



Government

BRAC begins in earnest with \$477.5M contract at APG

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On Sept. 26, the federal government awarded a \$477.5 million contract to a Washington-based development team for construction of the new Communications and Electronics Command (CECOM) headquarters at Aberdeen Proving Ground (APG). This is the most convincing evidence to date — a “concrete step” in the words of Sen. Barbara A. Mikulski — that the 2005 Base Realignment and Closure (BRAC) initiative is moving forward in Maryland.

To date, there has been considerable discussion related to proper planning, execution of public infrastructure and services improvements, who should pay for it, and how it should be funded. All the while, there has been a lingering question ...

“Sure, but is this really going to happen?”

Now we have our answer. Award of this contract is a significant point in the BRAC implementation process. Now attention must be paid to the abundance of contracting opportunities that are coming.

Since January 2006, the Economic Alliance of Greater Baltimore and its partners from the business community, higher education and local and state governments have worked to increase awareness of BRAC’s impact on the region, while reaching out to federal employees and the private defense contractors whose lives and businesses will be affected.

Through coordinated presentations, briefings and networking efforts we have reached more than 6,500 federal employees and 2,500 individual defense contractors. Our message initially focused on the great quality of life that our state and region offer federal employees, defense contractors and their families.

Now the discussion has turned to forming productive business relationships. While \$477 million is a lot of money, each installation in Greater Baltimore, Fort Meade and Aberdeen Proving Ground will easily see in excess of \$1 billion in new construction, infrastructure and facility improvements. Consider also that the major agencies moving to Greater Baltimore, the Defense Information Systems Agency (DISA) — which will also get a \$400 million-plus new headquarters at Fort Meade — and CECOM each spend more than \$5 billion annually, with 25 percent to 30 percent of the contracts awarded to small and medium-size businesses.

Currently, 60 percent to 65 percent of federal employees will be eligible for retirement by the time critical agencies are relocated to Greater Baltimore. Similar percentages apply to the private-sector employees supporting relocating agencies. The major “prime” contractors, therefore, are not only looking to hire skilled employees; they also are looking for new subcontractors — local subcontractors with personnel, operations, systems and infrastructure already in place.

What kind of business opportunities are we talking about? It has been described as such: Fort Meade will be home to the major Department of Defense information technology users (the National Security Agency and DISA), and Aberdeen Proving Ground will be home to the Defense Department’s principal IT developer CECOM (accompanied by the Communications, Electronics, Research & Development Command, or CERDC). The business and contracting opportunities are not limited to the IT sector alone, however. They extend into traditional services such as construction, legal, health care, engineering, HVAC, accounting and law enforcement.

Security clearances are expensive and not easy to obtain for individuals or businesses. Establishing new business relationships with the “primes,” therefore, will be essential. Getting to know and operate under the clearances of companies that know the business of these critical missions coming to Greater Baltimore will help local small and medium-size companies take advantage of BRAC-related business opportunities while they go through the process of having their own facilities and employees “cleared.”

Businesses hoping to learn more about doing business with Maryland’s military facilities should visit the Maryland Department of Business and Economic Development Web site (<http://www.choosemaryland.org/businessinmd/militaryaffairs/BRACStudy.html>) and download the 2007 Business Opportunities Manual.

When is this all going to happen? The construction work has already begun with the \$477 million contract to upgrade the IT infrastructure at Aberdeen Proving Ground. As far as the mission-related business, some of the larger defense firms say they will move when the customer moves.

Northrop Grumman, for example, runs the Army’s software engineering center at Fort Monmouth, N.J. That function will move as the facility moves, scheduled now for sometime in 2010. Other contractors, such as Raytheon, MITRE Corporation, EG&G, Booz Allen and CACI, are already scouting new locations, signing leases for new or expanded offices, and hiring employees here in Greater Baltimore.

These steps are being taken not only in anticipation of BRAC but also with an eye toward new and emerging business opportunities with our federal facilities, research institutions, universities and local industry.

How people get from their homes to each installation or offices nearby, where their children will go to school, and how we respond to this great economic opportunity to sustain and improve our quality of living are questions that may linger, but the answers are not far off.

Team Maryland has successfully defended and positioned its military assets for growth. Gov. Martin O’Malley is acting decisively to engage all levels of government and, with the help of our formidable federal delegation, make the necessary investments.

Many of our soon-to-be-neighbors are also taking part in the effort, as military officials attend and contribute to Maryland Military Council meetings. Defense contractors from Washington and New Jersey attend regional work force development conferences, local and regional tech council meetings, and BRAC subcommittee meetings throughout the state.

Discussions with our higher education community have generated new and exciting ideas, ways to not only sustain and support these critical missions, but also ways to commercialize technologies being utilized and spawn new businesses and industry. So BRAC, while a tremendous opportunity, can be merely a beginning. We are building an economy and a work force of the future.

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