

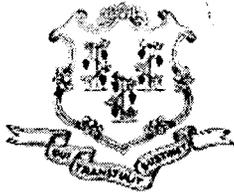
BRAC Commission

AUG 18 2005

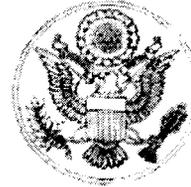
STATE OF CONNECTICUT

Received

UNITED STATES CONGRESS



M. JODI RELL, GOVERNOR
CHRISTOPHER DODD, SENATOR
JOSEPH LIEBERMAN, SENATOR
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CHRISTOPHER SHAYS, MEMBER OF CONGRESS
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August 18, 2005

The Honorable Anthony Principi
BRAC Commission
Polk Building, Suites 600 and 625
2521 South Clark Street
Arlington, VA 22202

Dear Chairman Principi:

As you know, the U.S. Government Accountability Office (GAO) recently found a \$400 million error in the U.S. Navy's cost saving estimate used to justify its recommendation to close Naval Submarine Base New London. These findings were based on several specific questions from you, and confirmed the analysis of Team Connecticut within the scope of those issues. We are confident, based on the strength of our arguments, that further review of the Navy's closure plan by the GAO will unearth additional errors, and further confirm our analysis.

To this end, Team Connecticut asks that the BRAC Commission submit the attached questions to the GAO for immediate response. We believe that a careful, independent analysis by the GAO on the recurring savings from base operating support billet reductions and maintenance contract costs will prove that the Navy overstated its potential savings by an additional \$750 million.

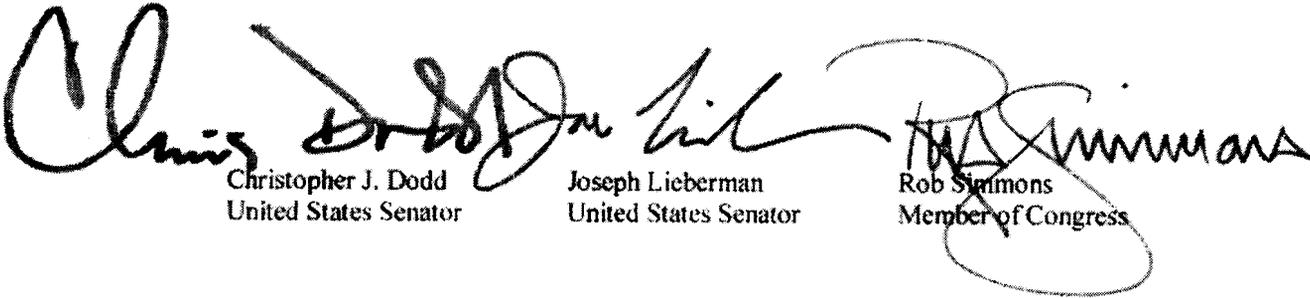
Earlier this month, Team Connecticut submitted its final cost analysis for the proposed **closure of SUBASE New London.** The difference between the Navy's BRAC analysis and the Team Connecticut analysis is startling, and merits further examination. With the attached questions as a basis, GAO can broaden its scope, and continue the process it has already begun with its first analysis.

We urge you to require the U.S. Government Accountability Office to further analyze the Navy's justifications for closing SUBASE New London. We stand ready to provide you with any documentation you might require.

Sincerely,



M. Jodi Rell
Governor



Christopher J. Dodd
United States Senator

Joseph Lieberman
United States Senator

Rob Simmons
Member of Congress

**Attachment A: Questions for the Government Accountability Office
August 2005**

1. The majority of the Navy's claimed recurring savings at Naval Submarine Base New London come from billet reductions. Already, the GAO has indicated that the Navy included the elimination of 214 medical positions that were non-BRAC programmed reductions. Connecticut argues that the Navy included the elimination of Base Operating Support (BOS) billets that were achieved since the COBRA model's baseline date of September, 30, 2003.

Questions for GAO:

- Did the Navy take credit for, or "double count", these BOS reductions in its BRAC savings estimate for New London?
- If so, please quantify any overstated savings included in the BRAC savings estimate.

2. Please confirm if the Navy COBRA model replaces the equivalent of 438 nuclear submarine maintenance contractors at Naval Submarine Base New London (~\$50 million per year) with 143 government employees at Kings Bay and Norfolk (~\$8 million per year).

According to Connecticut, in estimating DON-0033 costs and savings, the Navy: 1.) cut the number of submarine maintenance personnel by two-thirds for the same workload; and 2. used the actual New London rate (\$57 per hour) in estimating recurring savings at New London, and the COBRA model default rate (\$29 per hour) for a civilian government employee to calculate recurring costs at Kings Bay and Norfolk. (As a reference point, Norfolk Naval Shipyard responded in its original data call with a need for 207 billets at a rate of \$87 per hour.)

Questions for GAO:

- Are the Navy's estimates and assumptions realistic and accurate with respect to these assumptions on submarine maintenance personnel under DON-0033.
- If not, are the Navy's stating savings overstated? By how much?