BRAC / Alternatives to BRAC:
Reducing the Cost of Defense Infrastructure
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Objectives

• Identify feasible options for reducing excess DoD infrastructure and facility/maintenance costs.

• Develop specific policy recommendations for DoD and congressional leaders.
Challenge

How to implement the infrastructure cost savings necessitated by budget cuts and force reductions in a way that is amenable to Congress, while balancing the needs and interests of defense communities and states?
Scope

Alternative Policy Areas:
1) Property Disposition Innovations
2) Partnerships Innovations
3) Asset Management Innovations
4) Future Installation Innovations
Agenda

8:00 – 9:45 AM
Opening Panel – Policy and Budget Drivers Prompting the Reduction of Excess Infrastructure

10:00 – 11:00 AM
Breakout Discussions – Four Alternative Policy Areas
   1) Property Disposition Innovations
   2) Partnerships Innovations
   3) Asset Management Innovations
   4) Future Installation Innovations

11:00 AM – 12:15 PM
Group Report Out & Reaction Panel
Part I – Military Perspectives:

- Timothy Bridges, Principal Deputy Assistant Secretary of the Air Force (Installations, Environment, and Logistics)
- Steve Iselin, Executive Director, Naval Facilities Engineering Command
- Diane Randon, Deputy Assistant Chief of Staff for Installation Management

Part II – Community Perspectives:

- John Armbrust, Executive Director, Kansas Governor’s Military Council
- John Simmons, Managing Partner, The Roosevelt Group
John Armbrust
Executive Director, Governor’s Military Council, Governor of Kansas
What do defense communities want?

Transparency

- Realistic projections of force structure changes and how decisions will be made.
- Opportunity to directly assist cost effective mission accomplishments.
- A limit to the number of “What If” scenarios that cause us to “jump through hoops” needlessly.
- Accurate decision time lines that allows us to be realistic in planning.
- A clear message and top cover support to advance P4 and recognition that communities & states are “old hands” at P4 and sharing services.
- Continued coordination & communication after decisions are announced.
What do defense communities want?

Accurate, Reliable Data

• Ability to participate in “data calls” so that community-related data is accurate and up to date
• That you ask only for the data you need to make good decisions and recognize that blanket requests generate concern and expend resources
• The ability for communities and installations to share pertinent data and Information
Appreciation that Big or Small, DoD Changes Have a Broad Impact

- Jobs – commercial and industrial
- Local business impacts – retail, construction, recreation/leisure
- Overall economic vitality – e.g., sales tax receipts, housing
- Education/workforce - local school districts, workforce training, university/college classes
- Both growth and realignment/closure require community/state up front investments
- Reserve/Guard component decisions matter to communities and states
- The impact of decisions and the decision making process may affect urban and rural communities entirely differently
What do defense communities want?

To be recognized as an active member of the decision making team

• Positive, Direct Effect on Mission Accomplishment & Improved Quality of Life
• Allows for Better Planning and Implementation of Decisions – Growth, Realignment, Closure
• Assists in Informed Decisions
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1) Property Disposition

Innovations

George Schlossberg
Scope of the Breakout

Discuss effectiveness of existing authorities/policies and identify new legislative authorities needed to expedite conveyance and reuse of excess military properties.

Desired Outcomes

• An understanding of how the existing authorities can be applied and develop a list of new and innovative legislative recommendations to expedite the property disposal process
• Highlighting ideas that will require legislative or policy action
• Understanding and identifying how the existing authorities can be implemented now

What’s Working Now

• Public Benefit Conveyances
• Conservation Conveyance
• Privatized clean up
Breakout Logistics

Facilitator: George Schlossberg

Co-facilitator: Jennifer Curtin

Breakout Room: Morton Room
2) Partnerships Innovations

Mike Berger
Developing new paradigms for cooperation and collaboration with state, regional, and local governments and private entities to produce positive outcomes for all.

**Desired Outcomes**

- A list of new and innovative ideas to help installations address declining budgets combined with surplus infrastructure
- Specific ideas that will require legislative or policy action
- Identification of new partnering agreements that can be implemented now

**What’s Working Now**

The City of Monterey, CA has partnered with the Army and the Navy to support installations in their community and lower costs to DoD. While each installation-community relationship is unique, Monterey can serve as a guide for other DoD communities.
Breakout Logistics

Facilitator: Glenn Seitchek

Co-facilitator: Mike Berger

Breakout Room: Eiserer Room
3) Asset Management Innovations

Susan Morris
3) Asset Management Innovations

Scope of the Breakout
Leveraging natural and manmade assets to support mission, military families and broader community needs. Problem Statement: Facing declining budgets, DoD needs a holistic approach to evaluate and optimize the use of all assets based upon mission needs.

Desired Outcomes
• List of successful or new and innovative asset management methodologies
• Highlighting of ideas that require legislative or policy action
• Identification of asset management methodologies that can be implemented now

What’s Working Now
• DoD EUL Program
• AF Space Command Case Studies
• Life cycle analysis for facilities and infrastructure
Breakout Logistics

Facilitator: Susan Morris

Co-facilitators: Pat McCullough, Chris Keefe and Kristen Leadbeater

Breakout Room: Beck Room
4) Future Installation Innovations

Dr. Will Rowe
4) Future Installation Innovations

**Scope of the Breakout**
Identify fundamental changes driven by force structure, mission and weapons evolution that will change the need for and nature of installations (e.g., Base of the Future; installations as multi-modal transportation hubs.)

**Desired Outcomes**
- A list of new and innovative ideas to address the issues faced by the installations of the future
- Specific ideas that will require legislative or policy action
- Identification of new ideas that can be implemented now

**What’s Working Now**
DoD and the Military Services are looking at ways to rationalize infrastructure to the force structure of the future. This includes a top to bottom review of how DoD approaches installation management, services, and dependent care.
Facilitator: Will Rowe

Co-facilitator: Steve Bonner

Breakout Room: Room D
Breakout Discussions:

1) Property Disposition – MORTON ROOM
2) Asset Management – EISERER ROOM
3) Partnership Innovations – BECK ROOM
4) Future Installation Innovations – ROOM D
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Reaction Panelists

• **John Conger**, Acting Deputy Under Secretary of Defense (Installations & Environment)

• **Paul Cramer**, Deputy Assistant Secretary of the Army (Installations, Housing and Partnerships)

• **Kathleen Ferguson**, Acting Assistant Secretary of the Air Force (Installations, Environment and Logistics)

• **Roger Natsuhara**, Principal Deputy Assistant Secretary of the Navy (Energy, Installations and Environment)

• **Lucian Niemeyer**, Professional Staff Member, Senate Armed Service Committee

• **Dave Seinicki**, Professional Staff Member, House Armed Services Committee
Property Disposition Innovations
What Else Can We Do?

A list of new and innovative ideas that may require development, political will, bureaucratic willingness, policy changes, or new legislation

   Non-legislative
     • Promote awareness of tools at the installation level and how to use them
     • Initiate the dialogue with the community earlier
       • Leverage community relationship to help them shape the base of the future
     • Legislative:
       • Separate BRAC disposal authority from force structure requirements
       Ensure tools for community
       • Amend the Exchange Authority (10 USC 2869) to include facilities
Partnership Innovations
What’s Working Now

- Creating Win-Win Outcomes
- Flexibility in application of state resources to help with DoD-related infrastructure
- Communities are ready
- Surveys of agreements in place
- Bringing together installations and communities for quick wins and regular interaction
- State funding of infrastructure
- Organize within states to share successes and lessons learned
What Else Can We Do?

- Train at the local level to implement 331 (OEA support?)
- Train installations staff to implement 331; identify right people to get deals done
- Common DoD legal interpretation of 331; more policy and guidance
- Partner across organizations (ADC, Conference of Mayors, ICMA, etc.)
- DoD issue guidance tempered with flexibility
- Increased cooperation on lowering energy costs
- Align incentives for all stakeholders
- Increase capacity of government labs to partner with industry to take advantage of new legal authority
- Post progress and sample documents on websites
- Share lessons learned and highlight successes
- Establish a P4 POC at each installations
- Tap intellectual capital: base, local, state, Service HQ to address unique circumstances at each installation and community
- “Singles” are ok to build a foundation for “home runs”
Legislative/Policy Recommendations

- Review federal laws on gifts from states to enable DoD mission
- Consider expanding scope of 331 for broader services
- Clarify congressional intent behind 331 (small business, FAR, Service Support Agreements) but focus on simplifying, not complicating
- Consider law to provide incentives for partnerships
Asset Management Innovations
What’s Working Now

- Utilities privatization and local involvement of pricing–characterization of the system
- Having State established quasi govt authority - local reuse authority – can bond, provide expertise. (Florida, Texas, Utah)
- AF P4 initiative – local authority and has AF topcover
**What Else Can We Do?**

- Attack the existing low hanging fruit in services and
- Have communities provide political top cover – working with Commanders
- **Cultural change** – incentivize savings, working with communities, and creativity
- Break apart policy from legislation – to help open the aperture…give Commanders more flexibility
- Give operators stake in the game – in facility space - have more control and challenge the requirement
- **Good condition assessments**
- Strong communications to the field on what the objectives are
- Shrink down to Mission required
- Bring commercial partners
- Look at the City Base model – look at lessons learned from the Guard model
- Services need to be able to make smart decisions – get around
- **Ask communities which bases should / can be closed**
Legislative/Policy Recommendations

- Authorities for in-kind services for organizations (States) to take on utilities etc
- Single year appropriation
- Provide initial distribution early
- Stop the penalties to migrate funds between accounts
- Authorities – allowing exchange for construction not just land (sunset 2007). Guard and Reserve still have
- EUL wide interpretations – clarify legislation
- Consider individual pieces of legislation in lieu of BRAC
- Better clarity on what is a shared service and what is mission critical
Future Installation Innovations
What’s Working Now

- Encroachment partnering
- Section 331 process is beginning to work and build trust
- Interlocal support (police, fire, etc.)
- BRAC LRAs as models for collaborative structures
What Else Can We Do?

• Dialog for including communities/states in force structure issues – should ADC engage?
• Transportation access and mobility for people and supply – communities play a role that DoD needs to understand and engage
• DoD should recognize a single entity to represent military needs in a region
• States/communities should establish single entities to act on behalf of a region
• Redefine “installations” to include all assets in a data driven approach to defining the problem (e.g. use of lease space)
• Define what we are protecting in force protection needs – not all assets need the same
  • Restricts the ability of the community to help the base
  • Can’t use Federal transportation planning dollars by not functioning regionally
Future Installations

What Else Can We Do?

- Change the approach to a structure of alliance/relationship and trust between communities and bases
- Get at joint basing and single point of authority/funding for “purple” bases
- ID what the Services are NOT thinking about – how do we empower installation commanders to partner?
  - Use TTX to mobilize collaborative thinking
  - State & local governments going through the same things as bases
- Model CONUS bases on basing in SW Asian AOR
  - Seek mission synergies between Services
  - Have a “Goldwater-Nichols” mandate to create in a COCOM arrangement for CONUS
- Explore how bases provide for unit cohesion and sense of community and understand what communities can do to help?
- Recognize “invisible missions” – cyber, tenant, classified missions – address how they interact with communities
What Else Can We Do?

- Clearly identify efficiencies and budget savings and communicate them clearly to Congress based upon what installations should look like
- Dust off past ADC legislative initiative for DoD recognition of single POCs for regional communication and collaboration
- Build relationships and trust between Services and states/communities to support true strategic decision making
- Include Congress in advance planning of the Base of the Future
- DoD and Congress must deal with procurement reform (“scrape off the barnacles”)
- Engage in real risk analysis to drive force protection, procurement reform, and other policy changes
- Clarify 10 USC 2336 (Section 331) to streamline partnering
  - FAR
  - Small business rules
- Streamline transfer of state and local government resources to DoD (grants, loans, etc.)
- Simulate and refine basing in models and exercises
Future Installations

Legislative/Policy Recommendations

- Dust off past ADC legislative initiative for DoD recognition of single POCs for regional communication and collaboration
- Clarify and streamline 10 USC 2336 (Section 331)
- Understand and reform procurement to reduce burdensome requirements
- Address force protection in the context of realistic risk analysis (what is truly critical infrastructure)
- Apply the SW Asian AOR basing model to CONUS (joint approach to basing via COMOs)
- Quantify and incorporate full economic impacts of bases on communities and vice versa in planning
TOP FIVE IDEAS

• IDEA #1
• IDEA #2
• IDEA #3
• IDEA #4
• IDEA #5
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