
ANNEX F: INSTALLATIONS (FACILITIES/ INFRASTRUCTURE)

Introduction/Overview

Army installations must support the people, equipment, training and doctrine of the Army. They must be operationally capable of supporting the development and training of the Interim and Objective Forces and recapitalization of the Legacy Force. New and more efficient management techniques, facilities modernization and services/construction in support of Army Transformation are necessary. Installations are strategic assets—power projection platforms serving to enhance deployment of the force and support deployed formations. Reach-back links using strategic communications, by relying on enhanced command and control capabilities, facilitate mission accomplishment of a modernized force and must be supported by Army installations. Installations with operational forces will be optimized to support a rapid transition from garrison operations to force deployment. Installations must reshape and modernize to keep pace with changes in force structure, training, doctrine, technology and the security impacts of the changing world environment. Installations must support families so our Soldiers can deploy knowing that their family members' well-being is assured.

Transformation and modernization will change the faces of our installations and communities. Transformed units will be significantly different from the combat, combat support and combat service support units of today. Changes in these units will impact facility requirements including housing, training facilities and training

areas, maintenance and logistical support facilities to support modernized and recapitalized Army equipment, and facilities supporting the well-being of Soldiers and their families. In the recent past, we have already seen some changes. Barracks went from multiple Soldier rooms with gang-type latrines to the current 1+1 Department of Defense (DoD) standard. Family housing evolved from small, stand-alone, utilitarian units to larger, community-based units built and managed by private contractors. Training areas and ranges are evolving from stand-alone, single-use ranges to complexes that support individual- and unit-level collective training simultaneously in live, virtual, and constructive environments. While the specific future aspects and requirements of many changes are still being defined, the Army will continue to develop new programs for our installations as these emerging concepts are finalized.

What follows are Army installation initiatives that support Army Transformation and modernization. These initiatives seek to support modernization of the Army by ensuring readiness at our installations.

Installation Initiatives

The Army is first and foremost people. Soldiers, their families, and civilian employees are the Army. The installation initiatives that directly support our people include the Residential Community Initiative and the Barracks Modernization Program. These programs facilitate readiness by ensuring the continued well-being of the Soldier, the Soldier's family, and our civilian employees.

Barracks Modernization Program

This initiative is targeted directly at improving readiness and retention through the improvement of our single Soldiers' well-being. The standard for new barracks is the 1+1 DoD construction standard. Korea, the only exception, has a waiver to construct to a modified 2+2 standard. Under the 1+1 standard, two Soldiers are assigned to a module containing two living/sleeping rooms with a shared common bath and kitchen-type service area. Noncommissioned officers (NCOs) are entitled to an entire module. Unlike other Services, the Army's approach to barracks modernization is to build brigade or equivalent size complexes. Brigade complexes include barracks, Soldier community buildings, company operations facilities, battalion and brigade headquarters and dining facilities. The Army is committed to completing the program by 2008.

The program represents a significant long-term commitment to improve living conditions of single Soldiers. The Army will invest a total of \$9.5 billion over the entire program and \$5.7 billion (including host nation support) between FY02 and FY08. Military Construction Army (MCA) provides the majority of funds, augmented by Operational Maintenance Army (OMA) (Barracks Upgrade Program (BUP)) and supplemented by congressionally added Quality of Life Enhancement, Defense (QOLE, D) funds. By the end of FY01, the Army had funded approximately 70 percent of permanent party barracks to the 1+1 standard or equivalent.

The Army is committed to improving housing for single Soldiers and to completing its permanent party barracks modernization program by FY08. The current program buys out all barracks worldwide by FY08. Based on necessary changes for Army Transformation,

the arms rooms and company operations facility designs will be modified to accommodate requirements for additional space and Soldier population in each brigade complex.

Residential Community Initiative (RCI)

The RCI is the Army's innovative program that improves military family housing while demonstrating our commitment to families. This initiative emphasizes a critical Army goal to enhance well-being for Soldiers and their families by creating and sustaining attractive, affordable residential communities on Army installations. RCI supports the readiness of Soldiers by ensuring their families are properly housed and cared for. Under RCI, the Army establishes long-term business relationships with world-class private developers to design, maintain, renovate, construct, and operate all family housing on selected posts. The partners will arrange for project financing from private investors, hire and manage the contractors, and provide ongoing services such as maintenance and repair. RCI is designed to meet the needs and lifestyles of today's Army families, ranging from townhouses to detached single homes. The housing communities will have a distinct architectural theme according to installation location and modern interior layouts. Communities will include varied amenities such as parks, running trails, green areas, playgrounds, swimming pools, and more.

The Army has implemented the RCI program at four installations: Fort Carson, CO, Fort Hood, TX, Fort Lewis, WA, and Fort Meade, MD. More than 15,000 existing family houses will be renovated or replaced at these locations; new houses to help meet each installation's deficit will also be built.

The Army plans to execute 24 additional RCI privatization projects by FY06. These projects

bring the total program to over 71,000 sets of quarters in the United States. The Army is committed to developing quality homes and residential communities to support our Soldiers and their families. Additional information on the Army's RCI can be found at website <http://rci.army.mil>.

Installation Management Agency (IMA)

The Secretary of the Army intends to reorganize the Army's management structure and improve installations. In October 2002, the Army assigned the management and operations of all Army installations to the Assistant Chief of Staff for Installation Management (ACSIM). The IMA, a new field operating agency under the ACSIM, is responsible for providing efficient and effective management of Army installations worldwide to support readiness; enable the well-being of Soldiers, civilians and family members; improve infrastructure; and preserve the environment.

This new management approach improves the development and sustainment of installations while simultaneously providing support to deployed forces as the Army transforms into the Objective Force. As the IMA matures, its role in implementing Army Transformation increases as the Army migrates to a system-of-systems management focus through the Unit Set Fielding process. The development of installations as information hubs and power projection platforms will shape installations into critical enablers for both deployed forces and home station operations. The IMA will be a key factor in executing this increased installation management responsibility for the ACSIM. The Army is now positioned to make positive gains in providing excellent installations—the tangible evidence of our resolve to enhance our readiness and improve the well-being of our people.

Units/Installation Modernization

Installations support the units that execute the Army's responsibilities for our national defense. Readiness at the unit and installation levels is critical to success. The Army Facility Strategy, Utility Systems Privatization, Facilities Reduction Program, Enhanced Use Leasing, and Morale, Welfare, and Recreation Public Private Ventures directly support unit and installation readiness. These initiatives seek to improve facilities used by Soldiers and units. They increase the installations' efficiency in their core competencies, and save specific installations money in operating and maintenance costs. Each of these initiatives seeks to improve the installations' ability to support unit and Army readiness.

Army Facility Strategy (AFS)

The AFS has changed from a 30-year program conducted in 10-year increments to a 20-year program; it seeks to improve Army facility conditions overall from C-3 to C-2 ratings, for consistency with DoD objectives, as stated in the Defense Planning Guidance (DPG) approved in May 2002. The strategy requires that minimum annual sustainment be fully funded to halt further deterioration and properly maintain current and future restoration and modernization efforts. Building upon the success of the barracks and strategic mobility investment programs, the AFS requires continuing the level of restoration and modernization funding to tackle the most critical facility issues of the Army. The AFS proposes to focus investment on seven basic facility types to bring them up to a quality C-1 rating by 2010. The facilities selected were based on the facility conditions as evaluated against standards in the Installation Status Report (ISR). The seven facility types are vehicle maintenance facilities (and supporting hardstand requirements),

general instruction classrooms, fitness centers, trainee complexes, Reserve centers, National Guard readiness centers, and chapels. In addition to the DPG goals already mentioned, the AFS now encompasses the DPG goal of reaching a 67-year recapitalization cycle for existing assets. Also included in the AFS is the Army goal of reducing facility shortfalls (deficits) over 20 years.

During the FY04-09 Plan, funding of sustainment slipped from FY03-07 levels. Sustainment is now at approximately 82 percent of our requirements across the FY04-09 planning period. The AFS-focused investment was only funded at approximately 29 percent in the FY04-09 planning period.

The Army will continue to seek full funding of the AFS restoration and modernization requirements during the FY05-09 planning period.

Utility Systems Privatization (USP)

Privatization is the transfer of ownership, operation and maintenance, and improvement of Army utility plants and systems to companies in the private sector. Privatization is a better way of doing business and an opportunity for the Army to divest itself of non-core functions. Privatization will result in reliable, safe, efficient, and environmentally compliant utility services for our installations. This initiative provides installation commanders an opportunity to directly focus on mission and mission support core functions.

By the end of FY02, the Army privatized 63 systems and exempted 28 because privatization was not economical. The goal is to privatize all electric, natural gas, water, and wastewater systems by 30 September 2003 unless privatization is not economical or the systems must be retained for security reasons.

The Army has 351 utility systems in the United States that are eligible to be privatized. The remaining 260 systems are being evaluated or are in the procurement process.

Facilities Reduction Program (FRP)

Facilities reduction saves operations and maintenance dollars that installations can use more efficiently for other mission-related facilities. *Defense Reform Initiative Directive (DRID) #36, Disposal/Demolition of Excess Structures*, requires the Army to eliminate 53.2 million square feet (MSF) of unneeded facilities by FY03. Success of the FRP is critical to continued readiness.

During FY02-03, the Army must dispose of an additional 13 MSF. MACOM allocation of FY02-03 FRP dollars is based on MACOM performance and the relative amount of excess in each MACOM. Our ultimate goal is to reduce excess in each MACOM to 15 percent or less. The FRP is centralized in FY02-03.

Victory will be declared after FY03. Future requirements for FY04 and beyond are limited to demolition associated with military construction.

Enhanced Use Leasing

Leasing has long been a tool the Army has used to reduce base infrastructure and operating costs through agriculture or grazing leases and to provide useful on-post services such as banks or fast food restaurants. In FY02, DoD received new legislative authority that expanded the opportunities to out-lease an installation's underused real property assets by revising the benefits they may receive as consideration.

Enhanced-use leasing still requires the lessee to pay the fair market value, in cash or in kind,

in consideration for their interest in Army property. The installation may now spend their share of the cash consideration on a wider range of base operating support functions, including construction. The categories of in-kind consideration were greatly expanded and include new facility construction or acquisition and environmental restoration; this consideration may be accepted at any installation rather than just the installation where the property was leased.

Fort Leonard Wood, MO, and Fort Sam Houston, TX, have entered into enhanced-use leases using this new authority. Their projects have resulted in immediate cost avoidance to maintain underused land and facilities, including costly historic structures, and have the potential of returning significant cash revenues and the construction of needed facilities. The Army intends to take maximum advantage of this new legislation and tool for improving installation efficiency and effectiveness.

Morale, Welfare, and Recreation (MWR) Public Private Ventures (PPV)

The PPV program is the Army's alternate means of delivering MWR facilities and services. It is a commander's program to assist in providing MWR services to Soldiers and families. Commanders can maximize underutilized real estate and leverage these assets to benefit the overall MWR mission on the installation. Through PPV partnerships, commanders can deliver state-of-the-art facilities to meet the needs of today's Soldiers while maintaining focus on the core installation mission. The U.S. Army Community and Family Support Center (USACFSC) is the designated agency that negotiates and awards PPV contracts for all MWR projects. The PPV program objective entails pursuing private developers to finance, design, construct, operate, and maintain MWR facilities over the

life of the land lease. There is no nonappropriated fund (NAF) or appropriated fund (APF) capital outlay needed for PPV construction projects, and no APF requirement for maintenance and repair. Installations negotiate with the private partner on profit sharing to receive a supplemental revenue stream geared to support other MWR services and programs for Soldiers and their families.

Five PPV contracts have been awarded, resulting in an NAF capital avoidance of approximately \$32.2 million. To date, the PPV projects have infused over \$65,000 into the installation MWR fund.

The Army's goal is to pursue developers for 11 other ongoing PPVs with an estimated NAF capital avoidance of approximately \$53 million.

Force Protection

For installations worldwide to support Army Transformation, they must be able to protect and defend Soldiers, their families, civilians, contractors and facilities. The threat to Army installations has significantly changed with the emergence of transnational organizations that have and will continue to wage overt and covert war against the United States. Transnational terrorist organizations now function dispersed among multiple nations and encompass a loose union of connected cells. Terrorist organizations have redefined the concept of attack means, employing anything in a society's environment as a weapon. As in the military concept of "total war," there are no prohibited targets or restricted areas in this fight. In addition to terrorists, criminals are more sophisticated and continue to pose a threat.

The Army has prepared an Installation Force Protection Operational and Organizational (O&O) Plan to respond to emerging asymmetric threats. It is a holistic approach to deter,

prevent, detect, respond and mitigate the threat. The scope of the Installation Force Protection O&O Plan covers command, control, communications, and computers (C4), intelligence, surveillance, and reconnaissance (ISR), security and response, and chemical, biological, radiological and nuclear (CBRN) defense. This concept will provide the installation commander and mission commander tools that are not currently available to fight asymmetric threats.

Fiscal Stewardship Initiatives

The preceding installation initiatives support overall Army readiness by ensuring the people, units and installations are more efficient and effective. At the Army level, Army environmental stewardship and competitive sourcing seek to increase the Army's readiness through savings of operations and maintenance costs. Each addresses our command-level responsibilities to the environment, Soldiers, and their families. These initiatives support readiness by ensuring that Soldiers and installations can focus on their primary duties and responsibilities to train and provide support.

Base Realignment and Closure (BRAC)

BRAC is an integral part of the Army's ability to reshape infrastructure to match changing missions and requirements to support readiness and mobilization requirements.

Congress authorized a new round of BRAC in FY05. This provides the opportunity to collocate Army organizations, improve efficiencies and generate significant savings to improve the overall level of Army readiness.

The Army, with an aggregate excess capacity currently estimated at 10-15 percent, would benefit by further reshaping its overall

infrastructure. Prudent management requires disposing of infrastructure that is excess to the Army's needs.

Army Environmental Stewardship

Army environmental stewardship is driven by support for readiness and sustainability, and not merely compliance with environmental laws and regulations.

The Army's highest priority is to maintain readiness. Sound environmental stewardship enables the Army to train as we fight. Conservation of natural resources on installations ensures continued access to training and testing lands. Effective management of hazardous materials and the protection of air, land, and water resources prevent fines and delays that constrain installation management.

Sustaining installations requires new policies and priorities. The Army is developing policies for managing unexploded ordnance (UXO), munitions and explosives of concern (MEC), and munitions constituents (MC) on Army ranges to ensure their use indefinitely. This includes a 100 percent inventory of all Army operational and former ranges and will guide future Army decisions on scheduling, maintenance, modernization, and closure of operational ranges and prioritization of remediation efforts for former ranges. Socio-environmental issues such as noise are now being cast under the rubric of sustainability and encroachment. In such direct support of installation missions, these issues are getting higher visibility and priority.

Modernization is a continuous process essential to maintaining the Army's ability to respond to America's security needs now and in the future. The Army is taking the opportunity to minimize life-cycle costs through systematic

planning and design, pollution prevention, and environmentally sustainable acquisition processes. When determining requirements, equipment and material life-cycle management is essential to achieve environmental success.

Avoiding environment-related obstacles to Army missions requires that every decision maker assess the degree to which their mission interfaces or will interface with the environment and environmental protection requirements. They must consider the consequences of their decisions and activities and incorporate efforts early to preclude impediments to the Army's ability to accomplish its mission.

Environmental analyses are and will be prepared at several levels to support Transformation. The purpose of these analyses is to ensure the Army makes the best decisions with regard to current and future environmental risks and costs.

Competitive Sourcing

Continued success in modernizing and transforming the Army requires our support infrastructure to be as agile, efficient and effective as our warfighters. When applicable, competitive sourcing of installation services and maintenance and repair activities offers the potential for improved performance, increased responsiveness to commanders and Soldiers, better access to new technology, and lower costs. It enables the Army to make the best use of available resources to meet national security objectives and focus on mission requirements.

In accordance with *OMB Circular A-76*, the Army has performed public-private competitions of significant portions of

installation services, facilities maintenance and repair activities, and information management functions. Since FY97, this initiative has saved the Army \$146.9 million on 8,749 positions studied. This allows us to efficiently focus on core competencies and mission requirements and improves our overall readiness.

The Army continues to depend upon the success of the OMB A-76 program to find efficiencies for funding readiness and modernization.

Conclusion

Army installations will modernize and operate in concert with the development of the Interim and Objective Forces while still supporting the Legacy Force. The Army initiatives discussed above address people, units and installations, and the Army as a whole. They support modernization and Transformation on Army installations and prepare us for a future marked by an uncertain and ever-changing strategic environment.

These initiatives, as well as previous modernization actions on Army installations, will allow us to effectively transform the Army. As new concepts and doctrine continue to emerge, existing programs will transform to support the Army and new programs will be developed to better support modernization.

We must focus on the changes necessary to adapt our installations to new missions, new technologies, and new living and working environments. The many challenges the Army faces in the 21st century require bold and innovative solutions. The Army is dedicated to meeting these challenges by providing quality, mission-ready installations for our Soldiers to live, work, and train.