



PERSONNEL AND
READINESS

OFFICE OF THE UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

DCN 6042

26 JULY 2005

MEMORANDUM FOR OSD CLEARING HOUSE

Subj: OSD BRAC CLEARING HOUSE RETASKER #0644

The associated file is in response to the subject query. All information was derived from unclassified information provided by the Services for BRAC analysis by E&T JCSG subgroup(s).

If you have any questions, please contact Mark Horn at the E&T JCSG Coordination Team, (703) 696-6435 ext. 206 or Mark.Horn@wso.whs.mil.

A handwritten signature in blue ink that reads "Robert D. Howlett".

Robert D. Howlett
E&T JCSG Coordination Team

Attached:

1. E&T Response #0644 (Culinary and Transportation)

E&T JCSG Response to July 22, 2005, Commission query JCS #21:

Under the 2005 BRAC rules, the Education and Training Joint Cross Service Group (E&T JCSG) was required to use COBRA as the approved analytical “costing” tool using Service-provided “certified” data. When all COBRA data for Fort Lee was completed, the Army BRAC office “integrated” the COBRA data to eliminate duplicate costs across the various Fort Lee Candidate Recommendations and to present the most accurate/comprehensive data for decision makers. While we are unable to determine how Fort Lee came up with the \$18.5 million MILCON estimate they provided the Commission for the Army Culinary School realignment or the \$9.1 million for the Transportation Management Center realignment (or whether they used COBRA data), we can only presume that they included MILCON funding the Army BRAC had already estimated for the much larger Combat Service Support Center proposed realignment to Fort Lee.

On 11 July 2005, the Defense Base Closure and Realignment Commission sent an email to the BRAC Clearinghouse (which became Tasker C0518) requesting new COBRA runs for:

- Formation of a Joint Center for Excellence for Culinary Training at Lackland AFB, TX (Consolidation of all culinary training at Lackland vice Fort Lee)
- Formation of a Joint Center for Consolidated Transportation Management Training at Lackland AFB, TX (Consolidation of TMT at Lackland vice Fort Lee)

The following is extracted from the COBRA runs in response to C0518. The tables compare the COBRA results for realignment to Fort Lee and to Lackland AFB.

<i>Payback Measures</i>	<i>Culinary to Ft. Lee</i>	<i>Culinary to Lackland AFB</i>
One Time Savings (Cost)	(\$5.355M)	(\$167.674M)
Net Implementation Savings (Cost)	\$2.570M	(\$208.902M)
Annual Recurring Savings (Cost)	\$1.396M	(\$8.110M)
Payback Period	2 Years	Never
Net Present Value in 2025 Savings (Cost)	\$15.738M	(\$280.733M)

<i>Payback Measures</i>	<i>Trans Mgmt to Ft. Lee</i>	<i>Trans Mgmt to Lackland AFB</i>
One Time Savings (Cost)	(\$1.528M)	(\$158.975M)
Net Implementation Savings (Cost)	\$5.782M	(\$255.813M)
Annual Recurring Savings (Cost)	\$1.296M	(\$19.789M)
Payback Period	1 Year	Never
Net Present Value in 2025 Savings (Cost)	\$17.961M	(\$433.912M)

This new COBRA data produced a MILCON requirement of \$137M to establish a Joint Center for Culinary Excellence at Lackland AFB and a MILCON requirement of \$114M to move the Transportation Management Center to Lackland AFB. The COBRA analysis was developed in coordination with the Air Force and Army BRAC offices using Service "certified" data. In both cases the payback was "never" - primarily because the Army trains much larger numbers of students than the Air Force in both specialties and the resulting costs associated with moving larger numbers of students (more dormitories, and facilities for equipment and staff) is much higher.

It is the military judgment of the E&T JCSG that the increased efficiencies (overall net cost/savings) and synergy of consolidating the Culinary School and Transportation Management Center at Fort Lee outweighs the higher military value of Lackland AFB.