

ECONOMY; Utah base braces for unfriendly fire; State officials and those at Hill expect to defend mission in another round of closures; Utah's Hill set to defend its mission

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HILL AIR FORCE BASE -- More than six decades have passed since Ployer ``Pete" Hill died testing aircraft at Ohio's Wright Field in 1935. But the Utah base named in the test pilot's honor continues to break new ground.

Since the base opened in 1940, innovators have come up with new ways of stripping paint from F-16 fighter jets, restoring plane cockpits, writing software and improving optical systems, for example.

The job picture at Hill Air Force Base also appears bright: As many as 3,000 new positions -- ranging from aircraft mechanics to supply managers -- are expected during the next several years.

That is mostly because of work load transfers from base closures in California and Texas.

With some 14,220 military and civilian employees and a \$6.2 billion budget, the northern Utah base has become the state's leading employer.

The base also employs another 1,397 reservists and 5,379 contractors, and is responsible for the creation of 9,228 other secondary jobs. Overall, it pumps an estimated \$2 billion into Utah's economy.

Despite the job outlook, Utah's congressional delegation worries the transfers are not happening fast enough.

``We're looking pretty good. What we're trying to do is get those missions moved faster since they could extend all the way up to 2001," says Rep. Jim Hansen, R-Utah, a senior House member whose district includes Hill.

And with Defense Secretary William Cohen's recent announcement he plans to seek congressional approval for two more rounds of base closures in 2001 and 2005, Hill is preparing again to defend its mission.

Cohen believes two more rounds will save an initial \$20 billion to \$21 billion and a continuing \$3 billion a year that could buy more sophisticated weapons.

Aside from providing maintenance for F-16s, Hill's functions include two fighter wings, contracting and supply services worldwide, and testing and maintenance of the nation's intercontinental ballistic missile systems.

It is home to specialized teams, like the 84th Radar Evaluation Squadron, a one-of-a-kind unit that tests U.S. and allied surveillance radar systems.

Like the base's military leaders, Hansen hopes to "build the base back up to 80 percent capacity" of the amount of work that it can handle. It now is at about 50 percent capacity.

Rebuilding that capacity would drop the base's current \$87-per-employee hourly base-operating costs to about \$62.50 and make the base more competitive for contracts, Hansen says. The transfer of jobs to Hill also could save federal taxpayers an estimated \$140 million per year, according to Hansen's staff.

Air Force Maj. Gen. Richard Roellig agrees the northern Utah air logistic center he oversees must compete for and win more defense contracts to survive another round of base closures.

"If we're smart, we need to be prepared for the inevitable," he recently told members of the North Davis Chamber of Commerce.

A 1995 base-realignment commission study put Hill at the top of the list of the nation's five air logistics centers to retain. Since the early 1990s, when post-Cold War military spending cuts began, the base's lessened work load -- from 8 million down to 4.2 million work hours -- and accompanying job cuts, have provided fresh challenges.

The base's maximum capacity is about 9 million work hours a year. The last time that occurred was in the late 1980s.

Hansen's legislative director and military aide, Bill Johnson, explains that Hill's struggle to make itself more competitive hinges on reducing the base's excess capacity. "It's because the customer is still paying for a facility that can do twice the amount of work," he says.

Excess capacity is something most private companies would not be allowed to carry because shareholders wouldn't stand for it, Johnson points out. Reducing unnecessary overhead has been a continuing process at Hill, according to Roellig. Wherever possible, he says, management functions have been consolidated and high-level positions have been eliminated.

"Hill Air Force Base is working hard to become competitive and remain that way," says Hill spokesman Bob Ballew.