

**BASE VISIT REPORT
ROCK ISLAND ARSENAL, IL
1 JUNE 2005**

LEAD COMMISSIONER:

Samuel K. Skinner

ACCOMPANYING COMMISSIONER:

None

COMMISSION STAFF:

Valerie Mills (JC-S)

Dean Rhody (ARMY)

LIST OF ATTENDEES:

	Garrison Manager, USAG-
Alan Wilson	RIA
John Guzzonato	DFAS-RIA
Pat O'Rourke	DFAS-RIA
Pat Ewen	DFAS-RIA
COL Bruce Elliott	Cdr, RIA-JMTC
Cathy McMahon	RIA-JMTC
Mike Bobie	USAG-RIA
Shirlene Appleby	USAG-RIA
Mike Kendrick	RIA-JMTC
Pat Ballman	USAG-RIA
Nancy Lane	CHRA-NCCPOC
Janice Carbone	CHRA-NCRDO
Sally Turke	AMSTA-AQ-AR
Darryl Blackburn	AMSTA-LC-L
Jerry Jackson	TACOM-RI
Fred Smith	TACOM-RI
Nancy Toohill	TACOM-RI
Luci Nickels	TACOM-RI
Raymond	
Muskeyvalley	TACOM-RI
Rebecca Horst	TACOM-RI
Perry Reynolds	HQ, AFSC
John Lensing	USAG-RIA
Scott Hary	USAG-RIA
Jerry Sechser	USAG-RIA
Sharon Mathias	USAG-RIA
Gale Smith	USAG-RIA
Bill Peiffer	RIA-JMTC
J. Randal Robinson	Dir, IMANWR
Ann Nollett	USAG-RIA

BASE'S PRESENT MISSION:

The Rock Island Arsenal is the largest government-owned weapons manufacturer arsenal in the western world. Known world wide as a leader in excellence, the Arsenal manufactures gun mounts, artillery carriages, recoil mechanisms and other equipment for the Armed Forces as well as assemble tool sets, kits and outfits that support equipment in the field.

The Arsenal's stone buildings are also the home to approximately 60 tenant organizations which receive quality facility support services such as general supply purchasing, security, information technology, and building and infrastructure maintenance.

SECRETARY OF DEFENSE RECOMMENDATION:

USA - 6

Close Fort Gillem, GA. ***Relocate the Headquarters, 1st US Army to Rock Island Arsenal, IL.***

H&SA - 19

Consolidate Civilian Personnel Offices (CPOs) within each Military Department and the Defense Agencies. Realign Fort Richardson, AK, by relocating the Civilian Personnel Operations Center to Fort Huachuca, AZ, and consolidating it with the Civilian Personnel Operations Center at Fort Huachuca, AZ. ***Realign Rock Island Arsenal, IL, by relocating the Civilian Personnel Operations Center to Fort Riley, KS, and Aberdeen Proving Ground, MD, and consolidating with the Civilian Personnel Operations Center at Fort Riley, KS, and Aberdeen Proving Ground, MD.***

H&SA - 37

Close the Defense Finance and Accounting Service (DFAS) sites at Rock Island IL; Pensacola Saufley Field, FL; Norfolk Naval Station, VA; Lawton, OK; Pensacola Naval Air Station, FL; Omaha, NE; Dayton, OH; St. Louis, MO; San Antonio, TX; San Diego, CA; Pacific Ford Island, HI; Patuxent River, MD; Limestone, ME; Charleston, SC; Orlando, FL; Rome, NY; Lexington, KY; Kansas City, MO; Seaside, CA; San Bernardino, CA; and Oakland, CA. Relocate and consolidate business, corporate and administrative functions to the Defense Supply Center-Columbus, OH, the Buckley Air Force Base Annex, Denver, CO, or the MG Emmett J. Bean Federal Center, Indianapolis, IN.

H&SA - 46

Realign Rock Island Arsenal, Illinois, as follows: *relocate the Army Installation Management Agency Northwest Region headquarters to Fort Sam Houston, TX*, and consolidate it with the Army Installation Management Agency Southwest Regional headquarters to form the Army Installation Management Agency Western Region; and *relocate the Army Network Enterprise Technology Command Northwest Region headquarters to Fort Sam Houston, TX*, and consolidate it with the Army Network Enterprise Technology Command Southwest Region headquarters to form the Army Network Enterprise Technology Command Western Region.

S&S- 7

Realign Rock Island Arsenal, IL, as follows: relocate the Budget/Funding, Contracting, Cataloging, Requisition Processing, Customer Services, Item Management, Stock Control, Weapon System Secondary Item Support, Requirements Determination, Integrated Materiel Management Technical Support Inventory Control Point functions for Consumable Items to Defense Supply Center Columbus, OH, and reestablish them as Defense Logistics Agency Inventory Control Point functions; relocate the procurement management and related support functions for Depot Level Repairables to Detroit Arsenal, MI, and designate them as Defense Supply Center Columbus, OH, Inventory Control Point functions; and relocate the remaining integrated materiel management, user, and related support functions to Detroit Arsenal, MI.

Ind - 5

Close Riverbank Army Ammunition Plant, CA. *Relocate the artillery cartridge case metal parts functions to Rock Island Arsenal, IL.*

Ind - 7

Realign Rock Island Arsenal, IL, by relocating the depot maintenance of Combat Vehicles and Other to Anniston Army Depot, AL, and the depot maintenance of Other Equipment and Tactical Vehicles to Letterkenny Army Depot, PA.

Ind -11

Close Mississippi Army Ammunition Plant, MS. *Relocate the 155MM ICM artillery metal parts functions to Rock Island Arsenal, IL.*

SECRETARY OF DEFENSE JUSTIFICATION:

USA - 6

This recommendation closes Fort Gillem, an Army administrative installation and an AAFES distribution center. The recommendation moves the major tenant organizations to Rock Island Arsenal, Redstone Arsenal, Fort Benning, and Fort Campbell. It also moves small components of the Headquarters 3rd US Army and US Army Forces Command to Pope AFB and Shaw AFB. It enhances the Army's military value, is consistent with the Army's Force Structure Plan, and maintains adequate surge capabilities to address future unforeseen requirements. This closure allows the Army to employ excess capacities at installations that can accomplish more than administrative missions.

The Army is converting the 1st US Army Headquarters into the single Headquarters for oversight of Reserve and National Guard mobilization and demobilization. To support this conversion the Army decided to relocate 1st Army to Rock Island Arsenal, a central location in the United States.

H&SA - 19

The consolidation of Civilian Personnel Offices within each Military Department and the transactional functions among the Defense Agencies reduces excess capacity, reduces the use of leased facilities, and achieves manpower savings through consolidation and elimination of duplicate functions. This recommendation supports the Administration's urging of federal agencies to consolidate personnel services. During the implementation of this recommendation it is important to partner with the National Security Personnel System (NSPS). NSPS provides the opportunity to improve the effectiveness of the Department through a simplified personnel management system that will improve the way it hires and assigns employees. This recommendation will be an effective tool for NSPS and provide the flexibility and responsiveness that supports the implementation of this system. Since NSPS will define a new human resource system featuring streamlined hiring, simplified job changes, and a less complex classification system, it covers all functions that would be supported by Civilian Personnel Offices.

H&SA – 37

This action accomplishes a major facilities reduction and business line mission realignment, transforming the current DFAS organization into an optimum facilities configuration, which includes strategic redundancy to minimize risks associated with man-made or natural disasters/challenges. All three of the gaining sites meet DoD Antiterrorism/Force Protection (AT/FP) Standards. The current number of business line operating locations (26) inhibits the ability of DFAS to reduce unnecessary redundancy and leverage benefits from economies of scale and synergistic efficiencies. Overall excess facility capacity includes approximately 43 percent or 1,776,000 Gross Square Feet (GSF) in administrative space and 69 percent or 526,000 GSF in warehouse space with many locations lacking adequate threat protection as defined in DoD AT/FP Standards. Finally, the three locations have potential to evolve into separate Business Line Centers of Excellence and further enhance “unit cost” reductions beyond the BRAC facilities/personnel savings aspect. The three gaining locations were identified through a process that used Capacity Analysis, Military Value, Optimization Modeling, and knowledge of the DFAS organization, and business line mission functions. The Military Value analysis, of 26 business operating locations, ranked the Buckley AF Base Annex, CO, the Defense Supply Center-Columbus, OH, and the MG Emmett J. Bean Federal Center, Indianapolis, IN, as 3, 7, and 9 respectively. The Optimization analysis not only included the factors of available capacity and expansion capability, but also included business line process and business operational considerations in identifying the three-location combination as providing the optimal facilities approach to hosting DFAS business line missions/functions.

Subject matter knowledge of DFAS’s three business line missions and its operational components, along with business process review considerations and scenario basing strategy, was used to focus reduction of the 26 locations and identification of the three gaining locations. The scenario basing strategy included reducing the number of locations to the maximum extent possible, while balancing the requirements for an environment meeting DoD Antiterrorist and Force Protection standards, strategic business line redundancy, area workforce availability, and to include an anchor entity for each business line and thus retain necessary organizational integrity to support DoD customer needs while the DFAS organization relocation is executed.

H&SA - 46

This recommendation relocates several Army Service Provider headquarters and regional offices in order to create operating efficiencies via co-location and/or consolidation.

a. A new Installation Management Agency (IMA) Western Region office is created at Fort Sam Houston by ***relocating the IMA Northwest Region headquarters from Rock Island Arsenal***; it collocates the IMA Headquarters with the IMA Western Region. Separate Army recommendations relocate other IMA regional offices to create the IMA Eastern Region at Fort Eustis.

- b. This recommendation creates a new Network Enterprise Technology Command (NETCOM) Western Region at Fort Sam Houston by **relocating the NETCOM Northwest Region headquarters from Rock Island Arsenal**. Separate Army recommendations relocate other NETCOM Region headquarters to create the NETCOM Eastern Region at Fort Eustis.

S&S- 7

The Supply & Storage Joint Cross Service Group looked at the responsibility for consumable and depot level repairable item management across the Department of Defense. This recommendation, together with elements of a base closure recommendation, supports the migration of the remaining Service Consumable Items to the oversight and management of a single DoD agency/activity. This proposal moves select Inventory Control Point functions (Budget/Funding, Contracting, Cataloging, Requisition Processing, Customer Services, Item Management, Stock Control, Weapon System Secondary Item Support, Requirements Determination, and Integrated Materiel Management Technical Support) to DLA. A number of Inventory Control Point functions (Allowance/Initial Supply Support List Development, Configuration Management, User Engineering Support, Provisioning, and User Technical Support) will be retained by the Services to maintain the appropriate critical mass to perform requirements and engineering.

In addition, this recommendation realigns or relocates the procurement management and related support functions for the procurement of DLRs to DLA. For both consumable items and the procurement management of DLRs, this recommendation provides the opportunity to further consolidate Service and DLA Inventory Control Points by supply chain type. Defense Supply Center Columbus, OH (DSCC), manages the Maritime and Land supply chain, the Defense Supply Center Richmond, VA (DSCR), manages the Aviation supply chain, and Defense Supply Center Philadelphia, PA (DSCP), manages the Troop Support supply chain. The realignment should provide labor savings through transfer in place (application of standard labor rates across Inventory Control Points, headquarters staff reductions, and consolidation of support functions), reduce labor and support costs (from site consolidation) and business process improvements, such as consolidation of procurement under a single inventory materiel manager, reduction of disposal costs, and improved stock positioning. Savings related to overhead/support functions, especially at those locations where physical realignments occur at a lead center can be anticipated. Finally, this recommendation supports transformation by transferring procurement management of all Service DLRs to a single DoD agency/activity.

Ind - 5

There are 4 sites within the Industrial Base producing Metal parts. To remove excess from the Industrial Base, the closure allows DoD to generate efficiencies and nurture partnership with multiple sources in the private sector.

Ind – 7

This recommendation supports minimizing the number of depot maintenance sites through the consolidation of Rock Island's remaining Combat Vehicle workload and capacity at Anniston Army Depot, the Army's Center for Industrial and Technical Excellence for Combat Vehicles. The recommendation also increases overall depot capability utilization by consolidating Rock Island's remaining Tactical Vehicle workload and capability at Letterkenny, the depot with the highest Military Value for Tactical Vehicle maintenance. This recommendation eliminates over 160,000 square feet of depot maintenance production space with annual facility sustainment and recapitalization savings of \$0.6M. This recommendation also decreases the cost of depot maintenance operations across DoD by consolidation and elimination of 30 percent of duplicate overhead structures required to operate multiple depot maintenance activities. Finally, this recommendation facilitates future interservice utilization of DoD depot maintenance capacity.

Ind –11

There are 4 sites within the Industrial Base producing Metal Parts. To remove excess from the Industrial Base, the closure allows DoD to generate efficiencies and nurture partnership with multiple sources in the private sector.

MAIN FACILITIES REVIEWED:

U.S. Army Installation Management Agency (IMA) Northwest Region
U.S. Army Tank-automotive and Armaments Command (TACOM) Rock Island
U.S. Army RIA Joint Manufacturing and Technology Center (JMTC)
U.S. Army Civilian Human Resources Agency (CHRA) North Central Region
The Defense Finance and Accounting Service (DFAS) Rock Island Site

KEY ISSUES IDENTIFIED:

1. Recommendation S&S-7
 - a. 740 positions were identified for transfer but 1,129 are on-board (remainder discretionary?).
 - b. Construction costs for Detroit Arsenal and relocation costs for Rock Island personnel will most likely be understated based on 740 instead of 1,129.

INSTALLATION CONCERNS RAISED:

1. Vacant Administrative Space: 400k sq ft will be vacant
2. Deviation from criteria: Military value of Rock Island Arsenal (53) was higher than Detroit Arsenal (74)
3. Loss of tenant revenue could impact factory rates
4. North Central Civilian Personnel Office (Rock Island) Military Value rank number 1 compared to gaining CPOC at Aberdeen (9) and Ft. Riley (11)
5. Availability and condition of land, facilities, and associated airspace for transfer of 740-1,129 TACOM people to Detroit Arsenal, MI for the DLR mission

COMMUNITY CONCERNS RAISED:

- Will not oppose all recommendations
- Will oppose the recommendation to relocate the Tank-automotive and Armaments Command Rock Island (TACOM) to Detroit Arsenal
 - Rock Island Arsenal military value higher than Detroit Arsenal
 - Relocation cost excessive
 - Major construction required on small footprint

REQUESTS FOR STAFF AS A RESULT OF VISIT:

- Based on the concerns for available space at Detroit Arsenal, MI and the low MILCON dollars identified for building at the facility Commissioner Skinner stated that he would visit Detroit Arsenal.
- Under S&S -7 recommendation to relocate the consumable mission to DSC- Columbus and Depot Level Reparables to Detroit Arsenal, MI indicates a transfer of 740 positions however TACOM which currently has this mission identified 1,129 positions. Investigate the discrepancy in the number of positions under this recommendation.
- Review the MILCON data for Detroit Arsenal, MI.