

BRAC 2005 Infrastructure Steering Group (ISG)

Meeting Minutes of June 6, 2003

The Acting Under Secretary of Defense (Acquisition, Technology and Logistics) chaired this meeting. The list of attendees is attached.

The Chair opened the meeting by commenting that the BRAC process is on track. He then asked the PADUSD(I&E) to begin the briefing.

The PADUSD(I&E), using the attached slides, stated the briefing would cover three subjects:

- Approval of interim selection criteria
- Approval of the assignment of Defense Agencies to JCSGs
- Approve development of BRAC funding rules

The PADUSD(I&E) reviewed the selection criteria used in prior rounds and made the following points:

- Selection criteria are central to BRAC recommendations and are required by statute
 - Some of the criteria concern Military Value, and by law, this must be the “primary consideration” in making recommendations.
 - Previous BRAC policy similarly required military value as primary consideration.
 - The Commission judges the Department’s recommendations based on the selection criteria (and the force structure plan).
- Draft selection criteria must be published in the Federal Register no later than December 31, 2003.
 - After a 30-day public comment period, final criteria will be issued in February 2004.
 - Congress has until March 15, 2004 to vote this down.
- Issuing interim selection criteria before publication of draft criteria in December allows DoD to start to determine data needs.

The BRAC statute requires that the selection criteria address a variety of considerations such as environmental cost and homeland security. The ISG engaged in a lengthy discussion about the merits of using the prior criteria, as modified to accommodate the BRAC 2005 statutory requirements, as the interim criteria for initial

analysis by the Military Departments and the JCSGs (see slides 11 and 12). The discussion focused on five areas:

- Whether the criteria needed to be broad or specific
- Whether criterion 4 “cost and manpower implications” is actually a military value criterion and its relationship with criterion 5
- Whether criterion 5 dealing with return on investment needed to clearly state that it would apply in an aggregate fashion
- The definition of “vicinity” used in dealing with economic impact criterion 6
- Whether criterion 8 dealing with environmental impacts needed to include the broad phrase “environmental impact”

Broad Criteria The ISG discussed the merits of having broad criteria that afforded the Military Departments and the JCSGs the flexibility to conduct analysis that reflect differing mission requirements. Some members expressed concern that using criteria similar to the prior rounds would not allow the military departments to restructure their infrastructure sufficiently. As part of the discussion, the ISG clarified a couple of key points related to the BRAC process:

- The detailed attributes (and related weights) that support the application of the criteria are developed by the military department and JCSGs to support their own analysis
- When developing its recommendations, the BRAC commission uses the analysis developed by DoD to determine whether DoD deviated from proper application of the criteria—past commissions did not (nor do they have the capability to) develop their own system of detailed attributes

Criterion 4: Cost and Manpower Implications The ISG discussed whether criterion 4 “cost and manpower implications” is truly a military value criterion. The discussion keyed on whether criteria 1 through 3 were the only military criteria and whether criteria 4 and 5 should be applied after the military value analysis had been made or whether cost and manpower implications were integral to an assessment of military value because DoD operates in a resource constrained environment and resources themselves have military value.

Criterion 5: Return on Investment After a short discussion, the ISG concluded that guidance related to criterion 5 must clarify that return on investment can be calculated both individually and in the aggregate.

Criterion 6: Economic Impact After a brief discussion of possible definitions for vicinity (Metropolitan Statistical Area, political jurisdictions, etc.), the Chair recommended that the OSD BRAC office array the options for discussion at a future meeting.

Criterion 8: Environmental Impact The ISG discussed whether the broad term environmental impact should be included in criterion 8 when this term is not used in the statute. The OGC representative and PADUSD(I&E) stated that the broad term is necessary to ensure that the broader environmental impact of the BRAC decisions is properly accounted for in the decision process.

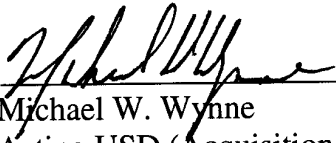
At the conclusion of the discussion of the criteria, the ISG Chair stated that the discussion provided sufficient information to enable him to issue the interim criteria by memorandum.

The ISG then discussed the assignment of defense agencies to the various JCSGs using slide 14 as a guide. Based on the discussion, the ISG Chair stated his intent to assign the Technical JCSG as the lead JCSG for Defense Advanced Research Projects Agency, Defense Information Systems Agency, Defense Threat Reduction Agency, and the Missile Defense Agency; the Industrial JCSG as the lead JCSG for Defense Contract Management Agency and Defense Logistics Agency; and the Headquarters and Support Activities JCSG as the lead for the remaining eight non-intelligence defense agencies. Under this construct, the lead JCSG would have the support from other JCSGs as appropriate. Memoranda to the JCSGs informing them of the final decisions regarding assignments will be forthcoming.

The ISG briefly discussed the intelligence functions. The DUSD(I&E) stated that the USD for Intelligence asked for more time to determine how the intelligence defense agencies (Defense Intelligence Agency, National Security Agency and the National Imagery and Mapping Agency) will participate in BRAC. The USD (Intelligence) believes that there are benefits to having the intelligence defense agencies participate in BRAC as a group.

The ISG then briefly discussed the BRAC funding “wedge.” The ISG chair directed the BRAC Directors to develop a preliminary briefing for the ISG on draft rules for allocating BRAC implementation funding in August.

Approved: _____


Michael W. Wynne
Acting USD (Acquisition, Technology & Logistics)
Chairman, Infrastructure Steering Group

Attachments:

1. List of Attendees
2. Briefing slides entitled “BRAC 2005 Issues” dated June 6, 2003

**Infrastructure Steering Group Meeting
June 6, 2003**

Attendees

Members:

- Michael Wynne, Acting Under Secretary of Defense (AT&L), Chair
- Hon H.T. Johnson, Assistant Secretary of the Navy (Installations and Environment)
- Hon Nelson Gibbs, Assistant Secretary of the Air Force (Installations, Environment and Logistics)
- Mr. Ray DuBois, Deputy Under Secretary of Defense (Installations and Environment)
- Hon Mario Fiori, Assistant Secretary of the Army (Installations and Environment)
- General Nyland, Assistant Commandant of the Marine Corps

Alternates:

- Lieutenant General Joseph Wehrle, Assistant Vice Chief of Staff of the Air Force for General Robert Foglesong, Vice Chief of Staff, Air Force
- Major General Larry Lust, Assistant Chief of Staff for Installation Management, for General John Keane, Vice Chief of Staff, Army
- Lieutenant General James Cartwright, Director Requirements, Joint Staff for General Peter Pace, Vice Chairman, Joint Chiefs of Staff

Others:

- Dr. Craig College, Deputy Assistant Secretary of the Army (Infrastructure Analysis)
- Mr. Philip Grone, Principal Assistant Deputy Under Secretary of Defense (Installations & Environment)
- Mr. Pete Potochney, Director, Housing
- Ms. Anne Davis, Deputy Assistant Secretary of the Navy (Infrastructure Analysis)
- Mr. Mike Aimone, Deputy Assistant Secretary of the Air Force (Basing and Infrastructure Analysis)
- Maj Gen Gary W. Heckman, Assistant Deputy Chief of Staff of the Air Force for Plans and Programs
- Brigadier General Taco Gilbert, USAF
- Mrs. Nicole Bayert, Associate General Counsel, Environment and Installations, DoD
- Col Joanne Schoonover, Senior Military Assistant to USD(AT&L)
- Lieutenant Colonel Wiersema, Junior Military Assistant to PDUSD(AT&L)
- CDR John Lathroum, Force Integration Branch Officer, Forces Division, J-8
- Mr. Andrew Porth, Assistant Director, Housing
- Col John Medlin, Military Assistant to Assistant Secretary of the Air Force (Installations, Environment and Logistics)



BRAC 2005 Issues

Briefing to the
Infrastructure Steering Group

June 6, 2003



Purpose

- Approve interim selection criteria
- Approve assignment of Defense Agencies to JCSGs
- Approve development of BRAC funding rules



What are Selection Criteria?

- Criteria for making closure and realignment recommendations that provide structure to the analysis
- Required by BRAC statute
 - Military value must be primary
 - Specifies some minimum considerations
- Published for comment and approved unless specifically disapproved by Congress
- Important because Commission must find that DoD deviated from the selection criteria (and/or force structure plan) to change or reject a recommendation



BRAC 91-95 Selection Criteria

MILITARY VALUE (priority consideration)

- The current and future mission requirements and the impact on operational readiness of the Department of Defense's total force
- The availability and condition of land, facilities and associated airspace at both the existing and potential receiving locations
- The ability to meet accommodate contingency, mobilization, and future total force requirements at both the existing and potential receiving locations
- The cost and manpower implications



BRAC 91-95 Selection Criteria

RETURN ON INVESTMENT

- The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs

OTHER IMPACTS

- The economic impact on communities
- The ability of both the existing and potential receiving communities' infrastructure to support forces, missions, and personnel
- The environmental impact



How we used the 91-95 Selection Criteria

- General Process:
 - Developed attributes/characteristics to ensure each criterion received a comprehensive review
 - Developed questions for data calls supporting above
- Assigned weights with military value primary
- Scored installations to determine Military Value
- Overall ranking developed by applying criteria to arrive at a quantitative score



Military Value Criteria (1-4) – Priority Consideration

- **Criteria 1: Current and future mission operations**
 - e.g., Installations with more flexibility in conducting operations were considered more valuable to DoD
- **Criteria 2: Availability and condition at existing and receiving locations**
 - e.g., Installations considered to have better facilities and assets (condition, quantity, etc) to conduct missions valued higher
- **Criteria 3: Accommodate contingency, mobilization and future total force requirements at existing and receiving locations**
 - e.g., Installations capable of responding to a spectrum of threats valued higher
- **Criteria 4: Cost and manpower impacts**
 - e.g., Installations that require less resources to operate (MILCON, BAH, BASOPS etc) make more resources available to support other requirements are valued higher



Non-Military Value Criteria (5-8)

- **Criteria 5: Return on investment**
 - Associated most with arraying scenario/options (e.g., shorter payback frees up resources for warfighting needs more quickly and may be valued higher)
- **Criteria 6: Economic impact**
 - Potential job loss (direct and indirect) as a percentage of total area employment (e.g., minimal impact valued higher)
- **Criteria 7: Community infrastructure support**
 - Attributes measured internal and external infrastructure to support current and future missions
 - e.g., Installations with higher QoL (entertainment, schools, and access to public transportation) valued higher
- **Criteria 8: Environmental impact**
 - Attributes covering such areas as endangered species, wetlands, cultural resources, environmental compliance, air pollution, etc., (e.g., less impact e valued higher)



Specific FY 2002 Authorization Act Requirements

Military value shall include:

- Preservation of training areas suitable for maneuver by ground, naval, or air forces to guarantee future availability of such areas to ensure the readiness of the Armed Forces.
- Preservation of military installations in the United States as staging areas for the use of the Armed Forces in homeland defense missions.
- Preservation of military installations throughout a diversity of climate and terrain areas in the United States for training purposes.
- The impact on joint warfighting, training, and readiness.
- Contingency, mobilization, and future total force requirements at both existing and potential receiving locations to support operations and training.

Criteria shall address:

- The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs
- The economic impact on existing communities in the vicinity of military installations
- The ability of both existing and potential receiving communities' infrastructure to support forces, missions, and personnel.
- The impact of costs related to potential environmental restoration, waste management, and environmental compliance activities.
- The effect on DoD cost and savings of the costs to any other activity of the Department of Defense or any other Federal agency that may be required to assume responsibility for activities at the military installations.



BRAC 2005 Selection Criteria

- Policy memo 1 states the ISG will issue interim selection criteria consistent with statute
 - Need interim criteria before publication of draft criteria to start data call development

- Development approach
 - Use broad, flexible statements to provide structure without restricting possibilities/creativity
 - Military Departments and JCSGs will develop underlying evaluation factors and weights that provide greater specificity
 - Use eight proven and accepted criteria used in BRACs 91-95 and change only to incorporate legislative direction



Proposed BRAC 2005 Interim Selection Criteria

Military Value

1. The current and future mission requirements and the impact on operational readiness of the Department of Defense's total force, including impacts on joint warfighting, training, and readiness.
2. The availability and condition of land, facilities and associated airspace, including training areas suitable for maneuver by ground, naval, or air forces throughout a diversity of climate and terrain areas and staging areas for the use of the Armed Forces in homeland defense missions, at both existing and potential receiving locations.
3. The ability to accommodate contingency, mobilization, and future total force requirements at both existing and potential receiving locations to support operations and training.
4. The cost and manpower implications.

Words in green reflect modifications to BRAC 95 criteria



Proposed BRAC 2005 Interim Selection Criteria

Return on Investment

5. The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs.

Impacts

6. The economic impact on **existing communities in the vicinity of military installations.**
7. The ability of both the existing and potential receiving communities' infrastructure to support forces, missions and personnel.
8. The environmental impact, **including the impact of costs related to potential environmental restoration, waste management, and environmental compliance activities.**

Words in green reflect modifications to BRAC 95 criteria



Defense Agency Functional Review

- The ISG agreed to assign Defense Agencies to JCSGs, where appropriate
- BRAC Directors screened the functions and made initial assignments to JCSGs
 - Intelligence functions warrant additional discussion
- USD(AT&L) will issue memo to Defense Agencies
 - Notifies them of assignment
 - Provides for “appeal” of assignment to ISG



Draft Defense Agency Function Allocation

Defense Agency	Education & Training	Medical	HQs & Support	Technical	Industrial	Supply & Storage
Defense Advanced Research Projects Agency			X	X		
Defense Commissary Agency			X			
Defense Contract Audit Agency			X			
Defense Contract Management Agency			X	X	X	X
Defense Finance and Accounting Service			X			
Defense Information Systems Agency			X	X		
Defense Legal Services Agency			X			
Defense Logistics Agency			X		X	X
Defense Security Cooperation Agency			X			
Defense Security Service			X			
Defense Threat Reduction Agency			X	X		
Missile Defense Agency			X	X		
Pentagon Force Protection Agency			X			
Defense Intelligence Agency						
National Imagery and Mapping Agency						
National Security Agency/Central Security Service						



Reviewing Intelligence Functions in BRAC

- Unique role in DoD and recent establishment of USD (Intelligence) may require different disposition of intelligence functions
- Options for analyzing intelligence functions:
 - Include in one or more of the existing Joint Cross-Service Groups (JCSGs)
 - Establish an Intel JCSG that reports to the Infrastructure Steering Group (ISG) chaired by the USD (Intelligence) or his nominee
 - Combination:
 - Some functions analyzed by JCSGs; (e.g. NCR/HQs within HQs & Support Activities); and
 - Intelligence unique functions analyzed by each applicable agency (NIMA, DIA, etc.) and USD (Intelligence) reporting to the ISG
- Need input of USD (Intelligence)

Approve all non-Intel assignments and make Intel decision at next ISG meeting



BRAC Funding

- Funding in previous BRAC rounds competed with weapon system/operational requirements
 - Funding limited BRAC recommendations
- DoD has programmed funding to pay for BRAC 2005 implementation
 - Based on budgeted costs/savings reported in BRAC 93 and 95
 - Assumed a 20% reduction in infrastructure
- About 55% of costs over first three years are directly programmed; Service savings assumptions make up the difference

(TY \$B)	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>
Costs	\$4.7	\$7.6	\$7.1
Savings	\$1.7	\$2.2	\$4.8
Net (wedge)	\$3.0	\$5.4	\$2.3

Minimizes BRAC versus weapons systems tradeoffs



Allocating BRAC Funding

- Establishing allocation rules upfront is important in planning the analytical effort:
 - Establishes the foundation for this funding
 - Reinforces its application
 - Helps programming
 - Fulfills agreement with Comptroller to enforce, and incentivize, competition for these funds
 - Removes financial constraint to closure and realignment recommendations

- BRAC Directors will develop guidelines for allocation for ISG approval



■ Recap

- Approved interim selection criteria
- Approved Defense Agency assignments (less Intel)
- Agreed BRAC directors will develop guidelines for future allocation of BRAC funding

■ Next Steps/Work in Progress

- Address Intelligence functional review
- JCSG presentations
- Installation Visualization Tool requirements
- Force structure plan development
- Data call procedures
- Overseas basing
- Draft selection criteria for publication
- BRAC funding allocation rules