

United States Air Force

Presentation

Before the House Armed Services
Committee, Subcommittee on
Readiness



Base Realignment and Closure (BRAC)

Witness Statement of Kathleen I.
Ferguson, Acting Assistant
Secretary of the Air Force
(Installations, Environment &
Logistics)

March 14, 2013

Base Realignment and Closure (BRAC)

March 14, 2013



BIOGRAPHY

UNITED STATES AIR FORCE

KATHLEEN I. FERGUSON

Kathleen I. Ferguson, is the Acting Assistant Secretary of the Air Force for Installations, Environment and Logistics, Office of the Assistant Secretary of the Air Force for Installations, Environment and Logistics, Washington, D.C. She is responsible for the formulation, review, and execution of plans, policies, programs and budgets for installations, energy, environment, safety and occupational health as well as weapon system logistics support.

Ms. Ferguson began her career in 1981 as a design civil engineer at Plattsburgh Air Force Base, N.Y. She transferred to Langley AFB, Va. in 1983, and held a variety of positions with the 1st Fighter Wing, Headquarters Tactical Air Command and Headquarters Air Combat Command until 1993. In 1994, she moved to the Pentagon where she worked with environmental and civil engineering programs.

Ms. Ferguson became Chief of the Installation Support Panel with the Office of the Deputy Chief of Staff for Installations and Logistics when the Air Force corporate structure stood up in 1995. From 1997 to 1999 she served on the headquarters staff for the U.S. Air Forces in Europe Command at Ramstein Air Base, Germany. She returned to the Pentagon and the IL office as Chief of the Installation Support Panel with the Office of the Civil Engineer. From 2000 to 2002, she worked for IL as the Combat Support Division Chief for the Directorate of Supply. Prior to assuming her current position, she was the Deputy Air Force Civil Engineer. Ms. Ferguson is a registered professional engineer in Virginia.



EDUCATION

1980 Bachelor of Science degree in civil engineering, University of New Hampshire

1989 Air Command and Staff College, Maxwell AFB, Ala.

1989 Master's degree in public administration, Auburn University

2001 Program for Senior Managers in Government, John F. Kennedy School of Government, Harvard University

Base Realignment and Closure (BRAC)

March 14, 2013

CAREER CHRONOLOGY

1. 1981 - 1983, design engineer, 380th Civil Engineering Squadron, Plattsburgh AFB, N.Y.
2. 1983 - 1988, Chief, Engineering Branch; Chief, Contract and Environmental Planning Section; and Contract Programmer, 1st Civil Engineering Squadron, Langley AFB, Va.
3. 1988 - 1989, student, Air Command and Staff College, Maxwell AFB, Ala.
4. 1989 - 1994, Deputy Chief, Programs Division, Headquarters Air Combat Command Civil Engineering; Chief, Military Construction Programs Branch, Headquarters Tactical Air Command Civil Engineering; later, Project Manager for MILCON Design and Construction, Headquarters Tactical Air Command Civil Engineering, Langley AFB, Va.
5. 1994 - 1997, Chief, Civil Engineer Programs and Analysis Branch; Chief, Installation Support Panel; and Environmental Program Manager, Civil Engineer Legislative Affairs Analyst and resource allocation team member, Office of the Deputy Chief of Staff for Installations and Logistics, Headquarters U.S. Air Force, Washington, D.C.
6. 1997 - 1999, Chief, Programs and Resources Division, Civil Engineer Directorate, Headquarters U.S. Air Forces in Europe, Ramstein Air Base, Germany
7. 1999 - June 2000, Chief, Civil Engineer Programs and Analysis Branch and Chief, Installation Support Panel, Office of the Civil Engineer, Office of the Deputy Chief of Staff for Installations and Logistics, Headquarters U.S. Air Force, Washington, D.C.
8. June 2000 - April 2002, Chief, Combat Support Division, Directorate of Supply, Office of the Deputy Chief of Staff for Installations and Logistics, Headquarters U.S. Air Force, Washington, D.C.
9. April 2002 - October 2007, Deputy Air Force Civil Engineer, Headquarters U.S. Air Force, Washington, D.C.
10. October 2007 - September 2012, Deputy Assistant Secretary of the Air Force for Installations, Office of the Assistant Secretary of the Air Force for Installations, Environment and Logistics, Washington, D.C.
11. September 2012 – February 2012, Principal Deputy Assistant Secretary of the Air Force for Installations, Environment and Logistics, Office of the Assistant Secretary of the Air Force for Installations, Environment and Logistics, Washington, D.C.
12. March 2012 – Present, Acting Assistant Secretary of the Air Force for Installations, Environment and Logistics, Washington, D.C.

AWARDS AND HONORS

2005 Meritorious Executive Presidential Rank Award
2010 Distinguished Executive Presidential Rank Award

(Current as of March 2013)

Base Realignment and Closure (BRAC)

March 14, 2013

Chairman Wittman, Representative Bordallo and distinguished members of the subcommittee, I appreciate the opportunity to appear before you today to discuss Base Realignment and Closure (BRAC).

As you are aware, the United States Air Force takes great care to protect the distinctive capabilities of airpower. From air and space superiority—enabling joint and coalition forces to operate unhindered in the air domain while denying our adversaries the same—to global strike—holding any target on the planet at risk with either conventional or nuclear forces—to rapid global mobility, global intelligence, surveillance, and reconnaissance, and the command and control architecture to integrate full-spectrum joint military operations, the Nation expects our Air Force to provide and employ these enduring contributions from a position of continuing advantage over potential adversaries.

Those contributions are enabled and reinforced by our global network of Air Force installations, and managing those installations involves understanding and balancing mission requirements, risk, market dynamics, budgets, and the condition of our assets. Within the portfolio of installations, environment, and energy, we continually evaluate how to reduce costs while improving the way we manage our real estate, housing and energy demand. We focus our investments on critical facilities; reduce our footprint by demolishing old, energy inefficient buildings; upgrade heating and cooling systems and other energy-intensive building systems; and leverage third-party financing through public-public and public-private partnerships and the lease of under-utilized portions of the portfolio, where those opportunities exist.

We do all of this while recognizing that we are carrying infrastructure that is excess to our needs. While we have no recent excess infrastructure capacity analysis from which to draw, our capacity analysis from 2004 suggested that 24 percent of Air Force basing infrastructure was excess to our mission needs. While BRAC 2005 did not make major reductions to the Air Force, since that time we have reduced our force structure by more than 500 aircraft and reduced our active-duty military end strength by nearly 8 percent. So, intuitively we know that we still have excess infrastructure, while we spend considerable time optimizing the use of our facilities and carefully and frugally managing those facilities we know to be excess.

Base Realignment and Closure (BRAC)

March 14, 2013

Closures and Realignments

Physical infrastructure is expensive. The Air Force spends more than \$6.5 billion operating, sustaining, recapitalizing, and modernizing our physical plant each year. When you account for the additional costs of running our installations, that number nearly doubles. Since the last BRAC round, we have strived to identify new opportunities and initiatives that enable us to maximize the impact of every dollar we spend. Our efforts to demolish excess infrastructure, recapitalize our housing through privatization, unlock the fiscal potential of under-utilized resources through leasing, and reduce our energy costs have paid considerable dividends.

Since 2006, we have demolished 38.5 million square feet of aging building space that was excess to our needs. We estimate the resultant savings to be more than \$300 million. To be more specific, we have demolished antiquated administrative facilities, ill-suited for today's technological age and excess to our needs. We have eliminated aircraft operational and maintenance facilities that we no longer need based on reductions to the size of our aircraft fleet. We have demolished old and energy-inefficient warehouse facilities no longer needed due to rapidly evolving supply chains that reduce the need for localized storage.

Like our sister services, the Air Force is committed to providing quality housing for Airmen and their families. Through housing privatization, we have invested \$500 million to leverage \$7.5 billion in private-sector funding and provide quality homes for Airmen much more quickly than we could have done with traditional military construction processes. In a similar vein, we have continually sought to improve the stewardship of our real property by leveraging appropriated dollars for private-sector investment. With the authorities provided to execute enhanced-use leases in the FY2012 National Defense Authorization Act, we are pursuing innovative ways to leverage our underutilized real estate to return value to our installations. As a result of our energy conservation efforts, we have cumulatively avoided more than \$1 billion in facility energy costs since 2003, the funds for which have been redirected to better enable warfighters to complete their missions. We will continue to invest in all of these strategies.

However, the Air Force has limited authority under current public law to effectively

Base Realignment and Closure (BRAC)

March 14, 2013

consolidate military units or functions and divest real property no longer needed. Put plainly—despite our best efforts and the innovative programs we’ve just mentioned, we continue to spend money maintaining excess infrastructure that would be better spent recapitalizing and sustaining our weapons systems, training for readiness, and investing in the quality of life needs of Airmen. Divestiture of excess property on a grander scale is a must.

Prior Rounds of Base Realignment and Closure

The Air Force has closed 40 installations through 5 rounds of BRAC. Whole base transfer has occurred at 30 of these installations, providing local communities opportunities for commercial redevelopment and new job creation. These BRAC conveyances created more than 48,000 jobs, 13 public airports, as well as college expansions, new hospitals, commercial retail developments, aerospace maintenance and a host of other services and industries.

The former Bergstrom Air Force Base, in Austin, Texas, is now Austin-Bergstrom International Airport. Today, 89 employers occupy 3.8 million square feet and employ more than 5,900 people – a 214 percent recovery of civilian jobs. This reuse has created over \$4 billion in gross economic impact. The former England Air Force Base, Louisiana, is now the Alexandria International Airport, where 268 percent of civilian jobs have been recovered. Former President Clinton remarked “there is no place in the entire United States that has done a better job at base conversion than Alexandria has.” The former Lowry Air Force Base, Colorado, through aggressive redevelopment, has been transformed into a mixed-use urban community of 4,500 homes and apartments with approximately 9,500 residents. In addition, more than 140 firms have been established and employ over 8,000 people.

The total one-time implementation cost to the Air Force for 5 rounds of BRAC was \$9.4 billion. During the implementation phases, the savings garnered were \$10.7 billion—a net savings of \$1.4 billion. Post implementation, the Air Force realizes \$2.9 billion in annual savings from closure and realignment actions. The subject matter experts on the independent 2005 Defense Base Realignment and Closure Commission offered an assessment of the potential need for and benefits of using the BRAC process again. The

Base Realignment and Closure (BRAC)

March 14, 2013

report stated, “The Defense Base Closure and Realignment Act of 1990 is a viable, proven, practical, and effective mechanism to achieve difficult but necessary goals, and the Commission strongly recommends future BRACs every 8 to 12 years, immediately following a Quadrennial Defense Review (QDR). The Commission recommends that the next round of BRAC formally begin in 2015”.

European Infrastructure Consolidation

Since 1990, the Air Force has reduced both aircraft and forces stationed in Europe by 75 percent. We operate from five main operating bases that remain critical to our NATO commitments and provide throughput and global access for three unified combatant commands. Having said that, we recognize that in light of recent evolutions in the national security strategy, there may be further opportunities for consolidation. The Secretary of Defense has directed a capacity analysis to explore additional opportunities for reducing long-term expenses through footprint consolidation in Europe, and the Air Force fully supports this effort. We already plan to draw down A-10s in Europe in Fiscal Year 2013 and to reduce operations at Lajes Field, Azores, to better match infrastructure requirements to mission demand. Through the OSD-led study, we will look for additional opportunities for operations and support cost savings through consolidation and closure.

Conclusion

As we work our way through the current fiscal challenges, the Air Force is committed to charting a path that fulfills promises made to the American people while staying true to our Airmen and their families. My office takes seriously our mission to sustain and strengthen our infrastructure backbone – the installations that serve as power projection platforms to train, deploy and support our warfighters. Our emphasis on continued efficiencies, providing the correct number of right-sized installations aligned with a properly sized force structure, will enable us to provide our trademark support to the Joint fight without imposing fiscal hardship on the nation. To that end, we stand ready to partner with the members of this committee, and your staffs, to make these necessary changes.

Thank you for your strong support of the men and women of the Department of the Air Force. That concludes my statement, and I welcome your questions.