

Community Impacts Economic Adjustment Plan 27 Sept 02

Purpose

The purpose of this Community Impacts Economic Adjustment Plan (EAP) is to:

- Present the history and background of the Community Impacts program at Ft. Greely and Delta Junction, Alaska
- Assess community needs/concerns and recommend measures to mitigate potential community impacts resulting from the Missile Defense Agency (MDA) Ground-Based Midcourse Defense (GMD) program
- Provide a vehicle for approval of individual projects

Background

Prime Contractors are currently constructing facilities for the Missile Defense Test Bed at Fort Greely, Alaska. Delta Junction, Alaska is the municipality most likely to be impacted by the test bed. Located five miles from Ft. Greely, Delta Junction is the only urbanized location within a fifteen-mile radius of the installation, and is the municipality most likely to provide community services for test bed personnel.

MDA, coordinating with the State of Alaska and Delta Junction, spent 2 years studying the local economy to determine the impacts that would result from a large-scale construction program at Ft Greely. The initial NMD Deployment Community Impacts Program was \$36,800,000 over a five-year period, but Test Bed revisions to the plan now recommend \$24,800,000 from fiscal years 2002-2004. Included in this calculation is the fact that the area cost factor for Fort Greely is 2.15, which makes the buying power one-half of most other locations.

The attached manpower chart shows a significant increase to the population to which Delta Junction must provide community and local services. According to the latest census, Delta Junction has a population of 840, with approximately 300 individuals of employable age. With the test bed construction, MDA projects an average increase of 455 personnel, with 615 workers expected during peak operations. Upon completion of construction, test bed sustainment manpower requirements are expected to be 153 personnel, with an estimated 25% of the personnel to have families accompany them. Due to this increased influx of personnel to support test bed facilities, Delta Junction's ability to respond with an appropriate level of community services will be compromised. Delta Junction has no tax base that other communities would use to provide community services. In addition, prior to the 1995 Base Closure and Realignment action, Delta Junction residents relied upon Fort Greely facilities for many recreational activities.

Infrastructure at Ft. Greely was drawn down during BRAC 95 and is not being reconstituted; therefore, MDA must rely upon the local infrastructure. Having closed these facilities on post, there became a vacuum that the community could not replace. With the influx of personnel caused by test bed personnel and their families, Delta Junction is presently unable to provide an adequate level of community support.

Impacts would be associated with schools, roads, emergency fire and medical services, municipal services, local business, communications and utilities. Additionally, there are historical issues of behavioral problems with unaccompanied missions, which are amplified by the extreme cold and darkness of the winter months in an arctic climate.

Authority for Community Impact Assistance

The Section 235 of the FY02 Defense Authorization Act authorized use of FY 2002 MDA RDT&E funds for local communities impacted by the construction, installation, or operation of the Missile Defense System Test Bed. The funding was authorized to meet the need for increased municipal or community services or facilities. Assistance may be provided only if there is an immediate and substantial increase in the need for those services as a direct result of the test bed facilities. The Secretary of Defense has delegated this decision to the Under Secretary of Defense (AT&L).

Individual Project Descriptions

1. New landfill \$5,500,000

- **Need**

- The current DoD landfill on Post has 5 cells, of which they are now operating on the 5th cell. With current actual waste stream quantities of approximately 1 ton per day, closure is anticipated in 2003-2004. At that point, either a new permit with new cells will have to be built or the waste will have to be shipped to Fairbanks, 2 hours away. The existing community landfill is out of compliance with state environmental standards, therefore the government may not dispose of waste there. The government must develop a long-term solid waste landfill solution in the next 2 years, and believes that a new municipal landfill, operated in compliance with current regulations is the most viable option.
- Army policy (TM 5-814-5) is "The preferred method of solid waste disposal is to participate in a regional solid waste management system, if feasible."

- **Projected Impacts of Test Bed**

- The Missile Defense Test Bed is adding a substantial population to the area with construction during the '02-'04 period, continuing with operations. With the Test Bed construction workforce residing off-post, there is already an increased disposal problem at the current non-compliant, city landfill.
- Must accommodate the large quantity of solid waste resulting from the additional personnel, construction and operations in an environmentally compliant sanitary landfill.

- **Recommended Mitigation Measure**

- Provide funds for the community to build a compliant landfill.

- This project is the long-term solid waste solution and provides solid waste disposal in an environmentally compliant landfill.

2. Fire Truck and Ambulance \$900,000

- **Need**

- The fire equipment currently on hand does not meet the standards of the National Fire Protection Association (NFPA) 1142, paragraph 7.3. The purchase of additional fire truck and associated equipment is necessary to ensure that those standards are met.
- Propose replacement of the oldest ambulance, a 1983 Ford, which has logged over 500,000 miles (third engine) and cannot be economically refurbished. This ambulance is unreliable and is no longer used to transport patients to the nearest hospital one hundred miles away. Because of this, patients are occasionally “stacked up” while waiting for reliable transportation.

- **Projected Impacts of Test Bed**

- The City of Delta Junction ambulance fleet is the primary method of evacuating injured personnel to the hospital in Fairbanks.
- While most of the MDA construction and management staff are unaccompanied and living on post or in mancamps, there is a residual effect of those to support the program that are moving into the community. Approximately 12 additional Firefighters, 42 DA Police, and many other support personnel are bringing families and choosing to live on the economy.
- This additional population is causing a safety and medical response problem for the community, which directly affects DoD personnel. Current Delta Junction assets are in poor physical condition and are nearing the end of their useful life. Unless replaced with modern equipment, Delta Junction will be unable to provide adequate fire and

medical response support to the community and the test bed.

- Necessary to provide fire and medical response for influx of people due to DoD programs that will be living in the community.

- **Recommended Mitigation Measures**

- Provide funds for the community to purchase new fire equipment and one new ambulance.
- The city and the installation can enter into a mutual aid agreement to directly support structural fires on the installation and transport DoD employees to Fairbanks for necessary medical treatment.

3. Fire Station, Municipal / Public Works Facility \$3,200,000

- **Need**

- The current Delta Junction fire station has insufficient space to properly accommodate emergency vehicles and associated equipment. NFPA 1901 paragraph 2.9.3 requires that fire equipment manufactured in the United States be capable of operating in temperatures from 32°F to 110°F. Winterization of individual pieces of fire equipment for outdoor storage is simply not practical because of the large quantities of water involved. Parking fire equipment indoors where it will be ready for either maintenance or immediate deployment solves this shortcoming.
- The fire station has insufficient water well capacity, and must be enlarged to ensure an adequate water supply per NFPA 1142 paragraph C.1.4.
- A Public Works facility is planned to provide parking and shop space for additional snow plowing and roads maintenance equipment. The facility will be co-located with the fire department.

- **Projected Impacts of Test Bed**

- With the additional personnel living in and around the community, there is a need to provide reliable fire response. Many new homes will be built in the next few years to relieve the housing shortage, thus increasing need for adequate fire protection services.
- Traffic on city streets has already been increased noticeably and has increased the need to do more maintenance on streets.
- The facility will be co-located with the fire department both to ensure the fire truck can quickly respond to emergencies and to keep the roads open in the winter in order to support test bed activities.

- **Recommended Mitigation Measures**

- The fire station facility is to provide heated vehicle parking for emergency vehicles.
- A Public Works facility is necessary to provide parking and shop space for additional snow plowing and roads maintenance due to excessively higher traffic on city streets.
- The city plans to renovate the fire station and build a public works addition co-located with the fire station in order to address these needs. Locating the facilities together will enhance the city's ability to respond to emergencies.

4. **Communications Upgrades \$480,000**

- **Need**

- The emergency communications services in the Delta Junction area do not meet the standards of NFPA 1221, paragraph 1-2.1(3). Currently incompatible system hardware and the lack of repeaters to provide full coverage of the area limit the communications for fire and emergency medical service use. Currently, the local radio communications for fire and ambulance use is limited by the repeaters that are located downtown Delta Junction

and on nearby Donnelly Dome. Repeaters for radio and television are in poor repair and cannot be relied upon for the broadcast of public safety messages.

- Since the BRAC, the only local radio broadcast, AFRTN from Ft Greely, was converted to a non-manned syndicated broadcast and cannot be used for the broadcast of public safety messages. Direct reception of television and radio signals from Fairbanks within the local area is marginal to non-existent depending on the topography of a particular location and the prevailing atmospheric conditions. There is an additional need to improve the local radio and television reception capability. Transmission of public safety messages (e.g. evacuation due to forest fire, road closed by avalanche) can not be reliably received at all points within the community). There is also no longer any capability for local radio broadcast of weather and news that are necessary for travel and work in the local area.

- **Projected Impacts of Test Bed**

- The primary purpose of this project is to upgrade the emergency communications in the local area for fire and medical response purposes.
- Upgrading this equipment will enhance morale of test bed personnel and their families, thereby reducing the impact of the long winter season.

- **Recommended Mitigation Measures**

- The primary purpose is to upgrade the emergency communications in the local area for fire and medical response. Some of these funds will be used to rebuild the tower and antenna system. The solution may require relocation of or placement of additional repeaters to extend coverage and improve reliability

5. Public School Assistance \$3,500,000

- **Need**

- There are two schools in the local area that serve K-8 education - the Ft Greely school and the downtown Delta Junction school. After the BRAC, the Ft Greely school was closed. The school population was just at the break point

(approximately 600 students) for needing the additional facility, however budget constraints required closing the school.

- Access to the school is via the main gate to Ft Greely. Access is limited during increased ThreatCon levels. Extensive delays, searches and non-entry will result in the school district not being able to depend on the facility for long term. Once reopened, there will be access issues that may prevent effective operation.
 - Also, perception problems still exist in the community with a missile field approximately 1 mile from the school. Many parents do not feel comfortable sending their children to Ft Greely School. Because of these limitations and the need for updated facilities, the Delta-Greely School District has applied to the State of Alaska Department of Education for \$37,000,000 of construction funds. There is a need for planning funds to explore a solution involving renovation and/or new construction to provide facilities centrally located downtown.
 - Until a long term solution for the off post school is determined, interim warmbasing and basic maintenance will preserve the Ft. Greely school until re-opening is required. MDA is currently warmbasing other facilities on Ft. Greely to preserve them for future program use. Economic Analysis showed that warmbasing for up to 3 years is advantageous to minimize the damage in a vacant facility.
- **Projected Impacts**
 - Due to the additional DoD and construction worker population, there will be enough dependants added to the school system to eventually require reopening the Ft Greely school. So far in the 02/03 school year, there have been 76 new students in 1st-12th grades and an additional 20-30 in kindergarten and preschool that can be attributed directly to the Test Bed construction. Considering the additional firefighters, police and other support workers, along with a significant increase in construction workers in FY03, there will be in excess of 100 additional children in

the school district next year. This will be an increase of approximately 33% due to Test Bed construction.

- **Recommended Mitigation Measures**

- Funds provided must be used to warmbase and maintain the Ft Greely school to minimum standards until the need exists to reopen the school for an interim period or until a better solution is available.
- Funds must be used to plan for the long-term requirement. This includes determining the most viable solution for long term, sustainable facilities. Funds may be used to design for additions, renovations or other construction off post.
- Funds may be used as a cost sharing measure or to provide matching grants from the State Department of Education to replace the Ft Greely school with renovated, expanded or new facilities downtown.

~~6. Business Development — \$2,500,000~~

~~—Need~~

~~oDelta Junction is a small town at the intersection of the Alaskan Highway and the Richardson Highway, with one grocery store, three restaurants, three motels, two gas stations and an assortment of liquor stores and bars. Current business opportunities and development are limited. Delta Junction has always relied upon the facilities and services available on Ft Greely for recreation, including movies, bowling, swimming, veterinary clinic, auto shop, and many others. With the impact from closing of these morale, welfare and recreation (MWR) facilities the community has found that there is a need for a private economic base that is not DoD dependant.~~

~~oThe history of Delta Junction business has been unstable, being located in interior Alaska with limited transportation and customer base, it has been dependant on DoD. The economy has also been restrained by DoD, because there is not adequate customer base to serve duplicate business~~

~~enterprises in town and on post. The Test Bed mission is an excellent opportunity to develop replacement services. A free enterprise economy, however, cannot act quickly enough to meet the demands and needs of the MDA personnel.~~

~~oWith the 21st century advances of Internet marketing and improvements in transportation, the area has new opportunities for developing stable economic growth of private sector businesses.~~

~~—Projected Impacts of Test Bed~~

- ~~oThere is a shortage or lack of many services that need to be available if the Missile Defense Personnel are to be able to live and work in the Delta Junction area.~~
- ~~oRetaining test bed employees will be challenging if Delta Junction does not develop more services and supplies.~~
- ~~o In the event that DoD should abandon the site, closure or realignment of the installation would be much less challenging if there is already another baseline economy without Missile Defense.~~

~~—Recommended Mitigation Measures~~

- ~~o Provide business grants and loans to study, market and promote complementary business development in the community. This will enable a search for an “anchor industry” which would be able to stabilize the economic boom/bust scenarios of the past.~~
- ~~o A business development plan for the local area needs to be created in order to help the community recognize and take advantage of potential opportunities due to Missile Defense Programs.~~
- ~~o~~

7.6. Social Service Grants \$270,000

- Need

- The BMD Test Bed at Ft. Greely has little or no MWR facilities. There is a minimal social service capability in the community. With a very high rate of alcohol and drug abuse in interior Alaska, there will be employee problems.
- Adjusting for personnel needs in the 21st century and lessons learned from the SAFEGUARD Program and the TransAlaska Pipeline, we identified a need to focus on the mental health/behavioral welfare of incoming population in a remote area.
- Command concern in these areas can be greatly improved with education and recreation in addition to counseling.
- Negative publicity arising from incidents caused by people working on the MDA program could have far reaching effects due to the high profile of the MDA Program.
- Incoming and relocating personnel and their families are expected to face substance abuse and mental health problems, both of others and of their own. Current counseling services are inadequate for the number of personnel and type of issues associated with construction.

- **Recommended Mitigation Measures**

- Provide grants and other incentives to increase the availability of counseling to ensure an appropriate level of services.
- Provide school programs to highlight issues with children and provide insight to abuse or other home problems
- Develop work programs to market the availability of recreation, counseling and other forms of assistance available in the community

8.7. Education for Job Training \$750,000

- **Discussion**

- There is a strong baseline of workers in the local area for jobs that involve low skill levels of manual labor

- **Projected Impacts**

- Missile Defense and their contractors will be looking for local hire capability with higher skill levels to support management, operations and maintenance of the system.
 - The Prime contractor has suggested skills that will be needed in the FY04 period and beyond that should be local hire, including administrative, operations management, scheduling, safety, supply management and operations, test and evaluation engineering and general management.
- **Recommended Mitigation Measures**
 - Provide funds to enable job training through privately operated, established educational systems
 - Work with the Prime Contractor (Boeing) and others to identify potential skills that will be necessary in the near future
 - Work with the private sector, Delta-Greely Schools and University of Alaska partnerships to provide this training.

9-8. Recreation Center and City Hall \$1,200,000

- **Need**
 - Closure of Ft. Greely morale, welfare and recreation (MWR) facilities during the BRAC realignment action resulted in a void of adequate recreation facilities. The MWR on post provided bowling, theater, recreation center, swimming and gym. The Post library that served the Army was also closed, which put more pressure on the City Library. Other functions that were lost have not been replaced.
 - The existing city hall/library is a combined facility and is insufficient to meet increased needs of the community for either a City Hall or a library.
 - Existing recreation facilities in the winter, other than the school gymnasium, is limited to an unfinished, unheated ice hockey rink with a dirt floor, which is difficult to use, especially for spectators, when the outside air temperature is below zero, which is the case most of the winter.
 - Availability of recreation outside the home, in a family environment, helps the morale and well being of all, but

especially those from the “lower 48” that are not accustomed to the arctic winters.

- The ongoing borough formation plan, which implies a tax base in the community, would be a benefit to help ongoing operations costs and municipal responsibility. A borough would require a larger city hall complex to accommodate the expanded geographical area

- **Projected Impacts**

- Without providing the availability of social interaction and recreation, MDA anticipates that there will be a higher rate of employee turnover, behavioral problems, and mental illness.
- Expanding the library is necessary to accommodate both the local citizens and the DoD population. Recent library usage (Mar 02 through Aug 02) has increased by 31% over the same period last year. This is considerable, since the arriving MDA personnel double in FY03.
- As Missile Defense becomes an important focus point in the community, there will be greater demands on the City to accommodate meetings and public hearings.

- **Recommended Mitigation Measures**

- The master plan involves developing a new community center facility that will house recreation, city hall and various meeting functions. The new facility can serve as a community focal point, provide location for town hall meetings, and provide an adequate level of basic community services for the test bed personnel and their families.
- Moving the City Hall out of the existing facility will leave room for expansion of the library to accommodate the additional patrons.

Individual Project Approval

As indicated, I approve the following projects as a mitigation measure to offset impacts to the local community due to Missile Defense Test Bed construction, installation or operation.

Mr. E.C. Aldridge, Jr.
Under Secretary of Defense (AT&L)

Date

<u>PROJECT</u>	<u>COST</u>	<u>APPROVE</u>	<u>DISAPPROVE</u>
Landfill	\$5,500,000	<u> X </u>	<u> </u>
Fire Truck & Ambulance	\$900,000	<u> X </u>	<u> </u>
Fire Station / Public Works	\$3,200,000	<u> X </u>	<u> </u>
Communications	\$480,000	<u> X </u>	<u> </u>
Public School Assistance	\$3,500,000	<u> X </u>	<u> </u>
Business Development	\$2,500,000	<u> </u>	<u> X </u>
Social Service Grants	\$270,000	<u> X </u>	<u> </u>
Education/ Job Training	\$750,000	<u> X </u>	<u> </u>
Recreation Center w/ City Hall	\$1,200,000	<u> X </u>	<u> </u>