DEFENSE BASE REALIGNMENT AND CLOSURE
BUDGET DATA FOR THE CLOSURE OF NAVAL AIR
STATION BARBERS POINT, HAWAII, AND
REALIGNMENT TO NAVAL AIR STATION
WHIDBEY ISLAND, WASHINGTON

Report No. 95-276

July 7, 1995

Department of Defense

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Acronyms

BRAC Base Realignment and Closure
COBRA Cost of Base Realignment Actions
GSE Ground Support Equipment
MILCON Military Construction
NAS Naval Air Station
MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)  
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL MANAGEMENT AND COMPTROLLER)  

SUBJECT: Audit of Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Barbers Point, Hawaii, and Realignment to Naval Air Station Whidbey Island, Washington (Report No. 95-276)  

We are providing this report for review and comment. This report is one in a series of reports about FY 1996 Defense base realignment and closure military construction costs. The report provides the audit results of the review of two base realignment and closure projects. We considered comments on a draft of this report from the Under Secretary of Defense (Comptroller) in preparing the final report.  

DoD Directive 7650.3 requires that all recommendations and potential monetary benefits be resolved promptly. Because the Navy did not comment on the draft of this report, we request that the Navy provide comments on the final report by September 7, 1995.  

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Mr. Joseph P. Doyle, Audit Program Director, at (703) 604-9348 (DSN 664-9348) or Ms. Judith I. Padgett, Audit Project Manager, at (703) 604-9423 (DSN 664-9423). See Appendix G for the report distribution. The audit team members are listed inside the back cover.  

David K. Steensma  
Deputy Assistant Inspector General for Auditing
Office of the Inspector General, DoD

Report No. 95-276  July 7, 1995
(Project No. 5CG-5017.09)

Defense Base Realignment and Closure Budget Data
for the Closure of Naval Air Station Barbers Point,
Hawaii, and Realignment to Naval Air Station
Whidbey Island, Washington

Executive Summary

Introduction. Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, directs the Secretary of Defense to ensure that the amount of the authorization that DoD requested for each military construction project associated with Defense base realignment and closure does not exceed the original estimated cost provided to the Commission on Defense Base Closure and Realignment (the Commission). If the requested budget amounts exceed the original project cost estimates provided to the Commission, the Secretary of Defense is required to explain to Congress the reasons for the differences. The Inspector General, DoD, is required to review each Defense base realignment and closure military construction project for which a significant difference exists from the original cost estimate and to provide the results of the review to the congressional Defense committees. This report is one in a series of reports about FY 1996 Defense base realignment and closure military construction costs.

Audit Objectives. The overall audit objective was to determine the accuracy of Defense base realignment and closure military construction budget data. This report provides the results of the audit of two projects, valued at $5.9 million, for the closure of Naval Air Station Barbers Point, Hawaii, and realignment to Naval Air Station Whidbey Island, Washington. This audit also assessed the adequacy of the management control program as it applied to the audit objective.

Audit Results. The Navy overestimated requirements for two construction projects at Naval Air Station Whidbey Island to support a tentative realignment of six P-3 aircraft squadrons resulting from the closure of Naval Air Station Barbers Point.

- The Navy overestimated space requirements for constructing a ground support equipment shop. As a result, project P-600T was overstated by between $1.3 million and $1.8 million, depending on the number of squadrons realigned (Finding A).

- The Navy overestimated space requirements for constructing a sonobuoy storage facility. As a result, project P-615T was overstated by $0.8 million (Finding B).

The results of the review of the management control program will be discussed in a summary report on Defense base realignment and closure military construction budget data. See Appendix E for a summary of potential benefits of the audit.
Summary of Recommendations. We recommend that the Under Secretary of Defense (Comptroller) reduce construction funding for the two projects and reprogram the funds to other supported and unfunded Defense base realignment and closure military construction projects. In addition, we recommend that the Navy suspend action on the ground support equipment shop. We also recommend that the Navy revise and resubmit construction estimates for the ground support equipment shop and the sonobuoy storage facilities.

Management Comments. The Under Secretary of Defense (Comptroller) concurred with the findings and recommendations, but considered it premature to take action at this time. If the issue is not resolved by the start of FY 1996, the Under Secretary of Defense (Comptroller) will place funds associated with the projects on administrative withhold. A summary of management comments is in Part I, and the complete text of management comments is in Part III of the report. The Navy did not comment on a draft of this report. Therefore, we request the Navy to provide comments by September 7, 1995.
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Part I - Audit Results
Audit Results

Audit Background

The Inspector General, DoD, is performing various audits of the Defense base realignment and closure (BRAC) process. This report is one in a series of reports about FY 1996 BRAC military construction (MILCON) costs. For additional information on the BRAC process and the overall scope of the audit of BRAC MILCON costs, see Appendix C.

Audit Objectives

The overall audit objective was to determine the accuracy of BRAC MILCON budget data. The specific objectives were to determine whether the proposed projects were valid BRAC requirements, whether the decision for MILCON was supported with required documentation including an economic analysis, and whether the economic analysis considered existing facilities. The audit also assessed the adequacy of the Naval Air Station (NAS) Whidbey Island management control program as it applied to the overall audit objective.

This report provides the results of the audit of two BRAC MILCON projects, valued at $5.9 million, resulting from the closure of NAS Barbers Point, Hawaii, and realignment to NAS Whidbey Island, Washington. See Appendix A for a discussion of the scope and methodology and Appendix B for a summary of prior coverage relevant to the audit objectives. The management control program will be discussed in a summary report on BRAC MILCON budget data. Therefore, this report does not discuss our review of management controls at NAS Whidbey Island.
Finding A. Ground Support Equipment Shop

NAS Whidbey Island overestimated space requirements for project P-600T, valued at $3.7 million. NAS Whidbey Island overestimated space requirements because management misinterpreted Navy guidance for computing the size of a ground support equipment (GSE) shop and did not consider the alternative of expanding existing facilities when planning project P-600T. As a result, NAS Whidbey Island overstated project P-600T by between $1.3 million and $1.8 million, depending on the number of squadrons realigned.

Requirements Depend on the Number of Squadrons Realigned

Proposed Project for Six Realigned Squadrons. NAS Whidbey Island planned construction for a GSE shop to support a tentative realignment of six P-3 aircraft squadrons to NAS Whidbey Island. On April 15, 1994, NAS Whidbey Island submitted a DD Form 1391, "FY 1996 Military Construction Project Data," for an 18,030-square-foot GSE shop, project P-600T, valued at $3.7 million. However, the Navy may realign only four P-3 aircraft squadrons to NAS Whidbey Island, thus significantly reducing the space requirements for a GSE shop.

Pending Decision for Four or Six Realigned Squadrons. The Navy is considering alternative realignment plans that may impact space requirements. The types and numbers of aircraft that the maintenance division supports are factors that determine the size of a GSE shop. An August 5, 1994, memorandum from the Department of the Navy, Chief of Naval Operations, to the Director of Facilities and Engineering Division states that:

The future basing of PACFLT [Pacific Fleet] MPA [Maritime Patrol Aircraft] squadrons remains an issue affecting the implementation of BRAC 93. The final closure plan for NAS Barber's [sic] Point is dependent on a relocation decision for PACFLT MPA squadrons to other naval air stations [and] . . . outlines two possible scenarios (single site or dual site) for basing MPA squadrons at NAS Whidbey Island and MCAS [Marine Corp Air Station] Kaneohe Bay [Hawaii]. The current preferred scenario is single siting all PACFLT MPA squadrons at NAS Whidbey. . . . However, the dual siting scenario at NAS Whidbey and MCAS Kaneohe remains a possibility. At this time, depending on which scenario is chosen, we know that between four and six MPA squadrons will relocate to NAS Whidbey. The final number of squadrons will be determined by SECNAV [Secretary of the Navy] at a later date.

As of March 30, 1995, the Secretary of the Navy had not determined whether the Navy would realign four or six P-3 aircraft squadrons to NAS Whidbey Island.
Finding A. Ground Support Equipment Shop

Navy Planning Standards

Whether the Navy realigns four or six P-3 aircraft squadrons, NAS Whidbey Island overestimated the project size approved in the Navy budget compared with the Navy sizing standards, documented in "Naval Aviation Maintenance Facilities Work Center Sizing, Aircraft Intermediate Maintenance Department Avionics and Ground Support Equipment Divisions and Maintenance Hangars," May 1983. Applying Navy standards, NAS Whidbey Island could reduce the space requirements by 10,033 square feet if six P-3 aircraft squadrons realign to NAS Whidbey Island and by 14,116 square feet if four aircraft squadrons realign to NAS Whidbey Island. See Appendix D for computations of the GSE space requirements.

Existing Facilities at NAS Whidbey Island

When planning project P-600T, NAS Whidbey Island did not consider the alternative of expanding the existing facilities instead of constructing new facilities.


Existing GSE Shop. The existing GSE shop consists of a maintenance area (9,706 square feet) and a storage shed area (13,048 square feet). The ground support division performs equipment inspections, repairs, and administrative functions in the maintenance area and houses equipment that is not in use or undergoing inspections and repairs in the storage shed area.

Although no major barriers appear to preclude expanding the existing facility, NAS Whidbey Island did not conduct an economic analysis to determine whether expansion would be more cost-effective than new construction.

Ground Support Planning Criteria

NAS Whidbey Island overestimated space requirements for the GSE shop because management misinterpreted Navy criteria for computing the size of a
Finding A. Ground Support Equipment Shop

GSE shop. NAS Whidbey Island calculated new construction requirements for the maintenance area using the allowable standards and adding 7,518 square feet for functions such as painting and sand blasting. Because such functions are part of standard maintenance areas, the additional square footage resulted in double counting of that space. In addition, NAS Whidbey Island did not use the allowable standard for the storage shed area and overestimated that space by 2,515 square feet.

Adjustments to Project Estimates

As a result of misinterpreting the GSE shop planning criteria, NAS Whidbey Island overstated project P-600T on the DD Form 1391 by between 10,033 square feet, valued at $1.3 million, and 14,116 square feet, valued at $1.8 million, depending on the number of squadrons realigned. The Navy could put to better use at least $1.3 million on other BRAC MILCON projects by adjusting project P-600T space requirements.

Recommendations, Management Comments, and Audit Response

A.1. We recommend that the Under Secretary of Defense (Comptroller):

a. Suspend all funding for the ground support equipment shop until the Secretary of the Navy determines the number of P-3 aircraft squadrons that will be realigned to Naval Air Station Whidbey Island.

b. Reduce and reprogram the funding allocated for project P-600T, "Ground Support Equipment Shop," by $1.3 million or $1.8 million, depending on the number of squadrons realigned, to other supported and unfunded Defense base realignment and closure military construction projects.

Management Comments. The Under Secretary of Defense (Comptroller) concurred with our recommendations, but stated that it was premature to take action at this time because the funding for the five projects is included in the FY 1996 base realignment and closure budget request. Therefore, if the issue is not resolved by the start of FY 1996, the funds associated with the projects will be administratively withheld pending resolution of the issues. The complete text of the comments of the Under Secretary of Defense (Comptroller) is in Part III.
Finding A. Ground Support Equipment Shop

A.2. We recommend that the Commander, Naval Air Station Whidbey Island:

a. Suspend action on project P-600T, "Ground Support Equipment Shop," until the Secretary of the Navy determines the number of P-3 aircraft squadrons that will be realigned to Naval Air Station Whidbey Island.

b. Complete an economic analysis that considers expansion of the existing ground support equipment facilities as an alternative. The economic analysis data should be consistent with "Naval Aviation Maintenance Facilities Work Center Sizing, Aircraft Intermediate Maintenance Department Avionics and Ground Support Equipment Divisions and Maintenance Hangars," May 1983, and the Secretary of the Navy decision regarding realignment of the P-3 aircraft squadrons.

c. Revise and resubmit the DD Form 1391, "FY 1996 Military Construction Project Data," for project P-600T, "Ground Support Equipment Shop," to accurately represent requirements for the project.

Management Comments and Audit Response. The Navy did not respond to a draft of this report. Therefore, we request the Navy provide comments to the final report by September 7, 1995.
Finding B. Sonobuoy Storage Facility

NAS Whidbey Island overestimated space requirements for a sonobuoy (a sound receiving and transmitting device treated as ordnance for planning and storage purposes) storage facility, project P-615T, to support tentative realignment of six P-3 aircraft squadrons to NAS Whidbey Island. NAS Whidbey Island overestimated space requirements because management used outdated ordnance prepositioning and training requirements when planning project P-615T. As a result, NAS Whidbey Island overstated project P-615T by $0.8 million.

Sonobuoy Storage Facility Requirements Depend on Ordnance Levels

Proposed Project for Ordnance Level. NAS Whidbey Island planned construction for a sonobuoy storage facility to support storing 65,804 sonobuoys. On May 12, 1994, NAS Whidbey Island submitted a DD Form 1391 for a 20,000-square-foot sonobuoy storage facility, project P-615T, valued at $2.2 million.

Pending Decision for Four or Six Realigned Squadrons. The Navy decision to realign four or six P-3 squadrons to NAS Whidbey Island does not significantly impact the space requirements for the sonobuoy storage facility. The factors influencing size for sonobuoy storage facilities are more closely associated with prepositioning and training requirements for sonobuoys.

Navy Planning Standards for Sonobuoy Storage Facilities

The Navy has not developed specific formal standards for determining sonobuoy storage space requirements. Project P-615T, "Sonobuoy Storage Facility," will provide facilities for receiving, maintaining, storing, and issuing sonobuoys. Sufficient space is needed to store sonobuoys for P-3 training exercises and prepositioned ordnance. NAS Whidbey Island based the sonobuoy storage facility size on the following relevant sonobuoy storage factors:

- the number of sonobuoys to be stored as prepositioned ordnance,
- the number of sonobuoys required for operational training exercises,
- the time required to resupply sonobuoys from supply points,
- the physical characteristics of a fully loaded pallet of sonobuoys, and
- an adjustment factor to convert net space to gross space.
Finding B. Sonobuoy Storage Facility

Changes in Sonobuoy Storage Requirements

NAS Whidbey Island overestimated space requirements because the estimates for prepositioned ordnance decreased from the initial planning estimates. In addition, the documented average time to resupply sonobuoys that P-3 squadrons expended during operational training was less than the resupply time used in the initial planning estimates.

Facility Storage Space Impacted by Preposition Ordnance Requirements. Management based the initial planning estimate on storing 61,804 sonobuoys to satisfy prepositioned ordnance requirements. On January 12, 1995, the Commander in Chief, U.S. Pacific Fleet, issued a memorandum, "Ordnance Positioning Plan," that presented a draft positioning plan. That plan reduced the prepositioned ordnance requirements to 10,535 sonobuoys. As a result, the space attributable to preposition ordnance material should be reduced.

Facility Storage Space Impacted by Resupply Time. The number of sonobuoys needed for operational training and the time required to resupply sonobuoys from the supply depots are factors that determined sonobuoy storage space requirements. NAS Whidbey Island estimated resupply time for operational training sonobuoys to be 120 days. However, records indicated the resupply time to be 26 days. DoD officials with supply responsibilities stated that resupply sonobuoys could be delivered to users within 23 days. As a result, the space attributable to sonobuoys for operational training should be reduced.

To meet P-3 squadron requirements, NAS Whidbey Island will need to store fewer sonobuoys than initially planned. NAS Whidbey Island overestimated the sonobuoy storage requirements by 16,410 square feet. The following table shows the computation of the sonobuoy storage space using prepositioned and operational training requirements.

<table>
<thead>
<tr>
<th>Operation Prepositioned and Operational Training Requirements</th>
<th>Space Requirements (square feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operational Requirements (number of sonobuoys to be stored)</strong></td>
<td></td>
</tr>
<tr>
<td>Estimate</td>
<td>Prepositioned Ordnance</td>
</tr>
<tr>
<td>----------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Initial</td>
<td>61,804</td>
</tr>
<tr>
<td>Audit</td>
<td>10,535</td>
</tr>
<tr>
<td>Amount of Overestimate</td>
<td>51,269</td>
</tr>
</tbody>
</table>

*The computation is based on a P-3 aircraft squadron using 9,155 sonobuoys a year and 30 days to obtain replacement sonobuoys from the supply system.
Finding B. Sonobuoy Storage Facility

Adjustments to Sonobuoy Storage Facility Estimates

As a result of overestimating the sonobuoy storage facility requirements, NAS Whidbey Island overstated the scope of project P-615T in the DD Form 1391 by 16,410 square feet, valued at $0.8 million. The Navy could put $0.8 million to better use on other BRAC MILCON projects by adjusting the scope of project P-615T.

Recommendations for Corrective Action

B.1. We recommend that the Under Secretary of Defense (Comptroller) reduce the funding allocated for project P-615T, "Sonobuoy Storage Facility," by $0.8 million and reprogram the $0.8 million to other supported and unfunded Defense base realignment and closure military construction projects.

Management Comments. The Under Secretary of Defense (Comptroller) concurred with our recommendations, but stated that it was premature to take action at this time because the funding for the five projects is included in the FY 1996 base realignment and closure budget request. Therefore, if the issue is not resolved by the start of FY 1996, the funds associated with the projects will be administratively withheld pending resolution of the issues. The complete text of the comments of the Under Secretary of Defense (Comptroller) is in Part III.

B.2. We recommend that the Commander, Naval Air Station Whidbey Island, revise and resubmit the DD Form 1391, "FY 1996 Military Construction Project Data," for project P-615T, "Sonobuoy Storage Facility." The revised data should be consistent with the Commander in Chief, U.S. Pacific Fleet, Ordnance Positioning Plan and the resupply time identified in this report.

Management Comments and Audit Response. The Navy did not respond to a draft of this report. Therefore, we request the Navy provide comments to the final report by September 7, 1995.
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Part II - Additional Information
Appendix A. Scope and Methodology

Scope of This Audit. We examined the FY 1996 BRAC MILCON budget request and associated documentation for two realignment projects regarding the closure of NAS Barbers Point and the realignment to NAS Whidbey Island. Details of those two projects, estimated to cost a total of $5.9 million, are in the following table.

<table>
<thead>
<tr>
<th>Project Number</th>
<th>Project Title</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>P-600T</td>
<td>Ground Support Equipment Shop</td>
<td>$3,660,000</td>
</tr>
<tr>
<td>P-615T</td>
<td>Sonobuoy Storage Facility</td>
<td>2,200,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$5,860,000</strong></td>
</tr>
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</table>

Audit Period, Standards, Potential Benefits, and Locations. This economy and efficiency audit was made from December 1994 through March 1995 in accordance with auditing standards issued by the Comptroller General of the United States as implemented by the Inspector General, DoD. Accordingly, we included tests of management controls considered necessary. The audit did not rely on computer-processed data or statistical sampling procedures. See Appendix E for the potential benefits resulting from the audit. Appendix F lists the organizations visited or contacted during the audit.
Appendix B. Summary of Prior Audits and Other Reviews

Since 1991, numerous audit reports have addressed DoD BRAC issues. This appendix lists selected DoD and Navy BRAC reports.

**Inspector General, DoD**

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<thead>
<tr>
<th>Report No.</th>
<th>Report Title</th>
<th>Date</th>
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<tbody>
<tr>
<td>95-257</td>
<td>Defense Base Realignment and Closure Budget Data for the Realignment of the National Airborne Operations Center Forward Operating Base From Grissom Air Force Base, Indiana, to Wright-Patterson Air Force Base, Ohio</td>
<td>June 23, 1995</td>
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<td>95-249</td>
<td>Defense Base Realignment and Closure Military Construction Budget Data for Goodfellow Air Force Base, San Angelo, Texas</td>
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<td>95-226</td>
<td>Defense Base Realignment and Closure Budget Data for the Realignment of Rickenbacker Air National Guard Base, Ohio</td>
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<td>95-223</td>
<td>Defense Base Realignment and Closure Budget Data for the Closure of Marine Corps Air Stations El Toro and Tustin, California, and Realignment to Naval Air Station Miramar, California</td>
<td>June 8, 1995</td>
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<td>95-222</td>
<td>Defense Base Realignment and Closure Budget Data for the Proposed Construction of the Automotive Vehicle Maintenance Facility, Guam</td>
<td>June 7, 1995</td>
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<td>95-221</td>
<td>Defense Base Realignment and Closure Budget Data for the Closure of Naval Training Center San Diego, California</td>
<td>June 6, 1995</td>
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<tr>
<td>95-213</td>
<td>Defense Base Realignment and Closure Budget Data for the Naval Training Center Great Lakes, Illinois</td>
<td>June 2, 1995</td>
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<tr>
<td>95-212</td>
<td>Defense Base Realignment and Closure Budget Data for Fort Jackson, South Carolina</td>
<td>June 2, 1995</td>
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<tr>
<td>95-208</td>
<td>Defense Base Realignment and Closure Budget Data for Realignment of Construction Battalion Unit 416 From Naval Air Station Alameda, California, to Naval Air Station Fallon, Nevada</td>
<td>May 31, 1995</td>
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<tr>
<td>95-205</td>
<td>Defense Base Realignment and Closure Budget Data for the Relocation of Marine Corps Manpower Center at Marine Corps Combat Development Command, Quantico, Virginia</td>
<td>May 26, 1995</td>
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<td>95-203</td>
<td>Defense Base Realignment and Closure Military Construction Budget Data for the Army Reserve Center, Sacramento, California</td>
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<tr>
<td>95-198</td>
<td>Defense Base Realignment and Closure Budget Data for the Closure of the Underway Replenishment Training Facility, Treasure Island, California, and Realignment to the Expeditionary Warfare Training Group Atlantic, Norfolk Virginia</td>
<td>May 19, 1995</td>
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<tr>
<td>95-196</td>
<td>Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Alameda, California, and Realignment to Puget Sound Naval Air Shipyard, Washington</td>
<td>May 17, 1995</td>
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<td>95-191</td>
<td>Defense Base Realignment and Closure Budget Data for the Closure of Naval Reserve Readiness Center San Francisco, California, and Realignment to Naval and Marine Corps Reserve Center Alameda, California</td>
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<td>95-172</td>
<td>Defense Base Realignment and Closure Budget Data for Griffiss Air Force Base, New York</td>
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<tr>
<td>95-051</td>
<td>Defense Base Realignment and Closure Budget Data for Closing Mare Island Naval Shipyard, California, and Realigning Projects to Various Sites</td>
<td>December 9, 1994</td>
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<tr>
<td>95-041</td>
<td>Defense Base Realignment and Closure Budget Data for the Closure of Marine Corps Air Stations El Toro and Tustin, California, and the Realignment to Naval Air Station Miramar, California</td>
<td>November 25, 1994</td>
</tr>
<tr>
<td>95-039</td>
<td>Defense Base Realignment and Closure Budget Data for Naval Air Station Miramar, California, and Realigning to Naval Air Station Fallon, Nevada</td>
<td>November 25, 1994</td>
</tr>
<tr>
<td>95-037</td>
<td>Realignment of the Fleet and Mine Warfare Training Center from Naval Station Charleston, South Carolina, to Naval Station Ingleside, Texas</td>
<td>November 23, 1994</td>
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Appendix B. Summary of Prior Audits and Other Reviews

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<tr>
<td>95-029</td>
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<tr>
<td>94-146</td>
<td>Defense Base Realignment and Closure Budget Data for Closing Naval Air Station Cecil Field, Florida, and Realigning Projects to Various Sites</td>
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<td>94-141</td>
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<td>94-126</td>
<td>Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Glenview, Illinois, and Realignment Projects at Fort McCoy, Wisconsin, and Carswell Air Reserve Base, Texas</td>
<td>June 10, 1994</td>
</tr>
<tr>
<td>94-125</td>
<td>Defense Base Realignment and Closure Budget Data for the Naval Medical Center Portsmouth, Virginia</td>
<td>June 8, 1994</td>
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</table>
### Appendix B. Summary of Prior Audits and Other Reviews

**Inspector General, DoD (cont’d)**

<table>
<thead>
<tr>
<th>Report No.</th>
<th>Report Title</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>94-121</td>
<td>Defense Base Realignment and Closure Budget Data for Naval Air Technical Training Center, Naval Air Station Pensacola, Florida</td>
<td>June 7, 1994</td>
</tr>
<tr>
<td>94-107</td>
<td>Griffiss Air Force Base, New York, Defense Base Realignment and Closure Budget Data forMilitary Construction at Other Sites</td>
<td>May 19, 1994</td>
</tr>
<tr>
<td>94-105</td>
<td>Defense Base Realignment and Closure Budget Data for a Tactical Support Center at Naval Air Station Whidbey Island, Washington</td>
<td>May 18, 1994</td>
</tr>
<tr>
<td>94-104</td>
<td>Defense Base Realignment and Closure Budget Data for the Defense Contract Management District-West</td>
<td>May 18, 1994</td>
</tr>
<tr>
<td>94-103</td>
<td>Air Force Reserve 301st Fighter Wing Covered Aircraft Washrack Project, Carswell Air Reserve Base, Texas</td>
<td>May 18, 1994</td>
</tr>
</tbody>
</table>
Appendix B. Summary of Prior Audits and Other Reviews

**Naval Audit Service**

<table>
<thead>
<tr>
<th>Report No.</th>
<th>Report Title</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>023-S-94</td>
<td>Military Construction Projects Budgeted and Programmed for Bases Identified for Closure or Realignment</td>
<td>January 14, 1994</td>
</tr>
<tr>
<td>028-C-93</td>
<td>Implementation of the 1993 Base Closure and Realignment Process</td>
<td>March 15, 1993</td>
</tr>
</tbody>
</table>
Appendix C. Background of Defense Base Realignment and Closures and Scope of the Audit of FY 1996 Defense Base Realignment and Closure Military Construction Costs

Commission on Defense Base Closure and Realignment. On May 3, 1988, the Secretary of Defense chartered the Commission on Defense Base Closure and Realignment (the Commission) to recommend military installations for realignment and closure. Congress passed Public Law 100-526, "Defense Authorization Amendments and Base Closure and Realignment Act," October 24, 1988, which enacted the Commission's recommendations. The law also established the DoD Base Closure Account to fund any necessary facility renovation or MILCON projects associated with BRAC. Public Law 101-510, "Defense Base Closure and Realignment Act of 1990," November 5, 1990, reestablished the Commission. The law also chartered the Commission to meet during calendar years 1991, 1993, and 1995 to verify that the process for realigning and closing military installations was timely and independent. In addition, the law stipulates that realignment and closure actions must be completed within 6 years after the President transmits the recommendations to Congress. The following table summarizes the current estimated costs and net savings for the previous three BRAC actions and the actions recommended in the 1995 Commission decisions:

<table>
<thead>
<tr>
<th>BRAC Costs and Savings</th>
<th>(Billions of FY 1996 Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Recurring</td>
</tr>
<tr>
<td></td>
<td>Annual</td>
</tr>
<tr>
<td>1988</td>
<td>0.7</td>
</tr>
<tr>
<td>1991</td>
<td>1.6</td>
</tr>
<tr>
<td>1993</td>
<td>1.9</td>
</tr>
<tr>
<td>Subtotal</td>
<td>4.2</td>
</tr>
<tr>
<td>1995</td>
<td>1.8</td>
</tr>
<tr>
<td>Total</td>
<td>6.0</td>
</tr>
</tbody>
</table>

Required Defense Reviews of BRAC Estimates. Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, states that the Secretary of Defense shall ensure that the authorization amount that DoD requested for each MILCON project associated with BRAC actions does not exceed the original estimated cost provided to the Commission. Public Law 102-190 also states that the Inspector General, DoD, must evaluate significant increases in BRAC MILCON project costs over the estimated costs provided to the Commission and send a report to the congressional Defense committees.
Appendix C. Background of Defense Base Realignment and Closures and Scope of the Audit of FY 1996 Defense Base Realignment and Closure Military Construction Costs

Military Department BRAC Cost-estimating Process. To develop cost estimates for the Commission, the Military Departments used the Cost of Base Realignment Actions computer model (COBRA). COBRA uses standard cost factors to convert the suggested BRAC options into dollar values to provide a way to compare the different options. After the President and Congress approve the BRAC actions, DoD realigning activity officials prepare a DD Form 1391, "FY 1996 Military Construction Project Data," for each individual MILCON project required to accomplish the realigning actions. COBRA provides cost estimates as a realignment and closure package for a particular realigning or closing base. The DD Form 1391 provides specific cost estimates for an individual BRAC MILCON project.

Limitations and Expansion to Overall Audit Scope. Because COBRA develops cost estimates as a BRAC package and not for individual BRAC MILCON projects, we were unable to determine the amount of cost increases for each individual BRAC MILCON project. Additionally, because of prior audit efforts that determined potential problems with all BRAC MILCON projects, our audit objectives included all large BRAC MILCON projects.

Overall Audit Selection Process. We reviewed the FY 1996 BRAC MILCON $1.4 billion budget submitted by the Military Departments and the Defense Logistics Agency. We excluded projects that were previously reviewed by DoD audit organizations. We grouped the remaining BRAC MILCON projects by location and selected groups of projects that totaled at least $1 million for each group.
### Appendix D. Comparison of Ground Support Equipment Space Requirements by Facility Type and Number of P-3 Squadrons

#### Table D-1. Six P-3 Squadrons Relocating to NAS Whidbey Island

<table>
<thead>
<tr>
<th>Facility</th>
<th>Before BRAC</th>
<th>After BRAC</th>
<th>Increase Because of BRAC</th>
<th>Per DD Form 1391</th>
<th>Over-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance</td>
<td>12,148</td>
<td>16,320</td>
<td>4,172</td>
<td>11,690</td>
<td>7,518</td>
</tr>
<tr>
<td>Storage</td>
<td>16,678</td>
<td>20,503</td>
<td>3,825</td>
<td>6,340</td>
<td>2,515</td>
</tr>
<tr>
<td>Total</td>
<td>28,826</td>
<td>36,823</td>
<td>7,997</td>
<td>18,030</td>
<td>10,033</td>
</tr>
</tbody>
</table>

#### Table D-2. Four P-3 Squadrons Relocating to NAS Whidbey Island

<table>
<thead>
<tr>
<th>Facility</th>
<th>Before BRAC</th>
<th>After BRAC</th>
<th>Increase Because of BRAC</th>
<th>Per DD Form 1391</th>
<th>Over-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance</td>
<td>12,148</td>
<td>14,172</td>
<td>2,024</td>
<td>11,690</td>
<td>9,666</td>
</tr>
<tr>
<td>Storage</td>
<td>16,678</td>
<td>18,568</td>
<td>1,890</td>
<td>6,340</td>
<td>4,450</td>
</tr>
<tr>
<td>Total</td>
<td>28,826</td>
<td>32,740</td>
<td>3,914</td>
<td>18,030</td>
<td>14,116</td>
</tr>
</tbody>
</table>

1NAS Whidbey Island has a total of 81 aircraft.

2NAS Whidbey Island will have 141 aircraft.

3The amount was computed by subtracting the space requirement after BRAC from the space requirement before BRAC.

4The amount was computed by subtracting the space requirement listed on DD Form 1391 from the increase because of BRAC.

5NAS Whidbey Island will have 117 aircraft.
Appendix E. Summary of Potential Benefits Resulting From Audit

<table>
<thead>
<tr>
<th>Recommendation Reference</th>
<th>Description of Benefit</th>
<th>Amount and Type of Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.2.a.</td>
<td>Economy and Efficiency. Avoids using BRAC MILCON funds to build facilities larger than needed to meet the mission.</td>
<td>Undeterminable.*</td>
</tr>
<tr>
<td>A.2.b.</td>
<td>Economy and Efficiency. Ensures that the most cost-effective alternative is used to meet mission requirements.</td>
<td>Undeterminable.*</td>
</tr>
<tr>
<td>A.2.c., B.2.</td>
<td>Economy and Efficiency. Revises and resubmits military construction program estimates for the ground support equipment shop and sonobuoy storage facility.</td>
<td>Undeterminable.*</td>
</tr>
</tbody>
</table>

*Exact amount of additional benefits to be realized will be determined by future budget decisions and budget requests.
Appendix F. Organizations Visited or Contacted

Office of the Secretary of Defense
Under Secretary of Defense (Comptroller), Washington, DC

Department of the Navy
Chief of Naval Operations, Washington, DC
Naval Air Systems Command, Arlington, VA
Commander in Chief, U. S. Pacific Fleet, Pearl Harbor, HI
Patrol Wings Pacific, Naval Air Station Barbers Point, HI
Patrol Wings Ten, Naval Air Station Whidbey Island, WA
Naval Air Station Barbers Point, HI
Command Evaluation Office, HI
Aircraft Intermediate Maintenance Department, HI
Weapons Department, HI
Naval Air Station Whidbey Island, WA
Command Evaluation Office, WA
Aircraft Intermediate Maintenance Department, WA
Public Works Department, WA
Weapons Department, WA
Naval Facilities Engineering Command, Alexandria, VA
Atlantic Division, Norfolk, VA
Engineering Field Activity, Northwest, Poulisbo, WA

Unified Command
Commander in Chief, U. S. Pacific Command, Camp H.M. Smith, HI

Other Defense Organizations
Defense Logistics Agency, Alexandria, VA
Defense Distribution Depot Susquehanna, New Cumberland, PA
Appendix G. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense for Acquisition and Technology
  Director, Defense Logistics Studies Information Exchange
Under Secretary of Defense (Comptroller)
  Deputy Chief Financial Officer
  Deputy Comptroller (Program/Budget)
Assistant Secretary of Defense (Economic Security)
  Deputy Assistant Secretary of Defense (Installations)
Assistant to the Secretary of Defense (Public Affairs)

Department of the Army

Auditor General, Department of the Army

Department of the Navy

Assistant Secretary of the Navy (Financial Management and Comptroller)
Deputy Chief of Naval Operations (Logistics)
Commander in Chief, Pacific Fleet
  Commander, Naval Air Pacific
    Commander, Naval Air Station Barbers Point
    Commander, Naval Air Station Whidbey Island
Commander, Naval Facilities Engineering Command
  Commander, Southwest Division
    Commander, Engineering Field Activity, Northwest
Auditor General, Department of the Navy

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller)
Auditor General, Department of the Air Force

Unified Command

Commander in Chief, U. S. Pacific Command*
Appendix G. Report Distribution

Other Defense Organizations

Director, Defense Contract Audit Agency
Director, Defense Logistics Agency
Director, National Security Agency
          Inspector General, National Security Agency

Non-Defense Federal Organizations and Individuals

Office of Management and Budget
Technical Information Center, National Security and International Affairs Division,
          General Accounting Office

Chairman and ranking minority member of each of the following congressional
committees and subcommittees:

  Senate Committee on Appropriations
  Senate Subcommittee on Defense, Committee on Appropriations
  Senate Committee on Armed Services
  Senate Committee on Governmental Affairs
  House Committee on Appropriations
  House Subcommittee on National Security, Committee on Appropriations
  House Committee on Government Reform and Oversight
  House Subcommittee on National Security, International Affairs, and Criminal
          Justice, Committee on Government Reform and Oversight
  House Committee on National Security

Honorable Daniel K. Akaka, U.S. Senate
Honorable Daniel K. Inouye, U.S. Senate
Honorable Slade Gorton, U.S. Senate
Honorable Patty Murray, U.S. Senate
Honorable Neil Abercrombie, U.S. House of Representatives
Honorable Randy Jack Metcalf, U.S. House of Representatives
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Part III - Management Comments
MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING, DOD IG

SUBJECT: Audit Report on Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Barbers Point, Hawaii, and Realignment to Naval Air Station Whidbey Island, Washington (Project No. SG-5017.09)

This responds to your May 18, 1995, memorandum requesting our comments on the subject report.

The audit recommends that the USD(Comptroller) reduce funding by $3.6 million for Military Construction projects, P-600T and P-615T associated with the closure of NAS Barbers Point and realignment to NAS Whidbey Island.

The funding for the two projects at issue is included in the FY 1996 BRAC budget request. We generally agree with the audit and recommendations; however, since the Navy has yet to comment formally on the audit and the amount of the savings has not been resolved, it is premature to take action at this time. However, if the issue is not resolved by the start of the fiscal year, we will place funds associated with the project on administrative withhold. Further, any savings resulting from the audit will be reprogrammed to other BRAC requirements as appropriate.

H. R. Paseur
Director for Construction
Audit Team Members

This report was prepared by the Contract Management Directorate, Office of the Assistant Inspector General for Auditing, DoD.

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Joseph P. Doyle
Judith I. Padgett
Joe E. Richardson
Monica Graves
Joan E. Fox
Robin A. Hysmith
INTERNET DOCUMENT INFORMATION FORM

A. Report Title: Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Barbers Point, Hawaii, and Realignment to Naval Air Station Whidbey Island, Washington

B. DATE Report Downloaded From the Internet: 01/07/99

C. Report’s Point of Contact: (Name, Organization, Address, Office Symbol, & Ph #): OAIG-AUD (ATTN: AFTS Audit Suggestions)
Inspector General, Department of Defense
400 Army Navy Drive (Room 801)
Arlington, VA  22202-2884

D. Currently Applicable Classification Level: Unclassified

E. Distribution Statement A: Approved for Public Release

F. The foregoing information was compiled and provided by: DTIC-OCA, Initials: _VM_ Preparation Date 01/07/99

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