

September 2008

DEFENSE INFRASTRUCTURE

Opportunity to Improve the Timeliness of Future Overseas Planning Reports and Factors Affecting the Master Planning Effort for the Military Buildup on Guam





Highlights of [GAO-08-1005](#), a report to congressional committees

Why GAO Did This Study

The Department of Defense (DOD) continues its efforts to reduce the number of troops permanently stationed overseas and consolidate overseas bases. The Senate and conference reports accompanying the fiscal year 2004 military construction appropriation bill directed DOD to develop and GAO to monitor DOD's overseas master plans and to provide annual assessments. The Senate report accompanying the fiscal year 2007 military construction appropriation bill directed GAO to review DOD's master planning effort for Guam as part of these annual reviews. This report examines (1) the changes and challenges described in the fiscal year 2009 master plans, the extent the plans address GAO's prior recommendations, and the plans' timeliness and (2) the status of DOD's master planning efforts for the proposed buildup of military forces and infrastructure on Guam. GAO reviewed the plans and other relevant documents, and visited three overseas combatant commands, various installations, and Guam organizations.

What GAO Recommends

GAO recommends that DOD (1) develop the global defense posture reports earlier each year to coincide with the budget submissions and (2) provide Congress annual updates of the Guam working-level plan until a comprehensive master plan is finalized and provided to Congress. DOD agreed with the second recommendation and partially agreed with the first, which was clarified in response to comments.

To view the full product, including the scope and methodology, click on [GAO-08-1005](#). For more information, contact Brian J. Lepore at (202) 512-4523 or leporeb@gao.gov.

DEFENSE INFRASTRUCTURE

Opportunity to Improve the Timeliness of Future Overseas Planning Reports and Factors Affecting the Master Planning Effort for the Military Buildup on Guam

What GAO Found

While the fiscal year 2009 master plans generally reflect recent changes in U.S. overseas basing strategies and the challenges DOD faces as well as address GAO's prior recommendations, DOD provided Congress the plans in May 2008, well after the February budget submission when the Senate and conference reports require DOD to issue the plans. This year's plans contain information on current overseas basing strategies and infrastructure requirements and the challenges that DOD faces implementing the plans. The plans also generally address GAO's recommendations except that the U.S. Pacific Command plan does not provide an update of the Air Force's training challenges in South Korea, despite GAO's prior recommendation that it should describe the challenges and their potential effects on infrastructure and funding requirements. DOD officials said that since last year the South Korean government and the U.S. Air Force have taken several steps to address these training challenges. According to DOD officials, efforts to incorporate last-minute changes in basing plans and projects and the lengthy review and approval process have contributed to the fiscal year 2009 plans' lateness. While the congressional requirement for the overseas master plans expired with the fiscal year 2009 plans, DOD said that it intends to provide Congress annual updates of its global defense posture through 2014 and that these updates would replace the master plans as DOD's overseas planning report to Congress. Since DOD will continue to provide annually updated global defense posture reports, it has an opportunity to reexamine its timeline for producing future reports earlier to provide Congress with time for review.

DOD has developed a basic framework for the military buildup on Guam but has not issued the congressionally required master plan that was initially due in December 2006, and which Congress later extended to September 2008. The Joint Guam Program Office, which is planning and managing the proposed military buildup, is coordinating the multi-service development of a working-level plan for DOD that is to be submitted to Congress by the 2008 deadline. However, this is a onetime requirement, and DOD officials said that the plan will be a snapshot of the status of the planning process and will not be considered a comprehensive master plan for several reasons. First, while the required environmental impact statement and the resulting record of decision will influence many key decisions about the buildup of military forces and infrastructure on Guam, these documents are not expected to be completed until January 2010. Also, officials of the Joint Guam Program Office said that they expect to complete a comprehensive master plan within 90 days after these required documents are finalized. Second, plans for the detailed force composition of units relocating to Guam, associated facility requirements, and implications for other services' realignments on Guam continue to be refined. Third, additional time is needed to fully address the challenges related to funding uncertainties, operational requirements, and Guam's economic and infrastructure requirements. However, without a comprehensive master plan, Congress may have limited data on requirements on which to make informed appropriation decisions and to carry out its oversight responsibilities.

Contents

Letter		1
	Results in Brief	4
	Background	7
	Overseas Master Plans Generally Reflect Changes, Challenges, and Our Prior Recommendations, but Could Be More Timely	12
	DOD Has Established a Framework for Military Buildup on Guam but Has Yet to Develop the Congressionally Required Master Plan	20
	Conclusions	30
	Recommendations for Executive Action	31
	Agency Comments and Our Evaluation	32
Appendix I	Scope and Methodology	36
Appendix II	Comments from the Department of Defense	38
Appendix III	GAO Contact and Staff Acknowledgments	40
Related GAO Products		41
Figure		
	Figure 1: U.S. Pacific, European, Central, and Africa Commands' Proposed Areas of Responsibility on September 30, 2008	9

This is a work of the U.S. government and is not subject to copyright protection in the United States. It may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.



United States Government Accountability Office
Washington, DC 20548

September 17, 2008

Congressional Committees

In its ongoing global realignment of U.S. forces and installations, the Department of Defense (DOD) plans to reduce the number of troops permanently stationed overseas and consolidate overseas bases. Realigning the U.S. overseas posture involves closing obsolete and redundant bases, constructing new facilities costing billions of dollars, and ensuring that other needed infrastructure is in place to support realigned forces and missions. For example, the U.S.-Japan Defense Policy Review Initiative¹ established a framework for U.S. force structure in Japan that relocates U.S. military units from Japan to other areas, including Guam. As a part of this initiative, DOD tentatively plans to move about 8,000 Marines and their estimated 9,000 dependents from Okinawa, Japan, to Guam by 2014.

The Senate report and subsequent conference report accompanying the fiscal year 2004 military construction appropriation bill directed DOD to prepare detailed, comprehensive master plans to ensure that infrastructure requirements at U.S. military facilities in each overseas regional command's area of responsibility² reflected DOD's global realignment of U.S. forces and installations.³ The Senate report also directed us to provide assessment reports on these master plans each year to the congressional defense committees. Subsequently, the conference report accompanying the 2004 military construction appropriation bill also directed the department to prepare comprehensive master plans with yearly updates through fiscal year 2009. In July 2006, the Senate report accompanying the fiscal year 2007 military construction appropriation bill directed DOD to submit a master plan for the military buildup in Guam by December 29, 2006.⁴ This deadline was later extended to September 15,

¹DOD officials refer to the results of the negotiations between the United States and Japan to realign U.S. forces in Japan as the U.S.-Japan Defense Policy Review Initiative.

²In fulfilling this requirement, the Office of the Secretary of Defense asked the overseas regional combatant commands to prepare comprehensive master plans for their areas of responsibility.

³S. Rep. No. 108-82, at 13-14 (2003) and H.R. Rep. No. 108-342, at 17 (2003) (Conf. Rep.).

⁴S. Rep. No. 109-286, at 15 (2006).

2008.⁵ The Senate report accompanying the fiscal year 2007 military construction appropriation bill also directed us to review DOD's master planning effort for Guam as part of our annual review of the overseas master plans. DOD considers the master plan for Guam as separate from the overseas master plans because Guam is a U.S. territory.

This is our fifth report responding to the requirements contained in the fiscal year 2004 Senate military construction appropriation bill report and our second report responding to the reporting requirements on the Guam military buildup contained in the fiscal year 2007 Senate military construction appropriation bill report.⁶ This report examines (1) the changes and challenges described in this year's overseas master plans, the extent to which they address our prior recommendations,⁷ and the plans' timeliness and (2) the status of DOD's master planning efforts for the proposed buildup of military forces and infrastructure on Guam. This report is our final report to fulfill the congressional mandates, which expired with DOD's May 2008 fiscal year 2009 report.⁸

In conducting our work, we visited three overseas regional combatant commands—U.S. Pacific Command, including U.S. Forces Korea and U.S. Forces Japan; U.S. European Command; and U.S. Central Command.⁹ We observed selected installation and military construction projects and interviewed command officials to understand the challenges the

⁵H.R. Rep. No.110-424, at 437 (2007) (Conf. Rep.).

⁶See related GAO products at the end of this report.

⁷GAO, *Defense Infrastructure: Overseas Master Plans Are Improving, but DOD Needs to Provide Congress Additional Information about the Military Buildup on Guam*, [GAO-07-1015](#) (Washington, D.C.: Sept. 12, 2007); *DOD's Overseas Infrastructure Master Plans Continue to Evolve*, [GAO-06-913R](#) (Washington, D.C.: Aug. 22, 2006); *Opportunities Exist to Improve Comprehensive Master Plans for Changing U.S. Defense Infrastructure Overseas*, [GAO-05-680R](#) (Washington, D.C.: June 27, 2005); and *Defense Infrastructure: Factors Affecting U.S. Infrastructure Costs Overseas and the Development of Comprehensive Master Plans*, GAO-04-609NI (Washington, D.C.: July 15, 2004).

⁸Department of Defense, *Comprehensive Master Plans at Department of Defense Overseas Facilities* (Washington, D.C.: May 2008). This year, DOD submitted the overseas master plans to Congress on May 13, 2008, and made them available to us on May 20, 2008.

⁹We did not include U.S. Northern Command and U.S. Southern Command in our review because they have significantly fewer facilities outside of the United States than the other regional commands. Also not included were U.S. Special Operations Command, U.S. Strategic Command, U.S. Joint Forces Command, and U.S. Transportation Command. These unified, functional commands have few facilities outside the United States and have not issued master plans for changing U.S. infrastructure overseas.

commands face in implementing the master plans. After DOD issued its fiscal year 2009 plans, we reviewed them to determine how they had changed since last year, how they address the challenges to their implementation, and to what extent they addressed the congressional reporting requirements and responded to our prior recommendations. We assessed whether the fiscal year 2009 plans were in compliance with the Office of the Secretary of Defense's (OSD) most recent guidance on overseas master plans.¹⁰ We generally concluded that the master plans addressed the congressional reporting requirements if the plans included details on base categories (i.e., military population on main operating bases, forward operating sites, and cooperative security locations),¹¹ host nation funding levels, facility requirements and costs, environmental remediation issues, and other challenges affecting implementation of the plans. To identify the challenges and determine the status of planning efforts for the proposed buildup on Guam, we met with the Governor of Guam, the Guam Delegate to the U.S. House of Representatives, and officials from U.S. Pacific Command, Marine Forces Pacific, Third Marine Expeditionary Force, the Navy Joint Guam Program Office,¹² the Guam legislature, the Mayors' Council of Guam, and various Guam community groups. At these meetings, we discussed the challenges to the military buildup, the planning framework for the military buildup, the schedule and development of the Guam master plan, and the status of the environmental

¹⁰Department of Defense, Under Secretary of Defense for Acquisition, Technology and Logistics, *Update of Overseas Master Plans* (Washington, D.C.: Nov. 1, 2007). The congressional requirement for annual updates of the overseas master plans expired this year with DOD's fiscal year 2009 plans.

¹¹Overseas master plans defined the base categories as the following: (1) main operating base, a facility outside the United States and U.S. territories with permanently stationed operating forces and robust infrastructure and characterized by command and control structures, enduring family support facilities, and strengthened force protection measures; (2) forward operating site, a scalable location outside the United States and U.S. territories intended for rotational use by operating forces with limited U.S. military support presence and possibly pre-positioned equipment; and (3) cooperative security location, a facility located outside the United States and U.S. territories with little or no permanent U.S. presence that is maintained with periodic service, contractor, or host nation support. Cooperative security locations provide contingency access, logistics support, and rotational use by operating forces and can be a focal point for security cooperation activities.

¹²In August 2006, the Deputy Secretary of Defense directed the Secretary of the Navy to establish the Joint Guam Program Office to plan and execute the military services' buildup on Guam.

impact study required by the National Environmental Policy Act of 1969.¹³ We visited Naval Base Guam; Andersen Air Force Base, Guam; and potential Marine Corps basing locations to directly observe existing installations and future military construction sites. We also analyzed available reports and documents that described ongoing and proposed military activities and the challenges that may affect DOD's development and implementation of a master plan for the proposed military buildup on Guam.

We conducted this performance audit from September 2007 through August 2008 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. See appendix I for more information on our scope and methodology.

Results in Brief

While the fiscal year 2009 overseas master plans generally reflect recent changes in U.S. basing strategies and the challenges DOD faces in their implementation, as well as address most of our prior recommendations, DOD provided the plans to Congress in May 2008, 3 months after the February 2008 budget submission, even though both the Senate and conference reports accompanying the fiscal year 2004 military construction bill require DOD to issue the plans with the military construction budget submission. The master plans contain information on current defense basing strategies and infrastructure requirements overseas and the challenges that DOD faces in implementation of the plans. The plans also generally address our prior recommendations except that the U.S. Pacific Command plan does not provide details of training challenges for the Air Force in South Korea, despite our prior recommendation that it should describe these challenges and their potential effects on

¹³The primary purpose of an environmental impact statement is to serve as an action-forcing device to ensure that the policies and goals defined in the National Environmental Policy Act are infused into the ongoing programs and actions of the federal government. Regulations for implementing the act established by the Council on Environmental Quality specify that to the fullest extent possible, agencies shall prepare draft environmental impact statements concurrently with and integrated with other environmental impact analyses and related surveys and studies required by the Fish and Wildlife Coordination Act, the National Historic Preservation Act of 1966, the Endangered Species Act of 1973, and other environmental review laws and executive orders. See 40 C.F.R. § 1502.25.

infrastructure and funding requirements. DOD officials said that since last year the South Korean government and the U.S. Air Force have taken several steps to address these training challenges. However, DOD has submitted the plans to Congress after the annual budget submissions even though the congressional reporting requirement directed DOD to provide updates of the master plans with each yearly military construction budget submission. According to DOD officials, OSD's most recent efforts to incorporate last-minute changes in basing plans and projects contributed to providing Congress the fiscal year 2009 plans 3 months late. Further, overseas command officials commented that the lengthy review and approval process among the commands and OSD also contributed to the plans' lateness. In comments on a draft of this report, DOD said that it intends to replace the overseas master plans, which are no longer mandated, with annual updates of its global defense posture as the department's overseas planning report to Congress through 2014. Since the department will continue to report on its overseas planning to Congress, it has an opportunity to reexamine its timeline for producing these reports to provide them with the administration's annual budget submission to provide Congress with adequate time for review.

DOD has developed a basic framework for the military buildup in Guam but has not issued its congressionally required comprehensive master plan that was initially due in December 2006, and which Congress later extended to September 2008. The Naval Facilities Engineering Command in coordination with the Joint Guam Program Office is developing a working-level plan for DOD that is to be submitted to Congress by the 2008 deadline. The plan will address the realignment of Marine Corps forces in the context of other DOD proposed actions on Guam, including the Navy's plan to enhance its infrastructure, logistics capabilities, and waterfront facilities and the Army's plan to place a ballistic missile defense task force on Guam. However, this is a onetime requirement, and DOD officials said that this plan will be a snapshot of the status of the planning process at that time and will not be considered a master plan for several reasons. First, the required environmental impact statement and resulting record of decision are not expected to be completed until December 2009 and January 2010, respectively.¹⁴ DOD officials said that the results of these

¹⁴Following the final environmental impact statement, DOD will prepare a record of decision that will state what the decision is for the proposed military buildup on Guam; identify alternatives considered and specify those that are environmentally preferable; state whether all practicable mitigation measures were adopted, and if not, explain why; and commit to a monitoring and enforcement program to ensure implementation of mitigation measures.

documents will influence many key decisions on the exact location, size, and makeup of the military infrastructure development on Guam. According to Joint Guam Program Office officials, they expect to complete a comprehensive master plan within 90 days after the record of decision is finalized. Second, plans for the detailed force composition of units relocating to Guam, associated facility requirements, and implications for other services' realignments on Guam continue to be refined. Third, additional time is needed to fully address the challenges related to funding uncertainties, operational requirements, and Guam's economic and infrastructure requirements. Without a comprehensive master plan for Guam, Congress may have limited data on funding requirements on which to base its decisions about appropriations.

We are recommending that DOD (1) initiate a process of developing its global defense posture updates earlier each year so that it can provide Congress the department's overseas planning report with the administration's annual budget submission and (2) provide Congress with annual updates of the Guam working-level plan until the department finalizes a comprehensive master plan. In written comments on a draft of this report, DOD partially agreed with our recommendation to initiate a process of developing overseas master plans earlier each year so that it can provide Congress the master plans with the administration's annual budget submission, but noted that it plans to replace the master plans with annual updates of its global defense posture as DOD's overseas planning report to Congress. Since the Senate report accompanying the fiscal year 2009 military construction appropriation bill requires that these updates include data similar to those presented in prior master plans and explains that the timely filing of mandated reports is essential to the ability of the committee to exercise its oversight responsibilities,¹⁵ we continue to believe that our recommendation still has merit but have revised our recommendation to reflect DOD's approach since it meets the intent of our original recommendation. DOD agreed with our recommendation to provide Congress with annual updates of the Guam working-level plan until the department finalizes a comprehensive master plan for the military buildup on Guam. DOD's comments are discussed in more detail in the Agency Comments and Our Evaluation section and are reprinted in appendix II.

¹⁵S. Rep. No. 110-428, at 10 (2008).

Background

In recent years, DOD has been undergoing a transformation that has been described as the most comprehensive restructuring of U.S. military forces overseas since the end of the Korean War. The realignment is to improve the U.S. military's flexibility to address conventional and terrorist threats worldwide. As part of this restructuring, DOD created new bases in Central Asia and Eastern Europe, downsized the U.S. presence in Germany, and realigned forces in South Korea and Japan.

In 2004, the United States and Japan began a series of sustained security consultations aimed at strengthening the U.S.-Japan security alliance to better address the rapidly changing global security environment. The resulting U.S.-Japan Defense Policy Review Initiative established a framework for the future of the U.S. force structure in Japan and is to facilitate a continuing presence for U.S. forces in the Pacific theater by relocating units to other areas, including Guam. As a result of this and other DOD realignments planned on Guam, the total military and related infrastructure buildup is estimated to increase Guam's current population of 171,000 by an estimated 25,000 active duty military personnel and dependents. The population could swell further because these estimates do not include DOD civilians, contractors, or transient personnel from a Navy aircraft carrier that is planned to conduct periodic visits to Guam in the future. The total cost of all services' realignments on Guam is estimated to be more than \$13 billion, although additional costs are anticipated for other DOD activities and the local Guam community. Realignment costs for the Marine Corps move from Okinawa are to be shared by the United States and Japan.

Overseas Master Plans

DOD uses military construction appropriations to plan, design, construct, alter, and improve military facilities worldwide. The military construction budget submission for fiscal year 2009 includes approximately \$24.4 billion for military construction and family housing, of which nearly \$1.1 billion (4.7 percent) is designated for specific overseas locations. Most of these funds are to enhance and support enduring installations, rather than for new or emerging requirements outside existing basing structures.¹⁶

¹⁶In our estimate for military construction and family housing for overseas locations, we included Guam and the Commonwealth of the Northern Mariana Islands. However, we excluded worldwide classified and unspecified appropriations from our total because these categories may include domestic military construction and family housing.

In 2003, the Senate Appropriations Committee expressed concern about the use of military construction budget authority for projects at bases that may become obsolete because of force realignments.¹⁷ Consequently, in Senate Report 108-82, the Senate Appropriations Committee directed DOD to prepare detailed, comprehensive master plans for the changing infrastructure requirements at U.S. military facilities in each of its overseas regional commands. According to the Senate report, at a minimum, the plans were to identify precise facility requirements, the status of properties being returned to host nations, funding requirements, and the respective cost-sharing responsibilities of the United States and the host nations. The Senate report also directed DOD to provide a report to congressional defense committees on the plans' status and implementation with each yearly military construction budget request. The Senate report directed us to provide the congressional defense committees an annual assessment of the plans. Subsequently, the conference report accompanying the fiscal year 2004 military construction appropriation bill directed that DOD update its overseas master plans annually through fiscal year 2009.¹⁸

The Under Secretary of Defense for Acquisition, Technology and Logistics responded to these congressional reporting requirements and assigned the overseas regional combatant commands responsibility for preparing comprehensive master plans for their respective areas of responsibility. U.S. Pacific Command is responsible for DOD activities in East Asia and South Asia; U.S. European Command is responsible for DOD activities in Eastern and Western Europe; and U.S. Central Command is responsible for DOD activities in the Middle East and Central Asia. In February 2007, the President directed the Secretary of Defense to establish a new geographic combatant command to consolidate the responsibility for DOD activities in Africa that have been shared by U.S. Pacific Command, U.S. European Command, and U.S. Central Command (see fig. 1).¹⁹ U.S. Africa Command was officially established on October 1, 2007, with a goal to reach full operational capability as a separate, independent geographic

¹⁷S. Rep. No. 108-82, at 13 (2003).

¹⁸H.R. Rep. No. 108-342, at 17 (2003) (Conf. Rep.).

¹⁹U.S. Africa Command's area of responsibility will include the African continent and its island nations, with the exception of Egypt. Egypt will remain within U.S. Central Command's area of responsibility. These commands will have overlapping but distinct relationships with Egypt, which will be addressed under separate memorandums of agreement.

combatant command by September 30, 2008. DOD officials said that U.S. Africa Command will issue a plan for its area of responsibility next year.

Figure 1: U.S. Pacific, European, Central, and Africa Commands' Proposed Areas of Responsibility on September 30, 2008



Source: GAO analysis of DOD information.

Master Planning Effort for Guam

In 2004, the U.S. Secretaries of State and Defense and the Japanese Minister of Foreign Affairs and Minister of State for Defense began a series of sustained security consultations aimed at strengthening the U.S.-Japan security alliance and addressing the changing global security environment. The resulting U.S.-Japan Defense Policy Review Initiative established a framework for the future of the U.S. force structure in Japan designed to reduce the U.S. military's burden on Japanese communities and create a continuing presence for U.S. forces in the Pacific theater. The initiative's goal of moving about 8,000 Marines and 9,000 dependents from Okinawa to Guam by 2014 is one of several current proposals to build up military forces and infrastructure on Guam. In addition to the initiative, the Navy plans to enhance its infrastructure, logistics capabilities, and waterfront facilities to support transient nuclear aircraft carriers, combat logistics

force ships, submarines, surface combatants, and high-speed transport ships at the Naval Base Guam. The Air Force plans to develop a global intelligence, surveillance, and reconnaissance strike hub at Andersen Air Force Base in Guam by hosting various types of aircraft, such as fighters, bombers, tankers, and Global Hawk systems, on a permanent and rotational basis. The Army plans to place a ballistic missile defense task force on Guam.

U.S. Pacific Command was responsible for the initial planning for the movement of forces to Guam. In August 2006, OSD directed the Navy to establish the Joint Guam Program Office to facilitate, manage, and execute requirements associated with the rebasing of U.S. assets from Okinawa, Japan, to Guam. Specifically, the office was tasked to lead the coordinated planning efforts of all of DOD's components and other stakeholders to consolidate, optimize, and integrate the existing military infrastructure on Guam. In addition, the office is to integrate the operational support requirements; develop, program, and synchronize the services' respective realignment budgets; oversee military construction; and coordinate government and business activities. The office is also expected to work closely with Congress, U.S. agencies, the government of Guam, and the government of Japan to manage this effort and develop a master plan.

As initiatives for expanding the U.S. military presence on Guam began to emerge, the Senate Appropriations Committee noted the ambitiousness of the military construction program and the need for a well-developed master plan to efficiently use the available land and infrastructure. The Senate report accompanying the fiscal year 2007 military construction appropriation bill directed DOD to submit a master plan for the military buildup in Guam by December 29, 2006.²⁰ The Senate report also directed us to review DOD's master planning effort for Guam as part of our annual review of DOD's overseas master plans. The conference report accompanying the fiscal year 2008 military construction appropriation bill extended the due date for the Guam master plan to September 15, 2008.²¹

²⁰S. Rep. No. 109-286, at 15 (2006).

²¹H.R. Rep. No. 110-424, at 437 (2007) (Conf. Rep.).

Prior Reviews of the Overseas Master Plans and the Master Planning Effort for Guam

We previously reported that while DOD's overseas master plans generally exceeded the reporting requirements established by Congress, opportunities existed for the plans to provide more complete, clear, and consistent information and to present a more definitive picture of future requirements.²² In our 2007 report on DOD's overseas master plans, we suggested that Congress consider requiring the Secretary of Defense to ensure that the overseas master plans include information on residual value compensation²³ and training limitations for U.S. Pacific Command, which are discussed later in this report.²⁴ We also suggested that Congress consider requiring the Secretary of Defense to report periodically to the defense committees on the status of the department's planning efforts for Guam to help ensure the best application of federal funds and leveraging of options for supporting the military buildup until DOD finalizes a comprehensive master plan. In our May 2008 testimony on the Guam military buildup master planning effort, we reported that while DOD had established a framework for the military buildup on Guam, many key decisions remain and both DOD and the government of Guam faced significant challenges.²⁵ We also reported that Guam's efforts to address infrastructure challenges caused by the buildup were in their initial stages and that existing uncertainties contributed to the difficulties in developing precise plans.

²²See [GAO-07-1015](#), [GAO-06-913R](#), [GAO-05-680R](#), and [GAO-04-609NI](#).

²³Residual value compensation is funding paid by the host nation to the United States to compensate for the value of U.S.-funded improvements to the base. The amount of compensation is negotiated between the United States and the foreign country.

²⁴See [GAO-07-1015](#).

²⁵GAO, *Defense Infrastructure: Planning Efforts for the Proposed Military Buildup on Guam Are in Their Initial Stages, with Many Challenges Yet to Be Addressed*, [GAO-08-722T](#) (Washington, D.C.: May 1, 2008).

Overseas Master Plans Generally Reflect Changes, Challenges, and Our Prior Recommendations, but Could Be More Timely

The fiscal year 2009 master plans generally reflect recent changes in the U.S. overseas defense basing strategies and requirements and current challenges that DOD faces in implementation. The plans also reflect DOD's responses to the recommendations we made in our previous reports except that the U.S. Pacific Command plan does not provide the status of the Air Force's training challenges in South Korea, despite our prior recommendation that it should describe the challenges and their potential effects on infrastructure and funding requirements. DOD officials said that since last year South Korea and the U.S. Air Force have taken steps to address these training challenges. In addition, DOD has submitted the plans to Congress several months after the annual budget submissions even though the Senate and conference reports accompanying the fiscal year 2004 military construction appropriation bill directed DOD to provide updates of the master plans with its military construction budget submissions. Without timely access to the plans, the congressional defense committees may not have the information needed at the appropriate time to prepare the annual defense and military construction legislation and to carry out their oversight responsibilities.

Plans Update the Evolution of Overseas Basing Strategies and Requirements

The fiscal year 2009 master plans incorporated recent changes associated with the continuing evolution of U.S. overseas basing strategies and requirements. Generally, major force structure realignments that were discussed in the fiscal year 2009 master plans had already been mentioned last year. However, for fiscal year 2009, several changes identified in the overseas master plans included updated information involving realignment initiatives in South Korea and Japan, DOD's efforts to establish missile defense sites in the Czech Republic and Poland, and the ongoing development of U.S. Africa Command.

The U.S. Pacific Command plan discussed the progress of realignment initiatives, which will relocate military personnel and facilities in Japan and South Korea. Specifically, the command reported that the U.S.-Japan Defense Policy Review Initiative has served as an effective framework to manage alliance transformation and realignments in Japan and that planning and execution efforts are ongoing to achieve one of the largest changes in recent history to U.S. force posture in the Pacific. Also, as part of the initiative, the command described the importance of relocating 8,000 Marines from Okinawa to Guam and of consolidating the remaining U.S. Marine Corps presence in Okinawa to reduce the impact on local communities. It also included information on U.S. Forces Japan's efforts to return to the government of Japan U.S. facilities and more than 14,000 acres of land on Japan and Okinawa. Also, U.S. Pacific Command updated

the status of the U.S.-South Korea Land Partnership Plan and the Yongsan Relocation Plan,²⁶ including its efforts to reduce major U.S. installations from 41 to 10 (76 percent) in South Korea. The command also provided information regarding almost 3,000 acres of land acquisitions, including the expansion of Army Garrison Humphreys (formerly known as Camp Humphreys) and other sites.

The U.S. European Command plan updated the network of forward operating sites and cooperative security locations in Eastern Europe. For example, the plan provided details on the mission, planned capabilities, equipment and aircraft, population, and facility requirements for Novo Selo Training Area in Bulgaria and Mihail Kogalniceanu Air Base in Romania. It also described recent efforts to proceed with formal negotiations with the governments of Poland and the Czech Republic on establishing missile defense sites and facility requirements to support this effort. For example, it identified over \$284 million in facility requirements to support the ballistic missile defense program in the Czech Republic. U.S. European Command also explained the establishment of U.S. Africa Command and that its future mission is to conduct military-to-military programs, military-sponsored activities, and other operations.

The U.S. Central Command plan reflected a long-term planning vision for the development of required infrastructure in the region to achieve its missions. The command also reported a need for an increase in both U.S. military construction and host nation support funding. For example, the command identified a goal of \$1.7 billion in host nation funding, which it considered reasonable since the infrastructure may also be used by the host nation. Also, the command's plan provides detailed descriptions of each forward operating site by providing information on its mission (such as providing logistical support), the units it could host, and its role in the region (such as supporting the war against terrorism or strengthening capabilities for rapid and flexible response in the Central Asian states), as well as identifying the requirements for equipment and facilities at the site.

²⁶With the provisions of the Land Partnership Plan and the Yongsan Relocation Plan, U.S. Forces Korea intends to strengthen its overall military effectiveness by consolidating installations north of Seoul, including the Yongsan Army Garrison located in Seoul, into two major hubs in the central and southern sections of South Korea. U.S. Forces Korea expects the consolidation and relocation of thousands of soldiers to increase readiness, efficiencies, and cost savings; enhance quality of life; provide a less-intrusive presence; and increase training opportunities.

Plans Generally Reflect Challenges

This year's master plans discuss a number of challenges, such as uncertainties with host nation relations and environmental concerns, which DOD faces in the implementation of the plans. They also provide more detailed descriptions of these challenges than prior years' plans.

This Year's Plans Provided More Complete Descriptions of Host Nation Relations

All of the regional commands describe to varying degrees the status of recent negotiations and agreements with host nations in their fiscal year 2009 master plans. In our review of the overseas master plans in 2005, we found that none of the commands fully explained the (1) status of or (2) challenges to finalizing host nation agreements and recommended that the commands briefly explain the status of negotiations with host nations to provide more complete and clearer plans. These agreements depend largely on the political environment and economic conditions in host nations and can affect the extent of host nation support—access to facilities or funding—to U.S. forces. Accordingly, the resulting agreements may increase or decrease U.S.-funded costs for future infrastructure changes. For example, this year:

- The U.S. Pacific Command plan updates information on the results of the U.S.-Japan Defense Policy Review Initiative. The plan describes the planned arrival of the USS *George Washington*, a nuclear aircraft carrier, at Naval Base Yokosuka to replace the USS *Kitty Hawk*, a conventional aircraft carrier. The plan also describes how the funding for the Japanese Facilities Improvement Program, historically the source of major construction on U.S. facilities in Japan, has been decreasing. For example, the command noted that the funding for this program has decreased from an estimated \$1 billion in 1993 to \$242 million. U.S. Forces Japan anticipates that the government of Japan will continue to reduce these funds because of Japan's commitment to provide several other forms of host nation support (i.e., utilities and Japanese labor force) and funding for the U.S.-Japan Defense Policy Review Initiative under which the Marine Corps forces are moving from Okinawa to Guam. Several DOD officials believe that these financial commitments and other constraints may result in U.S. facilities in Japan receiving less host nation support, which in turn would require more financial support from the U.S. government than in the past. In addition, the U.S. Pacific Command plan provided details on current realignment efforts regarding the delayed move from Yongsan Army Garrison in Seoul to Army Garrison Humphreys south of Seoul. Originally expected to be completed by December 2008, the plan stated that the move may not be completed until 2012. According to the plan, early challenges with land procurement and bilateral funding negotiations have now been overcome and the relocation is moving forward. The plan also recognized that any future constraints on host

nation funding or U.S. military construction funds could further delay the Yongsan Relocation Plan.

- The U.S. European Command plan provided a status of ongoing realignments in Europe. It also described the rationale for the realignments and listed the facilities returned to the host nations. Specifically, the plan provided information on efforts to return installations in Germany, the United Kingdom, Belgium, Turkey, and several classified locations in Europe. It further reported that while supporting operations in Iraq and Afghanistan, U.S. Army Europe returned nearly 20,000 soldiers and their families, including parts of the 1st Infantry Division, back to the United States. U.S. Army Europe has also prepared three military communities in Wuerzburg, Hanau, and Darmstadt for return to the government of Germany. Also, the plan discussed the relocation of U.S. Army Europe headquarters from Heidelberg to Wiesbaden, Germany, to become the 7th Army deployable headquarters by fiscal year 2012. The plan also discussed the Army's efforts to keep U.S. Army Garrison Baumholder as an enduring base because without it the five other Army main operating bases (i.e., Grafenwoehr/Vilseck/Hohenfels complex, Stuttgart, Ansbach, Kaiserslautern, and Wiesbaden) in Germany would be filled beyond capacity. It also explained how U.S. European Command's transformation depends on host nation negotiations, political-military considerations, base realignment and closure in the United States, and fiscal limitations.
- The U.S. Central Command plan discussed efforts to solicit contributions from host nations and to obtain the coordination and support that are needed from DOD, the Department of State, and host nations. It discussed the challenges of ongoing operations in Iraq and Afghanistan and the command's intention to sustain long-term access to locations across its area of responsibility. The plan described how ongoing operations in Iraq and Afghanistan have increased the basing footprint by using contingency construction funding, although the command expects to work with DOD and Congress to transition from using contingency funding to support its sites. For the future, the command will focus on transitioning from current contingency operations to developing plans for more a fixed posture, in terms of forces and infrastructure.

Most of This Year's Plans
Provided Descriptions of
Environmental Challenges

Most of the commands addressed the extent of their environmental challenges in this year's master plans. In contrast, during our review of the overseas master plans in 2005, none of the commands identified environmental remediation and restoration issues. This year, U.S. Pacific Command provided information on the removal of underground storage tanks with host nation funding on U.S. installations in various locations in South Korea. Also, U.S. Forces Korea identified one base that was closed for which environmental information had been exchanged; however, the

command was still in the process of returning the base to the government of South Korea. This year, U.S. European Command included information on the progress of the environmental cleanup of contaminated sites at Rhein Main Air Base, Germany. The command identified that some sites had been cleaned, others needed further investigation, but all investigations are expected to be completed at the earliest by the end of 2012. Because there were no environmental issues in the command's area of responsibility, according to a command official, U.S. Central Command did not report any environmental issues.

Overseas Master Plans Generally Address Our Prior Recommendations

Over the years, OSD has modified its guidance for preparing the overseas master plans in an effort to address our prior recommendations related to the following topics:

- **Facility requirements and costs.** This year, all of the regional commands identified their precise facility requirements and costs for fiscal years 2009 through 2014, and reported estimated facility sustainment and recapitalization costs for fiscal year 2009.
- **Base categories.** This year, all of the commands categorized their installations into applicable base categories of main operating base, forward operating site, and cooperative security location, which provided users a clearer picture of the infrastructure plans and requirements at these sites. The commands also supplemented the information on base categories with detailed data on the installations' capabilities, overall mission, population, and types of equipment and facilities located at each site.
- **End state date.** This year, all of the commands identified a common strategic end state date, which identifies the last fiscal year of the construction time frame and thus provides users a more complete and clearer basis for tracking progress in meeting the command infrastructure objectives for their areas of responsibility.
- **Host nation funding levels.** This year, all of the commands reported host nation funding levels at the project level for fiscal year 2009 and at the aggregate level for fiscal years 2010 through 2014, which provided users a better basis to determine the extent to which U.S. funding is needed for facility requirements.²⁷
- **Effects of other defense activities.** This year, all of the commands described the effects of other defense activities on implementation of their

²⁷During our review of the fiscal year 2009 master plans, we found that U.S. European Command had omitted \$153 million in host nation funding for 17 projects.

master plans. For example, both U.S. European Command and U.S. Central Command described how the development of U.S. Africa Command would affect their commands and the increased need to coordinate efforts in the future.

Until this year, the overseas master plans have not discussed residual value even though we have recommended that they should. In response to this recommendation, OSD and command officials stated that residual value could not be readily predicted and therefore should not be assumed in the master plans.²⁸ These officials also reported that residual value is based on the reuse of property being turned over to the host nation, which is limited for most categories of military facilities and is often reduced by actual or anticipated environmental remediation costs. However, we have always maintained that since these issues vary by host nation and may not be clear to all users of the plans, OSD should require commands, at a minimum, to explain the issues with obtaining residual value in each host nation and report the implications for U.S. funding requirements. This year, U.S. European Command described the difficult and lengthy process to return and negotiate the value of facilities to address our prior recommendation.²⁹ The command noted that attempting to forecast residual value would not be prudent fiscal planning because of the uncertainties in receiving residual value, such as the negotiated price to be paid. After we received the U.S. European Command plan, command officials provided data showing that the U.S. government has received approximately \$656 million in residual value and payment-in-kind compensation since 1989. Payment-in-kind projects include installation of water, sewer, electrical, and communication lines, and quality of life projects, such as dormitories and neighborhood renovations.

No Recognition of the Training Challenges in South Korea

While the overseas master plans have continued to evolve and have provided more comprehensive data every year since fiscal year 2006, the U.S. Pacific Command master plan does not describe the challenges the command faces in addressing the U.S. Air Force's training limitations in South Korea even though we have recommended that it should describe the challenges and their potential effects on infrastructure and funding

²⁸See [GAO-07-1015](#).

²⁹In U.S. Pacific Command's area of responsibility, there is no need for international agreements to provide for residual value because host nations generally provide replacement facilities. Arrangements vary by country in U.S. Central Command, where six host nations have agreements to allow for residual value negotiations and nine countries have no such agreements.

requirements. While DOD officials indicated that the Air Force's training conditions have improved on the Korean peninsula, this information was not provided in the U.S. Pacific Command's plan.

For several years, the government of South Korea has attempted to relocate the Koon-Ni training range, which had served as the primary air-to-ground range for the Seventh Air Force. The air and ground range management of the Koon-Ni training range was transferred to the government of South Korea, which closed the range in August 2005. While there is an agreement with the government of South Korea to enable U.S. forces to train at other ranges, according to senior Air Force and U.S. Forces Korea officials, the other ranges do not provide electronic scoring capabilities necessary to meet the Air Force's air-to-surface training requirements and there is difficulty in obtaining access to these ranges. In technical comments on a draft of this report, DOD officials said that the South Korean government has increased the U.S. Air Force's access to air-to-ground training ranges and improved one training site. DOD also noted that newly agreed upon airspace management practices are expected to facilitate more training opportunities for U.S. Air Force pilots in South Korea. However, U.S. Pacific Command did not discuss the progress made in addressing these training challenges in its fiscal year 2009 overseas master plan.

Though it omits the training challenges and progress in South Korea, the U.S. Pacific Command plan provides details on the training limitations in Japan. The plan discussed training limitations on carrier landing practice and the need for aircraft from Naval Air Facility Atsugi to train at Iwo Jima, Japan, which is considered a hardship due to the extra distance the aircraft need to fly to Iwo Jima. Currently, the United States and government of Japan are reviewing options that would provide the Naval Air Facility Atsugi access to closer training ranges. The plan also discusses how noise and land use sensitivities and maneuver area limitations in Okinawa require U.S. forces to deploy to other Pacific locations to supplement their training. It also describes efforts by U.S. Forces Japan and the government of Japan to engage in bilateral discussions to address these training shortfalls and explore solutions.

Overseas Master Plans Generally Have Been Submitted to Congress Late

DOD has recently submitted the overseas master plans to Congress several months after the annual budget submissions even though the Senate and conference reports accompanying the fiscal year 2004 military construction appropriation bill directed DOD to provide updates of the master plans with each yearly military construction budget submission.

Recently, the Senate report accompanying the fiscal year 2009 military construction appropriations bill expressed concern about DOD's frequent failure to comply with deadlines for submitting congressionally mandated reports.³⁰ According to the Senate report, many of these mandated reports are planning documents, intended to demonstrate that DOD is adequately coordinating its many ongoing initiatives, such as the Global Defense Posture moves and the Grow the Force initiative.³¹ The Senate report further noted that these mandated reports are necessary to ensure proper congressional oversight and to inform congressional decisions related to DOD's budget requests.

Congressional staff members have stressed to us the importance of DOD providing the defense committees the overseas master plans at the same time as the annual budget submission. The President generally submits the administration's budget submissions in February of each year.³² However, DOD provided the defense committees the fiscal year 2007 plans on April 27 and the fiscal year 2008 plans on March 28. This year, DOD submitted the plans to Congress in mid-May, 3 months after the fiscal 2009 military construction budget submission was provided to Congress. According to DOD officials, OSD's most recent efforts to incorporate last-minute changes in basing plans and projects contributed to providing Congress the plans months after the military construction budget submission. In addition, overseas command officials commented that the lengthy review and approval process among the commands and OSD has contributed to the plans' lateness.

In comments on a draft of this report, DOD said that it intends to replace the overseas master plans with annual updates of its global defense posture as the department's overseas planning report to Congress. Because of continued concern over the possibility of changes to the global defense posture, the Senate report accompanying the fiscal year 2009 military construction appropriation bill extended the requirement for DOD

³⁰S. Rep. No. 110-428, at 12 (2008).

³¹In January 2007, the President announced an initiative, referred to as Grow the Force, to increase the end strength in the Army by more than 74,000 by 2013 and in the Marine Corps by 27,000 personnel by 2011 to enhance U.S. forces, reduce stress on deployable personnel, and provide necessary forces for success in the Global War on Terrorism.

³²The President is required to submit a budget for the following fiscal year to Congress on or after the first Monday in January but not later than the first Monday in February. See 31 U.S.C. § 1105.

to provide annually updated reports on the status of its global basing initiative to the Committees on Appropriations of both Houses of Congress.³³ These global basing reports are to be submitted with the administration's budget submissions each year through fiscal year 2014 and should include, at a minimum, an overview of the current overseas basing strategy and an explanation of any changes to the strategy; the status of host nation negotiations; the cost to date of implementing the military construction elements of the strategy; an updated estimate of the cost to complete the construction program; and an updated timeline for implementing the strategy. The Senate report further noted that the timely filing of these reports is essential to the ability of the committee to exercise its oversight responsibilities, and it is therefore important that DOD adhere to the schedule and provide these reports at the same time as the annual budget submission. Since the department will continue to report on its overseas planning to Congress, DOD has an opportunity to reexamine its timeline for producing these reports and provide them to Congress with the administration's annual budget submission to provide Congress with adequate time for review. Without access to these reports on a timely basis, congressional committees may not have the information needed at the appropriate time to prepare the annual defense and military construction legislation and to carry out oversight responsibilities of DOD's global realignment of U.S. forces and installations overseas.

DOD Has Established a Framework for Military Buildup on Guam but Has Yet to Develop the Congressionally Required Master Plan

DOD has established various planning and implementation documents that serve as a framework to guide the military realignment and buildup on Guam. However, the department has not issued a comprehensive master plan for the buildup that was initially due in December 2006, which Congress later extended to September 2008. While the Joint Guam Program Office is coordinating the development of a working-level plan for DOD that is to be submitted to Congress by the 2008 deadline, this is a onetime requirement, and DOD officials said that this plan will be a snapshot of the status of the planning process at the time of its completion and will not be considered a comprehensive master plan for several reasons. First, the results of the environmental impact statement and resulting record of decision on the proposed military buildup, which are expected to be completed by January 2010, will influence many key decisions about the military infrastructure development on Guam. Also, Joint Guam Program Office officials estimate that the office could

³³S. Rep. No. 110-428 at 10 (2008).

complete a comprehensive master plan for Guam within 90 days once these documents are completed. Second, plans for the detailed force composition of units relocating to Guam, associated facility requirements, and implications for other services' realignments on Guam continue to be refined. Third, additional time is needed to fully address the challenges related to funding uncertainties, operational requirements, and Guam's economic and infrastructure requirements.

DOD Has Established a Framework for Military Realignment and Buildup

DOD has established various planning and implementation documents that serve as a framework to guide the military realignment and buildup on Guam. Originally, the Marine Corps realignment was discussed in the U.S.-Japan Defense Policy Review Initiative, which established the framework for the future of the U.S. force structure in Japan. The Japan Ministry of Defense reported that based on bilateral meetings in 2005 and 2006, the government of Japan had decided to support the United States in its development of necessary facilities and infrastructure, including headquarters buildings, barracks, and family housing, to hasten the process of moving Marine Corps forces from Okinawa to Guam. In July 2006, U.S. Pacific Command developed the *Guam Integrated Military Development Plan* to provide an overview of the projected military population and infrastructure requirements.³⁴ The plan is based on a notional force structure that was used to generate land and facility requirements for basing, operations, logistics, training, and quality of life involving the Marine Corps, Army, Air Force, Navy, and Special Operations Forces in Guam. However, this plan is not considered a master plan for the military buildup and provides limited information on the expected effects of the military buildup on the local community and off-base infrastructure.

The Joint Guam Program Office has completed its first phase of the Guam planning process and developed basic facility requirements with general cost estimates, mapping concepts, and land use plans with preferred alternatives. Through an analysis of available land on the island and DOD preliminary operational requirements, the joint office has identified alternative sites for the Marine Corps main encampment, family housing, and aviation operations and training and for the Navy transient aircraft carrier pier. However, the office has not identified its preferred sites for the ballistic missile defense task force and firing and nonfiring training

³⁴U.S. Pacific Command, *Guam Integrated Military Development Plan* (Camp H.M. Smith, Hawaii: July 11, 2006).

ranges. According to Joint Guam Program Office officials, the second phase of planning is in progress and will include more details, including more specific information on the placement of buildings, roads, training facilities, and utilities systems.

The Joint Guam Program Office is coordinating the multi-service development of a working-level plan for DOD that is expected to be submitted to congressional staff in September 2008. However, this is a onetime requirement, and DOD officials said that this working-level plan will not be considered a final comprehensive master plan. According to Joint Guam Program Office officials, the working-level plan will be a snapshot of the status of the planning process at the time of its completion. It is being developed to provide DOD components with an opportunity to review and provide input. Moreover, the plan will address the realignment of Marine Corps forces in the context of other DOD-proposed actions on Guam, including the Navy's plan to enhance its infrastructure, logistics capabilities, and waterfront facilities and the Army's plan to place a ballistic missile defense task force on Guam.

Environmental Impact Statement and Record of Decision Are Needed to Make Key Decisions but Will Not Be Completed until 2010

Before the Joint Guam Program Office can finalize its Guam master plan and finalize key decisions, it will need to complete the environmental impact statement and the resulting record of decision required by the National Environmental Policy Act of 1969.³⁵ DOD officials said that the results of these documents will influence many key decisions on the exact location, size, and makeup of the military infrastructure development on Guam. However, according to these officials, the environmental impact statement and record of decision are not expected to be completed until December 2009 and January 2010, respectively. Joint Guam Program Office officials stated that development of a comprehensive master plan for the military buildup on Guam depended on the completion date of the record of decision and estimated that the office could complete a master plan within 90 days once the record of decision is finalized.

On March 7, 2007, the Navy issued a public notice of intent to prepare an environmental impact statement pursuant to the requirements of the National Environmental Policy Act of 1969,³⁶ as implemented by the

³⁵National Environmental Policy Act of 1969, codified as amended at 42 U.S.C. § 4321-4347.

³⁶National Environmental Policy Act of 1969, codified as amended at 42 U.S.C. § 4321-4347.

Council on Environmental Quality Regulations,³⁷ and Executive Order 12114. The notice of intent in the *Federal Register*³⁸ states that the environmental impact statement will:

- Examine the potential environmental effects associated with relocating Marine Corps command, air, ground, and logistics units (which comprise approximately 8,000 Marines and their estimated 9,000 dependents) from Okinawa to Guam. The environmental impact statement will examine potential effects from activities associated with Marine Corps units' relocation including operations, training, and infrastructure changes.
- Examine the Navy's plan to enhance the infrastructure, logistic capabilities, and pier/waterfront facilities to support transient nuclear aircraft carrier berthing at Naval Base Guam. The environmental impact statement will examine potential effects of the waterfront improvements associated with the proposed transient berthing.
- Evaluate placing a ballistic missile defense task force (approximately 630 soldiers and their estimated 950 dependents) in Guam. The environmental impact statement will examine potential effects from activities associated with the task force, including operations, training, and needed infrastructure changes.

Under the National Environmental Policy Act of 1969 and the regulations established by the Council on Environmental Quality, an environmental impact statement must include a purpose and need statement, a description of all reasonable project alternatives and their environmental effects (including a “no action” alternative), a description of the environment of the area to be affected or created by the alternatives being considered, and an analysis of the environmental impacts of the proposed action and each alternative.³⁹ Further, accurate scientific analysis, expert agency comments, and public scrutiny are essential to implementing the National Environmental Policy Act of 1969. For example, federal agencies such as DOD are required to ensure the professional integrity, including scientific integrity, of the discussions and analyses contained in the environmental impact statement. Additionally, after preparing a draft environmental impact statement, federal agencies such as DOD are required to obtain the comments of any federal agency that has jurisdiction by law or certain special expertise and request the comments

³⁷ 40 C.F.R. pts. 1500-1508.

³⁸ 72 Fed. Reg. 10186-7 (Mar. 7, 2007).

³⁹ 40 C.F.R. § 1502.13-1502.16.

of appropriate state and local agencies, Native American tribes, and any agency that has requested that it receive such statements. Following the final environmental impact statement, DOD will prepare a record of decision that will state what the decision is for the proposed military buildup on Guam; identify alternatives considered and specify those that are environmentally preferable; state whether all practicable mitigation measures were adopted, and if not, explain why; and commit to a monitoring and enforcement program to ensure implementation of mitigation measures. Until an agency issues a final environmental impact statement and record of decision, it generally may not take any action concerning the proposal that would either have adverse environmental effects or limit the choice of reasonable alternatives.

DOD officials stated that performing these alternative site analyses and cumulative effects analyses may delay the completion of a comprehensive master plan and affect the construction schedule of the required military facilities and infrastructure. DOD will submit its fiscal year 2010 budget request to Congress for the first phase of military construction projects prior to the completion of the environmental impact statement. Thus, DOD may be asking Congress to fund the military construction projects without the benefit of a completed environmental impact statement or a final decision on the full extent of its facility and funding requirements. DOD officials said that this practice is consistent with the department's normal planning, programming, and budgeting procedures routinely used for large-scale construction projects. In such cases, construction projects are not awarded and funds are not expended until after the record of decision is completed. Joint Guam Program Office officials told us that immediately after the environmental impact statement and record of decision are completed, the department will commence construction of facilities in efforts to meet the 2014 goal of moving Marines and their dependents from Okinawa to Guam. However, some DOD and government of Guam officials believe that this is an ambitious schedule considering the possibility that the environmental impact statement could be delayed, the complexities of moving thousands of Marines and dependents from Okinawa to Guam, and the need to obtain funding from the United States and Japan to support military construction projects.

Size and Makeup of Forces and Other Variables Are Not Yet Known

Although the U.S.-Japan Defense Policy Review Initiative identifies Marine Corps units to move to Guam, plans for the detailed force composition of units relocating to Guam, associated facility requirements, and implications for other services' realignments on Guam continue to be refined. The U.S.-Japan realignment roadmap states that approximately

8,000 Marines and their dependents will relocate to Guam. These units include the Third Marine Expeditionary Force's command element and its major subordinate command headquarters: the Third Marine Division Headquarters, Third Marine Logistics Group Headquarters, 1st Marine Air Wing Headquarters, and 12th Marine Regiment Headquarters. The Marine Corps forces remaining on Okinawa will consist of Marine Air-Ground Task Force elements.

Marine Corps officials said that the Corps was reviewing its Pacific force posture and associated requirements for training operations on Guam in light of DOD's plan to increase the number of Marines under the Grow the Force initiative. At this time, no decisions have been made on whether to deploy additional forces to Guam under this initiative. If such a decision is made, the government of Japan would have no commitment to support such additional forces on Guam.

The type of missions to be supported from Guam is a key factor in the planning for infrastructure capabilities. The operational, housing, utilities, and installation support facilities needed on Guam depend on the type, size, frequency, and number of units; units may be permanent, rotational, or transient. Desired capabilities and force structure define the training and facility requirements, such as the number and size of airfield facilities, ranges, family housing units, barracks, and schools and the capacity of the installation support facilities needed to support operations and the military population. Accordingly, Joint Guam Program Office officials said that the master plan they were initiating will reflect efforts to build "flexible" infrastructure, such as site preparation and utilities, that may operate on Guam.

DOD Has Not Yet Fully Addressed the Funding, Operational, and Local Infrastructure Challenges of Relocating to Guam

DOD faces several significant challenges associated with the military buildup on Guam, including addressing funding and operational challenges and community and infrastructure impacts, which could affect the development and implementation of its planning efforts. First, DOD has not identified all funding requirements and may encounter difficulties in obtaining funding given competing priorities within the department. Second, DOD officials need to address the operational and training limitations on Guam, such as for sealift and airlift capabilities, and training requirements for thousands of Marines. Third, the increase in military personnel and their dependents on Guam and the large number of construction workers needed to build the required military facilities will create challenges for Guam's community and civilian infrastructure.

Funding Requirements Are Not Fully Identified

DOD officials have yet to fully identify the funding requirements to support the military buildup on Guam. The military services' realignments on Guam are estimated to cost over \$13 billion; of that, the Marine Corps buildup is estimated to cost \$10.3 billion. Additionally, the \$13 billion estimate excludes the costs of all other defense organizations that will be needed to support the additional military personnel and dependents on Guam. For example, DOD agencies, including the Defense Logistics Agency and the Defense Commissary Agency, will likely incur additional costs to execute their missions to help support the services' influx of personnel, missions, and equipment to Guam.

Recently, Marine Forces Pacific officials estimated that the Marine Corps realignment on Guam alone will exceed \$15 billion, which is significantly higher than the original \$10.3 billion estimate. These additional operational costs include the cost of high-speed vessels (procurement and maintenance) to move Marines to and from Guam; training-related costs in the Commonwealth of the Northern Mariana Islands; relocation costs for personnel, equipment, and material to Guam; costs of facility furnishings, such as furniture and office equipment; and real estate costs if additional land is required in Guam or the Commonwealth of the Northern Mariana Islands. These officials have also identified base operational and maintenance costs that will be funded with U.S. appropriations after the move to Guam but are currently reimbursed by the government of Japan through its host nation funding programs like the Japan Facility Improvement Program and special measures agreements that provide support for labor and utility services for Marine Corps bases in Okinawa. In addition, cost estimates for the relocation of forces to Guam do not include all costs associated with the development of several training ranges for the Marine Corps in Guam and the Northern Mariana Islands—estimated to cost \$2 billion. Also, the Marine Corps estimates that the strategic lift operating from Guam will cost an additional \$88 million annually as compared with operations from Okinawa.

Some uncertainties also exist in the cost-sharing arrangement with the government of Japan. The government of Japan is expected to contribute a total of \$6.09 billion of which up to \$2.8 billion would be in funds without reimbursement for the construction of operational and support infrastructure, such as barracks and office buildings. The government of Japan is also expected to provide the remainder, another \$3.3 billion, in loans and equity investments for installation support infrastructure, such as on-base power and water systems, and military family housing. Most of this \$3.3 billion is planned to be recouped over time by the government of Japan in the form of service charges paid by the Marine Corps and in rents

paid by U.S. servicemembers with their overseas housing allowances provided by DOD using funds appropriated by Congress. Also, according to DOD officials, several conditions must be met before the government of Japan contributes some or all of the \$6.09 billion to the cost of the Marine Corps move. First, the government of Japan has stipulated that its funds will not be made available until it has reviewed and agreed to specific infrastructure plans for Guam. Second, failure or delay of any initiative outlined in the U.S.-Japan Defense Policy Review Initiative may affect another, because various planning variables need to fall into place in order for the initiatives to move forward. For example, according to DOD, the commencement of facility construction on Guam in fiscal year 2010 depends on the government of Japan showing progress in the construction of the Marine Corps Air Station Futenma replacement facility. Finally, the government of Japan may encounter challenges in funding its share of the Marine Corps move considering Japan's other national priorities and its commitments associated with funding several other major realignments of U.S. forces in Japan under the U.S.-Japan Defense Policy Review Initiative.

Operational and Training Challenges

DOD also has not fully addressed operational challenges, such as providing appropriate mobility support and training capabilities to meet Marine Corps requirements. According to Marine Forces Pacific officials, the Marine Corps in Guam will depend on strategic military sealift and airlift to reach destinations in Asia that will be farther away than was the case when the units were based in Okinawa. For example, in a contingency operation that requires sealift, the ships may have to deploy from Sasebo, Japan, or other locations to collect the Marines and their equipment on Guam and then go to the area where the contingency is taking place, potentially risking a delayed arrival at certain potential trouble spots since Guam is farther away from these locations than Okinawa. According to Marine Corps officials, amphibious shipping capability and airlift capacity are needed in Guam, which may include expanding existing staging facilities and systems support for both sealift and airlift.

Existing training ranges and facilities on Guam are not sufficient to meet the training requirements of the projected Marine Corps force. A DOD analysis of training opportunities in Guam concluded that no ranges on Guam are suitable for the needs of the projected Marine Corps force because of inadequacy in size or lack of availability. U.S. Pacific Command is also in the process of conducting a training study that covers Guam and the Northern Mariana Islands to see what options are available for training in the region. Marine Forces Pacific officials stated that live-fire artillery training, amphibious landings, and tracked vehicle operations will be

Increase in Military Presence Is Expected to Have Significant Impact on the Local Community and Public Infrastructure

challenging because of the combination of factors associated with the limited size of training areas available and the environmental concerns on the Northern Mariana Islands.

The increase in military presence is expected to have a significant impact on Guam's community and public infrastructure; however, these potential effects have yet to be fully addressed. This undertaking is estimated to increase the current Guam population of approximately 171,000 by an estimated 25,000 active duty military personnel and dependents (or 14.6 percent) to 196,000. The Guam population could also swell further because DOD's personnel estimates do not include defense civilians and contractors who are also likely to move to Guam to support DOD operations. DOD officials estimate that they will require 500 defense civilians and contractors to support the Marine Corps base operations; however, they expect many of these jobs to be filled by military spouses or the local population. This estimate does not include personnel for other service realignments on Guam.

DOD and government of Guam officials recognize that the increase in construction due to the military buildup will exceed local capacity and the availability of local workers. For example, DOD officials cite a July 2008 study that estimated the annual construction capacity to be approximately \$1 billion to \$1.5 billion and potentially \$2.5 billion with improvements to the port and road networks compared with the estimated construction capacity of more than \$3 billion per year needed by DOD to meet the planned fiscal year 2014 completion date. In addition, Guam currently faces a shortage of skilled construction workers. Preliminary analysis indicates that 15,000 to 20,000 construction workers will be required to support the projected development on Guam. One estimate is that Guam may be able to meet only 10 to 15 percent of the labor requirement locally. Nearby countries may have workers willing to come to Guam to take jobs to construct needed facilities, but these workers will have to enter the United States on temporary nonagricultural workers visas.⁴⁰ Joint Guam Program Office officials cite the recently passed legislation that will increase the cap of temporary workers in Guam from 2009 until 2014 as addressing many of their concerns about temporary workers' visas.⁴¹ At

⁴⁰This requirement would not apply to citizens from the freely associated states of the Marshall Islands, Micronesia, and Palau who may enter the Under States, including Guam, to work without visas under the terms outlined in each country's compact of free association with the United States.

⁴¹Pub. L. No. 110-229 § 702 (2008).

the same time, the government of Guam reports that the influx of foreign workers would put a strain on local emergency care services, medical facilities, public utilities, transportation networks, and the availability of temporary housing.⁴²

In addition, as we recently testified, DOD and government of Guam officials recognize that the island's infrastructure is inadequate to meet the increased demand due to the military buildup.⁴³ For example:

- Guam's commercial port has capacity constraints with pier berthing space, crane operations, and container storage locations.
- Guam's two major highways are in poor condition and, when ordnance (ammunition and explosives) is unloaded from ships for Andersen Air Force Base now and for the Marine Corps in the future, the ordnance must be transported on one of these major roads that run through highly populated areas.
- Guam's electrical system—the sole power provider on the island—is not reliable and has transmission problems resulting in brownouts and voltage and frequency fluctuations. The system may not be adequate to deliver the additional energy requirements associated with the military buildup.
- Guam's water and wastewater treatment systems are near capacity and have a history of failure due to aged and deteriorated distribution lines. The military buildup may increase demand by at least 25 percent.
- Guam's solid waste facilities face capacity and environmental challenges as they have reached the end of their useful life. Currently, the solid waste landfills in Guam have a number of unresolved issues related to discharge of pollutants and are near capacity.

Government of Guam officials stated that Guam will require significant funding to address anticipated public infrastructure challenges; however, these officials have not identified sufficient resources necessary to support this buildup. In a recent congressional hearing, the Governor of Guam testified that the government of Guam will need \$6.1 billion to address infrastructure upgrades, such as projects regarding the port expansion, road enhancements, power and water upgrades, education, and

⁴²Civilian Military Task Force, *Planning for Military Growth: November 2007 Needs Assessment* (Hagåtña, Guam: November 2007).

⁴³See [GAO-08-722T](#).

public health improvements.⁴⁴ These costs are separate from and in addition to DOD's cost estimates of the military realignments on Guam.

Conclusions

The evolution of U.S. overseas defense basing strategies and infrastructure requirements continues, as reflected in the fiscal year 2009 overseas master plans, and many efforts to consolidate, realign, and shift the U.S. military presence globally are still under way and are years from completion. For the last 4 years, the overseas master plans have been an important means for keeping Congress informed of the challenges DOD faces and the costs associated with such efforts. However, DOD has submitted the plans to the congressional defense committees months after the annual budget submissions even though the congressional reporting requirement directs that updates of the plans be provided with each yearly budget submission. Recently, a congressional committee report expressed concern about the department's frequent failure to comply with deadlines for submitting mandated reports and reiterated the importance of receiving the reports in a timely manner.⁴⁵ The timely filing of the department's mandated reports was seen as essential to supporting the committee's need for current information when making decisions related to DOD's budget requests and to permit the committee to effectively exercise its oversight responsibilities. Without having the mandated reports in a timely manner, Congress is likely to be missing up-to-date information needed for making funding decisions and carrying out its oversight responsibilities. Since DOD intends to replace the overseas master plans with annual updates of its global defense posture as DOD's overseas planning report to Congress, the department has an opportunity to reexamine its timeline for producing these reports to issue them with the administration's annual budget submission to provide Congress with adequate time for review.

With respect to the military buildup on Guam, it is likely that it will be 2010 or later before DOD is able to complete a comprehensive master plan for the military buildup. A comprehensive master plan is important for Congress, as it helps to ensure that Congress has a complete picture of facility requirements and associated costs in order to make appropriate

⁴⁴Governor of Guam statement before the U.S. Senate Committee on Energy and Natural Resources, *The United States Military Buildup on Guam: Impact on the Civilian Community, Planning, and Response* (Washington, D.C.: May 1, 2008).

⁴⁵S. Rep. No. 110-428, at 12 (2008).

funding decisions and to assist DOD, federal departments and agencies, the government of Guam, and other organizations in addressing the challenges associated with the military buildup. At the same time, it is reasonable to expect that until DOD has the results of the environmental impact statement and record of decision required by the National Environmental Policy Act of 1969, it will not be able to finalize a comprehensive master plan for the reasons that we stated in our report. Meanwhile, the Joint Guam Program Office is coordinating the multi-service development of a working-level plan for DOD that is to be submitted to Congress in September 2008. However, no requirement exists to report periodically on the status of DOD's planning efforts after this date. In our 2007 report, we suggested that Congress consider requiring the Secretary of Defense to report periodically to the defense committees on the status of the department's planning efforts for Guam to help ensure the best application of federal funds and leveraging of options for supporting the military buildup until DOD finalizes a comprehensive master plan.⁴⁶ Because of the uncertainty in DOD's plans for the military buildup, we continue to believe that this approach has merit and that the defense committees would find annual updates of the Joint Guam Program Office's working-level plan for Guam useful to inform congressional decisions and ensure proper congressional oversight from September 2008 to the date on which the office completes its comprehensive master plan, currently expected no sooner than 2010.

Recommendations for Executive Action

To inform congressional decisions and ensure proper congressional oversight, we recommend that the Secretary of Defense take the following two actions:

- Direct the Under Secretary of Defense for Acquisition, Technology and Logistics to initiate a process of developing global defense posture updates earlier each year so that DOD can provide the congressional defense committees the overseas planning report with the administration's annual budget submission.
- Direct the Executive Director of the Joint Guam Program Office to provide the congressional defense committees with annual updates of the Guam working-level plan until a comprehensive master plan is finalized and submitted to Congress.

⁴⁶See [GAO-07-1015](#).

Agency Comments and Our Evaluation

In written comments on a draft of this report, DOD partially agreed with our recommendation to initiate a process of developing future overseas master plans earlier each year so that DOD can provide them to the congressional defense committees with the administration's annual budget submission, and agreed with our recommendation to provide the congressional defense committees with annual updates of the Guam working-level plan until a comprehensive master plan is finalized and submitted to Congress. While DOD partially agreed with the first recommendation, it also stated that it plans to replace the expired requirements for the overseas master plans with annual updates of its global defense posture as DOD's overseas planning report to Congress. DOD further commented that the report development process will support submission with the administration's annual budget request. Since the Senate report accompanying the fiscal year 2009 military construction appropriation bill requires that these updates include data similar to those presented in prior master plans and explains that the timely filing of mandated reports is essential to the ability of the committee to exercise its oversight responsibilities,⁴⁷ we believe that this effort to replace the overseas master plans with the global defense posture updates will meet the intent of our original recommendation. Therefore, we revised our recommendation to reflect that DOD plans to replace the master plans with annual updates of its global defense posture as the department's overseas planning report to Congress.

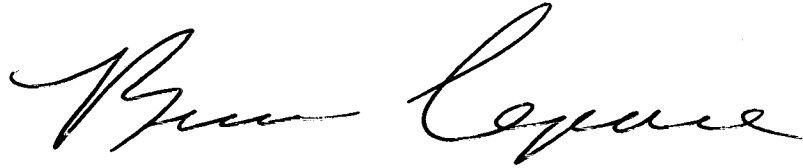
DOD's comments are reprinted in appendix II. DOD also provided technical comments, which we have incorporated into the report as appropriate.

We are sending copies of this report to the Secretary of Defense, the Secretaries of the Army, the Navy, and the Air Force; the Commandant of the Marine Corps; the Commander, U.S. Pacific Command; the Commander, U.S. European Command; the Commander, U.S. Central Command, and the Director, Office of Management and Budget. Copies will be made available to others upon request. In addition, this report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please call me at (202) 512-4523 or leporeb@gao.gov. Contact points for our Offices of

⁴⁷S. Rep. No. 110-428.

Congressional Relations and Public Affairs may be found on the last page of this report. The GAO staff members who made key contributions to this report are listed in appendix III.

A handwritten signature in black ink, reading "Brian Lepore". The signature is written in a cursive style with a large, stylized initial "B".

Brian J. Lepore, Director
Defense Capabilities and Management

List of Committees

The Honorable Carl Levin
Chairman
The Honorable John McCain
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Daniel K. Inouye
Chairman
The Honorable Thad Cochran
Ranking Member
Subcommittee on Defense
Committee on Appropriations
United States Senate

The Honorable Tim Johnson
Chairman
The Honorable Kay Bailey Hutchison
Ranking Member
Subcommittee on Military Construction,
Veterans' Affairs, and Related Agencies
Committee on Appropriations
United States Senate

The Honorable Ike Skelton
Chairman
The Honorable Duncan L. Hunter
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable John P. Murtha
Chairman
The Honorable C.W. Bill Young
Ranking Member
Subcommittee on Defense
Committee on Appropriations
House of Representatives

The Honorable Chet Edwards
Chairman
The Honorable Zach Wamp
Ranking Member
Subcommittee on Military Construction,
Veterans' Affairs, and Related Agencies
Committee on Appropriations
House of Representatives

Appendix I: Scope and Methodology

To determine the extent to which the fiscal year 2009 overseas master plans have addressed changes since the last plans, the Department of Defense's (DOD) challenges, and our prior recommendations, and to examine their timeliness, we analyzed the overseas master plans and compared them to the reporting requirements in the congressional mandate and the Office of the Secretary of Defense's (OSD) guidance. We compared and contrasted the fiscal years 2008 and 2009 overseas master plans in order to identify improvements and updated challenges in the plans. We also assessed the quantity and quality of the data describing the base categories, host nation funding levels, facility requirements and costs, environmental remediation issues, and other issues affecting the implementation of the plans. To discuss the reporting requirements, host nation agreements and funding levels, U.S. funding levels and sources, environmental remediation and restoration issues, property returns, residual value, and training requirements, we met with officials from OSD; U.S. Pacific Command; U.S. Army Pacific; U.S. Pacific Fleet; U.S. Marine Forces Pacific; U.S. Pacific Air Forces; U.S. Forces Korea; U.S. Eighth Army; Seventh Air Force; U.S. Naval Forces Korea; U.S. Army Corps of Engineers, Far East District; U.S. Forces Japan; U.S. Army Japan; U.S. Air Forces Japan; U.S. Naval Forces Japan; U.S. Marine Forces Japan; Naval Facilities Engineering Command Far East, Japan; U.S. European Command; U.S. Army Europe; U.S. Naval Forces Europe; U.S. Air Force Europe; U.S. Central Command; and U.S. Special Operations Command. We also analyzed available reports, documents, policies, directives, international agreements, and guidance to keep abreast of ongoing changes in overseas defense basing strategies and requirements. To directly observe the condition of facilities and the status of selected construction projects, we visited and toured facilities at Garrison Wiesbaden and Garrison Grafenwoehr, Germany; Camp Schwab, Camp Zama, Yokosuka Naval Base, and Yokota Air Base, Japan; and Yongsan Army Garrison and Garrison Humphreys, South Korea.

To determine the status of DOD's planning efforts for the Guam military buildup, we met with officials from OSD, the Air Force, the Navy, U.S. Pacific Command, and the Joint Guam Program Office. In general, we discussed the current planning framework for the military buildup, the schedule and development of a comprehensive master plan, and the status of the environmental impact study required by the National Environmental Policy Act of 1969. In addition, we met with officials from U.S. Pacific Fleet; U.S. Marine Corps Forces, Pacific; U.S. Marine Forces Japan; Third Marine Expeditionary Forces; U.S. Forces Japan; U.S. Army Pacific; and Pacific Air Forces to discuss the challenges and various factors that can affect U.S. infrastructure requirements and costs associated with the

military buildup, to determine if funding requirements to accommodate the buildup have been identified, and to identify operational and training challenges associated with the buildup. We also visited Naval Base Guam; Andersen Air Force Base, Guam; and other military sites in Guam to directly observe the installations and future military construction sites. We analyzed available reports, documents, and international agreements to keep abreast of ongoing activities in Guam pertaining to challenges that may affect DOD's development and implementation of a comprehensive master plan for the military buildup. To identify the funding and local infrastructure challenges, we met with the Governor and his staff, Guam Delegate to the U.S. House of Representatives, and representatives from the Guam legislature, the Mayors' Council of Guam, the Guam Chamber of Commerce, Guam's Civilian Military Task Force, and community groups on Guam.

We met with U.S. Special Operations Command officials; however, its planning efforts were not specifically required for the overseas master plans in response to the congressional mandates. In addition, we did not include U.S. Southern Command and U.S. Northern Command in our analysis because these commands have significantly fewer facilities overseas than the other regional commands in the Pacific, Europe, and Central Asia.

We conducted this performance audit from September 2007 through August 2008 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Comments from the Department of Defense



ACQUISITION
TECHNOLOGY
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

SEP 15 2008

Mr. Brian J. Lepore
Director, Defense Capabilities and Management
U.S. Government Accountability Office
441 G Street, N.W.
Washington, DC 20548

Dear Mr. Lepore:

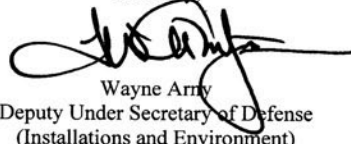
This is the Department of Defense (DoD) response to the GAO Draft Report, GAO-08-1005, "DEFENSE INFRASTRUCTURE: Opportunity to Improve the Timeliness of Future Overseas Master Plans and Factors Affecting the Master Planning Effort for the Military Buildup on Guam", dated August 11, 2008 (GAO Code 351100).

DoD's mandate to provide Overseas Master Plans (OMPs) was completed with the submission of the FY09 plans to Congress. The Department intends to provide updates on Global Defense Posture (GDP) implementation annually as requested by Congress. These GDP updates will replace the OMPs as DoD's overseas planning report to Congress. The report development process will support submission with the annual budget.

The Department agrees that a comprehensive Master Plan for Guam buildup will not be complete until 2010, when the Environmental Impact Statement (EIS) and Record of Decision (ROD) are scheduled for completion. The Department is developing a report for Congress on DoD's planning efforts for Guam.

The Department's comments regarding the specific recommendations are outlined in the enclosure. Technical comments were provided separately by my staff. My point of contact for this matter is Mr. Rick Flansburg, (703) 571-9065, rick.flansburg@osd.mil.

Sincerely,



Wayne Army
Deputy Under Secretary of Defense
(Installations and Environment)

Enclosure:
As stated



GAO DRAFT REPORT – DATED AUGUST 11, 2008
GAO CODE 351100 /GAO-08-1005

"DEFENSE INFRASTRUCTURE: Opportunity to Improve the Timeliness of Future
Overseas Master Plans and Factors Affecting the Master Planning Effort for the Military
Buildup on Guam"

DEPARTMENT OF DEFENSE COMMENTS
TO THE RECOMMENDATIONS

RECOMMENDATION 1: The GAO recommends that the Secretary of Defense direct the Under Secretary of Defense (Acquisition, Technology and Logistics) to initiate a process of developing future overseas master plans earlier each year so that DoD can provide the congressional defense committees the plans with the administration's annual budget submission. (Page 36/GAO Draft Report)

DOD RESPONSE: Partially concurs. The Congressional mandate for DoD to provide Overseas Master Plans (OMP) was completed with the submission of the FY09 plans to Congress. Global Defense Posture (GDP) updates are required annually through 2014. It is recommended that these GDP updates replace the OMPs as DoD's overseas planning report to Congress. The report development process will support submission with the annual budget.

RECOMMENDATION 2: The GAO recommends that the Secretary of Defense direct the Secretary of the Navy to provide the congressional defense committees with annual updates of the Guam working-level plan until a comprehensive master plan is finalized and submitted to Congress. (Page 36/GAO Draft Report)

DOD RESPONSE: Concur. A final comprehensive Master Plan for Guam buildup will not be complete until 2010, when the Environmental Impact Statement (EIS) and Record of Decision (ROD) are scheduled for completion. The Conference Report on H.R. 3043, November 2007 directs the Secretary of Defense to submit a report on DoD's planning efforts for Guam. The Department is developing this report for Congress.

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

Brian J. Lepore, (202) 512-4523 or leporeb@gao.gov

Acknowledgments

In addition to the contact named above, Mark Little, Assistant Director; Nelsie Alcoser; Mae Jones; Kate Lenane; Julia Matta; and Jamilah Moon made major contributions to this report.

Related GAO Products

Overseas Master Plans/Global Posture

Force Structure: Preliminary Observations on the Progress and Challenges Associated with Establishing the U.S. Africa Command. [GAO-08-947T](#). Washington, D.C.: July 15, 2008.

Defense Infrastructure: Overseas Master Plans Are Improving, but DOD Needs to Provide Congress Additional Information about the Military Buildup on Guam. [GAO-07-1015](#). Washington, D.C.: September 12, 2007.

Defense Management: Comprehensive Strategy and Annual Reporting Are Needed to Measure Progress and Costs of DOD's Global Posture Restructuring. [GAO-06-852](#). Washington, D.C.: September 13, 2006.

DOD's Overseas Infrastructure Master Plans Continue to Evolve. [GAO-06-913R](#). Washington, D.C.: August 22, 2006.

Opportunities Exist to Improve Comprehensive Master Plans for Changing U.S. Defense Infrastructure Overseas. [GAO-05-680R](#). Washington, D.C.: June 27, 2005.

Defense Infrastructure: Factors Affecting U.S. Infrastructure Costs Overseas and the Development of Comprehensive Master Plans. [GAO-04-609NI](#). Washington, D.C.: July 15, 2004.

Overseas Presence: Issues Involved in Reducing the Impact of the U.S. Military Presence on Okinawa. [GAO/NSIAD-98-66](#). Washington, D.C.: March 2, 1998.

Community Growth Bases

Defense Infrastructure: High-Level Leadership Needed to Help Communities Address Challenges Caused by DOD-Related Growth. [GAO-08-665](#). Washington, D.C.: June 17, 2008.

Defense Infrastructure: DOD Funding for Infrastructure and Road Improvements Surrounding Growth Installations. [GAO-08-602R](#). Washington, D.C.: April 1, 2008.

Defense Infrastructure: Challenges Increase Risks for Providing Timely Infrastructure Support for Army Installations Expecting Substantial Personnel Growth. [GAO-07-1007](#). Washington, D.C.: September 13, 2007.

U.S. Insular Areas

Defense Logistics: Navy Needs to Develop and Implement a Plan to Ensure That Voyage Repairs Are Available to Ships Operating near Guam when Needed. [GAO-08-427](#). Washington, D.C.: May 12, 2008.

Defense Infrastructure: Planning Efforts for the Proposed Military Buildup on Guam Are in Their Initial Stages, with Many Challenges Yet to Be Addressed. [GAO-08-722T](#). Washington, D.C.: May 1, 2008.

Commonwealth of the Northern Mariana Islands: Pending Legislation Would Apply U.S. Immigration Law to the CNMI with a Transition Period. [GAO-08-466](#). Washington, D.C.: March 28, 2008.

U.S. Insular Areas: Economic, Fiscal, and Financial Accountability Challenges. [GAO-07-119](#). Washington, D.C.: December 12, 2006.

U.S. Insular Areas: Multiple Factors Affect Federal Health Care Funding. [GAO-06-75](#). Washington, D.C.: October 14, 2005.

Environmental Cleanup: Better Communication Needed for Dealing with Formerly Used Defense Sites in Guam. [GAO-02-423](#). Washington, D.C.: April 11, 2002.

Compact of Free Association: Negotiations Should Address Aid Effectiveness and Accountability and Migrants' Impact on U.S. Areas. [GAO-02-270T](#). Washington, D.C.: December 6, 2001.

Foreign Relations: Migration From Micronesian Nations Has Had Significant Impact on Guam, Hawaii, and the Commonwealth of the Northern Mariana Islands. [GAO-02-40](#). Washington, D.C.: October 5, 2001.

U.S. Insular Areas: Application of the U.S. Constitution. [GAO/OGC-98-5](#). Washington, D.C.: November 7, 1997.

Insular Areas Update. [GAO/GGD-96-184R](#). Washington, D.C.: September 13, 1996.

U.S. Insular Areas: Information on Fiscal Relations with the Federal Government. [GAO/T-GGD-95-71](#). Washington, D.C.: January 31, 1995.

U.S. Insular Areas: Development Strategy and Better Coordination Among U.S. Agencies Are Needed. [GAO/NSIAD-94-62](#). Washington, D.C.: February 7, 1994.

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's Web site (www.gao.gov). Each weekday, GAO posts newly released reports, testimony, and correspondence on its Web site. To have GAO e-mail you a list of newly posted products every afternoon, go to www.gao.gov and select "E-mail Updates."

Order by Mail or Phone

The first copy of each printed report is free. Additional copies are \$2 each. A check or money order should be made out to the Superintendent of Documents. GAO also accepts VISA and Mastercard. Orders for 100 or more copies mailed to a single address are discounted 25 percent. Orders should be sent to:

U.S. Government Accountability Office
441 G Street NW, Room LM
Washington, DC 20548

To order by Phone: Voice: (202) 512-6000
TDD: (202) 512-2537
Fax: (202) 512-6061

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Web site: www.gao.gov/fraudnet/fraudnet.htm

E-mail: fraudnet@gao.gov

Automated answering system: (800) 424-5454 or (202) 512-7470

Congressional Relations

Ralph Dawn, Managing Director, dawnr@gao.gov, (202) 512-4400
U.S. Government Accountability Office, 441 G Street NW, Room 7125
Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800
U.S. Government Accountability Office, 441 G Street NW, Room 7149
Washington, DC 20548