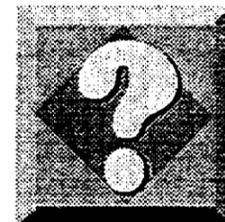


6

Maintenance, Utilities, and Services

Frequently Asked Questions About Maintenance, Utilities, and Services

- | | |
|---|-------------|
| ➤ <i>What is DoD's philosophy and goal for maintenance, utilities, and services at BRAC installations?</i> | Section 6.1 |
| ➤ <i>What is the general practice used to determine initial maintenance levels?</i> | Section 6.1 |
| ➤ <i>How and when are maintenance levels determined?</i> | Section 6.2 |
| ➤ <i>Who is responsible for determining maintenance levels and how will the LRA be involved?</i> | Section 6.2 |
| ➤ <i>Who provides protection and maintenance during the various phases of base closure and disposal?</i> | Section 6.3 |
| ➤ <i>Is there guidance for equipment and personal property maintenance?</i> | Section 6.4 |
| ➤ <i>How will utility systems be maintained and conveyed?</i> | Section 6.5 |



6.1 INTRODUCTION

6.1.1 Philosophy and goal

The Department of Defense is closing installations to prevent the taxpayer from paying for infrastructure that is no longer needed to support a shrinking military. The Military Departments need to close bases rapidly to realize maximum cost savings, but DoD also recognizes the need to close bases in a manner that will preserve valuable assets and support rapid reuse and redevelopment. The maintenance of the installation, as well as the provision of utilities and services, will play a key, if unglamorous, role in ensuring that the base can be redeveloped for civilian use. Initial protection and maintenance levels after the installation is approved for closure or realignment will be set in consultation with the LR4 at or above levels required to support the use of such facilities or equipment for nonmilitary reuse purposes. Such levels will be sustained for a reasonable period during redevelopment planning and implementation.

What is DoD's philosophy and goal for maintenance, utilities, and services ?

Title XXIX of the National Defense Authorization Act for Fiscal Year 1994 required the Military Departments to maintain the level of maintenance at closing bases until a reuse plan is submitted or closure of the installation takes place. Because of the importance of assisting community economic recovery, where communities have diligently worked toward reuse the Military Departments may maintain the properties for longer periods than those required by Title XXIX.

What is the general practice for providing maintenance at BRAC installations?

6.1.2 General practice

Each Military Department's goal is to close bases, transfer missions, minimize caretaker costs, and support implementation of the LRA's redevelopment plan. However, if no redevelopment plan is prepared, or if no reuse is actively being pursued for parts or all of the installation, the Military Department should, at its discretion, reduce maintenance levels to the minimum levels required for similar surplus government property. This reduction will generally occur within one year after operational closure or 180 days after the Secretary of the Military Department completes NEPA analysis and decision making, whichever is later. Continuance of maintenance is subject to availability of appropriated funds.

The Military Departments will follow a general practice for closing bases and establishing, maintaining, and transferring protection and maintenance responsibility to a reuser. This practice consists of the following elements:

- Initial maintenance levels for real property, and their durations, will be determined on a facility-by-facility basis by the Military Department in consultation with the LRA and within the limits described in Section 6.2.3. Such levels of maintenance maybe adjusted over time as circumstances warrant.
- Military Department actions required by BRAC legislation or the relocation of military missions prior to the installation's operational closure may impact the level of maintenance for certain facilities.
- Maintenance of personal property will generally be limited to physical security in the expectation that this property will be quickly conveyed to the LRA (See Chapter 4 of this Manual for more information on personal property.)
- Property will be transitioned from its active mission maintenance level to its initial maintenance level (also called the caretaker maintenance level) after the property is no longer put to military use or the active mission departs (see Section 6.3).
- The Military Department will maintain facilities on a building-by-building basis, relinquishing its responsibility when an individual facility is occupied for reuse (e.g., interim leases, leases in furtherance of conveyance, or deed transfers; see Chapters 3 and 5 of this Manual for additional information).

- . Maintenance functions that are the responsibility of the Military Department can be performed by a variety of service providers, **under** funding arrangements with the Military Department. All such maintenance providers will sustain the maintenance levels agreed to and funded by the **Military** Department.
- . The Military Department will notify the LRA of any intended change in an established initial maintenance level for a facility, or part thereof, or item of personal property, should such a change in maintenance level become necessary (e.g., closure or change in mission, no reuse apparent for the property, or expiration of the maintenance periods identified in Section 6.2.3). This notice will occur prior to the reduction in maintenance level, and the LRA will have a reasonable period of time, as determined by the Military Department, in which it can submit comments on the proposed reduction.
- . Procedures and responsibilities for providing common services (fire protection, security, utilities, telephones, roads, snow/ice removal, etc.) must be discussed and resolved in the earliest stages of LRA consultation.

6. 2 ESTABLISHING INITIAL MAINTENANCE LEVELS IN CONSULTATION WITH THE L R A

6.2.1 Determining initial maintenance levels

The Military Department will meet with the LRA after the approval of the **installation** for closure or realignment (and again periodically during the redevelopment planning process, if necessary), **to** discuss the LRA's reuse plans and to work toward establishing initial and ongoing maintenance levels. Initial maintenance levels for all real property vacated as a result of BR4C will be at or above levels required to support the use of any such facilities or equipment for nonmilitary reuse purposes, but will not exceed the standard of maintenance in effect at the approval of the closure or realignment. Other criteria for establishing those levels include:

- Intended property reuse as identified in the redevelopment plan (as prepared according to the procedures described in Chapter 3).
- Projected date of property reuse as identified in the redevelopment plan or accompanying business plan.
- The cost of continued maintenance, including caretaker costs, when weighed against resource availability, as determined by the Military Department.
- The type(s) of maintenance and common services (roads, fire, security, utilities, etc.) required or requested.
- Property value (including replacement cost).
- Military Department obligations under Section 106 of the National Historic Preservation Act (for properties listed on or eligible for inclusion on the National Register of Historic Places), and other applicable statutes.

How are initial maintenance levels established?
How is the LRA involved?

6.2.2 Maintenance levels at BRAC installations

The Military Departments use pre-established maintenance levels that generally exceed the minimum levels required for excess and surplus Federal property. These are based on reuse potential and the anticipated time until reuse, as well as a desire to support the local redevelopment of closing installations. Each Military Department will explain their maintenance levels (and how they are determined) to the LRA during the initial consultation. Initial maintenance levels will at a minimum insure weather tightness, limit undue facility deterioration, and provide physical security.

The Military Departments have developed specific maintenance levels that consider several factors, including:

- Required operational status of the facility and the level of effort and scope of work necessary to sustain that status;
- Anticipated time until facility reuse (e.g., whether the facility should be “mothballed” or “pickled”); and
- Location-specific climatic conditions (e.g., air conditioning, dehumidification, and heat).

**How long will the
Services provide
maintenance?**

6.2.3 Maintenance periods

Where continuing maintenance would foster likely redevelopment, the Military Departments normally will sustain the initial level of maintenance or other levels that support the likely reuse for the later of

- One year after operational closure of the base, or
- 180 days after the NEPA analysis and decision making for the relevant property (e.g., disposal ROD, post-FONSI disposal decision) has been approved by the Secretary of the Military Department,

unless reuse has already been achieved.

For such installations closed prior to the publication of the Department’s Final Rule for Revitalizing Base Closure Communities (July 20, 1995) where maintenance is still ongoing, maintenance of property not in reuse will normally extend no longer than one year from the date of publication of the Rule. For installations affected by multiple rounds of BRAC, the above one-year/180-day rule will be in effect from the date of approval of the last round of BRAC that affected the installation.

Example timelines for initial maintenance levels are shown in Figure 6-1. Black bars in the figure indicate the durations for which post-closure initial maintenance levels will be sustained for the two cases shown. In Case 1, initial maintenance levels are sustained for a full year after closure because this period is longer than 180 days after disposal decisions. Case 2 shows a longer maintenance period because the maintenance levels are sustained for 180 days beyond approval of disposal decisions.

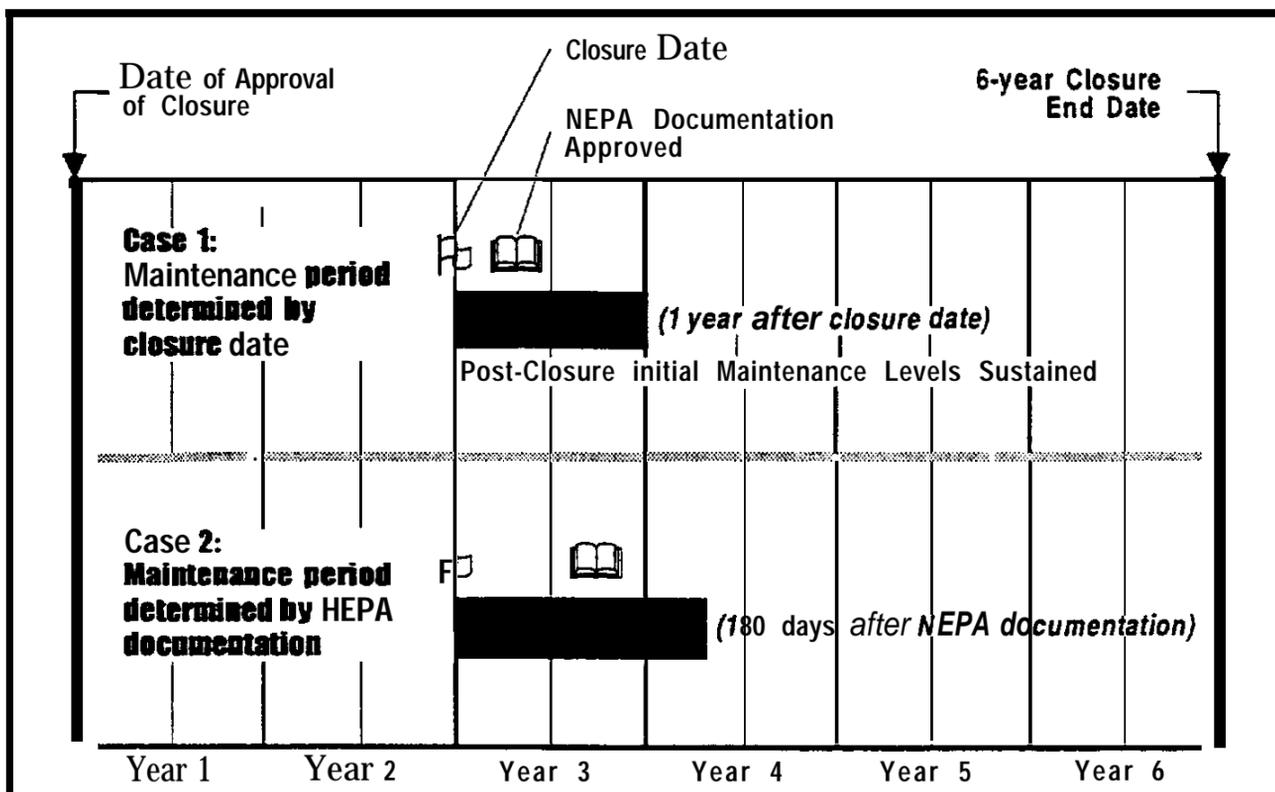


Figure 6-7. Example Timelines for Initial Maintenance Levels at-BRA C Installations

The Military Department may extend the period for initial or adjusted maintenance levels for property still under its control, if the Secretary of the Military Department determines that the LRA is actively implementing a plan and such levels of maintenance are justified. Examples of active implementation include:

- Substantial portion(s) of the base have been leased to the LRA.
- A lease in furtherance of conveyance has been negotiated.
- The LRA or a local utility company has taken ownership of utility systems.

Periods of post-closure maintenance at levels to support likely reuse will in most cases significantly exceed the minimum periods required by BR4C legislation (Section 2902 of Title XXIX of NDAA 94, the Pryor Amendments).

Water supply, electrical power and sewage disposal facilities may have to be operated after mission departure at rates far below their designed capacity. Because of this, an engineering analysis should be performed to determine which structural and operating changes are necessary (e.g., valve closures in water supply systems or power shutoff in unused facilities) to ensure lawful and cost-effective operation.

All periods of initial maintenance will be terminated when an agreement for reuse of the property (i.e., interim lease or other transfer, lease in furtherance of conveyance, or deed) is executed. In the case of Federal Agency transfers, the Military Department and the receiving Agency will coordinate the transition of maintenance responsibilities, but Federal Agencies will generally be expected to assume this responsibility as soon as the Military Department makes the property available for transfer.

6.2.4 Disagreements

Should the LRA disagree with the Military Department's determination of initial or subsequent maintenance level, every effort will be made to resolve that disagreement at the lowest possible level within the Military Department's chain of command. Final authority for resolving disagreements rests with the Secretary of the Military Department or the official to whom the Secretary delegates that authority.

6.3 FACILITY MAINTENANCE AND COMMON SERVICES

Who provides
maintenance and
services ?

6.3.1 Maintenance providers

Protection and maintenance of property can be performed by several different entities, depending on the particular phase of base closure and disposal (see Table 6-1). In general, funding for maintenance of property not in reuse will be provided by the Military Department; property that is being reused will be maintained at the expense of the user.

- **Pre-Closure.** Prior to operational closure, the Military Department will retain responsibility for protection and maintenance of the installation. However, property that is being reused under a lease will be maintained by the Lessee (typically the LRA; see also Chapter 5 of this Manual for more information on leasing). The departing mission will be required to place the facilities into the agreed-upon initial maintenance levels as they are vacated prior to operational closure. **Pre-closure** maintenance of vacated facilities maybe provided through a caretaker contractor cooperative agreement (see definitions below).
- **Post-Closure, Pre-Disposal** (initial maintenance levels). Following operational closure, the active mission will no longer bear responsibility for property maintenance. It is to the Military Department's and the local community's benefit to establish operation and maintenance procedures for common services **as** early as possible but before operational closure. The Military Department will continue to fund initial maintenance levels after closure for the time periods identified in Section 6.2.3. Funding of protection and maintenance activities can occur through several mechanisms:
 - A caretaker contract, under which a military-procured contractor performs protection and maintenance.
 - A cooperative agreement, under which the LRA or another qualified community entity performs protection and maintenance caretaking on a non-profit, cost-reimbursement basis, under an agreement with the Military Department. Cooperative agreements may also be used in appropriate cases to provide for protection and maintenance of properties that will be disposed of at a realigning base.
 - A support **agreement** with another military organization.
 - A residual Government work force.

Protection and Maintenance Agent	Base Closure and Disposal Phase		
	Pre-Closure	Post-Closure, Pre-Disposal	Post-Disposal
Military Department		(Support Agreement ^{**})	<i>Not Applicable</i>
Lessee	(Leased Property)	(Leased Property)	<i>Not Applicable</i>
LRA or Community	(Cooperative Agreement)	(Cooperative Agreement ^{**})	<i>Not Applicable</i>
F	(Caretaker Contract)	(Caretaker Contract ^{**})	<i>Not Applicable</i>
Transferee	<i>Not Applicable</i>	<i>Not Applicable</i>	(Deeded Property)

● *Scope of work reduced when periods in Section 6.2.3 expire.

Table 6-1. Protection and Maintenance Agents at BRAC Installations

- Post-closure, **pre-disposal** (minimum maintenance levels). After expiration of the time periods identified in Section 6.2.3, the Military Department will normally reduce maintenance levels to the minimum level for surplus Government property required by 41 CFR \$101-47.402 and § 10147.4913.
- Leased property. Protection and maintenance of property being reused under a lease will be the responsibility of the Lessee.
- Post-disposal. Once property has been disposed of, the Military Department will not provide funding for protection and maintenance. Protection and maintenance of leased or conveyed property will be the sole responsibility of the transferee.

6.3.2 Maintenance activities

Maintenance of real property, facilities, and equipment can entail a wide range of activities. Although specific maintenance activities will be determined by the Military Department in consultation with the LRA, such activities can include:

- Interior and exterior physical inspections of buildings, including building shells and exterior windows and doors, to verify security and structural soundness.
- Scheduled operational inspections and routine maintenance for utilities including heat, air conditioning, water supply and plumbing, electricity, sewage, gas, and fire protection systems.
- Maintenance and inspection of elevators and other installed mechanical equipment.

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- . Pest control, such as periodic termite inspections.
- . Grounds maintenance, including grass mowing and fire breaks.

**What activities
aren't included in
maintenance ?**

6.3.3 Activities **not considered maintenance**

Certain activities that may be desirable for reuse and redevelopment purposes are not considered normal maintenance responsibilities. For example:

- Building demolition.
- Asbestos abatement and lead-based paint removal beyond those actions required by law and regulation.
- . Installation of facility-specific utilities or utility meters.
- Construction or modifications in order to meet Federal, State, or local building or utility infrastructure codes.

Property improvements or alterations that are not necessary to protect public health and safety will not be made as part of military-funded protection and maintenance.

6.3.4 **Common services**

Common services must also be arranged for the installation after mission departure, include the following:

- Road maintenance (snow/ice removal).
- . Physical security (police).
- Utility services.
 - Electricity
 - Water/sewage
 - Telephone
 - Gas
- . Fire/emergency services.

**How are equipment
and personal/
property
maintained?**

6. 4 **EQUIPMENT AND PERSONAL PROPERTY MAINTENANCE**

The Military Departments will generally follow a standard approach for establishing and maintaining minimum levels of maintenance for items of equipment and other personal property. This approach is based on the general practice described in Section 6.1. Some additional guidelines for personal property and equipment apply:

- . Equipment and personal property will be transitioned to their initial maintenance levels as their mission use ceases or the active mission departs.
- Equipment and personal property will be physically secured, at the Military Department's option, in either a central location or in individual facilities.

Example: Initial Maintenance Levels

An installation in the Southwest has been identified for closure and a closure date determined. While facilities are occupied by active military units, they will maintain the buildings, but drawdown of base personnel will begin soon and will continue over a two-year period until all of the active mission has departed.

- Building 1 is a new, single-floor administrative building at a closing installation. During a building-by-building discussion of initial maintenance levels, the Military Department and the LRA estimate that the building should be converted to reuse within two years. The Military Department, in consultation with the LRA, sets the initial maintenance level of the building based on reuse and the location-specific climatic conditions (see Section 6.2.1). The building is then given a maintenance level (e.g., Level III) based on Military Department-specific guidelines. When the unit occupying the building departs, the building is converted to its assigned maintenance status and that status is maintained by the Military Department until closure. Because reuse is expected within a short timeframe, but not immediately, the building is maintained in an intermediate status. No heat is provided for the building because of the Southwestern climate. Provision of air conditioning to control humidity is considered, but is rejected because of naturally low humidity. The facility is inspected regularly and after special events such as severe thunderstorms, and repairs necessary to maintain the building in its initial maintenance level are performed. Building equipment is maintained through scheduled operational system checks and preventative maintenance inspections. The water is turned on monthly to toilets, urinals, faucets, fountains, etc., to keep them in working order. After closure the maintenance is transferred to the post-closure maintenance agent. In the case of Building 1, this is to the local community through a cooperative agreement. The post-closure maintenance agent continues to maintain the facility until it is leased to a local business. The Lessee then maintains the building as part of its lease.
- Building 15 is an old storage warehouse. The Military Department and the LRA discuss potential reuse, but cannot identify a probable one due to the poor condition and advanced age of the warehouse. The initial maintenance level is set to the lowest level, indicating no reuse identified. When the unit using the warehouse departs, the building is permanently closed. The windows and entrances are secured and unauthorized personnel and visitors are prevented from entering the facilities and grounds. All utilities are disconnected and properly terminated. The building is inspected annually and after severe storms, but only conditions adversely affecting public health, the environment, or safety will be addressed.

- Maintenance of installed equipment and related personal property will be at the initial levels for the associated real property, as set by the Military Department in consultation with the LRA. Duration of initial maintenance will be as specified in Section 6.2.3, after which time only physical security will be provided.
- Maintenance of non-installed equipment and non-related personal property is predicated on the LRA's ability to acquire control of these items independent of real property and is normally restricted to physical security.

- . The Military Department will discontinue its responsibility for personal property maintenance upon reuse (e.g., when the personal property is included in interim leases or leases in furtherance of conveyance, is related to real property in deed transfers, or is transferred by bill of sale). Generally, this means the Military Department will maintain personal property for a period of no more than 60 days after the date on which the LRA (or other recipient) has been offered the opportunity to take possession of the property.
- The Military Department will notify the LRA of any intended change in an established maintenance level for equipment or personal property, should such a change become necessary (e.g., closure or change in mission, no reuse apparent, or expiration of maintenance periods in Section 6.2.3). This notice will occur prior to the reduction in maintenance level.

6. 5 UTILITY SYSTEM MAINTENANCE, OPERATION, AND DISPOSAL

What is DoD's policy for utility systems?

6.5.1 DoD policy guidance

- DoD and the Military Departments will encourage the LRA to consider and address the operation, maintenance, and conveyance of utilities or utilities service contracts in its redevelopment plan. Utilities include:
 - Water/sewage.
 - Storm water.
 - Electricity.
 - Energy plants (heating/cooling).
 - Waste collection and recycling.
 - Gas (natural and liquid propane).
 - Telecommunications lines (e.g., telephone and cable T'V).
- The Military Department will encourage the LRA to find a mechanism (e.g., lease or license) and willing recipient in order to transfer a closing installation's utility systems to local entities (public or private) before the date of operational closure (or as soon as practicable after closure), in order to provide continuity of service.
- At realigning installations or when property is being retained by a Military Department, decisions about the transfer and disposal of utility systems are at the discretion of the Military Department and should be based upon the individual facts and circumstances.

When should utility systems be transferred?

- It is DoD's view that the community is best served when the Military Department transfers utility systems to local control (the LRA or other private or public concern) early in the closure process. For example, the sooner the LRA (or other private concern) accepts transfer of the utility systems, the sooner it can receive assistance (e.g., Economic Development Administration [EDA] grants) necessary to upgrade or rework systems to meet its specific requirements. Moreover, if the LRA or local utility company operate the utility systems, prospective tenants will have more confidence that they will have continued utility services once the base is closed.

- Generally, existing military base utility systems are operational. All utility systems will be transferred in an “as is” condition and will not be improved before transfer.
- The Military Department should offer technical assistance to the LRA throughout the process of utility transfer and consult with the LRA on options and negotiations concerning utilities.
- Military Departments will not make improvements or upgrades to utility systems to comply with local code or for other reasons. Some early transfer and EDA grants are available for improvements and upgrades.
- Operation of utility systems by the Military Department at a closed installation will be at the minimum level **required** to sustain caretaker operations. Operation to support reuse in excess of that required for caretaker operations will be the responsibility of the LRA.

6.5.2 Time periods for military operation of utilities

The Military Departments may operate the utility systems for the later of

- One year after operational closure of the base, or
- 180 days after the disposal decisions for the relevant property by the Secretary of the Military Department,

unless reuse has already been achieved.

For installations closed prior to the publication of the Department’s Final Rule on Revitalizing Base Closure Communities (July 20, 1995), where utility systems are still being operated, utility service may normally extend no longer than one year from the date of publication of the Rule. For installations affected by multiple rounds of BRAC, the above one-year/180-day rule will be in effect from the date of approval of the last round of BRAC that affected the installation.

The Military Department may extend the period for providing utility service if the Secretary of the Military Department determines that the LRA is actively implementing a redevelopment plan that will achieve necessary transfer of the utility systems.

6.5.3 Disposal authorities for utility systems

It is DoD’s policy to dispose of utility systems as early in the base closure process as possible. The Military Department will negotiate transfers of utility systems on a case-by-case basis. The installation should work with the local environmental authorities to convey existing environmental permits at the same time the utility is conveyed, regardless of the means of conveyance.

Utility systems may be transferred by lease, license, bill of sale or by deed, or by a combination of these. If by bill of sale, appropriate easements or franchises must be provided.

Several authorities exist for the conveyance of utility systems, including:

How long will the Services operate utility systems?

How are utility systems transferred?

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- Power transmission lines (including electric and gas lines). Sale at fair market value under 50 U.S.C. App. § 1622(d), 41 CFR § 101-47.308-1.
- Water and sewer systems. Public benefit conveyances for public health purposes under 40 U.S.C. § 484(k)(l), 41 CFR § 101-47.308-4.
- Advertised and negotiated sales under 40 U.S.C. § 484(k), 41 CFR § 101-47.304.
- Economic Development Conveyance.

In exercising the above options, the Military Department's primary goal is to foster economic development and ensure that the facilities can be serviced by utilities through local utility providers. Therefore the qualifications and financial capability of the provider are of the greatest importance.

Examples of Utility System Conveyances

Economic Development Conveyance (Sacramento Army Depot)

The Corps of Engineers estimated that utility infrastructure requirements at Sacramento Army Depot would total \$22 million. Part of this estimate was based on a Pacific Gas and Electric (PG&E) electrical engineering study funded by the Army. The local utility providers, the Sacramento Municipal Utility District (SMUD) and Pacific Bell, were not interested in the electrical and phone systems. The City of Sacramento will receive the utilities as part of the Economic Development Conveyance for the Depot. Initially, the City will maintain and operate the utilities as a private developer for the entire parcel, later privatizing the systems. A lessee will use \$17 million in City loans to upgrade the utilities and buildings. These costs will offset the fair market value rent due the Army. Tenant rates will initially include an estimated pro-rata utility charge.

Public Benefit Conveyance (Castle Air Force Base)

The City of Atwater requested a public benefit conveyance of the base water system with the Department of Health and Human Services (HHS) as the sponsoring Agency. In a supplemental Disposal Record of Decision (ROD), the Air Force assigned the water and wastewater systems to HHS upon a formal request for conveyance of these systems for use in the protection of public health. This request for a public benefit conveyance was authorized under the authority of 40 U.S.C. § 484(k)(1)(B).

Public Sale (Mather Air Force Base)

At Mather AFB a supplemental Disposal ROD offered the gas, electric, and telephone lines to Sacramento County under a negotiated sale or at public auction. When the County declined to buy these systems, the Air Force auctioned them. Two bids were received for the electric system, the larger of which was an offer of \$10,000 from SMUD. SMUD estimated that it would take \$3 million to bring the electric system at Mather up to code. There was one bid of \$1,467 for the gas system and one bid of \$2,151 for the telephone system.