



Ft. Bayard: WHAT TO DO?

Military and Veterans' Affairs Committee
August 22, 2012



State of New Mexico
General Services Department

HISTORY

Fort Bayard is a 468-acre Pershing-era fort located six miles outside Silver City. It is owned by the State of New Mexico. Home, until 2010, to a state-run, long-term care facility for veterans, the scenic and historically significant property now stands vacant. Most of the 81 structures on the site, including the 145,000 square foot hospital, are in need of significant repair and are deteriorating rapidly. In its current, unused condition, the property is an expensive maintenance liability for the state of New Mexico. The State of New Mexico took control of Fort Bayard in 1965. The adjoining military cemetery became a National Cemetery on July 5, 1976. A number of Black cavalry troopers who were stationed at Fort Bayard in its early history were honored at the dedication and installation of the Buffalo Soldier Memorial in 1992 at Fort Bayard. In 2001, the fort became a Historic District and on March 19, 2004 Fort Bayard was designated a National Historic Landmark.



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Ft. Bayard Aerial View



Current Conditions

The Fort Bayard campus contains over seventy (70) buildings constructed at various times and in a number of different styles. There are eight (8) other structures such as a brick incinerator, steel water tank and masonry reservoir.

- 17 Cottages that were residence quarters for non-officers working at Ft. Bayard, do have known environmental issues, particularly asbestos and lead based paint. The cost to abate the asbestos and lead paint and bring the cottages up to a usable condition needs to be identified before any decisions are made about how to re-position these buildings
- Officers' quarters, a series of six buildings flanking the west side of the parade grounds, were built in the first decade of the 20th century. Like the small cottages, the Officers' Quarters have asbestos and lead paint abatement issues.
- Yucca Lodge was originally constructed in 1871 for use as the administration building. Situated on the north side of the Parade Ground, this two-story 13,000 square foot building has had a number of renovations, most recently in 2004.



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Current Conditions (cont'd)

- Ft Bayard hospital was built in 1921 and contains approximately 145,000 square feet. According to the 2005 Facilities Assessment Report the Facility Condition Index (FCI) for the old Fort Bayard Medical Center was 32.68. The FCI is the ratio of the facility's assessed deficiencies divided by its replacement value. FCI's between 60 and 70 strongly favor replacement over renewal.
- Modernizing the old FBMC to bring it up to current codes would cost about \$28 million in 2012 dollars. Replacing it would cost considerably more, approximately \$93 million. Thus, if there was need for a hospital facility comparable in size to the old medical center, it would make more sense to renovate the existing structure than to replace it. But this is a very remote prospect. (Source: LEAPartners Disposition Assessment and Feasibility Study, 2011).
- Although the building is structurally sound and the projected rehabilitation costs are relatively low, the layout of the floor plan is not suitable for most contemporary medical functions.



Current Conditions (cont'd)

- Steam Plant, also known as the Central Heating Plant, is a one story structure approximately 5900 square feet in size. As its names implies, this facility generates heat that is distributed to many of the primary structures within the fort.
- Maintaining Fort Bayard currently costs the State of New Mexico about \$45,000 a month. Of this amount, approximately \$34,000 a month are associated with the old hospital, primarily in operating and maintaining the boiler plant which provides heat to the hospital and some of the associated buildings.
- Demolishing the hospital would substantially reduce the cost and the liability associated with owning and managing the Fort Bayard property. Significant, hospital demolition-related issues to be considered include its cost, inclusive of waste disposal and asbestos remediation, as well as Fort Bayard's designation as a national historical landmark. Further research into the cost of hazardous waste remediation would be necessary.



Current Conditions (cont'd)

- Operating the boiler requires the employment of a certified boiler operator. At one time, the maintenance department at the hospital employed three certified boiler operators who assisted in the operations and maintenance of the old boiler plant.
- Ceasing to operate the boiler plant is not a viable option if the old hospital is to be preserved for any future use. Shutting down the boilers would cause significant damage to the hospital's piping system and necessitate that the fire suppression system be drained. Repeated freezing and thawing would also be detrimental to the building's interior. The residences at Fort Bayard each have their own boiler so they would not be directly impacted by shutting down the boiler plant.



WATER

- Ft. Bayard has 280 acre feet of spring-fed water rights granted by acts of Congress on two separate occasions. The first designation of 80 acre feet, which occurred prior to the Fort's establishment in 1863, allowed the water to be used for beneficial purposes including *livestock, agriculture and domestic consumption*. The second designation of an additional 200 acre feet, coincided with construction of the hospital. The language of these allocations is somewhat ambiguous and subject to interpretation. It is not clear, for instance, whether the State Engineer can approve additional uses of the water or if the language of the water rights must be amended by an act of Congress to allow for additional uses.
- Fort Bayard water is drawn from 16 springs in the canyons west of the property, and these springs require regular clearing and maintenance in order to remain productive.



WATER (cont'd)

- The spring water at the site is of exceptionally high quality and could be used for a number of additional purposes including, but not limited to, improving the quality of municipal water systems in the basin, use at the new hospital, consumption by future residential and/or commercial developments on Fort Bayard, or even a commercial, spring water bottling plant.



LEAPartners Study

- LEAP sought input from a diverse array of local individuals and organizations that had expressed interest in developing and/or preserving the property.
- In analyzing the projects proposed by participants in the process, LEAP sought to determine if the proposal was likely to be realizable at the site and financially viable in both the short and the longer terms. In doing so, LEAP researched such factors as the adequacy of on-site resources to support the project, available funding for necessary capital improvements, the regional market for the goods and/or services to be produced and the availability in the region of the workforce necessary to staff the project.
- LEAP did explore the key aspects of feasibility in enough detail to determine the reasonable likelihood of each project's near-term success.



LEAPartners Study (cont'd)

- None of the proposed projects was sufficiently developed conceptually or operationally to be considered viable in the near term. However, the projects that appeared most likely to succeed based on their development to date as well as LEAP's research included:
 - A “green jobs” workforce development center
 - A mixed use/mixed income residential housing development
 - A retreat center
- Other projects that might, with a great deal more development, be demonstrated viable in the next several years include:
 - A veterans' services campus
 - A business and/or industrial park
 - Tourism

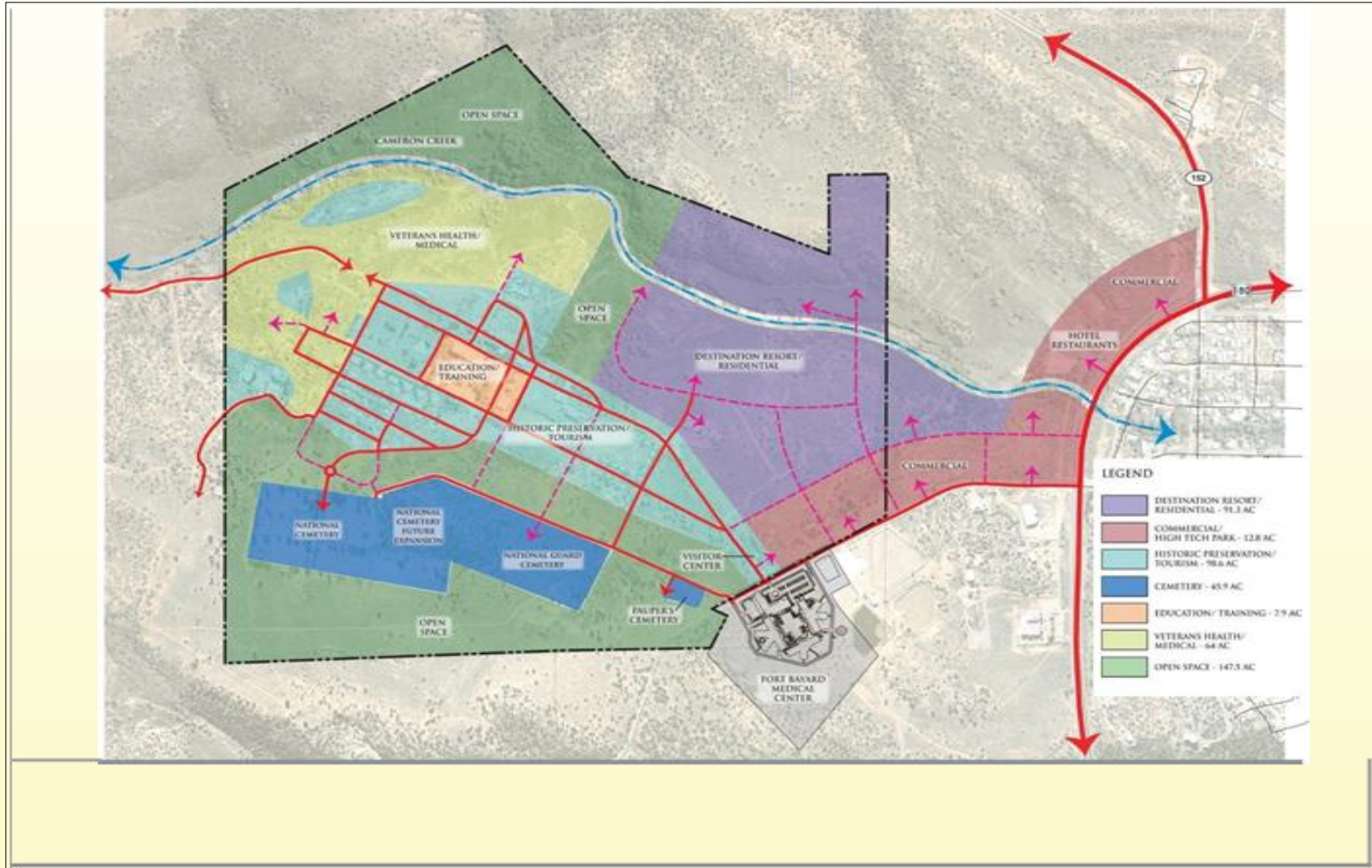


LEAPartners Study (cont'd)

- In all cases, important details need to be worked out before the projects' feasibility can be accurately assessed. For example, in the case of residential housing, the type of housing and the ultimate ownership of the land need to be determined.
- Many of the proposed uses for Ft Bayard had enthusiastic and ardent supporters in the local community. The fact that no project was sufficiently developed, even in concept, to allow for feasibility analysis suggests that there exists a great need among Ft Bayard stakeholders for technical assistance in conceptual and business plan development.



Conceptual Land Use Plan



WHAT TO DO?

Included in the LEAPartners Study were suggestions to transfer ownership in Ft. Bayard to:

- Donate the property to a new entity created and funded by the state legislature for the purpose of preserving and developing the property
- Donate the property to Grant County
- Facilitate the transfer of the property to a private entity using Grant County as a conduit, pursuant to the Local Economic Development Act (LEDA)

Regardless of the ownership of Ft. Bayard, the question of where does the money come from to either: i) preserve; ii) restore; iii) renovate; iv) re-build; or v) demolish, and the only realistic answer is the taxpayers of the State of New Mexico.

There are no easy answers! The costs to repair, renovate or re-build could run into the hundreds of millions of dollars. The cost of demolition of the old hospital could run from \$4-5Million.

GSD/PCD recommends funding be provided in the upcoming legislative session to demolish the old hospital.

