

2005 BRAC COMMISSION REGIONAL HEARING

THURSDAY, JUNE 30, 2005

GEORGIA TECH HOTEL AND CONFERENCE CENTER

800 SPRING STREET, NW

ATLANTA, GEORGIA

STATES TESTIFYING

GEORGIA, ALABAMA AND TENNESSEE

COMMISSIONERS:

COMMISSIONER SAMUEL SKINNER

COMMISSIONER JAMES BILBRAY

COMMISSIONER HAROLD GEHMAN, CHAIRMAN

CHAIR:

COMMISSIONER HAROLD GEHMAN

APPEARANCES :

COMMISSIONER GEHMAN

COMMISSIONER BILBRAY

COMMISSIONER SKINNER

DAN COWHIG, Deputy General Counsel

CERTIFIED

COMMISSIONER GEHMAN: This is the time and day 8:23 a.m. and it's June 30th, Thursday, at the State of Georgia Base Realignment and Closure Regional Hearing, Georgia Tech Conference Center. Good morning, my name is Harold Gehman. I will be the chairperson for this regional meeting for the Defense Base Closure and Realignment Commission.

I am pleased to be joined by my fellow commissioners Jim Bilbray and Sam Skinner for today's session. As this Commission has observed during our first period, every dollar inappropriately assigned and located in the infrastructure is a dollar not available to provide the training that might save a marine's life, purchase the munitions to win a soldier's firefight or fund the advances that can ensure our continued dominance of the air and seas.

Congress entrusted the Defense Department with vast but not unlimited resources. We have a responsibility to our nation, the men and women who bring the Army, Navy, Marine Corps and Air Force to life, to demand the best possible use of these limited resources.

Congress recognized that fact and authorized the Department of Defense to prepare a

proposal to realign or to close domestic bases. However, that authorization was not a blank check. The members of this Commission accepted the challenge and the necessity of providing an independent, fair, equitable assessment and evaluation of the Department of Defense proposals and the data and the methodology used to develop that proposal. We've committed to the Congress, to the President and to the American people that our deliberations and decisions will be open and transparent, and that our decisions will be based on criteria set forth in the statute.

We continue to examine the proposed recommendations set forth by the Secretary of Defense on May 13th and measure them against the criteria of the military values as set forth in the law, especially the need for surge manning and for homeland security.

But be assured we will not be conducting this review as an exercise in a sterile cost accounting. This Commission is committed to conducting a clear reality check that will not only shape our military capability for decades to come, but will also have a profound effect on your communities and on the people who bring those communities to life.

We are also committed to ensuring our deliberations and

decisions will be devoid of politics and that people in the communities affected by the BRAC proposals will have, through our site visits and through our public hearings, a chance to provide a direct input on the substance of the proposals and the methodology and assumptions behind them. I would like to take this opportunity on behalf of the Commission to thank the thousands of involved citizens who have already contacted the Commission - that shared with us their thoughts, concerns and suggestions about the base closure realignment proposals.

Unfortunately, the volume of correspondence we received makes it impossible for us to respond directly to each one of you in this short time with which the Commission must complete its mission. We want everyone to know the public inputs we received are appreciated and are taken into consideration as part of our review process.

While everyone in this room will not have an opportunity to speak, every piece of correspondence received by the Commission will be made a part of our permanent record as is appropriate.

Today we will hear testimony from the states of Georgia, Alabama and Tennessee. Each State's elected delegation has been allotted a block of time that is determined by the overall impact of the Department Of Defense's closure and realignment recommendations on their states. The delegation

members that work closely with their communities to develop agenda, I am certain, will provide information and insight that will make up a valuable part of our review.

We would greatly appreciate if you would adhere to your time limits, because every voice is important. To make sure that the last person speaks, gets their allotted time, we will have to enforce the time limits on the first person who speaks. I am sure you understand.

I will now request all the witnesses from the State of Georgia to rise for the administration of the oath that is required by the base closure and realignment statute. The oath will be administered by Dan Cowhig, the Commission's designated federal officer.

(Panel sworn.)

COMMISSIONER GEHMAN: Governor Perdue, you have the floor, sir.

GOVERNOR PERDUE: Mr. Gehman, Mr. Skinner, Mr. Bilbray, good morning and welcome to Georgia. I know that the last several weeks, months has been extremely busy for you. We want you to know we appreciate your service and the great responsibility placed on you for assessing the Pentagon's BRAC recommendations and helping to meet the future needs of our nation's military.

We want you to know -- to take away this

message very clearly: Georgia is a patriotic state, always has been, with a strong military tradition. We consider all military personnel bases in Georgia to be part of our Georgia family, whether they be Active-duty, Reserve, National Guard alike. We take extreme pride and do all we can to support and to care for this extended family.

You will soon hear from the individual Georgia Communities, the host bases affected by the Pentagon's recommendations. But I want you to know what Georgia as a whole has been doing to help our men and woman in uniform. Early in our administration, it was brought to my attention that military families and their dependents were not eligible for our in-state tuition at our colleges and universities.

I worked with our Board of Regents to correct this inequity. And now I am proud to say our military families and their dependents are on par with their civilian counterparts.

Through our frequent meetings with Georgia base commanders, I have learned how predatory payday lending practices were snaring many of their troops in an endless web of debt.

In response to these concerns which were

legitimate, the legislature passed, and I signed, one of the most comprehensive anti-payday lending measures in the country. During the just recent session 2005, several important measures were signed into law to support our military family here in our state.

Georgia law now ensures that military spouses who leave a job because of their husband and wife's transfer to a new duty location are not disqualified from receiving unemployment benefits by that very fact alone. This reform will benefit many military families as a policy which Georgia is proud of, has been praised by the Pentagon. Another measure that passed our legislature and that I signed into law, removes hardships on service members that were called up to active-duty of 90 days or more. Among these provisions are providing jury duty exemptions for service members and their spouses, provide a grace period for renewing professional licenses that may expire during the deployment of those individuals, and allowing those service members to more easily terminate a residential lease or mobile phone -- mobile phone agreement upon being called to active duty. And also provides returning veterans with honorary fishing licenses for one year. That's important in Georgia.

These are common steps that taken together will make

the lives of our servicemen and women and their families just a little easier.

We also amended our tax code to provide our service members and national guardsmen serving more than 90 consecutive days with a tax credit on their qualified life insurance premiums through the Department of Defense service's members group life insurance program.

Our State's business community has contributed as well with a strong commitment to supporting our troops. The Georgia Chamber of Commerce is leading a \$1 million effort, fund-raising to help support families of deployed guardsmen who need assistance while their loved ones are away. In the testimony that will follow you will hear much about the capability and capacity and heart of Georgia bases. I hope you will also hear the deep underlying commitment that Georgia has made - we have done all we can to uphold the quality of life and the support of military missions of our Georgia base troops and their families.

Georgia is a good place. We believe the best place for the military to call home. They're part of our family and we are proud of every one of them. On behalf of all Georgians, thank you again for your time, thank you for coming to Georgia, thank you for your service. And God bless America.

COMMISSIONER GEHMAN: Thank you, sir.

SENATOR CHAMBLISS: Good morning, gentlemen.

I thank you for your willingness to provide a great and valuable service to our country in what will be a very difficult decision-making process.

Today we will review what we Georgians already know. That is, that Georgia's military installations have an extraordinarily high military value. They all make vital contributions to a strong national defense. They operate at relatively low cost. They have excellent facilities and skilled workforces. They provide their personnel with excellent quality of life. And most importantly, keeping them in Georgia is a logical choice.

In this hearing, you will hear a compelling case that Fort McPherson, Fort Gillem, Naval Air Station in Atlanta and the Navy Supply School in Athens have the ability to cost effectively handle current and future missions while accommodating continuous operations from their world-class facilities. These bases continue to play an important role in the war of terrorism and should remain open and fully operational.

With the ongoing Quadrennial Defense Review's renewed emphasis on homeland defense and

Security, Forts McPherson and Gillem are uniquely postured as interagency platforms for responding to natural disasters or terrorist attacks in the southeast.

In addition to the multiple military headquarters, they are host to critical agencies like FEMA, GEMA, the Red Cross and the Explosive Disposal Battalion. Easy access to a network of highways, rail lines and military and civilian airfields make them ideally located for contingency operations.

The principal decision behind DoD's recommendation to close these forts is placed on flawed cost estimates. They greatly understate the construction cost that will be needed to replace the world-class headquarters located there.

They ignore the cost to relocate the secure telecommunications hub. And they do not consider the value of being next to an airport with an unparalleled access to major cities in the United States and around the world.

Other intangible costs were not considered like the disruption and relocating FORSCOM and subordinate commands, gentlemen, in the middle of a war.

For the Naval Air Station in Atlanta there

are major flaws in the COBRA analysis which you will hear about this morning. The proposed savings are based on faulty assumptions about the disposition of tenant assets. In reality, the true cost savings would be much lower. Other costs discrepancies exist in the projected savings for deactivating an F/A-18 Squadron and closing the medical facilities.

NAS Atlanta benefits from the large number of airline employees who are headquartered in Atlanta, which offers an unmatched recruiting pool for Reserve pilots and maintenance personnel.

The DoD recommendation also ignores the synergy between NAS Atlanta and Dobbins Air Reserve base, which are effectively a joint basis relying on each other to operate. Divesting the Navy from this region of the country will have a serious long-term consequence. The Navy Supply Corps School in Athens is the epitome of a joint-training facility that provides eight different courses for all four military services: The Coast Guard and the Military Sealift Command.

The chief of naval operations personally chose Athens as the ideal location for the Center for Service Support because Athens is a model of efficiency with its operation costs among the lowest

of any Navy facility. Athens provides a quality of workplace that supports learning and training and enhances retention while allowing its personnel to take advantage of the area's low cost of living and extremely low per demand -- per diem and housing cost factors not considered in the COBRA model.

I would be remiss if I did not note that the rest of Georgia's bases have a high military value and are posed to accept new missions.

Kings Bay, for example, ranks third among all Navy facilities for military value. It is the best facility for gaining both submarines and the submarine school. With the past reduction in the number of Trident submarines home ported at Kings Bay, new operations are relatively accommodated at substantially lower costs.

Fort Benning's high military value was recognized with its designation as the Army's Maneuver Center of Excellence, a logical move which can be easily accommodated. Fort Benning is postured to receive additional units from Europe as well as when the Army brings many overseas units home.

Finally, the Marine Corps Logistics Base in Albany is also prepared to expand its operation

for resetting Marine Corps equipment before it's pre-positioned around the world. Albany's implementation of lean production techniques has made it a model for how depots should conduct cost effective maintenance operations.

I am pleased to ask my colleague Johnny Isakson to come next.

COMMISSIONER GEHMAN: Thank you, sir.

SENATOR ISAKSON: Welcome to Georgia. Georgia has a rich and storied history of supporting the Armed Forces in the United States of America. Today thousands of Georgians based here are deployed around the world in Global War on Terror and in defense of freedom and pursuit of democracy.

I appreciate the importance of the Base Realignment Commission and I am pleased to have this opportunity to address your recommendations for Georgia.

We are very grateful for the enhancements recommended at Kings Bay, Fort Benning, Dobbins Air Reserve Base, Moody Air Base, Marine Corps Logistics Base, Albany, and Robins Air Force Base. It is my hope the Commission will reevaluate its recommendation of Fort Mac, Fort Gillem, Naval Air Station in Atlanta and the Navy Supply Corps School

in Athens.

Georgia's strong support for the military has always begun very close to home, right in the very communities where our bases are located. Organizations such as the 21st Century Partnership at Robins, the Central Savannah River Area, Alliance at Fort Gordon, Camden Partnership at Kings Bay and the Southwest Georgia Alliance For Progress in Albany are all excellent examples that you have seen in your evaluation of support by communities for men and women in our Armed Forces and the investment of those bases.

I have seen the same community support in greater Atlanta, Fort Gillem, Fort Mac and Naval Air Station in Atlanta and for the Athens -- the Naval Supply School in Athens.

The Cobb County Chamber of Commerce, Cobb County Commission has always played a key role in NAS Atlanta. The Chamber's Honorary Commanders program brings business leaders together to support the Navy's mission at NAS Atlanta. The County Commission's protection of the Dobbins' perimeter and its support of infrastructure has made it the best urban air facility in the United States of America.

The leadership of the Metro Atlanta Chamber of Commerce has long records of supporting Fort Gillem and Fort Mac, as have the cities of Forest Park and East Point. And the City of Atlanta -- whose mayor, Shirley Franklin, is here today in support of this effort -- offers both these bases a transportation system that cannot be matched anywhere in the United States of America.

On any given day Hartsfield-Jackson Airport cannot be matched. It can place the leaders of the United States Army anywhere in the United States by noon and almost anywhere in the world by evening. No location in America can match that. To quote the MasterCard commercial on television, that in terms of cost to the United States of America is priceless.

There's probably no facility in Georgia that enjoys more community support than Naval Air -- Naval Supply School in Athens, the Clarke County Chamber of Commerce, the Chamber of Commerce at the University of Georgia provides enormous support including free fire and police protection to the base and an enriched quality of life for the Navy personnel and their families.

As you evaluate overall costs to the

United States and overall value in terms of support, remember the following: The community surrounding all our military bases have done an outstanding job. They are dedicated to their base and the protection and enhancement of the family. There is absolutely no doubt that the loyalty and hard work of all of these community groups has contributed immeasurably to the success of our military in Georgia.

I have no doubt this will become clear to you today as we make the case for the value of the Georgia bases. I thank you for your visit and your services. This concludes our first panel.

Now our second panel will provide presentations regarding the Pentagon's recommendations for base closures in Georgia. After that, our third panel will provide presentations on the Pentagon's recommendations for additional missions personnel at Georgia's bases. Gentlemen, we thank you for your attention.

COMMISSIONER GEHMAN: Thank you very much.

CONGRESSMAN LEWIS: Good morning. First I would like to thank you, Members of the Commission who are holding this hearing. I am pleased to be here along with the governor, our senators and my past colleagues. I appreciate the opportunity to speak to you today, not

only about the military value of Fort McPherson but also its essential role in shoring up our homeland security.

While I appreciate the Department of Defense goals of decreasing costs and increasing efficiency, I respectfully disagree with the conclusion that closing Fort McPherson advances those goals.

On the contrary, I believe that Fort Mac's role in supporting our homeland security is more essential in the post 9/11 world. Closing it based on material outlined prior to 9/11 is shortsighted.

As you may know, Fort Mac is home to four major Army commands that train, mobilize and deploy combat-ready forces engaged in a war on terror. Fort Mac also serves as regional headquarters for federal and state agencies, which is directly involved in operations that provide homeland security and homeland defense as well as domestic disaster relief.

Fort Mac's location located between the heart of Atlanta and Hartsfield-Jackson Airport, is easy as well as cost effective and time efficient to fly to and from, the importance of which can't be overstated. Fort McPherson played an expanded and critical role in providing homeland security and

defense. Its strategic value will only increase over time, Members of the Commission.

Now I am pleased to turn things over to my colleague, David Scott, Fort Gillem.

CONGRESSMAN SCOTT: Members of the Commission, I strongly urge you to please keep Fort Gillem open. Closing Fort Gillem would be a terrible mistake, a tragic blow to our homeland security, to our national security to our readiness and our military value.

As you know, we now have American soldiers stationed in over 140 nations around this world. We need Fort Gillem because of its closeness to the world's busiest airport, with rapid deployment and strategic mobility to get our troops in there very quickly.

We have an all-voluntary Army now which Fort Gillem is a major irreplaceable component, that recruits, it maintains, it trains, it deploys combat-ready troops throughout the world into our all-voluntary Army, the backbone of which is our National Guard and our Army Reserve which is the heart and soul of Fort Gillem.

In Atlanta -- Atlanta is a very attractive market, it helps our recruiting. If you close Fort Gillem, we lose Atlanta. It strikes a very serious

blow to our recruitment efforts at the time when we are at war and at a time when our recruitment numbers are low.

Let's talk about costs for a moment. When you talk about costs, I want to mention a war on terror. The world is full of terrorists now. Atlanta is the home of Center of Disease Control. It's the home of the world's busiest airport.

We have brand names -- worldwide names like Coca-Cola, CNN, the terrorists will love to make an attack here. If Fort Gillem closes, Atlanta becomes more vulnerable to a terrorist attack because Fort Gillem coordinates all of our first responders. That's why we have an Army lab there, Red Cross, FEMA, GEMA on that base. If we dare lose Fort Gillem and sacrifice our security in terror attacks, those figures with COBRA the Department of Defense is using do not match the figures of Fort Gillem, especially in terms of moving personnel. It doesn't take into consideration the closings.

Let's talk about one final thing as well. We in Congress have just put out in the last two years \$200 million for new construction on the base

of Fort Gillem. Can we walk away from that? Can we walk away from brand new buildings for a reserve center, for a crime lab? Close Fort Gillem? That would not be good tax -- source of the taxpayers' dollars. I urge you to keep Fort Gillem open.

You know, before 9/11, we were faced with a tremendous task. We were at peace, we are now at war. We must not close Fort Gillem.

I want to close with this: Franklin Delano Roosevelt said something that comes home right here when he was asked what it would take to keep this country free and moving with liberty. Franklin Delano Roosevelt said this: We must have a strong military with vision. That vision must not enable us to look straight. We must be able to look around corners, see what's coming up. Fort Gillem gives us that ability to look around corners. Don't take that from us. Keep Fort Gillem open. Thank you.

BRIGADIER GENERAL BROWNING: Good morning, Mr. Chairman and thank you for the opportunity to articulate the military value of Fort McPherson and Fort Gillem. We applaud the Army's goal of aligning its infrastructure with transformation objectives and return of forces from overseas. On balance, we feel their

recommendations are sound and will indeed improve the nation's ability to respond to future threats.

However, like any process of this magnitude, there are likely to be areas that need reconsideration. In the chart shown above, the Army proposes to close Fort McPherson and Fort Gillem.

Today we will present facts that will lead you to the conclusion that both recommendations should be reversed. Our position is that Fort McPherson represents an installation of significant relevance given the contemporary requirement for command, control and coordination between international and domestic governmental and non-governmental agencies with combined and joint military forces engaged in the war on terror.

Fort McPherson further leverages active component, reserve component, force provider, force unit, user readiness and command and control synergies.

Finally, Fort McPherson benefits from the highly skills civilian manpower pool required for mission accomplishment that we will show simply is not available if the Army's recommendation is adopted.

Our suggestion today will center on three

points: First, the cost appears to be the overriding factor in making the decision to close Fort McPherson. Yet we are not confident that the savings derived from the COBRA analysis are accurate and that other significant costs were not considered.

Secondly, that not co-locating the three major headquarters, Forces Command, FORSCOM; U.S. Army Reserve Command, USARC; and Third Army reduces the quality and efficiency of the important synergy between them and detracts from both training readiness and operational plan.

And finally, moving the three headquarters from Atlanta, specifically Fort McPherson, is ill-advised.

To begin the cost discussion, I would like to highlight in very succinct fashion some significant aspects of the Army's military methodology that appear to us to be relevant to our argument.

First, the Army established 40 attributes to determine an installation's military value. These attributes represent characteristics that were distinguishable between installations, measurable and derived from certified data forces. Each

attribute was then weighed and mapped against each of the four major DoD military value criteria.

The results were that in the Army's view, Criteria 1, mission capabilities versus impact on war fighting should be weighted at 29 percent.

Criteria 2, training land and facilities weighted in at 29 percent. Criteria 3, ability to accommodate mobilization and surge weighted in at 32 percent.

Criteria 4, cost, 10 percent. In other words, Criteria 4, cost, would be less of a discriminator in judging military value than any of the other three.

The Army also applied all 40 attributes against each installation and as a result developed a military value rank ordering for each. Fort McPherson qualified to remain in the Army portfolio defined by the senior review group on October 19th, 2004 as an installation required to support Army needs while maintaining maximum military value.

However, the Headquarters and Support Joint Cross Service Group developed scenarios that moved functions off Fort McPherson demonstrating a cost savings in doing so. The Army then elected to close the installation.

Given that fact, one could reach the

conclusion that cost was the primary reason for closing Fort McPherson regardless of other military value strengths of the headquarters there.

Let me continue our discussion by addressing cost in more details, specifically Criteria 4, cost and manpower implications and Criteria 5, extent and timing of potential cost and savings.

We believe that the savings generated by the COBRA analysis are overstated. For example, the 2005 COBRA model uses \$79 million for military construction for the three major headquarters there. However, our understanding is the actual replacement value of the three headquarters in question is approximately \$277 million.

Now, we asked the Army to reconfirm this. But in the meantime, we did run a COBRA excursion using the military construction costs above. As you would expect, there will be less savings over 20 years, higher one-time costs and a long pay-back period. We have provided the COBRA excursion summary sheet for the record.

Finally, we compared the BRAC 2005 COBRA results with the analysis done by Fort McPherson during BRAC '93. As you can see, there are major

differences in the final results. For example, one-time cost for Fort McPherson in '93 are 41 percent higher than in '05 and take three to five years longer to break even.

Now, we do recognize scenarios and assumptions will impact on any calculations, but such deviations are of a concern nonetheless. Given the above, there is skepticism that the COBRA analysis at Fort McPherson reaches a realistic conclusion.

That is particularly important if costs appear to be the determinant factor in reaching the Army's recommendation. One of the distinct cost advantages of positioning the three headquarters in Atlanta is the proximity of Hartsfield-Jackson International Airport. The ability to travel directly to all metropolitan cities both in the continental United States and overseas cannot be underestimated, given the large amount of travel generated annually by all three headquarters, \$18 million, for example, in 2004 including per diem.

Also, because most of the destinations are point to point, it becomes much easier for headquarters' personnel to conduct business with a

one-day turnaround thus avoiding per diem costs.

As you can see from the chart in the testimony, this would not be the case for Fayetteville, North Carolina. Cost of traveling will increase and flying to interconnecting airports would be required to get to key destinations. For example, the cost of traveling to Washington, D.C. is 36 percent higher than Fayetteville, and there are no direct flights. Flight availability is worth mentioning again because it is not only cost that must be considered but also the time lost while traveling.

Still another aspect of this particular issue is the expensive travel to Fort McPherson by various subordinate commands. As shown in your testimony, we took a sampling using Fort Hood and Fort Lewis which reflects, again, the cost disparity between Fort -- Fayetteville, North Carolina and Atlanta. For example, the price difference coming from Killeen, Texas to Atlanta is 10 percent less than flying to Fayetteville, North Carolina.

These costs -- all of these costs are not considered in the COBRA model. So in summary from a cost perspective only, we feel that the evidence suggests that the recommended action to close Fort

McPherson should in fact be reconsidered.

Next, for argument purposes, we made the assumption that costs were not the overriding factor in the decision to close Fort McPherson. And in doing so, examining the other military value criteria, particularly Criteria 1 and 3 to determine their significance.

We begin by asking ourselves if moving Third Army to Shaw Air Force Base and particularly -- and displacing it from FORSCOM and the USARC would improve mission capability. Our conclusion is that it would not, because of the implications for Criteria 1, as I will explain next.

Co-locating the Army and Air Force components of Central Command appears logical on its surface and clearly supports the DoD objective of joint basing. However, if you look at the functions interactions required between 9th Air Force and Third Army versus the Third Army interface with FORSCOM and USARC, you might reach a different conclusion. And we have.

Third Army is a force requester. It continuously is asking for specific capability to support ongoing planning and making adjustments as the force providers forces command in the U.S. Army

