

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.

The community also argues closure of the hospital would have substantial negative impacts on the health and financial security of the large retired community in the Denver area. They say closing the hospital would break the promise of "free health care for life" that many feel was made to military retirees. They note the medical center's mission as a regional referral center for a 14-state region and the lack of any other tertiary care hospitals in the region. Further, the community questions the readiness impact of closing the medical center and eliminating the civilian personnel positions, as well as the readiness impact of losing its satellite communications capability.

The community also argues the economic impact on the City of Aurora would be extremely high. They say the area has already been badly hurt by previous base closures, and closure of Fitzsimons Army Medical Center would mean more direct and indirect job losses than reported by the Army. Finally, they question the one-time costs in the Army's analysis, the increased cost of transporting referral patients to other hospitals if the medical center closes, and the impact of the closure on DoD-Indian Health Service sharing agreements.

### ***Commission Findings***

The Commission found the Army's recommendation to close Fitzsimons Army Medical Center is in line with the Army's stationing strategy that military hospitals should primarily support active duty military personnel and their families. Fitzsimons does not primarily support a nearby active duty population, and its closure permits the Army to redirect medical personnel and resources to other hospitals that do. The Commission also found the medical center's referral mission can be economically absorbed by other facilities. The Commission agreed with the community that closure of Fitzsimons will create disruptions and raise costs for retirees seeking health care, but noted other government programs—CHAMPUS, Tricare, Medicare, and continued pharmacy benefits—will help to mitigate these impacts. The Commission found DoD's evaluation of joint service training consolidation alternatives could result in a decision to relocate tenants elsewhere; hence, it agreed to the request of the Secretary of Defense to not specify gaining locations.

### ***Commission Recommendation***

The Commission finds the Secretary of Defense deviated substantially from the force-structure

plan and final criteria 2 and 4. Therefore, the Commission recommends the following: close Fitzsimons Army Medical Center (FAMC), except Edgar J. McWhethy Army Reserve Center. Relocate other tenants to other installations. The Commission finds this recommendation is consistent with the force-structure plan and final criteria.

### **Stratford Army Engine Plant, Connecticut**

***Category: Industrial Facilities***

***Mission: Engine production***

***One-time Cost: \$6.6 million***

***Savings: 1996-2001: \$20.5 million***

***Annual: \$6.1 million***

***Return on Investment: 1998 (1 year)***

***FINAL ACTION: Close***

### ***Secretary of Defense Recommendation***

Close Stratford Army Engine Plant.

### ***Secretary of Defense Justification***

The Stratford facility has produced engines for heavy armor vehicles and rotary wing aircraft. Reduced production requirements and the Army's increased capability for rebuild and repair have eliminated the need for the Stratford Army Engine Plant. There is no requirement for use of the installation by either the Active or Reserve Components.

The Army has an extensive capability to repair engines at Anniston and Corpus Christi Army Depots. The current inventory for these engines meets projected operational requirements. During mobilization, the capability to rebuild engines can be increased at both depots. In the event of an extended national emergency that would deplete stocks, the depots could reconfigure to assemble new engines from parts provided by the manufacturer until mothballed facilities become operational. Prior to closing the facility, the contractor will complete all existing contracts.

### ***Community Concerns***

The community contends closing Stratford Army Engine Plant will result in loss of the Army's only capability to produce turbine engines for tanks. The loss of this capability and the associated technical and engineering support, in the community's view, will have significant readiness impact. Another concern is the loss of 1600 contractor jobs from the local economy. The community claims a study, under Corps of Engineers direction, requires \$17 million in environmental stabilization