Statement by Victor J. Ferlise, Esq. before the Readiness Subcommittee of the House Armed Services Committee regarding the BRAC Recommendation Closing Fort Monmouth, New Jersey

December 12, 2007

OPENING:

Mr. Chairman and distinguished members of the Committee, good morning. My name is Victor J. Ferlise, and prior to my retirement from the Federal Service last February, I spent 36 years serving the Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) activities at Fort Monmouth. For the last 14 years, I served as the Deputy to the Commanding General of the CECOM Life Cycle Management Command (CECOM). During that final assignment, my responsibilities encompassed Logistics, Research and Development, Acquisition, Software Engineering, and Depot Maintenance - in short, the full spectrum of CECOM business. I am here today to explain the background and implications of the BRAC 2005 Recommendation closing Fort Monmouth and relocating the C4ISR Research, Development and Acquisition (RDA) activities located there to Aberdeen Proving Ground (Aberdeen). As I will detail, I believe this recommendation:

- is unsupported by any objective facts;
- was developed in violation of the terms of the BRAC law; and
- that crucial financial data was not made available to the BRAC Commission.

It will unnecessarily cost billions of dollars to execute this fatally flawed strategy. Most importantly, it puts the lives of our Warfighters in jeopardy.

1. An October 2006 Report from the Federation of American Scientists concluded that the BRAC Commission's overall deliberations <u>suffered from a withholding of critical information by DOD</u>. (Emphasis added) It is a scathing indictment of the manner in which the Department of Defense (DOD) executed the BRAC, particularly as it affected RDA activities, concluding it was a "severely flawed and fatally compromised process." The synopsis of the report highlights only one specific recommendation; the Army recommendation closing Fort Monmouth and relocating the C4ISR RDA activities resident there, and concludes that it was unsupported by any objective data. The BRAC conclusions have critical implications for the Warfighter, as well as the American taxpayer, and I urge this Committee to thoroughly review this report, as a reliable non-partisan evaluation of the BRAC, unburdened by regional bias or prejudice. Unlike prior BRAC rounds, this one is occurring in a time of war, and recommendations with the sort

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¹ http://www.fas.org/sgp/othergov/dod/brac/index.html

of profound implications associated with the Fort Monmouth recommendation must be given the most careful scrutiny.

2. The decision to close Fort Monmouth and relocate the C4ISR activities will inevitably impact military readiness in war time, cost unnecessary billions of taxpayer dollars to execute a fatally flawed strategy, and cannot realistically be completed by 2011, as required by the BRAC Statute. In addition, the stated purpose of this BRAC move was to consolidate C4ISR activities within the Army and potentially, other services. In reality, not only was there no consolidation across service lines, there was no consolidation within the Army; not even within CECOM activities. In essence, a part of CECOM is being moved to Aberdeen, an area recognized as having no C4ISR infrastructure, and ill prepared to accommodate the hi-tech work being done at Fort Monmouth. The taxpayers are being asked to pay approximately \$2B to execute this deeply flawed strategy. The Commission concluded that the DOD proposal substantially deviated from six of the eight required Final Selection Criteria in the Force Structure Plan and, while yielding to the Secretary of the Army's stated intent to close the installation, expressly provided for continued Congressional oversight and required an unprecedented DOD Report to Congress on how the move will be effected without negative impact to programs supporting the Global War on Terrorism and other contingency operations. ² No such report has been provided, yet execution of the move is moving forward. Protecting the mission with a more than 70% reduction in workforce, as disclosed by the most recent Fort Monmouth poll, is impossible.

3. The DOD BRAC Recommendation on Fort Monmouth was:

• Actively opposed by eleven retired Army General Officers with extensive C4ISR background.³ This advice from the officers most knowledgeable of the mission was totally disregarded, as was the warning submitted by the National Defense University, which predicted a "serious slump in productivity in an area where maintaining a vigorous

As reflected in the "Commission Findings", the Commission added that language "so Congress could exercise the necessary independent oversight" over the Commission's concerns about the effect on contingency operations. The Findings go on to add that "Congress' oversight on this issue may benefit from review by the Government Accountability Office."

² The Fort Monmouth BRAC Recommendation is unique among recommended closures by virtue of the following language:

[&]quot;The Secretary of Defense shall submit a report to the Congressional Committees of jurisdiction that movement of organizations from Fort Monmouth to Aberdeen Proving Ground will be accomplished without disruption of their support to the Global War on Terrorism or other critical contingency operations and that safeguards exist to ensure that necessary redundant capabilities are put in place to mitigate potential degradation of such support, and to ensure maximum retention of critical workforce."

³ See http://www.brac.gov/ShowPubDoc.aspx?Doc st=8192005124443 fort monmouth.pdf&Path st=BRAC\E XECMAIL&DocID_in=7787_ Also page 41 of the BRAC Commission Transcripts, at http://www.hqda.army.mil/acsimweb/brac/BRACCommissionTranscripts/BRACHearingFullTranscript24A ugAM.pdf

S&T (Science and Technology) program is of national importance for combating terrorism..." as APG has "no core of C4ISR expertise or culture."

- Opposed by NY area organizations benefiting from Fort Monmouth's C4ISR expertise in Homeland Security efforts, in particular, the Port Authority of NY/NJ⁵.
- Strenuously opposed by Commissioner Phillip Coyle. 6 Commissioner Coyle was the C4ISR expert on the Commission, nominated by House Speaker Pelosi. 7
- 4. In what I believe to be an unprecedented scenario where a closure has been approved, the Commission found that there were substantial deviations from six of the Final Selection Criteria. To offset the impact of these deviations, the Commission took the unprecedented measure of specifically calling for continued Congressional oversight and a prospective reporting requirement. Thus, this recommendation remains subject to Congressional alteration by its very terms. It has been reported that the Army has formally taken the position, in papers filed with the United States District Court for the District of New Jersey, that the Commission did not have the authority to require such a report, and that the agency views it merely as a "suggestion". I submit that, if the Army is correct about the Commission lacking the authority to address the six substantial deviations through a Congressional reporting mechanism, then the only corrective action they could have taken would have been to reject the recommendation. I respectfully submit that this Committee should seriously consider the merits of that option.

THE FORT MONMOUTH MISSION: ENGAGED 24/7

⁴See

http://www.brac.gov/ShowPubDoc.aspx?Doc_st=5110 DOD_Center_for_Technology.pdf&Path_st=BRA_C\EXECMAIL&DocID_in=5110

 $\frac{http://www.brac.gov/ShowPubDoc.aspx?Doc\ st=port\ authority.pdf\&Path\ st=BRAC \setminus EXECMAIL\&DocI\ \underline{D_in=7756}$

⁵ See

Gommissioner Coyle opened his comments on the recommendation stating "In this recommendation, the DoD has proposed breaking up a well-established world-class C4ISR Center of Excellence at Fort Monmouth at the wrong time, a time of war, and proposes to send the pieces to the wrong place, a location that is not known as a Center of Excellence in C4ISR, and has never been known as a Center of Excellence in C4ISR." See pages 39- 42 of the BRAC Commission Transcripts, at http://www.hqda.army.mil/acsimweb/brac/BRACCommissionTranscripts/BRACHearingFullTranscript24AugAM.pdf

⁷ In nominating Mr. Coyle to the Commission, Representative Nancy Pelosi (D-CA) stated "Philip Coyle is an expert on the needs of our military, and he understands the lives of military families. He has a strong record as an independent and distinguished voice on the defense of our nation." Coyle is a former Assistant Secretary of Defense and Director of Operational Test and Evaluation in the Department of Defense from 1994 to 2001. He is an expert on missile defense systems, and oversaw the testing and evaluation of more than 200 defense acquisition systems. He has served as Laboratory Associate Director and Deputy to the Laboratory Director at the Lawrence Livermore National Laboratory in Livermore, California. See http://www.house.gov/pelosi/press/releases/Feb05/BRACCoyle.html

- 5. I need to take a minute to explain the C4ISR mission that Fort Monmouth is engaged in. In his initial testimony before the Commission, former Secretary of the Army Harvey stated that the activities at Fort Monmouth are strictly "R&D" and "Strategic", and that moving them and sustaining a loss of personnel of 74% would not have immediate impact on the Warfighter. He was absolutely mistaken on this point, as more than 50% of the Army's National Stock Numbered items (60,000) currently in the field are acquired, managed and sustained through Fort Monmouth. Fort Monmouth is inextricably engaged in supporting the deployed forces in Iraq and Afghanistan and around the world and performs critical functions in equipping divisions and brigades preparing to re-deploy and modularize. Fort Monmouth has been on a war footing every day since 9/11, with 24/7 operations. The impact of what CECOM does to develop, acquire, field and sustain critically needed systems to enhance operational effectiveness and maximize the safety of our Warfighters has immediate, real time consequences RIGHT NOW, while they are in the field. These systems include Force XXI Battle Command Brigade and Below (FBCB2)/Blue Force Tracking to prevent fratricide in battle; Duke, to provide force protection against Improvised Explosive Devices; the FIREFINDER and Lightweight Counter Mortar Radar Systems, to identify incoming artillery and mortar rounds and provide counter fire; Counter Rocket Artillery and Mortar (C-RAM), to intercept and destroy incoming projectiles; counter mine equipment; and missile warning systems, just to name a few. Additionally, Team C4ISR is involved in the development and fielding of classified "quick reaction" systems involving the National Security Agency. EVERY ONE OF THESE SYSTEMS AND MANY MORE, *OPERATE 24/7.*
- 6. Team C4ISR is indispensable to transformation to the Future Force as it provides half of the critical technologies necessary to make the Future Combat Systems a reality. Fort Monmouth was recognized by the Army as having generated the Invention of the Year which had immediate impact on the survivability of our Warfighters [the Lightweight Counter Mortar Radar]. This invention has been deployed in Iraq and has helped to keep our Warfighters safe and make them more effective. Because of this invention, there will be young men and women who will come home safely rather than being added to the casualty lists.
- 7. Virtually every Army C4ISR program (and a good many joint service or Air Force programs) is either managed or supported by Fort Monmouth. Ironically, the June 2005 Edition of C4ISR: The Journal of Net Centric Warfare (Vol. 4, No. 5) published just as the BRAC recommendations were in progress, had a cover story on the "Top C4ISR Programs Worldwide". It identified thirty programs and lists "promising C4ISR programs to watch". Five of these programs are identified as belonging to the U.S. Army (including Warfighter Information Network-Tactical, Future Combat Systems, the Shadow 200 Tactical Unmanned Aerial Vehicle (UAV), and the Extended-Range Multi-Purpose UAV). Fort Monmouth has been heavily involved in each of those programs, either as the Program Manager or in a major support role, e.g., providing the payloads for the UAV programs. The article goes on to characterize two other programs as belonging to the "Military Services" and Fort Monmouth has a major role in both of those as well. Additionally, Fort Monmouth is actively involved in three of the programs that were

identified as belonging to the Air Force: they provide the payloads for the MQ-9 Predator B UAV, and the ground interface for the Transformational Communications Satellite (TSAT) and the Advanced Extremely High Frequency Satellite. It is indisputably the Army's premier C4ISR location.

LOSS OF INTELLECTUAL CAPITAL - IRREPARABLE AND IRRESPONSIBLE

- 8. If the DOD recommendation is implemented as currently crafted, the intellectual capital that produces these outstanding results will be lost and not recovered for an intolerable period of time, if ever. Fort Monmouth evolved in the shadow of giants in the C4ISR industry, such as Bell Laboratories, Sarnoff Laboratories, Telcordia, Bellcore, etc. The personnel lost will be the most experienced, highly trained personnel in the C4ISR field, and replacing them with "smart young guys", as former Secretary of the Army Harvey suggested in his testimony to the Commission, lacking in experience, is not a viable option. Moreover, the employees lost will be the experienced personnel who the organization would have relied upon to train the next generation of C4ISR professionals. It will take many years to re-construct the organization effectively (if it can ever really be re-constructed) during which time there will be catastrophic mission failure, and all of this will occur during a time of war. In my judgment, this is an unforgivable error of dramatic proportions. The Army does not have a contingency plan to mitigate this disastrous effect, and most importantly, has not identified any legitimate benefit that would result from the recommendation that might conceivably offset that profoundly negative impact, occurring at the worst possible time for the lives of our Warfighters. The Army owns that intellectual capital and the Warfighters are the beneficiaries of it every day. Simply stated, there is no benefit, and the taxpayers should not be asked to pay \$2B for this useless and fatally flawed strategy in the face of so many critical funding demands facing the nation.
- 9. There appears to have been no real assessment of the risks to mission failure posed by the loss of intellectual capital that will occur when a significant number of personnel choose not to re-locate. A recent poll of the Government civilian workforce revealed that no more than 30% will re-locate to Aberdeen. Similarly, a survey of the local contractor personnel who supplement the Fort Monmouth workforce, revealed an even higher percentage of skilled, cleared employees that will not relocate. The profound impact on mission performance that a reduction of this magnitude in the workforce would have is predictable and, given that it will occur in war time, makes its implications even more sobering, and demanding of corrective action.
- 10. At the time that the BRAC recommendation to close Fort Monmouth was made, the average years of service for Team C4ISR civilian employees at Fort Monmouth was 18.3 years. This statistic reflects the fact that most senior personnel at Fort Monmouth have many years of experience in their field, including extensive formal and on-the-job training. Most Team C4ISR personnel who are hired from college spend two to three years in a formal training program, taking classes and gaining experience that will allow them to perform with relative independence at the completion of the program. However, many years beyond this formal training program are required to develop an expert with

profound knowledge in areas such as acquisition, logistics, radars, sensors, communications or the many technology areas that our scientists and engineers are engaged in. Fort Monmouth can, and has, successfully recruited top graduates with degrees in electronics/computer engineering, but these graduates come to us without any education in the domain areas, such as sensors, radars and electronic warfare. This knowledge is developed over many years and is critical to ensuring the interoperability of systems under development. Typically, a C4ISR expert has achieved at least Level II Certification within the DoD Acquisition, Logistics and Technology Workforce (ALTWF) system, in addition to having completed all training required by that individual's particular career field. ALTWF certification typically requires at least two years (and preferably four years) of specialized acquisition experience and completion of numerous mandatory training courses in a given specialty area, such as acquisition, logistics management, reliability and maintainability, contract administration, systems engineering, etc. 33% of Fort Monmouth's engineers and scientists currently have advanced degrees. For employees who enter the workforce directly from or shortly after college, in addition to the two to three years required to complete the formal entry-level training program, another four to six years are typically required to reach the systems expert level. For individuals who enter the work force in mid-career, there is still a significant training requirement because much of the knowledge these individuals must develop is in Army or Defense-specific domains, such as information warfare. I estimate that even mid-career hires require four to six years of experience before they have achieved the level of systems expert.

- 11. In accordance with 10 U.S.C. 1724, 1732, 1733 and 1735, in order to qualify as a Contracting Officer, with authority to award or administer contracts for amounts exceeding the Simplified Acquisition Threshold, a DOD employee must have completed all required contracting courses and have at least two years of experience in a contracting position. CECOM Acquisition Center Contracting Officers are GS-13s and award technically complex million/billion dollar contracts. These Contracting Officers must be Level III Certified which requires four years of contracting experience and a BA Degree with a minimum of 24 hours in accounting, law, business, finance, contracts, purchasing, economics, industrial management, marketing, quantitative methods, or organization and management.
- 12. The percentage of C4ISR experts and senior leaders re-locating to Aberdeen will be even lower than that projected for the overall workforce, since this group is more experienced and older, and most will be retirement eligible. Additionally, the demographics of the workforce indicate that the "bubble" of personnel eligible for early or optional retirement, who experience indicates would otherwise stay in the workforce, will "burst" in 2010/11, impacting mission immediately, and making it difficult, if not impossible, to re-constitute the effectiveness of the organization at a location with no C4ISR activities such as Aberdeen. The requirement to hire at least 70% of the work force (approximately 3,100 employees) will seriously degrade support to C4ISR systems and the Warfighter. This estimate is based on not only the amount of time it takes to develop a systems expert (six to nine years for employees hired directly from or shortly after college; four to six years for employees hired in mid-career), but also on the amount

of time it will take to hire about 3,100 new employees. Such a massive hiring effort would have to take place over at least four years. In addition, we anticipate that we would lose a significant portion of our employees who have direct experience supporting the Warfighter in various deployments such as Operation Desert Shield and Desert Storm, Operation Enduring Freedom and Operation Iraqi Freedom. For example, over the last several years, hundreds of civilian employees from Team C4ISR at Fort Monmouth have deployed in support of the Warfighter. Most of that invaluable and irreplaceable experience will be lost if Team C4ISR at Fort Monmouth re-locates to Aberdeen.

- 13. Additionally, hiring approximately 3,100 new employees over a four year period would put a tremendous additional burden on an already strained remaining work force, since there would be very few employees available to train the new employees. The Aberdeen area may have a labor pool of college graduates and mid-career candidates to fill these jobs, but as I pointed out above, a long period of formal and on-the-job training is required to produce a C4ISR expert, regardless of the quality or number of job candidates available. The lack of experienced employees to train new employees would further delay the establishment of a viable Team C4ISR work force at Aberdeen. The major costs associated with training the personnel necessary to re-constitute a technical organization such as the one slated for re-location from Fort Monmouth were entirely overlooked. An analysis prepared by the Naval Research Laboratory estimated the costs attributable to training new Government employees required to reconstitute the organization, to be approximately 33% of their respective annual salaries, which in the case of Fort Monmouth equates to \$262.5M.
- 14. Furthermore, actual experience with a very similar re-location indicates that the percentage of personnel who re-locate will be minimal and the effect on mission devastating. When the Army re-located the Electronic Test and Devices Laboratory (ETDL) from Fort Monmouth to Maryland as a result of a 1995 BRAC action, 350 positions were identified for relocation, however *only 36* of those employees chose to relocate. The ETDL re-location resulted in a 66% reduction in the number of patent applications filed resulting from inventions generated by the dramatically reduced number of ETDL scientists. As significant as this factor is in the research and development arena even during peacetime, its ramifications are far more devastating in the tactical arena, where a comparable loss in intellectual capital will have immediate and catastrophic impact on the Army's ability to successfully and safely execute its C4ISR mission.
- 15. This is precisely the kind of risk that General Ronald Fogleman (USAF Ret.) and former 1995 BRAC Commission Chairman Alan Dixon warned against in their May 2, 2005 <u>Defense News</u> editorial entitled "*Measuring BRAC Weigh High Tech Aptitude Before Shutting Doors.*"

They observed that the current BRAC round needed to consider:

• "Risk to mission interruption. At many bases, the process of closing a base is nearly as simple as packing assets and reassigning military personnel. But for technical

acquisition facilities, research and development labs and other nontraditional bases, moving the mission is much more complex. These bases have developed deep roots with neighboring universities, research institutions and high tech work forces. In many cases, the experienced engineers and scientists will not follow the mission to other regions, which may not have the intellectual resources or critical mass of skilled workers to continue the critical research and development work."

- 16. This risk appears to have been taken into consideration with every other Army RDA activity, since other than Fort Monmouth, they all remain at their current locations, despite their installations' limited use and lack of "maneuver space". Inexplicably, it was given short shrift when considering the C4ISR mission being performed at Fort Monmouth.
- 17. DOD is continuing to struggle to hire qualified engineers and scientists who are able to obtain a security clearance. (Federal Times, February 7, 2005, *the Hardest Jobs to Fill*) Recovering entirely from a loss of intellectual capital of this magnitude will be impossible. Sustaining it in the midst of the Global War on Terrorism could be disastrous. Quantifiable data indicates that the risk of just such a disaster is very real in connection with the recommendation to relocate the C4ISR activities on Fort Monmouth to Aberdeen. However, the Department of the Army (DA) appears to have glossed over any real analysis of that risk, and to the extent they engaged in it at all through the use of their evaluation tool, the data they used was flawed.
- 18. Further, this specialized experience and training is not just confined to the scientists and engineers supporting Team C4ISR. The entire Team (excluding purely administrative support), including logisticians, acquisition and legal experts, whose expertise and creativity is recognized throughout the Army, as well as its contractor support, are all indispensable parts of the success achieved by Team C4ISR, and their background and training have taken years to develop to the point where they can respond rapidly and effectively to the military's urgent tactical and strategic requirements. Those experts successfully awarded in excess of \$14B in contracts for critical goods and services in support of the Warfighter in FY 2007 alone.
- 19. The midst of the Global War on Terrorism is not the time to risk a massive loss of intellectual capital that is essential to C4ISR. In fact, it is irresponsible.

COSTS - NO SAVINGS

20. There are **no** cost savings that will be realized by the move. As Undersecretary of Defense, Michael Wynne was a vocal proponent of the BRAC. However, shortly after assuming his current duties as Secretary of the Air Force, which made him privy to the details of the actual cost impacts of BRAC, he concluded that the BRAC will not serve to achieve any cost savings whatsoever for his Agency. "Air Force officials have crunched the numbers and concluded the 2005 BRAC round will likely fail to deliver any savings to the service, Air Force Secretary Michael Wynne told reporters at a Sept. 12 breakfast in Washington." <u>Air Force Times</u>, September 15, 2006. The Fort Monmouth

recommendation suffers in the same way. The net cost of taking this action was projected in the Army recommendation at \$395M⁸. Costs are now estimated at approximately \$2B, *exclusive* of the costs for a necessary information technology infrastructure upgrade at Aberdeen, the relocation of the West Point Preparatory School⁹, or environmental clean up, which drives the figure upward even more, approaching \$2.5B. Thus, the figure projected in the Army recommendation was understated by *400 to 500%*. It was also recently reported that the State of Maryland is requesting approximately \$16B in Federal money to fund essential infrastructure upgrades in the region, necessary to accommodate all of the BRAC relocations, which cumulatively add more than 15,000 jobs to the State. By contrast, the Commission had been told that Maryland would require little or no funding to accommodate the proposed relocation!

21. Notwithstanding DOD's ignoring of the reporting requirement mandated by the Commission, it has become clear that the closure of Fort Monmouth cannot be completed by 2011 despite the statutory requirement to do so, even with a massive influx of even more funding beyond the \$2B currently needed.

MILITARY VALUE - FORT MONMOUTH: FIRST IN MISSION RELATED CRITERIA

- 22. You will undoubtedly hear testimony from DOD officials attempting to justify the recommendation on the basis of Fort Monmouth's allegedly low "Military Value", which was to be the principal consideration according to the BRAC Statute. Essentially, when ranking *relevant* functional military effectiveness, DOD got it exactly right. In applying those rankings to DOD's ultimate recommendations, however, DOD got it completely wrong.
- 23. The results of the DA evaluation conducted in the major technical areas and functions relevant to Fort Monmouth (i.e., Information Systems Technology {Development and Acquisition, Research, and Test and Evaluation} and Sensors, Electronics and Electronic Warfare {Development and Acquisition, Research, and Test and Evaluation}) make the ultimate DOD recommendation almost unfathomable. Fort Monmouth was ranked *1st* in DA in Information Systems Technology Development and Acquisition with a rating of .484 out of a possible .600. (Aberdeen was rated at .162.) Fort Monmouth also ranked *1st* in DA in Information Systems Technology Research at .457. (Aberdeen was rated at .286.) Fort Monmouth was ranked *1st* in DA in Sensors, Electronics and Electronic Warfare Development and Acquisition, with a rating of .434. (Aberdeen was rated at .225.) Fort Monmouth ranked 3rd in DA for Sensors, Electronics

⁹ The Preparatory School relocation was so poorly planned that one proposal put forward by Representative Sue Kelly (R-NY) as to where to locate it now, as reported by MidHudsonRadio.com, involves purchasing the New York Military Academy, a private military school. Thus, one result of this BRAC Recommendation could be DOD acquiring *additional* property. The future location for the Prep School facilities is still an open issue, and another alternative involves moving the Academy Motor Pool off the installation to leased space, in order to free up sufficient area on the Academy grounds. Military Construction costs for this Prep School move originally projected at \$20M are now projected to exceed \$200M.

⁸ See the Army Recommendation, page 87 at http://www.dod.mil/brac/pdf/VolIII_Army-o.pdf

and Electronic Warfare - Research with a rating of .339. (Aberdeen was rated at .178.) Fort Monmouth even ranks higher than Aberdeen in Test and Evaluation for Information Systems Technology, Aberdeen's alleged strength.

- 24. It is only when other **non-mission related attributes** are factored in, that Fort Monmouth's ranking drops to 49th, behind Watervliet Arsenal (48th) and Picatinny Arsenal (47th), both limited use RDA facilities that are remaining open and, in the case of Picatinny, gaining mission. The manner in which this critical functional capability was "diluted" by factoring in categories such as "Heavy Maneuver Area" and "Environmental Elasticity" degrades military effectiveness, and is contrary to the clear intent of the statutorily mandated criteria.
- 25. Incredibly, even with this "diluted" approach, Fort Monmouth ranks higher in overall Military Value than the other Army Materiel Command (AMC) RDA facilities which are to remain open under the DoD recommendation. These include the Army Research Laboratory (72nd), Soldier Systems Center (57th), Detroit Arsenal (74th), and Rock Island Arsenal (53rd), among others. How Fort Monmouth, home to the undisputed Army leader in C4ISR, could be targeted for closure, while these other activities with lower Military Value ratings, located on even more limited installations with no joint operations and no essential Homeland Security role, could remain open, is just wrong.
- 26. The recommendation seems to attribute this inconsistency to the exercise of "Military Judgment" that dictated a result that is totally inconsistent with the data-based rankings. However, in this context, military judgment cannot be based upon mere bureaucratic fiat. As stated in the September 28, 2004 Guidance Memorandum for the Secretaries of the Military Departments from the Acting Undersecretary of Defense (Acquisition, Technology & Logistics), military judgment must be "... built upon a quantitative analytical foundation." I have yet to encounter a description of the quantitative analytical foundation that would support this unwarranted departure from the data-driven results and, as the Federation of American Scientists has concluded, none exists. Military judgment should have been relied upon to preserve this critical C4ISR functionality, as was the case with other AMC RDA organizations, with lower military value, rather than to inexplicably destroy it, during its most crucial engagement in Iraq and Afghanistan.
- 27. In attempting to articulate a rationale in his testimony to the Commission, former Secretary Harvey indicated that it was based upon Fort Monmouth's lack of "maneuver space" for testing and his assessment that the functions at the post were "R&D" and "Strategic" and that hence the inevitable disruption of mission could be managed without immediate tactical impact.

inevitable disruption of mission could be managed without immediate tactical impact. As anyone with any C4ISR experience can attest, that rationale is completely unfounded, and certainly not the "quantitative analytical foundation" upon which military judgment must be based. Commissioner Coyle repeatedly made this point. Further, after hearing the Secretary's stated rationale, I queried the Army regarding why the C4ISR test and engineering facilities used by Fort Monmouth activities on nearby Fort Dix and Lakehurst Naval Air Engineering Center (the Joint Base) were not considered. I was

informed that, because of the way installations were categorized, those installations were never asked for data related to those functions, and accordingly, their existence and integral connection to Fort Monmouth were overlooked.

28. A report prepared by Mr. Donald DeYoung, a Senior Research Fellow at the Center for Technology and National Security Policy, National Defense University, in connection with his duties as a member of the DoD Technical Joint Cross Service Working Group, entitled "Scenario Inconsistencies", highlights the fact that the recommendation to close Fort Monmouth resulted from an inconsistent application of strategic objectives. (See discussion of "Strategy #2 and Strategy #3.) In his view, a consistent application of such strategies should have resulted in Fort Monmouth actually *gaining* mission. It does not appear from my review of the published data that Mr. DeYoung's observations were ever adequately addressed. (Mr. DeYoung's reports are referred to in the Federation of American Scientists report mentioned above.)

WITHHOLDING COST DATA FROM THE COMMISSION

- 29. The reality of what it will cost to implement this recommendation was the issue that first drew media attention and highlights what appears to be the case: that closing Fort Monmouth was a pre-ordained determination that was rationalized as best as the Department could in order to support that determination. The cost of taking this action was projected in the Army recommendation at \$822.3M, which was reduced to \$395M when "savings" that were allegedly expected during the implementation period were factored in. The latest projections are approximately \$2B. I have heard rationalizations for this "growth" attributing it to unanticipated factors such as a new National Collegiate Athletic Association rule impacting the relocation of the Army's Military Academy Preparatory School (USMAPS) which makes its home on Fort Monmouth. Those rationalizations are simply untrue. For example, the recommendation cites \$21M as the costs associated with re-locating the USMAPS from Fort Monmouth to West Point. The military construction request DD Form 1391, dated June 14, 2005, 4 months before the BRAC recommendations were sent to the President, states that it will require \$226M to re-constitute the school at West Point for the construction alone. Further, the School facilities on Fort Monmouth received a \$25M upgrade in 2004, and these "sunk" costs have been overlooked in the analysis. If these kinds of errors were made in any commercial business, the responsible executives would be relieved!
- 30. Further, major cost elements in the DOD estimate supporting the recommendation were either grossly inaccurate or entirely overlooked. For example, the response provided by the Fort Monmouth Garrison to BRAC data call question #811, Base Operating Support Non-Pay Obligations, was initially, due to a misunderstanding of the question, incorrect. For FY03, the Garrison reported a value of approximately \$93.4M for installation operations, which was taken from Service Based Costing (SBC) data, "Service Resources Grand Total". This figure erroneously included not only Sustainment, Payroll and Army Family Housing costs but also Global War on Terrorism and regional support costs, as well as costs associated with command activities at remote installations such as Fort Huachuca. (The guidance promulgated by DOD with the data

call asked that reimbursable costs be included. However, a great deal of the reimbursable work being performed by the Garrison supports activities throughout the region and hence has nothing to do with the costs of running Fort Monmouth. Those costs will continue to be incurred, notwithstanding the Fort Monmouth recommendation.) The same errors were made for Fiscal Years 2001 and 2002. Accordingly, the correct average annual cost for operating the post is approximately \$50M. When combined with the actual costs of executing the recommendation, it is clear that there *will be no savings*.

31. The BRAC Commission clearly viewed the recommendation as suspect, and issued 22 questions related to the Fort Monmouth recommendation to DOD regarding it, including one specific to the #811 cost data mentioned above, asking whether the agency had any concerns about the accuracy of the cost data that had been submitted in support of the proposal. Those questions went through DOD channels to Fort Monmouth for input, and a great deal of data was provided, including more accurate detailed cost data that pointed out the errors in the original data provided by DOD and estimated the costs of the action to be approximately \$1.44B. As I recognized the dramatic impact that this corrected data would have, I asked that an independent analysis be conducted by the Army Audit Agency (AAA) in order to review the updated cost data for accuracy. However, I was informed that AAA was directed not to audit the numbers. Since AAA was not permitted to perform such an analysis, I directed that the data be audited for accuracy by our local Internal Review and Audit Compliance auditors, who determined it to be valid. Accordingly, in July of 2005, I certified the updated cost data on behalf of the command, and had it sent to our higher headquarters (AMC), and ultimately to DA. That data has never been contradicted because it was accurate. However, the DOD response to the BRAC Commission's question related to costs did not include the certified corrected data and, in fact validated the erroneous costs that were originally submitted in support of the recommendation! The DOD responses were posted on the Commission web site, and presumably relied upon by the Commissioners. Interestingly, in December of 2005, three months after the BRAC Commission proceedings had concluded, the Army analyst assigned by the department to support the BRAC office, posted Fort Monmouth's answers to the 22 questions on the Commission web site, which included the updated cost data. Earlier this year, the media, which was reviewing the burgeoning costs of the action, became aware of the more accurate set of cost data that had been withheld from the Commission, and began asking who in DOD had made the decision to withhold it. To my knowledge, that question has never been answered. This may well be another example of DOD failing to furnish critical information to the Commission, as was identified in the Federation of American Scientists Report I cited earlier.

THE ARMY RECOMMENDATION - PRE-ORDAINED

32. I have heard the DOD recommendation described by its proponents as being "well thought out". For an example of how erroneous that characterization is, one need only look at the risk assessment tool used by DOD that purports to measure "quality of life" factors in the relative locations. The data points are ridiculously flawed. For example, the area surrounding Fort Monmouth is rated "RED" (poor) for medical care, as

compared to "GREEN" (good) for the area surrounding Aberdeen. In fact, the rating for Fort Monmouth is too low -- by a factor of ~10.-- because DOD misplaced the decimal point when factoring in the population of Monmouth and Ocean Counties, New Jersey. Pursuant to the 2000 Census data, the population of that area is 1,126, 217. DOD factored in a data point of 11,262,127 - 10 times higher than the actual population, and when compared to the number of physicians and hospital beds, concluded that medical care in the region was vastly inadequate.

33. As mentioned, it appears to me that the decision to close Fort Monmouth was arrived at before any analysis was conducted. I note that, in the published minutes of the DoD Technical Joint Cross Service Working Group session, on more than one occasion (e.g., on April 1, 2005 and again on April 5th, just several weeks before DoD issued their Recommendations), one of the "Close out Checklist" items for the Army representative to the Group (Brian Simmons, a senior official from Aberdeen Proving Ground) was "Ensure Tech 35R is knitted with Monmouth closure for real good picture." "Tech 35R" refers to a scenario that would move C4ISR expertise to Aberdeen. What concerns me is the appearance that this repeated checklist item creates, that the objective of that group, at least as of April, was less focused on mission effectiveness and more focused on creating a "real good picture" that would support closing Fort Monmouth. This may evidence precisely the sort of "preordained" decision that Senators Collins and Lieberman directed the Government Accountability Office to evaluate as it reviews the integrity of the DOD decision-making process. Although it may be merely the result of an extraordinarily poor choice of words, I have yet to find a similar entry related to other closure or realignment recommendations. Additionally, by April, one would have thought that the relevant data supporting the proposed recommendations would have been firmly established, and that there would have been no need to create a "real good picture" for closing a major installation and relocating the Army's premier C4ISR organization. The facts should have spoken for themselves, but that obviously was not the case. In fact, it is impossible to discern the quantitative analytical foundation that purportedly supports this dangerous recommendation, because there is none.

OTHER STATUTORY VIOLATIONS - ILLEGAL ACTIONS

- 34. In addition to violating the Military Value and Cost criteria, discussed above, this recommendation clearly violates Section 2913(e) of the BRAC Statute. That provision requires DOD to consider the costs that will be incurred by non-DOD agencies present on installations identified for closure. The recommendation itself gives lip service to this requirement stating that "The recommendation affects non-DOD agencies. These include the U.S. Post Office, the Department of Justice and the General Services Administration...As required by Section 2913(d) (*The recommendation mis-cites the statute*) of the BRAC statute, the Department has taken the effect on the cost of these agencies into account when making this recommendation."
- 35. Knowing the full breadth of non-DOD agencies present on the Fort Monmouth installation, I had my office query DOD on this issue. Their response was that, since the Department did not have cost data from non-DOD agencies located on installations

targeted for closure, they merely noted their presence on such installations and assumed that they would experience some undetermined increase in costs.

- 36. This "lip service" approach was not contemplated by the Congress when it enacted Section 2913(e) of the Statute. For example, the recommendation makes a simple reference to the presence of the "Department of Justice". In fact, Fort Monmouth is home to the Federal Bureau of Investigation's Northeast Regional Data Processing Center, a secured facility employing 120 personnel. The nature of its work is so sensitive that the Bureau is unwilling to openly disclose its function entirely. Again, it is reasonable to assume that the costs the FBI would incur as a result of the closure of this facility could not have been taken into account as required, since the recommendation appears to have failed to consider the nature of its presence on the installation.
- 37. More fundamentally, even if such an approach was compliant with the law, the recommendation to close Fort Monmouth *completely overlooks* the presence of the Veterans Administration Health Facility, which handles over 10,000 patient visits annually. It also overlooks the presence of the Department of Homeland Security, Federal Emergency Management Agency Region II Contingency Operations Point, an emergency center that has been "stood up" twice since being located on Fort Monmouth after the September 11th attacks. How the increased costs to these agencies caused by the closure of Fort Monmouth could have been taken into account in accordance with the cited statute, when their presence on the installation was completely overlooked, is unexplained. However, the manner in which this statutory violation occurred is readily understandable. DOD simply never asked for any data from the field regarding the non-DOD activities that are present on the installation.

ABERDEEN - A GREAT TEST FACILITY: BUT NOT FOR C4ISR

38. As mentioned above, former Secretary Harvey testified to the Commission that the activities at Fort Monmouth were lacking in that they did not have test ranges suitable for "maneuver". The fundamental flaw in this rationale is that the testing required for the Army's C4ISR function is conducted at several locations, including Fort Monmouth, Fort Dix, Lakehurst Naval Air Engineering Center, Fort Huachuca, Arizona, etc., but very little is conducted at Aberdeen. In fact, the Army's Electronic Proving Ground is at Fort Huachuca, Arizona. To the extent that C4ISR testing requires airborne or wide terrain for an "on the move" demonstration, Team C4ISR has that capability at Lakehurst and the 40 x 40 Kilometer range at nearby Fort Dix. In the event that evaluations of C4ISR systems in a "maneuver" environment with division size units are necessary, they are conducted as part of large scale unit training exercises where such exercises are normally conducted, e.g., Fort Hood or Fort Irwin. Aberdeen does not have sufficient area or the requisite equipment or military units to make conducting such exercises feasible at that location. Since virtually all other major Army RDA activities (e.g., Detroit Arsenal, Picatinny Arsenal, Soldier Systems Command, Army Research Laboratory, etc.) are located on installations similarly lacking in "maneuver space", the entire issue appears to be a red herring.

- 39. During his testimony just prior to the Commission vote, former Secretary Harvey insisted that the major impetus for the proposal was to "co-locate" the C4ISR RDA activities with their test and evaluation activities. In fact, the move collocates *nothing* and decouples the Fort Monmouth C4ISR RDA activities *away from* their test and evaluation facilities at the nearby "Joint Base". Commissioner Phillip Coyle, who has decades of C4ISR experience within DOD, pointed out that, while that argument would be logical if the mission were being moved to a location where C4ISR testing was conducted, such as Fort Huachuca, *it made no sense* with regard to Aberdeen as no significant C4ISR testing is conducted there. The Secretary insisted otherwise, and the issue was left with him disagreeing with the Commissioner. The fact is that Commissioner Coyle had that point exactly right, while the former Secretary had it completely wrong.
- 40. Aberdeen is not a better equipped facility. The highly specialized laboratories and engineering and test facilities needed for the C4ISR mission exist on or near Fort Monmouth, not Aberdeen. I believe that inquiry will show that Aberdeen's facilities are generally inadequate by Army facilities standards and there are certainly no facilities specifically configured for the C4ISR mission. Further, preliminary indications are that Aberdeen lacks the capability to accommodate the full range of engineering and test activities currently conducted by Team C4ISR at its electronic warfare facilities located at nearby Lakehurst and Fort Dix. Team C4ISR currently has a permanent component located at Lakehurst engaged in the development and testing of UAV systems, and the Center has been home to Team C4ISR's avionics electronic warfare development and test facility for decades. Occupying "Hanger 5" on the Lakehurst facility, the organization maintains two U/EH-60 Blackhawks, two UH-1 Hueys, three C/RC-12s and a C-23 Sherpa aircraft. These aircraft are used extensively to perform test and evaluation flights for a wide range of airborne electronic warfare systems. Additionally, there are two Spyder UAVs hangered at the facility used for UAV Payload Integration Testing. (These UAVs were used to relay data while airborne during DOD UAV Payload Integration Conferences hosted at the facility.)
- 41. Co-location of RDA activities (a stated objective of the recommendation) may have been a "nice to have" motivation underlying the recommendation, but that objective has entirely evaporated from the recommendation as it has evolved. All other major Army RDA activities are remaining at their present locations, including the Night Vision Laboratory, and hence the recommendation has evolved into nothing more than closing Fort Monmouth and trying to recreate its capabilities at a location ill prepared to accept them. Team C4ISR is a recognized world class RDA organization, and putting it in jeopardy for no good benefit, particularly during wartime, is irresponsible in the extreme.
- 42. The Commission heard testimony from Major General (Retired) William Russ, the former Commander of CECOM as well as Commander of the Army Signal Command, where he had responsibility for every signal brigade in the Army, with 17,000 soldiers and civilians world wide. He stated unequivocally that he was *certain* that a re-location of the magnitude contemplated in this case, would have a direct, immediate and catastrophic impact upon the mission performed by Team C4ISR and the Warfighter. He

was joined by 10 other retired General Officers in a letter to the Commission in which they pointed out that the proposed relocation to an area devoid of any real connection to the C4ISR mission was a destructive proposal. However, in the face of former Secretary Harvey putting his personal integrity on the line by guaranteeing that the move would have no impact on mission, the Commission was, I believe, reluctant to reject the recommendation entirely.

PROXIMITY TO NEW YORK CITY - PROTECTING A MAJOR TERRORIST TARGET

- 43. Homeland Security is an additional critical consideration that has been overlooked by the recommendation that Fort Monmouth be closed.
- In the Army's "Summary of Selection Process" to its BRAC recommendations, it was specifically noted that "... the military value criteria specifically directed attention to staging areas in support of homeland defense..." Moreover, the DOD Force Structure Plan specifically recognized the need for "... a reorientation of our military capabilities" to contend with the threats posed to homeland security by terrorist activities.
- The C4ISR activities at Fort Monmouth have played a significant role in Homeland Security, beginning with their immediate support of the efforts in response to the terrorist attack on the World Trade Center on September 11, 2001. Its proximity to New York City has caused the installation to be designated a "Contingency Operations Point" by the Department of Homeland Security. Further, primarily through the use of Cooperative Research and Development Agreements, Team C4ISR has assisted the City of New York, the National Guard Bureau, the Port Authority of New York/New Jersey, Army Corps of Engineers, and the State of New Jersey by bringing their intelligence and electronic warfare expertise to bear in support of their efforts to protect critical infrastructure from terrorist attacks.
- Nevertheless, the recommendation would destroy through re-location the Army organization currently meeting those challenges. As former Defense Secretary Rumsfeld stated in his May 13th letter to Chairman Principi, BRAC 2005 presented his department with a unique opportunity to adjust U.S. base structure to meet the challenges that will be posed by international terrorism over the next two decades. Keeping the C4ISR activities at issue intact and in the vicinity of New York City capitalizes upon that opportunity, and maximizes the potential to successfully meet those challenges in the future.

RECOMMENDATION:

44. I would ask this Committee to revisit the recommendation to close Fort Monmouth so as to achieve a more cost effective approach, which adequately protects ongoing programs supporting the Global War on Terrorism and other contingency operations. While I firmly believe it is in our nation's best interest to reverse this decision, if Fort Monmouth must be closed, then other alternatives must be considered such as relocating the C4ISR activities located there to the nearby "Joint Base" (Dix/McGuire/Lakehurst).

This area, with three contiguous service installations (unique in the Continental U.S.) is already home to many C4ISR test and evaluation activities, and near the Army's center for C4ISR expertise at Fort Monmouth, would have been an ideal location for a truly joint DoD C4ISR Command. The loss of intellectual capital would be significantly reduced, and given the proximity to Fort Monmouth, could be accomplished at a fraction of the cost. Although DOD missed this golden opportunity to establish a truly joint DOD C4ISR activity, this mistake should not be compounded by a move that would obliterate the Army's premier C4ISR organization and sever its connections with the location that is the most promising for joint inter-service operations.

CONCLUSION

45. I need to conclude by making an observation: The issues under review by this Committee must not be viewed as a parochial "New Jersey v. Maryland" dispute as they are often portrayed. I was greatly dismayed to hear at least one Maryland legislator react to these proceedings by protesting that the state had "won fair and square." This discussion needs to be focused on the best way to support and protect American soldiers, sailors, marines and airmen during a time of war, and to do it in such a way that is consistent with law and the interests of the American taxpayer. I suggest that an honest and non-biased review of the events that culminated in the Fort Monmouth BRAC recommendation such as the findings of the Federation of American Scientists I mentioned earlier will conclude that it was reached in violation of the law, and will yield no discernable military benefits, at exorbitant, inflated cost. Worst of all, I know that the effectiveness and survival of our Warfighters who are in harm's way right now will be irreversibly jeopardized by this approach.

It would be easy to say that many mistakes were made here and we should take steps to avoid a recurrence, and I'm sure we will do that. But that will not suffice for our Warfighters, who are counting on the excellence that is Fort Monmouth as their ticket home. I implore you to do everything in your power to reverse this decision.

I look forward to your questions. Thank you for this opportunity.