that they
7 need all four parcels in order to make this a success. My
8 guess is they probably would have a very limited use for the
9 land if they don't succeed in getting all four parcels.
10 COMMISSIONER COX: So these two leases, while they
11 may not change -- if the Port of Oakland, by virtue of the
12 fact that the Navy now has more or different authority than
13 they did, doesn't sign the last two leases, then that could
14 defeat whatever it was they're -- what are they doing?
15 MR. EPSTEIN: They're making an intermodal
16 connector, so that you can connect rail, truck, and ship --
17 all come together within a few hundred yards of each other.
18 COMMISSIONER COX: Have we heard from the Port of
19 Oakland on what they think on closure?
20 MR. EPSTEIN: They want us to take any action that
21 doesn't interfere with the project.
22 COMMISSIONER COX: Well, have they indicated what

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1 might interfere with the project?
2 MR. EPSTEIN: No.
3 MR. YELLIN: Well, the closure of the supply center
4 would put the disposal of the property in the hands of the
5 BRAC process, and there is a preference for the port
6 conveyances, the same as they've been doing for airfields.
7 So this would --
8 COMMISSIONER COX: The BRAC process would set up a
9 reuse process different than whatever they've been doing.
10 MR. YELLIN: Right. The community would have to go
11 through the BRAC process, which is through the local
12 development authority and that whole process. They would
13 have to go through all the screenings and other things that
14 they do, but the land would be made available; they wouldn't
15 have to lease it; they could get it as a transfer of
16 property.
17 COMMISSIONER COX: Does the port want to do that?
18 MS. CREEDON: May I just point out, though, that
19 there's nothing in the BRAC that would prevent the leases to
20 go forward exactly as the port authority wants today.
21 They're not mutually exclusive.
22 COMMISSIONER COX: Although my understanding of the

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1 BRAC process is that the port might not be the official
2 negotiator once they started down BRAC. Right now, the port
3 has been working with the Navy to develop this. If we get in
4 the middle of that by BRAC'ing it, that's fine, and it may be
5 that the same project could go forward, but the parties could
6 change, and the process could change.
7 MS. CREEDON: But the lease could go forward, as
8 allowed under the statute, notwithstanding BRAC.
9 COMMISSIONER COX: I understand that the two leases
10 would go forward that are signed, but what I just heard was
11 they can't do the project without two more leases.
12 MS. CREEDON: The two leases that are not signed
13 could go forward just the way they are now, too,
14 notwithstanding BRAC, so that, in the end, you could have
15 four leases, whether the land is BRAC'd or not BRAC'd,
16 whether the land is closed or not closed under BRAC.
17 COMMISSIONER COX: Right, or you could have a
18 competing group come in and say they want to do something
19 else with the land.
20 COMMISSIONER COX: The biggest thing that everybody
21 was concerned about was that, if we put this in the BRAC
22 process, we would nullify those leases, or we would hurt --

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1 because, really, one of them hasn't officially been signed
2 yet. I mean, it's gone all the way up, and it's in the
3 [illegible]ss.
4 [illegible] So what we were worried about is, if we do this,
5 [illegible] do we do this and not nullify and hurt those leases --
6 the first two? Plus, they want to do the other two, and
7 everybody's moving forward, because it's in everybody's
8 interest to do this. So that's where they're going with
9 that.
10 But then you have the situation, too, where we
11 could take the DBATH and move that off, save an awful lot of
12 money, put that into government property at one other
13 location to be decided -- whoever. And so you really come to
14 the conclusion that you're going to save quite a considerable
15 sum of money that you're going to prevent from being spent --
16 it was what, the hundred and fifty --
17 MR. YELLIN: The Navy's numbers, that they've
18 provided to us, is that, if you go ahead with the closure,
19 the net present value is $150 million.
20 COMMISSIONER KLING: Yes. There you are.
21 COMMISSIONER COX: And that's from the savings of
22 moving the DFAS and getting rid of some of the overhead?

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1 MR. YELLIN: No. That scenario has them going to
2 leased space. The savings are from the very large costs that
3 the Navy would continue to bear at the remains of the supply
4 center, after the other property is leased, the very large
5 costs for that Navy to operate that, basically, as an office,
6 administrative center.
7 COMMISSIONER KLING: And the DFAS is above that,
8 right -- if they didn't spend their money?
9 MR. YELLIN: The COBRA scenario includes a
10 calculation for off-base leasing costs for DFAS.
11 COMMISSIONER KLING: Right.
12 COMMISSIONER STEELE: And, given that the special
13 [illegible]ation, which went around the BRAC process, ended up not
14 [illegible]wing the Navy to have the fair market value for the
15 property, which was originally how the port and the Navy were
16 proceeding -- if we do this, we at least -- one, we allow the
17 Navy some savings and, two, two of the communities definitely
18 want their property to be treated like any other property in
19 the United States, which is to go through BRAC for closure.
20 COMMISSIONER COX: Which communities?
21 COMMISSIONER STEELE: Alameda and Richmond.
22 So I think both -- we got handed kind of a very

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1 different situation than any other recommendation, due to the
2 legislation which circumvents BRAC, and I think this is
3 really about the only way this commissioner, anyway, can deal
4 with this issue.
5 COMMISSIONER KLING: Excuse me, but just one thing.
6 This is probably one of the most unusual things, that this
7 legislation got put into place. I don't think it's happened
8 anyplace else, at any other military installation.
9 CHAIRMAN DIXON: Well, could the Chair ask this
10 question? All this conversation is interesting. I didn't go
11 out there. Does somebody have a motion that's a solution to
12 this? You know, those of you who were there and have been
13 involved in the process, or comfortable --
14 COMMISSIONER CORNELLA: Well, this is a BRAC -- or,
15 pardon me, a commission add, is it not?
16 CHAIRMAN DIXON: This is a commission add, as I
17 understand, because the Secretary of the Navy didn't put it
18 on the list because of economic reasons.
19 MR. YELLIN: That's right.
20 CHAIRMAN DIXON: It's one of that group that he
21 [illegible] us about in his testimony at the first DOD hearing. We
22 [illegible], "Did any of you not put something on the list?" He

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1 said, "Yeah," which I thought was very honest of him. He
2 said, "Yeah, here's some we didn't put on."
3 MR. YELLIN: What they stated was that, except for
4 economic impact, they would have had it on the closure list.
5 CHAIRMAN DIXON: Yeah.
6 COMMISSIONER CORNELLA: I ask this question because
7 a few minutes ago you said that the Navy wanted to BRAC this,
8 not to let it take its normal course of going out of business
9 here in a few years. Didn't I hear you say that?
10 MR. YELLIN: The supply center --
11 COMMISSIONER CORNELLA: FISC, I'm talking about --
12 FISC Oakland.
13 MR. YELLIN: Well, FISC has two functions. It's
14 losing its supply center mission but is retaining its host
15 building management missions.
16 COMMISSIONER CORNELLA: Okay. And that would take
17 place without BRAC?
18 MR. YELLIN: No. The building management mission
19 would remain. The supply center mission would go away.
20 COMMISSIONER CORNELLA: Right. Right. No, I agree
21 with that, but my point is that you had said that the Navy
22 wanted us to do this. Now, didn't the Navy not want us to

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1 BRAC this at all? Because it was not an original Navy
2 recommendation.
3 MR. YELLIN: The reason stated by the Navy
4 Secretary was that this was a closure that he would have
5 recommended, except he was concerned about job losses in --
6 COMMISSIONER CORNELLA: Right, but it was not an
7 original recommendation of the Secretary of Defense.
8 MR. YELLIN: Commissioner, you're absolutely right.
9 That's a very correct statement. And the Navy has come out
10 now and said they do not want us to close this.
11 COMMISSIONER CORNELLA: Well, after hearing all the
12 concerns expressed at Oakland in regard to BRAC'ing this and
13 putting the land up for reuse after they have invested
14 millions of dollars in trying to organize this venture, I
15 would make the following motion. I would move that we remove
16 this --
17 CHAIRMAN DIXON: Commissioner Cornella?
18 MOTION
19 COMMISSIONER CORNELLA: I would move that we remove
20 this from further consideration.
21 COMMISSIONER KLING: What does that mean?
22 CHAIRMAN DIXON: Well, I would like to offer an --

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1 COMMISSIONER COX: Wait. We've got a -- I'll be
2 happy to second the motion, for purposes of discussion.
3 CHAIRMAN DIXON: Representative Cornella is moving,
4 and Representative Cox is seconding, that we remove this from
5 further consideration, on the grounds that it's an add-on,
6 and so forth. Is that right?
7 COMMISSIONER CORNELLA: Yes, sir.
8 CHAIRMAN DIXON: Okay. Now, Commissioner Cox, did
9 you have something?
10 COMMISSIONER COX: No, no. You should finish this.
11 I have an amendment to the motion, sort of.
12 CHAIRMAN DIXON: Well, in view of the fact that
13 you've seconded the motion, why don't you amend it before we
14 get into the next phase of this thing.
15 COMMISSIONER COX: And I'm not sure how to amend it
16 exactly, but just to say that I would feel comfortable
17 separating the two issues: if we could take the Alameda and
18 Richmond versions and just deal with them. It seems to me
19 that those seem pretty clear; they don't seem to be tied up
20 in the leases and the project that's going on at Oakland, and
21 maybe we ought to go ahead and move to close those two,
22 leaving the one issue, which seems to be much more

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1 complicated and confused, separate.
2 COMMISSIONER KLING: But are we sure that they are
3 completely untied in the process?
4 COMMISSIONER COX: No.
5 CHAIRMAN DIXON: Well, those are so small I don't
6 know why -- those are sitting out there. I mean, that's not
7 the issue, so why don't we just go on and deal with this
8 issue.
9 COMMISSIONER COX: Okay.
10 CHAIRMAN DIXON: Well, now, the chair has more
11 motions than he needs, almost.
12 Commissioner Cornella, have you and Commissioner
13 Cox thought about this motion? Is that the motion you want
14 to put?
15 COMMISSIONER COX: Yes.
16 COMMISSIONER CORNELLA: Yes, sir.
17 COMMISSIONER COX: And that's fine. We'll go ahead
18 and deal with it, Mr. Kling.
19 CHAIRMAN DIXON: I guess the chair is obligated to
20 make this inquiry. I take it, if this motion prevails -- and
21 I don't understand all the intricacies -- we haven't been
22 briefed, I think, perhaps, as much as we should have been on

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1 this one. I don't quite get it. I mean, am I being told by
2 you, Mr. Yellin, there's a $150 million savings here that
3 Secretary of the Navy claims, if we do that right?
4 MR. LYLES: Over the next 20 years, sir. The
5 annual savings are much smaller. The annual savings are
6 about $12 million.
7 CHAIRMAN DIXON: Well, what are they saying we
8 should do to get that kind of savings? Answer the question,
9 director. What are they saying?
10 MR. LYLES: The recommendation would be to close
11 the fleet industrial supply center under the scenario that
12 the Department of the Navy used when they developed this, and
13 before it was removed from the list by the Secretary of the
14 Navy for economic impact reasons.
15 CHAIRMAN DIXON: Is that substantially true?
16 MR. YELLIN: Mr. Chairman, we asked the Navy to
17 come back and confirm the scenario with the COBRA for the
18 recommendation that the Navy secretary rejected, and this is
19 what they sent to us.
20 CHAIRMAN DIXON: Mr. Epstein, do you want to say
21 something? Then I'm going to recognize Commissioner Kling.
22 MR. EPSTEIN: I think it's worth making it clear

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1 that the $150 million savings, under the scenario, was to
2 move the two major tenants into leased space. The BSAT
3 estimation of the savings, if they move into government-owned
4 space, which is not what I would support -- but they're
5 showing a much lower savings, of about $50 million.
6 CHAIRMAN DIXON: Mr. Kling?
7 COMMISSIONER KLING: I think it's fair to say that
8 the Navy supports us proceeding on this basis, as outlined,
9 except for the economic reasons. They would have put this
10 on, period, just as it is, so I think, if we just keep in
11 this context --
12 MR. YELLIN: That's what the Navy secretary told
13 us.
14 COMMISSIONER KLING: Right. So we're not doing
15 anything that the Navy doesn't want, and we're doing
16 something that the community wants, and we're not affecting
17 the leases that the community has entered into already,
18 because that's done under legislation and would not be
19 affected by this BRAC.
20 COMMISSIONER COX: Have we heard from the port or
21 the community of Oakland, that they want to do this -- that
22 they want us to BRAC it?

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1 CHAIRMAN DIXON: That's a good question.
2 COMMISSIONER COX: I mean, I know we've heard from
3 Alameda and Richmond, but I haven't heard from Oakland.
4 COMMISSIONER CORNELLA: Yes, we have, and I rely on
5 my two fellow commissioners that were on the visit to back me
6 up on this. They said that they did not want it BRAC'd,
7 because, if it would be BRAC'd, it would then open up the
8 land for reuse, and some other entity could come in and take
9 it over.
10 Now, is that not correct?
11 COMMISSIONER KLING: But they said -- but they
12 didn't understand the fact that the leases will not be
13 impacted, and that's what we're back to.
14 COMMISSIONER CORNELLA: The two that are in place.
15 COMMISSIONER COX: And frankly, I have to say I
16 don't know that the leases aren't impacted. I mean, have we
17 looked at the leases? Have we heard from the lawyers from
18 the City of Oakland -- Port of Oakland?
19 CHAIRMAN DIXON: May I interrupt a minute,
20 Commissioner Cox? I'm really getting worried about this one.
21 I have to confess -- I don't know how many others among the
22 commissioners share my burden. I don't understand this.

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1 COMMISSIONER COX: I don't, either.
2 CHAIRMAN DIXON: I realize it's an add-on. It is
3 not one -- I hope nobody from Oakland ever takes offense at
4 what I've said. It isn't one of those big-issue add-ons that
5 I ever concentrated on. And it sounds pretty complicated. I
6 wonder if my commissioners would let us slip this one to the
7 end of the list and get some people around here that
8 understand this to get out there and talk to everybody, so we
9 do this right.
10 I'd hate like the devil to cast a vote when I don't
11 know what I'm doing here. I want to save money. I don't
12 want to do something in the -- you know, I realize economic
13 impact isn't one of the major issues around here, but
14 California hasn't had a very good couple of days -- I know
15 that -- and I don't want to do this thing without having
16 somebody talking about this a little.
17 Does anybody have any problem with that?
18 COMMISSIONER KLING: No. Good idea.
19 CHAIRMAN DIXON: I don't know where I am on this.
20 COMMISSIONER COX: I agree. And I'd like to urge
21 us to --
22 CHAIRMAN DIXON: Well, who is the expert out there?

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1 COMMISSIONER COX: Is there somebody here?
2 CHAIRMAN DIXON: Well, I mean, but are you going to
3 do some other things here, Mr. Epstein?
4 MR. EPSTEIN: Yes, sir.
5 CHAIRMAN DIXON: Are you on the list for other
6 things?
7 MR. EPSTEIN: Yes, sir.
8 CHAIRMAN DIXON: Who behind you back there, among
9 the Navy people, can get with somebody from our staff around
10 here to go through this and find out where we are on this
11 one? I don't want to blow two good days not knowing what
12 we're doing around here.
13 MR. YELLIN: I will finish up the supply centers
14 for Mr. Epstein, and he can get together with counsel and
15 start working on that.
16 CHAIRMAN DIXON: Well, let's -- oh, you can go on
17 with the list.
18 MR. YELLIN: Yes.
19 COMMISSIONER COX: And can I urge, Mr. Epstein, in
20 addition to getting with our counsel, that we touch base with
21 the people out in Oakland and in Alameda and in Richmond and
22 see if they agree with our analysis?

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MR. YELLIN: Yes. We will do that.
MR. EPSTEIN: Absolutely.
CHAIRMAN DIXON: Somebody go figure this out and back in an hour or so, okay? Who's going to do it? Mr. Epstein, you're a great American. We thank you for this. I know you're going to tell us just what to do.
MR. YELLIN: We'd now like to go to FISC Charleston, which should be --
CHAIRMAN DIXON: Wait a minute.
Would you remove your motion?
COMMISSIONER CORNELLA: I do, sir.
CHAIRMAN DIXON: The motion -- I'll wait till the new reporter is in.
The motion put by Commissioner Cornella and seconded by Commissioner Cox -- I assume with the acquiescence of both, that motion is withdrawn.
Let the record show we're going to review this question on Oakland and get back to it in an hour or so.
And now, Mr. Yellin, we're going to go to Fleet Industrial Supply Center Charleston, South Carolina.
MR. YELLIN: Yes, sir. We've got the slides up to show that this is a submission -- the FISC in Charleston was

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not closed by the commission in '93. The Navy had had it on its list. They did not close it.
The Navy has come back now and said that the supply center function is going away; the customers are going away; the remaining workload that the commission in '93 had anticipated might require the FISC to remain, which was the basis for their decision -- those people have been reassigned to other commands directly, so the Navy has come back and said there is no need for the command structure and the organization there and have recommended that it be changed.
CHAIRMAN DIXON: Is there any question, Mr. Yellin, this?
MR. YELLIN: No, sir.
CHAIRMAN DIXON: Any question by anybody? Any statements?
(No response.)
CHAIRMAN DIXON: Is there a motion?
(No response.)
CHAIRMAN DIXON: Commissioner Steele, do you have a motion on Fleet Industrial Supply Center Charleston?
COMMISSIONER STEELE: Sure.
MOTION

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COMMISSIONER STEELE: I move that the commission find that the Secretary of Defense did not deviate substantially from the force structure plan and final criteria and, therefore, that the commission adopt the following recommendation of the Secretary of Defense: close the Fleet and Industrial Supply Center Charleston, South Carolina.
CHAIRMAN DIXON: I second the motion.
Are there any comments?
(No response.)
CHAIRMAN DIXON: Counsel will call the roll.
MS. KING: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. KING: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. KING: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. KING: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. KING: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. KING: Commissioner Montoya?

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COMMISSIONER MONTOYA: Aye.
MS. KING: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. KING: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. KING: Mr. Chairman, the vote is eight ayes, zero nays.
CHAIRMAN DIXON: The motion is adopted.
Naval Personnel Research and Development Center San Diego.
MR. YELLIN: Yes. Jeff Mulliner will make the staff presentation for that.
CHAIRMAN DIXON: Thank you.
MR. MULLINER: Good afternoon, Mr. Chairman, Commissioners.
CHAIRMAN DIXON: Hi, Mr. Mulliner.
MR. MULLINER: The Department of Defense is recommending the disestablishment of the Navy Personnel Research and Development Center, or NPRDC, and the relocation of its manpower and personnel research function to the Bureau of Naval Personnel, in Memphis, Tennessee. The department is also recommending that the classroom and a float training

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research department of NPRDC relocate to the Naval Air Warfare Center, Training Systems Division, in Orlando, Florida.
As a manpower and training research laboratory, NPRDC performs personnel program oriented research in such areas as recruiting, testing and classification of military personnel, and video teletraining. Among the issues raised by this recommendation was a concern over the need for close proximity to a ready pool of test subjects. While the commission staff found this to be a consideration and would expect some nominal increase in travel costs to result, it is not an overriding one.
Staff analyzed the military construction cost estimates used by the department in assessing the impacts of this recommendation. Certified data estimated a cost of $5.16 million for construction to accommodate NPRDC in Memphis. The Navy reduced this figure to $2.8 million by subtracting out costs it considered to be duplicative of costs already accounted for in construction estimates for the Naval Health and Research Center. The latter command is also recommended for relocation from San Diego to collocate with NPRDC in the same building at Memphis.

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Based upon subsequent budget estimates obtained from the Navy, staff considers the certified data cost to be more realistic and reran the COBRA to reflect this higher MILCON cost. This resulted in a slightly lower net present value and delayed the return on investment by two years.
Are there any questions regarding this recommendation?
CHAIRMAN DIXON: Are there any question of Mr. Mulliner?
(No response.)
CHAIRMAN DIXON: Are there any comments?
(No response.)
CHAIRMAN DIXON: Do you have a motion, Commissioner Montoya?
COMMISSIONER MONTOYA: Yes, I do.
CHAIRMAN DIXON: Commissioner Montoya.
MOTION
COMMISSIONER MONTOYA: I move that the commission find that the Secretary of Defense did not deviate substantially from the force structure plan and final criteria and, therefore, that the commission adopt the following recommendation of the Secretary of Defense:

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1 disestablish Naval Personnel Research and Development Center
2 San Diego, California, and relocate its functions and
3 appropriate personnel, equipment, and support to the Bureau
4 of Naval Personnel, Memphis, Tennessee, and Naval Air Warfare
5 Center, Training System Division, Orlando, Florida.
6 CHAIRMAN DIXON: I second the motion.
7 Any comments?
8 (No response.)
9 CHAIRMAN DIXON: Counsel will call the roll.
10 MS. KING: Commissioner Montoya?
11 COMMISSIONER MONTOYA: Aye.
12 MS. KING: Commissioner Robles?
13 COMMISSIONER ROBLES: Aye.
14 MS. KING: Commissioner Steele?
15 COMMISSIONER STEELE: Aye.
16 MS. KING: Commissioner Cornella?
17 COMMISSIONER CORNELLA: Aye.
18 MS. KING: Commissioner Cox?
19 COMMISSIONER COX: Aye.
20 MS. KING: Commissioner Davis?
21 COMMISSIONER DAVIS: Aye.
22 MS. KING: Commissioner Kling?

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1 COMMISSIONER KLING: Aye.
2 MS. KING: Mr. Chairman?
3 CHAIRMAN DIXON: Aye.
4 MS. KING: Mr. Chairman, the vote is eight ayes,
5 zero nays.
6 CHAIRMAN DIXON: And the motion with respect to San
7 Diego prevails.
8 Naval Health Research Center San Diego.
9 MR. MULLINER: The Department of Defense is
10 recommending that the Naval Health Research Center, or NHRC,
11 be disestablished and appropriate functions be relocated to
12 the Bureau of Naval Personnel in Memphis, Tennessee. The
13 previously discussed concerns over the location of the Navy
14 Personnel Research and Development Center and its proximity
15 to fleet units was also attendant to this recommendation.
16 The most compelling concerns over this
17 recommendation, however, had to do with the suitability of
18 realigning this biomedical research organization with a
19 personnel management command. The department contends that
20 the Bureau of Naval Personnel is the primary user of NHRC's
21 products, that staff visits and review indicate that NHRC's
22 mission is clearly that of a biomedical research laboratory

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1 and the center is most properly and appropriately aligned
2 with the medical chain of command. NHRC's work in
3 epidemiology, sexually transmitted disease prevention, HIV
4 surveillance, the Gulf War illness, and adverse reproductive
5 outcomes research supports this alignment.
6 An alternative to disestablishing NHRC would be to
7 move the center to Memphis as an intact command under the
8 Bureau of Medicine and Surgery. If this were done, some
9 personnel savings would not be realized, resulting in a delay
10 of return on investment of two years and a reduction in the
11 net present value by $3.6 million.
12 Also mentioned on the slide is the standing up of
13 the Armed Forces Medical Research and Development Agency, or
14 AFMRDA, and its plan to use NHRC as a research unit. NHRC is
15 certainly not critical to the mission of AFMRDA, but, if NHRC
16 were subsumed by the Bureau of Naval Personnel, it would have
17 little utility to AFMRDA. This view is also supported by the
18 Director of Defense Research and Engineering.
19 Lastly, it is likely that the severance of well-
20 established operational research ties in the San Diego area
21 may adversely affect NHRC's ability to perform its mission.
22 Are there any questions on this recommendation?

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1 CHAIRMAN DIXON: Well, Mr. Mulliner, are you
2 telling us it ought to stay in San Diego and not go to
3 Memphis? Is that what you're saying?
4 MR. MULLINER: Yes, sir. That's my view.
5 CHAIRMAN DIXON: Are there any other questions?
6 MR. YELLIN: Mr. Chairman, the staff has a lot of
7 concerns that this group will not be able to really perform
8 the mission that they are performing now, in Memphis, in the
9 scenario that the Navy has given us.
10 CHAIRMAN DIXON: Okay. You're disagreeing with the
11 Navy, and you think your position is the correct one. Is
12 that what you're saying to this commission?
13 MR. YELLIN: Yes, sir.
14 CHAIRMAN DIXON: Are there any questions?
15 COMMISSIONER MONTOYA: Mr. Chairman, I concur with
16 them -- with the staff.
17 CHAIRMAN DIXON: Do you have a motion?
18 COMMISSIONER MONTOYA: And I have a motion.
19 CHAIRMAN DIXON: Commissioner Montoya.
20 M O T I O N
21 COMMISSIONER MONTOYA: I move that the commission
22 find that the Secretary of Defense deviated substantially

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1 from final criteria 1 and, therefore, that the commission
2 reject the Secretary's recommendation on Naval Health
3 Research Center San Diego, California, and instead adopt the
4 following recommendation: the Naval Health Research Center
5 San Diego, California, remains open and is not
6 disestablished. The commission that this recommendation is
7 consistent with the force structure plan and final criteria.
8 CHAIRMAN DIXON: I second that motion.
9 Are there any comments?
10 (No response.)
11 CHAIRMAN DIXON: Counsel will call the roll.
12 MS. KING: Commissioner Montoya?
13 COMMISSIONER MONTOYA: Aye.
14 MS. KING: Commissioner Robles?
15 COMMISSIONER ROBLES: Aye.
16 MS. KING: Commissioner Steele?
17 COMMISSIONER STEELE: Aye.
18 MS. KING: Commissioner Cornella?
19 COMMISSIONER CORNELLA: Aye.
20 MS. KING: Commissioner Cox?
21 COMMISSIONER COX: Aye.
22 MS. KING: Commissioner Davis?

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1 COMMISSIONER DAVIS: Aye.
2 MS. KING: Commissioner Kling?
3 COMMISSIONER KLING: Aye.
4 MS. KING: Mr. Chairman?
5 CHAIRMAN DIXON: Aye.
6 MS. KING: Mr. Chairman, the vote is eight ayes.
7 zero nays.
8 CHAIRMAN DIXON: And the Secretary of Defense's
9 recommendation is disagreed with by the commission, and the
10 center remains at San Diego.
11 Office of Naval Research, Arlington.
12 MR. MULLINER: The Department of Defense has
13 recommended that the Office of Naval Research be not moved
14 into government-owned space and remain in its present
15 location in leased space in Arlington, Virginia. As you can
16 see on the slide, this would be done at an annual cost of
17 $1.4 million and would never see a return on investment.
18 The Department of Defense contends that this cost
19 is offset by the benefits that accrue to ONR from its present
20 location in close proximity to both the National Science
21 Foundation and the Advanced Research Projects Agency.
22 Furthermore, the Director of Defense Research and Engineering

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has endorsed the eventual collocation of the Air Force Office of Scientific Research and the Army Research Office with ONR.

The commission has received no indications that relocations would ever take place, but, if ONR were [illegible]ed to the Washington Navy Yard, as planned by BRAC '93, there would be no space for the other services' research offices to also relocate there.

Are there any questions on this one?

CHAIRMAN DIXON: So you're saying that the '93 order isn't the correct order and that we ought to keep using the leased space? Is that what you're saying?

MR. MULLINER: The cost analysis would indicate that, sir.

CHAIRMAN DIXON: That's what you think is correct?

MR. MULLINER: Yes, sir.

CHAIRMAN DIXON: Are there any other questions?

(No response.)

CHAIRMAN DIXON: Is there a motion?

COMMISSIONER MONTOYA: Mr. Chairman?

CHAIRMAN DIXON: Commission Montoya?

MOTION

COMMISSIONER MONTOYA: I move that the Commission

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find that the Secretary of Defense did not deviate substantially from the force structure plan and final criteria and, therefore, that the Commission adopt the following recommendation of the Secretary of Defense: change the recommendation of the 1993 commission report, pages 1-59/60, by deleting the Office of Naval Research from the list of National Capital Region activities to relocate from leased space to government-owned space within the NCR.

CHAIRMAN DIXON: Second the motion.

Any comments?

(No response.)

CHAIRMAN DIXON: Counsel will call the roll.

MS. KING: Commissioner Montoya?

COMMISSIONER MONTOYA: Aye.

MS. KING: Commissioner Robles?

COMMISSIONER ROBLES: Aye.

MS. KING: Commissioner Steele?

COMMISSIONER STEELE: Aye.

MS. KING: Commissioner Cornella?

COMMISSIONER CORNELLA: Aye.

MS. KING: Commissioner Cox?

COMMISSIONER COX: Aye.

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MS. KING: Commissioner Davis?

COMMISSIONER DAVIS: Aye.

MS. KING: Commissioner Kling?

COMMISSIONER KLING: Aye.

MS. KING: Mr. Chairman?

CHAIRMAN DIXON: Aye.

MS. KING: Mr. Chairman, the votes are eight ayes, zero nays.

CHAIRMAN DIXON: The motion is adopted.

Naval Warfare Assessment Division Corona, California.

COMMISSIONER DAVIS: This is an add-on.

CHAIRMAN DIXON: Yes. Commissioner Davis quite correctly points out this is an add-on.

LIEUTENANT COMMANDER LINDENBAUM: Yes, sir. This is one of the bases which was put back on the list by the commission that was originally taken off by the Secretary of the Navy. The Navy Warfare Assessment Division Corona was originally taken off the Secretary's list for closure due to large job loss in the California area. This is the largest [illegible]mmand, in terms of billets, of the commands that were [illegible]ved from the list by the Secretary.

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The scenario which is listed above there was the final scenario which was submitted to the Secretary of the Navy before he did remove it from the list. Basically, it divides it up into three different locations. It will send some functionalities to Monterey -- the postgraduate school there. It sends some air functionalities to China Lake. And it will send some metrology functionalities to Crane, Indiana.

As you see from the COBRA, there is a substantial return on investment. There is also substantial one-time cost. And there is the job loss down at the bottom.

The primary issue which was raised -- excuse me. I don't want to say "primary." Probably the most vocal one raised by the community was in regards to the independent assessment capability. They felt very strongly that it would be lost if the functionalities were divided up. The Navy's position is there are several activities which presently have collocated assessment divisions, and they are capable of conducting independent assessment.

The next issue is in regards to the COBRA analysis and the cost estimation.

CHAIRMAN DIXON: May I interrupt you, Commander

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Lindenbaum?

LIEUTENANT COMMANDER LINDENBAUM: Yes, sir.

CHAIRMAN DIXON: This is an add-on.

Is there a motion?

(No response.)

CHAIRMAN DIXON: Is anybody desirous of making a motion on this add-on?

(No response.)

CHAIRMAN DIXON: Corona is open.

MR. YELLIN: H-11 and H-12. The next facility is Surface Warfare Center White Oak. Jeff Mulliner will present that.

MR. MULLINER: The Department of Defense is recommending the complete closure of the White Oak detachment of the Naval Surface Warfare Center, Dahlgren Division. Of the technical facilities located there, only the Ship's Magnetic Silencing Complex will be moved. The remainder of the facilities will be abandoned under this recommendation.

The primary issue in this recommendation is the disposition of the technical facilities -- in particular, the Nuclear Weapons Effects Complex and the Hypervelocity Wind Tunnel. Certified data is replete with documents attesting

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to the critical nature of the work performed at these two facilities and their importance to defense test and evaluation. However, the Department of Defense, even in testimony before this commission, has indicated that the facilities are no longer critical and that, if an agency requires their use, the facilities are available to be taken on in the reuse process.

It should be noted that NSWC White Oak operates under the Defense Base Operating Fund, and a portion of the operating costs are borne by the customers, but, if another government agency were to operate these facilities, it would incur a $6.6 million operating cost.

Staff ran a sensitivity analysis COBRA using this figure, and, in effect, all savings were erased, and no return on investment resulted.

Are there any questions on this recommendation?

CHAIRMAN DIXON: Are there any questions of Mr. Mulliner in connection with this recommendation?

COMMISSIONER KLING: Just one, sir.

CHAIRMAN DIXON: Commissioner Kling?

COMMISSIONER KLING: What your last statement just said is that all the savings that we would get by closing

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1 to your questions, that completes my briefing on Fort Dix.
2 CHAIRMAN DIXON: Thank you, very much, Colonel
3 Bailey. I understand that its Cliff Wooten's birthday; is
4 that right? And you folks have him up there flipping these
5 slides on his birthday, which is a rotten way to treat a guy
6 on his birthday. I hope you have better luck next year on
7 your birthday.
8 LIEUTENANT COLONEL BAILEY: Mr. Chairman, since I
9 am under oath, I can certify that it is Cliff Wooten's
10 birthday.
11 (Laughter.)
12 CHAIRMAN DIXON: Are you sure?
13 LIEUTENANT COLONEL BAILEY: Yes, Commissioner.
14 CHAIRMAN DIXON: All right, are there any
15 questions? Are there any comments?
16 (No response.)
17 CHAIRMAN DIXON: Is there a motion?
18 COMMISSIONER CORNELLA: Yes, sir.
19 CHAIRMAN DIXON: Commissioner Cornella.
20 MOTION
21 COMMISSIONER CORNELLA: I move the Commission find
22 the Secretary of Defense did not deviate substantially from

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1 the fore structured plan and final criteria, and therefore,
2 the Commission adopt the following recommendation of the
3 Secretary of Defense: Realign Fort Dix by replacing the
4 active component garrison with a U.S. Army Reserve garrison;
5 retain minimum essential, ranges facilities and training
6 areas required for reserve component training as an enclave.
7 CHAIRMAN DIXON: I second that motion. Are there
8 any comments or questions?
9 (No response.)
10 CHAIRMAN DIXON: Counsel will call the roll.
11 MS. KING: Commissioner Cornella.
12 COMMISSIONER CORNELLA: Aye.
13 MS. KING: Commissioner Cox?
14 COMMISSIONER COX: Aye.
15 MS. KING: Commissioner Kling.
16 COMMISSIONER KLING: Aye.
17 MS. KING: Commissioner Montoya.
18 COMMISSIONER MONTOYA: Aye.
19 MS. KING: Commissioner Robles.
20 COMMISSIONER ROBLES: Aye.
21 MS. KING: Commissioner Steele.
22 COMMISSIONER STEELE: Aye.

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1 MS. KING: Mr. Chairman.
2 CHAIRMAN DIXON: Aye.
3 MS. KING: Mr. Chairman, the vote is eight ayes,
4 zero nays.
5 CHAIRMAN DIXON: And the motion is unanimously
6 adopted.
7 Fort Greely.
8 LIEUTENANT COLONEL BAILEY: The next installation
9 to be discussed will be Fort Greely. And Cliff, if you will
10 put up chart A-7 and the map marked A-8.
11 The Secretary of Defense recommended that Fort
12 Greely be realigned by relocating the cold region's test
13 activity where CRTA and the Northern Warfare Training Center,
14 known as NWTC, to Fort Wainwright, Alaska.
15 The map shows that the relative distance between
16 the two posts, which is 107 miles. Now, the next chart, A-7,
17 you can view the savings and economic data that is associated
18 with this recommendation.
19 The Army would retain all the training areas and
20 the test facilities as well as the airfield and part of the
21 main cantonment area with a small garrison of 18 military and
22 55 civilians at Fort Greely.

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1 The next chart, A-9, shows you the six key issues
2 which were identified for analysis. On the next chart, A-10,
3 we show you the DOD and community positions with respect to
4 each of the issues, beginning with the military value
5 ranking, which is high, and which we did validate as 6th of
6 10, but we are unable to compare that ranking with that of
7 Forts Richardson and Wainwright, since they are in a
8 different category known as the maneuver category.
9 The additional costs for the Safari trips and any
10 new construction at Fort Wainwright will not exceed savings
11 as has been claimed. The Cobra analysis that the Army
12 prepared does have adequate funds set aside for construction
13 and for construction and Safaris.
14 COMMISSIONER STEELE: Could you -- I'm sorry --
15 explain to me, exactly what that entails? We've heard that
16 term a lot.
17 LIEUTENANT COLONEL BAILEY: Yes. It was new to me
18 too. As I began my analysis, Commissioner. Under the Safari
19 concept, which has been done before, soldiers would be based
20 primarily at Fort Wainwright, but when they were required to
21 conduct a cold weather test, back at Fort Greely, which is
22 the best location, then they would go down there and remain

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1 in a separate facility until the test were completed.
2 They would not travel on TDY funds, they would
3 simply be routed there for their tour of assignment perhaps a
4 week, two weeks at a time.
5 COMMISSIONER STEELE: Is this often? How far apart
6 are we talking about? I mean, are you taking something and
7 moving them back and forth all over the place a couple of
8 times a year, once a year?
9 LIEUTENANT COLONEL BAILEY: I cannot answer the
10 question as to how many times a year. Based upon past data,
11 they would probably be traveling down there perhaps monthly,
12 perhaps three or four times, or more, each calendar year.
13 COMMISSIONER COX: Commissioner, at least when we
14 were up there -- this is not certified data, but the
15 commander indicated, particularly with the cold testing
16 facility, that you'd be looking at three or four times a
17 month at least.
18 LIEUTENANT COLONEL BAILEY: You know, that is a
19 good question, because part of the aspects of this
20 recommendation are that for seven months of the year, given
21 the historic weather data, it is very difficult to travel
22 back and forth that distance. And that is the best answer I

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1 can give you.
2 Did I answer your question?
3 COMMISSIONER STEELE: Yes and no, and part of that
4 no is a bit of an answer, that there is some uncertainty.
5 Thank you for doing your very best at it.
6 COMMISSIONER COX: If I might, Commissioner, ask
7 also how far it was? And as the Colonel indicated, its 107
8 miles, but that's not 107 miles like we would think of
9 driving to Richmond on the interstate highway. This is
10 through the mountains. This is seven months of the year, as
11 much as 65 below zero, impassable mountains. It is easy to
12 say we're going to bring people down three or four times a
13 month, but as a practicality, there will be months where that
14 is simply not possible. And the danger of bringing people
15 over that road during that timeframe would just make it not
16 possible to do, unless you wanted to risk the lives of your
17 soldiers.
18 CHAIRMAN DIXON: Any further questions or comments?
19 COMMISSIONER ROBLES: Let me put that in
20 perspective.
21 CHAIRMAN DIXON: Commissioner Robles.
22 COMMISSIONER ROBLES: The reason you have a cold

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1 weather training facility is to train cold weather -- to
2 include cold weather movements. So, it is a training
3 exercise from the time you leave your area at Fort Wainwright
4 you start moving down to the co-training center. Three
5 ur times a month is not unusual in today's Army. That
6 normal, away from home, training tempo.
7 You go out to the National Training Center, and
8 those people on rotation -- for three weeks at a crack and
9 they're gone. You'd never see them. So, I wouldn't get
10 mesmerized by that.
11 The real issue is: Where is the testing schedule?
12 I would think that the Army understand the climatic patterns
13 in that part of the world, and so their major tests are
14 scheduled such that a major test that they have to do would
15 not be scheduled in the middle of its most hostile weather
16 pattern.
17 I don't want to second guess too much, their
18 operational testing program, because I have been involved in
19 that and some of that scheduling. And, so, all of that is
20 true, but you want people to go through some severe weather
21 and see what kind of quick reaction drills you do when you
22 move in that distance and how you handle yourself. That is

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1 what its all about. You are testing equipment. You are
2 testing material. You are testing the training and you're
3 testing the reaction.
4 CHAIRMAN DIXON: Any further questions or comments
5 by anyone concerning this particular issue?
6 COMMISSIONER COX: The only thing I might say to
7 that is one hopes that one could get them to the training
8 range to test all of that, and one wouldn't want to lose
9 training time and training effort, simply being unable to get
10 to the training facility.
11 CHAIRMAN DIXON: Any further comments by anybody?
12 COMMISSIONER ROBLES: That's true, and I just need
13 to understand that, but if you cancel a test then you
14 hedule a test. This is not a testing center that is
15 rworked, first of all, and then there are some other
16 alternatives for cold weather testing in the United States
17 Army.
18 CHAIRMAN DIXON: Thank you, Commissioner Robles.
19 Are there any more comments or questions by anybody?
20 COMMISSIONER COX: I might just say one other
21 thing.
22 One, I do have concerns operationally about this

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1 particular proposal, and in fact, this whole theory was tried
2 some-odd years ago and it lasted about 18 months because the
3 ability to safari people down was simply impossible.
4 And I have a feeling this is another one of the,
5 let's show savings, but its not going to work in the
6 overall -- they won't move people up or they will end up not
7 being able to train.
8 I also have an additional problem, and that -- we
9 talk about economic impact on all of these facilities. And
10 there's no question there is an economic impact of every base
11 closure. In this case, even the DOD economic impact shows it
12 over 30 percent. I think our staff, and those of us who were
13 up there, believe it may not be the 80 percent supported by
14 the community, but there is nothing else there. There is
15 this base, and there are a few people who support the base.
16 When this goes away there won't be -- this isn't a
17 question of a reuse. This is no question of a reuse. This
18 would be a question of whether people are holding mortgages
19 are going to bring the bank down with them. There will be
20 nobody to sell houses to. There are two or three hundred
21 people in this community, and when the group moves out of
22 re it is over. This is not a base closure; this is a town

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1 closure.
2 And it's not a question of having the values of the
3 houses come down. This is a question of having nobody to
4 sell a house to. There is nothing else in this town. And so
5 not only do I have operational concerns here, but this is
6 clearly an area where, when you consider both the operational
7 concerns and economic impact, which is one of our criteria, I
8 believe we have to make allowances. So, I urge my
9 commissioners, both for safety and operation reasons, and for
10 economic impact, to vote down this recommendation.
11 CHAIRMAN DIXON: Are there any further comments?
12 COMMISSIONER CORNELLA: Yes, sir.
13 CHAIRMAN DIXON: Mr. Cornella.
14 COMMISSIONER CORNELLA: Having visited with
15 Commissioner Cox to Fort Greely, I would agree and support
16 her remarks. This is clearly, at least 80 percent, economic
17 impact in my mind. If we are going to take that into
18 consideration anywhere, this is the one we'd use as an
19 example.
20 In the school system, 45 to 50 percent of the
21 students in the school are military dependents, and 45
22 percent of the remainder would be people dependant on the

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1 indirect jobs related to that facility. So this is one that
2 I think requires a little more consideration than most with
3 regard to economic impact.
4 Thank you.
5 CHAIRMAN DIXON: Thank you, Commissioner Cornella.
6 Are there any further comments?
7 (No response.)
8 CHAIRMAN DIXON: Is there a motion then?
9 MOTION
10 COMMISSIONER COX: I move the Commission find the
11 Secretary of Defense deviated substantially from final
12 criteria 1, 4 and 5, and therefore, the Commission reject the
13 Secretary's recommendation on Fort Greely, and instead adopt
14 the following recommendation: Keep open the cold region test
15 activities, CRTA, and the Northern Warfare Training Center,
16 NWTC, in Fort Greely, Alaska.
17 The Commission finds this recommendation is
18 consistent with the force structure plan and final criteria.
19 CHAIRMAN DIXON: Is there a second to the motion by
20 Commissioner Cox?
21 COMMISSIONER MONTOYA: Second.
22 CHAIRMAN DIXON: It is seconded by Commissioner

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1 Montoya. Are there any further comments?
2 COMMISSIONER STEELE: Having seen Guam and not
3 Alaska, I'm going to defer to the judgments of Commissioner
4 Cox.
5 CHAIRMAN DIXON: Thank you, Commissioner Steele.
6 Counsel will call the roll.
7 MS. KING: Commissioner Cox.
8 COMMISSIONER COX: Aye.
9 MS. KING: Commissioner Davis.
10 COMMISSIONER DAVIS: Nay.
11 MS. KING: Commissioner Kling.
12 COMMISSIONER KLING: No.
13 MS. KING: Commissioner Montoya.
14 COMMISSIONER MONTOYA: Aye.
15 MS. KING: Commissioner Robles.
16 COMMISSIONER ROBLES: Nay.
17 MS. KING: Commissioner Steele.
18 COMMISSIONER STEELE: Aye.
19 MS. KING: Commissioner Cornella.
20 COMMISSIONER CORNELLA: Aye.
21 MS. KING: Mr. Chairman.
22 CHAIRMAN DIXON: No.

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1 this are just eliminated by --
2 MR. MULLINER: If the facilities continued to
3 operate.
4 COMMISSIONER KLING: But the intention is to not
5 have them continue to operate, correct?
6 MR. MULLINER: That's right.
7 COMMISSIONER KLING: So the intention is for them
8 to close, the one section move, and then we would have the
9 effect of saving?
10 MR. MULLINER: Yes, sir. And Secretary Gotbaum had
11 talked to us about that. And this was in response to
12 comments that we had gotten from the communities and people
13 involved with these facilities, that these are critical, that
14 they absolutely will be used by other parts of the Defense
15 Department.
16 The comment that this would be just a reuse issue
17 is really not a valid one, because, if you assume
18 that somebody else in the Defense Department is just going to
19 pick it up, then they're going to bear these costs. So there
20 isn't any savings. But Secretary Gotbaum was very clear that
21 they've been looking around and they can't find anybody that
22 wants to step up with money to run these things.

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1 COMMISSIONER DAVIS: Who are the users of this?
2 CHAIRMAN DIXON: Mr. Davis.
3 MR. MULLINER: Could we have back-up slide 60A,
4 please? This is collation of 17 years' worth of usage of the
5 hyper velocity wind tunnel.
6 MR. YELLIN: The nuclear effects facility is used
7 primarily by Defense Nuclear Agency. In fact, they're in the
8 process of spending money to upgrade that right now.
9 COMMISSIONER STEELE: May I ask a question on this?
10 CHAIRMAN DIXON: Commissioner Steele.
11 COMMISSIONER STEELE: If we accepted the
12 Secretary's recommendations, and one of the services had a
13 change of heart, they could step up to the plate, under the
14 BRAC process, and say, okay, I'll swallow that $6.whatever
15 million annually.
16 MR. YELLIN: Yes.
17 COMMISSIONER STEELE: And if none of them did, it
18 could be privatized or whatever.
19 MR. YELLIN: That's right, yes.
20 COMMISSIONER STEELE: Okay, thank you.
21 COMMISSIONER DAVIS: So the Air Force is using this
22 in addition to the fact that the Air Force has a wind tunnel,

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1 also?
2 MR. YELLIN: I think this has some unique
3 capabilities that are different than the others.
4 MR. MULLINER: If we could put up slide 60, that
5 summarizes the capabilities of the hyper velocity wind
6 tunnel.
7 MR. YELLIN: Initially, we have some documentation
8 that the Army had initially considered this. They are right
9 adjacent -- Harry Diamond and Adelphi is right adjacent to
10 this property. But our understanding is that during this
11 analysis by the Navy and the Defense Department, they changed
12 their mind and said right now we don't want to step up to do
13 this. Although, you're absolutely right, they may --
14 somebody may do this later on.
15 COMMISSIONER DAVIS: NASA has no interest?
16 MR. YELLIN: Not yet, not that we've heard.
17 CHAIRMAN DIXON: Mr. Robles.
18 COMMISSIONER ROBLES: Mr. Chairman, I thought you
19 told me this was a DBOF facility.
20 MR. YELLIN: Yes, it is.
21 COMMISSIONER ROBLES: And as such, it's funded by
22 the big corporates, called DBOF.

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1 MR. YELLIN: Yes, it is.
2 COMMISSIONER ROBLES: And so if I'm a customer,
3 whether I be an Army, Navy, or Air Force customer, the DBOF
4 will charge me for using it.
5 MR. YELLIN: Yes, sir.
6 COMMISSIONER ROBLES: Those people are still going
7 to have requirements to use that tunnel, I assume. So by the
8 DBOF mechanism, they will pay for it. It will be pay as you
9 go, or is there something I missed.
10 MR. YELLIN: The Navy indicated there is a level of
11 subsidy that they provide by the base operations, that go
12 beyond the operation of the individual facility.
13 COMMISSIONER ROBLES: So why wouldn't it be that
14 that subsidy be identified; it would be rolled into the DBOF;
15 it would change the rate they would charge customers for the
16 use of that. Then it's kind of a pay as you go operation.
17 MR. YELLIN: That's right, that's right.
18 COMMISSIONER ROBLES: I fail to see the relevance
19 here.
20 MR. YELLIN: Well, there are other facilities there
21 that the Navy has that the Navy is shutting down. So the
22 level of subsidy provided by that will go away.

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1 COMMISSIONER ROBLES: Yeah, but that's a different
2 issue.
3 MR. YELLIN: But you're absolutely right,
4 Commissioner --
5 COMMISSIONER ROBLES: Let it go on its own. That's
6 why DBOF was established -- so they'd have a mechanism to
7 charge customers a going rate, and they can just -- whatever
8 the rate is set, they use it and they pay for it. If they
9 don't want to use it, they can find an alternative somewhere
10 else; they go somewhere else.
11 COMMISSIONER MONTOYA: Mr. Chairman.
12 CHAIRMAN DIXON: Commissioner Montoya.
13 COMMISSIONER MONTOYA: I think it's an issue of who
14 is going to be the host.
15 MR. YELLIN: Yes, sir.
16 COMMISSIONER MONTOYA: You know, fundamentally,
17 who's going to have the accounting management. And the Navy
18 has said, clearly that they want out; that they're through,
19 they want out.
20 COMMISSIONER ROBLES: That's true, but wouldn't it
21 be prudent, and whoever is the host? I mean, I understand
22 the subsidy issue. The subsidy issue can be fixed by going

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1 and just charging that to the rates and jacking up. Has
2 Defense indicated any desire at all for Defense to run it for
3 the benefit of the other services?
4 MR. YELLIN: Secretary Gotbaum said they tried
5 everything they could to see who has funded workload for this
6 that's willing to step up. And he's talked about the wind
7 tunnel, and he said we only got very small amount of work
8 promised that's funded, in relationship to the fixed cost of
9 operating that. So right now, they agree with the walkaway
10 as reasonable, based on the workload that they saw projected.
11 COMMISSIONER ROBLES: Oh, I see. So what you're
12 saying is, the customers have no bucks.
13 MR. YELLIN: Or no one has stepped up and committed
14 to it, and they may be not stepping up because the host
15 function may fall with that. That may be one of the reasons.
16 CHAIRMAN DIXON: Are there any further questions?
17 COMMISSIONER COX: Could I just follow up on that?
18 CHAIRMAN DIXON: Commissioner Cox.
19 COMMISSIONER COX: I understood, from your answer
20 on Mr. Robles' question, that the subsidy problem could be
21 fixed. Joe's got a background in that.
22 COMMISSIONER ROBLES: Sure, if it's a DBOF

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activity, you can adjust the rate now to take up the subsidy slack, but it's the management issue, I think, is what I heard.

COMMISSIONER COX: The DOD calls up the various people using it and says, hey, would you like to subsidize it by $6.6 million? I guess the answer would be no. I mean, do we call them up and say, do you have work; or do we call them up and say, do you want to subsidize it by $6.6 million?

MR. YELLIN: Commissioner, we did not go and poll people on whether they would --

COMMISSIONER COX: Do we know what the funded workload is, say, for '96, '97, '98? My understanding was that they were completely full. They had a funded workload. Maybe not at a high enough price, per Commissioner Robles.

MR. MULLINER: In the case of the nuclear weapons test facility, we have certified data that the projected use out to FY 97 is 65 percent to 85 percent. Of that, 20 percent to 30 percent is maintenance time.

COMMISSIONER COX: Does DBOF not pay for maintenance time? That can't come into it?

MR. YELLIN: That gets factored into the costs.

COMMISSIONER COX: It does. And the hyper velocity

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wind tunnel?

MR. MULLINER: I don't have figures on that, ma'am.

COMMISSIONER COX: When we were out there, I know they said it was virtually 100 percent, but I don't know that.

COMMISSIONER ROBLES: See, the reason -- this is kind of an interesting issue, because there are many functions performed by the services as executive agents for others. I assume what this says is the Navy is not the executive agent for all the Defense Department. DOD did not classify this as an executive agent function. Just over time, the different services had just been using this facility, given that kind of track record.

I just wonder why DOD did not step up to the plate and say, we're going to designate a service to be the executive agent. They will fully fund -- if there's a funding requirement out there. And when you do that, you designate an executive agent, and then you charge a DBOF for everything required to run that as an executive agent. And then the prices you charge will fully subsidize it, and it's all over.

But I think what's happening is the Navy says, what

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am I getting out of this; I'm subsidizing this, my requirements are going down; adios, I'm out of here, and if somebody else wants to pick up the slack, knock yourself out. I think that's the issue, if I --

MR. YELLIN: That's right. But the Defense Department agreed with that. We went back to the Defense Department. In fact, I think that's why the question was asked Secretary Gotbaum. And he was very explicit that they made inquiries, they went through that consideration because, you're right, they obviously have that authority to direct someone to take this. And they said they could not identify the work that supported it.

COMMISSIONER ROBLES: You know, what's puzzling about all this -- I mean, I wouldn't draw this out if I didn't remember, I think, didn't the chairman of the Joint Chiefs of Staff make a statement about this?

MR. MULLINER: Yes, he did. He said he was worried about losing this capability.

COMMISSIONER ROBLES: There's an easy way to fix that. But that's within the department's purview to fix that.

MR. YELLIN: And the reality is, even if we accept

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the DOD recommendation to walk away from this, then all that does is it takes out of the Navy's hand, and the first thing is DOD screening. And it could go to another service, or it could be directed to go to another service.

CHAIRMAN DIXON: What's the pleasure of the commission? Are there any further questions? Is there any further comment? Is there a motion by any commissioner? I move that the commission find that the Secretary of Defense did not deviate substantially from the force structure and final criteria; and therefore that the commission adopt the following recommendation of the Secretary of Defense.

Close the Naval Surface Warfare Center, Dahlgren division detachment, White Oak, Maryland. Relocate the functions, personnel, and equipment associated with ship magnetic signature control R&D complex to the Naval Surface Warfare Center, Carderock, Maryland; and the functions and personnel associated with reentry body dynamics, research and development to the Naval Surface Warfare Center, Dahlgren, Virginia.

Is there a second?

COMMISSIONER KLING: I second, Mr. Chairman.

CHAIRMAN DIXON: Commissioner Kling seconds. Is

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there any comment? Commissioner Cox.

COMMISSIONER COX: I guess I just have to say that I oppose this. This is one of a series we're about to see of any one of the services saying, I don't want to be a host anymore, and let's play chicken. And you're right, it can get worked out in the re-use process, but it seems to me that we should not be used as part of that game. And if we think this is going to be taken over, we're going to be taking $85.9 million 20 year return on investment, and it isn't going to be true.

Because one, it's a DBOF and it's funded; and two, somebody else will take it over if it's right. And I think we should force the DOD to work it out.

CHAIRMAN DIXON: Okay. Are there any further comments? Counsel, call the roll.

MS. CREEDON: Mr. Chairman.

CHAIRMAN DIXON: Aye.

MS. CREEDON: Commissioner Cornella.

COMMISSIONER CORNELLA: Aye.

MS. CREEDON: Commissioner Cox.

COMMISSIONER COX: No.

MS. CREEDON: Commissioner Davis.

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COMMISSIONER DAVIS: No.

MS. CREEDON: Commissioner Kling.

COMMISSIONER KLING: Aye.

MS. CREEDON: Commissioner Montoya.

COMMISSIONER MONTOYA: Aye.

MS. CREEDON: Commissioner Robles.

COMMISSIONER ROBLES: No.

MS. CREEDON: Commissioner Steele.

COMMISSIONER STEELE: Aye.

MS. CREEDON: Mr. Chairman, the vote is five ayes and three nays.

CHAIRMAN DIXON: And the motion carries, and the Secretary of Defense is supported.

MR. YELLIN: The next is Naval Surface Warfare Center, Annapolis. Mr Epstein will do the presentation on that.

MR. EPSTEIN: Please put up slides H13 and H14. The current Department of Defense recommendation is to close NSWC Annapolis; transfer seven of its 10 major facilities to Philadelphia; rebuild one in Carderock or elsewhere; and abandon two. The Navy justified the proposed closure by saying that sharp declines in technical center workload

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1 through 2001 will lead to excess capacity in these
2 laboratories.
3 This excess and the imbalance in source levels
4 dictate closure, realignment or consolidation of activities
5 wherever practical. To this remark, Annapolis community
6 pointed out in briefing material that even with a 35 percent
7 reduction in funding of labor, all of its workforce would be
8 fully funded. The COBRA prepared by the Navy reflects the
9 elimination of 138 civilian billets, of which over 40 percent
10 are technicians and other support personnel.
11 This results in a savings with a net present value
12 of $135 million. The community has expressed numerous
13 concerns over this recommendation, the most important of
14 which I'd like to share with you. The most significant issue
15 is the planned abandonment of the deep ocean and the fluid
16 dynamics facilities. The deep ocean facility is the only
17 facility in the Western Hemisphere that can test equipment of
18 this size and simulate such depths.
19 It also has the fairly unique ability to extract
20 heat as pressure builds and depths increase. And there are
21 t.v. cameras to monitor what's transpiring in the chamber.
22 The Annapolis community and NAVSEA project manager stated

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1 that tests performed by or on behalf of Navy in the chamber
2 would cost about one-tenth as much as live testing, and
3 suggested the additional costs for 1996 alone might be closer
4 to $5 million.
5 Navy officials responded with data which supported
6 a projection that the increased costs associated with
7 alternative testing methods on tests being conducted by or on
8 behalf of the Navy would have a net present value of about $5
9 million. They explained that on some testing, there would be
10 some minor degree of risk, other testing, perhaps amounting
11 to about 10 percent of total tests, would have to be
12 conducted -- that would have been conducted at Annapolis,
13 would be too dangerous to conduct.
14 The fluid dynamics facility -- the other facility
15 to be abandoned -- was built after the disappearance of the
16 Thrusher, to study how fluids act under high pressure. The
17 community says it is the only facility of its type and
18 capability. Estimated costs in a live environment would cost
19 10 to 12 times that in a laboratory. These costs do not
20 include the costs of a combatant ship, such as a submarine or
21 its crew.
22 The Navy provided an example of live testing that

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1 would necessitate bringing a vessel into a dry dock to be
2 outfitted for a test; sending it out to sea for the test; and
3 then returning it to restore the original configuration.
4 Current 1996 plans are for about $1.2 million in testing in
5 this facility, representing a marginal cost of about $13
6 million in that sea testing, if all testing were performed.
7 But compared to prior years, this appears to be a
8 sharp upward spike in testing volume. The Navy said that
9 with some modifications, facilities at NSWC Philadelphia
10 could be modified to acceptably perform tests there for about
11 the same costs as they would be performed at Annapolis. When
12 the Defense Base Closure and Realignment Commission received
13 the Navy's recommendations, the scenario was to close NWSC by
14 1998.
15 After receiving questions from the staff dealing
16 with support of the Sea Wolf and SSN 21 programs, the Navy
17 revised its plan to show abandonment of the fluid dynamics
18 facility in 2000. The Annapolis community says the facility
19 will be needed at least three to four years beyond this. A
20 second major item of contention was the Navy's position that
21 the COBRA analysis did not have to reflect the cost of the
22 salaries of government employees who are assigned to

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1 unhooking, rehooking and recalibrating equipment, because
2 these costs could be offset by the savings which would be
3 achieved by eliminating positions more rapidly.
4 Despite some reservations, the R and A staff
5 accepted that Navy position. The prepared COBRA also did not
6 include any costs for moving the equipment to Philadelphia
7 and Annapolis, other than the COBRA calculated costs of
8 moving and packing non-specialized equipment. The staff
9 added estimated costs for contractor support for the move and
10 for ancillary pipes and valves, which probably would have to
11 be replaced in conjunction with the move.
12 Please take down slide H13, and put up slide H15.
13 The community expressed concern over likely interruption of
14 the chlorofluorocarbon, that's CFC, eliminations program.
15 This program is necessary to ensure the Navy conforms with
16 the provisions of the international treaty banning CFC use.
17 Our questions and NSWC concerns led to what appears to be a
18 workable plan to move the working phases to Philadelphia.
19 However, the staff concluded that it was not
20 sufficient to keep Annapolis open until the 2001 turnover
21 date, but that the Navy needs billets to continue work in
22 refrigerants, as global warming and other environmental

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1 projects are likely just over the horizon. Staff added
2 billets to the number previously scheduled to move to
3 Philadelphia.
4 The COBRA prepared by the staff delay the transfer
5 of some Annapolis billets to Philadelphia, in order that they
6 might support fluid dynamics and CFC work. Added costs for
7 equipment movement kept part of the Annapolis facility opened
8 until 2001, and permitted some of the billets for CFC and
9 refrigerant R&D to transfer to Philadelphia. As you can see,
10 the COBRA generates an estimated savings with a net present
11 value of $81 million, and a payback in three years. Are
12 there any questions?
13 CHAIRMAN DIXON: Thank you, Mr. Epstein. Are there
14 any questions? Commissioner Steele.
15 COMMISSIONER STEELE: As I recall, when the
16 community made its presentation, they said that if this
17 facility -- the tank went away, they would have to test in
18 deep water. And historically, it's been 10 times more
19 expensive to do so. Is that worked in here anywhere?
20 MR. EPSTEIN: It's not, but I think we ought to
21 clarify the community's position. There's different manner
22 in which alternative testing can be done. In some cases, you

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1 can get acceptable results through computer simulation. In
2 other cases, you may be able to test smaller components or
3 other things in a smaller tank. And according to the Navy,
4 in about 10 percent of the cases, testing would be too
5 dangerous and there would be no option.
6 So that's the percentage that's at risk. As far as
7 the costs are concerned, it appears that the net present
8 value of the additional costs -- that's not yearly, that's
9 net present value -- is probably more like $5 million to $10
10 million.
11 COMMISSIONER COX: I'm sorry, I want to make sure I
12 understand.
13 CHAIRMAN DIXON: Commissioner Cox.
14 COMMISSIONER COX: Some of it they'll do by
15 simulator, and that's fine.
16 MR. EPSTEIN: Yes.
17 COMMISSIONER COX: Some of it they won't do at all,
18 because it's too dangerous.
19 MR. EPSTEIN: That's correct. About 10 percent of
20 the tests they would not do.
21 COMMISSIONER COX: And you wouldn't want to have a
22 live test on it. And that $5 million represents that that

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1 has to be done by live testing, in your view.
2 MR. EPSTEIN: That could be done with live testing.
3 COMMISSIONER COX: That could be done by live
4 testing.
5 MR. EPSTEIN: Safely.
6 COMMISSIONER COX: But would it be done -- I
7 mean --
8 MR. EPSTEIN: If the testing weren't too expensive,
9 it would probably be done by live testing, if it weren't too
10 dangerous. The 10 percent of the time, it would be too
11 dangerous and they probably would have to take their chances.
12 COMMISSIONER COX: I guess I'm looking for what
13 that middle is. There's some of it that will be done by
14 simulator, but some of it can't be done at all because it's
15 too dangerous.
16 MR. EPSTEIN: Ten percent of the testing.
17 COMMISSIONER COX: Right. But then that says to me
18 that there's some of it that will be done by live testing
19 that will be what cost?
20 MR. EPSTEIN: Five million dollars to $10 million,
21 net present value; that's not annual. So maybe a quarter of
22 a half million dollars a year.

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1 COMMISSIONER COX: And did you -- did that get put
2 into the COBRA?
3 MR. EPSTEIN: No, that's not there.
4 COMMISSIONER COX: Okay, and the same on the
5 nuclear testing facility?
6 MR. EPSTEIN: The fluid dynamics facility testing,
7 according to the Navy, could be done at approximately equal
8 cost, after making some modifications to the Philadelphia
9 facility.
10 COMMISSIONER COX: And did that get put into the
11 COBRA?
12 MR. EPSTEIN: No, it's not. And there's one other
13 thing --
14 COMMISSIONER COX: And how much is that?
15 MR. EPSTEIN: We didn't get an answer until
16 recently. I think that we're talking under $5 million.
17 COMMISSIONER COX: A hundred and five?
18 MR. EPSTEIN: Under $5 million.
19 COMMISSIONER COX: Under $5 million.
20 MR. EPSTEIN: There's one other thing that's not
21 counted, and that is, if you have to use a submarine to
22 conduct a test, it does not include the cost of depreciation

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1 or whatever on the submarine or the pay and compensation of
2 the crew, because that's viewed as a sunk cost.
3 COMMISSIONER COX: Okay. And once that this came
4 up -- and in fact, I asked about it last Wednesday at the DOD
5 hearing, that not including the costs of moving. And you
6 mentioned them briefly, but if you wouldn't mind going back
7 through them. Because as I recall, that alone doubled the
8 cost of the close. And I think what you said is, some of it,
9 we grant them, they'd have to do anyway.
10 MR. EPSTEIN: There are about three primary
11 categories of costs. There's work that would be done by the
12 government employees; work that would be done by contractors;
13 and there would be some material -- about $8 million worth of
14 material -- that would have to be bought to make the move
15 because things would break or couldn't be sealed properly.
16 We put back into the model about $30 million, is our estimate
17 of the cost of that move.
18 And there may be a few million dollars that -- our
19 judgment said that the community may have overstated the
20 costs. But we put in most of --
21 COMMISSIONER COX: Most of those costs.
22 MR. EPSTEIN: Yes.

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1 COMMISSIONER COX: And you included, I hope, the
2 cost of government employees. I mean, making moves that they
3 wouldn't have to make, if you didn't close it.
4 MR. YELLIN: Commissioner Cox, we did get a
5 response from the Defense Department to your question. And
6 they felt that the exclusion was correct. And the way you
7 would handle that, as an alternative, and the justification
8 is that you would then have shown, in the COBRA calculation,
9 you might have shown the cost for those people as a cost of
10 the move, but you could also show the savings because you
11 could then, in essence, in the eliminations part of the COBRA
12 calculation, show them being eliminated sooner.
13 So the calculation, then, was considered to be a
14 wash.
15 COMMISSIONER COX: I'm sorry, I'm losing you there.
16 The people got eliminated sooner because they moved?
17 MR. YELLIN: No, the Navy position is, which DOD
18 agreed with, was that if you have personnel -- government
19 personnel -- that are involved in unhooking this equipment,
20 then they are doing that work. You have two choices about
21 where to put their costs. You can put the cost in the one-
22 time cost to do that work, or you can go and keep them, and

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1 not eliminate them as soon as you could otherwise.
2 COMMISSIONER COX: By a few days, or what do you
3 mean?
4 MR. YELLIN: By a year, by a period of time. So in
5 other words, the COBRA model phases the elimination of
6 personnel over time.
7 COMMISSIONER COX: And because the government
8 employees are moving people, then they phase less.
9 MR. YELLIN: No, because these are technical
10 people, the laboratory personnel, that put these things
11 together, will take them apart. The Navy and the DOD
12 position is that you could show them as an elimination, and
13 then the model would calculate savings of their costs. Or
14 you can keep them on and then put those costs back into the
15 model as a one-time cost for the closure action.
16 Or you can put them in as the personnel that would
17 be kept on board and not eliminated as soon.
18 COMMISSIONER COX: Would we have these costs if we
19 didn't close them? Would we be recalibrating and moving if
20 we weren't closing?
21 MR. YELLIN: We would not be doing that.
22 COMMISSIONER COX: And if we hired a contractor, if

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1 you hired somebody to do that --
2 MR. YELLIN: A portion of the costs were added back
3 in that were contract costs.
4 COMMISSIONER COX: Right, but they're saying we're
5 not counting the government costs because, I guess what
6 you're telling me, if they weren't doing this, we could fire
7 them sooner and therefore we would have savings. Is that
8 basically what you're saying?
9 MR. YELLIN: Yes, that's right. You could lay them
10 off sooner, that's right.
11 COMMISSIONER DAVIS: Mr. Chairman.
12 CHAIRMAN DIXON: Commissioner Davis.
13 COMMISSIONER DAVIS: One technical question. We're
14 still missing 10 percent of the tests if we shut down the
15 facility. Could we do 100 percent of the tests with the
16 facility as it is?
17 MR. EPSTEIN: Some of them are too dangerous. You
18 don't want to open a five inch valve on a submarine at 500
19 feet.
20 COMMISSIONER DAVIS: Yes, but what I'm saying is,
21 can you do 100 percent of the tests or modeling at the
22 current facility?

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1 MR. EPSTEIN: Yes.
2 COMMISSIONER COX: Mr. Epstein, do we have a map of
3 the naval air station?
4 MR. EPSTEIN: I don't have a map of it, but I can
5 describe the land. It's surrounded on one side by the Severn
6 River, and the other parts of it are totally surrounded by
7 naval station Annapolis, which is a facility that works
8 closely with the Naval Academy.
9 COMMISSIONER COX: And so in other words, to get to
10 the buildings that are on this property, you must come
11 through the naval air station, unless you bring a boat?
12 MR. YELLIN: It's naval station Annapolis. You
13 drive through naval station Annapolis to get to the
14 laboratory.
15 COMMISSIONER COX: And how many acres is this?
16 MR. EPSTEIN: I think it's about 70 acres. I'm not
17 sure exactly.
18 COMMISSIONER COX: I think it was a little bit
19 smaller. But my only point is, what we're looking at here is
20 a tip of a peninsula past the naval air station. And this
21 property is not -- the only way to get to it is to go through
22 this naval air station. So there will also be, if the naval

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1 air station will agree to it, additional costs. My personal
2 guess is that the naval air station will simply expand onto
3 this property, and it will never be made available for any
4 useful re-use process. That's my only point.
5 This is very much like the labs that we talked
6 about at Raum and at Brooks. In addition to the problem of
7 leaving the lab, the nuclear facility, you have some people
8 there who are very specialized and are working on very
9 specialized opportunities for the military, whether it's
10 quiet or submarines or whether it's pressure, whether it's
11 these fluorocarbons, which we have to meet certain
12 obligations by a certain time or it will be very expensive
13 for us.
14 And if we move this, it's no question that in
15 Philadelphia and everywhere else, we're going to be able to
16 recreate that capacity. But we're going to have a period of
17 time like we would have at Raum, like we would have at Brooks
18 Lab, where you just lose the ability to do this. And in some
19 of the cases, as Mr. Epstein has pointed out, you lose it
20 permanently. Some things are just too risky to do live. And
21 that's my concern about this proposal.
22 CHAIRMAN DIXON: Thank you, Commissioner Cox. Are

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1 there any other comments or any questions by any other
2 commissioner?
3 COMMISSIONER MONTOYA: Mr. Chairman.
4 CHAIRMAN DIXON: Commissioner Montoya.
5 COMMISSIONER MONTOYA: I need to make some
6 comments, being the "Navy person" on the commission. And
7 this one was very troubling to me, and it still is. Because
8 the community, the scientists at the site, made an
9 outstanding presentation. I had two classmates there that
10 day who worked there most of their lives, up until they left
11 the Academy and did their obligated service, they had worked
12 there. And I believe them.
13 I believe that what the presentations were were
14 right on. And so clearly, I've been troubled by this all
15 along. And for that reason, I've availed myself to be
16 lobbied by other people whom I also know and trust who are in
17 the Navy. And they had -- there were two points of view.
18 One is, for those things that are going on at the detachment
19 now -- and you see it in some of the write-ups -- it is their
20 view that the work will continue almost to its completion or
21 to its completion.
22 Then it will be closed down, because work will not

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1 be added. I'm speaking primarily of the CFC work. Or
2 they'll try to phase it into the private sector. And the
3 other issue, and of more importance, is the risk issue. And
4 those people who are most impacted by the risk are aware of
5 what's going on here, and they're aware of the risk and have
6 opted to take it.
7 And so I would vote to keep this open, if I had
8 gotten any support from those who have to live with the
9 decision of closure, and I did not. So I have to come down
10 on the side of those that have chosen the recommendation,
11 because they are the risk-takers.
12 CHAIRMAN DIXON: Is there any further comment or
13 any questions, or is there a motion? I move that the
14 commission find that the Secretary of Defense did not deviate
15 substantially from the force structure and final criteria;
16 and therefore, that the commission adopt the following
17 recommendation of the Secretary of Defense.
18 Close the Naval Surface Warfare Center, Carderock
19 division detachment, Annapolis, Maryland, including the
20 Bayhead Road, Annapolis; except transfer the fuel storage
21 refueling sites and the water treatment facilities to naval
22 station Annapolis to support the U.S. Naval Academy and Navy

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1 housing. Relocate appropriate functions, personnel,
2 equipment and support to other technical activities,
3 primarily Naval Surface Warfare Center, Carderock division
4 detachment, Philadelphia, Pennsylvania, Naval Surface Weapons
5 Center, Carderock division, Carderock, Maryland, and the
6 Naval Research Laboratory, Washington, D.C.
7 The Joint Spectrum Center, a DOD cross service
8 tenant, will be relocated with other components of the center
9 in the local area as appropriate.
10 COMMISSIONER KLING: I second, Mr. Chairman.
11 CHAIRMAN DIXON: There's a second by Commissioner
12 Kling. Are there any further comments. Counsel, call the
13 roll.
14 MS. CREEDON: Commissioner Kling.
15 COMMISSIONER KLING: Aye.
16 MS. CREEDON: Commissioner Montoya.
17 COMMISSIONER MONTOYA: With a heavy heart, I say
18 aye.
19 MS. CREEDON: Commissioner Robles.
20 COMMISSIONER ROBLES: Aye.
21 MS. CREEDON: Commissioner Steele.
22 COMMISSIONER STEELE: Aye.

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1 MS. CREEDON: Commissioner Cornella.
2 COMMISSIONER CORNELLA: Aye.
3 MS. CREEDON: Commissioner Cox.
4 COMMISSIONER COX: No.
5 MS. CREEDON: Commissioner Davis.
6 COMMISSIONER DAVIS: Aye.
7 MS. CREEDON: Mr. Chairman.
8 CHAIRMAN DIXON: Aye.
9 MS. CREEDON: Mr. Chairman, the vote is seven ayes
10 and one nay.
11 CHAIRMAN DIXON: Seven ayes and one nay, and the
12 motion carries.
13 MR. YELLIN: The next is Naval Aviation Technical
14 Services Facility in Philadelphia. David will also do the
15 presentation on that.
16 MR. EPSTEIN: Please put up slides H16 and H17.
17 This scenario moves NATSF, Naval Aviation Technical Services
18 Facility to San Diego, and makes it a department in the Naval
19 Aviation Depot, or NADEP, North Island. The cover run by the
20 BSAT reflects elimination of 50 civilian and two military
21 billets, and an annual savings of slightly over $1 million.
22 There are two issues which I would like to bring to your

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attention.
The NATSF community pointed out that it has been a tenant of aviation supply office in Philadelphia for more than 40 years. It has a very close relationship with ASO, they have worked well together, maintaining good records.
They say NATSF's mission is very different from that of a NADEP.
On the other hand, NATSF is a NAVAIR activity. NAVAIR and the Navy stated that NATSF belongs at a NAVAIR activity. Although NADEP, North Island is only responsible for certain types of aircraft, it does have employees with some responsibility to work with technical drawings.
The NATSF community also points out, with some alarm, that housing costs in middle class neighborhoods in Philadelphia, and particularly those close to the ASO compound where they work, are significantly less expensive than comparable housing in San Diego.
They pointed out that the average grade level of the NATSF employees in Philadelphia is a GS-8.3 and they cannot afford to make the move to San Diego and will not move with their jobs.
Does anybody have any questions?

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CHAIRMAN DIXON: Are there any questions of Mr. Epstein?
(No response.)
CHAIRMAN DIXON: Are there any statements by any Commissioner regarding this unit?
(No response.)
CHAIRMAN DIXON: Is there a motion by any Commissioner?
COMMISSIONER MONTOYA: I have one.
CHAIRMAN DIXON: Commissioner Montoya.
MOTION
COMMISSIONER MONTOYA: I move that the Commission find that the Secretary of Defense did not deviate substantially from the Force Structure Plan and the Final Criteria and, therefore, that the Commission adopt the following recommendation of the Secretary of Defense:
"Close the Naval Air Technical Services Facility Philadelphia, Pennsylvania and consolidate necessary functions, personnel, and equipment with the Naval Aviation Depot North Island, California."
CHAIRMAN DIXON: Commissioner, I think you described it erroneously. It's "Close the Naval Aviation

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Engineering Service Unit, NAESU," is it not?
(A discussion was held off the record.)
CHAIRMAN DIXON: Good. Thank you, I'll get caught up.
COMMISSIONER KLING: Second, Mr. Chairman.
CHAIRMAN DIXON: All right. "Close the Naval Air Technical Services Facility, NATSF." Okay. And you second? Commissioner Kling seconds.
Are there any comments?
(No response.)
CHAIRMAN DIXON: Counsel will call the roll.
MS. CREEDON: Commissioner Montoya.
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles.
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele.
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella.
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox.
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis.

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1 COMMISSIONER DAVIS: Aye.
2 MS. CREEDON: Commissioner Kling.
3 COMMISSIONER KLING: Aye.
4 MS. CREEDON: Mr. Chairman.
5 CHAIRMAN DIXON: Aye.
6 MS. CREEDON: Mr. Chairman, the vote is eight ayes
7 and no nays.
8 CHAIRMAN DIXON: And the motion carries
9 unanimously.
10 And now we go to Naval Aviation Engineering
11 Services Unit, correct?
12 MR. EPSTEIN: Yes, sir. You were just one ahead of
13 us there.
14 CHAIRMAN DIXON: All right.
15 MR. EPSTEIN: Please put up Slides H-18 and H-19.
16 The recommended scenario is to move Naval Aviation
17 Engineering Service Unit to Naval Aviation Depot, or NADEP,
18 North Island, where it would become part of the NADEP
19 organization.
20 As shown on the slide to your left, the BSEC COBRA
21 reflects an expected savings, an annual savings of about $2-
22 1/2 million. It shows the elimination of half of the billets

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1 for civilians. The function of NAESU headquarters is to
2 coordinate over 500 government employees who provide
3 technical assistance when there are problems beyond the
4 capabilities of the local maintenance personnel.
5 The NAESU community expressed concerns relating to
6 a variety of subjects, some of which are as follows. The
7 NAESU community also stated that only about 5 percent of its
8 workforce was likely to move to San Diego. The average grade
9 level of NAESU is about a GS-10.
10 NAESU just moved to the ASO compound last week, has
11 signed memoranda of understanding with ASO and believes it
12 can eliminate significant amounts of overhead. However,
13 certified data show no projected savings.
14 The staff agreed with the community's contention
15 that NAESU could be equally well located in San Diego or in
16 Philadelphia.
17 The Navy reported, in its COBRA analysis, that 58
18 civilian billets would be transferred to NADEP, North Island,
19 but that 14 positions would be eliminated from NAESU's San
20 Diego area detachments.
21 The community stated these and other detachments
22 could have been downsized without regard to the movement of

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1 the headquarters organization.
2 The Navy's COBRA was not consistent with that
3 situation. Staff reran the COBRA, using personnel numbers
4 consistent with the scenario. As you can see, the revised
5 COBRA reflects a savings of about $100,000 less per year.
6 Are there any questions?
7 CHAIRMAN DIXON: Are there any questions of Mr.
8 Epstein?
9 (No response.)
10 CHAIRMAN DIXON: Are there any statements?
11 (No response.)
12 CHAIRMAN DIXON: Is there a motion, Commissioner
13 Montoya, or Commissioner Kling?
14 MOTION
15 COMMISSIONER KLING: Mr. Chairman, I move that the
16 Commission find that the Secretary of Defense did not deviate
17 substantially from the Force Structure Plan and Final
18 Criteria and, therefore, that the Commission adopt the
19 following recommendation of the Secretary of Defense:
20 "Close the Naval Aviation Engineering Service Unit
21 Philadelphia, Pennsylvania and consolidate necessary
22 functions, personnel, and equipment with the Naval Aviation

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1 Depot, North Island, California."
2 CHAIRMAN DIXON: I second the motion. Are there
3 any comments?
4 (No response.)
5 CHAIRMAN DIXON: Counsel will call the roll.
6 MS. CREEDON: Commissioner Kling.
7 COMMISSIONER KLING: Aye.
8 MS. CREEDON: Commissioner Montoya.
9 COMMISSIONER MONTOYA: Aye.
10 MS. CREEDON: Commissioner Robles.
11 COMMISSIONER ROBLES: Aye.
12 MS. CREEDON: Commissioner Steele.
13 COMMISSIONER STEELE: Aye.
14 MS. CREEDON: Commissioner Cornella.
15 COMMISSIONER CORNELLA: Aye.
16 MS. CREEDON: Commissioner Cox.
17 COMMISSIONER COX: Aye.
18 MS. CREEDON: Commissioner Davis.
19 COMMISSIONER DAVIS: Aye.
20 MS. CREEDON: Mr. Chairman.
21 CHAIRMAN DIXON: Aye.
22 MS. CREEDON: Mr. Chairman, the vote is eight ayes

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1 and zero nays.
2 CHAIRMAN DIXON: And the motion carries
3 unanimously.
4 Naval Management Systems Support Office Chesapeake,
5 Virginia.
6 MR. EPSTEIN: Please put up Slides H-20 and H-21.
7 Naval Management Systems Support Office, commonly
8 called NAVMASSO, Chesapeake, Virginia, has been occupying
9 leased space in the Norfolk area. The proposed action would
10 disestablish NAVMASSO, relocate its functions and necessary
11 personnel and equipment as a detachment of Naval Command and
12 Control and Ocean Surveillance Center San Diego, California
13 in government-owned spaces in Norfolk.
14 Note the net present value, a savings of $2.7
15 million per year made possible by the elimination of about 5
16 percent of its billets, and savings associated with occupying
17 government-owned space.
18 Although no issues were identified to staff by the
19 community, there is one item which staff believes is
20 deserving of some attention. Staff is concerned that there
21 could be a problem in the event that no government-owned
22 space can be found in Norfolk. Accordingly, it is suggested

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1 that Navy be given more flexibility and the DOD
2 recommendation be modified to read "in government-owned space
3 in the Tidewater area."
4 This recommended change was discussed with and
5 agreed to by the Navy.
6 Do you have any questions?
7 CHAIRMAN DIXON: Are there any questions of Mr.
8 Epstein?
9 (No response.)
10 CHAIRMAN DIXON: Are there any statements?
11 (No response.)
12 CHAIRMAN DIXON: Is there a motion?
13 COMMISSIONER MONTOYA: Mr. Chairman?
14 CHAIRMAN DIXON: Commissioner Montoya.
15 M O T I O N
16 COMMISSIONER MONTOYA. I move that the Commission
17 find that the Secretary of Defense deviated substantially
18 from Final Criterion 2 and, therefore, that the Commission
19 reject the Secretary's recommendation on Naval Management
20 Systems Support Office, Chesapeake, Virginia and, instead,
21 adopt the following recommendation:
22 "Disestablish the Naval Management Systems Support

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1 Office, Chesapeake, Virginia and relocate its functions and
2 necessary personnel and equipment as the detachment of the
3 Naval Command, Control and Ocean Surveillance Center at San
4 Diego, California in government-owned spaces in the
5 Tidewater, Virginia area.
6 "The Commission finds this recommendation is
7 consistent with the Force Structure Plan and Final Criteria."
8 CHAIRMAN DIXON: I second the motion. I take it
9 the only change there that causes us to deviate is the fact
10 that you've changed "Norfolk" to "the Tidewater area."
11 COMMISSIONER MONTOYA: Yes, sir.
12 CHAIRMAN DIXON: Is that right?
13 COMMISSIONER MONTOYA: Yes, sir.
14 CHAIRMAN DIXON: Otherwise, we support the
15 recommendation of the Secretary of Defense.
16 MR. YELLIN: Yes, sir, and we have talked to the
17 Navy about this.
18 CHAIRMAN DIXON: Any comments?
19 (No response.)
20 CHAIRMAN DIXON: Counsel will call the roll.
21 MS. CREEDON: Commissioner Montoya.
22 COMMISSIONER MONTOYA: Aye.

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1 MS. CREEDON: Commissioner Robles.
2 COMMISSIONER ROBLES: Aye.
3 MS. CREEDON: Commissioner Steele.
4 COMMISSIONER STEELE: Aye.
5 MS. CREEDON: Commissioner Cornella.
6 COMMISSIONER CORNELLA: Aye.
7 MS. CREEDON: Commissioner Cox.
8 COMMISSIONER COX: Aye.
9 MS. CREEDON: Commissioner Davis.
10 COMMISSIONER DAVIS: Aye.
11 MS. CREEDON: Commissioner Kling.
12 COMMISSIONER KLING: Aye.
13 MS. CREEDON: Mr. Chairman.
14 CHAIRMAN DIXON: Aye.
15 MS. CREEDON: Mr. Chairman, the vote is eight ayes
16 and zero nays.
17 CHAIRMAN DIXON: And the motion is unanimously
18 adopted.
19 Naval Command, Control, and Ocean Surveillance
20 Center In-Service Engineering, West Coast Division, San
21 Diego.
22 MR. EPSTEIN: Please put up Slides H-22 and H-23.

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1 This recommendation disestablishes the Space and
2 Naval Warfare Systems Command, SPAWAR, Naval Command,
3 Control, and Ocean Surveillance Center, NCCOSC, In-Service
4 Engineering and R&D Facilities, both located in San Diego,
5 California, and consolidates necessary functions and
6 personnel.
7 This consolidation is already underway, and no
8 employees are expected to lose jobs. Staff were not informed
9 of any community concerns by employees working in San Diego.
10 However, the Washington, D.C. SPAWAR's community expressed
11 concern that the NRED/NISE West combination serves to help
12 make the separate SPAWAR recommendation appear more cost-
13 effective.
14 Staff did not find this to be the case, as both
15 recommendations are separately viable with immediate returns
16 on investment.
17 Do you have any questions?
18 CHAIRMAN DIXON: Are there any questions of Mr.
19 Epstein?
20 (No response.)
21 CHAIRMAN DIXON: Are there any comments?
22 (No response.)

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CHAIRMAN DIXON: Commissioner Cornella.

MOTION

COMMISSIONER CORNELLA: I move that the Commission that the Secretary of Defense did not deviate antially from the Force Structure Plan and Final eria and, therefore, that the Commission adopt the following recommendation of the Secretary of Defense:

"Disestablish the In-Service Engineering, West Coast Division, San Diego, California, of the Naval Command, Control, and Ocean Surveillance Center, including the Taylor Street Special Use Area, and consolidate necessary functions and personnel with the Naval Command, Control, and Ocean Surveillance Center, RDT&E Division, either in the NCCOSC RDT&E Division spaces at Point Loma, California or in current NISE West spaces in San Diego.

CHAIRMAN DIXON: Second the motion. Is there any comment?

(No response.)

CHAIRMAN DIXON: Counsel will call the roll.

MS. CREEDON: Commissioner Cornella.

COMMISSIONER CORNELLA: Aye.

MS. CREEDON: Commissioner Cox.

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COMMISSIONER COX: Aye.

MS. CREEDON: Commissioner Davis.

COMMISSIONER DAVIS: Aye.

MS. CREEDON: Commissioner Kling.

COMMISSIONER KLING: Aye.

MS. CREEDON: Commissioner Montoya.

COMMISSIONER MONTOYA: Aye.

MS. CREEDON: Commissioner Robles.

COMMISSIONER ROBLES: Aye.

MS. CREEDON: Commissioner Steele.

COMMISSIONER STEELE: Aye.

MS. CREEDON: Mr. Chairman.

CHAIRMAN DIXON: Aye.

MS. CREEDON: Mr. Chairman, the vote is eight ayes zero nays.

CHAIRMAN DIXON: The motion is unanimously adopted. Space and Naval Warfare Systems Command, Arlington. ..

MR. EPSTEIN: Please put up Slides I-2 and I-3.

In BRAC '93, the Commission decided that and Space and Naval Warfare Systems Command, SPAWAR, Arlington, Virginia, relocate to government-owned space within the NCR -- National Capital Region.

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The recommendation before you is to relocate SPAWAR in government-owned space in San Diego, California to allow consolidation of the Naval Command, Control, and Ocean Surveillance Center, or NCCOSC, with the Space and Naval Warfare Command Headquarters.

The summarization of the COBRA results show the elimination of over 400 positions, or 38 percent of all billets, or 42 percent of civilian billets. This makes possible, according to the Navy's COBRA, a savings of over $25 million a year.

The Navy states that the movement of SPAWAR to San Diego, where NCCOSC, NRED, and NISE West are, will make it possible to eliminate layers of management and to have project managers on the floor with their technical teams, rather than an airplane flight away.

The SPAWAR community was quite vocal in its opposition. Allow me to present some of their many concerns:

The DOD Joint Cross-Service Group recommended the consolidation of Command, Control, Computers, Communication, and Intelligence, or C4I, acquisition at Forth Monmouth, New Jersey. This recommendation was ignored by the services. aff finds the situation particularly distressing, as common

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sense tells you that the proposed move will do nothing to advance the cause.

Please remove Slide I-3 and put up Slide I-4.

The community pointed out, correctly in the eyes of staff, that costs for refurbishing the San Diego facilities were omitted.

Please remove Slide I-2 and put up Slide NBU-66.

They explained it is essential to maintain a strong Washington presence. They conduct frequent meetings and have constant interface with the numerous Washington area C4I commands, some of which are on the slide before you.

The staff found it difficult to believe that the proposed 15-person Washington contingent could maintain proper client contact and revise the Navy-prepared COBRA to reflect the establishment, instead, of a 50-person Washington contingent. Staffing was made possible by eliminating ten fewer positions and relocating 25 fewer billets to San Diego.

As part of its discussion of the need to maintain a Washington presence, the community insisted SPAWAR would need an annual additional travel budget of $13-1/2 million. The Navy said it could avoid increases in the travel budget by, one, representation by the Washington detachment; two, the

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use of VTCs; and, three, the decrease in required travel between SPAWAR and NCCOSC.

They suggested SPAWAR and NAVSEA be merged or co-located. They also explained that, if NCCOSC were eliminated, positions duplicated by the two systems commands were removed and excess SPAWAR overhead were trimmed, even greater savings could be achieved than under the Navy proposal.

Finally, the community pointed out that much of the work of interest to SPAWAR, such as information security and under-sea surveillance, and other highly classified programs, involved no SPAWAR personnel other than those at headquarters. Thus, the community points out, moving SPAWAR to San Diego will further separate SPAWAR from its customers.

The revised COBRA, run by the staff, injects funds for rehabilitation of space in San Diego and increases the size of the Washington office as described above.

As you can see, the impact on the savings is less than a $1 million-a-year savings.

Do you have any questions?

CHAIRMAN DIXON: Thank you, Mr. Epstein. Are there questions?

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COMMISSIONER COX: I wonder if you could give us a little bit better idea, because I've talked to the community here, and they seem to think that they will not be able to do their work and that they have very little in common, or there are very little synergies, if you want to put it that way, with the folks in San Diego.

Could you tell me a little bit more, or comment a little bit more, on what the interface is with the San Diego folks?

MR. EPSTEIN: Up until now, the NCCOSC organization, which is sort of one layer down below them, has maintained most of the interface and SPAWARS has run the programs, at least from a program management perspective, and then passed them on to NCCOSC --

COMMISSIONER COX: Here?

MR. EPSTEIN: Yes, SPAWARS here, and then passes them on to NCCOSC more for execution.

SPAWARS also, you know, has run its own projects directly, say, with NISE East in Charleston and, in some cases, has contracted directly with some contractors, so that NCCOSC in San Diego really has had no involvement.

In response to your question about the impact, it's

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1 a little bit difficult to say. If you look at the Army and
2 the Air Force, though, you see cases of headquarters
3 organizations being in Washington or nearby and having the
4 people there, and you can also find cases where there's
5 virtually no Washington presence, except for a small office,
6 and I think Wright-Patterson has been an outstanding example
7 of that. It's going to require a paradigm shift, though.
8 MR. YELLIN: Commissioner Cox, the SPAWARS has
9 large field organizations, one in Charleston and one in San
10 Diego, made up of several groups. The large majority of the
11 people that the SPAWARS headquarters is responsible for
12 directing, the large majority of those are in San Diego.
13 And so I think the Navy's intention is to move them
14 closer to the organizations that they direct and guide, and
15 also to put them at a fleet location, and that's the basis
16 for the Navy's moving them out of Washington.
17 If you go back to the C4I consolidation that we
18 looked at, the Air Force and the Army do not have their C4I
19 acquisition staffs here in Washington. They're in Fort
20 Monmouth, they're at Hanscom; and those are the other
21 locations.
22 So there is not a great precedent for this function

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1 to be performed by the other services here in Washington.
2 Now, as we've shown, there are a lot of organizations that
3 they deal with and, even if you do create a significantly
4 larger than planned organization here, to remain here in
5 Washington, the Navy's emphasis is on getting them together
6 with their subordinate commands and collapsing that
7 organization to eliminate layers of management and personnel.
8 COMMISSIONER COX: Did the folks from Charleston
9 move out to should, too?
10 MR. EPSTEIN: No.
11 MR. YELLIN: No. The people in Charleston remain
12 in Charleston. That is one of their large organizations.
13 The staffing levels for the laboratory and the in-service
14 engineering in San Diego, I think there are about three times
15 as many people as in Charleston. It's a very large --
16 COMMISSIONER COX: Charleston is larger --
17 MR. YELLIN: No, the Charleston staffing is about
18 one-third of the staffing out in San Diego.
19 COMMISSIONER COX: Thank you.
20 CHAIRMAN DIXON: Any further questions of Mr.
21 Epstein or Mr. Yellin?
22 (No response.)

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1 CHAIRMAN DIXON: Is there a motion?
2 COMMISSIONER ROBLES: Mr. Chairman, I have a
3 motion.
4 CHAIRMAN DIXON: Commissioner Robles.
5 M O T I O N
6 COMMISSIONER ROBLES: I move that the Commission
7 find that the Secretary of Defense did not deviate
8 substantially from the Force Structure Plan and Final
9 Criteria and, therefore, that the Commission adopt the
10 following recommendation of the Secretary of Defense:
11 "Change the recommendation for the Space and Naval
12 Warfare Systems Command, Arlington, Virginia, specified by
13 the 1993 Commission (Commission Report at Page 1-59) from
14 'Relocate from leased space to government-owned space within
15 the National Capital Region to include the Navy Annex,
16 Arlington, Virginia; the Washington Navy Yard, Washington,
17 D.C., 3801 Nebraska Avenue, Washington, D.C.; Marine Corps
18 Combat Development Command, Quantico, Virginia; or the White
19 Oak Facility, Silver Spring, Maryland,' to 'Relocate from
20 leased space to government-owned space in San Diego,
21 California to allow consolidation of the Naval Command,
22 Control, and Ocean Surveillance Center with the Space and

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1 Naval Warfare Command Headquarters.'
2 "This relocation does not include SPAWAR Code 40,
3 which is located at National Research Laboratory, or the
4 Program Executive Officer for Space Communication Sensors and
5 his immediate staff, who will remain in Navy-owned space in
6 the National Capital Region."
7 CHAIRMAN DIXON: Is there a second to Commissioner
8 Robles' motion?
9 COMMISSIONER KLING: Second, Mr. Chairman.
10 CHAIRMAN DIXON: Seconded by Commissioner Kling.
11 Are there any further comments?
12 (No response.)
13 CHAIRMAN DIXON: Counsel will call the roll.
14 MS. CREEDON: Commissioner Robles.
15 COMMISSIONER ROBLES: Aye.
16 MS. CREEDON: Commissioner Steele.
17 COMMISSIONER STEELE: Aye.
18 MS. CREEDON: Commissioner Cornella.
19 COMMISSIONER CORNELLA: Aye.
20 MS. CREEDON: Commissioner Cox.
21 COMMISSIONER COX: Aye.
22 MS. CREEDON: Commissioner Davis.

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1 COMMISSIONER DAVIS: Aye.
2 MS. CREEDON: Commissioner Kling.
3 COMMISSIONER KLING: Aye.
4 MS. CREEDON: Commissioner Montoya.
5 COMMISSIONER MONTOYA: Aye.
6 MS. CREEDON: Mr. Chairman.
7 CHAIRMAN DIXON: Aye.
8 MS. CREEDON: Mr. Chairman, the vote is eight ayes
9 and zero nays.
10 CHAIRMAN DIXON: And the motion is unanimously
11 adopted.
12 MR. YELLIN: The next is Naval Sea Systems Command.
13 Jeff Mulliner will make the presentation on that base.
14 MR. MULLINER: The 1993 Commission recommended that
15 the Naval Sea Systems Command, or NAVSEA, move out of leased
16 space in Arlington, Virginia to government-owned space at
17 White Oak in Silver Spring, Maryland. This recommendation is
18 to change the relocation site to the Washington Navy Yard.
19 A number of issues with regard to this
20 recommendation were raised by the community and identified by
21 staff. The market inflation, from 1993 to 1995, and the
22 Navy's estimates of military construction costs at White Oak

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1 was examined. This figure rose from an estimated $34.6
2 million to a current estimate of $124-1/2 million.
3 Staff finds the original estimate was miscalculated
4 in 1993 as a result of faulty assumptions on the amount of
5 square footage to be renovated and the scope of the
6 improvements and new facilities requires.
7 Fundamental to the analysis of this recommendation
8 was a comparison of MILCON costs at White Oak to those at the
9 Washington Navy Yard. Comparative square footage, the scope
10 of the projects, and the cost assumptions were all examined.
11 Staff finds that the Navy did not seriously err in its
12 estimates of MILCON costs at either site.
13 The square footage requirements at White Oak and
14 the Navy Yard are comparable when adjusted from net to gross.
15 Additionally, the costs at the Navy Yard are representative
16 of costs experienced within the last four years of similar
17 projects constructed at the same site. These previous
18 projects, incidentally, were executed under the same flood
19 plain and historical preservation requirements that would be
20 encountered in any new construction at the Navy Yard.
21 Can I have Slide 1-7, please?
22 An issue closely related to construction costs

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arose as to whether the Washington Navy Yard can accommodate an influx of over 4,000 people without significant infrastructure and facilities improvements. The Navy has a master plan. This plan is to transform the yard from an [illegible]strial facility to an administrative one. The plan [illegible]ions a base population of 10,000 people, which would be the case if NAVSEA were to relocate to the Navy Yard.

The community contends that a pro-rated share of these improvements should be accounted for in the analysis. Staff finds that existing infrastructure, such as utilities and sewage, is sufficient to support NAVSEA without the immediate execution of the master plan. A phased program can be used to improve the Navy Yard as funds become available.

Lastly, the Commission received a proposal from the City of Philadelphia to split out the Engineering Directorate of NAVSEA and to move it separately, for consolidation, to the Naval Surface Warfare Center in Philadelphia.

The overwhelming amount of savings from this recommendation result from the elimination of 230 personnel. The Navy states such a savings would not be realized from moving a single department, rather than a full command. Staff agrees with the Navy's assessment.

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Are there any questions regarding this recommendation?

CHAIRMAN DIXON: Any questions of Mr. Mulliner? Commissioner Cox.

COMMISSIONER COX: One of the arguments that have been made on both sides is that the costs at the White Oak and costs at the Navy Yard were based on different attributes of the rework. For example, that in the Navy Yard, they wouldn't be building as much parking or having as much parking, and that should be costed into it, the cost of doing it the same, whether it was White Oak or the Navy Yard. Did we look at that?

MR. MULLINER: Yes, ma'am. With regard to parking, [illegible]Navy's plan right now would provide 1,260 parking spaces. [illegible]t is not one parking space for every two people. Certified data does mention that that is what was required for NAVSEA. However, we found that to be a planning guide that Naval Facilities Engineering Command uses when planning facilities. It is not an entitlement and it's subject to approval by higher authority.

In this case, when we spoke to the National Capital Planning Commission they indicated that three people per

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parking space is the maximum they would allow that close into the city and, in many cases -- for instance, the Federal Triangle -- it's five people per parking space. The intent is to encourage use of public transportation and carpooling.

The plan, as it works out right now, is a little over three people per parking space at the Navy Yard.

COMMISSIONER COX: And how much is it at White Oak?

MR. MULLINER: I don't have the figures.

MR. YELLIN: I think the plan there was two employees per parking space, to the planning standards. The parking is much cheaper at White Oak, obviously, because it's surface parking.

COMMISSIONER COX: And, when you take the parking out of the Navy Yard, in the sense of a third of the parking that was being talked about, that tends to make the costs look lower. I understand that you can't put any more parking in there, because of the current regulations.

MR. YELLIN: Requirements are somewhat different if you look at mass transit versus availability at the Navy Yard. The Navy's position was, you don't need it if there's mass transit available or public transportation available.

COMMISSIONER COX: What's the current parking ratio

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at the Navy Yard? My understanding is it's two to one. Is that correct?

MR. YELLIN: I'm not aware of the -- this is for the current personnel there?

COMMISSIONER COX: Right. My understanding is that --

MR. MULLINER: That could well be, with the 1,200 being built and there's about 6,000 people there now.

COMMISSIONER COX: Right. At least when I was down there, what I was told is that they certainly tried to keep it two to one. They thought that was an important ratio. And clearly, at this point, if you move 4,000 people in there, you are going to be degrading parking, obviously.

MR. MULLINER: More people will have to take mass transit and carpool at the Navy Yard than would have to do that at White Oak, certainly many more than would have to do that at White Oak.

COMMISSIONER COX: Assuming you only had three to one parking at the Navy Yard, what is the ratio of people now who take mass transit? Do most of the people going down to the Navy Yard take mass transit or a small portion of them take mass transit? Do you know?

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MR. MULLINER: I do know that we have anecdotal information on NAVSEA, where they're located right now. This is not certified data. This was information passed on a survey that about in the neighborhood of 30 percent of the people drive single, in their own cars; another 30 percent carpool. So you end up with --

COMMISSIONER COX: Roughly a third taking mass transit?

MR. MULLINER: That's right. And that's before they would have to cross the river and the intervening bridges, which would probably cause a much higher percentage to carpool.

COMMISSIONER COX: Right. And I presume that, if we're going to make the parking worse, three to one, that we're assuming that 50, 60 percent of the people coming into the Navy Yard, certainly in the rush hour time frame, are going to use mass transit.

MR. MULLINER: That's correct. When we wrote, we asked the Commandant of the Washington Naval District about that, and he laid out some plans that they will have to run shuttle buses back and forth because, as you know, the Metro stop is not within the confines of the Washington Navy Yard.

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They indicate that they would make accommodations to make the use of mass transit as easy as possible for the people working at the Navy Yard.

COMMISSIONER COX: I'm sorry, Mr. Chairman. This seems to be a series that I'm getting involved in, and mostly because they're redirects from 1993 and, as I am sure we all hope, if there's another Base Closure Commission, somebody will wonder if perhaps we didn't do the right thing in 1995, I feel compelled to help support the '93 recommendation if, in fact, that's the way it should be.

And, speaking from my personal experience, I drive in past the Navy Yard every morning, and I can tell you that, from that perspective, bringing in a lot more people is going to be a serious problem in rush hour. Have the Navy Yard folks or has the DOD talked to the D.C. Government and the Prince Georges Government about what might be done about people coming into that Navy Yard at that hour in the morning? Is there a traffic plan?

MR. MULLINER: We have not raised that question with the National Capital Planning Commission. However, I can say that they are extremely supportive, obviously, of this move, but it was not -- that particular question was not

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1 asked.
2 COMMISSIONER COX: I'm not sure what they could do,
3 in the sense that the entry into that area is very limited
4 today, the 11th Street Bridge, for example, coming from
5 Prince Georges, where a number of people would be.
6 Well, I just have to say, you know, we got very
7 involved in this in 1993, as you all know, and the DOD and
8 the Department of the Navy felt very strongly it was very
9 important that these folks be moved out to White Oak, and
10 maybe I remain convinced by the 1993 strong feelings that
11 they should be removed to White Oak.
12 I think that you can fit 4,000 people into the Navy
13 Yard. I went down there. I saw it. They're obviously doing
14 a good job of a reuse plan. But 4,000 people is shoehorning
15 people in there. I mean, to get those last couple of people
16 in there, they're spreading them all out over the Navy Yard
17 and putting two or three people there and talking about maybe
18 they can put an extra floor up in the rafters of the
19 warehouse that will be redone.
20 It is do-able, but it is clearly a shoehorn for
21 that, and I understand that that may be what the leadership
22 of the Navy wants to do. But if I were one of the 4,000

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1 people working and having to do down there, I would much
2 prefer to go to White Oak where I wasn't, frankly, walking in
3 a neighborhood where I worked for a while and where I would
4 not want to work again, from a long distance to the Metro,
5 which is not next door. It is not only not in the complex,
6 it is quite a ways down the road. I wouldn't want to be
7 standing there waiting for a shuttle bus, assuming they get
8 one.
9 And, clearly, the quality of life for the people
10 who work there is going to be better in White Oak. They're
11 going to have better parking. They're going to have a better
12 facility; and they are going to be happier.
13 Now, I understand that, for some of the leadership,
14 it's going to be a little harder to get over to the Pentagon
15 and hang out with the others at their level. But I really
16 think that we're doing something here, if we take this
17 recommendation, that's simply not the best for the soldier,
18 for the workers of the Navy yard. And I would hope we would
19 go with the DOD recommendation in 1993.
20 CHAIRMAN DIXON: Thank you, Commissioner Cox. Are
21 there any further comments?
22 (No response.)

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1 CHAIRMAN DIXON: Are there any further questions?
2 (No response.
3 CHAIRMAN DIXON: Is there a motion?
4 MOTION
5 COMMISSIONER ROBLES: Mr. Chairman, I have a
6 motion.
7 CHAIRMAN DIXON: Mr. Robles.
8 COMMISSIONER ROBLES: I move that the Commission
9 find that the Secretary of Defense did not deviate
10 substantially from the force structure plan and final
11 criteria and, therefore, that the Commission adopt the
12 following recommendation of the Secretary of Defense: Change
13 the receiving site specified by the 1993 Commission, 1993
14 Commission Report at page 1-59, for the relocation of the
15 naval sea systems command, including nuclear propulsion
16 directorate SEA08, the human resources office supporting the
17 naval sea systems command, and associated program executive
18 offices and DRPMSs from the Navy Annex, Arlington, Virginia;
19 Washington Navy Yard, Washington, DC, 3801 Nebraska Avenue,
20 Washington, DC; Marine Corps Combat Development Command,
21 Quantico, Virginia, or the White Oak Facility, Silver Spring,
22 Maryland to the Washington Navy Yard, Washington, DC, or

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1 other government owned property in the metropolitan
2 Washington, DC area.
3 CHAIRMAN DIXON: I second that motion by
4 Commissioner Robles. Are there any further statements by any
5 commissioner?
6 (No response.)
7 CHAIRMAN DIXON: Counsel will call the roll.
8 MS. KING: Commissioner Robles.
9 COMMISSIONER ROBLES: Aye.
10 MS. KING: Commissioner Steele.
11 COMMISSIONER STEELE: I concur with Mrs. Cox. Nay.
12 MS. KING: Commissioner Cornella.
13 COMMISSIONER CORNELLA: No.
14 MS. KING: Commissioner Cox.
15 COMMISSIONER COX: No.
16 MS. KING: Commissioner Davis.
17 COMMISSIONER DAVIS: Aye.
18 MS. KING: Commissioner Kling.
19 COMMISSIONER KLING: Aye.
20 MS. KING: Commissioner Montoya.
21 COMMISSIONER MONTOYA: Aye.
22 MS. KING: Mr. Chairman.

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1 CHAIRMAN DIXON: Aye.
2 MS. KING: Mr. Chairman, the vote is five ayes and
3 three nays.
4 CHAIRMAN DIXON: And the motion to transfer to
5 Washington Navy Yard is adopted.
6 Naval Information Systems Management Command,
7 Arlington.
8 MR. MULLINER: The Department of Defense is
9 recommending that the Naval Information System Command be
10 moved from leased space in Arlington, Virginia to government
11 owned space at the Washington Navy Yard. The command would
12 move into space already identified at the Navy Yard and no
13 military construction is required.
14 This move permits the consolidation of this command
15 with a similar command, the Information Technology
16 Acquisition Center, which is already located at the Navy
17 Yard. Are there any questions on this recommendation?
18 CHAIRMAN DIXON: Are there any questions of Mr.
19 Mulliner on this recommendation?
20 (No response.)
21 CHAIRMAN DIXON: Any questions? Any statements?
22 (No response.)

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1 CHAIRMAN DIXON: Is there a motion?
2 COMMISSIONER MONTOYA: Mr. Chairman.
3 CHAIRMAN DIXON: Commissioner Montoya.
4 MOTION
5 COMMISSIONER MONTOYA: I move that the Commission
6 find that the Secretary of Defense did not deviate
7 substantially from the force structure plan, the final
8 criteria, and therefore, that the Commission adopt the
9 following recommendation of the Secretary of Defense:
10 Relocate the Naval Information Systems Management Center from
11 leased space in Arlington, Virginia to the Washington Navy
12 Yard, Washington, DC.
13 CHAIRMAN DIXON: I second the motion. Are there
14 any comments or questions?
15 (No response.)
16 CHAIRMAN DIXON: Counsel will call the roll.
17 MS. KING: Commissioner Montoya.
18 COMMISSIONER ROBLES: Aye.
19 MS. KING: Commissioner Robles.
20 COMMISSIONER ROBLES: Aye.
21 MS. KING: Commissioner Steele.
22 COMMISSIONER STEELE: Aye.

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MS. KING: Commissioner Cornella.
COMMISSIONER CORNELLA: Aye.
MS. KING: Commissioner Cox.
COMMISSIONER COX: Aye.
MS. KING: Commissioner Davis.
COMMISSIONER DAVIS: Aye.
MS. KING: Commissioner Kling.
COMMISSIONER KLING: Aye.
MS. KING: Mr. Chairman.
CHAIRMAN DIXON: Aye.
MS. KING: Mr. Chairman, the votes are eight ayes and zero nays.
CHAIRMAN DIXON: And the motion is unanimously adopted. Naval Recruiting Command, Washington, DC.
MR. MULLINER: The 1993 Commission recommended the Naval Recruiting Command be relocated from the National Capital Region to the Naval Training Center, Great Lakes. This recommendation to change the receiving site to the Naval Support Activity, Memphis, avoids military construction at Great Lakes, a more congested site.
It also permits the collocation of the Navy's recruiting and personnel management commands. Are there any

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questions on this recommendation?
CHAIRMAN DIXON: Now, this transfers from -- has it gone to Great Lakes, Illinois now?
MR. MULLINER: No, sir, they're in leased space in Ballston at the moment.
CHAIRMAN DIXON: But it would have gone to Great Lakes now it would go to Memphis; is that right?
MR. MULLINER: Yes, sir.
CHAIRMAN DIXON: Any other questions?
(No response.)
MOTION
COMMISSIONER CORNELLA: Mr. Chairman. I move that Commission find that the Secretary of Defense did not [illegible]ate substantially from the force structure plan and final [illegible]eria and, therefore, that the Commission adopt the following recommendation of the Secretary of Defense: Change the receiving site for the Naval Recruiting Command, Washington, DC, specified by the 1993 Commission, 1993 Commission report at page 1-59 from Naval Training Center, Great Lakes, Illinois, to Naval Support Activity, Memphis, Tennessee.
CHAIRMAN DIXON: Is there a second?

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COMMISSIONER DAVIS: Second.
CHAIRMAN DIXON: And the motion is seconded by Commissioner Davis. The Chair will recuse on this one. Are there any comments?
(No response.)
CHAIRMAN DIXON: Counsel, call the roll.
MS. KING: Commissioner Cornella.
COMMISSIONER CORNELLA: Aye.
MS KING: Commissioner Cox.
COMMISSIONER COX: Aye.
MS. KING: Commissioner Davis.
COMMISSIONER DAVIS: Aye.
MS. KING: Commissioner Kling.
COMMISSIONER KLING: Aye.
MS. KING: Commissioner Montoya.
COMMISSIONER MONTOYA: Aye.
MS. KING: Commissioner Robles.
COMMISSIONER ROBLES: Aye.
MS. KING: Commissioner Steele.
COMMISSIONER STEELE: Aye.
MS. KING: The Chairman is recused. Mr. Chairman, [illegible]e votes are seven ayes and zero nays.

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CHAIRMAN DIXON: The motion is adopted. Naval Recruiting District, San Diego.
MR. MULLINER: The 1993 Commission recommended the Naval Recruiting District, San Diego, be relocated from the closing Naval Training Center. This changes the relocation site to a site more suited for recruiting mission. Are there any questions on this recommendation?
CHAIRMAN DIXON: Are there any questions of Mr. Mulliner on this subject matter?
(No response).
CHAIRMAN DIXON: Are there any comments?
(No response.)
CHAIRMAN DIXON: Is there a motion?
COMMISSIONER CORNELLA: Yes, sir.
CHAIRMAN DIXON: Commissioner Cornella.
MOTION
COMMISSIONER CORNELLA: I move that the Commission find that the Secretary of Defense did not deviate substantially from the force structure plan and final criteria. And therefore, that the Commission adopt the following recommendation of the Secretary of Defense: Change the receiving site for the Naval Recruiting District, San

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Diego, California, specified by the 1993 Commission, from Naval Air Station North Island to other government owned space in San Diego, California.
CHAIRMAN DIXON: I second the motion. Is there any further comment or question by any Commissioner?
(No response.)
CHAIRMAN DIXON: Counsel, call the roll.
MS. KING: Commissioner Cornella.
COMMISSIONER CORNELLA: Aye.
MS KING: Commissioner Cox.
COMMISSIONER COX: Aye.
MS. KING: Commissioner Davis.
COMMISSIONER DAVIS: Aye.
MS. KING: Commissioner Kling.
COMMISSIONER KLING: Aye.
MS. KING: Commissioner Montoya.
COMMISSIONER MONTOYA: Aye.
MS. KING: Commissioner Robles.
COMMISSIONER ROBLES: Aye.
MS. KING: Commissioner Steele.
COMMISSIONER STEELE: Aye.
MS. KING: Mr. Chairman.

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CHAIRMAN DIXON: Aye.
MS. KING: Mr. Chairman, the votes are eight aye, zero nays.
CHAIRMAN DIXON: The motion is adopted unanimously. Naval Secretary Security Group Command Detachment, Potomac, Washington, DC. Mr. Mulliner.
MR. MULLINER: The Department of Defense is recommending the Naval Security Group Detachment, Potomac, remain in its present location at the Naval Research Lab instead of relocating to Fort Meade as directed by BRAC '93.
This recommendation has no cost and preserves the commands access to space surveillance equipment essential in the performance of its mission. Are there any questions?
CHAIRMAN DIXON: Any questions for Mr. Mulliner?
(No response.)
CHAIRMAN DIXON: Any comments?
(No response.)
CHAIRMAN DIXON: Any motion.
COMMISSIONER CORNELLA: Mr. Chairman.
CHAIRMAN DIXON: Commissioner Cornella.
MOTION
COMMISSIONER CORNELLA: I move that the Commission

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1 find that the Secretary of Defense did not deviate
2 substantially from the force structure plan and final
3 criteria and, therefore, that the Commission adopt the
4 following recommendation of the Secretary of Defense: Change
5 the receiving site for the Naval Security Group Command
6 Detachment, Potomac, Washington, DC, from National Security
7 Agency Fort, Maryland, specified by the 1993 Commission to
8 Naval Research Laboratory, Washington, DC.
9 CHAIRMAN DIXON: I second the motion. Any
10 questions or comments?
11 (No response.)
12 CHAIRMAN DIXON: Counsel will call the roll.
13 MS. KING: Commissioner Cornella.
14 COMMISSIONER CORNELLA: Aye.
15 MS KING: Commissioner Cox.
16 COMMISSIONER COX: Aye.
17 MS. KING: Commissioner Davis.
18 COMMISSIONER DAVIS: Aye.
19 MS. KING: Commissioner Kling.
20 COMMISSIONER KLING: Aye.
21 MS. KING: Commissioner Montoya.
22 COMMISSIONER MONTOYA: Aye.

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1 MS. KING: Commissioner Robles.
2 COMMISSIONER ROBLES: Aye.
3 MS. KING: Commissioner Steele.
4 COMMISSIONER STEELE: Aye.
5 MS. KING: Mr. Chairman.
6 CHAIRMAN DIXON: Aye.
7 MS. KING: Mr. Chairman, the vote is eight ayes,
8 zero nays.
9 CHAIRMAN DIXON: And the motion is unanimously
10 adopted. Reserve Activities, Tab M, Naval Reserve Center,
11 Huntsville, Alabama.
12 MR. YELLIN: We have a single briefing on all of
13 the reserve activities.
14 CHAIRMAN DIXON: All of the one, two, three, four,
15 five, six, seven, eight, nine, ten, eleven?
16 MR. MULLINER: Yes, sir.
17 CHAIRMAN DIXON: All 11 on the list?
18 MR. MULLINER: Yes, sir.
19 CHAIRMAN DIXON: Please proceed, Mr. Mulliner.
20 MR. MULLINER: The Department of Defense has
21 recommended a total of 11 reserve commands for closure of
22 which eight are reserve centers, one is a reserve air center,

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1 and two are reserve readiness commands.
2 The commands were chosen for closure based upon the
3 criteria of maintaining average military value, providing for
4 recruiting demographics and ensuring adequate reservist
5 support. Could I have slides J4 and J5, please.
6 These are the remainders of the recommendations.
7 These slides show the impacts of these recommendations. The
8 savings range from $400,000 to $2.7 million. Are there any
9 questions on this recommendation?
10 CHAIRMAN DIXON: Are there any questions of Mr.
11 Mulliner?
12 (No response.)
13 CHAIRMAN DIXON: Are there any statements by any
14 Commissioners?
15 (No response.)
16 CHAIRMAN DIXON: I'll ask Counsel, may we vote on
17 all 11 of these in one motion?
18 MS. CREEDON: Yes, sir.
19 CHAIRMAN DIXON: Is there a motion?
20 COMMISSIONER KLING: Yes, sir.
21 CHAIRMAN DIXON: Commissioner Kling.
22 M O T I O N

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1 COMMISSIONER KLING: I move that the Commission
2 find that the Secretary of Defense did not deviate
3 substantially from the force structure plan and final
4 criteria and, therefore, that the Commission adopt the
5 following recommendation of the Secretary of Defense: Close
6 naval reserve centers at Stockton, California; Pomona,
7 California; Santa Anna, Irvine, California; Laredo, Texas;
8 Sheboygan, Wisconsin; Cadillac, Michigan; Staten Island, New
9 York; and Huntsville, Alabama. Close naval air reserve
10 center Olathe, Kansas, close naval reserve readiness command,
11 region seven, Charleston, South Carolina, close naval reserve
12 readiness command, region ten, New Orleans, Louisiana.
13 CHAIRMAN DIXON: I second the motion. Are there
14 any comments or questions by any Commissioner?
15 (No response.)
16 CHAIRMAN DIXON: Counsel will call the roll.
17 MS. KING: Commissioner Kling.
18 COMMISSIONER KLING: Aye.
19 MS. KING: Commissioner Montoya.
20 COMMISSIONER MONTOYA: Aye.
21 MS. KING: Commissioner Robles.
22 COMMISSIONER ROBLES: Aye.

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1 MS. KING: Commissioner Steele.
2 COMMISSIONER STEELE: Aye.
3 MS. KING: Commissioner Cornella.
4 COMMISSIONER CORNELLA: Aye.
5 MS KING: Commissioner Cox.
6 COMMISSIONER COX: Aye.
7 MS. KING: Commissioner Davis.
8 COMMISSIONER DAVIS: Aye.
9 MS. KING: Mr. Chairman.
10 CHAIRMAN DIXON: Aye.
11 MS. KING: Mr. Chairman, the vote is eight ayes,
12 zero nays.
13 CHAIRMAN DIXON: And those reserve centers are all
14 closed in accordance with that motion. Engineering field
15 activities, engineering field activity west, San Bruno,
16 California.
17 COMMISSIONER MONTOYA: Mr. Chairman, that's an add
18 on. I think you can probably get our sense and move on.
19 CHAIRMAN DIXON: Is there anyone here who wants to
20 do anything with respect to the add on at San Bruno,
21 California?
22 (No response.)

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1 CHAIRMAN DIXON: Anyone here that wants to make a
2 motion?
3 COMMISSIONER MONTOYA: I want to make a comment.
4 CHAIRMAN DIXON: All right.
5 COMMISSIONER MONTOYA: For the record, this is an
6 opportunity for a private government renter to reduce the
7 amount of land working with the city and maybe build a
8 highrise federal complex there and really help some off the
9 cats and dogs in the Bay area. Other than that comment in
10 the record, Mr. Chairman, that's the only comment I have.
11 CHAIRMAN DIXON: Are there any other comments, any
12 motion? San Bruno stays open.
13 Naval Aviation Depot, Pensacola, Florida.
14 MR. YELLIN: Yes, sir. This is a redirect of a '93
15 recommendation. The '93 recommendation: close the NADEP and
16 require the movement of the World Tower and Dynamic Component
17 facility to other locations. The Navy has indicated there is
18 no continuing need for the function and mission of those
19 facilities. They now want to close the facilities. This
20 change in the language to the '93 recommendation is required
21 to allow them to do that. Staff sees no problems with this
22 recommendation.

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CHAIRMAN DIXON: Are there any questions of Mr. Yellin? Are there any comments?

MOTION

Commissioners, I move that the Commission find that Secretary of Defense did not deviate substantially from force structure plan and final criteria, and therefore the Commission adopt the following recommendation of the Secretary of Defense.

Change the recommendation of the 1993 Commission. 1993 Commission report pages 1-42/43, by striking the following: "In addition, the Commission recommendations that the World Tower and Dynamic Component facility be moved to Cherry Point Navy or Corpus Christi Army depots or the private sector in lieu of the Navy's plan to retain these operations in a stand-alone facility at NADEP Pensacola."

COMMISSIONER DAVIS: Second.

CHAIRMAN DIXON: And that is seconded. And are there any comments or questions?

COMMISSIONER DAVIS: Excuse me, Mr. Chairman. I have to recuse myself on this one so I cannot second.

CHAIRMAN DIXON: All right. Then the second by Commissioner Davis is removed.

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COMMISSIONER COX: I'll second.

CHAIRMAN DIXON: Commissioner Davis recuses himself, and the counsel will call the roll.

MS. CREEDON: Commissioner Cox.

COMMISSIONER COX: I'll vote aye, and I'm pleased not to have to defend the 1993 recommendation.

MS. CREEDON: Commissioner Kling.

COMMISSIONER KLING: Aye.

MS. CREEDON: Commissioner Montoya.

COMMISSIONER MONTOYA: Aye.

MS. CREEDON: Commissioner Robles.

COMMISSIONER ROBLES: Aye.

MS. CREEDON: Commissioner Steele.

COMMISSIONER STEELE: Aye.

MS. CREEDON: Commissioner Cornella.

COMMISSIONER CORNELLA: Aye.

MS. CREEDON: Mr. Chairman.

CHAIRMAN DIXON: Aye.

MS. CREEDON: Mr. Chairman, the vote is seven ayes and zero nays.

CHAIRMAN DIXON: And that motion is unanimously carried, and we have completed the Naval section of this,

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have we not?

MR. YELLIN: Except for Oakland, which we will catch up with when we get more data.

CHAIRMAN DIXON: Well, now, do I have leave of the Commissioners to come back to that at an intervening time in the Army presentation?

COMMISSIONER MONTOYA: Yes, sir.

CHAIRMAN DIXON: We are inquiring. I understand we're close to a consensus on that that will solve that problem. And I want to thank the Navy people for an outstanding job. We appreciate your great contribution and your devotion to this particular job.

MR. YELLIN: Thank you, Mr. Chairman.

CHAIRMAN DIXON: Are there any other comments?

Now the Chair is going to declare a recess until 20 minutes past 4:00.

(A brief recess was taken.)

CHAIRMAN DIXON: Will the Commission and the room please come to order. And we are now prepared to return to the hearings on the Army section. And I would ask whether, Director Lyles, you have all the folks here that are necessary to make the presentation for the Army.

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MR. LYLES: We do, Mr. Chairman. Mr. Ed Brown, the Army team chief, will begin the presentations of the Army base closure recommendations.

CHAIRMAN DIXON: Mr. Brown.

MR. BROWN: Thank you, Mr. Chairman. Good afternoon, Mr. Chairman and Commissioners. The first chart shows the 14 categories into which the Army divided its installations for consideration. I have added the last two categories, Minor and Miscellaneous, to account for recommendations pertaining to installations that did not fit in to the 14 categories.

For the 14 categories, the number of installations represents those subjected to military value assessment within each category. For the Minor and Miscellaneous, the number reflects the number of installations with recommendations for closure or realignment.

Shaded categories have installations recommended for closure or realignment by the Secretary of Defense or added by the Commission for further consideration for closure or realignment. You have already discussed installations in the Depot and the Proving Ground categories. The interagency issues team will discuss the installation in the

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miscellaneous category, Fort Holabird. The remaining recommendations will be discussed during this presentation.

At tab A we have the first category to be discussed, Major Training Areas. The chart on page A-1 and the accompanying map, page A-2, show the names and locations of the Army's 10 major training areas. The Secretary of Defense recommended the realignment of Fort Dix, New Jersey; Fort Greely, Alaska; and Fort Hunter Liggett, California, the closure of Fort Pickett, Virginia; Fort Indiantown Gap, Pennsylvania; and Fort Chaffee, Arkansas.

The staff suggests that the Commission hear the briefings on Fort Pickett, Indiantown Gap, and Fort Chaffee, before voting on any recommendations or alternatives pertaining to those three installations.

Lieutenant Colonel Steve Bailey will discuss all six recommendations.

LIEUTENANT COLONEL BAILEY: Good afternoon, Mr. Chairman and Commissioners. Mr. Wooten, if I might have chart A-3. The first installation to be discussed is Fort Dix, New Jersey.

The Secretary of Defense recommended that Fort Dix be realigned by replacing the active component garrison with

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a reserve component garrison. And further, retaining an enclave with minimum essential ranges, facilities and training areas required for reserve component training.

On this chart, you see the pertinent savings and economic data for realigning Fort Dix under the U.S. Army Reserve Command. It is the final phase of a vision developed back in 1988, to make this installation a model to support reserve component training.

The next chart, A-4, shows that the only issue identified was the size of the reserve component garrison. The following chart, A-5, shows that even though there was initial disagreement, this issue has been resolved by all concerned, and the remaining garrison civilian workforce will be stabilized at 726.

Finally, on the next chart, A-6, the advantages of this recommendation are the excess installation infrastructure is reduced, savings are realized, and Fort Dix will become an enhanced, reserve, component training hub. The only negative aspect is the diminished presence of the active component in the northeast United States.

This recommendation has the support of both the local community and the state's elected officials. Subject

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1 to your questions, that completes my briefing on Fort Dix.
2 CHAIRMAN DIXON: Thank you, very much, Colonel
3 Bailey. I understand that its Cliff Wooten's birthday; is
4 that right? And you folks have him up there flipping these
5 slides on his birthday, which is a rotten way to treat a guy
6 on his birthday. I hope you have better luck next year on
7 your birthday.
8 LIEUTENANT COLONEL BAILEY: Mr. Chairman, since I
9 am under oath, I can certify that it is Cliff Wooten's
10 birthday.
11 (Laughter.)
12 CHAIRMAN DIXON: Are you sure?
13 LIEUTENANT COLONEL BAILEY: Yes, Commissioner.
14 CHAIRMAN DIXON: All right, are there any
15 questions? Are there any comments?
16 (No response.)
17 CHAIRMAN DIXON: Is there a motion?
18 COMMISSIONER CORNELLA: Yes, sir.
19 CHAIRMAN DIXON: Commissioner Cornella.
20 MOTION
21 COMMISSIONER CORNELLA: I move the Commission find
22 the Secretary of Defense did not deviate substantially from

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1 the fore structured plan and final criteria, and therefore,
2 the Commission adopt the following recommendation of the
3 Secretary of Defense: Realign Fort Dix by replacing the
4 active component garrison with a U.S. Army Reserve garrison;
5 retain minimum essential, ranges facilities and training
6 areas required for reserve component training as an enclave.
7 CHAIRMAN DIXON: I second that motion. Are there
8 any comments or questions?
9 (No response.)
10 CHAIRMAN DIXON: Counsel will call the roll.
11 MS. KING: Commissioner Cornella.
12 COMMISSIONER CORNELLA: Aye.
13 MS. KING: Commissioner Cox?
14 COMMISSIONER COX: Aye.
15 MS. KING: Commissioner Kling.
16 COMMISSIONER KLING: Aye.
17 MS. KING: Commissioner Montoya.
18 COMMISSIONER MONTOYA: Aye.
19 MS. KING: Commissioner Robles.
20 COMMISSIONER ROBLES: Aye.
21 MS. KING: Commissioner Steele.
22 COMMISSIONER STEELE: Aye.

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1 MS. KING: Mr. Chairman.
2 CHAIRMAN DIXON: Aye.
3 MS. KING: Mr. Chairman, the vote is eight ayes,
4 zero nays.
5 CHAIRMAN DIXON: And the motion is unanimously
6 adopted.
7 Fort Greely.
8 LIEUTENANT COLONEL BAILEY: The next installation
9 to be discussed will be Fort Greely. And Cliff, if you will
10 put up chart A-7 and the map marked A-8.
11 The Secretary of Defense recommended that Fort
12 Greely be realigned by relocating the cold region's test
13 activity where CRTA and the Northern Warfare Training Center,
14 known as NWTC, to Fort Wainwright, Alaska.
15 The map shows that the relative distance between
16 the two posts, which is 107 miles. Now, the next chart, A-7,
17 you can view the savings and economic data that is associated
18 with this recommendation.
19 The Army would retain all the training areas and
20 the test facilities as well as the airfield and part of the
21 main cantonment area with a small garrison of 18 military and
22 55 civilians at Fort Greely.

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1 The next chart, A-9, shows you the six key issues
2 which were identified for analysis. On the next chart, A-10,
3 we show you the DOD and community positions with respect to
4 each of the issues, beginning with the military value
5 ranking, which is high, and which we did validate as 6th of
6 10, but we are unable to compare that ranking with that of
7 Forts Richardson and Wainwright, since they are in a
8 different category known as the maneuver category.
9 The additional costs for the Safari trips and any
10 new construction at Fort Wainwright will not exceed savings
11 as has been claimed. The Cobra analysis that the Army
12 prepared does have adequate funds set aside for construction
13 and for construction and Safaris.
14 COMMISSIONER STEELE: Could you -- I'm sorry --
15 explain to me, exactly what that entails? We've heard that
16 term a lot.
17 LIEUTENANT COLONEL BAILEY: Yes. It was new to me
18 too. As I began my analysis, Commissioner. Under the Safari
19 concept, which has been done before, soldiers would be based
20 primarily at Fort Wainwright, but when they were required to
21 conduct a cold weather test, back at Fort Greely, which is
22 the best location, then they would go down there and remain

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1 in a separate facility until the test were completed.
2 They would not travel on TDY funds, they would
3 simply be routed there for their tour of assignment perhaps a
4 week, two weeks at a time.
5 COMMISSIONER STEELE: Is this often? How far apart
6 are we talking about? I mean, are you taking something and
7 moving them back and forth all over the place a couple of
8 times a year, once a year?
9 LIEUTENANT COLONEL BAILEY: I cannot answer the
10 question as to how many times a year. Based upon past data,
11 they would probably be traveling down there perhaps monthly,
12 perhaps three or four times, or more, each calendar year.
13 COMMISSIONER COX: Commissioner, at least when we
14 were up there -- this is not certified data, but the
15 commander indicated, particularly with the cold testing
16 facility, that you'd be looking at three or four times a
17 month at least.
18 LIEUTENANT COLONEL BAILEY: You know, that is a
19 good question, because part of the aspects of this
20 recommendation are that for seven months of the year, given
21 the historic weather data, it is very difficult to travel
22 back and forth that distance. And that is the best answer I

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1 can give you.
2 Did I answer your question?
3 COMMISSIONER STEELE: Yes and no, and part of that
4 no is a bit of an answer, that there is some uncertainty.
5 Thank you for doing your very best at it.
6 COMMISSIONER COX: If I might, Commissioner, ask
7 also how far it was? And as the Colonel indicated, its 107
8 miles, but that's not 107 miles like we would think of
9 driving to Richmond on the interstate highway. This is
10 through the mountains. This is seven months of the year, as
11 much as 65 below zero, impassable mountains. It is easy to
12 say we're going to bring people down three or four times a
13 month, but as a practicality, there will be months where that
14 is simply not possible. And the danger of bringing people
15 over that road during that timeframe would just make it not
16 possible to do, unless you wanted to risk the lives of your
17 soldiers.
18 CHAIRMAN DIXON: Any further questions or comments?
19 COMMISSIONER ROBLES: Let me put that in
20 perspective.
21 CHAIRMAN DIXON: Commissioner Robles.
22 COMMISSIONER ROBLES: The reason you have a cold

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1 weather training facility is to train cold weather -- to
2 include cold weather movements. So, it is a training
3 exercise from the time you leave your area at Fort Wainwright
4 you start moving down to the co-training center. Three
5 ur times a month is not unusual in today's Army. That
6 normal, away from home, training tempo.
7 You go out to the National Training Center, and
8 those people on rotation -- for three weeks at a crack and
9 they're gone. You'd never see them. So, I wouldn't get
10 mesmerized by that.
11 The real issue is: Where is the testing schedule?
12 I would think that the Army understand the climatic patterns
13 in that part of the world, and so their major tests are
14 scheduled such that a major test that they have to do would
15 not be scheduled in the middle of its most hostile weather
16 pattern.
17 I don't want to second guess too much, their
18 operational testing program, because I have been involved in
19 that and some of that scheduling. And, so, all of that is
20 true, but you want people to go through some severe weather
21 and see what kind of quick reaction drills you do when you
22 move in that distance and how you handle yourself. That is

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1 what its all about. You are testing equipment. You are
2 testing material. You are testing the training and you're
3 testing the reaction.
4 CHAIRMAN DIXON: Any further questions or comments
5 by anyone concerning this particular issue?
6 COMMISSIONER COX: The only thing I might say to
7 that is one hopes that one could get them to the training
8 range to test all of that, and one wouldn't want to lose
9 training time and training effort, simply being unable to get
10 to the training facility.
11 CHAIRMAN DIXON: Any further comments by anybody?
12 COMMISSIONER ROBLES: That's true, and I just need
13 to understand that, but if you cancel a test then you
14 hedule a test. This is not a testing center that is
15 worked, first of all, and then there are some other
16 alternatives for cold weather testing in the United States
17 Army.
18 CHAIRMAN DIXON: Thank you, Commissioner Robles.
19 Are there any more comments or questions by anybody?
20 COMMISSIONER COX: I might just say one other
21 thing.
22 One, I do have concerns operationally about this

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1 particular proposal, and in fact, this whole theory was tried
2 some-odd years ago and it lasted about 18 months because the
3 ability to safari people down was simply impossible.
4 And I have a feeling this is another one of the,
5 let's show savings, but its not going to work in the
6 overall -- they won't move people up or they will end up not
7 being able to train.
8 I also have an additional problem, and that -- we
9 talk about economic impact on all of these facilities. And
10 there's no question there is an economic impact of every base
11 closure. In this case, even the DOD economic impact shows it
12 over 30 percent. I think our staff, and those of us who were
13 up there, believe it may not be the 80 percent supported by
14 the community, but there is nothing else there. There is
15 this base, and there are a few people who support the base.
16 When this goes away there won't be -- this isn't a
17 question of a reuse. This is no question of a reuse. This
18 would be a question of whether people are holding mortgages
19 are going to bring the bank down with them. There will be
20 nobody to sell houses to. There are two or three hundred
21 people in this community, and when the group moves out of
22 here it is over. This is not a base closure; this is a town

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1 closure.
2 And it's not a question of having the values of the
3 houses come down. This is a question of having nobody to
4 sell a house to. There is nothing else in this town. And so
5 not only do I have operational concerns here, but this is
6 clearly an area where, when you consider both the operational
7 concerns and economic impact, which is one of our criteria, I
8 believe we have to make allowances. So, I urge my
9 commissioners, both for safety and operation reasons, and for
10 economic impact, to vote down this recommendation.
11 CHAIRMAN DIXON: Are there any further comments?
12 COMMISSIONER CORNELLA: Yes, sir.
13 CHAIRMAN DIXON: Mr. Cornella.
14 COMMISSIONER CORNELLA: Having visited with
15 Commissioner Cox to Fort Greely, I would agree and support
16 her remarks. This is clearly, at least 80 percent, economic
17 impact in my mind. If we are going to take that into
18 consideration anywhere, this is the one we'd use as an
19 example.
20 In the school system, 45 to 50 percent of the
21 students in the school are military dependents, and 45
22 percent of the remainder would be people dependant on the

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1 indirect jobs related to that facility. So this is one that
2 I think requires a little more consideration than most with
3 regard to economic impact.
4 Thank you.
5 CHAIRMAN DIXON: Thank you, Commissioner Cornella.
6 Are there any further comments?
7 (No response.)
8 CHAIRMAN DIXON: Is there a motion then?
9 M O T I O N
10 COMMISSIONER COX: I move the Commission find the
11 Secretary of Defense deviated substantially from final
12 criteria 1, 4 and 5, and therefore, the Commission reject the
13 Secretary's recommendation on Fort Greely, and instead adopt
14 the following recommendation: Keep open the cold region test
15 activities, CRTA, and the Northern Warfare Training Center,
16 NWTC, in Fort Greely, Alaska.
17 The Commission finds this recommendation is
18 consistent with the force structure plan and final criteria.
19 CHAIRMAN DIXON: Is there a second to the motion by
20 Commissioner Cox?
21 COMMISSIONER MONTOYA: Second.
22 CHAIRMAN DIXON: It is seconded by Commissioner

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1 Montoya. Are there any further comments?
2 COMMISSIONER STEELE: Having seen Guam and not
3 Alaska, I'm going to defer to the judgments of Commissioner
4 Cox.
5 CHAIRMAN DIXON: Thank you, Commissioner Steele.
6 Counsel will call the roll.
7 MS. KING: Commissioner Cox.
8 COMMISSIONER COX: Aye.
9 MS. KING: Commissioner Davis.
10 COMMISSIONER DAVIS: Nay.
11 MS. KING: Commissioner Kling.
12 COMMISSIONER KLING: No.
13 MS. KING: Commissioner Montoya.
14 COMMISSIONER MONTOYA: Aye.
15 MS. KING: Commissioner Robles.
16 COMMISSIONER ROBLES: Nay.
17 MS. KING: Commissioner Steele.
18 COMMISSIONER STEELE: Aye.
19 MS. KING: Commissioner Cornella.
20 COMMISSIONER CORNELLA: Aye.
21 MS. KING: Mr. Chairman.
22 CHAIRMAN DIXON: No.

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1 MS. KING: Mr. Chairman, the vote is four ayes,
2 four nays.
3 CHAIRMAN DIXON: And the motion fails.
4 Is there another motion?
5 COMMISSIONER ROBLES: Mr. Chairman, I have a
6 motion.
7 CHAIRMAN DIXON: Commissioner Robles.
8 MOTION
9 COMMISSIONER ROBLES: I move the Commissioner find
10 the Secretary of Defense deviated substantially from final
11 criteria one, four and five, and therefore the Commission
12 reject the Secretary's recommendation on Fort Greely, and
13 instead adopt the following recommendation: Realign Fort
14 Greely by relocating the cold region test activity and the
15 Northern Warfare Training Center to Fort Wainwright, Alaska,
16 but begin the move no earlier than July 1997. The move
17 should not be completed earlier than July of the year 2001.
18 The Commission finds this recommendation consistent
19 with force structure plan and final criteria.
20 CHAIRMAN DIXON: Is there any comment?
21 (No response.)
22 CHAIRMAN DIXON: Is there a second to that motion?

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1 COMMISSIONER KLING: Second.
2 CHAIRMAN DIXON: Seconded by Commissioner Kling,
3 and the counsel will call the roll.
4 COMMISSIONER CORNELLA: I would have one comment,
5 sir.
6 CHAIRMAN DIXON: I would say I appreciate,
7 Commissioner Robles including the delayed timing in that
8 motion so that there might be less of the immediate of the
9 economic impact to that community.
10 CHAIRMAN DIXON: Thank you, Commissioner Cornella.
11 Counsellor, call the roll.
12 MS. KING: Commissioner Robles.
13 COMMISSIONER ROBLES: Aye.
14 MS. KING: Commissioner Steele.
15 COMMISSIONER STEELE: Aye.
16 MS. KING: Commissioner Cornella.
17 COMMISSIONER CORNELLA: Aye.
18 MS. KING: Commissioner Cox.
19 COMMISSIONER COX: Aye.
20 MS. KING: Commissioner Davis.
21 COMMISSIONER DAVIS: Aye.
22 MS. KING: Commissioner Kling.

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1 COMMISSIONER KLING: Aye.
2 MS. KING: Commissioner Montoya.
3 COMMISSIONER MONTOYA: Aye.
4 MS. KING: Mr. Chairman.
5 CHAIRMAN DIXON: Aye..
6 MS. KING: Mr. Chairman, the vote is eight ayes,
7 zero nays.
8 CHAIRMAN DIXON: And the motion is adopted.
9 And there's a deviation from the Secretary's of
10 Defense recommendation stretching out the time to July 2001.
11 Fort Hunter Liggett, California.
12 LIEUTENANT COLONEL BAILEY: Thank you, Mr.
13 Chairman.
14 The Secretary of Defense recommended that Fort
15 Hunter Liggett be realigned. Cliff, if you will put up
16 Charts A-13 and A-14, please.
17 The realignment recommendation would entail the
18 following: Relocating the U.S. Army Test and Experimentation
19 Command, known as TEC, T-E-C, missions and functions to Fort
20 Bliss, Texas; eliminating the active component mission, and
21 retaining minimum essential facilities and the training area
22 as an enclave to support reserve component training.

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1 On Chart A-13, you can see the savings and economic
2 data associated with the realignment of Fort Hunter Liggett.
3 The test and experimentation command's experimentation
4 center -- the only major active component tenant currently at
5 Hunter Liggett -- and is downsizing from 384 to 206 people by
6 1998, would move to Fort Bliss. The U.S. Army Reserve
7 Command garrison, which is currently at the post, would
8 remain, and the post will continue as a sub-installation of
9 Fort McCoy, Wisconsin, to provide a major training area for
10 reserve component forces in the Western United States.
11 Chart A15, please. This chart depicts the key
12 issues that we reviewed in our analysis of this
13 recommendation. On the next chart, A16 -- and Cliff, if you
14 will also put up A17, please -- I'll review the issues with
15 you. The California National Guard interest is keen, and
16 they plan to continue training at the installation. It is
17 true that Fort Hunter Liggett has a natural bowl of terrain
18 in which you can do 360 degree, non-eye safe, laser
19 testing -- a unique capability available at few other
20 locations in the United States.
21 However, even though you cannot do 360 degree, non-
22 eye safe, laser testing at Fort Bliss, you can conduct 180

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1 degree testing of that nature. And it is not a unique
2 requirement. Only one test to date has required it, and that
3 was the Apache Long Bow test.
4 COMMISSIONER STEELE: And I believe when we
5 asked -- I did the site visit -- there was nothing scheduled.
6 LIEUTENANT COLONEL BAILEY: That is correct. The
7 Apache Long Bow test completed last year was the last major
8 test, and the commander told us that there were no tests
9 scheduled, that he knew of, for at least the next year and a
10 half. It is also valid that Fort Hunter Liggett is fully
11 digitized in the major training and testing area, which is an
12 advantage; and, in my independent judgment, would be a
13 requirement for full-scale testing.
14 That does not currently exist at Fort Bliss.
15 However, the Army plans to implement the digitization of the
16 required areas of Fort Bliss, and that will cost
17 approximately $1 million to $2 million.
18 COMMISSIONER STEELE: Question for you on that one,
19 because out there that day, we didn't have a number to go
20 with that. This $1 million to $2 million, is it digitized
21 and instrumentized to the same degree at Fort Bliss that we
22 currently have at Fort Hunter Liggett? Or did they

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1 compromise on the specifics?
2 LIEUTENANT COLONEL BAILEY: I cannot give you an
3 adequate answer to that. We have asked the question. The
4 Army is still working this, and they plan to have it to the
5 same degree. But I cannot certify, nor can they, at this
6 point, how many square miles that will entail. They have a
7 planning meeting that's going on on the 27th of June at Fort
8 Bliss, to try to finalize the plan to do this.
9 COMMISSIONER STEELE: But they estimate that they
10 think they can do it within that cost range to meet the
11 requirements?
12 LIEUTENANT COLONEL BAILEY: That is the estimate
13 that I was given. That's correct, Commissioner.
14 COMMISSIONER STEELE: Okay.
15 LIEUTENANT COLONEL BAILEY: Another issue that was
16 raised by advocates of retaining tech at Fort Hunter Liggett,
17 which is a good test location, of course, but is not unique,
18 is that sometimes when White Sands Missile Range flies these
19 drones for testing, they use a frequency of 918 or 915
20 megahertz. Some of the telemetry equipment, which the people
21 at tech utilize now, is hard wired for a frequency of 915 or
22 918 megahertz.

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1 And that bleed over would present a conflict. It
2 has been claimed that we would have to go out and purchase
3 all new equipment for tech. The Army has stated that they
'l easily resolve this simply by scheduling tests as
ired, or by having White Sands change their frequency.
hat is not an issue.
7 COMMISSIONER KLING: How often are the tests?
8 LIEUTENANT COLONEL BAILEY: The tests, I'm told,
9 are three or four times a year. And again, tech has no tests
10 scheduled in the foreseeable future.
11 CHAIRMAN DIXON: Any further questions? Any
12 comments? What's the pleasure of the commission with Fort
13 Hunter Liggett, California?
14 COMMISSIONER STEELE: I will make a motion, Mr.
15 Chairman.
16 CHAIRMAN DIXON: Commissioner Steele.
17 COMMISSIONER STEELE: We had some big issues that
18 could have been show-stoppers, but the Army appears to have
19 been very responsive and tracked down those issues. And it
20 seems like it can move to Fort Bliss without any degradation
21 of mission. So I move the commission find the Secretary of
22 Defense did not deviate substantially from the force

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1 structure plan and final criteria; and therefore, the
2 commission adopt the following recommendation of the
3 Secretary of Defense.
4 Realign Fort Hunter Liggett by relocating the U.S.
5 Army test and experimentation center missions and functions
6 to Fort Bliss, Texas. Eliminate the active component
7 mission. Retain minimum essential facilities and training
8 area as an enclave to support reserve components.
9 CHAIRMAN DIXON: I second that motion. Are there
10 any further comments or questions by any commissioner?
11 Counsel will call the roll.
12 MS. CREEDON: Commissioner Steele.
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella.
COMMISSIONER CORNELLA: Aye.
16 MS. CREEDON: Commissioner Cox.
17 COMMISSIONER COX: Aye.
18 MS. CREEDON: Commissioner Davis.
19 COMMISSIONER DAVIS: Aye.
20 MS. CREEDON: Commissioner Kling.
21 COMMISSIONER KLING: Aye.
22 MS. CREEDON: Commissioner Montoya.

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1 COMMISSIONER MONTOYA: Aye.
2 MS. CREEDON: Commissioner Robles.
3 COMMISSIONER ROBLES: Aye.
4 MS. CREEDON: Mr. Chairman.
5 CHAIRMAN DIXON: Aye.
6 MS. CREEDON: Mr. Chairman, the vote is eight ayes
7 and zero nays.
8 CHAIRMAN DIXON: And the motion is adopted. Now,
9 as I understand it, Mr. Brown, you will take Fort Pickett,
10 Fort Indiantown Gap, Pennsylvania, and Fort Chaffee,
11 together; those three.
12 MR. BROWN: We would like to brief all three of
13 those before you act on any recommendations or alternatives,
14 Mr. Chairman.
15 CHAIRMAN DIXON: Okay, please do, Mr. Brown.
16 LIEUTENANT COLONEL BAILEY: Mr. Chairman, thank
17 you, COL Bailey.
18 CHAIRMAN DIXON: COL Bailey.
19 LIEUTENANT COLONEL BAILEY: The first installation
20 to be discussed is Fort Pickett, Virginia. And Cliff, if
21 you'll put up on the screen A20 and the map A21, please. The
retary of Defense recommended that Fort Pickett be closed,

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1 except for minimum essential training areas and facilities as
2 an enclave for the reserve components. In addition, he
3 recommended that the petroleum training facility be relocated
4 to Fort Dix, New Jersey.
5 The map shown on your right, commissioners, shows
6 the relative locations of Fort Pickett and Fort Dix. You can
7 observe on the chart on your left that in this base category,
8 the recommendation for Fort Pickett generates the most
9 savings -- over $20 million a year. The amount of scheduled
10 training decreased between FY 1991 and 1994. However, I must
11 note that when I analyzed that data, it is true that the
12 training load went down because of deployments such as Desert
13 Storm, Desert Shield, et cetera.
14 The training area has been used both by the active
15 and reserve component forces not just from the Army, but as
16 well from the other services. Initial data calls provided to
17 the Army basing study inaccurately said that there was no
18 rail head at the post. We went there and checked, and there
19 are three rail heads on the installation. One factor in the
20 low ranking of the installation is that 85 percent of the
21 buildings are of World War II construction.
22 The next chart, A22, lists the issues. And on

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1 chart A23, I'll go through those for you. The claim that the
2 Army did a flawed analysis by not obtaining data calls on the
3 training usage of this installation by the U.S. Navy and U.S.
4 Marine Corps is in fact true. The Army did not specifically
5 address this installation in March, when the recommendation
6 first came out.
7 Subsequent consultations, though, resulted in the
8 Secretary of the Navy's office acknowledging that Fort
9 Pickett was not essential for either Navy SEAL or Marine
10 Corps training. And if the recommendation is adopted,
11 there's nothing that would preclude the SEALS and the Marines
12 from continuing to use the training areas of the enclave.
13 COMMISSIONER COX: I'm sorry, could I just follow
14 up on that for a minute?
15 LIEUTENANT COLONEL BAILEY: Yes, Commissioner.
16 COMMISSIONER COX: When we met with the SEALS, as
17 you'll recall, they indicated that they're currently using
18 it, I believe, 45 of 52 weeks a year, and that they would
19 obviously like to continue to use it for that period of time,
20 or as much. I understand that maybe they could go elsewhere,
21 or maybe they could still use this. But I want to make sure
22 one of their points, one of the reasons why they felt so

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1 strongly about using Fort Pickett is because it was here;
2 that most of the people they were doing were coming out of
3 this area.
4 And therefore, there were no additional
5 transportation costs; that it was easy to get done. Where
6 else, when we say they can go elsewhere? They didn't seem to
7 think -- they seemed to think that their costs would increase
8 fairly dramatically if they did have to go elsewhere. Have
9 we looked at that?
10 LIEUTENANT COLONEL BAILEY: Yes, we have,
11 Commissioner, and that's a good point. First of all, they
12 could continue to go to Fort Pickett. They could also use
13 their primary training facility at Little Creek Naval
14 Amphibious Base in Virginia, and the other facilities that
15 the Norfolk naval complex provides. They could also go to
16 Fort A.P. Hill, which is only -- it's less than 150 miles to
17 the north. They could also avail themselves -- and they
18 do -- of training with the Special Operations forces down at
19 Fort Bragg, North Carolina.
20 COMMISSIONER COX: I'm sorry. My understanding on
21 the others is they use all of those today.
22 LIEUTENANT COLONEL BAILEY: That is true.

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1 COMMISSIONER COX: But the point was, they needed
2 to have the diversity of training. And they were very
3 concerned, particularly about Fort Bragg, because scheduling
4 in there was difficult. Is that -- have we looked at the
5 schedules, say, at Fort Bragg and some of these other places?
6 LIEUTENANT COLONEL BAILEY: I have not looked at
7 the specific schedule. However, they can and still do use
8 all those installations that I just mentioned, and many more.
9 As you know, Commissioner, from your experience, all good
10 commanders are going to tell you that the more training areas
11 they have, the better they feel. NO one likes to go to the
12 same place every time.
13 But there is enough additional training area
14 available, particularly in this section of the country, where
15 neither the SEALS nor any of the other services, in my
16 independent judgment, would be jeopardized as far as training
17 or readiness, if Fort Pickett was completely closed. And
18 again, that's not the DOD recommendation. Most of the
19 installation's training areas -- in fact, all of the training
20 area, as we know, as of yesterday, would probably be included
21 in the enclave.
22 Final approval for the enclave is not set to be

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1 determined by headquarters, Department of the Army, until the
2 25th of July.
3 COMMISSIONER COX: And the current proposal is to
4 enclave all of --
5 LIEUTENANT COLONEL BAILEY: Approximately 85
6 percent of the total area, which would include all the
7 training area.
8 COMMISSIONER COX: Let me also ask -- because I
9 know they're still in the process of developing this, and so
10 there are no final answers, but they did get to at least an
11 idea of where they want to go on the training. Did they
12 also -- there was an issue on whether the Army would allow
13 active Army or those other than the Guard or Reserves to
14 train there. Did that get resolved?
15 LIEUTENANT COLONEL BAILEY: Yes, it did,
16 Commissioner. The Army has told us, and I believe it was in
17 part of the answer that we recently received to the questions
18 that you and other commissioners asked. The training areas
19 of this installation and any others would still be available,
20 if it's scheduled, for any of the other services, and any
21 components of any service, as well as other DOD
22 organizations, such as the FBI, FEMA, et cetera.

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1 COMMISSIONER COX: So all of the training that has
2 been going on there could, if scheduling allows, continue to
3 go on there?
4 LIEUTENANT COLONEL BAILEY: That is a correct
5 statement, yes.
6 COMMISSIONER COX: Thank you.
7 COMMISSIONER ROBLES: Mr. Chairman, if I may, I was
8 going to wait until we talked about all that.
9 CHAIRMAN DIXON: Commissioner Robles.
10 COMMISSIONER ROBLES: Just so we don't have any
11 misconceptions as we're listening to these briefings. MG
12 Jack D'Araujo is the director of the Army National Guard
13 Bureau, who is a tough cookie that I worked with many years.
14 He came up to the commission and was asked these very
15 specific questions. The first one was the one you just
16 asked -- will those training -- will there be sufficient
17 training land and maneuver space and ranges to continue a
18 robust level of training at all three of these installations.
19 Yes.
20 Will all components have access to these training
21 areas? Yes. Will you have enough money to operate the
22 enclave and the necessary support to give folks who want to

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1 come and train access to these training areas? Seventy
2 percent yes, today; $20 million to $29 million that he says
3 he needs to do this. It has been promised by the Army, and
4 is in the process of being programmed. And the other 30
5 percent is a budget adjustment.
6 You have to go in and requesting the budget, once
7 you find out if $29 million is the real answer, or if it's
8 $26 million or $31 million or whatever. So Jack D'Araujo
9 does not make these statements lightly. He's a pretty big
10 protector of the force. So I think the bottom line on what
11 he said is that what they're going to do is they're going to
12 turn these over to the U.S. Army Reserve command to run, or
13 the Guard Bureau.
14 They are going to assure the funds are there for
15 the Guard Bureau to operate these enclaves. And they will
16 have access to all the training grounds. There will be some
17 things that get laid away and not used that are not directly
18 relatable to the training mission. So there really will be
19 little degradation of the training mission. What will happen
20 is the active garrison in all these three places will go
21 down, and it will be replaced by reserve component
22 management.

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1 Is that not the gist of what I understand Jack
2 D'Araujo said?
3 LIEUTENANT COLONEL BAILEY: Commissioner, you are
4 exactly correct on each of those points.
5 CHAIRMAN DIXON: Thank you, Commissioner Robles.
6 Are there any other comments or questions?
7 COMMISSIONER CORNELLA: Yes, sir.
8 CHAIRMAN DIXON: Commissioner Cornella.
9 COMMISSIONER CORNELLA: Now, is this going to a
10 National Guard enclave, or an Army Reserve enclave?
11 LIEUTENANT COLONEL BAILEY: It is going to be a
12 National Guard enclave. Let me back up and answer that more
13 adequately. The areas are going to be enclaved for all
14 components.
15 COMMISSIONER CORNELLA: Well, who is responsible
16 for it?
17 LIEUTENANT COLONEL BAILEY: Right now, the Army's
18 plan for this particular enclave is to license it to the
19 National Guard.
20 COMMISSIONER CORNELLA: Now, doesn't the state pay
21 part of the cost of the National Guard? Doesn't the state
22 pay 25 percent, and the federal government pays 75 percent?

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1 LIEUTENANT COLONEL BAILEY: For different
2 functions, Commissioner, but I am not familiar with exactly
3 each account or which type of activity that the state and the
4 federal government do a cost sharing.
5 COMMISSIONER CORNELLA: You couldn't tell me if the
6 state is going to have to pay 25 percent for the operation of
7 that fort?
8 LIEUTENANT COLONEL BAILEY: I don't think that
9 would be correct, Commissioner. I don't believe so.
10 COMMISSIONER CORNELLA: But you're not sure it's
11 not correct.
12 LIEUTENANT COLONEL BAILEY: That's correct.
13 COMMISSIONER COX: I'd like to just finish with my
14 question, if I could.
15 CHAIRMAN DIXON: Mr. Cornella, you go ahead.
16 COMMISSIONER CORNELLA: Through this whole thing,
17 there's been a logic that's kind of escaped me. And that's
18 the logic that, it doesn't cost anything to train here. And
19 the other concern I have is that 40 percent of the training
20 that's done at that installation is active duty components.
21 Now, the idea that it doesn't cost anything to train here is
22 because they bring their food and they bring their gasoline.

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1 Now, if I owned this room, and you came here every
2 day and had lunch, and all you supplied would be lunch and
3 shoe leather, it still costs me something for this room. And
gave that room to Rebecca Cox, and you still came here
had lunch every day, it would still cost something for
room. So to me, if the National Guard is going to be
7 providing those training ranges, it would seem to me that
8 they would be incurring some costs.
9 Is the state going to want to pay for training the
10 active component?
11 MR. BROWN: Commissioner Cornella, I believe that
12 the funds that GEN D'Araujo identified would be the funds
13 that he would have available to him to operate and maintain
14 those activities at the installation to enable other
15 organizations to train there.
16 COMMISSIONER KLING: That is what he told me, as
17 well.
18 LIEUTENANT COLONEL BAILEY: And that is confirmed.
19 And I understand your question, Commissioner.
20 COMMISSIONER ROBLES: I can explain it to him from
21 a previous life. The $20 million or $29 million or whatever
22 the right amount is the required amount of operations

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1 maintenance Army National Guard funds required to do the
2 range maintenance, to have range personnel, to run the troop
3 issue subsistence activity, and all the things that are
4 necessary to support training on that installation.
5 Each of the components who come there, whether it
6 be a reserve component who would use reserve component O&M
7 funds or reserve personnel funds, or an active component who
8 would use active component O&M funds or personnel funds, they
9 use that money to get themselves to the training site, to pay
10 the subsistence of the soldiers who are there, to get them
11 back to the training site.
12 So it's kind of a shared responsibility. The using
t pays to get the soldiers and equipment there. They do
r training, and the support and upkeep of that training
rastructure is paid for by the base, in this case, the
16 National Guard Bureau, using this money that we talked about,
17 and the host unit's fund pay to get them back. That's how
18 it's worked item for item.
19 Now, there have been some, what I call, innovative
20 approaches to life, in which a unit will come on an
21 installation, and they will be asked to pay part of the
22 upkeep of the infrastructure costs because the local

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1 commander did not have enough. But I don't believe that's
2 going to be an issue. As I said, if there's one organization
3 in the United States Army who watches their pennies very
4 closely, it's the Army National Guard Bureau.
5 And they would not take on a mission if they didn't
6 think they had adequate funds to operate those three
7 installations from a base support point of view.
8 LIEUTENANT COLONEL BAILEY: And I might add, Mr.
9 Chairman, with your permission, to fully answer, I think, the
10 concern that Commissioner Cornella may have. We went to the
11 Army, and we looked at this issue very closely, because you
12 all asked some very tough questions. And there is not going
13 to be, there is not currently and there is not going to be,
14 at least for the United States Army within its components, a
15 head tax or a user fee imposed upon soldiers for merely going
16 to an Army installation, run by whomever, to conduct their
17 training.
18 Once there, they've got to pay out of their own
19 accounts to do their training. The installation doesn't pay
20 for their training, the unit does. And the training accounts
21 and the base operation support accounts are two different
counts.

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1 COMMISSIONER ROBLES: And that's very important
2 because, having run an installation having a lot of reserve
3 components train on my installation, my director of resource
4 management would come in the office and say, let's pay a head
5 tax to have this National Guard unit, because they're going
6 to tear up our roads and we need to repair our roads; or
7 they're going to come in here on a weekend and we're going to
8 have to run over time. And that's when these head taxes get
9 into it.
10 But under this proposal, that's why that money is
11 being transferred to the Guard Bureau, so that head tax does
12 not have to be paid. Now, your question about state funds --
13 state funds have never entered into the equation, except
14 where they resided on an active installation, a purely state
15 function, like a state maintenance function, or one of those
16 things. But the funds never get co-mixed.
17 CHAIRMAN DIXON: Are there any further questions or
18 statements?
19 COMMISSIONER KLING: Just one question about, are
20 you going to touch on the petroleum?
21 LIEUTENANT COLONEL BAILEY: Yes, Commissioner.
22 COMMISSIONER KLING: Can you make a comment to

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1 that?
2 LIEUTENANT COLONEL BAILEY: Yes, I can. Mr.
3 Chairman, may I proceed?
4 CHAIRMAN DIXON: Please.
5 LIEUTENANT COLONEL BAILEY: Okay. You have had, by
6 now, a chance to look at the chart before you, so I'll go
7 directly with your permission, Mr. Chairman, to Commissioner
8 Kling's question. The petroleum training facility is a set
9 of modular sets of pipeline, if you will.
10 MR. BROWN: Chart A25, please.
11 LIEUTENANT COLONEL BAILEY: Thank you. And it is
12 currently set up at Fort Pickett, where they conduct training
13 there. They pump about 40 million gallons of water through
14 these pipes, if you will. It actually looks more like large
15 fire hoses. And it's the type of system that the Army has
16 developed, and it was used during Desert Storm, to transfer
17 fuel. Mainly our fuel handlers are in the reserve
18 components, and they have come to Fort Pickett to train on
19 this equipment.
20 They do so monthly. It's a very small section of
21 people -- I believe 19 or 20 people, maximum. It's run by a
22 contractor. And it's to train soldiers how to open up the

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1 modular kits, hook the hoses together, if you will. And of
2 course, they use water for training, so they don't have an
3 environmental problem. But when you go to war, you'd be
4 pumping fuel through this system.
5 And the reason that the Army decided to relocated
6 the PTM or petroleum training module facility to Fort Dix is
7 that a majority of the reserve component petroleum, oil, and
8 lubricant companies in the reserves that would use this in
9 wartime happened to be located closer to Fort Dix than they
10 are to Fort Lee or Fort Pickett.
11 CHAIRMAN DIXON: Okay, are there any further
12 questions about Fort Pickett?
13 COMMISSIONER KLING: Yes, sir.
14 CHAIRMAN DIXON: Commissioner Kling.
15 COMMISSIONER KLING: Of the one-time cost and the
16 annual savings, how much of that is attributable of each one
17 of those categories? Do you have any idea, as far as the
18 petroleum training if it remained? What would be the
19 decrease in the one-time costs and the annual savings if only
20 the petroleum stays? Is that a majority of it?
21 LIEUTENANT COLONEL BAILEY: I don't know. The cost
22 relating to the movement of these modular sets, which you can

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1 put on a truck and move, or on a rail car -- that's a minor,
2 minor cost in the overall figure. It's very, very small. I
3 don't know exactly what it is.
4 COMMISSIONER KLING: Okay, that's fine. Thank you.
5 CHAIRMAN DIXON: Are there any further questions on
6 Fort Pickett?
7 COMMISSIONER ROBLES: Mr. Chairman, one final
8 point.
9 CHAIRMAN DIXON: Commissioner Robles.
10 COMMISSIONER ROBLES: I know this, as long as I've
11 been wearing a uniform, there was an emotional issue. And I
12 think it revolves around two points, and these two points you
13 need to keep in your mind as you go through the next two
14 analyses. The two points were, who's going to pay to run the
15 support activities necessary to support the training mission
16 if the active component walks away? Currently, it's being
17 funded out of active Army O&M, and they're running that
18 support, and the active component is paying for it.
19 When GEN Sullivan, who sat there, said -- and GEN
20 D'Araujo was there -- I'm going to transfer money from the
21 active account in the programming cycle to the reserve
22 account, I think that took care of the problem. Now, he made

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1 that, it's on the record. And you just have to believe that
2 honorable people will do honorable things. The second thing
3 that I think was, was the size of the enclave.
4 If the enclave was defined too narrowly, there
5 would not be sufficient training and maneuver space. It
6 would be excluded from the enclave. So you in essence had
7 taken a perfectly good piece of training dirt and shrunk it
8 such that you would degrade the level of the training, the
9 type of training, and restrict the number of units who could
10 go there.
11 But as the process is evolving, I think there's
12 agreement at all three of these locations to make the enclave
13 sufficiently large enough to encompass most of the training
14 area that's there, if not all of it, and only eliminate those
15 non-essential functions that do not directly support the
16 training mission. As I understand it -- and if there's a
17 different understanding, we need to know that right now.
18 LIEUTENANT COLONEL BAILEY: That is correct,
19 Commissioner. However, I would be remiss if I didn't put one
20 final point of information before the commission. And that
21 is that GEN D'Araujo made those statements and GEN Shane made
22 those statements, as you indicated. And GEN D'Araujo very

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1 strongly, and I think correctly, has requested of
2 headquarters, Department of the Army, that he be allowed to
3 conduct annual training as well as the individual unit
4 training and weekend drill, if you will, at these locations.
5 And my analysis shows, particularly with regard to
6 Fort Pickett and Fort Chaffee, that the National Guard and
7 the reserve components require those training areas for
8 annual training.
9 CHAIRMAN DIXON: Is there any other question
10 concerning Fort Pickett, before we advance to Fort Indiantown
11 Gap?
12 COMMISSIONER COX: Just one final one.
13 CHAIRMAN DIXON: Commissioner Cox.
14 COMMISSIONER COX: One final question on the
15 savings per year on Fort Pickett. Did you have a chance to
16 review those, and do you believe that the $21.8 million
17 annual savings is correct? A little high, a little low?
18 LIEUTENANT COLONEL BAILEY: Yes, Commissioner, I
19 do, and as you gave me guidance and assistance just a few
20 days ago in reviewing some of these figures, I will tell you,
21 then, exactly what I -- I tell you now what I told you then.
22 We did look at those very, very carefully. The Army ran a

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1 new COBRA analysis on all of its installations in May. And I
2 personally believe that that figure is actually on the low
3 side; I think it's conservative.
4 CHAIRMAN DIXON: COL Bailey thinks the number is
5 correct. Any further questions? Are there any further
6 questions on Fort Pickett?
7 COMMISSIONER ROBLES: Yes, sir, there is.
8 CHAIRMAN DIXON: Commissioner Robles.
9 COMMISSIONER ROBLES: On your last comment on
10 annual training, can you please clarify that, because some
11 people -- you just kind of move right along on that one. Is
12 that a scheduling problem that I hear? Or is that priority
13 of use problem? I think that's what you're telling me in a
14 veiled way.
15 LIEUTENANT COLONEL BAILEY: No, not a priority of
16 use problem, in my opinion. From my analysis, there is a
17 scheduling --
18 COMMISSIONER ROBLES: Problem.
19 LIEUTENANT COLONEL BAILEY: Not a problem
20 necessarily. Yes, it is. Let me just tell it like it is.
21 It's a problem. You could fit in all the units if you
22 completely close Chaffee and Pickett and the Gap. You could

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1 fit in all the units, that currently do annual training
2 there, into other locations. But I would hate to be the
3 commander that would have to try to take a unit in the middle
4 of December, or over Thanksgiving.
5 We have enough capacity, but scheduling all those
6 units for other locations would be a problem. And number
7 two, particularly in the case of Fort Chaffee, if the reserve
8 components are denied the use of that for some annual
9 training, particularly the Arkansas based units, then they're
10 going to have to travel 387 to 512 miles away, which would
11 incur greater transportation costs.
12 COMMISSIONER ROBLES: And the reason I'm asking
13 this point is, so what you're saying is that there's no
14 guarantee, under the current enclave concept, to allow them
15 to do an ADT there. Is that what you're saying?
16 LIEUTENANT COLONEL BAILEY: Yes, it is.
17 COMMISSIONER ROBLES: And is there resistance by
18 the active component to do that?
19 LIEUTENANT COLONEL BAILEY: We have not received
20 anything certified from headquarters, Department of the Army,
21 in writing that commits the Army to guaranteeing that annual
22 training can still continue there.

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1 COMMISSIONER ROBLES: So what if we put in our
2 language to include ADT.
3 LIEUTENANT COLONEL BAILEY: That would be this
4 analyst's recommendation.
5 CHAIRMAN DIXON: Are you completed, Commissioner
6 Robles? Are you satisfied?
7 COMMISSIONER ROBLES: Yes, she is.
8 CHAIRMAN DIXON: Then let's go to the next one,
9 Fort Indiantown Gap.
10 LIEUTENANT COLONEL BAILEY: Cliff, if you'll put up
11 A-26, please.
12 The Secretary of Defense recommended that Fort
13 Indiantown Gap be closed, except for minimum essential
14 facilities, as an enclave for the reserve components.
15 Here you can see the relevant data concerning Fort
16 Indiantown Gap. The results showed immediate return on
17 investment and annual savings of over $18 million. As I
18 believe most of the commissioners are aware, Fort Indiantown
19 Gap is state-owned and is leased to the Army. Ninety percent
20 of the buildings on the installation are of temporary wooden
21 construction from both World Wars I and II, and that was a
22 significant factor in its military value ranking.

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On chart A-27, you can see the five major issues concerning this recommendation, and on chart A-28 -- I'll quickly review those issues with you.

The personnel at the local community, as well as those currently working at Fort Indiantown Gap, think it's a fine installation. It is. However, they have claimed that the Army's analysis in the COBRA models were completely flawed. The Army has run three different COBRA models on this installation. They have been validated by the Army Audit Agency and by the General Accounting Office -- in the latter case, by this commission's request. On all occasions, the Army's COBRA data have been validated.

It is true, as the state points out, that an enclave of this particular installation would be large, has many new facilities for the reserve components, and they are spread out throughout the reservation. However, this would not be impractical because the state already owns all the land. Again, the staff has validated the military value ranking, which is ninth among the ten major training areas.

At one session, there was a claim made that the Gap had better ranges than Fort Dix or Fort A.P. Hill, and Fort Indiantown Gap is a fine installation. However, both Fort

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Dix and Fort A.P. Hill, after the staff analyzed this, were found to have more ranges, better ranges, larger artillery impact areas, and more acres available for ground maneuver training.

COMMISSIONER DAVIS: Colonel Bailey, may I stop you there?

LIEUTENANT COLONEL BAILEY: Yes, sir.

COMMISSIONER DAVIS: Does Fort Dix and A.P. Hill have air-to-ground ranges attached to them, too?

LIEUTENANT COLONEL BAILEY: Fort Dix and Fort A.P. Hill do not have the air-ground ranges such as that found at Fort Indiantown Gap.

COMMISSIONER DAVIS: Thank you.

COMMISSIONER STEELE: Are there any other unique-to-the-Gap tenant issues that we need to address? We received literally an overview, flying over, on the way to another installation, and there seemed to be a lot of concerns about who was going to pay for water and electricity -- all sorts of different things. Are all those resolved, funding-wise, the same as the other installations?

LIEUTENANT COLONEL BAILEY: Well, any of the facilities and the missions that currently occur on Fort

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Indiantown Gap that are the responsibility of the U.S. Army -- and there's an active-duty forces command garrison that runs the installation now -- the Army would be responsible for.

But this is a unique installation, in that it is state-owned. The state has many of its offices, many of its activities, located at the Gap, ranging from highway construction for the state of Pennsylvania, different elements that they have there, to the Bureau of Land Management, the mansion of the lieutenant governor, the quarters of the state's adjutant general, et cetera. So there are a lot of federal and state activities which occur at Indiantown Gap.

COMMISSIONER STEELE: I'm sorry. I'm not quite sure.

CHAIRMAN DIXON: Continue your line of questioning, Commissioner Steele.

COMMISSIONER STEELE: So if we adopt the recommendation, if we make sure we have the enclave language correctly, is there or isn't there additional cost problems with splitting utilities and doing different things, or is manageable, in your view?

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LIEUTENANT COLONEL BAILEY: Yeah. I don't discern any problem at all. The state and the federal governments, it is true, have had a very good history of working together, and items such as electricity or water -- I forget which provides what, state or the federal government, but those are reimbursable costs.

CHAIRMAN DIXON: Okay. Are you satisfied, Commissioner Steele?

COMMISSIONER STEELE: Yeah, I'm okay.

CHAIRMAN DIXON: Commissioner Kling.

COMMISSIONER KLING: Following up on that, if this goes back -- if we close down Indiantown and it goes back to the state --

LIEUTENANT COLONEL BAILEY: That's correct.

COMMISSIONER KLING: -- will the state have the authority at any time to change this in any way they want? I mean, if they decide that they don't want it for the -- if they want to take it over for a hunting reserve, can they do that once the Army steps out and hands it back?

LIEUTENANT COLONEL BAILEY: Well, Commissioner, that's a good question. Since I'm not a lawyer, I'm going to defer to counsel, but I do know that the Commonwealth of

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Pennsylvania does own all the land.

COMMISSIONER KLING: That's different from all the other locations -- the other training -- is that correct?

LIEUTENANT COLONEL BAILEY: No, sir. The state of Pennsylvania owns all of the land.

COMMISSIONER KLING: No, I meant --

MR. BROWN: That is correct, Commissioner Kling.

COMMISSIONER KLING: So what is the -- let's ask the counsel.

CHAIRMAN DIXON: Does counsel want to offer a response to the question by Commissioner Kling?

COMMISSIONER COX: Maybe, while counsel is thinking about that, I could ask another question. Or is counsel ready?

MS. CREEDON: No, go ahead.

CHAIRMAN DIXON: Commissioner Cox.

COMMISSIONER COX: Have we heard from the state of Pennsylvania as to their intentions?

LIEUTENANT COLONEL BAILEY: No, we have not. However, we have received -- and it's in the record -- a letter from Governor Ridge -- in fact, two letters -- to the chairman, expressing his concerns, as well as a letter to

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Madelyn Creedon, the commission's general counsel, from the general counsel of the Commonwealth of Pennsylvania. And that particularly related to the lease and his concerns over would the Army uphold its obligations under the lease. The Army has stated that, yes, they will.

CHAIRMAN DIXON: Are there any further questions while we're awaiting the answer?

COMMISSIONER CORNELLA: Yes, sir.

CHAIRMAN DIXON: Just a minute. Do we have an answer to Commissioner Kling's question?

MS. CREEDON: The land is owned by the state of Pennsylvania and is leased to the Army, and the terms of the lease require that the Army continue to use the land. If the land is no longer used by the Army for military purposes, then the lease expires, and the use of the land reverts to Pennsylvania, and Pennsylvania continues to own it.

CHAIRMAN DIXON: Very good.

Who has a question, now?

COMMISSIONER CORNELLA: I do, sir.

CHAIRMAN DIXON: Just a minute, now. Then you have another question, do you, Commissioner Kling?

COMMISSIONER KLING: The same question.

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1 CHAIRMAN DIXON: Commissioner Kling?
2 COMMISSIONER KLING: Just the same question. So in
3 theory, then, the state could literally do anything they
4 wanted. If the Army or the Reserve or whoever wanted to
5 continue to use it and the state said they have another,
6 better use now, they could do that, right?
7 LIEUTENANT COLONEL BAILEY: Oh, yes, Commissioner.
8 That's a sovereign state.
9 MR. BROWN: I take exception to that, Commissioner
10 Kling, and I think the reason why: if the Army still needs
11 the property, I think the terms of the lease permit the Army
12 to continue to use it, even if it's enclaved. It's when it
13 becomes excess to the needs of the Department of the Army
14 that it would revert to the Commonwealth of Pennsylvania.
15 COMMISSIONER KLING: So as long as we keep the
16 enclave, the lease will stay in place.
17 MR. BROWN: That's correct.
18 COMMISSIONER COX: So the National Guard enclave
19 would meet, in your view, counsel?
20 CHAIRMAN DIXON: Is that a question by Commissioner
21 Cox to the legal counsel?
22 COMMISSIONER COX: It is.

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1 CHAIRMAN DIXON: All right. Move along. Counsel?
2 MS. CREEDON: Yes. As long -- the terms of the
3 lease require continued use of the land for a military
4 activity. As long as that activity is going on, then the
5 lease continues on.
6 COMMISSIONER COX: And that activity would include
7 the National Guard?
8 MS. CREEDON: Yes.
9 CHAIRMAN DIXON: All right. Are there other
10 questions?
11 COMMISSIONER CORNELLA: Yes, Mr. Chairman.
12 CHAIRMAN DIXON: Commissioner Cornella.
13 COMMISSIONER CORNELLA: There is a large helicopter
14 training facility located on that base. As I understand,
15 it's the second largest one in the Army, next to Fort Rucker.
16 LIEUTENANT COLONEL BAILEY: That is correct. We
17 verified that.
18 COMMISSIONER CORNELLA: Okay. I didn't -- maybe I
19 missed it in the briefing, but what would happen to that?
20 LIEUTENANT COLONEL BAILEY: It would continue to be
21 run as it is today, Commissioner.
22 COMMISSIONER CORNELLA: So there would be no change

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1 in personnel?
2 LIEUTENANT COLONEL BAILEY: No. That is a National
3 Guard facility. In fact, you and I saw that they're building
4 a new brigade-size armory there for the National Guard.
5 COMMISSIONER CORNELLA: Thank you.
6 CHAIRMAN DIXON: All right. Are there further
7 questions of Colonel Bailey on Fort Indiantown Gap?
8 COMMISSIONER COX: I'm sorry. Can I just --
9 CHAIRMAN DIXON: Commissioner Cox?
10 COMMISSIONER COX: One follow-up question. I of
11 course presume that our counsel is correct, but, assuming
12 that the state of Pennsylvania in fact wants back Indiantown
13 Gap and finds a way, via this, to get its hands on that land
14 and it's not available to the National Guard, is there a
15 training problem with the helicopters, if this is one of two
16 in the United States?
17 MR. BROWN: I believe those helicopters belong to
18 the Pennsylvania National Guard, and I would hope that the
19 Commonwealth of Pennsylvania would permit their National
20 Guard to continue to use the facilities on that installation.
21 COMMISSIONER COX: Thank you.
22 CHAIRMAN DIXON: Is there any other question

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1 concerning Fort Indiantown Gap?
2 (No response.)
3 CHAIRMAN DIXON: Fort Chaffee.
4 LIEUTENANT COLONEL BAILEY: Okay, Cliff. If you'll
5 put up the next chart, A-31, please.
6 The Secretary of Defense recommended that Fort
7 Chaffee be closed, except for minimum essential buildings and
8 ranges for reserve component training, as an enclave. You
9 can see the savings and economic data for Fort Chaffee, which
10 is here, depicted on the chart. Ninety-seven percent of the
11 buildings are of World War II construction, which was a
12 factor in its military ranking.
13 Chart A-32, please.
14 The next chart shows the issues which were reviewed
15 in the analysis of the recommendation to close Fort Chaffee.
16 Chart A-33 outlines the positions and findings.
17 One issue that was raised is why did the military value
18 ranking change from fifth in 1993 to tenth in 1995. We
19 looked at that very carefully, and it was quickly evident to
20 us that the Army, in its report to the Department of Defense,
21 clearly outlined that they changed the attributes and the
22 weighted values for the major training area category. In

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1 things such as ranges and types of ranges, the percentage of
2 permanent facilities received more value in this round that
3 they did previously. That's the result and the change in the
4 ranking.
5 One of the key things we've already discussed and I
6 probably don't need to add any more to was the issue of
7 whether or not the enclave would also involve including
8 training areas for the installation, and I think we probably
9 beat that to death.
10 COMMISSIONER COX: And, in fact, we assume that
11 they will be an enclave of the training areas, run by the
12 National Guard, should this proposal go forward; is that
13 correct?
14 LIEUTENANT COLONEL BAILEY: That's correct.
15 MR. BROWN: We have seen documentation that shows
16 that the Army intends to enclave almost the entire 68,000
17 acres of maneuver land available at the installation.
18 COMMISSIONER COX: And essentially, that's true in
19 all three of these installations.
20 MR. BROWN: I have not seen the numbers associated
21 with Fort Indiantown Gap.
22 LIEUTENANT COLONEL BAILEY: Nor have I, but we have

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1 seen the proposals for both Pickett and for Chaffee.
2 COMMISSIONER ROBLES: Mr. Chairman, if I may, I
3 think what's causing --
4 CHAIRMAN DIXON: Commissioner Robles.
5 COMMISSIONER ROBLES: -- skepticism and a little
6 angst in the ranks is the fact that in previous enclave
7 proposals, for previous base closures, the size of the
8 enclave footprint was rather small. They tried to minimize
9 the size of that enclave in order to get the maximum savings.
10 But I think, in this case -- and the Army has stepped up to
11 it, and I think they're working it diligently -- they realize
12 that, when you enclave a reserve component training site, you
13 must include all the maneuver space or you're really not
14 doing much for anybody. And so that's why this enclave will
15 look totally different than an enclave you'll see at a lot of
16 other places that were closed down.
17 And so what I think is going to happen, and what
18 you already have said has started, as you're putting the
19 actual plan, is, the enclave will be the required base ops
20 support structures and the maneuver training areas and ranges
21 required, and that's why you see the language got changed in
22 these proposals to give it a more broader definition, so that

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1 you could footprint in that enclave everything needed to
2 continue the training mission at that installation.
3 Is that not -- that's my understanding. If it's
different, I'd like to know.
LIEUTENANT COLONEL BAILEY: No, no. That's my
6 understanding, Commissioner.
7 CHAIRMAN DIXON: Thank you, Commissioner Robles.
8 Are there any other comments or questions on Fort
9 Chaffee?
10 COMMISSIONER CORNELLA: Yes, sir.
11 CHAIRMAN DIXON: Commissioner Cornella.
12 COMMISSIONER CORNELLA: It would seem to me that
13 what we're doing here is we're ridding ourselves of some
14 excess World War II buildings and some excess personnel. Is
15 that all that's happening?
16 LIEUTENANT COLONEL BAILEY: Commissioner, we are
17 doing those two things, but, in addition, we're replacing a
18 very expensive active component garrison, in this case at
19 Fort Chaffee, taking that out, maintaining 32 Guard or
20 reserve positions to maintain the NCO academy that is run by
21 the U.S. Army Reserve command. And the cost savings there
22 are significant.

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1 COMMISSIONER CORNELLA: So that is a little
2 different than the other two.
3 LIEUTENANT COLONEL BAILEY: No, it's actually quite
4 similar. Fort Indiantown Gap also has an active component
5 forces command garrison. The garrison at Fort Pickett,
6 Virginia, right now, is a U.S. Army Reserve command garrison,
7 but it's staffed by active Guard and reserve soldiers.
8 COMMISSIONER CORNELLA: So the savings are coming
9 from ridding excess personnel and getting rid of some World
10 War II buildings.
11 MR. BROWN: The majority of savings are from
12 personnel eliminations, Commissioner Cornella.
CHAIRMAN DIXON: Is that true at all three bases?
MR. BROWN: Yes, it is, Mr. Chairman.
15 COMMISSIONER CORNELLA: So, you know, instead of
16 taking a bulldozer out and bulldozing down those buildings
17 and letting two or three hundred people go, when we finish
18 with this operation that we're conducting here, there's still
19 going to be a Fort Chaffee; there's still going to be a Fort
20 Indiantown Gap, and a Fort Pickett. Is that not correct?
21 LIEUTENANT COLONEL BAILEY: There will be the
22 training areas of those installations -- that is correct --

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1 but I would not necessarily call them forts. They were
2 camps, in all three cases, until sometime in the last 10 to
3 15 years, when they were renamed as forts. Previously,
4 Commissioner, they existed much as you accurately describe
5 they will look like, minus the World War II construction, and
6 they were simply camps for reserve component training.
7 COMMISSIONER COX: But -- just --
8 CHAIRMAN DIXON: Commissioner Cox?
9 COMMISSIONER COX: Essentially, we're going to get
10 rid of some buildings we don't need; we're going to have less
11 people; and we may change the name; but we will continue to
12 train, we hope -- we're promised that we will continue to
13 train, as before -- at least it will be available to train,
14 as before.
15 LIEUTENANT COLONEL BAILEY: That is correct.
16 COMMISSIONER COX: I guess what it might say to you
17 is that, if those numbers are correct, you wonder why the
18 Army just doesn't do it itself, to start out with, or, at the
19 very least, what we're seeing is that the National Guard is
20 extremely more efficient than the Army, which may well be
21 true.
22 COMMISSIONER ROBLES: Let me answer that.

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1 CHAIRMAN DIXON: Commissioner Robles.
2 COMMISSIONER ROBLES: That may be true, but let me
3 tell you the pragmatic fact. The fact of the matter is that,
4 as we downsize the Army from 782,000 to somewhere in the high
5 400s, a lot of things had to go. The United States Army had
6 a lot of active-duty soldiers performing base operations
7 functions. The optimal solution has been, for a long time,
8 to get the war-fighting Army out of the base ops business and
9 transfer that over to civilians or to the reserve components,
10 who are maintaining a large force structure, and some of that
11 force structure could be used to do base operations function.
12 I personally was one of the folks who drove to get
13 U.S. Army Reserve command to run some installations with
14 those large numbers of AGRs and reserve component structure
15 they had, and this is what it's doing. When you cut it from
16 782,000 and cut it down to 490, 470, 480, whatever it's going
17 to be, and you still have a large Guard population and
18 reserve population of about 500,000 people, you need to share
19 some of that wealth on running these installations.
20 That is a mission they can do very well and very
21 efficiently, and you don't have to fully cost an active-duty
22 soldier, who's on duty 365 days a year, with a large

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1 retirement tail and all the other things that go with it. So
2 there is some economies of scale, and this has been thought
3 out a lot over the last four or five years.
4 CHAIRMAN DIXON: Thank you, Commissioner Robles.
5 COMMISSIONER COX: Commissioner Robles, I certainly
6 agree, and I guess --
7 CHAIRMAN DIXON: Commissioner Cox.
8 COMMISSIONER COX: -- my frustration, having been
9 to at least one of these facilities, is -- and we just went
10 through this on the velocity tunnel out at White Oak. What
11 we've got, quite rightly, is every service trying to
12 downsize, and they don't want to -- and we saw this at
13 Kirtland, as well. Nobody wants to be in charge of hosting
14 these facilities. And we want to make sure that, as we get
15 more efficient and get better, we're not just moving the ball
16 around or, you know, playing the shell game, because the
17 truth of the matter is, if we're still running all these
18 facilities, which we should be, and if we are still making
19 all of these facilities available for the same training, you
20 know, we may just be playing a shell game here.
21 We want to make sure that, in fact, we get the same
22 readiness training, with the efficiencies, and not just be

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1 moving the ball as to who's got in in their court and who
2 gets stuck with paying the host costs.
3 CHAIRMAN DIXON: Thank you, Commissioner Cox.
4 Commissioner Robles.
5 COMMISSIONER ROBLES: I think that's an absolutely
6 valid concern. As you know, some of the things we saw was
7 the cost transference.
8 COMMISSIONER COX: Yeah.
9 COMMISSIONER ROBLES: But I think the difference
10 that has occurred, as I understand it, again, is that the
11 active Army has stepped up to the table and said, "I'm going
12 to transfer money so that, if I transfer this mission to the
13 Guard, I'm going to transfer money to the Guard to do this
14 mission." And in that process, you will have efficiencies,
15 because you will just only have a garrison large enough to
16 maintain the ranges and maintain the training tempo of those
17 people trained, as opposed to keeping it open 365 days a year
18 and in a steady level of operations.
19 And as you know, training in the reserve components
20 comes in cycles. The peak training time is in the months of
21 about March through about September, and that's when you
22 surge up, and so you're ready to go. And any other time is

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1 down time, and you do training and -- I could go on and on
2 and on, but --
3 CHAIRMAN DIXON: Please don't.
4 COMMISSIONER COX: Well, I think we all appreciate
5 the fact that the Army --
6 CHAIRMAN DIXON: Commissioner Cox.
7 COMMISSIONER COX: -- ponied up for at least some
8 of the costs.
9 CHAIRMAN DIXON: Are there any further questions?
10 (No response.)
11 CHAIRMAN DIXON: Are there any further statements?
12 COMMISSIONER ROBLES: One more, and I'll shut up.
13 CHAIRMAN DIXON: Commissioner Robles. No, no. I
14 don't want you to shut up. Go ahead, Commissioner Robles.
15 COMMISSIONER ROBLES: On this issue, addressing --
16 that's an interesting point, as you trailed off: "at least
17 some of the costs." There are gentlemen in this room who can
18 help them on the other costs. It's called the budgetary
19 process.
20 CHAIRMAN DIXON: All right. Now, are there any
21 further questions or statements?
22 (No response.)

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1 CHAIRMAN DIXON: Are there any at all, now?
2 (No response.)
3 CHAIRMAN DIXON: Everybody got it off their chests?
4 (No response.)
5 CHAIRMAN DIXON: Now, is there a motion? Is there
6 a motion? Sometime we've got to vote. Somebody tries a
7 motion, we'll try voting on it.
8 COMMISSIONER ROBLES: Mr. Chairman, I'd like to
9 make a motion.
10 CHAIRMAN DIXON: I recognize you, Commissioner
11 Robles.
12 COMMISSIONER ROBLES: But I'd like to make sure
13 that we have included the right language, because I am
14 concerned about including the individual and annual training
15 piece in there, so that there's no equivocation later on that
16 they should be able to do both individual and annual training
17 at those sites.
18 So the general counsel needs to help real quick
19 here, to make sure that I've inserted the right words that
20 let that happen.
21 CHAIRMAN DIXON: Shall we take a moment for you to
22 do that, Commissioner?

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1 COMMISSIONER MONTOYA: Mr. Chairman?
2 CHAIRMAN DIXON: Commissioner Montoya.
3 COMMISSIONER MONTOYA: My feelings are hurt. We
4 close a shipyard in half the time.
5 (Laughter.)
6 CHAIRMAN DIXON: Well, you Navy guys are faster
7 operators. We're plodding along here, now.
8 COMMISSIONER ROBLES: Mr. Chairman, I'm ready to
9 make the motion.
10 CHAIRMAN DIXON: Commission Robles.
11 MOTION
12 COMMISSIONER ROBLES: I move the commission find
13 the Secretary of Defense deviated substantially from final
14 criteria 1 and 2 and the force structure plan and, therefore,
15 the commission reject the Secretary's recommendation on Fort
16 Pickett and, instead, adopt the following recommendation:
17 close Fort Pickett, except minimum essential ranges,
18 facilities, and training areas, as a reserve component
19 training enclave, to include the conduct of individual and
20 annual training. The commission finds this recommendation is
21 consistent with the force structure plan and final criteria.
22 COMMISSIONER DAVIS: Second.

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1 CHAIRMAN DIXON: Now may I have your explanation of
2 how you deviated from the Army's recommendation there?
3 COMMISSIONER ROBLES: The explanation is we
4 deviated by putting a more complete description of what
5 facilities get included in the enclave and standardize them
6 among all three of those installations, because there were
7 different languages. In one it said one thing, and in one it
8 said the other. And the standard language will say, in all
9 of them, "except minimum essential ranges, facilities, and
10 training areas," and now it will also say, "to serve as a
11 reserve component training enclave, to include the conduct of
12 both individual and annual training."
13 And we can't think of a way to make it more
14 inclusive than that.
15 CHAIRMAN DIXON: May I have the opinion of Mr.
16 Brown and Colonel Bailey on that?
17 MR. BROWN: Mr. Chairman, I believe that the
18 standard definition of the enclave should be included in all
19 three, and I agree with Commissioner Robles: "to include the
20 conduct of individual training and annual training."
21 LIEUTENANT COLONEL BAILEY: And I concur, Mr.
22 Chairman.

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1 COMMISSIONER DAVIS: And I have seconded the
2 motion, sir.
3 CHAIRMAN DIXON: All right. So there's been a
4 motion made by Commissioner Robles and seconded by
5 Commissioner Davis that this motion be adopted. Are there
6 any comments, any questions?
7 (No response.)
8 CHAIRMAN DIXON: Counsel will call the roll.
9 MS. KING: Commissioner Robles?
10 COMMISSIONER ROBLES: Aye.
11 MS. KING: Commissioner Steele?
12 COMMISSIONER STEELE: Aye.
13 MS. KING: Commissioner Cornella?
14 COMMISSIONER CORNELLA: Aye.
15 MS. KING: Commissioner Cox?
16 COMMISSIONER COX: No.
17 MS. KING: Commissioner Davis?
18 COMMISSIONER DAVIS: Aye.
19 MS. KING: Commissioner Kling?
20 COMMISSIONER KLING: Aye.
21 MS. KING: Commissioner Montoya?
22 COMMISSIONER MONTOYA: Aye.

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1 MS. KING: Mr. Chairman?
2 CHAIRMAN DIXON: Aye.
3 MS. KING: Mr. Chairman, the vote is seven ayes and
4 one nay.
5 CHAIRMAN DIXON: And the motion carries.
6 What is the pleasure of the commission on Fort
7 Indiantown Gap?
8 COMMISSIONER ROBLES: Mr. Chairman, I'd like to
9 make a motion.
10 CHAIRMAN DIXON: Commissioner Robles.
11 MOTION
12 COMMISSIONER ROBLES: I move the commission find
13 the Secretary of Defense deviated substantially from final
14 criteria 1 and 2 and the force structure plan and, therefore,
15 the commission reject the Secretary's recommendation on Fort
16 Indiantown Gap and, instead, adopt the following
17 recommendation: close Fort Indiantown Gap, except minimum
18 essential ranges, facilities, and training areas, as a
19 reserve component training enclave, to include the conduct of
20 individual and annual training. The commission finds this
21 recommendation is consistent with the force structure plan
22 and final criteria.

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1 COMMISSIONER MONTOYA: Second.
2 CHAIRMAN DIXON: And that is moved by Commissioner
3 Robles and seconded by Commissioner Montoya.
Are there any questions or comments?
(No response.)
6 CHAIRMAN DIXON: Counsel will call the roll.
7 MS. KING: Commissioner Robles?
8 COMMISSIONER ROBLES: Aye.
9 MS. KING: Commissioner Steele?
10 COMMISSIONER STEELE: Aye.
11 MS. KING: Commissioner Cornella?
12 COMMISSIONER CORNELLA: Aye.
13 MS. KING: Commissioner Cox?
14 COMMISSIONER COX: No.
15 MS. KING: Commissioner Davis?
16 COMMISSIONER DAVIS: Aye.
17 MS. KING: Commissioner Kling?
18 COMMISSIONER KLING: Aye.
19 MS. KING: Commissioner Montoya?
20 COMMISSIONER MONTOYA: Aye.
21 MS. KING: Mr. Chairman?
22 CHAIRMAN DIXON: Aye.

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1 MS. KING: Mr. Chairman, the vote is seven ayes and
2 one nay.
3 CHAIRMAN DIXON: And the motion is adopted.
4 What is the pleasure of the commission with respect
5 to Fort Chaffee, Arkansas?
6 COMMISSIONER ROBLES: Mr. Chairman, I have a
7 motion.
8 CHAIRMAN DIXON: Commissioner Robles.
9 MOTION
10 COMMISSIONER ROBLES: I move the commission find
11 the Secretary of Defense deviated substantially from final
12 criteria 1 and 2 and the force structure plan and, therefore,
commission reject the Secretary's recommendation on Fort
Chaffee and, instead, adopt the following recommendation:
15 Close Fort Chaffee, except minimum essential ranges,
16 facilities, and training areas, as a reserve component
17 training enclave, to include the conduct of individual and
18 annual training. The commission finds this recommendation is
19 consistent with the force structure plan and final criteria.
20 CHAIRMAN DIXON: Is there a second?
21 COMMISSIONER KLING: Second.
22 CHAIRMAN DIXON: Seconded by Commissioner Kling.

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1 Are there any comments, questions?
2 (No response.)
3 CHAIRMAN DIXON: Counsel will call the roll.
4 MS. KING: Commissioner Robles?
5 COMMISSIONER ROBLES: Aye.
6 MS. KING: Commissioner Steele?
7 COMMISSIONER STEELE: Aye.
8 MS. KING: Commissioner Cornella?
9 COMMISSIONER CORNELLA: Aye.
10 MS. KING: Commissioner Cox?
11 COMMISSIONER COX: No.
12 MS. KING: Commissioner Davis?
13 COMMISSIONER DAVIS: Aye.
14 MS. KING: Commissioner Kling?
15 COMMISSIONER KLING: Aye.
16 MS. KING: Commissioner Montoya?
17 COMMISSIONER MONTOYA: Aye.
18 MS. KING: Mr. Chairman?
19 CHAIRMAN DIXON: Aye.
20 MS. KING: Mr. Chairman, the vote is seven ayes and
21 one nay.
CHAIRMAN DIXON: And that motion is carried, as

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1 well.
2 Army training schools.
3 MR. BROWN: Mr. Chairman and Commissioners, on page
4 B-1 we have the next category to be discussed, Army training
5 schools. That page and the accompanying map, on page B-2,
6 show the names and locations of the 14 installations in this
7 category. The Secretary of Defense recommended the closure
8 of Fort McClellan, Alabama, and the realignment of Fort Lee,
9 Virginia.
10 Mr. J.J. Gertler will discuss Fort McClellan.
11 MR. GERTLER: Mr. Chairman, members of the
12 commission, on page B-3 we have the next installation to be
13 discussed, Fort McClellan, Alabama. Mr. Wooten, if I could
14 also have the map on B-4.
15 The Secretary of Defense recommended that Fort
16 McClellan be closed, except minimum essential land and
17 facilities for a reserve component enclave and minimum
18 essential facilities, as necessary, to provide auxiliary
19 support for the chemical demilitarization operation at
20 Anniston Army Depot, which is across town.
21 DOD also recommended that the chemical and military
22 police schools be relocated to Fort Leonard Wood, Missouri,

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1 upon receipt of the required permits, and that the Defense
2 Polygraph Institute be relocated to Fort Jackson, South
3 Carolina.
4 Finally, DOD recommended that Pelham range and the
5 current Guard facilities be licensed to the Alabama Army
6 National Guard.
7 The chart before you indicates statistics regarding
8 Fort McClellan. It was 9th of 13 in military value, with a
9 one-time closure cost of $231 million and annual savings of
10 $40.6 million, which nets a return on investment beginning in
11 the year 2005. The 20-year net present value is $287.4
12 million.
13 I would commend to the attention of commissioners
14 the economic impact figure. It is 16.7 percent. It is shown
15 cumulatively as actually declining. However, due to
16 commission action yesterday, regarding Red River and
17 Letterkenny Army Depots, the one-time economic impact would
18 be the same now. It would carry over and become the
19 cumulative economic impact.
20 We will also discuss during this briefing an
21 alternative recommendation that differs only in that it
22 requires the chemical defense training facility at Fort

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1 McClellan remain operational until the similar facility at
2 Fort Leonard Wood is mission-capable.
3 Chart B-5, please.
4 These are the major issues considered in evaluating
5 this recommendation.
6 May I have chart B-6, please?
7 Mr. Chairman, the 1993 commission disapproved a
8 broadly similar recommendation, in part due to the
9 uncertainty of environmental permitting at Fort Leonard Wood.
10 They ordered that, before the recommendation was resubmitted,
11 all necessary environmental permits should be pursued with
12 the receiving location. The word "pursued" was the precise
13 language.
14 This led to a logical chicken and egg. The Army
15 believed it could not pursue the permits before the
16 Department approved the recommendations, since to do so would
17 prejudge the Department's recommendation. DOD believed it
18 couldn't apply for the permits before receiving the Army's
19 recommendation, because they didn't know the Army would put
20 Fort McClellan on the list again.
21 While the permit applications had been prepared
22 well in advance and some discussions held with the State of

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1 Missouri regarding permit issues, the actual permit
2 applications were submitted March 1, 1995, the day the
3 recommendations were submitted to this commission.
4 All three state-required permits have now been
5 granted. The Fort McClellan community argues that some of
6 the issued permits are invalid and that other required
7 permits have not been pursued. Specifically, they contend
8 that a hazardous waste permit under the Resource Conservation
9 and Recovery Act is required for operation of the CDTF. The
10 State of Missouri has stated that a RCRA permit is not
11 required, and the commission's counsel and interagency
12 environmental agency analyst concur in that finding. It's
13 relevant to note that the CDTF at Fort McClellan operates
14 without such a permit.
15 The community also contends that a Nuclear
16 Regulatory Commission license required to operate the
17 radiological testing facility has not been applied for. The
18 NRC licenses a facility. It is thus impossible to obtain the
19 relevant NRC license prior to construction.
20 The next issue concerns the cost to build a new
21 chemical defense training facility at Fort Leonard Wood. The
22 original CDTF at Fort McClellan, built from scratch, cost

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1 $14.2 million some eight years ago. DOD has thus allowed for
2 over 100 percent cost growth. One hundred percent in eight
3 years seems a reasonable margin, but, even if the community's
4 highest figure, of $70 million, is correct, savings would
5 still be realized from this recommendation. GAO has
6 confirmed this analysis.
7 The operational arguments are also significant.
8 The community argument is this. If you move the CDTF, the
9 time line for construction and permitting issues,
10 particularly given the popularity of court appeals, is
11 uncertain. The community's worst-case scenario is that the
12 CDTF at Fort Leonard Wood is completed; the old CDTF, at Fort
13 McClellan, is closed; and then some legal or regulatory
14 challenge causes the new CDTF to cease operations, leaving
15 the nation with no live-agent training capability. The
16 commission alternative recommendation – to keep the CDTF at
17 Fort McClellan open until the new one is mission-capable --
18 should prevent this scenario from occurring.
19 The Army says they won't close the old CDTF until
20 the new one is operational and points out that the successful
21 track record of the CDTF at Fort McClellan makes the
22 permitting process easier and makes the success of any

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1 challenge much less likely. The Army also points to its good
2 track record in moving other major missions.
3 Missouri officials point out that Fort Leonard Wood
4 could, if challenged, apply for amendment to their permits
5 under normal processes.
6 Mr. Wooten, chart B-7, please.
7 Smoke training is an integral part of the chemical
8 school curriculum. The smoke permit issued in Missouri
9 places some new limits on smoke training there. These
10 operational restrictions are acceptable to the Army. The
11 chemical school operators warn that smoke training could be
12 severely curtailed, but the commandant of the chemical
13 school, in writing; his boss, the commander of training and
14 doctrine command, in writing; his boss, the chief of staff of
15 the Army, in testimony before this commission; and his boss,
16 the Secretary of the Army, in testimony before this
17 commission -- all certify that they can accomplish the
18 mission with those new restrictions. Very simply, they plan
19 to train differently in the future than they did in the past.
20 We find, also, that revisions to this permit are
21 possible if it should prove too restrictive in practice.
22 Another substantive issue is that the state of

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1 Alabama has yet to issue a permit for the chemical
2 demilitarization operation at Anniston Army Depot, again.
3 across town from Fort McClellan. The permit application
4 identifies a number of assets which are currently resident at
5 Fort McClellan, which are required to be in place before
6 operating the chemical demil mission. The concern is that,
7 if Fort McClellan closes, these assets could go away.
8 First, the recommendation from DOD does allow an
9 enclave at Fort McClellan for the support of the chem demil.
10 Second, we find that the Army did account for the
11 cost of that support, although it is impossible to tell
12 whether it is sufficient to meet the requirements of
13 Alabama's permit. They gave us a number of people in the
14 COBRA. We do not know who those people are or what their
15 missions are. However, the Army argues that they have no
16 reason not to meet those conditions.
17 And, even if the community is correct in its
18 argument and it costs $5 million a year to provide that
19 support, again, savings would still be realized from this
20 recommendation.
21 Also, at Tooele and the six other proposed sites
22 where chemical demilitarization will take place, there are no

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1 external bases -- there are no Fort McClellans -- to provide
2 support. The Army proposes simply to do at Anniston what it
3 will do in those other installations, where the cost of that
4 support is part of the cost of the demil operation.
5 Finally, the community points out that the 16.7
6 percent economic impact attributed to this recommendation is
7 the highest of any proposed Army closure. It is significant,
8 although it is not the highest of any Army recommendation.
9 Chart B-8, please, Mr. Wooten.
10 Acceptance of this recommendation would result in
11 significant annual savings and some minor training synergies
12 through collocation with the engineer school. It would incur
13 a high up-front cost and significant economic impact.
14 The Commission alternative, leaving the CDTF at
15 Fort McClellan until its successor is operational, has the
16 same pros and cons as the DOD recommendation, but would
17 mitigate the risk to live agent training.
18 Mr. Chairman, members of the Commission, this
19 concludes my presentation with regard to Fort McClellan,
20 Alabama.
21 CHAIRMAN DIXON: Thank you, Mr. Gertler. Are there
22 questions of Mr. Gertler?

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1 COMMISSIONER CORNELLA: Mr. Chairman?
2 CHAIRMAN DIXON: Mr. Cornella.
3 COMMISSIONER CORNELLA: I wish to say I am really
4 impressed with your presentation, and that is probably one of
5 the best I've ever seen. One of the best because I have to
6 give credit to all other staff, too. That was very good.
7 I want to go back to the permits a moment and start
8 there, as far as our discussion will go, and I've got quite a
9 few questions for you.
10 As you said, in 1993, the previous BRAC Commission
11 said basically, don't darken our door again until you come
12 back with permits in hand -- whether you call it pursuing, or
13 whatever you want to call it. And at that time a letter was
14 sent to the Department of Natural Resources of Missouri
15 basically asking how long those permits would take and what
16 would be required. And this letter is on Commission record,
17 May 19, 1993, the response to Jim Courter, Chairman of the
18 Commission at that time.
19 And in there, it lists permits that vary in length.
20 I won't read the entire letter, but they vary in length as
21 far as what would be required and how long it would take
22 from, you know, maybe eight or nine months, to years. And as

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1 you indicated, the permits were applied for on March 1st.
2 As I remember, we received the list on February
3 28th. And on the March 1st -- we received it officially from
Secretary of Defense. And at that time, John Deutch,
uty Secretary, testified that if these permits were not in
ce, that this should be rejected. Did I hear that
7 testimony correct, as you remember it?
8 MR. GERTLER: That is correct, sir.
9 He, I believe, said that they wouldn't ask us to go
10 through with the recommendation if the recommendation if the
11 permits had not been received.
12 COMMISSIONER CORNELLA: Now, these permits that
13 we're talking about, and I have here a letter in front of me
14 from a Committee for the Development, Expansion and
15 Effectiveness of Fort Leonard Wood, in which they proudly
16 state -- and I understand why they are so proud -- that these
17 permits were expedited due to the window in which we were
18 allowed to produce them, March 1st to June 22nd.
19 So the permits that were originally expected to
20 take years and years to receive, you know, were accomplished
21 in just a matter of a few months, which is incredible. And
22 that's good. I'm glad to see productivity.

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1 But what has happened in the process, I believe, is
2 that some permits may have been overlooked, and the permits
3 that have been issued therefore, are under appeal or in
4 litigation. And also, you had mentioned earlier that you
5 said the community had said -- or someone -- maybe not the
6 community, but our attorney had said that the RCRA permit was
7 not required. And I would like to address a question or two
8 to our counsel now.
9 As we had a discussion, as I remember, you had said
10 it would probably be very easy for someone to come in and say
11 that the Army does not have a RCRA permit, and not go after
12 the State of Missouri, but go after the Army, and in effect,
halt training; is that not correct?
MS. CREEDON: Before I answer that -- if I might --
ttle background here to clarify the answer. The letter
16 that you referenced discussed the possibility of a need for
17 what is referred to as a RCRA permit. That is a permit under
18 the Resource Conservation and Recovery Act.
19 RCRA governs the treatment, storage and disposal of
20 hazardous waste. Since the time of that letter, and because
21 of the permit application that the Army submitted, the State
22 of Missouri determined that no RCRA permit was necessary.

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1 Now the reason the State of Missouri made that
2 determination is that the chromium filters that Fort
3 McClellan now currently uses in its masks, will no longer be
4 used by the time the facility moves to Fort Leonard Wood.
5 Its the chromium filters that require a permit under RCRA.
6 So once those filters are out of the Army's
7 inventory, then no RCRA permit is needed by the Army to
8 operate the facility at Fort Leonard Wood, and that is what
9 the State of Missouri has determined.
10 COMMISSIONER CORNELLA: And it based only on
11 chromium, not on silver?
12 MS. CREEDON: It was based on chromium.
13 COMMISSIONER CORNELLA: Now, as I understand it,
14 there would be a by-product of silver that would also be
15 produced -- and it could produce it, if I'm given the time --
16 I'll have to tell you, I've got crates of this information --
17 so, its hard for me to have everything up here at the table,
18 but I know I did see a test done whereby silver would be a
19 by-product of the process also. And that was not directed by
20 the Department of Natural Resources in the State of Missouri.
21 So what they've said is, all we're dealing with is
22 mium, we don't need a hazardous waste permit.

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1 MS. CREEDON: The state of Missouri made its
2 determination based on the permit application that the Army
3 submitted to the state. And in that permit application, the
4 Army explained its process for the operation and then
5 ultimate destruction of any by-products in the incinerator
6 that would be part and parcel of the facility. And based on
7 that permit application, the state of Missouri determined
8 that there were no hazardous wastes that were going to be
9 disposed of in that facility, and so a RCRA permit was not
10 necessary.
11 COMMISSIONER CORNELLA: In regard to the permits,
12 would it be true that they're permits for training that is
13 taking place in Alabama now, that they've determined, well,
14 we don't need a permit for that, if you're not going to do
15 that. Or they just felt that they may not need it, even
16 though that training may be taking place in Alabama? Am I
17 too confusing on the question?
18 MS. CREEDON: Alabama has not issued a RCRA permit
19 for the operation of that facility. I do not know the basis
20 for Alabama's determination that no RCRA permit is necessary.
21 COMMISSIONER CORNELLA: Okay. Going back to Mr.
22 Gertler on the question of the smoke training. I know you

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1 were very precise on who in the Army had approved that smoke
2 training, as far as whether or not that was adequate. I'd
3 like to read a letter here. It's on the U.S. Army Chemical
4 School letterhead, dated 9 June '95, and it's from Harold
5 Mashburn, Colonel, Assistant Commandant. And I'm going to
6 read two paragraphs that are really shorter than some of the
7 motions, so I hope my commissioners stay with me here.
8 "The capability to train soldiers and leaders to
9 effectively employ smoke is absolutely essential to Army
10 readiness and operations. Combat and development studies
11 show large area smoke, when properly used, provides combat
12 commanders a 30 percent increase in survivability, and even
13 greater force protection percentages in defeating long range
14 anti-tank fires. This capability is provided by the chemical
15 officers, noncommissioned officers, and by soldiers who
16 receive smoke training at the U.S. Army Chemical School,
17 under training and doctorate command approved programs.
18 NBC defense, smoke employment subject matter
19 experts have reviewed the draft Missouri Department of
20 Natural Resources air permit and have concluded it will
21 severely limit the ability to conduct smoke training to
22 standards. Operator and unit proficiency cannot be achieved

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1 under the restrictions of the Missouri permit, and will
2 result in a significantly reduced survivability for U.S. Army
3 forces on future battlefields."
4 And I've got a second letter -- Department of Army
5 letterhead. And this letter is from Edward Newing, Special
6 Assistant to the Commandant, U.S. Chemical School. The
7 second paragraph -- "The state of Missouri smoke permit
8 restrictions, if implemented, will create overwhelming
9 degradation," -- the emphasis is his, not mine --
10 "overwhelming degradation to chemical mission readiness. The
11 restrictions will cut back the minimum amount of annual fog
12 oil use by 30 percent.
13 The daily allowance for smoke training time will be
14 cut by 75 percent. After suffering these unacceptable
15 losses, it further limits our joint forces to smoke
16 operations during weather conditions which may exist only 60
17 percent of the year. The smoke permit virtually eliminates
18 more than one smoke event per day. The impact would be
19 violation subject to fines for 92 days when two events are
20 trained; another 56 days when three events are trained; and
21 another 21 days when four separate events are underway at one
22 time.

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If allowed to stand, the Missouri smoke permit
s us to conduct roughly 25 percent of training to
ards," -- and an emphasis included again -- "These
tions would kill both the U.S. Army and U.S. Air Force
ce training." This installation provides the chemical
nse training for all the services and our allies and
y inspector training for the on-site inspection agency
teral destruction agreement with Russia, and the
mical weapons convention. Is that correct?
MR. GERTLER: Yes, sir, it is.
COMMISSIONER CORNELLA: Now, I know there's some
ssified information regarding the chemical weapons
nvention I don't want to get into. But can you tell us how
e Fort McClellan school impacts that convention?
MR. GERTLER: Sir, there are two items. First, the
hemical weapons convention is involved -- Mr. Wooten, could
I have B9, please. The third line addresses the chemical
weapons convention. Basically, the chemical weapons
convention requires that the United States destroy its
chemical weapons and, although not required by the
convention, the U.S. has volunteered to train the inspectors
for the chemical weapons convention.

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1 That training will be done by the chemical school
2 in the CDTF at Fort McClellan. It's expected that the
3 initial training will take place within a year, which is well
4 before any move could take place. Subsequent refresher
5 training and training of new classes would take place
6 wherever the CDTF is located. If the one at McClellan is
7 still operational, it will be done there; if the move is
8 approved, it will be done at Fort Leonard Wood.
9 COMMISSIONER CORNELLA: Okay. I'm not as concerned
10 about permitting as I am about the disruption that this
11 permit is going to cause. So I don't want to spend all my
12 time arguing about permitting. But you can see that I think
13 the permitting is in some sort of chaos, really. Now, we can
14 say, look, we have these; we've been guaranteed by the state
15 of Missouri. And why have we been guaranteed? We have two
16 states here vying for economic impact.
17 I can understand why those permits were produced in
18 such short time, because we're talking about big dollars and
19 big economic impact. Even in the best of circumstances, if
20 all permits were in hand, and that move had to be made, there
21 would be disruption of the mission. One thing we've heard
22 over and over again -- and we heard it from GEN Blume of the

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1 Air Force, who said, look, you're not going to move any
2 mission in this process without a lot of disruption.
3 Now, when we have questions about whether or not
4 the permits are even in place, I am really concerned about
5 the disruption that that may cause. We're looking possibly
6 at a two to six year disruption in a mission, at a time when
7 it is of greatest concern to this country, I believe. I'm
8 going to make a parallel, which someone may think, well,
9 you're really pulling at straws when you do this. But I'm
10 going to make a parallel to Oklahoma City.
11 Because I think that any people that would perform
12 that kind of atrocity would not hesitate to use chemical
13 weapons or anything that they might have at their disposal.
14 Now, as you know, there are many cities that are also
15 concerned about that training going away at Fort McClellan,
16 or being disrupted. I have a letter here, or a statement,
17 from the Association of Cities. And I'm just going to read
18 two short lines here, but it says, "Whereas the Army plans to
19 close this facility in spite of the requests from the Chicago
20 Police Department, the New York Port Authority, the Arizona
21 Super Bowl Committee, and the Atlanta Olympic Committee --
22 all of whom currently plan to send delegations to Fort

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1 McClellan for training.
2 Now therefore, be it resolved that the undersigned
3 mayors from across the United States of America call for the
4 preservation of Fort McClellan as a disaster training
5 facilities for cities." And that's signed by 19 mayors, all
6 the way from Richard Daley of Chicago to Maynard Jackson of
7 Atlanta, Georgia.
8 CHAIRMAN DIXON: Now, I wonder why he mentioned the
9 mayor of Chicago first there.
10 COMMISSIONER CORNELLA: Well, I don't want you to
11 have to recuse on this one, sir.
12 CHAIRMAN DIXON: Pardon me for interrupting,
13 Commissioner Cornella.
14 COMMISSIONER CORNELLA: Another letter from the
15 Center for Strategic and International Studies, dated May
16 10th, '95, Brad Roberts, a research fellow. "In prior
17 correspondence with the commission, I raised my principal
18 concerns, which I will not detail here for the sake of
19 brevity. But the punch line is simple. At a time when
20 chemical weapons are proliferating, the United States cannot
21 create new vulnerabilities in the training and competence of
22 its forces in chemical warfare.

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1 At a time when a major new international chemical
2 disarmament convention is entering into force, the United
3 States cannot use one of its major tools for making that
4 convention succeed." Three of us attended a classified brief
5 on this matter, and the only thing I'm going to say about
6 that -- and they can dispute or verify, because people hear
7 things differently. But what I heard is one of a kind,
8 unique facility, very concerned about this, and don't do it
9 without the proverbial grabbing onto one strut and reaching
10 over and taking a hold of the other one.
11 Now I'm going to quote the most distinguished
12 individual of all, and that's Commissioner Kling.
13 CHAIRMAN DIXON: Boy, you're going high now,
14 Colonel.
15 COMMISSIONER CORNELLA: I am. Because there are
16 few people that I respect more than this gentleman. And he
17 said a little earlier, an unnecessary risk is when you have
18 no back-up, or when you can't do it in the private sector.
19 And I can tell you, this is the only place in the world where
20 you can do this. The concern over chemical DEMIL was
21 mentioned, and I'm just going to summarize real quick now,
22 because I'm sure there may be some response.

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1 But I maintain that the permits required are not
2 acceptable to make this move. I also say we cannot afford
3 disruptions in this training missions at this time. And the
4 other thing is that it will reduce the training of our
5 allies, and it could also not only jeopardize men and women
6 in uniform, but through the examples I've given, it can also
7 jeopardize the lives of non-combatants in the sense of the
8 citizens of the United States.
9 And I think it is just the wrong time to be doing
10 this. And I would urge the commissioners to follow the lead
11 of our previous two commissions and reject this
12 recommendation.
13 CHAIRMAN DIXON: Commissioner Steele.
14 COMMISSIONER STEELE: Yes, I would like to thank my
15 colleague, Commissioner Cornella, for digging into this so
16 much. Between the data and the letters and all the media
17 clips, I feel like I've been trying to get through smoke and
18 fog oil myself, and needed to go through the training. So I
19 appreciate you for digging into this, and your thoroughness,
20 very, very much. Thank you.
21 CHAIRMAN DIXON: Thank you, Commissioner Steele.
22 Mr. Robles.

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1 COMMISSIONER ROBLES: Thank you, Mr. Chairman.
2 First of all, I need to preface my comments by saying that I
3 have the highest personal respect for Commissioner Cornella.
[illegible] talk about a bright, shining example of dedication,
[illegible] work, and knowing his business, he is it. He knows this
6 [illegible] backwards and forwards. And I don't want to directly
7 counter his points, I just need to give you the other side of
8 the argument. Not because I have anything against Fort
9 McClellan, Alabama.
10 I think it is a world-class installation, with a
11 world-class workforce, and they do world-class work. But
12 there's some things that you need to put a perspective in,
13 and then we'll all see where our consciences lead us and
14 what's the right thing for the national security of this
15 nation. The first thing is that -- and I won't get into the
16 permit business, because that is the full employment act for
17 lawyers, and that will take forever.
18 But I think what we need to focus in on is the
19 CDTF. We don't want to get these missions all mixed up,
20 because we're kind of mixing them all up. The Chemical
21 Defense Training Facility is a unique national asset. That's
22 one thing. The chemical school is another thing; the

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1 military police school is another thing; and the installation
2 who supports all three of those are a fourth thing. So I'm
3 going to take it in that sort of approach.
4 First, the Chemical Defense Training Facility. I
5 totally 100 percent share his deep concern that we not let go
6 of this devil until we have another one up and running, fully
7 permitted, operational, and we don't miss a nanosecond of
8 capability on that facility. So whatever we do, we have to
9 at least ensure that. The chemical school and the military
10 policy school have been around a long time. Their lineage
11 goes, like all of us who wore the uniform of the United
12 States Army, as far back as you want to count.
13 But I don't want to mislead anybody that the only
14 [illegible]ical training that happens in the United States Army
15 [illegible]ppens at Fort McClellan, Alabama. In fact, the
16 preponderance of chemical training happens at post camps and
17 stations. And as a mechanized infantry division commander,
18 and as an ex-artilleryman, smoke and chemicals were the name
19 of my game for all of my military career. And as a matter of
20 fact, when I was a colonel, I commanded a smoke generator
21 outfit company, chemical defense company that had mobile
22 smoke generators.

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1 So I know a lot about smoke generators. I know a
2 lot about fog oil. I know a lot about chemical training, and
3 I know a heck of a lot about smoke training, which is the
4 primary mission of the artillery. The training that goes on
5 at Fort McClellan in the chemical school is to train new
6 entry soldiers who are going into that specialty on how to
7 employ smoke. Advanced courses for officers and
8 noncommissioned officers in advanced phases of their careers
9 about employment techniques and other subjects -- that is a
10 professional development course.
11 But that in no way, shape or form is the core of
12 their training. The core of their training occurs at a place
13 like Fort Riley, Kansas, where you deploy a smoke generator
14 platoon, or a chemical defense company, and you do a river-
15 crossing and you smoke the whole installation. So you will
16 not totally kill the United States Army's smoke capability
17 mission by moving them to Fort Leonard Wood.
18 You may train at a less robust level of training.
19 You may not do the same number training iterations. You may
20 not be able to do it as you would like to do it. And if I
21 were a chemical corps officer, a noncommissioned officer, I'd
22 [illegible]t to give you as much training as you can stand. Because

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1 it's important, and it's my job. But it is not just their
2 job, it is a lot of other people's job. So I can tell you
3 from lots of years of this business that the training is
4 world-class and we need to keep an emphasis on it.
5 But I think some of those statements that that
6 colonel -- who I would do if I were a colonel of the chemical
7 corps, and I was looking at doing something I didn't want.
8 I'd write a letter as emphatic and as inflammatory and I'd
9 use every adverb and adjective and use my computer and go
10 down the thesaurus and try to find ways to get the point
11 across. But I think it's a bit overstated. The second thing
12 is, the quality of life of both the chemical corps and the
13 military police corps.
14 Now, I am worried about that. And Commissioner
15 Cornella and I have commiserated about this; that this world-
16 class installation does provide a great facility for those
17 two schools. And there's a lot of trepidation that they're
18 going to go to Fort Leonard Wood, and they're going to be
19 thrown some World War II wood, and they're not going to get
20 where they're at today. I think you heard me, not being a
21 bashful sort, ask GEN Sullivan what his plan was, and express
22 our concern.

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1 He got it. I have gotten ripples already from
2 other folks that he got that message loud and clear; that if
3 he moves the military police school and he moves the chemical
4 school, he must ensure or should ensure that, one, they don't
5 go in the third tier of the pecking order. If that requires
6 a general officer still to hit the corps, then that's what it
7 takes, schools. And for sure, you've got to try to give them
8 some facilities that let them facilitate their mission.
9 But that, in my view, is not a big deal -- moving
10 those schools. We move schools all around the Army all the
11 time. And finally, I would say that this is going to be a
12 tough decision, but we ought to make the decision not based
13 on a lot of statements about the world will come to an end if
14 we do this; because it won't. What we need to focus on is
15 protecting that unique national capability called the
16 Chemical Defense Training Facility, and ensure that whatever
17 we do, whether we leave it there, close it, move it, turn it
18 upside down, the fact of the matter is, we don't miss a beat
19 on that because that is a unique facility.
20 And we do need it at this time. But we do not want
21 to get into the business of thinking that if we move the
22 chemical school or in that process we're going to degrade the

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1 chemical training of the United States Army or smoke training
2 or whatever. That is absolutely not true, and that's based
3 on having done this particular kind of business for most of
4 my adult life.
5 CHAIRMAN DIXON: Thank you, Commissioner Robles.
6 COMMISSIONER CORNELLA: I have a question for the
7 Commissioner.
8 CHAIRMAN DIXON: Commissioner Cornella.
9 COMMISSIONER CORNELLA: I can understand on the
10 smoke training. I guess that there are many other bases now.
11 Would they be mainly the large maneuver bases, or what would
12 they be, Commissioner?
13 COMMISSIONER ROBLES: The reason you train at the
14 chemical school is predominantly to produce soldiers who can
15 operate on a chemical battlefield or a smoke obscured
16 battlefield or need to employ those techniques in the
17 fighting forces. And at every place, we have fighting force
18 soldiers that are training for that battlefield mission.
19 That's where training occurs. So you're talking about the
20 large maneuver bases, predominantly, but it also happens at
21 Fort Sill, Oklahoma, where the artillery school is. Because
22 they shoot a lot of smoke down there. So it happens all over

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1 the Army.
2 COMMISSIONER CORNELLA: Would all the trainees in
3 the chemical school go through the CDTF?
4 COMMISSIONER ROBLES: Would all the trainees go
5 through it? I don't know if that's part of their POI. I
6 suspect it probably is. Otherwise, they're wasting a
7 national resource there. But they do, and it's for one thing
8 only -- it's to give them confidence that their chemical
9 defensive equipment works. And so, like, when we went to the
10 Gulf War, if there was one thing that people were really
11 nervous to include, this person right here was would my M-17
12 mask work; would my chemical suit work; did I know how to
13 inject myself with atropine, and on and on and on?
14 And we spent a lot of time at home session getting
15 ready to go over there to the Gulf War, and a lot of time
16 over there. So, yes, every trainee goes through there. And
17 they go through it again, not in a live agent forum, but in a
18 simulated live agent forum at home station all the time. We
19 run chamber exercises and all sorts of things.
20 COMMISSIONER CORNELLA: But the chemical school is
21 larger than just the CDTF building. Just in that one
22 building, there's a whole school at our chemical school, that

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1 entails classrooms and all the things that support that; is
2 that right?
3 COMMISSIONER ROBLES: Oh, that is correct. And I
4 guess I didn't articulate well. I think that's a very, very
5 important function. But it doesn't -- that can move, and I
6 don't think there will be a great disruption. Because what
7 they'll do is like always. They'll move a forward
8 attachment, and they'll start to train a little bit of the
9 load there and a little bit of the load at the other place,
10 and it will eventually phase the whole load over to the new
11 installation. We move our schools around a lot.
12 COMMISSIONER CORNELLA: No, but I'm thinking mainly
13 of the people that have to go through the training facility
14 with the live agents or any other agents they might be using
15 that's a part of that training. It would seem to me that you
16 would want to retain the chemical school with the CDTF until
17 such time as you had that strut that we were referring to
18 earlier.
19 CHAIRMAN DIXON: Are there any further comments or
20 questions by anyone? I appreciate it; this is a tough one.
21 COMMISSIONER STEELE: I have a comment.
22 CHAIRMAN DIXON: May I go to Commissioner Davis

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1 now? He hasn't been heard. Mr. Davis, and then I'll come
2 back to you next, Commissioner Steele.
3 COMMISSIONER STEELE: Okay, it was regarding the --
4 CHAIRMAN DIXON: I want to make everybody happy
5 here. Now, Commissioner Steele, go ahead, please.
6 COMMISSIONER STEELE: Well, just a comment about
7 whether we would need to keep the Army chemical school also
8 at the same location. Commissioner Cornella just mentioned
9 that. I wonder what Commissioner Robles would feel about
10 that one thing. That's my only question.
11 CHAIRMAN DIXON: Mr. Robles.
12 COMMISSIONER ROBLES: The answer is that is clearly
13 the optimum answer. Optimally, that's what you do. And you
14 have to kind of hold your judgment. I've never been through
15 that chemical live agent facility. And I spent a lot of
16 years, and I was in a place where they had real chemicals, or
17 so we were told, when I went to Desert Storm. And certainly
18 it would have given me a little more confidence. But I don't
19 think, in soldier terms, it's a war-stopper.
20 But if you're there, you ought to use it, because
21 that's the next highest level of training. But I don't think
22 it's a war-stopper, and for a short period of time while you

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1 do that, it ought to go. Now, whether it should stay there,
2 you know, I'll have to tell you, I'm undecided about that.
3 CHAIRMAN DIXON: Commissioner Davis.
4 COMMISSIONER DAVIS: Sir, I probably struggled with
5 this almost as much as most of the others. And the problem
6 is this -- that is, in fact, a world-class training facility.
7 You sub-optimize your training if you move the school away
8 from the CDTF. And frankly, chemical training has a
9 strategic value. And you just have to look at our chemical
10 training, because it was structured because the Russians were
11 so darn good at it.
12 So we decided that we better get good at it, too.
13 And as long as you stay good at it, you keep other people
14 from thinking more than once about affecting you with
15 chemicals. As far as the MP school, it's just convenient to
16 have it there, some synergism. But frankly, the one I worry
17 most about, especially in times like this, is the chemical
18 capability, which is a world-class capability.
19 CHAIRMAN DIXON: Thank you, Commissioner Davis.
20 Are there any more statements or questions?
21 COMMISSIONER KLING: Yes, sir.
22 CHAIRMAN DIXON: Commissioner Kling.

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1 COMMISSIONER KLING: First of all, let me say this.
2 I have been through this hearing a number of times, and the
3 chairman has addressed me as the distinguished businessman
4 from St. Louis. And I have always thought that that was a
5 great statement. I wasn't sure he meant it, but when I hear
6 Commissioner Cornella say it, now, I said, that is a much
7 higher compliment that I have had since I have been here.
8 And I do respect everything that this gentleman --
9 CHAIRMAN DIXON: Now being cited as outstanding
10 authority by colleagues of --
11 COMMISSIONER KLING: And that may be a great thing
12 to have.
13 CHAIRMAN DIXON: Pretty classy.
14 COMMISSIONER KLING: And as I say, like everybody
15 else said, I don't think anybody's worked harder, spent more
16 time, than Commissioner Cornella. So anything I add to this
17 is not questioning anything to do with his abilities,
18 interest, dedication, and everything like that, because I
19 certainly respect it. The subject of risk. There is no
20 risk, in my estimation, when you say, I'm not going to close
21 down something until I've got something open.
22 That is eliminating risk. Risk we all take. But

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1 that's not taking risk. That's as comfortable a position, I
2 think, you can get. Now, let me just mention just a couple
3 things. I get concerned when we try to step in and say, hey,
4 the Army doesn't know what they're doing; they don't know how
5 to move; they don't know how to run things; they don't know
6 anything. We have had GEN Sullivan here. GEN Sullivan said
7 to us specifically -- we asked him, are you comfortable with
8 the permits and does your legal counsel in the Army approve,
9 are they comfortable with all the permits that are necessary?
10 And he said yes. Now, I have to take that as a
11 fact. I mean, I just can't go back and say that they don't
12 know what they're doing. We then got into the question of
13 can you move this; can we handle the move? And he said, we
14 move all the time. He said we can do this effectively; I
15 have no question, but that we will do this and we will not
16 have any interruptions because we aren't going to do it until
17 we're assured of that.
18 And then thirdly, if you look here, now, if we're
19 getting those aspects, there's another aspect is, they have
20 to operate this. We aren't going to operate this. We're
21 going to be gone from here.
22 CHAIRMAN DIXON: Tonight?

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1 required by law? Did they waive any timing issues?
2 MS. CREEDON: No, not to my knowledge. They just -
3 - they did it on an expedited basis, but they complied with
4 all their procedural requirements.
5 MR. GERTLER: Commissioner Cox, the counsel, the
6 interagency environmental analyst and I all met with the
7 staff of the Missouri Department of Natural Resources and
8 were allowed to ask any question we wanted, see any piece of
9 paper we wanted, follow through their procedures.
10 The only item that was out of the ordinary was that
11 Fort McClellan's -- I'm sorry, Fort Leonard Wood's
12 application was jumped to the top of the cue. As they put it
13 to us, they followed their standard procedure on everything
14 else except that this one got priority because of the time
15 constraint established by the Commission.
16 CHAIRMAN DIXON: May I interrupt just a moment,
17 Commissioner Cox, to make this announcement? Several people
18 have asked if we're going to have a break pretty soon. We're
19 going to have a break as soon as we dispose of this issue.
20 When Commissioner Cox finishes her line of
21 questioning, I'm going to recognize Representative Cornella
22 to make his motion, and then we will go to the vote and a

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1 break. Commissioner Cox.
2 COMMISSIONER COX: Thank you. And the reason I'm
3 concerned about that, generally, one is more likely to be --
4 I like to call myself a recovering lawyer, and so I'm not
5 involved in many of these things, certainly not environmental
6 appeals.
7 But I do know, having been at a department of the
8 federal agency that you are more likely to get overruled on
9 procedural grounds than you are on substantive grounds
10 because generally the standard is arbitrary and capricious.
11 The state is given a great deal of deference, and
12 it's a little concerning, even though I fully understand and
13 I appreciate why the Army waited as long as it did, had to,
14 at least thought it had to, before going forward with this.
15 But this puts it in a position where legal
16 challenges tend to be more successful when there is a -- when
17 you hurry these things through, because you tend to have more
18 procedural grounds, and that's just why I'm concerned about
19 it.
20 And I raise that fully understanding that the Army
21 really didn't have a choice on when they put these things
22 through, but I do think it raises of question of whether

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1 these appeals are more likely to succeed than they would have
2 had the Army been able to do these sooner rather than later.
3 So I thank you.
4 CHAIRMAN DIXON: Thank you, Commissioner Cox.
5 Commissioner Cornella.
6 COMMISSIONER CORNELLA: I have a motion.
7 CHAIRMAN DIXON: Make your motion, Mr. Cornella.
8 MOTION
9 COMMISSIONER CORNELLA: I move the Commission find
10 the Secretary of Defense deviated substantially from Final
11 Criteria 1 and 2 and therefore the Commission reject the
12 Secretary's recommendation on Fort McClellan, Alabama, and
13 instead adopt the following recommendation:
14 Fort McClellan will remain open, including all
15 activities and facilities. The Commission finds this
16 recommendation is consistent with the Force Structure Plan
17 Force Structure Plan and Final Criteria.
18 CHAIRMAN DIXON: Is there a second to the motion of
19 Commissioner Cornella?
20 COMMISSIONER STEELE: Sir, did Mr. Cornella's
21 motion say that the Secretary did or did not deviate?
22 CHAIRMAN DIXON: The Secretary deviated

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1 substantially from Final Criteria 1 and 2. Is that correct?
2 COMMISSIONER CORNELLA: Yes, sir.
3 CHAIRMAN DIXON: And therefore the Commission
4 reject the Secretary's recommendation and so forth.
5 COMMISSIONER STEELE: Okay. I apologize.
6 CHAIRMAN DIXON: Commissioner -- the Commissioner
7 is moving to reject the Secretary of Defense's
8 recommendation. Is there a second?
9 COMMISSIONER COX: Yes, sir. I'll second.
10 CHAIRMAN DIXON: It's seconded by Commissioner Cox.
11 Are there any further comments?
12 (No response.)
13 CHAIRMAN DIXON: Counsel will call the roll.
14 MS. KING: Commissioner Cornella?
15 COMMISSIONER CORNELLA: Aye.
16 MS. KING: Commissioner Cox?
17 COMMISSIONER COX: Aye.
18 MS. KING: Commissioner Davis?
19 COMMISSIONER DAVIS: Aye.
20 MS. KING: Commissioner Kling?
21 COMMISSIONER KLING: No.
22 MS. KING: Commissioner Montoya?

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1 COMMISSIONER MONTOYA: Aye.
2 MS. KING: Commissioner Robles?
3 COMMISSIONER ROBLES: No.
4 MS. KING: Commissioner Steele?
5 COMMISSIONER STEELE: No.
6 MS. KING: Mr. Chairman?
7 CHAIRMAN DIXON: No.
8 MS. KING: Mr. Chairman, the vote is 4 ayes, 4
9 nays.
10 CHAIRMAN DIXON: The vote is 4 ayes and 4 nays, and
11 the motion fails.
12 COMMISSIONER CORNELLA: Mr. Chairman?
13 CHAIRMAN DIXON: Commissioner Cornella.
14 COMMISSIONER CORNELLA: I have a motion.
15 CHAIRMAN DIXON: Commissioner Cornella.
16 MOTION
17 COMMISSIONER CORNELLA: I move the Commission find
18 the Secretary of Defense deviated substantially from Final
19 Criteria 1 and 2, and therefore the Commission reject the
20 Secretary's recommendation on Fort McClellan, Alabama, and
21 instead adopt the following recommendation:
22 Close Fort McClellan except minimum essential

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1 facilities for a reserve component enclave, minimum essential
2 land facilities as necessary to provide auxiliary support to
3 the chemical demilitarization operation at Anniston Army
4 Depot, relocate the U.S. Army Chemical and Military Schools
5 to Fort Leonard Wood, Missouri.
6 The Chemical Defense training facility, military
7 police school and the U.S. Army Chemical School will operate
8 at Fort McClellan until such time as the capability to
9 operate a replacement CDTF at Fort Leonard Wood, Missouri, is
10 achieved.
11 The Defense Polygraph Institute will relocate to
12 Fort Jackson, South Carolina, licensed Pelham range and
13 current Guard facilities to the Alabama National Guard. The
14 Commission finds this recommendation is consistent with the
15 Force Structure Plan and Final Criteria.
16 COMMISSIONER DAVIS: Second.
17 CHAIRMAN DIXON: It is moved by Commissioner
18 Cornella and seconded by Commissioner Davis.
19 COMMISSIONER ROBLES: Mr. Chairman, could we have a
20 clarification on the motion?
21 CHAIRMAN DIXON: I'm sorry?
22 COMMISSIONER ROBLES: Can I have a clarification on

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1 the motion?
2 CHAIRMAN DIXON: Yes. Commissioner Robles.
3 COMMISSIONER ROBLES: Commissioner Cornella, could
4 clarify that that is being enclaved at Fort McClellan
5 there are suitable facilities. Is it the CDTF and what
6
7 COMMISSIONER CORNELLA: Well, until there would be
8 a suitable facility --
9 COMMISSIONER ROBLES: You're enclaving everything
10 until there is a suitable facility?
11 COMMISSIONER CORNELLA: Right.
12 COMMISSIONER ROBLES: Okay. Thank you.
13 COMMISSIONER KLING: May I just understand myself
14 just a little bit. The effect here of the motion would be to
15 do exactly as the Army has -- let me see if I got this right.
16 We will be doing exactly what the Army is recommending with
17 the exemption that it not be done until the -- until the
18 facility is up and operating. Is that a correct --
19 COMMISSIONER CORNELLA: Yes, sir. That's the
20 intent of my motion.
21 CHAIRMAN DIXON: Well, now, let me understand what
22 we're doing here. Now I see counsel walking away. Is she

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1 going to leave us at this moment? I certainly don't want to
2 vote on a motion here that has any questions in it. This
3 whole thing is in the courts anyway. COMMISSIONER STEELE:
4 Mr. Chairman, my layman's view to this motion, and correct me
5 if I'm wrong, is it doesn't just keep the Chemical Defense
6 Training Facility. It would keep that as well as the
7 Military Police School, the Army Chemical School until we're
8 ready at the other state, at which case my personal concern
9 is regarding the Chemical Against Training Facility only, not
10 those other schools.
11 COMMISSIONER CORNELLA: Well, I think the intent of
12 the motion was in reference to Commissioner Robles' comment
13 e felt it was synergistic to have the chemical school
14 e -- and I hope I'm not putting words in your mouth,
15 and the CBTF together.
16 And it was my addition of the Military Police
17 School, because I feel that creates some synergism in their
18 missions.
19 COMMISSIONER ROBLES: I don't share that view on
20 the Military Police School, and optimally, if there weren't
21 such pressing economics, I would say the chemical school
22 also, but given the economics, I just think that that's risk

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1 that is acceptable in any personal view.
2 COMMISSIONER CORNELLA: To take out the military
3 police, if you want to make an amendment, sir, I'd support
4 that.
5 CHAIRMAN DIXON: May the Chair say this: I don't
6 want to muddle through this now. I understand the votes are
7 4 to 4, and I want to get a result that is an appropriate
8 result. This first vote indicates that four of us support,
9 essentially, the position of the Secretary of Defense.
10 Now, if I'm in error when I say that, any one of
11 the four that wants to volunteer a different view, let me
12 know. But I do not want to adopt an amendment now that will
13 do violence to the essential position that we are moving
14 towards in an appropriate way to transfer this installation
15 to Fort Leonard Wood when all permits have been satisfied.
16 Anything beyond that I do not support, and I want
17 to make sure that we've got that in this order. The
18 Secretary of Defense and the Secretary of the Army are
19 entitled to that consideration.
20 COMMISSIONER CORNELLA: I appreciate -- excuse me,
21 sir.
22 CHAIRMAN DIXON: Commissioner Cornella, in all due

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1 candor, there is a division here that is an absolute
2 division, and I want the correct kind of a motion adopted,
3 and I want counsel to show me what it is.
4 COMMISSIONER CORNELLA: Well, I would be
5 disappointed if there was no debate, sir, but what I'm
6 getting at is that I think this is a very important mission,
7 just like you do, and I also want that to be clarified.
8 Thank you.
9 COMMISSIONER STEELE: Mr. Chairman, I have a
10 suggestion. We could vote on a motion as presented, which
11 keeps all of the three things, the Chemical Defense Training
12 Facility, the Military Police School and the Chemical School.
13
14 We could vote on that motion, see what happens. If
15 that motion is not successful, there could be another motion
16 that is, in essence, an amended kind of version of the first
17 which leaves one or two of these three things, and I would
18 imagine that you will find your majority in one of these
19 scenarios.
20 CHAIRMAN DIXON: I'm sorry, Commissioner Steele.
21 I'm trying to listen to you and listen to the counsel and
22 listen to the director. I recognize that there is a division

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1 of opinion here, and I respect that, but I don't want, as a
2 consequence of that -- recognizing that this matter is in the
3 courts.
4 It has been bitterly fought on both sides and will
5 be determined ultimately, I expect, in the courts, and I
6 don't want this Commission to later be the subject of a court
7 review in which we have erroneously done something here, and
8 I want to have -- I hope no Commissioner takes exception with
9 that. I wouldn't want to do anything here and I think they
10 would not that would ultimately cause us grief.
11 COMMISSIONER KLING: This is back again, as I
12 understand it, to be saying that nothing will move, including
13 the MP School and the -- until the chemical is up and
14 running. Is that correct?
15 CHAIRMAN DIXON: I'm advised by counsel that for
16 those of us who want to support the Secretary of Defense's
17 position on this bitterly contested matter, that this is not
18 an acceptable motion.
19 If my friend, the Commissioner, want to go forward
20 with this motion, we can vote on this motion and then see
21 what the result is ultimately.
22 COMMISSIONER CORNELLA: Sir, I guess I would ask

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1 why it is not an acceptable motion.
2 COMMISSIONER KLING: Commissioner Cornella, I don't
3 believe he's saying there is anything wrong with the motion.
4 I think he's saying that we wouldn't support it.
5 CHAIRMAN DIXON: I'm going to ask the director to
6 go down and explain what the result is if this is adopted.
7 MR. LYLES: Commissioner, correct me if I'm wrong
8 here. Mr. Chairman, I believe that this motion would have
9 the effect of keeping everything -- I beg your pardon, of
10 keeping the -- let's see, the Chemical School, the Military
11 Police School as well as the Chemical Defense Training
12 Facility operating at Fort McClellan, Alabama, until a new
13 Chemical Defense Training Facility is up and operational at
14 Fort Leonard Wood, Missouri.
15 COMMISSIONER CORNELLA: With the exception of the -
16 - or did you say the exception of the Polygraph Institute?
17 MR. LYLES: Right. The Polygraph Institute could
18 be relocated under this motion just as the Secretary of
19 Defense requested.
20 COMMISSIONER MONTOYA: Mr. Chairman?
21 CHAIRMAN DIXON: Yes.
22 COMMISSIONER MONTOYA: I'd like to ask a question

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1 of our briefers on that. I think this is relevant to the
2 point the Chairman is getting to. Let's assume the CDTF
3 never moves because whatever. Would the Secretary of the
4 Army still want to move everything else?
5 MR. GERTLER: Sir, we can't speak to that for this
6 year. That was the Department of Defense's 1993
7 recommendation was to move everything except the CDTF and go
8 TDY to the CDTF as necessary, which is a less expensive
9 proposition than maintaining part of the base at Fort
10 McClellan.
11 COMMISSIONER MONTOYA: So there are savings in that
12 scenario you just described?
13 MR. GERTLER: Yes, sir.
14 COMMISSIONER MONTOYA: And that was rejected by the
15 Commission, then, in --
16 MR. GERTLER: That was rejected by the 1993
17 Commission.
18 COMMISSIONER COX: Unanimously, as I recall.
19 CHAIRMAN DIXON: Well, what I would like to do, if
20 I may say so, and I don't want to stop any questioning until
21 I do that, but I have a motion here that has been drafted
22 that I understand supports the position of those who support

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1 the Secretary of Defense.
2 And I'd like to read this motion and then, if we
3 reject the motion of Commissioner Cornella, I'm going to
4 offer this motion.
5 This one is, "I move the Commission find the
6 Secretary of Defense did not deviate substantially from the
7 Force Structure Plan and Final Criteria and therefore the
8 Commission adopt the following recommendation of the
9 Secretary of Defense:
10 Close Fort McClellan except minimal essential land
11 facilities for a Reserve component enclave and minimum
12 essential facilities as necessary to provide auxiliary
13 support to the chemical demilitarization operation at
14 Anniston Army Depot, relocate the U.S. Army Chemical and
15 Military Police Schools to Fort Leonard Wood, Missouri, upon
16 receipt of the required permits, relocated Defense Polygraph
17 Institute, DODPI, to Fort Jackson, South Carolina, licensed
18 Pelham Range and current Guard facilities to the Alabama,
19 Army National Guard."
20 Now, that is the motion I will offer if the motion
21 from my distinguished friend, Commissioner Cornella is
22 rejected.

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1 COMMISSIONER CORNELLA: What my motion is trying to
2 accomplish is that we have that other strut before we step
3 across it. I'm not sure the second one does because there is
4 great dispute over what the required permits consist of.
5 CHAIRMAN DIXON: Well, is there any further
6 comment? Because let's have a roll call. Counsel will call
7 the --
8 COMMISSIONER CORNELLA: One more point, Mr.
9 Chairman, please. If anyone objects to the Military Police
10 School going on, I would ask that they would amend the motion
11 at this point rather than reject it.
12 CHAIRMAN DIXON: And I would ask we consider the
13 motion that supports the position of the Secretary of
14 Defense.
15 COMMISSIONER CORNELLA: Well, we can debate or
16 vote, I guess.
17 CHAIRMAN DIXON: Let's vote. There is a second to
18 Commissioner Cornella, I believe, is there not?
19 COMMISSIONER DAVIS: I second it.
20 CHAIRMAN DIXON: Second by Commissioner Davis.
21 Call the roll. MS. KING: Mr. Chairman?
22 CHAIRMAN DIXON: No.

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1 MS. KING: We are now voting on Mr. Cornella's
2 motion?
3 CHAIRMAN DIXON: We're voting on Commissioner
4 Cornella's motion seconded by Commissioner Davis.
5 MS. KING: Okay. Mr. Cornella?
6 COMMISSIONER CORNELLA: Aye.
7 MS. KING: Commissioner Cox?
8 COMMISSIONER COX: Aye.
9 MS. KING: Commissioner Davis?
10 COMMISSIONER DAVIS: Aye.
11 MS. KING: Commissioner Kling?
12 COMMISSIONER KLING: No.
13 MS. KING: Commissioner Montoya?
14 COMMISSIONER MONTOYA: Aye.
15 MS. KING: Commissioner Robles?
16 COMMISSIONER ROBLES: No.
17 MS. KING: Commissioner Steele?
18 COMMISSIONER STEELE: No.
19 MS. KING: Mr. Chairman?
20 CHAIRMAN DIXON: No.
21 MS. KING: Mr. Chairman, the vote is 4 ayes, 4
22 nays.

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1 CHAIRMAN DIXON: The motion fails.
2 MOTION
3 CHAIRMAN DIXON: I now offer the following motion.
4 I move the Commission find the Secretary of Defense did not
5 deviate substantially from the Force Structure Plan and Final
6 Criteria and therefore the Commission adopt the following
7 recommendation of the Secretary of Defense:
8 Close Fort McClellan except minimum essential land
9 facilities for a Reserve component enclave and minimum
10 essential facilities as necessary to provide auxiliary
11 support to the chemical demilitarization operation at
12 Anniston Army Depot, relocate the U.S. Army Chemical and
13 Military Police Schools to Fort Leonard Wood, Missouri, upon
14 receipt of the required permits, relocate the Defense
15 Polygraph Institute to Fort Jackson, South Carolina, licensed
16 Pelham range and current Guard facilities to the Alabama Army
17 National Guard.
18 Is there a second?
19 COMMISSIONER KLING: I second that, Mr. Chairman.
20 CHAIRMAN DIXON: Mr. Kling seconds. Is there any
21 comment?
22 COMMISSIONER CORNELLA: Discussion, please.

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1 CHAIRMAN DIXON: Commissioner Cornella.
2 COMMISSIONER CORNELLA: I would like to again note
3 my concern over this motion as far as that it does not really
4 guarantee the permits that would deliver the same level of
5 training that now exists at Fort McClellan, Alabama.
6 COMMISSIONER MONTOYA: I have a question, Mr.
7 Chairman. I didn't hear the Chemical Defense Training
8 Facility mentioned, and I was listening for it.
9 COMMISSIONER STEELE: Correct.
10 COMMISSIONER MONTOYA: That's a biggie.
11 COMMISSIONER ROBLES: Mr. Chairman, I think we all
12 agree that we'd ask you to withhold your motion because you
13 didn't put anything about the Chemical Defense Training
14 Facility in that.
15 COMMISSIONER STEELE: There was an oversight, I
16 believe, in how the motion was read.
17 CHAIRMAN DIXON: Now, ladies and gentlemen, I'm
18 going to withdraw my motion which did not require five votes
19 and offer one that the Chair announces does require five
20 votes.
21 This is a deviation from the Secretary of Defense's
22 recommendations. Does my seconder permit me to withdraw my

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1 offered amendment?
2 COMMISSIONER KLING: Yes, sir.
3 MOTION
4 CHAIRMAN DIXON: Now, here is the one I offer,
5 Commissioners. I move the Commission find the
6 ary of Defense deviated substantially from Final
7 Criteria 1 and 2 and therefore the Commission reject the
8 secretary's recommendation on Fort McClellan, Alabama, and
9 instead adopt the following recommendation:
10 Close Fort McClellan except minimal essential land
11 facilities for a Reserve component enclave, minimum essential
12 facilities as necessary to provide auxiliary support to the
13 chemical demilitarization operation at Anniston Army Depot
14 and the Chemical Defense Training Facility.
15 The CDTF will operate at Fort McClellan until such
16 time as the capability to operate a replacement at Fort
17 Leonard Wood is achieved, relocate the U.S. Army Military
18 Police School and U.S. Army Chemical School to Fort Leonard
19 Wood, Missouri, relocate the Defense Polygraph Institute to
20 Fort Jackson, South Carolina, licensed Pelham range and
21 current Guard facility to the Alabama Army National Guard.
22 The Commission finds this recommendation is consistent with

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1 the Force Structure Plan and Final Criteria.
2 COMMISSIONER MONTOYA: Second.
3 CHAIRMAN DIXON: That is seconded by Commissioner
4 Montoya. Are there any further comments?
5 COMMISSIONER CORNELLA: Motion to amend, sir.
6 CHAIRMAN DIXON: Commissioner Cornella.
7 COMMISSIONER CORNELLA: I move that we add the
8 chemical school to the CDTF as remaining at Fort McClellan.
9 CHAIRMAN DIXON: Is there a second to that?
10 COMMISSIONER COX: I'll second.
11 CHAIRMAN DIXON: The clerk will call the roll on
12 that individual separate motion to add the chemical school.
13 MS. KING: Commissioner Cornella?
14 COMMISSIONER CORNELLA: Aye.
15 MS. KING: Commissioner Cox?
16 COMMISSIONER COX: Aye.
17 MS. KING: Commissioner Davis?
18 COMMISSIONER DAVIS: Aye.
19 MS. KING: Commissioner Kling?
20 COMMISSIONER KLING: No.
21 MS. KING: Commissioner Montoya?
22 COMMISSIONER MONTOYA: No.

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1 MS. KING: Commissioner Robles?
2 COMMISSIONER ROBLES: No.
3 MS. KING: Commissioner Steele?
4 COMMISSIONER STEELE: No.
5 MS. KING: Mr. Chairman?
6 CHAIRMAN DIXON: Aye -- no.
7 MS. KING: Mr. Chairman, the vote is 3 ayes and 5
8 nays.
9 CHAIRMAN DIXON: The vote is 3 ayes and 5 nays, and
10 the motion fails. Are there any further amendments?
11 (No response.)
12 CHAIRMAN DIXON: Counsel will call the role.
13 MS. KING: Mr. Chairman?
14 CHAIRMAN DIXON: Aye.
15 MS. KING: Commissioner Cornella?
16 COMMISSIONER CORNELLA: Aye.
17 MS. KING: Commissioner Cox?
18 COMMISSIONER COX: Aye.
19 MS. KING: Commissioner Davis?
20 COMMISSIONER DAVIS: Aye.
21 MS. KING: Commissioner Kling?
22 COMMISSIONER KLING: Aye.

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1 MS. KING: Commissioner Montoya?
2 COMMISSIONER MONTOYA: Aye.
3 MS. KING: Commissioner Robles?
4 COMMISSIONER ROBLES: Aye.
5 MS. KING: Commissioner Steele?
6 COMMISSIONER STEELE: Aye.
7 MS. KING: Mr. Chairman, the vote is 8 ayes, 0
8 nays.
9 CHAIRMAN DIXON: And the motion is unanimously
10 adopted, and we're in recess for --
11 COMMISSIONER CORNELLA: Mr. Chairman, I have a
12 comment to make first. I would like to note for the record
13 that I object to the Chair's handling of this issue in regard
14 to discussing the wording of another motion while my motion
15 was on the floor. Thank you.
16 CHAIRMAN DIXON: You're welcome. Ten-minute
17 adjournment.
18 (A brief recess was taken.)
19 CHAIRMAN DIXON: Okay. Ladies and gentlemen, the
20 Commission is going to go back in session. The Chair wants
21 to advise everybody we're going to work through. We expect
22 to finish in a matter of a couple of hours, and I'll try to

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1 move it along as expeditiously as possible, having in mind
2 that every Commissioner has the right to be fully heard on
3 all subjects. And the next subject is Fort Lee, Virginia.
4 MR. BROWN: Mr. Chairman, Commissioner, on page B-10, we have
5 the next installation to be discussed, Fort Lee, Virginia.
6 Mr. Davis Lewis will discuss this installation.
7 MR. LEWIS: DOD has recommended realigning Kenner
8 Army Community Hospital, the 49-bed hospital at Fort Lee,
9 Virginia, to an out-patient clinic. The Army's scenario has
10 all of the hospital's in-patient workload going to the 17
11 local civilian hospitals in the Fort Lee area.
12 The estimated one-time cost of this recommendation
13 is $2.1 million with a one-year return on investment, $37
14 million in annual savings and a net present value of $505
15 million. This recommendation originated in a Medical Joint
16 Cross Service Group alternative. Mr. Wooten, if you could
17 please put up Charts -- if you could put up Chart B-12 along
18 with Chart B-10, please.
19 The issue that has arisen over this is the staffing
20 of the hospital or the realigned clinic, whether there would
21 be enough to do what the Army says they're going to do and
22 recapture all the out-patient workload. The Army says they

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1 can. It is my opinion that they can.
2 COMMISSIONER DAVIS: It is your opinion that they
3 can?
4 MR. LEWIS: Yes. There is a tested staffing model
5 that is applied to the out-patient workload that they expect
6 to have to do, and they've applied that model and come up
7 with a staffing estimate for the hospital, and that drove the
8 staff reduction, and that's what's driving the savings. If
9 there are any questions?
10 CHAIRMAN DIXON: Are there any questions? Do any
11 Commissioners have any questions?
12 COMMISSIONER ROBLES: Would you just clarify
13 quickly where they're going to get their out-patient services
14 and what the arrangement is?
15 MR. LEWIS: The out-patient services will continue
16 to be provided at the clinic, at --
17 COMMISSIONER ROBLES: I'm sorry, in-patient
18 services, excuse me, in-patient.
19 MR. LEWIS: Those will be all -- the Army's
20 scenario has all of those going to local civilian hospitals,
21 and they have costs for purchasing that care.
22 COMMISSIONER ROBLES: There are arrangements so i

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1 doesn't cost any more to an individual soldier or the family
2 member?
3 MR. LEWIS: The individual soldier would not pay
4 any more. Right now a family member would pay more.
5 COMMISSIONER ROBLES: How about retirees?
6 MR. LEWIS: Retirees would also pay more. They
7 would incur the CHAMPUS co-pays. However, in – the year
8 escapes me. In the next couple of years Tri-Care will be
9 implemented in the Fort Lee area, the Tidewater area, and
10 under that program, under Tri-Care Prime, at least,
11 individuals and families that enroll in Tri-Care Prime will
12 experience substantially lower co-pays and deductibles.
13 MR. BROWN: But as you're aware, Commissioner
14 Robles, Tri-Care does not apply to retirees over the age of
15 65.
16 COMMISSIONER ROBLES: And Tri-Care is just the
17 latest in a series of experiments.
18 CHAIRMAN DIXON: Any further questions or
19 statements here?
20 (No response.)
21 CHAIRMAN DIXON: Is there a motion?
22 COMMISSIONER KLING: Yes, sir.

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1 CHAIRMAN DIXON: Commissioner Lee -- Commissioner
2 Kling, S. Lee Kling, on Fort Lee.
3 MOTION
4 COMMISSIONER KLING: I move the Commission find the
5 Secretary of Defense did not deviate substantially from the
6 Force Structure Plan and Final Criteria and therefore the
7 Commission -- wait a minute. Yeah. Right -- adopt the
8 following recommendations of the Secretary of Defense:
9 Realign Fort Lee by reducing Kenner Army Community Hospital
10 to a clinic, eliminate in-patient services.
11 CHAIRMAN DIXON: Second the motion. Are there any
12 comments?
13 (No response.)
14 CHAIRMAN DIXON: Counsel will call the roll.
15 MS. KING: Commissioner Kling?
16 COMMISSIONER KLING: Aye.
17 MS. KING: Commissioner Montoya?
18 COMMISSIONER MONTOYA: Aye.
19 MS. KING: Commissioner Robles?
20 COMMISSIONER ROBLES: Nay.
21 MS. KING: Commissioner Steele?
22 COMMISSIONER STEELE: Aye.

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1 MS. KING: Commissioner Cornella?
2 COMMISSIONER CORNELLA: Aye.
3 MS. KING: Commissioner Cox?
4 COMMISSIONER COX: Aye.
5 MS. KING: Commissioner Davis?
6 COMMISSIONER DAVIS: Aye.
7 MS. KING: Mr. Chairman?
8 CHAIRMAN DIXON: Aye.
9 MS. KING: Mr. Chairman, the vote is 7 ayes, one
10 nay.
11 CHAIRMAN DIXON: The motion carries. Fort Ritchie,
12 Maryland. Oh, pardon me, Fort Meade.
13 MR. BROWN: Mr. Chairman, on page C-3, we have the
14 next installation, Fort Meade. Mr. Davis Lewis will also
15 discuss this installation.
16 MR. LEWIS: This is another hospital being
17 realigned to a clinic. DOD has recommended realigning
18 Kimbral Army Community Hospital, the 36-bed hospital at Fort
19 Meade, to an out-patient clinic.
20 The Army scenario has most of the hospitals in-
21 patient workload going to Walter Reed Army Medical Center
22 about 20 miles away -- that's a difference from the Fort Lee

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1 situation we just looked at -- with a small portion going to
2 local civilian hospitals.
3 The estimated one-time costs are $1.6 million and a
4 return on investment -- a one-year return on investment, 3.5
5 million in annual savings and a net present value of $49.5
6 million. This was also a Medical Joint Cross Service Group
7 alternative provided to the Army.
8 If we can put up Chart C-5 in addition to Chart C-
9 3, the main issue being raised by the community group is that
10 the savings would not be realized. I've looked at these
11 costs numbers, and I don't believe that taking care of people
12 at Walter Reed is going to substantially increase costs as
13 the community group says.
14 I believe that there will be operating efficiencies
15 beyond those estimated by the Army, and the costs will
16 actually be lower to bring all the in-patient care from Fort
17 Meade to Walter Reed.
18 CHAIRMAN DIXON: Are there any questions of
19 Mr. Lewis?
20 (No response.)
21 CHAIRMAN DIXON: Are there any statements?
22 (No response.)

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1 CHAIRMAN DIXON: Is there a motion?
2 MOTION
3 COMMISSIONER KLING: Mr. Chairman, I move the
4 Commission find the Secretary of Defense did not deviate
5 substantially from the Force Structure Plan and Final
6 Criteria and therefore the Commission adopt the following
7 recommendation of the Secretary of Defense:
8 Realign Fort Meade by reducing Kimbral Army
9 Community Hospital to a clinic, eliminate in-patient
10 services.
11 CHAIRMAN DIXON: I second the motion. Are there
12 any comments? (No response.)
13 CHAIRMAN DIXON: Counsel call the roll.
14 MS. KING: Commissioner Kling?
15 COMMISSIONER KLING: Aye.
16 MS. KING: Commissioner Montoya?
17 COMMISSIONER MONTOYA: Aye.
18 MS. KING: Commissioner Robles?
19 COMMISSIONER ROBLES: Having the largest EFMP
20 program, family member and being the father of an EFMP child
21 I think the impact is too great. I vote no.
22 MS. KING: Commissioner Steele?

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1 COMMISSIONER STEELE: Aye.
2 MS. KING: Commissioner Cornella?
3 COMMISSIONER CORNELLA: No.
4 MS. KING: Commissioner Cox?
5 COMMISSIONER COX: Aye.
6 MS. KING: Commissioner Davis?
7 COMMISSIONER DAVIS: Aye.
8 MS. KING: Mr. Chairman?
9 CHAIRMAN DIXON: Aye.
10 MS. KING: Mr. Chairman, the vote is 6 ayes and 1
11 nays.
12 CHAIRMAN DIXON: The motion carries. Fort Ritchie.
13 MR. BROWN: Mr. Chairman, on page C-8, we have the
14 next installation, Fort Ritchie. Mr. Rick Brown will discuss
15 this installation.
16 MR. BROWN: Could I have slide C-7 and C-8 up
17 please. Mr. Chairman, the DOD recommendation concerning Fort
18 Ritchie is to close Fort Ritchie, relocate the 1111 Signal
19 Battalion and the 1108th Signal Brigade to Fort Detrick,
20 Maryland, to relocate Information Systems Engineering Command
21 elements to Fort Huachaca.
22 We also developed an alternative recommendation for

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1 consideration due to the fact that the DOD recommendation did
2 not cover continuation of a new National Guard armory on Fort
3 Ritchie's property. Cost estimates for the recommendation
as shown. Fort Ritchie's closure will directly affect
1,900 jobs. Could I have C-11 up, please?
Communications support, facilities engineering
7 support, security and fire fighting support to the Alternate
8 National Military Command Center, SIDR, are critical
9 missions. Relocation adds additional time to the response by
10 the support elements from Fort Detrick by some 45 minutes to
11 an hour.
12 The Chairman of the Joint Chiefs of Staff, however,
13 accepts this increase in response time associated with the
14 supporting SIDR from Fort Detrick. The community believes
15 that an opportunity was missed to consolidate disparity
16 elements of the Defense Information Systems Agency at Fort
17 Ritchie.
18 The DISA runs a state-of-the-art automation
19 information management system at Fort Ritchie. Redundant,
20 robust communications links exist, however, nothing that the
21 Defense Information Systems Agency does at Fort Ritchie is
22 locate unique.

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1 In the final analysis DISA manages electronic
2 information and can be located anywhere proper communication
3 nodes are available.
4 The base visit surfaced the new National Guard
5 Armory on Fort Ritchie and that was not covered in the DOD
6 recommendation. The alternative for the Commission's
7 consideration covers continuation of that facility. Next
8 slide, please.
9 To recap, the DOD recommendation concerning Fort
10 Ritchie is to close and relocate SIDR support units to Fort
11 Detrick, the Information Systems Engineering Command elements
12 to Fort Huachaca.
The alternative is the same with the addition of
ving the National Guard Armory. Payoffs are as detailed
the chart. Subject to your questions, that completes --
16 CHAIRMAN DIXON: Are there any questions of
17 Mr. Rick Brown?
18 (No response.)
19 CHAIRMAN DIXON: Any statements?
20 (No response.)
21 CHAIRMAN DIXON: Is there a motion?
22 M O T I O N

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1 COMMISSIONER COX: I move the Commission find the
2 Secretary of Defense deviated substantially from Final
3 Criteria 1 and 4, and therefore the Commission reject the
4 Secretary's recommendation on Fort Ritchie and instead adopt
5 the following recommendation:
6 Close Fort Ritchie except for a National Guard
7 enclave, relocate the 1111th Signal Battalion and the 1108th
8 Signal Brigade to Fort Detrick, Maryland, relocate
9 Information Systems Engineering Command elements to Fort
10 Huachaca, Arizona. The Commission find this recommendation
11 is consistent with the Force Structure Plan and Final
12 Criteria.
13 CHAIRMAN DIXON: Is there a second?
14 COMMISSIONER KLING: Second.
15 CHAIRMAN DIXON: Commissioner Kling seconds. Are
16 there any comments?
17 (No response.)
18 CHAIRMAN DIXON: Counsel call the roll.
19 MS. KING: Commissioner Cox?
20 COMMISSIONER COX: Aye.
21 MS. KING: Commissioner Davis?
22 COMMISSIONER DAVIS: Aye.

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1 MS. KING: Commissioner Kling?
2 COMMISSIONER KLING: Aye.
3 MS. KING: Commissioner Montoya?
4 COMMISSIONER MONTOYA: Aye.
5 MS. KING: Commissioner Robles?
6 COMMISSIONER ROBLES: Aye.
7 MS. KING: Commissioner Steele?
8 COMMISSIONER STEELE: Aye.
9 MS. KING: Commissioner Cornella?
10 COMMISSIONER CORNELLA: Aye.
11 MS. KING: Mr. Chairman?
12 CHAIRMAN DIXON: Aye.
13 MS. KING: Mr. Chairman, the vote is 8 ayes, 0
14 nays.
15 CHAIRMAN DIXON: Motion unanimously carries. U.S.
16 Army Garrison Selfridge.
17 MR. BROWN: Mr. Chairman, Mr. Mike Kennedy will
18 discuss this installation on page C-15.
19 MR. KENNEDY: Mr. Chairman, the DOD recommendation
20 is to close the U.S. Army Garrison, Selfridge. The Garrison
21 provides family housing and community activities for military
22 personnel in the Detroit area.

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1 It consists of 600 acres and is part of the
2 Selfridge Air National Guard Base, which has about 3,600
3 acres. On the Air Guard Base, the Marine Corps and Navy
4 Reserve activities are tenants as well as the Coast Guard.
5 As can see here on Chart C-15 summarizes the
6 financial aspects of the recommendation. One item I would
7 like to point out is 189 of the 222 realignments are people
8 moving from base housing to economy housing. They're primary
9 Air Force mission personnel. The missions are staying at
10 Selfridge. It's just a realignment off base.
11 Chart C-17, please. This chart summarizes the
12 issues surrounding the recommendation. The main concern
13 raised by the community was that the Army, in their COBRA,
14 didn't include housing allowances for all personnel who are
15 residing in family housing.
16 We found that the housing -- when you compare the
17 cost of housing to the cost of paying the housing allowance
18 is the Army will save 500,000. The Army estimated about 2.6
19 million. A difference occurs because the Army didn't include
20 all the people in the housing area as well as the barracks.
21 The other issue raised by the community regarding
22 the COBRA was the base operation savings. The Army has

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1 claimed the base operation savings, basically, from the
2 civilian salaries and the base operating costs of operating
3 the community-related functions, the contention of the
4 community is that these savings would be reduced if other
5 services remaining would increase their funding for these
6 services. So they call into question these savings.
7 CHAIRMAN DIXON: Is this exclusively housing,
8 Mr. Kennedy?
9 MR. KENNEDY: It is housing and then community
10 functions like the base gym, child care, different types of
11 shops.
12 CHAIRMAN DIXON: Related to the housing.
13 MR. KENNEDY: Yes. That's all it is.
14 CHAIRMAN DIXON: Commissioner Kling.
15 COMMISSIONER KLING: Mr. Kennedy, this is just one
16 of a number that we're going to be looking at here on the
17 housing alone issue.
18 MR. KENNEDY: Yes, it is.
19 CHAIRMAN DIXON: And this is consistent with our
20 discussions earlier that on the question of housing we would
21 view this very carefully in view of all of the statements
22 been made by the Department of Defense and others about the

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1 shortage of housing which is coupled with the action in the
2 House I think only the other day to increase the funding for
3 housing because of the recognition of that shortage.
4 MR. KENNEDY: That's correct.
5 MR. BROWN: Mr. Chairman, the Army's position is
6 that they would like to take the dollars that they associate
7 with family housing and rather than utilize them in areas
8 like this, to put them into large military installations such
9 as Fort Bragg and Fort Hood where they have similar
10 situations with many more soldiers.
11 COMMISSIONER STEELE: If I may make a comment, I
12 visited this --
13 CHAIRMAN DIXON: Commissioner Steele.
14 COMMISSIONER STEELE: This is one of those issues
15 where the housing is full. It's needed. There isn't
16 adequate housing either adequate or affordable housing or
17 enough housing in the area for the need. It's a question of
18 who is paying the boss, but the place is totally full.
19 And I think we had five different groups
20 represented at Selfridge. So personally, it's a need to
21 keep, after visiting it.
22 CHAIRMAN DIXON: Is there any further comment?

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1 COMMISSIONER DAVIS: Mr. Chairman?
2 CHAIRMAN DIXON: Commissioner Davis.
3 COMMISSIONER DAVIS: Are there inter-service
4 support agreements that support this garrison concept of the
5 U.S. Army for the other services that are maintained there?
6 MR. KENNEDY: The Army has an inter-service support
7 agreement with the Air National Guard. It's an Air National
8 Guard base. So the Army has a support agreement for
9 utilities --
10 COMMISSIONER DAVIS: What commitment has been made
11 to the other services that are living in that facility?
12 There are other services living in that; it's not just U.S.
13 Army in the housing?
14 MR. KENNEDY: Yes, in the housing, that's correct.
15 COMMISSIONER DAVIS: Do they have 11-4, Inter-
16 service Support Agreement with them? Do you know?
17 MR. KENNEDY: I do not know that.
18 COMMISSIONER STEELE: They do get some money from
19 the Coast Guard, I believe.
20 COMMISSIONER DAVIS: Yes, but that --
21 MR. BROWN: Commissioner Davis, only from the Coast
22 Guard.

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1 COMMISSIONER DAVIS: But that's required because
2 its not part of the Department of Defense.
3 MR. BROWN: It's like any other housing area that
4 is run by one of the military departments. If an occupant is
5 from another military service, there are no transfer of funds
6 among the military departments.
7 COMMISSIONER DAVIS: But the reason I'm asking the
8 question, it's a support agreement, and many cases where we
9 have, you know, an Air Force base supporting Army facility
10 you sign a support agreement with the Army saying I will
11 provide you the following facilities.
12 MR. BROWN: I think that's true for facilities
13 other than family housing.
14 COMMISSIONER DAVIS: Okay. Thank you very much.
15 COMMISSIONER STEELE: I recall on one road the Air
16 Force was in charge of plowing half of it and the Army the
17 other half, if memory serves me, Mr. Kennedy. They seemed to
18 have everything from the chapel -- everything's split.
19 MR. KENNEDY: That is correct.
20 COMMISSIONER STEELE: But the Army does carry most
21 of the bus. MR. KENNEDY: That is right.
22 MR. BROWN: For the housing area, not the Air

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1 National Guard installation. They're two separate
2 installations, Commissioner Steele.
3 COMMISSIONER STEELE: Right.
4 CHAIRMAN DIXON: Are there any further comments?
5 (No response.)
6 CHAIRMAN DIXON: Is there a motion?
7 M O T I O N
8 COMMISSIONER STEELE: Yes. I'll make the motion.
9 I move the Commission find the Secretary of Defense deviated
10 substantially from Final Criteria 1 and 4 and therefore the
11 Commission reject the Secretary's recommendation on U.S. Army
12 Garrison Selfridge and instead adopt the following
13 recommendation:
14 U.S. Army Garrison, Selfridge will remain open.
15 The Commission finds this recommendation is consistent with
16 the Force Structure Plan and Final Criteria.
17 CHAIRMAN DIXON: Is there a second to that motion?
18 COMMISSIONER DAVIS: Second.
19 CHAIRMAN DIXON: Commissioner Davis seconds the
20 motion by Commissioner Steele. Is there any comment?
21 (No response.)
22 CHAIRMAN DIXON: Counsel will call the roll.

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1 MS. KING: Commissioner Steele?
2 COMMISSIONER STEELE: Aye.
3 MS. KING: Commissioner Cornella?
4 CHAIRMAN DIXON: Commissioner Cornella I think has
5 left a proxy vote.
6 MS. KING: Aye by proxy?
7 CHAIRMAN DIXON: Commissioner Cornella votes aye by
8 proxy.
9 MS. KING: Commissioner Cox?
10 COMMISSIONER COX: Aye.
11 MS. KING: Commissioner Davis?
12 COMMISSIONER DAVIS: Aye.
13 MS. KING: Commissioner Kling?
14 COMMISSIONER KLING: Aye.
15 MS. KING: Commissioner Montoya?
16 COMMISSIONER MONTOYA: Aye.
17 MS. KING: Commissioner Robles?
18 COMMISSIONER ROBLES: Aye.
19 MS. KING: Mr. Chairman?
20 CHAIRMAN DIXON: Aye.
21 MS. KING: Mr. Chairman, the vote is 8 ayes and 0
22 nays.

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1 CHAIRMAN DIXON: And the motion to deviate from the
2 Secretary of Defense's recommendation carries unanimously.
3 Price Support Center, Illinois, and the Chair will recuse on
4 this issue.
5 MR. BROWN: Mr. Mike Kennedy will discuss this
6 installation, Mr. Chairman.
7 MR. KENNEDY: The DOD recommendation is to close
8 Charles Price Support Center except for a small reserve
9 enclave and a storage area. Like Selfridge, the Price
10 Support Center provides logistics, family housing and
11 community support to military personnel in the St. Louis
12 area. This chart summarizing the recommendation of return on
13 investment with an annual savings of $6.3 million. Chart C-
14 22, please.
15 Like in the case of Selfridge, the number one issue
16 is the analysis of the COBRA data, and again we found that
17 the Army doesn't include all the residents of family housing
18 and barracks who are remaining in the area.
19 So instead of saving -- the Army would only save
20 $77,000 instead of the 500,000 they projected in their
21 analysis. Also, we found that there will only be 8 military
22 personnel eliminated, not 21, as the Army had projected.

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1 The other issue raised was the tenant relocation.
2 This facility has about 2 million square feet of storage
3 space that is filled by other tenants other than the Army,
Air Force DLA, and the community group raised the issue
cost of relocating these tenants. But the Army has
us that they're included in the storage area, so there
is no need to relocate these tenants. That concludes my
presentation.
CHAIRMAN DIXON: Are there any questions of
Mr. Kennedy?
COMMISSIONER KLING: I guess just only one. The
one-time costs and the annual savings are mostly made up from
the housing or mostly made up originally from the warehousing
or both?
MR. KENNEDY: The saves are made up from the
civilian personnel that would be eliminated.
COMMISSIONER KLING: That's where the majority of
it comes from?
MR. KENNEDY: That's where the majority of it comes
from.
CHAIRMAN DIXON: Any further questions?
(No response.)

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CHAIRMAN DIXON: Is there a motion?
COMMISSIONER STEELE: I have a motion, Mr.
Chairman.
CHAIRMAN DIXON: Commissioner Steele.
MOTION
COMMISSIONER STEELE: I move the Commission find
the Secretary of Defense deviated substantially from Final
Criteria 1 and 4 and therefore the Commission reject the
Secretary's recommendation on Price Support Center and
instead the following recommendation:
Keep open Charles Melvin Price Support Center,
including all activities and facilities. The Commission
s this recommendation is consistent with the Force
cture Plan and Final Criteria.
CHAIRMAN DIXON: Is there a second?
COMMISSIONER MONTOYA: Second.
CHAIRMAN DIXON: It is seconded by Commissioner
Montoya. Is there any further comment?
(No response.)
CHAIRMAN DIXON: Counsel will call the roll.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.

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MS. CREEDON: Mr. Chairman, you're recused on this
issue?
CHAIRMAN DIXON: I recuse myself.
MS. CREEDON: Mr. Cornella votes aye by proxy.
Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis is recused on this
issue. Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Mr. Chairman, the votes are 6 ayes
and 0 nays.
CHAIRMAN DIXON: 6 ayes, 0 nays, Commissioner Davis
and Commissioner Dixon recusing, and the motion is adopted.
Fort Buchanan.
MR. BROWN: Mr. Chairman, Mr. Rick Brown will
discuss Fort Buchanan.
MR. BROWN: Mr. Chairman, the DOD recommendation
ncerning Fort Buchanan is to realign Fort Buchanan by

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reducing garrison management functions and disposing of
family housing, retain an enclave for the reserve components,
Army and Air Force exchange service in the Antilles
Consolidated School, which is a DOD-dependent school.
The primary function of Fort Buchanan is to provide
mobilization support to Reserve component units on Puerto
Rico and the U.S. Virgin Islands. The cost and benefit
estimates are as shown on the chart.
I would point out that of the 23.7 million for base
operations, about 3 and a half million is dedicated to
running family housing operations. Under the draft implement
concept, realignment will directly affect some 526 jobs.
Could I have C-31, please -- correct, C-29.
The community argues the Army has recognized Fort
Buchanan as a lead mobilization station and a power
projection platform vital to any caribbean or Latin American
contingency. FORSCOM's draft implementation concept for the
realignment is to reduce the garrison to zero and to perform
installation missions via action teams deployed from CONUS.
The community contends that Buchanan's missions can
best be performed with a resident active component garrison
and that disestablishing Buchanan's garrison exceeds the DOD

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recommendation.
Staff confirms that mobilization certification is
normally performed by a resident garrison. However,
precedent exists for using action teams for this mission.
Further, it is the Commission counsel's opinion that
disestablishing Buchanan's garrison does exceed the scope of
the DOD recommendation.
Slide 31, please. To recap, the recommendation
realigns Buchanan by reducing garrison and disposing of
family housing. Enclaves will be established for remaining
Reserve component AAFES and the DOD school.
CHAIRMAN DIXON: Are there any questions of
Mr. Brown?
(No response.)
CHAIRMAN DIXON: Any statements?
COMMISSIONER ROBLES: I have a --
CHAIRMAN DIXON: Commissioner Robles.
COMMISSIONER ROBLES: Part question, part
statement. I think this is one in which, in their zeal to
save bucks, Army Force Command has exceeded their authority.
This was a realignment, not a closure, when, in essence, they
have closed it, and they say they're going to move these

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action teams. My first question, Mr. Brown, is where is this
precedent on action teams currently located?
MR. BROWN: It's in the Pacific, Commissioner.
That is the implementation concept for mobilization of the
National Guard on Guam.
COMMISSIONER ROBLES: On Guam only?
MR. BROWN: That's correct, sir.
COMMISSIONER ROBLES: I dare say that, in all
deference to Guam, they have some folks who have joined the
arms services in numbers, but the number of people who
mobilized in the units to include Desert Storm coming out of
Puerto Rico National Guard is a lot larger than that, and
they have served honorably many years and have many Medal of
Honor winners have come from that island.
I don't think that it is neither appropriate nor
correct for them to walk away from that mobilization mission,
and having a team go there periodically will do nothing but
reduce the mobilization capability of that station there, and
I just think this is the wrong thing to do.
I think we're walking away from a commitment we
made to them on mobilization, and having a couple of men and
women who go over there periodically is not the right thing

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1 to do.
2 COMMISSIONER DAVIS: Mr. Chairman?
3 CHAIRMAN DIXON: Commissioner Davis.
4 COMMISSIONER DAVIS: I'd like to join General
5 Robles. I was down there and visited. He's right about the
6 decorations. It's probably one of the most decorated states
7 or territories that we have.
8 Secondarily, come 1999, it will be the last U.S.
9 Army outpost in the caribbean. Frankly, it's a superb
10 recruiting area. The garrison houses those folks at the same
11 time. So I would at least recommend we go for the Commission
12 alternative.
13 CHAIRMAN DIXON: Are there any further comments by
14 any Commissioners?
15 COMMISSIONER KLING: I might ask what the
16 alternative that General Davis just mentioned would be.
17 What, General Davis?
18 COMMISSIONER ROBLES: I have a motion.
19 COMMISSIONER KLING: Is this the alternative?
20 COMMISSIONER ROBLES: Correct.
21 CHAIRMAN DIXON: Okay. What's your motion,
22 Commissioner Robles?

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1 MOTION
2 COMMISSIONER ROBLES: Mr. Chairman, I move the
3 Commission find the Secretary of Defense deviated
4 substantially from Final Criteria 1, 2, 4 and 5 and therefore
5 the Commission reject the Secretary's recommendation on Fort
6 Buchanan and instead adopt the following recommendation:
7 Realign Fort Buchanan, dispose of family housing,
8 retain garrison facilities as necessary to fulfill
9 mobilization missions and requirements and enclave support
10 functions, retain an enclave for the Reserve components, Army
11 and Air Force Exchange Service and the Antilles Consolidated
12 School. The Commission finds this recommendation is
13 consistent with the Force Structure Plan and Final Criteria.
14 COMMISSIONER DAVIS: I second.
15 CHAIRMAN DIXON: It's moved by Commissioner Robles,
16 seconded by Commissioner Davis. Is there any further
17 comment?
18 COMMISSIONER KLING: Just an explanation.
19 CHAIRMAN DIXON: Commissioner Kling.
20 COMMISSIONER KLING: Where does that differ from
21 the Secretary of the Army's recommendation? What is the
22 difference in this amended --

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1 COMMISSIONER ROBLES: The difference is, as I
2 understand it, and Mr. Brown can help, we have added the
3 specific wording that requires them to retain an enclave and
4 a garrison to support the mobilization mission, as opposed to
5 the current implement plan, which is to send the support team
6 from the mainland over as needed. MR. BROWN: That's correct,
7 Commissioner. Commissioner Kling, the particular portions of
8 the text are retaining an active component garrison to
9 fulfill the mobilization figures and requirements on site.
10 COMMISSIONER KLING: What about the disposing of
11 the family housing?
12 MR. BROWN: The family housing would still be
13 disposed, sir. We have costed -- based upon some questions
14 previously, we costed the alternative of retaining the
15 minimum garrison strength, and that is on slide -- if you put
16 C-31 back up, please.
17 The alternative costs reduce the up-front costs,
18 but there are greater recurring costs due to fewer
19 eliminations. The one-time costs of the revision are 7
20 million less than the original option because the personnel
21 eliminations are smaller. It also reduces the net present
22 value of the total savings over the period by some 59

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1 percent.
2 CHAIRMAN DIXON: Any further questions?
3 COMMISSIONER KLING: The quality of the housing,
4 did you touch --
5 MR. BROWN: Sir, the housing is over 25 years old.
6 It is generally well-maintained, but they are looking at some
7 significant infrastructure costs if they continue those
8 housing areas. The majority of the units have aluminum
9 windows, not even glass windows. They have no central air
10 conditioning at this point in time. The infrastructure is
11 somewhat old, sir.
12 COMMISSIONER KLING: Thank you.
13 CHAIRMAN DIXON: Any further questions?
14 (No response.)
15 CHAIRMAN DIXON: Counsel will call the roll.
16 MS. CREEDON: Commissioner Robles?
17 COMMISSIONER ROBLES: Aye.
18 MS. CREEDON: Commissioner Steele?
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella?
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Commissioner Cox?

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1 COMMISSIONER COX: Aye.
2 MS. CREEDON: Commissioner Davis?
3 COMMISSIONER DAVIS: Aye.
4 MS. CREEDON: Commissioner Kling?
5 COMMISSIONER KLING: Aye.
6 MS. CREEDON: Commissioner Montoya?
7 COMMISSIONER MONTOYA: Aye.
8 MS. CREEDON: Mr. Chairman?
9 CHAIRMAN DIXON: No.
10 MS. CREEDON: Mr. Chairman, the vote is 7 ayes and
11 one nay.
12 CHAIRMAN DIXON: And the motion on Fort Bucanan
13 carries. Kelly Support Center.
14 MR. BROWN: Mr. Mike Kennedy will discuss this
15 installation, Mr. Chairman.
16 MR. KENNEDY: The DOD recommendation is to realign
17 the Kelly Support Center by consolidating reserve units onto
18 three of its five parcels and also relocate the Army's
19 Reserve Lease Maintenance Activity in Valley Grove, West
20 Virginia, to the Kelly Support Center.
21 On that last issue, the Secretary of Defense has
22 notified the Commission that that option is no longer viable,

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1 since a facility is being built in West Virginia for the
2 Valley Grove unit. There are no major issues identified with
3 this recommendation. The issues identified during the base
4 visit have been addressed by DOD. This concludes my
5 statement.
6 CHAIRMAN DIXON: Okay. Are there any questions?
7 (No response.)
8 CHAIRMAN DIXON: Are there any comments?
9 (No response.)
10 MOTION
11 CHAIRMAN DIXON: I move, my fellow Commissioners,
12 that the Commission find the Secretary of Defense deviated
13 substantially from Final Criteria 2 and therefore the
14 Commission reject the Secretary's recommendation on Kelly
15 Support Center and instead adopt the following
16 recommendation:
17 Realign the Kelly Support Center by consolidating
18 Army reserve units onto three of its five parcels, dispose of
19 the remaining two parcels. The Commission finds this
20 recommendation is consistent with the Force Structure Plan
21 and Final Criteria. Is there a second?
22 COMMISSIONER STEELE: I'll second that motion.

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CHAIRMAN DIXON: And that motion is seconded by Commissioner Steele. Is there any further comment?
(No response.)
CHAIRMAN DIXON: Counsel, call the roll.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Okay. You want to start with me. Sorry. Aye.
MS. CREEDON: Commissioner Cornella.
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is 8 ayes and

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no nays.
CHAIRMAN DIXON: Motion is unanimously adopted. Fort Hamilton, New York.
MR. BROWN: Mr. Chairman, the staff suggests that the Commission hear the briefings on Fort Hamilton and Fort Totten, the installation that will be discussed after Fort Hamilton, before voting on recommendations or alternatives for either one of these installations.
CHAIRMAN DIXON: You want the two of them considered together? MR. BROWN: Yes, Mr. Chairman.
CHAIRMAN DIXON: Very good. Fort Hamilton and Fort Totten.
MR. BROWN: Mr. Rick Brown will discuss these installations.
MR. BROWN: Mr. Chairman, the next two recommendations are a recommendation to realign Fort Hamilton and close family housing and a recommendation to close Fort Totten and dispose of family housing.
C-38, please. Fort Hamilton is a subinstallation of Fort Dix and is located in the Brooklyn, New York, terminus Verrazano Bridge guarding the traditional approaches to New York Harbor.

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A subinstallation of Fort Dix, Fort Hamilton provides administrative and logistics support to the New York Area Command, the Army New York Recruiting Battalion and the Joint Military Enlistment Processing Station.
Fort Hamilton also performs personal property shipping, passenger travel support, transportation and dignitary security for all branches of the Department of Defense.
The DOD recommends realigning Fort Hamilton by disposing of family housing. Existing tenants will be enclaved. Because the original recommendation also included gaining unit from Caven Point Reserve Center and the Secretary of the Army asked that we withdraw Caven Point from consideration, we've included an alternative DOD recommendation that omits the Caven Point issue.
Closure will directly affect some 14 civilian jobs, and there will be no relocation as a result of this action. The cost estimates are shown on the slide, and I would point out of the 25.7 million a year to operate Fort Hamilton, of that, some 2.5 million is expended to operate family housing.
C-40, please. Housing units are approaching the end of their useful life span offering limited amenities.

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While units are generally serviceable, Army is facing significant costs to maintain and upgrade.
They currently spend about $6,900 per year per unit maintaining the family housing, and they currently have a 1996 deferred maintenance program of some $2.3 million worth of unfunded programs.
Alternatively, the local rental market is expensive and tight. We estimate out-of-pocket expense to soldiers currently in Fort Hamilton housing would total approximately $1.5 million annually.
Based upon the family housing occupancy information, some 37.5 percent of the military families in family housing are E-5 and below in housing occupancies. Using the 1.5 million estimate that I indicated, that would average out to some $435 per month out of the E-5s and below pockets to move on the local economy.
C-41, please. To recap, on Fort Hamilton, the recommendation realigns Fort Hamilton by disposing of family housing and enclaving the tenants. The cost estimates are as indicated here, and subject to your questions, I will go ahead and proceed to Fort Totten's briefing.
COMMISSIONER DAVIS: What is an E-5's housing

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allowance, please? You say it's 400 and how much to rent?
MR. BROWN: It would be over and above his BAQ and VHA.
COMMISSIONER DAVIS: Well, what does he give up to live in that house, do you know?
MR. BROWN: I don't have the housing allowance --
MR. BROWN: We had it. I don't have it immediately available, Commissioner. That's over and above all of his family housing entitlements.
COMMISSIONER DAVIS: Thank you.
MR. BROWN: C-43, please. Fort Totten is also in the New York City area in the burrough of Queens. The major tenant on Fort Totten is the Army's 77th Army Reserve Command.
The DOD recommendation is to close Fort Totten except for an enclave for the U.S. Army Reserve and dispose of the family housing. Cost estimates are as on the slide.
I would like to point out that Fort Totten's base operations budget averaged 4.1 million over the '92-'93 period, and of that approximately 1 and a half million was spent on family housing operations. The closure recommendation will directly affect 25 jobs.

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C-45, please. As at Hamilton, Fort Totten's family housing is approaching the end of its useful life span, and units offer limited amenities. The Army is facing a significant cost to maintain and upgrade Totten's housing and have $4.1 million in deferred maintenance projects for 1996.
The area of Bayside, which is the surrounding local area around Totten, is up-scale mostly dual income families who work in the Manhattan area. Thus, the rental market is tight and expensive.
We estimated that placing military housing occupants on the economy would result in an out-of-pocket expense of some $390 for the enlisted personnel, and some 49 percent of the housing occupants and E-6 and below.
We can note that Hamilton offers -- Hamilton, as opposed to Totten -- offers sufficient numbers of available quarters to house Totten's military families. Let me have --
MR. BROWN: Commissioner Davis?
COMMISSIONER DAVIS: Yes.
MR. BROWN: In answer to your question, the housing allowance for an E-5 is $426.30 a month. I do not have the Variable Housing Allowance.
COMMISSIONER DAVIS: Okay. That's fine. But it

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1 probably won't be $405, I guess is what I'm getting at.
2 MR. BROWN: It will not.
3 COMMISSIONER DAVIS: It will be 75 percent of that
4 amount.
5 MR. BROWN: Let me have C-41 and C-46 up, please.
6 Side by side you have C-41 and C-46, both the options and
7 Fort Hamilton and Fort Totten. Subject to your questions,
8 that completes my presentation.
9 COMMISSIONER COX: I just want to make sure I
10 understand. Even though you indicated that the out-of-pocket
11 expenses for the folks at Fort Totten were high, although not
12 as high as Fort Hamilton, you do think there are enough
13 housing quarters at Fort Hamilton to avoid that out-of-pocket
14 expense?
15 MR. BROWN: There are sufficient vacant quarters at
16 Fort Hamilton to house the Fort Totten military families.
17 There would be an issue of the proper grade structure that
18 would have to be worked out.
19 COMMISSIONER DAVIS: What's the distance?
20 MR. BROWN: The distance is about 12 to 18 miles,
21 through New York City, however. One is on the south side of
22 New York City in Brooklyn. The other is on the north side.

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1 It is serviced by the public transportation system, however.
2 CHAIRMAN DIXON: Any further questions of
3 Mr. Brown?
4 (No response.)
5 COMMISSIONER COX: Mr. Chairman, I have a motion.
6 CHAIRMAN DIXON: Commissioner Cox.
7 M O T I O N
8 COMMISSIONER COX: I move the Commission find the
9 Secretary of Defense deviated substantially from Final
10 Criteria 1, 4 and 5 and therefore the Commission reject the
11 Secretary's recommendations on Fort Hamilton and instead
12 adopt the following recommendation:
13 Keep open Fort Hamilton, including family housing
14 and minimum essential land facilities for existing Army units
15 and activities, keep Army Reserve units at Caven Point, New
16 Jersey. The Commission finds this recommendation is
17 consistent with the Force Structure Plan and Final Criteria.
18 CHAIRMAN DIXON: Is there a second to the
19 Commissioner's motion?
20 COMMISSIONER CORNELLA: Second.
21 CHAIRMAN DIXON: Seconded by Commissioner Cornella.
22 Are there any comments?

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1 (No response.)
2 CHAIRMAN DIXON: Counsel call the roll.
3 MS. CREEDON: Commissioner Cox?
4 COMMISSIONER COX: Aye.
5 MS. CREEDON: Commissioner Davis?
6 COMMISSIONER DAVIS: Aye.
7 MS. CREEDON: Commissioner Kling?
8 COMMISSIONER KLING: Aye.
9 MS. CREEDON: Commissioner Montoya?
10 COMMISSIONER MONTOYA: Aye.
11 MS. CREEDON: Commissioner Robles?
12 COMMISSIONER ROBLES: Aye.
13 MS. CREEDON: Commissioner Steele?
14 COMMISSIONER STEELE: Aye.
15 MS. CREEDON: Commissioner Cornella?
16 COMMISSIONER CORNELLA: Aye.
17 MS. CREEDON: Mr. Chairman?
18 CHAIRMAN DIXON: Aye.
19 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
20 0 nays.
21 CHAIRMAN DIXON: And the motion prevails, and Fort
22 Hamilton remains open.

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1 COMMISSIONER COX: Mr. Chairman, I have a motion on
2 Fort Totten.
3 CHAIRMAN DIXON: Fort Totten, Commissioner Cox.
4 M O T I O N
5 COMMISSIONER COX: I move the Commission find the
6 Secretary of Defense did not deviate substantially from the
7 Force Structure Plan and Final Criteria and therefore the
8 Commission adopt the following recommendation of the
9 Secretary of Defense: Close Fort Totten except an enclave
10 for the U.S. Army Reserve, dispose of family housing.
11 CHAIRMAN DIXON: Is there a second?
12 COMMISSIONER STEELE: I'll second the motion.
13 CHAIRMAN DIXON: Seconded by Commissioner Steele.
14 Is there any comment?
15 (No response.)
16 CHAIRMAN DIXON: Counsel, call the roll.
17 MS. CREEDON: Commissioner Cox?
18 COMMISSIONER COX: Aye.
19 MS. CREEDON: Commissioner Davis?
20 COMMISSIONER DAVIS: Aye.
21 MS. CREEDON: Commissioner Kling?
22 COMMISSIONER KLING: Aye.

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1 MS. CREEDON: Commissioner Montoya?
2 COMMISSIONER MONTOYA: Aye.
3 MS. CREEDON: Commissioner Robles?
4 COMMISSIONER ROBLES: Aye.
5 MS. CREEDON: Commissioner Steele?
6 COMMISSIONER STEELE: Aye.
7 MS. CREEDON: Commissioner Cornella?
8 COMMISSIONER CORNELLA: Aye.
9 MS. CREEDON: Mr. Chairman?
10 CHAIRMAN DIXON: Aye.
11 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
12 0 nays.
13 CHAIRMAN DIXON: The motion carries, and Fort
14 Totten except an enclave for the U.S. Army Reserve is closed.
15 Commodity Installations, Detroit Arsenal, Detroit, Michigan.
16 MR. BROWN: Mr. Chairman, Lieutenant Colonel Bob
17 Miller will discuss Detroit Arsenal and the Detroit Arsenal
18 -- Detroit Army Tank Plant.
19 E V E N I N G S E S S I O N
20 LIEUTENANT COLONEL MILLER: Good evening,
21 Commissioners.
22 CHAIRMAN DIXON: Good evening.

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1 LIEUTENANT COLONEL MILLER: If I could have Chart
2 D-3 and D-5, please. Commissioners, the Army's
3 recommendation, DOD's recommendation is to realign Detroit
4 Arsenal by closing and disposing of the Detroit Army Tank
5 Plant.
6 The Tank Plant is a government-owned, contract-
7 operated facility that is used in the production and assembly
8 of main battle tanks, most recently the M-1. The Army's
9 justification for closing the Tank Plant is that is one of
10 two, the other one being Lima Tank Plant in Lima, Ohio.
11 Detroit is not as technologically advanced as Lima
12 nor configured for the latest tank production. Lima Tank
13 Plant can accomplish future tank production mission.
14 Anniston Army Depot is the tank rebuild facility.
15 Accordingly, Detroit's tank plant is excess to the Army
16 requirements. Shown on Chart D-3 is a summary of the base
17 analysis data for closing the Detroit Arsenal. I'd like to
18 highlight that the $5 million in base operating budget would
19 probably be reduced by the amount of saves that you see on
20 the chart. That is what is going to give you the overall
21 savings, and the rest of the arsenal would stay the same.
22 The major issue we found when we were there is that

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the gun mount production, which the facility currently produces look with Rock Island Arsenal. Looking at the gun mount production the community argued that the Detroit Tank could produce a cheaper and better gun mount that Rock Island Arsenal.

Analysis of the data, looking at what the Army had and going through Army Audit Agency showed the costs shown on the chart you see, the cost at Detroit being 53,000, and costs at Rock Island being somewhat under 40,000, and those costs would reduce down to about 38,700 if you combined all the gun mount approximate at Rock Island.

The other issue is whether this complied with OMB Circular 876 on Contracting and Privatization. OMB Circular 876 states that the government should not compete as long as it's economically feasible on the civilians and their private industry. This concludes my briefing on the Detroit Army Tank Plant.

CHAIRMAN DIXON: Are there any questions of Colonel Miller?

(No response.)

CHAIRMAN DIXON: Are there any comments?

(No response.)

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CHAIRMAN DIXON: Is there a motion?

COMMISSIONER STEELE: Yes, Mr. Chairman.

CHAIRMAN DIXON: Commissioner Steele.

MOTION

COMMISSIONER STEELE: I move the Commission find the Secretary of Defense did not deviate substantially from the Force Structure Plan and Final Criteria and therefore the Commission adopt the following recommendation of the Secretary of Defense: Realign Detroit Arsenal by closing and disposing of the Detroit Army Tank Plant.

CHAIRMAN DIXON: Is there a second?

COMMISSIONER KLING: Second, Mr. Chairman.

CHAIRMAN DIXON: Seconded by Commissioner Kling. The Chair recuses himself because of the fact that Rock Island Arsenal is remotely involved here. Any further comments?

(No response.)

CHAIRMAN DIXON: Counsel call the roll.

MS. CREEDON: Commissioner Steele?

COMMISSIONER STEELE: Aye.

MS. CREEDON: Commissioner Cornella?

COMMISSIONER CORNELLA: Aye.

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MS. CREEDON: Commissioner Cox?

COMMISSIONER COX: Aye.

MS. CREEDON: Commissioner Davis?

COMMISSIONER DAVIS: Aye.

MS. CREEDON: Commissioner Kling?

COMMISSIONER KLING: Aye.

MS. CREEDON: Commissioner Montoya?

COMMISSIONER MONTOYA: Aye.

MS. CREEDON: Commissioner Robles?

COMMISSIONER ROBLES: Aye.

MS. CREEDON: Mr. Chairman, the vote is 7 ayes and 0 nays.

CHAIRMAN DIXON: And the motion is adopted. Fort Detrick.

MR. BROWN: Mr. Chairman, on page D-8, we have the next installation, Fort Detrick. This is a redirect of a 1991 Commission recommendation concerning the Tri-Service Project Reliance Medical Research Study which reduced the number of Army medical research labs from nine to six. Mr. Dave Lewis will discuss this installation.

MR. LEWIS: Mr. Wooten, Charts D-8 and D-10, please. As Mr. Brown said, this recommendation is a minor

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redirect of a 1991 Commission action. Under this recommendation, a unique facility would remain at Fort Detrick and not have to be reconstructed at Wright-Patterson Air Force Base Ohio. No issues have been raised concerning this recommendation. If there are any questions --

CHAIRMAN DIXON: Are there any questions of Mr. Lewis on Fort Detrick?

(No response.)

CHAIRMAN DIXON: Any statements on Fort Detrick?

(No response.)

CHAIRMAN DIXON: Commissioner Kling.

MOTION

COMMISSIONER KLING: I move the Commission find the Secretary of Defense did not deviate substantially from the Force Structure Plan and Final Criteria and therefore the Commission adopt the following recommendation of the Secretary of Defense:

Change the recommendation of the 1991 Commission regarding Tri-Service Development Project Reliance. Upon disestablishment of the U.S. Army Biomedical Research Development Laboratory at Fort Detrick, Maryland, do not co-collate environmental and occupational toxicology research

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with the Armstrong Laboratory at Wright-Patterson Air Force Base, Ohio, instead relocate the health advisories environmental research and military criteria research functions of the Environmental Quality Research Branch to the U.S. Army Environmental Hygiene Agency, Aberdeen Proving Grounds, Maryland, and maintain the remaining functions of conducting nontoxic assessment bottles and on-site biomonitoring research of the Research Methods Branch at Fort Detrick at part of Headquarters U.S. Army Medical Research and Material Command. That's a long project.

CHAIRMAN DIXON: Yes, it is. Is there a second to that motion?

COMMISSIONER STEELE: I second the motion.

CHAIRMAN DIXON: Seconded by Commissioner Steele. Is there any comment?

(No response.)

CHAIRMAN DIXON: Counsel will call the roll on Fort Detrick, Maryland.

MS. CREEDON: Commissioner Kling?

COMMISSIONER KLING: Aye.

MS. CREEDON: Commissioner Montoya?

COMMISSIONER MONTOYA: Aye.

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MS. CREEDON: Commissioner Robles?

COMMISSIONER ROBLES: Aye.

MS. CREEDON: Commissioner Steele?

COMMISSIONER STEELE: Aye.

MS. CREEDON: Commissioner Cornella?

COMMISSIONER CORNELLA: Aye.

MS. CREEDON: Commissioner Cox?

COMMISSIONER COX: Aye.

MS. CREEDON: Commissioner Davis?

COMMISSIONER DAVIS: Aye.

MS. CREEDON: Mr. Chairman?

CHAIRMAN DIXON: Aye.

MS. CREEDON: Mr. Chairman, the vote is 8 ayes and 0 nays.

CHAIRMAN DIXON: And the Secretary of Defense's recommendations are supported by the Commission. Ammunition Storage, Sierra Army Depot, California.

MR. BROWN: Mr. Chairman, the next category, as you mentioned, is Army Ammunition Storage Installations. Mr. J.J. Gertler will discuss all three of the installations in this category.

MR. GERTLER: Thank you, sir. Mr. Chairman, on

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1 page E-3, we have Sierra Army Depot, California. The
2 Secretary of Defense recommended realigning Sierra by
3 eliminating its conventional ammunition mission, reducing the
4 depot to a depot activity and retaining an enclave for
5 operational project stocks and the static storage of ores.
6 However, on 14 June, the Secretary sent us a letter
7 asking that we modify the language of his recommendation to
8 permit retention of a conventional ammunition
9 demilitarization capability. Here you see statistical data
10 for both the original DOD recommendation and the alternative
11 proposed by the Secretary on 14 June. E-4, please. We
12 reviewed a large number of issues with regard to Sierra.
13 Some of these are unique to Sierra, but others are
14 common to all three installations in this category. I will
15 present those in some detail here so that we can save time
16 later.
17 Some significant issues felt in importance due to a
18 late request -- due to that late request from the Secretary
19 of Defense to change the recommendation. E-5, please,
20 Mr. Wooten.
21 The most significant issue when considering Sierra
22 is its capacity to demilitarize conventional ammunition and

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1 rocket loaders. Sierra possesses 22 percent of all
2 ammunition demilitarization capacity in the Army and 43
3 percent of the open detonation capacity.
4 COMMISSIONER STEELE: Excuse me. I just have a
5 question for the Chair, or maybe it's for Mr. Gertler. I
6 have a recommendation that is in line with the letter we
7 received from the Secretary of Defense, and inasmuch as since
8 I went to this place and I really believe in what they do,
9 I'd like to heavy it, because I think it's great.
10 Given this hour, if none of my colleagues have
11 questions, I would be delighted to just proceed with the
12 motion.
13 CHAIRMAN DIXON: Is the motion in accordance with
14 the recommendations of the Secretary of Defense with
15 modification?
16 COMMISSIONER STEELE: It is my understanding, I'm
17 not a lawyer, we'd let everybody --
18 CHAIRMAN DIXON: All right. Commissioner Steele,
19 let's hear that motion.
20 MOTION
21 COMMISSIONER STEELE: I move the Commission find
22 the Secretary of Defense deviated substantially from Final

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1 Criterion 1 and therefore the Commission reject the
2 Secretary's recommendation on Sierra Army Depot and instead
3 adopt the following recommendation:
4 Realign Sierra Army Depot by reducing the
5 conventional ammunition mission to the level necessary to
6 support the conventional ammunition demilitarization mission,
7 retain a conventional ammunition demilitarization capability
8 and an enclave for the operational project stocks mission and
9 the static storage of ores. The Commission find this
10 recommendation is consistent with the Force Structure Plan
11 and Final Criteria.
12 CHAIRMAN DIXON: All right. Is there a second to
13 that motion? COMMISSIONER MONTOYA: Second.
14 CHAIRMAN DIXON: And is that in accordance with
15 your understanding of the position of the Secretary of
16 Defense with modifications?
17 MR. BROWN: That is correct, Mr. Chairman.
18 CHAIRMAN DIXON: Are there any other comments? Are
19 there any other -- excuse me. Commissioner Montoya seconded.
20 I apologize, Mr. Reporter. Are there any further comments?
21 (No response.)
22 CHAIRMAN DIXON: Counsel will call the roll.

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1 MS. CREEDON: Commissioner Steele?
2 COMMISSIONER STEELE: Aye.
3 MS. CREEDON: Commissioner Cornella?
4 COMMISSIONER CORNELLA: Aye.
5 MS. CREEDON: Commissioner Cox? I'll pass and
6 return to her. Commissioner Davis?
7 COMMISSIONER DAVIS: Aye.
8 MS. CREEDON: Commissioner Kling?
9 COMMISSIONER KLING: Aye.
10 MS. CREEDON: Commissioner Montoya?
11 COMMISSIONER MONTOYA: Aye.
12 MS. CREEDON: Commissioner Robles?
13 COMMISSIONER ROBLES: Aye.
14 MS. CREEDON: Commissioner Cox?
15 COMMISSIONER COX: Aye.
16 MS. CREEDON: .Mr. Chairman?
17 CHAIRMAN DIXON: Aye.
18 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
19 0 nays.
20 CHAIRMAN DIXON: And that motion carries supporting
21 the Secretary of Defense's recommendation with modifications.
22 Senecca. MR. GERTLER: Thank you, sir. Chart E-11, please.

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1 Here you see the data regarding Senecca Army Depot in New
2 York. E-13, please. Process issues were a major part of the
3 Senecca community's objections.
4 The Army put together a tiering plan which ranked
5 its installations two three tiers. That was done in advance
6 of the BRAC process. Unfortunately, installations that were
7 in the lowest tier, because of the way the Army had decided
8 to operate them, could not be fairly evaluated against
9 installations in the higher tiers. They thus became the
10 Army's recommendation.
11 The community also argues that the ammunition
12 system is full; there is nowhere for Senecca's ammunition to
13 go except outdoors. We find this argument persuasive.
14 However, we also found that Senecca's ammunition could be
15 demilitarized within the six-year window if the capacity at
16 Sierra Army Depot were retained, as the Commission just did,
17 and the demilitarization of other ammunition, particularly
18 outdoor stored ammunition were deferred.
19 COMMISSIONER KLING: Is this what you believe that
20 they would intend to do, what you just said, that they would
21 proceed within the six-year time frame?
22 MR. GERTLER: Sir, the Army intends to do that.

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1 COMMISSIONER KLING: They do.
2 MR. GERTLER: Originally, when they made up their
3 list, they were -- when they made up this tiering plan it was
4 one of the two inputs to their military value ranking they
5 were looking at a 10- to 15-year implementation.
6 They claim to be able to do it in six years.
7 Commission staff had some problems with that notion.
8 However, subsequently, the Army and GAO have signed off on
9 the Commission staff analysis and given the Secretary's
10 letter of the 14th, which retained additional
11 demilitarization capability, we believe they can do it.
12 One other consideration is that the Army has also
13 added in late in the process a new figure to move the
14 ammunition that they can't demil within that six years out of
15 Senecca at the end of the process.
16 COMMISSIONER KLING: Those figures are all in here?
17 MR. GERTLER: Those figures are reflected, yes,
18 sir, in the COBRA data before you.
19 COMMISSIONER KLING: Thank you.
20 CHAIRMAN DIXON: Are there any further questions of
21 Mr. Gertler on Senecca?
22 (No response.)

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CHAIRMAN DIXON: The Chairman visited there and saw the white deer.

COMMISSIONER STEELE: I have a motion, Mr. Chairman.

CHAIRMAN DIXON: Commissioner Steele.

MOTION

COMMISSIONER STEELE: I move the Commission find the Secretary of Defense did not deviate substantially from the Force Structure Plan and Final Criteria and therefore the Commission adopt the following recommendation of the Secretary of Defense: Close Senecca Army Depot except an enclave to story hazardous material and ores.

CHAIRMAN DIXON: Is there a second to Commissioner Steele's motion?

COMMISSIONER KLING: Second, Mr. Chairman.

CHAIRMAN DIXON: The motion is made and seconded. Are there any further comments or questions?

(No response.)

CHAIRMAN DIXON: Counsel will call the roll.

MS. CREEDON: Commissioner Steele?

COMMISSIONER STEELE: Aye.

MS. CREEDON: Commissioner Cornella?

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COMMISSIONER CORNELLA: Aye.

MS. CREEDON: Commissioner Cox?

COMMISSIONER COX: Aye.

MS. CREEDON: Commissioner Davis?

COMMISSIONER DAVIS: Aye.

MS. CREEDON: Commissioner Kling?

COMMISSIONER KLING: Aye.

MS. CREEDON: Commissioner Montoya?

COMMISSIONER MONTOYA: Aye.

MS. CREEDON: Commissioner Robles?

COMMISSIONER ROBLES: Aye.

MS. CREEDON: Mr. Chairman?

CHAIRMAN DIXON: Aye.

MS. CREEDON: Mr. Chairman, the vote is 8 ayes and [illegible]ays.

CHAIRMAN DIXON: And the motion is adopted, and the Secretary's recommendations are supported. Savannah Army Depot Activity, Illinois, and the Chair recuses himself on this one.

MR. GERTLER: Yes, sir. Slide E-17, please, and Slide E-18. Here you see the analytical data with regard to Savannah Army Depot Activity. The recommendation is to close

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Savannah and relocate the U.S. Army Defense Ammunition Center and School to McAlester Army Ammunition Plant in Oklahoma.

E-20, please, Mr. Wooten. There are four significant issues with regard to Savannah. Commission staff found that none of the facilities at Savannah is irreproducible. Having visited McAlester, I can tell you that even the campus atmosphere of the ammunition school may be preserved.

I should mention that a number of other facilities have contacted the Commission asking that the USDACs not be directed. To our knowledge, only one of those facilities has actually solicited the Army, however.

Commission recalculations of job loss indicate the actual affect to be 8.3 percent. The community argues that because Savannah is in a very rural area with little economic activity that increase in unemployment will have a disproportionately greater effect than the same increase in a more urban area.

They point out further that these are high skilled, highly paid jobs and would thus have a more substantial economic ripple effect than the percentage increase would indicate.

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Third, and as we've seen argued at the other installations in this category, Savannah points out that all indoor ammunition storage in the Army will be full this year and argue it is, therefore, foolhardy to close any ammunition storage installation, since that would only exacerbate the problem of potentially unsafe outdoor storage.

As mentioned with Senecca, DOD now confirms they have enough available storage space and enough demilitarization capacity to create more storage space in the next six years that Savannah can be safely closed.

We would note that the price of this closure is the deferred opportunity to reduce outdoor storage and address the existing demilitarization backlog. DOD also included $28.2 million to move residual ammunition out of Senecca, and that figure was included in the economic payback data.

CHAIRMAN DIXON: Any questions of Mr. Gertler?

(No response.)

CHAIRMAN DIXON: Any statements by anybody?

(No response.)

CHAIRMAN DIXON: Any motions?

COMMISSIONER STEELE: I have a motion.

CHAIRMAN DIXON: Commissioner Steele.

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MOTION

COMMISSIONER STEELE: I move the Commission find the Secretary of Defense did not deviate substantially from the Force Structure Plan and Final Criteria and therefore the Commission adopt the following recommendation of the Secretary of Defense:

Close Savannah Army Depot Activity, relocate the understand Army Defense Ammunition Center and School and McAlester Army Ammunition Plant, Oklahoma.

CHAIRMAN DIXON: Is there a second?

COMMISSIONER KLING: Second, Mr. Chairma.

CHAIRMAN DIXON: Commissioner Kling seconds. Are there any commes?

(No response.)

CHAIRAN DIXON: Counsel will call the roll.

MS. CREEDON: Commissioner Steele?

COMMISSIONER STEELE: Aye.

MS. CREEDON: Commissioner Cornella?

COMMISSIONER CORNELLA: Aye.

MS. CREEDON: Commissioner Cox?

COMMISSIONER COX: Aye.

MS. CREEDON: Commissioner Davis?

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COMMISSIONER DAVIS: Aye.

MS. CREEDON: Commissioner Kling?

COMMISSIONER KLING: Aye.

MS. CREEDON: Commissioner Montoya?

COMMISSIONER MONTOYA: Aye.

MS. CREEDON: Commissioner Robles?

COMMISSIONER ROBLES: Aye.

MS. CREEDON: Mr. Chairman has recused. Mr. Chairman, the vote is 7 ayes and 0 nays.

CHAIRMAN DIXON: And the Chair recuses, and the motion is adopted. Industrial Facilities. Stratford Army Engine Plant.

MR. BROWN: Mr. Chairman, there were two industrial facilities that had recommendations. However, since the Detroit Army Tank Plant is attendant on Detroit Arsenal and we've already considered that, it will not be discussed here. Lieutenant Colonel Bob Miller will discuss Stratford Army Engine Plant.

LIEUTENANT COLONEL MILLER: F-3 and F-5. Stratford Army Engine Plant is another government-owned, contractor-operated facility in Stratford, Connecticut, that is used in the production of the turbine military engines for the M-1

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1 and the T-55 engine for the T-53 for the Huey Helicopter.
2 Current production mix there is about 50 percent
3 military, and that's going to decline as the M-1 engine
4 program goes down towards 80 percent civilian production mix.
5 The Department of Defense's justification for this
6 recommendation is that reduction in requirements for the tank
7 and aircraft engines has eliminated the need for Stratford
8 Army Engine Plant.
9 Corpus Christi Army Depot, Texas, and Anniston Army
10 Depot, Alabama, currently perform and can meet projected
11 operational needs for sustainment of existing engine stocks,
12 and depots can export mobilization, the two depots already
13 mentioned, until new engine production becomes available.
14 This chart is a summary of the base analysis data
15 for Stratford Army Engine Plant. I'd like to highlight that
16 there is an annual savings of approximately $6 million. The
17 return on investment is immediate.
18 One thing I'd like to point out that I will discuss
19 is that there are only five people that are listed on there
20 as being eliminated. One of the issues in the community was
21 that there are several people up there under the contractor,
22 about 1,600 people actually, that are working for the

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1 contractor currently.
2 They are not included in the Army scenario because
3 they're not DOD personnel, first of all. Second of all, the
4 Army's position is that since the current production contract
5 runs out prior to the closure of the facility that it would
6 not be due to the BRAC action, that the jobs would -- that
7 there are jobs eliminated that are not reflected in the
8 scenario.
9 F-4, please. Never mind. We're already on F-5.
10 Two issues shown on F-5 are industrial workload and
11 compliance with Defense Science Board. These are the two
12 main issues when you're looking at the facility.
13 The workload we've already expressed is going to 80
14 percent civilian. There is probably no reason to keep the
15 plant, as far as engine sustainment is necessary as the two
16 depots could pick up the mix.
17 Concern over picking up the spares that are
18 currently produced at the Stratford Army Engine Plant would
19 require movement of some items either come one of the depots
20 or to Allied Signal. Right now, in the implementation plan,
21 there would be $2 million worth of equipment that would be
22 required to move to Allied Signal, which we added into our

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1 COBRA as well. They were not included by the Army.
2 The other issue was a published task force study by
3 the Defense Science Board on the tank industrial base.
4 Looking at the Science Board, concern by the community was
5 that they recommended retaining Stratford about a year and a
6 half ago.
7 However, if you read the actual recommendations
8 within there, one of the option was to do away with Stratford
9 Army Engine Plant and move that facility and mission to some
10 other location, probably Phoenix where Allied Signal has
11 their other plant, the contractor that we're talking about.
12 F-6, please. I'd like to highlight just a
13 Commission alternative. The only changes there are
14 accounting for 91 personnel not in the Army's COBRA that
15 would have to be moved to another location in the Stratford
16 area, and the equipment movement that we discussed, all that
17 does is bring up the one-time cost of 6.6 and extends return
18 on investment out to one year. So that concludes my briefing
19 on Stratford.
20 CHAIRMAN DIXON: Thank you very much, Colonel
21 Miller. Are there any questions of Colonel Miller?
22 (No response.)

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1 CHAIRMAN DIXON: Are there any comments regarding
2 this installation?
3 (No response.)
4 CHAIRMAN DIXON: Is there any motion?
5 COMMISSIONER KLING: I certainly would like to, Mr.
6 Chairman.
7 CHAIRMAN DIXON: Commissioner Kling.
8 M O T I O N
9 COMMISSIONER KLING: I move the Commission find the
10 Secretary of Defense did not deviate substantially from the
11 Force Structure Plan and Final Criteria and therefore the
12 Commission adopt the following recommendation of the
13 Secretary of Defense: Close Stratford Army Engine Plant.
14 CHAIRMAN DIXON: I second the motion. Any
15 comments?
16 (No response.)
17 CHAIRMAN DIXON: Counsel will call the roll.
18 MS. CREEDON: Commissioner Kling?
19 COMMISSIONER KLING: Aye.
20 MS. CREEDON: Commissioner Montoya?
21 COMMISSIONER MONTOYA: Aye.
22 MS. CREEDON: Commissioner Robles?

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1 COMMISSIONER ROBLES: Aye.
2 MS. CREEDON: Commissioner Steele?
3 COMMISSIONER STEELE: Aye.
4 MS. CREEDON: Commissioner Cornella?
5 COMMISSIONER CORNELLA: Aye.
6 MS. CREEDON: Commissioner Cox?
7 COMMISSIONER COX: Aye.
8 MS. CREEDON: Commissioner Davis?
9 COMMISSIONER DAVIS: Aye.
10 MS. CREEDON: Mr. Chairman?
11 CHAIRMAN DIXON: Aye.
12 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
13 0 nays.
14 CHAIRMAN DIXON: And the motion is unanimously
15 adopted. Are we ready to go to ports, Mr. Brown.
16 MR. BROWN: Yes, we are, Mr. Chairman. Once again
17 Mr. Chairman, the staff suggests that the Commission hear the
18 briefings on both Bayonne Military Ocean Terminal and Oakland
19 Army Base before voting on any recommendations or
20 alternatives.
21 CHAIRMAN DIXON: If there are no objections by the
22 Commissioners, we'll do that.

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1 MR. BROWN: Mr. Rick Brown will discuss both these
2 installations.
3 MR. BROWN: Could I have G-3 up, please? Military
4 Ocean Terminal Bayonne sits on the New Jersey shore of the
5 Upper New York Bay. Besides performing terminal operations
6 the installation is home to the Military Traffic Management
7 Command Headquarters whose primary function is to manage
8 movement of DOD cargo throughout the Eastern U.S. and
9 Atlantic in support of European, African and South American
10 theaters of operation.
11 The other major tenants include the Army's 1301st
12 Major Port Command, the Navy's Military Sealift Command
13 Atlantic, the Navy Resale and Fashion Distribution Center and
14 the Eastern Region of the National Archives.
15 The original DOD recommendation was to close
16 Bayonne, relocate the Military Transportation Management
17 Command Headquarters and Traffic Management portion of the
18 1301st Major Port Command to Fort Monmouth, New Jersey, and
19 to enclave the Navy tenants and National Archives.
20 In the Secretary's 14 June testimony before the
21 Commission, he suggested a modification to the
22 recommendation's language that would allow relocation of both

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the Army and Navy elements to an unspecified location to allow greater flexibility.

We have included such a modification as an alternative for consideration. Cost estimates for both options are detailed on the chart. Closure under the original recommendation would affect 1,244 jobs. Relocating all tenants will directly affect 1,955 jobs.

G-5, please. Ship call data for Bayonne indicates that the facility is underutilized during normal operations. Workload based on ship call data in the MTMC strategic planning factors of two days to service a ship, be that either a loading or an unloading.

In 1993, there were 56 vessels that called at the military terminal, which equates to 112 days of workload. Also, based upon actual hours worked data that we got from the installation, there was equivalent of 71 work days load for the year.

In calendar year '94, 65 vessels for a two-day factor of 130 days were called at the port, and actual workload based upon the number of hours of working a vessel for '94 was 107 days worked for the year. Through May of this year 22 vessels have called at the port, and actual

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hours worked works out to 17 and a half days in this year. Next slide.

COMMISSIONER KLING: That was through when, sir?

MR. BROWN: That was through the 6th of May, Commissioner.

COMMISSIONER ROBLES: Before you leave that slide, Mr. Brown, could you tell me when the last time or how many times the 10th Mountain and the National Guard Brigade deployed out of Bayonne in the last 24 months?

MR. BROWN: The 10th Mountain Division went partially through there for Haiti and partially through there for Somalia. The National Guard Brigade, to my knowledge, has never deployed through there. They are under the restationing plan.

It's the combat brigade, the enhanced brigade that will be in the New York area that would be a logical claimant on that facility.

COMMISSIONER ROBLES: If they need to deploy.

MR. BROWN: If they need to employ.

COMMISSIONER ROBLES: Where do the 10th Mountain Deploy? Where other do they --

MR. BROWN: Their helicopters were trucked down to

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Eustis and put directly on the ships in Norfolk, sir. Let me have G-6, please. The second issue other than commercial port -- or whether or not the workload requirement is sufficient for Bayonne, the second issue concerns whether or not there are commercial port capabilities that could absorb the military traffic.

The Transportation Engineering Agency of the Military Traffic Management Command studies indicate a nonnatural commercial capacity on the East Coast sufficient to deploy ten divisions within a six-day period, and there are also five commercial ports within a one-day's rail movement of Bayonne that could accomplish from a nominal capacity standpoint the deployment requirements of the port.

COMMISSIONER COX: Mr. Brown, question for you. I'm familiar with the port on the West Coast, because I went through a site visit, and there are only three ports on the West Coast, and I've got my own feelings about the need for that.

On the East Coast, we're saying we have sufficient commercial capability. I just want to quote to you from one of our hearings and have you comment because I'm not as knowledgeable on the situation here. Lillian Laberty,

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Director of the Port Department, Port Authority of New York and New Jersey, and it's described as the largest general cargo port on the East and Gulf Coasts, she said, "I believe that I cannot provide the space, security, access and trained labor in the efficient timely manner necessary to support the MTMC mission."

So my question for you is either -- or comment, if you could just generally address capacity on the East Coast and specifically if you feel like the Army has agreements in place with the more numerous ports on the East Coast to support the mission if Bayonne would go away.

MR. BROWN: Just one second, please, Commissioner.

COMMISSIONER COX: Oh, and I apologize to anyone here. I'm going to eat some pizza because I'm starving. Sorry. I know it's rude.

MR. BROWN: Could you put back up Slide P-6, please, and also hand out P-6? Ms. Laberty is the Director of the Port Authority of New York and New Jersey and a very impressive lady.

When she was making that particular testimony to the regional hearings, I believe that quote that you read was specific to her operation, and it is, in fact, that all of

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the commercial facilities along the East Coast are joining a booming business and, in fact, there is an issue that I'll address just in a moment on the willingness of providing commercial facilities within a short time frame.

The point being on Bayonne, there is sufficient capacity, nominal capacity, on the East Coast to spread the requirements up and down the coast so that you don't overload any particular port.

Plus, out of Bayonne the primary claimant would the 10th Mountain Division, which is a reduced two-brigade element, a small, relatively small deploying division.

COMMISSIONER COX: If you needed Bayonne as an insurance policy in the future, I'd also like to address that, in the sense that maybe right now we're just having the 10th Mountain Division go through there, but do we have the type of space and the type of agreements at the other ports on the East Coast as we renegotiate those agreements, which I understand it's getting more difficult with cities to do that, will the Army still have the flexibility out of those other positions on the East Coast for space for the big types of things the Army needs uniquely to get out there in an emergency?

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MR. BROWN: Would you put up G-7, please, and backup slide P-7? The willingness of the commercial ports to absorb the military requirements is certainly a pacing issue. In regional testimony that you cited, base visits and staff -- and my staff discussions with the Maritime Administration points out that the booming business enjoyed by the commercial ports are making them increasingly unwilling to disrupt traffic to accommodate short-notice requirements.

In lieu of the 48-hours specified in port planning orders, operators are asking for 10 to 12 days to clear staging and berthing areas for priority military traffic.

To accommodate the commercial sensitivities -- and if I could have P-8 up now on your right, please -- to accommodate commercial sensitivities, the Maritime Administration, in conjunction with DOD and commercial operators, are undertaking two initiatives.

First, they're funding a Louisiana State University effort to model the disruption of military deployment requirements to commercial operators. MARAD estimates 10 to 12 months to complete that model and assess the initial results.

They're also exploring with Department of Defense

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1 ways to provide earlier notification of deployments to the
2 commercial port authorities. Additionally, the port planning
3 order process and the legal compelling process is also
4 available in a situation of last resort.
5 On my right and your right as well is a slide that
6 details the process from the standpoint the planning orders
7 are not a legally binding agreement, but they're an agreement
8 between the commercial operators and the military planners as
9 to the requirements that would be needed and specified berth
10 and amount of staging area.
11 In the event of a contingency requirement, if a
12 planning order is sufficient and is agreed, it's executed
13 with no further involvement by the Maritime Administration.
14 However, if there is disagreement or there is no existing
15 port planning order with a commercial facility, then the
16 Secretary of Defense can request the Secretary of
17 Transportation to issue either a national shipping priority
18 order or a national allocation order.
19 And Maritime Administration has stated
20 categorically that the Defense Department's requirements will
21 be met, and either of those documents are a legally
22 compelling document. So there are legal remedies available

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1 if the negotiation aspect doesn't work out.
2 COMMISSIONER ROBLES: I have a pragmatic question.
3 That's theoretical. Let's talk pragmatically. Last time we
4 deployed a large force was 1990 summer of. Let's be
5 pragmatic. Do you have a backup slide that shows how we
6 deployed?
7 MR. BROWN: Can I have P-1 up, please?
8 COMMISSIONER ROBLES: I happen to have intimate
9 knowledge of deploying 19 long ships' worth of equipment out
10 of two commercial ports.
11 MR. BROWN: When we get P-1 up, and you can hand P-
12 1 out as well --
13 COMMISSIONER ROBLES: And as you're putting this up
14 I want to put things in perspective. Don't get mesmerized
15 that we're going to deploy everything on the East Coast,
16 because our forces aren't on the East Coast.
17 The heavy forces that need to deploy are in the
18 central part of the United States. There are four heavy
19 divisions --
20 MR. BROWN: Can I have P-4 up in lieu of the --
21 COMMISSIONER ROBLES: -- in the central part of the
22 United States. There is only one on the East Coast, the 24th

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1 Division out of Fort Stewart that deployed out of Savannah.
2 The 101st has a lot of helicopters, probably Jacksonville or
3 whatever, or Wilmington. The 10th Mountain is a light
4 division, has hardly anything to deploy.
5 So you can't -- you've got to put this in context.
6 Don't get mesmerized that we got to deploy out of the East
7 Coast. Show how we would deploy really the ten-division
8 force.
9 MR. BROWN: On P-4, you have the normal deployment
10 flow under the 5 and a third power projection core, and as
11 you indicated, the heavy division would flow out of the Gulf.
12 The air assault division, if that was one of the divisions
13 chosen in the mix, would nominally go out of Jacksonville,
14 Florida.
15 The initial division, the 82nd Airborne Division,
16 would fly out with its residual traffic going surface mounted
17 out the Moorehead City, and the initial mechanized heavy
18 decision which is located at Fort Stewart, would employ off
19 of the East Coast out of Savannah.
20 COMMISSIONER ROBLES: Now, that's the analogue, and
21 this does not include all the prepositioning and all the
22 strategic lift programs because you now are going to

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1 radically up your strategic afloat prepo. We have also
2 gotten several agreements to preposition stocks on the ground
3 in various places we never had before.
4 So we got a whole different scenario here. So
5 let's not use a World War II scenario here to do a port
6 analysis. We need to use the new strategic deployment
7 scenario, and is that what you're showing up here?
8 MR. BROWN: That is correct. Under the 10 Division
9 stations plan -- under the new stationing plan and the 10
10 division CONUS Army, that is the deployment flow, sir.
11 COMMISSIONER STEELE: Let me ask you a question on
12 that chart, please. Oakland Army Base sitting out there, and
13 I don't see anything pointing from there, and that was a
14 Commission add. What have we heard from the Department about
15 our add of Oakland.
16 MR. BROWN: The senior leadership adamantly
17 supports the retention of Oakland Army Base, and I will
18 address that in just a moment.
19 COMMISSIONER STEELE: If you could, because if the
20 logic on the east is following another look on the West Coast
21 and the Army wants to keep it, I don't get it. So if you
22 could, I'd really appreciate that.

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1 MR. BROWN: Certainly. I'll go ahead and address
2 that at this moment, if you'd like me to, Commissioner.
3 COMMISSIONER KLING: In the meantime, I think it's
4 fair to say also that those ships that you counted at
5 Bayonne, a number of those were loads coming in from Desert
6 Storm and so forth.
7 MR. BROWN: They were recycles back from --
8 COMMISSIONER KLING: They were even less of what
9 would be going out of here.
10 MR. BROWN: As regarding Oakland, DOD is founding
11 its argument for retaining Oakland based on the port's
12 criticality during a major regional contingency. However,
13 their argument is based on a computer simulation that the
14 Commission was briefed on at the regional hearing and during
15 the base visit that models as obsolete force structure and
16 stationing plan.
17 It does not model this force structure and this
18 stationing plan right here. What it models is a previous
19 force structure that had a mec division from Colorado going
20 west and a heavy division from Fort Riley going west, and
21 that force structure is no longer in place.
22 COMMISSIONER CORNELLA: Mr. Brown, I've got a

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1 question on the slide. The numbers indicated to Bayonne I
2 guess were trying to say some people are maybe fairly low
3 compared to the total number of ships.
4 But I remember that they said to us that the
5 majority of the piers were under construction. They had new
6 piers being constructed at that time; isn't that true?
7 MR. BROWN: That's correct. Their primary pier was
8 under rehabilitation at the time during the Desert Storm. It
9 was completed repair after that, and the '94-'95 figures that
10 I gave you is with the repaired facility.
11 COMMISSIONER CORNELLA: When you say the '94-'95
12 figures, what are those figures?
13 MR. BROWN: One moment, sir.
14 COMMISSIONER CORNELLA: 88?
15 MR. BROWN: Just a second, please, sir. Sixty-five
16 vessels in '94 and 22 vessels through the 6th of May in '95,
17 sir.
18 COMMISSIONER COX: Could I ask a question about
19 Bayonne before we go on to Oakland? You mentioned that the
20 Secretary had amended his original recommendation and asked
21 that we move the enclave.
22 As I recall, they also asked that they be given

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1 discretion to move the folks from the -- from Bayonne
2 wherever they so decided to move and indicated that they were
3 in the process of studying something.
Now, as I understand it, the original COBRA run
would have, of course, moved it to Fort Monmouth and that
there were no MILCON costs or other associated costs involved
7 in that.
8 Did we -- how do we get a COBRA for the alternative
9 when we don't have the slightest idea where they're moving
10 it?
11 MR. BROWN: It's to a Base X move, Commissioner.
12 COMMISSIONER COX: Base X move.
13 MR. BROWN: Yes, Commissioner.
14 COMMISSIONER COX: I see. And what did we assume
15 in the Base X move?
16 MR. BROWN: We used a COBRA run provided to us by
17 Department of Defense, and I've got it here if you'd like me
18 to dig it out and look up the mil construction.
19 Essentially, what it does was take the military
20 construction and rehabilitation from the Monmouth model and
21 use those same space requirements to Base X.
22 COMMISSIONER COX: But how do we know that Base X

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1 has those requirements?
2 MR. BROWN: If you were worst casing an issue,
3 which DOD tries to do with their cost estimates, you would go
4 ahead and assume that there were not facilities available at
5 Base X, and you'd need them so that you could go ahead and
6 put some cost estimates against them.
7 COMMISSIONER COX: So could you tell me what the
8 MILCON assumption is for this move?
9 MR. BROWN: I'll have to look it up, if you'll give
10 me a chance to --
11 COMMISSIONER COX: That would be great. Thanks.
12 MR. BROWN: Also, Commissioner Cox, it's normal for
an unspecified gainer or an activity that is going to an
unspecified gaining installation for the COBRA model to send
it to a Base X, which I think is a nominal 1,320.
16 COMMISSIONER COX: I understand that. But my
17 concern is this, we had no MILCON. We were moving these
18 folks not very far up the road. So we had no relocation at
19 Fort Monmouth, and that was a return on investment of six
20 years which, for me, is, you know, getting out there.
21 I realize we did some that are a little bit longer,
22 but I felt uncomfortable doing that. Now we have an unknown.

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1 We don't know where it's going. It could be someplace -- it
2 could be anywhere.
3 MR. BROWN: The numbers for this alternative are
4 shown on Chart G-3.
5 COMMISSIONER COX: G-3. Based on Base X.
6 MR. BROWN: That's right.
7 MR. BROWN: And there were $29.9 million in
8 military construction applied at Base X for this move.
9 COMMISSIONER COX: Thank you. My only point is,
10 you know, we're now working with numbers that, frankly, I
11 feel uncomfortable with. And I realize that Base X is a
12 normal exercise, but when we go off a COBRA that has one
13 thing and instead of saying we think we know where we're
14 going to move them -- and we had other instances today where
15 we gave them authority to move it somewhere else, but
16 including where they said they wanted to move it in the first
17 place, that was one thing on a COBRA, when we're just doing,
18 sort of, a mythical Base X. As you know, I have some
19 concerns about that.
20 MR. BROWN: That construction factor would have
21 been developed as far as space requirements in conjunction
with the Corps of Engineers, Commissioner.

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1 COMMISSIONER COX: I understand.
2 MR. BROWN: A total buildup requirement.
3 COMMISSIONER COX: Thank you.
4 COMMISSIONER STEELE: I have one more question on
5 Bayonne, and actually, it applies to both. I know at Oakland
6 they said that they had leases with the local port to lease
7 two of the three berths and were looking into lease
8 agreements for the third.
9 The reason I ask the question now is I wonder if
10 they have anything similar at Bayonne and if there is any
11 money coming into the Army on either because of those leases,
12 because I would personally take that into consideration.
13 MR. BROWN: The dry dock facility at Bayonne had
14 previously been leased, and the operator went bankrupt, and
15 that lease expired. So as far as -- and they currently have
16 a short-term lease with the Port of Elizabeth that allows
17 automobile carriers to stage some commercial automobiles on
18 the installation.
19 But again, those short-term recurring contracts and
20 short-term leases are not routinely included in the COBRA
21 estimates because -- if they expire during the implementation
22 phase of the model, because they are discretionary and they

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1 can be renewed or not renewed at the discretion of the
2 operators.
3 COMMISSIONER STEELE: That makes sense. My
4 understanding with Oakland it was long-term. We can wait
5 until we get to Oakland on that one.
6 COMMISSIONER KLING: I guess it's fair to say,
7 Mr. Brown, that really through Bayonne is the only movement
8 that we need to get out from up there is the 10th Mountain
9 Division, and we've got two brigades, and you have --
10 potentially, you have Bayonne, but then you have all these
11 other ports where we could even use up and down the coast
12 beyond -- if Bayonne was closed and we didn't have any
13 ability to use private sector?
14 MR. BROWN: Initial early claimants, that is
15 absolutely correct, Commissioner. There are -- after
16 mobilization, combat support units that deploy and flow flew
17 any port that's available, basically, but the initial --
18 COMMISSIONER KLING: Right. But that would be when
19 you need anything additional, but just for normal --
20 MR. BROWN: For initial contingency operations or
21 deliberate deployments at a lower level of requirement, the
22 10th Mountain Division would be the primary claimant on the

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1 Port of Bayonne.
2 CHAIRMAN DIXON: Are there any further questions?
3 MR. BROWN: If I can have B-12 up, with the
4 Commission's permission, I'll go into Oakland, since we were
5 recommended that we were going to consider these.
6 Oakland Army Base is the only Army-owned port on
7 the West Coast. In addition to terminal operations, the
8 primary function of the port is to house the headquarters
9 that manages movement of DOD cargo throughout the Western
10 U.S. and Pacific, the Military Traffic Management Command
11 Western Area.
12 Major tenants include the 1302nd Major Port
13 Command, the Navy Oakland Public Works Center, which is
14 closing from prior BRAC action, and the cost estimates for
15 the Commission add of Oakland are as determined on the slide.
16 The cost estimates reflect a one-time cost of $36.2
17 million, a return on investment in three years with annual
18 savings of 15.9 million per year. And I would point out of
19 the base ops cost of some 14.7 million in annual base
20 operating costs, the port has a stevedoring all of the actual
21 load ship contracts at an additional -- average initial 8
22 million come that base ops cost. Closure would directly

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1 affect some 725 jobs.
2 Let me have G-14, please. Our analysis of Oakland
3 considered the same primary driving issues of Bayonne, and
4 from our perspective, the information provided us Oakland
5 Base is underutilized during normal operations.
6 Ship calls to the military pier, the single
7 military pier that's used in '93 were 16 -- correction, 21 in
8 '93, 16 in '94 and 12 through the first six months of '95.
9 Allowing two days to service a vessel, that would be an
10 estimated workload of 42 days in '93, 32 in '94.
11 Or if you allow two days to unload and then two
12 days to load, you could double that, but you still got a very
13 small workload for an annual process.
14 The initial estimates were confirmed by our
15 analysis of actual across-the-pier tonnage move versus the
16 nominal capacity of the pier that remains. Based on data
17 supplied by Oakland, I calculated a '93 workload of 47 days,
18 a '94 workload of 33 days and a 13.8 days' workload in the
19 first half of '95.
20 As I'd already mentioned, DOD is founding its
21 support for Oakland on its criticality for use during a
22 regional contingency, and I believe, as we demonstrated here,

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1 the claimants on that port during the initial phases of a
2 regional contingency will be minor.
3 COMMISSIONER KLING: Mr. Brown --
4 CHAIRMAN DIXON: Commissioner Kling.
5 COMMISSIONER KLING: The one thing that they say
6 very strongly, if you would address it just once again is
7 that on the West Coast you close down Oakland. The other
8 facilities available would be very, very limited, and they
9 would not have the capacity to handle an emergency type of
10 operation?
11 MR. BROWN: Can I have P-9 up, please? Closure of
12 Oakland, first of all, total commercial deployments on the
13 West Coast, nominal capability is greater on the West Coast
14 than it is on the Gulf Coast in terms of military --
15 commercial ports capable of handling military cargo.
16 Closure of Oakland would leave at least two
17 military-owned facilities still on the West Coast. The Port
18 Hueneme, which currently is the home port of a Navy
19 construction battalion, during Desert Storm there was an Army
20 Signal Brigade deployed out of there and a Marine Corps
21 Expeditionary Brigade. Now, it is not an ideal port by any
22 stretch of the imagination for strategic deployment, but it

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1 can be used.
2 Additionally, on the West Coast, ammunition for all
3 services is handled through the Concord Naval Weapons
4 Station.
5 COMMISSIONER ROBLES: Would you put up P-4 again?
6 Mr. Kling, I think this will, sort of, put everything in
7 perspective. Mine says P-4. It's the 10 Division force
8 flow.
9 MR. BROWN: That should be -- P-4, please. You had
10 the right number, Commissioner.
11 COMMISSIONER ROBLES: What's wrong with this
12 picture? Looking where the port is and look and see -- what
13 forces do you see in that box there? There are no forces to
14 deploy. So it doesn't matter how many contingencies you
15 have, there are no forces that are deployed.
16 If you're swinging any of the divisions that are in
17 the central part of the United States to a Pacific
18 contingency, they'll still load out of the Gulf ports because
19 that's the shortest route to their equipment. They'll load
20 the fast sealift ships. They'll come around, and they'll go.
21 If they're going to the Middle East, they'll go
22 from the -- if they're going to Europe, they're going from

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1 the East Coast ports. If they're going to Korea, they're
2 going up from Seattle-Tacoma area. There are no forces
3 there.
4 MR. BROWN: In summary, if I could have G-9 and G-
5 17 up side-by-side?
6 COMMISSIONER CORNELLA: Commissioner, could I ask
7 you a question once, though? Because I've heard it expressed
8 to me that -- you know, our Panama Canal Treaty is only a few
9 years away, and I'm not saying anything would ever happen
10 down there, but I've heard the concern expressed by the Army
11 that if they did not have that canal to go through, if they
12 were going to go west, they would need Oakland. Is there any
13 validity to that argument, Commissioner, Commissioner Robles?
14 COMMISSIONER ROBLES: To go through the Panama
15 Canal Zone to go where?
16 COMMISSIONER CORNELLA: If you were loading to go -
17 -
18 COMMISSIONER ROBLES: Oh, to the Gulf -- from the
19 Gulf Coast ports.
20 COMMISSIONER CORNELLA: To go somewhere where you'd
21 normally be serving --
22 COMMISSIONER ROBLES: That's true, but if you look

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1 at the major regional contingency in that part of the world,
2 the fact of the matter is we still expect that we will be
3 able to go through the Panama Canal, I mean, whether we
4 control it or not. I think there is agreements.
5 Civilian shipping is going to go through there, and
6 I believe that there is going to be enough safeguards in all
7 the provisions and treaties that would allow us to go through
8 there.
9 But if it wasn't, if it got damaged, destroyed or
10 whatever, then it would have to go the farther way around,
11 but that is a far -- that is a scenario that is way out there
12 in the Gulf distribution and probably would not occur with
13 any great validity, because the main force that's there is
14 the marines that are in the -- that are out there, the 25th
15 Division Light out of Hawaii, the 2nd Infantry Division's two
16 heavy brigades in Korea.
17 You would flow the other heavy brigades that are
18 being restationed in Fort Lewis there, and if you needed
19 follow-on forces, in all probability, they would be able to
20 go through the Panama Canal Zone and sweep around, and I
21 don't think that would be a problem. So yes, there probably
22 is some risk, but as I said, it's way out there in the tails

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1 of a normal distribution.
2 COMMISSIONER STEELE: If I could follow-up with a
3 question?
4 CHAIRMAN DIXON: Commissioner Steele.
5 COMMISSIONER STEELE: Back to my lease question.
6 If we do know the Army is -- you know, if the cost of running
7 Oakland Army Base is being offset by leases, I guess I want
8 to know that to see the price of the insurance policy I may
9 choose to purchase or not purchase here.
10 MR. BROWN: Commissioner, I do not have that lease
11 price for you. It was not included in the DOD cost estimate
12 which would indicate that it was not a long-term lease.
13 COMMISSIONER STEELE: Okay.
14 CHAIRMAN DIXON: Any further questions of
15 Mr. Brown?
16 (No response.)
17 CHAIRMAN DIXON: Have we concluded the
18 presentations on Bayonne and Oakland?
19 (No response.)
20 CHAIRMAN DIXON: Are there any further statements
21 by any Commissioner?
22 (No response.)

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CHAIRMAN DIXON: Is there any motion by any Commissioner with respect to Bayonne first?
COMMISSIONER KLING: I would, Mr. Chairman?
CHAIRMAN DIXON: Commissioner Kling.
MOTION
COMMISSIONER KLING: Mr. Chairman, I move the Commission find the Secretary of Defense deviated substantially from Final Criteria 1 and 3 and therefore the Commission reject the Secretary's recommendation on Bayonne Military Ocean Terminal and instead adopt the following recommendation:
Close Bayonne Military Ocean Terminal, relocate the Military Traffic Management Command Eastern Area Commanded Headquarters and the Traffic Management portion of the 1301st Major Port Command to a location to be determined, move the Navy Military Sealift Command Atlantic and Navy Resale and Fashion Distribution Center to a location to be determined. The Commission finds this recommendation is consistent with the Force Structure Plan and Final Criteria.
CHAIRMAN DIXON: Second the motion. Is there any further comment?
(No response.)

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CHAIRMAN DIXON: Counsel, call the roll.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: No.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: No.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is 6 ayes and 2 nays.
CHAIRMAN DIXON: And the motion is agreed to. Now, what's the pleasure of the Commission with respect to Oakland Army Base, which is of course, is an add-on? There has been

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substantial discussion. Is there a motion?
COMMISSIONER KLING: Mr. Chairman?
CHAIRMAN DIXON: Commissioner Kling.
MOTION
COMMISSIONER KLING: To get this out and let's see where we are, I move the Commission find the Secretary of Defense deviated substantially from Final Criterion 1 and therefore the Commission adopt the following recommendation:
Close Oakland Army Base, California, relocate Military Traffic Management Command Western Area and 1302nd Military Port Command to a location to be determined, enclave Army Reserve elements. The Commission finds this recommendation is consistent with the Force Structure Plan and Final Criteria.
CHAIRMAN DIXON: Is there a second to that motion?
COMMISSIONER ROBLES: I second it.
CHAIRMAN DIXON: Commissioner Robles seconds the motion put by Commissioner Kling. Is there any comment on this? Commissioner Cox?
COMMISSIONER COX: Mr. Chairman, I just might comment that this is an add, as you all know. The Army feels very strongly that it should not have been added and that it

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should not be closed. Unlike the Navy, facilities that were supported by the Navy but taken off the list by the Secretary for economic impact reasons, this is a case that has been made by the Army on strategic reasons. I find those reasons to be at least reasonable, and given the fact that it was not on the list in the first place, I would hope that we would give the Secretary and the Army the presumption of the doubt here, and I would urge that we vote no.
CHAIRMAN DIXON: Are there any further comments by any other Commissioner? The Chair remind the Commissioners that this would require five votes. Counsel call the roll.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: No.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: No.
MS. CREEDON: Commissioner Cox?

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COMMISSIONER COX: No.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, there are 5 ayes and 3 nays.
CHAIRMAN DIXON: And the Commission finds that the Secretary of Defense deviated substantially and Oakland is closed. Medical Centers. Fitzsimons Army Medical Center.
MR. BROWN: Mr. Chairman, Mr. David Lewis will discuss Fitzsimons Army Medical Center.
MR. LEWIS: Mr. Wooten, Chart H-3, please. The recommendation on Fitzsimons Army Medical Center represents the only outright hospital closure before this Commission. As with Fort Meade and Forth Lee, this recommendation originated with a Medical Joint Cross Service Group alternative.
The savings figures shown on this chart include what I believe to be a conservative estimate of $49 million per year to be spent providing Fitzsimons' current workload at other military hospitals or in civilian hospitals under

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CHAMPUS.
At the June 14th hearing, the Secretary of Defense requested a modification to the original recommendation, removal specific designation of the receiving installation for the optical lab and the two schools in the original recommendation.
Mr. Wooten, Charts H-5 and H-6, please. The first concern raised by the Fitzsimons community group was their questioning of the appropriateness of several of the measures that the Army used to examine medical centers.
They took issue with the Army's use of facility size as a comparative criteria, the exclusion of World War II wooden buildings from consideration and the use of a derived relative cost criteria that differed from the standard cost measure used by the Medical Joint Cross Service Group.
The criteria used by the Army are explained in detail in the Army report to the Commission. The criteria that are used had the effect of comparing -- or, excuse me. Comparing facilities using these criteria gives higher rankings to newer, larger capacity facilities that serve a co-located active duty population.
This is in line with the Army operational blueprint

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1 for medical centers. In addition to questioning the
2 criteria, the community group also noted many errors in the
3 Army's scoring. In response, the Army Audit Agency revisited
4 the scoring issue and found a large number of errors.
5 The revised scoring and ranking moved Fitzsimons
6 from the lowest ranked of the three Army medical centers into
7 a virtually three-way tie. However, the changes in the
8 scoring and ranking do not affect the Army rational for
9 studying Fitzsimons for closure.
10 The Army operational blueprint says that medical
11 centers must have a primary mission of serving active duty
12 military and their family members. Regardless of its
13 relatively rank, this is simply not the case for Fitzsimons.
14 The only military installation of any size in the
15 Fitzsimons detachment area is Fitzsimons itself. With the
16 closure of Lowry Air Force Base in the 1991 round, Fitzsimons
17 was left without a local active duty population to support.
18 The second major issue the community raised was the
19 impact on the retired community users of the hospital. This
20 issue is definitely a consequence of the Army operational
21 blueprint that identified Fitzsimons as a candidate for
22 closure.

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1 The largest portion of the hospital's current
2 workload is for members of the retired community, retired
3 members, their family members and survivors, and they will
4 certainly be impacted if the hospital closes.
5 Many people have grown to depend on Fitzsimons for
6 medical care and were counting on the hospital to serve them
7 in their retirement. For the most part, closure of the
8 hospital will mean that they now have to go to civilian
9 hospitals, some for the first time.
10 They will also be responsible for paying for some
11 portion of their health care, care that was formerly three to
12 them at Fitzsimons. Many have described the closure of
13 Fitzsimons as a broken promise, a breach of their perceived
14 agreement with the government that a reward for their 20 or
15 more years of military service will be a lifetime of free
16 health care for them and their dependents.
17 However, the law that identifies the priorities for
18 direct care services supports the Army's stationing strategy.
19 This says that hospitals are primarily operated to support
20 active duty personnel and their families, not the retired
21 community.
22 The health care benefit retirees and their

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1 dependents earned is in the form of CHAMPUS coverage until
2 age 65, Medicare coverage after age 65 and space available
3 care at military hospitals throughout their retirement.
4 Many retirees and their family members who depend
5 on the hospital today will have to go through a difficult
6 transition and will have to pay for something that was
7 formerly three to them.
8 This will not be easy for them, but at the same
9 time this recommendation is in line with both the law and the
10 Army's stationing strategy. Also, some of these impacts will
11 be mitigated by the implementation next year of the Tricare
12 Managed Care Program for most of these retirees as well as
13 the continuation of a pharmacy benefit for both CHAMPUS and
14 Medicare eligible retirees.
15 If I could have Chart H-6 on the right, please,
16 Mr. Wooten. I won't read my summary chart. I will answer
17 any questions that the Commission has, but I would like to
18 note the Commission alternative on the right side of this
19 chart.
20 The alternative recommendation is provided in order
21 to incorporate a minor modification requested by the
22 Secretary of Defense as well as a second modification

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1 suggested by staff.
2 Both modifications remove specific receiving
3 locations for current Fitzsimons tenants, providing the
4 Department with flexibility in implementing the
5 recommendations of this Commission. Subject to your
6 questions, this completes my discussion of this
7 recommendation.
8 CHAIRMAN DIXON: Are there any questions of
9 Mr. Lewis?
10 COMMISSIONER STEELE: Yes, Mr. Chairman.
11 CHAIRMAN DIXON: Commissioner Steele.
12 COMMISSIONER STEELE: I've got three questions.
13 First, Fitzsimons is the lead agent for the provision of
14 health care in DOD's Medical Region 8, which encompasses 12
15 states. I was provided with this little map which is,
16 obviously, a huge chunk of the country.
17 I would just like you to please comment upon how
18 the closure would affect that region. Are they losing care
19 in that region?
20 MR. LEWIS: Yes Commissioner. Mr. Wooten, if I
21 could have Chart H-7 on the left and my backup map on the
22 right. The community group has questioned this strongly.

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1 However, medical central referrals, which they are
2 discussing, are not dependent on regions.
3 The lead agent mission that is described by the map
4 that you presented is largely an administrative entity. It's
5 not a lot of people. People move from smaller hospitals to
6 referral medical centers for sophisticated care not based on
7 their region but on what their problem is and on the
8 availability of that care around the country.
9 A patient in Wyoming is as likely to end up at
10 Madigan Army Medical Center Fort Lewis Washington as he is to
11 end up at Fitzsimons Army Medical Center. It all depends on
12 the capability.
13 Also, on the map that's before you now, is an
14 indication of the number of military hospitals that are in
15 that region. These hospitals are located with a active duty
16 military population. They will continue to serve them.
17 As they need to refer patients for more
18 sophisticated care than they can provide, they will continue
19 to do that. It's happening today. It would happen – it
20 would continue to happen if Fitzsimons were to close. And I
21 believe this is something that could be hand in
22 implementation.

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1 COMMISSIONER STEELE: Okay. Secondly, I gather
2 there was a study in 1991 by the Vector Research Group which
3 concluded, "Overall, it's cheaper to provide for a given
4 amount of workload at Fitzsimons than it is to purchase it
5 from the civilian sector through the CHAMPUS program." I
6 wondered you were familiar with that study and could comment
7 on its validity there.
8 MR. LEWIS: Yes, ma'am. I have not studied that at
9 length. However, I have reviewed the Assistant Secretary of
10 Defense for Health Affairs -- his office did not accept that
11 study and disagreed with that study.
12 The Department of Defense Inspector General then
13 did a study that looked at the issue and found that it would
14 not be cost-effective to rebuild Fitzsimons, to spend, the
15 DOD estimates, $300 million to build a new facility.
16 And if I may note, that $300 million cost avoidance
17 of building a new facility is not reflected in the savings
18 figures on the Fitzsimons recommendation because the Congress
19 withdrew that project. So it's not a -- it's not reflected
20 in the savings.
21 COMMISSIONER STEELE: Okay. Finally, I have a
22 question -- in fact this may be more for some of my

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1 colleagues with their experience. I personally am really
2 concerned about the commitment that has been made when folks
3 were active duty and now they're retirees.
You never like to hear that the government is
eaking its promises, and even, you know, a pretty real
erception of a broken promise. In fact, I've got relatives
7 in this area that tell me that this is a broken promise, and
8 it should be retained for that reason alone.
9 And I wondered my colleagues, with the experience
10 examine knowledge of what promises were made to you if you
11 could please enlighten me so I do the wise thing here.
12 COMMISSIONER MONTOYA: I'll comment on this, Mr.
13 Chairman, for a moment.
14 CHAIRMAN DIXON: Commissioner Montoya.
15 COMMISSIONER MONTOYA: Like it or not, I think I
16 knew what my rights were, what my rights weren't up through
17 my military career, and there was an expectation and a hope
18 that I would have access to military facilities and many
19 people retire near there for that one reason.
20 But to the extent that that is a promise or an
21 expectation, it has been broken many times already, as we've
22 closed hospitals around this country, and it will be broken

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1 many more times.
2 So unfortunately, Ms. Steele, it is not something
3 that is new and not something maybe as fully realized by
4 everyone, but a good part of the military population
5 understands it. That's my view.
6 COMMISSIONER DAVIS: But frankly, I'm not sure,
7 Mr. Chairman, if they like it very much.
8 CHAIRMAN DIXON: Commissioner Davis.
9 COMMISSIONER DAVIS: There is a tremendous decline
10 in military health care, and I think we need to remember --
11 and I need not lecture the Commissioners, because I think
12 everybody here understands the wartime requirements for a
pital and the wartime functioning in the process.
And Fitzsimons was a center of excellence that was
t of that whole structure. It wasn't set up to have
16 specialties in it to bring dependents to. It was have
17 specialties in it to back-fill, back-haul them from the
18 combat theater back to the United States, and there they
19 would care for them.
20 Now, you don't want to have a doctor work on you if
21 he's not practicing medicine. If he hasn't done that
22 procedure in five or six years, I think I'd go look for

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1 another doctor.
2 So consequently, we provided that sort of care to
3 dependents and retirees, and that keeps that doctor's hand
4 in. So it's a very useful process. We no longer have
5 military stations within the Denver area, and Fitzsimons is
6 going to require considerable repair.
7 So consequently, the Army is now moving their
8 center of excellence somewhere else. It's unfortunate for
9 the retirees and those active duty in the local area that
10 that's going to go away, but I'm afraid that's going to be a
11 fact of life.
12 CHAIRMAN DIXON: Thank you, Commissioner Davis.
13 Any more questions or statements?
14 (No response.)
15 CHAIRMAN DIXON: Is there a motion?
16 COMMISSIONER KLING: Mr. Chairman?
17 CHAIRMAN DIXON: Commissioner Kling.
18 MOTION
19 COMMISSIONER KLING: I would so move here that the
20 Commission find the Secretary of Defense deviated
21 substantially from Final Criterion 2 and 4 and therefore the
22 mission reject the Secretary's recommendation on

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1 Fitzsimons Army Medical Center and instead adopt the
2 following recommendation.
3 Close Fitzsimons Army Medical Center except Edward
4 J. McQuaithy Army Reserve Center, relocate other tenants to
5 other installations. The Commission finds this
6 recommendation is consistent with the Force Structure Plan
7 and Final Criteria.
8 CHAIRMAN DIXON: Is there a second on the motion of
9 Commissioner Kling?
10 (No response.)
11 CHAIRMAN DIXON: I second that motion. Any further
12 comments?
13 (No response.)
14 CHAIRMAN DIXON: Any statements, discussions,
15 questions?
16 (No response.)
17 CHAIRMAN DIXON: Counsel will call the roll.
18 MS. CREEDON: Commissioner Kling?
19 COMMISSIONER KLING: Aye.
20 MS. CREEDON: Commissioner Montoya?
21 COMMISSIONER MONTOYA: Aye.
22 MS. CREEDON: Commissioner Robles?

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1 COMMISSIONER ROBLES: Aye.
2 MS. CREEDON: Commissioner Steele?
3 COMMISSIONER STEELE: Aye.
4 MS. CREEDON: Commissioner Cornella?
5 COMMISSIONER CORNELLA: No.
6 MS. CREEDON: Commissioner Cox?
7 COMMISSIONER COX: Aye.
8 MS. CREEDON: Mr. Chairman?
9 CHAIRMAN DIXON: Aye.
10 MS. CREEDON: Mr. Chairman, the vote is 7 ayes and
11 one nay.
12 CHAIRMAN DIXON: You didn't call on Commissioner
13 Davis.
14 COMMISSIONER DAVIS: I realize that I may not --
15 CHAIRMAN DIXON: The hour is late, but you are
16 still very important, Commissioner Davis. How do you vote,
17 sir?
18 COMMISSIONER DAVIS: I'm going to vote no on
19 principle, Mr. Chairman.
20 MS. CREEDON: My sincere apologies.
21 CHAIRMAN DIXON: Well, not only that, you had him
22 marked down wrong. Okay. The ayes and 6, nays are 2. The

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1 motion to deviate with a modification from the Secretary of
2 Defense's recommendation is adopted. We all recognize it's
3 been a long couple of days.
4 Leases. Aviation Troop Command, Missouri.
5 MR. BROWN: Mr. Chairman, we have four
6 recommendations within the lease category. Mr. Mike Kennedy
7 will discuss all four of them.
8 CHAIRMAN DIXON: The Chair wants to announce in
9 advance he has to recuse himself for economic reasons on
10 advice of counsel. Mr. Kennedy.
11 MR. KENNEDY: The DOD recommendation is to
12 disestablish the Aviation Troop Command and close it by
13 relocating its aviation related functions to Red Stone
14 Arsenal, soldier systems functions to Natick, Massachusetts,
15 the automotive functions to Detroit Arsenal and the
16 communication electronics functions to Fort Monmouth.
17 Can I have Chart I-3 and I-5, please. As can see
18 in Chart I-3, there is a one-time cost of 152 million, annual
19 savings of 56 million with a three-year return on investment
20 of a net present value of 573 million.
21 There have been three issues identified with this
22 recommendation. The first one involves the military value

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1 assessment. The community contends that the Army did not
2 conduct a military value assessment.
3 We found that the Army did conduct a military value
4 assessment, although they used a different process than they
5 did for their other categories of installations. The
6 analysis was consistent with the other installations.
7 The second issue and really the key issue here in
8 this recommendation involves a number of civilian personnel
9 eliminations. This accounts for 40 million of the 56 million
10 in annual savings.
11 The Army estimates that they'll eliminate 786
12 positions, which is down from their original estimate of
13 1,022, and the community estimates only 48 positions would be
14 eliminated. Our analysis indicates 761. We reduced the Army
15 by 25 for planned force structure reductions.
16 And the final issue raised by the community was the
17 total cost to the government. GSA has said if ATCOM
18 relocates they would have to relocate the remaining tenants
19 at the Goodfellow complex in St. Louis where ATCOM is because
20 they have 80 percent of the space there.
21 GSA estimates that the one-time cost to relocate
22 these tenants to other lease space in the St. Louis area

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1 would be $11.1 million. These tenants would face 3.8 million
2 in annual rent increases, and it would cost GSA approximately
3 150,000 to mothball the Goodfellow complex.
4 The Army did not consider these in their analysis,
5 but we ran a COBRA to see what impact it would have, and we
6 found that the annual savings dropped to 51 million, still a
7 three-year return on investment of a net present value of
8 $511 million. So it was still a good recommendation.
9 COMMISSIONER STEELE: Mr. Kennedy, positions
10 eliminated since the staff number and DOD's number is so
11 different than the community's position, I wonder if you
12 could please walk me through how you got to your conclusion?
13 MR. KENNEDY: Sure.
14 COMMISSIONER STEELE: Thanks.
15 MR. KENNEDY: The community raised four issues
16 regarding the eliminations. Their first issue was that there
17 are 56 positions that provide area support to other
18 activities in St. Louis.
19 When we looked into it you found out that most of
20 this was going to the Defense Finance and the Defense Mega-
21 center. They are reimbursing the Aviation Troop Command. So
22 if Aviation Troop Command leaves, these two activities can go

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1 and find that reimbursable support elsewhere.
2 The second issue involved base operating support.
3 The community claimed the Army underestimated the number of
4 base operating support needed at the gaining installations.
5 The Army runs a model that predicts the number of people that
6 will be needed based on the population moving in.
7 When they did this at Red Stone, they cut the model
8 in half, and what he Army -- and their rationale was they
9 looked at the current ratio of base ops to base population at
10 Red Stone and used that instead of what the model predicted.
11 When we made the base visit to Red Stone, the
12 people there had no problem with that. That accounted for
13 90. The next group was 205 positions they said was force
14 structure reductions.
15 What we found is 205 were never counted in the Army
16 number. They're over and above BRAC savings, so they were
17 never included in the Army number.
18 And the last group is the ATCOM prepared as part of
19 their implementation package a manpower deviation request,
20 and they estimated they would need 387 people to perform
21 their current mission when they move to Red Stone.
22 The position of the Army is and that we kind of

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1 agree with, that when they move to Red Stone, the mission --
2 they're forming a new command, the Aviation Missile Command.
3 They're combining both ATCOM with MICOM that's currently in
4 Red Stone.
5 So the Army has projected, basically, by doing
6 this, they can achieve a 20 percent savings. We think that
7 is realistic. So that's how we walked through the various
8 numbers.
9 COMMISSIONER COX: Mr. Kennedy, along that line, if
10 I might just ask you, I understand that there has recently
11 been a Department of Army memo indicating that, in fact, they
12 would need all 786 or practically all of the 786 civilian
13 positions and that that's at least somewhere in the Army's
14 system. Have you all seen that?
15 MR. KENNEDY: There was a memo written by --
16 COMMISSIONER KLING: I may have that, it just so
17 happens.
18 COMMISSIONER COX: Did you just happen to have
19 that?
20 COMMISSIONER KLING: That's something that troubles
21 me.
22 CHAIRMAN DIXON: Commissioner Kling.

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1 COMMISSIONER KLING: And I do not mean to interrupt
2 you, but the memo from the commander at ATCOM -- and here
3 we're counting on the savings by personnel reduction, because
4 that's where this savings has to come from that you said.
5 But this memo from the commander there says, "In
6 keeping with our --" this is directed to all the personnel.
7 "In keeping with our commitment to focus on taking care of
8 our people, we have reached agreement with the commanders at
9 the four sites to which our functions have been identified
10 for transfer.
11 "These agreements assure that if the BRAC
12 recommendation to de-establish ATCOM is approved all ATCOM
13 employees will be offered a position at one of the four
14 locations. This is good news for everyone. These agreements
15 are attached for your information."
16 Now, what troubles me is General Sullivan in front
17 of us, when we asked are you going to eliminate these jobs
18 and can be absolutely be guaranteed of that, and they
19 answered yes, we are, and here is a general in charge of the
20 location saying, no, we're going to give everybody their
21 jobs. Everybody can take their jobs and can transfer. So
22 that's what troubles me about this type of action.

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1 COMMISSIONER ROBLES: May I respond to that
2 question?
3 CHAIRMAN DIXON: Commissioner Robles?
4 COMMISSIONER ROBLES: That's Army jargon. I think
5 what that memo says is that based on Civil Service rules they
6 will be offered jobs in the Civil Service system, not
7 necessarily the same applications replicated at Red River --
8 or at Red Stone but more likely that there are jobs in the
9 local St. Louis area or throughout the Civil Service or
10 vacancies that are unfilled down in Red Stone that they, in
11 fact, could apply for and get validated.
12 I don't think in any way, shape or form does that
13 memo indicate that they're going to transfer those 700-plus
14 slots, spaces down to Red Stone, because that would be, in
15 fact, no savings.
16 MR. BROWN: Robert, would you pass out the ATCOM
17 letter, please?
18 COMMISSIONER KLING: There is a further letter that
19 when we inquired as to what the situation is -- and I'm not
20 going to read it, because the answer came back, "The Army is
21 committed to the proposal and to obtaining the savings that
22 it would generate." There is nothing incompatible with

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1 General Cowings' memorandum, in essence.
2 MR. BROWN: Commissioner Robles, there are four
3 attachments to the 5 May letter from General Cowings. There
are agreements between the commanders of the Aviation Troop
Command and the four gaining major subordinate commands of
AMC.
In the second paragraph of that letter, if you'll
8 just read, I guess, the second through the fifth lines where
9 it talked about, "All employees whose functions are
10 identified for movement will have transfer of function
11 rights. In this instance, transfer of function rights means
12 that all employees will receive a job offer at their same
13 grade at the same time the final decision is implemented."
14 That means if your function is transferred, you
15 will be offered a job. If your function is not transferred,
16 you will not be offered a job at the gaining installation.
17 COMMISSIONER KLING: But the letter following that,
18 the letter dated May 5th after the April 26th letter now
19 says, no, everybody can do that. Everybody can take their
20 jobs, can move and have their same position. So that's the
21 problem.
22 And then, when we asked, you would think that the

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1 Army would have said, "Wait a minute. We made a mistake, and
2 everybody can't do that," and that they did not come back and
3 say. That's the problem I had with it.
4 CHAIRMAN DIXON: Any further questions or
5 statements?
6 COMMISSIONER MONTOYA: I have a question.
7 CHAIRMAN DIXON: Commissioner Montoya.
8 COMMISSIONER MONTOYA: It has come to my attention
9 and I want to verify with staff that some of these functions
10 that are being transferred, particularly the Aviation
11 Research Development and Engineering Center could have some
12 cross servicing overtones and that there is some desire at
higher levels of the Army that maybe they would like the
ability to have some language that would say to go to Red
Stone Arsenal, Alabama, or some other appropriate location
16 after they do a cross servicing search or look and so forth.
17 Have you heard anything like that? Do you have any
18 information to that respect?
19 MR. KENNEDY: No, Commissioner.
20 COMMISSIONER COX: Would that jive with the roles
21 and missions report?
22 COMMISSIONER MONTOYA: Have you studied anything

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1 like that?
2 MR. KENNEDY: We have not, Commissioner Montoya.
3 CHAIRMAN DIXON: We might wait a moment here.
4 Director, have you something further to add?
5 MR. LYLES: Only, Mr. Chairman, that I think the
6 thrust of the Army's proposal here, and you might correct me
7 if I'm wrong, is that they are moving similar functions and
8 really streamlining and consolidating and bringing together
9 similar functions to a single commodity command. General
10 Robles, Commissioner Robles, you --
11 COMMISSIONER ROBLES: And this gets right at the
12 same thing that --
13 CHAIRMAN DIXON: Commissioner Robles.
14 COMMISSIONER ROBLES: This gets at the same issue
15 that Mr. Kling had. Army Material Command has had a lot of
16 subordinate headquarters for a long time. About when the
17 United States Congress and Department of Defense and
18 Administration decided to downsize the military force by
19 about 35 or so percent in force structure, the first place
20 that people like me, who was in that business, looked to
21 reduce was headquarters, because using a good old management
22 principal, that's where you get efficient.

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1 You start cutting layers out of the structure. So
2 they have been on a very aggressive campaign to reduce the
3 levels of management that aren't -- I won't say value added
4 but aren't as directly hands-on to the product of
5 development, the engineering, whatever.
6 This has been particularly true in the Material
7 Command with its major subordinate commands. And there has
8 been a plan for a long time. There was Red Stone 2000, a lot
9 of plans in which they wanted to consolidate at Red Stone,
10 make it a center of R&D excellent in several fields,
11 aviation, missile and space and other related sciences, cut
12 all those headquarters that were doing that function, the
13 staffing in those headquarters, because you had lots of
14 duplication there, and we could afford it at one time, but
15 when money gets tight and structure gets tight you can't, and
16 bring them all to one place.
17 Now, I think, even though it's the written word,
18 the written word sometimes isn't very clear. And I
19 understand where Commissioner Kling could get confused, but
20 having read thousands and thousands and thousands of these
21 kind of memorandums, what that, basically, says is after we
22 come up with a downsizing plan to transfer these functions to

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1 Red Stone and in that process we're going to save those
2 positions, those positions that do transfer that need to go
3 down to Red Stone to do the function where you cannot come up
4 with efficiency in economies or you cut out overlap, they're
5 going to offer the employees that are currently incumbent in
6 those positions the ability to -- or similar jobs given their
7 specialties, grade, et cetera.
8 I don't think that anyone should read into these
9 memos that they are, in fact, going to take all those
10 positions, transfer them down there and then move all the
11 people down there, because then that would absolutely have no
12 savings. That is clearly what the intent of this is, and
13 knowing John Cowings, I don't think that's the plan.
14 And this plan has been on the books for years.
15 Now, the difficulty of this whole situation is that ATCOM is
16 a great headquarters, and there is some great people, and
17 they've served St. Louis and the nation well for many years.
18 But if you're in the process of cutting and
19 downsizing and you want to cut out headquarters, you're going
20 to have to make some tough calls like this.
21 CHAIRMAN DIXON: Are there any further comments or
22 questions?

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1 COMMISSIONER KLING: Just last comment.
2 CHAIRMAN DIXON: Commissioner Kling.
3 COMMISSIONER KLING: I happen to agree totally. I
4 don't think you can argue with the fact about downsizing,
5 reducing overhead, combining wherever possible, because
6 that's what we've been at, I think, for two days here.
7 But the only problem I got is when we get an answer
8 back that says, well, we're going to go along -- we're going
9 to still have -- obtain the savings that we generated instead
10 of saying, no, we've amended our policy to the employees or
11 to the personnel there.
12 They have not said that they are going to do that
13 and haven't, and having said that, that's that. Thank you.
14 CHAIRMAN DIXON: Thank you, Commissioner Kling.
15 Are there any further comments or questions by anyone?
16 (No response.)
17 CHAIRMAN DIXON: Is there a motion?
18 COMMISSIONER ROBLES: Before we get to the motion,
19 Mr. Chairman, can I ask one question?
20 CHAIRMAN DIXON: Commissioner Robles?
21 COMMISSIONER ROBLES: Commissioner Montoya made an
22 interesting point. I think what you said, and I'd ask you to

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1 clarify, is that in this proposal, as we talk about
2 transferring functions to Red Stone, does it make sense to
3 broaden that and not just say move them to Red Stone or put
4 some kind of language in there that allows you to transfer to
5 Red Stone or other joint activities that make sense? Is that
6 what I heard --
7 COMMISSIONER MONTOYA: That's what I was proposing.
8 It seems like the Army has come to us two or three times with
9 letters. We've had amendments that have broadened the -- in
10 other words, don't tell us where. Give us some latitude.
11 So this one came up in some discussions that the
12 Army folks wanted this, and I wonder if the staff had that as
13 something that they had heard.
14 CHAIRMAN DIXON: Director?
15 MR. LYLES: Mr. Chairman, I'm not aware of any
16 request by the Army of this nature. I know there have been
17 some requests by communities who would like to have us
18 consider alternative sites to Red Stone Arsenal for some of
19 these functions, but I'm not aware of any official request
20 from the Army. Ed or Mike?
21 MR. BROWN: We have gotten no official request --
22 have not gotten any official requests from the Army.

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1 MR. LYLES: Formal or informal, and I'm just
2 reluctant to be changing things unless it came from some
3 source within the Army.
4 CHAIRMAN DIXON: Okay. Staff says there have been
5 no requests and that the language speaks for itself. This is
6 the language, as I understand it, given to us by the
7 Secretary of Defense. Are there any further comments or
8 questions?
9 (No response.)
10 CHAIRMAN DIXON: Is there a motion?
11 COMMISSIONER ROBLES: Mr. Chairman?
12 CHAIRMAN DIXON: Commissioner Robles.
13 MOTION
14 COMMISSIONER ROBLES: I move the Commission find
15 the Secretary of Defense did not deviate substantially from
16 the Force Structure Plan and Final Criteria and therefore the
17 Commission adopt the following recommendation of the
18 Secretary of Defense:
19 Disestablish Aviation Troop Command ATCOM and close
20 by relocating its missions and functions as follows:
21 Relocate Aviation Research Development and Engineering
22 Center, Aviation Management and Aviation Program Executive

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1 Offices to Red Stone Arsenal, Huntsville, Alabama, to form
2 the Aviation and Missile Command, relocate functions related
3 to soldier systems to Natick Research Development Engineering
4 Center, Massachusetts, to align with the Soldier Systems
5 Command, relocate functions related to material management of
6 communication electronics to Fort Monmouth, New Jersey, to
7 align with Communication Electronics Command, relocate
8 automotive material management functions to Detroit Arsenal,
9 Michigan, to align with Tank Automotive and Armaments
10 Command.
11 CHAIRMAN DIXON: Is there a second to the motion by
12 Commissioner Robles?
13 COMMISSIONER MONTOYA: Second.
14 CHAIRMAN DIXON: There is a second my Commissioner
15 Montoya. Counsel is reminded that due to economic
16 circumstances, the Chairman is recusing himself. Counsel,
17 call the roll.
18 MS. CREEDON: Commissioner Robles?
19 COMMISSIONER ROBLES: Aye.
20 MS. CREEDON: Commissioner Steele?
21 COMMISSIONER STEELE: Aye.
22 MS. CREEDON: Commissioner Cornella?

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1 COMMISSIONER CORNELLA: Aye.
2 MS. CREEDON: Commissioner Cox?
3 COMMISSIONER COX: Aye.
4 MS. CREEDON: Commissioner Davis is recused.
5 Commissioner Kling?
6 COMMISSIONER KLING: No.
7 MS. CREEDON: Commissioner Montoya?
8 COMMISSIONER MONTOYA: Aye.
9 MS. CREEDON: Mr. Chairman, the vote is 5 ayes and
10 one nay.
11 CHAIRMAN DIXON: 5 ayes, one nay, Commissioner
12 Davis and the Chair recusing, and the motion carries.
13 Concepts Analysis Agency, Maryland.
14 MR. KENNEDY: May I have Chart I-8 and I-11,
15 please. The DOD recommendation is to close Concepts Analysis
16 Agency by relocating it from lease space to existing space at
17 Fort Belvoir. The recommendation has a four-year return on
18 investment and no major issues were identified with this
19 recommendation.
20 In summary, the recommendation is consistent with
21 the Army stationing strategy to move activities from lease
22 space to military space when economically feasible. Are

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1 there any questions?
2 CHAIRMAN DIXON: Are there any questions?
3 (No response.)
4 CHAIRMAN DIXON: Are there any comments?
5 (No response.)
6 CHAIRMAN DIXON: Are there any statements?
7 (No response.)
8 CHAIRMAN DIXON: Is there a motion?
9 COMMISSIONER KLING: Yes, sir.
10 CHAIRMAN DIXON: Commissioner Kling.
11 MOTION
12 COMMISSIONER KLING: I move the Commission find the
13 Secretary of Defense did not deviate substantially from the
14 Force Structure Plan and Final Criteria and therefore the
15 Commission adopt the following recommendation of the
16 Secretary of Defense: Close by relocating Concepts Analysis
17 Agency to Fort Belvoir, Virginia.
18 CHAIRMAN DIXON: Is there a second?
19 COMMISSIONER STEELE: I second the motion.
20 CHAIRMAN DIXON: Second by Commissioner Steele.
21 Are there any other comments?
22 (No response.)

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1 CHAIRMAN DIXON: Counsel, call the roll.
2 MS. CREEDON: Commissioner Kling?
3 COMMISSIONER KLING: Aye.
4 MS. CREEDON: Commissioner Montoya?
5 COMMISSIONER MONTOYA: Aye.
6 MS. CREEDON: Commissioner Robles?
7 COMMISSIONER ROBLES: Aye.
8 MS. CREEDON: Commissioner Steele?
9 COMMISSIONER STEELE: Aye.
10 MS. CREEDON: Commissioner Cornella?
11 COMMISSIONER CORNELLA: Aye.
12 MS. CREEDON: Commissioner Cox?
13 COMMISSIONER COX: Aye.
14 MS. CREEDON: Commissioner Davis?
15 COMMISSIONER DAVIS: Aye.
16 MS. CREEDON: Mr. Chairman?
17 CHAIRMAN DIXON: Aye.
18 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
19 0 nays.
20 CHAIRMAN DIXON: And the motion is unanimous
21 adopted. Information Systems Software Command Virginia.
22 MR. KENNEDY: Charts I-12 and I-15, please. Flip

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1 Concepts Analysis Agency, DOD's recommendation is to close
2 Information Systems Software Command by relocating it from
3 lease space in Fairfax, Virginia, to existing space at Fort
Meade.
There has only been one issue identified with this
recommendation is that the Army plans to back-fill the space
7 that ISSC currently occupies with tenants in other lease
8 space in the Washington area.
9 They haven't made a final decision, but the tenants
10 that are under consideration have comparable lease costs with
11 ISSC. So there would be some lease savings. Again, this is
12 consistent with the Army recommendation to reduce lease
13 space. I'll entertain any questions?
14 CHAIRMAN DIXON: Any questions for Mr. Kennedy?
15 (No response.)
16 CHAIRMAN DIXON: Any statements by Commissioners?
17 (No response.)
18 CHAIRMAN DIXON: Is there a motion?
19 COMMISSIONER KLING: Yes, sir.
20 CHAIRMAN DIXON: Commissioner Kling.
21 MOTION
22 COMMISSIONER KLING: I move the Commission find the

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1 Secretary of Defense did not deviate substantially from the
2 Force Structure Plan and Final Criteria and therefore the
3 Commission adopt the following recommendation of the
4 Secretary of Defense close by relocating Information Systems
5 Software Command to Fort Meade, Maryland.
6 CHAIRMAN DIXON: Is there a second?
7 COMMISSIONER STEELE: I second the motion.
8 CHAIRMAN DIXON: Seconded by Commissioner Steele.
9 Are there any comments or questions?
10 (No response.)
11 CHAIRMAN DIXON: Counsel will call the roll.
12 MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
16 MS. CREEDON: Commissioner Robles?
17 COMMISSIONER ROBLES: Aye.
18 MS. CREEDON: Commissioner Steele?
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella?
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Commissioner Cox?

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1 COMMISSIONER COX: Aye.
2 MS. CREEDON: Commissioner Davis?
3 COMMISSIONER DAVIS: Aye.
4 MS. CREEDON: Mr. Chairman?
5 CHAIRMAN DIXON: Aye.
6 MS. CREEDON: Mr. Chairman, the vote is 8 ayes and
7 0 nays.
8 CHAIRMAN DIXON: And the motion is adopted. Space
9 and Strategic Defense Command, Alabama.
10 COMMISSIONER COX: Mr. Chairman?
11 CHAIRMAN DIXON: Commissioner Cox?
12 COMMISSIONER COX: This was a Commission add. In
13 fact, I added it as an alternative to the ATCOM move to Red
14 Stone, and given the last vote, I suggest we simply move on.
15 CHAIRMAN DIXON: Is there anybody who wants to make
16 a motion on this question in Alabama?
17 (No response.)
18 CHAIRMAN DIXON: Anybody want to make a motion?
19 (No response.)
20 CHAIRMAN DIXON: Space and Strategic Defense
21 Command lease facility Alabama is open. Okay. Minor issues
22 the list. Baltimore Publications Distribution Center,

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1 Maryland.
2 MR. BROWN: Put up J-2 and J-4, please.
3 Mr. Chairman, the recommendation is to close the Publications
4 Distribution Center Baltimore, Maryland, and relocate its
5 activities to the U.S. Army Publication Center, St. Louis,
6 Missouri.
7 Our analysis revealed that the DOD-wide study seems
8 to be focusing on consolidation within the Defense Logistics
9 Agency. However, its completion and implementation are
10 uncertain.
11 In the interim, the Army requires only one
12 publication center. The St. Louis center is better suited to
13 bulk storage. The St. Louis center is completely automated
14 while the Baltimore center is not, and any requirement for
15 additional space will be temporary and will be in an Army-
16 owned facility. Subject to your questions, Mr. Chairman,
17 that completes our presentation.
18 CHAIRMAN DIXON: Are there any questions?
19 COMMISSIONER STEELE: Yes, Mr. Chairman. I have
20 two questions?
21 CHAIRMAN DIXON: Commissioner Steele?
22 COMMISSIONER STEELE: I understand, Mr. Brown, that

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1 DOD is currently considering a service-wide consolidation of
2 its publications distribution mission. In light of DOD's
3 fluctuating PDC mission over the next several years,
4 especially as it converts to more diverse and streamlined
5 mission, doesn't it make sense, most business sense -- excuse
6 me. I've got too many notes on here. Does it not make the
7 most business sense -- good grieve. I'm sorry. The late
8 hour is catching up with me. Why are we eliminating the most
9 flexibility facility, Mr. Brown, from the background I've
10 received on this.
11 MR. BROWN: It's our analysis, Commissioner Steele.
12 that within the Army there is a need for only one
13 distribution center, and the St. Louis center provides for
14 flexibility. However, within the entire Department of
15 Defense, there are a number of installations, and there is no
16 certainty how many would be required.
17 We have no idea when a study would be completed,
18 how that study would result, and in the interim, it's prudent
19 for the Army to get down to one publication center.
20 COMMISSIONER STEELE: But I understand that the
21 Army's PDC mission focuses mainly on readiness and quick
22 response times, and other services do not. But is it true

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1 that the Army's facilities could carry out the missions of
2 the other services; whereas, the Navy and the Air Force could
3 not effectively carry out the Army's mission?
4 MR. BROWN: I can't comment on the capabilities of
5 the other two services, Commissioner Steele.
6 COMMISSIONER STEELE: Can anyone address that
7 issue?
8 MR. BROWN: We did not look into it because it was
9 not part of this recommendation and the analysis of this
10 recommendation.
11 COMMISSIONER ROBLES: I will make just a quick
12 comment that --
13 CHAIRMAN DIXON: Commissioner Robles?
14 COMMISSIONER ROBLES: -- that this is part of a
15 bigger issue that has been simmering for several years that
16 came out of the Defense Management Review of the early '90s
17 in which seems like all printing was transferred to the Navy,
18 and they were looking at electronic line printing and a whole
19 series of high tech information technology assertions to
20 streamline the whole process.
21 That has been studied and is continually being
22 study, and I share Mr. Brown's concern that you'll be

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1 studying it a long time down the road here, because it's a
2 very complex issue.
3 So in the meantime, instead of waiting for this
4 study to complete, which may exceed our lifetimes, at least
5 we ought to get the Army's publication structure down into
6 one facility, because that's all the requirement is.
7 And I guess what you said is their military value
8 judgment is that the St. Louis facility is the most flexible
9 and the one they'd like to stick with as being the core
10 facility.
11 MR. BROWN: That's correct, Commissioner Robles.
12 COMMISSIONER STEELE: Thank you.
13 COMMISSIONER COX: Could I just ask a question on
14 that?
15 CHAIRMAN DIXON: Commissioner Cox.
16 COMMISSIONER COX: Given the fact that there is at
17 least some thought of cross-servicing, and this may or may
18 not be available for others, let me just ask this question.
19 This is below threshold, isn't it?
20 MR. BROWN: It is.
21 COMMISSIONER COX: So, in fact, if the Army wanted
22 to do this in the next year or two, having completed their

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1 study, they could do it? I mean, they don't need us to close
2 this facility?
3 MR. BROWN: That is correct, Commissioner Cox.
4 COMMISSIONER COX: Thank you.
5 CHAIRMAN DIXON: Are there any other questions or
6 comments?
7 COMMISSIONER DAVIS: Mr. Chairman.
8 CHAIRMAN DIXON: Commissioner Davis.
9 COMMISSIONER DAVIS: I have one just real vague
10 question. We lost several million records in St. Louis many
11 years ago due to a fire. Is this the same place?
12 MR. BROWN: No, it's not, Commissioner Davis.
13 Those were retiree records, as I recollect, and personnel
14 records. These are forms, publications.
15 COMMISSIONER DAVIS: Thank you very much,
16 Mr. Brown. You give me great confidence.
17 CHAIRMAN DIXON: Are there any further questions?
18 (No response.)
19 CHAIRMAN DIXON: Any further statements?
20 (No response.)
21 CHAIRMAN DIXON: Is there a motion?
22 COMMISSIONER ROBLES: Mr. Chairman, I have a

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1 motion.
2 CHAIRMAN DIXON: Commissioner Robles.
3 MOTION
4 COMMISSIONER ROBLES: I move the Commission find
5 the Secretary of Defense did not deviate substantially in the
6 Force Structure Plan and Final Criteria and therefore the
7 Commission adopt the following recommendation of the
8 Secretary of Defense: Close by relocating the U.S. Army
9 Publications Distribution Center, Baltimore, to the U.S. Army
10 Publications Center, St. Louis, Missouri.
11 CHAIRMAN DIXON: Is there a second?
12 COMMISSIONER KLING: Second, Mr. Chairman.
13 CHAIRMAN DIXON: Seconded by Commissioner Kling.
14 Are there any more comments or questions?
15 COMMISSIONER STEELE: I would just comment that in
16 light of the testimony this evening I feel confident that
17 everyone here is confident that the other facility would have
18 a little more flexibility. So thank you for bringing me up
19 to speed on that. I appreciate it.
20 CHAIRMAN DIXON: Thank you, Commissioner Steele.
21 Counsel will call the roll.
22 MS. CREEDON: Commissioner Robles?

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1 COMMISSIONER ROBLES: Aye.
2 MS. CREEDON: Commissioner Steele?
3 COMMISSIONER STEELE: Aye.
4 MS. CREEDON: Commissioner Cornella?
5 COMMISSIONER CORNELLA: No.
6 MS. CREEDON: Commissioner Cox?
7 COMMISSIONER COX: No.
8 MS. CREEDON: Commissioner Davis?
9 COMMISSIONER DAVIS: Aye.
10 MS. CREEDON: Commissioner Kling?
11 COMMISSIONER KLING: Aye.
12 MS. CREEDON: Commissioner Montoya?
13 COMMISSIONER MONTOYA: Aye.
14 MS. CREEDON: Mr. Chairman?
15 CHAIRMAN DIXON: Aye.
16 MS. CREEDON: Mr. Chairman, the vote is 6 ayes and
17 2 nays.
18 CHAIRMAN DIXON: And the motion is carried.
19 Bellmore Logistics Activity in New York.
20 MR. BROWN: The Department of Defense's
21 recommendation is to close Bellmore Logistics Activity. No
22 issues have been identified during our analysis of this.

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1 CHAIRMAN DIXON: Are there any questions --
2 MR. BROWN: There are no tenants on this
3 installation, Mr. Chairman.
4 CHAIRMAN DIXON: Are there any questions of
5 Mr. Brown? Any comments or questions?
6 (No response.)
7 COMMISSIONER CORNELLA: I have a motion, Mr.
8 Chairman.
9 CHAIRMAN DIXON: Commissioner Cornella.
10 MOTION
11 COMMISSIONER CORNELLA: I move the Commission find
12 the Secretary of Defense did not deviate substantially from
13 the Force Structure Plan and Final Criteria and therefore the
14 Commission adopt the following recommendation of the
15 Secretary of Defense: Close Bellmore Logistics Activity.
16 CHAIRMAN DIXON: I second the motion. Anything
17 else from any of my colleagues?
18 (No response.)
19 CHAIRMAN DIXON: Counsel will call the roll.
20 MS. CREEDON: Commissioner Cornella?
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Commissioner Cox?

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1 COMMISSIONER COX: Aye.
2 MS. CREEDON: Commissioner Davis?
3 COMMISSIONER DAVIS: Aye.
4 MS. CREEDON: Commissioner Kling is aye by proxy.
5 Commissioner Montoya?
6 COMMISSIONER MONTOYA: Aye.
7 MS. CREEDON: Commissioner Robles?
8 COMMISSIONER ROBLES: Aye.
9 MS. CREEDON: Commissioner Steele?
10 COMMISSIONER STEELE: Aye.
11 MS. CREEDON: Mr. Chairman?
12 CHAIRMAN DIXON: Aye.
13 MS. CREEDON: Mr. Chairman, there are 8 ayes and 0
14 nays.
15 CHAIRMAN DIXON: And that motion is unanimously
16 adopted. Big Coppett Key, Florida.
17 MR. BROWN: The recommendation is to close this
18 installation. It's another one with no tenants, and no
19 issues have been identified, Mr. Chairman.
20 CHAIRMAN DIXON: Any questions of Mr. Brown?
21 (No response.)
22 CHAIRMAN DIXON: Any statements?

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(No response.)
CHAIRMAN DIXON: Any motion?
COMMISSIONER CORNELLA: Mr. Chairman?
CHAIRMAN DIXON: Commissioner Cornella.
MOTION
COMMISSIONER CORNELLA: I move the Commission find the Secretary of Defense did not deviate substantially from the Force Structure Plan and Final Criteria and therefore the Commission adopt the following recommendation of the Secretary of Defense: Close Big Coppett Key.
CHAIRMAN DIXON: I second the motion. Any other statements?
(No response.)
CHAIRMAN DIXON: Counsel call the roll.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Commissioner Kling is aye by proxy. Commissioner Montoya?

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COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER COX: He stepped out for a moment.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: The Chair votes aye, and Commissioner Robles had told me he wanted to vote aye by proxy. Do I have unanimous consent it will not change the result?
MS. CREEDON: Mr. Chairman, that makes the vote 8 ayes and 0 nays.
CHAIRMAN DIXON: And the motion is carried unanimously. Camp Bonneville, Washington.
MR. BROWN: The recommendation, Mr. Chairman, is to close Camp Bonneville. There are no tenants on this installation, and no issues have been identified.
CHAIRMAN DIXON: Is there any question of Mr. Brown by any Commissioner?
(No response.)
CHAIRMAN DIXON: Any statement?
(No response.)

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CHAIRMAN DIXON: Is there a motion?
COMMISSIONER CORNELLA: I have a motion, sir?
CHAIRMAN DIXON: Commissioner Cornella.
MOTION
COMMISSIONER CORNELLA: I move the Commission find the Secretary of Defense did not deviate substantially from the Force Structure Plan and Final Criteria and therefore the Commission adopt the following recommendation of the Secretary of Defense: Close Camp Bonneville.
CHAIRMAN DIXON: I second that motion. Any comments?
(No response.)
CHAIRMAN DIXON: Any questions?
(No response.)
CHAIRMAN DIXON: Counsel call the roll.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Commissioner Kling is aye by proxy.

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Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
CHAIRMAN DIXON: And the Chairman votes aye, and we are awaiting -- there is a proxy being obtained from Commissioner Robles that I would appreciate your bringing in here before I announce the vote.
May I have the unanimous consent from the commissioners, the vote now being seven to nothing, and this motion obviously having carried, to permit Commissioner Robles to vote when he returns, his vote being a vote that will not change the result. Any objection? I thank you. Commissioner Robles votes aye. And the vote on that question is eight ayes and no nays, and the motion is unanimously adopted.
Camp Kilmer, New Jersey.
MR. BROWN: Mr. Chairman, the recommendation on Camp Kilmer is to close it, except for an enclave for minimum necessary facilities to support the reserve components. No issues have been identified on this installation.
COMMISSIONER COX: Mr. Brown, if I might ask a

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question. I understand that the Army has plans later in this decade -- the year 2000 or so -- to build a facility at Camp Kilmer. Would this be inconsistent with those plans?
MR. BROWN: I do not believe so, Commissioner Cox. If the enclave is established, and the Army has a requirement for that facility, I feel certain it would be put on that enclave.
COMMISSIONER COX: Thank you.
MR. BROWN: And if the Army has a plan to build a facility there, I would hope that when they establish the enclave, they would take that into consideration.
CHAIRMAN DIXON: Are there any further questions or statements? Is there a motion on Camp Kilmer, New Jersey?
COMMISSIONER CORNELLA: Yes, sir, I have a motion.
CHAIRMAN DIXON: Commissioner Cornella.
COMMISSIONER CORNELLA: I move the commission find the Secretary of Defense did not deviate substantially from the force structure plan and final criteria; and therefore, the commission adopt the following recommendation of the Secretary of Defense. Close Camp Kilmer, except for an enclave for minimum necessary facilities to support the reserve components.

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CHAIRMAN DIXON: I second the motion. Any comments? Counsel will call the roll.
MS. CREEDON: Commissioner Cornella.
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox.
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis.
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Commissioner Kling.
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya.
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles is aye by proxy. Commissioner Steele.
COMMISSIONER STEELE: Aye.
MS. CREEDON: Mr. Chairman.
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is eight ayes and zero nays.
CHAIRMAN DIXON: That motion carries. Camp Pedricktown, New Jersey.
MR. BROWN: Mr. Chairman, the recommendation is to

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1 close Camp Pedricktown, except the Seavers-Sandburg reserve
2 center. No issues have been identified.
3 CHAIRMAN DIXON: Any questions? Is there a motion?
4 COMMISSIONER CORNELLA: Mr. Chairman.
5 CHAIRMAN DIXON: Commissioner Cornella.
6 COMMISSIONER CORNELLA: I move the commission find
7 the Secretary of Defense did not deviate substantially from
8 the force structure plan and final criteria; and therefore,
9 the commission adopt the following recommendation of the
10 Secretary of Defense. Close Camp Pedricktown, except the
11 Seavers-Sandburg reserve center.
12 CHAIRMAN DIXON: I second the motion. Any
13 comments? Counsel, call the roll.
14 MS. CREEDON: Commissioner Cornella.
15 COMMISSIONER CORNELLA: Aye.
16 MS. CREEDON: Commissioner Cox.
17 COMMISSIONER COX: Aye.
18 MS. CREEDON: Commissioner Davis.
19 COMMISSIONER DAVIS: Aye.
20 MS. CREEDON: Commissioner Kling.
21 COMMISSIONER KLING: Aye.
22 MS. CREEDON: Commissioner Montoya.

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1 COMMISSIONER MONTOYA: Aye.
2 MS. CREEDON: Commissioner Robles is aye, by proxy.
3 Commissioner Steele.
4 COMMISSIONER STEELE: Aye.
5 MS. CREEDON: Mr. Chairman.
6 CHAIRMAN DIXON: Aye.
7 MS. CREEDON: Mr. Chairman, the vote is eight ayes
8 and zero nays.
9 CHAIRMAN DIXON: And the motion is unanimously
10 adopted. Caven Point, U.S. Army Reserve Center, New Jersey.
11 MR. BROWN: Mr. Chairman, the recommendation is to
12 close that installation and relocate it reserve activities to
13 Fort Hamilton, New York, provided the recommendation to
14 realign Fort Hamilton is approved. There is also in the
15 Secretary of Defense's letter on the 14th of June -- he
16 stated that the relocation of units from Caven Point is no
17 longer supportable since an unanticipated new construction is
18 required to execute the move that would made the economics of
19 this recommendation --
20 CHAIRMAN DIXON: The Secretary of Defense has asked
21 that we reject his earlier recommendation.
22 MR. BROWN: That is correct, Mr. Chairman.

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1 CHAIRMAN DIXON: Keep open Caven Point?
2 MR. BROWN: That is correct, Mr. Chairman.
3 CHAIRMAN DIXON: Is there a motion.
4 COMMISSIONER CORNELLA: I have a motion.
5 CHAIRMAN DIXON: Commissioner Cornella.
6 MOTION
7 COMMISSIONER CORNELLA: I move the Commission find
8 the Secretary of Defense deviated substantially from final
9 criterion two and, therefore, the Commission reject the
10 Secretary's recommendation on Caven Point and, instead, adopt
11 the following recommendation: Keep open Caven Point US Army
12 Reserve Center. The Commission finds this recommendation is
13 consistent with the force structure plan and final criteria.
14 CHAIRMAN DIXON: Second the motion. Any comments?
15 (No response.)
16 CHAIRMAN DIXON: Counsel, call the roll.
17 MS. CREEDON: Commissioner Cornella.
18 COMMISSIONER CORNELLA: Aye.
19 MS. CREEDON: Commissioner Cox.
20 COMMISSIONER COX: Aye.
21 MS. CREEDON: Commissioner Davis:
22 COMMISSIONER DAVIS: Aye.

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1 MS. CREEDON: Commissioner Kling.
2 COMMISSIONER KLING: Aye.
3 MS. CREEDON: Commissioner Montoya.
4 COMMISSIONER MONTOYA: Aye.
5 MS. CREEDON: Commissioner Robles votes aye, proxy.
6 Commissioner Steele.
7 COMMISSIONER STEELE: Aye.
8 MS. CREEDON: Mr. Chairman.
9 CHAIRMAN DIXON: Aye.
10 MS. CREEDON: Mr. Chairman, the vote is eight ayes
11 and zero nays.
12 CHAIRMAN DIXON: The motion carries unanimously.
13 East Fort Baker, California.
14 MR. BROWN: Mr. Chairman, the recommendation is to
15 close East Fort Baker, relocate all tenants to other
16 installations that meet mission requirements and return all
17 real property to the Golden Gate National Recreation area.
18 No issues have been identified.
19 CHAIRMAN DIXON: Any questions or statements?
20 (No response.)
21 CHAIRMAN DIXON: Is there a motion.
22 COMMISSIONER KLING: Mr. Chairman.

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1 CHAIRMAN DIXON: Mr. Kling.
2 COMMISSIONER KLING: I move the Commission find the
3 Secretary of Defense did not deviate substantially from the
4 force structure plan and final criteria and therefore, the
5 Commission adopt the following recommendation of the
6 Secretary of Defense: Close East Fort Baker, relocate all
7 tenants to other installations that meet mission
8 requirements, return all property to the Golden Gate National
9 Recreation area.
10 CHAIRMAN DIXON: Second the motion. Any further
11 comments?
12 (No response.)
13 CHAIRMAN DIXON: Counsel will call the roll.
14 MS. CREEDON: Commissioner Kling.
15 COMMISSIONER KLING: Aye.
16 MS. CREEDON: Commissioner Montoya.
17 COMMISSIONER MONTOYA: Aye.
18 MS. CREEDON: Commissioner Robles votes aye, proxy.
19 Commissioner Steele.
20 COMMISSIONER STEELE: Aye.
21 MS. CREEDON: Commissioner Davis.
22 COMMISSIONER DAVIS: Aye.

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1 MS. CREEDON: Commissioner Cornella is aye. by
2 proxy.
3 CHAIRMAN DIXON: All right, can I have unanimous
4 consent to -- the Chair votes aye. How many votes is that?
5 MS. CREEDON: That's seven.
6 CHAIRMAN DIXON: May I have unanimous consent of
7 the Commission to vote Commissioner Cox when she returns
8 since her vote will not change the result?
9 COMMISSIONER KLING: Yes, sir.
10 CHAIRMAN DIXON: Would Commissioners in the future,
11 if they want to have their votes recorded, leave a proxy
12 temporarily with the Chair.
13 The vote is -- how do you want to vote?
14 COMMISSIONER COX: Aye.
15 CHAIRMAN DIXON: The vote is eight ayes, no nays.
16 The motion is adopted. Fort Missoula, Montana.
17 MR. BROWN: The recommendation, Mr. Chairman, is to
18 close Fort Missoula except ban enclave for minimum essential
19 land and facilities to support the reserve component units.
20 No issues have been identified.
21 CHAIRMAN DIXON: Is there any question of Mr.
22 Brown?

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1 (No response.)
2 CHAIRMAN DIXON: Any statements?
3 (No response.)
4 CHAIRMAN DIXON: What's the pleasure of the
mmission with respect to Fort Missoula, Montana.
COMMISSIONER KLING: Mr. Chairman.
CHAIRMAN DIXON: Commissioner Kling.
8 MOTION
9 COMMISSIONER KLING: I move the Commission find the
10 Secretary of Defense did not deviate substantially from the
11 force structure plan and final criteria and therefore, the
12 Commission adopt the following recommendation of the
13 Secretary of Defense: Close Fort Missoula except an enclave
14 for minimum essential land and facilities to support the
15 reserve component units.
16 CHAIRMAN DIXON: I second the motion. Any
17 comments?
18 (No response.)
19 CHAIRMAN DIXON: Counsel, call the roll.
20 MS. CREEDON: Commissioner Kling.
21 COMMISSIONER KLING: Aye.
22 MS. CREEDON: Commissioner Montoya.

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1 COMMISSIONER MONTOYA: Aye.
2 MS. CREEDON: Commissioner Robles.
3 COMMISSIONER ROBLES: Aye.
4 MS. CREEDON: Commissioner Steele.
5 COMMISSIONER STEELE: Aye.
6 MS. CREEDON: Commissioner Cornella is aye, by
7 proxy. Commissioner Cox.
8 COMMISSIONER COX: Aye.
9 MS. CREEDON: Commissioner Davis.
10 COMMISSIONER DAVIS: Aye.
11 MS. CREEDON: Mr. Chairman.
12 CHAIRMAN DIXON: Aye.
13 MS. CREEDON: Mr. Chairman, the vote is eight ayes
zero nays.
CHAIRMAN DIXON: That motion carries.
16 MR. BROWN: The next one, Mr. Chairman, is Hingham
17 Cohasset, Massachusetts. The recommendation is to close this
18 installation. No issues have been identified.
19 CHAIRMAN DIXON: Any questions?
20 (No response.)
21 CHAIRMAN DIXON: Any statements?
22 (No response.)

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1 CHAIRMAN DIXON: A motion.
2 MOTION
3 COMMISSIONER KLING: Mr. Chairman, I move the
4 Commission find the Secretary of Defense did not deviate
5 substantially from the force structure plan and final
6 criteria and therefore, the Commission adopt the following
7 recommendation of the Secretary of Defense: Close Hingham
8 Cohasset.
9 CHAIRMAN DIXON: I second the motion.
10 MS. CREEDON: Commissioner Kling.
11 COMMISSIONER KLING: Aye.
12 MS. CREEDON: Commissioner Montoya.
13 COMMISSIONER MONTOYA: Aye.
14 MS. CREEDON: Commissioner Robles.
15 COMMISSIONER ROBLES: Aye.
16 MS. CREEDON: Commissioner Steele.
17 COMMISSIONER STEELE: Aye.
18 MS. CREEDON: Commissioner Cornella votes aye, by
19 proxy. Commissioner Cox.
20 COMMISSIONER COX: Aye.
21 MS. CREEDON: Commissioner Davis.
22 COMMISSIONER DAVIS: Aye.

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1 MS. CREEDON: Mr. Chairman.
2 CHAIRMAN DIXON: Aye.
3 MS. CREEDON: Mr. Chairman, the vote is eight ayes
4 and zero nays.
5 CHAIRMAN DIXON: That motion carries. Recreation
6 Center #2, North Carolina.
7 MR. BROWN: The recommendation, Mr. Chairman, is
8 close this facility. No additional issues have been
9 identified.
10 CHAIRMAN DIXON: Any questions?
11 (No response.)
12 CHAIRMAN DIXON: Is there a motion?
13 COMMISSIONER KLING: Mr. Chairman, I move the
14 Commission find the Secretary of Defense did not deviate
15 substantially from the force structure plan and final
16 criteria and therefore, the Commission adopt the following
17 recommendation of the Secretary of Defense: Close Recreation
18 Center #2, Fayetteville, North Carolina.
19 CHAIRMAN DIXON: I second the motion. Any
20 comments?
21 (No response.)
22 CHAIRMAN DIXON: Counsel, call the roll.

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1 MS. CREEDON: Commissioner Kling.
2 COMMISSIONER KLING: Aye.
3 MS. CREEDON: Commissioner Montoya.
4 COMMISSIONER MONTOYA: Aye.
5 MS. CREEDON: Commissioner Robles.
6 COMMISSIONER ROBLES: Aye.
7 MS. CREEDON: Commissioner Steele.
8 COMMISSIONER STEELE: Aye.
9 MS. CREEDON: Commissioner Cornella votes aye, by
10 proxy. Commissioner Cox.
11 COMMISSIONER COX: Aye.
12 MS. CREEDON: Mr. Chairman.
13 CHAIRMAN DIXON: Aye.
14 MS. CREEDON: Commissioner Davis.
15 COMMISSIONER DAVIS: Aye.
16 MS. CREEDON: Mr. Chairman, the vote is eight to
17 zero.
18 CHAIRMAN DIXON: And the motion is adopted
19 unanimously. Rio Vista Army Reserve Center, California.
20 MR. BROWN: The recommendation, Mr. Chairman, is to
21 close this facility. No issues have been identified.
22 CHAIRMAN DIXON: Any questions of Mr. Brown?

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1 (No response.)
2 CHAIRMAN DIXON: Is there a motion?
3 COMMISSIONER KLING: Mr. Chairman, I move the
4 Commission find the Secretary of Defense did not deviate
5 substantially from the force structure plan and final
6 criteria and therefore, the Commission adopt the following
7 recommendation of the Secretary of Defense: Close Rio Vista
8 Army Reserve Center.
9 CHAIRMAN DIXON: I second Mr. Kling's motion. Will
10 the Counsel please call the roll.
11 MS. CREEDON: Commissioner Davis.
12 COMMISSIONER DAVIS: Aye.
13 MS. CREEDON: Commissioner Kling.
14 COMMISSIONER KLING: Aye.
15 MS. CREEDON: Commissioner Montoya.
16 COMMISSIONER MONTOYA: Aye.
17 MS. CREEDON: Commissioner Robles.
18 COMMISSIONER ROBLES: Aye.
19 MS. CREEDON: Commissioner Steele.
20 COMMISSIONER STEELE: Aye.
21 MS. CREEDON: Commissioner Cornella, by proxy.
22 Commissioner Cox.

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1 COMMISSIONER COX: Aye.
2 MS. CREEDON: Mr. Chairman.
3 CHAIRMAN DIXON: Aye.
4 MS. CREEDON: Mr. Chairman, the vote is eight ayes
5 and zero nays.
6 CHAIRMAN DIXON: Branch US Disciplinary Barracks,
7 Long Park, California. I didn't skip one, did I?
8 MR. BROWN: Yes, you did.
9 CHAIRMAN DIXON: I apologize. Sudbury Training
10 Annex.
11 MR. BROWN: The recommendation, Mr. Chairman, is to
12 close Sudbury Training Annex. No issues have been
13 identified.
14 CHAIRMAN DIXON: Are there any questions?
15 (No response.)
16 CHAIRMAN DIXON: Is there a motion?
17 MOTION
18 COMMISSIONER KLING: Mr. Chairman, I move the
19 Commission find the Secretary of Defense did not deviate
20 substantially from the force structure plan and final
21 criteria and therefore, the Commission adopt the following
22 recommendation of the Secretary of Defense: Close Sudbury

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1 Training Annex.
2 CHAIRMAN DIXON: I second the motion. Counsel will
3 call the roll.
4 MS. CREEDON: Commissioner Kling.
5 COMMISSIONER KLING: Aye.
6 MS. CREEDON: Commissioner Montoya.
7 COMMISSIONER MONTOYA: Aye.
8 MS. CREEDON: Commissioner Robles.
9 COMMISSIONER ROBLES: Aye.
10 MS. CREEDON: Commissioner Steele.
11 COMMISSIONER STEELE: Aye.
12 MS. CREEDON: Commissioner Cornella, by proxy.
13 Commissioner Cox.
14 COMMISSIONER COX: Aye.
15 MS. CREEDON: Commissioner Davis.
16 COMMISSIONER DAVIS: Aye.
17 MS. CREEDON: Mr. Chairman.
18 CHAIRMAN DIXON: Aye.
19 MS. CREEDON: Mr. Chairman, the vote is eight ayes
20 and zero nays.
21 CHAIRMAN DIXON: And the motion is adopted. Branch
22 US Disciplinary Barracks, California.

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1 MR. BROWN: The recommendation, Mr. Chairman, is to
2 close this installation. No issues have been identified.
3 CHAIRMAN DIXON: Is there any question of Mr.
4 Brown?
5 (No response.)
6 CHAIRMAN DIXON: Any statements?
7 (No response.)
8 CHAIRMAN DIXON: Is there a motion?
9 MOTION
10 COMMISSIONER KLING: Mr. Chairman, I move the
11 Commission find the Secretary of Defense did not deviate
12 substantially from the force structure plan and final
13 criteria and therefore, the Commission adopt the following
14 recommendation of the Secretary of Defense: Close Branch US
15 Disciplinary Barracks, California.
16 CHAIRMAN DIXON: I second the motion. Any
17 comments?
18 (No response.)
19 CHAIRMAN DIXON: Counsel will call the roll.
20 MS. CREEDON: Commissioner Kling.
21 COMMISSIONER KLING: Aye.
22 MS. CREEDON: Commissioner Montoya.

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1 COMMISSIONER MONTOYA: Aye.
2 MS. CREEDON: Commissioner Robles.
3 COMMISSIONER ROBLES: Aye.
4 MS. CREEDON: Commissioner Steele.
5 COMMISSIONER STEELE: Aye.
6 MS. CREEDON: Commissioner Cornella votes aye by
7 proxy. Commissioner Cox.
8 COMMISSIONER COX: Aye.
9 MS. CREEDON: Commissioner Davis.
10 COMMISSIONER DAVIS: Aye.
11 MS. CREEDON: Mr. Chairman.
12 CHAIRMAN DIXON: Aye.
13 MS. CREEDON: Mr. Chairman, the vote is eight ayes
14 and zero nays.
15 CHAIRMAN DIXON: And the motion is adopted. Valley
16 Grove US Army Reserve Center, West Virginia.
17 MR. BROWN: The recommendation, Mr. Chairman, is to
18 close this installation. However, on the 14th of June the
19 Secretary of Defense stated that the recommendation is no
20 longer viable since it was learned that construction of a new
21 maintenance shop for this mission is in progress at the
22 Wheeling-Ohio County Airport.

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1 CHAIRMAN DIXON: Okay. Is there a motion? Are
2 there any questions?
3 (No response.)
4 CHAIRMAN DIXON: Is there a motion?
5 MOTION
6 COMMISSIONER KLING: Mr. Chairman, I move the
7 Commission find the Secretary of Defense deviated
8 substantially from final criterion two and, therefore, the
9 Commission reject the Secretary's recommendation on Valley
10 Grove Air Maintenance Support Activity and instead, adopt the
11 following recommendation: Keep open Valley Grove Area
12 Maintenance Support Activity. The Commission finds this
13 recommendation is consistent with the force structure plan
14 and final criteria.
15 CHAIRMAN DIXON: I second the motion. Are there
16 any other comments?
17 (No response.)
18 CHAIRMAN DIXON: Counsel will call the roll.
19 MS. CREEDON: Commissioner Kling.
20 COMMISSIONER KLING: Aye.
21 MS. CREEDON: Commissioner Montoya.
22 COMMISSIONER MONTOYA: Aye.

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1 MS. CREEDON: Commissioner Robles.
2 COMMISSIONER ROBLES: Aye.
3 MS. CREEDON: Commissioner Steele.
4 COMMISSIONER STEELE: Aye.
5 MS. CREEDON: Commissioner Cornella.
6 COMMISSIONER CORNELLA: Aye.
7 MS. CREEDON: Commissioner Cox.
8 COMMISSIONER COX: Aye.
9 MS. CREEDON: Commissioner Davis.
10 COMMISSIONER DAVIS: Aye.
11 MS. CREEDON: Mr. Chairman.
12 CHAIRMAN DIXON: Aye.
13 MS. CREEDON: Mr. Chairman, there are eight ayes
14 and zero nays.
15 CHAIRMAN DIXON: The motion is adopted. Now, I
16 will ask you gentlemen, Mr. Yellin and whoever else is going
17 to be involved in this one -- I think you were -- this is the
18 Oakland question that we deferred over an hour ago. Can we
19 get back to that in our books because it's been a couple
20 hours ago probably. Fleet and Industrial Supply Center.
21 Oakland California; is that correct?
22 MR. YELLIN: Yes, sir.

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1 MR. LYLES: Mr. Chairman, if you'll turn to page 26
2 -- tab 26 under the Navy, Mr. Chairman, in the motions
3 notebook you'll find the motions for that.
4 CHAIRMAN DIXON: Now, to refresh everybody's
5 lection this one got highly complicated and pretty
6 oluted and we had all kinds of suggestions about what the
7 solutions ought to be.
8 And as I understand it, Mr. Yellin, considerable
9 phone conversations have taken place, I think, with the folks
10 in Oakland. Is that substantially true?
11 MR. YELLIN: Yes, sir, with Oakland, Alameda,
12 Richmond, Port Authority.
13 CHAIRMAN DIXON: All right. And have we arrived at
14 an understanding that reflects a consensus on this?
15 MR. YELLIN: Among the communities and the
16 Commission staff, yes sir.
17 CHAIRMAN DIXON: Among the communities and the
18 Commission staff. And have those who were interested, and I
19 think it was particularly Commissioner Cox, I may be
20 excluding someone else that had some interest, been consulted
21 about it?
22 COMMISSIONER COX: Yes, sir.

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1 CHAIRMAN DIXON: Does somebody have a motion?
2 COMMISSIONER STEELE: May I ask one question, Sir.
3 CHAIRMAN DIXON: Sure.
4 COMMISSIONER STEELE: In closing Oakland Army Base,
5 California, does that at all impact a recommendation to
6 relocate functions to other government owned facilities in
7 the area?
8 MR. YELLIN: No, it does not. That was certainly
9 an option available. But we feel there are other government
10 spaces available in the area, or that they need to really
11 search for them. That's certainly the most economical
12 approach to this implementation.
13 COMMISSIONER STEELE: I just wanted to double
14 k.
15 CHAIRMAN DIXON: Let me ask Commissioner Cox --
16 now, Commissioner Cox you were very interested in this and
17 they consulted with you, do you know what the situation is
18 now? Can you advise your fellow commissioners?
19 COMMISSIONER COX: Yes, sir. As I understand it,
20 there were several issues here regarding some land at the
21 FISC. One piece of land had two leases on it and the
22 possibility of two further leases on it having to do with the

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1 development at the port. Two other parts of the land were in
2 separate areas, one in the City of Richmond and one in the
3 City of Alameda.
4 There was concern that if we acted without being
5 sure on what we were doing that we would in some way
6 jeopardize the negotiations in the leases that had gone on
7 between the Navy and the port, and conversations between the
8 Navy and the city.
9 As you pointed out when you opened, we have now had
10 the opportunity to talk to the Port of Oakland, the City of
11 Oakland, the City of Alameda and the City of Richmond. And
12 it is my understanding that they are all in agreement that it
13 would be a good thing for us to move forward and close it
14 under the BRAC statute and that would allow them to move
15 forward on the leases. And I do want to ask one question,
16 for the record, of the Counsel on that point.
17 It is there understanding and my understanding -- I
18 would like the counsel to opine on this -- that one, the
19 leases that they have already signed would not be affected by
20 moving forward under BRAC; is that correct?
21 MS. CREEDON: That's correct.
22 COMMISSIONER COX: And, in fact, that under the

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1 BRAC statute leasing is not prohibited, it would be allowed
2 under the BRAC statute.
3 MS. CREEDON: That's correct.
4 COMMISSIONER COX: Thank you, very much. Under
5 those circumstances I think the Navy, which had indicated
6 that they wanted to do this and all of the communities are in
7 agreement.
8 MR. YELLIN: I want to go back on the record that
9 the Navy's official position is still that the Secretary's
10 recommendation was that because of economic -- because of job
11 losses they do not want to go ahead with this.
12 COMMISSIONER COX: But the Navy does not object
13 assuming --
14 MR. YELLIN: We have not gotten any official Navy
15 comment on this.
16 CHAIRMAN DIXON: Let me ask Commissioner Cornella,
17 he had indicated interest. Commissioner Cornella, are you
18 satisfied with this result.
19 COMMISSIONER CORNELLA: I think we're ready to move
20 ahead, sir.
21 CHAIRMAN DIXON: Pardon me.
22 COMMISSIONER CORNELLA: I think we're ready to move

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1 ahead.
2 CHAIRMAN DIXON: Thank you. Are there any other
3 questions.
4 (No response.)
5 CHAIRMAN DIXON: Is there a motion.
6 COMMISSIONER KLING: There are two motions, Mr.
7 Chairman.
8 CHAIRMAN DIXON: That's just what we need, two.
9 M O T I O N
10 COMMISSIONER KLING: First of all, I move that the
11 Commission find the Secretary of Defense deviated
12 substantially from final criteria five and six and therefore,
13 that the Commission adopt the following recommendation:
14 Realign Fleet Industrial Supply Center, Oakland, California,
15 Close Point Millot Naval Refueling Station, Richmond,
16 California, close Naval Supply Annex, Alameda, California.
17 The Commission finds this recommendation is consistent with
18 the force structure plan and final criteria.
19 CHAIRMAN DIXON: Commissioner Cox do you second?
20 COMMISSIONER COX: Second.
21 CHAIRMAN DIXON: She seconds that motion.
22 COMMISSIONER STEELE: May I inquire. I thought we

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1 were closing the FISC and that was the agreement we reached
2 with all those phone calls.
3 COMMISSIONER COX: Commissioner Steele, that is, in
4 fact, the agreement, and that will be the second motion. But
5 for reasons involving working it out with each of these
6 cities, the City of Alameda and the City of Richmond wanted
7 to be considered under a separate motion.
8 CHAIRMAN DIXON: You're right on top of things,
9 Commissioner Steele. Let's get rid of this motion and we'll
10 get to the one you like. Any more comments about this
11 motion.
12 COMMISSIONER STEELE: Just so we get to the one I
13 like --
14 CHAIRMAN DIXON: All right, we're going to get to
15 it. Counsel will call the roll.
16 MS. CREEDON: Commissioner Kling.
17 COMMISSIONER KLING: Aye.
18 MS. CREEDON: Commissioner Montoya.
19 COMMISSIONER MONTOYA: Aye.
20 MS. CREEDON: Commissioner Robles.
21 COMMISSIONER ROBLES: Aye.
22 MS. CREEDON: Commissioner Steele.

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1 COMMISSIONER STEELE: Aye.
2 MS. CREEDON: Commissioner Cornella.
3 COMMISSIONER CORNELLA: Aye.
4 MS. CREEDON: Commissioner Cox.
5 COMMISSIONER COX: Aye.
6 MS. CREEDON: Commissioner Davis.
7 COMMISSIONER DAVIS: Aye.
8 MS. CREEDON: Mr. Chairman.
9 CHAIRMAN DIXON: Aye.
10 MS. CREEDON: Mr. Chairman, the vote is eight ayes
11 and zero nays.
12 CHAIRMAN DIXON: The motion is adopted.
13 Commissioner Kling.
14 MOTION
15 COMMISSIONER KLING: The second motion is: I move
16 that the Commission find that the Secretary of Defense
17 deviated substantially from final criteria five and six and
18 therefore, that the Commission adopt the following
19 recommendation: Close Fleet Industrial Supply Center,
20 Oakland, California, relocate defense finance and accounting
21 service and military Sealift Command to government owned
22 space. The Commission finds this recommendation is

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1 consistent with the force structure plan and final criteria.
2 CHAIRMAN DIXON: Is there a second?
3 COMMISSIONER COX: Second the motion.
4 CHAIRMAN DIXON: Commissioner Cox seconds the
5 motion. Are there any further comments?
6 COMMISSIONER STEELE: I'm okay now.
7 CHAIRMAN DIXON: You're okay now. Commissioner
8 Steele is okay now.
9 COMMISSIONER STEELE: You threw me for a loop
10 there.
11 CHAIRMAN DIXON: God bless you. Any further
12 comments?
13 (No response.)
14 CHAIRMAN DIXON: Counsel, call the roll.
15 MS. CREEDON: Commissioner Kling.
16 COMMISSIONER KLING: Aye.
17 MS. CREEDON: Commissioner Montoya.
18 COMMISSIONER MONTOYA: Aye.
19 MS. CREEDON: Commissioner Robles.
20 COMMISSIONER ROBLES: Aye.
21 MS. CREEDON: Commissioner Steele.
22 COMMISSIONER STEELE: Aye.

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1 MS. CREEDON: Commissioner Cornella.
2 COMMISSIONER CORNELLA: Aye.
3 MS. CREEDON: Commissioner Cox.
4 COMMISSIONER COX: Aye.
5 MS. CREEDON: Commissioner Davis.
6 COMMISSIONER DAVIS: Aye.
7 MS. CREEDON: Mr. Chairman.
8 CHAIRMAN DIXON: Aye.
9 MS. CREEDON: Mr. Chairman, the vote is eight ayes
10 and zero nays.
11 CHAIRMAN DIXON: And that motion is adopted. Now,
12 ladies and gentlemen, we've concluded the Army section,
13 cleaned up some other things we had to do, we have one agency
14 -- interagency work still to do. We estimate that that's
15 going to take about 45 minutes or so. I want to thank Ed
16 Brown and his Army team for their outstanding work, job well
17 done. We greatly appreciate what you did. We're indebted to
18 you and the country is indebted to you.
19 We're going to take a seven minute recess, drop the
20 gavel promptly at quarter to 9:00. I have that right don't
21 I, General Davis?
22 COMMISSIONER DAVIS: Yes, sir.

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1 CHAIRMAN DIXON: And I hope to be -- we hope to be
2 out of here by 9:30;
3 (A brief recess was taken.)
4 CHAIRMAN DIXON: Mr. Cook and Ms. Wasleski, are you
5 folks ready to begin?
6 MR. COOK: We are, Mr. Chairman.
7 CHAIRMAN DIXON: Help me a little bit, are we
8 starting with Defense Logistics Agency Stand Alone
9 Distribution Depots?
10 MR. COOK: We are, sir.
11 CHAIRMAN DIXON: That's where we're beginning. Who
12 is going to begin for us?
13 MR. COOK: I will, sir.
14 CHAIRMAN DIXON: Mr. Cook.
15 MR. COOK: Good evening, Mr. Chairman. The
16 Interagency Issues Team is responsible for the direct
17 analysis of defense agencies. This evening we will be
18 presenting that analyses on the Defense Logistics Agency and
19 the Defense Investigative Service.
20 With me is Marilyn Wasleski, senior analyst, who
21 will do a number of the presentations. The Defense Logistics
22 Agency, or DLA, divided their installations into four

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1 categories shown. We will brief those categories which are
2 highlighted, as they are the only ones which contain
3 recommendations.
4 The first category is distribution depots, not to
5 be confused with maintenance depots which have already been
6 discussed. Distribution depots are responsible for receipt,
7 storage and issues of items purchased by item managers. It
8 is basically a warehousing function.
9 DLA has added distribution depots to their list of
10 recommendations because they simply have too much capacity in
11 the system. In the out years requirements for storage
12 capacity will continue to decline due to force structure
13 reductions, outsourcing and management initiatives tied to
14 commercial practices.
15 Distribution depots are further divided into two
16 types, co-locate and stand alone. Co-located depots are, as
17 the name implies, connected with service maintenance depots
18 and exist primarily because of that maintenance function.
19 Yesterday the Commission closed Kelly, McClellan
20 and Letterkenny maintenance depots and the associated
21 distribution depots at those installations. Those actions
22 had an impact on the overall storage capacity system-wide.

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1 reducing the availability by approximately 64 million
2 attainable cubic feet. And that's the measure of storage
3 capacity.
4 We will now discuss issues relating to stand alone
5 depots and recognize that any decisions concerning the
6 closure of these depots will also have an impact on the
7 overall storage capacity.
8 Change the slide, please. DLA ranked six stand
9 alone depots in the order shown. After their analysis DLA
10 removed the two most highly rated, San Joaquin and
11 Susquehanna from further analysis because they were coastal
12 mega-depots within close proximity of air and water ports of
13 embarkation.
14 Additionally, they were designed as primary
15 distribution sites and are considered the distribution focal
16 points for support of the two major regional conflict
17 concept. The three highlighted depots had specific
18 recommendations. The depots in Memphis and Ogden are
19 recommended for closure and the depot in Columbus is
20 recommended for realignment. Slide.
21 The concept for operations for DLA stand alone
22 depots is shown. As you can see, it calls for two primary

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1 distribution sites and a site for slow-moving and war reserve
2 material. DLA's closure recommendations support this concept
3 of operations.
Fully implementing the concept of operations will
e shortfall ramifications. I'll speak to those
nentarily.
Here is a map showing the location of the six stand
alone depots with the ones involved in DLA recommendations
highlighted. The map doesn't accurately reflect the true
picture of the storage locations, however, so the next map
displays all storage locations, both stand alone and co-
located.
These depots -- the depot is either closed or
recommended for closure are highlighted. The map provides a
broader perspective of the total storage system. Next slide.
I spoke about the declining inventory and the
resulting decline in the need for capacity. I show this
graph to display the capacity and inventory relationship of
the distribution system over time after the Commission
decisions actual and potential are factored in.
The sharp decline in capacity in 1996 and 1997 will
occur if the depots at Memphis and Ogden are closed. The

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1 smaller decline in 1999 and 2000 will occur as a result of
2 the closures of McClellan, San Antonio and Letterkenny.
3 The total impact in the storage system, if all
4 closures are implemented, equals a shortfall of approximately
5 25 million attainable cubic feet. Again, that's the measure
6 of storage capacity.
7 COMMISSIONER COX: Mr. Cook, before you go on on
8 that.
9 CHAIRMAN DIXON: Commissioner Cox.
10 COMMISSIONER COX: That would show potential small
11 lack of capacity in 2000 and beyond. What would be the
12 impact of the Roles and Mission study? Do they go into this?
MR. COOK: They do, they had an extensive section
material management and outsourcing of it. Let me have
e A15, please.
16 Roles and Missions Commission report, as I said,
17 had extensive discussion concerning material management
18 functions. In it they indicated that the preferential way of
19 handling shortfalls was outsourcing, even to the tune of
20 providing surge capacity in time of war.
21 COMMISSIONER COX: Even in the private sector for
22 surge capacity?

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1 MR. COOK: Absolutely.
2 COMMISSIONER COX: And let me ask you a question,
3 we talked about capacity and all kinds of -- 85 percent is
4 not enough -- too much, 100 percent is too much -- is that
5 shortfall, 20 some-odd thousand, is that a lot, a small
6 amount, is that applicable, are we concerned?
7 MR. COOK: 25 million -- not as concerned as I was
8 prior to yesterday. Let me have backup slide 1A. I would
9 review, Commissioner Cox, how we got the shortfall, and why
10 it doesn't cause as much concern as it might have.
11 The slide shows that the closure of Memphis, Ogden,
12 Letterkenny and Red River would have given us a shortfall of
13 10 million ACF, attainable cubic feet. When the closures of
14 McClellan and San Antonio were added in that gave a total
15 shortfall of over 48 million cubic feet. That provided staff
16 some concern because that seemed to be beyond the capability
17 of DLA to handle with their management practices and so on.
18 We were fully prepared to recommend that something
19 be considered for retention. However, when the Red River
20 Army Depot was added along with the associated distribution
21 depot that knocked the shortfall down to a little over 25
22 million 26 million attainable cubic feet. According to the

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1 Roles and Missions statement that is well within the capacity
2 of private sector to handle.
3 Now, DLA indicated even when they had a total of
4 potential 48 million shortfall they wanted to handle that in-
5 house. We had some problems with that on the staff. As I
6 said, we're fully intending to recommend that they retain
7 some capability.
8 COMMISSIONER COX: But DLA had indicated that they
9 would rather take the 48 million?
10 MR. COOK: That's correct.
11 COMMISSIONER COX: That would be acceptable?
12 MR. COOK: That's what came to us in writing.
13 CHAIRMAN DIXON: Yes, but you were saying, Mr.
14 Cook, that at the point where we are now after the action
15 taken on a prior occasion on Red River that you and staff are
16 comfortable with this question.
17 MR. COOK: Yes, sir. I think there is sufficient
18 capability in the commercial sector -- if the Commission
19 chooses to go that way there is adequate capability in the
20 commercial sector to handle that shortfall.
21 COMMISSIONER KLING: Just so I can understand what
22 you're saying, Mr. Cook, what you're saying is that prior to

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1 any of our actions it was 48 that was the acceptable amount
2 to DLA?
3 MR. COOK: Yes, sir. Prior to Red River remaining
4 open 48 million was a shortfall. DLA indicated that they
5 would like to accept that we as a staff had some problem with
6 that.
7 COMMISSIONER KLING: But now, we're going to have
8 less than that.
9 MR. COOK: Now, we've got 25.7.
10 MS. KING: So, they're going to be twice happy -- I
11 mean, twice as easy and comfortable. And you're more
12 comfortable.
13 MR. COOK: Yes, sir.
14 MS. KING: You're more comfortable than you were
15 prior to any of our actions.
16 CHAIRMAN DIXON: He looks very comfortable.
17 COMMISSIONER ROBLES: Mr. Cook, can I ask you a
18 question, please?
19 MR. COOK: Yes, sir.
20 CHAIRMAN DIXON: Commissioner Robles.
21 COMMISSIONER ROBLES: I'm just trying to get my
22 handle on this capacity number because the ever elusive

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1 capacity shows up in different venues. Are the capacity
2 number that you're using, i.e., the requirement numbers, are
3 they after all these initiatives that DLA has been engaged in
4 since the early '90s?
5 Having been an active participant in the 900 series
6 of DMDs and DMRs, are you telling me this is after DLA rings
7 out all its efficiency, just in time inventory, gets rid of
8 lines, all that whole series of 901 and all those other
9 initiatives, this is where you end up or is it before that?
10 MR. COOK: It's before that, Commissioner Robles.
11 DLA is currently engaged in a couple programs similar to just
12 in time inventory. They're also involved in rewarehousing,
13 they're bringing some new facilities on line. That does not
14 even begin to account for the private sector capability.
15 COMMISSIONER ROBLES: Thank you.
16 CHAIRMAN DIXON: Are there any further questions of
17 Mr. Cook.
18 COMMISSIONER MONTOYA: I have one.
19 CHAIRMAN DIXON: Commissioner Montoya.
20 COMMISSIONER MONTOYA: Does this capacity number at
21 Red River include the potential completion of that huge
22 storage building that they're working on?

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1 implemented and debugged. DLA is about halfway through their
2 DBD program implementation and to programmed to be completed
3 in 1997. So far no major problems have surfaced.
4 Two final issues I would like to present deal with
5 cost and economics. The community contends that the one-
6 cost used by DLA are substantially understated and that
7 ual costs are overstated. Their estimates include a $23
8 million extra for one-time costs $208 million for
9 construction cost avoidance and $136 million for equipment
10 costs. However, the staff could not support their contention
11 that these costs would be required if the depot were closed.
12 Finally, Mr. Chairman, the question of economic
13 impact, while not appearing to be severe, is somewhat
14 misleading. There would be a negative .6 percent impact on
15 the community as a whole, if the depot were closed. However,
16 the impact on the African American community in Memphis would
17 result in a rise in unemployment from the current 9 percent
18 to 9.6 percent since 80 percent of the employees at the depot
19 are African American.
20 Next slide. Mr. Chairman, closing the depot at
21 Memphis would bring with it the pros and cons we have listed
22 on the chart. The annual savings of $23.8 million and the

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1 reduction of excess capacity in the storage system by 31.1
2 million attainable cubic feet is the reason this facility has
3 been recommended for closure by DLA.
4 Are there any questions?
5 CHAIRMAN DIXON: Any questions of Mr. Cook.
6 COMMISSIONER ROBLES: Just a question -- more of an
7 observation, but in the form of a question. You know, I
8 understand the DLA approach, which is to not have any stand-
9 alone depots. They're trying to get the number of primary
10 distribution sites down to just a couple. They want to
11 collocate the distribution depots next to their maintenance
12 facilities, or collocate them with maintenance facilities,
13 and they're trying to reduce infrastructure.
14 But, you know, I just don't understand this -- that
15 y once in a while you just got to take a step back and
16 , "Wait a minute, what about this?" I mean, I got -- we
17 all received at the regional hearing, and I've gotten some
18 additional briefings on the fact that Federal Express has
19 made that a hub, and Memphis is becoming a cargo-handling
20 center of excellence a la Silicon Valley for that industry, a
21 la Route 120 in Boston for the high-tech industry.
22 And more and more companies are gravitating there,

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1 and there is going to be some great technology sharing,
2 synergies, and other benefits to be gained. And so I
3 guess -- and plus the basic infrastructure of the depot is
4 very modern, very specialized, lots of storage space, et
5 cetera.
6 Did any of that factor into DLA's analysis? Or did
7 they just use a cookie-cutter approach that says, "Slam, if
8 you're not collocated with a maintenance depot, that's where
9 you go" And for whatever their military ranking value
10 purposes are, "We only want these two PDSs."
11 I'd like a little more insight into this thinking.
12 MR. COOK: There were two measures of merit for the
13 depots, Commissioner Robles. One was the military value, and
14 then, you're absolutely right, the second measure was
15 something called installation military value. And those
16 installations that were collocated with other facilities that
17 would share the overhead received a higher installation
18 military value.
19 The two depots, Memphis and Ogden, suffered in that
20 analysis. The overhead was spread over a larger base --
21 those that were collocated with another facility.
22 COMMISSIONER ROBLES: See, that doesn't seem to be

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1 a military value analysis. That seems to be an economic
2 analysis that says, "You help me pay my bills, I love you."
3 And instead of this really has military value because it's
4 geographically located in the right place, the technology is
5 such, its infrastructure is modern and new, the maintenance
6 costs are low. All the things that, at least in my simple
7 mind, constitute military value.
8 So I just wonder why they use a different model for
9 military value than the traditional model.
10 MR. COOK: In the depot world, there are
11 warehouses, there are mechanization, there's expendability,
12 and there's suitability for the mission. Obviously the
13 collocated depots to support the maintenance mission. In the
14 stand-alone depots, the two coastal mega-depots are obviously
15 ones that are the primary distribution centers for going to
16 war on each coast.
17 That left four others. One was designated to be
18 the slow movers, up in Columbus. That left three, Ogden
19 depot and Richmond. Richmond had the best facilities in
20 terms of being new. So the long-term investment in
21 maintenance of facilities at Richmond was lower than the
22 other two. Additionally, it was collocated with an inventory

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1 control point and was in close proximity to the Norfolk port.
2 So they had a higher installation military value
3 than the other two. And that left Memphis and Ogden.
4 COMMISSIONER ROBLES: I don't understand the
5 Norfolk port tie-in.
6 MR. COOK: They do a lot of support. They have --
7 of the Norfolk area, Commissioner Robles.
8 COMMISSIONER ROBLES: Oh, but it has nothing to do
9 with the port.
10 MR. COOK: No, sir. I'm sorry.
11 COMMISSIONER ROBLES: It has to do with the Norfolk
12 facility storage.
13 MR. COOK: Strictly storage.
14 COMMISSIONER ROBLES: Okay, I can understand that.
15 CHAIRMAN DIXON: Any other questions or statements?
16 COMMISSIONER DAVIS: This synergism of the Memphis
17 area. I mean, if you go to heaven and hell if you're a
18 package, you got to go to Memphis, because -- with FedEx and
19 company. And that is a hub. Is there great synergism with
20 that capability that exists at Memphis already?
21 MR. COOK: The capability is there. Within 24
22 hours, you can get to about 42 percent of the GIs in the

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1 United States, from Memphis, in 24 hours. No doubt that they
2 are centrally located and perform a mission. But that same
3 mission now is going to be picked up partially by Red River,
4 partially by Tinker, and the collocated depots, because
5 they've got storage capacity.
6 COMMISSIONER DAVIS: Yeah, but Red River is still
7 quite a ways from Memphis.
8 MR. COOK: It sure is. It sure is. Yes, sir.
9 COMMISSIONER COX: On that issue -- wasn't there an
10 issue earlier that they were doing a pilot program with FedEx
11 at Memphis.
12 MR. COOK: Yes, they sure were Commissioner Cox.
13 It's just being implemented, as I remember it. I'll get some
14 data for you before I finish this briefing.
15 COMMISSIONER COX: But I also recall that FedEx
16 indicated they didn't have to be in Memphis.
17 MR. COOK: That's true.
18 MS. WASLESKI: It's an overnight delivery program
19 for fast-moving items, but FedEx could do that independent of
20 the --
21 COMMISSIONER COX: Wherever it --
22 MS. WASLESKI: Well, independent of the depot being

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1 there.
2 COMMISSIONER COX: I see.
3 MS. WASLESKI: Thank you very much.
4 CHAIRMAN DIXON: Any other questions? Any
5 statements? Is there a motion?
6 COMMISSIONER COX: Mr. Chairman.
7 CHAIRMAN DIXON: Commissioner Cox.
8 COMMISSIONER COX: Are we ready for motions. Okay.
9 M O T I O N
10 COMMISSIONER COX: I move that the Commission find
11 that the Secretary of Defense did not deviate substantially
12 from the force structure plan and final criteria, and
13 therefore that the Commission adopt the following
14 recommendation of the Secretary of Defense.
15 Close Defense Distribution Depot Memphis,
16 Tennessee. Material remaining at the DDMT at the time of
17 closure will be relocated to optimum storage space within the
18 Department of Defense distribution system. As a result of
19 DDMT, all DLA activity will cease at this location, and DDMT
20 will be excessed to DLA needs.
21 CHAIRMAN DIXON: Is there a second to that motion?
22 I second that motion. Is there any further comment?

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1 Counsel, call the role.
2 MS. KING: Commissioner Cox.
3 COMMISSIONER COX: Aye.
4 MS. KING: Commissioner Davis.
5 COMMISSIONER DAVIS: Aye.
6 MS. KING: Commissioner Kling.
7 COMMISSIONER KLING: Aye.
8 MS. KING: Commissioner Montoya.
9 COMMISSIONER MONTOYA: Aye.
10 MS. KING: Commissioner Robles.
11 COMMISSIONER ROBLES: Nay.
12 MS. KING: Commissioner Steele.
13 COMMISSIONER STEELE: Aye.
14 MS. KING: Commissioner Cornella.
15 COMMISSIONER CORNELLA: Aye.
16 MS. KING: Mr. Chairman.
17 CHAIRMAN DIXON: Aye.
18 MS. KING: Mr. Chairman, the vote is seven ayes and
19 one nay.
20 CHAIRMAN DIXON: That motion is adopted, seven to
21 one.
22 MR. COOK: The next depot under consideration is

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1 the one at Ogden, Utah. Like Memphis, it's a good facility
2 in a desirable location, with an active involvement by the
3 community in its defense. As with Memphis, we've listed the
4 most important issues surfaced by the community, along with
5 DOD and R and A positions.
6 The Ogden community from the beginning indicated
7 that the analysis by DOD was invalid, in that the two depots
8 at San Joaquin and Susquehanna should not have initially been
9 eliminated from further consideration. They felt that the
10 DLA action was inappropriate.
11 We previously sent a point paper to each
12 Commissioner on the issue. In essence, the staff, counsel,
13 and the GAO opinion is that DLA actions were legal and this
14 BRAC decision was not predetermined.
15 The community believes that the depot should have
16 been designated as a primary distribution site because they
17 clearly the demonstrated capability. They also contend that
18 the destination costs for most manufacturers to the depot,
19 and then on to ports or other inland users, are cheaper from
20 Ogden depot than from the California depots. The result, in
21 their opinion, is an adverse impact on military readiness.
22 The staff determined that, from a capability

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1 standpoint, the Ogden depot could be designated as a PDS and
2 handle the mission very well. However, the military judgment
3 of DLA, as outlined in their concept of operation, calls for
4 only two primary distribution sites for the two-MRC scenario.
5 The staff found that the cost from the San Joaquin
6 depot in California to the west coast ports and locations are
7 cheaper than from Ogden to the same ports and location,
8 although some second destination costs would be less
9 expensive from Utah to inland locations.
10 Ogden believes that DLA is reducing their depot
11 structure too rapidly, and that less shortfall rather than
12 more should be the guideline. The R and A staff is convinced
13 that the shortfall created by the closure process does not an
14 unmanageable risk for DLA over the two-MRC scenario.
15 A unique mission currently performed at Ogden
16 involves the deployable system, commonly called DEPMEDS. The
17 versatile allows anything from a very small clinic to a full-
18 up hospital to be quickly established via modules. The
19 executive agent for DEPMEDS is the Army, and they've
20 indicated a preference for retaining the mission in the Ogden
21 area, where the climate and an experienced workforce can
22 support the mission.

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1 We found that movement of DEPMEDS' mission
2 equipment is best accommodated from a central location, in
3 this case Ogden. During Desert Storm, those assets went
4 through New Orleans, a point nearer Ogden than California,
5 and therefore cheaper and quicker. DLA has indicated that
6 they will relocate the DEPMEDS mission to Hill Air Force Base
7 to accommodate the Army's desire. The staff concurs.
8 CHAIRMAN DIXON: Are there any questions of Mr.
9 Cook.
10 COMMISSIONER STEELE: I do. You sort of answered
11 it. You said staff concurs. My question would be, with our
12 actions yesterday on ALCs, both from a cost standpoint --
13 actually pre-ALC action of moving those. Because, as you
14 know, they're really closely located, Hill Air Force Base and
15 this DDOU.
16 Does it still make sense, both cost-wise and does
17 Hill Air Force Base still have the room, given what we have
18 just handed the Air Force as a management issue, to move the
19 DEPMEDS up to Hill?
20 MR. COOK: We looked at that and discussed that
21 issue with them, Commissioner Steele. Hill Air Force Base
22 has the inside storage to accommodate the mission and the

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1 inside storage requirements for DEPMEDS. There is some
2 concern about contiguous storage space for the modules
3 themselves, although that is being worked out. There are
4 some options to keep it in the area, and I'll discuss those
5 in just a second.
6 The inside storage for the DEPMEDS that you saw
7 when you were there can be accommodated at Hill, even with
8 the movement of assets from --
9 COMMISSIONER STEELE: And we got that answer from
10 both Hill Air Force Base?
11 MR. COOK: We did. We asked them both.
12 COMMISSIONER STEELE: Okay. Thanks.
13 CHAIRMAN DIXON: Thank you, Mr. Cook. Is there a
14 motion?
15 COMMISSIONER KLING: Yes, sir, Mr. Chairman.
16 CHAIRMAN DIXON: Commissioner Kling.
17 M O T I O N
18 COMMISSIONER KLING: I move that the commission
19 find that the Secretary of Defense deviated substantially
20 from final criteria 2 and 3, and therefore that the
21 Commission reject the Secretary's recommendation on Defense
22 Distribution Depot Ogden, Utah, and instead adopt the

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1 following recommendation.
2 Close Defense Distribution Depot Ogden, Utah,
3 except for minimum essential land and facilities for a
4 reserve component enclave. Material remaining at Defense
Depot Ogden Utah at the time of closure will be relocated to
minimum storage space within the Department of Defense
distribution system.
8 As a result of the closure of DDOU, all DLA
9 activity will cease at this location and DDOU will be
10 excessed to DLA needs. The Commission finds this
11 recommendation is consistent with the force structure plan
12 and final criteria.
13 CHAIRMAN DIXON: I second the motion. Are there
14 any comments?
15 COMMISSIONER STEELE: Yes, Mr. Chairman.
16 CHAIRMAN DIXON: Commissioner Steele.
17 COMMISSIONER STEELE: It's just a clarification
18 question. I believe Mr. Cook was about to say there were
19 other options in the area regarding the DEPMEDS, and I'm
20 wondering if what you didn't present might impact the
21 recommendation and do we need to hear that first, sir.
22 MR. COOK: I'll be happy to tell you that,

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1 Commissioner Steele. The community presented a proposal to
2 staff which seems to have some merit. In the event the Ogden
3 Distribution Dep was closed, the community proposes it obtain
4 the present depot land from DOD and then lease the required
5 amount back to DLA to cover not only the necessary long-term
6 storage, but as a vehicle to cover any shortfall.
7 DLA has endorsed the notion of leasing, and this
8 might provide an acceptable solution to any shortfall. I
9 should add that the concept could just as easily apply to the
10 Memphis depot as the one at Ogden to cover any shortfall.
11 COMMISSIONER STEELE: Just one question on there.
12 Because of the movement of DEPMEDS -- I mean, if there's a
13 shortage of space, could they save money by just keeping that
thing there? Or should -- if this closes, I suppose they
would do that anyway. I'm not trying to mess it up here, but
also don't want to spend money we don't need to spend.
17 MR. COOK: Part of the recommendation is to
18 maintain the minimum essential land at the Ogden depot for an
19 Army Reserve contonement area. So that's going to be there
20 at any point. Now, to expand that contonement to cover the
21 DEPMEDS could easily be done. To answer your question, it
22 will be more expensive because they'll have to lease the

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1 space, as opposed to moving it to Hill, where it's already
2 paid for.
3 CHAIRMAN DIXON: Any other statements or questions?
4 COMMISSIONER STEELE: At this late hour I'm not
5 going to make a big deal about this. I'm just worried that
6 because it's a late hour, we might be locking in something
7 that could save some money if we did it differently. And, I
8 mean, I'd like to depart as much as everybody else.
9 Mr. Cook, do you feel it is worthy to amend a
10 motion in any way, or should we just proceed.
11 MR. COOK: I do feel the motion should be amended,
12 Commissioner Steele. I think DLA has the latitude through
13 the roles and mission --
14 COMMISSIONER STEELE: Enough said. I'm happy.
15 Thank you.
16 CHAIRMAN DIXON: Counsel, call the roll.
17 MS. CREEDON: Commissioner Kling.
18 CHAIRMAN DIXON: Did we have a second to that
19 motion?
20 COMMISSIONER CORNELLA: I seconded.
21 COMMISSIONER KLING: Aye.
22 MS. CREEDON: Commissioner Montoya.

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1 COMMISSIONER MONTOYA: Aye.
2 MS. CREEDON: Commissioner Robles.
3 COMMISSIONER ROBLES: Aye.
4 MS. CREEDON: Commissioner Steele.
5 COMMISSIONER STEELE: Aye.
6 MS. CREEDON: Commissioner Cornella.
7 COMMISSIONER CORNELLA: Aye.
8 MS. CREEDON: Commissioner Cox.
9 COMMISSIONER COX: Aye.
10 MS. CREEDON: Commissioner Davis.
11 COMMISSIONER DAVIS: Aye.
12 MS. CREEDON: Mr. Chairman.
13 CHAIRMAN DIXON: Aye.
14 MS. CREEDON: Mr. Chairman, the vote is eight ayes
15 and zero nays.
16 CHAIRMAN DIXON: The motion is unanimously adopted,
17 Defense Logistics Agency -- Inventory Control Points, Defense
18 Industrial Supply Center, Philadelphia, Pennsylvania.
19 MR. COOK: Thank you, sir.
20 Ms. Wasleski will cover the ICPs.
21 MS. WASLESKI: The next category we will brief if
22 inventory control points. An inventory control points, or

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1 ICP, mission is to procure and direct the storage and
2 shipment of wholesale industrial weapons system items, such
3 as nuts and bolts, general items, such as light bulbs and
4 film, and troop support items, such as food, clothing, and
5 medical items for the military services. Next slide.
6 DLA began their analysis by grouping the inventory
7 control points, which have like missions, and rating those
8 like missions together. The Defense Construction Supply
9 Center, the Defense General Supply Center and the Defense
10 Industrial Supply Center were all grouped and rated together
11 because they all buy weapon systems and general items for the
12 military services.
13 The Defense Personnel Support Center was rated
14 separately because it is the only inventory control point
15 within DLA which purchases the commercial-type items such as
16 food, clothing and medical items. These items are
17 collectively known as troop support items.
18 The Defense Fuel Supply Center was also rated
19 separately as it is the only ICP, which purchases fuels for
20 the military services. Next slide.
21 DLAs concept of operations is to have four
22 inventory control points grouped together by like items, two

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1 weapon systems ICPs, one troop and general support ICP, and
2 one fuel system ICP. The items were grouped this way in
3 order to improve management oversight.
4 The troop and general support items are more
5 conducive to commercial support and thus managed differently
6 than weapon system items or fuel.
7 The DLA concept of operations is to have the
8 Defense Construction Supply Center and the Defense General
9 Supply Center as the weapons systems inventory control
10 points; the Defense Personnel Support Center as the troop and
11 general support inventory control point; and the Defense Fuel
12 Supply Center as the Defense fuels inventory control point.
13 DLA plans to disestablish the Defense Industrial
14 Supply Center in order to obtain this concept. Next slide.
15 This map indicates the locations of the five
16 inventory control points. I would like to point out that the
17 location of an ICP is not geographically dependent. Two of
18 the ICPs are located in Philadelphia, that is the Defense
19 Industrial Supply Center and the Defense Personnel Support
20 Center.
21 The Defense Industrial Supply Center is located in
22 Columbus, Ohio, and the Defense General Supply Center is

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1 located in Richmond, Virginia, and the Defense Fuel Center is
2 located here in Alexandria.
3 The Defense Industrial Supply Center is highlighted
4 on this map because it is the primary focus of the DOD
5 recommendation. For future discussions, we will not address
6 the Defense Fuel Supply Center as not involved in the DOD
7 recommendation. Next slide.
8 This chart highlights the effect of the DOD
9 recommendation. There will be a one-time cost of $55.1
10 million with annual savings of $18.4. Economic impact on the
11 communities effected by this recommendation is minimal. Next
12 slide, please.
13 This map illustrates the movement of the items in
14 order to reach DLAs concept of operations. The Defense
15 Construction Supply Center will be moving approximately 46
16 percent of its general item workload to the Defense Personnel
17 Support Center.
18 The Defense Supply Center will be disestablished
19 and sending approximately 63 percent of its weapons system
20 workload to Defense General Supply Center, and 7 percent of
21 its general workload to the Defense Personnel Support Center.
22 The Defense General Supply Center will be moving

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1 approximately 49 percent of its general item workload to the
2 Defense Personnel Support Center. In total approximately 2
3 million items will be transferred, however, only about one-
4 third of these items are active items.
5 The Defense Construction Center in Columbus was
6 selected as a weapons system inventory control point, because
7 it currently manages a large number of weapon systems items,
8 and it is also host to a number of DLA and non-DLA activities
9 which allows them to share overhead.
10 The Defense General Supply Center, Richmond, as
11 selected as the other weapons system inventory control point
12 because it also hosts a number of DLA and non-DLA activities
13 and is, in addition, among the best facilities DLA has.
14 The Defense Personnel Support Center was chosen as
15 the troop and general support inventory control point,
16 because no other inventory control point manages troop items,
17 and the general items would be managed like the troop items,
18 which is commercial-type buying.
19 The box in the lower right-hand corner of this map
20 illustrates the net civilian manpower impact, as a result of
21 this recommendation. Philadelphia will lose 369 jobs,
22 Columbus 358, and Richmond gains 323. We have simplified the

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1 movement because locations will be losing and receiving
2 manpower allocations. Next slide, please.
3 The community was very involved and raised a number
4 of issues. We have summarized their position on the major
5 issues on this slide, along with the position of the DOD,
6 where applicable and the R and A staff findings.
7 The first issue we looked at was the location
8 selected for the weapons system inventory control points.
9 The community believes that because of their knowledge and
10 number of weapon system items managed, the Defense Industrial
11 Supply Center should have been retained as a weapon system
12 ICP. We agree with the DOD position to have Columbus and
13 Richmond, however, as the weapon systems inventory control
14 points, because of the reasons I just previously stated and
15 why DOD selected them.
16 CHAIRMAN DIXON: Are there any further questions of
17 Ms. Wasleski?
18 COMMISSIONER ROBLES: Aren't you going to go
19 through the rest of those categories?
20 MS. WASLESKI: Yes, if you want me to.
21 CHAIRMAN DIXON: All right, go ahead, Ms. Wasleski.
22 MS. WASLESKI: All right. The second impact -- the

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1 second issue raised is impact on military readiness. The
2 community believes the impact will be severe because
3 expertise will be lost as the people who currently managing
4 the items will not be moving with their items to Richmond.
5 This is because the movement of items is a transfer
6 workload non-function, since the Richmond inventory control
7 point performs similar functions as the Defense Industrial
8 Supply Center.
9 The community believes serious performance
10 degradation issues will ensue. We believe there will only be
11 a moderate impact of military readiness. This is because DLA
12 has prior experience in moving items. In fact, DLA has
13 recently completed the transfer of 700 thousand items from
14 the military services over the past three years.
15 In addition, the people at the Defense General
16 Supply Center have experience managing weapons systems items
17 and will be able to assist in the transfer. Further, we
18 believe that DLAs concept of operations will ultimately
19 provide better service to the customer.
20 Another issue raised was the issue of job rights.
21 The community is concerned that, because their organization
22 is being disestablished, employees have no job rights, which

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1 is true. As I previously mentioned, this is a workload
2 transfer, not a transfer of function. Although there are no
3 direct job rights, DLA has stated that employees from the
4 Defense Industrial Supply Center will be offered positions
5 within the new Troop and General Support Inventory Control
6 Point to be created in Philadelphia. We believe DLA will
7 offer those employees those jobs.
8 The community questioned, also, some of the DLA's
9 COBRA information. The major item questioned was the cost to
10 transfer the items from one ICP to another that was not
11 included in the COBRA. The community stated that this cost
12 can range anywhere from $57 million to $153 million,
13 depending on how many items are transferred and how automated
14 the process is. DLA agreed that the cost to transfer the
15 items was omitted and revised the COBRA to include one-time
16 item-movement costs of $24 million, and that's the numbers
17 you have, that we gave you earlier.
18 We believe that DLA's estimate on the cost to move
19 the items is on the low side and the community's costs are on
20 the high side. The General Accounting Office believed the
21 costs to be around $66 million. We ran a sensitivity
22 analysis using a one-time cost of $75 million. The analysis

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1 increased the return on investment from one year to four
2 years, which still makes it an attractive recommendation to
3 pursue.
4 The community's recommendation, however, is to
5 transfer the items outside the BRAC time limits. The
6 community believes that the number of items that need to be
7 transferred, which includes more items still to be
8 transferred from the services, is too great and will impact
9 military readiness due to performance degradation issues, if
10 done too quickly. The community recommends that the Defense
11 Industrial Supply Center and the Defense Personnel Support
12 Center be merged under one command and the items moved over a
13 longer period of time. We believe, however, that DLA has
14 enough experience in moving the items and can complete the
15 transfer within the BRAC requirements.
16 That's it.
17 CHAIRMAN DIXON: Do you have more, Ms. Wasleski?
18 MS. WASLESKI: No. Any questions?
19 CHAIRMAN DIXON: Are there any questions of Ms.
20 Wasleski?
21 (No response.)
22 CHAIRMAN DIXON: Are there any statements?

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(No response.)
CHAIRMAN DIXON: Is there a motion?
COMMISSIONER KLING: Yes, sir.
CHAIRMAN DIXON: Commissioner Kling.
MOTION
COMMISSIONER KLING: Mr. Chairman, I move that the commission find that the Secretary of Defense did not deviate substantially from the force structure plan and final criteria and, therefore, that the commission adopt the following recommendation of the Secretary of Defense: the Defense Industrial Supply Center is disestablished. Distribute the management of federal supply classes within the remaining Defense Logistics Agency inventory control points. Create one ICP for the management of troop and general support items in the Defense Personnel Support Center, in Philadelphia, Pennsylvania. Create two ICPs for the management of weapons-systems-related FSCs at the Defense Construction Supply Center, Columbus, Ohio, and the Defense General Supply Center, Richmond, Virginia.
CHAIRMAN DIXON: I second the motion.
Are there any comments?
(No response.)

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CHAIRMAN DIXON: Counsel will call the roll.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?
COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Mr. Chairman, the vote is eight ayes and –
CHAIRMAN DIXON: And the motion carries unanimously.
Defense Contract Management District South,

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Marietta, Georgia.
MR. COOK: Mr. Chairman, we have three recommendations in this category. All of them are below threshold.
Let me have slide C-3, please.
CHAIRMAN DIXON: You mean Marietta, El Segundo, and Dayton --
MR. COOK: Yes, sir.
CHAIRMAN DIXON: -- should be considered as a --
MR. COOK: No, sir. We'll discuss them individually, but they're -- one's a redirect, and the other two are under threshold.
CHAIRMAN DIXON: Okay.
MR. COOK: Defense Contract Management Districts are contract administration functions. They're middle management. The DLA has recommended that they disestablish the one in the South.
Slide C-4, please.
These are the numbers associated with the recommendation. I'll take each one individually.
Leave C-4 up, please, and let me have C-5.
These are the lines of the district as they're

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drawn. The highlighted Defense Contract Management District is the one for recommendation.
Next slide, please.
This will be what the realignment would look like. Basically, the reason for it is the allocation of the contractors are not as great in the South as they are in the Northeast and the Southwest. Frankly, at one time, DLA had nine of these, and now they're down to two, and I suspect in the near future they'll go down to none, with the technology we've got.
If you have any questions, I'll be happy to entertain them.
CHAIRMAN DIXON: Are there any questions of Mr. Cook?
(No response.)
CHAIRMAN DIXON: Are there any statements?
(No response.)
CHAIRMAN DIXON: Are there any motions?
COMMISSIONER KLING: Mr. Chairman?
CHAIRMAN DIXON: Commissioner Kling.
MOTION
COMMISSIONER KLING: Mr. Chairman, I move that the

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commission find that the Secretary of Defense did not deviate substantially from the force structure plan and final criteria and, therefore, that the commission adopt the following recommendation of the Secretary of Defense: Disestablish Defense Contract Management District South and relocate missions to Defense Contract Management District Northeast and Defense Contract Management District West.
CHAIRMAN DIXON: I second the motion.
Are there any comments or questions?
(No response.)
CHAIRMAN DIXON: Counsel, call the roll.
MS. CREEDON: Commissioner Kling?
COMMISSIONER KLING: Aye.
MS. CREEDON: Commissioner Montoya?
COMMISSIONER MONTOYA: Aye.
MS. CREEDON: Commissioner Robles?
COMMISSIONER ROBLES: Aye.
MS. CREEDON: Commissioner Steele?
COMMISSIONER STEELE: Aye.
MS. CREEDON: Commissioner Cornella?
COMMISSIONER CORNELLA: Aye.
MS. CREEDON: Commissioner Cox?

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COMMISSIONER COX: Aye.
MS. CREEDON: Commissioner Davis?
COMMISSIONER DAVIS: Aye.
MS. CREEDON: Mr. Chairman?
CHAIRMAN DIXON: Aye.
MS. CREEDON: Eight ayes.
CHAIRMAN DIXON: The motion is adopted unanimously.
Are there any questions concerning Defense Contract Management District West, El Segundo, California, or any statements?
(No response.)
CHAIRMAN DIXON: Is there a motion?
COMMISSIONER KLING: Yes, sir.
CHAIRMAN DIXON: Commissioner Kling.
MOTION
COMMISSIONER KLING: I move that the commission find that the Secretary of Defense did not deviate substantially from the force structure plan and final criteria and, therefore, that the commission adopt the following recommendation of the Secretary of Defense: This is redirect of the following BRAC '93 commission recommendation. "Relocate the Defense Contract Management

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1 District El Segundo, California, to Long Beach Naval
2 Shipyard, Los Angeles, California, or space obtained from
3 exchange of land for space between the Navy and the Port
4 Authority, City of Long Beach." The current recommendation
5 is expanded to read, "Relocate the Defense Contract
6 Management District El Segundo, California, (a) to government
7 property in the Los Angeles-Long Beach area or (b) to space
8 obtained from exchange of land between the Navy and the Port
9 Authority, City of Long Beach or (c) to a purchased office
10 building, whichever is the most cost-effective for the
11 Department of Defense.
12 CHAIRMAN DIXON: I second the motion.
13 Is there any comment or any question or any
14 statement?
15 (No response.)
16 CHAIRMAN DIXON: Counsel, call the roll.
17 MS. CREEDON: Commissioner Kling?
18 COMMISSIONER KLING: Aye.
19 MS. CREEDON: Commissioner Montoya?
20 COMMISSIONER MONTOYA: Aye.
21 MS. CREEDON: Commissioner Robles?
22 COMMISSIONER ROBLES: Aye.

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1 MS. CREEDON: Commissioner Steele?
2 COMMISSIONER STEELE: Aye.
3 MS. CREEDON: Commissioner Cornella?
4 COMMISSIONER CORNELLA: Aye.
5 MS. CREEDON: Commissioner Cox?
6 COMMISSIONER COX: Aye.
7 MS. CREEDON: Commissioner Davis?
8 COMMISSIONER DAVIS: Aye.
9 MS. CREEDON: Mr. Chairman?
10 CHAIRMAN DIXON: Aye.
11 MS. CREEDON: There are eight ayes and zero nays.
12 CHAIRMAN DIXON: The motion passes unanimously.
13 Are there any questions of Mr. Cook or Ms. Wasleski
14 concerning Dayton, Ohio?
15 (No response.)
16 CHAIRMAN DIXON: Is there a motion?
17 COMMISSIONER KLING: Mr. Chairman?
18 CHAIRMAN DIXON: Commissioner Kling?
19 MOTION
20 COMMISSIONER KLING: I move that the commission
21 find that the Secretary of Defense did not deviate
22 substantially from the force structure plan and final

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1 criteria and, therefore, that the commission adopt the
2 following recommendation of the Secretary of Defense:
3 Realign the Defense Contract Management Command International
4 Dayton, Ohio, and merge its mission into the Defense Contract
5 Management Command Headquarters, Fort Belvoir, Virginia.
6 CHAIRMAN DIXON: I second the motion.
7 Are there any comments?
8 (No response.)
9 CHAIRMAN DIXON: Are there any questions?
10 (No response.)
11 CHAIRMAN DIXON: Counsel will call the roll.
12 MS. CREEDON: Commissioner Kling?
13 COMMISSIONER KLING: Aye.
14 MS. CREEDON: Commissioner Montoya?
15 COMMISSIONER MONTOYA: Aye.
16 MS. CREEDON: Commissioner Robles?
17 COMMISSIONER ROBLES: Aye.
18 MS. CREEDON: Commissioner Steele?
19 COMMISSIONER STEELE: Aye.
20 MS. CREEDON: Commissioner Cornella?
21 COMMISSIONER CORNELLA: Aye.
22 MS. CREEDON: Commissioner Cox?

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1 COMMISSIONER COX: Aye.
2 MS. CREEDON: Commissioner Davis?
3 COMMISSIONER DAVIS: Aye.
4 MS. CREEDON: Mr. Chairman?
5 CHAIRMAN DIXON: Aye.
6 MS. CREEDON: Mr. Chairman, there are eight ayes
7 and zero nays.
8 CHAIRMAN DIXON: And the motion is adopted
9 unanimously.
10 Defense Investigative Service, Investigations
11 Control and Automation Directorate, Fort Holabird, Maryland.
12 Mr. Cook?
13 MR. COOK: Sir, in 1988 they closed Fort Holabird,
14 except for the investigative service office there. Terrible
15 facilities, 1940 buildings. They want to move on to Fort
16 Meade. It makes sense. We checked to see if there was
17 anything within a 50-mile radius that would accommodate them.
18 We found none. It makes sense. The staff concurs in the
19 recommendation.
20 CHAIRMAN DIXON: Any questions?
21 (No response.)
22 CHAIRMAN DIXON: Any motion?

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1 COMMISSIONER KLING: Yes, sir.
2 CHAIRMAN DIXON: Commissioner Kling.
3 MOTION
4 COMMISSIONER KLING: I move that the commission
5 find that the Secretary of Defense did not deviate
6 substantially from the force structure plan and final
7 criteria and, therefore, that the commission adopt the
8 following recommendation of the Secretary of Defense:
9 Relocate the Defense Investigative Service Investigation
10 Control and Automation Directorate from Fort Holabird,
11 Maryland, to a new facility to be built on Fort Meade,
12 Maryland. This proposal is a revision to the 1988 Base
13 Closure Commission's recommendation to retain the Defense
14 Investigative Service at Fort Holabird. Once DIS vacates the
15 building on Fort Holabird, the base will be vacant.
16 CHAIRMAN DIXON: I second the motion.
17 Are there any questions or statements?
18 (No response.)
19 CHAIRMAN DIXON: Counsel will call the roll.
20 MS. CREEDON: Commissioner Kling?
21 (No response.)
22 CHAIRMAN DIXON: Commissioner Kling?

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1 COMMISSIONER KLING: Aye.
2 MS. CREEDON: Commissioner Montoya?
3 COMMISSIONER MONTOYA: Aye.
4 MS. CREEDON: Commissioner Robles?
5 COMMISSIONER ROBLES: Aye.
6 MS. CREEDON: Commissioner Steele?
7 COMMISSIONER STEELE: Aye.
8 MS. CREEDON: Commissioner Cornella?
9 COMMISSIONER CORNELLA: Aye.
10 MS. CREEDON: Commissioner Cox?
11 COMMISSIONER COX: Aye.
12 MS. CREEDON: Commissioner Davis?
13 COMMISSIONER DAVIS: Aye.
14 MS. CREEDON: Mr. Chairman?
15 CHAIRMAN DIXON: Aye.
16 MS. CREEDON: Mr. Chairman, eight ayes and no nays.
17 CHAIRMAN DIXON: The motion is unanimously adopted.
18 MR. COOK: Sir, with the loss of that last
19 facility, Fort Holabird is now excess to the Army needs.
20 CHAIRMAN DIXON: Any questions?
21 (No response.)
22 CHAIRMAN DIXON: Any statements?

1 I'd like to mention, however, the splendid work
2 done by David Lyles, the staff director; by Charles Smith,
3 the executive director; and by Madelyn Creedon, the general
4 counsel. Without their leadership, we would not have
5 accomplished as much as we did.
6 My friends, with that, the final deliberations of
7 the 1995 Base Closure and Realignment Commission are
8 concluded. We stand adjourned.
9 (Whereupon, at 9:40 p.m., the meeting was
10 concluded.)