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# Move Of Army Intelligence Units To Fort Huachuca, Arizona

B-173556

Department of the Army

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BY THE COMPTROLLER GENERAL  
OF THE UNITED STATES

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MARCH 15, 1972



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

B-173556

Dear Mr. Pike:

This is our report on the move of Army intelligence units to Fort Huachuca, Arizona. We made the review in response to your request of July 7, 1971. As agreed with you, we have not asked the Army for comments on this report.

We did, however, submit the report to the Army for a review of its security classification, since some of the information in the report came from classified documents. The Army advised us that classification of the information was no longer required, but the Army requested that the possible move of the 14th Military Intelligence Battalion and the 184th Military Intelligence Company--referred to at various places in this report--not be publicized since the Secretary of the Army has not made a decision on moving these two units.

We will not distribute this report further unless copies are requested and we obtain your agreement.

Sincerely yours,

Comptroller General  
of the United States

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The Honorable Otis G. Pike  
House of Representatives

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ABBREVIATIONS

ACSI      Assistant Chief of Staff for Intelligence  
BOQ      bachelor officers' quarters  
CONARC    Continental Army Command  
GAO      General Accounting Office

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WHY THE REVIEW WAS MADE

At the request of Representative Otis G. Pike, the General Accounting Office (GAO) reviewed the relocation in 1971 of the Army Intelligence School and the Army Combat Developments Command Intelligence Agency from Fort Holabird, Maryland, to Fort Huachuca, Arizona, and the establishment there of an Army intelligence center. GAO was asked to look into

- the reasons, justifications, and estimated costs for the move;
- the reasons and costs for establishing the Intelligence Center at Fort Huachuca;
- the possible savings by establishing the center at Fort Lewis, Washington; and
- the reason the intelligence center concept was abandoned and the costs associated with the change in planning.

Agency comments on this report were not requested.

FINDINGS AND CONCLUSIONS

According to the Army the move was justified by (see pp. 8 and 9):

- Annual net savings of \$2.5 million mainly resulting from cutting 385 civilian jobs upon the closure of Fort Holabird and from housing bachelor officer students in quarters at Fort Huachuca and thereby save per diem costs.
- Conditions at Fort Holabird--lack of air conditioning, pollution, industrial noise, and dirty working conditions--provided an unsatisfactory academic environment.
- Additional courses could be offered at Fort Huachuca because of its field training areas and facilities.
- The advantages of collocating the Intelligence School with the Combat Surveillance and Electronic Warfare School at Fort Huachuca.
- Pressures from citizens and industry to close Fort Holabird because of the commercial value of the land.

--The opportunity for orderly development of the Intelligence Center because of Fort Huachuca's isolated location.

According to the justification document, the estimated cost to relocate the Intelligence School, the Combat Developments Command Intelligence Agency, and the Intelligence Command was \$12.4 million.

Major General Joseph McChristian, former Assistant Chief of Staff for Intelligence, developed the concept of an Army intelligence center and chose Fort Huachuca as its location. The cost to establish such a center was originally estimated at \$198 million by General McChristian. This figure was later revised to \$76.7 million. The latest Army cost estimate to establish a reduced intelligence center concept is \$65.5 million. (See pp. 11 to 13.)

Data developed by General McChristian showed that an intelligence center could be established at Fort Lewis, Washington, for at least \$2.3 million to \$8.8 million less than at Fort Huachuca. However, the U.S. Continental Army Command wished to retain Fort Lewis as an infantry post. (See pp. 11 and 12.)

The Intelligence Center and School established at Fort Huachuca is not as large as originally envisioned by General McChristian. Because the concept had been modified rather than abandoned, GAO did not attempt to determine what costs, if any, were associated with the planning change. Further it would be very difficult to make such a determination with any assurance of accuracy. (See pp. 16 and 17.)

A limited water supply and a shortage of housing near Fort Huachuca currently restrict the expansion of the center. However, steps are being taken to develop additional sources of water, and civilian construction in the local community may improve the housing situation. (See pp. 18 to 22.)

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## CHAPTER 1

### INTRODUCTION

On March 6, 1970, the Secretary of Defense announced plans to move the Army Intelligence School from Fort Holabird to Fort Huachuca and to close Fort Holabird by June 1973. The move to Fort Huachuca was based, in part, on the need for an appropriate site for an Army intelligence center composed of the school and other intelligence activities as deemed necessary by the Army.

Fort Huachuca was selected as the site for the Intelligence Center after a survey of several Army posts by Major General Joseph McChristian, who was Assistant Chief of Staff for Intelligence (ACSI) until his retirement in April 1971. The general's selection was ratified in February 1970 by a committee, appointed by the Vice Chief of Staff, called the Blakefield Board.

ACSI was requested by the Army Chief of Staff in December 1969 to prepare a plan for the establishment of an intelligence center. This plan provided for establishing a center of about 9,700 persons at Fort Huachuca. At that time the authorized military and civilian strength of Fort Huachuca totaled 8,091 persons, consisting of 2,212 in the Headquarters, Fort Huachuca; 3,081 in the U.S. Army Strategic Communications Command; and 2,798 in various tenant organizations.

The Office of the Chief of Engineers reviewed the plan during its preparation, and in March 1970 the Engineers expressed concern about the impact the addition of 9,700 persons would have on the water resources at Fort Huachuca. The ACSI plan, completed on May 4, 1970, included recommendations by the Engineers and by the Comptroller of the Army that an alternate location be considered in view of the water problem. Comments on the plan showed that the Deputy Chief of Staff for Logistics and the Comptroller of the Army were concerned with the amount of future construction costs at Fort Huachuca.

In June 1970 General McChristian took a team to Fort Lewis to evaluate the post as a possible site for the Intelligence Center. Initial cost figures developed showed

a lower cost to establish a center at Fort Lewis rather than at Fort Huachuca. The Chief of Staff was briefed on the results of this trip in August 1970. The Continental Army Command (CONARC), however, wished to retain Fort Lewis as an infantry division post, and the selection of Fort Huachuca was affirmed.

The selection of Fort Huachuca for the Intelligence Center was questioned several times in hearings held by the Subcommittee on Military Construction, House Committee on Appropriations, during the period March 1970 to June 1971. The Subcommittee questioned the availability of housing and the water supply at Fort Huachuca.

In a report on the Fiscal Year 1971 Military Construction Appropriation Bill, the Committee on Appropriations stated that, although the impact of the move on the Department of Defense's 5-year military construction program was taken into account, longer term construction requirements and realistic family housing programming were not. The Committee approved the fiscal year 1971 budget request for family housing and other facilities at Fort Huachuca as being necessary to support the permanent mission at the post but stated that it was not convinced that the total facilities implications of the move had been satisfactorily considered. The Army was requested to further review its plans to move intelligence functions to Fort Huachuca.

In September 1970 the Army initiated another study, known as the Smith Study, which reconfirmed the selection of Fort Huachuca. We have been advised that this study providing for a center of 3,635 persons has been approved by the Army staff and reflects its current concept of an intelligence center. The initial phase for establishing the center was the move of the intelligence activities from Fort Holabird to Fort Huachuca, which began in February 1971 and was completed in September 1971. The move involved 46 civilian employees and 291 military personnel of the Intelligence School and 10 civilian employees and 23 military personnel of the Combat Developments Command Intelligence Agency. A combined total of 85 civilian employees did not transfer to Fort Huachuca.



As of November 1971 several other activities still were at Fort Holabird, and the number of Fort Holabird civilian support personnel had been reduced by 88. The total reduction in the number of support personnel by the June 1973 target date for the closure is expected to be 385 as stated in the February 1970 case study and justification folder.

On July 7, 1971, the General Accounting Office was requested by Representative Otis G. Pike to look into the entire question of the move of certain units from Fort Holabird to Fort Huachuca; the original reasons, justification, and cost estimated for that move; the reasons why Fort Huachuca was chosen and the cost estimated for the establishment of an intelligence center at Fort Huachuca; the savings which might have been realized by establishing the center at Fort Lewis; the reasons why, in the period since the summer of 1970, the intelligence center concept was abandoned; and the costs associated with the change of planning. The following chapters deal with these questions.

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## CHAPTER 2

### THE ORIGINAL REASONS, JUSTIFICATION, AND COST ESTIMATED FOR THE MOVE TO FORT HUACHUCA

The intelligence center concept, as it was envisioned by General McChristian, came about in 1968. A group under the direction of the Vice Chief of Staff then studied the concept and considered it to have merit. The location for the intelligence center was selected after visits by General McChristian to numerous Army installations, including Fort McClellan, Alabama; Fort Gordon, Georgia; Fort Jackson, South Carolina; Fort Bliss, Texas; Fort Meade, Maryland; Fort Huachuca, Arizona; Fort Riley, Kansas; Fort Devens, Massachusetts; and Fort Leonard Wood, Missouri. As a result of these visits, Fort Huachuca (which General McChristian favored) and Fort Riley were recommended as the most favorable locations for the establishment of the intelligence center.

On January 24, 1970, the Department of the Army initiated a study for the purpose of preparing a plan for the movement of the Intelligence School and related activities to either Fort Huachuca or Fort Riley.

The study report, known as the Blakefield Board Report, completed on February 10, 1970, recommended that the center be located at Fort Huachuca. The following advantages and disadvantages of the move were set forth.

#### Advantages

1. The Intelligence School would get better combat intelligence training facilities considering the excellent ranges and the field training areas at Fort Huachuca.
2. The Intelligence School would be located on the same post as the Combat Surveillance and Electronic Warfare School and Training Center, the Army Electronic Proving Ground, and the Army Security Agency Test and Evaluation Center.

3. About 23 Mohawk aircraft, operating from Libby Army Airfield at Fort Huachuca, were fully equipped with sensor devices and would be useful in the school's training mission.
4. There was room at Fort Huachuca for expansion of the intelligence center by transfer of other intelligence units to the post.
5. The move from Fort Holabird could begin before the end of calendar year 1970.

#### Disadvantages

1. The Intelligence School would be placed in a former hospital complex of wooden, temporary buildings, which were not designed for the efficient running of a school.
2. There would be difficulty in recruiting personnel in the middle management grades from GS-7 to GS-9. Also there could be trouble recruiting intelligence specialists and technicians.
3. If the experience of the Intelligence Command and the Intelligence School duplicated that of the U.S. Army Strategic Communications Command, both would lose a majority of their civilian work force, even in the upper grade levels, because of refusal of personnel to transfer. Civilians who normally would be willing to move would be discouraged because of the critical problem of housing within commuting distance and because of the high interest rate on mortgages.
4. There would be critical problems of finding family housing for military personnel off post.
5. Locating the Headquarters of the Intelligence Command only 20 miles from the Mexican border was questionable from a security standpoint.

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6. On-base community support at Fort Huachuca would be taxed by this move; however, the post's master plan contained improvements in the commissary, post exchange, and other facilities.
7. In terms of permanent buildings, bachelor officers' quarters (BOQs) and bachelor enlisted men's quarters spaces were critical at Fort Huachuca. New BOQs, which would house 40 officers, were under construction and would be completed in February 1970. In order to meet the requirements for the Intelligence Command's and the Intelligence School's BOQs and bachelor enlisted men's quarters, Fort Huachuca would renovate existing temporary buildings.
8. The Intelligence Command and the Intelligence School would have a total military family housing requirement of 898 units, which could not be met within the current capabilities of the post. Considering available assets, there still would be a deficit of 430 units. To absorb this deficit military families might have to live in Tucson, about 70 miles away.

The Army case study and justification folder dated February 16, 1970, stated the following major reasons justifying the decision to move the Intelligence School, the Combat Developments Command Intelligence Agency, and the Intelligence Command Headquarters from Fort Holabird to Fort Huachuca and to close Fort Holabird.

1. Annual net savings to the Government of \$2.5 million would be achieved mainly by eliminating 385 civilian support personnel spaces upon the closure of Fort Holabird and by reducing the per diem cost for bachelor officer students by housing them at Fort Huachuca in Government quarters.
2. Relocation of the Intelligence School would make possible the establishment of a number of required courses, including a military intelligence officer basic course, which could not be instituted at Fort Holabird due to insufficient field training areas and facilities.

Collocation of the Intelligence School with the Army Combat Surveillance and Electronic Warfare School already at Fort Huachuca would permit cross training of intelligence skills and would provide for a wider range of understanding of intelligence capabilities and limitations. The collocation at Fort Huachuca of these schools with other intelligence activities would give added incentive to the coordinated and integrated development of intelligence concepts, doctrine, systems, and technology.

3. The academic-administrative environment at Fort Holabird had been recognized as unsatisfactory for sometime. Converted industrial buildings, summer heat, polluted air and water, industrial noise, dirty working conditions, and lack of air conditioning all combined to detract considerably from effective and efficient operations. The academic facilities were dispersed among several widely separated buildings, only one of which was designed as a school facility.
4. For a long time there had been incentive from the civilian-industrial community for the closure of Fort Holabird. The property would provide a significant monetary return if it were leased or sold.
5. Because of the relatively remote location of Fort Huachuca, land and air encroachment by nongovernmental agencies would not be a problem in the foreseeable future and would thus provide the opportunity for orderly development of an intelligence center.
6. Additional permanent construction would be programmed over the long term to replace the World War II temporary facilities which would be occupied by the Intelligence School. These long-term costs would be partially offset, however, by negating future requests for permanent construction at Fort Holabird.

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The case study and justification folder included re-locating the Intelligence Command Headquarters to Fort Huachuca while retaining appropriate elements of the command in the Washington-Baltimore area. The Army subsequently decided not to move the headquarters to Fort Huachuca, but the new site for the headquarters has not yet been determined.

The case study and justification folder showed the total cost of the proposed move to be \$12.4 million-- \$8.2 million for cost of closure and \$4.2 million for cost of facilities to accommodate the intelligence activities at Fort Huachuca. (See app. II for details of the facilities cost.)

It is interesting to note that CONARC's draft version of the case study and justification folder contained an estimate of \$41.6 million for the construction costs to accommodate the Fort Holabird activities at Fort Huachuca. The final version of the case study, dated February 16, 1970, however, does not contain an estimate for permanent construction (see app. III), although the narrative states that additional permanent construction would be programmed over the long term. In hearings before the Subcommittee on Military Construction, House Committee on Appropriations, on March 16, 1970, the Department of Defense informed the Subcommittee that the construction requirements at Fort Huachuca would be increased by a total of \$4,160,000 as a result of relocation of intelligence units from Fort Holabird to Fort Huachuca and that this was the total additional facility cost envisioned at that time. (See app. II for a breakdown of the \$4,160,000 estimate.)

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### CHAPTER 3

#### COST ESTIMATED FOR THE ESTABLISHMENT

#### OF AN INTELLIGENCE CENTER AT

#### FORT LEWIS AND FORT HUACHUCA

After the announcement of the move to Fort Huachuca and the completion on May 4, 1970, of the plan for establishment of an intelligence center, General McChristian was advised by the Assistant Vice Chief of Staff that Fort Lewis might be available as a site for the center. General McChristian and several representatives from various Army commands made a fact-finding trip to Fort Lewis during the period of June 26 to 29, 1970. This group toured the facilities and developed cost estimates to establish the Intelligence Center on the basis of two alternatives.

The first alternative was that, if an infantry division was to be stationed at Fort Lewis and had priority for permanent facilities, the Intelligence Center initially would go into renovated facilities pending completion of the master plan construction. The second alternative was that, whether or not an infantry division would be stationed at Fort Lewis, the Intelligence Center would be given priority for permanent facilities. The center would use the existing permanent garrison facilities on the main post and the necessary facilities in the permanent division area.

Estimates in the trip report showed that it would cost \$37.7 million to establish a center at Fort Lewis under the second alternative, compared to \$197.5 million<sup>1</sup> at Fort Huachuca, or \$159.8 million less. Under the first alternative the cost was estimated at \$125.9 million to establish the center at Fort Lewis, or \$71.6 million less than at Fort Huachuca.

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<sup>1</sup>As shown in app. III, this estimate came close to the estimate of \$197,774,000 in the May 4, 1970, plan.

Various Army commands involved reviewed the estimates before briefings on the trip were given by General McChristian to the Vice Chief of Staff and Chief of Staff in August of 1970. Their reviews resulted in revised estimates as follows:

	<u>First</u> <u>alternative</u>	<u>Second</u> <u>alternative</u>
	(millions)	
Fort Huachuca	\$76.7	\$76.7
Fort Lewis	<u>74.4</u>	<u>67.9</u>
Difference	<u>\$ 2.3</u>	<u>\$ 8.8</u>

Although the Fort Lewis estimates included a composite tactical brigade of school troops for support of the intelligence activities, the Fort Huachuca estimate did not include such a brigade since it could not be supported due to water limitations and lack of suitable facilities. Therefore the above differences are understated. The briefing material, however, did not contain a cost for the brigade, and we were not able to make any adjustment.

The revisions of the trip report estimates related mainly to the long-range construction costs at the two locations. Army officials and General McChristian advised us that the figures included in the briefings should be more realistic than those included in the trip report. Also the general had stated in his trip report that the cost figures were hurriedly assembled.

The use of Fort Lewis as an intelligence center, however, was not acceptable to CONARC, since the installation was established as an infantry division post and since all master-planned construction was oriented toward support of this mission. CONARC's position was that an infantry division would be stationed at Fort Lewis when one became available or returned from overseas.

On September 24, 1970, the Army initiated another intelligence center study, known as the Smith Study. It is the most current study of the concept and reflects the Army



staff's position on the establishment and composition of an intelligence center. The purpose of this study was to determine the feasibility of establishing an intelligence center and to submit recommendations to the Chief of Staff, Army, pertaining to the organizations, command relationships, and location(s) of such a center.

The study report, completed in November 1970, states that it is feasible to develop an intelligence center with a projected long-range strength of 3,635 persons at Fort Huachuca. The report shows an estimate of \$65,481,000 for costs associated with the necessary relocation of agencies and units and for initial and long-range construction projects. The estimated cost of relocating the Intelligence School and the Combat Developments Command Intelligence Agency from Fort Holabird to Fort Huachuca is \$4,767,000 (movement costs \$2,241,000 and initial accommodation and construction costs \$2,526,000). The estimated cost for relocating two additional units planned for movement to the center, the 14th Military Intelligence Battalion and the 184th Military Intelligence Company, is \$1,346,000.

The total cost estimate includes approximately \$46 million for long-range construction attributable directly to the relocation of the Intelligence School and the Intelligence Agency to Fort Huachuca. Of this \$46 million total, approximately \$21 million is for direct administrative and logistic support for the Intelligence School and the Intelligence Agency, such as \$11 million for construction of classrooms. The balance of \$25 million of long-range construction is for support of the increased military population, i.e., \$20 million for housing and \$5 million for community support. The study also includes \$13.6 million for long-range construction for the two additional military units.

The study states that the figures shown are estimates and that, prior to the execution of any moves, more-detailed costing, based on the situation existing at that time, will have to be done to determine the actual requirement for funds. Details of the Smith Study's estimate for long-range construction are shown in appendix IV.

Although we did not verify the various estimates for establishment of an intelligence center, we compared the estimate for long-range construction in the Smith Study with the corresponding item included in the estimate of about \$198 million in the ACSI report of May 1970 (see app. III) and noted that the major difference was due to differences in the planned size of the center. For example, for family housing the \$198 million figure contained \$74 million for about 2,700 units, compared to \$17 million for 555 units in the current estimate. Another significant difference between the two total estimates was in the use of different cost index factors. Such factors are commonly used by the Department of Defense to adjust cost estimates to reflect variances in construction costs among locations.

The estimate of \$198 million included \$185 million for long-range construction costs which were computed using a 1.56 cost index, whereas the Smith Study estimate, for most facilities, included a cost index of 1.20. The 1.20 cost index is the same as that shown in the guidance for fiscal year 1971 military construction estimates issued by the Department of Defense. If a cost index of 1.20 had been used with ACSI estimates, the \$185 million would have been reduced by \$42 million.

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Our review of information at Fort Huachuca revealed that four modification projects, estimated to cost about \$851,000, associated with the move of the Intelligence School had been funded as minor construction.

Modification of academic facilities	\$299,822
Modification of bachelor officer housing	299,000
Modification of administration buildings	182,935
Addition to print plant	<u>69,315</u>
Total	<u>\$851,072</u>

These four projects, each within the minor construction funding limitation of \$300,000, were included in testimony given by the Department of the Army during congressional hearings on military construction appropriations for 1972. (Three of the four amounts shown above are higher than

those included in the hearings.) In addition, we were advised by the Army that funds totaling \$1,147,000 from the operation and maintenance, Army appropriation had been obligated for the rehabilitation of 43 classrooms (including eight classrooms of the Combat Surveillance School), 32 administration buildings, 33 barracks, and two community facility buildings.

Related to the relocation of the Intelligence Agency was a project, financed from the operation and maintenance, Army, funds, estimated to cost \$50,000 for alterations and repairs of a fire-damaged building. The Intelligence Agency provided \$14,000 to support the modification work peculiar to its occupancy.

We were informed that the Intelligence Center and School academic facilities at Fort Huachuca were inadvertently omitted from the CONARC list of service schools programmed for military construction Army funds for the fiscal years 1974-78. Army officials advised us in October 1971 that the dollar amount to be included in the program was unknown at that time and that a design contract had not yet been initiated.

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## CHAPTER 4

### CURRENT STATUS OF THE INTELLIGENCE CENTER CONCEPT

According to the Department of the Army, coordination agreements between Army service schools and collocated combat development agencies have made a commendable contribution toward using all the experience, knowledge, and capabilities present at a center in the support of doctrinal, educational, and training matters. The Army has been concerned with the need for improving the management of Army intelligence resources. The Chief of Staff believed that having an Army intelligence center would

- ensure complete and cohesive operation of intelligence functions;
- ensure the proper use of available intelligence resources;
- provide for comprehensive and integrated intelligence training; and
- facilitate rapid development of intelligence doctrine, systems, and concepts.

The Army has designated the Intelligence School, the Combat Developments Command Intelligence Agency, and the Combat Surveillance and Electronic Warfare School as coordinating activities under the center concept.

General McChristian's concept of an intelligence center was considered by the Army to be the optimum. His concept, as stated in the ACSI report dated May 4, 1970, was that the Intelligence Center should be composed of the following units in addition to the units designated for relocation from Fort Holabird to Fort Huachuca.

1. The Continental Army Command Tactical Intelligence Center (located at Fort Bragg, North Carolina) and eight military intelligence battalions, companies, detachments, or other units to be transferred from other U.S. locations.

2. A composite brigade of school troops to provide support for comprehensive and integrated intelligence training.

The number of personnel spaces recommended for relocation to Fort Huachuca under this center concept was 1,580 officers, 157 warrant officers, 7,332 enlisted men, and 628 civilians, or an overall total of 9,697 spaces. The size of this center was much larger than could be accommodated at Fort Huachuca because of the water situation. (See ch. 5). Also, as various Army staffs reviewed the results of this study, questions arose as to the need for and availability of the number of spaces recommended in the plan and the magnitude of the construction costs.

The projected long-range strengths for the Intelligence Center and School shown in the Smith Study (September 1970) consist of 1,399 officers, 2,057 enlisted men, and 179 civilians, or a total of 3,635 spaces. These figures include 197 officers and 526 enlisted men for the 14th Military Intelligence Battalion and for the 184th Military Intelligence Company that are planned to be transferred to Fort Huachuca. According to the Army construction of family housing to support these numbers of personnel would endanger the water supply.

On the basis of our review of documents and studies dealing with the intelligence center concept, we conclude that the concept has not been abandoned but has been adjusted commensurate with the resources available to the Army and the physical limitations of Fort Huachuca. Because the concept has been modified rather than abandoned, we did not attempt to determine what costs, if any, were associated with the planning modification. Further it would be very difficult to identify with any assurance of accuracy any added costs attributable to the modification.

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## CHAPTER 5

### PROBLEMS RELATED TO THE ESTABLISHMENT OF AN ARMY INTELLIGENCE CENTER AT FORT HUACHUCA

Two problems related to the move, as identified by the Army, are the limited supply of water and housing.

#### WATER

The post is in a semiarid area, and the sources of water are: ground water stored in an underground water basin; springs and runoff from two canyons; and water savings from reuse of sewage effluent for irrigation. The post's well field and the wells of a nearby town, Sierra Vista, Arizona, are drawing from the same body of ground water. The post, therefore, has only partial control over its problems in that increased water use in the town due to growing population will adversely affect the post's well field.

After learning of General McChristian's plans to more than double the permanent population of Fort Huachuca, the Corps of Engineers on March 24, 1970, advised the Chief of Staff of a potential water shortage. The annual water consumption at the post had increased from 447 million gallons in 1956 to over one billion gallons, and the water table had dropped an average 2.4 feet a year. In the interest of curbing this drop, a project had been initiated to capture the surface and subsurface runoffs in two canyons on the post. This project began functioning in January 1971. Although the estimated yield of 450 million gallons a year was expected to reduce, if not halt the drop in the water table, the actual yield would not be determinable for at least a year after the project was completed. The Corps of Engineers, therefore, according to its advice to the Chief of Staff, was not sure that the post had sufficient water even for the current strength.

In June 1971 the Bureau of Reclamation, Department of the Interior, was looking into the feasibility of building a dam and reservoir on the San Pedro River about 12 miles from the buildup area of Fort Huachuca. This project would not be available probably until the early 1980's. The dam

will, according to present planning, be used for flood control, conservation, fish and wildlife services, and recreation. Tentative plans call for delivery of water to Tucson with some water for irrigation downstream. It is not anticipated that Fort Huachuca and surrounding communities will be supplied with water, nor is it anticipated that any water will be utilized for ground water recharge.

The Intelligence Center described in the Smith Study is much smaller in size than the one recommended by General McChristian in the ACSI report. The Smith Study includes a plan for developing the center in phases keyed to the availability of water at the post. The initial establishment of the center by the movement of the Intelligence School and the Intelligence Agency was the first phase. According to the study the feasibility of the second phase, in which the 14th and the 184th Military Intelligence units are relocated to the Intelligence Center and School, depends on the availability of family housing. Any additional on-post housing construction must be coordinated with the availability of water. The study states that a third phase, which can be defined generally as a relocation of other units to Fort Huachuca to fill additional requirements developed by the Intelligence Center and School, must be keyed to availability of additional water resources and family housing.

The equivalent population<sup>1</sup> which can be supported by the existing water supply is estimated to be 13,500, according to the Smith Study. The relocation of the Intelligence School and the Intelligence Agency will result in an equivalent population of 13,500. Relocation of the military personnel of the two additional intelligence units (the 14th Battalion and 184th Company) into existing facilities will increase the equivalent post population to 13,800. Construction of family housing to support the personnel and

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<sup>1</sup>The term "equivalent population" is defined in the study as the total of the population resident on post for 24 hours a day and one third of the nonresident personnel who work on post.

dependents of those units will increase the post's equivalent population to more than 16,000.

Exploratory wells are currently being drilled at Fort Huachuca in an attempt to supplement the existing water sources, according to the Corps of Engineers.

#### HOUSING

The Subcommittee on Military Construction, House Committee on Appropriations, questioned the adequacy of the housing at Fort Huachuca during hearings in March 1970 on the fiscal year 1971 military construction appropriations. The Army assured the Subcommittee that housing would be available to the personnel moving from Fort Holabird. Subsequently, when the move was in progress, some personnel, however, did have difficulty obtaining housing and made complaints to Congressmen. Examples of these complaints were mentioned in hearings held by the Subcommittee in June 1971. The Army was reprimanded at this time for not providing the Subcommittee with accurate information on housing in the area of the post.

The Blakefield Board Report, dated February 10, 1970, acknowledged that the problem of finding family housing for military personnel off post would be critical. The report showed a family housing deficit of 430 units after consideration of the resources of the post. This deficit included family housing for the Intelligence Command which, as stated on page 10, did not move.

The Smith Study, dated November 1970 estimated the following deficits.

BEST DOCUMENT AVAILABLE	Intelligence	Intelligence
	School and	Center
	Intelligence	and School,
	Agency	including
		two military
		intelligence
		<u>units</u>
BOQs	603	646
Family housing	226	555



As of September 1971 the post had a projected requirement for 669 units of BOQs and total assets of 288 units, which resulted in a projected deficit of 381 units. Since some officers had elected to live off post, the occupancy rate of BOQs was only 85 percent and adequate quarters were available. Certificates of nonavailability of quarters were not given to officers on temporary duty assignments, so these officers could not obtain per diem in lieu of quarters. Such certificates are not issued unless the BOQ occupancy rate is 95 percent or higher, according to Fort Huachuca officials.

As of September 1971 Fort Huachuca had 1,861 family housing units, of which 70 were substandard. In addition, there were 136 units in various stages of construction. The waiting list for on-post housing increased from 21 in September 1969 to 369 in September 1971. The average waiting period for all categories of quarters was 10 weeks, and a 23-week period was required for two-bedroom accommodations for junior officers.

Most of the personnel relocated to Fort Huachuca with the Intelligence School and the Intelligence Agency have been able to find housing within a reasonable distance from the post. We checked the addresses of 249 of the 370 personnel involved in the move and found that only three were living in Tucson (78 miles away) and that the remainder were living either on post or within 35 miles of the post. This contrasts with an October 1970 survey of 4,227 post commuters. The survey revealed that 705 post commuters traveled 50 miles or more to work. As of October 4, 1971, however, there were only 17 items on the availability list of off-post housing units maintained by the post's Housing Referral Office. Seven of these were located between 65 and 80 miles from Fort Huachuca. Of the remaining 10, two were trailer spaces and four were rooms for rent. Off-post rental rates ranged from as low as \$75 a month for trailers to as high as \$325 a month for a four-bedroom house.

Local builders had agreed to construct 597 units of family housing upon announcement of the movement of the Fort Holabird units to Fort Huachuca, according to Fort Huachuca officials. Subsequent postponements of the move resulted in withdrawals of these commitments and in a loss

of momentum in community development. The situation was compounded by the nonavailability of Federal Housing Administration loan guarantees for multiple-family dwellings because the area did not have sufficient economic support apart from the base.

Army officials told us that the move had caused a revival of local builders' interest. Anticipated 1971 construction included 468 trailer spaces, 123 apartment units, and 508 homes. Fort Huachuca officials admit that housing in the area of the post is a problem. The efforts of the civilian community to provide housing should improve the situation.

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## CHAPTER 6

### SCOPE OF REVIEW

We reviewed studies and documents related to the move of the Army intelligence units to Fort Huachuca and the establishment of an intelligence center but did not attempt to verify the various estimates. We interviewed General McChristian, personnel involved in the move, and personnel who worked on the Smith Study.

We obtained information at the following locations.

Office of the Assistant Chief of Staff for  
Intelligence, U.S. Army, Washington, D.C.

Deputy Chief of Staff for Logistics, U.S. Army,  
Washington, D.C.

Office of the Chief of Engineers, U.S. Army,  
Washington, D.C.

Fort Huachuca, Arizona

U.S. Continental Army Command  
Fort Monroe, Virginia

Fort Holabird  
Baltimore, Maryland

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OTIS G. PIKE  
FIRST DISTRICT, NEW YORK

COMMITTEE:  
ARMED SERVICES

Congress of the United States  
House of Representatives  
Washington, D.C. 20515

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July 7, 1971

The Honorable Elmer B. Staats  
Comptroller General of the United States  
Washington, D. C. 20548

Dear Mr. Staats:

It has come to my attention that the Army in the past year and a half first studied, then approved, a plan to create a United States Army Intelligence Center. The plan called for locating this Center at Fort Huachuca, Arizona, and was at one time approved at least at the level of Secretary Packard. In July or August of 1970, General McChristian studied an alternate site for the Center at Fort Lewis, Washington. His original estimate was that moving the Center to Fort Lewis would cost "about \$159.8 million less" than to Fort Huachuca.

I have in my possession the original recommendation of General McChristian, a briefing which he presented on August 25, 1970, regarding the Intelligence Center, and certain correspondence between me, Congressman Hebert, and the Department of the Army on this matter.

I would like very much to have the General Accounting Office look into the entire question of the move of certain units from Fort Holabird, Maryland, to Fort Huachuca; the original reasons, justification, and cost estimated for that move; the reasons why Fort Huachuca was chosen and the cost estimated for the establishment of an Intelligence Center at Fort Huachuca; the savings which might have been realized by establishing the Center at Fort Lewis, Washington; the reasons why in the period since last summer the Intelligence Center concept has been abandoned; and the costs associated with the change of planning.

I would be very happy to discuss this matter with you or your representative further and am prepared to turn over to them all the papers I have in my possession on this subject. I should say that I have discussed this matter with Congressman Hebert and he has approved this course of action.

Cordially,

  
OTIS G. PIKE

OGP:m

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APPENDIX II

ESTIMATES INCLUDED IN THE CASE STUDY  
OF THE CONSTRUCTION COST TO ACCOMMODATE  
FORT HOLABIRD UNITS AT FORT HUACHUCA

Renovation of buildings:

- |   |            |
|---|------------|
| 1. Modifications to existing structures to relocate Fort Huachuca units to provide space for incoming units                   | \$ 493,000 |
| 2. Construction of a second floor of an existing building   | 835,000    |
| 3. Renovation for the school, including classrooms, barracks, administrative space, BOQ's and various post support activities | 1,776,000  |

New construction:

- |  |                |
|--|----------------|
| 1. Preengineered buildings for the Intelligence Command  | 366,000        |
| 2. Preengineered buildings for the Combat Developments Command Intelligence Agency, Army Materiel Command Intelligence Materiel Development Office, and extension of the post's printing plant | <u>690,000</u> |

Total	<u>\$4,160,000</u>
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ESTIMATES OF COST TO ESTABLISH AN  
INTELLIGENCE CENTER AT FORT HUACHUCA

<u>Document</u>	Initial accommo- dation and construc- tion	Long- range construc- tion	Relo- cation costs	Miscel- laneous	Total
(000 omitted)					
ESTIMATES TO MOVE THE INTELLIGENCE COMMAND, INTELLIGENCE SCHOOL, COMBAT DEVELOPMENTS COMMAND IN- TELLIGENCE AGENCY, AND RELATED ACTIVITIES:					
Blakefield Board Report (Feb- ruary 10, 1970)	\$6,243	\$ -	\$7,570	\$ -	\$ 13,813
Case Study (February 16, 1970)	4,160	-	6,241	2,013	12,414
ESTIMATES REFLECTING GENERAL McCHRISTIAN'S CONCEPT:					
ACSI Report (May 1970)	4,160	185,293	8,321	-	197,774
McChristian trip report (June 1970)	1,500	188,000	8,000	-	197,500
McChristian briefing (August 1970)	19,000	57,700	Not in- cluded	-	76,700
ESTIMATES OF CENTER INCLUDED IN SMITH STUDY:					
Intelligence School and the Combat Developments Command Intelligence Agency 14th and 184th Intelligence Units	2,526	45,754	2,241	-	50,521
	<u>784</u>	<u>13,614</u>	<u>562</u>	<u>-</u>	<u>14,960</u>
Total Smith Study (Novem- ber 1970)	<u>\$ 3,310</u>	<u>\$ 59,368</u>	<u>\$2,803</u>	<u>\$ -</u>	<u>\$ 65,481</u>

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APPENDIX IV

EXCERPT FROM SMITH STUDY ON  
LONG-RANGE CONSTRUCTION ESTIMATES

5. Long-Range Construction.

a. The following costs reflect the long-range impact to support the Intelligence School and Combat Developments Command Intelligence Agency over and above that required for the 30 September 1970, authorized military strength of Ft. Huachuca (4,919). Family Housing, BOQ, and enlisted men's (EM) Barracks costs were estimated as noted; costs of asterisked projects were submitted by Ft. Huachuca; all other costs were estimated using the methodology explained in note 4.

	<u>Unit of</u>	<u>Number</u>	<u>Cost</u>
	<u>measure</u>	<u>of units</u>	<u>(000 omitted)</u>
<u>FACILITY</u>			
Family Housing:			
226 Units @ \$30,590 per unit (See Note 1)			\$ 6,913
BOQ:			
552 Units @ \$15,444 (See Note 2)			8,525
EM Barracks:			
737 Units @ \$5,900 (See Note 3)			4,348
EM Service Club	SF	8,000	335
Library	SF	1,000	34
*Warehouse General Purpose	SF	40,000	590
Fallout Shelters	SF	58,974	413
*Clothing Sales Store	SF	15,000	417
Youth Center	SF	5,160	172
Dental Clinic	SF	6,035	403
Education Center	SF	6,300	169
Cold Storage Plant	SF	4,900	189
Child Care Center	SF	1,450	89
*Entertainment Workshop	SF	4,500	144
Officers Open Mess	SF	2,000	177
*Stadium w/Athletic Fld			283
*Water Prod Fac-3 add wells			835
*Warehouse General Purpose	SF	40,000	590
Administrative Facilities Bldg.	SF	95,750	4,079
Logistical Support Facilities	SF	148,233	5,836
Classrooms	SF	255,654	<u>11,273</u>
Total			<u>\$45,754</u>

b. Long Range Construction cost impact to support the 14th Military Intelligence Battalion and the 184th Military Intelligence Company, (Aerial Surveillance) over and above that required for the Intelligence School and Combat Developments Command Intelligence Agency and Fort Huachuca.

<u>Facility</u>	Cost (000 omitted)
Family Housing:	
329 Units @ \$30,590 (See Note 1)	\$10,064
BOQ:	
43 Units @ \$15,444 (See Note 2)	664
EM Barracks:	
310 Units @ \$5,900 (See Note 3)	1,829
Airfield Facilities:	
Hangar w/shops	
23,760 sq. ft. @ \$44.50 per sq. ft.	<u>1,057</u>
Total	<u>\$13,614</u>

Note 1: \$25,390 per average unit (current working estimate at Ft. Huachuca as of June 1970) x  $\frac{1,000}{830}$  (Cost Growth to FY 72 level) = \$30,590.

Note 2: \$11,000 per man (Congressional limitation in FY 72 dollars x 1.20 area price adjustment factor) + 17% Utilities = \$15,444.

Note 3: \$3,200 per man (Congressional limitation) + \$1,270 (estimated cost for mess, administration and storage) = \$4,470 (FY 72 dollars). \$4,470 x 1.20 + 10% Utilities = \$5,900.

Note 4: Based on estimated cost per unit of measure x 1.20 + 10% Utilities.

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