

Advance Questions for Nelson F. Gibbs
Nominee for the Position of Assistant Secretary of the Air Force
(Installations and Environment)

Defense Reforms

More than a decade has passed since the enactment of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 and the Special Operations reforms.

Do you support full implementation of these defense reforms?

What is your view of the extent to which these defense reforms have been implemented?

What do you consider to be the most important aspects of these defense reforms?

I fully support Goldwater-Nichols Act and agree with its goal. The Act has improved the organization of the Department of Defense and provided focus on the capabilities of the military to conduct its operations. I believe the Act has strengthened the advice provided the Secretary of Defense and has increased the ability of the military departments to integrate their capabilities.

The goals of the Congress in enacting these defense reforms, as reflected in section 3 of the Goldwater-Nichols Department of Defense Reorganization Act, can be summarized as strengthening civilian control; improving military advice; placing clear responsibility on the combatant commanders for the accomplishment of their missions; ensuring the authority of the combatant commanders is commensurate with their responsibility; increasing attention to the formulation of strategy and to contingency planning; providing for more efficient use of defense resources; and enhancing the effectiveness of military operations and improving the management and administration of the Department of Defense.

Do you agree with these goals?

Yes.

Recently, there have been articles which indicate an interest within the Department of Defense in modifying Goldwater-Nichols in light of the changing environment and possible revisions to the national strategy.

Do you anticipate that legislative proposals to amend Goldwater-Nichols may be

appropriate? If so, what areas do you believe it might be appropriate to address in these proposals?

I am not aware of specific proposals that are contemplated. If enacted, I would fully support any changes that resulted from the legislative process.

Duties

What is your understanding of the duties and functions of the Assistant Secretary of the Air Force (Installations and Environment)?

The duties and functions are varied and cross a large spectrum of the Air Force mission. Central elements include providing quality housing to Air Force members and their families, a critical part of which is privatization. Privatization also extends to strategic outsourcing and utilities infrastructure. Environment, safety, and occupational health as well as airspace and range issues are also a function I will assume if confirmed. Base closure and realignment matters fall within the assistant secretary for installations and environment. If confirmed, I will also exercise oversight of the Air Force logistics system.

What background and experience do you possess that you believe qualifies you to perform these duties?

I believe my many years at the senior level with Deloitte & Touche and my experience as the Corporate Controller for Northrop Grumman Corporation will translate well into performing the duties of Assistant Secretary, if confirmed. My professional and educational background in civil engineering, financial services, and accounting coupled with my corporate experience at Northrop Grumman will allow me to quickly move into the role of Assistant Secretary, if confirmed.

Do you believe that there are actions you need to take to enhance your ability to perform the duties of the Assistant Secretary of the Air Force (Installations and Environment)?

No. I am confident in my ability to do the job now.

Assuming you are confirmed, what duties and functions do you expect that the Secretary of the Air Force would prescribe for you?

I would expect Secretary Roche to prescribe the duties and functions commensurate with the position and consistent with those specified in law.

In carrying out your duties, how will you work with the Secretary of the Air Force, the Under Secretary of the Air Force, and the Deputy Under Secretary of Defense (Installations and Environment)?

As Secretary Roche stated in his response to questions, as part of his leadership team, I will, if confirmed, assist the Under Secretary of the Air Force, the General Council, the other Assistant Secretaries of the Air Force, along with the Air Force Chief of Staff in forming a close relationship with the Deputy Under Secretary of Defense (Installations & Environment). I will make teamwork and information sharing a top personal priority.

Major Challenges and Problems

In your view, what are the major challenges that will confront the Assistant Secretary of the Air Force (Installations and Environment)?

Enhancing our ability to carry out the Air Force mission in the most cost-effective method will always be a priority. Ensuring access to our training ranges and airspace is critical to preparing the warfighters for the ultimate tasking. Improving our family housing and the utility infrastructure and overseeing an immense logistics system will occupy a great deal of my time as well, if confirmed.

Assuming you are confirmed, what plans do you have for addressing these challenges?

If confirmed, I will establish broad parameters in all matters within my jurisdiction in order to allow competent people to carry out their tasks with efficiency and within the guidelines of the Air Force mission. These parameters will include improvements in financial analysis; leveraging the funds we do have available and working closely with others both within and out of government who influence Air Force installations, the environment, and our access to airspace and ranges.

What do you consider to be the most serious problems in the performance of the functions of the Assistant Secretary of the Air Force (Installations and Environment)?

The heart of any organization is its people and I want to ensure that I have the right mix of civilian and military personnel with the right skill sets to perform the tasks within the Assistant Secretary's office. Many of the actions within my office would require the expenditure of large sums of money and are mandated by both the Congress and Department of Defense. These actions must be executed with precision. I will do so if confirmed.

If confirmed, what management actions and time lines would you establish to address these problems?

If confirmed, I will work hard to establish a personal and professional relationship with both members of Congress and their staff and the DOD officials directly responsible for matters within the jurisdiction of my office. I will work closely with the Secretary and Under Secretary of the Air Force to enhance the skill levels of all our civilian and military personnel. Timeliness will be critical to all actions within my purview.

Priorities

If confirmed, what broad priorities will you establish in terms of issues which must be addressed by the Assistant Secretary of the Air Force (Installations and Environment)?

Broad parameters will include innovative thinking; cost effectiveness, relationship building; treating people right; and of course doing everything possible to assist the Air Force warfighting mission and our people and families who carry out that mission.

Housing Privatization

The Congress has repeatedly expressed its support for improving military family housing. In recent years the Department of Defense and the Congress have taken significant steps to improve family housing. However, it will take many more years and a significant amount of funding to meet the Department's housing needs. An alternative option that was created to speed the improvement of military family housing and relieve base commanders of the burden of managing their family housing is the housing privatization program. If confirmed for the position of Assistant Secretary of the Air Force (Installations and Environment) you will have a key role in any decisions regarding military family housing.

What are your views regarding the privatization of family housing?

What is your view of the structure and general goals of the Air Force's current housing privatization program? Do you think the program should be continued, and if so do you believe the program should be modified in any way?

Why do you believe the pace of Air Force housing privatization has been so slow?

The Army has contracted for a major housing privatization effort at Fort Hood, Texas using a request for qualifications (RFQ) process instead of the more traditional request for proposals (RFP) process.

What are your views on the relative merits of these contracting approaches?

The Department of Defense has established 2010 as a goal to improve all of its military family housing.

Do you believe the Department of the Air Force can achieve this goal?

The Air Force housing initiatives are critical to the men, women, and families of the Air Force. If confirmed, I will review this matter in depth to ensure our military members and their families are provided quality housing so that they may better go about conducting the Air Force mission.

Competitive Sourcing

Over the past several years, DOD has increased its reliance on the private sector to perform activities that are commercial in nature, including many functions relating to running and maintaining our military installations.

What approach would you recommend to balance the need to maintain necessary decision-making functions and technical capabilities in the government's civilian workforce, including the knowledge necessary to be a "smart buyer," and skills such as civil engineering within the military, with the savings that may be available from outsourcing?

If confirmed, I will continue to work with my staff and welcome the opportunity to work with the committee to evaluate the effectiveness of outsourcing.

Do you support the principle of public-private competition as the preferred means to make the "sourcing" decision for such functions?

If confirmed, I will work the issue of sourcing decisions with the Air Force and, if requested, with this committee.

Do you believe that public-private competition results in significant savings to the Department of Defense regardless of which side wins the competition?

I will evaluate the issue of public-private competition and whether it does generate greater savings. I will be most happy, if confirmed, to share my thoughts with this Committee at a later time.

OMB Circular A-76, which establishes the guidelines for outsourcing most government functions, is slated for scrutiny by a Congressionally-mandated panel of government and

private experts in this area. The panel, chaired by the Comptroller General, is scheduled to report to Congress with specific policy and legislative reforms and recommendations for changing the way the government conducts outsourcing decisions and implements them.

What is your view of the current A-76 process?

I believe that the on-going Commercial Activities Panel, directed by Section 832 of the 2001 NDAA, is a good venue in which to address issues associated with the A-76 process and if requested, I will provide any necessary input to the panel.

Are there other effective alternatives to achieve the benefits of public-private competition?

If confirmed, I will evaluate all effective alternatives to public-private competition and if requested, communicate my views to this committee.

Base Closure

The President's February budget blueprint document states that "with 23 percent in estimated excess infrastructure, it is clear that new rounds of base closures will be necessary to shape the military more efficiently".

Do you believe that we need more base closures?

If confirmed, I will support the Secretary of Defense's position on issues associated with the evaluation of the efficient use of facilities.

Do you believe the Air Force has excess infrastructure that uses resources that could be applied to higher priorities within the Department of the Air Force?

Recent testimony of the Secretary of Defense, as well as the service secretaries and the service chiefs referred to excess capacity. If confirmed, I will support the Secretary in his decisions on this matter.

Do you believe the process established by the Defense Base Closure and Realignment Act of 1990 is a fair and effective way to reduce excess military infrastructure and return the property to local authorities?

I am a firm believer in the legislative process and will support any decision that process yields.

In your view, would changing the base closure process to exempt some bases from the

independent commission’s review make the process more or less open, fair, and stressful to communities with military installations?

If confirmed, I will carefully consider any proposed changes to improve the process. In general, I believe that any proposed changes must ensure that the process remains open, objective and fair to all communities.

Real Property Maintenance

The military departments have consistently struggled to maintain their base infrastructure. The backlog of real property maintenance has remained high whether budgets were increasing or decreasing, and the military is far behind industry standards for maintaining and modernizing its facilities.

Are there any new approaches to this issue that you believe could help the Air Force move toward a solution of this perennial problem?

If confirmed, I will take a fresh look at approaches to this issue and if requested, share my views with this Committee.

Environmental Issues

The Senior Readiness Oversight Committee is currently reviewing a group of readiness challenges it has characterized as “encroachment” issues. These include population growth near military installations, environmental constraints on military training ranges, airspace restrictions to accommodate civilian airlines, and the conflicts with civilian users over the use of radio frequency spectrum.

In your opinion, how serious are these problems for the Department of the Air Force?

If confirmed, what role do you expect to play in addressing these challenges and what actions would you propose to take to address them?

If confirmed, I will take a key Air Force role in addressing encroachment associated with military installations, ranges and airspace. These are readiness issues and I clearly understand their importance.

The Department of Defense makes it a practice to request funding only for those environmental compliance areas that are already out of compliance and subject to an enforcement action, and those that will be out of compliance before the next budget cycle.

Do you believe that continuing funding for this type of environmental cleanup is critical to maintaining a positive relationship with local regulatory authorities and the communities around our military bases?

I believe that maintaining a positive relationship with the regulatory authorities and local communities is important to our entire environmental cleanup program.

Do you believe that the Department of Defense should be exempt from the application of the environmental laws ?

No.

Do you support the basic principle of the Federal Facilities Act and other laws that federal facilities, including DOD facilities, should be subject to the same standards as comparably situated civilian facilities?

Yes.

The Department of Defense faces a bill for the clean-up of unexploded ordinance (UXO) that is at least in the tens of billions of dollars, and could well be in the hundreds of billions of dollars. At current funding levels, it has been estimated that it would take the military services *several thousand years* to remediate UXO problems on a DOD-wide basis.

What do you believe would be an acceptable time period for cleaning up unexploded ordinance problems throughout the Department of Defense?

If confirmed, I will work with the Air Force and with my service counterparts and DOD to establish a methodology for solving this most complex problem.

Do you believe that increased investment in UXO remediation technologies would be likely to produce more effective and efficient remediation processes and substantially reduce the Department's long-term clean-up liability (and the time required to complete such clean-up)?

If confirmed, I will review this long-term liability issue both with the Air Force and with my service counterparts and DOD.

Energy Efficiency

Executive Order 13123 lays out a number of specific steps that agencies should take to promote energy conservation. These include the use of energy savings performance

contracts, utility energy efficiency contracts, and other contracts designed to achieve energy conservation; conducting energy efficiency audits for approximately 10% of an agency's facilities each year; and exploring opportunities for energy efficiency in industrial facilities for steam systems, boiler operation, air compressor systems, industrial processes, and fuel switching.

Do you support the use of these energy conservation approaches?

I support energy conservation, and if confirmed, I will review the entire Air Force effort in this area.

Are there other steps that you would take, if confirmed, to promote energy conservation by the Department of the Air Force?

I will address the issue in detail if confirmed.

Do you believe that the energy conservation goals established in the Executive Order are achievable?

If confirmed, I will attempt to meet all goals established by Presidential Executive Order.

Integration of Installations with Local Communities

The Department of Defense is in the midst of an effort to increase the basic allowance for housing to eliminate out-of-pocket housing costs for military families who choose to live off base. This policy is intended to encourage more military families to live off base and reduce the demand for government housing. In recent years, outsourcing of base operations functions on military installations has increased substantially. Secretary Rumsfeld has proposed examination of additional contracting out in certain areas, including the operation of commissaries. All of these policies tend to increase the integration of the military into the local community and increase the non-military population on our bases.

At the same time, force protection concerns are leading the military services to take steps to close or restrict access to military installations and to build force protection measures into the construction of schools and other non-military facilities on those installations.

What do you believe is the appropriate level of integration, or separation, between military installations and the surrounding local communities?

If confirmed, I will address this very complex issue in detail.

Davis-Bacon Act

40 U.S.C. Sec. 276a, commonly known as Davis-Bacon, requires that for every contract in excess of \$2000 involving construction, alteration, and/or repair of public buildings or public works, the prevailing wage in that state shall be paid. When the contract cost-floor was set in the 1930's, \$2000 was a substantial sum of money, however, inflation during the intervening years has eroded the value of the dollar to the point where there is virtually no project that is not covered by Davis Bacon.

If confirmed, would you support raising the contract threshold to a more current standard before Davis-Bacon can be invoked?

In your personal opinion, what would be an appropriate contract cost before Davis-Bacon should apply?

If confirmed, I will review the issues associated with the Davis-Bacon Act and consult with senior Air Force leadership for their views.

Installation Management

One of the obvious handicaps to the implementation of the Family Housing Privatization initiative is the lack of specialists in real estate and financial management throughout the Department of Defense. A similar shortfall is said to exist in the area of business managers and installation managers.

If the Air Force is experiencing similar shortfalls, should these positions be filled with contract or civil service personnel? Please explain.

As the Air Force enters a new era of defense reform and business practices, does it have a program to ensure it has a cadre of real estate and business managers?

If confirmed, I will address the issue of real estate and financial management specialists and illicit the views of senior leaders in the Air Force.

Airspace Management

Commercial air traffic is expected to increase six percent annually, and military airspace use will also increase with the next generation of high performance weapon systems. As a result of the pressures associated with commercial air traffic congestion, noise, and

other environmental concerns, the acquisition and use of special use airspace has evolved into a challenging endeavor for all of the military departments.

If confirmed, how would you view your role in addressing these issues?

I view my role as working closely with senior Air Force civilian and military leaders to address this critical readiness issue.

Unexploded Ordnance Cleanup and Technological Development

Unexploded ordnance (UXO) and other by-products of test and training activities can cause environmental contamination and safety concerns that may trigger restrictions on military testing and training. The technology presently available to address these issues is labor intensive and not cost effective, but technological advancements have shown promise. The Air Force's budget request for fiscal year 2002 does not contain any funding to support such critical environmental technology investments.

If you are confirmed, how would you propose to address this issue?

If confirmed, I will address this issue within the Air Force, with my service counterparts and DOD representatives.

Environmental Encroachment

Some of the Service Chiefs have asserted that they spend more money each year complying with environmental regulations than they spend on training. In visits to military installations, Committee members have observed first hand the barriers to training caused by compliance with environmental regulations.

If confirmed, what steps would you take to reduce the cost to the Department of environmental compliance?

If confirmed, how would you propose to facilitate the development and implementation of a comprehensive strategy to address readiness concerns related to these encroachment issues?

Environmental costs, readiness, and encroachment are issues I will address, if confirmed.

Overseas Installations

The Air Force maintains a network of bases to support our forward deployed forces. In testimony before the Senate Armed Services Committee, both the Supreme Allied Commander, Europe, and the Commander, United States Forces, Korea, stated that the installations in their commands are in serious need of repair. The implication of these statements is that overseas installations are not faring well in the funding allocation process.

In your view, what share of resource allocation should go to our overseas bases?

If confirmed, I will study resource allocations for all installations in the Air Force and determine if special circumstances are warranted.

67-Year Facility Replacement Goal

One of Secretary Rumsfeld's more significant goals is to fund facility replacement on a 67-year standard, rather than the almost 200-year cycle on which the Department is currently operating. Although this standard is still short of the industry standard of 57 years, it will significantly increase the readiness of our military installations.

In your view, is it realistic to hold the Air Force to such a standard when there are fluctuating budget demands and priorities?

Other than increased funding for military construction and repair and maintenance, what other tools would you suggest the Department employ to achieve the 67-year replacement goal?

If confirmed, I will review all issues associated with infrastructure replacement from both an installation and cost standpoint. Installation upgrades are clearly a part of both readiness and quality of life.

Modernization/New Mission Costs

All components, including both active and reserve forces, face the challenge of providing facilities required for a new weapon system or the assignment of a new mission. This is especially challenging to the reserve components, which have been assigned new missions or weapons systems and then expected to fund the new facilities from their limited military construction funds.

Do you believe the funding for new equipment support facilities should be programmed as part of any given program's acquisition cost?

What are your views on the assignment of new missions to the reserve components without specifically programming the funds in the military construction program to support those missions?

New weapon systems and new missions and their impact on infrastructure for the active, Reserve and Guard forces will be an agenda item should I be confirmed.

BRAC Environmental Cleanup

There are funding shortfalls for Base Realignment and Closure (BRAC) cleanup in the fiscal year 2002 budget, including about \$92 million in the Navy account and \$55 million in the Air Force account. Such funding shortfalls adversely effect cleanup milestones, undercut the timeliness and value of property transfers, further harm communities already impacted by base closure, and threaten the overall credibility of the BRAC process.

If confirmed, how would you propose to address the effect of the fiscal year 2002 shortfalls in the Air Force BRAC account?

What role do you expect to play in addressing the need to renegotiate cleanup milestones and to address concerns regarding delayed property transfers?

BRAC environmental cleanup shortfalls would be an issue within my authority and if confirmed, I will attempt to resolve this issue to the satisfaction of the Air Force and the local communities.

Congressional Oversight

In order to exercise its legislative and oversight responsibilities, it is important that this Committee and other appropriate committees of the Congress are able to receive testimony, briefings, and other communications of information.

Do you agree, if confirmed for this high position, to appear before this Committee and other appropriate committees of the Congress?

Yes.

Do you agree, if confirmed, to appear before this Committee, or designated members of this Committee, and provide information, subject to appropriate and necessary security protection, with respect to your responsibilities as the Assistant Secretary of the Air Force (Installations and Environment)?

Yes.

Do you agree to ensure that testimony, briefings and other communications of information are provided to this Committee and its staff and other appropriate Committees?

Yes.