

DEPARTMENT OF THE AIR FORCE

**PRESENTATION TO THE COMMITTEE ON ARMED SERVICES
SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT
UNITED STATES SENATE**

**SUBJECT: AIR FORCE MILITARY CONSTRUCTION
(MILCON)/ENVIRONMENTAL PROGRAMS**

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Introduction

Mr. Chairman and members of the committee, good afternoon. I appreciate the opportunity to appear before you and discuss the Department of the Air Force's Fiscal Year 2003 military construction program, and the department's environmental and realignment and closure programs. Today, I will discuss with the committee the Air Force investment strategies for facilities, housing, environmental programs, and utility systems.

Overview

The Air Force's total force military construction and military family housing programs play a vital role supporting Air Force operational needs, work place productivity, and quality of life. This committee's support for those programs has remained steadfast over the years, and the Air Force is grateful. In recent years, the committee's support for innovative programs such as privatizing military family housing has given the Air Force additional tools for improving the quality of life for its members, and that support has been appreciated.

As Secretary Rumsfeld recently testified to Congress, “...September 11th changed our nation forever.” The Air Force’s challenge is to simultaneously accomplish three difficult missions: to win the war on terrorism, to restore the force through investments in procurement, people and modernization, and to transform the force to meet 21st Century demands. In the area of installations and facilities, this transformation began last year with the Fiscal Year 2002 budget.

Last year the Secretary of Defense made a commitment – to transform the Department of Defense installations and facilities into those required for a 21st Century military. Given the competing priorities resulting from September 11th, the Air Force has developed an executable and fiscally responsible plan for getting its facilities on a path to recovery.

While the Air Force acknowledges the importance of robust funding for facility sustainment and modernization, other priorities have not permitted it to fully address the problems associated with an aging infrastructure. In Fiscal Year 2002, this administration proposed a significant increase in military construction and housing programs--to \$2.7 billion, the largest in the last decade. That increase was supported and, in fact, enhanced by this

committee and other members of Congress, and was welcomed by the Air Force.

For Fiscal Year 2003, the Air Force is requesting over \$4.2 billion to invest in Air Force facilities and infrastructure. This request includes \$2.3 billion for total force military construction and military family housing, including \$644 million for active force military construction, \$1.5 billion for military family housing, \$54 million for Air National Guard military construction, and \$32 million for Air Force Reserve military construction. In addition, the Air Force has increased the request for operations & maintenance sustainment, restoration, and modernization (SRM) funding by \$360 million over the Fiscal Year 2002 request, bringing the total force facility investment request to the same level as submitted in the Fiscal Year 2002 budget request.

These Air Force programs were developed using a facility investment strategy with the following objectives:

- Accommodate new missions,**
- Invest in quality of life improvements,**
- Continue environmental leadership,**
- Sustain, restore, and modernize our infrastructure,**

- **Optimize use of public and private resources, and**
- **Continue demolition of excess, uneconomical-to-maintain facilities**

Air Force missions and people around the world clearly depend upon this committee's understanding of, and support for Air Force infrastructure programs. That support has never wavered, and for that the Air Force thanks you.

Accommodate New Missions

New weapon systems provide the rapid, precise, global capability that enables combat commanders to respond quickly to conflicts in support of national security objectives. The Fiscal Year 2003 total force new mission military construction program consists of 33 projects, totaling \$339 million.

These projects support the initial basing of a number of new weapon systems; two of special significance are the F-22 Raptor and the C-17 Globemaster III. The F-22 Raptor is the Air Force's next generation air superiority fighter. Tyndall Air Force Base, Florida, will house the F-22 flying training program. Nellis Air Force Base, Nevada, will be the location for F-22 Follow-on Operational Test and Evaluation. Langley Air Force Base,

Virginia, will be home for the first operational squadrons. The requirements for F-22 related construction at Tyndall were funded in the Fiscal Year 2002 military construction program. The Fiscal Year 2003 military construction request includes one F-22 project at Nellis for \$3 million, and three F-22 projects at Langley totaling \$40 million.

The C-17 Globemaster III aircraft is replacing the Air Force's fleet of C-141 Starlifters. The C-17 provides rapid global mobility by combining the C-141 speed and long-range transport capabilities; the C-5 capability to carry outsized cargo; and the C-130 capability to land on short, forward-located airstrips. The Air Force will base C-17s at Charleston Air Force Base, South Carolina; Altus Air Force Base, Oklahoma; McChord Air Force Base, Washington; McGuire Air Force Base, New Jersey; and Jackson Air National Guard Base, Mississippi. Thanks to support from this committee, construction requirements for Charleston, Altus, and McChord were all funded in prior-year military construction programs. The request for Fiscal Year 2003 includes a \$25 million facility at McGuire Air Force Base, two facility projects for \$35 million at Jackson International Airport, and \$31 million for C-17 facilities at a soon to be announced location.

Other new mission requirements in Fiscal Year 2003 include supporting the Air Force's Global Strike Task Force by building B-2 aircraft hangars at Royal Air Force Fairford, United Kingdom, and B-2 aircraft parking pads at Diego Garcia. To support the Space/C2ISR Task Force the Air Force will build facilities to base the Global Hawk unmanned aerial vehicle at Beale Air Force Base, California and to support the Defense Satellite Program and future SBIRS at Buckley Air Force Base, Colorado. Finally, to support the Global Response Task Force the Air Force will build facilities to support Combat Search and Rescue aircraft at Davis-Monthan Air Force Base, Arizona, C-130J aircraft at Little Rock Air Force Base, Arkansas, and expand aircraft parking at Naval Station Rota, Spain, and at Ramstein Air Base, Germany.

Invest in Quality of Life

The Air Force is committed to taking care of its people and their families. Quality of life initiatives acknowledge the increasing sacrifices airmen make in support of the nation and are pivotal to recruiting and retaining the Air Force's most important resource--its people. When members deploy, they want to know that their families are stable, safe, and secure. Their welfare is

a critical factor to overall Air Force combat readiness, and the family housing program, dormitory program, and other quality of life initiatives reflect a commitment by the Air Force to provide its people the facilities they deserve.

Family Housing

The Air Force Family Housing Master Plan provides the road map for meeting the Department of Defense goal of providing safe, affordable, and adequate housing for our members. The Air Force has increased its Fiscal Year 2003 housing request by \$132 million over the Fiscal Year 2002 request.

The \$677 million Fiscal Year 2003 military family housing replacement and improvement program replaces more than 2,100 worn-out units at 23 bases, improves more than 1,700 units at 11 bases, and supports privatization of more than 4,500 units at five bases. The Air Force housing privatization program will be covered in more detail later. The Fiscal Year 2003 housing operations and maintenance program totals \$844 million.

Dormitories

Just as the Air Force is committed to provide adequate housing for families, it has an ambitious program to improve the housing for its unaccompanied junior enlisted personnel. The Air Force Dormitory Master Plan is a comprehensive, requirements-based plan, which identifies and prioritizes dormitory military construction requirements. The plan includes a three-phased dormitory investment strategy. The three phases are (1) fund the replacement or conversion of all permanent party central latrine dormitories; (2) construct new facilities to eliminate the deficit of dormitory rooms; and (3) convert or replace existing dormitories at the end of their useful life using the Department of Defense 1+1 room standard. Phase 1 is complete, and the Air Force is now concentrating on the final two phases of the investment strategy.

The total requirement is 79,400 Air Force dormitory rooms. There is currently a deficit of 12,700 rooms, and the existing inventory includes 3,900 inadequate rooms. It will cost approximately \$1 billion to execute the Air Force Dormitory Master Plan and achieve the FY 2009 Air Force goal to eliminate the deficit and replace the worst existing dormitories.

The FY 2003 dormitory program consists of 11 enlisted dormitory projects at ten CONUS bases and one overseas base, for a total of \$135 million. On behalf of all the airmen benefiting from this important quality of life initiative, I want to thank the committee for its continued support of this critical quality of life effort.

Fitness Centers

Other quality of life investments include community facilities, such as fitness centers, vital in the effort to attract and retain high quality people and their families. A strong sense of community is an important element of the Air Force way of life, and these facilities are important to that sense of community as well as to the physical and psychological well being of the airmen. The Fiscal Year 2003 military construction program includes fitness centers at Andersen Air Force Base, Guam; Hanscom Air Force Base, Massachusetts; and Royal Air Force Lakenheath, United Kingdom.

Overseas MILCON

The quality of overseas installations continues to be a priority for the Air Force because of the impact it has on both individual and family morale. Even though the majority of Air Force personnel are assigned in the United States, 14 percent of its forces are serving overseas, including 33,000 Air Force families. The Air Force overseas base structure has stabilized after years of closures and force structure realignments. At this level, the overseas infrastructure still represents 19 percent of the total Air Force physical plant. The Fiscal Year 2003 military construction request for European and Pacific installations is \$233 million totaling 14 projects. The program consists of infrastructure and quality of life projects in Korea, the United Kingdom, Germany, Italy, and Spain as well as critical facilities on Guam, Diego Garcia, and Wake Island. The committee's support for these operational and quality of life projects is equally as important as its support for stateside projects.

Planning and Design/Unspecified Minor Construction

The Air Force will request \$53 million in planning and design for Fiscal Year 2003. These funds are required to complete design of the FY 2004

construction program, and to start design of the Fiscal Year 2005 projects. The Air Force is also requesting \$21 million in Fiscal Year 2003 for the total force unspecified minor construction program, which is the primary means of funding small, unforeseen projects.

Operations and Maintenance Investment

To sustain, restore, and modernize what it owns, the Air Force must achieve a balance between military construction and operations & maintenance programs. Military construction restores and re-capitalizes facilities. Operations & maintenance funding ensures the Air Force can perform facility sustainment activities, without which facilities would fail prematurely. Without proper sustainment, facilities and infrastructure wear out sooner. Operations & maintenance funding is also used to directly address many of the critical restoration and less-expensive recapitalization needs. Without these funds, commanders in the field are unable to address facility requirements that impact their near-term readiness.

With last year's "shot in the arm" provided to military construction, the Air Force is now in a position to restore its operations & maintenance balance. In Fiscal Year 2003, the sustainment, restoration, and modernization share

of the Air Force operations & maintenance funding is \$2.0 billion--meeting the required sustainment level for the first time in many years. Included in this amount is \$159 million in operations & maintenance programmed for restoration and modernization work.

Optimize Use of Public and Private Resources

In order to accelerate the rate at which it revitalizes its housing inventory, the Air Force has taken a measured approach to housing privatization. It started with a few select projects, with the goal of identifying successes and “lessons learned” to guide follow-on initiatives. The first housing privatization project was awarded at Lackland AFB, Texas, in August of 1998, and all 420 of those housing units are constructed and occupied by military families. There are three additional projects under construction that will result in 1,900 privatized units at Dyess Air Force Base, Texas; Elmendorf Air Force Base, Alaska; and Robins Air Force Base, Georgia. In addition, the Air Force is on track to award eight projects in the next 12 months that will result in an additional 9,000 privatized units across the Air Force. On average, the Air Force has realized a five to one leverage on the military construction investment for housing privatization, and this kind of favorable ratio is expected to hold steady or even increase on other projects

in the out-years. As mentioned earlier, the Fiscal Year 2003 budget request includes \$7.8 million to support the privatization of more than 4,500 units at five bases: Maxwell Air Force Base, Alabama; Hanscom Air Force Base, Massachusetts; Cannon Air Force Base, New Mexico; Shaw Air Force Base, South Carolina; and F.E. Warren Air Force Base, Wyoming.

The Air Force continues to pursue privatization of utility systems at Air Force installations. The goal is to privatize utility systems where it makes economic sense and does not negatively impact national security. The Air Force has identified 434 of 513 systems as potential privatization candidates, and has released requests for proposals for 242 systems and have completed the process on 161 systems.

Continue Demolition of Excess, Uneconomical-to-Maintain Facilities

For the past six years, the Air Force has pursued an aggressive effort to demolish or dispose of facilities that are not economical to sustain or restore. From Fiscal Year 1998 through Fiscal Year 2001, the Air Force demolished 9.6 million-square feet of non-housing building space. It expects to demolish an additional 4.4 million-square feet in Fiscal Year 2002 and Fiscal Year 2003, for a total reduction of 14 million square feet. This is

equivalent to demolishing six Air Force bases equal to the combined square footage of Whiteman, Goodfellow, Moody, Brooks, Vance, and Pope Air Force Bases. Air Force demolition efforts continue to be a success story enabling it to reduce the strain on its infrastructure funding by eliminating unneeded facilities.

Environmental Leadership

The Air Force has remained a leader in environmental stewardship by focusing on its principles of enhancing operational readiness, being a good neighbor, and effectively applying its resources.

To reach these goals, the Air Force built its billion-dollar a year environmental program around four key pillars - cleanup, compliance, pollution prevention, and conservation. It is now moving to the next level of excellence by beginning implementation of an environment, safety, and occupational health management system, based on the International Standard ISO 14001, to continually improve its mission performance by systematically reducing environment, safety, and occupational health risks and costs.

The Air Force has made great strides in the cleanup of land and resources impacted by its operations, ensuring that it protects human health and the environment. Its strategy is to work with community stakeholders and evaluate relative risk, and then to cleanup or lower the risk at the worst sites first. The Air Force is on target to reach Defense Planning Guidance goals for cleanup of all “high relative risk” sites by 2007, and all “medium relative risk” sites by 2011. Staying the course will be a challenge as new cleanup standards are proposed for chemicals such as perchlorate and trichloroethylene. These new cleanup standards may cause both costs and timelines to change.

The Air Force supports recommended changes to the military construction reporting process recommended by the Department of Defense for constructing remediation facilities to prevent delays and carry out its cleanup responsibilities.

The Air Force’s compliance program ensures compliance with environmental law as it conducts its mission activities. The Air Force is proud of its record on Open Enforcement Actions, having reduced them from 263 in 1992, to 17 in 2001. Its environmental compliance military

construction program in Fiscal Year 2003 includes four projects totaling \$47 million in support of the Clean Air and Clean Water Acts.

Through its pollution prevention program, the Air Force has successfully reduced or eliminated pollution at the source. Its program allowed the Air Force to better the Department of Defense goal of 50 percent reduction in hazardous waste between 1992 and 2000, achieving a 50 percent goal by 1996, and then reaching a 66 percent reduction by 2000.

The Air Force's conservation programs offer some of the most visible and rewarding results of its commitment to being a good steward of its resources. Land set aside decades ago for the Air Force to conduct its military mission has also allowed unique American plant and animal species to flourish, and important American cultural resources and historic structures to remain preserved and appreciated. Ironically, it is precisely its commitment to conservation that now threatens the Air Force's ability to carry out its primary mission of protecting national security. Military installations, and test and training ranges, occupy land "zoned" for military operations and training. Additional demands from growing local communities, the resident plant and animal species now rare outside the

installation boundaries, the installation's historic structures made significant due to past military successes, or the preserved relicts of early Americans, now create other land-use designations and limitations overlaid on land designated for military purposes. In most cases, these potentially competing requirements can be accommodated. The Air Force is working closely with the Department of Defense to develop its comprehensive strategy to address this issue of encroachment.

The Air Force's environmental compliance military construction program in Fiscal Year 2003 includes four projects totaling \$47 million in support of the Clean Air and Clean Water Acts. The program includes upgrading two coal-fired power plants in Alaska to meet environmental air emissions requirements. In addition, the Air Force is upgrading the water distribution and stormwater drainage systems at Vandenberg Air Force Base, California, to comply with environmental standards. All of these projects satisfy Department of Defense Class-1 requirements, which refer to conditions or facilities currently out of compliance with environmental laws or regulations, including those subject to a compliance agreement, or refer to projects and activities which, if not corrected, would result in an out of compliance situation in the current program year.

Realignment and Closures

This summer the Air Force lowered the flags at Kelly and McClellan Air Force Bases, its two most complex closure actions resulting from the Base Realignment and Closure Acts. The Air Force has now completed all 39 of its base closure and realignment actions (22 closures and 17 realignments). As part of the closure process, the Air Force has worked with the local reuse authority at each base to minimize the impact on the local community from the closure. This effort has led to the creation of over 48,000 jobs and an annual payroll of \$1.4 billion in the affected communities.

While these facilities are being returned to their respective communities, the Air Force has a continuing responsibility for environmental clean up from past industrial activities. The Air Force takes this responsibility seriously, having spent \$ 2.4 billion since 1991 in environmental clean up at closing bases. For Fiscal Year 2003, the Air Force is requesting \$119 million to continue the clean up.

Although past base closure rounds have reduced its infrastructure footprint, the Air Force still retains excess infrastructure. Maintenance of this excess

infrastructure forces the Air Force to sub-optimize use of available operations and maintenance funds. The Fiscal Year 2002 National Defense Authorization Act provides the Air Force an opportunity to divest itself of this unneeded infrastructure. In preparation for the 2005 base closure round, the Air Force will focus first on sizing its force, and then on sizing the infrastructure to support that force.

Conclusion

In conclusion, I again thank the committee for its strong support of Air Force military construction, family housing, and environmental programs. With the committee's assistance and support, the Air Force will meet the most urgent needs of commanders in the field while providing quality facilities for the men and women who serve in and are the backbone of the most respected aerospace force in the world.