

San Antonio Express-News

Air Force is considering Port San Antonio's unique proposal to build new cyber headquarters

It's also looking at traditional methods to build a new facility — and taking interim steps toward the Port.

(REPRINTED UNDER LICENSE FROM THE SAN ANTONIO EXPRESS-NEWS VIA ZUMA PRESS)

Brandon Lingle – June 17, 2024



A conceptual rendering of a 16th Air Force campus being proposed at Port San Antonio. At far left, the existing Boeing Center at Tech Port can be seen. At center right in white is what the Port is now calling Innovation Tower, a new office building it's working to develop. Image: Port San Antonio

As the Air Force reviews a \$1 billion proposal to move the service's main cyber headquarters to Port San Antonio, it's taking interim steps to relocate some of its elements from crumbling infrastructure at Joint Base San Antonio.

Their destination: Port San Antonio.

The temporary moves come as officials including U.S. Sen. John Cornyn are talking up the Port's audacious pitch to build a high-tech campus to replace the aging mishmash of buildings that house the 16th Air Force — an idea built on a type of services agreement not previously used for such projects.

“I am very pleased to hear that they’ve received and are considering our proposal,” said Jim Perschbach, the Port’s president and CEO.

He was reacting to statements from the Air Force hinting that it’s open to the novel idea.

In an emailed response to questions, spokeswoman Laurel Falls said the Department of the Air Force “seeks to maximize the use of existing assets and land development opportunities, providing a mutual benefit to the community,” and is open to exploring what she termed “potential concepts with partners.”



Jim Perschbach, president and CEO of Port San Antonio, speaks during the December ribbon cutting for the Boeing Aerospace Adventure in the Boeing Center at Tech Port. Photo: William Luther

The “concept” could be the Port’s pitch to develop a public-private partnership with the Department of Defense to build a consolidated campus for the 16th and its partner agencies on the Southwest Side tech and manufacturing campus formerly known as Kelly Air Force Base.

It would develop the complex via an intergovernmental support agreement, which are commonly used for municipalities to provide services such as water, waste removal and road maintenance on military installations. Using such an agreement to provide a purpose-built facility for the Air Force would be a novel approach. But it’s one Perschbach has said could provide the 16th with modern space in half the time and at half the expense of the traditional military construction process.

The Air Force also is considering more traditional means for construction and modernization of facilities for the 16th.

“This includes future MilCon (military construction) projects to replace the 16th AF and Cyber Operations facilities,” said Angelina Casarez, spokeswoman for JBSA and the 502nd Air Base Wing, which operates the base.

Temporary move

The 16th, also known as Air Forces Cyber, has a big and rapidly growing role in safeguarding the U.S. across the information domain.

Responsible for more than nine wings across the country, its mission spans cyberspace operations, electronic warfare, information operations and intelligence, surveillance and reconnaissance. As such, most of its work is classified and high-tech, requiring secure facilities and solid infrastructure.

Its profile could expand even further, as Congress is exploring creation of a new military service focused on cyber, meaning a solid investment in a new headquarters could help position San Antonio for more military cyber units in the future.

The 16th is currently operating in JBSA’s Building 2000, a 71-year-old structure with a hobbled HVAC system and foundation problems that have caused shifting floors and cracked walls, Casarez said. Such problems plague many facilities across JBSA.

In addition to Building 2000, the 16th works out of other JBSA facilities between 27 and 38 years old.

The facilities situation is the result of years of reorganizations, rapidly advancing technologies and changing threats that left it housed across a mix of aging facilities that were built for an analog era and a budding Cold War.

Building 2000 is in such bad shape that JBSA officials are working with 16th Air Force to create temporary headquarters workspaces at Building 171, a massive government office and facilities building on Port San Antonio.

“We estimate approximately 300 workstations available almost immediately,” Casarez said in an emailed response to questions.

That building already houses the Air Force Installation Mission Support Center, the agency that supports development and implementation of intergovernmental support agreements.

In the longer term, JBSA leaders said they plan to replace the old facilities on Security Hill — the area where the 16th and other intelligence, surveillance, reconnaissance and cyber warfare units have been located — through a series of military construction and modernization projects.

“This includes future MILCON projects to replace the 16th AF and Cyber Operations facilities,” Casaruez said. The work would repair the foundations and HVAC systems in Building 2000 and Building 2007, another occupied by the 16th.

Novel approach

The Air Force has not previously used an intergovernmental support agreement for real property or construction, Falls said, but the service “strongly encourages the maximum use” of such agreements in accordance with federal law.

She added that “all appropriate (Department of the Air Force) stakeholders” are reviewing details of the proposal but could not say when the service might respond to Port San Antonio’s offer.

Such agreements between military installations and their surrounding communities typically focus on services municipalities commonly provide, such as recycling, utilities or wastewater treatment. The goal of using existing government resources to save money and boost efficiency.

The Air Force has 36 support agreements across its enterprise including four at Joint Base San Antonio. Three of those are with the city for bulk material, paving and emergency medical services and one is with the Alamo Area Council of Governments to expedite work with local contractors.

Using an intergovernmental service agreement for property development and construction is new, but Perschbach said it would work.

“Under the statute, the state or local government services they provide have to be the services they do in their normal course of existence,” he said last month. “We are a real estate development company. We just happen to be a political subdivision to the state of Texas, so it becomes, as the engineers say, an elegant solution.”

Leveraging such a partnership agreement instead of using the typical military construction process, which is often bogged down by politics and bureaucracy, could save taxpayers money and get the 16th into updated facilities more quickly.

The Port estimates it could develop a schematic design of the campus south of Billy Mitchell Boulevard and Gen. Hudnell Drive in about 18 months at a cost of roughly \$14 million. The entire project would cost between \$1.2 billion and \$1.4 billion.

“The MilCon (military construction cost) on that is probably \$2.2 (billion) to \$2.4 billion, so about a billion dollars more,” Perschbach said earlier this month. “We think that we can go from startup design to completion in about six years and MilCon would take about 12 years to do the same process.”

Under his ideal scenario, Perschbach said the Port would design and build the campus under the agreement, then, at a pre-determined time, transfer the property to the U.S. government.

Supporters

That leaves open the question of whether Air Force leaders — who frequently preach about moving fast, optimizing and innovating amid growing competition with Russia and China — will go for the idea.

Locally, it’s got the backing of a broad coalition of community and economic development leaders who support the idea, and U.S. Rep. Henry Cuellar has pitched it to Air Force brass.

During an April hearing of the House Appropriations Subcommittee on Military Construction, Veterans Affairs and Related Agencies, Cuellar raised the proposal to Ravi Chaudhary, assistant secretary of the Air Force for Energy,

Installations, and Environment, whose office oversees the policy and implementation guidance for intergovernmental support agreements. Chaudhary has not commented publicly on the proposal.

The Laredo Democrat has declined to comment, but his written statement for the hearing called the Port's proposal "an innovative approach to the planning, design, and construction of the consolidated campus for the 16th Air Force."

Now, sources say, Cornyn, the state's senior senator, is preparing a letter for the secretary of Air Force expressing bipartisan support for the Port's proposal. His office declined to comment. The sources declined to be identified because they didn't want to be seen as speaking for Cornyn.

Perschbach said he's gratified by such support and said it brings an added benefit.

"We have a lot of people who are being tremendously helpful both in helping us tell the story to the right people, but also in giving us some good ideas that allow us to refine these concepts," he said.