Installation Public-to-Public Partnerships (PuPs) in the Department of Defense

A Research Perspective

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Objectives of RAND Installation PuP Study

- Clarify the potential value of public-to-public partnerships (PuPs) to Department of Defense (DoD) installations
- Identify barriers to the cost-effective application of military installation PuPs
- Recommend ways to overcome these barriers
Outline

- Background on partnerships
- Barriers to installation PuPs
- Initial observations about existing DoD installation partnerships
  - Categories of partnerships
  - Benefits of partnerships
- Conclusions
Defining Different Installation Partnerships

- **Partnership**
  - Installation and other organizations agree to work together for mutual benefit
  - Usually involves a long-term relationship

- **Public-to-public partnership**
  - Agreement between an installation and a local, state, or other federal agency

- **Public-private partnership**

- **Regional partnership with 3 or more entities**

- **Privatization of installation services and infrastructure**
  - DoD sells infrastructure asset to private or public entity to maintain and operate it for the installation
  - Like a partnership because the entity continues to provide a service to the installation
Different Installation Activities Could be Performed by Diverse Organizations

Illustrative example

State and local governments
- Library
- Fire & Emergency
- Gym/Recreation
- Golf Course
- Housing
- Commissary

Private sector

NGOs
- Swimming Pool
- Chapel

Installation X

Need to consider cost, quality, accessibility, mission value, and security issues
Lessons from Municipal PuPs

- Municipal PuPs are created to:
  - Save money and take advantage of economies of scale
  - Access technical capabilities that a community lacks

- Local government intergovernmental agreements for services offer insights for DoD installations:
  - International City/County Management Association (ICMA) surveys and assessments can be used to identify municipal core competencies

- What services do local governments choose to acquire from other local governments that are relevant to DoD installations?
Who Provides Selected Municipal Services

<table>
<thead>
<tr>
<th>Service</th>
<th>All In-House</th>
<th>Some In-House</th>
<th>Other Government</th>
<th>For Profit</th>
<th>Not for Profit</th>
<th>Volunteer</th>
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</table>

Outline

- Background on partnerships
- Barriers to installation PuPs
- Initial observations about existing DoD installation partnerships
  - Categories of partnerships
  - Benefits of partnerships
- Conclusions
Barriers to Installation PuPs

- Some federal policies, legislation, and regulations
- Installation level implementation barriers
  - Resistance to change
  - No capacity to identify and access opportunities
  - Lack of experienced staff to develop partnerships
  - Inability to monitor performance and provide appropriate contract oversight (if applicable)
- Other factors that can limit community partnership opportunities

For examples of barriers for a specific type of partnership, UESC, see "Making the Connection: Beneficial Collaboration Between Army Installations and Energy Utility Companies" at http://www.rand.org/pubs/monographs/MG1126.html
Additional Challenges to Installation PuPs

- Many of the opportunities and obstacles are place-specific
- A partnership is more than a contractual relationship
- Individual and group attitudes can cause roadblocks
- How to apportion and manage the cost uncertainties and other risks within contracts and agreements
Criteria for Successful Partnerships Help Address the Barriers


- **Individual excellence**
  - Both partners are strong and have value to contribute
  - Motivation to pursue future opportunities not to mask weaknesses nor escape a difficult situation

- **Importance**
  - Relationship fits the major strategic objectives of the partners
  - Plays a key role in long-term goals of the partners

- **Interdependence**
  - Partners need each other and neither can accomplish alone what both can do together
  - Have complementary assets and skills

- **Investment**
  - Partners invest in each other
  - Make long-term commitment by devoting financial resources
Criteria for Successful Partnerships (continued)


- **Information**
  - Communication is reasonably open
  - Partners share info required to make relationship work

- **Integration**
  - Partners teach and learn from each other
  - Develop linkages and ways of operating so work smoothly together

- **Institutionalization**
  - Relationship has formal status with clear responsibilities and decision process
  - Extends beyond the people who created it and cannot easily be broken

- **Integrity**
  - Partners behave toward each other in honorable ways that enhance mutual trust
  - Do not abuse information gained nor undermine each other
Outline

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Range of Installation Partnerships

- Official OSD and Service programs
  - Readiness and Environmental Protection Initiative (REPI)
  - Utility Energy Service Contract (UESC)
  - Enhanced Use Lease (EUL)*
  - Educational Partnership Agreement (EPA)
  - Utility and housing privatization

- Installation level agreements
  - Formal fee-for-service agreements
  - Formal MOUs and MOAs for sharing resources for mutual benefit
  - Less formal partnerships, such as joint activities and events

* Legally not a partnership, but can act like a partnership because of the relationship that develops
Installation Partnerships Focus on a Range of Functional Areas/Services

<table>
<thead>
<tr>
<th>Installation infrastructure and management</th>
<th>Services for the military, their families, and DoD civilians</th>
<th>Mission and other types of functions</th>
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<tbody>
<tr>
<td>Water infrastructure</td>
<td>Ball fields</td>
<td>R&amp;D facility</td>
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<tr>
<td>Wastewater treatment</td>
<td>Child Development Center</td>
<td>Testing facility</td>
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<td>Food services</td>
<td>Preventing encroachment</td>
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<td>Energy technologies</td>
<td>Golf course</td>
<td>Science, technology, engineering, and</td>
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<td>Electrical systems operation</td>
<td>Gym/Recreation Center</td>
<td>math education (STEM)</td>
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<td>Environmental services</td>
<td>Mental health services</td>
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<td>Ecosystem restoration</td>
<td>Preventing domestic violence</td>
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<td>Fire and EMS</td>
<td>Hotels</td>
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<td>Search and rescue</td>
<td>Military family housing</td>
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</tr>
<tr>
<td>Security</td>
<td></td>
<td></td>
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<tr>
<td>Administrative services</td>
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</tbody>
</table>
Examples of Installation PuPs

- **Mission benefits**
  - Bethesda Hospitals’ Emergency Preparedness Partnership
  - Yuma Desert Proving Ground vehicle testing partnership
  - Edwards AFB and Antelope Valley College (AVC) EPA

- **Cost savings where the partner provides the service off the installation**
  - Fort Huachuca and City of Sierra Vista library partnership

- **Environmental benefits from regional partnership**
  - Gulf Coastal Plain Ecosystem Partnership (GCPEP)

- **Supporting servicemen and their families**
  - Camp Pendleton and the Armed Services YMCA partnership
Bethesda Hospitals’ Emergency Preparedness Partnership (BHEPP)

- Partnership to respond to any emergency
  - National Naval Medical Center (NNMC)
  - Suburban Hospital Healthcare System (SHHS)
  - National Institutes of Health Clinical Center (NIHCC)

- Drivers for partnership success
  - Inadequate institutional preparedness for major event
  - Vision and champion role of the base commander
  - Complementary core competencies and resources

- Barriers to success
  - Divergent organizational cultures
  - IT: different electronic medical information systems
  - Financial & human resources to start & maintain the partnership

Yuma Desert Proving Ground (DPG) Vehicle Testing Partnership

- Yuma DPG partnered with General Motors (GM) in a 50 year EUL* for GM to finance, build, and maintain a Hot Weather Testing Complex
  - Estimated cost savings for the Army over $100 million
  - GM gets secure test location with restricted air space
  - Cities of Mesa and Yuma also benefit

- Keys to success of the partnership
  - Each party has same goal
  - Development process assisted by team of subject matter experts, counsel, real property, contracting, and facilities personnel
  - Detailed business plan with specific uses for the facility
  - Contract specifically stated each partner uses and consequences
  - Took other stakeholders’ views into consideration

* Legally an EUL is not a partnership, but here it acts like a partnership because of the relationship that develops
Edwards AFB and Antelope Valley College (AVC) EPA

- Between the Air Force Research Lab (AFRL/RQ) and AVC
  - To enhance the study of science, technology, engineering, and math (STEM) in the Antelope Valley
  - Sharing of R&D facilities, staff, and students

- Sample benefits to Edwards AFB
  - Increases in number of scientists, engineers, and technicians from which to draw employees for the base
  - Provides joint research and access to AVC facilities
  - Gains faculty and student help in its lab research projects

- Sample benefits to AVC
  - Improves STEM enrollment, teachers, and skills in the region
  - Enhanced research opportunities for faculty and students
  - AFRL/RQ staff help develop AVC educational classes
Fort Huachuca and Sierra Vista Library Partnership

- **Fort Huachuca**
  - Closed main library on post, left Intel library open
  - Added extra computer terminals throughout the post
  - Pays City of Sierra Vista $77,000 per year for its library to provide additional materials for military and their families

- **What motivated the partnership**
  - Post library needed major upgrade
  - Many Soldier and families live off post
  - City of Sierra Vista had high quality library

- **Benefits from the partnership**
  - Fort Huachuca saved over $300,000 per year
  - Soldier and families have better library services
The Gulf Coastal Plain Ecosystem Partnership (GCPEP)

- Regional partnership of diverse landowners to conserve and restore the longleaf pine (LLP) ecosystem in Florida and Alabama; partners include:
  - Eglin AFB, NAS Pensacola, and NAS Whiting Field
  - The Nature Conservancy (TNC) and Nokuse Plantation
  - FL Dept. of Environmental Protection and Division of Forestry
  - USDA Forest Service and DOI National Park Service
- Eglin AFB taken lead role from GCPEP’s start in 1996
- Besides LLP ecosystem restoration, other benefits:
  - Helped prevent environmental and sprawl encroachment at the military installations
  - Added state parkland
  - Contributed to threatened and endangered species recovery goals
  - Leveraged funds from multiple sources
Camp Pendleton and the Armed Services YMCA Partnership

- **Armed Services YMCA**
  - Mission “to enhance the lives of military personnel and their family members in Spirit, Mind, and Body”
  - Provide a range of services at Camp Pendleton
    - Before and after school care and pre-school classes
    - Operation Hero Program: free grade school mentoring and tutoring
    - Free transportation to Naval Hospital
    - Leisure activities to junior enlisted families

- **The non-profit sector can fund activities in different ways**
  - Contracted services paid by Camp Pendleton
  - Armed Services YMCA raises funds and takes donations
  - Partnership began in 1943 and evolved over time
Fort Carson: Sample Benefits of Buffering Partnerships

<table>
<thead>
<tr>
<th>Benefit Category</th>
<th>Sample Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoting military readiness and other mission benefits</td>
<td>Protects perimeter of base from ambient light, enables night training</td>
</tr>
<tr>
<td></td>
<td>Enables low level flight training</td>
</tr>
<tr>
<td></td>
<td>Helps minimize impact of training on surrounding community</td>
</tr>
<tr>
<td></td>
<td>Base management continues to deal with limited number of landowners as neighbors</td>
</tr>
<tr>
<td>Addressing sprawl and limiting other incompatible land use</td>
<td>Prevented high density housing development in base 115 dB noise zone</td>
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<tr>
<td></td>
<td>Prevents 55-65 homes from being built near fenceline</td>
</tr>
<tr>
<td>Preserving habitat and other environmental benefits</td>
<td>Helps preserve 4 plant species of concern and makes case for them not to be listed as T&amp;ESs</td>
</tr>
<tr>
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<td>Protects Central Shortgrass Prairie (CSP) habitat and wildlife corridor</td>
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<tr>
<td></td>
<td>Helps protect watershed and water quality and supply</td>
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<tr>
<td>Community relationship and partnership benefits</td>
<td>Helps improve community relations</td>
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<td></td>
<td>Helped to launch the CSP Ecoregion partnership</td>
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<tr>
<td>Promoting additional community benefits</td>
<td>Protects scenic open space and local quality of life</td>
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<tr>
<td></td>
<td>Helps protect ranchland</td>
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</table>

Range of Installation Benefits from PuPs

- Cost savings
  - Shared infrastructure/investment costs
  - Partner provides more efficient service
- Improved military mission and installation infrastructure and services
- Access to extra resources and technical expertise, such as
  - Financial and human capital
  - R&D space
  - Water and energy
- Improved government and community relationships
- Enhanced outreach to military and their families
- Environmental benefits
Benefits to Partners from Installation PuPs

- Economic benefits/cost savings
  - Shared infrastructure/investment costs
  - Income from fee for service provided
  - Keeps installation jobs in the community
- Improved services
- Access to extra resources and technical expertise, such as
  - Financial and human capital
  - R&D facilities and equipment
  - Water and land
- Improved government and community relationships
- Environmental benefits
- Helps maintain community way of life
Conclusions

- Often a range of barriers exist to installation PuPs, but they can be addressed.
- In fact, many installations already participating in one or more successful partnership:
  - Provide useful lessons
  - Can build and expand on such experiences
- NDAA Section 331 provides an opportunity to:
  - Expand existing partnerships
  - Create new ones