

ORIGINAL

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

OPEN MEETING

8:30 a.m.

University of Maryland Field House
Baltimore Campus
Baltimore, Maryland

Thursday, May 4, 1995

Unedited transcript

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COMMISSIONERS PRESENT:

Rebecca G. Cox
Alton W. Cornella
S. Lee Kling
Josue Robles
Wendi Lousie Steele

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P R O C E E D I N G S

1
2 CHAIRWOMAN COX: Good morning, ladies and
3 gentlemen. Welcome to the regional hearing of the Defense
4 Base Closure and Realignment Commission. My name is Rebecca
5 Cox, and I am a member of the commission charged with
6 evaluating the recommendations of the Department of Defense,
7 regarding the closure and realignment of military
8 installations in the United States. Also here with me today
9 are Commissioners Wendi Steele, Al Cornella, Lee Kling, and
10 Joe Robles.

11 First, let me thank all of the military and
12 civilian personnel who have assisted us so capably during our
13 visits to the many bases that will be discussed today. We've
14 spent a lot of days looking at these installations and asking
15 questions, and the cooperation that we've received has been
16 very, very helpful. The main purpose of the base visits
17 we've conducted is to allow us to see the installations and
18 to address with the military personnel the all important
19 question of the military value.

20 In addition to the base visits, as you all know, we
21 are conducting a total of 11 regional hearings, of which
22 today's is the tenth. The communities affected by the

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1 closure are the main purpose of the regional hearings today,
2 so that we can hear from them and consider their views. We
3 consider this interaction to be one of the most important
4 parts of our deliberations.

5 Let me assure you that all of the commissioners and
6 the staff are well aware of the tremendous impact of closure
7 on the communities. We are committed to openness and
8 fairness in this process, and all of the material we gather,
9 all of the information we get from the Department of Defense,
10 and all of our correspondence is completely open to the
11 public. We are faced with an unpleasant and painful task,
12 which we intend to carry out as sensitively as we can. The
13 kind of assistance we have received here is very helpful.

14 As far as how we will proceed today, we will do the
15 same as we have done in all of our regional hearings, and
16 that is that the commission has assigned a block of time to
17 each state affected by the closure, and the overall amount of
18 time was determined by the number of installations on the
19 list, and the amount of job loss. The time limits will be
20 enforced, strictly.

21 We notified the appropriate elected officials of
22 this procedure, and left it up to them, working with the

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1 communities, to determine how to block the time given to the
2 state. This morning, we will hear testimony from the State
3 of Maryland for 130 minutes, and from Pennsylvania, for 55
4 minutes.

5 At the end of the Pennsylvania morning
6 presentation, we have set aside a period of 30 minutes for
7 public comment, during which members of the public from
8 Pennsylvania and Maryland may speak. There has been a sign-
9 up sheet provided for this portion of the hearing, and we
10 hope that anyone who wishes to speak has already signed up.
11 We would ask that those of you speaking at that time to limit
12 yourself to two minutes.

13 After the public comment period we will break for
14 lunch, and reconvene about 1:35 for 110 minutes of testimony
15 from Pennsylvania, 100 minutes from Virginia, and 20 minutes
16 from North Carolina. After those presentations, there will
17 be another 30-minute public comment period from Pennsylvania,
18 Virginia, and North Carolina, and we expect the hearing to
19 end promptly at 6:30.

20 Let me also say before we start, that the base
21 closure law has been amended since 1993 to require that
22 anyone giving testimony before the commission do so under

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1 oath. And so I will be swearing in all of the witnesses, and
2 that will include the individuals who will be speaking for
3 the public comment period later. So that we can get started,
4 we could swear you all in as a group. If you wouldn't mind
5 standing, please. Anybody who will be testifying or
6 answering questions.

7 (Witnesses sworn.)

8 CHAIRWOMAN COX: Thank you. You may begin. We
9 have a very distinguished delegation here from the State of
10 Maryland, and we're pleased to see all of you. And let me
11 turn it over to you to go through your program.

12 SENATOR SARBANES: Madame Chairman and members of
13 the commission, thank you very much for this opportunity to
14 appear in support of our communities and their response to
15 the 1995 base closure and realignment recommendations with
16 the Department of Defense.

17 We also want to thank the commission for scheduling
18 this regional hearing in Maryland, and we express our
19 particular appreciation to each of the commissioners who's
20 here with us this morning and to the BRAC staff and also,
21 especially, to those commissioners who have been able to
22 visit installations in our state.

1 As you know, Maryland was heavily impacted by the
2 DOD's recommendations with five of our installations slated
3 for closure or realignment. This would cost us 1700 military
4 and civilian jobs and also, because of a reversal by the
5 Department of Defense of the '93 recommendation, the loss of
6 almost 4,000 jobs which are coming from NAVSEA to White Oak.

7 More importantly, though, we believe our nation
8 will lose critical military capabilities as a consequence of
9 the recommendations that have been made, and also lose highly
10 dedicated and proven teams of experienced personnel
11 associated with these installations. As you will be hearing
12 this morning, we think DOD failed to adequately consider
13 other opportunities for cost savings and cross servicing,
14 such as consolidation.

15 For example, the Defense Information Systems Agency
16 to Fort Ritchie; the DOD-wide consolidation of Army
17 Publication Distribution Centers, which would then involve
18 Baltimore in responding to that challenge; and the Joint
19 Spectrum Center, to Annapolis. We have deep concern about
20 the downsizing of the Kimbrough Hospital at Fort Meade.

21 Our delegation and our state and local governments
22 have worked closely with the affected communities and

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1 concerned citizens in examining the DOD's justification,
2 preparing for today's hearings. I think you're going to hear
3 some very perceptive analysis of the cost justifications put
4 forth by DOD. The elected officials are here to underscore
5 the state's support of our communities and their concerns
6 with the DOD's recommendations.

7 What we're going to do is, we're going to ask the
8 governor to speak briefly and then some members of the
9 delegation who will have to depart because of their pressing
10 schedules. I hope everyone understands the intense pressure
11 the governor and some of our delegation members are under.

12 Others will stay for the presentation by their
13 communities and will speak at the end of that presentation.
14 Congressman Bartlett, for instance, at the end of the Fort
15 Ritchie presentation, will then close with his observations.

16 We've asked everyone to be brief. We're anxious to
17 hear from the communities, and with that I now defer to
18 Governor Glendening and then to Senator Mikulski and then
19 Congressmen Hoyer and Cardin. Governor?

20 GOVERNOR GLENDENING: Senator Sarbanes, thank you
21 very much. Madame Chair and members of the commission, we
22 welcome you first to Maryland, and many of you, we welcome

1 you again to Maryland. We certainly appreciate everything
2 that you've been doing. The lieutenant governor and I are
3 delighted to be hosting this next to last meeting.

4 And we also thank the University of Maryland in
5 Baltimore County and President Freeman Browsey, who is in
6 Germany and couldn't be here today, but has been very helpful
7 to us. Commission members, I know that this has been a very
8 grueling schedule for you. We appreciate your willingness to
9 give the time and attention to those whose lives will be
10 directly affected by the decision that you have been called
11 upon to make.

12 I can tell you very sincerely that we are deeply
13 concerned about the impact of the base closings that have
14 been recommended to you. We are concerned about the impact
15 on the communities, of which the bases are a very important
16 and integral part. We're concerned about the impact on our
17 national defense. You'll be hearing a set of very excellent
18 presentations from community leaders.

19 They have raised, I think, very legitimate
20 questions about the national defense significance of the
21 bases, but they've also raised issues that we believe are
22 extremely important in terms of the economic well-being of

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1 the communities, as well.

2 I will be very brief, so that we can hear from the
3 citizens, but I do want to underscore our state's strong
4 support for these bases and for the community advocates.
5 Lieutenant Governor Townsend, who has been part of several of
6 your visits to the state, will be with you throughout the
7 morning, as well.

8 I thank you for your time, and for the special
9 thanks to the citizens who have come out this morning and who
10 have been so supportive, and I can tell you, who have made
11 absolutely excellent substantive presentations throughout
12 this process. I understand that the passion and the
13 enthusiasm, and the very real concern -- the legitimate
14 concern -- that the citizens have raised.

15 We have participated with people from White Oak,
16 from Fort Ritchie, and from the Army Publications
17 Distribution Center. And I believe that their comments will
18 indeed be very telling. And I thank you citizens for your
19 active participation, as well, and commission members, thank
20 you.

21 SENATOR MIKULSKI: Thank you, Senator Sarbanes. To
22 the members of the commission, we give you a very cordial

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1 welcome to Maryland, and thank you for the very assiduous way
2 you're going about your duties. We welcome you in our state.
3 We know how faithful you've been in examining the issues, and
4 to your very cooperative staff. The openness, the
5 professionalism has indeed been most appreciated.

6 We, the Maryland delegation, will be able to get to
7 make our case in June, so I just want to focus on a few
8 things. First, listen to the community. When you listen to
9 the community, you will find that they will make their
10 presentation on these issues -- not on hand wringing, or
11 whining, or bleeding heart.

12 They want to make sure they tell you why they are a
13 value to the nation, why their a substantial return on the
14 investment, and yes, the impact on the local community, if
15 this is closed. We know that the military needs to be
16 downsized, but we don't want it to be downgraded. We, in
17 Maryland, feel that we offer a unique combination of
18 facilities, of physical and intellectual infrastructure.

19 We're at close proximity to premier civilian
20 laboratories, higher education facilities, and the entire
21 support system from the Pentagon. Our location, our
22 technological facilities, are superior to none -- I mean, are

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1 superior, and could not easily be replaced.

2 I would like to take a few minutes, however, to
3 focus on the work force. In each and every facility, you are
4 going to find not only superb technological facilities, but
5 also a unique work force. They bring unique skills. They
6 bring an extraordinary work ethic. They don't work only
7 by -- they work by the book, but they don't work by the
8 clock.

9 And their spirit of patriotism is something that I
10 think our whole private sector needs to imitate. They are as
11 fit for duty as the military that they choose to support.
12 Now, this is a very unique area here. And as we look at
13 these facilities, as we go to the laboratories, while we're
14 developing the smart technologies for the smart weapons of
15 war, we see what this is.

16 At the David Taylor lab, the naval lab, we see that
17 this is where 82 percent of the staff are scientists and
18 engineers, and they are backed up by highly trained machinery
19 and support staff that work hands on with engineers. In the
20 private sector, it would be called a center of excellence.
21 And it would take more than 10 years to reassemble this
22 caliber of people.

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1 At White Oak, we also know that they have very
2 unique technological facilities, like the hypervelocity wind
3 tunnel. But it takes an unusual group of people, a unique
4 team, again, of scientists, engineers, and support staff.
5 Whether they have PhDs, or union cards, it is the only team
6 in the world. And up at Fort Ritchie, there is a highly
7 skilled work force that manages a very intricate
8 communication system.

9 When the President dials 911 around the world, it
10 is at Fort Ritchie that they make sure that those calls go
11 through. And in those rolling hills up there in Western
12 Maryland, they are around the clock, 24 hours a day,
13 regardless of weather, regardless of world conditions, they
14 are right there.

15 At the Army Distribution Center in Little River,
16 what we see is a military version of Federal Express: highly
17 motivated work force moving things along on a highly
18 automated system, with the National Guard right across the
19 street. When our military deploys on peace-keeping missions,
20 they can't take all their paperwork with them, all their
21 rules and requirements, all the kinds of documents they need.
22 They need to take their weapons.

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1 But over there at Little River, they move it right
2 along on the assembly line, hand it off to the National
3 Guard, and it goes wherever our military is. You just can't
4 replace that type of system. And at the Kimbrough Army
5 Community Hospital, this is where we have dedicated nurses
6 and doctors providing a whole range of medical service. And
7 you should know that their hands-on cost effectiveness is 40
8 percent less than any other military hospital in Washington,
9 D.C.

10 So, my dear commissioners, when you listen to the
11 arguments, listen to this work force. Try to picture
12 replacing it. Try to picture what it would cost to replace
13 it in terms of money and time. And also, take a look at this
14 work force, because of their work ethic and their spirit of
15 patriotism. And I know you just won't be able to say no to
16 them. Thank you very much.

17 (Applause.)

18 CONGRESSMAN HOYER: Mrs. Cox and members of the
19 commission, following Barbara Mikulski is very bad planning,
20 as some of you know.

21 (Laughter.)

22 CONGRESSMAN HOYER: I'm not going to take long --

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1 or we won't take long. We have some real experts here --
2 people that have worked on the site, and they're the ones
3 you'll want to hear from. However, we believe there are some
4 very strong cases to be made to you, and you want these
5 experts who are the most familiar with the places to present
6 it to you.

7 I want to commend the Department of Defense for
8 recognizing the extraordinary military value of two of the
9 primary assets in my district, and for the national defense:
10 the Naval Surface Warfare Center at Indian Head and the
11 Patuxent River Naval Air Station. These are terrific
12 facilities, and I am proud to have them in my district and
13 our state, and I'm pleased that DOD made a similar
14 observation.

15 However, I'm here because we have some other
16 quality facilities in Maryland that you've been asked to
17 review and assess. Kimbrough Army Hospital at Fort Meade has
18 long been an important part of the service we offer to the
19 soldiers stationed at Fort Meade and the many military
20 retirees in our community. As you will hear today, it also
21 fulfills unique -- unique is a critical word that you're
22 going to hear today -- around the clock needs of the National

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1 Security Agency.

2 I also, members of the commission, want to
3 encourage you to take a close look at the Naval Surface
4 Warfare Center's Annapolis detachment. The center's
5 machinery work requires specialized facilities that the navy
6 cannot afford to duplicate elsewhere, despite our need to
7 accelerate submarine research. We can't afford to lose that
8 capability or the people who make it work.

9 I hope you will duplicate what Mrs. Cox,
10 Congresswoman Byron, who is sitting in Fort Ritchie right
11 now, and other members of the commission did the last year.
12 In addition, it houses one of the country's unique national
13 assets, and that is the hypervelocity wind tunnel, of which
14 I'm sure you're going to hear more. As Senator Sarbanes has
15 said, you will also hear strong presentations about the Army
16 Publications Distribution Center in Baltimore and, of course,
17 about Fort Ritchie.

18 The Defense Department, in my opinion, failed to
19 take into account the logic that consolidated that Defense
20 Information Systems Agency, Western Hemisphere, at Ritchie,
21 and the invaluable support that Ritchie provides for Site R.

22 I look forward, members of the commission, to

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1 hearing all of the testimony and facts being presented today.
2 I thank all of the witnesses who have volunteered their time,
3 so we'll all have a clearer picture of the impact of the
4 department's recommendations.

5 You have a tough job. Very frankly, in '93, we
6 think the commission, of which Mrs. Cox was a member, did an
7 excellent job. We believe that you will do an equally good
8 job. It's a tough job. We thank you for your time. We
9 thank you for your service, not only to us, but to the
10 country.

11 SENATOR SARBANES: Thank you very much, Steny.
12 Congressman Ben Cardin.

13 CONGRESSMAN CARDIN: Thank you. Thank you Senator
14 Sarbanes. Let me also welcome you here to Maryland at
15 Baltimore and thank you for your service to our country on
16 serving on this commission. Our delegation is united in
17 support of the testimonies that you'll be hearing from the
18 community and from the experts, as it relates to
19 recommendations that affect our nation's security. I support
20 those -- the testimony that you will hear later.

21 I think you'll find that based upon BRAC criteria,
22 that there should be adjustments made in the recommendations

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1 that are before you. I would like to spend my minute talking
2 about the facility located in the third congressional
3 district, which is Fort Meade. Fort Meade is being
4 transferred into a 21st century campus with federal
5 facilities to better serve our nation. And the community and
6 I are very pleased about this transformation.

7 Let me say, additionally, that there are two
8 recommendations that are being made that will further that
9 goal. And that is, to add two additional tenants to Fort
10 Meade's offices of the Defense Investigator Services and the
11 U.S. Army Information Systems Software Command, which is
12 consistent with the new mission of Fort Meade. And we
13 support both of these changes. Our major concern today,
14 though, is the downgrading of the Kimbrough Army Community
15 Hospital.

16 I believe that after you've heard the testimony --
17 or if you've done the visits, after you've looked at these
18 circumstances -- you'll find that based upon BRAC criteria
19 there should be no downgrading of services at Kimbrough. And
20 we support the continuation of that facility as an
21 instrumental part of nation's defense. Thank you.

22 SENATOR SARBANES: Madame Chairman, as I said,

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1 Congressman Bartlett will speak at the close of the Fort
2 Ritchie presentation, which is what we will now move to.

3 CHAIRWOMAN COX: Thank you very much to the panel,
4 for your helpful and insightful information, and thank very
5 many of you for visiting the bases with us. That's been
6 helpful as well, and also the governor, to the governor, for
7 his help in arranging the hearing today. We appreciate that,
8 and that of your staff.

9 SENATOR SARBANES: As I indicated, some of my
10 colleagues will have to depart for other commitments. Our
11 first presenters this morning, speaking with respect to Fort
12 Ritchie, are Herb Meininger, and Mr. Lonnie Knickmeier, who
13 are members of the Fort Ritchie Military Affairs Committee.
14 I think, as was revealed during Commissioner Cornella's visit
15 of Fort Ritchie, this group has identified significant
16 deficiencies, we believe, in the DOD cost savings analysis,
17 with respect to Fort Ritchie.

18 I don't know of two more expert people we could
19 have to make this presentation. Herb Meininger to my right
20 was a former garrison commander at Fort Ritchie, where he
21 spent the last four and a half years of his 30 years of
22 government service. Mr. Lonnie Knickmeier, who is at the

1 podium, spent the last four and a half years of his career at
2 Fort Ritchie, where he is involved in the transition of the
3 Seventh Signal Command from Army to the Defense Information
4 Systems Agency.

5 He retired as the assistant deputy of the chief of
6 operations on February 1st, 1995, literally, just now. And
7 his federal career spans 36 years, and we're happy to turn
8 the presentation over to him.

9 CHAIRWOMAN COX: Welcome, and thank you.

10 MR. KNICKMEIER: Thank you very much.

11 (Applause.)

12 MR. KNICKMEIER: Good morning, members of the
13 commission. As mentioned, my name is Lonnie Knickmeier. I'd
14 like to start out by inviting your attention to the upper
15 left-hand corner of this chart, where you see a
16 communications tower coming up over the side of that
17 mountain. You'll see it on your sheet that you have in front
18 of you also. That is Site C. I'm going to be making
19 reference to Site C today, in conjunction with Site R.

20 I would like to point out that Fort Ritchie is
21 about 70 miles north of Washington, D.C. I'm going to give
22 you the overview. We're going to go right to the bottom line

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1 and tell you what we believe is the situation with regard to
2 the defense recommendation. We're going to place heavy
3 emphasis on the three major categories of the criteria. We
4 will talk about the military value.

5 I'll talk about the tremendous errors that have
6 been made in the return on investment portion, and we'll talk
7 about the impacts. You can see here the flow of the briefing
8 that I'll be giving you.

9 First of all, the bottom line. By any measurement,
10 the Army and DOD did a very poor analysis on the economic and
11 the military value of Fort Ritchie, Maryland, and I'm going
12 to prove that to you in the next 25 minutes.

13 First of all, they ignore the irreplaceable
14 military value of Fort Ritchie in the national defense, and
15 I'm going to talk about that. And you can see the most
16 important thing on this chart probably is -- and next to the
17 military value -- is the tremendous errors that they have
18 made in the analytical portion of the review.

19 Next chart. I'd like to start out by indicating
20 the organizations that are at Fort Ritchie, and just a
21 sentence or two about what each of them do. If you start at
22 the upper center portion of this chart, you'll see Sites R

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1 and C.

2 Site R is the alternate command center. It's the
3 emergency relocation facility for the Pentagon. It's
4 commonly referred to as the underground Pentagon. Site C is
5 a facility just outside of Fort Ritchie that you saw on the
6 first chart, that provides jam-resistant communications.

7 If you look at Fort Ritchie going clockwise on this
8 chart, you'll see that it provides the base operating support
9 to all those tenant organizations that are located at Fort
10 Ritchie proper, as well as Site R and Site C. The U.S. Army
11 Information Systems Command BRAC office is at Fort Ritchie,
12 and it plans all of the things that are associated with the
13 information management structure of the Army, as relates to
14 any of the BRAC actions.

15 The technical applications -- or technology
16 applications office has a mission which I can't discuss in
17 this forum, but the commissioners are briefed, and we can
18 make arrangements for them to find out exactly what that
19 organization does.

20 The U.S. Army Information Systems Engineering
21 Command, Continental U.S., is physically located at Fort
22 Ritchie. It's the single largest tenant organization there.

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1 I'm going to talk about that organization, and its
2 engineering support, not only to the Army, but to the entire
3 defense department, and intergovernmental agencies.

4 The 1108 Signal Brigade and the 1111 Signal
5 Battalion are located at Fort Ritchie. The 1111 Signal
6 Battalion has its primary responsibility as providing support
7 to Site R. And the 1108 Signal Brigade provides strategic
8 communications management for the U.S. Army for a number of
9 systems to include voice, data, and satellite.

10 And finally, the Defense Information Systems
11 Agency, Western Hemisphere, from where I retired on
12 1 February, is a defense information systems agency
13 organization that is responsible for managing the defense
14 megacenters around the country, as well as the continental
15 U.S. portion of the defense communication systems
16 infrastructure.

17 I'd like to emphasize on this chart the absolute
18 inextricable relationship that exists between Fort Ritchie,
19 and Site R. As you know, Site R supports the Pentagon. Fort
20 Ritchie supports Site R. It's crucial to the defense of the
21 nation and to the efficiency of the operation at Site R, that
22 Fort Ritchie remain in place.

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1 The current world situation may not require us to
2 relocate to Fort Ritchie today, but who knows, with all the
3 wild people running around in the world, what might happen in
4 the future. And we believe that Site R has to have absolute
5 and immediate response for any kind of a contingency
6 situation that might occur. I would point out that when Mr.
7 Cornella visited Fort Ritchie on the 24th of March, he had
8 the opportunity to ride the road that exists between Fort
9 Ritchie, Site R, and then down to Fort Detrick, Maryland.

10 I'd now like to talk about the military value of
11 Fort Ritchie. As with many things, the most important thing
12 is location, location, location. And Fort Ritchie is the
13 best location for providing all kinds of support to Site R.
14 We're going to talk about the proximity of Fort Ritchie to
15 Sites R and C, and we're then going to talk about the
16 proximity of the tenant activities at Ritchie, to its
17 customer base. Next chart.

18 This chart will show you Fort Ritchie in
19 relationship to Site R. It's 6 miles. It's 32 miles between
20 Site R and Fort Detrick, where a lot of the organizations are
21 being recommended to relocate. The Defense Information
22 Systems Agency has a facility in Site R. It receives backup

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1 support from the people that work at Fort Ritchie.

2 There are some very unique things about Site R.
3 It's carved out of a solid piece of granite. It's
4 underground, and it's very prone to problems that don't exist
5 in above-ground facilities.

6 For example, security. There's an MP company at
7 Fort Ritchie, whose sole responsibility is to support Site R.
8 Within that MP company there is a platoon that is specially
9 trained in special reaction activities. In the fire and
10 safety area, they have a fire department within Site R, but
11 they receive augmentation from the fire department at Fort
12 Ritchie.

13 Because of the fact you're in an enclosed facility,
14 have a number of generators and batteries and other things
15 that cause some unique things related to fire fighting, those
16 fire fighters at Fort Ritchie are specially trained. I would
17 like to share with you just a moment Mr. Herb Meininger's
18 experience when he was the commander of Fort Ritchie. He
19 left Fort Ritchie one day. By the time he got to Site R,
20 there was a fire inside of Site R.

21 The firemen were cutting away the infrastructure in
22 there to keep it from spreading. We cannot, we must not

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1 permit something to happen where we relocate the MPs and the
2 firemen 32 miles away, when they can be right next door at
3 Fort Ritchie. The U.S. Army Information Systems Engineering
4 Command CONUS is the biggest single tenant at Fort Ritchie.
5 You can see here their customer base.

6 Look at the chart, and see the percentage of their
7 customers that are east of the Mississippi. It does not make
8 sense to us, and I don't think it makes sense to anyone that
9 uses any rationality, that you would relocate the majority of
10 that organization to Fort Huachuca, Arizona, which takes them
11 2,200 miles from their primary customer base. The Defense
12 Information Systems Agency, Western Hemisphere, operates a
13 daily hands-on operational facility at Site R.

14 You can see from this chart the vast number of
15 existing networks and systems managed. There are four more
16 networks that are DOD wide. They're scheduled to come on
17 line in the very near future. Again, the vast majority of
18 those customers are located east of the Mississippi. It's
19 interesting to note that DOD didn't even consider the
20 disposition of DISA-WESTHEM when they submitted their report
21 for the BRAC Commission.

22 This chart will give you an appreciation of the

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1 facility that exists at Fort Ritchie, to manage all of those
2 networks. Again, Mr. Cornella has had the opportunity to see
3 that facility, and get an explanation as to what those folks
4 do for a living. Next chart. There's tremendous synergisms
5 that go on at Fort Ritchie. All of those organizations you
6 see listed under the critical relationship are located at
7 Fort Ritchie, or elements of them are at Fort Ritchie.

8 And the relationship that has been forged there in
9 terms of doing the DOD job is unequal to anyplace. As a
10 matter of fact, it is my contention that instead of breaking
11 up what's at Fort Ritchie and the synergism that exists
12 there, what we really ought to be doing is moving more things
13 in to Fort Ritchie, taking Fort Ritchie as a model as to what
14 can be done within the defense department, to utilize
15 different organizations to do jobs, and not tear it apart.

16 You saw in an earlier chart the relationship of
17 Site R with Fort Ritchie. This chart shows the capability
18 that exists that gives Site R increased survivable
19 communications. You'll notice that Fort Ritchie and Site R
20 both have access to the outside world with voice and data
21 communications. But the red line shows you a fiber optic
22 link that exists between Fort Ritchie and Site R, that's

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1 government owned, and it gives you then, a geometric increase
2 in the capabilities at both Site R and Fort Ritchie.

3 That's government owned. You do not want to rip
4 that apart. If anything happens to the communications at
5 Site R, they've got to be able to reach the outside world,
6 and the best way to do that is through Fort Ritchie. I would
7 like to now move into the area of return on investment. We
8 have done a total review of the DOD numbers, and we find them
9 to be gravely flawed.

10 As a matter of fact, those of you who are in
11 business, if someone gave you these kind of numbers and were
12 as far off as these numbers are, I suspect you'd probably
13 fire them. You'll notice that their numbers are off by 843
14 percent. And I'm going to prove to you in a few moments that
15 they are, in fact, off by 843 percent. We pointed out to Mr.
16 Cornella when he visited Ritchie on the 24th of March, the
17 tremendous errors in these numbers.

18 As a result of that visit, guidance has been
19 provide back to the DOD and to the Army, to redo the numbers.
20 I can tell you that those numbers are being redone, and I can
21 also tell you that I will have no more confidence in those
22 numbers when they come out. They've had a month now to

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1 develop the numbers, and they're still not available to
2 anybody.

3 And when they come out, they're still going to be
4 in error, and I can guarantee you that the organization that
5 I'm a part of is going to continue to be in place, and we're
6 going to review those numbers, and we're going to bring to
7 the attention of the BRAC Commission the errors that
8 obviously will exist.

9 I will also like to point out that as a result of
10 Mr. Cornella's visit on the 24th of March, BG Shane, who is
11 the director of management for the U.S. Army at the
12 headquarters DA level, sent out a directive to the folks in
13 the Army to redo the numbers, because they were so screwed up
14 that they were invalid. This chart shows you graphically
15 what I'm talking about, when I talk about the 843 percent.

16 The DOD said it would take \$93 million one-time cost
17 to close up Fort Ritchie, and relocate the tenant
18 organizations. They said over a 20-year period, they could
19 save \$712 million. I'm going to prove to you that that's
20 poppycock. It's not true, can't be done, never will be done.
21 Our numbers show that it will take \$127 million to close Fort
22 Ritchie and dispose of the organizations there, and it will

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1 take 9-plus years to amortize that investment cost.

2 And if one elects to go out to the 20 year period,
3 you'll find that there's only a \$75 million savings. But I
4 believe the next chart is the most important chart. Anyone
5 who has been involved in trying to project cost savings or
6 any other numbers knows for a fact that anytime you project
7 beyond five years, you are out in never-never land.

8 And if anyone thinks that those kind of numbers are
9 going to continue to evolve over the 20 year period, they're
10 smoking some really heavy stuff. It isn't going to happen,
11 it hasn't happened in previous BRAC reviews, and it certainly
12 is not going to happen at Fort Ritchie.

13 The next two charts show you in some detail the
14 eight major areas where we have found tremendous flaws in the
15 Department of the Army and Department of Defense numbers. I
16 would just like to address couple of them. Take the first
17 one, the garrison budget. The DOD made a mistake in terms of
18 how much it costs to run Fort Ritchie, by some \$35 million
19 per year.

20 That's a tremendous error, and it's inexcusable and
21 unexplainable as to how the Department of Defense could err
22 that largely. I can tell you that these numbers are correct.

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1 I will be proven that they are correct when the new numbers
2 come in from DOD. I've met with the people at headquarters
3 Department of the Army, and they didn't like what they heard,
4 but they understood what they heard, and they know that their
5 numbers are bad, and they've got to redo them.

6 The second area is really interesting. The
7 Department of Army and Department of Defense claimed a 100
8 percent savings from the elimination of an MP company at Fort
9 Ritchie. It's kind of interesting, because that MP company
10 has one purpose in life, and that is to support Site R. They
11 can not, should not, be able to take credit for that, because
12 those people must remain. And regardless of where they're
13 located, their job is to protect Site R.

14 The third area I'd like to bring up is the fact
15 that the DOD totally forgot about a 246 civilian and a 46
16 military organization at Fort Ritchie, called DISA-WESTHEM.
17 That's the organization I came out of.

18 They totally ignored that that organization
19 existed. They totally ignored that it would have to be
20 disposed of. They totally ignored there would be a
21 tremendous cost in relocating those people. They totally
22 ignored the synergism that exists between that organization,

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1 and the other organizations at Fort Ritchie, and Site R.

2 I would point out to you that Tab E of your book,
3 we have a much more detailed break out of these numbers. The
4 next page, I will not get into, except for one thing. If
5 they move the technology application office, and ISEC CONUS
6 to Fort Huachuca, Arizona, which takes them 2,200 hundred
7 miles away from most of their customers, the temporary duty
8 pay and cost of the DOD is going to increase. Guess who pays
9 that bill. It's not paid for by the Information Systems
10 Command, who are proposing to move these people.

11 It's paid for by the customers that these
12 organizations support. Was their consultation with those
13 customers? I can tell you unequivocally, there was not.
14 Next chart. What I'd like to do now is to show you an area
15 where they missed an opportunity to, in fact, increase
16 efficiency, and reduce cost. Headquarters DISA-WESTHEM at
17 Fort Ritchie is geographically disbursed with its overall
18 headquarter staff.

19 There's a number of people located in leased space
20 in Denver, Colorado. There's a number of people located in
21 leased space in northern Virginia. We have done an analysis,
22 and in a three year period, you can get a return on

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1 investment by taking those people that are in Denver,
2 Colorado, in leased space, and relocating them to Fort
3 Ritchie. Not only do you save the money, but you also
4 increase operational efficiency.

5 Having been the assistant DESOPS at DISA-WESTHEM, I
6 can tell you it is a tremendously inefficient organization,
7 and it's primarily due to the fact that its staff is so
8 geographically disbursed. Anyone who knows anything about
9 organizational structure will tell you that you don't
10 disburse your staff if you can possibly avoid it. Next
11 issue. The DOD submission to the BRAC Commission stated "no
12 known environmental impediments at the closing or receiving
13 installations". That's pure unadulterated bull.

14 There is a huge issue on the table as we speak in
15 Sierra Vista, Arizona, which includes Fort Huachuca. There
16 are two lawsuits on the books today. There's another lawsuit
17 going to be filed next week. I have provided to you in your
18 book at the tabs -- there are 16 individual pieces of paper
19 that I've given you to demonstrate the fact that there is, in
20 fact, an environmental issue that is critical at Fort
21 Huachuca, Arizona.

22 They have completely avoided that fact, and to

1 prove it, the training and doctrine command which owns Fort
2 Huachuca, has come out with guidance that says we must now do
3 an environmental impact study. And I can tell you where that
4 came from. It came from the information that we provided
5 from the FORMAC group to Mr. Cornella on the 24th of March.
6 If we hadn't have brought that up, they would have railroaded
7 this thing through the BRAC Commission.

8 And nobody would have been the wiser until all
9 those people moved out to Fort Huachuca. There's a serious
10 economic impact. The payroll at Fort Ritchie is \$75 million
11 a year. You can see that there's over 2,300 civilian and
12 military people that work at Fort Ritchie. I mentioned
13 earlier that some of those people that are carried on the
14 books at Fort Ritchie, physically work at Site R.

15 Fort Ritchie is in Washington County, Maryland.
16 Washington County, Maryland is part of the Appalachian Region
17 Commission, which is, in fact, a economically depressed area.
18 The unemployment rate within Washington County has
19 historically been well below the Maryland average. I would
20 like you now to look at this chart, that shows you what that
21 comparison is, between 1986 and 1994. If Fort Ritchie
22 closes, that's going to tremendously increase that ratio

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1 between the economic health and welfare of the State of
2 Maryland, versus Washington County.

3 In summary, ladies and gentlemen of the BRAC
4 Commission, I would like to point out to you that we are
5 convinced that the recommendation to close Fort Ritchie would
6 be militarily, fiscally and environmentally irresponsible.
7 We believe the commission can not support the Army and DOD
8 recommendation that will put civilian and military people at
9 Site R at risk.

10 We do not believe that the BRAC Commission can
11 follow the recommendation that would decrease the operational
12 responsiveness, and readiness of Site R, and other DOD
13 activities. And finally, we believe that failure to
14 implement these actions to save money and improve
15 organizational efficiencies by consolidating portions of
16 DISA-WESTHEM at Fort Ritchie, would also be irresponsible.

17 I'm going back now to the egg. I showed you
18 earlier the organizations that are at Fort Ritchie. I would
19 like to now emphasize the intricacy and the relationship that
20 exists between those organizations. We don't want to destroy
21 that synergism that exists. It should, in fact, be used as a
22 model within the DOD as to how you can bring organizations

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1 together from different forces at DOD, and take advantage of
2 the expertise of those organizations, and improve the overall
3 cost-effectiveness and operational responsiveness of the DOD
4 activities.

5 I would now like to indicate to you what our
6 recommendations are. We believe that, based on the
7 information that I have provided you today, and that is in
8 the tabs in your book, the information that we have and will
9 continue to provide to the BRAC Commission staff, that our
10 recommendation is that you totally disapprove the DOD
11 recommendation relative to Fort Ritchie, and that you direct
12 the Defense Information Systems Agency to relocate that
13 portion of DISA-WESTHEM that's in Denver, Colorado, to Fort
14 Ritchie, Maryland.

15 I would like now to go back to the chart that talks
16 about the relationship between the Pentagon, Fort Ritchie,
17 and Site R. We must keep that linkage unbroken. The
18 commission can not, and should not destroy this vital linkage
19 that exists. The commission must not permit those people
20 with a myopic viewpoint of the strategic importance of Fort
21 Ritchie, to prevail. To do so would be very short sighted.
22 We believe that retaining Fort Ritchie is the right answer.

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1 As a matter of fact, we're recommending that you
2 increase the responsibility of Fort Ritchie, not decrease it.
3 Ladies and gentlemen, I would be happy to answer any
4 questions.

5 MR. MEININGER: Madame Chairman, I would like to
6 have you refer back to chart 21.

7 CHAIRWOMAN COX: 21? All right.

8 MR. MEININGER: And this is just for the record. I
9 think that you've noticed the figures in chart 21, but I want
10 to make sure that, for the record, the unemployment,
11 Washington County, has historically been above the
12 unemployment figures for Maryland.

13 CHAIRWOMAN COX: Thank you, very much. I think
14 that we are all set. Thank you. Your presentation was so
15 helpful. You've covered everything. Congressman Bartlett,
16 we're --

17 (Applause.)

18 CONGRESSMAN BARTLETT: Thank you very much, Lonnie,
19 for a very excellent presentation. I want to thank the
20 commissioners for giving us this opportunity to make our
21 case. I especially want to thank Commissioner Cox for coming
22 to our office, and meeting with us, and giving us excellent

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1 advice and recommendations, and to Commissioner Cornella, who
2 came all the way up to Fort Ritchie, and made the trip up to
3 Site R, and then down to Fort Detrick.

4 It's obvious in this presentation, I think, that
5 Fort Ritchie is an essential military installation. And its
6 value has been very impressively underscored by the
7 presentation that Lonnie just made today. But, I'll tell
8 you -- Fort Ritchie is more than just buildings and
9 machinery. Any installation like this, the most important
10 thing there are its people, and the community that supports
11 it. And here they are out in front of you today, and I think
12 that they go a long way to making our case about how
13 important Fort Ritchie is.

14 These are the people who give life, and give us the
15 security needs and expects. And I salute the group that came
16 here this morning. Actually, the little things they're
17 wearing in front of them that I hold up here today, save Fort
18 Ritchie, expresses what I think is a conclusion that I would
19 draw that the commission should draw from this presentation.

20 I want to draw just three quick points. First of
21 all, a major consideration in this round of closings was to
22 be cost savings. I think that it's obvious in this

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1 presentation that the numbers that were prepared by the Army
2 are just dead wrong -- 843 percent off. And as we meet
3 today, they're recrunching those numbers. The savings
4 absolutely do not justify closing this base. Considerable
5 doubt has been generated today.

6 There's more than just reasonable doubt. And I'd
7 like to add just one other figure, just one other element to
8 this doubt. The Army says that in its downsizing, this round
9 of closings, it's brought us down to the bottom-up review
10 level of infrastructure for the Army.

11 The National Security Committee in the House
12 believes that, if that's true, that's too much, because in
13 our National Security Revitalization Act, in Title I of that,
14 we set up a commission to relook at the bottom-up review.
15 That was done according to the Vice President's budget
16 numbers, and our committee is not very tranquil with what --
17 the conclusions drawn by that study.

18 I would just like to emphasize again one of the
19 things that Lonnie came back to a couple of times, and that
20 is the relationship with Site R. We still live in a very
21 dangerous world, and Site R is still essential. Just two
22 points relative to that.

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1 One is, when it takes longer to get the support
2 personnel from Fort Detrick, which is where they would send
3 them, than it takes a missile to come from half way around
4 the world, the continental USA, that obviously makes the
5 point that we need the support people closer. Closer to
6 Site R, where they are now, just 6 miles away. The second
7 thing I really want to emphasize is that redundant
8 communication link.

9 I don't know if that was made sufficiently clear to
10 you. Anything that Site R can do, Fort Ritchie can do. And
11 so we have, for this very essential capability in Site R, a
12 redundant communication link. We think that when all of the
13 facts are considered, that there is no question that the
14 military significance, the military importance of Site R, is
15 such that it shouldn't have even been considered for being on
16 this list. Thank you, Lonnie, for your presentation. Thank
17 you, commissioners for this opportunity to meet with you.
18 Thank you for your support.

19 CHAIRWOMAN COX: Thank you, very much, Congressman
20 Bartlett, and the folks from Fort Ritchie, thank you.

21 SENATOR SARBANES: Madame Chairman, we're now ready
22 to move on to the next facility. I do want to underscore, I

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1 think you just heard a very powerful presentation with
2 respect to the Fort Ritchie case. And, of course, we will
3 continue to present to the commission and its staff
4 additional information and analysis as we proceed toward a
5 decision.

6 We're now going to turn to the Naval Surface
7 Warfare Center in Annapolis. The 1995 DOD recommendation is
8 to close this center in Annapolis. It's the Navy's only
9 machinery research and development facility. We think the
10 work at this center is absolutely critical to our nation's
11 leadership in such areas as submarine silencing, ship
12 survivability, combat readiness, and environmental
13 compliance.

14 As you know, DOD recommended disestablishing this
15 detachment two years ago. But the 1993 BRAC Commission
16 unanimously rejected this recommendation, and we are
17 convinced that the current DOD recommendation to close the
18 detachment, to abandon some major facilities, to relocate the
19 remaining functions, is even more flawed than was the
20 recommendation two years ago.

21 We have two very able experts her today to make the
22 presentation: Jim Corder, who served for nearly 30 years at

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1 the Naval Surface Warfare Center in Annapolis. He's a
2 distinguished graduate of the Naval Academy. He's had a long
3 career in the Navy. When he retired, he was the deputy
4 director of the machinery research and development
5 directorate. And Larry Argiro was the head of the machinery
6 research and development directorate, prior to his retirement
7 this past June.

8 Larry Argiro has had a very impressive career.
9 He's responsible for many of the innovations which have made
10 U.S. submarines the quietest in the world. He's received
11 numerous awards. He's really an outstanding scientist. And
12 we're delighted that both of these gentlemen are here to
13 present the case to the commission.

14 CHAIRWOMAN COX: Thank you, very much. Let me just
15 ask Mr. Argiro -- I'm not sure you were on the stage when we
16 did the oath. Were we able to swear you in?

17 MR. ARGIRO: No.

18 CHAIRWOMAN COX: Would you mind if I gave you the
19 oath? Unfortunately, it is required by law for anybody
20 testifying. Do you solemnly swear or affirm that the
21 testimony you are about to give before the Defense Base
22 Closure and Realignment Commission shall be the truth, the

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1 whole truth, and nothing but the truth?

2 MR. ARGIRO: I do.

3 CHAIRWOMAN COX: Thank you. Go ahead, Mr. Corder.

4 MR. CORDER: Thank you, Senator Sarbanes, for the
5 introduction. I would like to thank the commission for the
6 opportunity to testify about my concerns as a private citizen
7 and tax payer on any decision to close the Annapolis
8 detachment, NSWC. I especially want to thank Commissioners
9 Cox and Montoya, for their taking time from their busy
10 schedules and bringing their considerable knowledge and
11 expertise to the Annapolis lab. I hope that maybe some
12 others may also visit.

13 As Senator Sarbanes said, I was the deputy director
14 of the machinery R & D directorate for 12 years, and it's
15 that directorate that's a preponderance of what would be left
16 at the Annapolis site, as a consequence of the BRAC '91
17 process. If there's any additional information you'd like
18 about me, there's bio data sheet at the back of your package.
19 I retired a little over two years ago, so my paycheck comes
20 from the Office of Personnel Management the first of every
21 month, regardless of what happens to the Annapolis
22 detachment.

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1 While I personally disagreed with the
2 recommendations in '91 to the BRAC, there was some logic, at
3 least, behind the final results in leaving the machinery R &
4 D directorate intact at the Annapolis site. I can see no
5 logic behind the recommendations in '93, and even less in
6 '95. As you can see, in the next few graphs -- as you can
7 see in this, the Annapolis detachment is completely
8 surrounded by the naval station.

9 The functions performed there are technology and
10 hardware development, systems trade-off and integration,
11 specifications development in qualifications in technology
12 assessments. As the senator says, the Annapolis detachment
13 is the only place that has the mission to perform research
14 and development for navy shipboard machinery, including
15 stealth and energy conservation.

16 To put the importance of machinery research and
17 development in perspective -- the DDG 51 class of ships, less
18 the combat system, one half of the ship's weight is in the
19 propulsion, auxiliary, and electrical systems, and the fuel
20 they use. One half of the ship's cost is in the propulsion,
21 auxiliary, and electrical systems. The focus of the work
22 done in the machinery R & D detachment directorate is on one:

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1 affordability. The cost of acquisition, maintenance,
2 manning, and fuel. Two, environmental compliance.

3 And the greatest emphasis there is on the CFC
4 Replacement Program, and if there's any delay in the efforts
5 ongoing in Annapolis, the Navy would be in noncompliance with
6 international agreements. Third, stealth -- acoustics and
7 magnetics, and safety and survivability. The proposal in
8 1995 by DOD was to close the Annapolis site, including the
9 NIKE site, and transfer the fuel storage and fuel site, and
10 the water treatment plant to the naval station in support of
11 the naval station in the Naval Academy.

12 And relocate appropriate functions, personnel,
13 equipment and support, primarily to Philadelphia, Carderock,
14 and the Naval Research Laboratory. The Joint Spectrum
15 Center, a DOD cross service tenant, would be relocated in the
16 Annapolis area. And the BSEC claim is that there's a one
17 time cost of \$25 million, yearly savings of \$14.7 million
18 dollars, with a return on investment of one and a half years.
19 The similarities between the '93 and '95 recommendations are
20 shown here.

21 '93 was to disestablish Annapolis, reduce
22 personnel, and move some of the people to Philadelphia, while

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1 keeping the facilities at the Annapolis site operational, at
2 a cost of \$24.7 million. In '95, again, they recommend
3 closing Annapolis, reducing the personnel, and moving some to
4 Philadelphia, but this time, abandon two facilities, relocate
5 eight facilities to Philadelphia, and replicate the magnetics
6 fields laboratory at Carderock, for a cots of \$25 million.

7 I'm sure that Commissioners Cox and Montoya, having
8 seen the facilities at Annapolis that are be relocated and
9 replicated, have serious doubts that that can be accomplished
10 with a \$300,000 difference between the '93 and '95
11 recommendations. The reason for rejecting the 1993
12 recommendations were projected exaggerated savings and
13 inefficiencies that were not considered. Major savings from
14 the staff reduction can be accomplished without any
15 relocations.

16 And there's no closures in society surrounded by
17 navy property, and there's no practical alternatives use
18 identified. The 1995 BRAC recommendations -- the criteria
19 that were deviated from -- were again, underestimated cost,
20 overestimated savings, underestimated military value of
21 facilities, underestimated value of people, and there's no
22 excess capacity in machinery R & D, though there may be

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1 excess capacity in the overall R & D establishment. And
2 missed opportunities for cross service thrust.

3 In the economic analysis you see in this next
4 chart, the column on the right consists of the certified data
5 that was submitted to the BSEC. The column in the center is
6 that selected data that BSEC chose to use. This ignores
7 several things. One, the column on the right doesn't even
8 include the impact of closing or abandoning the two
9 facilities, and I'll elaborate on the 10-to-1 cost increase
10 in another slide.

11 But, this does not take into consideration the
12 recurring cost of a 10-to-1 increase in cost for conducting
13 tests at sea, instead of using the facilities that are going
14 to be abandoned. So you can see, instead of the \$25 million
15 one time cost, it really should be 83, and in my talking with
16 people more recently there, they've identified additional
17 military construction costs that will probably bring an
18 additional \$20 million requirement on it.

19 The other estimated value -- military value -- of
20 facilities shown from this side of the abandonment of the
21 Deep Ocean Pressure Tanks, and Submarine Fluid Dynamics
22 facility. In 1994, the Naval Sea Systems Command did a

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1 facility study, and determined that the Deep Ocean Pressure
2 Tanks were an absolute essential, must have capability. Yet,
3 before the year was over, the Navy recommended to the BRAC
4 that it be abandoned.

5 I will not elaborate on all of the facilities that
6 are going to be moved, because Mr. Epstein, and I believe,
7 Commissioners Cox and Montoya have both received copies of
8 the hand out at the lab when they were there. But, my
9 concern is primarily with the risk associated with at-sea
10 testing of things that cannot be tested if the facilities are
11 closed down. There are uncontrolled conditions at sea, and
12 human life and loss of vehicles can even be a consequence,
13 and I've used the example.

14 Both of these facilities were created as a
15 consequence of the thresher disaster in the early 1960s.
16 We've had no similar one since, and the submarine emergency
17 balancing system specifically is the thing that is used --
18 the original Submarine Fluid Dynamics facility was created
19 for. The creativity and the innovation of the facility's
20 manicure has expanded the use of the facilities, beyond that,
21 however.

22 This line shows some information garnered from a

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1 study that was done to determine the cost impact. I
2 mentioned the 10-to-1 cost increase, if the -- assuming it
3 were abandoned, and a test had to be conducted at sea. There
4 were 24 tests analyzed that required specialization
5 characteristics of this facility for testing. These are not
6 all of the tests that were conducted there. There were other
7 tests conducted, but those could have been conducted at other
8 facilities.

9 The 24 items tested -- the test cost less than
10 \$600,000. If the facility was closed, there would only be 10
11 of those items that could have been -- that would have
12 absolutely required --

13 CHAIRWOMAN COX: Can I just interrupt for a minute?
14 I'm sorry, it's getting very loud and difficult for us to
15 hear. I wonder if we could ask those of you who are in the
16 back of the room to keep your conversations down, and
17 possibly sit down, so that we don't have the background
18 noise. Thank you very much, and we won't take that out of
19 your time.

20 MR. CORDER: Sure. The 10 items that could have
21 been tested at sea would have cost more than \$5 million. As
22 an example, the SSN 21 Secondary Propulsion System would have

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1 cost \$1.5 million, if it had had to have been -- if the
2 submarine it was tested on had to have been dried off, the
3 system installed, and then taken to sea. There were 14 items
4 that probably could not have been tested prior to this at sea
5 deployment, and the estimate cost of those systems in their
6 program is \$200 million.

7 A specific example was the New Generation SOSA
8 System that was estimated would put a \$50 million program at
9 risk. The functions performed at Philadelphia are essential
10 to the Navy, but the nature of the equipment and the people
11 required to perform those functions are different than those
12 that perform the machinery and R & D functions at the
13 Annapolis site. The equipment in the land based test site
14 facilities in Philadelphia is planned -- for the most part --
15 is planned to be installed on a new class of ships, or during
16 a major upgrade.

17 And as the name implies, the equipment in the in-
18 service engineer unit portion is equipment already in
19 service. The equipment in the facilities at the Annapolis
20 site, for the most part, are red board models used for proof
21 of principle or concept demonstrations through prototypes,
22 and these are significantly different than the operational

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1 equipment in the fleet. As with the facilities, the people
2 are different.

3 As you can see from here, the large percentage of
4 the Annapolis machinery and R & D directorate population that
5 are scientists and engineers, and the high number of advanced
6 degrees they have, as compared to the people that perform the
7 essential work in Philadelphia. I think a further indication
8 of the difference in the kinds of innovative thinking and
9 processes that go on in the two places, are indicated by the
10 numbers of patents.

11 From 1990 to the present, the machinery R & D
12 personnel have received 71 patents, and have an additional 74
13 patent applications in, as contrasted to 1 patent and 1
14 patent application among the Philadelphia people. When I
15 testified in 1993, I pointed out that for the year 1992, I
16 had done an analysis, in while the machinery R & D
17 directorate had only 9 percent of the employees of the
18 Carderock division, those same people had received 44 percent
19 of the patents issued that year.

20 There is no excess capacity program for the
21 machinery R & D directorate. Funding has increased from \$90
22 million in 1993 to \$110 million in 1995, and the 5 year

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1 defense plan, in the typical program elements executed at the
2 Annapolis site, are growing. Facilities are expanding.
3 There have been three new facilities created at the Annapolis
4 site since 1993, and two other major facilities have been
5 significantly expanded and upgraded.

6 The magnetic fields laboratory has had a \$5 million
7 upgrade in the last five years, and the chlorofluorocarbon
8 facilities have had a \$5 million upgrade within the last two
9 years. The work load at the Annapolis site, machinery R & D
10 directorate, is presently at 430. The NAVCOMP projections
11 for the year 2001 are 418 man years. I don't see that as a
12 significant difference. To further emphasize the capacity,
13 and the importance of what's done there, I'll give you some
14 results of a strategic planning process that was done at the
15 Carderock division, as well as NSWC-wide.

16 It was determined that there were 78 technical
17 capabilities throughout the Naval Surface Warfare Center, and
18 that the Annapolis site had the lead on three of those.
19 Those three are in the top 10 of those 78. Propulsion
20 machinery is number 3, auxiliary machinery, number 7,
21 electrical systems, number 10. And the number 1 priority,
22 stealth, while the lead is at Carderock, the lead at 2 major

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1 subsets, machinery silencing, and magnetic silencing, are at
2 the Annapolis site.

3 Further indicting of the importance of what they do
4 and the need for those people, was issued from a model we've
5 used during this strategic planning process. The postulation
6 was that the Carderock division would have to be downsized
7 over a period of years, by 18 percent, and that model result
8 showed that during the same time period, there was a need for
9 a 4 percent increase in the machinery R & D directorate.

10 Missed cross service opportunities. During both
11 Commissioners Cox and Montoya's visits, COL Flock, United
12 States Air Force, commander of the North Spectrum Center,
13 said that he had 136 people in his headquarters route that
14 are a tenant there at the Annapolis detachment. And he has
15 an additional 600 people that are in leased space in the
16 Annapolis community, and as a consequence of the BRAC '91
17 process, there was going to be a significant exodus to other
18 sites, leaving space at the Annapolis site.

19 And it was his intent to consolidate those
20 functions at the Annapolis site. If Annapolis is closed,
21 that can't happen. The cost of moving headquarters would be
22 an added burden. Also appearing in these two visits, Dean

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1 Shapiro, the dean of the Naval Academy, pointed out the
2 significant benefits of having the Annapolis detachment in
3 such close proximity to the Naval Academy.

4 Numerous professors work at the Annapolis lab
5 during the summer, and part-time during the afternoon and
6 year, and they get direct experience on navy systems that
7 they can relate back to the midshipmen in the classroom.
8 Some first class midshipmen work on some of the machinery
9 projects, and innocents that are waiting on the beginning of
10 their flight school or submarine school class work on
11 machinery and R & D projects also. The dean said it would be
12 a significant loss if the Annapolis detachment were closed.

13 In conclusion, the Navy's 1995 proposal is both
14 costly, and, I feel, damaging to the essential capabilities
15 of the Navy. DOD recommendations for Annapolis were rejected
16 as wrong in 1993. The recommendations are substantially the
17 same, except for the moving, or abandoning of facilities. I
18 feel the 1995 recommendations should be rejected as well. I
19 want to thank you again for the opportunity to testify, and
20 if there are any questions, I'd be happy to try to answer
21 them.

22 CHAIRWOMAN COX: I just have two questions. One,

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1 the deep sea pressure lab that is proposed to be abandoned --
2 you had some figures there on what the cost would be to do
3 that kind of testing at sea, if you could do them at sea --

4 MR. CORDER: Yes, ma'am.

5 CHAIRWOMAN COX: Is there another facility
6 somewhere in the United States?

7 MR. CORDER: It's the only one like it in the free
8 world.

9 CHAIRWOMAN COX: I see. So there isn't any other
10 option except at sea testing.

11 MR. CORDER: No.

12 CHAIRWOMAN COX: And you also mentioned the CFC
13 work that you all were doing, and the concern that it would
14 be delayed.

15 MR. CORDER: Yes, ma'am.

16 CHAIRWOMAN COX: I wonder if you could just
17 elaborate on that a little bit. There are certain deadlines,
18 as I recall, that we had to meet, and how long do you think a
19 delay might be?

20 MR. CORDER: Oh. The engineers, that are doing the
21 work there estimated to take as long as two years to get
22 those facilities recreated and operational in another site,

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1 even just next door. As for the schedule, I believe it's '98
2 that -- I believe it's in '96 that CFC can no longer be
3 manufactured, and the supply -- and there's been a limit on
4 how much could be produced, set out by the international
5 agreements.

6 And, the stock pile that the Navy has been able to
7 get, would, if I recall correctly, be depleted in 2001, and
8 we're expecting to start replacing some of those systems at
9 sea in '98, as I recall. Being two years removed from that
10 program, I'm not absolutely current. But I can get that
11 information.

12 CHAIRWOMAN COX: That would be helpful, and as I
13 understand it, there would be at least a several year delay
14 in the program, which is pretty close to --

15 MR. CORDEL: Best estimate was two years, and we're
16 just barely going to make this schedule as it is.

17 CHAIRWOMAN COX: As it is. And, presumably, there
18 are no other options at the moment for pulling on ships
19 except CFCs?

20 MR. CORDEL: All of the machinery has been designed
21 and developed for those refrigerants, and working fluids, and
22 it takes major redesigns in compressors, heat exchangers --

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1 to adapt to fluids that have different characteristics than
2 the CFC's the equipment was designed to use.

3 CHAIRWOMAN COX: Thank you very much.

4 MR. CORDEL: Thank you.

5 (Applause.)

6 MR. ARGIRO: Before I get started, let me just say
7 that, yes, we're working on things like thermoelectric, but
8 this is for small stuff. You're really talking about major
9 cooling in the particular submarines and surface ships.
10 Madame Chairman, members of the commission, I'm here as a
11 member of a very supportive community, as you can see from
12 the number out there.

13 I retired in June as Senator Sarbanes has
14 indicated. In '94, after spending 47 years at the Annapolis
15 laboratory. The last 9 years as head of the machinery R & D
16 directorate, and as Jim had just pointed out, this isn't one
17 that you're talking about displacing. The information that I
18 will present supports the military value of the laboratory,
19 and I can assure you that this information comes from my
20 first-hand knowledge, and is given without any Navy
21 constraints.

22 Let me say that we in the community were

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1 flabbergasted at learning that the Navy had placed this
2 laboratory on the closure list. Particularly, as Senator
3 Sarbanes had said, after BRAC had voted 7-0 to keep it open.
4 We hope that you will receive a good understanding today,
5 after, listening with Mr. Corder, and my presentation, as to
6 the role and importance of the laboratories countless issues
7 to the Navy in its future.

8 Permit me now, to sort of go on with an
9 introduction to the Annapolis laboratory. Since 1903, the
10 Annapolis laboratory has been part of the Navy. It was
11 established by call as a part - to be part of the Naval
12 Academy. Since that time it has worked to make or Navy the
13 very best in the world, and it was willing to give its best
14 to make it so. The laboratory's own responded with the
15 strength of technical knowledge, and discipline to work the
16 problems at hand with the professionalism, dedication found
17 no where else.

18 Having the responsibility of developing advanced
19 machinery systems, new technologies were conceived that
20 provided the Navy with a strategic military advantage, and
21 it's superior operational capability over its adversaries.
22 This advantage lasted for more than 40 years, and certainly

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1 has helped to win the Cold War. Contributions were numerous,
2 as dependant on this chart.

3 Now this is a very busy chart, and certainly I
4 don't want you to read it, but I will point out certain
5 factors to it. It shows, first, the wide range of
6 technologies that were developed, that certainly have made
7 our Navy the very best. For example, the ICR gas turbines,
8 that when installed on board ships will save 30 to 50 percent
9 in fuel that's being used aboard your surface ships.
10 Superconductivity, and there's no need to go into that,
11 because it has all sorts of uses, including your medical
12 fields.

13 False power. Stealth. Environmental control.
14 Future ship designs, and others as noted. Let me now show
15 you just the stealth, and what was involved in that
16 particular area. Here, we have the machinery silencing in
17 what the Annapolis laboratory has done to our particular --
18 am I out of time?

19 CHAIRWOMAN COX: We're getting close. You might
20 want to think about wrapping up.

21 MR. ARGIRO: We're getting close?

22 CHAIRWOMAN COX: Right.

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1 SENATOR SARBANES: Madame Chairman, I think we have
2 a little surplus of time at the end. I'd give two minutes
3 out of that time so Mr. Argiro could continue, and then if
4 they would give him the bell, we would know, but Larry, take
5 a couple of minutes.

6 CHAIRWOMAN COX: Okay. Thank you very much,
7 Senator.

8 MR. ARGIRO: The machinery silencing has on
9 submarines, it shows the nautilus of the top of the pyramid
10 on the left hand side. It shows the Seawolf on the bottom
11 side. Every machinery silencing feature ever installed on a
12 submarine from the Nautilus to the Seawolf has been developed
13 at the Annapolis lab. Incidentally, just to give you some feel
14 as to what that is, basically, if the Nautilus was heard
15 thousands of miles, in fact, in England. The Seawolf will be
16 in hundreds of yards.

17 To accomplish these results, an outstanding team
18 was assembled that was research oriented by education, that
19 has advanced degrees, had close styles to the academia,
20 particularly, the Naval Academy, and incidently, last year,
21 there were 40 -- 36, sorry -- 36 professors working at the
22 laboratory. For just -- these special people participated in

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1 technical societies and technical exchanges at national and
2 international levels.

3 As a matter of fact, in addition to the
4 contributions shown, this small technical staff, as Jim had
5 said, has produced more patents than all the NSWC combined,
6 produced more R & D publications, 200 or more. And received
7 more awards than any other move from NSWC, and then from that
8 end, your example of its dominance in the technical world,
9 this small group typically contributes more than 25 percent
10 of the technical papers at the ASN annual national meeting,
11 and have been recognized by them as -- with every major
12 award, ASN has to offer.

13 We talked about facilities. The Annapolis
14 laboratory is the only activity in the United States whose
15 role is to develop advanced ship board machinery. Since the
16 machinery under development is usually five to ten years
17 ahead of what is installed the fleet, it's facilities are
18 unique and no where else duplicated. As a matter of record,
19 and NSWC declared that four of these facilities were golden
20 nuggets, that is, could not do without.

21 All facilities were constantly being modernized at
22 sponsor's expense. Also, these facilities are extremely

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1 important to private industry, since there are no others like
2 them in the free world. Presently negotiations -- and I will
3 stop -- are ongoing with the U.K., Australians, and others
4 for their particular use.

5 CHAIRWOMAN COX: Thank you very much, and we would
6 appreciate it if you have more of a statement, we'd love to
7 have it in the record, and it will be very helpful.

8 MR. ARGIRO: I have much more to say, and you will
9 receive it. Thank you very much.

10 CHAIRWOMAN COX: Thank you very much, Mr. Argiro.

11 (Applause.)

12 SENATOR SARBANES: Just one sentence about the
13 Annapolis facility. As you saw, in the winning of the
14 patents, this is a highly skilled, highly trained facility.
15 Very high educational level. Informal surveys that have been
16 done indicate that well under half of our force would move to
17 Philadelphia, if the move took place. You, in effect, would
18 destroy the unit which is a scientific paradigm, really, in
19 the services, and we think that's a very important point.

20 Madame Chairman, we're now going to turn to White
21 Oak, and I would suggest to the presenters, if -- you know,
22 they need to move to the podium in a hurry. Every second it

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1 takes to get there is time lost out of their presentation.

2 CHAIRWOMAN COX: You're right.

3 SENATOR SARBANES: We think the White Oak facility
4 is an extremely important facility. We thought the
5 recommendation two years ago was a very good recommendation.

6 (Applause.)

7 SENATOR SARBANES: It would retain some of the
8 unique facilities like the wind tunnel, the casino in
9 Phoenix, x-ray simulator, the hydroballistics facility, and
10 it would have shifted NAVSEA to White Oak. Now they're
11 talking about taking NAVSEA to the Navy Yard, which will be
12 brought under criticism here.

13 John Tino is our first presenter. He worked 36
14 years at White Oak, prior to his retirement two years ago.
15 He was a department head, both for the wind tunnel and the
16 hydroballistics facility. He knows all of the activities at
17 White Oak, and we're pleased that John's here, who will be
18 followed by Mike Subin, who is the member of the Montgomery
19 County Council, a naval reservist who knows this field very
20 well indeed, and chairman of the White Oak task force.

21 And then the County Executive of Montgomery County,
22 Doug Duncan, who has taken a very strong and keen interest in

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1 this issue. John?

2 CHAIRWOMAN COX: Thank you. Just before you start,
3 I think I saw all of you take the oath, but I wanted to make
4 sure that you did before we started.

5 MR. TINO: Yes, I did.

6 MR. SUBIN: Yes, I did.

7 MR. DUNCAN: Yes, I did.

8 CHAIRWOMAN COX: Thank you very much.

9 MR. TINO: Thank you, Senator Sarbanes. Good
10 morning, commission, Commissioner Cox.

11 CHAIRWOMAN COX: Good morning.

12 MR. TINO: As the Senator said, I spent 36 years at
13 White Oak prior to my retirement in February, 1993. I have
14 lead and managed three of the key facilities remaining at
15 White Oak, and am very familiar with the White Oak
16 facilities. Our community believes the recommendation
17 regarding White Oak, and the Naval Sea System Command,
18 deviates substantially from the base closure criteria in the
19 following four ways.

20 First, the recommendation to close White Oak fails
21 to take into account the extremely high military value of
22 certain, irreplaceable, one-of-a-kind, national assets at

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1 White Oak. Second, the White Oak recommendation
2 substantially understates the cost to close White Oak,
3 particularly with regard to these facilities we're going to
4 talk about. Third, the NAVSEA recommendation is founded on a
5 faulty analysis of the cost of moving NAVSEA to the
6 Washington Navy Yard, versus the cost of moving them to White
7 Oak.

8 Fourth, and finally, the NAVSEA recommendation
9 fails to account for the fact that the land facilities at
10 White Oak are far superior to those in the Navy Yard. I will
11 present the community's position on the first two deviations,
12 those concerning White Oak. In the aftermath of the BRAC '93
13 at White Oak, there are four key facilities remaining at
14 White Oak. The hyperballistic wind tunnel, the nuclear
15 weapons effects facility, the hydroballistic tank, and the
16 magnetic synergy control R & D facility.

17 For the first three of these, the wind tunnel,
18 nuclear weapons facility and the hydroballistic tank, the
19 Navy had doctored what it called "a walk away approach".
20 That is, the Navy decided to simply abandon the place, and
21 literally walk away from them. The White Oak COBRA included
22 absolutely no cost for these facilities. Not from moving

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1 them, not from replacing them elsewhere, not even from our
2 following them, in case we needed them again.

3 I will focus only on the hydroballistic wind
4 tunnel, and the nuclear weapons facility, since these are
5 critical, multi-service national defense assets. However,
6 the other two are invaluable to under sea warfare, and our
7 world of literal warfare. The hydroballistic wind tunnel
8 represents the most noteworthy example of the Navy's
9 disregard for the base closure criteria relating to military
10 value. The tunnel is used about one-third of the time for
11 the Navy, and the other two-thirds of the time, by Army, Air
12 Force, NASA, and industry.

13 It is truly a joint cross service asset to our
14 nation. The NSWC certified response to this scenario
15 development data call refers to the wind tunnel as "a unique
16 national asset". The Military values data call response
17 states that there is no Navy, DOD, NASA, or industry
18 facility, which can approach the capability of this wind
19 tunnel.

20 The potential loss of the wind tunnel is one of
21 only three BRAC issues, where concern was publicly expressed
22 by the Chairman for the Joint Chief of Staff. And testimony

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1 on his commission his very first day appeared. As you may
2 recall, the chairman testified that the loss of the wind
3 tunnel, and I quote, "could eliminate a unique national
4 capability that serves military research and development
5 needs." He said the wind tunnel should be retained.

6 One can hardly imagine a better source to certify
7 the military value of a defense facility. Yet, the Navy
8 recommendation would not only shut down the wind tunnel
9 facility, but abandon it completely.

10 Other highly authoritative sources have been
11 unanimously reviewed -- that the wind tunnel should remain in
12 operation. For example, the Deputy Command in Chief, in a
13 memo to the Joint Chief of Staff, disagreed with the Navy's
14 recommendations to abandon the wind tunnel. He described it
15 as "vital to the continued credibility of the ballistic
16 missile force, defending our nation."

17 The GAO, in his report to the commission last
18 month, made only three recommendations on the Navy BRAC
19 issues. One was that a way be found to keep the wind tunnel
20 operating. Finally, just last week, on April 25, the
21 Ballistic Missile Defense Organization, BMDO, informed the
22 Navy, in writing, that continued operation of the wind tunnel

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1 is quote, "essential, since it is the only national facility
2 capable of providing the flight environment for ballistic
3 missile defects is a valued development."

4 Such as the Army BATA system, which is undergoing
5 tests in the tunnel, and the Navy's interceptor program. To
6 some, there is an overwhelming body of authority to conclude
7 that the recommendation to abandon the wind tunnel ignores
8 this high military value, as well as DOD's current and future
9 joint mission requirements, including theory of ballistic
10 missile defense.

11 I'm now going to turn briefly to the nuclear
12 weapons affects, or x-ray test facility. The certified
13 response in a scenario development data call says this
14 facility has, quote, "three of the world's largest, and most
15 capable nuclear radiation simulators. The Phoenix, the
16 Casino and the TAC Facility."

17 The sponsor in the Defense Nuclear Agency, or DNA.
18 Last year, DNA made a decision to consolidate its x-ray tank
19 in White Oak, but shutting down x-ray tank facilities at two
20 other locations. DNA included in writing that it is relying
21 on the continued operation of the facility at White Oak,
22 particularly, sought x-ray -- this Phoenix facility, to serve

1 future electronic and interceptive systems.

2 Again, the Navy decision to abandon this facility
3 appears to disregard high military value as a national
4 defense asset, for which there is a clear, continued, and
5 essential mission, as we defend ourselves against weapons of
6 mass destruction. I would also like to point out, that the
7 Navy did not perform a military value analysis for White Oak,
8 or for the key national defense assets remaining there,
9 except for the wind tunnel, the nuclear weapons facility, and
10 the air lift facility.

11 The Navy has concluded and can see that there's a
12 response of questions from the Maryland members of Congress.
13 Our delegation here today. This is yet another indication
14 that the Navy failed to account for the extremely high
15 military value of White Oak's national assets. We had also
16 stated in our testimony before this commission on April 17,
17 that neither the joint cross service group and laboratory,
18 nor the one on test evaluation, conducted a military value
19 analysis of the inter-replaceable national defense asset,
20 White Oak.

21 In addition to this regard, in the military value
22 of White Oak's national defense asset, the second deviation

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1 from the base closure criteria accrued by virtue of an
2 incomplete analysis of the cost to close the base. I'll now
3 address that. The White Oak COBRA shows the one time cost to
4 close of only \$2.9 million. However, as I mentioned earlier,
5 this figure includes no cost, whatsoever, for the wind tunnel
6 nuclear weapon facility. It also showed the recurring
7 savings of \$6 million per year, and we'll show how this is in
8 fact, a vital facility.

9 The responses to the military value data call
10 estimates an optimistic cost of \$143 million to replicate the
11 wind tunnel elsewhere -- no site given -- and \$102 million to
12 move it. If estimation agrees with the Chairman of the Joint
13 Chief of Staff, that the wind tunnel should continue in
14 operation, then either the cost to close White Oak will
15 become enormous if the tunnel replicated or moved, or there
16 will be a continuing cost to operate it at White Oak, if the
17 tunnel remains there. Either way, the current COBRA numbers
18 just don't hold up. They are woefully inadequate.

19 For the nuclear weapons facility, data call has
20 estimated that the cost to replicate it or move it is at
21 least 37 to 40 million dollars. Clearly, it is too expensive
22 to move the critical national defense assets of White Oak.

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1 Not only must they keep operating, but they must be kept at
2 White Oak. And if this is done, then the projected recurring
3 cost of \$6 million just will disappear.

4 In conclusion, the recommendation to close White
5 Oak deviated from the base closure in two ways: one, by
6 failing to recognize a high military value of critical
7 national defense assets and the continued mission
8 requirements for them in today's new world order; two, by
9 relying on the closing costs that are unrealistically low.

10 In fact, if one concedes that White Oak must be
11 retained for operation somewhere else, the cost to close will
12 skyrocket by almost \$200 million. We now turn to the NAVSEA
13 recommendations, which will be addressed by Mike Subin.

14 (Applause.)

15 CHAIRWOMAN COX: Mr. Subin, I'm sorry. Before you
16 start again, if I could please ask the people in the back of
17 the room to refrain from discussions in here. Perhaps you
18 could take those outside if you do need discussion. It's
19 hard for us to hear, and we are very anxious to get the
20 information that is being offered. Thank you.

21 MR. SUBIN: Thank you. Good morning, Commissioner
22 Cox and members of the Commission. I am Michael Subin. I am

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1 chair of the White Oak Task Force. We are a group of civic,
2 business, religious, and governmental organizations focused
3 on maintaining the operational viability of White Oak and
4 looking forward to housing NAVSEA there.

5 I would first like to add to Mr. Tino's comments by
6 stating that the assets he described are national treasures,
7 both the wind tunnel and the nuclear effects facilities. If
8 we lose those scientific capabilities, we lose a major piece
9 of our industrial base. And as you are aware, industrial
10 mobilization in time of war will never be able to fill this
11 void in time. And given the current testing moratoria in the
12 air, sea, and water, we must retain those treasures.

13 As Mr. Tino also stated, while we believe the Navy
14 deviated substantially from BRAC's criteria regarding the
15 assets of White Oak, we also believe that the recommendation
16 regarding NAVSEA's relocation deviated substantially from the
17 base closure criteria in at least two ways: first, because it
18 is based on a faulty analysis of NAVSEA's relocation costs;
19 second, because it fails to account for the fact that the
20 land and facilities at White Oak are far more expandable than
21 those at the Navy Yard.

22 I would like to first discuss what we consider to

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1 be the most serious flaws in those numbers and then conclude
2 by showing how the land and facilities of White Oak are far
3 more desirous than the Navy Yard.

4 In its Culvert analysis, the Navy conceded that it
5 will actually cost almost \$2 million more to relocate NAVSEA
6 to the Navy Yard than to White Oak. The one-time cost is
7 shown in back of me on these graphics.

8 I also call your attention to the MILCON numbers.
9 The stated cost to the Navy Yard is \$16 million more than
10 White Oak. The covert then goes on to conclude that there is
11 annual recurring savings of \$9.4 million in the Navy Yard as
12 opposed to White Oak, which, the Navy claims, more than
13 offsets the one-time cost of the move.

14 Now, the community, in all candor, has had quite a
15 bit of difficulty getting the Navy to pinpoint some of the
16 assumptions on which their conclusions are based. However,
17 we have closely reviewed all the data available and believe
18 that their numbers are very wide. We are convinced that the
19 Navy's current numbers are so erroneous that they neither
20 should nor could be used as a justification to overturn the
21 BRAC '93 recommendation to move NAVSEA to White Oak.

22 Our analysis indicates that the cost estimates for

1 moving NAVSEA to the Navy Yard are far too low, perhaps by
2 tens of millions of dollars. And the estimate for White Oak
3 are far too high with no indication of any attempt by the
4 Navy to value engineer that entire project.

5 I would now like to regress the Navy Yard costs.
6 As stated earlier, the Culvert analysis estimates it will
7 cost \$149 million in real time moneys to move 4,200 employees
8 to the Navy Yard. There are currently 5,400 military and
9 civilian employees located there. Planned relocations from
10 BRAC '93 not being implemented by the Navy would add another
11 650 employees, with the 4,200 for NAVSEA. That total comes
12 to 10,250. Even with some reorganization, that total still
13 would put 10,000 employees at the Navy Yard.

14 Now, why is that number important? Why are we
15 concentrating on that? Well, there are two fundamental
16 questions that we feel must be addressed here. The first is,
17 does the Navy Yard currently have the capacity to accommodate
18 10,000 employees? Second, are the Navy's current cost
19 estimates for moving to the Navy Yard accurate?

20 With regard to capacity, any expansion to the Navy
21 Yard must comply with the yard's master plan which was
22 approved by the National Capital Planning Commission in

1 October 1990. That master plan makes it clear, we admit, the
2 Navy Yard can accommodate 10,00 persons. And it would do so
3 by converting high bay industrial buildings to office space.

4 However, however, there are three very critical
5 caveats to that. The first is that the Navy yard is a
6 national historic landmark. Consequently, all renovations
7 and new construction must be consistent with the
8 architectural and historic qualities of the existing
9 structures.

10 For example, exterior brick facades must be
11 renovated or made part of any new construction. Design plans
12 must be approved by the National Capital Planning Commission,
13 by the District of Columbia Historic Preservation officer and
14 the Advisory Council on Historic Preservation. It appears
15 that the Navy's covert cost estimates did not take any of
16 that into account.

17 And in response to questions from Maryland
18 Congressional Delegation, the Navy stated that its estimates
19 for renovating the industrial buildings at the yard were
20 based solely on the standard covert algorithm of 75 percent
21 of new construction. That algorithm is an overall average
22 and does not include any -- it doesn't include any of those

1 above considerations.

2 Now, we would submit to you that there are
3 numerous additional factors, all of which add to the costs.
4 In addition to the preservation of historic qualities, a
5 second factor present at the Navy Yard that is not normally
6 found with other rehabilitation projects is that most of the
7 Navy Yard, including all five of the buildings slated for the
8 relocation of NAVSEA, lie within the 100-year flood plane of
9 the Anacostia River.

10 What does that mean for renovation projects? Just
11 one month ago the National Capital Planning Commission
12 approved preliminary preservation plans for building 33 at
13 the Navy Yard. The commission recommended that in the final
14 plan the Navy use flood-proofing techniques such as, and I
15 quote, "elevating essential equipment and services above the
16 flood level and using durable floodproof material in the
17 interior."

18 Clearly, floodproofing will add to the renovation
19 costs. Yet again the Navy does not appear to have considered
20 those costs or attributed any of those to the move.

21 Third and finally, the master plan states that
22 certain improvements should be made at the Navy Yard in order

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1 to provide a satisfactory quality of life for the 10,000
2 employees, and these considerations aren't considerations
3 that our group has devised. These come straight out of the
4 master plan.

5 And they include the following: conversion of
6 building 46 from office to retail space; providing additional
7 food services; providing recreational and day care
8 facilities; adding a waterfront promenade with an
9 amphitheater and providing new landscape throughout the yard.
10 Those conditions would cost tens of millions of dollars, tens
11 of millions of dollars which would not be needed at White
12 Oak.

13 Now, the way we see it, since NAVSEA would account
14 for approximately 40 percent of the employees at the Navy
15 Yard, it would be reasonable to attribute 40 percent of those
16 additional costs to NAVSEA. However, again, again, the Navy
17 failed to have added any of those costs, and they are not
18 reflected in the standard Culvert algorithm and would not be
19 necessary without the NAVSEA location.

20 In sum, we believe the Culvert estimates for the
21 Navy Yard are seriously deficient and that they overlook
22 added costs related to historic preservation requirements,

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1 floodproofing requirements, and quality of life requirements,
2 all of which would be required.

3 The community is preparing some cost estimates for
4 the Navy Yard move with the help of planning and construction
5 experts, and we will be furnishing these to the Commission
6 along with supporting data. We will also be furnishing our
7 comments regarding additional deficiencies and the cost
8 comparisons.

9 Equally confusing to us are the recurring cost
10 comparisons. Again, the Navy claims it will realize
11 recurring costs savings of \$9.4 million annually at the Navy
12 Yard which would make up for the White Oak one-time cost
13 advantage. The graph before you depicts the manner in which
14 the recurring costs were calculated. As you can see, the two
15 key differences are in civilian salaries of \$3.4 million
16 which they attribute to White Oak and additional
17 miscellaneous costs of \$6 million.

18 The Navy says that by moving to the yard, it can
19 eliminate 68 jobs. That is so because NAVSEA would be a
20 tenant there rather than a host activity. Therefore, so
21 their reasoning goes, NAVSEA would not have to perform those
22 functions at the Navy Yard. That explanation is contained in

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1 their response to questions from Congress and is contained in
2 your briefing book.

3 The graphic depicts how the Navy calculated those
4 miscellaneous incurred costs to White Oak. Please note,
5 please note that there are \$4.5 million included for what are
6 called host costs. We would submit to you that there are two
7 problems with their number. One of them appears to be a
8 double charge for the same function.

9 I just mention that the Navy says it needs an
10 additional 68 NAVSEA employees at White Oak to perform host
11 activities. Now, in addition to the \$3.4 million for the
12 salaries, the Navy is tacking on another \$4.5 million for
13 host cost salaries. That cost comes to \$8 million.

14 We could only conclude that this is a double cost
15 for the same functions and bring those matters to the Navy's
16 attention with the expectation that the Culvert will be
17 corrected.

18 In addition, the Navy says its recurring cost for
19 the White Oak are based on an April 1994 study by NAVTAC, but
20 the White Oak costs in that study are only about \$2 million,
21 not the 3.4, not the 4.5, not the 6.2. Our conclusion is
22 that the annual host functions are overstated perhaps by as

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1 much as \$5 million, perhaps by more. We see numerous other
2 problems with recurring costs comparisons and will be
3 forwarding them to you.

4 The bottom line, however, is that any recurring
5 cost advantages to the Navy Yard, and we are not sure that
6 any exist at all, would be so small as to be immaterial and
7 not outweigh the one-time cost.

8 Finally, in addition to a faulty cost savings
9 analysis, we believe the NAVSEA recommendation represents a
10 deviation from the base closure criteria having to do with
11 facilities for potential receiving installations. We believe
12 any fair comparison would favor the land and facilities at
13 White Oak even without the cost comparison.

14 First, White Oak consists of over 730 acres with
15 some 400 acres available for expansion. The Navy Yard, on
16 the other hand, sits on about 70 acres, would be stretched to
17 capacity by the NAVSEA move and could not accommodate any
18 future expansions.

19 Second, White Oak has an excellent security buffer
20 with facilities set back from the perimeter. The Navy Yard
21 this year will have approximately 400,000 visitors due to the
22 museum, summer pageant, and other tourist attractions. And

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1 in case anybody needs to be reminded, in 1984 terrorist with
2 easy access to the Navy Yard blew up the Officers Club.

3 The final point I would like to make is that
4 quality of life factors clearly favor White Oak. There is
5 convenient surface parking, nearby shopping, and dining
6 facilities are plentiful. The base itself has a spacious
7 cafeteria and an auditorium that can hold 500 people for
8 classified briefings. By contrast, none of that exists at
9 the Navy Yard and would have to be added.

10 In conclusion, our presentation has shown that the
11 current recommendations on White Oak and NAVSEA deviate
12 substantially from the base closure criteria. There is
13 overwhelming evidence to the effect that certain national
14 defense assets at White Oak must remain operational.
15 According to certified cost estimates, it is too expensive to
16 move them elsewhere, and they must remain at White Oak.

17 In its flood analysis, the Navy first concluded
18 that it was going to shut down White Oak completely. It then
19 had to, as a result of that flood analysis, reverse the well-
20 reasoned BRAC '92 recommendation to move NAVSEA to White Oak.

21 Our community firmly and sincerely believes that
22 the Navy's cost analysis does not support a move by NAVSEA to

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1 the Navy Yard. What makes the most sense is to sustain the
2 BRAC '93 recommendation, keep those programs operational at
3 White Oak, and move NAVSEA there. That is the right decision
4 then, and it is the right decision now. Thank you for your
5 attention and consideration.

6 (Applause.)

7 CHAIRWOMAN COX: Thank you. We just have 11
8 seconds left on White Oak. So I know you will be --

9 SENATOR SARBANES: Madam Chairman, let me do this.
10 I give a minute to Duncan to come out of mine and I give two
11 minutes to Congressman Wynn. I don't want Duncan and Subin
12 to have a quarrel over not being heard.

13 CHAIRWOMAN COX: Thank you, Senator.

14 MR. DUNCAN: Senator Sarbanes, thank you very much.
15 Members of the Commission, good morning. I want to touch on
16 an issue related to the NAVSEA garrisons, which is the
17 enormous increase of the Navy's estimates of the cost to
18 prepare White Oak for NAVSEA. In 1993 the military
19 construction estimate for work that needed to be done there
20 was just \$34.6 million. Two years later the Navy is telling
21 us it is going to cost \$124.5 million to accommodate NAVSEA
22 at White Oak.

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1 Using that figure, that's a 360 percent increase in
2 the estimated cost of construction in just two years. Our
3 Congressional delegation asked the Navy that question. First
4 the Navy said that the BRAC estimates were for 3,500
5 employees and in '95 it's 4,100.

6 We would respectfully suggest that the Navy appears
7 to be wrong on both counts. We would ask you to look at the
8 figures there. Then they said because of asbestos and other
9 renovations that would increase the costs. We would again
10 respectfully suggest that you examine very closely the Navy's
11 cost estimates for NAVSEA and scrutinize them very much.

12 Thank you very much.

13 CHAIRWOMAN COX: Thank you very much. And we would
14 like to have any further information that you would like for
15 the record. Thank you. Congressman Wynn. I don't believe I
16 have the honor of swearing you in earlier, and that is
17 required by statute. So if you wouldn't mind.

18 (Witness sworn.)

19 CONGRESSMAN WYNN: Thank you, Madam Chairman and
20 members of the Commission. I appreciate this opportunity to
21 say a few words on behalf of the White Oak facility. I think
22 it's abundantly clear this morning that the facilities that

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1 have been described in some detail have essential strategic
2 military value, that the Navy's proposed walk-away strategy
3 is not really viable. I think the wind tunnel, the nuclear
4 weapons effects facility all are essential to our country's
5 interests.

6 One of the pieces of evidence that came forward was
7 the fact that the relocation and relocation costs are
8 prohibitively high. Someone will have to step up to the
9 plate and maintain these facilities in operational status.
10 Moreover, the projected cost savings from closing these
11 facilities are essentially eliminated if, in fact, you accept
12 the premise that the facilities are essential to our national
13 security.

14 I believe in this context the military's interest
15 are best served by sustaining the BRAC '93 recommendation to
16 have the Navy continue to serve as the host for these
17 facilities, these essential facilities and move NAVSEA to
18 White Oak rather than the Navy Yard.

19 I'd like to make just three quick points. First,
20 military construction at the Navy Yard is 16 million more
21 than at White Oak. Two, that the standard Culvert algorithm
22 did not consider the special costs associated with the Navy

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1 Yard which have been described in detail, the historic
2 preservation costs, the costs for floodproofing, and the
3 costs for quality of life improvements that would be
4 essential if we are to maintain the standards that we have
5 had in the past with regard to our facilities.

6 There is also, I think, a very significant question
7 that I hope the Commission will investigate with respect to
8 the possible double charging of certain expenses associated
9 with the facility.

10 And finally, I guess, the overreaching analysis is
11 that the White Oak facilities are superior, 700 acres with
12 400 available for expansion versus 70 acres, recreation
13 facilities, parking facilities, above-ground parking
14 facilities that are suitable, eating facilities all already
15 in place compared to the Navy Yard.

16 So the two elements of the equation appear to come
17 down like this: one, we have to have these facilities; they
18 are in our country's best interest; two, the best place to
19 locate those facilities are where they are currently placed,
20 at White Oak; and three, that White Oak would be a perfect
21 situation to house the NAVSEA facility.

22 I urge the Commission's favorable consideration of

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1 these points. I also want to especially thank
2 representatives from the White Oak community who, as you have
3 seen, bring a great deal of enthusiasm to this project.
4 Thank you very much.

5 CHAIRWOMAN COX: Thank you very much, Congressman
6 and everyone from White Oak.

7 (Applause.)

8 SENATOR SARBANES: Madam Chairman, I think we are
9 coming right in on the mark here. We have two more
10 presentations, 15 minutes allocated to the Army Publication
11 Distribution Center and 10 minutes to Kimbrough Hospital.
12 And that would, I think, bring us in on the mark.
13 Congressman Ehrlich will speak as part of the 15-minute
14 presentation at the end. They have, I think, a 12 to 13-
15 minute presentation. And then he will take a couple of
16 minutes to close out.

17 We think this underscores something the Commission
18 ought to be looking at, and that is interservice DOD-wide
19 consolidation in terms of savings. We think this is a
20 classic example for it. Kathy Kropp and Bill Weiman will
21 make the presentations. Kathy is responsible for maintaining
22 the center's warehouse control system. Bill Weiman is vice

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1 president of the AFG local 1409. Michael Van Biver is with
2 us, and Barry Weiss and Donald Lee Weiss, who also are
3 employees of the center. Kathy?

4 CHAIRWOMAN COX: Thank you. Before we start, and I
5 know there are a number of people coming in from other states
6 and that perhaps are not as interested in Maryland as we are,
7 but we hope as you come in you will please keep the
8 conversations down and not move around so that we can hear as
9 we go through these presentations. I know you would want
10 them to do the same for you.

11 Before we start, did I get a chance to swear all of
12 you all who will be testifying in? Okay. Thank you.

13 MS. KROPP: Madam Chairman and members of this
14 Commission, I want to make sure that my presentation to you
15 is as quick and painless as possible. I'll keep it both
16 simple and short. And you have in front of you a packet with
17 the details. To make things easy, I'm going to let you know
18 what we want from you right up front.

19 First, we want you to remove the U.S. Army
20 Publication Distribution Center from the BRAC list. Since
21 the center doesn't meet the threshold, the Department of
22 Defense can close the center at any time.

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1 Second, we want this Commission to direct that a
2 joint cross-service group conduct an independent study into
3 the feasibility of consolidating the publications
4 distribution mission throughout the entire Department of
5 Defense. We are an opportunity to just waiting to happen.
6 This Commission can be the one to take advantage of this
7 opportunity and initiate a cross service consolidation that
8 will save hundreds of millions of dollars.

9 Our objective is not to close the Army's St. Louis
10 center. They are our sister center. We are not looking to
11 put them on the list in our place. We just want to keep BRAC
12 on tack with its goals of creating jointness. We believe
13 BRAC has the right idea. Looking at cross-service and
14 intraservice opportunities is the best way to streamline
15 Department of Defense, maintain the readiness of the force,
16 and still save the taxpayers money.

17 Consolidation is a good idea, but we shouldn't have
18 tunnel vision. It is not enough to just consolidate within
19 the Army. To really produce large savings, a joint service
20 consolidation is necessary. We need to look at the big
21 picture and evaluate all of the Department of Defense
22 distribution missions. Consolidation must not threaten

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1 readiness. It must ensure all savings possible are realized.
2 It must plan for the future of the Department of Defense.
3 And it should consider the current facilities' expandability.
4 Closing the U.S. Army Publication Distribution Center in
5 Middle River does not meet the goals of BRAC and contradicts
6 the Commission's own selection criteria.

7 Our Publications Distribution Center is located at
8 the Middle River Federal Depot across the street from the
9 Martin Airport, home of the Maryland Air National Guard. Our
10 building was where they assembled B-26 bombers during World
11 War Two. We have a long history of service to this country
12 and continue to adapt and improve to meet the needs of the
13 changing Army.

14 Today we distribute publications worldwide ranging
15 from training manuals to survival guides, and we ship about
16 9,000 tons each year. We are very proud of our history and
17 what we know we can do. If the Army had any idea of our
18 capabilities we wouldn't be here today. We'd be at work,
19 where we belong. But it's obvious by the Army's submission
20 to this Commission that it has no inkling of what the Army
21 Publications Distribution Center is or does.

22 Let me give you the three biggest examples. First,

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1 they say consolidation will combine wholesale and retail
2 functions. That's not a new idea. We do it now. Last year
3 of the two Army centers Baltimore did 59 percent of the
4 retail distribution and 70 percent of the bulk distribution.

5 Second, they say Baltimore is manual, St. Louis is
6 automated. This is just not true. Ask your staff that
7 visited us, or take a look at our seven-minute video, and
8 we'll prove it. From the minute the stock comes through the
9 door, it is stored away, picked to fill orders, packed,
10 sorted, and shipped back out the door.

11 The work is computer-directed, computer-controlled,
12 computer-monitored, and completely automated. We know what a
13 manual operation is. We used to be one. Now we are what the
14 private sector uses as their model. Your staff saw how
15 automated we were when they visited.

16 Our system is both flexible and expandable. The
17 St. Louis center is neither, which deviates from BRAC's
18 criteria number three. Our system links all of its parts
19 together but allows for replacements. That's the flexible
20 part. Right now we occupy less than one-third of the two-
21 million-square-foot facility. That is the expandable part.

22 This expandability and flexibility is what makes

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1 our center perfect for the cross-service consolidation of all
2 Department of Defense publication distribution missions.

3 Finally, they say the move consolidates two leases
4 into one lease. This is misleading. There may be one lease,
5 but there will still be two or more warehouses, and all but
6 one will be totally manual. St. Louis doesn't have the room
7 to absorb Baltimore's stock. They will have to use
8 warehouses at Granite City, 45 mile away.

9 The cost for operating these warehouses is high,
10 and transportation charges must be added to the operational
11 costs. A 1994 economic analysis warned that this type of
12 split operation can cause inefficiency, increase throughput
13 time, a degradation of customer service, and a threat to
14 readiness. This deviates from criteria one and three.

15 The Army has looked at other ways to accommodate
16 Baltimore stock. None of them are good. One proposal is to
17 destroy all stock beyond a three-year supply. They are
18 calling that economizing, even though it will destroy
19 millions of dollars worth of stock.

20 Another proposal is to add onto the St. Louis high
21 rise. The Army is still paying back GSA for building the
22 tower in the first place and owes us more than \$3 million.

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1 And, remember, if we close, the \$10 million already invested
2 in the Baltimore facility will be lost. This deviates from
3 criteria number five.

4 The only real solution is working towards jointness
5 and using both the St. Louis and Baltimore facilities to
6 house all the DOD publications and forms. So, as you can
7 see, the Army's justification to close the Middle River
8 Center is full of errors. But that is not the only reason we
9 believe we should be removed from the BRAC list.

10 Let's take a look at readiness, your first
11 criteria. Desert Shield/Desert Storm was a good example.
12 More than 1,800 tons were shipped. Baltimore was responsible
13 for 86 percent of what was shipped but only 73 percent of the
14 cost. Even with the two fully automated centers, a backlog
15 of over 500,000 orders existed at the end of Desert Storm.
16 Baltimore's part was only 30 percent of that.

17 During this time, Baltimore's order fill time for
18 routine work increased to 20 days, while St. Louis's went up
19 to 42 days. If two fully automated centers were not able to
20 keep up with the demands of this 10-month mobilization, one
21 consolidated center will never be able to. This deviates
22 from criteria number three.

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1 Two centers are not a redundancy. They are a
2 necessity in case of mobilization of disaster like fire or
3 floods or even terrorist attack. During Desert Shield/Desert
4 Storm Baltimore developed an innovative hot pick system.
5 Picking, packing, and shipping begins seconds after the order
6 is input. This system is still used for emergencies such as
7 Operation Restore Hope and was activated again just two weeks
8 ago because of the tragedy in Oklahoma City.

9 We also modified our system to allow order picking
10 right off the receiving dock to save processing time. The
11 Middle River Center is always improving to meet the demands
12 of the changing military. We not only have our everyday
13 mission. We are ready when the forces mobilize, whether it
14 be a combat or peacekeeping mission. We support the Army
15 every day in every way and are ready to do the same for the
16 entire Department of Defense.

17 The Army's Baltimore and St. Louis Centers are two
18 state-of-the-art, automated, and cost-efficient warehouses.
19 Both have won awards for their abilities. Last year
20 Baltimore won Vice President Al Gore's Hammer Award for
21 helping make a government that works better and costs less.
22 This year Baltimore is a finalist in the Army's Communities

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1 of Excellence Award program.

2 These are not examples of organizations which
3 should be closed. These are organizations which should be
4 taking on more missions so that they are used to their
5 capacity. This Commission has the perfect opportunity to
6 consolidate DOD publication distribution in a joint manner.
7 Don't let this opportunity escape by closing us.

8 According to a 1992 Army management review, there
9 were 15 publications distribution centers in the Department
10 of Defense. Defense Logistics Agency has taken over some of
11 these sites, but reducing the number of sites even further to
12 two or three strategically located centers would
13 significantly cut costs and manpower without threatening
14 readiness.

15 We believe Baltimore and St. Louis are the centers
16 to absorb the DOD publications distribution mission. The
17 savings from closing the Middle River Center is about \$35
18 million over 20 years. That's peanuts compared to what can
19 be saved by consolidating all DOD publication distribution
20 centers. Studies have estimated these savings at anywhere
21 from \$114 to \$257 million over just the first six year.
22 That's a real savings. This is a real opportunity. And

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1 that's why we need to take advantage of it.

2 We need you to: one, take the U.S. Army
3 Publication Distribution Center off the BRAC list; two, take
4 advantage of the joint cost service opportunity. We can
5 begin by consolidating the Air Force publications already in
6 the building with us. Then you can direct that an
7 independent study be completed which examines the
8 consolidation of all publications and forms distribution
9 centers.

10 The Department of Defense will realize tremendous
11 joint savings, and the Army Publications Distribution Center
12 in Middle River will be ready, able, and waiting to provide
13 worldwide distribution of publications for all of the
14 Department of Defense with pride.

15 (Applause.)

16 MR. WEIMAN: Ladies and gentlemen, what you see
17 before you is the real deal. We have no hired guns to come
18 out and speak on subjects we know nothing about. The people
19 you see back here at this sign that says, "We work together,"
20 that says the publication center. We support total quality
21 management. We have implemented it completely. This
22 committee shows it right here.

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1 Our turnover rate at the center is one person every
2 15 years. That's it. And that includes military dependents.
3 That is the only reason it is that high. We work better, we
4 work faster, and, most importantly, we work cheaper, and
5 that's what this Commission is about. We'd like to thank you
6 for taking the time. And on behalf of AFGE 1409 and the Army
7 Publication Center we'd like to say thank you, and end it
8 with, and the center said, "Whoo-ha."

9 (Applause.)

10 CHAIRWOMAN COX: Thank you very much. Congressman
11 Ehrlich, I don't believe I got the honor of swearing you in,
12 if we could do that, if you would raise your right hand.

13 (Witness sworn.)

14 CONGRESSMAN EHRLICH: Thank you, Madam Chairman.
15 What you see here is the real thing. My staff prepared a
16 written statement for me, but I thought I would just take 90
17 seconds to speak to you from the heart. I am here,
18 obviously, I represent these folks in Middle River. But I am
19 also here because I believe what you have seen is a real
20 thing and constitutes a compelling case not to save jobs but
21 to expand a mission for a real fine facility.

22 If I may take just one of my two minutes to tell

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1 you I had never heard of the Middle River facility, but the
2 day after the election these folks called me -- I'm talking
3 about the day after I was elected to represent Maryland's
4 Second District.

5 They called me and said, "We want you down here.
6 We want you to find out what we are about." And I went down
7 there, and what I saw that day, and I've been through a few
8 warehouses in my life, was a first-rate facility manned by
9 people who really knew what they were doing and had a lot of
10 pride. Think about that turnover rate, one every 15 years.
11 I wish the private sector had that sort of pride and turnover
12 rate in private business.

13 What I saw that day and what my staff saw in the
14 interim has not changed. What you see is what you get at
15 Middle River. And when you begin your deliberations, I would
16 just ask and respectfully request you remember the three Ps.

17 The performance. You've heard about the awards.
18 You know how good these people are at what they do. The
19 second P I would like you to remember is pride. One every 15
20 years. That's a family up there. And that's the sort of
21 pride that this Commission should have a lot of pride in.

22 And lastly, I would like you to really focus on the

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1 plan, the third P, to use existing technology, to use
2 existing investment and the space to achieve what you are
3 about, consolidation in a cost-efficient way to increase
4 military preparedness and to keep BRAC on track. Thank you
5 all very, very much.

6 (Applause.)

7 CHAIRWOMAN COX: Thank you, Congressman and those
8 of you from Middle River. Thank you.

9 SENATOR SARBANES: Madam Chairman, our final
10 presentation is addressed to the Kimbrough Army Community
11 Hospital at Fort Mead. Kimbrough has a national reputation
12 for its cost effectiveness and special care. We think,
13 again, there has not been adequate consideration given to
14 other activities within the Department of Defense impacting
15 on Fort Meade that are relevant to what is happening at
16 Kimbrough.

17 The final presentation will be by COL Kent Menser,
18 whose final assignment was at Fort Meade, where he served as
19 garrison commander from 1990 to 1993, where he provided
20 outstanding leadership in the division plan for Fort Meade.
21 Also, we have with us GEN Bill Eicher and COL Gorman Black,
22 who have been very active with the Fort Meade Advocacy

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1 Council. And I will turn it over to COL Menser now.

2 CHAIRWOMAN COX: Welcome.

3 COL MENSER: Good morning. I represent the Fort
4 Meade Joint Services Advocacy Group. This is our
5 presentation. The important part is down towards the end. I
6 will go through very quickly the first part unless you have a
7 question.

8 Our objective is simple. Maintain Kimbrough as an
9 Army hospital. Fort Meade is an Army installation. It's got
10 a great joint mission, joint services mission. And Army,
11 Navy, Air Force, and Marines are at Fort Meade in a very
12 complex resourcing environment at Fort Meade with 57 tenants
13 from all the services.

14 Fort Meade is continuing to grow as we speak. In
15 each of the last three BRACs we've gotten additional tenants.
16 People of Fort Meade, these are on your handouts, but again,
17 you can see the jointness of Army, Navy, Air Force, and
18 Marines. It's a large post from the population standpoint.

19 People support. This is a Fort Meade slide that
20 talks about people that they touch within 25 miles of Fort
21 Meade. Again, all services, almost -- most of the National
22 Capital Region is in the 25 miles, and they use some part of

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1 Fort Meade services.

2 The hospital, Kimbrough Community Hospital. This
3 is what takes place there now in terms of primary care, in-
4 patient care, and emergency room services. This is the
5 catchment area. And that's an area within 40 miles of the
6 hospital that does not overlap with other hospital catchment
7 areas. And the personnel that are presently assigned to the
8 hospital's civilian, military, and contract.

9 In the BRAC we have a recommendation basically the
10 hospital reduce to a clinic. One twenty-nine, and they show
11 203 in your handout, but 129 direct positions would leave
12 Kimbrough. And the idea would be to save \$50 million over a
13 period of 20 years.

14 The consequences of that action is loss of the
15 emergency room, which is very important, the loss of in-
16 patient care, mobilization beds, and loss of the surgical
17 clinics. Again, consequences are increased CHAMPUS costs and
18 increased patient care costs. And I'll talk about those
19 later in the brief.

20 Talk about one of our 57 tenants, and it's the
21 biggest one, National Security Agency. It's a major 24-hour-
22 a-day operation with 24-hour-a-day expectations on the

1 support side, to include medical. It even has light
2 manufacturing associated with it working with different
3 chemicals and so on, and, in fact, our emergency room two
4 years ago was updated with a decontamination capability to
5 meet their requirements.

6 In the past 12 months 75 employees from that
7 particular tenant have had basic emergency transportation to
8 our emergency room and were treated for different things.

9 A program, not a tenant on Fort Meade, but a
10 program on Fort Meade is the Exceptional Family Member
11 program where people with special needs, family members of
12 service personnel, Army, Navy, Air Force, and Marines, who
13 have special needs come to Fort Meade, and we have the
14 largest EFMP program in DOD, 778 families are enrolled in
15 that program. And between 200 and 300 families participate
16 in some way but don't enroll for their own particular
17 reasons.

18 You can see the breakdown with adults, children.
19 Sixty-five percent, as it shows there, are chronic or
20 terminally ill. One-fifth of our housing on Fort Meade is
21 dedicated to the EFMP program families, over 418 families. A
22 post becomes special from the EFMP standpoint when it has

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1 availability of special care to treat that person, whether it
2 be a child or an adult in that family.

3 Critical also once they are in the area is the
4 availability of an emergency room, and that's what Kimbrough
5 provides, and then also military housing. What military
6 housing does, these families are challenged from the
7 financial standpoint, particularly in the Washington, D.C.,
8 area, but also with their special needs. and so putting them
9 on the base is a help to them from the financial standpoint.

10 Let's talk about deviations from criteria. Let's
11 start with military values. Number one, of course, is the
12 current and future mission requirements and impact on
13 operational readiness. We don't know what that is. I don't
14 think anyone knows what that is because this action was not
15 staffed with the four services on Fort Meade. The 57
16 commanders in that installation did not get a chance to
17 contribute their comments. They did not come to Fort Meade
18 for staffing.

19 Number three, the ability to handle mobilization or
20 expansion on the installation, force development. Again, it
21 was not staffed. So we don't know if it's a great deal or a
22 bad deal or a horrible deal because there wasn't input from

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1 the installation itself.

2 Again, deviation from criteria, return on
3 investment, this differs slightly from your last page in your
4 brief. Again, they talked about \$50 million savings over a
5 20-year period. Most of that was due to a \$3.5 million
6 savings in civilian personnel costs. There's 129 that are
7 being transferred, 129 that are leaving Fort Meade.

8 In the Army basing study documents it discusses \$12
9 million that goes from the Fort Meade budget to the Walter
10 Reed budget to cover the increase in personnel going to
11 Walter Reed. A part of that \$12 million is \$3.1 million for
12 civilian personnel costs. So I am saying here \$3.5 million
13 savings helped with this \$50 million 20-year savings. We
14 find that in the Army documentation that 3.1 of that goes to
15 Walter Reed. So there is no 3.5 net savings. There is a
16 \$400,000 net savings for the Army on this.

17 Additionally in our group findings the people who
18 this past year used the in-patient services were part of an
19 Army study. And they basically determined that those people,
20 rather than being at Fort Meade or going to Fort Meade
21 because the facility is not going to be there would go other
22 places in this way: 66 percent would go to Walter Reed; 24

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1 percent would be an addition to CHAMPUS; and 10 percent would
2 do third party, which is basically insurance or pay their own
3 way kind of thing.

4 Now, what does that mean? Well, we know again from
5 Army documentation that the cost per patient at Walter Reed
6 is 39 percent higher than the cost per patient at Kimbrough.
7 So when you factor that in, again from Army figures, that's
8 an additional \$3.3 million for that 66 percent to go to
9 Walter Reed. The additional 24 percent on CHAMPUS, again
10 using Army figures, is another \$3.6 million. The third party
11 is a 700,000, and basically that's money that will not be
12 spent by the Army.

13 When you sum these up you get an additional \$6.2
14 million in order to execute this action of closing or
15 reducing the hospital from a hospital to a clinic, \$6.2
16 million. When you subtract, then, that \$400,000 savings on
17 personnel, you get then a net of \$5.8 million a year in order
18 to execute this BRAC action.

19 Our conclusion. The evaluation criteria was not
20 met. I can't emphasize enough there was no feedback from any
21 of the 57 commanders on the installation on this. And that's
22 why the EFMP thing did not come up at the highest levels.

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1 Again, mobilization and contingency, we don't know
2 the answers. We know that the mission and people will
3 adversely suffer at Fort Meade. We just don't know how much,
4 because we ourselves didn't staff it with 57 to get the
5 feedback. But we know it will suffer. And I demonstrated
6 that with NSA and the EFMP.

7 And, again, the net savings that they had hoped for
8 by using Army figures just will not take place. And I don't
9 know what the reason is.

10 Our recommendation, straightforward, that we
11 maintain Kimbrough as a hospital, and in doing so we can
12 serve our people on the installation and all around the
13 installation, serve our special programs, and, surprisingly
14 enough, save the government money. Any questions?

15 CHAIRWOMAN COX: Thank you very much. That was
16 most helpful.

17 (Applause.)

18 SENATOR SARBANES: Madame Chairman, I think we have
19 a couple of minutes left on our time, and I'd like to just
20 make a concluding remark, and then I'll yield. I'll take
21 about a minute and yield a minute to Senator Mikulski.

22 First of all, I want to say we are very proud of

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1 our communities and the presentation they have made here
2 today. We think it has been a tough-minded analysis. I
3 think it has stuck to the criteria which the Commission is
4 required to use under the law. And I think they have raised
5 a number of possibilities or alternatives that are extremely
6 important for the Commission to consider.

7 First of all, we think we've had some excellent
8 cost analysis. You just heard it, of course, right here with
9 respect to the Kimbrough Hospital, but it's run through the
10 other presentations as well. We think the cost figures in
11 many of these instances were faulty and lacking.

12 Secondly, we believe strongly that there are unique
13 facilities here that are simply being, as it were, walked
14 away from without consideration of what should be done with
15 them. The Chairman of the Joint Chiefs of Staff has spoken
16 about the importance of the wind tunnel at White Oak. And
17 yet they are going to close that facility. And there goes
18 the wind tunnel. Now, someone needs to do that wind tunnel.
19 It is very clear.

20 So what we need from the Commission is a sort of
21 department-wide perspective and analysis. We think that this
22 world-class scientific team at Annapolis ought not to be

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1 destroyed. I mean, they are the clear patent winners within
2 the service. And we think it needs to be helped together.

3 Fort Ritchie has a site R, the unique facility
4 which the Commissioner visited when he was there. We think
5 there's a lot of opportunity here for the Commission to
6 achieve department-wide savings. That was dramatically
7 illustrated with the Publication Distribution Center. But it
8 applies to some of our other facilities as well.

9 Let me just close with this observation. As we go
10 through succeeding rounds of BRAC, the decisions get tougher
11 and tougher. I've been through these rounds, and I
12 understand that. I think what the Commission needs to bring
13 to the process is more of an interservice analysis in terms
14 of savings. The way the process works within the Defense
15 Department, although they have a cross-service task force, it
16 tends very much to be within each service.

17 So a service is taking measures to try to get some
18 cost savings which from a narrow perspective may -- may, and
19 I emphasize may -- have some logic to it. But if you broaden
20 the perspective to a department-wide view, it doesn't make
21 sense.

22 There are other alternatives. And the people who

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1 have come here today have each presented other alternatives
2 which result in cost savings. They are sensitive to the
3 considerations that are at stake. So we urge the Commission
4 to carefully examine -- we, of course, will stay in touch
5 with you and bring you further information and analysis as
6 the process goes forward.

7 CHAIRWOMAN COX: Thank you, Senator.

8 SENATOR MIKULSKI: On behalf of the Maryland
9 delegation and all of the people of Maryland who testified
10 today and who are represented at this hearing, we thank the
11 Commission for their very careful attention to the testimony,
12 the courtesies given.

13 I would just like to sum up by saying this. There
14 is a book now that has won a Pulitzer Prize called "No
15 Ordinary Time." It's about the Roosevelts but more about
16 America during World War Two and this extraordinary effort
17 that was done to organize and mobilize the United States of
18 America to meet the test in World War Two.

19 That concept of "no ordinary time" can be applied
20 to the legacy of the military facilities in this room. These
21 are no ordinary facilities. This is no ordinary work force.
22 We know that you will not make any ordinary decision. You

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1 are no ordinary Base Closing Commission. And we are counting
2 on you. Thank you very much.

3 (Applause.)

4 CHAIRWOMAN COX: Thank you very much, Senator. Let
5 me thank all of the folks who were here from Maryland. The
6 presentations were very helpful and informative and will be
7 most useful to us as we go through our process, and also to
8 thank the very distinguished group of officials from the
9 State of Maryland who have ably represented their state as
10 always. Thank you.

11 Now we will finish with the State of Maryland at
12 that point, and we will begin testimony from the State of
13 Pennsylvania. And I would like to get started with that
14 right away.

15 I realize that people from Maryland may be leaving
16 the room and folks from Pennsylvania coming in. I would hope
17 you would do that as quickly and as quietly as possible so
18 that we can stay on schedule and give everybody plenty of
19 time as scheduled. So if we could move the Pennsylvania
20 group up here.

21 (A brief recess was taken.)

22 We are ready to begin the session starting the

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1 Pennsylvania group of facilities and are very pleased to see
2 here that we have Governor Ridge, Senator Specter and Senator
3 Santorum. I'm pleased that you are able to join us today and
4 am looking forward to hearing from you all.

5 So let me turn it over to you.

6 GOVERNOR RIDGE: Good morning.

7 CHAIRWOMAN COX: Oh, I'm sorry. You're absolutely
8 right. I forgot that we are required to swear you in, under
9 the statute. So if you wouldn't mind rising and raising your
10 right hands.

11 GOVERNOR RIDGE: You want all of us, Madame
12 Chairman?

13 CHAIRWOMAN COX: Yes. If we could just do
14 everybody at once, we will not have anybody who is going to
15 testify or who might answer questions -- if you would go
16 ahead and be sworn in at this point.

17 (Witnesses sworn.)

18 CHAIRWOMAN COX: Thank you very much. Governor?

19 GOVERNOR RIDGE: Thank you. Good morning, Chair
20 Cox, distinguished members of the Base Closure Commission.
21 On behalf of Senator Specter, Senator Santorum and the 12
22 million citizens of the Commonwealth of Pennsylvania, I am

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1 honored to open Pennsylvania's portion of today's testimony.

2 As a former Congressman, I'm acutely aware of
3 Federal budgetary constraints. As a former infantry soldier
4 who fought in Vietnam, I also understand the consequences to
5 a nation that compromises its military readiness. We must
6 never compromise our capacity to respond to any threat to our
7 national security.

8 The challenge is to balance our nation's military
9 might with our nation's fiscal integrity. Pennsylvania
10 supports the BRAC Commission. It is a necessary process.
11 But in Pennsylvania, it hasn't been easy or without enormous
12 cost. In the name of Pennsylvania's communities that have
13 paid so dearly and in the interest of a strong national
14 defense, we ask you to scrutinize more carefully than ever,
15 more carefully than ever before, the recommendations
16 effecting Pennsylvania jobs and facilities.

17 As Pennsylvanians we are proud to have served and
18 to have contributed to our country in time of war and in
19 peace. We have always accepted our responsibilities and made
20 the necessary sacrifices. But ladies and gentlemen, we
21 believe this last round is flawed in its analysis in value
22 and worth and unequal, and some might argue, unfair in its

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1 share of the burden.

2 Just take a moment to examine BRAC's
3 recommendations in '88, '91, and '93. Despite Pennsylvania's
4 strategic location and military merits, we have been asked to
5 endure a disproportionate share of the cost. To date, 13,000
6 of Pennsylvania's defense related jobs have been eliminated
7 as a result of the BRAC process. If the 1995 recommendations
8 are enacted, this inequity will grow.

9 Pennsylvania will have a cumulative net impact of
10 almost 17,000 jobs lost, leaving us second only to California
11 in net jobs lost through the BRAC process. This burden is
12 even greater when we look at the proportion of jobs lost as
13 compared to the total number of defense personnel employed in
14 our state.

15 If this is the standard of measure, we've been hit
16 even harder than California. We started in Pennsylvania with
17 substantially fewer jobs, and we have given up substantially
18 more. These numbers don't just reflect our military
19 personnel, we are talking about thousands of civilians, the
20 engineers, the maintenance technicians, repair personnel, and
21 support staff who have dedicated their lives and their
22 careers to our national military interest.

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1 Pennsylvania to date has lost in excess of 10,000
2 civilian jobs, and that number is expected to grow to almost
3 14,000 if the '95 recommendations are accepted. Our state
4 has a mere 2.3 percent of our country's defense related jobs,
5 yet almost 13 percent of the total cuts in civilian jobs will
6 be found in Pennsylvania.

7 The conclusion is clear, Pennsylvania has paid
8 dearly in comparison to other states. Faced with this fourth
9 and final round of closures, as Governor of the Commonwealth,
10 I ask you with all the sincerity, firmness, and advocacy I
11 can muster, please listen carefully to the testimony of our
12 communities.

13 Hear of the invaluable role that Pennsylvania's
14 bases play in our national defense. Examine the logic of the
15 Department's recommendations. Question the data that, in
16 many times, is flawed. Consider the inequitable consequences
17 to Pennsylvania of nonimplemented directives of prior BRAC
18 Commissions, and finally, ask do these recommendations serve
19 our country not only in times of peace but will these
20 recommendations serve our country in times of conflict as
21 well.

22 I would like to turn to my friend, Senator Specter,

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1 who would address Pennsylvania's value as a home for military
2 bases. Senator?

3 SENATOR SPECTER: Thank you, Governor Ridge and
4 Madame Chairman and members of the Commission and
5 distinguished group of concerned Pennsylvanians throughout
6 this enormous hall. It is a little hard in the course of
7 four minutes to adequately state the impact on military
8 preparedness and job losses.

9 But in the 14 years-plus in the United States
10 Senate, serving on the Appropriations Committee and the
11 Defense Subcommittee, and with substantial experience on the
12 issues of what is valuable for the nation, we will be making
13 an enormous impact on preparedness if these Pennsylvania base
14 closures are put through.

15 Letterkenny is illustrative of the valuable
16 military contributions of Indiantown Gap and the Pittsburgh
17 Reserve unit and those in Philadelphia and elsewhere on
18 contribution. It is very, very important from a national
19 security point of view, and there is a very important aspect
20 on fairness on job loss.

21 It is just fundamentally unfair to have a state
22 with a little over 2 percent of the nation's military take a

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1 hit of 13 percent, and that is a legitimate factor to be
2 concerned.

3 What is different about 1995 from 1993? It's that
4 we come to this round of hearings already having suffered
5 enormously. And if I may be just a little blunt, I think the
6 Department of Defense and the Base Closing Commission owes
7 Pennsylvania a little from what happened on the Philadelphia
8 Navy Yard last year. When we appeared before this
9 Commission, there was an expectation that we would have an
10 opportunity to present in court the evidence of fraud which
11 lead to the loss of thousands of jobs, not only in
12 Philadelphia, but spreading across the state.

13 And for technical reasons, the Supreme Court of the
14 United States -- and we took it all the way to the Supreme
15 Court -- said there was no jurisdiction on technical grounds,
16 so we can never present the evidence of fraud and Navy
17 concealment, and that cost Pennsylvania thousands of jobs.

18 So I don't think it is too blunt or too forward to say
19 that Pennsylvania is owed a little, and I hope that you will
20 give us that consideration, both in terms of national defense
21 and preparedness and also of the jobs.

22 This assembly here is a stark testament to the

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1 importance and very important impact on our state. Thank
2 you.

3 CHAIRWOMAN COX: Thank you, Senator.

4 SENATOR SANTORUM: Thank you. What I'd first like
5 to do is I'd like to thank the Commissioners and their staff.
6 From the process of going through the hearings on your
7 nominations and approvals to throughout the course of this
8 BRAC, the commissioners, and I think the public needs to
9 know, they have been accessible.

10 The staff has been cooperative. The information
11 has been shared and I want to commend you for the job you're
12 doing. It is a very difficult job under very stressful
13 circumstances, and I can only say that -- at least from our
14 perspective -- you earn very high marks.

15 What I'd like to focus my testimony on is the
16 mistakes that were made relative to each of the bases that
17 are the list from Pennsylvania. Because of these mistakes,
18 the list that the Department of Defense sent you with respect
19 to Pennsylvania will not maintain the best military readiness
20 and will not achieve the cost savings that we should get out
21 of this BRAC process.

22 The first situation I'd like to talk about is

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1 Letterkenny. The mistake there is very simple. The
2 Department of Defense continues to ignore the recommendations
3 of this BRAC Commission from 1993 and the stated purpose of
4 trying to do more interservicing and to do joint teaming
5 arrangements.

6 Letterkenny is a success story. While most bases
7 are at about 5 to 10 percent interservicing, Letterkenny has
8 already achieved 50 percent interservicing. They have an
9 innovative model of the joint teaming arrangement with the
10 United Defense on the Paladin, which you will hear from. So
11 I don't think we should punish success, an object that's
12 clearly stated with this BRAC Commission of doing more
13 interservicing.

14 Second, I'd like to talk about the mistakes on
15 Indiantown Gap, Fort Indiantown Gap. New data will be
16 presented to you today which will dramatically alter the
17 military value of the Gap and we will also have testimony
18 which -- and by the way, that military value will place them,
19 instead of ninth on the list of bases in their category all
20 the way up to third, and also the cost savings at the Gap
21 were dramatically overstated by the Army and we will present
22 evidence to show that.

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1 With respect to the 911th out of the Greater
2 Pittsburgh Airport, this is a clear mistake that the Air
3 Force has already admitted, that they input the wrong data,
4 not just on this base but on a couple other bases. They used
5 the same data for three different bases. With the new data
6 running, they go from the most cost -- highest cost operating
7 base to the lowest cost operating base for a civilian
8 airfield.

9 So this is a clear mistake that the Department of
10 the Air Force and the folks at the Air Force have admitted
11 that is wrong, and I'm hopeful that the BRAC commissioners
12 will -- the numbers that they crunch will find that that is
13 also the case.

14 With respect to the Charles E. Kelly Support
15 Center, it shouldn't be here. Charles E. Kelly Support
16 Center is 209 jobs, that doesn't qualify for the BRAC process
17 and shouldn't be on the list, and shouldn't be considered by
18 this BRAC. It should be done in the course of that
19 internally handled by the Department of the Army.

20 With respect to the Defense Industrial Support
21 Center in the city of Philadelphia, you heard Senator
22 Specter, you'll hear Mayor Rendell talk about what's happened

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1 to the city of Philadelphia in this process. What I will say
2 is that what's left in Philadelphia is not excess capacity.
3 DISC is doing a tremendous job and what was not factored in
4 the mistake is that the Department of Defense did not factor
5 in the cost to move the weapons systems support item from
6 DISC, which is an \$80 million cost, which will prove that
7 this move is not a cost-effective move.

8 The Naval Aviation Engineering Service Unit and the
9 Naval Air Technical Service Facilities, both will present
10 testimony to you today to show you that closure is not the
11 best scheme there, that they will be able to downsize. We'll
12 present a plan to you to downsize, which will be more cost-
13 effective and will not compromise at all military readiness,
14 which is obviously a very important goal.

15 Finally, I just want to talk about the Naval
16 Surface Warfare Center in Philadelphia. I know that's not
17 scheduled for closure, it's scheduled for an add, and I want
18 to say that that is a very appropriate add, that this is a
19 facility that can take more capability, that the MILCON
20 dollars there are minimal and it is a very appropriate place
21 to ship that mission. Thank you.

22 CHAIRWOMAN COX: Thank you very much, both for your

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1 testimony and your hitting the time exactly on.

2 (Applause.)

3 CHAIRWOMAN COX: We're now ready to move on to the
4 presentation for Letterkenny. I see there are a number of
5 people here from Letterkenny. Welcome.

6 (Applause.)

7 CHAIRWOMAN COX: Congressman Shuster, I believe you
8 will be moderating and leading the debate here.

9 CONGRESSMAN SHUSTER: Thank you very much, Madame
10 Chairman.

11 We appreciate the opportunity to appear before you
12 today. With me are Mr. David Sciamanna from the Greater
13 Chambersburg Chamber of Commerce, Mr. John Redding, a former
14 Department of Defense employee, Mr. Bob Estep, a Letterkenny
15 union representative, and Mr. Dave Goodman, chief of the
16 Electronic Missile Shop.

17 Two of the fundamental principles that should be
18 the wave of the future for DOD to follow in accomplishing the
19 necessary downsizing of defense are interservicing, or
20 consolidation, and teaming public/private partnerships.

21 Letterkenny represents great success stories in
22 both interservicing and teaming. Despite the fact that

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1 everyone at Defense from the Secretaries of Defense to the
2 Chairman of the Joint Chiefs of Staff have talked about the
3 importance of interservicing, it never would have happened
4 because of interservice resistance, but for the BRAC
5 Commission in 1993 directing that it be done with the
6 missiles at Letterkenny.

7 And, astonishingly, forgetting Letterkenny for a
8 moment, there are no new interservicing initiatives for
9 depots in DOD's BRAC 1995 recommendations. There's clear
10 evidence to show that the interservicing of missiles at
11 Letterkenny is a great success story, thanks to BRAC's
12 directive and that interservicing of missiles at Letterkenny
13 should not only be continued but expanded and streamlined to
14 a one-stop shop.

15 And there is clear evidence to show that DOD's
16 recommendations to kill the interservicing of missiles at
17 Letterkenny is based on fundamentally flawed analysis.
18 Teaming is the second important wave of the future, and here,
19 too, the Letterkenny-United Defense teaming on the Paladin
20 program is a great success story and should be continued an
21 expanded.

22 First, the background on interservicing. In 1990,

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1 through a Department of Defense study, Letterkenny was
2 selected from 20 candidates as the site for tactical missile
3 consolidation. This plan effectively eliminated 12 sites. In
4 October of 1992 due to a separate non-BRAC action, an
5 injunction was filed to stop the consolidation by preventing
6 Anniston's missiles from consolidating at Letterkenny.

7 This was the first challenge to the tactical
8 missile consolidation. DOD overstated the threats to
9 consolidation from the Anniston injunction and questioned
10 numerous other movements into Letterkenny. This was our
11 second challenge. In 1993, the Department of Defense
12 completely reversed its 1990 position and recommended the
13 closure of Letterkenny, completely scrapping the
14 consolidation of tactical missiles. However, a good idea in
15 1990 still made sense in 1993, and in this current
16 downsizing, makes even more sense in 1995.

17 The 1993 Commission recommended the consolidation
18 of 21 tactical missile systems and the efficient elimination
19 of 12 duplicate sites. Letterkenny is the leader in
20 interservicing and while other installations talk about
21 successful interservicing, at less than 10 percent of their
22 work load, the Letterkenny consolidation will have the depots

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1 doing over 50 percent of its work on DOD systems.

2 Here you see an example of the 13 systems that
3 already have been transitioned and are being worked at
4 Letterkenny. Since 1993, the Army has spent \$26 million in
5 BRAC funds implementing this decision. Expensive and
6 sensitive equipment has been relocated to Letterkenny to
7 support the consolidation. It's in place, it's up, and it's
8 working.

9 To support the consolidation and in anticipation of
10 systems to transition, Letterkenny has brought on the finest
11 DOD experts in tactical missile maintenance, experts that
12 moved from such far away places as Alabama and California.

13 And here are further examples of the state of the
14 art facilities modernized to support the new purple mission
15 at Letterkenny.

16 This next slide is a summary of the taxpayers'
17 commitment to the new purple mission at Letterkenny. The
18 projected return on their investment is an annual savings of
19 \$29 million.

20 Once again, 13 of the 21 systems have already
21 transitioned into Letterkenny. Twenty-six million BRAC
22 dollars have been spent, \$100 million worth of additional

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1 equipment has been transitioned into Letterkenny, 72 experts
2 have been hired, 3 construction projects have been completed.

3 Now, as our blown-up chart in front of you shows,
4 in fact, in February of this year, the Inspector General of
5 the Department of Defense conducted an audit that reported,
6 and I quote, "The transition of tactical missile maintenance
7 to Letterkenny and related military construction are
8 generally proceeding within budget and on schedule."

9 Concerns over eroding industrial base capabilities
10 combined with gross overcapacity in depots lead the
11 Department of Defense to support an innovative approach to
12 addressing both of these problems.

13 And this next slide, chart, that you're going to
14 put up shows that the teaming of public depots with private
15 defense contractors is viewed as a way to utilize excess
16 capacity, preserve the industrial base, and save taxpayers
17 millions of dollars through greater efficiency.

18 I said that DOD supported this idea that was born
19 in Pennsylvania, at Letterkenny, and the strength of our
20 partnership lead Congress to codify teaming arrangements.

21 Now, let me address how our partnership works. The
22 partnership, in the slide you see now before you, has

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1 Letterkenny completely refurbishing the chassis, new turrets
2 are manufactured in nearby York, Pennsylvania, and sent to
3 Letterkenny's United Defense plant.

4 United Defense stores the materials in their
5 Letterkenny storage facility, and after rework, Letterkenny
6 provides the chassis to United Defense. United Defense then
7 integrates the chassis and turret, returning it to
8 Letterkenny.

9 Letterkenny then performs tests and paints the
10 vehicle, after which the Paladin returns to United Defense
11 for the final check. The joint United Defense-Letterkenny
12 team insures, through a series of tests and evaluations, that
13 the new Paladin is delivered on time, below cost, and in as
14 new condition.

15 This program is currently two months ahead of
16 schedule. United Defense was so convinced that the
17 partnership would work, that they invested over \$3.4 million
18 to join Letterkenny in this project. The efficiencies of co-
19 location have generated taxpayer savings already of \$61
20 million, \$46 million will return to the Army budget by the
21 program management, and \$15 million have been saved by
22 eliminating bureaucracy and waiving 27 Army and 3 DOD

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1 regulatory requirements.

2 Again, to summarize, \$61 million already saved, \$15
3 million anticipated in recurring annual savings. Based on
4 the bang for the buck that the Army has already realized
5 through this partnership, we anticipate the Army exercising
6 options for additional Paladins, coupled with the
7 anticipation of robust foreign military sales.

8 The Paladin line at Letterkenny has a life well
9 beyond the six year review of the Commission. In your
10 briefing book, we've included a letter from United Defense.
11 As observers of the BRAC process, we've been a bit astonished
12 by the number of communities stating that they are
13 partnership ready and capable. We are the trailblazer in this
14 effort and we know that it was not an overnight success. The
15 wheel doesn't have to be recreated elsewhere, the people in
16 experience for continued partnership, success, and expansion
17 already are functioning at Letterkenny.

18 Now, all this success begs the question, why were
19 we BRAC'd again in 1995? The answer lies in the Army process
20 that grossly overemphasizes and distorts capacity while
21 giving no credit for interservicing and penalizing --
22 actually penalizing -- institutions that are in transition

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1 from past BRAC actions.

2 In fact, had Letterkenny been reviewed under the
3 Navy or the Air Force methodology, due to unique workload,
4 Letterkenny would have been excluded from the BRAC
5 consideration.

6 The Army still looked to four critical factors in
7 1995. However, 33 attributes were used to quantify these
8 factors in 1993, but only 18 attributes were used in 1995.
9 These manipulations, each one of them, drove Letterkenny to a
10 lower score.

11 You are probably already familiar with the way of
12 the four military value criteria used by the Army. Now, this
13 pie graph illustrates that breakdown of the military value
14 criteria.

15 I'd like to point out that Criteria 1 and Criteria
16 4 combined represent 65 percent of the Army's military value
17 calculation. Capacity drives the value of both Criteria 1
18 and 4 and that capacity calculation is grossly distorted.

19 Under Criteria 1, we see the first problem is the
20 overemphasis the Army based on capacity. How can Letterkenny
21 have the most acreage and the second most facilities and have
22 the lowest capacity. It doesn't make sense.

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1 The Army's calculation for capacity is driven by
2 work positions. The other two variables in the equation are
3 fixed. Now, how your square footage is broken into work
4 positions completely drives a base's capacity.

5 What's a work position? Well, here's their
6 definition for your review, "A work position is a space
7 occupied by one worker to accomplish an assigned task on a
8 full time basis. The work position may include more than one
9 location if the worker moves to accomplish the assigned
10 task."

11 Let me show you with this slide and two models,
12 which I believe we are going to put up, how a textbook
13 definition can distort the true picture. Large industrial
14 work positions may occupy tremendous square footage,
15 additionally, certain work positions may only be utilized at
16 critical stages in the industrial process. These factors
17 have a dramatic impact on capacity calculations.

18 The models which we're putting up here show the two
19 installations depicted actually have equal areas, two models
20 in front of you, there now, actually have equal areas to
21 perform their assigned activities. But due to particular
22 workload assigned, the depot that works on smaller work

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1 packages is credited with 84 work positions, the model on
2 your left, while the depot that is working on track vehicles,
3 the model on your right is credited with only 10 work
4 positions. Under the distorted capacity calculations the
5 Army used, that means that the model on your left gets 8.4
6 times the value that the model on your right gets.

7 Now, this anomaly has a tremendous impact on
8 establishing the military value of a particular depot. This
9 doesn't make sense. Incredibly, a depot's military value is
10 based substantially on its assigned workload mix and not on
11 the facilities available.

12 Again, capacity under the Army's procedure is
13 driven by work positions, therefore, the entire capacity
14 analysis is weapon systems unique.

15 Criteria 2 should look at land and facilities
16 available to effectively meet any assigned mission. Again,
17 how can Letterkenny have more land and the second highest
18 amount of facilities and be ranked last in this category?
19 This time the Army weighed age and permanent facilities as
20 the basis for its ranking in this criteria.

21 With three of the four Army depots under discussion
22 all being built during the same period and all having had

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1 extensive facility upgrades, how can the Army base 22.5
2 percent of its analysis on these factors.

3 And last, when the raw numbers for acres and
4 facilities are considered, Letterkenny is first. However,
5 the smallest credit at 12.5 percent of the analysis is given
6 in this area. Letterkenny's clear capabilities in land and
7 facilities needed to meet future mission are not given
8 adequate weight to accurately influence Letterkenny's true
9 military value.

10 Criteria 4 shows the second instance where an Army
11 infatuation with distorted capacity drives a very
12 questionable result. Rather than review the true cost to
13 operate an installation, using costs divided by square
14 footage or some other appropriate factor, such as workload,
15 the Army chose work positions as the driver to calculate cost
16 of operations.

17 Now, this Commission is privileged to have some of
18 our nation's business leaders who will recognize that the
19 appropriate way to calculate true costs is to divide the
20 costs of your operation by the workload produced. The Army
21 failed to use this common sense approach.

22 Commissioners present during the Dallas Regional

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1 Hearing were shown the bar graph on the left in front of you
2 coupled with the overemphasis and miscalculation of capacity.

3 Another critical factor which skewed Letterkenny's
4 profitability numbers was the transition period for the
5 implementation of BRAC 1993. The chart on the right shows
6 that during Letterkenny's period of uncertainty and
7 transition, starting in 1992, profits obviously fell.

8 To implement any new business, there will be a
9 period when your upfront costs exceed your return. But as a
10 business plan becomes fully operational, anticipated savings
11 and efficiencies will be realized. To take a snapshot at
12 Letterkenny during transition of the BRAC 1993
13 recommendations underlines all of the BRAC decisions.

14 Now, as this chart clearly demonstrates
15 Letterkenny's actual costs are not out of line with the other
16 depots in the Army. In fact, our actual cost to operate are
17 the second most of all the depots; however, as is clearly
18 shown, when rates are calculated with an unreasonable
19 emphasis on a distorted capacity figure, an accurate picture
20 of Letterkenny's true costs is not portrayed.

21 As you know, the Army process only focused on low-
22 rated installations for closure analysis. The Army moved

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1 before the analysis was run, and based on their contrived
2 criteria, Letterkenny and Red River would be their lowest
3 rated depots, and therefore closure candidates. The Army ran
4 COBRAs for only Letterkenny and Red River. All one-time
5 costs for the Letterkenny recommendation have not been
6 reported in DOD's submitted totals.

7 The actual one-time cost may be as high as \$231
8 million, but as this chart shows, using a more conservative
9 figure, omitted costs were at least \$187.9 million.
10 Additionally, the COBRA underestimated other significant
11 costs including those associated with transferring both
12 personnel and equipment.

13 As I mentioned, the COBRA did not analyze the costs
14 associated with the transfer of the tenants now at
15 Letterkenny. A verifiable cost figure to move tenants
16 exceeds \$99 million. The true break-even point to achieve a
17 return on investment is over 100 years.

18 Again, let's revisit the proposal as submitted to
19 you by the Army and the Department of Defense. No where in
20 the proposal are significant tenants at Letterkenny accounted
21 for. We don't know where they're going to be sent and the
22 Army obviously doesn't know at what cost. None of those

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1 figures are included.

2 Now, this next complicated chart shows the present
3 proposal in contrast to the Commission's 1993 recommendation,
4 the one now before you. This is not a consolidation or a
5 streamlining of industrial operations, on the contrary,
6 inefficient separation of mutually supportable missions will
7 actually reduce efficiency, inflate costs, and increase the
8 time required to field critical mission systems.

9 Our proposal builds on the sound recommendation of
10 BRAC '93 and the creative partnering environment now already
11 present at Letterkenny. It makes sense to expand the
12 successful missile consolidation and save even greater
13 dollars by implementing a one-stop shop for all DOD tactical
14 missile systems.

15 (Applause.)

16 CONGRESSMAN SHUSTER: In addition, why would the
17 Commission put their faith in the partnering Johnny-come-
18 latelys who claim that they can develop partnerships in the
19 future when the partnership team and the experience are
20 already at Letterkenny and this is where partnering should be
21 expanded, where it is already succeeding.

22 (Applause.)

1 CONGRESSMAN SHUSTER: When we talk one-stop shop
2 for all tactical missiles, what do we mean? It's important
3 to understand that for all efficiencies to be realized, all
4 components of missile maintenance should be consolidated in
5 one location from storage to certification to component
6 maintenance, de-mil, and all upground reconstitutions, and
7 Letterkenny is the only site in DOD which has the ability to
8 realize the efficiencies.

9 Now, despite the efficiencies realized by the BRAC
10 '93 consolidation, they're only partial, this chart shows
11 that the unconsolidated portion of tactical missile depot
12 operations is still somewhat disjointed and inefficient.
13 Unquestionably, further streamlining can achieve additional
14 savings.

15 Now, a picture is worth a thousand words, in this
16 case, less is more. A one-stop shop eliminates duplication,
17 inefficiency, and worthless expansion. I understand that
18 representations were recently made to this Commission that
19 Hill Air Force Base in Ogden, Utah, may be the most
20 appropriate place to consolidate DOD tactical missile
21 maintenance.

22 Now, they weren't selected by DOD in 1990. They

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1 weren't selected by the BRAC Commission in 1993, and once
2 again, the Hill consolidation was rejected just recently by
3 the joint cross service working group in 1995 as testified by
4 General Klugh before you on April 17th and all for good
5 reason.

6 As the blow-up on the big chart shows, Letterkenny
7 presently has the capability to work 15 interservice systems,
8 while Hill presently has the capability to work only two.
9 Any suggestion that the Air Force's capability to work on
10 ICBMs translates somehow to inefficient -- to efficient
11 capabilities on tactical missile systems is simply
12 unsupported by the facts.

13 Now, the next chart there on the easel depicts a
14 side by side comparison, showing that in every critical area
15 Letterkenny is superior to Hill Air Force Base, whether it's
16 experience, present interservice work, capacity, storage or
17 dollars invested. Letterkenny is the only logical site for
18 the implementation of DOD tactical missile consolidation.

19 (Applause.)

20 CONGRESSMAN SHUSTER: Now, we understand that the
21 Hill Air Force Base community stated in its testimony that
22 Hill does 42 percent of the DOD guidance and control work.

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1 What was not stated is that that 42 percent represents only 6
2 percent of the total DOD tactical missile workload ordered to
3 be consolidated under BRAC '93.

4 Now, in this next slide, the color coding is what's
5 important. It shows that the Army tactical missile systems
6 per the 1993 missile consolidation, all the functions
7 depicted in blue would be performed at Letterkenny. Our
8 recommendation is to make a good idea even better. For all
9 the Army missile systems the functions depicted in purple on
10 the next slide could best be accomplished at Letterkenny and
11 should be consolidated. And, again, the color is what
12 counts.

13 Now, let's focus on the interservice workload.
14 Based on the Commission's recommendations in 1993, those
15 interservice depot functions colored in blue are in
16 transition to Letterkenny. A particular note are the two Air
17 Force systems, Sparrow and Sidewinder. For nearly 10 years,
18 Letterkenny has been the depot responsible for performing all
19 upground and storage on these systems. In addition, the 1993
20 BRAC Commission recommendation actually reversed an
21 inefficient practice of sending guidance and control rework
22 from Letterkenny to Hill.

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1 This optimizes the one-stop shop consolidation for
2 the U.S. Air Force Sparrow and Sidewinder missions. Now all
3 three functions are being consolidated at Letterkenny.
4 Again, the color code tells the story here. Our
5 recommendation to maximize the benefits of a one-stop shop
6 for tactical missiles is to make this entire chart purple,
7 consolidate all the tactical missile depot functions at
8 Letterkenny.

9 (Applause.)

10 CONGRESSMAN SHUSTER: Now, previous charts show our
11 vision upon the present inventory of tactical missiles can
12 and should be consolidated at Letterkenny. As this chart
13 showed, this area of weapon systems is sure to grow in the
14 near future. The highest efficiencies can be realized by
15 implementing the one-stop shop concept from the birth of a
16 system.

17 Redundant field storage certification and
18 maintenance capabilities never need to be created for these
19 new systems. All of these capabilities already are resident
20 at Letterkenny.

21 Turning again to our recommendation concerning
22 partners. Unlike what you were told in Dallas, this slide

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1 depicts a true representation of the whole family of heavy
2 Army vehicles worked at Letterkenny.

3 The skilled workforce and facilities needed to meet
4 emergent and surge requirements in track vehicles exists
5 already today at Letterkenny, and for much more than just
6 Paladin, as you can see from this slide.

7 In particular, the United Defense-Letterkenny
8 partnership stands ready to make a good program better. Due
9 to the OEN status of the United Defense on the family, the
10 whole family of Bradley fighting vehicles as well as the
11 strategic collocation of their headquarters in nearby York,
12 Pennsylvania, our team is poised to maintain an upgrade of
13 these track vehicles well into the next century.

14 As Commissioner Cornella heard during his visit,
15 that United Defense wants to consolidate their heavy
16 industrial operations in Pennsylvania. It's simple logic for
17 this Commission to take advantage of United Defense's
18 business plan and experience at Letterkenny and to bless an
19 expansion of this operation.

20 Ultimately, this Commission, of course, will
21 address the capacity of all depot operations. The Commission
22 will optimize the available facilities while most efficiently

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1 meeting the Army's ongoing and wartime requirements. It's
2 been said time and again that the optimal capacity
3 utilization for peacetime depot operations is roughly 90
4 percent. This modest 10 percent buffer allows for
5 flexibility in meeting emerging work or process modification.

6 The right mix for the Army requires the retention
7 of Letterkenny. The retention of Red River and Anniston
8 maintains too much excess capacity at a suboptimal, 80
9 percent capacity utilization as this chart shows. A loss of
10 both Red River and Letterkenny would leave Army depots in a
11 capacity shortfall situation and a critical shortfall in any
12 wartime scenario.

13 In a memo, Joe Reeder, then the undersecretary of
14 defense for logistics to General James Klugh, Secretary
15 Reeder clearly highlights the overcapacity issue that I just
16 discussed. He writes, I quote, "Closure of Red River alone
17 forces us to accept a substantial shortfall of combat vehicle
18 capacity against our full wartime requirement." In this
19 commodity area alone, additional closure of Letterkenny
20 compounds the core shortfall of commodity areas, possibly
21 requiring further expansion of Anniston's capabilities. It
22 also ranks our desired alignment with the commodity commands.

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1 I'd like to close this morning, ladies and
2 gentlemen, by quoting again from the undersecretary of the
3 Army Joe Reeder, he continues in his memo to General Klugh,
4 "Finally, closing Letterkenny would significantly complicate
5 ongoing consolidation of virtually all tactical missile
6 workloads directed by BRAC '93. As you know, this
7 consolidation was directed after DOD submitted its plan to
8 close Letterkenny. Apart from the missile consolidation,
9 arguments for closure today do not seem to be any more
10 compelling than those previously rejected, and in fact, DOD
11 would lose the synergy and efficiencies we hope to gain by
12 consolidating missile maintenance workload and missile
13 storage."

14 In fact ladies and gentlemen, we find it totally
15 astonishing that the services continue to drag their feet on
16 this issue, and that the Department of Defense has no new
17 initiatives for interservicing or consolidating of depots,
18 all at a time when our top military experts have openly
19 called for such consolidation.

20 Secretary of Defense Les Aspin, back in 1993, said,
21 I quote, "With respect to maintenance of depots, there was
22 not sufficient time for the Office of Secretary of Defense to

1 review all potential interservicing possibilities. I suggest
2 that the Commission examine those possibilities."

3 The chairman of the Joint Chiefs of Staff then,
4 Colin Powell, said, "Unnecessary duplication exists
5 throughout the individual service depots, especially when
6 viewed across service boundaries." In addition, a depot
7 maintenance consolidation study found that the current depot
8 structure in DOD and the services has not resulted in
9 substantial interservicing.

10 Ladies and gentlemen, it's never going to result in
11 substantial interservicing because of service rivalries
12 unless this BRAC Commission acts as it did previously. Just
13 last month current Secretary of Defense William Perry
14 reiterated the same thing of increased jointness among the
15 services in a Washington Post article.

16 And last but perhaps most importantly the future of
17 interservicing is largely in your hands as a member of this
18 Commission, as a matter of fact, a former chairman of the
19 BRAC Commission stated, "There won't be any interservicing
20 unless BRAC directs it."

21 With these thoughts in mind, I would hope that you
22 would look very closely at the tremendous success story that

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1 is taking place at Letterkenny and reject the fundamentally
2 flawed military worth and cost analysis made by the Army, and
3 I ask that you continue to support interservicing and public-
4 private teaming that's being accomplished right now at
5 Letterkenny Army Depot.

6 Thank you.

7 (Applause.)

8 CHAIRWOMAN COX: Thank you very much, Congressman.
9 I have just one question, and you sort of covered it, but our
10 concern is, you know, in 1993, was to consolidate the missile
11 work and that's why we ended up at Letterkenny and I know
12 that the DOD understands that you can't do the disassembling
13 and storage at Tobyhanna and that's why the recommendation
14 this year -- and you did mention the Hill capabilities, but I
15 wonder if you know if Hill can do the disassembly and storage
16 at Hill?

17 CONGRESSMAN SHUSTER: I am told that they cannot.
18 I would call on Dave Goodman who is our missiles expert on
19 that.

20 MR. GOODMAN: I have to agree with Congressman
21 Shuster. It has been identified to us that they do not have
22 the capability to do the ground support equipment associated

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1 with our product line.

2 CHAIRWOMAN COX: I see.

3 CONGRESSMAN SHUSTER: I might also point out that,
4 of course, the Army has been very cooperative in moving.
5 Already 13 of the missile systems have moved in. The Navy
6 has been very cooperative. But some of the other services
7 really have been dragging their feet, and one of the reasons
8 all of the missiles aren't in yet, even though they were on
9 schedule as the audit says, it's really been -- it's been
10 like pulling teeth to get cooperation elsewhere.

11 CHAIRWOMAN COX: I see. Thank you very much.

12 CONGRESSMAN SHUSTER: Is that it? Thank you.

13 CHAIRWOMAN COX: Thank you.

14 (Applause.)

15 CHAIRWOMAN COX: Thank you very much. We are now
16 going to go into the public comment section. As I mentioned
17 earlier, there will be 30 minutes for both Maryland and
18 Pennsylvania public comment. There will be further
19 Pennsylvania public comment after this afternoon's session.

20 People who have -- who are interested in doing this
21 should have already signed up this morning, and I have a list
22 of those who are willing to do it. And what I'd like to do

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1 is have everyone -- all of the people who are going to be
2 doing the public comment come forward at this time. I'll
3 read off your names so that we can swear everyone in
4 together. I apologize if I massacre your name in reading it
5 off.

6 William Hughes from Maryland, Robert Boehman from
7 Maryland, Greg Delauter, Maryland, Delegate Ken Holt, Middle
8 River, Senator Ida Rueben from White Oak, Henry Grierson from
9 Annapolis, Patricia Field from Annapolis, and Karen Lewis
10 from Fort Meade. That should be the Maryland delegation for
11 the public comment.

12 And then from Pennsylvania, Stephen George, Lance
13 Shaeffer, Michael Morar, Jason Morar, Michael Robeson, David
14 Goodman, Jerry Nittenhouse, and John Brosky. It should give
15 me 16 people standing right up here at front. Can we come
16 right up so we make sure we have everyone?

17 I can identify the Letterkenny folks in any case.
18 One, two, three, four, five, six, seven. Pennsylvania?
19 Maryland. Okay.

20 (Witnesses Sworn.)

21 Thank you very much. And we will start with
22 William Hughes from Maryland. Mr. Hughes?

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1 MR. HUGHES: Yes. Good afternoon.

2 CHAIRWOMAN COX: Before we start -- please, I know
3 that people are leaving the room, but this is very important,
4 we want to hear from these folks. Please do it quickly and
5 quietly. Thank you, Mr. Hughes.

6 MR. HUGHES: Good afternoon. My name is Bill
7 Hughes. I'm the deputy director of the Defense Investigative
8 Service. I am here to voice support for the realignment from
9 the Fort Hollabird complex to Fort Meade. We have 450
10 people, who I believe still very much believe in the American
11 work ethic. They're highly unique, highly specialized, and
12 we're the only ones in the entire United States Government
13 that performs the function in our like business.

14 The building we are housed in was built in 1954, it
15 was built as a counterintelligence school. In short, it's
16 shot, it's worn out. The infrastructure is caput. What we'd
17 like to do is that we believe this realignment to go to Fort
18 Meade and to a structure out there supports the edicts of the
19 BRAC Commission while it also does not destruct the readiness
20 and the wartime capabilities of the Defense Department.

21 It also has the support of the community. As best
22 I can determine, there has been absolutely no opposition by

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1 anyone to this initiative. We thank you very much for your
2 difficult task and for your efforts.

3 CHAIRWOMAN COX: Well, Mr. Hughes, thank you very
4 much. You're an unusual testimony.

5 MR. HUGHES: Yes, ma'am.

6 CHAIRWOMAN COX: Thank you. Mr. Boehman, am I
7 pronouncing that right?

8 MR. BOEHMAN: Good morning. You pronounced it
9 correctly.

10 CHAIRWOMAN COX: Good. Thank you.

11 MR. BOEHMAN: My name is Robert Boehman. I'm a
12 retired Army Lieutenant Colonel. I have served as the deputy
13 commander in and as the commander of the United States Army
14 Garrison at Fort Ritchie, Maryland, from July '90 to January
15 of '93.

16 Two specific issues, security and safety stand out
17 at Fort Ritchie at the Site R relationship. Site R, first,
18 security. Site R houses key Department of Defense
19 organizations during times of national crisis. The Fort
20 Ritchie military police company is a well-equipped, combat
21 capable unit whose mission is the armed security of Site R.

22 During the Gulf War, Site R was heavily guarded by

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1 the MP company ready to repulse or destroy any threat.

2 Security provided is not just gate or entrance security, the
3 military police company provided perimeter security, internal
4 security, security from the transmitter towers on top of Site
5 R, as well as the capability to stop aerial intrusion. And,
6 by the way, intruders would have been warmly but not
7 graciously received.

8 Second, safety considerations are the Fort Ritchie
9 fire department is specifically trained for fire and rescue
10 work in underground structures. They are very knowledgeable
11 of the Site R underground complex, and contracting this
12 service out equates to accepting a lesser safety standard.

13 Security and safety cannot be measured in dollars
14 but in terms of effectiveness and responsiveness. Either of
15 these services located outside of Fort Ritchie places Site R,
16 a vital defense contingency resource, at unacceptable risk.
17 Thank you.

18 CHAIRWOMAN COX: Thank you very much. Mr.
19 Delauter?

20 MR. DELAUTER: Yes. Hello. I'm Greg Delauter. I
21 speak to you today as a farm boy and a small business owner
22 and someone that really cares about the fate of this

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1 community. I own a convenience store in Cascade, Maryland, a
2 town without any formal local government. I am a
3 representative of a hundred family owned businesses that
4 would be devastated if this Commission endorses the closure
5 of Fort Ritchie.

6 My wife and I have built our business on hard work
7 and common sense. I ask you to give proper consideration to
8 an economic catastrophe that would be created in an
9 economically depressed area if you support the closure of
10 Fort Ritchie.

11 In closing, I speak to you as a taxpayer that wants
12 my money's worth. Are we meeting the taxpayers' needs by
13 closing Fort Ritchie, then trying to duplicate those same
14 services elsewhere. I do not see any real savings in closing
15 Fort Ritchie. Please listen to the facts and maybe even use
16 some good old farm boy common sense in your recommendation on
17 Fort Ritchie. Thank you.

18 CHAIRWOMAN COX: Thank you very much. Delegate Ken
19 Holt, welcome.

20 DELEGATE HOLT: Good afternoon, Madame Chair and
21 members of the Commission. My name is Ken Holt. I'm a
22 member of the Maryland House of Delegates representing Middle

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1 River, Maryland, and the employees of the Army Publication
2 Distribution Center at Middle River.

3 This may be a small facility in terms of numbers,
4 but it looms very large in the history of our nation's
5 military and the future of our nation's security. Here in
6 World War II, the parents and grandparents of these folks
7 built the B-26 bomber known as the Liberator of Europe. They
8 turned out a bomber almost in 24 hours every day.

9 For the next 50 years to this day, the employees of
10 this facility have been unrivaled in their efficient
11 commitment to the country, doing whatever the commander in
12 chief asked, doing it better than anyone else. What we have
13 at this little center is essentially the soul of America's
14 military reflected in human terms, not in smart bombs or in
15 electronic warfare.

16 We're talking about can-do hustle, devotion to duty
17 and success. They are the best DOD publications distribution
18 center in the nation. The presentation earlier this morning
19 showed this in numbers and Vice President Gore's Hammer Award
20 for efficiency in government confirms it.

21 Middle River was born out of military necessity.
22 Lockheed Martin-Marietta, the Maryland Air National Guard,

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1 the Air Force and Army publication distribution center
2 operates side by side there and they should remain side by
3 side. This is where the talent is.

4 I am confident that your careful examination will
5 determine that we can't do without our best people in our
6 best facility, and that all publication distribution work
7 should be consolidated in Middle River, Maryland, and St.
8 Louis, Missouri. There is no gray area, it makes the most
9 common and economic sense.

10 Thank you.

11 CHAIRWOMAN COX: Thank you very much, Delegate
12 Holt. Senator Ida Rueben, welcome.

13 SENATOR RUEBEN: Thank you, Madame Chair and
14 members of the Commission. I appreciate the opportunity to
15 be able to speak on behalf of the White Oak-Hillandale
16 Community. I am Ida G. Rueben a state senator from that
17 area. I represent the local community in the state
18 legislature and I have lived in the neighborhood immediately
19 adjacent to the facilities for the past 33 years.

20 I am also a member of the Montgomery County NAVSEA
21 task force. Since the BRAC '93 decisions to move NAVSEA to
22 White Oak, the community has worked very hard to put out the

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1 welcome mat. The Government in Montgomery County had been
2 concerned about making the pending NAVSEA move a smooth one.
3 They appointed a task force to facilitate the transition and
4 work with the local community. The task force has been
5 meeting and working for over a year to be sure that all areas
6 of need for the NAVSEA move were addressed.

7 The local community has been extremely enthusiastic
8 in support of the move of NAVSEA to White Oak. For example,
9 a member of the task force who lives in the community, Betsy
10 Bretz, and the members of the Hillandale Citizens Association
11 have worked with NAVSEA since 1993. They have collected
12 information for NAVSEA on schools, babysitters and spousal
13 employment opportunities and have met with NAVSEA
14 representatives on numerous occasions, including one with
15 you, Madame Chairman.

16 They have conducted an open house for the community
17 to review NAVSEA construction plans and have invited NAVSEA
18 employees to join in neighborhood social functions. Ms.
19 Bretz lead the community in collecting petitions in support
20 of NAVSEA from the local citizens and approximately 2,000
21 signatures have been collected over the past from Silver
22 Spring residents expressing their wholehearted support for

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1 having NAVSEA move to White Oak.

2 We have the petitions and we will present them to
3 you. The Navy at White Oak has always been a good neighbor
4 and we've been proud to have them. You can tell from my
5 comments that the neighborhood is --

6 CHAIRWOMAN COX: I'm sorry, Senator. We will have
7 to end, but we would love to have any more of your thoughts
8 in writing and I thank you for your hospitality when I was
9 there.

10 Mr. Grierson?

11 MR. GRIERSON: Good afternoon. My name is Henry
12 Grierson. I'm the first vice president of our union, the
13 National Federation of Federal Employees. I represent 92
14 blue collar support personnel mostly in direct support of the
15 machinery R & D record. I would like to talk about excess
16 capacity related to man years.

17 This directly concerns me because of the shop
18 support numbers. Over 45,000 hours of overtime were worked
19 in Fiscal Year 94 by the shop support personnel of the
20 Carderock Division.

21 Of this number, about 30,000 hours were worked at the
22 Annapolis site, mostly in direct support of sponsor funded

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1 projects.

2 The reason for this high number is simple. In 1991
3 there were 168 shop support personnel in Annapolis compared
4 with 92 today, a reduction of 45 percent. Our workload has
5 increased yearly and is projected to increase through the
6 turn of the century. This work, by the way, cannot be done
7 cost efficiently by outsourcing. By adding a lower number of
8 employees to the increased workload and throwing in a hiring
9 freeze, we're approximately 15 man years understaffed.

10 If not for some excess employees from Philadelphia
11 being detailed to the Annapolis site to perform the facility
12 with maintenance and general support, the 15 man years would
13 be greater. The result, no or negative excess capacity at
14 Annapolis.

15 In closing I would like to call your attention to a
16 letter sent to Chairman Dixon by the Philadelphia
17 Congressional delegation dated April 5, 1994. Part of this
18 letter addressed the overhead costs. Currently, overhead
19 costs in Annapolis per person are slightly higher because
20 Annapolis is the host activity.

21 I suggest to you that when the shipyard closes in
22 the Fall of 1995 when NAVSES Philadelphia loses its tenant

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1 activity status and becomes host, their overhead costs would
2 be significantly higher than that of Annapolis.

3 We at Annapolis take pride in our work and the fact
4 that the revenues generated in our lab makes us self-
5 supported. Thank you very much for your time.

6 CHAIRWOMAN COX: Thank you very much, Mr. Grierson.
7 Ms. Fields?

8 MS. FIELDS: Yes. My name is Patricia Fields and I
9 am recent retiree from Annapolis Laboratory. I was employed
10 there as a physicist managing R & D programs approximately 30
11 years, and what I have to tell you today is that Annapolis is
12 not just a job, it's a way of life.

13 I came there 30 years ago. I raised my family
14 there. I fit in. You have an identity there and an
15 atmosphere of the community in the lab. In fact, one of my
16 sons is now an electrical engineer at the lab. I'm very
17 proud of him, of course.

18 But one of the things that I want to emphasize here
19 is that what this continuity brings to the Annapolis site is
20 the effectiveness of our job, the fact that we have the
21 publications. We have the inventions. We have the
22 expertise, because people come, people stay and spend their

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1 entire careers there, because of the atmosphere that's been
2 created there.

3 This, of course, has been over -- you know, the
4 place has been there 90 years. I haven't been there the
5 whole 90 years, just 30. But what I would like to emphasize
6 to the Commission is that we can move machinery and we can
7 move billets, okay, you cannot move identity, you can't move
8 atmosphere, you can't move a way of life, and this is what I
9 think is threatened. Thank you.

10 CHAIRWOMAN COX: Thank you very much, Ms. Fields.
11 Ms. Lewis, Karen?

12 MS. LEWIS: My name is Karen Lewis. My family has
13 been living at Fort Meade for the past 12 years. The Army
14 has stabilized our family there because we have a chronically
15 ill child. Her needs are very severe, but her most severe
16 needs are respiratory. She breathes through a tracheostomy,
17 has asthma, has frequent bouts of pneumonia.

18 Now, when Elizabeth needs care, we need to use the
19 emergency room at Kimbrough Army Hospital. Walter Reed and
20 Bethesda are about 45 minutes from us during good travel
21 time. Our nearest civilian facility is about 20 minutes
22 during good travel time. In order to use the civilian

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1 community hospital, we would also be required to use CHAMPUS.

2 This is an expensive cost to CHAMPUS among other
3 things, plus, CHAMPUS does not totally cover the emergency
4 room situation for us. Therefore, it adds an additional
5 financial burden to our family along with the burden of her
6 illness.

7 Now, as a citizen, I understand the need that we
8 need to cut back for the Government. I also as a military
9 spouse I understand that we will probably be losing some of
10 our benefits over the next few years as the military
11 completes its drawdowns. But I'm here today as a mom, and as
12 a mom, I urge you to remember that saving lives, especially
13 my daughter's life, to me, is much more important than saving
14 money.

15 Once again while you reconsider everything that you
16 have to do, please remember that Fort Meade has a high
17 percentage of children and adults who are special needs, and
18 we have the highest percentage of those in the military.

19 We need a Fort Meade community hospital. We need
20 Kimbrough. We need the emergency room. We need to maintain
21 it as it is. Please don't discount our children. Thank
22 you.

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1 CHAIRWOMAN COX: Thank you very much. Mr. George?

2 MR. GEORGE: My name is Steve George. I am the
3 former director of aviation for Pittsburgh International
4 Airport. Shortly, you will hear a very impressive
5 presentation by the 911th Air Lift Wing, which is located at
6 Pittsburgh International Airport, and therefore benefits from
7 the phenomenal resources this airport offers.

8 This is no ordinary airport. Please make note of
9 the fact that Pittsburgh International is the largest land
10 mass airport in the Mid-Atlantic and Northeastern United
11 States with over 12,000 acres, larger than JFK, Newark, La
12 Guardia, Boston Logan, and Washington National combined.

13 Also focus on the runway system that few airports
14 in the country can match. The 911th can utilize anyone of
15 four major runways ranging in length from 8100 feet to
16 11,500, the later in fact, is a designated emergency landing
17 strip for the space shuttle.

18 By 1998 we shall have a fifth runway in operation,
19 which will give the airport simultaneous triple arrival and
20 departure capability. Only Denver and DFW can do that, one
21 runway airports can't. After the year 2000, a sixth runway
22 can be built when necessary without the need to purchase a

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1 single additional acre of land.

2 Time will not permit me to enumerate the many
3 additional benefits that the 911th enjoys at Pittsburgh
4 International at virtually little or no cost. I underscored
5 the runway system because it exists today. It would cost the
6 Federal Government hundreds of millions of dollars to
7 duplicate such a resource elsewhere. Why would the
8 Government want to close down the 911th and lose this
9 capability. It just doesn't make any sense.

10 The most cost-effective way is for the 911th Air
11 Lift Wing to continue its operation at Pittsburgh
12 International Airport and thus provide the Air Force and our
13 country unmatched and unsurpassed capability in carrying out
14 its mission. Thank you.

15 CHAIRWOMAN COX: Thank you very much. Mr.
16 Shaeffer?

17 MR. SHAEFFER: Good afternoon, members of the
18 Commission, Madame Chair. I am Lance Shaeffer, executive
19 director of the Greater Pittsburgh Chamber of Commerce, which
20 is the regional or metro chamber in greater Pittsburgh, and
21 I'm here to speak on behalf of the 911th Air Lift Wing.

22 We know that the nation's debt is in trouble. Your

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1 work on the BRAC Commission is very, very important to
2 reducing the nation's debt and our nation's defense expense
3 and it can be a serious enemy as any we might face, and your
4 work is a very important part of that effort. But another
5 vital part of what you're doing is to make sure that the
6 closures and realignments truly save our country money while
7 not jeopardizing the present and future military capabilities

8 I join every business person here and in the
9 country supporting our country's need to balance our budget,
10 but the important operative word is balance. Will closing
11 the 911th improve our military readiness and save our country
12 money? You'll see a little later in our presentation that it
13 will not.

14 To take a military operation worth hundreds of
15 millions of dollars, strategically placed in the midst of the
16 largest most modern airport in the eastern United States,
17 designated by BRAC's own analysis as one of the two top C-130
18 installations in Criteria 1, and to disperse this elite unit
19 to other lesser facilities makes no sense.

20 We believe that the case of the 911th Air Lift Wing
21 will speak for itself in our presentation later. The facts
22 will show you that keeping the 911th operation saves our

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1 country money, improves our military capabilities now and in
2 the future. We ask that you will seriously consider our
3 recommendation and our response that the data and the
4 conclusions are flawed. We think the evidence will present
5 our conclusions the 911th Air Lift Wing should be kept open.
6 Thank you.

7 CHAIRWOMAN COX: Thank you. Michael Morar?

8 MR. MICHAEL MORAR: Yes.

9 CHAIRWOMAN COX: Are you related to Jason?

10 MR. MICHAEL MORAR: Good afternoon, Commissioners.

11 My name is Michael Morar. I am a missile systems technician
12 at Letterkenny Army Depot. As a factory trained technician
13 at NAS in Alameda, California, we and others were tasked to
14 train Letterkenny personnel for six months total on Sparrow
15 and the Phoenix test systems due to BRAC '93 decisions.

16 This just gets the technician barely familiar with
17 the missile and equipment. Many of us were offered positions
18 at Letterkenny to help get the Navy's expensive sensitive
19 equipment back on line to produce missiles after the move to
20 Letterkenny, but only a few experienced experts went.

21 With great difficulty, my family and I chose to
22 transition with the tactical missile workload. With that

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1 decision came separation from family and friends to come to a
2 strange land. After working at Letterkenny for a few months,
3 many of us found that some equipment was broken or lost in
4 transit from California.

5 It took several months to get these test systems
6 operational again. With BRAC '95 hanging over us, if all
7 this equipment were to be moved again, more equipment would
8 get broken or lost, but more importantly, even more of the
9 expertise would be lost, because not everyone would be
10 willing to move again.

11 As a taxpayer I am concerned about using BRAC '95
12 funds to tear down, ship, and get tactical missiles systems
13 operational again somewhere else. Thank you for allowing me
14 to speak.

15 CHAIRWOMAN COX: Thank you very much. And Mr.
16 Jason Morar?

17 MR. JASON MORAR: Good afternoon, Commissioners.
18 My name is Jason Morar. I am 15 years old and I am a student
19 at Krauss Junior High in Chambersburg. I represent all the
20 kids whose moms and dads work at Letterkenny. I asked my
21 classmates if they want me to say something today.
22 Basically, they all said, "I don't want to leave home." I

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1 myself as well as a few others already moved from NAS
2 Alameda, California, as a result of BRAC '93.

3 I miss home and I don't want to miss my second
4 home, Letterkenny, either. Opportunities to better ourselves
5 as students have and will pass us by as a result of being
6 relocated. For example, because of moving, I am repeating
7 the ninth grade for a second year. This happened because I
8 didn't have requirements I did not have, nor was needed,
9 living in California. I will have a dilemma in 23 years. My
10 dilemma is which high school reunion should I go to, where
11 are my friends, where is home?

12 If Letterkenny closes, Chambersburg's main industry
13 will be gone and not only will Chambersburg take an economic
14 plunge now, but the future of Chambersburg will be no more.
15 The future for me and my fellow students. I do not want to
16 go through this emotional roller coaster again, nor do
17 anybody else. Thank you for allowing me to do my speech.

18 CHAIRWOMAN COX: Thank you very much, and you have
19 certainly admirably represented the other students.

20 Mr. Robeson?

21 MR. ROBESON: Yes. Good morning. My name is
22 Michael Robeson. I'm an instrument mechanic from Letterkenny

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1 Army Depot. I work with the Sidewinder missiles. My wife
2 along with my three children and I transitioned from Norfolk,
3 Virginia, recently. We sold our home, left our friends and
4 family there, and have since purchased a home in
5 Chambersburg.

6 The major reason we decided to relocate was the
7 BRAC '93 decision to consolidate tactical missiles at
8 Letterkenny Army Depot. We were lead to believe that this
9 was a good choice, and I believe it was the right choice.

10 If all of the missile systems are transitioned
11 again, the readiness of all the branches of military would be
12 jeopardized due to the down time moving these various systems
13 along with the irreplaceable expertise that is lost due to
14 transition after transition.

15 Letterkenny Army Depot is the only place a true
16 one-stop consolidation can occur. To stop the progress that
17 is made
18 would be a terrible mistake. Thank you.

19 CHAIRWOMAN COX: Thank you very much. Mr. Goodman?

20 MR. GOODMAN: Commissioner Cox, distinguished
21 commissioners, my name is Dave Goodman. I am chief of the
22 Electronic Shops Division at Letterkenny Army Depot. In

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1 1990, I participated in a joint services study of tactical
2 missile maintenance for the Defense Depot Maintenance Council
3 which identified Letterkenny as the only site which provided
4 the necessary infrastructure to accommodate tactical missile
5 maintenance consolidation.

6 The merits of this study were recognized and
7 incorporated into the corporate business plan of 1991 and
8 consolidation planning was started. In BRAC '93, the
9 Commission validated the need for consolidation throughout
10 the services and gave renewed credibility to the ongoing
11 efforts at Letterkenny.

12 We have successfully transitioned 13 of 21
13 designated systems. This effort has been timely and within
14 budgetary guidelines. The current 1995 recommendation for
15 alignment will fragment true consolidation, increase costs,
16 delay the organic capability and substantially reduce the
17 readiness due to the loss of training of artisan personnel.

18 Letterkenny provides a unique opportunity to the
19 DOD community, one-stop shopping. It can store, repair,
20 overhaul, and test its current and future workloads
21 efficiently. The 1993 BRAC Commission recognized the merit
22 of consolidation well in the planning phase.

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1 I ask you, the commissioners of the 1995 BRAC
2 Commission, to sustain your vote of confidence in Letterkenny
3 as the plan has been executed on time and on cost. Insure
4 DOD readiness, vote yes to save Letterkenny Army Depot and
5 continue consolidation. Thank you for your consideration.

6 CHAIRWOMAN COX: Thank you, sir. Mr. Nittenhouse?

7 MR. NITTENHOUSE: Good afternoon, Madame Chairman.

8 CHAIRWOMAN COX: Good afternoon.

9 MR. NITTENHOUSE: I am the Paladin partnership
10 champion at Letterkenny, and I'm going to share with you
11 today a real success story about governmenting those reform
12 operations. Letterkenny and United Defense conceived the
13 Paladin-Howitzer enterprise to be collocated on the depot
14 back in 1991. It remains the only such situation within the
15 DOD even today. This pioneering of partnership has saved
16 many tens of millions of dollars through the waiver of
17 regulations and through the implementation of real
18 streamlining.

19 The Paladin program is currently two months ahead
20 of schedule, under budget, and all the vehicles have been
21 accepted unconditionally, that evidences the high quality.
22 In acquisition I would tell you that is world class

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1 performance. United Defense is the developer and producer of
2 all track compact vehicles within the DOD inventory with the
3 exception of the main battle tank.

4 United Defense is consolidating their California
5 production operations in south central Pennsylvania, that
6 includes their \$3.4 million facility at Letterkenny. This
7 Commission has the unique opportunity to serve the best
8 interest of the soldiers, the taxpayers, and the industrial
9 base by consolidating all light and medium combat vehicle
10 workloads at Letterkenny -- that would be depot workloads,
11 excuse me -- building upon the established partnership with
12 United Defense.

13 The bottom line here, I think, is what I'd like to
14 get across is, ladies and gentlemen, the future is available
15 today at Letterkenny Army Depot. Thank you.

16 CHAIRWOMAN COX: Thank you, and our final witness
17 today, Mr. John Brosky.

18 MR. BROSKY: Madame Chairperson and honorable
19 commissioners, I am Judge John G. Brosky of the appellant
20 court of Pennsylvania. I am also a retired major general of
21 the Pennsylvania Air National Guard, and I am the chairman of
22 the Western Pennsylvania Coalition in the tri-state area to

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1 save the 911th Air Lift Wing and the Kelly Support Facility.

2 First as to the Kelly Support Facility, our
3 briefing this afternoon has been allocated ten minutes. It
4 appears to be minimum, but really, it's sufficient time to
5 show to you the shocking revelation that in the document
6 given to the Commission, there is nothing but error after
7 error after error and those are substantial.

8 Our actual figures and calculations will show that
9 at the end of 20 years if you accept the program given to
10 you, at the end of 20 years, the United States Government
11 will still be in the red by 14-plus million dollars. And
12 then there is another shocking revelation, on March 31st, the
13 Department of Army announced, they want to keep the Kelly
14 Support Facility and 85 percent of the complement of those
15 folks that are there. Now, that is an interesting
16 revelation, again, to 41,000 retirees from Western
17 Pennsylvania, West Virginia and Ohio who use that facility.

18 Honorable commissioners, if this case were in my
19 court, I would remand it right back to the parties and so I
20 respectfully request that you, honorable commissioners, send
21 it right back to the Department of the Army and let them
22 resolve the problem.

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1 Now, as to the 911th Air Lift Wing, you're going to
2 hear a lot about military -- is that my two minutes?

3 CHAIRWOMAN COX: I'm sorry. But we would love to
4 have your thoughts on it in writing, if we could.

5 MR. BROSKY: I will do that, but let me just close
6 by saying, for the courtesy extended me here, if any of you
7 should ever come into my court, I'll give you the same fine
8 reception and I'll give you a pass to get free you from any
9 jail in Pennsylvania.

10 (Laughter.)

11 CHAIRWOMAN COX: Thank you very much. I hope we
12 won't need it. This concludes the morning session of the
13 hearing today. We will begin promptly at 1:30 this
14 afternoon. Thank you.

15 (Whereupon, at 12:20 p.m., a luncheon recess was
16 held.)

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A F T E R N O O N S E S S I O N

1
2 CHAIRWOMAN COX: Good afternoon, ladies and
3 gentlemen, and welcome to the afternoon session of the
4 regional hearing of the Base Closure and Realignment
5 Commission. This afternoon we will hear presentation from
6 the state of Pennsylvania, which will last for 110 minutes; a
7 presentation from Virginia, which will last for 100 minutes;
8 and a presentation from North Carolina, which will last for
9 20 minutes.

10 As is the case with all of our regional hearings,
11 the Commission has given a block of time to each state, based
12 on the number of installations and the jobs lost. We have
13 left it to the elected officials in each of the communities
14 and the communities to decide how to fill that block of time.
15 After we finish with the North Carolina presentation, there
16 will be 30 additional minutes from this morning for public
17 comment from Virginia, North Carolina and Pennsylvania.

18 People who wish to speak at that time should have
19 already signed up now, out in the lobby, and are asked to
20 limit themselves to two minutes, which will be very strictly
21 enforced. We will be ready to begin the Pennsylvania
22 afternoon presentation as soon as I have sworn in the

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1 witnesses. And as you all know, this is required by statute,
2 so if you wouldn't mind raising your right hands.

3 (Witnesses sworn.)

4 CHAIRWOMAN COX: Thank you very much, we're ready
5 to begin. Congressman? Thank you.

6 MR. VEGOE: I'm Stephen Vegoe, President of the
7 Lebanon Valley Chamber of Commerce, and a member of our Fort
8 Indiantown Gap coalition. Before I introduce our three
9 speakers, let me briefly set the stage for you. Fort
10 Indiantown Gap has been a military training installation
11 since 1932. The Gap is located in the Blue Mountains of
12 Pennsylvania, 20 miles northeast of the capital of
13 Harrisburg.

14 It has served as mobilization and training site for
15 every war beginning with World War II, and is now primarily
16 training base for the Department of Defense. Of the 10 major
17 training areas in the United States, Fort Indiantown Gap is
18 the second most heavily used. In 1994, we supported 780,000
19 man days of training. The Gap is a no-frills, low-cost,
20 ideally-located and essential major training base. The Gap
21 is not redundant and not replaceable. It is, in fact, one of
22 the Department of Defense's well-kept secrets.

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1 The Gap is an ideally-located place to train
2 soldiers. As we will show you in the next few minutes, it is
3 extremely cost-effective. Now, let me introduce you to the
4 members of our delegation. First, Congressman George Gekas,
5 representing the 17th District of Pennsylvania. Congressman
6 Gekas will discuss the Army's recommendation and his
7 perspective on what the Army is needlessly giving up.

8 Next, Pennsylvania's new Adjunct General, Brigadier
9 General James MacVay will thoroughly review the military
10 value of Fort Indiantown Gap, and review how the Army's
11 analysis differs from what we believe is reality. GEN MacVay
12 will also discuss the Army's enclave theory and compare it,
13 as well, to reality. Next, I'm pleased to introduce
14 Congressman Jim Holden, from Pennsylvania's 6th District.
15 Congressman Holden will review how the Army's analysis is, in
16 fact, so seriously flawed that it no longer passes the common
17 sense test.

18 The Army claims, for instance, they can save twice
19 what it costs to operate the base. We doubt it, and think
20 you will as well. Finally, if we have any time left at the
21 end, I'll come back with a quick wrap-up and conclusion.
22 Now, Congressman George Gekas.

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1 CONGRESSMAN GEKAS: I thank you. Good afternoon to
2 the members of the Commission.

3 (Applause.)

4 CONGRESSMAN GEKAS: On behalf of Central
5 Pennsylvania, we greet you.

6 CHAIRWOMAN COX: Which seems to be here with you.

7 CONGRESSMAN GEKAS: All but three people from
8 Central Pennsylvania are here today. My initial task is to
9 review with you the value of Indiantown Gap as a training and
10 readiness center for the United States Army Reserves. And so
11 if you will follow along as we exhibit up here, that will be
12 the initial stage of our presentation. Pennsylvania has one
13 of the largest Guard and Army Reserve populations in the
14 nation.

15 For these dedicated men and women, proximity to
16 Fort Indiantown Gap is not just a convenience, but rather, a
17 necessity, if they are to remain in the Reserve. Within the
18 200-mile radius of the Gap, there are nearly 57,000 Reserve
19 component members. The Gap is the only training facility in
20 Pennsylvania for these units. The Gap's location and
21 accessibility make the base indispensable to the large
22 training population that does now rely on.

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1 The Gap has been compared, of course, with bases
2 throughout the nation. Unlike its active Army counterparts,
3 the Gap's reserve force structure is located in Pennsylvania,
4 and cannot be moved. These forces must be supported from and
5 trained near their homes. That goes without saying. The Gap
6 is one of the most cost-effective Department of Defense
7 installations in the nation. As the slide indicates,
8 accurate cost data shows that over 783,000 military training
9 days -- that's an astounding figure -- the Gap is the Army's
10 best bargain.

11 The Secretary's recommendation is to "close Fort
12 Indiantown Gap, except for minimal essential facilities as a
13 Reserve component enclave." That's perplexing. A careful
14 analysis of the facts demonstrates that Fort Indiantown Gap
15 cannot be placed within the context of this definition. The
16 essential units and training institutions would still be
17 stationed at the Gap after the active component garrison
18 leaves. The Army itself concluded that it would be cost-
19 prohibitive to relocate all the training facilities currently
20 managed at the Gap to other DOD installations.

21 Thus, even if the active component garrison leaves,
22 the overhead cost of running the post and its infrastructure

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1 would still be there. That's what's odd about the situation.
2 I repeat, the costs will still be there. This undermines the
3 Department of Defense, its main argument in this regard. A
4 National Guard Bureau team has recently studied the post and
5 concluded, first, Fort Indiantown Gap is the second most
6 heavily used major training center for Reserve components in
7 the United States.

8 Second, the entire post must be retained after your
9 work has been completed. Third, the essential infrastructure
10 and base operations functions of the post must be retained.
11 While some barracks areas can be eliminated, no significant
12 savings would result. I'd like to repeat that -- no
13 significant savings would result. We believe that, and we
14 believe we'll be able to prove that to you.

15 In addition, the Army Reserve's BRAC '95 data call
16 stated, "closure of Fort Indiantown Gap will result in a
17 substantial increase in the cost incurred for Reserve units
18 to reach the training area at Fort Dix." And so there we
19 have it. We have shown in many different ways that Fort
20 Indiantown Gap is of high military value. One of the ways we
21 show it is to have you review the record of one of your
22 predecessor BRAC Commissions, which so found, four years ago.

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1 And followed up by which was additional funding,
2 additional investment in Fort Indiantown Gap, based on the
3 military value. Thanks very much for the brief time you've
4 given me.

5 (Applause.)

6 CHAIRWOMAN COX: Thank you very much, Congressman,
7 for your remarks. General.

8 BRIGADIER GENERAL MacVAY: I'm Brigadier General
9 MacVay, the acting adjunct general of the Commonwealth of
10 Pennsylvania. And our governor, Tom Ridge has asked me to
11 appear before you on behalf of the Commonwealth and on behalf
12 of the more than 30,000 Guardsmen and Reservists stationed in
13 our state for training at the Gap.

14 The Commonwealth vigorously opposes the
15 recommendations of the Secretary of Defense to close
16 Indiantown Gap because we regard its present operations as
17 essential to training and the readiness of these soldiers.

18 We are the nation's strategic insurance and must be
19 prepared to carry out that mission. The Secretary's military
20 attributes and selection criteria place the greatest value on
21 land, the number of acres. Clearly, if the land is not
22 accessible to the force structure to be supported, then it

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1 has no value. That is why comparison with distant places has
2 no relevance. To us, accessibility is the prime value. It
3 comes from the old adage that there are three things that
4 gives value to real estate -- location, location and
5 location.

6 The Gap is a very accessible base, located in the
7 center of a large DOD military population; easily reached on
8 an excellent interstate highway system; and the least travel
9 time and the least travel cost. To the Reserve components,
10 accessibility, suitability for mission and central training,
11 and affordability are what passes muster and gives the Gap
12 the highest military value of any Reserve component training
13 base in the United States.

14 The Gap is also a very suitable base. The training
15 which support structure conducts here is wide-ranging,
16 diverse, and mission essential. Fort Indiantown Gap has been
17 the key to the readiness of military units in the 13-state
18 area. At Fort Indiantown Gap, we can fire all of the weapons
19 of a mechanized infantry division. We have one of the three
20 tank table VIII ranges in the Northeast, upon which we can
21 qualify our tank and Bradley crews. We can fire 155
22 millimeter, self-propelled, provision artillery time-on

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1 target simultaneously.

2 We have an 11-mile training corridor on which an
3 entire dismounted brigade can maneuver. We conduct platoon
4 mechanized and armored drills. All of the training our
5 forces require can be conducted at Fort Indiantown Gap. The
6 28th Division converted from a walking infantry division to a
7 mechanized division, and is the readiest of the eight
8 divisions in the Guard, due to the suitability and
9 accessibility of the Gap.

10 We have the second largest Army aviation training
11 site in the nation, with six helicopter simulators. It is a
12 simulator complex for all Army aviation in the Northeast,
13 including component units, such as the 10th Mountain
14 Division. In addition, we have the largest National Guard
15 aviation support facility for aircraft maintenance. We have
16 710 contiguous square miles of uninhabited, state-owned
17 terrain, through which our helicopters can fly the contours
18 of the earth and at night, conducting essential night vision
19 flying.

20 This is a national asset for Army aviation, the Air
21 Force, as well as Navy and Marine Corps flying units. In
22 vital aviation -- this vital aviation training area was not

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1 considered in the past military value assessment. Our
2 bombing and strafing ridge can be restored. It is one of 15
3 in the nation, and is used day and night throughout the year,
4 with over 1,300 sorties annually. This range is in a
5 military operations area that covers most of the Eastern part
6 of the state, and is used on the National Guard and Reserve,
7 as well as the active Air Force, Navy and Marines.

8 Both the range and the military operations area are
9 national assets. The Gap is also the most affordable base to
10 the force structure. It is the most cost-effective of the
11 bases with which it was compared. It is a bare-bones, no-
12 frills, only essentials place. Situated in the center of the
13 state, it is the most affordable in travel time and dollars.
14 The garrison staff at minimal levels, it is the Army's best
15 bargain. The Gap is the second most heavily used major
16 trading area by the Reserve component in the nation.

17 Heavy use, I submit, is evidence of high value.
18 Unlike other Reserve component training bases, every day of
19 the year, we have almost 3,000 people on post, the equivalent
20 of a brigade, who are either working, stationed or training
21 here. There are several active component tenants, and many
22 Army Guard, Air Guard and Reserve units are stationed here as

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1 well.

2 There are several Reserve component institutions,
3 or schoolhouses, that operate at Fort Indiantown Gap --
4 probably more than on any other installation in our category.
5 This training is year-round, and all together, some 15,000
6 students are trained at the Gap school. Weekend and annual
7 training is conducted at the Gap all 12 months of the year.
8 Each Thursday, we see the arrival of our advanced detachments
9 of brigade-sized task forces, which come for weekend training
10 on Friday.

11 On some weekends, as high as 9,000 soldiers are
12 here. Our annual weekend usage is 288,000 military training
13 days. 32,000 soldiers also attend annual training here,
14 comprising 494,000 military training days. They are not just
15 from Pennsylvania. They come from 13 other states. This is
16 a map of the cantonment area of the Gap. What you see in
17 yellow indicates daily occupancy. These are the
18 headquarters, the administrative buildings, the maintenance
19 shops, warehouses, storage compounds, schoolhouses and units
20 stationed at the Gap.

21 All these activities and facilities will still
22 function, regardless of who operates the installation. The

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1 red area shows those areas being demolished, or those that
2 have been demolished. We are all over post-modern charity.
3 The infrastructure is under and on top of us, and thus the
4 cantonment area cannot be possibly be enclave. It just
5 doesn't make sense. That's why the National Guard Bureau, in
6 its study, has concluded that the entire post must be
7 retained.

8 The enclave idea is not only an impractical one,
9 but it's a bad idea. Conversion to an enclave will mean what
10 is stated on this slide. We emphasize three things -- first,
11 the cantonment area will be abandoned; second, irrespective
12 of whether all troops come for training go directly to and
13 will live in the field; and third, the proposed action will
14 have an adverse impact on morale, training and readiness.
15 The quality of life of our soldiers and airmen is a readiness
16 issue.

17 In fact, the Secretary of Defense has made it the
18 number-one priority. This proposal would take from the
19 soldiers all the quality of life facilities we have for them.
20 The soldiers work all week, and on Friday evening, travel an
21 hour or two to the Gap, arriving at 2100 to 2300 hours, and
22 must go directly to the field and remain there until loaded

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1 up for the truck drive home. I can tell you, the morale will
2 immediately be affected. Our reenlistment rate will go down,
3 and we will lose a lot of good soldiers.

4 We cannot treat soldiers and airmen this way.
5 Lacking a good night's rest will also increase risk and
6 safety concerns. I cannot see myself or any good commander
7 taking away what little quality of life we have for our
8 soldiers, and I tell you it will not be done. This simply
9 won't happen. If the infrastructure is not manned and
10 working to provide all the required supporting services, then
11 the training operations will noticeably suffer in the
12 quality, again adversely affecting readiness.

13 If the logistics operation, supply and maintenance
14 are disrupted, there will be reduced readiness and increased
15 repair times and delays in the delivery of supplies.
16 Taxpayers of the nation have made a large investment in the
17 organization, equipment and training of these forces to bring
18 them to high standards of readiness. Every aspect of
19 training and readiness will suffer under this proposal.

20 The Secretary's enclave recommendation to close the
21 Gap and all annual training, and would send 32,000 soldiers
22 who come there to far, distant posts for training. I will

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1 briefly critique each post to which the Army proposes to move
2 the Gap's annual training. Fort A.P. Hill, Virginia, is
3 totally unsuitable for mechanized or armored maneuver
4 training. It has no tank ranges, has poor artillery firing
5 force, and we only use it for the helicopter gunnery.

6 Fort Dix, New Jersey, is very limited in available
7 mechanized maneuver space, so that only one central battalion
8 can train there at a time. It is already heavily used, lacks
9 in tank qualification range. It is doubtful that any time
10 would be available during the few summer training months for
11 additional forces. I would also note the New Jersey Army
12 National Guard -- their brigade does not conduct its annual
13 training at Fort Dix, provides the training at Fort Drum, New
14 York.

15 Fort Pickett and Fort Drum offer the better
16 alternative sites for training. But obviously, they cannot
17 satisfy the requirements of the Gap's daily or weekend usage,
18 which I have outlined in some detail. As you know, Fort
19 Pickett is also on the closing list and could be unavailable,
20 or much less desirable than enclave. Fort Drum has a
21 capacity for annual training, and would be overtaxed with
22 additional troops if a war started.

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1 Budget constraints determine how much of the force
2 could travel to these distant posts. Our Guard trains a
3 significant part of its forces at the Gap because of lack of
4 travel funds, because the Gap is a better suitable -- it's
5 much more suitable for training requirements. The cost of
6 travel to move a 3,500-man brigade task force, with its
7 vehicles and equipment from Pennsylvania to Fort Drum, Fort
8 A.P. Hill or Fort Pickett is five times or more the cost to
9 move the Fort Indiantown Gap.

10 Sometimes brigades will have to make a two-day
11 journey, which reduces a 15-day training time by four days,
12 or 26 percent, and which further increases our cost. If we
13 must move the entire force out of state, it could cost an
14 additional \$2 million to \$4 million more at a time when
15 travel budgets are being cut.

16 The training load model used by the Army in its
17 analysis considered only through-put and not the additional
18 cost of traveling elsewhere. I would point out that this is
19 the only military training installation in the nation that is
20 owned by the state and leased to the federal government.

21 Clearly, you cannot establish a federal enclave
22 without the consent of the state. The unique relationship

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1 was not considered by the Army's analysts, nor were the
2 exceptional costs that could flow from taking it into
3 account.

4 This lease places a burden on the federal
5 government to restore the lands to a safe condition and to
6 comply with various statutes and regulations. If the lease
7 is terminated, the state may not wish to assume regional
8 liability or responsibility for the base unless and until the
9 lands are restored and the outstanding legal issue is
10 resolved.

11 The lease could significantly alter the timetable
12 for completing the proposed action. The post must be
13 operated to satisfy the daily, weekend operational and
14 training requirements of the force. Therefore, there is no
15 sensible why annual training should not continue to be
16 conducted at the Gap. To operate enclave, with all the
17 turbulence and degradation it would cause, and then pay to
18 move all of the force out of state for annual training makes
19 no sense.

20 It is far more expensive, much less effective and
21 is unaffordable. If the Commission determines to adopt the
22 Secretary's recommendation, I tell you, this is what will

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1 happen. There will be a very reduced and less certain
2 federal income stream. The workforce will be dismissed, and
3 one hired to replace it. There will be a rapid deterioration
4 of all facilities. There will be a lack of funds for capital
5 improvement. There will be a degradation in necessary
6 maintenance and training support. And all of this will have
7 an immediate and adverse impact on soldier morale and
8 readiness.

9 This is why we strongly urge you to continue the
10 operations of this small but superb post as it is. The
11 recommendation before the Commission does not pass the common
12 sense test. We've had a very successful partnership with the
13 Gap, active Guard, and Reserve for 50 years. We have
14 customers -- the Guard, the Reserve and all who train at the
15 Gap have received quality service from a quality workforce.
16 This base must come off the list, Madame Chairman.

17 The successful partnership must remain in place,
18 continuous for our troops and keep us a trained and ready
19 force. Thank you very much. (Applause.)

20 CHAIRWOMAN COX: Thank you. Congressman Holden.

21 CONGRESSMAN HOLDEN: Good afternoon, Commissioners.

22 I appreciate the opportunity to present testimony today,

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1 because many of the employees at the Gap are my friends and
2 neighbors. I would like to continue our discussion by
3 turning to the financial side of the closing. The Army, in
4 its program analysis, claimed that it would save \$23.8
5 million a year by closing and enclaving the Fort, despite the
6 fact that the Fort only has an annual budget of \$13.5
7 million.

8 This may have misled the decision-makers in
9 proposing this closing action. We challenged this figure,
10 gave them our review and as a result, the Army base study
11 conducted a sensitivity analysis. That analysis projected an
12 \$11.2 million annual savings out of the installation's \$13.5
13 million budget. We believe this analysis is also seriously
14 flawed, and we hope that claim will not mislead this
15 commission.

16 Specifically, the scenario fails to provide for the
17 cost of the post infrastructure, the necessity of which has
18 been presented to you. It also failed to consider the
19 substantial cost of travel, which the proposal requires.
20 Fort Indiantown Gap is the home of many facilities,
21 activities, Reserve units and other users. These activities
22 would not leave. The Army has said these activities must

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1 remain, and has recommended they be enclaved.

2 As you have heard, the facilities are spread
3 throughout the post. The Army has also stated that the
4 training areas and ranges are still needed for the large
5 population of Reserve component use. The National Guard
6 Bureau has recommended that the entire installation be
7 retained. The natural question that follows is, what would
8 be the result of pulling out the Army garrison, as the
9 Secretary proposes?

10 Fort Indiantown Gap could be compared to a large
11 office building. All the users of the installation are the
12 renters in the building, while the regular Army is the
13 management. The Army, by recommending this closure, has said
14 the occupants will stay, but the management and staff who run
15 the building will be dismissed. Imagine that you were an
16 occupant in the building and went to work to find the water,
17 electricity and sewer turned off, and all other essential
18 services discontinued.

19 What would you do? Naturally, you would relocate.
20 But the Army has said no, it will cost too much for you to
21 leave. The Army has estimated that moving these functions to
22 another installation will cost in excess of \$300 million.

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1 Now, let us return to the \$11 million in annual savings the
2 Army has claimed it will achieve by closing the post
3 infrastructure and dismissing the employees. Will there
4 really be a savings? Someone would need to take over the
5 infrastructure.

6 The new infrastructure would, again, be federally
7 funded. The Army has said the responsibility to support the
8 many facilities on the installation which, although Reserve
9 components, are federal missions. Therefore, it is not
10 practical to expect any savings. You can't save money simply
11 by saying you're going to stop paying the bills. The Army is
12 simply shifting the bill from the regular Army to the Reserve
13 component. This is not surprising, however, based on the
14 guidance the Army base study was given.

15 The Army instructed its analysis to "minimize the
16 number of major training areas focused primarily on Reserve
17 component training support." And in its directions to its
18 analysis, it further stated, "considerable overhaul of DOD
19 savings could be realized by maximizing the use of Reserve
20 component enclaves. The reality of the situation shows that
21 the Secretary's enclave proposal is operationally not
22 practical, and that the client savings cannot be realized.

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1 In light of these facts, I would ask you to
2 consider the logic behind disrupting an efficient and cost-
3 effective workforce, who selflessly serve their nation --
4 some for their entire working life -- for the sake of a paper
5 savings that will never materialize. What is the point of
6 spending millions of dollars to dismiss these employees, only
7 to hire replacements?

8 The turbulence and inefficiency that would
9 inevitably result from change in the present garrison
10 operations would undoubtedly impact on the readiness of the
11 thousands of soldiers who train at the Gap throughout the
12 year. I would further ask you to specifically request that
13 the GAO look at Fort Indiantown Gap analysis. Thank you very
14 much. (Applause.)

15 CHAIRWOMAN COX: Thank you very much.

16 MR. VEGOE: In the very short time remaining, let
17 me put what we have told you in perspective. The Army has
18 recommended closing Fort Indiantown Gap. However, as we made
19 clear this afternoon, the Gap is not redundant, and certainly
20 not replaceable. Its military value is far too high. As
21 part of the Army's close recommendation, we all know the Gap
22 will continue to operate as a major training base because of

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1 its location in the Northeast and its proximity to 57,000
2 Reserve component soldiers.

3 Those soldiers simply must be trained, and they
4 must train and the best and most cost-effective training base
5 available at Fort Indiantown Gap. Also, it's clear that the
6 federal partnership that has existed at the Gap for more than
7 50 years, through a very favorable lease arrangement, is the
8 best option for the Department of Defense, the Army, and
9 their partners in the Reserve component. Clearly, if you
10 realign the base to another management structure, you give up
11 too much, and you spend too much money doing it.

12 The federal partnership in place today works; it is
13 not broken; it does not need to be fixed; it is a model of
14 training efficiency. On behalf of everyone in the Fort
15 Indiantown Gap coalition, please take Fort Indiantown Gap off
16 the list. (Applause.)

17 CHAIRWOMAN COX: Thank you very much. I believe
18 there are a few questions, if you all have a few more
19 minutes. Commissioner Robles.

20 COMMISSIONER ROBLES: Yes. I have a question. You
21 made a very good argument about Fort Indiantown Gap being a
22 good place to train. And in this day of downsizing, I assume

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1 that the Army's proposal was put forth to save the base
2 operations cost by moving that garrison out of there. And
3 you also stated that the National Guard Bureau thinks highly
4 of Fort Indiantown Gap. So my question to you is, have you
5 asked, either through the Adjunct General or through other
6 terms, whether the Guard would consider running it
7 themselves, funding it; and to get the required dollars to do
8 that, they would close some of those other alternative sites
9 you said aren't very good places to train?

10 That would seem like, to me, a proposal. You
11 wouldn't have to fire anybody. You would take AGRs and
12 Reservists to run it -- and there's a precedent for Reserve
13 running installations -- and let you continue operating
14 Indiantown Gap just the way it is.

15 BRIGADIER GENERAL MacVAY: Sir, let me answer the
16 first part of it by saying that Governor Ridge is looking at
17 that. We don't have any closure on what the backfill would
18 be, if any, at this point. But that is being studied. One
19 correction, if I may. I did not say that the other
20 installations were not good places to train. They were just
21 not suitable for those soldiers that have to train at Fort
22 Indiantown Gap, either due to the type of terrain that is

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1 there, or to the travel distance and cost to travel to get
2 there. Those installations are good training installations.
3 It's just that we can't get to them.

4 COMMISSIONER ROBLES: I understand that, because
5 geography and other things. But a couple of your
6 alternatives -- and there's another list you could put up
7 there -- they're not optimal training installations. You
8 can't train heavy; you can't train light.

9 BRIGADIER GENERAL MacVAY: That's right.

10 COMMISSIONER ROBLES: Why can't we do a reverse
11 logic and move them to Fort Indiantown Gap, and have the
12 Guard Bureau look at that. And that would generate
13 sufficient savings to pay for the garrison. And then you all
14 could run the installation, and everybody would be happy.

15 BRIGADIER GENERAL MacVAY: I don't have an answer
16 to that particular proposal, but its certainly one that could
17 be looked at, I would imagine.

18 CONGRESSMAN GEKAS: One answer that I come up with
19 viscerally to that, Commissioner, is that in the BRAC
20 Commission that reviewed Indiantown Gap four years ago, it
21 was determined that the military value in place at that time,
22 which is still the case, was so valuable that it was taken

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1 off the list. And then, increased investment was made by the
2 very individuals who now say it should be placed on the list
3 again.

4 That, to me, is, like we were saying, an exercise
5 in futility. Here we substantiate the military value,
6 increase the investment, and now put it back on the list.
7 That's crazy.

8 COMMISSIONER ROBLES: Well, Congressman, I
9 understand that, I just --

10 CONGRESSMAN GEKAS: What I'm saying -- that answers
11 your question completely, because it has already been
12 established and reestablished.

13 COMMISSIONER ROBLES: Well, I'll just say that four
14 years ago, I was still on active duty. And since 1991 to
15 now, the Army, I think, last time I remember at the back of
16 my head, as the budget director, lost about 40 percent of its
17 purchasing power. And so I think there's a completely
18 different environment today --

19 CONGRESSMAN GEKAS: But all the more reason,
20 Commissioner, if they lost that, then the military value for
21 a training facility becomes even more valuable. The more you
22 downsize the entire armed forces structure, the more

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1 important training becomes in a place where that training has
2 been historically valuable. That's what I'm saying. All you
3 have to do is conjure up the vision, the idea of the
4 mobilization that took place at Indiantown Gap for Desert
5 Storm, and then you know the immediacy that is provided by
6 Indiantown Gap.

7 COMMISSIONER ROBLES: I guess my final comment is,
8 I don't dispute that. I'll just say, I agree with you -- I
9 think it has great military value, from what you laid out.
10 But it's a matter of who pays for it. I'm just saying there
11 are other proposals. You could get the National Guard Bureau
12 to step up and pay for it and run it, and you would save the
13 military value of that installation.

14 CHAIRWOMAN COX: Thank you. Congress --
15 Commissioner Cornella.

16 COMMISSIONER CORNELLA: I've been promoted. I've
17 got a couple questions. I visited the fort, and the day I
18 was up there, I saw A-10s coming in and bombing and tanks
19 firing, and it was rather impressive. You said that there
20 are 15 other ranges that the A-10s -- you didn't say A-10s --
21 but evidently, that the A-10's could use. Where would other
22 locations be in that region, within the Northeast region?

1 Are there quite a few in that area?

2 BRIGADIER GENERAL MacVAY: Some in New Jersey, sir,
3 Virginia, and out towards Indianapolis, are the three that
4 are nearby.

5 COMMISSIONER CORNELLA: Okay. Would they be at any
6 other Army forts?

7 BRIGADIER GENERAL MacVAY: I'm sure there are. I
8 could call on installations. I'm sure there are others in
9 the United States. I can't answer exactly where they are.
10 But I don't know -- one of the great advantages we have is,
11 we're tied into the military operations area that's already
12 been approved by the FAA.

13 And these pilots could do much more training than
14 just -- approach training, low altitude pop-up training, and
15 that sort of thing. So it's just a perfect combination for
16 us to use. And the computerized --

17 COMMISSIONER CORNELLA: You want tanks and A-10s to
18 train together. They normally work together on a
19 battlefield, right?

20 BRIGADIER GENERAL MacVAY: Yes, sir, they sure do.

21 COMMISSIONER CORNELLA: I know that at Fort Dix, I
22 don't believe that A-10s train with tanks at Fort Dix.

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1 BRIGADIER GENERAL MacVAY: I don't believe so, sir.

2 COMMISSIONER CORNELLA: I'm not here to talk about
3 Fort Dix. I'm here to talk about For Indiantown Gap, but I
4 want to understand that, because you brought it up. You said
5 that, if I remember, that you go up to a table VIII on tank
6 training.

7 BRIGADIER GENERAL MacVAY: That was tank primary
8 qualification training, yes sir. That's --

9 COMMISSIONER CORNELLA: Well, you know, and I
10 believe Fort Dix goes to a table VIX.

11 BRIGADIER GENERAL MacVAY: No, sir. They have a
12 table VIII course that is not two standard at this time.
13 There is not a two standard radius.

14 COMMISSIONER CORNELLA: Okay. There's a
15 qualification -- you said they have not tank qualification
16 range.

17 BRIGADIER GENERAL MacVAY: That's right.

18 COMMISSIONER CORNELLA: Does that play into the
19 table?

20 BRIGADIER GENERAL MacVAY: Yes, sir, it does.

21 COMMISSIONER CORNELLA: Okay, so explain that just
22 briefly for us.

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1 BRIGADIER GENERAL MacVAY: Sure. Table VIII
2 qualification course is one that has a standard set port,
3 ranger -- specific target range, specific opening and firing
4 times. And there are a lot of ranges on a lot of
5 installations that approach that sort of a thing that you can
6 train crews on, but you can't qualify them because they don't
7 meet the standard qualification requirement that Department
8 of the Army says our crews must have. That's a very rigidly
9 prescribed range.

10 COMMISSIONER CORNELLA: When you use that tank
11 range, do you have to shut down any other ranges?

12 BRIGADIER GENERAL MacVAY: No, sir. Right now, the
13 safety pen does not affect any other range. But you may have
14 displaced some indirect fire units, but it does not impact on
15 training installation at all.

16 COMMISSIONER CORNELLA: Okay, thank you.

17 CHAIRWOMAN COX: Thank you very much for your
18 presentation. (Applause.) We'll hear next from the
19 representatives of the Pittsburgh Air Reserve Station. We're
20 ready to begin, if you all are ready. Before we begin,
21 however, we are required by statute to put you all under
22 oath. So if you wouldn't mind raising your right hand.

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1 (Witnesses sworn.)

2 CHAIRWOMAN COX: Thank you very much. Congressman.

3 CONGRESSMAN MASCARA: Good. I would like to thank
4 my colleagues from the Pennsylvania congressional delegation.

5 CHAIRWOMAN COX: If we could please have as much
6 quiet as possible. I know people are moving around, but it's
7 very important that we hear. Thank you.

8 CONGRESSMAN MASCARA: Thank you. I would like to
9 thank my colleagues from the Pennsylvania congressional
10 delegation for allowing me to be here today, representing all
11 of Southwestern Pennsylvania, for our support of the 911th
12 Airlift Wing. We have vital military reasons for the BRAC
13 Commission to reconsider the Department of Defense
14 recommendation to close the 911th Airlift Wing.

15 These reasons are based on hundreds of voluntary
16 man hours of research and analysis from the 911th Wing,
17 Carnegie Mellon University, Robert Morris College, and
18 Pittsburgh's major corporations. For this briefing, we are
19 not going to burden you with the economic hardship the
20 closing of this base will have upon the people of our
21 community. The analysis of financial data used to arrive at
22 the decision to close the base is simply incorrect.

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1 The 911th Wings base operating support is half as
2 much as briefed by the Air Force when making its closure
3 decision. Its actual predicted military construction is only
4 one-eighth that which was given to me in answer to my
5 questions to the Pentagon. The errors go on. This
6 installation has the assets necessary to expand its existing
7 facilities at no cost to the United States.

8 These expansion capabilities include additional
9 ramp space and acreage. The Air Force Reserve presently
10 enjoys military benefits and special facilities at the
11 Pittsburgh International Airport Air Reserve Station that do
12 not exist and cannot be duplicated elsewhere, without
13 enormous military construction costs. This duplication cost
14 was not considered during the Air Force analysis. Our
15 research clearly shows flaws, as Charles Holsworth, President
16 of Holsworth & Associates and President of the South Hills
17 Chamber of Commerce is now going to show you, that the
18 original analysis has resulted in substantial deviation from
19 the DOD selection criteria and force structure plan.

20 Our analysis further shows that the 911th Air Wing
21 is the finest Air Reserve facility in the command today. Mr.
22 Holsworth.

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1 MR. HOLSWORTH: Thank you, sir. Good afternoon,
2 Commissioners. I would first like to introduce you to
3 representatives and members of the Western Pennsylvania
4 Coalition who have accompanied me here today. Sitting to
5 Congressman Mascara's right is Judge John Brosky, Major
6 General, Pennsylvania Air National Guard, chairman of the
7 Western Pennsylvania Coalition. Next to him is Lance
8 Schaeffer. Steve George is an architect, former Director of
9 Aviation, Pittsburgh International Airport. Joe Knapick, at
10 the next table is a Westinghouse engineer, and certainly a
11 COBRA data analyst; Joe Poznick, another Western Pennsylvania
12 Coalition data analyst; and Bob Moseline on the end, a
13 Western Pennsylvania Coalition analyst.

14 If I may, my 25 years of experience in the Air
15 Force, from Vietnam to Haitian relief has enabled me to see
16 many facilities, land on many runways at a variety of
17 airports, military and civilian. I have seen good
18 facilities, I've seen bad facilities. And today, we're here
19 to tell you about a truly one-of-a-kind, remarkable facility.
20 The story in the numbers are, without a doubt, substantially
21 different from that given by the Department of Defense.

22 Located on the Pittsburgh, International Airport,

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1 the fourth largest land mass in the entire country, the 911th
2 Airlift Wing flies and maintains C-130 H aircraft. Its
3 mission is to provide Reserve forces ready to go at a
4 moment's notice, providing airlift and aeromedical evacuation
5 crews anywhere in the world. The 911th Airlift Wing employs
6 over 1,300 Reservists, with an additional 357 full-time
7 employees.

8 Almost all are from the local area. In fact, 80
9 percent of them live within a 50-mile radius of the base.
10 The major airline hub at Pittsburgh International Airport
11 makes it a valuable hub for experience, personnel and air
12 crew recruiting. Our people live here; we do not need to go
13 out and bring them in. The 911th is continuously manned at
14 over 100 percent. The Wing currently has eight aircraft
15 assigned 1987 models C-130 Hs.

16 Presently, there are two more being operated and
17 maintained by the 911th in a sort of temporary custody
18 arrangement, until the unit in Youngstown, Ohio, recruits
19 enough personnel and raise enough concrete as part of their
20 costly expansion program. Another aircraft is on station as
21 part of a several-year modification program, run by the
22 Lockheed Corporation, which is using one of our three hangers

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1 to work on all Air Force Reserve and Air National Guard
2 C-130s.

3 The Wing, at no cost, maintains two environmentally
4 approved drop zones within 25 miles of the airport, allowing
5 the air crews to perform combat training immediately after
6 take-off -- a benefit not found most other places, especially
7 at civilian airfields. The 911th communications facility is
8 one of the most advanced in the country. This \$15.1 million
9 dollar investment is the only operational fiber optic network
10 in the Air Force Reserve.

11 The center serves more than 50 federal and
12 community facilities in the area, including 100 percent of
13 the Air National Guard requirements. There is no question
14 that this system improves the efficiency and readiness of the
15 911 and all its users. And yet, this center was completely
16 overlooked by the Air Force when it came to base closure
17 selection. If the 911th is closed, this communication system
18 is lost.

19 The Air National Guard and other agencies will have
20 to replace it with their own costly systems. The Pittsburgh
21 Guard unit also depends on us for credit union, BX,
22 gymnasium, club and building facilities. They have none --

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1 another factor completely overlooked when the Air Force said,
2 clean kill with no impact on the Pittsburgh International
3 Guard.

4 Just as you heard from Fort Indiantown Gap, this is
5 not cost avoidance, this isn't savings. This is merely
6 shifting the cost elsewhere in the government, and spending a
7 heck of a lot to do it. The state of the art de-icing
8 facility with all new environmental standards has just
9 recently been completed on the Air Force Reserve round. It
10 greatly extends the 911th's operational capability. It is
11 the only one available anywhere in the Air Force Reserve, and
12 one of only three in the entire active duty Air Force.

13 Eventually, every other base with any threat of
14 freezing will be forced to build one. I'd like to point out
15 another military value that cannot be overlooked, yet one not
16 even contemplated by the Air Force -- our close proximity to
17 the extensive Pittsburgh medical complexes. Our government
18 has established the NDMS at Pittsburgh, the fourth largest
19 such system in the entire country, and something not
20 available at many other locations.

21 The planned use of this system will bring airlift
22 medical evacuation of casualties to the 911th, where they

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1 will then be handled and processed by our own aeromedical
2 staging facility, and transported to the extensive civilian
3 care providers just minutes away. This system is practiced
4 regularly, and was fully operational, ready to go if needed,
5 during Desert Storm. It is here now, ready to go in any
6 emergency or disaster.

7 To remove the airlift wing would break this system
8 in half. And yet this disruption was not even considered by
9 the Air Force. Commissioners, the 911th Wing will set an
10 unprecedented standard of Reserve volunteerism. It is no
11 wonder the Air Force relies so heavily on the 911th to
12 fulfill its mission requirements. The 911th forces were
13 there in Desert Shield and Desert Storm, from deployment of
14 aircraft and volunteer crews a few days after Kuwait was
15 invaded, until the withdrawal of our aeromedical evacuation
16 crews and area port volunteers after actions were concluded.

17 The volunteer Reserve forces from Pittsburgh have
18 carried the lion's share of the Bosnia relief efforts, from
19 middle of the night air drops over the flashes of traces from
20 ground fire below, to repeated missions in and out of
21 Sarajevo Airport. A whopping 30 percent of the total airlift
22 effort and relief efforts of Hurricane Andrew were carried by

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1 the 911th Airlift Wing Reserve volunteers, responding to the
2 request for help; to say nothing of the 500-plus Reserve
3 volunteers assisting with the U.S. Air flight 427 disaster.

4 And this is only the beginning. Commissioners, the
5 figures show that the 911th has responded to higher
6 headquarters requests on a level unequaled by any other base.
7 Let's take a look at criteria one, two and three. Criteria
8 one, looking at the 911th Wing, speaks for itself. The
9 operational effectiveness of this unit, its missions, its
10 flying requirements, are already rated the best in the Air
11 Force Reserve.

12 Furthermore, the airfield characteristics and the
13 capabilities of the 911th Wing at this airport in Pittsburgh
14 are unmatched. The alleged limited expansion capability
15 attributed to this air base by the Air Force BRAC data is,
16 quite frankly, wrong. Its compact physical lay out is very
17 cost effective. Everything is within walking distance,
18 buildings well maintained. Right now, the 911th is located
19 on 115 acres of land, and can handle 13 aircraft without any
20 expansion necessary, and most importantly, at no cost.

21 In 1983, the Air Force Reserve began a master
22 planning process to ensure any required future expansion

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1 could be met at Pittsburgh. This plan, the 911th Base
2 Comprehensive Plan, was a result of that effort. A golden
3 opportunity to implement this plan was created with the
4 groundbreaking of the new midfield terminal. Up to 77 acres
5 could be readily available for expansion -- the red and the
6 blue areas on the slide, and I realize it's a little hard to
7 see.

8 30 acres of that total became available for use in
9 1992, the red area. Then was the opening of the new midfield
10 terminal at the new international airport. The 911th has
11 utilized this capability by agreement since then. In 1994,
12 Allegheny County culminated the 10-year planning effort by
13 offering to include these 30 acres in the existing \$1-a year
14 lease. In addition to this rent space, the increase has
15 dramatically increased our present capacity to park 13
16 aircraft.

17 There are four different configurations of numbers
18 and types of present and future aircraft recommended in the
19 1988 plan for use of this additional rent space. From
20 increasing the number of C-130s to C-5s to C-17s, and even
21 nondevelopmental aircraft, like the 747. We now have the
22 additional acreage available, as contemplated in this plan,

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1 which makes Pittsburgh Air Reserve station expansion
2 capabilities nearly unlimited.

3 No military construction is needed to begin
4 consolidated operations. No new costs. Instead of closure,
5 common sense, let alone good business sense, which you heard
6 about earlier, would say that we should be adding to this
7 wing. Our access to those remarkable facilities at the
8 Pittsburgh International Airport is certainly unique. There
9 are four runways now, from 8,100 feet to 11,500 feet long.
10 The 911th uses these at absolutely no cost. A fifth runway
11 is going to be built in 1998.

12 Military operations would never cease here because
13 of something like a blown tire on a single runway operation
14 airport. And yet some single runway operation airports
15 support military Reserve forces. A foolish waste of
16 resources? I will let you decide. The 911th is capable of
17 handling any known aircraft on our existing ramp space, and
18 at almost any numbers with the additional ramp space offered.
19 And yet we are only one of two Air Force Reserve units
20 considered able to do so.

21 To reach this capacity elsewhere would cost
22 millions of dollars in just laying of concrete alone. This

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1 capability has been seriously misrepresented. No additional
2 work on the ramps, taxiways or runways is necessary to
3 accommodate any foreseeable aircraft in the future. Closing
4 of the 911th Airlift Wing will demand enormous investment of
5 Department of Defense time and especially money to match this
6 unit's existing capabilities elsewhere.

7 No potential receiving location can match the
8 911th's growth capabilities, but they sure can be costly in
9 trying. When the initial shock wore off, from being on the
10 recommended list, we began to look at DOD reasons and data.
11 It was pretty obvious to us that something was wrong. How
12 could this base ever be the most costly to operate, the way
13 the Air Force reports said we were? Those numbers made no
14 sense. We began to ask questions.

15 First, Air Force releases, as you see here, said
16 Pittsburgh had to go because it was the most costly C-130
17 installation based on base operating support costs. The Air
18 Force Reserve had to go to criteria four and five to make
19 closure decisions. It soon became evident that these figures
20 were totally in error and the BOS comparisons we made showed
21 the 911th Wing is actually the least expensive of all to
22 operate.

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1 Then, after our inquiry into this alarming inquiry,
2 the Air Force replied, and I quote, "its Pittsburgh Air
3 Reserve station operating costs are the greatest among Air
4 Force Reserve C-130 operations at civilian airfields." We
5 again asked why, substantiate that assertion. On April 7th,
6 1995, the Air Force answer was, and I quote, "Pittsburgh Air
7 Reserve station Fiscal Year 94 ONM was \$22.83 million, sixth
8 highest of units on civilian air fields." Commissioners,
9 there are only six C-130 units on civilian air fields.

10 In Western Pennsylvania, what that means to us is
11 that it's the cheapest to operate. The second response was,
12 and I quote, "the Pittsburgh Air Reserve station Fiscal Year
13 94 RPA was \$8.67 million, highest of all." First of all,
14 this is a totally inappropriate number to be considered in
15 closure analysis anyway. Let's consider what Reserve
16 Personnel Appropriations Costs really mean, and why we are
17 the highest.

18 These are the costs for our people to do their job;
19 do their job above and beyond the required annual tour; above
20 and beyond their weekend drills. What this really means is
21 that the 911th assumed a larger percentage of the Air Force
22 mission than any other unit. How can anyone compare data

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1 like this and treat it as a negative impact? If the Air
2 Force wants to change it, it just has to stop calling
3 Pittsburgh for volunteers.

4 The third response was, and I quote, "Pittsburgh
5 projected MILCON, a cost avoidance if Pittsburgh is closed,
6 is \$33.58 million, highest by \$20 million of any unit." This
7 figure is not substantially, but grossly inaccurate. The
8 Pittsburgh Air Reserve station military construction from
9 Fiscal Year 95, even projected into the 21 century, is
10 actually only \$4.414 million. When compared to the cost of
11 construction projected at the other Air Force Reserve C-130
12 bases, the highest being Youngstown, Ohio, at \$32.94 million,
13 the 911th figures are actually the lowest of all.

14 The base is in great condition. Required
15 construction projects are minimal. With the Air Force's own
16 numbers, Pittsburgh is firmly established as the least
17 expensive to maintain, not even to mention the highest
18 military value in the command. We have questioned COBRA data
19 all along. Studies of the COBRA data have indicated numerous
20 errors in the analysis that have seriously skewed the
21 results. Recent congressional inquiries in this regard have
22 brought Air Force admission that there were errors made in

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1 the COBRA, critical cost figures, such as those where
2 Minneapolis figures were applied to three other bases --
3 O'Hare, Pittsburgh, and Niagara.

4 Costs were seriously understated for some other
5 affected bases. The so-called level playing field was
6 anything but level. The Air Force has promised to supply us
7 data, updated COBRA runs for each base in the category. But
8 our COBRA experts have already performed corrected COBRA
9 analysis using cost data from Air Force source documents.
10 Serious error have been made, such as overstating the 911th's
11 communications cost element by 170 percent; base operating
12 support cost element by 118 percent; Youngstown nonpayroll
13 RPMA costs is at least 12 times greater than the figure used
14 in the Air Force Reserve level play scenario.

15 What kind of COBRA data is that? The Air Force
16 Reserve analysis also failed to consider the savings benefits
17 of MILCON cost avoidance. Pittsburgh has the lowest
18 projected MILCON budget over the COBRA analysis period. The
19 Youngstown, Ohio, unit is the highest. And get this -- it's
20 775 percent that of Pittsburgh's. Our studies of COBRA and
21 data supplied by the Air Force show serious miscalculations
22 that, when corrected, show Pittsburgh moving from second

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1 highest to the very lowest net savings resulting from
2 closure.

3 Corrected COBRA reveals that the country will save
4 between \$6 and \$60 million additional dollars by selecting
5 one of these other bases, other than Pittsburgh -- anything
6 above the red line on this graph, that appears in your book.
7 So the final cost picture is not at all like depicted on the
8 Air Force AFRES BRAC '95 analysis. Pittsburgh is clearly at
9 the top in military value, and, based upon the Air Force's
10 own revised data, the least expensive to operate. Pittsburgh
11 is not at all the logical closure candidate.

12 It just makes no sense. I began, and again,
13 emphasize those facts, the same way Congressman Mascara
14 began, and I would like to leave you with this. The grossly
15 inaccurate data that was used to arrive at a decision to
16 close Pittsburgh Air Reserve station is truly, grossly
17 inaccurate. The Pittsburgh Air Reserve station is a solid,
18 unique facility that cannot be duplicated without enormous
19 expenditures.

20 The minuscule cost of future expansion at this
21 airport is a once in a lifetime deal for the United States.
22 Thank you for your time and patience. Are there any

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1 questions?

2 CHAIRWOMAN COX: Commissioner Steele.

3 COMMISSIONER STEELE: I just have a quick question,
4 regarding the RPA. You said that Pittsburgh has gone above
5 and beyond. I wonder if you could address that. I even
6 heard something before, you were called to act in helping
7 with the U.S. Air crash and other things. If you could
8 address what's different.

9 MR. HOLSWORTH: I could keep naming everything
10 we've been involved in, but if you went through every action,
11 military action, the United States has taken -- any disaster,
12 just about any of them -- Pittsburgh's been there. And it's
13 our people volunteering, volunteering -- and I emphasize that
14 -- to go there on the call from higher headquarters. When
15 they call Pittsburgh for help, we go. And now they say, oh,
16 the money that we paid to Pittsburgh for our people to
17 volunteer to help out makes us the most expensive. That's
18 foolishness.

19 COMMISSIONER STEELE: Thanks for addressing that.
20 That's all, Madame Chairman.

21 CHAIRWOMAN COX: Commissioner Cornella.

22 COMMISSIONER CORNELLA: On the slide, it was a

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1 little bit hard to see the adjoining ramp space. Could you
2 point it out on the photograph, please? Where the --

3 MR. HOLSWORTH: The bottom photo right here, is the
4 Reserve base. The present configuration of the base comes
5 right down here. This is up in the very top corner, right
6 here, of the entire airport. This was the old terminal,
7 abandoned now for the last two years -- an excellent
8 opportunity for all this ramp space, which was part of this
9 plan that began in 1983. What has happened is, last year, as
10 we pointed out, and actually for the last two years, we've
11 been using this space up here where you see our aircraft
12 parked, and in fact, one of Youngstown's aircraft parked
13 there.

14 We've been using this to park airplanes for the
15 last couple years. By agreement, the county last year came
16 out with a formal document offering it, at no cost, to the
17 Air Force Reserve. Well, now we find out why it wasn't
18 formally accepted, because Pittsburgh was being considered
19 for closure. But what's happened is, furthering on the
20 master plan, this 30 acres here was extended over. And
21 you'll see in the plan that's in your books, as was indicated
22 on that one slide, that these are temporary ramps on this old

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1 terminal.

2 They're in the process of being torn down. All
3 this concrete apron, all of this, has been offered to us at
4 no cost by Allegheny County.

5 COMMISSIONER CORNELLA: Thank you.

6 CHAIRWOMAN COX: Thank you very much for that very
7 helpful and informative presentation. And we will be moving
8 on now to the Kelly Support Center, Pittsburgh. (Applause.)
9 Alright, I have listed Colonel Burns. Will anyone else be
10 testifying? Congressman Mascara will speak first, but he has
11 been sworn in, so we don't have to do that again. Colonel
12 Burns, you were sworn in, too. All right, well, we're
13 prepared to begin if you are. Congressman.

14 CONGRESSMAN MASCARA: Thank you, Commissioner. I'm
15 here to demonstrate to the Commission that Kelly Support
16 Facility's vital contribution --

17 CHAIRWOMAN COX: Excuse me, I'm sorry, Congressman.
18 Can we please have quiet? I know everybody's trying to move,
19 but we do want to hear. Thank you.

20 CONGRESSMAN MASCARA: Okay, thank you,
21 Commissioner. I'm here today to demonstrate to the
22 Commission that Kelly Support Facility's vital contribution

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1 to our nation's defense. We cannot overlook the fact that
2 Kelly Support Facility does have an extremely important role
3 in supporting our armed forces in this region. And that its
4 responsibility is growing as the force structure is changing.

5 The Kelly Support Facility's inclusion on the base
6 realignment and closure list is not in our nation's best
7 interest. Our conclusions are three-fold. First, the Kelly
8 Support Facility provides essential support to armed forces
9 whose readiness is vital to our national defense. The
10 facility does a major job, quietly, efficiently, at little
11 cost. This facility is a real bargain for the American
12 taxpayer.

13 Second, the data presented in the COBRA realignment
14 summary was incorrect. Corrected data will show a
15 significant reduction on the return on investment for the
16 proposed realignment. In fact, the return on investment is
17 more than offset by the degradation of support to the
18 military forces in this region. Third, force structure
19 decisions driven by changing roles and missions for our armed
20 forces have resulted in change to the command and control
21 organization of our Reserve component forces.

22 The 99th Army Reserve Command, the primary tenant

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1 at the Kelly Support Facility is being reorganized as a
2 Reserve support command with responsibility for maintaining
3 the readiness of nearly three times as many forces as they
4 have now. Is it prudent to jeopardize the support base for
5 these forces? Assuming the realignment is to proceed, the
6 Army has now proposed the disestablishment of the commissary
7 and PX on the base, which will affect our 40,000 retirees and
8 dependents.

9 This action is a total disregard for the servicemen
10 and women in metropolitan Pittsburgh area, which proudly has
11 a high per capita enlistment of our young adults in the
12 military. At this time, Colonel Rodney Burns will develop
13 the facts which support these conclusions. Colonel Burns
14 commanded the Kelly Support Facility from 1990 until his
15 retirement, and is exceptionally qualified to present the
16 facts. Colonel.

17 COLONEL BURNS: Thank you, Congressman,
18 Commissioners.

19 CHAIRWOMAN COX: Thank you, Colonel.

20 COLONEL BURNS: During the BRAC process, Charles E.
21 Kelly Support Facility was compared with Army commanding
22 control installations. Kelly Support Facility is not a

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1 commanding control facility. It is, as its name indicates, a
2 support facility. This is the mission of Kelly Support
3 Facility. The area supported includes Western Pennsylvania,
4 all of Ohio, and West Virginia. Information provided to your
5 commission indicated only Western Pennsylvania as the area
6 supported.

7 In addition, important tenants, the FAA, the AVES
8 and the GSA plebe maintenance facility were not included.
9 The latter is located on land designated in the proposed
10 realignment for disposal. These are the people who we
11 support. We support nearly three times more people than
12 information provided to your commission indicated. These are
13 some of the things that we do, as Congressman Mascara said,
14 quietly, efficiently, and at little cost.

15 I would like to point out the number of supply
16 transactions processed each year -- over 292,000. This is
17 indicative of the absolutely critical support to the armed
18 forces in our region, which cannot be reasonably provided
19 through other alternatives. History tells the story of Kelly
20 Support Facility. When a crisis arose, Kelly Support
21 Facility met the challenge, moving 46 units to their
22 mobilization stations. Support was not just provided to Army

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1 units.

2 Within hours of Iraq's attack into Kuwait, rations
3 were being issue to air crews, which flew out Greater
4 Pittsburgh International Airport. This chart reflects
5 incorrect information used in the installation assessment. I
6 would like to highlight the percentage of permanent
7 facilities -- 99 percent, as opposed to none. The fact that
8 nearly all of the facilities are permanent, as opposed to
9 none, certainly would have had a bearing on the decision-
10 makers.

11 I would also like to point out the square footage
12 of supply and storage facilities -- over 93,000 as opposed to
13 200 square feet. A support facility without storage and
14 supply facilities would certainly be of little military
15 value. However, this is not the case with Kelly Support
16 Facility. This chart depicts significant discrepancies in
17 the cost savings for the proposed realignment. Personnel
18 savings have been greatly overstated for a number of reasons.

19 Continued costs for moving 30 people to Fort Drum,
20 New York, were not factored into the equation, nor were the
21 costs for retaining a mail facility staff and contract
22 representatives for a maintenance facility which will remain

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1 at the installation. Average salary used in the analysis was
2 overstated by over a million dollars a year. The cost for
3 retaining the Valley Grove maintenance facility and a student
4 facility at Camp Dossen, West Virginia. The bottom line,
5 Commissioners, is that the 20-year net present value has been
6 grossly overstated.

7 In fact, the initial investment for the proposed
8 realignment will not have been recovered within the first 20
9 years. And significant costs must now be passed on to
10 tenants remaining at the facility for base operations which
11 must continue. The proposal before your commission removes
12 the current workforce with no plan or funds for the
13 continuation or replacement of the services provided. The
14 expertise to provide these services resides with the current
15 workforce.

16 Its removal will only serve to cause turmoil and a
17 severe degradation to the support required. This chart
18 depicts redesignation of the 99th Army Reserve command as a
19 Reserve support command. With this vast increase in
20 responsibility for the 99th, a responsibility for maintaining
21 the combat readiness of nearly 10 percent of all forces in
22 the United States Army Reserves, it just doesn't make sense

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1 to take away their support base.

2 Commissioners, the information I've provided is
3 premised on the COBRA summary, which eliminates 128 civilian
4 positions at Kelly Support Facility by the year 2001, and
5 moves the area support mission to Fort Drum, New York, nearly
6 450 miles away. Recently, we have received an implementation
7 plan which is a vast departure from the information before
8 your committee.

9 It appears that the Army now recognizes that the
10 area support mission cannot be completely supported from Fort
11 Drum, as the implementation plan calls for retaining a
12 structure at Kelly Support Facility, with a significant
13 portion of its current workforce. Commissioners, this
14 completely invalidates the information before you. It would
15 be a travesty to allow Kelly Support Facility to remain on
16 the BRAC list with such broad data, and to allow that
17 recommendation to go forward to the President, Congress and
18 the American people.

19 We are asking you, the Commission, to remove Kelly
20 Support Facility from the BRAC list, and to put the ball back
21 into the court into which it belongs -- with the Department
22 of Defense. The Department of Defense has the authority and

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1 the obligation to rationally analyze the mission and to
2 provide for the most efficient organization to accomplish
3 that mission. Commissioners, I appreciate your time and this
4 concludes my briefing, and I'd like to answer any questions.

5 CHAIRWOMAN COX: I believe Commissioner Kling has a
6 question.

7 COLONEL BURNS: Commissioner.

8 COMMISSIONER KLING: Yes, sir. You know, there are
9 some major differences here, as you're pointing out.

10 COLONEL BURNS: Yes, sir.

11 COMMISSIONER KLING: But you're showing that the
12 number of square feet -- we have figures that show 200,000
13 square feet -- or 200.

14 COLONEL BURNS: 200 square feet, yes, sir.

15 COMMISSIONER KLING: And you're saying 93,000.

16 COLONEL BURNS: That's correct, sir. We have
17 93,000.

18 COMMISSIONER KLING: That's a big difference.

19 COLONEL BURNS: It sure is, and like I said --

20 COMMISSIONER KLING: 93,000 of the square feet that
21 you say is correct. And also that 99 percent are used as a
22 permanent -- 99 percent of that 93,000 is used permanently as

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1 a facility?

2 COLONEL BURNS: That's 99 percent of all of the
3 facilities on the post are permanent facilities, sir.

4 COMMISSIONER KLING: Right, of that -- so it would
5 be 99 percent of that 93,000.

6 COLONEL BURNS: Yes, sir.

7 COMMISSIONER KLING: Okay.

8 CHAIRWOMAN COX: Thank you very much. It's been
9 very interesting.

10 COLONEL BURNS: Thank you very much, and we'll be
11 glad to respond to any other questions through your staff.

12 (Applause.)

13 CHAIRWOMAN COX: We will now be moving on, quickly,
14 I hope, to the Naval Air Warfare Center Human
15 Centrifuge/Dynamic Flight Simulator, Warminster,
16 Pennsylvania. Okay, if you're prepared, Mr. Taylor, I need
17 to swear you in. Thank you very much.

18 (Witness sworn.)

19 CHAIRWOMAN COX: Thank you, we're pleased to hear
20 from you today.

21 MR. TAYLOR: Madame Chairman, distinguished
22 commissioners, I appreciate the opportunity today for

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1 allowing me a few minutes to state my concerns on the impact
2 of the Navy and, I think, the Air Force, if the dynamic
3 flight simulator at Warminster is not properly transitioned
4 to the private sector. I believe in your words that are on
5 the next page to the realignment report, talked to the
6 importance of maintaining this requirement and capability to
7 justifying maintaining access.

8 Very quickly, the requirement for both services to
9 perform these functions, and with both Brooks Air Force Base
10 and North Warminster closing, the very real potential exists
11 for not meeting these critical requirements that I've listed
12 at the top of the slide, especially during this time of
13 turnover. A seamless transition must be the number one
14 priority as this world-class facility moves to private
15 sector.

16 This national asset is unique because it is the
17 only high-speed sustained flight simulation capability for
18 current and future fighter attack aircraft, as well as the
19 evaluation of flight equipment and cockpit configurations in
20 the actual environment that they will be used. The military
21 value of the DFS is outlined in this and the following slide.

22 While all very valuable, I particularly would draw

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1 your attention to the third bullet, and the capability to
2 look at the flight envelope expansion for the F-14 in the mid
3 '80s. Not only does this allow for examination of
4 potentially dangerous acquisitional cycles for flight
5 regimes, but also at what path the flight gets flown. As we
6 liken the acquisition cycle of new, highly capable, but
7 expected weapons systems, the DFS seems a very reasonable way
8 to also reduce risk, as well.

9 Another item is the G-tolerance improvement
10 training for our East Coast Air Atlantic pilots is another
11 tribute to the ability of this facility to allow our war
12 fighters to more safely train as they're in flight. In
13 summary, and this is something that I was actively involved
14 in, the '93 closure of the North Trenton and removal of the
15 proposal workload to Tullahoma, Tennessee, occurred, I think,
16 because the Commission's conclusion was that the greater
17 capability exists in Tullahoma.

18 I see a very similar parallel to both the services
19 and industry benefitting from a single interservice and
20 promotional center of excellence. In my estimation, that
21 would clearly be the Warminster Dynamic Flight Simulator.
22 And in your brief, you have a slide that compares those

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1 things, but I'm not going to discuss them here. But in
2 closing, the wording in your report recognized the deep need
3 for this capability.

4 It is my recommendation that until prioritization
5 becomes operational, that this Commission take the
6 appropriate action to provide interim support to ensure
7 interservice requirements are met. Thank you. I'm ready to
8 answer your questions.

9 CHAIRWOMAN COX: Thank you very much. Are there
10 any questions? I believe you've answered them all in a very
11 short period of time. Thank you. (Applause.) Next, we will
12 hear from the city of Philadelphia, Defense Industrial
13 Support Center. (Applause.) Mayor Rendell?

14 MAYOR RENDELL: Yes.

15 CHAIRWOMAN COX: If you're ready, while we're
16 passing out notebooks, we could give you the oath.

17 MAYOR RENDELL: Okay.

18 CHAIRWOMAN COX: Thank you very much.

19 (Witness sworn.)

20 CHAIRWOMAN COX: Thank you very much, sir, and
21 we're pleased to have the opportunity to hear from you this
22 afternoon.

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1 MAYOR RENDELL: Good afternoon, members of the
2 Commission. I can honestly say that I am sorry to be back.
3 I had the occasion -- for all of you who are new to the
4 Commission -- I had the occasion to testify for Commissioner
5 Cox in 1993. And I will talk about the fact that we are
6 back, and we're a little angry that we're back. But I'll
7 discuss that as I get into my remarks, but it is good to see
8 Commissioner Cox again.

9 CHAIRWOMAN COX: Thank you. It's good to have you
10 back, at least under some circumstances.

11 MAYOR RENDELL: Today we're going to present
12 testimony about four defense facilities in our city. But let
13 me start by talking about economic impact. No city in the
14 United States of America has suffered the impact of the BRAC
15 process more than the city of Philadelphia. The city of
16 Philadelphia is the only -- and I repeat, the only -- city in
17 the United States to suffer job losses and facility closings
18 in each and every one of the four BRACs.

19 And I will delineate those in a second. In BRAC
20 '93, there were almost 12,000 jobs ordered closed in four or
21 five different facilities in Philadelphia. We prepared a
22 plan to consolidate three of those facilities at one location

1 in Philadelphia, and that plan was accepted by the BRAC
2 Commission unanimously. And yet we're back here today with
3 recommendations to cut against the grain -- significantly
4 against the grain of what was decided unanimously by the BRAC
5 '93 Commission.

6 In 1988, Philadelphia lost the naval hospital and
7 600 jobs as a result of BRAC in 1988. In 1991, Philadelphia
8 suffered the closing of the naval shipyard station, causing
9 us the loss of 12,000 direct jobs and 36,000 indirect jobs.
10 Our naval shipyard was closed, even though, at the time, it
11 was the only government naval shipyard turning a profit in
12 the United States of America. In 1993, five facilities were
13 closed, costing us 1,800 jobs. And as I said, three other
14 facilities were going to be consolidated out of the city,
15 which would have cost us the loss of an additional 8,300
16 jobs.

17 And this year, the Defense Department has
18 recommended, essentially, closing four more facilities,
19 costing us 702 jobs directly. And most importantly, and most
20 cruelly of all, laying off 1,800 people with no job rights,
21 in a situation where that did not have to happen. I would
22 ask you to look, as a frame of reference, to the map that is

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1 included in tab one, right behind my opening remarks. The
2 facilities we are going to talk about today are located in
3 three areas of the city of Philadelphia.

4 The Philadelphia naval base, which you see at the
5 tip of the southern end of our city; DPSC, the Defense
6 Personnel Supply Center, which immediately south of the naval
7 base; and up in the northeast section of Philadelphia, ASO,
8 the Aviation Supply Office, which is not affected by any of
9 the Defense Department's recommendation; DISC, which is
10 dramatically affected by these recommendations; and NATSF,
11 which is also affected by these recommendations.

12 You heard Governor Ridge testify at the beginning
13 that the state of Pennsylvania has suffered the second
14 highest loss of any state in the Union in terms of overall
15 jobs. If you actually look at it in terms of loss of
16 percentage of jobs for the jobs we have originally had,
17 Pennsylvania has suffered the greatest job loss of any state
18 in the Union. The city of Philadelphia has absorbed 75
19 percent of the job losses of the state of Pennsylvania -- 75
20 percent.

21 I want to start by talking about the Defense
22 Industrial Supply Center, DISC. This order by the Defense

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1 Department essentially transfers the ICP functions of DISC
2 out of Philadelphia. And then this establishes DISC,
3 although it indicates that for the city of Philadelphia, well
4 up to at least 1,100 jobs that were currently held at DISC
5 will go down to South Philadelphia to the Defense Personnel
6 Supply Center.

7 So as a city, we do not suffer an enormous amount
8 of job losses in this one category. The total estimated by
9 DLA is 385. But what happens when you use the term,
10 disestablish, is that these employees who have served the
11 United States government well, who everyone can see have done
12 an increasingly more effective job year by year by year --
13 these employees are laid off with no job rights. Their
14 rights are terminated. They will have to compete for the new
15 jobs at DPSC. And that was, in my judgment, a mistake by
16 DLA.

17 And I would call your attention to two letters in
18 tab two, excuse me, in tab one, sent to me by Admiral Straw,
19 who is in command of DLA. The first letter is to me, and is
20 dated April 18th, 1995. And I would just draw your attention
21 to the third paragraph, and I want to read an excerpt. It
22 says, "If our BRAC proposal is approved, we will start

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1 immediately to move weapons systems and military
2 specification items out of DISC, as we move commercial items
3 into DISC. The DISC employees, who have been managing DISC
4 weapons systems items, will be offered jobs managing incoming
5 commercial items. In a worst case scenario, net loss jobs of
6 DISC will be 385, not 1,500."

7 CHAIRWOMAN COX: Mr. Mayor, I do know that you're
8 going over a little bit now. You do have some time later,
9 would you like us to just take it?

10 MAYOR RENDELL: Yeah, I was budgeted for five
11 minutes, and Secretary Lehman is not going to be here, so
12 will you ask the timekeeper to extend me to seven minutes?

13 CHAIRWOMAN COX: Oh, certainly, and you have some
14 more time later, too, if you want to take it out. We have
15 you listed as --

16 MAYOR RENDELL: Right, I'd be happy to take that
17 out.

18 CHAIRWOMAN COX: Great, thank you.

19 MAYOR RENDELL: In a second letter, dated March
20 31st, 1995, to Congressman Borski, Admiral Straw says, at the
21 bottom of the second paragraph, "That recommendation creates
22 two weapons systems supports ICBs, one in Richmond and the

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1 other in Columbus, and a single troop and general support ICB
2 in Philadelphia. Philadelphia was selected as our commercial
3 center because, among other things, it has developed
4 outstanding expertise in executing commercial practices and
5 support arrangements over the last five years. The result is
6 a worst case net loss of 300 military and civilian jobs in
7 Philadelphia."

8 I've spoken to Admiral Straw as recently as
9 yesterday. And based on that conversation, we are asking
10 today -- and I think if you check with Admiral Straw, he will
11 not oppose this. We are asking the BRAC Commission to change
12 the Defense Department's order, disestablishing DISC to use
13 the terminology that you are merging or realigning DISC into
14 DPSC. That will save the jobs of these good people who have
15 done an extremely effective task for our federal government.
16 (Applause.)

17 Secondly, the BRAC recommendation says that the
18 DPSC, which was scheduled to move to the Northeast site, if
19 Commissioner Cox remembers, all of our three basic facilities
20 were going to be consolidated to the Northeast site, because
21 it would achieve tremendous savings from just a
22 consolidation. DOD recommendation says that DPSC will not

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1 move in '97, it will stay until '99 to avoid short-term
2 construction costs. You will hear testimony from us that
3 that will not save us any dollars at all, because the cost of
4 keeping DPSC in a separate facility in South Philadelphia is
5 actually greater than the short-term construction costs.

6 So we want to go back to BRAC '93, in 1997
7 everybody together in the Northeast in Philadelphia -- DPSC,
8 DISC and ASO. Secondly, the Naval Surface Warfare Center --
9 as you know, we were scheduled to add 265 engineering jobs
10 through Annapolis. Because the people that are moved from
11 Annapolis work on the same type of basic system, this will
12 eliminate duplication and improve readiness. It will add an
13 important research and development component to our in-
14 service testing facility, and you will hear more about this
15 later.

16 We are also proposing that part of the NAVSEA
17 command function, the NAVSEA engineering directorate be
18 consolidated with NSWC in Philadelphia. As you know, the
19 Defense Department has recommended that NAVSEA's 4,000 jobs
20 be moved from Crystal City to the Washington naval base. But
21 it makes abundant good sense to take the engineering
22 directorate and move it to Philadelphia. Engineering

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1 components have been migrating to Philadelphia over the years
2 anyway, and this would just be consistent with that.

3 And lastly, we are scheduled to lose the Naval
4 Aviation Engineering Service Unit, NAESU, and the Naval Air
5 Technical Service Facility, NATSF, to North Island,
6 California. Both of these functions were ruled by the BRAC
7 '93 Commission to be moved to ASO. In fact, BRAC '93
8 reversed the Defense Department recommendation for NATSF,
9 that it be moved out of Philadelphia to Maryland. And the
10 logic of the BRAC Commission in '93 was that these two
11 functions, these naval support functions, should be next to
12 the biggest customer, ASO, the Aviation Supply Office.

13 There is no reason, military readiness or saving
14 money -- there is no reason to move these away from their
15 biggest customer, ASO in the Northeast, to California, other
16 than just an effort to prop up North Island. It makes no
17 sense from a military readiness standpoint. It costs money,
18 rather than saves money. And you will hear testimony from
19 two of the dedicated employees of those facilities as well.

20 So to finally sum up, number one, we appreciate the
21 work that this commission has put in. We know how hard you
22 work. We put Commissioner Cornella through a ringer in five

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1 or six hours in Philadelphia, and we really wanted him to go
2 down to NSWC, but he didn't have time. We know how hard you
3 travel, and we appreciate what you have done in the process
4 itself.

5 But none of this makes sense. We fought hard to
6 win in BRAC '93. We did win. If this was a court of law, I
7 would be here as an attorney, pleading double jeopardy. You
8 cannot subject us to the same thing. You are rendering the
9 work of BRAC '93's commission almost meaningless, unless you
10 adopt the proposal that we adopt; unless you hold fast to
11 what the BRAC '93 Commission did. It is unfair to a city
12 that has taken body blow after body blow after body blow from
13 the BRAC process.

14 Again, the number one city in America -- no other
15 city has been hit and has lost facilities in each and every
16 one of the BRACs. We deserve relief. Our employees do a
17 great job for the federal government. This is a great city,
18 with a great military history. The U.S. Navy was born in the
19 city of Philadelphia. We want to keep our facilities, and
20 most of all, the most important thing I'm asking you is
21 today, in a move that DLA would agree with, I believe, if you
22 asked them -- eliminate the term disestablishment, use the

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1 term merge or realign.

2 That will keep these employees' job rights. It
3 will keep them working in those jobs. They deserve it. To
4 do anything less would be cruel and unhuman punishment,
5 violating the eighth amendment of the Constitution. Thank
6 you very much. (Applause.)

7 CHAIRWOMAN COX: Thank you, sir. I believe we have
8 next Mr. Stampone and Mr. Thornburgh, on behalf of Defense
9 Industrial Supply Center. Are you all here? Could I swear
10 both of you all in at the same time? I'm sorry, Mr.
11 Stampone, is Mr. Thornburgh with you?

12 MR. STAMPONE: Yes, he is.

13 CHAIRWOMAN COX: Will you be testifying?

14 MR. THORNBURGH: Yes.

15 CHAIRWOMAN COX: Actually, if we have a number of
16 people from Pennsylvania to be testifying, could I swear all
17 of you all in at the same time? Everybody stand up. Anybody
18 who will be testifying today, please stand up.

19 (Witnesses sworn.)

20 CHAIRWOMAN COX: Thank you very much. Mr.
21 Stampone.

22 MR. STAMPONE: Madame Chairman, members of the

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1 Commission, thank you for the opportunity to represent the
2 employees of DISC. I have analyzed the details of the DLA
3 BRAC proposal. And based on my 34 years in the logistics
4 business, I can unequivocally say that it just doesn't make
5 any sense. DISC is in the business of providing readiness
6 support.

7 We will show that, of all the DLA ICPs, DISC
8 provides the highest level of service to our military
9 customers. I have a serious concern that the DLA BRAC '95
10 recommendation to move over 1.4 million items in a short
11 period of time, without the requisite technical and expertise
12 and customer and industry knowledge, poses an indoor risk to
13 readiness.

14 We feel that the BRAC Commission should be
15 concerned that the economic analysis is flawed, with no real
16 savings. Finally, I want to recommend that the sound
17 business decision made by the Commission in BRAC '93 be
18 sustained and augmented with a proposal that I believe is
19 best for force readiness and the taxpayer. DISC manages 1.1
20 million items of supply, 63 percent of which are used on
21 weapons systems -- the highest percentage of DLA weapons
22 inventory.

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1 DISC receives close to five million requisitions
2 per year, with the lowest proportion of discrepancies or
3 wrong parts issued. To state it simply, the DISC mission is
4 to provide the right part to the right place at the right
5 time at the right price. It sounds simple. But it requires
6 a dedicated, knowledgeable workforce with the technical and
7 logistical expertise to make it happen. And DISC makes it
8 happen very well, with the highest DLA support rate of over
9 89 percent.

10 This means that nine out of every ten customer
11 requirements are filled immediately. Force readiness drives
12 us. DISC is the largest weapons systems activity in DLA. We
13 manage 34.5 percent of all DLA weapons, and receive 40
14 percent of all DLA weapons requisitions. We support 50
15 percent of the DLA service maintenance business -- those
16 industrial activities, that overhaul, repair ships, planes,
17 tanks, all of our nation's frontline weapons systems.

18 I have serious concerns about the DLA BRAC
19 proposal. It plans to move 1.4 million items between ICPs
20 over a two to four year period. Coupled with the BRAC '93
21 decision to close defense electronics and merge with the
22 center in Columbus, DLA will have 2.4 million, or 62 percent

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1 of their items, on the move. This is frightening. To put
2 the DLA recommendation in perspective, it took 15 years to
3 transfer 1.2 million items from the services, and these were
4 products migrating into the same product lines already by
5 DLA.

6 The new DLA plan involves exchanging product lines
7 among centers. The magnitude of this transfer, 1.4 million
8 items, is staggering. Given the specified timeframe, the DLA
9 plan would require the movement of between 30,000 to 45,000
10 items per month. To put that in perspective, this is six to
11 nine times the 5,000 a month the center said they could
12 handle under the service item transfer. DLA claims that this
13 transfer will not adversely impact readiness; that it is
14 mostly electronic; that people can be trained in a short
15 period of time; and that good management is the key to
16 performance, not geographic location.

17 They think the person who manages light bulbs is
18 interchangeable with the person who manages aircraft engine
19 bearings. How absurd. (Applause.) Although the transfer
20 process has been greatly improved through automation, it is
21 still labor intensive and disruptive. Weapons items require
22 technical, industry and customer expertise to be properly

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1 managed. Moving items has an observable and quantifiable
2 degradation in supportability during the migration process.

3 There are phenomena which shows that transferred
4 items have a initial degradation period, and take years to
5 get well. Let me explain this chart. What you see here is a
6 supply availability rate for the percentage of requisitions
7 that can be filled from an immediate on-hand stock. It's for
8 Defense General, depicted by the black line, and DISC,
9 depicted by the red line. It's for a period from 1988 to
10 1994.

11 I bring your attention to 1988. Defense General
12 had an incredible support level, very high support level.
13 Then where you see the arrow, DISC transferred 50,000 items
14 to them. You can see what happened. This is not unique to
15 DGSC. Every center experienced the same sort of degradation
16 during an item transfer. Now, this phenomena affects not
17 only mission readiness, but also has a huge financial impact
18 on DOD.

19 For example, parts shortages, causing line
20 stoppages on the B-52 engine line, could result in a loss of
21 as much as \$100,000 per day because of down time. This is
22 just not about transferring items. It's about

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1 disestablishing an entire business with over 32 years of
2 commodity weapons support experience, and replacing it with
3 an entirely new business. But this workforce has been honing
4 their skills and commodity experience over those years.

5 Since 1986, they have reduced workforce staffing by
6 27 percent; increased sales per work year by 16 percent; and
7 even increased productivity by 15 percent. I could go on,
8 but I am constrained by time. Additional achievements are
9 listed in your package. Also in that package is a paper
10 titled, Concept of Operations Analysis. This is the DLA
11 blueprint for the ICP of the future.

12 This is already there. Many of the concepts have
13 either been invented, developed or prototyped at DISC. I
14 point this out to you because I believe this could continue
15 to improve product line management, just as DGSC could
16 improve management of their product lines. But neither
17 workforce will be able to do so if they are unpacking boxes
18 for the next two years. So why flip-flop items? Is this a
19 good business decision?

20 The BRAC '93 Commission recognized the importance
21 of DISC being collocated with the Navy Aviation Supply
22 Office. ASO manages over 200,000 aviation items, with an

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1 annual acquisition of \$750 million. DISC manages over
2 450,000 aviation items, with an annual acquisition of \$256
3 million. Nowhere can be found the expanse of interservice
4 logistics talent, expertise and capabilities to improve
5 readiness and reduce overall DOD costs.

6 This unique pool of talent allows both DISC and ASO
7 to apply a \$1 billion leverage on a declining aerospace
8 industry. DISC and ASO currently have \$140 million of joint
9 contracts on jet engine bearings and chugging blades. And
10 this is just a beginning. DLA BRAC cites a synergy that
11 exists with the collocation of an ICP and a depot. But they
12 overlook the DISC ASO synergy, which was considered extremely
13 important by the BRAC '93 Commission and the 1994 Navy BRAC
14 Analysis Group.

15 I am not going to go into any detail on the
16 economic analysis, because the following presenter, Mr.
17 Thornburgh, of the Pennsylvania Economy League will cover
18 this. But I would like to point out that DLA cost savings
19 methodology is flawed, and two major cost elements were
20 omitted. In fact, because of the flawed methodology, GAO has
21 agreed to reevaluate their findings, and is now doing so.

22 The bottom line is that there are no base closings,

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1 no real savings, and there will be disruption, turmoil and
2 severe impact on force readiness. As you will hear in the
3 next presentation, DLA's recommendation is totally flawed,
4 and its purported savings come solely from moving items, and
5 not from management of similar items. We have developed a
6 lower risk alternative, logically based on ICP strengths and
7 efficiencies, which unquestionably saves greater dollars and
8 resources than the DLA plan.

9 However, we're not totally convinced that even
10 this proposal warrants the inherent readiness degradation
11 that would occur in pursuit of the ideal ICP. A more prudent
12 approach would be to retain the existing distribution of
13 items with only well-planned, limited tweaking by item
14 transfers only where they make sense and over an extended
15 time period. The overall benefit to DOD would be greater
16 with this moderate approach. Therefore, we believe the BRAC
17 '93 decision, which was a good, logical decision, should be
18 implemented as planned.

19 With some minor modifications, it could even be
20 improved. Interservice common compound support could be
21 expanded to produce additional savings. DISC and DPSC could
22 be consolidated into a single command, and retain the DISC

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1 ASO synergy. We believe that this is a win-win solution.
2 Real savings will be achieved; the impact to enforce
3 readiness is eliminated; the talent and expertise of the DLA
4 workforce will be optimized through continuous process
5 improvement to meet the challenge of maintaining the highest
6 level of readiness while reducing the force structure.

7 Thank you for allowing me to present these facts to
8 you. (Applause.)

9 CHAIRWOMAN COX: Thank you very much. Mr.
10 Thornburgh. We're happy to have you hear Mr. Thornburgh.
11 And just so you know, we have six minutes left.

12 MR. THORNBURGH: Thank you very much. Good
13 afternoon. I am David Thornburgh, Executive Director of the
14 Pennsylvania Economy League, a nonprofit, nonpartisan, public
15 policy research organization with 60 years of experience in
16 promoting efficient and effective government. It is to
17 achieve that end in this process that I appear before you
18 today.

19 Let me get right to the point. DLA's analysis that
20 argues for the disestablishment of DISC contains a number of
21 shortcomings that causes the question, seriously, whether any
22 net savings at all can be achieved by the proposed

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1 realignment. DLA cost benefit analysis has two serious
2 deficiencies. First, the DLA analysis fails to account fully
3 for all the costs inherent in the realignment that
4 disestablishes DISC.

5 Second, DLA's calculation of personnel reductions -
6 - the key element in realizing any recurring savings -- is
7 based on superficial and simplistic logic. Let me address
8 the first area. In estimating the costs involved with the
9 disestablishment of DISC and the transfer of items among its
10 remaining ICPs, DLA misses two substantial and necessary
11 expenditures. One, DLA did not calculate the full cost to
12 transfer items from one location to another.

13 Consumable items item transfers involve far more
14 than the simple freight costs contained in DLA's COBRA model.
15 They involve extensive man hours of record handling at both
16 the sending and receiving sites. DLA has, in fact, already
17 acknowledged this, by asking the facilities involved to
18 develop fully the costs associated with the transfer of the
19 items. DISC's analysis of the costs involved for its item
20 transfers add \$66 million to the one-time cost involved in
21 executing the DLA realignment.

22 DLA also fails to account for the cost of

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1 maintaining DPSC operations at its current site for an
2 additional two years, rather than moving to ISO. Based on
3 BRAC '93, DPSC is scheduled to move the ASO compound in 1997.
4 DLA's proposed alignment delays the move until 1999.
5 According to the data developed in BRAC '93, it costs DPSC an
6 additional \$26 million a year to operate at its current site,
7 rather than at ASO.

8 Taking these two elements into account, the real
9 cost of moving items and the differential costs of remaining
10 at DPSC for an additional two years, DLA's proposal adds \$118
11 million in one-time expenditures to the proposed realignment.
12 Now, let me address the second weakness in DLA's argument.
13 DLA's analysis contains a more serious error in the manner in
14 which it calculates personnel reductions produced by the
15 realignment.

16 This chart illustrates the assumption DLA uses to
17 calculate personnel reductions. DLA's basis for these
18 assumptions is not clear. The economies of scale are not
19 accomplished through the simple transfer of items, and
20 personnel reductions are not generated by the movement of
21 work from one place to another. DLA's analysis suggests that
22 fewer people are needed to operate a consolidated operation

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1 when an initially larger facility is moved to a smaller one,
2 than when a smaller one is incorporated at a larger site.

3 There is no reason to believe this would be true.
4 The two, in fact, should be equal. In addition, DLA's logic
5 suggests, since savings are realized from the number of
6 personnel reductions taken in the realignment, and since
7 personnel reductions are generated by transferring items, to
8 maximize savings, one must maximize the number of item
9 transfers. In other words, the greatest savings occur in the
10 transfer of all DLA's items from one ICP to another, rather
11 than in locating them at the most efficiently managed site.

12 For these reasons, PEL concludes that it is
13 impossible to determine whether the DLA realignment will
14 produce any real personnel reduction, and hence, generate any
15 net savings. Instead of this current proposal, we recommend
16 that the BRAC Commission reaffirm the BRAC '93 decision to
17 move DPSC to the ASO compound, where it will be collocated
18 with DISC and ASO. The '93 consolidation process produces
19 substantial and clearly quantifiable savings in personnel
20 costs, in contrast to the back of the envelope estimate made
21 by DLA in its current proposal.

22 With the 190 personnel reductions such a

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1 realignment would produce, the consolidation of DISC and DPSC
2 in Northeast Philadelphia, will save an additional \$116
3 million by the year 2015. Implementing the BRAC '93
4 consolidation process has much to commend it, beyond the
5 concrete cost savings it realizes, since it will produce
6 substantial cost reductions in DLA operations, with virtually
7 no disruptions to management.

8 Items will not be transferred back and forth, as in
9 DLA's '95 proposal. Management will not be forced to learn
10 new product lines and build new relationships with new
11 customers, losing valuable time in the process. In
12 conclusions, DISC's alternative proposal, adhering to the
13 BRAC '93 recommendation, achieves substantial savings at
14 little cost, with no disruption of operations and no loss of
15 management effectiveness.

16 In contrast, the DLA proposal now before the
17 commission contains questionable cost savings, generated
18 through substantial disruptions in system operations. In
19 this case, the 1995 BRAC Commission would be well advised to
20 return to the solutions set forth by the 1993 Commission.

21 Thank you very much. (Applause.)

22 CHAIRWOMAN COX: Thank you very much, Mr.

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1 Thornburgh. We had planned to have a witness on the Naval
2 Surface Warfare Center next, but because of transportation
3 problems, we will put that off until after the North Carolina
4 presentation, and move right on to the Naval Aviation
5 Engineering Service Unit. Ms. Derry, did you get sworn in
6 earlier?

7 MS. DERRY: Yes, I did.

8 CHAIRWOMAN COX: Good, thank you.

9 MS. DERRY: Good afternoon, commissioners. My name
10 is Karen Derry, and I'm an employee of the Naval Aviation
11 Engineering Service Unit. NAESU is a worldwide activity that
12 sends technicians to the customer, both ashore and afloat, to
13 train military personnel in the repair, or to actually do the
14 repair, of aviation equipment and weapons systems. Our tech
15 rep is the link to keeping naval aviation aircraft
16 operational. The BRAC proposal is to close NAESU
17 headquarters, and to consolidate its functions with NADEP in
18 North Island.

19 I am here to present an alternative to that
20 proposal. Our team proposal achieves the objectives and
21 consolidations that are sought by Congress and the President,
22 but at a much higher military value than was afforded in the

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1 DOD proposal, and in a more cost-effective manner. The DOD
2 proposal does not make good business sense. It results in
3 fleet readiness degradation. The reason for this is two-
4 fold.

5 First, a survey that we took at NAESU indicates
6 that 94 percent of our employees are not willing to relocate
7 3,000 miles away. And second, the higher depot overhead at
8 North Island equates to increased costs for our customers.
9 On the other hand, our proposal is to merge NAESU
10 headquarters with ASO. This builds on the BRAC '91 decision
11 to relocate NAESU headquarters to ASO. And we're in the
12 process of doing that, and we will be there no later than 1
13 July of 1995.

14 \$712,000 of BRAC funding has already been invested
15 to move us to the compound. This decision was made to
16 improve NAESU's mission effectiveness and fleet readiness
17 because of the common link NAESU has with other aviation
18 logistics activities already located on the compound. There
19 is no link with NADEP in North Island. A critical link on
20 the compound is with FISC Philadelphia. In a partnership
21 with NAESU, we provide centralized contracting for the
22 worldwide deployment of engineering technical specialists.

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1 These services cannot be duplicated at North Island
2 without a substantial learning curve. One example of just
3 how widespread our services are, the two Americans that are
4 jailed in Iraq are NAESU tech reps. We were a key player in
5 Desert Storm and in Desert Shield, and we currently have over
6 300 technicians in Kuwait. We deploy the Navy and Marine
7 aviation forces on every military operation, peacetime or
8 during hostility. Our technicians ensure aviation readiness.

9 Comparing our proposal to the DOD proposal,
10 utilizing the COBRA model, in the DOD proposal, the cost to
11 relocate to North Island is over \$2.5 million, where ours is
12 only \$921,000. In the DOD, 46 positions are eliminated, an
13 in ours, there are 50. The savings over a 20-year period in
14 the DOD proposal show that there will be \$29.5 million. But
15 if all the costs were truly identified, the savings would be
16 substantially less. With our proposal, we would save \$36
17 million.

18 In summary, the NAESU team proposal simply saves \$8
19 million and preserves military readiness. Thank you.

20 (Applause.)

21 CHAIRWOMAN COX: Thank you very much. Now we will
22 move on to the Naval Air Technical Services Facility. Mr.

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1 Maimone. You were sworn in earlier, I believe? Were you
2 sworn in earlier?

3 MR. MAIMONE: Yes, ma'am.

4 CHAIRWOMAN COX: Good. Okay.

5 MR. MAIMONE: Good afternoon, ladies and gentlemen
6 of the Base Closure and Realignment Commission. My name is
7 Frank Maimone. And on behalf of Mr. Weder and myself, I
8 would like to say that we appreciate the opportunity to speak
9 with you today in regards to the DOD recommendation on the
10 relocation of NATSF to North Island, California. You have
11 received a copy of our alternative proposal and some of the
12 slides.

13 These slides will highlight major points contained
14 within our proposal. The first slide deals with the
15 oversights in DOD's recommendation. First of all, there are
16 the one-time costs. Their recommendation neglects to address
17 the cost for constructing a new JEDMICS facility at North
18 Island; the hardware purchases necessary to replace the
19 present NASF JEDMICS facility in Philadelphia; and the cost
20 for the high speed communications link for NASF to support
21 ASO from California.

22 DOD has also overlooked some significant annual

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1 recurring costs. For example, the establishment of a 100
2 megabyte high-speed transmission line which would provide
3 NASF engineering drawings and ASO spare parts for ASO spare
4 part procurements, when priced by AT&T would cost \$100,000
5 per month, or \$1.2 million per year. To be in support of
6 this communications line for any additional JEDMICS facility
7 would add approximately \$265,000 per year.

8 Also, there is an additional \$400,000 above and
9 beyond our present travel costs, which would be necessary to
10 support North Island relocation. Due to California's
11 environmental regulations, the duplication of drawings
12 necessary for ASO bid sets would have to be contracted out of
13 the state, rather than produced by NASF in-house, as they are
14 now. This is due to the silver alloy emulsion process used
15 in their production, thereby adding an additional \$759,000
16 per year.

17 The last item recognized is the current synergy
18 between ASO, NASF, NAVILCO, and DPS. This synergy accounted
19 for about 50 percent of our NASF manpower requirements,
20 versus 5 percent for North Island's requirements in 1994. As
21 you can see, this customer base would have a lot more
22 relevance in Philadelphia than it would in North Island. It

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1 should be noted that nothing I am about to suggest would
2 inhibit the Commission from revisiting NASF employee proposal
3 from 1973.

4 As Commissioner Cox may remember, the 1993 employee
5 proposal was for the creation of a DOD-wide technical
6 documentation agency. Since at that time the alternative was
7 not within the Commission's charter, we have developed this
8 alternative recommendation, which deals strictly with the
9 Navy. The next slide depicts the high points of our
10 recommendation, and is pretty much self-explanatory. I would
11 like to take just a moment to address just a few of the key
12 points.

13 The consolidation with NASF, NAESU and the Naval
14 Air Technical Documentation personnel at ASO provides for a
15 unified and centralized chain of command. This alternative
16 would require no construction or hardware procurements.
17 Additionally, as this slide depicts, a total of 332 positions
18 could be eliminated. Our headquarters, the Naval Air Systems
19 Command, has previously located their supply support function
20 and the preservation and packaging logistics functions to
21 ASO.

22 Our recommendation will only continue the

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1 consolidation of the NAVAIR logistical functions at ASO. On
2 our last slide, we have updated the DOD proposal to include
3 their oversights. The true DOD cluster highlighted in red,
4 while to the right of these numbers are the corresponding
5 numbers as they relate to our proposal. It is painfully
6 obvious that there was no justification for approval of the
7 DOD recommendation.

8 Leaving that to within its '93 BRAC status will not
9 maximize your monetary savings, nor will it increase your
10 military value as much as our proposal will. We realize we
11 are presenting you with a unique scenario that will require a
12 more in depth view by you and your staff. Mr. Weder and I
13 stand ready to provide any additional assistance you may
14 require, and are eager to answer any questions that you may
15 have. Thank you. (Applause.)

16 CHAIRWOMAN COX: Thank you very much. Mr. Mayor, I
17 believe you have two minutes to sum up.

18 MAYOR RENDELL: Well, I think we are holding that
19 time for Governor Lehman, but I'd just say one quick thing --
20 that everything you've heard makes it clear that the good
21 work that you did, Commissioner, in '93 and the BRAC
22 Commission did should be supported. This is a waste of

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1 everybody's time. (Applause.)

2 CHAIRWOMAN COX: Thank you very much. I also want
3 to thank the Mayor and all of you all for this very extensive
4 back-up information, which we will find very useful, and will
5 become part of the record. We are going to move now to the
6 state of Virginia, excuse me, the Commonwealth of Virginia.
7 We have a very distinguished panel of elected officials to
8 start out, as well as Pickett as well.

9 And while I have all of you together, what I'd like
10 to do is swear everybody in who's going to be testifying who
11 is currently on the stage, whether you're testifying with the
12 elected officials or Fort Pickett. So if you all wouldn't
13 mind, we can get that out of the way. Senator Robb and
14 Senator Warner, as well. I'm sorry that it is required.

15 (Witnesses sworn.)

16 CHAIRWOMAN COX: Thank you very much. And we're
17 very pleased and honored to have with us the Governor of
18 Virginia, and both very distinguished Senators. Let me turn
19 it over to you all.

20 GOVERNOR ALLEN: Good afternoon, and Madame
21 Chairman, members of the Commission, thank you for -- on
22 behalf of the Virginia delegation -- for allowing us to have

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1 opportunity to give you some information as you go about your
2 very difficult task and a very difficult process. We know
3 that your task is not one of great ease. I particularly want
4 to thank you, Commissioner Cox, and Ben Vorden, Ed Brown,
5 David Lewis, and all the members of your staff who visited
6 Fort Pickett in the Army -- the Kenner Hospital at Fort Lee
7 in March.

8 I know you've been through several hearings from
9 many states. And we very much appreciate your care and also
10 appreciate your endurance, because it is a very important day
11 for Virginia. Madame Chair, before we started this process,
12 as far as we were concerned in Virginia, we wanted to be
13 prepared as communities, as a state, as a congressional
14 delegation to understand and present the salient facts and
15 the attributes of the bases and facilities in Virginia for
16 their military and national security value, and the
17 importance of efficiently conducting their missions in
18 protecting America's security interests.

19 The congressional delegation, Virginia's
20 congressional delegation has been united in this effort.
21 We've assembled an impressive team of former members of the
22 Department of Defense and also of the armed services. And

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1 many of them are here with us today. Others, fortunately,
2 don't have to be here today. We're not here to dispute every
3 decision that the Secretary of Defense made, as far as it
4 affects the Commonwealth.

5 In fact, after the significant losses in 1993, the
6 Secretary as a whole has a very well reason and wise
7 recommendations that, on a whole, I think, improved national
8 security in an efficient way; and in fact, as an increase in
9 the number of civilian and military jobs in Virginia.

10 However, we are here to address specific examples
11 where A, the data collected by the services is incomplete or
12 inaccurate; or B, where the analysis is flawed, or incorrect
13 assumptions were entered into during the decision-making
14 process; or C, where additional information needs to be
15 presented before a final decision is made. In short, we're
16 here to make sure that you have all the facts.

17 I'll be followed by Senator Warner and Senator
18 Robb, and you'll hear from members of Virginia's
19 congressional delegation and leaders and people who are
20 experts on particular bases and efforts in particular
21 communities. But since the intentions of the Commonwealth
22 have been brought to question, regarding Fort Pickett, I feel

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1 it's important, as governor of the people of Virginia, to
2 make some specific comments insofar as Fort Pickett.

3 It is clear that the United States Army never
4 intended to really close Fort Pickett. They recognized the
5 value of the unique training assets at Fort Pickett. That's
6 why they specified retention of a training enclave -- an
7 enclave that would, in effect, remove all the jobs, while
8 returning little or none of the rest of it to the community
9 for redevelopment. The Army, United States Army cannot
10 expect, cannot expect that the Commonwealth of Virginia or
11 the Virginia National Guard or, indeed, the National Guard
12 Bureau will or can assume operating expenses for this post,
13 thereby keeping the training areas for use by the active and
14 the Reserve army.

15 So let me be clear. Despite the important value of
16 Fort Pickett and the jobs and also its importance to the
17 National Guard of Virginia, and all that importance, our
18 Commonwealth is in no financial position to assume the
19 expense for operating or maintaining this post. It would be,
20 in effect, an unfunded federal mandate. The United States
21 Army should either use it or let it be used for other
22 purposes.

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1 The funding of Fort Pickett through, let's say, the
2 National Guard Bureau would do nothing more than shift the
3 financial responsibility from the Department of Defense to
4 just another agency. And it fails to achieve the desired
5 goal of overall reductions within the Department of Defense.
6 This commission must decide whether to maintain the
7 significant and irreplaceable training assets that are at
8 Fort Pickett, or shut it down and let the community begin its
9 redevelopment process.

10 Right now, the Army is doing neither, and this
11 loyal community deserves better. You'll hear more on this
12 subject as we go forward. And now I would like to turn it
13 over first to our U.S. Senator -- our senior U.S. Senator,
14 John Warner, who will be followed by Senator Chuck Robb.
15 Senator Warner. (Applause.)

16 SENATOR WARNER: Madame Chairman and members of the
17 Commission, I wish to express my appreciation to our
18 distinguished governor for his leadership role throughout
19 this process, working in co- and full equal partnership with
20 the Virginia congressional delegation and many city
21 officials, elected and otherwise, and most importantly with
22 the citizens from the very areas of our state that could be

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1 affected by the decision to be made by your commission.

2 And I thank all those for making the long and
3 arduous trip up here today. Their presence here today
4 fortifies the seriousness of the representations made by our
5 governor and it shortly will be made by other members of our
6 delegation. And I'm also very heartened to see here today
7 the former Commandant of the United States Marine Corps,
8 General Alfred Gray.

9 I've had the privilege of knowing him ever since he
10 was a colonel. And let me tell you, Madame Chairman, this
11 would not be the first time the Marines have ever come to
12 rescue the Army when they appeared in court. (Applause.)
13 Thank you, General Gray. As our distinguished governor said,
14 with very few exceptions, the Department of Defense '95 BRAC
15 recommendations, as they pertain to the Commonwealth of
16 Virginia, are sound decisions in support of our nation's
17 national security.

18 In particular, I believe the Navy's decision to
19 redirect the eight FA-18 squadrons from Cecil Field, Florida
20 to the naval air station Oceana is fiscally wise and
21 operationally sound. It underscores one word, Madame
22 Chairman, and if I only leave you with one word to remember,

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1 that is readiness. This is my 17th year that I have served
2 on the Senate Armed Services Committee. And as we approach
3 our responsibilities in the Congress this year, readiness is
4 foremost in terms of our priorities.

5 And these decisions today that we are addressing
6 directly impact on the ability of the overall defense
7 structure to provide for America, for our allies and friends
8 around the world, a ready force if needed. Now, turning to
9 the problems as I see them. The first recommendation is that
10 pertaining to Fort Pickett, which the Army wants to close,
11 but close in a unique way.

12 We respectfully say, Madame Chairman and members of
13 the Commission, this is an unwise recommendation. It
14 deserves your closest scrutiny. And our delegation
15 recommends the following. Now, I'm going to address Fort
16 Pickett; other members of the delegation are going to take
17 different parts of the BRAC process throughout the state. In
18 my opinion, I frankly believe the Department of Defense and
19 the Army were not thorough, not thorough in gathering the
20 facts to present to this distinguished commission in terms of
21 their decision.

22 Their analysis of the fort's capabilities and cost-

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1 effectiveness was inaccurate. I repeat that -- inaccurate.
2 This afternoon, we present to you an alternative one, with
3 regard to Fort Pickett; one that is the result of numerous
4 hours of exhaustive research by the team that I mentioned in
5 my opening statement. I believe that the facts you will hear
6 will intensify what you, as Chairman, witnessed when you
7 personally -- and we thank you -- came to this important
8 military installation.

9 Namely, in demonstrating substantial deviation,
10 which is a requirement under your statute from the Department
11 of Defense, the Army's statements as to military value. As a
12 brief overview, I discuss two points. First, while the
13 Department of Defense, its recommendations regarding Fort
14 Pickett closure, in reality intends to keep the post open.

15 On March 7th, in Washington, both Secretary of the
16 Army Togo West and Army Chief of Staff General Sullivan
17 testified before this commission that major training areas,
18 such as Fort Pickett, which they had recommended for closure
19 would actually remain open as enclaves, to train Reserve
20 component units. But nowhere in any disclosure documents
21 does the Army specify what the term, enclave, means, nor a
22 definition.

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1 If, as the Army has recently briefed, a Fort
2 Pickett enclave is to encompass most of the existing land,
3 but consists of substantially less personnel than are
4 currently assigned, the Army is creating a situation that
5 will not serve the security interests of this country. It
6 could well end in a failure. Experience tells everyone that
7 a viable major training area requires sufficient land for
8 several units to simultaneously train, plus -- and I
9 underscore -- plus an adequate permanent cadre of people to
10 keep the ranges open and, Madame Chairman, the adequate
11 safety that is needed on these ranges.

12 You can't have one without the other. It is not in
13 the best interest to national security to take a half-hearted
14 approach to training. I believe that creation of an enclave
15 is nothing less than a half-hearted approach. I firmly
16 believe the facts you will see presented today by others will
17 greatly support keeping Fort Pickett totally open and
18 operational.

19 Now, the Army, in my judgment, failed to give
20 proper emphasis to the full array of military units that
21 utilize this base. For example, last year, 42 percent of the
22 units and 36 percent of the people who trained in Fort

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1 Pickett were from the active military component. So that was
2 not given proper emphasis in their calculations. First, 18
3 active different units from Fort Bragg, North Carolina,
4 alone, trained for a total of 223 days at Fort Pickett.

5 Nearly half of the active units who used Fort
6 Pickett in '94 were from services other than the Army, and
7 the fort's unrestricted air space. That unique attribute of
8 Fort Pickett brought 600 high-performance aircraft sorties to
9 Fort Pickett last year. That's open air space -- something
10 that's becoming increasingly in short supply all across the
11 United States. With the additional squadrons designated for
12 naval air station Oceana, it is logical to expect that in
13 future years, the number of such sorties at the post would
14 increase substantially.

15 None of these points, I respectfully say to the
16 Commission, none of these points were adequately discussed in
17 any of the Army's documents supporting the recommendation to
18 close Fort Pickett. Suffice it for me to include that it
19 makes no sense fiscally, operational, or from the standpoint
20 of safety, to close an installation which affords superb
21 training to both the active and Reserve compound of all the
22 services of our great United States military.

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1 Now, discrepancies are also apparent elsewhere, and
2 I point out Fort Lee. The Army's recommendation to realign
3 Kenner Army Hospital at Fort Lee, Virginia to be a clinic. I
4 question the military value of closing an in-patient facility
5 on a post that has a military population of over 7,000, on
6 which risky parachute training is often conducted, and whose
7 hospital provides medical support to the maneuver training
8 area to nearby Fort Pickett, where high-risk training occurs
9 daily.

10 I understand that the Department of Defense Tricare
11 medical plan is expected to handle military family members
12 and retirees. But particularly at an installation where
13 high-risk training is performed, it is important to have more
14 than a mere clinic to support our brave people in uniform.
15 And now I close, Madame Chairman and members of the
16 committee, again, with the thesis of my comments is
17 readiness, which is a top priority in the Congress this year.

18 And I now invite to the stand my distinguished
19 colleague, the junior Senator from Virginia, Senator Robb.

20 (Applause.)

21 SENATOR ROBB: I thank my distinguished senior
22 colleague. Madame Chairman and members of the Commission, I

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1 thank you for this opportunity to appear. And Madame
2 Chairman, specifically, I reiterate the thanks that Governor
3 Allen and Senator Warner have already extended to you,
4 personally, for coming and visiting Fort Pickett with us
5 earlier in the year.

6 I'm not quite certain what the colors mean, but I'm
7 afraid that the time allotted for the three statewide
8 officials may have expired at this point. Would you apprise
9 me of whether or not there's any time left?

10 CHAIRWOMAN COX: Well, you do still have 10
11 seconds. But we probably could extend that for a very short
12 period of time.

13 GOVERNOR ALLEN: Madame Chairman?

14 SENATOR ROBB: Madame Chairman, what I would --

15 GOVERNOR ALLEN: Hold it just a second. Madame
16 Chairman, we've tried to allocate all this time here. We
17 actually have built in five minutes. And so I would like to
18 extend to our senator, Senator Robb, those four minutes.
19 Then that, again, the rest of the group doesn't use this as
20 an example of how you allocate your 40 minutes. (Laughter.)

21 CHAIRWOMAN COX: Thank you. Senator Robb, we'll
22 give you five minutes.

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1 SENATOR ROBB: Madame Chairman, I thank you, and I
2 will be very brief. I have a formal statement that I would
3 like to include for the record. I have also a statement from
4 Congressman Jim Moran, who was not able to be here today,
5 particularly addressing the situation in the space naval
6 warfare systems command, that I would like to submit for the
7 record.

8 I had planned to give a very brief synopsis, in
9 trying to use our time as effectively as possible, to talk a
10 little bit about the SPAWAR and the allocation that is set up
11 there. We had two additional experts. I'm going to leave
12 that entire argument -- I've already made my prepared remarks
13 with respect to why we believe that SPAWAR ought to stay
14 where it is and why we think that the decision to move was
15 based solely on the concern about getting out of leased
16 space.

17 So I have now taken a good deal of what I had
18 planned to cover. Moving right along, I want also to
19 address, Madame Chairman, if I may, very briefly, NADEP
20 Norfolk. Again, I would rely on my full testimony, but would
21 suggest to you that once the decision was made to redirect
22 all of the aid -- all of the F-14s, as well as a significant

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1 concentration of the FA-18s back to Oceana, that it makes
2 sense to keep the naval rework facility which serves them in
3 the area.

4 If you decide, or if the Navy comes to the -- the
5 services subsequently decide to move to a combined center, we
6 think that that would be enhanced by having the skills remain
7 in that particular area. Again, I lay this out at some
8 detail in my formal remarks, and I will simply make reference
9 to them, if I may. Finally, one item that was not included
10 and may not be on your radar screen, has to do with Clarendon
11 Square in Arlington.

12 In 1993, the BRAC directed the two Navy Department
13 commands move out of leased office space in Clarendon Square
14 in Arlington. These commands are the office of the Deputy
15 Chief of Staff for installation logistics, headquarters
16 Marine Corps, and the USMC systems command. I am concerned
17 that factors simply beyond the control of the Navy Department
18 may make the timing of these particular moves ill-advised and
19 contrary to the BRAC legislation of 1993.

20 The DCOS for installations logistics was directed
21 to move to the Pentagon. Unfortunately, the 10-year
22 renovation of the Pentagon -- and I will even abbreviate this

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1 portion -- simply doesn't leave room. It's 110 percent
2 occupied at this particular moment. We believe it makes
3 sense to leave them in their current space, which was
4 designed for their use.

5 That's essentially the argument we're making with
6 respect to the SPAWAR facilities as well. Knowing that we're
7 already trespassing on the time of some of the experts. And
8 joining my colleague, who also served in the Marine Corps in
9 welcoming the former Commandant, General Gray, as well as not
10 only other members of Congress, but many other community
11 elected leaders will not be formally testifying.

12 There are many folks that made the trip here today
13 to underscore what we believe are the serious concerns that
14 we know you and the Commission will take into account when
15 you make your decision, and we thank you.

16 (Applause.)

17 CHAIRWOMAN COX: Thank you very much, and we'll be
18 very pleased to have your full statement, and that of
19 Congressman Moran.

20 GOVERNOR ALLEN: Madame Chairman, the first
21 installation that we'd like to discuss will be Fort Pickett.
22 Congressman Norm Sisisky, who represents Virginia's 4th

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1 Congressional District, which includes Fort Pickett has some
2 introductory remarks, and will be presenting all the others
3 who will be talking on that. And we'd now like to allocate,
4 to the extent that you can put on your clock, 40 minutes for
5 the Fort Pickett presentation.

6 CHAIRWOMAN COX: 40 minutes. And we're honored to
7 have Congressman Sisisky with us today.

8 CONGRESSMAN SISISKY: Madame Chair, members of the
9 Commission, I thank you. And I also thank Congressman Paine,
10 and the community representatives who are led by Bill
11 Armbruster, Chairman of the Fort Pickett support group. I'm
12 going to talk very fast, because I don't want to take too
13 much time, and I'm going to sit right here. I'm honored,
14 again, to be accompanied by the former Marine Corps
15 Commandant, General Al Gray, and former Fort Pickett
16 Commander, Colonel Chuck Williams.

17 They continue to serve their country by
18 volunteering, volunteering to be here. And they'll provide
19 details of what I'm about to say. On March 7th, Chairman
20 Dixon asked if the Army consulted the leadership of other
21 services and agencies who train at Pickett. General Shane,
22 at that time, said, and I quote, "The answer is, yes, we had

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1 certified data calls, and Fort Pickett provided the
2 information."

3 Chairman Dixon then asked, in other words, you
4 talked to all the other people involved at Fort Pickett?
5 Secretary West responded, and I quote, "General Shane said it
6 was our practice to do so in every case, certified data
7 calls." Now, on the surface, it sounds like they consulted
8 with everyone who trains at Pickett before making the
9 decision. But then the Army told me, during DOD's joint
10 review in February of 1995, no one raised any issues
11 regarding the Army's recommendation.

12 Now, reading between the lines, I began to suspect
13 that there were no data calls for anyone but the Army
14 Reserve. And since the data calls were due last September, I
15 tried to pin them down by asking, why until September 30th,
16 1994, and apart from data calls responded to by Fort Pickett
17 through their chain of command, meaning the Army Reserve, did
18 the Army issue data calls to any other military component or
19 service or federal, state or local department or agency,
20 regarding the use of Fort Pickett?

21 On April 15th, the Army replied, and I quote,
22 "After reviewing the process, General Shane concurs that the

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1 Army did not issue any written data calls to any other
2 military department or anyone else, I might add, regarding
3 their use of Fort Pickett." Now, every party to this
4 decision now admits existing data calls contain significant
5 errors; and that no joint use data calls were issued.

6 Air Force, Navy, Marines, SEALS, and Special Ops'
7 use of Fort Pickett were completely ignored. In fact,
8 General Gray came here to deliver the Marine data call. Now,
9 from talking to the Chief of Staff and other Army officials,
10 I think the real issue is, the Army wants other users to
11 share the cost of operating Pickett. And the Army is
12 probably right. But they're wrong to use the BRAC process to
13 collect due bills.

14 In addition, the Army does not think Pickett will
15 close. They think they'll still be able to train there
16 because the Guard will only lease 93 percent of the post.
17 The enclave allows it to have their cake and eat it, too.
18 They get to one, claim big savings by sticking someone else
19 with the bill; two, avoid impact area environmental clean-up
20 costs; and three, still go there to train. But as you heard
21 Governor Allen, Virginia will not accept the unfunded federal
22 mandate.

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1 The bottom line is, the Commission should find
2 substantial deviation from every military value criteria.
3 One, the Army simply never examined current and future
4 mission requirements and the impact on operational readiness
5 of DOD's total force. They weren't interested, and they
6 never asked. Two, the Army patently ignored the availability
7 and condition of land facilities and air space at receiving
8 locations. And may I say, thank goodness for the red
9 cockaded woodpecker. And you'll hear about that later.

10 Three, receiving locations, do not have the ability
11 to accommodate forces that currently train at Pickett. And
12 four, cost and manpower implications are flat out wrong. How
13 can you save more money per year than it costs to operate the
14 post? If you did math like that on your tax return, you'd
15 probably be in a little trouble. Now, I think these are
16 sufficient grounds to reject the recommendation.

17 General Sullivan testified that we're taking a
18 risk, that we push the edge of the envelope. You can reduce
19 risk at very little cost by saving Fort Pickett. Now, we'll
20 see the video, and hear from Colonel Williams. Colonel.

21 COLONEL WILLIAMS: Madame Chairperson,
22 distinguished Commissioners, it's a pleasure to speak with

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1 you today on behalf of Fort Pickett. If you would, you have
2 the slides available in your booklet. You may follow there
3 if you cannot read the slides as they're on the board. I
4 would like to stress that the Army process was flawed and
5 distorted. And as I go through this process, this briefing,
6 I think you will come to that conclusion.

7 We have been told the military value was a
8 criteria. I think at the end of this briefing, you will
9 understand that it was budget -- who pays the bill -- that
10 was the criteria, not military value. We will also show you
11 that it was not a total force commitment, total force either
12 in the Army -- as you will see, the National Guard Bureau was
13 not in support of the decision to close Fort Pickett -- as
14 well as other components of the Department of Defense,
15 particularly the Navy and the Marines.

16 If I could worry at you on Fort Pickett a bit.
17 This is the size of Washington, D.C., overlaid on that is
18 Fort Pickett. We're certainly not recommending that you move
19 D.C. to Pickett, but it would probably make the folks in D.C.
20 very happy, and the folks in Nottoway County a little safer.
21 The next slide should depict the area that Fort Pickett now
22 covers. And it was interesting that the decision was to

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1 close Fort Pickett and retain an enclave.

2 If you would, the next, flip it, now, the average
3 person would look at this and say, well, the enclave would be
4 the black area. No, that's not true. The enclave is the
5 white area. And yet we are going to operate the enclave with
6 14 personnel. I submit to you that common sense has died.
7 Madame Chairperson, you will recall at Fort Pickett, when
8 asked a question, Colonel Allen replied that the data calls
9 were sent out and that there were some errors; and yes, I'll
10 take the hit on that.

11 Again, flawed and distorted data was what the
12 decision was based upon. Again, at your BRAC Commission
13 hearing on March 7th, did the Army consult with the
14 leadership of other services and federal agencies? The
15 answer is, yes, according to General Shane. In other words,
16 you talked to the other people, again pressing to get the
17 answer. And again, Secretary West said, it was our practice
18 to do so in every case -- certified data calls.

19 After looking for the data calls and trying to
20 locate the information, we went back to our elected official,
21 Congressman Sisisky, said we could not locate them, and asked
22 him to ask the Army where they were. And the response is

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1 clear -- after reviewing the process, Brigadier General Shane
2 concurs that the Army did not issue any written data calls to
3 any other military department or any federal, state or local
4 government.

5 I believe General Shane was under the same oath
6 that I took, prior to talking to you. In addition, when we
7 talk about total force commitment, we talk about the Army,
8 the Reserve and the National Guard. You heard General Allen
9 say that we aren't -- the state is not going to pick up an
10 unfunded mandate. The Guard Bureau to the Department of the
11 Army on March 31st: We are concerned about the additional
12 costs to maintain enclaves. We are a home-based
13 organization, we must train near our organization. We cannot
14 consolidate its units around the few remaining training
15 sites.

16 Fort Pickett, as you have heard, was always a place
17 where the Pennsylvania, West Virginia, and Virginia Guard and
18 Reserve units trained. The North Carolina National Guard has
19 come on line with their 30th brigade enhanced -- mech and
20 armor, if you will -- and says that the demands,
21 environmental considerations of putting the redheaded
22 cockaded woodpecker. The utilization of a large force of

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1 existing maneuver areas and ranges is severely restricted at
2 Fort Bragg.

3 They've got to find another place to train. And
4 yet we are told that Fort Bragg will absorb the units that
5 are training at Fort Pickett. How can that be? These latter
6 posts, and they identify a few, are too great a distance to
7 be used for inactive duty training, training on weekends.
8 They're too far away; you can't get there. The most
9 essential part of readiness is training time. And that has
10 not been analyzed in any of these analyses. What is the
11 training time available to a unit?

12 The five major maneuver training areas are
13 essential to maintain training and readiness standard for the
14 Army National Guard. You will hear about posts that can do
15 this and do that at their post. They cannot do them
16 unrestricted; they cannot do them without waivers. I heard
17 Commissioner Robles ask about Fort Dix and the capability of
18 Table VIII. No, they cannot fire Table VIII right now. They
19 will be able to fire it if they ever get the range built.
20 They cannot absorb the armored unit training there.

21 Again, the National Guard has said, the funds
22 should accompany the transfer. That does not sound to me

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1 like steady state savings. That sounds to me like moving the
2 money from one pot to another. General Baratz, in a
3 correspondence to the FORSCOM -- correction, to the Vice
4 Chief of Staff of the Army -- through the current FORSCOM
5 commander, who will soon be the Chief of Staff of the Army,
6 said this, "maintenance and operation of ranges require a
7 full-time environmental staff. The state of New Jersey has
8 the most stringent environmental regulations. The valid
9 missions of preparing to execute mobilization, contingency
10 plans and other peacetime missions are not possible with a
11 TDA of 250."

12 I read that as, I need more people at Fort Dix to
13 absorb the units that are going there. If you zero out and
14 go to 14 at Pickett and you put them at Fort Dix, you don't
15 have a savings. You saw the attributes of Fort Pickett on
16 the video. The 45,000 acres; the 30,000-plus contiguous
17 maneuver and training acres; the air space clearance, which
18 exceeds almost every other post in the contiguous United
19 States, a criteria added by the Department of the Army; the
20 capability of taking C-17s, C-130 and C-41, which, by the
21 way, was inaccurate in the COBRA, along with a few other
22 things in the COBRA.

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1 These attributes, and remember if you will, Madame
2 Chairperson, at Fort Pickett, you asked, what is unique about
3 Fort Pickett? Fort Pickett has all of these attributes at
4 one location -- one-stop training, with very little
5 constraint, with very little restriction. That is what makes
6 Fort Pickett unique. In the Mid-Atlantic region, there are
7 no other places that have all of those attributes. That is
8 what is unique.

9 Let's take a look at the training that took place
10 at Fort Pickett in FY 94, a question that was not asked
11 because it was focused on Reserve only. What about active
12 forces? And that also makes Fort Pickett unique because it
13 is one of the major training areas identified that has to
14 support the overflow of active duty training. The 10th
15 Mountain trains there. The 24th Division trains there. The
16 82nd Airborne and the 18th Airborne Four train there. Those
17 are active units.

18 And guess what? Their training at Fort Pickett
19 goes down, and these numbers are down because guess where
20 they were? They were deployed. Those numbers would have
21 been much higher. They are the first to deploy. Why do they
22 come to Fort Pickett, their home base? Their bases are going

1 to absorb the training from the other units? I think not.
2 And again, total force -- who trains there; why do they train
3 there?

4 This is from the naval special warfare --
5 Certifiable, predeployment SEAL training must take place at
6 Fort Pickett. It is difficult to duplicate anywhere else,
7 and is very costly. I don't believe they were asked up
8 front. Commander, 2nd Tank Battalion, 2nd Marine Division
9 and, again, Madame Chairperson, I believe you saw them on the
10 ground at Fort Pickett when you were there. Facilities to
11 accomplish this training, Table VIII -- again, we asked about
12 Table VIII -- Table VIII without restriction, without
13 stopping other areas of training, which you cannot do at the
14 other locations; again, critical.

15 If I bring my unit to Fort Pickett and I want to
16 train and I don't get shut down, that is training time that I
17 can use. This battalion, again, has used Fort Knox,
18 Kentucky, at a cost of \$587,000. You did not ask how many
19 dollars would be saved by the other services in the COBRA.
20 That's about \$1 million a year, because they must go twice a
21 year to certify their tank crews. Again, the commander of
22 the 2nd Tank Battalion's commander, the commanding general of

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1 the 2nd Marine Division, has said that tank crews are
2 required to qualify twice a year -- something we cannot
3 afford if we go elsewhere.

4 Fort Pickett has been, is now, and will continue to
5 be an essential training area which constitutes a critically
6 cost-effective location from which the combat readiness -- I
7 think we heard Senator Warner speak of combat readiness -- of
8 one of our nation's frontline crisis response divisions, the
9 2nd Marine Division, has maintained. Succinctly, he is
10 stating he needs Fort Pickett to maintain his readiness.

11 There are inconsistencies I would like to bring up.
12 Annual training can be conducted easily at Fort Bragg -- and
13 this is talking about the units that would no longer train at
14 Fort Pickett. And, there are no known environmental
15 impediments at the receiving installation. This is not true.
16 Testimony of Lewis D. Walker, Deputy Assistant Secretary of
17 the Army, on 17 March, before the Senate Committee on
18 Environment and Public Works: Fort Bragg has a 100,000 acre
19 shortfall in training land and needs. Fort Bragg ranges have
20 been closed intermittently and for 10 months, due to an
21 endangered species, the red cockaded woodpecker.

22 Units travel to other installations for normal

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1 training. There were similar closures in '92 and in '95, and
2 there will be in the future, because the red cockaded
3 woodpecker will be protected. Acquisition of additional
4 acreage will ensure readiness. If you would, we have a
5 recent documentary that will document the red cockaded
6 woodpecker and its habitat.

7 I was the S-3 for the division artillery at Fort
8 Bragg. I had to schedule training off of Fort Bragg for my
9 units to conduct their RTAPS, to conduct KPEXs and other
10 things. It was because ranges were shut down or we were
11 constrained. I did an analysis of where we could go that
12 would support our training, without constraints. Invariably,
13 I would go to Fort Pickett, because that is where I could
14 train unconstrained.

15 The Army claims a \$20 million steady state savings.
16 However, costs do not include items such as the increased
17 personnel at Fort Dix, addressed by General Baratz; the
18 purchase of 10,000 acres at Fort Bragg, because of their
19 training land shortfall -- and let me tell you, when you buy
20 land at Fort Bragg, you buy red cockaded woodpecker; new
21 training location for the 2nd Marine Division and other
22 services; the increased transportation costs for moving

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1 equipment, which is already located at Fort Pickett, and can
2 be drawn.

3 And finally, they have included in the manpower
4 savings, the manning of the water treatment and the sewage
5 treatment plants, which were already scheduled to go away as
6 we privatized and turned over to the city or to the water
7 authority. That has been included. That's about a 7 to 10
8 percent inclusion in those figures. They're going away. I
9 would now like to bring up the former Marine Commandant, but
10 not the former Marine, General Al. (Applause.)

11 GENERAL GRAY: Madame Chairman, distinguished
12 members of the Commission, I couldn't help chuckle. In 1970,
13 at Camp LaJeune, we began to protect the redheaded cockaded
14 woodpecker. And I believe we've got few of them now, since
15 we started taking care of them. I want to just say that
16 warfighting and preparation for warfare, to include
17 operations other than war and keeping the peace, is an art
18 far more than a science.

19 It's at Fort Pickett where you Marine warriors and
20 others practiced and learned the art of warfare as we fight
21 today in the maneuver warfare thought process. And that's
22 summarized very well by General Steele, who commanded the

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1 division from 1987 to 1989. And that's in your documents for
2 the record, because it's the 2nd Marine Division that smashed
3 through the eastern part of Iraq and Kuwait and retook Kuwait
4 City.

5 And when General Steele talked to some of his
6 commanders and officers that had been with him, even though
7 he was no longer with the division, they said to him, in
8 essence, it was easy -- it was just like Fort Pickett.
9 Because, you see, there, and only there, east of the
10 Mississippi can you really conduct the kind of combined arms
11 warfare to include the thought process that goes behind the
12 art of war.

13 Because when you finish, day or night, you can go
14 to the theater, and you can bring the corporals and the
15 sergeants and the young officers in, and you could talk to
16 them about what went on -- not whether you went to the left
17 or whether you went to the right, but why did you go to the
18 left; why did you go to the right? That's what you have to
19 do to teach smart, young warriors today. And so Fort Pickett
20 is very close to my heart, and it was easy to change the
21 schedule and come back for this today.

22 If you didn't have Fort Pickett, you're going to

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1 have to invent one. (Applause.) The figures, as indicated
2 on the slides, are historical figures. They show no vision
3 at all why Marines will have 10 times more warriors training
4 at Pickett than that slide shows. Why? Because in 1991,
5 120,000 were deployed around the world, almost 100,000 in the
6 Gulf. And as you know, every three months, we go away for
7 six months. So you've got to restore the cycle; you've got
8 to rebuild the schedule.

9 That's why they weren't up there -- there was
10 nobody to go there; not when you have to go to Haiti, and not
11 when you have to go to Somalia, and not when you have to do
12 everything else. There are 35 percent of our warriors
13 deployed today around the world. The norm, the schedule, the
14 budget calls for 25 percent. And so I'd be very weary in
15 looking at all these studies. And as you know, I'm anti-cost
16 models. I still use a pencil and a calculator.

17 Because when the big guys, like the Army and the
18 Navy and the Air Force, when they do cost models, they do
19 averages. They do things like, well, the average salary in
20 Washington here and there is probably \$45,000, \$50,000 a
21 year, so it's \$45,000 a year at Pickett. I'll buy all of you
22 10 steak dinners if you can find any employee at Fort Pickett

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1 that's making \$45,000 a year.

2 And so, you know, it's just a minor thing, you
3 know. (Applause.) 25 percent, 25 percent of \$20 million,
4 that's \$5 million, \$6 million. It costs about \$16 million to
5 \$18 million to run Pickett. I know that because I've been
6 operating and using Fort Pickett since 1981. I'm the one
7 that made it a maneuver warfare combined arms training center
8 there -- built around the tanks. And again, the tanks -- you
9 cannot qualify your tank gunners anywhere else except at Fort
10 Pickett. There aren't any Table VIIIs.

11 And if you don't do it twice a year, you haven't
12 honed your readiness. And you know what's going to happen?
13 You're going to bleed, that's what you're going to do. It
14 costs four times as much for your Marines to train elsewhere
15 than it does Pickett. Now, that may be alright in the Army
16 or elsewhere. That isn't very good for your Marines --
17 \$134,034.23. You notice, we round it out, even to the cents.
18 We just finished saving \$34,000 last year by training our
19 assault amphibian vehicles at Fort Pickett.

20 That's our counterpart to the Bradley. So believe
21 me, if there's a cheaper way to do it, we'd have thought
22 about it long ago. And so I think, really, the ball's in

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1 your court. In my military judgment, based on 41 years of
2 being a Marine, and four years as a Joint Chief, closing
3 Pickett is ludicrous. It's absolutely ridiculous. It has no
4 -- it makes no sense whatsoever, when you talk about not only
5 readiness, and readiness is only a part -- anybody can be
6 ready to get on an airplane, anybody can be ready to get on a
7 ship -- but are you prepared, morally, and mentally and
8 physically to win?

9 That's the kind of capability you have at Pickett.
10 And it sits right in Nottoway County and Blackstone, with a
11 great bunch of American people that support you. I know
12 you've been there; I don't know if the rest of you have. Go
13 by the War Memorial; take a look at it. If you don't think
14 you're sitting in the middle of America, I've missed my
15 guess. Thank you. (Applause.)

16 CHAIRWOMAN COX: Thank you.

17 MR. ARMBRUSTER: I think I just got religion.
18 (Laughter.) Chairman Cox and members of the Base Closure and
19 Realignment Commission, as Chairman of the Fort Pickett
20 Support Group, I wish to thank you for providing us this
21 opportunity to share with you our strong belief that
22 Secretary of Defense Perry has made a serious error in

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1 recommending Fort Pickett for closure.

2 The support group, composed of elected and
3 government officials, community leaders, and concerned
4 private citizens -- all volunteers -- from a seven county-
5 area in Southside, Virginia, are here today, united in the
6 belief that a grievous mistake has been made. And I want to
7 take just a second to recognize this group that came up from
8 Southside today to support us. Let them see you out there.

9 (Applause.)

10 If allowed to stand, this recommendation will have
11 a significant adverse effect on the future defense posture of
12 our nation. We are loyal, hardworking American citizens who
13 recognize that in this post-Cold War age, downsizing of the
14 military is necessary and, yes, even desirable. We question,
15 however, the Department of the Army's assessment that Fort
16 Pickett is not of sufficient military value to keep it open.

17 You've heard General Gray and Colonel Williams make
18 a compelling case for the military value of Fort Pickett. In
19 your notebook, we have provided considerable data supporting
20 this argument. But at tab 10 is a letter from General Steele
21 that General Gray made reference to -- former commander of
22 the 2nd Marine Division. And I would urge you and all the

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1 members of the Commission to read this letter at your
2 earliest opportunity, for it sums up eloquently the military
3 value and cost-effectiveness of Fort Pickett.

4 I do want to just take a couple of minutes of my
5 time to address the economic impact that closure would have
6 on Southside, Virginia. We understand that any community,
7 large or small, can tell you that there is an economic impact
8 associated with the closure of their base. And we're no
9 different. Nevertheless, Fort Pickett is the economic
10 mainstay for the surrounding two-county impact region where
11 the great preponderance of the civilian workforce reside.

12 These two counties, Nottoway and Lunenburg, have
13 current unemployment rates of 6.3 percent and 10.4 percent,
14 respectively. We were surprised that Dinwiddie County was
15 included in the DOD analysis when, in fact, two Fort Pickett
16 employees reside there. The proof of the matter is, the
17 inclusion of Dinwiddie County dilutes the impact of the
18 closure. The total impact from the closure of Fort Pickett
19 would amount to nearly 7.5 percent of the workforce for
20 Nottoway and Lunenburg Counties.

21 We understand that the recommendation to retain
22 Fort Pickett will be based primarily on its military value

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1 to the Department of Defense. However, the employment and
2 economic impacts from the proposed closure will be among the
3 most serious of all candidate closures nationwide. In
4 summary, as you can see from the information we have
5 presented, the Army made the decision to close Fort Pickett
6 based on active Army budgetary savings, and not on the
7 military value Fort Pickett provides to U.S. military forces.

8 Under closer scrutiny, the budgetary savings
9 identified by the Army are not savings to the DOD, but only
10 to the Army. The vast majority of the alleged savings are
11 actually costs which the Army would attempt to pass on to her
12 sister services and to the Commonwealth of Virginia. You've
13 heard Governor Allen state publicly, that Virginia will not
14 accept what would be, in effect, an unfunded mandate.

15 With respect to the military value, we believe the
16 Army and Secretary of Defense substantially deviated from the
17 selection criteria numbers one and three -- the operational
18 readiness and the ability to accommodate contingency and
19 mobilization of the DOD total force. The closure of Fort
20 Pickett has serious implications for the force structure
21 inasmuch as forces retained would not be able to maintain an
22 appropriate level of readiness.

1 Based on these facts, we urge you, the Commission,
2 to remove Fort Pickett from the Secretary's list of
3 recommended closures. And in conclusion, I want to invite
4 your attention to the video, because no one says it better
5 than unit commanders and unit leaders who actually use Fort
6 Pickett. This is an excerpt from an interview that was
7 conducted by Channel 6 in Richmond the day after Secretary
8 Perry's announcement.

9 That completes our presentation. If we have time
10 for questions --

11 GENERAL GRAY: That's a Marine and not a soldier.

12 MR. ARMBRUSTER: General Gray wanted me to remind,
13 that's a Marine and not a soldier. (Laughter.)

14 CHAIRWOMAN COX: Thank you very much. Are there
15 any questions? Thank you. It was such a good presentation,
16 you've answered all of our questions.

17 MR. ARMBRUSTER: Thank you very much.

18 CHAIRWOMAN COX: Thank you very much for your
19 courtesies when I was out there. (Applause.)

20 GOVERNOR ALLEN: Madame Chair?

21 CHAIRWOMAN COX: Yes, Governor Allen.

22 GOVERNOR ALLEN: The next installation that we'd

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1 like to discuss would be the Kenner Army Hospital, which
2 serves Fort Lee. We'll again hear from Congressman Sisisky,
3 and then hear from Congressman Bobby Scott, from the 3rd
4 Congressional District. And then Congressman Scott will
5 introduce the presentation on this particular facility, which
6 will me Commander Hunzeker, who is on our greater commission.
7 I would like 15 minutes to be allocated for this facility,
8 please.

9 CHAIRWOMAN COX: Thank you very much. Congressman
10 Sisisky.

11 CONGRESSMAN SISISKY: Thank you. I won't go as
12 long about Kenner as I did about Pickett. We have less time.
13 But the issue is just as important. I'm sorry to say again
14 that the Army and joint service groups never consulted with
15 the Tricare officials who execute this plan. If they had,
16 I'm certain the decision would have been different. Fort Lee
17 is a high-risk training environment. Kenner needs in-patient
18 facilities and the ability to isolate ill soldiers from the
19 barracks.

20 Yet Fort Lee was the only initial entry training
21 facility to have a hospital downsized. It really doesn't
22 make sense. Of course, there's sufficient regional capacity

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1 to provide these services, but it wasn't cost. The fact that
2 the past BRAC and DOD decisions have consolidated functions
3 of Fort Lee means the number of trainees will increase and
4 not decrease in future years. And Kenner's catchment area
5 does not include the active retired beneficiary population in
6 Western Carolina, Virginia or West Virginia.

7 The trade-off between eliminating in-patient
8 services and going to Champus will cost more than it saves.
9 We hear more about that from Congressman Bobby Scott and
10 former Fort Lee Commander, Major General Bill Hunzeker.

11 CONGRESSMAN SCOTT: Thank you, Madame Chairman and
12 members of the Commission. I'm going to be very brief
13 because I want General Hunzeker to make the presentation.
14 Just very briefly, what we're doing in BRAC is trying to save
15 money. And if all we do is shift money from the Fort Lee
16 line item to some other line item in the budget, we haven't
17 done anything.

18 The fact is that the same number of people will be
19 sick the year after we do whatever we do with BRAC than
20 before. And if their care will be handled under Champus,
21 which is more expensive, we haven't saved the government any
22 money at all. And we've added insult to injury because our

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1 military personnel, their families and retirees will be hit
2 with a copayment that they don't have at Fort Lee.

3 I would hope that we would look at the total
4 budget, look at what affect it will have on government, and
5 if there are no savings, not to do something stupid and close
6 the -- and realign the hospital. I'm going recognize, at
7 this point, Major General, Retired, William Hunzeker, former
8 commander of Fort Lee, who will speak specifically to all of
9 the issues.

10 GENERAL HUNZEKER: Thank you, Congressmen Sisisky
11 and Scott, Madame Chairman and members of the Commission.
12 I'm speaking now on behalf of the officials, seated over
13 here. Please raise your hands. They're the local community
14 and they are sponsoring this presentation. There are no
15 economic facts to be presented. We are not complaining about
16 the size of the reduction of Fort Lee. They are here because
17 of their interest in Fort Lee.

18 And this is a very difficult presentation for me,
19 because I'm going to say essentially the same thing that all
20 the other people have said today -- that it's a dumb thing to
21 do, and the savings won't accrue. And I have to do something
22 that's more exciting and more interesting than what's gone on

1 before, in order to capture your attention. So to do that,
2 I'm going to tell you what's different about Fort Lee and
3 Kenner.

4 It's located at Fort Lee, which is the center for
5 logistics for the Army. And as those of you with experience
6 in the services know, logistics is the foundations and the
7 sinews of success. No military operation, peacetime or
8 wartime, succeeds, particularly in this technological age,
9 without superb, superb logistic support. And that's what
10 Fort Lee is all about; it's the center of logistics.

11 Now, there's a lot of things about logistics that
12 are technical, et cetera, et cetera. But there is the human
13 element. The human element that we're concerned with is the
14 trained soldier. Fort Lee is a training center. 37,000
15 people will transit Fort Lee this year; 27,000 of them will
16 be military; 14,000 of them will be AIP trainees. These are
17 soldiers that have been in the Army for 56 days, and they
18 come to Fort Lee to learn their advanced specialty work.

19 They train hard, and they train daily, and they
20 train vigorously in all kinds of weather. The supply guys
21 and girls and women are Class I, II, POL and general supplies
22 -- the basic things you need, except for ammunition, on the

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1 battlefield. What they do daily will show up when they join
2 their units to do what they're going to do. So that's the
3 difference between Fort Lee and all the other installations
4 you've talked about, and the hospital reduction to take away
5 the in-patient capability.

6 Reduction of medical capacity at a training center
7 is personally, to me, not the thing to do -- and that's an
8 understatement. During my career, I had a chance to serve
9 with a great soldier who was a National Guard master
10 sergeant, commissioned in the field in Italy in the Big War,
11 rose to become the Chairman of the Joint Chiefs of Staff. I
12 had gone to him one day with the proposal to make some
13 economies in the medical system of the Army.

14 And he asked me a pointed question. He said, why
15 do soldiers do the things they do, and why do they go the
16 places they go, and what makes them fight? I said, what
17 makes them fight is that they are well-trained and they have
18 confidence in themselves, and they have good leaders and they
19 have confidence in their leaders. And then there's peer
20 pressure, because you're going to do what your buddy is going
21 to do. And all those are a part of it.

22 And he said, yes, that's right, Bill, but one more

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1 thing -- they know that when they're hurt, the Army's going
2 to take care of them. And I've seen that demonstrated over
3 and over again, particularly in Vietnam. That when you're
4 hurt, you really get taken care of. If we start putting
5 people out in the civilian hospitals from the training
6 center, and a training installation like Fort Lee, I am
7 concerned about the idea we're expressing to these soldiers.

8 We're going to go through these charts today. I've
9 made my speech, now let's look at some data. Next line.

10 What I'd like you to take away from this is the renovation,
11 the \$16.8 million renovation there for the hospital. It may
12 be reduced from BRAC, but physically, we're going to have a
13 hospital next year about this time that will be about 88
14 percent complete. Also look at the \$18 million in funding,
15 and something about the workload there in admissions.

16 Next chart. This is the DOD announcement, and the
17 first sentence is eminently correct. The second two
18 sentences are subject to interpretation. They want to remove
19 in-patient care, and the slice that they're going to take is
20 190 spaces. By examining the authorization document, the
21 people that are authorized there, you're not remotely come to
22 190 who are associated with in-patient care. At the worst

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1 case, it's probably 92; and at best case, probably 55. So if
2 they intend to do that, they are going to reduce the out-
3 patient capability, along with the in-patient. And that will
4 have a serious effect at Fort Lee.

5 The second point is nearby medical facilities.
6 There are no nearby medical facilities. Next chart, please.
7 This shows six or seven states. And you can see Kenner at
8 Fort Lee. There's nothing to the west of Fort Lee. The
9 nearest is DeWitt in the north, and we have a cluster, also,
10 to the southeast. I'd like to look at those two clusters
11 now. Do you have the next chart? I'd like you to address
12 the circle around Kenner and the shaded area. That is a 40-
13 mile catchment area.

14 Catchment area, in the medical of the Army and the
15 services, is where you control Champus. From the center, 40
16 miles in area, that's where your logical patient are. And
17 you control the Champus funds through nonavailability
18 statements at Fort Lee. Now, the rules of the game are that
19 if you lose your hospital, you lose the catchment area. And
20 that's documented behind those slides in the area where the
21 rules are.

22 What happens? About 75 percent of the population

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1 around Kenner go immediately to free Champus without the
2 requirements for a nonavailability statement, which is going
3 to increase costs, not really calculated in the Army's
4 proposal and the DOD proposal. The two clusters you see, one
5 is north -- there are five military facilities up there and
6 three military facilities in the south. And you see the
7 isolated Kenner and the isolated Patuxent.

8 It would seem logical to me that the more isolated
9 you are, the stronger you should be. And where you have
10 supporting medical facilities to help out, that's where your
11 reduction should take place. But that did not meet the logic
12 of the programs used, and that's just my logic. Next slide.
13 We need an in-patient capability at Fort Lee, because
14 soldiers, young soldiers, get those kind of things. And they
15 get injured and they suffer from dehydration on the hot days.

16 Now, those are not admissible in civilian
17 hospitals, because of the code. You get medicine, you go
18 home and you get better. But soldiers don't have a home --
19 well, trainees don't have a home. A lot of soldiers do have
20 a home. Trainees don't have a home. And the Army used to
21 send people to their quarters and stay in bed in the barracks
22 and get better with medication. But when too many people

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1 went away to their barracks and died, some 15 or 20 years
2 ago, they stopped doing that.

3 And so we need that facility, that sort of care for
4 soldiers who injure themselves. Next slide, please. Let's
5 look at the workload. I'd like for you to take from this
6 that the workload for in-patient visits, 1.2 percent of
7 workload. And 190 cuts are placed against that 1.2 percent.
8 We'll discuss the strength on the next slide. The next point
9 I'd like you to see is that the retired families consist of
10 30 percent of the workload of the hospital; and that's both
11 in-patient and out-patient.

12 Now, any detriment to capability at Kenner Army
13 Hospital, if it loses 10 percent, 20 percent, or 30 percent
14 of its capability. That means that the retirees will get no
15 service from Kenner Hospital, because active duty are seen
16 first. Detriment to out-patient care eliminates retirees.
17 Now, I know we can't organize the Defense Department for the
18 benefit of retirees, but it does impact. Let's look at the
19 next slide.

20 I'd like you to look here at the spaces related to
21 in-patients, and then look at the proposed reduction.
22 Getting an authorization number for the Kenner Army Hospital

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1 is somewhat difficult. But if you look at the early one,
2 5.91, and the reduction of 190 from 435 on the 2nd of
3 October, that will leave a strength at Kenner of 245 people,
4 or a 58 percent reduction in strength from what we started
5 with in 1 October.

6 Intent in-patient care reduction action, reduction
7 in total capability. And the villain is a benchmark model, a
8 computer model used by the medical department to run down and
9 see what a clinic should use -- untested, untried,
10 unpracticed, and applied to this. Next slide, please. In-
11 patient care, very briefly. Unfunded, the in-patient care
12 portion and the out-patient care is not even addressed as a
13 shortfall because they didn't plan it with that reduction.

14 And if we terminate the catchment area, that's
15 increased Champus cost. The savings will not accrue. Next
16 slide, please. When we set up the order of merit list for
17 Fort Lee, these are the various values we got. The bottom
18 line is that, with the 5.91 at the bottom of the slide, Fort
19 Lee and Kenner -- 60 installations ranked below Fort Lee and
20 Kenner at that point. Not many below, in the order of merit
21 lists. Next slide, please.

22 This is where we deploy people to. The medical

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1 people are important in deploying for shots and medical
2 supplies. Can't deploy that way without adequate medical
3 support, and that's where the soldiers go. Next slide,
4 please. This is about what I've told you. There's a minute
5 and 15 seconds to go. Military value of Fort Lee is shown
6 there. Power projection and what a soldier needs to go to
7 the battlefield with a warm feeling in his heart.

8 The isolation, statistical rating scheme don't
9 measure the training activities at Fort Lee, the benchmark
10 model and the impact upon retirees. Next slide, please. DOD
11 proposal, not desirable, cost-effective. And we suggest that
12 you reverse that and recommend retaining the in-patient at
13 Fort Lee. Next slide, please. I have 29 seconds for
14 questions.

15 CHAIRWOMAN COX: Very efficient and productive.

16 GENERAL HUNZEKER: Thank you very much

17 CHAIRWOMAN COX: Thank you very much. It was a
18 very helpful and informative presentation.

19 GOVERNOR ALLEN: Madame Chairman?

20 CHAIRWOMAN COX: Yes, Governor Allen.

21 GOVERNOR ALLEN: I'd like to just thank Congressman
22 Scott and thank Congressman Sisisky and General Hunzeker for

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1 their presentation. I'd now like to recognize, for five
2 minutes, Congressman Tom Davis, representing the 11th
3 Congressional District, who will address the Army Information
4 Systems Software Command in Arlington, Virginia, for five
5 minutes.

6 CHAIRWOMAN COX: Congressman Davis, welcome. Happy
7 to see you.

8 CONGRESSMAN DAVIS: Thank you.

9 CHAIRWOMAN COX: Did I get you on the oath earlier?

10 CONGRESSMAN DAVIS: You got me under oath. I was
11 in the back here, and left Chris earlier today to retreat and
12 talk about balancing the budget.

13 CHAIRWOMAN COX: We're pleased to have you here.

14 CONGRESSMAN DAVIS: Thank you, and thank you,
15 Governor. Madame Chairman and Commissioners, on the face of
16 it, it appears that moving 450 military and civilian
17 personnel and equipment of the Army's Information Systems
18 Software Development Center from leased space in Fairfax
19 County, to government space in Fort Meade, Maryland, seems to
20 make sense, on the face of it. Because it's ostensibly an
21 in-area move and personnel would be transferred to the new
22 facility at Fort Meade without layoff.

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1 And with the pressure on the services to move out
2 of leased space, it appears to be a good move. But it's
3 really a bad decision, when you look underneath of it, for
4 the Army and the government. And I would urge you to have
5 the Army review this move thoroughly. The Army ISSC has been
6 in Fairfax County for 20 years. When the Army went to move
7 the ISSC out of its old facility -- and on the maps we have
8 given you, we show you where the old facility was -- which
9 was also leased space, and into new spaces, the Army
10 specifically requested that GSA look for a location in
11 Northern Virginia.

12 They even set the boundaries, as you can see on the
13 map that each of you have been provided. The Army sought a
14 location close to its Fort Belvoir and Pentagon customers,
15 and close to where most of its employees had settled during
16 the past 20 years. This was the Crown Ridge building,
17 located at the junction of I-66 and Route 50. GSA signed a
18 lease with the landlord for six years, starting May 29th,
19 1994, and that lease runs through May 28th, 2000.

20 A total of \$7.2 million dollars was spent by the
21 landlord and the Army to upgrade the building to meet the
22 unique requirements of the Army ISSC. The landlord spent

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1 \$1.3 million; GSA spent \$2.9 million; and DOD spent \$3
2 million to get this building ready and up for the computer
3 advanced technological equipment that's required. In fact,
4 they're still in the process of upgrading and moving into the
5 space.

6 Now, after this investment, the Army is proposing
7 to move the ISSC to Fort Meade, Maryland, in an attempt to
8 save \$8 million over 20 years. Apparently, the Army can now
9 move out of the space it asked GSA to rent without penalty
10 for appropriate notice provided. Unfortunately, the GSA and
11 the American taxpayer -- GSA is still obligated for the six-
12 year term of the lease. So the Army may be able to move the
13 savings off its books, but there's another \$9 million in
14 obligation to pay for that lease over the next three years.

15 If the Army moves out, GSA has an empty building on
16 its hands. Not only that, but this is not an easy space for
17 the GSA to find government customers for. Traditionally, GSA
18 would look for locations in some proximity to mass transit,
19 the subway, trains and bus lines. But this location is well
20 beyond the Beltway, and there are no easy connections to mass
21 transit.

22 To quote GSA, regarding Army plans to move out of

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1 this building, "The building was leased specifically for the
2 Army, and was altered to suit their specific needs. Other
3 federal agencies have not expressed interest in the location,
4 and the building might be difficult to market." And yet
5 there is \$9 million of obligated lease payments, after the
6 proposed Army move out of here, that have got to be paid, no
7 matter what happens.

8 In addition, the Army is going to have to convert
9 four built facilities at Fort Meade. The COBRA model figures
10 used by the Army indicate it would have to spend roughly \$5
11 million to renovate space at Fort Meade and again move the
12 ISSC. However, the Army has been unable to find existing
13 space at Fort Meade, and now, after the initial report, the
14 Army is looking at building a new facility for ISSC.

15 If new construction is being considered by the
16 Army, even those back of the envelope COBRA numbers are
17 incorrect. Before we go any farther with this move, we need
18 to get accurate COBRA numbers on new construction. It's my
19 understanding the Army is in the initial stages of reworking
20 the numbers to reflect new construction. I don't think any
21 action should be taken on this move until we get those new
22 COBRA numbers.

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1 So at a minimum, the government spends \$11 million
2 to renovate the Crown Ridge facility and the Fort Meade
3 facility to accommodate ISSC. But if the Army gets its way,
4 then the government also will pay \$3 million per year lease
5 for a building which may sit empty for three years -- another
6 \$9 million. This is not how Congress intended the BRAC
7 process to work. The objective is to reduce cost for the
8 government, not just the military services.

9 Clearly, the Army should have made the move before
10 it asked GSA to sign a six-year lease. And as the people
11 from ISSC in the audience will contend, there's a human and
12 operational impact that's not been factored in. If ISSC is
13 moved to Fort Meade, there will be another move to contend
14 with, and normal work disrupted. It's a one-and-a-half hour
15 commute, one way, to the new Fort Meade facility. ISSC
16 civilian personnel -- roughly two-thirds of this command
17 personnel have built their lives in Fairfax and Northern
18 Virginia over the last 20 years.

19 The Army still has fundamental unanswered questions
20 that need to be addressed before this move goes forward.
21 Specifically, the Army's COBRA numbers were based on
22 renovating existing space at Fort Meade. Now they're looking

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1 at new construction, and you still have \$9 million in
2 obligated lease payments whatever happens. Thank you very
3 much.

4 CHAIRWOMAN COX: Thank you very much, Congressman
5 Davis, for that informational presentation.

6 GOVERNOR ALLEN: Madame Chairwoman, to represent
7 the Navy space and warfare command, we have the Honorable
8 Ellen Bozman, who's a member of the board of supervisors in
9 Arlington County, who will address this facility with other
10 witnesses. And I would -- we'd like to grant her 10 minutes
11 on this subject.

12 CHAIRWOMAN COX: Thank you. We're very happy to
13 have you here.

14 MS. BOZMAN: Thank you, Madame Chair. As an
15 elected member of the Arlington County Board for over two
16 decades now, and also as a former budget examiner at the
17 Bureau of the Budget, the predecessor to OMB, I've analyzed a
18 good many government proposals, both good and some ill-
19 advised. Today my copanelist, who is recognized defense
20 expert, Barry Blechman, and I come to ask you to challenge
21 the proposed move of SPAWAR for five primary reasons.

22 There are five primary reasons not to move SPAWAR.

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1 The first is, the proposed move is not in the national
2 interest, and would compromise military and mission
3 effectiveness. Second, SPAWAR contractors suggest that
4 moving the command across the country will result in reduced
5 efficiencies and, as a result, higher contract costs and
6 potentially less effective space and naval warfare systems.

7 Third, many of the existing synergies with its
8 clients and contractors who are located in or near the
9 national capital region will erode. SPAWAR's current
10 location is just two Metrorail stops from the Pentagon and
11 approximately a 20-minute trip from the proposed new NAVSEA
12 location at the Navy yard. Two of SPAWAR's primary clients,
13 NAVSEA and NAVAIR are to remain close by. Creating
14 unnecessary distance between SPAWAR and its customers does
15 not make good business sense.

16 We believe that if you look closely, you will find
17 the cost of SPAWAR to be vastly understated. The relocation
18 proposal does not list any construction or facility
19 reconfiguration costs. And its legitimate to challenge the
20 Navy's assumptions. For example, in 1993, we stated that the
21 projected cost to move NAVSEA to White Oak were vastly
22 understated. In less than one year, a congressionally

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1 mandated Navy analysis demonstrated our point. And the
2 result is the redirect proposal for NAVSEA, which is now
3 before the commission.

4 Finally, Arlington County and Northern Virginia
5 provide a number of important benefits. Let me mention
6 three. We have the highest -- one of the highest educated
7 workforces in the entire United States, due in part to our
8 excellent public school systems. But whether employers seek
9 post-graduates or software experts or electrical engineers,
10 the region has them. Statistically, we rank near the top of
11 the labor force in the country.

12 The region and the state provide excellent
13 transportation access by a nearby interstate, National
14 Airport and the Metro system. And our quality of life
15 attracts and retains residents. In fact, Arlington County
16 was recently judged one of the safest communities in the U.S.
17 So the conclusion that I believe should be reached in the
18 Northern Virginia, Arlington County and the current Crystal
19 City location of SPAWAR is the best location in which the
20 command can fulfill its vital mission.

21 I strongly urge you to review the SPAWAR proposal
22 and reconsider the proposed move. And I thank you. Dr.

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1 Blechman.

2 CHAIRWOMAN COX: Thank you, Ms. Bozman.

3 DR. BLECHMAN: Madame Chairwoman, members of the
4 Commission, it's been a long day for you. Fortunately, I
5 have a clear and compelling case, and I'll be able to be
6 quite brief. As you know, the Defense Department
7 recommendation reverses the 1993 BRAC recommendation to
8 retain SPAWAR in the national capital region. In fact, it
9 also reversed the Navy's recommendation, during the Fall of
10 1994 data call, that SPAWAR should remain in the national
11 capital region.

12 This sudden reversal, we believe, was unfounded and
13 threatens the effectiveness of the command, and does not take
14 account of the cost involved in the move. Essentially, these
15 are the two points I'd like to leave with you. Utilizing the
16 Navy's old conclusion, during the '94 data call, I think it's
17 clear that the move would undermine the military
18 effectiveness of the command. And secondly, that the move
19 would yield uncertain economic payoffs.

20 With respect to effectiveness, there are four ways
21 that the move would have adverse effects. In the first
22 place, it would diminish the ability of the command to

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1 coordinate with its clients, with the people in the Navy
2 acquisition and with the other systems command, with whom it
3 works on a daily basis. I think the bottom quote here -- and
4 all these quotes are from the Navy's own submissions -- to
5 the Defense Department makes very clear the close
6 coordination that's required.

7 This is particularly important with respect to the
8 dynamic technologies associated with command control
9 communications and intelligence. So this is the key point
10 here. SPAWAR works on the cutting edge of military
11 technology. It's the most sensitive aspect of our hardware
12 and software developments, and it requires very close
13 cooperation with designers of ships and aircraft and the
14 other systems that are utilized here.

15 Secondly, SPAWAR carries out a great number of
16 international programs. I had a recent conversation with an
17 officer there who alone managed 12 of these programs, with
18 eight different nations. A move out of Washington would make
19 his coordination extremely difficult. Thirdly, the Navy
20 itself concluded that moving SPAWAR outside of the national
21 capital region would create unacceptable security risks.

22 I don't think you can emphasize this point enough.

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1 The design of these information systems, of undersea warfare
2 systems and of overhead intelligence, space face intelligence
3 systems, are the very most sensitive technologies that we
4 work on. No matter how good our cryptographers may be,
5 moving design information over across the country would be a
6 very risky proposition.

7 So in summary -- sorry, one fourth point. Moving
8 the command would jeopardize the high caliber workforce that
9 it has now. This includes not only the command's own
10 employees, but the contractor community which has grown up
11 around it in this region. To summarize, the move would hurt
12 military effectiveness and, using the Navy's own words, if
13 SPAWAR were relocated outside the NCR, the mission would be
14 performed slower with greater technical risks at a greater
15 expense.

16 A decision to reverse that decision has to explain
17 how it differs from this conclusion -- why this conclusion
18 was incorrect. And we haven't been able to see it in any of
19 the submissions the Defense Department has made. Finally,
20 let me turn to the questionable assumptions about the
21 economy. The savings from this move, the sensible savings
22 driven by a personnel consolidation said to be made possible

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1 by moving the command closer to its subordinate units. But
2 this is not a base closing.

3 We're not saving people because we're able to get
4 rid of people that operate a base, that maintain and generate
5 the security and so forth. If there is a consolidation
6 possible, that consolidation should be possible, or at least
7 most of it, with the command in its current location.
8 American corporations throughout the country have streamlined
9 their workforces, made typically 20 percent reductions in
10 workforces without physical dislocations like this.

11 So the bulk of the savings should be available
12 without the move. Secondly, there's one gaping hole in the
13 analysis here. There are no costs for construction in San
14 Diego. Now, I have a 20-person company. I can't move that
15 company without incurring a great deal of cost. There's no
16 allowance made for the secure facilities that SPAWAR
17 requires, which are very expensive; for the very
18 sophisticated computer networks that are required; for the
19 very sophisticated communications systems that would be
20 required; and so forth.

21 Obviously, some construction costs are necessary,
22 and there's no allowance for any of them. Nor is there an

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1 allowance for the added cost of carrying out their mission if
2 this move were made. SPAWAR personnel would have to fly back
3 to Washington to coordinate with NAVSEA, NAVAIR and its other
4 customers very frequently. And there's move for those kinds
5 of expenses.

6 So to conclude, I think on two grounds, military
7 effectiveness and exaggerated cost savings, the Commission
8 should move to rescind this recommendation and keep SPAWAR in
9 the national capital region. Thank you very much.

10 (Applause.) Sorry. I'd be happy to answer any questions.

11 CHAIRWOMAN COX: I think we're all without
12 questions at this moment. Thank you very much, and we may
13 want to follow up.

14 GOVERNOR ALLEN: Madame Chairwoman?

15 CHAIRWOMAN COX: Governor Allen.

16 GOVERNOR ALLEN: Madame Chairwoman, our final
17 installation that we would like to address from the Virginia
18 team is actually a combined effort for the naval air station
19 Oceana and the naval aviation depot in Norfolk. Congressman
20 Owen Pickett from Virginia's 2nd District has some important
21 comments to make. He will introduce the mayor of Virginia
22 Beach, and I would like to allocate them 10 minutes for this

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1 presentation.

2 CHAIRWOMAN COX: Congressman Pickett, Mayor, we're
3 very happy to have you.

4 CONGRESSMAN PICKETT: Madame Chairman and members
5 of the Commission, it's my pleasure to be here today to
6 discuss BRAC '95 realignments affecting military
7 installations in my district and Hampton Roads, Virginia.
8 With me is the Honorable Meyera Oberndorf, who is the mayor
9 of the city of Virginia Beach. Let me say at the outset that
10 there are both gains and losses for the military
11 installations in my district.

12 But I do support the recommendations of the
13 Secretary, made for my district. Madame Chairman, Mayor
14 Frain of the city of Norfolk had intended to be here. I
15 would like to ask that his statement be made a part of the
16 record at this time.

17 CHAIRWOMAN COX: We would be very happy to have his
18 statement.

19 CONGRESSMAN PICKETT: Concerning the naval air
20 station Oceana, Virginia, the redirect of FA-18 squadrons
21 from NAS Cecil Field, Florida, to NAS Oceana, Virginia, and
22 the redirect of S-3 squadrons from NAS Cecil Field to NAS

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1 Jacksonville have perhaps received the most attention and
2 publicity. These recommendations, however, are fully
3 supported and justified by a thorough, complete and detailed
4 analysis prepared by the Navy, based on validated confirmed
5 and certified data.

6 This redirect of naval aircraft is consistent with
7 the purpose and objectives of the Base Closure and
8 Realignment process, which is to size and shape of military
9 infrastructure to support our national security requirements
10 in the most cost-effective and operationally efficient way.
11 The General Accounting Office, in making its statutory review
12 of DOD's BRAC '95 process, concluded that the Navy's process
13 and recommendations for the air stations category were sound.

14 Redirecting the FA-18s and single-siting the F-14s
15 at Oceana will not overload this base. During the decade of
16 the 1980s, an even larger number of aircraft were
17 successfully and routinely accommodated at this very capable
18 and well-equipped master jet base. The infrastructure,
19 support facilities, and community quality of life resources
20 are all in place and ready for use.

21 And speaking about losses in my district, I might
22 mention that there are two helicopter mine countermeasure

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1 squadrons now stationed at the Norfolk naval base that are
2 proposed to be relocated to the Navy's mine warfare center of
3 excellence at Engleside, Texas. While we understand the
4 reasons for this move, we will still best define military
5 members and their families and their community.

6 Concerning naval aviation depot Norfolk, in a
7 letter dated March 2nd, 1995, I requested the Commission to
8 review the BRAC '93 decision concerning naval aviation depot
9 Norfolk. Of all F-14s being single-sited at NAS Oceana, just
10 20 miles from NADEP Norfolk, there are stronger arguments now
11 to support the need for this premier F-14 maintenance
12 facility. The target date for closure of this facility is
13 now September 30, 1996.

14 I request the Commission to consider reversing or
15 modifying the action taken in the BRAC '93 process with
16 respect to NADEP Norfolk. There are new facts bearing on
17 this issue that should be thoroughly considered by the
18 Commission in its review process this year. Closing this
19 facility, as presently scheduled, defies logic and common
20 sense. I hope you will agree. It's now my pleasure to
21 present the Honorable Meyera Oberndorf, mayor of the city of
22 Virginia Beach.

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1 Mayor Obendorf has been vigorous and consistent in
2 furthering the strong ties Virginia Beach has with the
3 military. She is a tireless worker on behalf of our military
4 families, and recognizes the importance to them of quality of
5 life programs.

6 MAYOR OBENDORF: Thank you, Congressman Pickett,
7 Madame Chairman and distinguished members of the BRAC '95
8 Commission. Good afternoon. I've been with you since early
9 this morning, so I know your endurance defies description.
10 As mayor of the 37th largest city in the nation, I am
11 delighted to be here and honored to have the opportunity to
12 speak to you today. I would like to take just a few minutes
13 of your valuable time to express our sincere appreciation for
14 all your hard work on a most difficult tasking -- right-
15 sizing our country's military infrastructure.

16 As a city with a long history of strong ties to its
17 military, the citizens of Virginia Beach are keenly aware of
18 the magnitude of your charter, and fully realize, when times
19 are tough, and bucks are tight, some unpopular and sometimes
20 gut-wrenching decisions must be made to ensure our nation's
21 military remains efficient and effective, but second to none,
22 as we move rapidly towards the 21st century.

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1 Downsizing and realignment stir great emotion,
2 regardless of whether they are in the loss or gain column.
3 During previous BRAC rounds, the city of Virginia Beach has
4 been on both sides of the coin. Today, however, I am pleased
5 to announce we strongly concur with the BRAC '95 decision
6 concerning the realignment of naval air station Oceana, as
7 put forth by the Secretary of the Navy and subsequently
8 approved and announced by the Secretary of Defense, on the
9 28th of February, 1995.

10 It is, without question, the logical decision for
11 a multitude of reasons. But the main issue that cannot be
12 denied concerns real and substantial tax dollar savings.
13 Single-siting the Navy's F-14 Tomcat community; redirecting
14 eight fleet squadrons and one fleet replacement squadron of
15 FA-18 Hornets from NAS Cecil Field, Florida; and moving the
16 Navy's East Coast F-3 Viking community to NAS Jacksonville,
17 Florida, will result in an upfront savings equivalent to
18 closing a major naval air station on either coast.

19 The above realignment initiative will result in a
20 combined upfront savings to the American taxpayer of over
21 three-quarters of a billion dollars. Yes, that's over three-
22 quarters of a billion, with a capital b, and that's not small

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1 potatoes. The city of Virginia Beach has taken bold actions
2 on several initiatives in close cooperation with the
3 commanding officer to ensure NAS Oceana continues its role as
4 the Navy's premier master jet base.

5 On August the 23rd, 1994, Virginia Beach city
6 council unanimously approved a comprehensive airport zoning
7 ordinance, limiting the height of structures around the
8 airfield; requiring existing owners and realtors to disclose
9 the noise zone potential to potential buyers; and requiring
10 any structure built in the noise area to incorporate acoustic
11 treatments of their construction; and defined what could be
12 built, in terms of compatible use in any of the noise zones
13 around the field.

14 In addition, we have budgeted approximately \$25
15 million to move two elementary schools built over 40 years
16 ago, now presently located in the NAS Oceana accident-
17 potential zone. Our school board has selected the alternate
18 sites, and engineers are currently engaged in the necessary
19 design work. Also, we are pleased that we have agreed and
20 signed an agreement with the state of North Carolina,
21 allowing the Lake Gaston water supply project to be completed
22 in 1998.

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1 I can assure you, the city of Virginia Beach and
2 her sister cities that make up the greater Hampton Roads
3 area, already have the community infrastructure in place to
4 provide the absolute finest in the quality of life for our
5 wonderful soldiers, sailors, airmen, marines and civil
6 service employees and their dependents. Overcrowding is a
7 non-issue.

8 As a matter of fact, I have been told by reliable
9 sources that by the time the BRAC '95 initiatives are
10 executed, the base loading at NAS Oceana, with respect to the
11 number of personnel, number of squadrons and total aircraft,
12 will be at a level below what has already been assigned there
13 during the mid to late 1980s, prior to both Operation Desert
14 Shield and Desert Storm.

15 Therefore, this is not new ground for the city of
16 Virginia Beach. And we look forward to the sound of freedom,
17 and we welcome our new residents.

18 CHAIRWOMAN COX: Thank you very much. (Applause.)
19 Governor, I think that's the last of the group on our list.
20 Do you have anything?

21 GOVERNOR ALLEN: I know we may have some time left,
22 but unless you have any questions, all I would like to say

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1 is, I'm very proud of our team from Virginia -- all the local
2 support groups, local government officials, our members of
3 Congress, members of the General Assembly, the generals who
4 came here, General Gray and Hunzeker and Colonel Williams.

5 And I hope and trust that our comments you found to
6 be cogent, instructive and useful as you deliberate in these
7 matters when you have to be discussing and understanding
8 everything from Hornets to health care to tank ranges to air
9 space to cryptology -- or cryptography. And we thank you for
10 your care and consideration, and hope and trust you will
11 exercise good judgment for the people of America. And thank
12 you for your service.

13 CHAIRWOMAN COX: Thank you very much. And we did
14 indeed find your comments and thoughts across the board to be
15 very cogent and very interesting. And we appreciate everyone
16 who was here today, particularly everyone led by their
17 governor. Thank you very much.

18 GOVERNOR ALLEN: Thank you, thank you. (Applause.)

19 CHAIRWOMAN COX: We will now be moving on to the
20 state of North Carolina. (Applause.) Welcome. If you all
21 are ready, we have 20 minutes allocated to this. And we're
22 most pleased to see quite a distinguished group representing

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1 the state of North Carolina. Let me turn it over to you all
2 to start with the program

3 CONGRESSMAN JONES: Madame Chairman, members of the
4 Commission, I am Walter V. Jones, Jr., representative for the
5 3rd District of North Carolina. With me today are Governor -
6 -

7 CHAIRWOMAN COX: I'm sorry, I neglected a very
8 important job. Statute does require that we swear all
9 witnesses in before testimony, otherwise, we cannot take the
10 testimony. So if you all would allow me, and raise your
11 right arm -- right hand, excuse me.

12 (Witnesses sworn.)

13 CHAIRWOMAN COX: Thank you very much. I'm sorry to
14 interrupt, and we'll start your time over.

15 CONGRESSMAN JONES: Thank you. Madame Chairman,
16 members of the Commission, I am Walter V. Jones, Jr.,
17 representative for the 3rd District of North Carolina. With
18 me today are Governor James B. Hunt, Jr.; Senator Jesse
19 Helms; and Senator Lauch Faircloth; and Representative Eva
20 Clayton.

21 CONGRESSMAN CLAYTON: Madame Chair and members, I
22 want to thank you for this opportunity to be part of a team

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1 to make the case for relocating the Navy wing from Cecil
2 Field, Florida, and Beaufort, South Carolina, to Cherry
3 Point. I believe the case is compelling, and I ask that my
4 full statement be entered to the record.

5 CONGRESSMAN JONES: Madame Chairman, we are here
6 today representing the people of North Carolina to request
7 that this Commission apply the law, the spirit of the law and
8 the rationale of the BRAC '93 Commission when it decided the
9 F-18 aircraft from Cecil Field, Florida, to Cherry Point
10 Marine Air Station in North Carolina. I cannot overstate the
11 impact of your decision on the people of my district and the
12 district represented by Mrs. Clayton and on our state.

13 Madame Chairman, we share the desire for an
14 efficient and a cost-effective operation. We believe our
15 case is compelling. Governor Hunt will address our opening
16 issues. Thank you.

17 CHAIRWOMAN COX: Thank you, and welcome, Governor
18 Hunt. (Applause.)

19 GOVERNOR HUNT: Madame Chairman and members of the
20 Commission, in 1993, the Base Closure and Realignment
21 Commission, on the basis of military value determinations,
22 concluded that the aircraft in Cecil Field should be

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1 redistributed from NAS Cecil Field to MCAS on the East Coast,
2 Cherry Point and Beaufort. The Commission's rationale was
3 that such a realignment would -- and let me quote here --
4 "dovetail with the recent determination for joint military
5 operations of Navy and Marine Corps aircraft."

6 The BRAC Commission in 1993 understood that
7 interservice, joint military operations were necessary in
8 order to achieve the most efficient, cost-effective
9 utilization of our military resources. In addition to the
10 interservice rationale, the '93 Commission also concluded
11 that the realignment of the F-18 aircraft at Cherry Point
12 "alleviated concerns with regard to future environmental and
13 land use problems."

14 As a result of the BRAC '93 directives, the Navy
15 has already spent approximately \$25 million in preparation
16 for receiving the aircraft at Cherry Point. This expenditure
17 was entirely reasonable, in light of the unassailable
18 rationale provided for the decision by the '93 Commission.
19 It made sense then, and it makes sense now. The Department
20 of Defense now, however, proposes to ignore the BRAC '93
21 Commission decision and its underlying rationale.

22 It recommends redirecting the F-18 aircraft from

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1 Cecil Field to Oceana, rather than to Cherry Point. A few F-
2 18 aircraft also would be assigned to Beaufort, South
3 Carolina, and Atlanta, Georgia. Madame Chairman, we
4 respectfully suggest that this commission consider the
5 Department of Defense recommendation to be a substantial
6 deviation from the BRAC criteria; a deviation, as we will
7 make clear today, which will not stand scrutiny, and ought to
8 be reversed.

9 What happened between 1993 and 1995? And why did
10 it happen? To answer these questions, it's important to
11 first understand -- and I think this is crucial, Madame
12 Chairman -- to understand that Oceana was considered by the
13 '93 Commission as a potential receiver for the F-18 aircraft.
14 And the Commission concluded that "the movement of Cecil
15 Field F-18 aircraft and personnel to NAA and NAS Oceana
16 defeats the increase in military value achieved by the
17 integration of Navy carrier-based aviation with the Marine
18 Corps carrier aviation at Cherry Point and Beaufort.

19 Oceana was not overlooked; it was specifically
20 considered and rejected as an appropriate receiver site for
21 these airplanes. We contend the rationale which supported
22 that conclusion in 1993 is still fully applicable in 1995.

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1 And in light of new, tight budget constraints, it's even more
2 relevant today. To justify ignoring the directive of the '93
3 Commission, it was necessary to change the playing field.

4 Accordingly, the 1995 Navy recommendation to the
5 Department of Defense included a so-called rule that -- and I
6 quote -- "the introduction of aircraft types not currently
7 aboard a station is not allowed." This rule, of course,
8 would eliminate Cherry Point as a receiver of F-18s, but
9 would qualify Oceana as a receiver site because of the
10 existence of only one Reserve squadron of F-18s at Oceana.
11 But adherence to this rule would more than eliminate Cherry
12 Point as a potential receiver.

13 Madame Chairman, it would destroy the interservice
14 synergy dictated by the '93 Commission decision. The rule is
15 clearly designed to direct the F-18s to Oceana. Now, a
16 review of the cost avoidance and related numbers attributed
17 to the '93 decision and the 1995 DOD recommendations provides
18 another example of the Navy's efforts to justify ignoring the
19 '93 decision.

20 In 1993, after a thorough study, the Commission
21 determined that the costs -- this is what they said then --
22 it would cost \$228 million to move the F-18s to Oceana, and

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1 only \$147 million to move them to Cherry Point. These
2 numbers were based on the relocation of 13 12-plane squadrons
3 and a training squadron. Now, in 1995, the Navy recommends
4 to DOD, and DOD is recommending to you, an estimate that
5 would cost only \$28 million to move the aircraft to Oceana,
6 but \$332 million to move it to Cherry Point.

7 How is this \$385 million flip-flop possible? Is
8 there any basis and logic for it? The answer is clearly no.
9 The Navy's explanation for the dramatic difference in the
10 Commission's '93 cost determination and the Navy's '95
11 numbers includes the reduction of squadrons from 13 to eight.
12 It's important, however, to note that the Navy's 1995 cost
13 figures submitted contain a plain mistake.

14 They are based on an estimate of different numbers
15 of planes. They assume 204 planes being transferred to
16 Cherry Point, but only 144 going to Oceana. That's a big
17 part of the difference in these costs. And that's just a
18 mistake. In addition, the Navy contends that the costs
19 attributed to Oceana would be offset by phasing out 56 A-6
20 aircraft and the redirection of S-3 aircraft to NAS
21 Jacksonville. Incidentally, that would be a violation of
22 their new so-called rule.

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1 These factors simply cannot account for the
2 difference in the '93 Commission cost determination of \$228
3 million at Oceana and only \$28 million today under the new
4 proposal. In addition, the Navy's 1995 cost estimate for
5 Cherry Point includes a \$42 million cost for additional
6 family housing units, although the Navy itself has done a
7 study and shows that Cherry Point -- that these units are not
8 required at Cherry Point. This was an earlier study.

9 \$39 million is put in at Cherry Point for
10 additional enlisted quarters, despite an existing excess
11 capacity of 35 percent there now. \$25 million is put in at
12 Cherry Point for an unnecessary and counterproductive
13 parallel taxiway. Madame Chairman, the DOD recommendation is
14 replete with inaccuracies. We just urge you to look at that
15 hard. I know that your staff is doing it now.

16 We're presenting accurate information to you today
17 and in our stuff we're getting to you; and that will present
18 to you the real facts. I would like to have about a minute
19 to close, if I may, Madame Chairman, after our senators
20 present. Now I'm very pleased to turn over our case to North
21 Carolina senior Senator Jesse Helms, who is the Chairman of
22 the U.S. Senate Foreign Relations Committee. (Applause.)

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1 CHAIRWOMAN COX: Thank you very much, Governor
2 Hunt, and welcome, Senator Helms.

3 SENATOR HELMS: Madame Chairman, thank you so much
4 for the opportunity for us to appear to discuss the Defense
5 Department's recommendation that 11 squadrons of Navy F-18
6 aircraft be transferred from Cecil Field in Florida to
7 Oceana, Virginia, and Beaufort, South Carolina, instead of to
8 Cherry Point, as was initially determined by the 1993 Base
9 Closure Commission, on which a lot of planning was done and a
10 great deal of money was spent.

11 Now, if we sound like an a cappella choir here,
12 it's because we're singing the same hymn; and I think we'll d
13 the best we can. But I'll tell you, we feel a little bit
14 like we've been left at the altar by the 1995 Base Closure
15 Commission -- or the Defense Department, rather. But I thank
16 you also for accommodating us and having this meeting today
17 near Baltimore, instead of Alabama or somewhere like that.

18 Now, with all due respect, Madame Chairman, when it
19 comes to the disposition of the F-18s currently stationed at
20 Cecil Field, the 1993 Base Closure Commission had it right;
21 and the current Department of Defense had it wrong. As Al
22 Smith used to say, let's look at the record. During the past

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1 10 years, more than \$400 million has been invested in new
2 infrastructure at Cherry Point, based upon the 1993 BRAC
3 determination.

4 Now, based on the determination back there that
5 these fighter planes would be transferred to Cherry Point,
6 and there seemed to be no question about it, not doubt about
7 it at the time, approximately \$25 million, therefore, was
8 spent in preparing for the arrival. During the past seven
9 years, 16 new bachelor enlisted quarters have been built.
10 And in 1994, a new naval hospital was opened, providing
11 first-rate medical care for military personnel and their
12 families who were expected, as a result of the 1993 assurance
13 as we took it.

14 In the past year, new water and sewage treatment
15 facilities have come on line, with excess capacity, I might
16 add, in anticipation of the growth at Cherry Point. And
17 because of these and other factors, Cherry Point has twice
18 been awarded the Commander In Chief's award for installation
19 excellence, and has won various environmental awards on
20 numerous occasions.

21 And as the servicemen and women currently stationed
22 at Cherry Point will attest of it, there are few, if any,

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1 more desirable places to live in America. The crime rate is
2 low; the cost of living is reasonable; there's no congestion,
3 urban sprawl or pollution. Those who live in Cherry Point
4 and its surrounding communities recognize that they have no
5 higher responsibility than to take care of the courageous
6 young men and women who are charged with protecting the
7 freedoms and the liberty of the American people.

8 The bottom line is that the military personnel and
9 dependents who will be transferred, along with the fighter
10 planes, will be well taken care of, should you abide by the
11 1993 BRAC decision, which we pray that you will. Now,
12 stationing these Navy aircraft at Cherry Point will also
13 promote the goal of interservice cooperation advocated by the
14 Defense Department itself, as a means of stretching U.S.
15 defense dollars -- and where I work, that's very important --
16 and preparing our troops for future conflicts.

17 That was the judgment of the 1993 BRAC. It was the
18 correct judgment, we insist. And if the Navy or Marine
19 Corps, with their common heritage and common mission, cannot
20 train and work together, then how realistic is it to expect
21 further association of the Army, Navy, Air Force and Marines?
22 And finally, Madame Chairman, in all sincerity, there is the

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1 issue of fairness.

2 The overwhelming majority of Navy air-to-ground
3 training occurs in and over the state of North Carolina. So
4 if the aircraft are stationed at Oceana, the end result will
5 be that North Carolina will get all of the noise, all of the
6 negative environmental impact of the aircraft, but none of
7 the economic benefits. If the pilots flying these aircraft
8 are going to train in and over North Carolina, they should be
9 based there as well.

10 As I close, let me raise a question; and it's
11 relevant. I understand that in recommending that their jets
12 be transferred to Virginia instead of to Cherry Point, the
13 Navy state that it needs the aircraft stationed close to
14 their home aircraft carriers at Norfolk. If that is the
15 case, Madame Chairman, then why did the Navy recommend that
16 F-14s, whose home carriers are docked in San Diego,
17 California, also be transferred to Virginia?

18 Madame Chairman and members of the Commission,
19 thank you for the opportunity to let us state our case as to
20 why America's national security and the care and training of
21 our young servicemen and women will be both best served if
22 the decision of the original 1993 Base Closure Commission is

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1 reaffirmed. At this time, it's my pleasure to present my
2 colleague and good friend, the junior senator from North
3 Carolina, Lauch Faircloth. Mr. Faircloth. (Applause.)

4 SENATOR FAIRCLOTH: Thank you, Jesse, and good
5 afternoon, Madame Chairman and members of your staff and
6 ladies and gentlemen. I am Lauch Faircloth of North
7 Carolina. I was born, reared, and lived in Clinton, North
8 Carolina, which is about 80 miles to the west of Cherry
9 Point. In Eastern North Carolina, we have a relatively
10 unpopulated forested area, which ideally suits itself to
11 military training and to training which lends itself to
12 safety.

13 You don't fly over large shopping malls, or have
14 thickly populated areas to land in Cherry Point. The density
15 is not what you will find in Norfolk or Oceana. It's simply
16 a fact. Our landing patterns and training routes are clear,
17 unimpeded, and our communities do not in any meaningful way
18 encroach on the one-way and training area. I know the
19 hardworking and independent nature of the citizens of North
20 Carolina. And I can tell you, they welcome the military and
21 need the jobs that these planes will bring.

22 The economic impact of this move on an area such as

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1 Hampton Roads, with an existing population of 1.5 million
2 people, is negligible. However, the economic impact on
3 Craven and Crower County is 15 times greater. Even if
4 everything were equal, which it isn't, this one criteria
5 should determine the issue in favor of Cherry Point.

6 Our military value is unsurpassed. Cherry Point
7 has four 8,000-foot runways with excellent approaches. In
8 fact, a '93 Commission determined that there was ample
9 capacity for five additional 12-aircraft squadrons. To put
10 it another way, 60 additional aircraft can be accommodated
11 with minimal military construction investment. In addition,
12 our area has an abundance of water.

13 We do not have rationing, and our water is also
14 clean. It will last for any number of years. Despite a
15 recent agreement concerning the Lake Gaston pipeline, I am
16 sorry to say, our neighbors to the north are not blessed with
17 sufficient water. Oceana and the Norfolk area have suffered
18 from a severe water shortage since 1981. And to this date,
19 mandatory water use restrictions are imposed.

20 Not only will the lack of water impact on the
21 living conditions and the quality of life of our young
22 service personnel, but it is bound to impact on the

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1 operational readiness of the military. It just makes no
2 sense to introduce a force of 4,000 new people into an area
3 that is already hard pressed to have enough water to support
4 its current population.

5 Another issue is the ground water quality at
6 Oceana. It has been reported in the Virginia and national
7 press that there is widespread fuel contamination in Oceana.
8 This contamination apparently leaked into the groundwater,
9 and has made some of the buildings at Oceana uninhabitable.
10 To put it another way, there is not only a water problem, but
11 there is a clean groundwater problem for what water does
12 exist at Oceana.

13 It is our assessment that the Oceana facility is
14 not comparable to Cherry Point. Cherry Point is a modern,
15 ready-to-go facility, located in an area with high quality of
16 water. It would seem that given the comparison between the
17 two air stations, based on the facts we have presented, and
18 the facts in your briefing book, it is absolutely in this
19 country's best interest, and in the best interest of the
20 Marine Corps, sailors and airmen, to direct the location of
21 the F-18 aircraft to Cherry Point.

22 Governor Hunt will now make a brief summation of

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1 our testimony.

2 CHAIRWOMAN COX: Thank you, Senator.

3 GOVERNOR HUNT: Madame Chairman and members of the
4 Commission, we believe that we presented a case, and the
5 information that we submit to you will, that establishes that
6 the Navy-DOD recommendation to this commission represents an
7 unsupported rejection by the Navy and the Department of
8 Defense of the 1993 Commission decision, and a substantial
9 deviation from the BRAC criteria.

10 This recommendation ignores the joint service
11 operations decision and the environmental and land use
12 determinations of the '93 Commission. It appears that the
13 Navy has concluded that Oceana is at risk of closure if it
14 does not receive these airplanes. And the Navy wants to keep
15 Oceana open at all costs. We've established today that the
16 at-all-costs standard is very high, and a cost that is being
17 paid with taxpayers' dollars.

18 The Honorable Owen Pickett, who appeared here
19 today, is a member of the district in which Oceana is
20 located, I think explained the natives' logic very well in
21 this matter when he said -- and I quote him -- "when the
22 military wants to do something and it is expensive, they

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1 underestimate the cost. And when they don't want to do
2 something, they overestimate the cost."

3 Because of the demonstrated aviation and the clear
4 and major mistakes in computing costs that is in this
5 recommendation, we request the Commission to reject the DOD
6 recommendation and uphold the '93 Commission decision to
7 locate the F-18s at Cherry Point. Thank you very much for
8 this opportunity to appear before you today.

9 And we want to invite your staff to come to Cherry
10 Point and see what we have there; see all of these living
11 quarters that are not being used now and are ready to be
12 used. And we'll be happy to entertain any questions that you
13 would like. (Applause.)

14 CHAIRWOMAN COX: Thank you very much. There don't
15 appear to be any questions at this time. I might just say,
16 as a member of the 1993 BRAC, I appreciate your strong belief
17 in our infallibility and wisdom. Thank you. (Applause.) I
18 believe that we will now have -- we have reserved 11 minutes
19 of Pennsylvania's time for the Naval Surface Warfare Center,
20 because former Secretary of the Navy John Lehman was
21 unavoidably detained.

22 And so we will now move to do that particular area.

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1 Is Secretary Lehman here? We will go ahead with Secretary
2 Lehman. We very much appreciate the fact that you're here,
3 and look forward to your testimony.

4 SECRETARY LEHMAN: Well, Madame Chair,
5 Commissioners, thank you very much for accommodating me. I
6 very much appreciate it. It's a great pleasure to be here.
7 And I particularly am grateful for being the position of
8 clean-up batter.

9 CHAIRWOMAN COX: You know, Secretary Lehman, you
10 remind me, when you talk about clean-up batter, I'm not sure
11 that I had forgotten to swear you in, which is required by
12 our statute. So if you don't mind, I would ask you. Thank
13 you very much.

14 (Witness sworn.)

15 CHAIRWOMAN COX: Thank you, sir.

16 SECRETARY LEHMAN: Madame Chair, as Henry VIII used
17 to say to his wives, I promise not to keep you long. I have
18 submitted my testimony for the record, and so I'll just give
19 you a brief summary and answer any questions that you might
20 have. I am here to strongly endorse the position and
21 recommendation of the city of Philadelphia, and half of the
22 recommendation of the Department of Defense to consolidate

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1 the engineering center of the NSWC from Annapolis to
2 Philadelphia, to the central center of excellence at NAVSES
3 in Philadelphia.

4 And second, to strongly endorse the recommendation
5 to move some of the functions of the headquarters NAVSEA 03
6 that are closely related to NAVSES, also to Philadelphia.
7 The reason I feel enthusiastic about endorsing these two
8 recommendations is that one of the major efforts that was
9 made back in the '80s, during the build-up of the 600-ship
10 Navy was to streamline and reduce the Navy bureaucracy and
11 the headquarters bureaucracy in Washington, particularly.

12 And during the period when we were building up the
13 600-ship Navy from about a 400-ship Navy, as the Cold War
14 required, we also reduced the bureaucracy, which should
15 greatly facilitate the building of the ships and the
16 tremendous expansion of the Navy at that time. We eliminated
17 a net of 2,600 billets from NAVSEA, NAVAIR, SPAWAR and other
18 headquarters staffs inside the Beltway.

19 And unfortunately, with the confusions of peace and
20 the success of the build-up, the attention to reducing
21 streamlining bureaucracy went the other way. And since the
22 end of the Cold War, all of those 2,600 billets have been

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1 added back to Washington area headquarters, plus another 400.
2 And that is not for a 600-ship Navy, but for a 300-plus ship
3 Navy. So I'm here to urge you to take those measures that
4 will once again bring a tightness and efficiency by reducing
5 headquarters' layers of bureaucracy.

6 And I think there's no better example to be found
7 than the consolidation of the functions now being done at
8 Annapolis, which, in many ways, are redundant, and in every
9 case, closely related to the work being done in Philadelphia.
10 The NAVSEA 03 consolidation is also related because many of
11 those people are really overseeing and coordinating functions
12 because they're at more than one sight.

13 And so the two are related. There are, in the case
14 of Philadelphia, so many areas of expertise. It is, of
15 course, the central area of excellence for ship systems
16 testing and R&D. And while the work done at Annapolis has
17 been excellent in every way, there seems to be no serious
18 case for not consolidating them, and reducing the net number
19 of positions at the same time.

20 So I won't spend much time on that. The case is
21 well made in the technical papers that have been provided to
22 the Commission. The movement of -- consolidation of NAVSEA

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1 03, which is the engineering directorate is a little more
2 complicated. And I would urge you to look at it in a simple
3 way. Don't try to micromanage NAVSEA and tell the director
4 of NAVSEA exactly which billets to do it, but there is no
5 doubt in my mind that a substantial number of the functions
6 being done in NAVSEA 03 in Washington can be far better done
7 in Philadelphia; and that there should be a substantial net
8 reduction in people.

9 Since we left, there has been an enormous growth in
10 that office. It has now some 650 people in that one part of
11 NAVSEA in Washington. And that is simply far too many to be
12 efficient. And so by moving all or most of the functions
13 that are not directly related to ship design and
14 coordination, the efficiencies and reductions can be
15 accomplished, I think, in a very rapid way. I think the cost
16 savings are enormous. I think the difficulties are few.

17 I think the costs of moving are grossly overstated.
18 I am an industrialist, and have a good deal of experience in
19 the buying, the selling, the building and the moving of
20 industrial plants. And I think the \$25 million estimate to
21 move NAVSES from Annapolis could be done for a fraction of
22 that if it were done in best business practice. So I would

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1 guess a jaundiced eye at that cost estimate.

2 Just to summarize, I think this is a great
3 opportunity to put the Navy headquarters back in an efficient
4 and tight basis. We have shown in the past that when we
5 reduced bureaucracy, we actually speeded decision-making and
6 improved the quality of the product; and we can do it again
7 here. It's grown like topsy, as bureaucracy always does,
8 unless it's given a periodic top-down cut.

9 Again, don't try to micromanage COM NAVSEA. He
10 understands the problem, but he really needs you to mandate a
11 top-down targeted cut, in order to take on the baronies that
12 he must take on to accomplish this. That is the burden of my
13 message, and I urge you Godspeed in carrying it out. I would
14 be happy to answer any of the questions that you might want
15 to raise.

16 CHAIRWOMAN COX: I think we are very much
17 appreciate your testimony, and of course, we'll take your
18 full testimony for the record. And we are honored that you
19 would be here today to provide us with this easy to
20 understand testimony, and that's always helpful. Thank you
21 very much.

22 SECRETARY LEHMAN: Thank you, Madame Chair.

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1 CHAIRWOMAN COX: We are now at the point of the
2 second period of public comment.

3 MR. McCARTHY: Madame Chair, Commissioners, I'm Joe
4 McCarthy, and I'm chairman of the Pennsylvania action
5 committee for Governor Ridge. I'm also a retired Army
6 general, and as such, I approach my mission looking at the
7 military criteria. And the first criteria that I observe in
8 going around these bases is the strategic location of
9 Pennsylvania.

10 And by the strategic location, I mean the state
11 itself, with respect to mobilization and ports and so on,
12 highways. But also I mean the location, with respect to
13 other functions -- the collocation of functions and the
14 interservicing possible and also location with respect to
15 bases, that is, Pennsylvania Guard requiring a place to
16 train; Kelly Support Center close to the place where it's
17 supporting troops. So location is a very big item.

18 Other items in military value would be the, I
19 think, for your consideration, the very effective bases that
20 we have. I think we've shown that these bases and the people
21 concerned are very effective in supporting the forces. And
22 they're also cost-effective. One thing that I think is

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1 alarming, with respect to military operations is the
2 responsibility that the Department of Defense has for
3 supporting the Reserves and the National Guard.

4 And I think that this has been abdicated in a way,
5 with respect to Indiantown Gap and with respect to the Kelly
6 Support Center and the 911th Wing. I wanted to also mention
7 the disproportionate impact, cumulatively, in Pennsylvania of
8 the previous BRAC things. And I think Governor Ridge
9 probably left this with you.

10 CHAIRWOMAN COX: Yes, thank you.

11 MR. MCCARTHY: That's a very telling thing. Now,
12 that's economic impact, but I want to put that into military
13 value. In Pennsylvania, our recruitment enlistment, both in
14 the active services and in the Guard and Reserve, have always
15 been high. And we are at the point now where the military
16 present in Pennsylvania is very seriously reduced; and these
17 figures show that.

18 And this is going to affect recruitment and
19 enlistment and the general support of the public for the
20 military. This concerns me. So I've approached this from
21 the military value standpoint. And I want to say that I've
22 seen Commissioner Cornella, and I've seen you all in

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1 operation. I have great sympathy for the tolerance you've
2 shown all of us, and the sympathy. And you have a tough job;
3 we understand that. We thank you very much.

4 CHAIRWOMAN COX: Thank you very much for that wrap-
5 up on behalf of Pennsylvania. Thank you. We have now
6 reached the point of our second public comment period. This
7 will be a period of 30 minutes. And we'll take those
8 affecting Pennsylvania, Virginia and North Carolina. I would
9 like to have all of those wishing to speak right here.

10 It looks like, perhaps, you are already lined up so
11 that we could swear you in all at one time. So if you would
12 please raise your right hands.

13 (Witnesses sworn.)

14 CHAIRWOMAN COX: Thank you very much. And I
15 believe we will be starting with Pennsylvania. Yes, okay.
16 With Mr. Stephen George? No. Okay. Maybe you could just
17 give us your name as you start.

18 MAJOR GENERAL SMOKER: Madame Chairman, I am Major
19 General Frank Smoker, United States Air Force, Retired.
20 Having served at Fort Indiantown Gap for many years, the last
21 seven years as commander of the Pennsylvania Air National
22 Guard, my experience at Fort Indiantown Gap provides me with

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1 a unique perspective of the tremendous military value that
2 the fort provides to combat readiness.

3 Unfortunately, the Army's criteria for determining
4 military value of major training areas did not allow for
5 accurate measurement of the uniqueness of Fort Indiantown
6 Gap's military value. For example, the criteria did not
7 fully take into account the very valuable air-to-ground
8 gunnery and bombing range -- one of only 15 in the United
9 States. This is a national asset.

10 It did not consider this restricted air space used
11 by the Air Force, Navy and Marines, as well as the Army and
12 Air National Guard, or the 191 miles of low-level training
13 routes leading into the range at Indiantown Gap. Being aware
14 of today's environmental concerns, once gone, these extremely
15 assets can never be duplicated. The criteria did not
16 consider the 710 square miles of the northern training area,
17 currently used for tactical aviation training.

18 The criteria did not take into account the six
19 modern helicopter flight simulators, which provided a cost
20 avoidance to the taxpayer last year of over \$68 million. In
21 studying the tab's data, it's obvious that the input data
22 must have been flawed, since the Army claims that closing the

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1 fort will save \$23.8 million a year; when in fact it only
2 costs \$13.5 million last year to operate the base.

3 Correcting these and other misleading factors, the
4 overall rating of Fort Indiantown Gap changes from being
5 number nine out of 10, to becoming number three out of 10.
6 In view of the discrepancy, I urge the BRAC Commission to
7 have GAO reevaluate the data. Finally, it's my strong
8 recommendation that the BRAC Commission retain the federal
9 presence of Indiantown Gap and take Fort Indiantown Gap off
10 the list. Thank you.

11 CHAIRWOMAN COX: Thank you very much, sir.

12 MAJOR GENERAL SAJER: Madame Chairman,
13 Commissioners, I'm Major General Gerry Sajer, former Adjunct
14 General of Pennsylvania. Thank you for your patience and
15 perseverance. In its analysis of major training areas, the
16 Army failed to consider daily usage, schoolhouse usage and
17 weekend usage. Now, this allowed the Army to use a one-size-
18 fits-all approach, the enclave plan -- to abandon containment
19 areas, eliminate the infrastructure, dismiss the employees,
20 and then claim the overhead as savings.

21 While the enclave plan may work at some posts, it
22 will not work at the Gap. No other base must support the

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1 very large training population we have. No other base has
2 the large daily population we have. No other base has the
3 large number of schoolhouses we have. No other base has the
4 large numbers of diverse training opportunities we offer. No
5 other base even comes close on the throughput of 780,000
6 soldiers a year. The other bases are at 160,000 or less.

7 Now, the enclave idea, I suggest, was not well
8 thought through. You cannot close your eyes to reality; you
9 cannot escape your responsibility for federal funding; and
10 you cannot ignore the responsibilities we have to our
11 soldiers. The enclave plan takes away from these soldiers
12 their simple pleasures -- their barracks, their showers,
13 their mess halls, their post exchange, their gym -- all of
14 their quality of life.

15 Soldiers do not wish to be babied, but they do
16 expect their leadership to anticipate their needs, do the
17 best they can to provide for them. That's what's being
18 ignored here. Can you imagine a group of soldiers at the
19 Gap, standing around in the cold and the rain, looking at
20 recently modeled barracks and told they can't use them
21 because the Army wouldn't fund it? You're right -- they'll
22 feel left out in the cold.

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1 And that's the reason why we're not taking care of
2 soldiers with this enclave plan. I would recommend that the
3 Commission abandon it. It will not work. Take the Gap off
4 the list. Thank you very much for your patience today.

5 CHAIRWOMAN COX: Thank you very much. Senator
6 Brightbill.

7 SENATOR BRIGHTBILL: Good afternoon. My name is
8 David Brightbill, I'm a state senator, member of the General
9 Assembly.

10 CHAIRWOMAN COX: Welcome.

11 SENATOR BRIGHTBILL: I have lived in the Lebanon
12 area for my 52 years, and I've been in public service for
13 about 16 or 18 of those years. I believe that the Gap has a
14 unique value, and I think that we've well expressed it, and
15 I'm going to bring a little bit different perspective. We
16 have a small but very real support -- excuse me, we have
17 substantial support for the Gap from the local community.

18 I've never had a complaint about the helicopters.
19 I've never had a complaint about the jets. I've never had a
20 complaint about the Howitzers. And the thing I'd like to
21 leave you with is this, this simple thought. During the
22 Vietnam War, when we saw many, many protests of military

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1 people, military installations, for Lebanon, Pennsylvania,
2 for the soldiers at Indiantown Gap, we would fill high school
3 auditoriums, places like this, to say simply that we were
4 proud to be an American; we were proud to have Indiantown Gap
5 there.

6 We've supported the Gap not only here today, not
7 only on the base closure, but we've supported it back in the
8 '60s and the '70s and the '80s. And I think that's a
9 consideration for you, too. Thank you for your time.

10 CHAIRWOMAN COX: Thank you, Senator. Mr. Schott.

11 MR. SCHOTT: Madame Chairman and Commissioners, my
12 name is Leonard Schott. I am President of the Farmer's Trust
13 Bank in Lebanon, and current Chairman of the Lebanon Valley
14 Chamber of Commerce. I've spent my entire life in the
15 Lebanon Valley. In fact, the Gap and I are just about the
16 same age. The Gap is the largest employer in Lebanon County.
17 Roughly 2,800 men and women work full time at the Gap every
18 day.

19 That employment base generates an annual payroll of
20 more than \$90 million. The Gap is also by far the largest
21 purchaser of goods and services in our community. Closure
22 obviously would have a significant impact on all of us who

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1 work and live here; and every aspect of our local economy
2 would be impacted. Too many good jobs will be lost, and our
3 local tax base will be seriously affected.

4 But what I want to talk to you about this afternoon
5 is the community support for the Gap that you'd give up if
6 you close this training base. As I have said, I've lived in
7 this community all my life. The Gap is part of our
8 community, and we are proud of the function it serves in our
9 national defense. Helicopters, Howitzers, tanks and mortars
10 are noisy. Low level flying training flights by A-10s, C-
11 130s, Blackhawks and Chinooks generate plenty of noise
12 throughout the community.

13 Yet, those of us who live there in the Pennsylvania
14 Dutch country understand and support those training
15 activities; and we don't call the garrison commander to
16 complain. We don't even complain about the convoys that pass
17 through our small communities on the way to the Gap.
18 Honestly, the military's presence in our community is taken
19 as a fact of life, and is appreciated.

20 And having served in the U.S. Army at a number of
21 bases, I know that that's not the case in many communities
22 with the military present. Fort Indiantown Gap is a good

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1 employer and a good neighbor. Our community supports the
2 training activities that occur there. Fort Indiantown Gap is
3 part of our community. Finally, as a banker --

4 CHAIRWOMAN COX: Thank you very much, sir, and we'd
5 be happy to have any written testimony for the record, either
6 today or later. I believe we're now moving on to the state
7 of Virginia. Mr. David Sylvia.

8 MR. SIVILLO: Sivillo.

9 CHAIRWOMAN COX: Sivillo. Thank you very much.

10 MR. SIVILLO: Madame Commissioner -- Chairman and
11 commissioners, my name is David Sivillo. I'm a manager in
12 space naval warfare systems command. But I'm representing
13 myself, okay?

14 CHAIRWOMAN COX: Well, we're happy to have you.

15 MR. SIVILLO: I'd like to bring forth a couple
16 things that was brought up generally in the thing. When you
17 were talking about relocation costs, you know, the Navy and
18 the DOD put together a cost -- \$24 million employer cost.
19 I'd like to offer, as a point of reference, SPAWAR moved five
20 years ago, a block and a half, they changed buildings, and
21 that cost \$10 million.

22 Now, looking at the cost of what we're doing here,

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1 we're talking over 800 billets, and to move from the
2 Washington area to the West Coast, you've got to cut so many
3 people in this -- far more people are going down to
4 Charleston. The estimated cost for their move is \$44 million
5 -- or \$44,000. So if we take 800 people and move them to the
6 West Coast, we've got \$40 million, not \$24 million.

7 That doesn't count the cost of moving the furniture
8 or anything else, contents or any improvements. So I think
9 that's vastly understating. That brings us to the second
10 point -- the savings of personnel that they're talking about.
11 I heard former Secretary Lehman said, and I saw Congressman
12 Murtha walking around. He was instrumental in putting a bill
13 through that made us reduce headquarters, okay?

14 If we were to come in at 1,350 people in 1990 and
15 we're down to 900, we gained nobody back, okay? So we've
16 lost one-third of our workforce. If we take another
17 reduction, 250, 300 people, we're on a ragged edge of town;
18 we ain't going to make it. So I don't know how we're going
19 to integrate in San Diego and make that. Now, if the Defense
20 Department is so concerned about us integrating or something,
21 we have another option for them.

22 We have our sister command, larger command, is

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1 NAVSEA. It sits right next to us, and we support them
2 heavily in ship design and everything else. And if they're
3 so worried about saving on us, then merge us with NAVSEA and
4 introduce the national capital area as an integrated ship
5 design team. Thank you for your time.

6 CHAIRWOMAN COX: Thank you very much, sir. Mr.
7 Fred Lebert.

8 MR. LEBERT: Lebert.

9 CHAIRWOMAN COX: Thank you.

10 MR. LEBERT: I'm an employee with the space naval
11 warfare systems command. I'm representing myself. I'd like
12 to talk about the military value of SPAWAR remaining in their
13 local area, the national capital region, if you will. You
14 have heard the presentation earlier about SPAWAR, so I'm not
15 going to address that. What I'd like to talk about is
16 added -- the changes that have taken place recently in
17 military environment that is beyond the normal downsizing
18 integration effort.

19 What is taking place now is an increase in the
20 requirement of the services to integrate among themselves.
21 They are building an inadequate integration effort, if you
22 will, as far as Congress is concerned. Congress has tasked a

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1 Mr. John White to put together a report by May, this month,
2 if you will, on roles and missions of the military, with
3 emphasis on how they would be consolidated even more than
4 they are today. But Congress is unhappy with the degree of
5 consolidation.

6 This increased consolidation is going to force
7 significant more coordination between SPAWAR, which is a
8 major contributor to the military picture. So SPAWAR, in
9 this condition of increased coordination, surely cannot be
10 leaving the area where all the activity is. All our major
11 sponsors and our coordination, if you will, at the joint
12 services, with the NAVSEA and the NAVAIR -- NSA, we're
13 playing a much more significant role with NSA.

14 There are recent OPNAV instructions that have the
15 role increasing between SPAWAR, the Naval Security Group
16 activities, the Naval Information Warfare activities, as well
17 as the NSA. So the degree of coordination is going to be
18 significantly greater. That was not adequately expressed
19 today. That's all I have.

20 CHAIRWOMAN COX: Thank you very much, sir. We
21 appreciate your coming. Mr. Robert Higginbotham. Welcome.

22 MR. HIGGINBOTHAM: Thank you. My name is Bob

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1 Higginbotham. I've been a contracted supporter of SPAWAR for
2 the past 10 years. As a contractor, I'm of course concerned
3 with losing my job, should SPAWAR relocate to San Diego. But
4 as a taxpayer, I'm also concerned with the cost estimates
5 that have been presented on how much it would cost to make
6 the move.

7 I would ask that the Commissioners carefully review the
8 cost estimate of the move to San Diego, and consider the
9 possibility that we could move with NAVSEA and retained in
10 the Washington metropolitan area, possibly collocated with
11 them at the Navy yard or at White Oak. Thank you.

12 CHAIRWOMAN COX: Thank you, sir. Mr. James
13 Blevins? No. Okay.

14 MR. BLEVINS: My name is James Blevins, Madame
15 Chairman, and I'd like to thank you for this opportunity to
16 speak before the committee. I'm Superintendent of Schools in
17 Nottoway County, Virginia, and I'm here today to express my
18 concerns about the inclusion of Fort Pickett on the most
19 recent round of military installation closures. I believe
20 that the closure of Fort Pickett would severely damage the
21 mutual, beneficial working relationship that has been
22 developed between the military and the residents of a small

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1 rural community, such as Nottoway County.

2 This relationship has included a tie between the
3 schools and the military. In a school system that has
4 approximately 750 high school age youngsters, almost 25
5 percent of these support the military through participation
6 in our Junior Reserve Officer Training program at Nottoway
7 High School. Much of that success of this fine program,
8 which identifies and trains the potential military personnel
9 is a result of continued positive presence of a military
10 installation in this rural area.

11 I also believe that a primary reason we have been
12 able to attract quality military personnel as instructors for
13 this program is the proximity to the military installation.
14 Many of the family members have been employed at Fort Pickett
15 in a part-time summer job capacity, thereby creating a
16 positive relationship between the civilian population and the
17 military.

18 It would seem to me that this type of relationship
19 between rural communities and the military would be an
20 appropriate consideration. There have been a number of
21 written articles and radio, news commentators in Virginia who
22 have said the inclusion of a base on the closure list is

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1 strictly a military decision with no regard to the economic
2 impact on a community. While I am sure the primary concern
3 is one of financial impact on the military, as a citizen and
4 a veteran, I find it difficult to believe that the military
5 would blatantly disregard the impact on the community.

6 As a veteran, I can recall that during this time,
7 for individuals across this land were outspoken against the
8 military. It was often the small rural communities, such as
9 Nottoway County, who continued to support.

10 CHAIRWOMAN COX: Thank you very much, sir. And Mr.
11 James McNair.

12 MR. McNAIR: My name is Jim McNair, and I am
13 representing Crater Academy. I'm representing the cities of
14 Colonial Heights, Petersburg, Hopewell, and the counties of
15 Prince George, Dinwiddie and Chesterfield. I serve as mayor
16 of the city of Colonial Heights, and chairman of the Crater
17 Planning District Commission. We feel like that Kenner Army
18 Community Hospital is a very important and vital link in the
19 entire health care network for the community of Fort Lee.

20 We call ourselves the quad-city areas. And when I
21 spoke to the BRAC Commission in Norfolk in 1993, we all
22 agreed that Fort Lee was an integral part of the entire tri-

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1 cities area, and of great military value to the United States
2 military. Today I'm speaking specifically on behalf of
3 Kenner Army Community Hospital, because during the past 33
4 years, I've worked in public education. I also serve
5 currently as the provost of a two-year branch of the College
6 of William of Mary in the area.

7 And I have had personal contact from kindergartners
8 through college-age students of dependents of military
9 personnel who are stationed at Fort Lee. Both in our
10 communities, in the residential areas, as well as in the
11 military community, I have never heard during my 33 years in
12 public education, hear anyone complain about the services
13 rendered by Kenner Army Hospital.

14 And to me, Kenner Hospital is an integral part, for
15 both the in-patient as well as the out-patient services.
16 When one reduced patient care internally and in the hospital,
17 you also reduce out-patient care. Of the 215,000 cases and
18 visits that went to Kenner Hospital this past year, one could
19 see very easily the fact that without the number of doctors
20 and physicians and nurses that were there, Kenner would be
21 insufficient to carry out the needs.

22 With all of the things that go on at Kenner, I

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1 would conclude my remarks by saying that if one removes
2 Kenner in-patient services, then we're doing an injustice to
3 the military community. Thank you very much.

4 CHAIRWOMAN COX: Thank you very much, sir. Now, I
5 understand we have four from the state of North Carolina. And
6 we do need to swear you in, if you would all raise your right
7 hands.

8 (Witnesses sworn.)

9 CHAIRWOMAN COX: Thank you very much. And Mr. John
10 Nichols?

11 MR. NICHOLS: Yes, ma'am.

12 CHAIRWOMAN COX: Great, thank you.

13 MR. NICHOLS: Madame Chairman, members of the
14 Commission, I'm John Nichols and I represent the people of
15 the 3rd District in the North Carolina House of
16 Representatives. I appreciate this opportunity, because I'm
17 extremely troubled by what I've heard said here today. I
18 understand money, and obviously I understand politics. The
19 1993 BRAC decisions to send the F-18s to Cherry Point was
20 based on realistic costs and military value assessments
21 comparing Cherry Point to Oceana.

22 The 1995 redirection recommendation is clearly

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1 based on politics. I have sat here all day, listened to the
2 Cherry Point and Oceana presentations. And it can now be
3 clear to me that neither Virginia politics nor the Navy want,
4 or ever did want to have airplanes at Cherry Point. A lot of
5 money seems to have been spent to see that that doesn't
6 happen. It doesn't seem to matter that our base and our
7 local communities have worked very hard since the 1993
8 recommendation to prepare for the arrival of the planes.

9 Nor does it matter that millions of dollars,
10 taxpayers' dollars, have already been spent at Cherry Point.
11 Members of the commission, political interests are trying to
12 in-run you and your process. Unless you stop it here, and in
13 justice to the people of North Carolina, and the long-term
14 best interest of our military forces will be perpetrated.
15 Thank you very much for your attention.

16 CHAIRWOMAN COX: Thank you, sir. (Applause.) Ms.
17 Beverly Perdue.

18 MS. PERDUE: Thank you.

19 CHAIRWOMAN COX: Welcome.

20 MS. PERDUE: Madame Chair, members of the
21 Commission, I am Beverly Perdue, State Senator for the 3rd
22 District of North Carolina, and Chair of the Senate

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1 Appropriations Committee. I appreciate the opportunity to
2 speak to you today. Local communities must be able to rely
3 on Base Closure and Realignment Commission decisions. There
4 must be certainty and predictability in the process.

5 In 1993, your predecessor commission, after
6 extensive investigation, ordered that 116 Navy F-18 Hornets
7 would be relocated from Cecil Field to Cherry Point. That
8 recommendation was adopted by our Congress and signed into
9 law by our President. For the last two years, citizens and
10 taxpayers of our region in Cherry Point have passed school
11 bonds and constructed schools. We built medical facilities
12 and utilities.

13 The private sector has invested millions of dollars
14 in new housing and service industries. Our local communities
15 have made every investment possible, requested by the DOD.
16 Now, just 18 months later, and on very questionable data, the
17 Department of Defense is attempting to directly overrule the
18 1993 decision and send the Hornets to Virginia. If the
19 Commission decisions can be so casually overturned, the
20 process will lose all of its credibility. And local
21 communities and our citizens in this great country will be
22 unfairly penalized. Thank you.

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1 CHAIRWOMAN COX: Thank you, ma'am. (Applause.)

2 Mr. William Wainright, welcome.

3 MR. WAINWRIGHT: Madame Chair and members of the
4 Commission, my name is William Wainright. I am a member of
5 the North Carolina House of Representatives, and reside in
6 Craven County, North Carolina. I am proud to be able to say
7 that, by comparison with other areas of the country, we enjoy
8 an extremely low crime rate in the area around Cherry Point.

9 We have the safe streets that are the envy of more
10 metropolitan areas, and which give our residents and their
11 children comfort and peace of mind. This is a benefit that
12 our service personnel deserve where available. And we would
13 like to share our communities and this atmosphere with the F-
14 18s squadrons' families. Thank you very much, Madame Chair
15 and members of the Commission.

16 CHAIRWOMAN COX: Thank you very much, sir.
17 (Applause.) And Miss Jean Preston. Welcome.

18 MS. PRESTON: Thank you very much. Madame Chair,
19 members of the Commission, I am Jean Preston, State
20 Representative for North Carolina's 4th District, and the
21 wife of a career military man. I'm here today to ask you to
22 give us the airplanes if we're going to have the noise. our

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1 area gladly supports the military training which occurs in
2 Eastern North Carolina at the electronic warfare ranges, the
3 bombing ranges, and in the restricted air space.

4 We willingly accept the occasional hardships caused
5 by the noise and disruption of civilian air traffic as a very
6 small price to pay for freedom. These new F-18s will be
7 training in the air over Eastern North Carolina, regardless
8 of where they are based. It would be grossly unfair to the
9 North Carolinians who have supported the expansion of
10 military air training facilities to have this Commission
11 ignore the modern, up-to-date facilities at Cherry Point, and
12 locate the airplanes at Oceana.

13 I ask you, let us benefit from our longstanding
14 patriotism, and send these planes to the best air station in
15 the country, the Marine Corps Air Station at Cherry Point.
16 Unlike the metropolitan area surrounding Oceana, our people
17 will feel the impact of your decision in a very significant
18 way. Please, let that impact be a positive one, both for our
19 sake and for the sake of our national defense. Thank you
20 very much. (Applause.)

21 CHAIRWOMAN COX: Thank you very much. This does
22 now conclude the 10th hearing of the defense Base Closure and

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1 Realignment Commission regional hearing. We want to thank
2 all of the witnesses who testified today. You've brought us
3 some very valuable information, and I can assure you it will
4 be given careful consideration as we go through our decision-
5 making process.

6 Let me also thank all the elected officials who
7 have helped us on our base visits and in preparation for this
8 hearing. And finally, let me thank all of you all from the
9 communities represented here today, because you have
10 supported the members of our armed services for so many
11 years, making them feel valued in your town. And you are
12 indeed patriots. Thank you.

13 (Applause.)

14 (Whereupon, at 6:35 p.m., the hearing was
15 concluded.)

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