

Commission Recommendation

The Commission finds the Secretary of Defense did not deviate substantially from the force-structure plan and final criteria. Therefore, the Commission recommends the following: close Rio Vista Army Reserve Center.

Sierra Army Depot, California

Category: Ammunition Storage Installations

Mission: Receive, store, maintain, issue, demilitarize, and calibrate special weapons, conventional ammunition, and general supplies; store Southwest Asia Petroleum Distribution Operational Project and Water Support Equipment Project for the Army

One-time Cost: \$10.0 million

Savings: 1996-2001: \$40.8 million

Annual: \$18.5 million

Return on Investment: 1998 (Immediate)

FINAL ACTION: Realign

Secretary of Defense Recommendation

Realign Sierra Army Depot by eliminating the conventional ammunition mission and reducing it to a depot activity. Retain an enclave for the Operational Project Stock mission and the static storage of ores.

Secretary of Defense Justification

This recommendation is supported by the Army's long range operational assessment. The Army has adopted a "tiered" ammunition depot concept to reduce infrastructure, eliminate static non-required ammunition stocks, decrease manpower requirements, increase efficiencies and permit the Army to manage a smaller stockpile. The tiered depot concept reduces the number of active storage sites and makes efficiencies possible:

(1) Tier 1—Active Core Depots. These installations will support a normal/full-up activity level with a stockage configuration of primarily required stocks and minimal non-required stocks requiring demilitarization. Normal activity includes daily receipts/issues of training stocks, storage of war reserve stocks required in contingency operations and additional war reserve stocks to augment lower level tier installation power projection capabilities. Installations at this activity level will receive requisite levels of storage support, surveillance, inventory, maintenance and demilitarization.

(2) Tier 2—Cadre Depots. These installations normally will perform static storage of follow-on war

reserve requirements. Daily activity will be minimal for receipts/issues. Workload will focus on maintenance, surveillance, inventory and demilitarization operations. These installations will have minimal staffs unless a contingency arises.

(3) Tier 3—Caretaker Depots. Installations designated as Tier 3 will have minimal staffs and store stocks no longer required until demilitarized or relocated. The Army plans to eliminate stocks at these sites no later than year 2001. Sierra Army Depot is a Tier 3 Depot.

Complete closure is not possible, since Sierra is the Center of Technical Excellence for Operational Project Stocks. This mission entails the management, processing and maintenance of: Force Provider (550-man tent city), Inland Petroleum Distribution System; and Water Support System. It also stores such stocks as Clam Shelters (mobile maintenance tents), bridging, and landing mats for helicopters. The cost of relocating the Operational Project Stocks is prohibitively expensive. Therefore, the Army will retain minimum essential facilities for storage.

Community Concerns

The community argues the Army military value assessment undervalues or overlooks Sierra's demilitarization mission. They point out Sierra has over 40 percent of the Army's open detonation capability, without which Army demilitarization goals cannot be met. The community notes conflicts between the Army's goals expressed in the Wholesale Ammunition Stockpile Program and criteria weighting factors in the military value analysis have not been resolved, and inclusion of the ammunition tiering plan in the operational blueprint short-circuits the military value analysis process. They contend due to a data error, the recommendation would cut only 125 direct positions, not 305, and reduce expected savings. Savings would also be reduced by the \$38 to \$91 million dollar cost of moving ammunition, and by having to ship ammunition in wartime from installations farther from west coast ports. The community contends Sierra received no credit for its almost complete ammunition surveillance facility or its missile maintenance and test facilities, and was undercounted by 88 percent in demilitarization capability. It also states the depot's desert location, with dry outdoor storage, was scored the same as less-desirable locations. In addition, the community states the 839 jobs projected to be lost would constitute an 8.8 percent increase in county

unemployment, resulting in total unemployment of 20.7 percent.

Commission Findings

The Commission found conventional ammunition demilitarization, one of Sierra's principal missions, was undervalued, as no measure of demilitarization capacity was included in the installation assessment. While the operational blueprint considered long-term demilitarization capacity, the recommendation's effect on near- to mid-term capacity was not considered. The Commission also found the recommendation conflicted with the Army operational blueprint by overcommitting demilitarization capacity. In addition, the Commission found the ammunition tiering plan should not have been used for BRAC purposes, as it prevented installations in the category from being fairly compared against each other, did not use certified data, and had several other flaws.

The Commission found the Secretary of Defense's alternative recommendation preserved essential demilitarization capacity and necessary covered and outdoor storage, reduced the original recommendation's significant economic impact, and avoided substantial ammunition moving costs.

Commission Recommendation

The Commission finds the Secretary of Defense deviated substantially from final criterion 1. Therefore, the Commission recommends the following: realign Sierra Army Depot by reducing the conventional ammunition mission to the level necessary to support the conventional ammunition demilitarization mission. Retain a conventional ammunition demilitarization capability and an enclave for the Operational Project Stocks mission and the static storage of ores. The Commission finds this recommendation is consistent with the force-structure plan and final criteria.

Fitzsimons Army Medical Center, Colorado

Category: Medical Centers

Mission: Provide medical services, train providers, and perform medical research

One-time Cost: \$105.3 million

Savings: 1996-2001: \$4.6 million

Annual: \$36.4 million

Return on Investment: 2002 (2 years)

FINAL ACTION: Close

Secretary of Defense Recommendation

Close Fitzsimons Army Medical Center (FAMC), except for Edgar J. McWhethy Army Reserve Center. Relocate the Medical Equipment and Optical School and Optical Fabrication Laboratory to Fort Sam Houston, TX. Relocate Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) activities to Denver leased space. Relocate other tenants to other installations.

Secretary of Defense Justification

FAMC is low in military value compared to other medical centers. This recommendation avoids anticipated need for estimated \$245 million construction to replace FAMC while preserving health care services through other more cost-effective means. This action will offset any loss of medical services through: phased-in CHAMPUS and Managed Care Support contracts; increased services at Fort Carson and U.S. Air Force Academy; and redistribution of Medical Center patient load from Region Eight to other Medical Centers. FAMC is not collocated with a sizable active component population. Its elimination does not jeopardize the Army's capability to surge to support two near-simultaneous major regional contingencies, or limit the Army's capability to provide wartime medical support in the theater of operations. Closure of this medical center allows redistribution of medical military personnel to other medical centers to absorb the diverted medical center patient load. These realignments avoid a significant cost of continuing to operate and maintain facilities at this stand-alone medical center. DoD's Joint Cross-Service Group for Military Treatment Facilities supports the closure of Fitzsimons.

Community Concerns

The community argues the installation assessment criteria employed by the Army to measure Fitzsimons Army Medical Center were inappropriate and it was unfair to limit the comparison to only the three stand-alone Army medical centers. In particular, the community points to the use of size as a comparative measure in several criteria, saying larger hospitals do not necessarily mean better or more efficient hospitals. They also observe the Army assessment criteria differed significantly from the criteria measured by the Medical Joint Cross Service Group. In addition, the community points out what they considered to be many inconsistencies and mistakes in the Army's scoring.