

Costs to close Fort Monmouth doubled

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close Fort Monmouth. "People would have said, 'What is the point?'"

Fort Monmouth, which is hosted by the towns of Tinton Falls, Eatontown and Oceanport, employs more than 5,000 people, generates \$1.3 billion in economic activity and supports more than 22,000 jobs statewide.

Locally, the fort's civilian employees account for about \$200 million in retail spending in the three host towns, plus Little Silver and Shrewsbury, according to a study conducted in 2005. Losing the fort could also result in double-digit unemployment in some of those towns, the report said.

The skyrocketing increase in the cost to move Fort Monmouth is just one part of the expanding BRAC 2005 budget. Department of Defense figures show. Overall, the department now says the total cost of the 2005 BRAC decisions — the nation's largest base consolidation designed, in part, to save money — will be \$307 billion, about \$14 billion more than the \$223 billion originally approved by the BRAC commission.

The 2005 BRAC round — the largest base closing effort in U.S. history — also will create a future deficit of more than 7,000 engineers and scientists to develop the technology to fight future wars, according to internal DOD information that was withheld from the BRAC commission but recently made available on a public Web site.

The number includes about 4,000 full-time jobs that will be gone in 20 years even without a base closing round, and additional job losses numbering more than 3,000 that will be triggered by this round of consolidations.

Information about the BRAC's increased costs and the lack of scientists and engineers in the future was gleaned through an Asbury Park Press review of hundreds of pages of documents.

Although he did provide generalized explanations for the steep cost increases for closing Fort Monmouth and the 2005 BRAC round in general, a spokesman for Secretary of Defense Robert Gates refused to provide specific information on some questions, such as whether the Army still expects a five-year investment payback on the Fort Monmouth closing, now that the costs have nearly doubled.

The spokesman, Chris Isleib, said the department did not have enough time to research the answers, although most of the questions were submitted three weeks earlier.

"Lots of things were submitted three weeks ago," Isleib said. "If they have time to research it, they will."

Some of the former BRAC commissioners said the panel may have looked at the Fort Monmouth proposal differently if the true costs were known.

Former commissioner James H. Bilbray, who initially supported keeping the fort open but finally voted to close it, said: "If we could go back and look at it tomorrow morning with the new figures, would we vote differently? There's a good chance we would."

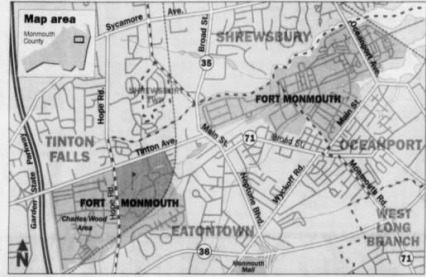
Paul G. Gaffney II — president of Monmouth University and a former member of a state panel aimed at bolstering New Jersey's military installations — said he has difficulty squaring the skyrocketing cost of closing the fort with the mandate that the post's mission continue unabated while transitioning to Aberdeen, as required by the BRAC commission.

"If it's going to cost double, and they're not printing more money, it seems to me there's going to be a deficit somewhere," Gaffney said. "It costs money to do research and get the product out the door. If you're going to spend more on moving, the arithmetic just doesn't work for me."

Another former commissioner who supported closing the fort, retired Brig. Gen. Sue Ellen Turner, said she could not say if she would have voted differently because she does not "deal in hypotheticals."



The Pentagon blames the cost increases on factors such as inflation and changes requested by the Army, but two former members of the BRAC commission said the panel members may not have voted to close the fort had they known how much it was really going to cost.



BY THE NUMBERS

The following figures show the different cost estimates for closing Fort Monmouth by 2011, including the estimate approved by the 2005 Base Realignment and Closure commission. The figures show that the original BRAC recommendation would result in a six-year net loss of \$347 million. The fiscal year 2006 Army budget request, which shows that the estimate to close has nearly doubled to \$1.5 billion, includes a six-year savings of \$501 million. A spokesman for the Secretary of Defense would not explain that discrepancy.

	One-time costs	Six-year savings/loss
2005 BRAC commission-approved:	\$780.4 million	(\$347 million)
FY 2007 Army budget estimate:	\$556.4 million	\$510.3 million
FY 2008 Army budget estimate:	\$1.5 billion	\$501 million

Source: Base Closure and Realignment commission fiscal analysis of 2005 BRAC decisions; Department of the Army Budget request justifications for FY 2007 and FY 2008/2009.

Anthony Principi, the former BRAC commission chairman, said he was surprised by the new estimates, but said the panel made the right decisions based on the information it had at the time.

"Obviously, the cost would have been a major factor that the commission would have had to weigh," Principi said. "We always assumed there would be some inflation of the cost, but \$1 billion in two years is of concern."

Retired Army Gen. James A. Hill, also a former commissioner, said he stands behind the decision to close the fort, despite the cost increases.

"I think the Army made a good case that the activities at Fort Monmouth could take place in other places in a more efficient manner, and that's why we voted to close it," Hill said.

Before its official work ended, the commission wrote a report delimiting concerns it had with the process and suggesting new legislation to guide future base closing rounds.

Estimates far too low

Moving the military academy prep school to West Point was originally estimated by DOD to cost \$29 million. But the department now estimates that move will cost \$197 million, according to the Army's fiscal year 2008 budget estimate.

The cost estimate was even higher as of Sept. 9, 2005. A presentation given that day by the prep school's commandant — titled "BRAC: The Truth is 9

Sept 2005" — pegged the cost at \$28 million. That figure was used only 16 days after the BRAC commission approved the move with the \$29 million price tag.

DOD spokesman Isleib said he could not provide information on why the cost to move the prep school increased.

The cost of constructing new buildings at Aberdeen to house the various research labs coming from Fort Monmouth was originally set at \$40 million. The FY 2008 budget estimate now puts that cost at \$797 million.

Isleib said that some of the changes are "due to an increase in additional scope/supporting facilities... that were not in the original COBRA (Cost of Base Realignment) analysis, advances of information systems and reallocation of support facility costs to MILCON (military construction), which were estimated on the O&M (operation and maintenance) line in the COBRA analysis."

Defense department officials said two years ago that closing Fort Monmouth would be the biggest Army cost-saver in this BRAC round. Although that is no longer the case, Isleib said, the six-year net fiscal result of the fort's closing is expected to be a \$500 million savings, which he said, "remains in the top 10 list of recommendations over the six-year implementation."

Isleib said he could not provide the list, nor say where on the top 10 list Fort Monmouth falls.

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—James H. Bilbray, former commissioner who initially supported keeping the fort open but finally voted to close it.

to help the Department of Defense to reduce its infrastructure," Coyle said.

"Fort Monmouth may have been one of those (BRAC decisions) that was a mistake," Bilbray said. But, he said, "the odds of reversal, even though the costs have gone up and up, it's real difficult."

According to the law that created the BRAC commission, the only way to change any of its decisions would be through an act of Congress.

Members of New Jersey's congressional delegation in March attempted to have the money earmarked for construction at Aberdeen Proving Ground withheld from the House Defense appropriations bill. They were unsuccessful.

In an e-mailed statement, Isleib said the total BRAC program cost increased primarily because of "inflation, changes in military construction, and Army specific requirements. The small decrease to annual recurring savings results from revised personnel eliminations."

He said he could not provide details on the revised personnel eliminations, nor explain what that meant.

Isleib also said although the total cost of the 2005 BRAC round increased 33 percent from original estimates, the program's projected annual recurring savings would be reduced by only \$400 million — from \$4.1 billion to \$4 billion — but he said he could not say how that was accomplished.

Key data excluded

A report that was eventually used by then-Secretary of Defense Donald Rumsfeld to justify closing military research labs such as at Fort Monmouth originally included information showing a future lack of engineers and scientists. Known as future excess capacity, the data show how much more physical space and how many more full-time employees the research labs will have in 30 years over what they will need.

But that data — and any reference to it in the body of the document — was excised from the final version before it was submitted to the DOD, according to a former member of the group that wrote the report, and a Press review of both documents.

The report was prepared by the Technical Joint Cross Services Group, one of seven analytical groups created by the DOD for the BRAC process and charged with developing the department's base closing and realignment recommendations. Areas that other such groups covered included medical, intelligence and education and training.

The law authorizing the 2005 BRAC round mandated that all data and information used in the analytical process be made public.

The information prepared by the TJCSG analysis but never formally released shows that even without the 2005 BRAC decisions, normal attrition will result in a deficit of 2,631 full-time military employees working in Information Systems Technology and 1,372 working in Sensors, Electronics and Electronic Warfare. Both are key areas of Fort Monmouth.

"The commission was trying

The BRAC decisions recommended by the TJCSG — and later accepted by the commission — further whittle that technical work force by another 3,086 employees, who will be lost through base closings and mission realignments.

But the BRAC commissioners never saw that information. In a May 16, 2005, e-mail sent from Ronald Short of the Office of the Secretary of Defense to principals of the TJCSG, Short noted that Ronald Segs, then head of the TJCSG, was concerned that the information should be classified.

Segs "has concerns that the aggregated list of 282 locations should be FOUO (for official use only). He has concerns that the aggregation of work years, test hours and building information should be classified. The mention of technologies which may be important in the future might be controlled information too," Short said in the e-mail.

Segs, now the Under Secretary of the Air Force, eventually removed the future excess capacity information from the final report that was sent to Rumsfeld and later analyzed by the BRAC commission, a review of both documents shows.

The information, however, was never classified, although it is still not listed on the BRAC Web site. It can be found on the Federation of American Scientists' site at www.fas.org.

And although he considered classifying the future excess capacity information, data on current excess capacity — which relates to the military as it stands now, rather than 20 years into the future — was not considered to be classified and was released.

Shirley Curry, a spokeswoman for Segs, said Segs was out of the country and could not be reached for comment.

Curry said her department could not locate anyone else who worked on the TJCSG and who might have known why the information was removed.

Don DeYoung, an employee of the Naval Research Laboratory who was an alternate member of the TJCSG and a veteran of prior BRAC rounds, wrote during the two-year review period a series of memos to senior members of the TJCSG that were highly critical of the BRAC analytical process as it related to the military's research laboratories.

In one of them, entitled "The Conduct and Lessons of BRAC 05," available at the Federation of American Scientists' Web site, DeYoung wrote that the expunged information on future excess capacity was "the key to knowing if cuts in the technical infrastructure support the DOD's Force Structure Plan."

Support of the Force Structure Plan — the DOD plan that defines probable U.S. security threats over a 20-year period and the forces needed to meet those threats — was supposed to be a consideration during the analyses that led to the BRAC recommendations.

"The data would have made for an awkward situation were it not expunged because it showed that excess capacity will vanish without any BRAC actions taken," DeYoung wrote. "This undermines the very basis for which the U.S. Congress approved the 2005 round of BRAC — that a burdensome excess infrastructure, both current and future, must be cut to save resources. In other words, the primary reason for a BRAC round no longer existed."

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Coming Monday

Concerned about the process for closing military bases, the BRAC panel offered suggestions for reform. Also, two years later, Congress is still waiting on Army certification that closure won't affect the war on terror.