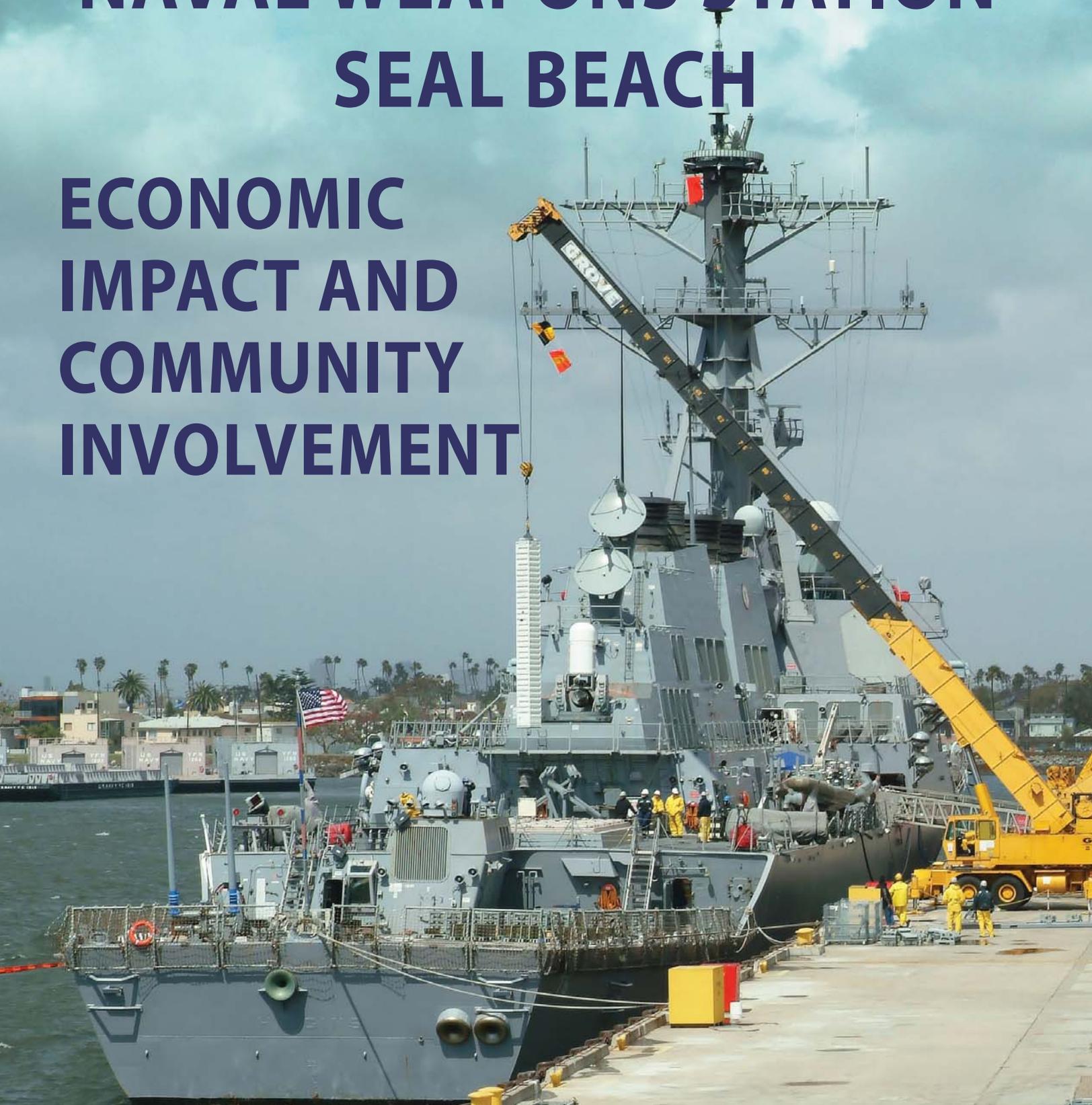


NAVAL WEAPONS STATION SEAL BEACH

ECONOMIC IMPACT AND COMMUNITY INVOLVEMENT





COMMANDING OFFICER'S WELCOME

During my tenure as Commanding Officer of Naval Weapons Station (NAVWPNSTA) Seal Beach I have been impressed by the outstanding level of support the local community has consistently shown to this installation and all of our Sailors, Marines and civilian employees.

I suppose that this is not surprising, given the strategic importance of the base. As the only naval weapons station port within 1,000 miles of the fleet concentration in San Diego, our personnel are responsible for supplying a majority of the U.S. Pacific Fleet with munitions. Naval Weapons Station Seal Beach is a critical and irreplaceable national asset, and one that our neighbors can rightly be proud of.

However, the base is also a valuable asset to the community. As this study indicates, in fiscal year 2010 NAVWPNSTA Seal Beach contributed over **\$136** million to the regional economy, with almost **\$6** million in state and local taxes, and supported more than **2,000** jobs in the area. In both good and difficult economic times, the weapons station has provided a stable source of civilian employment and economic activity. This activity is further bolstered by the large numbers of additional Sailors who visit the base from the ships that routinely dock at our munitions loading wharf, as well as the hundreds of Navy and Marine Corps reservists who train here on the weekends and during the summer.

But purely economic numbers only tell part of the story. The installation supports and partners with a surprising number of civilian first responders, from local police and fire departments to agencies within the Department of Homeland Security. Although security regulations greatly limit civilian access, the station hosts a number of public events each year, and also supports many community events outside of the fence line. The base protects one of the largest areas of open space in the Los Angeles/Orange County metropolitan area, including the only national wildlife refuge in the region. Finally, the weapons station is a recognized leader in safety, environmental sustainability and energy reduction measures, and regularly wins Navy-wide awards in these categories.

NAVWPNSTA Seal Beach is proud of the outstanding relationships we have with the surrounding community. Our Sailors, Marines and civilian employees will continue to strive for a more efficient and sustainable facility, and I have no doubt that the base will be a source of lasting community partnerships and positive economic influence for decades to come.

Best wishes,

Commanding Officer, NAVWPNSTA Seal Beach

NAVWPNSTA SEAL BEACH'S MISSION

NAVWPNSTA Seal Beach and its detachments provide shore-based infrastructure support to the Navy's ordnance mission and other fleet and fleet support activities.

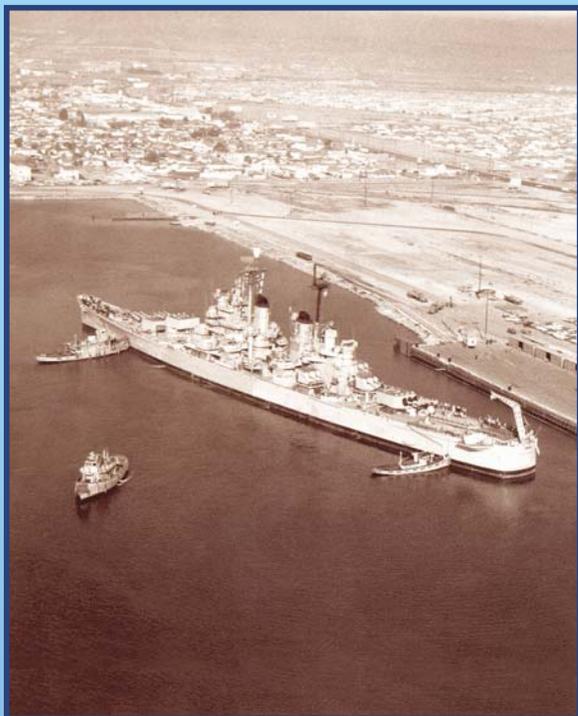


NAVWPNSTA SEAL BEACH'S VISION

NAVWPNSTA Seal Beach and its detachments will be the CNIC model for shore-based infrastructure support, seamlessly enabling tenant commands to excel in serving the Fleet while embracing a culture of continuous improvement, transparency, and execution.

NAVWPNSTA SEAL BEACH MAP





In the late 1930s, a Navy study was undertaken to determine the best possible location for a Southern California ammunition depot to service the fleets then stationed in Long Beach and San Diego. Out of several options studied, including the Newport Harbor and Palos Verdes areas, it was determined that Seal Beach was the best site for such a facility. Construction of the station first started in February 1944. Initial construction costs were approximately \$30 million, including over \$4 million to buy out property from numerous local landowners. The station was commissioned in November 1944 as Naval Ammunition and Net Depot Seal Beach. The base at that time had two primary missions: Storage and loading of ammunition onto Pacific Fleet ships bound for the war, and servicing the anti-submarine and anti-torpedo nets used to protect fleet bases and anchorages around the world.

At the end of WWII the station was placed into a reduced operating status, but was soon reactivated in 1950 at the beginning of the Korean War. The station has been fully operational since that time. In January 1954 the first guided missile service unit was established on base to maintain Terrier and Tartar anti-aircraft missiles, which were then beginning to join the fleet. In September 1962 the base name was changed to Naval Weapons Station Seal Beach. This was done to reflect the station's evolution from a mere storage facility to one actively taking part in the assembly, testing and/or maintenance of weapons

systems. In the ensuing decades the station has evolved into the Navy's primary West Coast ordnance installation. Surface combatants and medium-sized amphibious ships are safely and efficiently loaded with missiles, torpedoes, decoys and gun ammunition at the facility's 1,000 foot-long wharf, and larger ships can be accommodated at an explosives anchorage located in nearby Long Beach Harbor. An average of 50 ships are loaded or unloaded each year.

In 1972, then President Richard Nixon and Congress designated approximately 920 of the station's 5,000 acres as a National Wildlife Refuge. In a unique partnership, the refuge is supported by the Department of the Navy and the Fish and Wildlife Service. The station is home to many endangered or threatened bird species, including the California least tern, the light-footed clapper rail, the California brown pelican, the peregrine falcon, and the Belding's savannah sparrow. The refuge constitutes one of the few remaining natural, undeveloped coastal areas of Southern California.

The station is also home to two unique sites. From 1963 through 1974, North American Aviation (now the Boeing Company) built the second stage for the powerful Saturn V rocket, which propelled man to the moon during the Apollo program. These huge vehicles were built in special multi-story structures, which are today used by base personnel for a variety of purposes. Also on station is the West Coast location for America's World War Two Submarine Memorial. Dedicated in 1977, this site pays tribute to the over 3,000 submariners who never returned from the war. The memorial includes plaques for each of the 52 U.S. submarines lost in that conflict, as well as additional tributes to the three submarines lost in accidents during the Cold War. It is open daily to the public.

Base infrastructure includes 220 buildings, 80 miles of paved road, and 127 ammunition magazines with over half a million square feet of storage space. The base is also the headquarters command for Navy munitions operations at all other Navy installations west of the Mississippi river, and operates weapons station detachments at Corona and Fallbrook, California.



NAVAL WEAPONS STATION SEAL BEACH

A Unique Navy Installation...

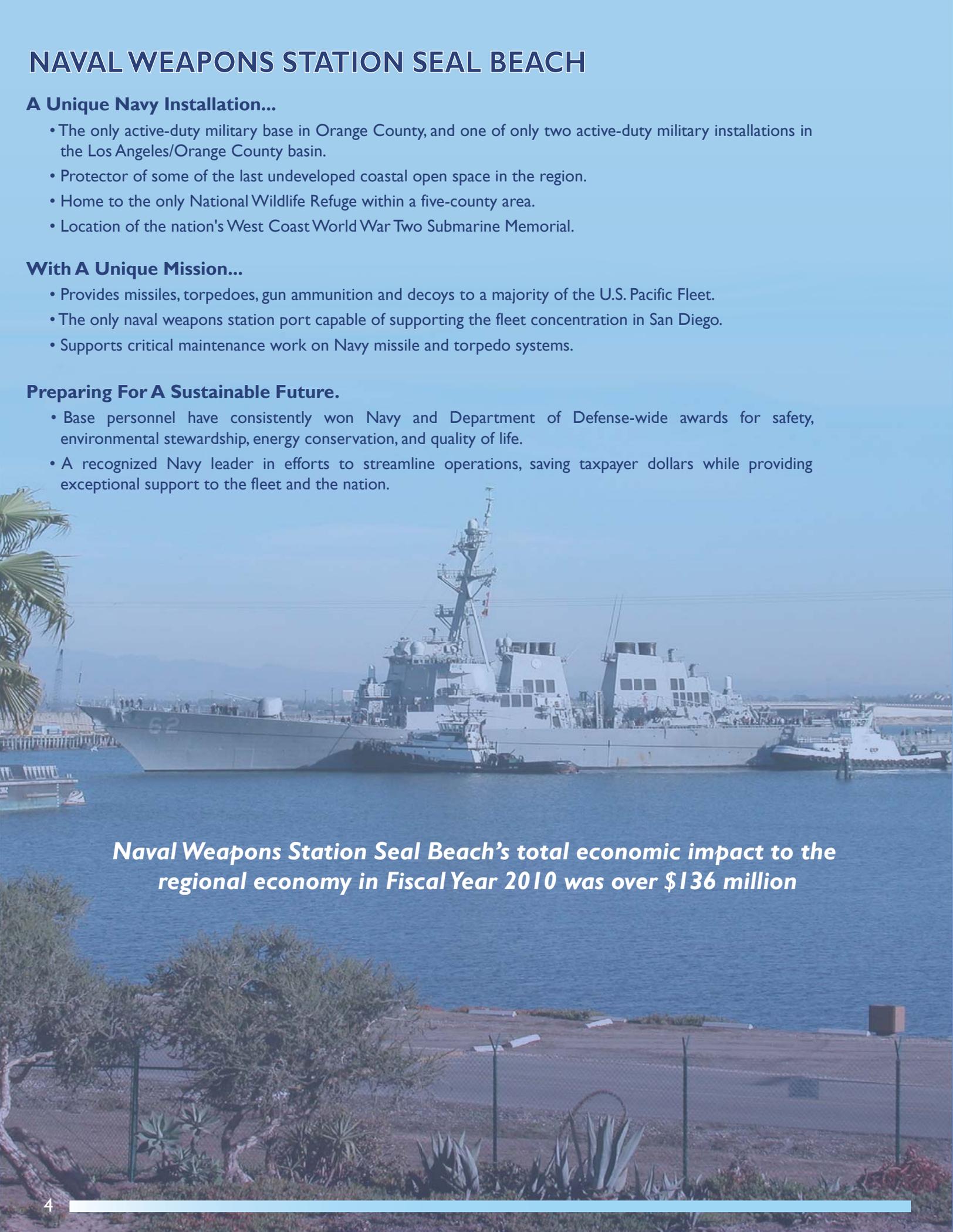
- The only active-duty military base in Orange County, and one of only two active-duty military installations in the Los Angeles/Orange County basin.
- Protector of some of the last undeveloped coastal open space in the region.
- Home to the only National Wildlife Refuge within a five-county area.
- Location of the nation's West Coast World War Two Submarine Memorial.

With A Unique Mission...

- Provides missiles, torpedoes, gun ammunition and decoys to a majority of the U.S. Pacific Fleet.
- The only naval weapons station port capable of supporting the fleet concentration in San Diego.
- Supports critical maintenance work on Navy missile and torpedo systems.

Preparing For A Sustainable Future.

- Base personnel have consistently won Navy and Department of Defense-wide awards for safety, environmental stewardship, energy conservation, and quality of life.
- A recognized Navy leader in efforts to streamline operations, saving taxpayer dollars while providing exceptional support to the fleet and the nation.



Naval Weapons Station Seal Beach's total economic impact to the regional economy in Fiscal Year 2010 was over \$136 million



NAVWPNSTA SEAL BEACH ECONOMIC HIGHLIGHTS



Military installations are often a major economic contributor to the local and regional economies in which they are located. They provide economic stimulus in the form of good-paying jobs, housing and retail demand, local expenditures for supplies and support services, and related economic activity that ripples through a wide range of economic sectors. An economic impact assessment for Naval Weapons Station Seal Beach determined that a majority of the local and regional economic effects that can be attributed to the installation occur within a 2-county area encompassing Orange and Los Angeles counties.



The box below summarizes the total economic impact the Navy had on the regional economy of Orange and Los Angeles counties during fiscal year (FY) 2010. The total estimated economic impacts include the direct effects of industrial output (regional production and sales); personal spending by employees and visitors; local contract expenditures to support Navy operations; and corresponding direct and indirect economic effects estimated using a regional economic impact model. The Navy clearly makes a significant contribution to the regional economy and represents a stable and growth-inducing economic force in a time of challenging economic conditions in California and throughout the country.

In FY 2010, Naval Weapons Station Seal Beach generated \$136.2 million in total economic benefit to the regional economy, including:

- **\$91.4 million in industrial output** - \$48.3 million from operations, \$39.2 million from payroll, and \$3.9 million from spending by visiting personnel;
- **\$38.9 million in direct payroll expenditures** - for military and civilian personnel;
- **\$5.9 million in state and local tax revenues** - \$2.6 million from operations, \$2.97 million from payroll, and \$0.33 million from visiting personnel spending; and
- **2,010 jobs** - including 1,351 military and civilian personnel directly employed (177 active duty military, 702 reservists and 472 civilians) and 659 additional jobs related to operations, payroll, and other spending.



PAYROLL AND PERSONNEL

In FY 2010 there were 1,351 government personnel (177 active duty military, 702 reservists, and 472 civilians) employed in primary activities at Naval Weapons Station Seal Beach. Since 278 of the reservists live outside of the two-county area and are present at the installation only two weekends per month, the payroll associated with them was not included in the payroll input data for modeling the installation's financial impact. Total payroll to support the Naval Weapons Station Seal Beach workforce, excluding the 278 out-of-region reservists, was approximately \$38.9 million. These direct expenditures generated additional direct and indirect economic benefits to the 2-county region as detailed in the box below.



Estimated direct and indirect economic benefits from FY 2010 payroll:

- \$39.2 million in industrial output/labor income
- 265 jobs
- \$5.9 million in state and local tax revenues

OPERATIONS AND MAINTENANCE



The Navy spent over \$29 million on operations and maintenance (O&M) support, construction, and related services and supplies within the 2-county region in FY 2010. These direct expenditures contributed to the following direct and indirect economic benefits to the region:

Estimated direct and indirect economic benefits from FY 2010 O&M spending:

- \$48.3 million in industrial output and labor income
- 351 jobs
- \$6.4 million in state and local tax revenues



NAVWPNSTA SEAL BEACH ECONOMIC HIGHLIGHTS

VISITING PERSONNEL

Naval Weapons Station Seal Beach is an essential location for visiting military personnel, other government personnel, and contractors. Visitors included reservists traveling to Naval Weapons Station Seal Beach for training, military personnel on visiting ships docked at the base, and families staying at the Seabreeze RV Park.

Visitors to Naval Weapons Station Seal Beach in FY 2010 spent money on off-base lodging, local area dining, car rentals, other transportation, as well as retail shopping and recreation. The box below details the estimated economic benefit generated by the visiting personnel expenditures.

In FY 2010 spending by visiting personnel at Naval Weapons Station Seal Beach generated:

- \$3.9 million in industrial output and labor income
- 43 jobs
- \$0.33 million in state and local tax revenues

Areas in Which Visiting Personnel Spent Their Money	FY 2010 Spending
Retail stores – Gasoline stations	\$210,600
Retail stores – General merchandise	\$62,370
Transit and ground passenger transportation	\$104,550
Automotive equipment rental and leasing	\$2,351
Amusement parks, arcades, and gambling industries	\$140,940
Other amusement and recreation industries	\$210,600
Hotels and motels, including casino hotels	\$343,112
Food Services and Drinking Places	\$1,323,028
TOTAL	\$2,397,551





TAX REVENUE

The following table lists the state and local tax revenue associated with direct and indirect expenditures for payroll, contracts, retiree, and visiting personnel at Naval Weapons Station Seal Beach in FY 2010:

Tax Revenue Attributed to Naval Weapons Station Seal Beach Payroll, Contracts, and Visiting Personnel Spending in FY 2010

Payroll Tax Category	State/Local	Federal	Total Tax
Corporate profits tax/dividends	\$405,309	\$328,068	\$7323,377
Indirect business taxes	\$2,090,150	\$412,221	\$2,502,371
Personal income tax	\$313,118	\$845,679	\$1,158,797
Other personal taxes	\$119,083	\$0	\$119,083
Social insurance tax	\$46,499	\$1,376,119	\$1,422,618
Total	\$2,974,159	\$2,962,087	\$5,936,246
Contracts Tax Category	State/Local	Federal	Total Tax
Corporate profits tax/dividends	\$369,666	\$299,218	\$668,884
Indirect business taxes	\$1,422,555	\$282,727	\$1,716,282
Personal income tax	\$476,522	\$1,287,006	\$1,763,528
Other personal taxes	\$181,228	\$0	\$181,228
Social insurance tax	\$65,611	\$1,996,595	\$2,062,206
Total	\$2,526,582	\$3,865,546	\$6,392,128
Visiting Personnel Tax Category	State/Local	Federal	Total Tax
Corporate profits tax/dividends	\$33,190	\$26,865	\$60,055
Indirect business taxes	\$240,475	\$47,427	\$287,902
Personal income tax	\$36,855	\$99,539	\$136,394
Other personal taxes	\$14,015	\$0	\$14,015
Social insurance tax	\$5,549	\$163,404	\$168,953
Total	\$330,084	\$337,235	\$667,319
Grand Totals	\$5,830,825	\$7,164,868	\$12,995,693



SUPPORTING COMMUNITY FIRST RESPONDERS

Fire Department Mutual Aid – Through a mutual aid agreement with the Orange County Fire Authority, the Naval Weapons Station Seal Beach Federal Fire Department (FFD) provides significant emergency services support to the City of Seal Beach, including the nearby Leisure World retirement community. In FY 2010 the station's FFD responded to 83 off-base emergencies including 68 medical emergencies, two vehicle accidents, two hazardous material incidents, one fire alarm activation and ten structure fires.



Small Arms Range – Naval Weapons Station Seal Beach operates one of the last open-air small arms ranges in Southern California. This vital resource is shared with over 30 federal, state, and local law enforcement agencies including the FBI, Department of Homeland Security, and local police departments. In FY 2010 the station's Force Protection program provided firearms training opportunities for more than 6,000 military and civilian first responders. Over 500,000 rounds were fired without a single safety mishap.





PUBLIC ENGAGEMENT

Community Events – Although security and safety regulations limit regular community access to Naval Weapons Station Seal Beach, the command provides many opportunities for local residents to visit with their Navy. In FY 2010, these opportunities included:

- The commissioning ceremony for the guided missile destroyer USS Dewey (DDG 105).
- An annual ship public visit weekend, with public tours of the guided missile destroyer USS Gridley (DDG 101).
- An annual Memorial Day ceremony at the station's World War Two Submarine Memorial.
- Monthly public tours of the Seal Beach National Wildlife Refuge.
- Hosting the annual West Orange County Chambers of Commerce Legislative Mixer.
- Navy personnel and equipment displays for many community events including holiday parades, national nights out, and other neighborhood activities.



Volunteerism – Sailors, Marines and civilian employees from Naval Weapons Station Seal Beach volunteer thousands of hours per year in support of a wide range of community needs, including beach cleanups, veterans and handicapped services, and a longstanding “Partnership in Education” with neighboring McGaugh Elementary School.

Navy Golf Course – The Naval Weapons Station Seal Beach Golf Course, located in Cypress, Calif., plays a major role within the community. It is the home course for three local high schools and two community colleges. Partnering with nationally known groups including the PGA and the Tiger Woods Foundation, clinics are regularly held in support of the Cerritos Mentally Challenged Youth Council, Orange County Blind Youth Association, and regional Veterans Administration wounded warrior programs.





SAFETY AND ENVIRONMENTAL SUSTAINABILITY

SAFETY IS PRIORITY ONE

A leader in the Navy's safety program, the Naval Weapons Station Seal Beach command has won the Secretary of the Navy's Small Industrial Safety Award for three consecutive years (FY 2007-2009), and the Chief of Naval Operations Small Industrial Safety Award for the last four consecutive years. Base safety personnel are pursuing Star Status accreditation under the Occupational Safety and Health Administration's Voluntary Protection Program. Considered the gold standard for industrial safety recognition, the program recognizes industrial activities with superior safety cultures and proven records of safety accomplishment.



ENVIRONMENTAL STEWARDSHIP

As the landowner of the only National Wildlife Refuge located completely within an active military installation, as well as the only refuge within a five-county area of Southern California, the Naval Weapons Station Seal Beach command recognizes the importance of environmental stewardship in day-to-day Navy operations. The base encloses and protects one of the largest remaining areas of open space in Los Angeles and Orange Counties, and is home to:

- Many endangered and threatened species including California least tern, the light-footed clapper rail, and the California brown pelican
- The largest year-round red-tailed hawk population in the Western U.S.
- The only known stable burrowing owl population in Orange County

The naval weapons station has a staff of over 15 biologists, environmental engineers, and support personnel who work constantly to protect, preserve, and enhance these vital resources. Their work has not gone unnoticed, with the command winning Navy-wide environmental awards for the last four consecutive years (2007-2010).





SAFETY AND ENVIRONMENTAL SUSTAINABILITY

ENERGY AND WATER CONSERVATION

Alternative Energy - A regional leader in energy and water conservation, four separate photovoltaic (solar power) systems are now in place aboard the installation, reducing the need for off-site power by 681 Megawatt hours (MWh) and saving the taxpayer and the Navy nearly \$100,000 annually. More such systems are in the planning stage.

Energy Reduction Efforts - Multiple programs are underway to generate energy savings through improved practices and more efficient equipment. From a baseline set in FY 2003, Naval Weapons Station Seal Beach has reduced energy consumption by 27 percent.

Water Savings - Naval Weapons Station Seal Beach has made significant reductions in water use through tighter controls, the introduction of smart irrigation systems, and the substitution of more drought tolerant landscaping. From a baseline set in FY 2007, the base has reduced water use by 36 percent.

Recycling - A key sustainability effort for Naval Weapons Station Seal Beach is the Integrated Solid Waste Management program. This process optimizes the collection of recyclables and refuse to ensure the maximum re-use of all waste materials. In FY 2010 the base diverted over 15,000 tons of waste products for re-use and recycling, for a diversion rate of over 90 percent and a cost savings of over \$2.8 million.



AGRICULTURAL OUT-LEASES

In FY 2010 Naval Weapons Station Seal Beach generated over \$1,100,000 in revenue and cost avoidance through the agricultural out-lease of over 2,500 acres of explosives safety buffer zone property for farming. These efforts avoided significant landscaping maintenance costs to meet fire and explosives safety requirements, while generating taxpayer savings and providing a source of locally grown produce for the community. Revenue surpluses are used to support environmental stewardship programs at the station and throughout the Fleet. Naval Weapons Station Seal Beach is one of the largest users of agricultural out-leases in the Navy.

COMMUNITY PARTNERSHIPS

The command partners with the community on a number of annual environmental events onboard the installation, including beach cleanups, a sustainability faire in April and National Public Lands Day habitat projects in September. These events allow school groups, environmental organizations, and other members of the general public an opportunity to "get their hands dirty" while helping to improve the environment on their local Navy base.





NAVAL WEAPONS STATION SEAL BEACH IS HOME TO THE

- ◆ 5th Battalion, 14th Marine Regiment
- ◆ Branch Medical Clinic, Port Hueneme
- ◆ Maritime Expeditionary Security Squadron 11
- ◆ Naval Criminal Investigative Service (NCIS)
- ◆ Naval Exchange (NEX) Port Hueneme
- ◆ Naval Facilities Engineering Command Southwest
- ◆ Naval Supply Systems Command, Fleet Logistics Center San Diego
- ◆ Naval Surface Warfare Center, Corona Division, Detachment Seal Beach
- ◆ Navy Munitions Command CONUS West Division & Unit Seal Beach
- ◆ Sea-Air Federal Credit Union
- ◆ Seal Beach National Wildlife Refuge
- ◆ U.S. National WWII Submarine Memorial West
- ◆ U.S. Naval Sea Cadets, Seal Beach Battalion

**For more information please contact:
NAVWPNSTA Seal Beach Public Affairs Office
Phone: (562) 626-7215
<http://www.cnic.navy.mil/SealBeach/index.htm>**

