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RELOCATION OF THE U.S. ARMY INTELLIGENCE
SCHOOL FROM FORT HOLABIRD TO FORT HUACHUCA

GOVERNMENT

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HEARING

BEFORE THE

ARMED SERVICES INVESTIGATING
SUBCOMMITTEE

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

NINETY-SECOND CONGRESS

SECOND SESSION

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SCHOOL FROM FORT HOLABIRD TO FORT HUACHUCA

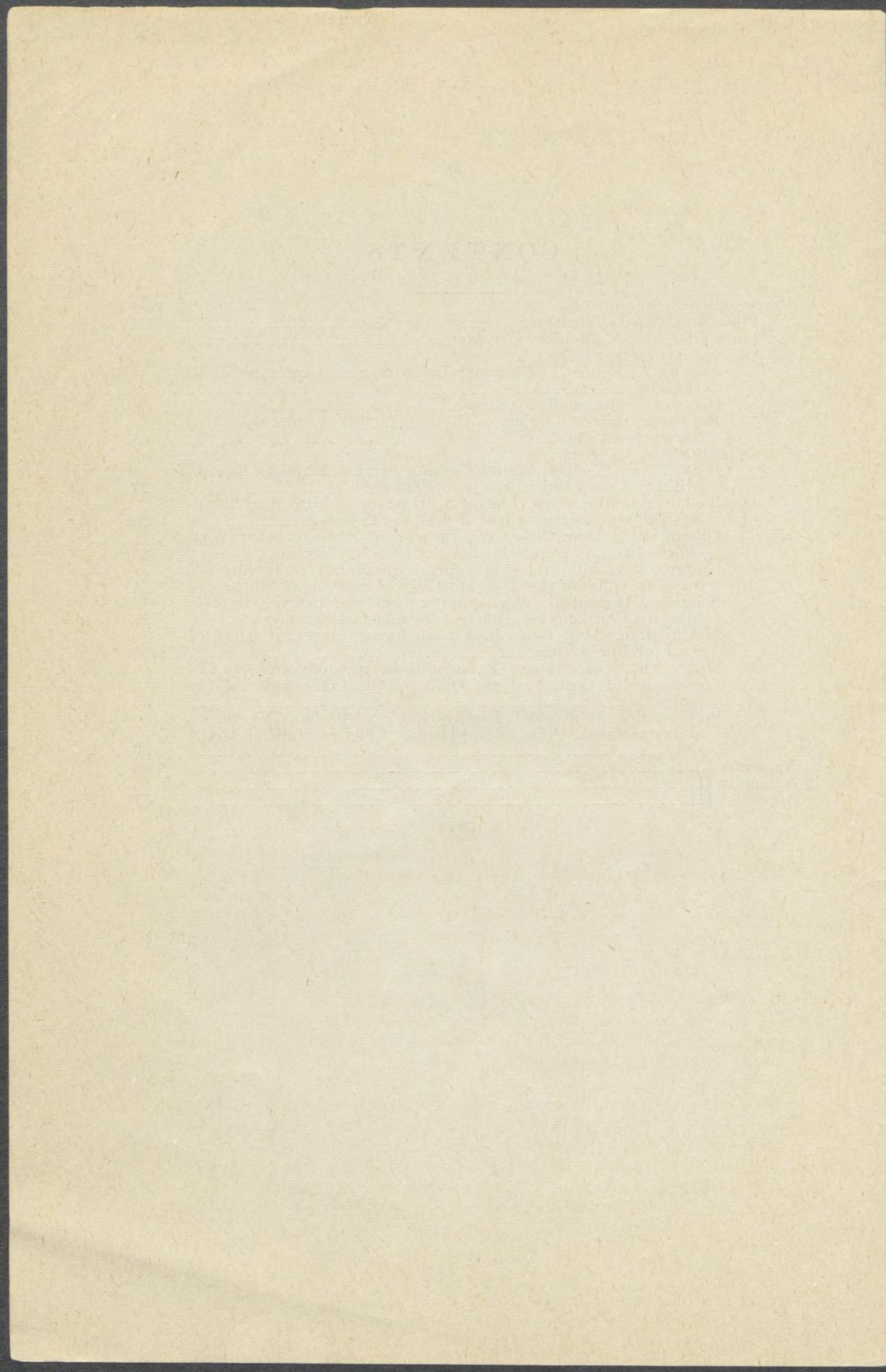
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RELOCATION OF U.S. ARMY INTELLIGENCE SCHOOL FROM FORT HOLABIRD TO FORT HUACHUCA

WEDNESDAY, MAY 10, 1972

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
ARMED SERVICES INVESTIGATING SUBCOMMITTEE,
Washington, D.C.

The subcommittee met at 10 a.m., in Room 2337 Rayburn House Office Building, Hon. Otis G. Pike, chairman of the special subcommittee, presiding.

Members present: Hon. Otis G. Pike, Hon. W. C. (Dan) Daniel, and Hon. Charles S. Gubser.

Staff present: John T. M. Reddan, counsel; John F. Lally, assistant counsel; and Richard A. Ransom, professional staff member.

Mr. PIKE. The meeting will come to order.

A little more than a year ago the Department of the Army began the transfer of its Intelligence School from Fort Holabird, Md. to Fort Huachuca, Ariz. Shortly after the move of personnel began, I was informed that an Army study made in 1970 had strongly recommended that the intelligence activities be located at Fort Lewis, Wash., rather than Fort Huachuca. I was informed that the Fort Huachuca site was opposed principally on the grounds that it did not have enough water and housing to support the additional intelligence personnel and that a move to Fort Huachuca would cost many millions of dollars more than a move to Fort Lewis. The figures I had been given ranged from \$60-to-\$100 million.

To check the correctness of my information I immediately talked with General McChristian, the then Assistant Chief of Staff for Intelligence, who confirmed that he was the one who had made the study and that in his considered judgment a move to Fort Lewis would have saved many millions of dollars, although somewhat less than \$100 million.

On April 21, 1971, I requested the Army to furnish me with a copy of the McChristian report. Approximately a month later the Army replied with a 2-page letter from the Office of the Chief of Legislative Liaison, the contents of which I would characterize as "evasions and mush." I thereupon brought the matter to the attention of Chairman Hébert, who has the happy faculty of being able to get the Secretary's attention. As a result I eventually got the so-called McChristian report, but not until the third week in June. Parenthetically, I notice in the prepared statement which General Dillard, the Army's chief witness, will present this morning, reference is made to the fact that by June 1971, 85 percent of the school had been relocated at Fort Huachuca. A less suspicious person than myself might conclude from this

that information was being withheld from the Congress until the move was virtually completed.

Shortly thereafter I requested the GAO to look into this entire matter and on August 5, they advised me that the report would be in my hands by October. However, on November 3, they wrote me saying that they would not meet the reporting date because "our work has been hampered by problems in obtaining access to pertinent documents of the Department of the Army." Some of these documents they never did get to see. However, they gave me a new date of January 1972, which, of course, was not met. The reason given for this additional delay was that the Army had not yet cleared the GAO report which I had asked to be made because it allegedly contained classified information. Finally, in the middle of March of this year, after making several statements on the floor of the House concerning this ridiculous situation, I received the GAO report and turned it over to the Investigating Subcommittee with a request that it be considered for possible public hearings—and so here we are today.

I wish I could state that we have now been able to examine all of the documents relating to this Intelligence School move, but such is not the case. Six documents are still being withheld, one of which is a study conducted by the Army in 1969 as to the possibility of moving the Intelligence School to Fort Meade, Md., just a few miles from Fort Holabird, rather than dragging it way across the country to Arizona. Why this report is being withheld from the committee is anybody's guess, but any reasonable man might conclude that if the report supported the Army's decision to move to Fort Huachuca, it would have been rushed to us by special messenger the day we requested it in April.

Today I hope we can develop all of the basic facts necessary for a valid judgment of this matter and to that end we have requested the presence of witnesses from both the General Accounting Office and the Department of the Army.

In addition, Congressman Long, in whose district Fort Holabird lies, has asked to be heard. Congressman Long, I know something of the difficulties you have had in trying to get answers to questions concerning the Army's actions in connection with this move, and if you will come forward at this time the subcommittee will be happy to hear from you.

Before we begin to take testimony, however, I would like to point out that this is a public session and, therefore, if at any time a witness feels that his testimony will involve classified material, he should so advise the committee so that we can go into executive session if that should become necessary.

I do have to say one further thing:

Last night after the office was closed, and after my opening statement, which I have just given you, had been prepared, the Army did deliver some additional documents which we had requested—not all, but some. Needless to say, neither I nor the staff has had an opportunity to examine this material fully. I assure the Army that this will be done and such pertinent information as those documents may contain will be made part of our record.

Congressman Long, I now invite you to go ahead, and I must apologize to you. Mr. Hébert has asked me to come next door a few moments. Mr. Daniel will take over.

Mr. DANIEL (presiding). Welcome to the committee, Mr. Long. Please proceed as you desire.

TESTIMONY OF HON. CLARENCE D. LONG (D-MD.)

Mr. Long. Thank you.

Mr. Chairman, I am pleased to appear before your special subcommittee to discuss the relocation of the U.S. Army Intelligence School from Fort Holabird to Fort Huachuca, Ariz.

I strongly opposed this relocation. This was a costly transfer—not a closure to save money, as was originally claimed.

While considering this move, the Army withheld vital information from the Congress on housing, moving and construction costs, the water supply, and personnel recruitment. I was aware of this deception at the time from my own investigation of the situation. I am here today to share the highlights of that investigation.

On March 4, 1970, the Army informed me of its intention to move the Intelligence School from Holabird to Fort Huachuca, and—by the end of fiscal 1973—to close down Fort Holabird.

I asked the Army to re-examine the decision and called for a special hearing of my Military Construction Appropriations Subcommittee to consider the proposal. At the March 16 hearing, Assistant Secretary of Defense Shillito and his assistant told me the following:

ON HOUSING

The Army did not expect to come back to the subcommittee in subsequent years to request family housing funds to construct quarters for Intelligence School personnel. Mr. Shillito also said: "there will be no problem in adequate housing being available for rent or lease in the Huachuca area in comparatively little time." Defense Department Housing Director Perry Fliakas added, "we have a very good situation actually at Fort Huachuca with respect to military housing."

ON MOVING AND CONSTRUCTION COSTS

Secretary Shillito admitted the move would require \$4.1 million in construction and operating and maintenance expenditures at Fort Huachuca, plus another \$8.3 million to phase out school operations at Holabird. In addition, Mr. W. M. Lockwood, Office of the Army Deputy Chief of Staff for Logistics, admitted that approximately \$31 million in long term construction expenditures was planned at Huachuca. He said these expenditures were not related to moving the Intelligence School, but could not tell me why these expenditures were needed.

Two years earlier, he said, the Army had rejected a proposal to relocate the Intelligence School at Fort Meade because it would cost \$50 million.

ON WATER SUPPLY

I pointed out that the water table in the Huachuca area had been declining an average of 2.4 feet per year and that large sums would have to be spent to pipe water in or to develop new water supplies. I called the 2.4 foot annual water table decline alarming. Mr. Shillito replied, "That does not sound right." He did admit that he did not know what the water table situation was. But a few days later, the Corps of Engineers informed the Army Chief of Staff that the water

table was indeed dropping an average of 2.4 feet annually, that there was the possibility of a water shortage, and that the Corps was not sure that Huachuca had sufficient water to meet its current needs. As you know, the Congress was not informed of this situation until the GAO study was published in March 1972—2 years after my colloquy with Mr. Shillito.

ON PERSONNEL RECRUITMENT

I pointed out that I knew from communications with my constituents that the transfer would rob the Intelligence School of many trained civilian employees—either from unwillingness to transfer from the Baltimore Metropolitan area to the Arizona desert, or because the Army would not transfer people below GS-11 to Huachuca. I asked Mr. Shillito how the Army expected to attract qualified people to work in that sparsely-populated area. He said he did not foresee any difficulty in recruiting civilian personnel in the Huachuca area. Mr. Lockwood said the Intelligence School had been “flooded with applications for jobs since this move was announced.”

But the Army witnesses did not mention the February 1970 Blakefield Board report which cited the housing shortage and the difficulty in attracting qualified personnel to Huachuca as disadvantages of moving the school to that location.

In the Spring of 1970, my own investigation of the proposed move, which included a visit to Fort Huachuca in May, revealed: First, the move would actually cost \$50 to \$60 million—as much as, or more, than the discarded Fort Meade Intelligence School proposal; and second, information which conflicted in many respects with the Army's March 16 presentation.

I found that costs broke down roughly as follows: \$12.4 million to close down Fort Holabird, including \$4.1 million for construction and rehabilitation of temporary buildings at Huachuca to house incoming Holabird personnel. My inspection of these facilities revealed that rehabilitation was a temporary measure. Many of these buildings would have to be replaced later at great expense.

Thirty three million dollars for construction at Huachuca over the next 5 years. The Army told us on March 16 that this would be needed anyway—regardless of Holabird personnel. My trip showed that this was not the case. For example, a new administration facility, costing \$3.5 million, is planned, but according to Huachuca officers, would not have to be built were it not for incoming personnel.

Fifteen to twenty million dollars will have to be spent on base housing. Intelligence personnel moving to Huachuca will need 898 family housing units. On March 16, we were told that there would be sufficient housing because the combat support brigade was leaving. At Huachuca, I learned that only 273 units would be vacated—leaving 625 more that would have to be built.

Two million dollars was spent at Fort Holabird for modifications renovations in the previous 5 years, and officers there admitted that they did not ask for the transfer and that they had no complaints with Holabird classrooms or school buildings. I was told that on my visit to Fort Holabird with Congressman Robert Sikes.

As a result of my investigation, the Fiscal Year 1971 Military Construction Appropriations Bill Report directed the Army to “further

review its plans to move intelligence functions from Fort Holabird to Fort Huachuca." This review resulted in a year's delay in relocating the school.

After reviewing its decision, the Army announced on December 18, 1970, that the Intelligence School was to be moved to Fort Huachuca because: (1) Fort Holabird was an uneconomic unit; and (2) Holabird had insufficient area in which to accommodate future training requirements for training intelligence personnel in technical combat surveillance. My private view is that the school was moved for political reasons.

As Holabird personnel prepared to move to Arizona, it was apparent that the Army had misled the Military Construction Subcommittee about the housing situation at Huachuca. In the spring of 1971, I received an Army fact sheet stating that at the beginning of that month there were nearly 600 houses and apartments available for rent in the Huachuca area. Yet my constituents moving out there were complaining that they could not find any place to live. Col. William Wallace, housing information officer at Huachuca, admitted to me that "some" of the units listed on the fact sheet were occupied, but could not say whether any of the 600 were actually vacant. On being pressed, Wallace said he was not allowed to amplify his remarks. An agent for a Huachuca real estate company shed new light on this statement: "There are that many (houses and apartments) here now, but they're all occupied, like I said. You have to stand in line to get on the waiting list, or know someone." We could get no information out of Colonel Wallace, so my staff called various realtors by long-distance telephone. I wanted to get a feel for what the average civilian or serviceman was encountering.

My staff called five different agencies, and I shall insert excerpts from these conversations for the record. Two of them stand out:

"Rentals are awfully scarce; very hard to come by." When asked about a small apartment for a young married couple, the realtor said apartments are charging fantastic rates. His overall feeling was that even a young couple would be better off buying a small house which would appreciate than paying sky-high rents for apartments.

Most realtors recommended having a house built from plans or buying an existing one. However, down payments are exorbitant. One realtor wanted \$10,000 down on a \$21,000 home.

After an investigation at my request, the Army admitted only in 1971 that the housing deficit in Huachuca was actually over 1,000 units for military personnel alone. General Elmer Yates admitted to my Military Construction Subcommittee that he was "very embarrassed" that the Army had given us misleading information.

The second housing report explained that not all those units listed in the original fact sheet were vacant. Furthermore, the initial report did not take into account military personnel who do not intend to make the military service a career. It was hoped that the FHA would provide 200 units of housing for these personnel, but FHA authorities are loathe—and in my view quite properly so—to provide loans because if Huachuca were to close, there would be no need for this housing. And, of course then the Government would be stuck with the mortgage guarantees.

In a June 18th letter to Army Secretary Resor, I pointed out that the housing discrepancy seriously weakened the credibility of the

Army's testimony to Congress regarding all aspects of the transfer. And I cannot tell you how many times I pressed all the witnesses—civilians and military alike—on the obvious tremendous housing shortage that existed there. They kept sticking to their guns, insisting that everything was all right. Forty percent of the people in Sierra Vista live in trailers. Anybody with two eyes could see this was an impossible situation, yet, the Army sat there blandly telling us, "Plenty of housing, it is going to be all right."

I pointed out if such errors could be made in estimating the housing situation, we had no assurance that errors had not been made at every other stage of the economic planning of the transfer. I felt the overall cost of the move might far exceed the original estimate. I urged the Army to reconsider the move. The Fiscal Year 72 Military Construction Appropriations Bill Report stated that the Committee did not regard the Holabird-Huachuca move "as a model for future base relocations."

Instead of reconsidering the move, the Army went ahead with its original plans—and has already requested \$2,610,000 in Fiscal 1973 funds to build 100 new units of family housing at Huachuca.

With a deficit of 1000 housing units for military personnel alone, you can see the huge difference between the original claim that the housing situation was "all right," and the truth. Also, truth about the cost is beginning to emerge.

The overall housing situation remains confused. Early this year the Army produced an "updated" housing report showing a current housing deficit of about 800 units—but assured me that the housing situation was improving. However, the Army's hopes for improvement depend upon FHA participation in off-post housing construction by private contractors. It is not clear that the Defense Department and FHA have reached an agreement under which FHA will provide Housing Act Section 203(b) mortgage insurance for home purchasers who are employed in a civilian or military capacity at Huachuca; whether the two departments have reached agreement upon implementation of Section 809 of the same act—under which the Defense Department would assume FHA's risk if Huachuca closed down or its activities were subsequently decreased. At present I am awaiting Secretary Froehlke's answers to these questions.

In conclusion, Mr. Chairman, if the information which I have detailed above and the information contained in your recently published report had been available before this Intelligence School opened, Congress would have had a good chance of preventing this costly move. Instead, the taxpayers are stuck with the bill for an expensive transfer for which there was no real military justification.

Mr. PIKE. Thank you very much, Mr. Long.

Mr. DANIEL. Thank you, sir.

Mr. Long, that was a very revealing statement you just presented to the committee.

On page 1 you refer to the fact that the Army representatives advised you no request would be made for additional housing. But in your closing comments, I believe you said they have now requested funds for 100 sets of new housing.

Is that correct?

Mr. LONG. \$2.6 million, for just 100 new units. And they have indicated shortage of 800 new units.

Mr. DANIEL. How do they justify the statement that you have 600 houses, and they have a deficit of 800, how that shows improvement in the housing situation? I don't suppose you are able to justify that sort of statement?

Mr. LONG. We have had so many conflicting statements, so many admissions of conflicting statements, that I just—you almost have to throw up your hands. I have already decided there is no use listening to what they say, it means so very little in terms of what actually is the case.

Mr. DANIEL. The chairman indicated he had received certain information in the last day or two. Did you ever receive all the information you requested?

Mr. LONG. We have gotten answers to all our questions except the part about the agreement between the Defense Department and FHA. I cannot say we have been satisfied with the answers, or their promptness, but we have received answers.

Mr. DANIEL. You did receive an answer?

Mr. LONG. That is right.

Mr. DANIEL. Thank you.

Mr. PIKE. Mr. Reddan.

Mr. REDDAN. No questions.

Mr. PIKE. Congressman Long, first I want to pay tribute to you for having been a very consistent deliver after the facts in this just terribly complex, terribly confused situation. No one has worked harder or longer in an effort to get at the real cost involved and the truth than you have.

I don't know whether we are there yet, to tell you the honest truth. There is no question in my mind, as there is no question in yours, that the housing situation is very serious down there.

There is no question in my mind, and I don't think you alluded to this in your statement, but that the water situation—

Mr. LONG. I did.

Mr. PIKE. I am sorry.

Mr. LONG. I pointed out that Secretary Shillito said he did not think there would be a water shortage. And of course there is a real water shortage there now.

Mr. PIKE. There is a water problem, there is a housing problem.

I have no questions to ask you. I thank you for your statement.

I would say that in my judgment the language in the report of the Appropriations Committee on this transfer was probably a great deal weaker than you would have made it if you had written the report yourself. Is that a fair statement?

Mr. LONG. No question. No question about that, Mr. Chairman.

I want to thank you for your leadership in conducting this inquiry. I know you have no interest in it; this is a long way from your own area. But I do think what you have done is tremendously valuable and important, because I think in many ways this is a case study in what is wrong with our whole system of locating and relocating our military bases.

We are told, for example, when we make a big relocation, that "This is going to save money." The first headline is what impresses everybody. Then you are given a barrage of phoney statistics as to how this is so. After you have spent a year or two going into this you find that far from saving money it is an extremely expensive move, and every-

body admits it is an extremely expensive move. But by this time you have a fait accompli.

Mr. PIKE. I could not agree more.

Thank you for coming, Mr. Long.

Mr. Fasick, please.

Please sit down, Mr. Fasick, and go right ahead with your statement.

TESTIMONY OF J. KENNETH FASICK, DIRECTOR, LOGISTICS AND COMMUNICATIONS DIVISION, U.S. GENERAL ACCOUNTING OFFICE, ACCOMPANIED BY ROBERT ROTHWELL, ASSOCIATE DIRECTOR, FACILITIES AND ACQUISITION MANAGEMENT AREA, AND FRANK OBERSON, AUDIT MANAGER

Mr. FASICK. I thank you, Mr. Chairman.

We are pleased to appear before you today in accordance with your request that we provide a statement on our review of the relocation in 1971 of the Army Intelligence School and the Army Combat Developments Command Intelligence Agency from Fort Holabird, Md., to Fort Huachuca, Ariz., and the establishment there of an Army Intelligence Center.

I have with me today two of my associates, Mr. Robert Rothwell on my right, Associate Director for our Facilities and Acquisition Management area; and Mr. Frank Oberson on my left, the Audit Manager on this review.

As summarized in our report of March 15, 1972, to you, Mr. Chairman, an Army study in February 1970 stated the following reasons justifying the move:

There would be annual savings of \$2.5 million, consisting of a \$1.8 million reduction in per diem costs as a result of housing Bachelor Officer students in government quarters at Fort Huachuca and a net cost reduction of about \$700,000 from the elimination of 385 civilian jobs and other costs upon the closure of Fort Holabird.

Conditions at Fort Holabird: lack of air conditioning, pollution, industrial noise, and dirty working conditions—provided an unsatisfactory academic environment.

Additional courses could be offered at Fort Huachuca because of its field training areas and facilities.

Collocating the Intelligence School with the Combat Surveillance and Electronic Warfare School at Fort Huachuca would improve coordination between the schools in developing intelligence doctrine and technology.

There was pressure from citizens and industry to close Fort Holabird because of the commercial value of the land.

Fort Huachuca's isolated location would facilitate orderly development of an Intelligence Center.

Maj. Gen. Joseph McChristian, former Assistant Chief of Staff for Intelligence, developed the concept of an Army Intelligence Center. He visualized a center with a strength of about 9700. Subsequent changes in the concept have resulted in an Intelligence Center at Fort Huachuca which currently has a planned long-range strength of about 3600 persons. A limited water supply and a shortage of family housing has restricted the expansion of the Center beyond the current authorized strength of about 2900 persons.

In this statement we present a brief summary of the significant information we obtained relating to the concept of establishing the Intelligence Center and the actions leading up to relocating the U.S. Army Intelligence School from Fort Holabird to Fort Huachuca.

ORIGIN OF THE ARMY INTELLIGENCE CENTER CONCEPT

General McChristian told us that in 1968 he proposed creating an Army Intelligence Center. According to the General, the Vice Chief of Staff of the Army endorsed his idea and, as a result, he made visits to numerous Army installations to identify potential locations for a Center. We did not obtain any documentation relating to these visits, but the General advised us that during the visits briefings were held by the local personnel and tours were made of the facilities. As a result of the visits, General McChristian recommended Fort Huachuca, Arizona, and Fort Riley, Kansas as the most favorable locations for the establishment of an Intelligence Center, with Fort Huachuca his first choice.

Mr. PIKE. May I interrupt you for a moment?

When you say "General McChristian recommended Fort Huachuca and Fort Riley as the most favorable locations, with Fort Huachuca as first choice," did you get that information from General McChristian or from somebody else?

Mr. FASICK That was based on our interviewing of General McChristian during the course of our review. This is the information provided to our staff who interviewed him at the time.

Mr. PIKE. Thank you.

Mr. FASICK. It is important to note in this connection that after considering numerous installations it was boiled down to four installations, with Riley and Huachuca considered the most favorable of the whole array.

Subsequently, in December 1969, the Army Chief of Staff requested General McChristian to prepare a plan for the establishment of an Intelligence Center. The plan, known as the ACSI Report, that is short for "Assistant Chief of Staff for Intelligence"—was completed in May 1970.

As stated in this plan, the Intelligence Center would consist of the following units:

1. The Army Intelligence Command Headquarters, the Army Combat Developments Command Intelligence Agency, the Intelligence Materiel Development Office, and the Army Intelligence School from Fort Holabird.

There is a total of about 3,500 persons in those organizations.

2. The Continental Army Command Tactical Intelligence Center (located at Fort Bragg, North Carolina) and the eight military intelligence battalions, companies, detachments, or other units to be transferred from other U.S. locations. There were about 3,300 persons in these organizations.

3. A composite brigade of school troops to provide support for comprehensive and integrated intelligence training. There were about 2,800 troops involved in this brigade.

This comes to a total of about 9,700 persons recommended for relocation to Fort Huachuca under the ACSI plan.

Several significant events took place between December 1969 and May 1970 which have a bearing on the matter we are concerned with today.

On January 24, 1970, the Army, at the direction of the Vice Chief of Staff, initiated a separate study for the purpose of developing an outline plan for moving the Intelligence School and related activities

to either Fort Riley or Fort Huachuca. The Vice Chief of Staff's directive referred to the possible establishment of an Intelligence Center and consideration being given to including Fort Holabird in an anticipated announcement of base closures.

The study report, known as the Blakefield Board Report, named after Major General Blakefield, who headed the study group, was completed on February 10, 1970, recommended that the center be located at Fort Huachuca. Although the Blakefield Board Report recognized a potential housing problem, we could find no mention of a possible water shortage. Also, the Blakefield study appeared to confine its considerations to a reduced Intelligence Center concept and not to the total concept envisioned by General McChristian.

The concept envisioned by the Blakefield study amounted to about 4,100 persons, compared to the General McChristian's concept of 9,700 persons. The Blakefield Report did not address itself to long-range construction costs.

About the same time period, January-February 1970, a Case Study and Justification Folder was being prepared within the Army to support the decision to close Fort Holabird and relocate its activities to other locations. The activities to be moved to Fort Huachuca were the Intelligence School, the Combat Developments Command Intelligence Agency, and the Intelligence Command Headquarters. Only the first two activities, composed of about 2,900 persons, were eventually moved to Fort Huachuca, as the Army subsequently decided not to move about 600 persons in the Intelligence Command Headquarters away from the Baltimore-Washington area. This was apparently based on its need to conduct day-to-day business with other intelligence activities in the area.

On March 6, 1970, the Secretary of Defense announced plans to move the Intelligence School from Fort Holabird to Fort Huachuca and to close Fort Holabird by June 1973.

After learning of the proposed establishment of an Intelligence Center, which as contemplated by General McChristian would more than double the permanent population of Fort Huachuca, the Corps of Engineers on March 24, 1970 advised the Chief of Staff of a potential water shortage.

All of the above matters were noted in the May 1970 ACSI Report which also pointed out the possible need to select an alternate site.

Shortly after completion of the ACSI Report, General McChristian was advised by the Assistant Vice Chief of Staff that Fort Lewis, Washington, might be available as a site for the Center. General McChristian and several representatives from various Army Commands made a fact-finding trip to Fort Lewis during the period from June 26 to 29, 1970. The General's trip report concluded, among other things, that an Intelligence Center could be established at Fort Lewis and for less money than at Fort Huachuca. General McChristian estimated the total costs to establish the Center at Fort Lewis to be either \$125.9 million or \$37.7 million depending on the extent to which the permanent facilities at Fort Lewis were made available to the Intelligence Center. The General's estimate for establishing a comparable center at Fort Huachuca was \$197.5 million.

Subsequently, on August 14 and 25, 1970, General McChristian briefed the Vice Chief of Staff and the Chief of Staff on the results of his trip. He presented revised cost estimates of \$74.4 million and

\$68.9 million for locating at Fort Lewis and \$76.7 million for locating at Fort Huachuca. The cost advantage of Fort Lewis was thus \$2.3 million or \$8.8 million, depending on the alternative selected.

I think it is important to point out here the Fort Huachuca costs were based on about 3000 less personnel than those being considered at Fort Lewis, therefore the cost advantage of Fort Lewis was understated. General McChristian concluded his briefings by recommending that Fort Lewis be designated as the location of an Army Intelligence Center.

According to a trip report of Continental Army Command (CONARC) representatives, however, they had advised General McChristian prior to the briefings that the use of Fort Lewis as an Intelligence Center was not acceptable to CONARC since the installation was established as an infantry division post and a division would be stationed there when one became available. This is the extent of our information regarding consideration given to the use of Fort Lewis.

On September 24, 1970, the Army initiated another Intelligence Center Study, known as the Smith Study, named after Major General E. P. Smith, at the time Assistant Chief of Staff for Force Development, in the Army. The stated purpose of this study was to determine the feasibility of establishing an Intelligence Center and to submit recommendations to the Army Chief of Staff pertaining to the organizations, command relationships, and location or locations of such a center. The Study concluded that it was feasible to establish an Intelligence Center at Fort Huachuca. The Smith Study included plans for developing the Center in phases keyed to the availability of water at Fort Huachuca.

The initial phase in establishing the Center was the move of the Intelligence School and the Combat Developments Command Intelligence Agency from Fort Holabird, which began in February 1971 and was completed in September 1971.

The projected long-range strengths for the Intelligence Center and School, according to the Smith Study, total 3635 spaces, including 723 spaces for two Military Intelligence Units which have not yet been moved to Fort Huachuca because of the water and family housing problems.

The Smith Study estimated it would cost about \$65 million to establish an Intelligence Center of this size at Fort Huachuca. The \$65 million included relocation expenses and other initial costs of \$6 million and long-range construction needs of \$59 million.

Mr. Chairman, we have two attachments to our statement. The first, Attachment A (see Appendix I), concerns units, total strengths, and long-range construction costs related to the establishment of an Army Intelligence Center, considered by the Army.

Attachment B (see Appendix II) is a listing of some key dates and actions relating to the move.

This is an attempt on our part to clarify what I consider to be an otherwise pretty confusing operation.

This completes our summary, Mr. Chairman. We will be pleased to respond to any questions you may have.

Mr. PIKE. Mr. Daniel.

Mr. DANIEL. Thank you, Mr. Chairman.

Why was the water problem virtually absent from the initial studies? You see very little about the water problem in those initial studies.

Mr. FASICK. Our first evidence of the water problem being brought to the Army's attention officially was during the middle of the ACSI study conducted by General McChristian. When the Corps of Engineers learned they were planning to double the population at Fort Huachuca they made a quick survey and pointed out at that time the serious water problem. Material made available to us provided no earlier evidence of this problem.

Mr. DANIEL. It would appear to me that it is an obvious problem. From my study of geography and history we have always had a water problem in that part of the country. It seems to me that was a deficiency, to begin with, in this original study.

What is the problem in separating the Intelligence School and the Intelligence Center?

Mr. FASICK. As I understand it, the Intelligence School is part of the Center. What it amounts to is they finally decided to settle on a Center which is considerably less than the original concept General McChristian had in mind.

Consequently, the Army will not be able to avail itself of the potential range and type of activities General McChristian originally had in mind as the objective of an Intelligence Center.

Mr. DANIEL. Is General McChristian going to appear?

Mr. PIKE. Yes. He has been most cooperative, and will be here.

Mr. Gubser.

Mr. GUBSER. What was the first time the long-range construction costs were actually considered?

Mr. FASICK. The ACSI report, the May 1970 report, was the first time figures were actually brought to bear in any official way.

Mr. GUBSER. How many reports ignored that, or practically ignored it, and addressed themselves only to move-in costs?

Mr. FASICK. The initial inquiries made by General McChristian did not go into the long-range construction costs, nor did the Blakefield Report consider long-range construction costs.

Mr. GUBSER. Could you offer a possible explanation of why that was not considered?

Mr. FASICK. I could not. I think you would have to address that to the Army.

Mr. GUBSER. As an auditor, do you think it could have been?

Mr. FASICK. I am inclined to agree with Congressman Long that it was not a good example of a case study for relocation.

Mr. GUBSER. That's all I have.

Mr. PIKE. On page 5 of your statement, just to pin this down, it was only after the announcement of the closing of Fort Holabird and the movement of the Intelligence School to Fort Huachuca that the engineers mentioned the fact there might be water shortage?

Mr. FASICK. The date we have of the engineers bringing it officially to the attention of the Army was March 24. If you spoke to the engineers today they might indicate they were looking into the problem before that.

Mr. PIKE. The date of announcement of closing Fort Holabird was March 6?

Mr. FASICK. Yes.

Mr. PIKE. You have then a gap of a little over 2 weeks between the announcement of the closing of one base and transfer of its personnel, before the engineers raised officially, at least in writing, the possibility that there might be a water shortage?

Mr. FASICK. That is right, sir.

Mr. PIKE. On page 6 in the comparison of the costs between Fort Lewis and Fort Huachuca, you said the advantage for Fort Lewis was \$2.3 million or \$8.8 million, but that this advantage was understated because the comparison at Fort Huachuca leaves out 3,300 people that were cranked into the Fort Lewis comparison?

Mr. FASICK. I think this is a brigade, about 2800 people, excluded from Fort Huachuca.

Mr. PIKE. Can you give us any idea about what the inclusion of those 2800 people at Fort Huachuca, as they had been included at Fort Lewis, would do to the cost at Fort Huachuca?

Mr. FASICK. I have no way of estimating that at all, Mr. Chairman.

Mr. PIKE. Just to take a long shot, we are asked in the 1972 Budget to provide \$2.6 million for 100 housing units. Could you give us an idea of how many housing units would have been required if we had provided at Fort Huachuca for those 2,800 people that they were comparing at Fort Lewis?

Mr. FASICK. Again, I have no rule of thumb or formula. 2,800 troops, a brigade, would involve family housing requirements, would involve troop housing, would involve BOQ's. Estimated cost of this requirement I still would not be in a position to estimate. But it could be substantial.

Mr. PIKE. Could it be \$100 million?

Mr. FASICK. I could not estimate that, sir, no.

Mr. PIKE. At the time that the decision was made to move the Army Intelligence School from Fort Holabird to Fort Huachuca, was not the physical fact of the water shortage and the housing shortage such that it then would have been impossible to create the Intelligence Center at Fort Huachuca?

Mr. FASICK. I would be inclined to say yes, it would have been, considering the housing and water problems, at least to have created a center as General McChristian envisioned it, of 9,700 persons.

Mr. PIKE. In the course of all of these studies listed in your backup statement, there are the following numbers of total strengths anticipated at an Army Intelligence Center:

4,136, to which you have added 2,000 students, which would make it 6,136. Is that correct?

Mr. FASICK. That is included in the 4,000.

Mr. PIKE. Oh, all right. 4,136.

Six days later another study, 3,536.

Three months later, ACSI report, 9,697.

Another 3 months later the Fort Lewis briefings, 6,525.

The Smith study, 3,635.

The briefing given to Congress, in particular the House Appropriations Subcommittee on Military Construction, in December—these are all in the same year—2,729.

Can you tell us now whether any decision has ever been made on what the size of the Intelligence Center should be?

Mr. FASICK. Again I would have to go back and say the Intelligence Center, as conceived by General McChristian, would be approximately 9,700 persons.

Mr. PIKE. These are all different concepts, as recommended by different groups, which did different studies all in the same year.

Mr. FASICK. Evidently the size of the center as constituted today was dictated by the limitations of Fort Huachuca.

Mr. PIKE. Mr. Reddan?

Mr. REDDAN. No questions, sir.

Mr. PIKE. Thank you very much.

I would ask, please, Mr. Fasick, if your other duties are not too pressing, to stay around in the event we need you later.

Mr. FASICK. I will be pleased to.

Mr. PIKE. Our next witness is General McChristian. Would you please come up, General?

I want to say before you testify, General McChristian, that I think you have been uniquely cooperative with the committee in trying to give us an objective presentation as to what you were trying to do and what you were trying to accomplish, and how all of this confusion came about.

I am aware that you do not have a prepared statement. I would simply ask you to start off with telling us what your concept was, why you think it was important for America, and what you were trying to accomplish.

Then you can go on in your own way as to where we are today.

General McCHRISTIAN. Thank you very much, Mr. Chairman.

TESTIMONY OF MAJ. GEN. JOSEPH A. McCHRISTIAN (U.S. ARMY, RETIRED), FORMER ASSISTANT CHIEF OF STAFF FOR INTELLIGENCE

General McCHRISTIAN. Thank you very much, Mr. Chairman.

I would like to state that when I received the invitation to be here I willingly accepted it. I appreciate the opportunity to appear. I hope that I may be of help in the overall situation.

As you know, I have been away from the subject for a little over a year that I have been retired from this job.

You asked me to talk about "concept," and "why." If I may, sir, I would like to reverse the order and talk a little bit of "why," and then the "concept."

First of all, I must warn the committee, in a way, that I am very prejudiced on the subject of intelligence. And especially it has become my conviction over a number of years of serving in important intelligence assignments that in view of the growing strength of our potential enemies I consider that the future successful defense of our Constitution requires that our Nation possess timely, accurate, adequate and usable intelligence so that our political and military and other leadership of this Nation can arrive at sound decisions.

I believe strongly, after 38 years in the military, from the rank of private to major general, that there is no staff function more important to a decisionmaker than intelligence. Knowledge is a big factor of power. I believe strongly in what I call the all-American Intelligence Team, that is made up of the intelligence activities of all of the executive departments of our Government.

When I came to Washington to head up Army intelligence and surveyed what I knew, and based upon my experience in the service—not just what I had had as the Chief of Intelligence in Vietnam, where I set up the intelligence organization, but based on many other experiences—I felt that the Army intelligence, if I could be the leader in it, needed badly a qualitative improvement in its performance. I had been on several battlefields involved in intelligence, and I always had to pull myself up by my bootstraps.

Intelligence in the Army was a service that the best brains avoided, for many, many years. Intelligence has not had the image. Intelligence has not had the backing. Intelligence has not had the brains. Intelligence has not had the way to bring it together and manage it properly, in my judgment.

So among several goals that I established when I first came to Washington, and after spending a few months surveying my job, one was, in order to improve some of these shortcomings and weaknesses, an Intelligence Center concept, which I will discuss in a minute, I thought would be a great thing not only for Army intelligence, not only for this “all-American Intelligence Team” I talked about, but for the future security of our country. I believe it today just as strongly as I did then.

Well, in going about my studies to come up with a Center, I recognized that there were various shortcomings. I studied back over the reports that had been made, and it was apparent that for some 14 or 15 years, going back to when General Trudeau was Assistant Chief of Staff for Intelligence in 1954, he initiated a study somewhere along the same line, for a Center.

But more recently, in 1966, General Haines, who is now the Commanding General, United States Continental Army Command, headed up a board, and he recommended many things for the improvement of intelligence, based upon the weaknesses that had been apparent over years.

The next year, in 1967, General Norris, from the Army Staff, from the Deputy Chief of Staff for Personnel’s office, I thought came up with a magnificent study that had to do with the improvement of utilization of manpower, organization, training, of intelligence.

Well, with this background and my own experience, I felt—now I am coming, sir, to my concept of an Intelligence Center—that we could take all of the schools that existed in intelligence.

At that time, and even today, we had, and we have, three such schools, the Army Security Agency School at Fort Devens, the Intelligence School that was at Holabird, now at Huachuca, and the Combat Surveillance and Electronic Warfare School located at Fort Huachuca.

I felt that over the years as these schools were separated in that fashion, that not only were we failing to have people in intelligence train together and work together and exchange ideas together, but we were bringing about a split in the intelligence members of the Military Intelligence Branch itself, which was being split.

There are reasons for all of these things, sir. And I am the first one to say that many of these things have been judgmental factors, in organizations, and in many of them I stand pretty much alone but I am speaking of my personal beliefs and feelings.

So I thought all of these schools should be brought together. And the United States Army Combat Developments Command Intelligence Agency that works along with them for doctrinal and organizational purposes should be brought together with them, too. In the past these agencies had met under the CONARC Directive which prescribes the function of the Intelligence Center Team concept, where these people do meet, and most of them are on one post, like the Infantry Center at Benning, and so forth. They get together and discuss those things that are good for the long-range development of their particular branch.

Such was not the capability of intelligence, because they had no home. So if we could come up with a home it would improve the image, we could attract better brains, we could have better training. We could have better management, we could exercise, in my judgment, more economies.

Another big advantage: We could bring together these many small intelligence units and activities which—I underline this—are not required to be located somewhere else to perform their mission. Those could be brought to a center as the home of intelligence.

Now, another basic factor in my thinking, before I outline the overall concept, is intelligence personnel, the specialist, the enlisted man, the officer, should never be in reserve. Those people that we have should be performing their job, whether it is at home or abroad, whether it is peacetime or war time. For example, I commanded Fort Hood, Texas, the Third Corps, before coming to Washington to become the Assistant Chief of Staff for Intelligence. On that post is located an Interrogation Company. It is not part of the troops that support that Corps, or either of those two Divisions that were located there, but it is the type of company at a higher level that has linguistic personnel in it who can be sent down to help the lower units as they need that capability.

How can such a unit, when it doesn't have a home, and doesn't have central direction, be best utilized? Who can keep it performing and use that manpower? We need that manpower to be ready to go for targets of opportunity in peace time, such as when people stream out of a foreign country when the Soviets invade, and we need to be there to interrogate and assist and find out the people who might come to this country to be of value to us, or give us valuable information.

We need people of that type when there is a Six-Day War and there are captured documents in Arabic language on Soviet field manuals, on Soviet equipment, that we do not possess. We need this type of people. And there are targets of opportunity on intelligence ready to go, the same as you must be prepared in time of war with combat-ready intelligence people, who take a long time to be trained, so these people can be used to take documents that we capture—I shouldn't say "capture," because that happens seldom, but documents that we can acquire throughout the world, and those documents should be translated, so these people can keep alive their linguistic ability, and that information becomes very valuable to us in knowing our potential enemy.

Such a center as I have in mind with all of these people put together would have a good, in fact great, capability to produce studies on the capabilities of enemy or potential enemy forces, which we then, in turn, as part of this all-American Intelligence Team, could furnish

to the Defense Intelligence Agency as one of our contributions to what they do.

These are some of the thoughts that were in my mind, based on various places in the world where I have seen them in action.

I feel I was very fortunate in my service, over the period of years from the day I became Chief of Intelligence of the Third Army for General Patton, then many other assignments afterwards, to visit the various types of intelligence activities and units that our Army has.

I think there are very few people in the Army that have had the opportunity that I did have, and I thought if we can bring one of each type of intelligence unit and put it at a home, they always know to come back to that home; unless they are needed elsewhere to perform a mission they come back there.

And then you have a young specialist, a young lieutenant, coming to that basic course we needed so badly, and which I must state here could not in my judgment have ever been conducted at Fort Meade or Fort Holabird. We needed so badly to take those young men we were going to train, and say "Here are all the various types of intelligence equipment from sensors on the battlefield to planes in the sky, and others, of which you need to know the limitations and capabilities, to be able to work with the tactical units you are going to support."

This is not available today in our Army at any one place. It is better at Huachuca today than it was at Holabird, because we have two schools together. We do have open spaces, we can take people out and turn on radars; we can do a lot more.

So in a way, sir, I have led up to and covered a bit of my concept. But my concept is basically this: A home where all intelligence schools, all intelligence units, and all intelligence activities of the Army that are not required to be located someplace else, are established for the first time in our history where they can work together, and find out how one can help the other; because it is team work, you do not do intelligence in compartments. They must help each other on the battlefield. Let me give an example.

If I am talking too long, sir—when I get an opportunity to speak for intelligence I like to take advantage of it, because I feel that the Congress can do a great deal for the future of this country by supporting it one hundred percent. And by "supporting it," I mean intelligence as a whole, and recognizing, not that you do not, the value of it and supporting it. I am putting in my plug for what I believe.

Well, I believed in this center very strongly when I came up with my ideas on it. I presented my views throughout the Army Staff. I was well heard, Mr. Chairman. Everybody on the Army Staff gave me full opportunity to make my position known. I was well heard by the leadership of the Army—not once but several times.

I still believe in my concept, but the Army, in my judgment, had to take into consideration many factors, and in the judgment of the General Staff and in their recommendations to the Chief of Staff my concepts and my recommendations were overruled. I did not win my battle that I was fighting on the Staff. The reasons for this, you will have to talk to those experts in each particular field, to get the expert testimony on it. I felt all along as I worked on this that the Chief of Staff of the Army wanted to have this improvement, that he was be-

hind me in supporting me. When it came down to the final wire on it he was bound in by restrictions and perhaps things I do not know, and had to go the route he has gone. But that is something else I gave you my feeling on what I was trying to get.

A couple of comments were made here at the table before I was called, on which I would like to comment, if I may.

Questions were asked about when did we first know about the water shortage at Fort Huachuca. In my service I had never been to Huachuca until I became Assistant Chief of Staff for Intelligence. About March 1969, as I recall, I was invited to go to the West Coast to make a speech. I asked my staff to plan a trip on the way, to Fort Huachuca, because of the school that was located there, that also I had never seen, and it was my responsibility to look into that school, although it was not a school under my cognizance. But it was intelligence-related, therefore, I wanted to see it and know something about it.

Now, at this time I had been working on my concept for a center, in my own staff, building blocks. It had not come to any long-range factors of cost, at all, at this time when I went to Huachuca. I was trying to put together what should a center be composed of, first.

I went to Huachuca, and I looked at that school. When I arrived there and saw Huachuca I said to myself, "Gee, if we could have this entire post as an Intelligence Center, it looks good to me."

Greeley Hall is a big hall that was not completely occupied, permanent construction, designed for a third floor to be added if and when needed, designed for a full basement to be excavated, you could put security-type things down in there that ASA could use. It had many, many things going for it.

At that visit I rode around the post with the post commander, after being briefed. And after having gone through personally, I would say 90 or more percent of the rooms in Greeley Hall, in every single one of the converted classrooms on that post, and the old hospital area, and other places, I made a very thorough reconnaissance, with my own eyes and feet, to see the facilities of that post, and I had a briefing of the staff.

Then I rode around with the commander to look at the wells for water, of that post. I requested information; that is, was there sufficient water on that post? Where was it? I was given the information there that they have the water for their population, that a division had been previously trained there, that there was to come in, in the 1980's, the Central Arizona Water District. This is preliminary, and this is not the engineers, and not the final thing, and as a staff officer I did not accept this as "it," and go blithely on my way.

But this is the feeling I received out there at Huachuca on my visit.

I went on to California, made my speech, returned to Washington, and the day after I was back, called on the Vice Chief of Staff of the Army and reported to him verbally the results of my visit.

At that time I told him I considered Fort Huachuca a good candidate for an Intelligence Center, provided that the whole post be turned over, because it could not handle the Strategic Communications Command, and such a center as I then had in mind; and I had not at that time refined my thinking with a study, on the Staff.

Now, the reason I stopped by to brief the Vice Chief of Staff about this was that just before, if memory serves me correctly, just before

I went out to the West Coast the Vice Chief of Staff had invited me and my wife to his home for dinner, and after dinner he said to me, "Mac, how are things coming downstairs on your new job?" And I said, "Sir, I have set forth for myself four goals. I would like to talk to you about one of them a little tonight—my concept of an Intelligence Center."

He said, "It sounds like it has merit. I know it has been studied before. I will have somebody look into the past studies and see if this appears to warrant a thorough study on the Army Staff."

And I believe the next day or so he then set up General Quiery to make his study, to look into past studies and come up and say, does it look like it is desirable that the Army put out the effort to really study this in detail. And General Quiery, as a result of his study, said, yes, he thought it was. And that is how it came about later—the time frame I am not sure of—that a directive was then issued for me to head up a Department of Army study with representation on that study team of the pertinent parts of the Army Staff, the Intelligence Command and School, and the Continental Army Command. That study is the one that is referred to now as the McChristian Study.

When I turned that in some time around May 4—

Mr. PIKE. What year?

General McCHRISTIAN. 1970, I believe it was—it had been concurred in by all members of the Staff and by Continental Army Command at the Staff level.

Now, let me talk a little bit about events. What I am trying to do, sir, is to clear up some of the questions I have heard and some of the things I have read since I came to Washington a couple of days ago to try to get my thoughts back in on this.

When I was directed to make this study, the initial directive stated that I would also come up with the location for such a center. But shortly after that, and shortly after General Quiery completed his study, it became apparent as a result of that—and I am sure, other factors—that the Army should consider the long-range stationing of the Army, as we will phase down after the Vietnamese war, after people come back and so forth, and the Long-Range Stationing Study Group under General Boatwright was established and he was given the mission, so it would all be under one person, of the selection of a site for the Intelligence Center, and that part was withdrawn from my responsibility.

So as I was in the business of coming up with—I then had to come up with: what is the composition of the center, what is the strength of the center? And, based upon this composition, what are the requirements that must be met? How many square feet of floor space for classrooms, for barracks, how many BOQ's? All of these things I had to come up with, as to what size foot has to be put into the shoe.

I came up with these figures, and worked very closely with the Long-Range Stationing Study Group to assist them as they were reviewing all of the major installations of the Army and were letting me know which of those they considered might accommodate the Center with the requirements that I had furnished.

As they made these facts known to me I was then at liberty to go and visit those specific centers. There was no need of my running around every place else that for some reason or other the Army could not make available to me, so this was reasonable. In some cases Gen-

eral Boatwright and I went to some of these centers together. He had to see them all, but I went around whenever I could, with him, so we could coordinate with him and others, keeping in mind what I thought was feasible, if it was just the Intelligence Center. And at the time that I was working on my center, I had representation of the Staff working with me, and this is when the engineers saw what we were doing, and we brought this to their attention. We were doing this formal staffing with them over a period of time; and they said, "Let us look into this carefully before we give you a judgment to work on."

This is when the engineers came up and presented the report, the best they could give to us at the time, but it brought to light that at that time they really did not have the measurement capability to know and to predict, and they had to do more work, which I think they have been doing. I don't know whether it is completed, for sure, yet or not. But it did raise a warning light, which was established in my study.

As I went along I got accomplished all the basic work on my study, and I came to the point that, all right, if I am going to cost it I have to know where I am going.

I would work constantly with the staff, and ask can we narrow this down to a few posts which are the most likely candidates. We narrowed it down to two—Huachuca and Riley.

At this time, I had not been permitted to go see Lewis, because it was considered out of the question, there was going to be a division there. Some information available to look at, considering the criteria I had, looked good.

This is when the Blakefield Board was established to go out and say "Now, all right, get somebody not in the Study Group, and let them take a separate look at it." This is when the Blakefield Board Group came up with their report and recommended that the center go to Huachuca. At the time I received instructions to "All right, now complete your Department of Army Study and include in it all our factors for one post."

I was actually figuring to go to two, with all of these long-range projection figures, in two places, when I got the word "No. Huachuca is where we are going, make your study there."

My May 4 Department of Army study, referred to as the McChristian Study, shows all of the plans going to Huachuca. That is how we got to that point.

But in there we point out and raise the red flag, "There are dangers with going to Huachuca." And when I presented the briefing on this study, I summarized that study, and I briefed it to the Assistant Vice Chief of Staff of the Army.

As a result of that briefing, and as a result of what we pointed out were the disadvantages, because of the water problem and other things I pointed out, I asked permission—the record is true in what it says, but it is not complete. It says, "So-and-So recommended and So-and-So recommended." But as I recall my particular participation, I heard a briefing that indicated for the first time that there was a possibility because of the end strength of the Army that a division might not be able to be located at Lewis, and if so it would be some time in the future.

When I heard that, I went to the Assistant Vice Chief of Staff, about the same time as I gave my briefing, I went to his office and

talked to him personally and said, "Sir, I would like permission to go see Lewis. I have never been there in my entire service, I don't know what it is like. But we don't have the best place to go, in my judgment, and I would like to see Lewis."

He gave me that permission, I formed a team, again including Staff, Intelligence School, Continental Army Command, and we went to Fort Lewis for four days.

I came back, prepared a briefing and a comparison of going to Huachuca and of going to Lewis.

I will address for a moment, I am sure, obvious questions in your mind that I have heard and read about, well, how did the cost and things vary. I will try to give a general answer, and then be open to questions later, as I am of course at any time, sir.

I prepared a briefing and was instructed that the Chief of Staff and the Vice Chief were going to hear this briefing, and we should be sure that the cost factors that we were using were consistent with what the Long-Range Stationing Study Group had been using for the Army, as a whole, on things, We wanted to be sure those were the governing factors. So if these factors were different from what had been given to me by CONARC or the Staff. I had to be sure the former were used.

This was not to throw out, in my opinion, anything we had done before, but to give a comparison on the same basis as close as they could see it.

I prepared this briefing, coordinated it on the Staff, so it was not my personal opinion on all of this. It was a coordinated opinion to go for a decision, so when you give them something like this, one individual's opinions do not prevail. You try to arrive at what is sometimes the least bad solution, or the best you can do.

So I presented this briefing, but in this briefing my conclusions and my recommendations are, I think, very specific, to the effect that a better Intelligence Center can be established cheaper and faster at Fort Lewis, and I recommended that the Center go to Fort Lewis.

I presented this to the Vice Chief of Staff. At the time I did, all of the —

Mr. PIKE. Who was the Vice Chief of Staff at that time?

General McCHRISTIAN. General Palmer, sir. All key members of the Staff were there, with their backup officers.

My points of view were well heard by all of the experts on the Army Staff.

After they heard them, it was the judgment of the Vice Chief of Staff that "Well and good, we have heard you, but I still think the Center should go to Fort Huachuca."

When this was over I walked down the hall with General Palmer, and said, "Sir, I consider this so important"—I make this point that I am making right now, to make it very clear that I was given more than adequate opportunity to make myself heard.

I walked down the hall with him and said, "Sir, I consider this so important, and I know it is not the normal thing, but may I ask you to set aside judgment"—which he was perfectly capable of making, and had the responsibility for—but I said, "I think the Chief of Staff wants the center the way I have come up with it. And would you please have this presented all over again to the Chief of Staff?"

He said, "If you feel that strongly about it, I certainly will."

Mr. PIKE. Who was the Chief of Staff?

General McCHRISTIAN. General Westmoreland, sir.

So some days later this was presented to General Westmoreland. General Palmer was there, and all key members of the Staff. General Westmoreland heard it.

At the end of the briefing, sir, after a lot of discussion, he expressed his desire of how he would like to have such a center, but he said, in view of all of the comments that had been made to him by members of the Staff in the discussion, he was going to defer his decision at that moment. And he did not arrive at a decision at the end of that briefing.

So, if I may, sir, stop here and say, this is how we get up to that particular point.

Are there questions at this point, or what would you like me to cover?

Mr. PIKE. Mr. Daniel.

Mr. DANIEL. First, Mr. Chairman, I want to associate myself with the remarks you have made in saying how much we appreciate the general coming here and sharing this information with us. I think it has been most helpful to us in our deliberations.

General, what were the primary factors that you considered in the location of this center? The primary factors, now.

General McCHRISTIAN. Yes, sir.

To be able to fight on a battlefield in the future with combat-ready intelligence units and an Army that has had the benefit of their training, going around the country with intelligence teams assisting them in their training. It is training where you can get all these units together.

Mr. DANIEL. I am thinking primarily now of the physical factors as between Fort Lewis and Huachuca.

General McCHRISTIAN. You have to have the training facilities, the area.

Intelligence today, sir, although it has gone extensively into electronic means of acquiring information, which calls for a tremendous amount of areas of uncluttered spectrum, electromagnetic spectrums, and plenty of air space, a school does require an environment that will permit good scheduling of troops coming in and going out, so you can finish what you have to do in a school and not have it postponed. You need good classrooms, good facilities, you need plenty of air space, plenty of training space, not only for the school but for the various types of intelligence units that would be located there.

For example, in an artillery battalion you have certain intelligence people using the capabilities of the artillery to pick up the enemy's weapons, to get information on where the enemy's artillery is and get it hooked into intelligence schedules.

One of the primary objectives of an armored cavalry squadron is to collect information, intelligence activity, in a way G-2 normally helps run this organization. In an infantry brigade at each battalion level, even down with the troops out in front, you will have intelligence-type units supporting them in the concept, with radars or sensors or various types of equipment. So if you want to have realistic training you would like to have this brigade that I have always put in my concept, that you can put on the field and then superimpose on it intelligence activities which are so scarce that there is no division in this country that is going out and training in the field that has all of these

people who can be with them in their field exercises and can contribute to this type of training.

So you need a large area to do this, sir.

Mr. DANIEL. Did General Palmer ever tell you why he thought Huachuca was a location superior to Fort Lewis? If so, can you advise the committee what he said?

General McCHRISTIAN. Sir, I don't think that this should be General Palmer, per se, on it.

Mr. DANIEL. Who made the final decision?

General McCHRISTIAN. The final decision, sir, was made by General Westmoreland. It had also been made by General Palmer and deferred to General Westmoreland.

But in answering your question, the reasons why—for example, I had an argument that Fort Lewis was good from the electromagnetic interference aspect, because it would create atmospheres like we will find on the battlefield, and this will be realistic training. Well, the Signal Officer of the Army, who is the expert in this field, and others, brought this point out, and it is a very valid point, they said: A school needs to have an uncluttered environment in the electromagnetic field so you can teach the fundamentals to the beginners, and they can do it without interference. When they leave the school and are assigned to a division at say Lewis, and are in advanced training there, out in field training, then that is the time for them to have that realistic environment.

This makes sense.

Mr. DANIEL. Early in your testimony you suggested that the Chief of Staff was bound in by restrictions in making these decisions. Can you expand on that?

General McCHRISTIAN. I can expand just on some of those that came to my attention as we were working on the study.

From day to day in those days the Army was unsure of what the end strength of the Army was going to be. I don't even know if they know today. And when you try to manage an Army without knowing what your end strength will be and whether you will or will not have a Division here, or they can give me school troops someplace in my concept, or cannot, they could not really arrive at that judgment. Such a little thing has such a tremendous impact on all plans, in the Army, and upon every dollar that you have and that you can spend; that is one thing.

When he was faced with the water, was it or wasn't it there; when he was faced with time constraints—I am sure, and I am not the expert on this, because it is out of my bailiwick, but I could feel the pressure that he has had certain times to come up to the Secretary of Defense and say these are the posts that are going to be closed, for closures of Army posts throughout the country, he has pressure put on him on these things.

Many of these things affect these decisions.

Mr. DANIEL. You had no reference, then, to outside influences?

General McCHRISTIAN. Oh, no, sir. As far as I am concerned I have never been aware of such a thing, sir.

Mr. DANIEL. Thank you, Mr. Chairman.

Mr. PIKE. Just in that particular context, I don't think you can really say you have not ever been aware of the possibility of outside

influences. Did not your briefing to the Vice Chief of Staff and the Chief of Staff in itself contain a reference to possible political flak that you would get?

General McCHRISTIAN. Yes, sir.

Mr. PIKE. That you would get if you went from Fort Huachuca to Fort Lewis?

General McCHRISTIAN. Absolutely, sir.

Mr. DANIEL. I thought you could ask him about it better than I, Mr. Chairman.

General McCHRISTIAN. I must have misunderstood the question. I thought you had in mind something specific and definite.

Mr. DANIEL. That is what I had in mind.

Mr. PIKE. Will you address what your briefing said about the possible political flak you might run into if the decision were made to reverse the decision which had already been made?

General McCHRISTIAN. It was my position in my briefing, sir, that although an announcement had been made to this effect, I felt that the Army should go—in fact I volunteered and said I will be the one, if you want someone to sacrifice I am the guy; I will go tell the Congress that in my judgment we shouldn't go here, we should go there. That is the course of action I recommended we should take.

When we make a plan like this we know there is political interest, rightfully so, in how it impacts on the people to be affected by it. We are concerned about that, too. So, yes, we always considered, in my study, what is going to be the political impact as we see it.

Mr. PIKE. Let's go a little further. Your briefing specifically named one Representative and one Senator, did it not, who might be expected to be unhappy if this decision were changed?

General McCHRISTIAN. That is right, sir. I think we always would say if we move from a place to a place, the people we are moving will be concerned. They represent those people. If we go to this place, they will be concerned, because here are the people who represent them. That is how we arrive at that.

Mr. PIKE. We have the language, I think, of the McChristian Report in this regard.

General McChristian, I do not wish to get in an adversary relationship with you, simply because I do not think I have ever heard a group of Congressmen hold still for so long and listen to a man say what he deeply believes in as eloquently as you have just done it. And I frankly am obliged to say that I think you have been on the side of the angels through this.

To me it is a great tragedy that the concept which you envisaged and the center which you proposed have been overruled and, in my judgment, in fact cannot come to pass because of the physical limitations at Fort Huachuca.

Now, at the very time that you were briefing General Westmoreland and his Vice Chief, people were already moving, were they not, from Holabird down to Huachuca?

General McCHRISTIAN. I don't believe so, sir. I don't believe—As I recall, I do not believe so. I would have to check the facts on that.

Mr. PIKE. All right. I guess I am wrong on that.

General McChristian, you heard the testimony of the GAO witness on the subject of the cost comparison between Fort Lewis and

Fort Huachuca, and the fact that the difference in the cost, even though it showed Fort Lewis to be cheaper, was still substantially understated, because it did not show the cost of, I think it was, 2,800 men at Fort Huachuca, which it did show at Fort Lewis.

Why not?

General McCHRISTIAN. At the time that I coordinated the briefing to go to the Chief of Staff—this is the August 25 briefing that I am talking about, and I think that is the one you have in mind—I was at that time, sir, in coordinating my briefing with the Staff, instructed that there could not be a brigade made available at Huachuca; it wouldn't even be in the strength of the Army, and therefore I should drop this brigade out of my previous costing of going to Huachuca.

Mr. PIKE. Why did you not also drop it out at Lewis, if you were trying to compare comparable costs?

General McCHRISTIAN. At Lewis, since it is a division post, and since my plans to put the center there were made under the conditions that a division and my Intelligence Center would be there, we knew—or expected—that there would be a brigade located there.

Now, in my original trip report figures on Lewis I did not include the cost—in my part, there are two parts of that transcript report. The part that talks about going into temporary buildings first was made by the Continental Army Command. That is their figure, and that is their recommendation on how to do it.

The part that talks of going into permanent construction first is my plan.

Now, in my plan there I think the total cost was around \$37 million, on my part, going into the permanent. But this included the following—well, to answer your question specifically, sir, I did not cost the permanent construction for a brigade, because I knew there was on the post, North Post, a training center that had space for about 17,000 troops for expansion in time of war. When I was there part of a training center was there, most of it was closed out, and I knew we could move from any permanent barracks we occupied with our center in the division area, could move to the North Post area with very little expense, and in the long-range plan of a post, if that became required, we could plan the long-range construction.

In my original visit I went under the assumption that we wouldn't cost a brigade, or something; they were talking about maybe a brigade or a cavalry regiment. It looked for some time to come as if there wouldn't be a requirement.

When we presented it to the Chief of Staff he said, "You may be right but, to be consistent, say we do put the division there and occupy all the permanent building and have a center there, and in the long range you do have to plan for the construction of this separate brigade for the school," which again I did not think was essential, if there was one there they could support the school, but they said, "Let's do it this way," and that is why it is in there, sir.

Mr. PIKE. In fact, were you not really comparing the costs in a way which did not compare equals?

General McCHRISTIAN. In a way that is true.

Mr. PIKE. And still Fort Lewis came out cheaper?

General McCHRISTIAN. Yes, sir.

Mr. PIKE. What did you estimate, before they told you not to include it, as the cost of including the brigade at Fort Huachuca?

General McCHRISTIAN. \$37.7 million—pardon me. Fort Huachuca?

Mr. PIKE. Yes. Fort Huachuca.

General McCHRISTIAN. I am sorry, that was the figure on Lewis.

Mr. PIKE. \$37.7 million on Lewis?

General McCHRISTIAN. Yes.

On Huachuca, with a brigade, my figures on Huachuca in my Department of Army study, which is the basic coordinated figure I have, was \$197.5 million.

Mr. PIKE. So in the business of comparing equals, the difference between the two was \$160 million, was it not, roughly?

General McCHRISTIAN. No, sir, not quite. Because the \$197.5 million for Huachuca did construct permanent barracks for the brigade.

The \$37.7 million in my trip report at Lewis did not. But the \$80.3 revised did, that did take care of it.

Mr. PIKE. So the difference between the two would have been \$110 million, comparing equals?

General McCHRISTIAN. Right offhand, sir, that looks correct, but may I say this: Sometimes these figures could fool you, if you jump at it too fast that way. I would want to—there is a big difference there, for sure. Whether that is the exact amount I cannot say at this moment.

Mr. PIKE. Did you prepare or have anything to do with the figures which were presented to the Congress in 1970 as to what it was going to cost to move the school from Holabird to Huachuca?

General McCHRISTIAN. I did not prepare these figures, sir.

Mr. PIKE. Did you see those figures?

General McCHRISTIAN. I believe I did, sir; but I cannot answer with any—I don't know. I don't recall that I did or did not, those particular ones.

Mr. PIKE. Do you recall whether you questioned them in any way?

General McCHRISTIAN. Yes, sir, I think I did, as it came to my attention. I would like to make it clear on that point, sir, as I think I can, so there is nothing hanging in the air. It is no secret that I was very strong in my plan, and my plan shows it, that at Huachuca I planned for the construction, in my Department of Army plan of the great majority, in not all, of the housing required on post, because I considered it was a remote area and that it had to be done that way. So that was a very high cost that I foresaw.

The other side of the coin the Army had was this: that all of the posts of the Army that are reporting shortages of housing for a period of time showed that as the average for the Army you only had on post about 55 percent of the housing required. So when I revised my figures and had to coordinate them with this overall Army factor I was obliged to use these figures. And that is why, again, some of these costs come down, because I was obliged to plan on 55 percent on-post housing and to drop out all of it for the brigade, because we wouldn't have it. That is why the figures take a tremendous drop in there, just those two things do most of it.

Mr. PIKE. Well, the Congress was told, and now I am referring specifically to the testimony of Mr. Barry Shillito and Mr. Ed Sheridan, and others, before the Appropriations Committee, on March 6, 1970, that construction costs at Fort Huachuca in order to move this school would be \$4.7 million.

What did your figures show at that time?

General McCHRISTIAN. I don't have the figures in my head, sir, on the school. The only ones I am fully aware of are my center concept. I was never of the opinion myself that we were just going to put the school there. It was "here is my concept of a center that is going to be there," and that is the \$197.5 figure.

Mr. PIKE. Mr. Gubser?

Mr. Daniel?

Mr. Reddan?

Mr. Lally?

General McChristian, we thank you very much for your testimony. It is now 12 o'clock, and I will recess the hearing until 2 o'clock this afternoon.

General McCHRISTIAN. Will I be needed further, sir?

Mr. PIKE. I don't think so. Perhaps, as Mr. Reddan points out to me, we are going to have testimony from the Army this afternoon that you might, in your own interest, wish to make comments on, but you need not stay at the request of the committee.

General McCHRISTIAN. Thank you, sir.

(Whereupon, at 12 o'clock noon, the special subcommittee was recessed, to reconvene at 2 p.m., the same day.)

AFTERNOON SESSION

Mr. PIKE. The meeting will come to order.

Mr. Frank Beck of the Corps of Engineers will be our next witness. Please sit down, and go ahead, Mr. Beck.

TESTIMONY OF FRANK P. BECK, CHIEF, MASTER PLANNING SECTION, PLANNING BRANCH, MILITARY CONSTRUCTION, CORPS OF ENGINEERS, DEPARTMENT OF THE ARMY, ACCOMPANIED BY DONALD B. KNUDSON, CHIEF, SANITARY SECTION, UTILITIES BRANCH, MILITARY CONSTRUCTION, OFFICE OF THE CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY

Mr. BECK. I have with me Mr. Donald Knudson.

Mr. PIKE. Fine. Go ahead, Mr. Beck. I understand you do not have a prepared statement. I simply ask you to give us the chronology of the water situation at Fort Huachuca, as you know it and have participated in it.

Mr. BECK. Yes, sir.

Now, as a master planner we are acquainted with and do receive all of the reports from installations as to the conditions that do exist at those installations. In other words, we have each installation analyze their problems, particular problems, and difficulties. And from an analysis of existing facilities, of which I had read and was well aware, we know there were some water needs there for our permanent strength, designated at that time as about 7000.

There was a project in the mill to maintain the water level, and this gave us no concern. But then the first public announcement was made of the move from Holabird to Fort Huachuca and this was the first time—we were a little surprised, because we had not known of this move being made, or my office was not aware of it.

Mr. PIKE. By "public announcement" you mean the first you knew of it was when you read it in the paper?

Mr. BECK. That is right. We read it was going to Fort Huachuca.

Mr. DANIEL. Excuse me. Did you say the water level at the time could maintain 7000?

Mr. BECK. We considered it would safely maintain 7000. Now, this is the actual permanent population.

What we have, if you relate this to an equivalent population, is that some stay on all day and some come on during the day and go off at night; and this related pretty much to an equivalent population of 13,500, of which this 7000 just about constituted—it was just about even.

Mr. DANIEL. I still do not understand.

Mr. BECK. Yes, sir.

Mr. DANIEL. Would the water level at that time maintain 7000 people or 13,000 people?

Mr. BECK. 7000 is what we call just the military strength. This is what we plan on normally. But when you assess a water requirement you take not only strictly the military strength, but also the civilians there, dependent population, so on, into account, and this runs about 13,500. They are pretty much even with each other, in other words.

Mr. DANIEL. Very good.

Mr. BECK. In the water project in the MCA program, then, we made sure we would at least maintain this level with approximately that many people there. This had been our master planning strength since before 1956.

With the announcement this was going there, we were not too much concerned to begin with, because they had indicated only a small unit going there. They spoke of the school itself, at that time.

It was not until a few days later, when a Mr. Keena, who had been related to some of the work going on with this previous study, or studies, brought them to our office, that then we found the Intelligence Center concept was of greater magnitude than we had ever anticipated before, and it more than doubled the strength with which we had been dealing up to then.

And of course, knowing what conditions were, we simply—I wrote a memo to my own chief, and alerted him to the problem.

Mr. PIKE. What did you say in that memo?

Mr. BECK. I said if they went along with a complete concept of this strength there was simply a water potential problem at this particular installation, and we cited the water usage that has occurred in the past, and what problems would result from that if we doubled the strength.

We knew it would last for a period of time; it wasn't an immediate situation, by any means, even with the double strength. But it had been always the Engineers' concept that we preserve the status quo rather than, you might say, mine water from our aquifers.

Mr. PIKE. Did you state in that memo that the water supply had been critical with the current permanent planning strength?

Mr. BECK. It had been sufficiently—

Mr. PIKE. No. I am asking whether you stated in the memo that the water supply had been critical with the current permanent planning strength.

Mr. BECK. I wish I could remember those words exactly.

(Staff Counsel Lally hands document to Mr. Beck.)

MR. REDDAN. Mr. Beck, you have been handed a document. Would you please identify it for the record?

MR. BECK. That is the information brief which I sent to my chief on March 11.

MR. REDDAN. What year, sir?

MR. BECK. This is dated in 1970.

MR. PIKE. Right in the first paragraph, Mr. Beck.

MR. BECK. That is right. It is there.

I did not dare answer until I saw I had put it in the document.

MR. PIKE. So you said in that document that with the current permanent planning strength the water supply had been critical.

Now, go ahead and continue with your testimony.

MR. BECK. I was also asked to draft a letter for the Chief of Staff concerning this particular water situation, which we did, and it was dispatched on the 24th.

MR. PIKE. What was the substance of that letter?

MR. BECK. To alert the Chief of Staff to a potential water shortage for Fort Huachuca.

MR. PIKE. And this was a memo for the Chief of Staff, is that correct?

MR. BECK. That is correct, sir.

MR. PIKE. Did that memo say that "We are not yet sure we have sufficient water for the current strength, let alone any increased strength"?

MR. BECK. That is correct, sir.

MR. PIKE. Go ahead and tell me what happened after that, Mr. Beck.

MR. BECK. Well, at that time there was also—in my responsibilities oftentimes we do a lot of "order of magnitude" estimating for the Department of the Army. And because I had put together charts that did this rather rapidly, they were often sent to my office, instead of the Estimating Section, when we were dealing with overall estimating problems.

And of course we began putting together what the problems were as far as water was concerned, and alerted everyone that we thought should be concerned with this.

At the same time we gave them advice on how they might begin making comparisons. I know they were making a study at that time. Major Ramsey was part of that group. We gave them some general instructions on how they should make a comparison. But we were not drawn into the estimating part of it at that time, just barely on the surface.

I myself had indicated to the people who were making a check on this, I said, in an offhanded way, "Why don't you take a look at Fort Lewis? At least they have plenty of water there, and there is space where you could put this kind of unit, and it would be established at a much larger installation than you would have at Fort Huachuca."

To begin with they did not pay too much attention. Later on they came and asked for more data on Fort Lewis. Then I did not hear of it until after they had completed their study and they had announced there was a tremendous saving at Fort Lewis.

Then I said, "Something must be terribly wrong to have that kind of—"

Mr. PIKE. Wait a minute. They announced there was a tremendous saving at Fort Lewis?

Mr. BECK. Fort Lewis; at least through our normal channels. The minute that took place, and they had \$100 million, or something like that, just a general statement, having done many estimates before on long-range construction, I said, "Something must be wrong, because this could not possibly be."

So for my own interest at the time I took it through what is the difference between one and the other. I took it through my estimating guide that I can normally do quite rapidly. And the difference was only in the neighborhood of \$2 or \$3 million at that time, that I could see from my estimating guide, whether they made one or the other choice.

I said, "Something must be wrong."

And when they came on another occasion I asked those who had been making estimates, or at least had known of these estimates, "How did you manage to arrive at this conclusion?"

Then I found that, of course, they had made the assumption that Fort Lewis would be empty and you just moved in and took over the permanent facilities. And, of course, when you do that you get that kind of estimate.

But if we would put it in parallel with each other, keeping everything constant, as much as we possibly could, and we had done many in the past, and could keep them constant—you can make estimates vary so much depending on the criteria you put into them—

Mr. PIKE. You sure can—

Mr. BECK. —that we said, "Let's look at this on a very, very consistent basis."

We have always in the estimate we have made said, "All right, what is the total impact from the current to the far future?" We always look 20 years ahead. What is the impact of having everything in permanent construction? And in taking it through I could only find these \$2 million or \$3 million differences. Because in my mind it was then just a toss of the coin which way they went as far as money was concerned.

Mr. PIKE. What figure, in doing your calculations, did you use, or come up with, for the cost of construction at Fort Huachuca?

Mr. BECK. I do not have the total costs. These were simply calculations then that I ran out, just made the check, the comparison, and that was the end of it, because that wasn't part of my responsibility. I was just doing it for my own information.

Mr. PIKE. It was part of your responsibility to draft this letter which went from your boss, General Clark—is that correct?

Mr. BECK. That is correct.

Mr. PIKE (continuing). To the Chief of Staff?

Mr. BECK. That is correct, sir.

Mr. PIKE. Did the letter have an overall recommendation as to whether or not they should move into Fort Huachuca?

Mr. BECK. No, it did not.

Mr. PIKE. Did not the letter conclude with the language, "I feel that it would be unwise to proceed at this time with any plan that would substantially increase the population of Fort Huachuca"?

Mr. BECK. I made that statement, yes. I did not think this was a recommendation as to whether they shouldn't go to Huachuca in the

total picture. At that juncture, until we were surer of the water, the thing was, we shouldn't make the determination at that particular moment.

Mr. PIKE. Are you sure of the water at Fort Huachuca today?

Mr. BECK. I will ask Mr. Knudson to give you a picture on that.

Mr. KNUDSON. Let me say for the record, I am a Sanitary Engineer.

As a follow-on from that letter of alerting the Chief of Staff, an investigation searching for additional water supplies was taken on. This search has ascertained—this is actually a follow-on of a report that I believe you have, a U.S. Geological Survey Report of the late 1950s, early 1960s, in which certain surface indications of water were determined, but no new wells were drilled at that time by the U.S. Geological Survey.

We went further and looked into the locations they indicated might be favorable for developing supplemental water supplies other than the one that the post and the town of Sierra Vista depended on. This investigation revealed that the underground reservoir, while it consists of three—if I may use the term—distinct geological formations, they are interrelated, and waterwise they are only one continuous reservoir.

So with this information, from the Huachuca Mountains on the— if I get twisted I will beg your pardon—on the South, to San Pedro River on the North, we have only one common water reservoir. The ability to withdraw water from that reservoir depends to a large extent on the porosity of the formation in the point that we put the well down. An example of that is that if we drill into clay, while there is water in the clay you cannot get it to run out and you don't get a productive well. We have to find a coarse formation, in order to extract the water.

This is what we have found, that we have one continuous body of water that is in—it is not—

Mr. PIKE. Is the level of the water in that body stable, rising, or falling?

Mr. KNUDSON. It is falling.

The work done by the U.S. Geological Survey, that was mentioned this morning, showed it was falling at the rate of 2.4 feet per year. The water level was declining. That is what Mr. Beck referred to as "mining." We are actually using the water at the rate of 2.4 feet per year. That decline has continued. On our latest record it is declining at the rate of 1.4 feet per year—1.5, I am sorry. Let me clarify that.

So on an overall average for the last 15 years, of which we now have a record, we have an average loss of around 2 feet per year. We know now that there is no other substantial body of water in that basin. It is on that basis that our geologists and engineers have concluded that at the current rate of use, not just by the post but by the civilian population as well, we have a community of 1,200 to 1,500 at the north gate of the post. In Huachuca City, and right there at the post proper, we have a community of roughly 8,000 population, Sierra Vista, and they are drawing on the same body of water as we; there are rural uses, as well, and the installation. They are all causing the decline on the basis that if the rate of use were to continue as it is now being withdrawn, we have come up with an estimate that we have a usable water supply for 60 years.

We are saying this with the full understanding that each year it will cost us more to produce that same volume of water. It will make more energy as that water table lowers, to bring that water to the surface of the ground.

Mr. DANIEL. What responsibilities, Mr. Beck, do you have other than establishing the water potential? What responsibilities did you have?

Mr. BECK. In what way, sir?

Mr. DANIEL. On this particular project what other responsibilities did you have as an engineer?

Mr. BECK. I am myself a landscape architect. Our overall responsibility is to review the overall master plan after installation and approve the siting of facilities that are located on that installation.

Mr. DANIEL. Several times in your discussion you referred to "they." Who is "they"?

Mr. BECK. I would have to go back to the testimony to see how it was stated.

Mr. DANIEL. You talked of giving reports to "them," or receiving information from "them."

Mr. BECK. Usually this was an ACSI team, because they were in the process of making the estimates, studies, and so forth. It was the ACSI people we were talking about at that time.

Mr. PIKE. Getting back to this 60-year figure, what does that assume as far as the stability of the civilian population is concerned?

Mr. KNUDSON. That is assuming they continue to withdraw at the same rate as they are now withdrawing.

Mr. PIKE. Is not the civilian population growing down there?

Mr. KNUDSON. It is growing in proportion to the population of the post, as far as we can ascertain. There is a caveat in this, in that if we develop a civilian retirement community in this area such as developed at Tucson, that has no particular relationship to existing industry as we know it, this would have an impact in proportion to that which would shorten the life of this. If the water withdrawals were to be increased, this 60-year estimate would have to be reduced proportionately.

Mr. PIKE. Does your estimate include the new housing which the Army has asked for in the current bill?

Mr. KNUDSON. Yes, sir; in this respect: If we have a person living off post in a standard or substandard property, and we move him on post, that family will continue to use from that same body of water at, as near as I can ascertain, the same rate. So whether he lives in Huachuca City, or Sierra Vista, or on post in family housing, the water demands on this common reservoir will stay the same.

Mr. PIKE. Is the water situation, in your judgment, at Fort Huachuca such that it could possibly support the Intelligence Center as envisioned either by General McChristian or by the Smith Report?

Mr. KNUDSON. My answer will go back to current usage 60 years, if we increase the usage, if we double the population, we reduce that usage, the useful life of this reservoir, to 30 years. If we increase it by 50 percent rather than 100 percent, we would reduce this useful life to in the range of 40 to 45 years.

May I bring up another example dealing with the water, on which we have been keeping very close tab? And this has been mentioned, the Central Arizona Project. There is a reservoir in the long-range

planning of that project, the Charleston Reservoir. It is located in the vicinity of the abandoned town of Charleston. This is where it gets its name.

Mr. PIKE. Did they abandon it because they ran out of water?

Mr. KNUDSON. Sir, I don't have that history so I cannot answer. The report I have says that it is at the site of the abandoned town of Charleston. It could have been the Indians scalped them, for all I know, sir.

In any case, at that site there is a location where the Bureau of Reclamation considers a desirable dam that would provide a water reservoir to augment the declining water available for the whole State of Arizona. We are not talking about just San Pedro Valley or just Fort Huachuca, the whole State is involved.

Mr. PIKE. In this committee meeting we are just trying to figure out why on earth they made this move when you people were vigorously telling them they were going to run out of water, and not to do it.

Mr. KNUDSON. I cannot answer that.

In connection with the central Arizona project, as soon as it became known that the Bureau of Reclamation anticipated development of this in stages, the Army did place an application for a diversion of water. Since this was done a number of years ago the request for a diversion was as early as 1980. The first phase, which does not include the Charleston Reservoir, will not be operational before 1985.

I have been advised in the last 2 weeks by the Bureau of Reclamation it will not be operational before 1985. However, we have still an application in; that is, applications on this particular reservoir have not been acted on and no allocations have been made.

Mr. PIKE. Mr. Daniel?

Mr. DANIEL. No questions.

Mr. PIKE. Mr. Reddan?

Mr. Lally?

Mr. LALLY. Would you gentlemen address the Canyons Project and its impact on the water resources of Fort Huachuca?

Mr. KNUDSON. Yes, sir.

At the time the Canyons Project was done, which was a 1969 MCA Project, to supplement the current well supply; it was hoped we could tap this runoff from the Canyons and relieve the usage from the wells. Those were the two canyons, Huachuca Canyon and Garden Canyon. The maximum we have ever received from those was under 200,000 gallons per day. As of right now we are actually getting between 40,000 and 50,000 gallons a day from the Canyons. This will vary seasonally depending on the rainfall in the mountains, the snow melting, that type of thing.

We have had a low return as low as 30,000, and we have had a maximum of around 200,000. But overall it has not been a significant portion of the total water demands of the installation.

Mr. LALLY. Thank you, Mr. Chairman.

Mr. PIKE. Mr. Beck, did you have any part in preparing the cost estimates of the Smith Board?

Mr. BECK. Yes, I did.

Mr. PIKE. Was there a—I will withdraw that.

Were the cost estimates of the Smith Board as to long-range construction costs the same as the information given to Congress, and in

particular Congressman Long, about what the cost of this move was going to be?

Mr. BECK. I don't know whether the same was given. I do know we were very careful as far as the Smith Board was concerned to make it an accurate one, and gave a total impact. But I do not recall whether that is the same as was given to Congressman Long at the time, or not.

Mr. PIKE. Well, we are going to have to pause a little bit while we get the Smith Report.

Mr. REDDAN. While we are waiting, may I ask Mr. Beck a question?

Mr. PIKE. Certainly.

Mr. REDDAN. Has there been any limitation placed on housing construction at this time due to the water situation?

Mr. BECK. We have always kept them reminded that we had a 13,500 limitation, and we should observe that until we knew the full story of the water. And we indicated it should stay that way until the water was actually running, and we knew that we had it on hand.

Mr. REDDAN. It is going to stay that way until additional water starts running, is that it?

Mr. BECK. This was our advice. That is all it has been up to this point.

Mr. REDDAN. When is the earliest you would anticipate additional water would start running?

Mr. BECK. As of now I don't know of any assurance we have of that, based on the last report we obtained on the water situation, of which Mr. Knudson has given you a report.

Mr. DANIEL. The earliest you could get it, from the information you gave us, from that new project would be 1985, wouldn't it?

Mr. BECK. That is right.

Mr. KNUDSON. The Charleston Reservoir is not in that funded portion of the Central Arizona Project. The Charleston Reservoir will be in some subsequent phase which, to the best of my knowledge, the Bureau of Reclamation has not come to you gentlemen in Congress for funding on, on those phases yet. Until that is done, no projection as to how soon it may be can be made.

Mr. PIKE. Mr. Beck, I would now ask you to take a look both at the figures in the Smith Report, which you had a part in preparing, and in the briefing given to Congressman Long on what the cost of the permanent construction at Fort Huachuca would be, and tell us whether the figures are the same.

(Counsel Lally places documents before Mr. Beck.)

Mr. BECK. No, they are not exactly the same.

Mr. PIKE. Well, what does the Smith Report show that the cost of the construction at Huachuca would be?

Mr. BECK. There isn't a—let me see.

It gives the long-range construction at \$45,754,000. It does not have a total picture here, because there are not—let me see—

Mr. PIKE. We are particularly interested in the long-range permanent construction costs. I am just trying to find out whether the Army was telling the Congress what it knew about the construction costs at Fort Huachuca?

Mr. BECK. I would prefer you ask DCSLOG about the relationship of these figures, since they were monitoring the comparison between those costs at the time they put them together, rather than my trying to explain them.

Mr. PIKE. What difference is there between the Smith Report, which you helped prepare, which shows \$45 million in construction costs at Fort Huachuca, and what they told Congressman Long?

Mr. BECK. They had two items. They had the current MCA Program of \$46 million, and total increase to the current MCA Program of \$29 million, or a revised program total of \$75 million, on the one they presented to Congressman Long.

We included at least as much as MCA, \$45 million total.

Mr. PIKE. Can you account for the discrepancy?

Mr. BECK. I cannot. I noticed the other day there was a difference in family housing and a few other things, from the two reports, and I pointed those out. But that is all I had knowledge of.

Mr. PIKE. That is all. Thank you.

General Dillard, I want to welcome you here, and also acknowledge, right off the bat, the presence of your distinguished backup witness, General Boatwright, whose name has been kicked around here a little bit, also.

I think you may go right ahead with your statement. We are all aware of the fact that the testimony which you are about to give us pertains to facts which you know only by virtue of having read documents or having conversed with people, because you were not in your present station at the time these events took place.

Go right ahead.

TESTIMONY OF BRIG. GEN. OLIVER W. DILLARD, DIRECTOR OF INTELLIGENCE SUPPORT, OFFICE OF THE ASSISTANT CHIEF OF STAFF FOR INTELLIGENCE, DEPARTMENT OF THE ARMY, ACCOMPANIED BY COL. JOHN PERKINS, LT. COL. ROBERT P. MORRIS, AND MAJ. JOHN B. KILDAY

General DILLARD. Thank you, Mr. Chairman.

I am pleased to have this opportunity to appear before this Subcommittee, hoping that my testimony will bring some clarity and understanding to this matter.

Sir, I would like to introduce to the Subcommittee our supporting witnesses.

Colonel John Perkins, Chief, Family Housing Division, Directorate of Installations, Office of the Deputy Chief of Staff for Logistics.

Colonel PERKINS. Mr. Chairman.

General DILLARD. Lieutenant Colonel Robert P. Morris, Operations Research Analyst, Directorate of Cost Analysis, Office of the Comptroller of the Army.

Colonel MORRIS. Mr. Chairman.

General DILLARD. Maj. John B. Kilday, Plans Officer, Directorate of Intelligence Support, Office of the Assistant Chief of Staff for Intelligence.

Major KILDAY. Mr. Chairman.

General DILLARD. Mr. Chairman, Gentlemen:

There is considerable misunderstanding concerning the move of the Army Intelligence School from Fort Holabird to Fort Huachuca, and the concept of an Army Intelligence Center. I will therefore direct much of my statement to putting these matters into better perspective. These two separate but interrelated subjects are best initially reviewed

in isolation in order to obtain a clearer picture of their development. I shall do this, first addressing the U.S. Army Intelligence School.

Intelligence training began at Fort Holabird in 1945 when the Counterintelligence Corps School was organized. To provide a greater degree of centralization of intelligence training, combat intelligence courses, then taught at Fort Riley, Kansas, were transferred to Fort Holabird in 1955, and the school was renamed the Army Intelligence School.

The intelligence function, which formerly had been performed by officers and men from other Army Branches, became a separate branch of the Army in 1962. This change made an Army career in intelligence much more desirable, but it increased significantly the Intelligence School's training requirements. With the increased training requirements of an Army Branch School, Fort Holabird became increasingly inadequate, although it had been adequate for the limited specialist training of counterintelligence agents. Major deficiencies of Fort Holabird in terms of this new mission involved the small size of the post precluding adequate expansion within the installation, industrial plants totally surrounding the post precluding expansion outside the installation, the overcrowded airspace and lack of air facilities, and the cluttered electromagnetic environment. The Army thus realized that if it were to attract capable officers to the new Intelligence Branch, and if these officers were to be developed properly, a new site was needed for the Intelligence School.

During the intervening years since 1962 the Army developed several concepts for relocating the Intelligence School, but the pressing requirements for Intelligence personnel to support efforts in Southeast Asia, and the increased Army size filling vacant space at Army installations made relocation of the school unfeasible until recently.

Then in late 1969 the Army began again to consider moving and expanding the school. The Office of the Chief of Staff and the Office of the Assistant Chief of Staff for Intelligence examined a number of sites as a possible future home for the Intelligence School. Through these examinations potential sites were reduced to two, Fort Riley and Fort Huachuca. The Blakefield Board made a detailed examination of these two sites and recommended Fort Huachuca as the new home for the School. I understand that a copy of this Board's Report has been made available to Mr. Reddan.

On March 4, 1970 the Department of Defense informed Congress of its intention to relocate from Fort Holabird the Army Intelligence School and other activities, less elements of the National Security Agency. Later, at the request of the House Appropriations Committee's MILCON Subcommittee, the Army reexamined this proposed move. This reexamination concluded that the Intelligence Command should remain in the Baltimore-Washington area, but the school should move to Fort Huachuca. Subsequently, Secretary Resor reaffirmed the decision to relocate the Intelligence School from Fort Holabird.

Early in 1971, the Intelligence School began to move to Fort Huachuca. By June of that year 85 percent of the school had relocated.

THE INTELLIGENCE CENTER CONCEPT

The second segment of this complex issue involves the Army Intelligence Center concept. As a result of problems in intelligence which

existed in World War II and the Korean conflict the Army made a number of studies of its existing intelligence organization. Various concepts of an Intelligence Center, such as exploitation, production, and training centers, developed from these studies. A center, as we use the term, refers to the consolidation of a number of specialized intersupporting activities which contribute to a common function.

In 1954, one proposal to create a center suitable to the needs of the Army of that time resulted in the transfer of the intelligence curricula of the former Army General School at Fort Riley to Fort Holabird, thus forming the Army Intelligence School, as mentioned earlier. For several years after that change, little was done about an Intelligence Center concept, although developments in organization and the establishment of an Intelligence Branch did eliminate some of the problems which hampered effective Army intelligence operations.

In August 1968, Major General McChristian became the Assistant Chief of Staff for Intelligence, or ACSI. He had been the J-2 in Vietnam, that is the Chief Intelligence Officer of all the services in that war zone. Employing his experience in an operational combat environment, General McChristian refocused attention on the concept of an Intelligence Center.

In early 1969, General McChristian developed an outline Intelligence Center concept involving over 21,000 men. This concept proposed that intelligence operational activities, schools, supporting units, combat troops, and installation overhead personnel, be established at an installation which would then become the home for Army intelligence similar to Fort Sill being the home of the artillery and Fort Benning being the home of the infantry. This initial concept was neither formally presented to, nor approved by, the Chief of Staff of the Army.

However, from General McChristian's original proposal, a concept of an Intelligence Center evolved along the lines he suggested, but of lesser scope. This was considered to be feasible, desirable, and deserving of further amplification. The Army recognized, however, that even a small center could not be located at Fort Holabird, because of the deficiencies previously mentioned. Therefore, in June 1969 the Chief of Staff directed that a long-range study group determine, among other things, a suitable location for an Intelligence Center.

In December 1969, the Chief of Staff directed General McChristian to develop a detailed plan for an Intelligence Center. During this detailed development, Fort Huachuca was examined as the site for this center, as well as the Intelligence School. As mentioned earlier, the Blakefield Board was also in session. In February 1970, the Blakefield Board's recommendation to locate the school at Fort Huachuca was approved.

General McChristian completed his detailed plan in May 1970. He proposed a center of approximately 9700, much less than the 21,000 he had envisioned earlier, but still quite large. Its size caused questions to be raised on the adequacy of Fort Huachuca's resources to support this center. Therefore, the Assistant Vice Chief of Staff directed General McChristian to visit Fort Lewis, Washington to determine if that installation were better suited for his proposal.

General McChristian visited Fort Lewis and determined that it could accommodate his proposed center. The varied terrain, weather and vegetation gave a capability for realistic training. There were, how-

ever, problems associated with the Fort Lewis environment. The electromagnetic spectrum was cluttered, making it difficult to train with the electronically sophisticated devices being developed and used for battlefield intelligence. Another problem was that poor weather at Lewis during much of the year would inhibit field training and support by aviation. Additionally, an overriding consideration was that when the stationing of major army activities within the United States was considered, Fort Lewis was determined to be best utilized as primarily an Infantry Division Post.

Mr. REDDAN. Excuse me, General. I don't want to interrupt you, but on this particular part, when you talk about the problems, are these problems which General McChristian felt would prohibit the use of Fort Lewis? Or are these someone else's objections to Fort Lewis?

General DILLARD. Sir, partly both. They are not completely either of the things you have stated.

I have included some of the major points presented by General McChristian. In the latter part of the paragraph you have three or four of the major arguments raised, some in his study, but also raised by others, opposing Fort Lewis.

Mr. REDDAN. Specifically, General McChristian did not feel the electromagnetic spectrum at Lewis would prohibit its use by the school?

General DILLARD. No, sir. Originally he felt, as I understand it from the record and from having talked to him, that it would be better to be more realistic in terms of this type of training. However, he also recognized that in terms of school requirements and in terms of training there was a different problem, and a different requirement. Therefore, he admitted that realism was desired, but that for initial school training perhaps an uncluttered environment would be desirable.

Mr. REDDAN. Did he tell that to the Chief of Staff?

General DILLARD. I don't know, sir. He told that to me personally.

Mr. REDDAN. We can develop that further.

Excuse me, sir. Go ahead.

General DILLARD. During his visit General McChristian developed cost estimates which were hurriedly assembled. These estimates indicated that a modification of his concept could be established at Fort Lewis for \$159.8 million less than at Fort Huachuca. This modified center would not contain a brigade of combat troops bringing the strength down to approximately 6800 men. In his estimates, General McChristian considered that the center eventually would be in permanent facilities at either post. His estimates provided for these permanent facilities. Later, after having refined his estimates, General McChristian formally recommended that Fort Lewis be the site of the Intelligence Center. In this presentation, he indicated that the Center could be established at Fort Lewis for \$2.3-to-\$8.8 million less than at Fort Huachuca.

Because of the complicated factors involved in General McChristian's Center concept, the Chief of Staff convened a separate in-house panel to assess the concept and to make an independent recommendation on the feasibility of the concept, and, if appropriate, what portions of it should be adopted. This panel was called the Smith Board; a copy of its report has been provided Mr. Reddan.

Mr. DANIEL (Presiding). General Dillard, I regret that I must interrupt you at this time, to go and vote. The committee will stand in recess at this time until Mr. Pike returns.

General McChristian, would you remain to address any point about which we might want to ask you, which might be at odds with your testimony or your recollection?

I regret very much that I must leave.

Mr. Pike will be back shortly.

(Whereupon, at 2:50 p.m., the Special Subcommittee was recessed for Roll Call.)

Mr. DANIEL. (Presiding) The Committee will come to order.

General Dillard, you may proceed.

General DILLARD. Thank you, Mr. Chairman.

The Smith Report determined that it was feasible and desirable to establish a center based on the then accepted "Center Team Concept." Under then existing policy, combining a branch school with the appropriate Combat Developments Command agency constituted a Center Team. The Smith Board recommended that an Intelligence Center be established at Fort Huachuca initially consisting of the Intelligence School and the Combat Developments Command Intelligence Agency. The Board indicated that collocating these activities with the Combat Surveillance and Electronic Warfare School and other agencies at Fort Huachuca would enhance intelligence training. The resulting Center Team would provide the nucleus for the Intelligence Center concept. Two military intelligence units could be added to this center nucleus when it was determined that adequate resources existed at Fort Huachuca to support them. Although this initial center was much smaller than the one envisioned by General McChristian, it allowed for further expansion as resources and firm requirements developed. On November 17, 1970, General McChristian concurred in the recommendations of the Smith study. Subsequently, these recommendations were approved by the Chief of Staff.

Gentlemen, let me next show the close correlation between the closure of Fort Holabird and the Intelligence Center concept, subjects I have treated separately thus far. (See Appendix III.)

Figure 1 shows the interrelationship between closure of Fort Holabird, moving the Intelligence School, developing an Intelligence Center concept and formulating a long-range stationing plan. I shall break into chronology of these actions in June 1969. There were, however, five significant developments which occurred prior to June 1969 that influenced these actions. These developments were (1) experience at Fort Holabird had shown its severe limitations in terms of providing for an Intelligence School; (2) operating at Holabird was inefficient and uneconomical; (3) a prior analysis developed by the Army showed that an Intelligence Center was both feasible and desirable; (4) General McChristian's extensive experience, and especially his experience in Vietnam, led him to refocus on an Intelligence Center concept; and (5) the stationing plan for permanent construction being used by the Army had been published in 1966 and needed a complete revision.

Mr. PIKE (Presiding). General Dillard, I am going to interrupt you at this point, and let us just talk about our time problem.

General DILLARD. Yes.

Mr. PIKE. I would suggest, if you have no objection, that we put the rest of your statement into the record, and proceed with questions.

General DILLARD. Certainly.

Mr. PIKE. Because, frankly, I would like to get this hearing concluded today. I have a hunch you probably would too. I know General McChristian would, and I know the other members of the committee would, if we can. So we will simply put the remainder of your statement in the record at this point, with your approval, and, Mr. Daniel, I believe you had questions you wanted to lead off with here.

Mr. DANIEL. Yes, sir.

(The balance of Brigadier General O. W. Dillard's statement, is as follows:)

On June 1969 the Army convened the Long Range Stationing Study Group headed by General Boatwright to update its stationing plan. Part of the reason for this update was generated by interest in establishing an Intelligence Center. The evaluation and analysis conducted in developing this plan influenced all four of the actions, as indicated.

On 24 October 1969 the Long Range Stationing Study Group requested that ASCI nominate locations for the Intelligence Center.

During November 1969 visits by Generals McChristian and Boatwright to several installations culminated in a recommendation that four installations be considered as candidate sites for the Intelligence Center and School. Through subsequent efforts of the ACSI and the Long Range Stationing Study Group, candidate sites were reduced to two: Forts Riley and Huachuca.

In December 1969, under sponsorship of the ACSI, an Army Study Group convened to determine the mission, composition and organization of an Intelligence Center. This effort became known as the McChristian Plan. The Blakefield Study Group was formed in January 1970 to decide between two candidate locations. This group recommended that Fort Huachuca be the new location of the Intelligence Center. On 10 February the Chief of Staff tentatively approved this recommendation. Later in February a case study and justification folder was developed for the closure of Fort Holabird. On 6 March the Department of Defense made a public announcement of the closure of Fort Holabird and relocation of the school to Fort Huachuca.

General McChristian's study continued until May 1970 at which time the Study Group's proposal for a center was submitted to the Office of the Chief of Staff. Although Fort Huachuca was ideal for the Intelligence School, it could not accommodate the center envisioned by General McChristian. Water was considered to be a limiting factor because the potential did exist for eventual shortage. Therefore, the Assistant Vice Chief of Staff directed General McChristian to examine Fort Lewis as a possible site for the center. General McChristian made his recommendation to the Chief of Staff on Fort Lewis in August.

The Chief of Staff then formed the Smith Board to provide an independent review of the Intelligence Center Concept and to recommend a center for adoption. The study conducted by the Smith Board led to a decision in November 1970 that the center should be a small nucleus which could be enlarged as requirements developed and facilities permitted. This decision was implemented shortly thereafter with the initial movement of the Intelligence School.

Gentlemen, these were the major facts and issues.

Fort Holabird was an inadequate site for the Intelligence School.

All posts considered for the new location had disadvantages arguing against their selection. Many of them had considerable points in their favor. Fort Huachuca provided the advantages of having the least cluttered electromagnetic environment of any sizeable Army post. It provided air space relatively free of commercial aviation, was relatively free of urban encroachment, its weather allowed a large number of flyable days each year for Army surveillance aircraft, it was the site of an intelligence-oriented school, and facilities adaptable for the school were available, immediately. In the belief that the success of Army combat intelligence in the future will depend upon the effective integration of aviation, avionics, electronics, target acquisition, and automatic data processing, and through several in-depth examinations of this matter including conducting a special Army Long Range Stationing Study, the Army chose Fort Huachuca as the location for its Intelligence Center.

Somehow the early conceptual studies and documents, which were part of the decisionmaking process, but which did not represent formal decisions, were mistakenly credited by some people as being the final Army decision. Thus, the

issues involving the move of the school and the plans for an Intelligence Center became distorted to the point where detailed clarified explanations are required.

I hope my explanation assists in clarifying this matter. I will be happy to respond to your questions.

Mr. PIKE. General Dillard, the thing that concerns me most is the testimony of the Army before the Appropriations Committee as to the cost of what they were going to build in Fort Huachuca.

I will ask you flatly: Was that testimony accurate?

General DILLARD. Sir, in certain respects and certain parts of it, no, it was not accurate. And I believe that inaccuracy was explained.

It appears that part of the testimony that was given to Congressman Long you might not be aware of, sir.

Mr. PIKE. By "testimony" are you talking of public testimony, or something someone came up and whispered in his ear?

General DILLARD. No. He asked for a briefing by a group from DCSLOG that was presented to him that did not provide some of the costing.

Mr. PIKE. Are you familiar with this GAO report, on this move of the intelligence units to Fort Huachuca?

General DILLARD. Yes, I certainly am, sir.

Mr. PIKE. On page 10 thereof they state: "It is interesting to note that CONARC's draft version of the case study and justification folder contained an estimate of \$41.6 million for the construction costs to accommodate the Fort Holabird activities at Fort Huachuca. The final version of the case study dated February 16, 1970, however, does not contain an estimate for permanent construction, although the narrative states that additional permanent construction would be programed over the long term. In hearings before the Subcommittee on Military Construction, House Committee on Appropriations, on March 16, 1970, the Department of Defense informed the subcommittee that the construction requirements of Fort Huachuca would be increased by a total of \$4,160,000 as a result of relocation of intelligence units from Fort Holabird to Fort Huachuca and that this was the total additional facility cost envisioned at that time."

That \$4.16 million turns out to be exactly 10 percent of what the Army's study at that time showed the cost was going to be. Now, you explain that to me.

General DILLARD. Sir, Colonel Perkins, whom I brought with me, has addressed this. I think he would be the best witness, if you will allow him to address this question.

Colonel PERKINS. I am Colonel Perkins from the Directorate of Installations. I cannot specifically state why the \$4.16 million was the only cost included and the previously calculated costs that were contained in the draft study not included, inasmuch as I have no personal knowledge of the people, from the people, who actually did the development of those costs.

However, the long-range strength for Fort Huachuca, which was about 7700 people, was unchanged by the removal of certain other units and the addition of the Intelligence Center.

Mr. PIKE. But at what point in time was that designation made? That decision was made after they found they didn't have enough water at Fort Huachuca to put any more people than that down there.

Colonel PERKINS. No, sir. I believe we can show that we have long

carried in our stationing plan for permanent construction, which was the planning document used at that time, a long-range planning strength for Fort Huachuca of just over 7700 people.

Mr. PIKE. Would this planning document have, under any circumstances, allowed the creation of an Intelligence Center?

Colonel PERKINS. As long as the population did not exceed 7700, yes.

Mr. PIKE. But the population did exceed 7700 for the Intelligence Center, did it not?

Colonel PERKINS. No, sir. The number of people actually planned to be moved in as a result of this move turned out to be slightly under 7700. The information I have available shows 7652.

Mr. PIKE. Well, that is convenient. But this was an adjusted Intelligence Center, was it not—is it not?

Colonel PERKINS. Yes, sir.

Mr. PIKE. Ah, so the fact of the matter is that we have shaped the Intelligence Center to fit what we could put there, isn't that correct?

Colonel PERKINS. Yes.

Mr. PIKE. And we cannot put there the Intelligence Center which was first envisaged by General McChristian and approved up the chain of command. In fact, we cannot put there what we have there, unless we take out something else.

Colonel PERKINS. If I may comment on this, sir: If, as General McChristian stated this morning, all other activities were removed from Fort Huachuca as he visualized, and it was turned over to an Intelligence Center, he would have been able to station his entire center there except for a brigade of troops.

Mr. PIKE. Except for 2,800 men.

Colonel PERKINS. That is correct.

Mr. PIKE. Which is a fairly major exception.

Colonel PERKINS. Yes, sir.

Mr. PIKE. I did interrupt you, Colonel Perkins. So please go ahead with your description of the cost aspects, as to what was told Congress, and what the facts are.

Colonel PERKINS. To explain again, what I am giving is my rationale. I cannot vouch that this is the actual reason.

However, since the strength did not vary from the established long-range strength of about 7,700, and since the long-range MCA program for an installation represents the permanent construction necessary to house all activities at that installation in facilities that are economic to operate, it is not totally unreasonable to assume—and I can only think that they made that assumption—

Mr. PIKE. Who is "they"?

Colonel PERKINS. The people in the Continental Army Command that proposed the case study and folder that the \$41.6 million came from.

Mr. PIKE. You had nothing to do with that?

Colonel PERKINS. No, sir.

Mr. PIKE. You just don't think you are the right witness to address yourself to this particular problem.

What we are concerned about is that Congress was told we would save all this money by transferring these units from Fort Holabird to Fort Huachuca. We now find that we might have saved quite a lot of money if we had transferred them to Fort Lewis and we are not

going to save any money by transferring to Fort Huachuca but, on the contrary, will have quite a lot of expense.

General DILLARD. May I intercede, in the interest of clarification?
Mr. PIKE. Surely.

General DILLARD. The reason I asked Colonel Perkins to testify, is because at a later time I believe this information, an explanation of this information, was provided to Congressman Long.

Mr. PIKE. It may well have been. It is nowhere in the public record; is it?

General DILLARD. Not that I know.

Do you know, Colonel Perkins?

Colonel PERKINS. To my information, this was never published in the Congressional Record or any other form. It was provided to Congressman Long officially at the request of the Military Construction Subcommittee of the House Appropriations Committee.

Mr. DANIEL. Mr. Chairman.

Mr. PIKE. Mr. Daniel.

Mr. DANIEL. I wonder if that document could be made available to this committee?

General DILLARD. It might have been already, sir.

Mr. LALLY. Is this the December—

Colonel PERKINS. The December briefing.

General DILLARD. You asked someone about this document that added up to \$75 million, and you wondered about the total, sir. This was presented to Congressman Long.

Mr. PIKE. Yes. We still wonder about the total.

Mr. REDDAN. Colonel, on the briefing in December, I believe that showed the long-range construction requirement to be 168 units. Is that correct, sir?

Colonel PERKINS. The previous deficit at Fort Huachuca?

Mr. REDDAN. Yes. The only reason you were able to move the intelligence group in there was because the Army was going to phase out 3,000-odd spaces there. They were going out of the Army? Isn't that right, sir?

Colonel PERKINS. The unit that was there of about that size, I believe was being deactivated; that is correct.

Mr. REDDAN. If you did not move in the intelligence unit you would no longer have a long-range requirement for 168 units, would you?

Colonel PERKINS. That would be true, if one assumed we did not move in anything else, either.

Mr. REDDAN. I will come to that. If you did not move in anybody, you would no longer have valid requirement for 168 units?

Colonel PERKINS. Yes, sir, if those spaces were eliminated and no other spaces put in, it would reduce the deficit in family housing; that is correct.

Mr. REDDAN. So then when you decided to locate the intelligence unit in there, it would seem to me any requirement for housing should be charged to the move of the intelligence unit. And the intelligence unit shouldn't have been given credit for housing which was no longer a requirement for a unit which had been deactivated.

In other words, you start off fresh, don't you?

Colonel PERKINS. Using the line of reasoning you are using, I would agree that is true.

However, I would like to point out that in the briefing presented to Dr. Long the actual derivation of the 58 units was shown, including the previous deficit and the new deficit, therefore one could apply the line of reasoning that you used to calculate a different cost. So it was not a case of withholding information from Dr. Long.

Mr. REDDAN. Just a question of whether he understood what you were getting at there, is that right?

Colonel PERKINS. Yes.

Mr. DANIEL. Before you leave that—Mr. Chairman.

What percent of your population at Fort Huachuca is now housed on base or in government housing, approximately?

Colonel PERKINS. I can give you a quick estimate on that, sir.

At the present time, looking at the current situation at Fort Huachuca, and looking at those who are eligible for on-base housing, we have a total effective requirement of 3628. Of those, 1863 are currently housed either on post or in government houses off post, which is approximately 50 percent.

Mr. DANIEL. What effect has this move from Holabird to Huachuca had on your housing problem?

Colonel PERKINS. It has increased the housing problem at the installation.

Mr. DANIEL. Do you continue to pay subsidy—do you subsidize the transport of some of your personnel now to the base from—

Colonel PERKINS. Sir, I do not have personal knowledge of that. It is not one of my responsibilities. It is my understanding that that subsidized transportation has been eliminated.

Mr. DANIEL. Does anyone know?

Colonel MORRIS. I am Colonel Morris.

Sir, could you restate the question as to what kind of transportation?

Mr. DANIEL. Are you subsidizing the transportation of any personnel now stationed at Fort Huachuca?

Colonel MORRIS. On 30 September 1970 the Army stopped subsidizing the transportation of personnel assigned to Fort Huachuca between their homes and the post.

Mr. DANIEL. Thank you.

Mr. REDDAN. Colonel Perkins, were you here this morning when Mr. Beck testified?

Colonel PERKINS. I was, sir.

Mr. REDDAN. It is my recollection that he stated to the committee that General McChristian's report on the cost of moving to Fort Lewis was inaccurate in that they did not reflect the cost of moving other troops out of Fort Lewis and housing them elsewhere. Do you recall that, sir?

Colonel PERKINS. I recall that he made the statement that his own analysis of the costs was that they were inaccurate and that the difference was too high.

Mr. REDDAN. Well, Mr. Beck, did I correctly understand your testimony today that you felt General McChristian's estimate was faulty in that it did not consider the costs of relocating the troops that would have to be moved out if he moved in?

Mr. BECK. It wasn't relocating the troops, because our permanent strength at Fort Lewis had never been changed. They were still to be housed on the post somewhere, as far as our permanent planning

was concerned, so if you imposed any additional strength on Fort Lewis you would have to house them.

In their analysis what they have done is simply assume the strength was going to be relocated somewhere else and that they would have the permanent facilities, which in effect, as far as we were acquainted with the facts, was not so.

Mr. REDDAN. If they had to be moved out, as I understood your testimony, the cost of that move should be charged to the move-in of the intelligence unit. Or did I totally miss what you were trying to tell us this afternoon?

Mr. BECK. What I was saying is that they have moved in the Intelligence School at Fort Lewis, in this first estimate. Without taking account of the fact that the people were already there on the post and there—you would have to build a new space over here for them, or over here, on the same installation.

Mr. REDDAN. Precisely. Precisely.

In other words, you had to consider the cost of relocating or moving the troops that were being displaced by the Intelligence School coming in. Is that correct?

Mr. BECK. Yes, based on their permanent strength at Fort Lewis.

Mr. REDDAN. It would be my thought, Colonel Perkins, that what was true at Fort Lewis should be true at Fort Huachuca, and when you move a new group in, you must charge against them the cost of relocating another group elsewhere.

Colonel PERKINS. I don't believe, sir—my point of view on it is that the two situations are not truly analogous. At Fort Huachuca we were eliminating some troops from our troop structure. We did have space. We chose to consider the movement of the Intelligence Center in at a particular cost. We also had the option of moving other units in to utilize that particular space.

At Fort Lewis if it actually required the movement of T.O. & E. troops and relocating, then I would agree those costs should have to be included. If it did not require any relocation then I would think that it would be comparable to what you would do, to not include the cost of relocating.

Although I did not participate in these estimates, I would like to point out that I have examined them; and there is a particular difference which does account, at least in the initial estimates, for some of the extreme differences in cost.

The costs calculated for Fort Huachuca were the costs of a complete add-on of all of the facilities, permanent facilities, that might be required for the Intelligence Center and all of its troops, without considering the utilization of any of the—

Mr. PIKE. Would you establish which report you are talking about now?

Colonel PERKINS. This was the initial ACSI Report, sir, not later briefing.

Mr. PIKE. The initial ACSI Report contemplated in its Huachuca costs a complete add-on of all of the facilities which were necessary for the Intelligence Center, that is correct. While in the same report my analysis indicates that it contemplated utilizing some existing facilities, really in two different situations—in one utilizing existing permanent facilities, in another examination utilizing of some perma-

nent and considerable temporary facilities, and then later add-on permanent construction costs.

But from that standpoint, then, we do not have a true comparison with the final decision which was made to go to Huachuca, which did not involve a total add-on, but a replacement of other troops.

Colonel, do you have now a figure, today, of what the cost of moving the school from Fort Holabird to Fort Huachuca is?

General DILLARD. I have that, sir, if he does not have it.

Colonel MORRIS. I have it right here, sir.

General DILLARD. Colonel Morris.

Colonel MORRIS. We have the actual costs incurred in the move as of the 31st of March of this year. We have those broken down into three major appropriations: Military Pay-Army; Operations and Maintenance-Army; and Military Construction-Army.

I could briefly give you a recap, if you want it.

Mr. PIKE. Why don't you give us the summary?

Colonel MORRIS. I will summarize without going into specific elements. The military pay covered dislocation allowances, travel, household goods shipments, and so forth, and that is approximately \$878,000.

For Operations and Maintenance-Army, which we call OMA, \$2,052,000. This included such things as movement of civilian personnel—

Mr. PIKE. Stop just a minute. Would you give me the figure under military pay?

Colonel MORRIS. Yes, sir. Military Pay was \$878,000.

Mr. PIKE. As of what date are these figures?

Colonel MORRIS. They are calculated as of the 31st of March, which was the cut-off date.

Mr. PIKE. You gave us a paper, only yesterday, as I understand it, that has the same cut-off date, actual costs incurred as of 31 March '72, and it says "Military pay-Army," and they use a figure of "935," not "878."

Colonel MORRIS. I believe you have the previous iteration of this paper. The updated fact sheet is in the mill and may not have reached you.

Mr. PIKE. Is it as of the same date?

Colonel MORRIS. Yes, but the factors that were used were further refined to be more precise. Additional time was made available and the strength figures were doublechecked.

Mr. PIKE. Ah!

Colonel MORRIS. In order to make this as accurate as possible these refinements were made, not to deceive the committee, but to be as accurate as possible.

Mr. PIKE. Is that the kind of operation we sometimes refer to as "massaging the testimony"?

Colonel MORRIS. We refer to it as "making the best use of the time available" in the costing business. We start off—

Mr. PIKE. Mr. Lally, when was that document given to us?

Mr. LALLY. Approximately 5 o'clock yesterday afternoon, as I recall. 4:45 yesterday afternoon.

Mr. PIKE. And since 4:45 yesterday afternoon and your statement now, these figures have changed?

Colonel MORRIS. Sir, I was notified that there was a change in the strength figures, a slight change. This meant that the data had to be worked, re-worked. And in doing that we re-checked factors to verify our information to provide the necessary backup to make these latest figures as meaningful as we possibly could.

Mr. PIKE. Go ahead, Colonel.

Colonel MORRIS. In the Operations and Maintenance-Army, are included such things as movement of civilian personnel, severance pay and terminal leave for those people who have had to be released because of the move, movement of equipment, temporary duty travel for people who had to make advance trips, and so forth; and then miscellaneous things such as temporary hire, crating, packing are related functions.

In the category of Military Construction-Army, what we have—

Mr. LALLY. Pardon me, Colonel. What was the item for that?

Colonel MORRIS. The total for Operations and Maintenance-Army was \$2,052,000. And there should be no change there from the previous information.

The Military Construction-Army, approximately \$903,000.

The total cost, then, incurred, \$3,833,000.

Mr. PIKE. Colonel Morris, are you familiar with this General Accounting Office Report on this particular move?

Colonel MORRIS. No, sir, only in general terms. I am not familiar with the specifics of it.

Mr. PIKE. In the figures which you have just given us as to the cost of this move, have you included roughly \$300,000 for the modification of Bachelor Officer housing?

Colonel MORRIS. We included a category which we call Renovation of Building, which was the largest item—

Mr. PIKE. The GAO Report said there were four separate items of cost which had been funded under "minor construction." Do you include those four items of cost which the GAO pointed out had been funded otherwise under "minor construction?"

Colonel MORRIS. Whether those specific items are included in this total I gave you, I don't know, Mr. Chairman.

Mr. PIKE. This is one we ought to be specific on: "addition to the printing plant." Is that in there?

Colonel MORRIS. No, sir, I could check the breakdown of this category to see which elements are involved and supply it later.

Mr. PIKE. I am trying to find out whether you have everything in there that is really part of the cost. The GAO listed four items there.

Colonel MORRIS. Sir, on these items that might be listed as costs, this does not necessarily mean these are costs that have already been incurred.

Mr. PIKE. The thing that troubles me on these items as set out in the GAO Report is the fact that your minor construction costs, as I understand it, are those items which are under \$300,000.

Colonel MORRIS. I believe that is correct, yes.

Mr. PIKE. And two of them just happen to be \$299,000. You get a little skeptical about whether they are really trying to tell you the truth about the cost of something, when you can fund something one way if it is under \$300,000, and you wind up with two items both of which happen to be \$299,000.

Now, I just am very dubious about the figures you have just given us right now. They have changed since the figures you gave us yesterday. And you don't know whether they include these items which the GAO found had been funded as "minor construction costs" because they came in under \$300,000 and two of them were at 299, one at 183, and one at 69. And you have not looked at this GAO Report?

Colonel MORRIS. No, sir.

General DILLARD. May I ask a question, sir? Did the GAO Report indicate that those facilities had been renovated?

Mr. PIKE. The language of the GAO Report is this:

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

Whether that means it has been done or not, I simply do not know.

General DILLARD. The point I wanted to make is that in his report he went to Fort Huachuca yesterday, or the day before, in that timeframe, to get an update, and he is giving you the actual costs. Those costs that were not involved, have not been reflected.

Mr. REDDAN. Are these the expenditures to date?

Colonel MORRIS. Yes, sir.

Mr. REDDAN. There are additional costs which have not yet been paid?

Colonel MORRIS. I would presume there would be additional costs that would show up in the next quarter, yes, sir. But these are presented as actual expenditures according to the best data that is available to me at this time.

Mr. PIKE. So the fact is, at this point we really don't have the slightest idea what the cost of the move from Fort Holabird to Fort Huachuca is?

Colonel MORRIS. I tend to disagree, sir.

Mr. PIKE. We know what we have spent to date, but don't know what we are going to spend?

Colonel MORRIS. Perhaps it is semantics, terms like "funded," "planned," "projected."

What I am presenting here represents to the best of my knowledge those elements of cost that have actually resulted in an expenditure.

Mr. PIKE. Then can you tell us the amount of the additional costs you anticipate to complete the transfer of the units from Fort Holabird to Fort Huachuca?

Colonel MORRIS. OK, sir.

Again this depends on the timeframe, how far out we project. As far as items that are already approved in the budget, or in an approved program for fiscal year 1972 and fiscal year 1973, I have no knowledge, I have seen no evidence that there are any major expenditures in that timeframe.

I understand from checking with my sources that any major expenditures would not show up in the budget cycle until fiscal year 1974 at the earliest.

Mr. PIKE. There could be a whole string of \$299,000 expenditures that would not show up anywhere?

Colonel MORRIS. This could be many things. This is all subject to change, and we are postulating out into the future, and talking on the one hand of plans, and we are talking at other times of studies, or talking of estimates.

I mention this because I have gotten the feeling as we have gone along today that this has been a large source of the confusion that we have had.

General DILLARD. Mr. Chairman, I would be happy to provide for the record, based on our estimates of costs associated with the move to Huachuca, and looking at what is now the actual expenditures, giving you for the record whether all of that program that we expected has now been performed, and what else in addition to this we would attribute to this program.

Mr. PIKE. Well, General Dillard, I do not question your good will. But when we get at the last minute, last night, a document detailing these expenditures, and get this afternoon testimony changing these expenditures, I cannot get too excited about the promise of another document which is going to say something else.

Let me just ask a general question, then I want to let some of these other people ask questions.

Was the testimony which was given to the Congress as to the savings which were going to be realized by the transfer of this school from Fort Holabird to Fort Huachuca accurate or inaccurate?

General DILLARD. Colonel Morris?

Colonel MORRIS. On savings, if I may, I would like to make an analogy here. Someone mentioned, did one of the estimates include the cost of moving people who would be displaced if you located an installation, or located the Center, at Fort Lewis.

Again, you have to qualify this, because if this is done immediately, then yes, you would have substantial costs over and above normal costs that are allocated to move people on a normal rotational cycle. So you could have a hypothetical situation conceivably—

Mr. PIKE. I am not asking you about some hypothetical case. The Army came up and testified they were going to save x-million dollars by making this move. Are they going to save that million dollars or are they not?

Colonel MORRIS. It depends on the assumptions.

Mr. PIKE. Let's just stick with the assumptions they gave us when they gave us the figure in the first place. Don't change the assumption.

General DILLARD. Do you know whether or not we have any data on the savings we reflected?

Colonel MORRIS. No, I don't know of any specific data that we have.

Mr. PIKE. Do you have any input in your cost as to how much it will cost each year to pump the water that extra two feet?

General DILLARD. No, sir, we do not have. Again, I can provide you an estimate if you desire it.

Mr. PIKE. Don't bother.

Mr. LALLY. Is anybody able to explain the difference in the Case Study between the \$41,600,000 figure on the cost of facilities modification for intelligence activities at Fort Huachuca in the draft of this report and the figure of \$4,160,000 in the final version of that report, on the same item?

General DILLARD. Sir, I cannot explain that difference totally. I would like to add one factor that will help to explain that. The Case Study and Justification Folder treated the entire Intelligence Command moving to Fort Huachuca. Therefore that Command in coming would incur certain costs. Later, the Intelligence Command was deleted as one of the units that would move to Huachuca.

Mr. LALLY. But, General, the draft version and the final version refer to the same entities moving. Do they not?

General DILLARD. I believe the final version will show the Intelligence Command minus some units, sir, that would stay in the Washington area.

Mr. LALLY. If you can point that out to me, General, I would appreciate it.

(General Dillard, Colonel Morris, and Mr. Lally confer.)

General DILLARD. On one they were considering the entire Intelligence Command, on one they were going to leave some of the units in the Washington area. I admit that does not treat with the whole problem, sir, and I cannot give you an answer to the whole problem.

Mr. LALLY. Would the difference in those commands approximate \$37 million?

General DILLARD. It would not.

Mr. PIKE. General Boatwright, is there anything you want to add to this testimony at this point?

TESTIMONY OF MAJ. GEN. LINTON S. BOATWRIGHT, DIRECTOR OF INDIVIDUAL TRAINING, OFFICE OF DEPUTY CHIEF OF STAFF FOR PERSONNEL, DEPARTMENT OF THE ARMY

General BOATWRIGHT. Yes. I would like to make a statement, sir, that I think might add something to the background of the whole thing.

I am currently the Director of Individual Training for the Army. I have not been in the capacity for about 20 months in which I am currently appearing, and I regret some of the figures pertaining to this are not as firm in my mind as I would like them to be. I was not told until Monday night that I was coming as a backup witness, and I have had only eight working hours—

Mr. PIKE. You were not told until Monday night that you were coming as a backup witness?

General BOATWRIGHT. As backup witness, no.

I worked yesterday trying to redraw some of my particular background together. But I have furnished all of the official papers to the DCSLOG and to the Assistant Vice Chief of Staff, that pertains to the Long-Range Stationing Study Group.

As background, General Westmoreland, in the summer of 1969, came by Fort Riley where I was stationed, and said I was coming to Washington to head a Long-Range Stationing Study which would look at stationing overall; it hadn't been done in a number of years and he wanted a complete look at stationing.

Within the Chief of Staff memorandum which gave me my mission, one of the primary missions was to select a home for the Intelligence Center.

At about the same time I was informed that the Chief of Staff had directed General McChristian to initiate a study about a concept for that Center.

General Westmoreland had visited Holabird, and I was told to visit Holabird and to come up with an analysis of that post as to whether it was capable of performing properly the mission of an Intelligence Center and/or School.

The post has only 305 acres there, and as you know is right in the middle of the City of Baltimore. With the dependence which I feel intelligence must make on electronics, aviation, number of other factors, this post is not suitable for the integration of all of the factors and functions that will be involved—troop units, aviation units, and so forth.

We were told, I was told, to work with General McChristian jointly, with my group looking at it from a stationing point of view and his looking at it from primarily the concept point of view, to see if we could not come together with the best solution for a center. I integrated this effort into the other efforts I had, which was to look for divisional posts, brigade posts, training center posts, logistical installations, and so forth. But in the net we looked at, I looked at or considered some 30 installations we thought met the tentative criteria we had established for an Intelligence Center and School.

Gradually General McChristian and I, either together or separately, visited the more prominent of the selections, tentative selections, that we had made, narrowing them down to four, and then again to two, to be sited at Fort Riley and Fort Huachuca. At this point it was decided we needed an intelligence expert to make a final facilities check with a group of people who were representative of all the various staffs that would be affected, and this group was formed under the then current commander of the Intelligence Command, General Blakefield, and he went out and looked at both posts, Fort Riley and Fort Huachuca, and decided Fort Huachuca offered more in the net than did Fort Riley.

We came back and briefed the Chief of Staff as you were informed this morning, who tentatively approved the plan and told the Army Staff to go to work on the detailed followup concerning this.

In March, as you noted, the question of water supply at Fort Huachuca came up.

Mr. PIKE. After the announcement of the move from Fort Holabird to Huachuca?

General BOATWRIGHT. The official word that came into the office from the Chief of Engineers was dated March 24, the announcement was March 6.

However, the McChristian group had discussed this in relation to the site they had in mind, and simultaneously the resource people in the office of the Assistant Chief of Staff for Force Development and the Assistant Vice Chief of Staff's Office, were concerned about the size of the concept General McChristian was coming up with.

My instructions were that this could not be—his concept could not be supported from a resource point of view.

My instructions were to operate on a much lower figure, somewhere in the neighborhood of 3500 to 5000. I was sent to Fort Huachuca twice in followup to see what could be done about making the concept as close as we could to meet General McChristian's view, but recognizing the resource limitations that the Office of the Assistant Vice Chief of Staff felt were pertinent to the issues.

We felt that because of the great operational advantages Huachuca had, especially as regards the electromagnetic environment there, the ability that the Army has to control—

Mr. PIKE. Who is "we" in this case? Because in this instance you disagreed with General McChristian.

General BOATWRIGHT. The Assistant Chief of Staff—communications and electronics. Asked him to make a study of it, which he did. He had all his frequency people work on it, they came in and briefed me very thoroughly, and I agreed with them—also they studied the Fort Lewis question, and the ratio I think it was something like 10-to-one advantage in electromagnetic interference at Huachuca versus Lewis.

We had the aviation people look at it from the airlines' point of view, with McChord and the civilian airlines at Fort Lewis, and in that comparison we decided the aviation environment was much better at Huachuca.

The weather was another question. Fort Lewis, in comparing these, had 152 days of ceilings down to 1,000 feet. Having been in the training business many years, I did not see how you could effectively operate a school, schedule a tight schedule, in the aviation field, with that type of weather interference.

My recommendation to the Assistant Vice Chief of Staff, accordingly was that Fort Lewis was not a suitable place for an Intelligence Center.

I strongly felt, and I still strongly feel, that from an operational point of view Fort Huachuca is the place for the Intelligence Center, that the water question is the limiting factor.

Upon learning of the water question, I met with Mr. Beck first, and finally with the Deputy Chief of Engineers, General Dunn, to find out what the limit was. General Dunn established that limit, and we have made our plans within this limit ever since he made this determination as to what he felt the reasonable limit of the post was from a water point of view.

I think these are the principal issues that affect me at the present time.

Mr. PIKE. Mr. Lally?

Mr. LALLY. Nothing.

Mr. REDDAN. General, one question: If the water is a limiting factor, what happens then if a decision is made to increase the requirements for the Intelligence Center?

General BOATWRIGHT. Well, this is the decision that had to be made, and it is one that the Chief of Staff made, that it is not going to be larger than that size. He approved the Smith Report, which says anything above 3500 will be coordinated with both family housing and with water.

Mr. PIKE. General, you heard Mr. Beck testify earlier today that not only the base but the civilian population is drawing down this water. You are saying we are going to control this by limiting the size of the base. As the civilian population grows, your base is going to have to get smaller and smaller and smaller, if I read it right.

General BOATWRIGHT. No, I believe the testimony was that the size of the civilian community stays in relationship to the size of the post.

Mr. PIKE. Do you want to hang your hat on that, General?

General BOATWRIGHT. I believe Mr. Knudson stated that. I am very confident of it. Is that not correct, Mr. Knudson?

Mr. KNUDSON. I said based on the current economy there, this was to be expected. If the economy changes this picture would change.

General BOATWRIGHT. But at the current rate the water supply is good for 60 years at a level of an equivalent population of 13,500.

Mr. PIKE. Did you have a part in the preparation of the ACSI Report?

General BOATWRIGHT. I was coordinated with on that.

Mr. PIKE. It says:

Additional means of improving the water situation are to be investigated. In the final analysis, should all efforts fail to alleviate the water problem a new location could be sought for the establishment of the Intelligence Center.

Is that still the position?

General BOATWRIGHT. That is General McChristian's position, not mine. I would take the alternate view. If you wanted to go to the extreme you are going to, that you should move out some of the units, because the co-location of the electronics would favor school and the intelligence community and the operational advantages of Fort Huachuca are overriding.

A headquarters such as much of those at Fort Huachuca are subsidiary to the importance of intelligence. I would certainly back up General McChristian's views or the need for—

Mr. PIKE. Well, so would I. But you tend to downgrade the emphasis you put on the electronic clutter. Fort Huachuca, as I understand it, is about 30 miles from the Mexican border, isn't it?

General BOATWRIGHT. Something like that.

Mr. PIKE. If anybody ever got mad at us down in Mexico could they not generate quite a lot of electronic clutter?

General BOATWRIGHT. I presume if the Mexicans turned against us they could, yes.

Mr. REDDAN. I have one other question, General.

Correct me if I am wrong: The Smith Report is the report which establishes the requirements with respect to the Intelligence Center at the present time, is that not correct?

General BOATWRIGHT. Right.

Mr. REDDAN. On page 4 of that report it states:

Accordingly, the movement of the 14th Military Intelligence Battalion, now at Fort Bragg, and the 184th Military Intelligence Company (Aerial Surveillance), now at Fort Lewis, to Fort Huachuca to support the Intelligence School as well as other agencies now stationed there, and to expand the center team concept is considered necessary.

To me, that establishes a present requirement for two units which you cannot put there because you don't have enough water.

General BOATWRIGHT. He said in his recommendation that this be phased in with family housing and with the water situation.

Mr. REDDAN. Yes. But he says it is necessary. He doesn't say it is necessary if you get water. It is necessary now, but they can't do it because they don't have the water.

General BOATWRIGHT. Well, I think he modified that statement later on, as I read his conclusions and recommendations.

Mr. PIKE. If nobody else has any further questions, General McChristian, is there anything you wanted to say at this point? I did ask you to stay around today just in case you wanted to say anything further.

General McCHRISTIAN. Not unless you have some questions, Mr. Chairman.

Mr. PIKE. I have no further questions. I would just like to conclude with what in my judgment seemed to be a rather prophetic phrase in a memorandum by Mr. Beck on March 11, 1970:

To preclude future frustration, embarrassment and criticism, strenuous effort should be taken to curb the current assignment of initial intelligence units to Fort Huachuca.

The hearing is adjourned.

(Whereupon, at 4:40 p.m., the special subcommittee was adjourned.)

APPENDIX I

UNITS, TOTAL STRENGTHS, AND LONG-RANGE CONSTRUCTION COSTS RELATED TO THE ESTABLISHMENT OF AN ARMY INTELLIGENCE CENTER

Study	Completion date	Units	Total strength	Long-range construction costs (millions)	
				Huachuca	Lewis
Blakefield Board Report.....	Feb. 10, 1970	Intelligence Command, Intelligence School, CDC Intelligence Agency, Intelligence Materiel Development Office.	1 4, 136	-----	-----
Case Study.....	Feb. 16, 1970	Headquarters, Intelligence Command, Intelligence School, CDC Intelligence Agency, Intelligence Materiel Development Office.	1 3, 536	-----	-----
ACSI Report.....	May 4, 1970	Same as above, plus—Continental Army Command Tactical Intelligence Agency (CONTIC), CONUS based Military Intelligence units, establishment of a composite brigade of school troops.	9, 697	\$185	-----
Fort Lewis—Trip report.....	July 1970	Same as ACSI Report.....	9, 697	188 (1st)	\$107 (2d) 27
Fort Lewis—Briefings.....	Aug. 14, 1970 Aug. 25, 1970	Excludes CONTIC and Support brigade for Fort Huachuca. CONTIC excluded from Fort Lewis figures and results in strength of 9,395.	6, 525	58 (1st)	59 (2d) 54
Smith Study.....	Nov. 1970	Intelligence School, CDC Intelligence Agency, 14th and 184th Intelligence Units.	3, 635	59	-----
DA Briefing, House Appropriations Subcommittee on Military Construction.	Dec. 18, 1970	Intelligence School, CDC Intelligence Agency.	2, 729	31	-----

¹ Estimated student strength of 2,000 added by GAO.

APPENDIX II

Key dates and data concerning relocation of the Army Intelligence School from Fort Holabird to Fort Huachuca

1968 -----	Major General McChristian, Assistant Chief of Staff, Intelligence (ACSI), conceived the concept of an Army Intelligence Center.
Dec. 1969 -----	Army Chief of Staff requested Major General McChristian to prepare a plan for establishing his concept of an intelligence center.
Jan. 24, 1970 -----	Department of the Army, in order to have a disinterested party's opinion, initiated a separate study to prepare a plan for moving the Intelligence School and related activities to either Fort Riley or Fort Huachuca. This was known as the Blakefield Board Report named after the President of the Board.
Feb. 10, 1970 -----	Blakefield Board Report completed.
Feb. 16, 1970 -----	Army's case study justifying closure of Fort Holabird and relocation of the Intelligence School completed.
Mar. 6, 1970 -----	Secretary of Defense announced plans to move Intelligence School to Fort Huachuca and close Fort Holabird by June 1973.
Mar. 24, 1970 -----	Corps of Engineers, based on tentative plans being developed under ACSI Study, reviewed impact on water resources at Fort Huachuca and expressed concern for adding 9,700 persons.
May 4, 1970 -----	ACSI Study report, which envisioned the original Intelligence Center concept and a complement of 9,700 persons, completed. Concluded site other than Fort Huachuca should be considered because of water problem.
June 26-29, 1970 -----	Major General McChristian surveyed Fort Lewis as site for the Center.
Aug. 25, 1970 -----	Major General McChristian briefed Chief of Staff on results of survey of Fort Lewis concluding it more economical than Fort Huachuca.
Sept. 24, 1970 -----	Army initiated another study known as the Smith Study to determine the feasibility of establishing an Intelligence Center at Fort Huachuca.
November 1970 -----	Smith Study completed and report concluded it feasible to establish an Intelligence Center at Fort Huachuca with a projected long-range strength of 3,600 persons.
February 1971 -----	Move of Intelligence School initiated and completed in September 1971.

