

Run ID	DoD Scenario	Recommendation Page	1- Time Cost (\$M)	Payback	6 Yr Net (\$M)	20-Yr NPV (\$M)
63	Navy Supply Corps School Athens, GA	DoN - 14	\$23.80	7	\$13.56	(\$21.80)
Lead Team & Analyst: Navy (David Epstein)		Support Team & Analyst: ()				

Affected Bases

Component	Base Name	State	Action	Net Mil.	Net Civ.	Net Cont.	Total Dir.	Total InDir.	Total Chngs
active	Naval Supply Corps School Athens	GA	Closure	-393	-108	-16	-517	-318	-835
active	Naval Station Newport	RI	Gainer	359	86	16	461	593	1,054
Active	Undistributed or Overseas Reductions	US	Realign	4	0	0	4	2	6

Run ID	DoD Scenario	Recommendation Page	1- Time Cost (\$M)	Payback	6 Yr Net (\$M)	20-Yr NPV (\$M)
64	Naval Support Activity New Orleans, LA	DoN - 15	\$164.60	3	\$86.12	(\$276.40)
Lead Team & Analyst: Navy (Joe Barrett)		Support Team & Analyst: ()				

Affected Bases

Component	Base Name	State	Action	Net Mil.	Net Civ.	Net Cont.	Total Dir.	Total InDir.	Total Chngs
Active	Naval Support Activity New Orleans	LA	Closure	-1,997	-652	-62	-2,711	-2,015	-4,726
Active	Naval Air Station New Orleans	LA	Gainer	1,181	335	3	1,519	1,111	2,630
Active	Naval Support Activity Mid South	TN	Gainer	228	145	3	376	217	593
Active	Naval Air Station Joint Reserve Base Ft. Worth	TX	Gainer	54	19	0	73	50	123
Active	Naval Support Activity Norfolk	VA-Gehman	Gainer	345	105	7	457	515	972

Run ID	DoD Scenario	Recommendation Page	1- Time Cost (\$M)	Payback	6 Yr Net (\$M)	20-Yr NPV (\$M)
65	Naval Air Station Brunswick, ME	DoN - 18	\$147.20	4	\$112.62	(\$238.80)
Lead Team & Analyst: Navy (Hal Tickle)		Support Team & Analyst: ()				

Affected Bases

Component	Base Name	State	Action	Net Mil.	Net Civ.	Net Cont.	Total Dir.	Total InDir.	Total Chngs
Active	Naval Air Station Jacksonville	FL	Gainer	1,971	4	46	2,021	2,350	4,371
Active	Naval Air Station Brunswick	ME	Realign	-2,317	-61	-42	-2,420	-1,844	-4,264

Run ID	DoD Scenario	Recommendation Page	1- Time Cost (\$M)	Payback	6 Yr Net (\$M)	20-Yr NPV (\$M)
66	Marine Corps Support Activity Kansas City, MO	DoN - 19	\$23.30	3	\$8.03	(\$49.80)
Lead Team & Analyst: Navy (Joe Barrett)		Support Team & Analyst: ()				

Affected Bases

Component	Base Name	State	Action	Net Mil.	Net Civ.	Net Cont.	Total Dir.	Total InDir.	Total Chngs
Gd/Res	Naval Air Station New Orleans	LA	Gainer	176	106	0	282	221	503
Gd/Res	Marine Corps Support Center Kansas City	MO	Closure	-191	-139	-3	-333	-249	-582

Run ID	DoD Scenario	Recommendation Page	1- Time Cost (\$M)	Payback	6 Yr Net (\$M)	20-Yr NPV (\$M)
67	Naval Station Pascagoula, MS	DoN - 20	\$17.90	1	(\$220.02)	(\$665.70)
Lead Team & Analyst: Navy (Brian McDaniel)		Support Team & Analyst: ()				

Affected Bases

Component	Base Name	State	Action	Net Mil.	Net Civ.	Net Cont.	Total Dir.	Total InDir.	Total Chngs
Active	Naval Station Mayport	FL	Gainer	403	2	0	405	470	875
Active	Naval Station Pascagoula	MS	Closure	-844	-112	-7	-963	-797	-1,760
Active	Undistributed or Overseas Reductions	US	Realign	12	0	0	12	0	12

### BRAC Recommendations (190) and Affected Bases

DoD Baseline	1-Time Costs (\$M)	6 Year Net (\$M)	20-Year NPV
Army	\$9,963.050	\$8,225.430	\$3,058.750
Navy	\$2,099.086	(\$406.516)	(\$7,713.729)
Air Force	\$1,883.145	(\$2,634.214)	(\$14,560.251)
JCSG	\$10,465.723	(\$704.336)	(\$29,569.300)
<b>Total Cost</b>	<b>\$24,411.004</b>	<b>\$4,490.364</b>	<b>(\$43,784.530)</b>

Run ID	DoD Scenario	Recommendation Page	1-Time Cost (\$M)	Payback	6 Yr Net (\$M)	20-Yr NPV (\$M)
1	Fort Wainwright, AK	Army - 5	\$0.05	2	(\$0.19)	(\$0.70)

Lead Team & Analyst: Army (Rhody)      Support Team & Analyst: Army (Hood)

Affected Bases

Component	Base Name	State	Action	Net Mil.	Net Civ.	Net Cont.	Total Dir.	Total InDir.	Total Chngs
Active	Fort Greely	AK	Realign	0	0	0	0	0	0
Active	Fort Wainwright	AK	Realign	0	0	0	0	0	0

Run ID	DoD Scenario	Recommendation Page	1-Time Cost (\$M)	Payback	6 Yr Net (\$M)	20-Yr NPV (\$M)
2	Fort Gillem, GA	Army - 6	\$56.80	1	(\$85.46)	(\$421.50)

Lead Team & Analyst: Army (Manuel)      Support Team & Analyst: Army (Rhody)

Affected Bases

Component	Base Name	State	Action	Net Mil.	Net Civ.	Net Cont.	Total Dir.	Total InDir.	Total Chngs
Active	Redstone Arsenal	AL	Gainer	104	63	0	167	93	260
Active	Fort Gillem	GA	Closure	-517	-570	0	-1,087	-736	-1,823
Active	Fort Benning	GA	Gainer	0	93	0	93	51	144
Active	Rock Island Arsenal	IL	Gainer	157	120	0	277	173	450
Active	Fort Campbell	KY	Gainer	73	10	0	83	60	143
Active	Pope Air Force Base	NC	Gainer	8	0	0	8	5	13
Active	Shaw Air Force Base	SC	Gainer	26	0	0	26	18	44
Active	Undistributed or Overseas Reductions	US	Realign	78	79	0	157	0	157

Run ID	DoD Scenario	Recommendation Page	1-Time Cost (\$M)	Payback	6 Yr Net (\$M)	20-Yr NPV (\$M)
3	Fort McPherson, GA	Army - 8	\$197.80	2	(\$111.39)	(\$895.20)

Lead Team & Analyst: Army (Manuel)      Support Team & Analyst: Army (Rhody)

Affected Bases

Component	Base Name	State	Action	Net Mil.	Net Civ.	Net Cont.	Total Dir.	Total InDir.	Total Chngs
Active	Peachtree Leases Atlanta	GA	Closure	-65	-97	0	-162	-114	-276
Active	Fort McPherson	GA	Closure	-2,260	-1,881	0	-4,141	-2,705	-6,846
Active	Pope Air Force Base	NC	Gainer	1,096	1,115	0	2,211	1,604	3,815
Active	Shaw Air Force Base	SC	Gainer	748	49	0	797	584	1,381
Active	Fort Sam Houston	TX	Gainer	1	36	0	37	40	77
Active	Undistributed or Overseas Reductions	US	Realign	190	102	0	292	0	292
Active	Fort Eustis	VA-Gehman	Gainer	2	64	0	66	90	156

**All Scenarios (ISG)**

As Of: 06-May-05

**Scenario #** DON-0002**ISG Decision Date:****Scenario Title:** Close NS Pascagoula, MS; Relocate to NS Mayport, FL**Description:**

1. Close all base operations at Naval Station Pascagoula, MS.
2. Relocate 2 FFGs to Naval Station Mayport, FL, to include required personnel, equipment, and support.
3. Consolidate SIMA Pascagoula, MS, with SIMA Mayport, FL.
4. Consolidate FISC Jacksonville, FL, function FISC Jacksonville DET Pascagoula, MS with FISC Jacksonville, FL.
5. Consolidate NAVDENCEN Gulf Coast Pensacola, FL, function Branch Dental Clinic NS Pascagoula, MS with NAVDENCEN Southeast Jacksonville, FL.
6. Consolidate NAVHOSP Pensacola, FL, function Branch Medical Activity Pascagoula, MS with NAVHOSP Jacksonville, FL at Naval Air Station Jacksonville, FL.

For the purpose of this scenario the following JCSG's and Mildep scenario(s) are applicable:  
IND-0019 applies.

**Comment:****Losing Bases**

Corry Station (Pensacola, FL) - Realignment  
 Naval Air Station Jacksonville (Jacksonville, FL) - Realignment  
 Naval Air Station Pensacola (Pensacola, FL) - Realignment  
 Naval Station Pascagoula (Pascagoula, MS) - Close

**Receiving Bases**

Naval Air Station Jacksonville (Jacksonville, FL) - Receive  
 Naval Station Mayport (Mayport, FL) - Receive

# All Scenarios (ISG)

**Scenario #** DON-0002M

**ISG Decision Date:**

**Scenario Title:** Medical Support to DON-0002

**Description:**

1. Close all base operations at Naval Station Pascagoula, MS.
2. Realign medical and dental assets from Naval Station Pascagoula, MS to Naval Station Mayport, FL in order to support the realignments in DON-0002.

**Comment:**

**Losing Bases**

Naval Station Pascagoula (Pascagoula, MS) - Close

**Receiving Bases**

Naval Station Mayport (Mayport, FL) - Receive

**All Scenarios (ISG)**

As Of: 06-May-05

**Scenario #** DON-0002R**ISG Decision Date:****Scenario Title:** Close NS Pascagoula, MS; Relocate to NS Mayport, FL**Description:**

1. Close all base operations at Naval Station Pascagoula, MS.
2. Relocate 2 FFGs to Naval Station Mayport, FL, to include required personnel, equipment, and support.
3. Consolidate SIMA Pascagoula, MS, with SIMA Mayport, FL.
4. Consolidate FISC Jacksonville, FL, function FISC Jacksonville DET Pascagoula, MS with FISC Jacksonville, FL.
5. Realign medical and dental assets from Naval Station Pascagoula, MS to Naval Station Mayport, FL in order to support the realignments in DON-0002.

For the purpose of this scenario the following JCSG's and Mildep scenario(s) are applicable:  
IND-0019 applies.

**Comment:****Losing Bases**

Corry Station (Pensacola, FL) - Realignment  
 Naval Air Station Jacksonville (Jacksonville, FL) - Realignment  
 Naval Air Station Pensacola (Pensacola, FL) - Realignment  
 Naval Station Pascagoula (Pascagoula, MS) - Close

**Receiving Bases**

Naval Air Station Jacksonville (Jacksonville, FL) - Receive  
 Naval Station Mayport (Mayport, FL) - Receive

**INFRASTRUCTURE ANALYSIS TEAM**  
ODASN (IS&A), 2221 South Clark Street, Suite 900, Arlington, VA 22202

(703)-602-6500

RP-0407  
IAT/JAN  
4 January 2005

MEMORANDUM FOR THE INFRASTRUCTURE EVALUATION GROUP (IEG)

Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

Encl: (1) DON Analysis Group Brief to IEG of 23 December 2004

1. The thirty-fourth deliberative session of the Department of the Navy (DON) Infrastructure Evaluation Group (IEG) convened at 1006 on 23 December 2004 in room 4D584 at the Pentagon. The following members of the IEG were present: Ms. Anne R. Davis, Co-Chair; Gen William L. Nyland, USMC, Co-Chair; ADM John B. Nathman, USN, Co-Chair; VADM Justin D. McCarthy, USN, Member; VADM Kevin J. Cosgriff, USN, Member; LtGen Michael A. Hough, USMC, Member; Mr. Michael F. Jaggard, alternate for Dr. Michael F. McGrath, Member; Mr. Robert T. Cali, Member; Mr. Ronnie J. Booth, Navy Audit Service, Representative; and, Mr. Thomas N. Ledvina, Navy Office of General Counsel (OGC), Representative. The following members of the DON Analysis Group (DAG) were present: MajGen Emerson N. Gardner Jr., USMC; RADM Christopher E. Weaver, USN; Mr. Thomas R. Crabtree, Mr. Paul Hubbell; Ms. Debra Edmond; and, RDML(sel) Charles Martoglio, USN. The following members or representatives of the Functional Advisory Board (FAB) were present: VADM Gerald L. Hoewing, USN; RADM Kathleen L. Martin, NC, USN; RADM(sel) Alan S. Thompson, SC, USN; Mr. Michael Rhodes; Mr. Barry Dillon; BGen Willie J. Williams, USMC; BGen Thomas L. Conant, USMC; Mr. George Ryan; RDML Jan C. Gaudio, USN; RDML Mark Hugel, USN; Col Michael J. Massoth, USMC; CAPT Albert J. Shimkus, NC, USN; and, Mr. Thomas B. Grewe. The following members of the IAT were also present: Mr. David W. LaCroix, Senior Counsel; Mr. John E. Leather; Mr. Andrew S. Demott; CAPT Gene A. Summerlin, USN; CAPT Matthew A. Beebe, CEC, USN; CAPT Jan G. Rivenburg, USN; CDR Robert E. Vincent II, JAGC, USN; CDR Edward J. Fairbairn, USN; CDR Margaret M. Carlson, JAGC, USN; CDR Brian D. Miller, USNR; CDR Judith D. Bellas, NC, USN; CDR Stephen J. Cincotta, USN; CDR Beth Hartmann, CEC, USN; LCDR Vincent J. Moore, JAGC, USNR; and, Capt James A. Noel, USMC. All attendees were provided enclosure (1).

2. Ms. Davis used slide 3 of enclosure (1) to update the IEG on the status of the scenario data call (SDC) process as of 21

December 2004. 447 JCSG scenarios are now posted in the OSD scenario tracking tool.

3. Ms. Davis used slides 4-17 of enclosure (1) to brief the IEG on the step two COBRA analysis for the close NAVSTA Pascagoula scenarios. At its 16 December 2004 deliberative session, the IEG conducted step one COBRA analysis for DON scenarios to close NAVSTA Pascagoula, MS (DON-0001, relocate assets to NAVSTA Norfolk, VA and DON-0002, relocate assets to NAVSTA Mayport, FL), and directed the DAG to continue with scenario analysis. Ms. Davis reminded the IEG that in step two, the DAG conducts Selection Criteria 6-8 analyses and Risk assessments. The IEG reviewed the scenarios, noting that they include closing the Lakeside Housing Facility. See slide 5 of enclosure (1).

4. The IEG discussed the following outstanding issues concerning the close NAVSTA Pascagoula scenarios:

a. Coast Guard. The IEG noted that the Coast Guard would likely face increased costs of operation as a result of these closure scenarios. Additionally, by Memorandum of Agreement, DON will continue to provide maintenance for Coast Guard assets through FY 08. Ms. Davis noted that for purposes of COBRA analysis, these maintenance costs were addressed as a one-time cost through FY 08.

b. Enclaves. During the step one COBRA analysis, the IEG noted that it may be necessary to create enclaves for Defense Common Ground Station-Navy 2 (DCGS-N2) and/or the Lakeside Housing Facility. Accordingly, during its 20 December 2004 deliberative session, the DAG examined COBRA results for scenarios without enclaves (complete closure), with an enclave for either the Lakeside Housing Facility or DCGS-2, and with enclaves for both. The DAG concluded that maintaining enclaves at NAVSTA Pascagoula was not desirable, since DCGS-N2 can apparently be relocated and lodging pre-commission units in commercial facilities was more cost efficient than maintaining an enclave for the Lakeside Housing Facility. In addition, the DAG expressed concern that retention of enclaves may result in undesired growth on or near the enclave parcel(s). Accordingly, the DAG recommended complete closure of NAVSTA Pascagoula. The IEG concurred, noting that it may be necessary to create a leadership structure for Navy pre-commission units, i.e., placing unit members in co-located commercial facilities with a chain of command to maintain unit cohesion.

DCN: 11919

Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

5. The IEG next reviewed the Selection Criteria 5-8 analyses for the close NAVSTA Pascagoula scenarios:

a. Criterion five. The refined COBRA model results indicate an immediate Payback and net present value savings of \$642.6 million and \$651.1 million respectively. See slide 7 of enclosure (1).

b. Criterion six. Ms. Davis reminded the IEG that criterion six requires consideration of "the economic impact on existing communities in the vicinity of military installations." The IEG noted the estimated employment decrease in the Pascagoula, MS region of influence (ROI) from these scenarios is 1,758 which exceeds 1% of the ROI population, thereby activating the Housing Assistance Program (HAP) that helps eligible homeowners offset real estate losses suffered as a result of BRAC actions. See slide 9 of enclosure (1). Ms. Davis noted that these numbers reflect a worst-case scenario, i.e., they assume no economic recovery in the ROI. The IEG reviewed the economic impact results for the proposed receiving sites (Jacksonville, FL and the Virginia Beach, Norfolk, and Newport News, VA area) and did not identify any issues of concern. See slides 10-11 of enclosure (1).

c. Criterion seven. Ms. Davis reminded the IEG that criterion seven requires consideration of "the ability of both the existing and potential receiving communities infrastructure to support forces, missions and personnel." She noted that the DAG reviewed community profiles that considered relevant attributes (e.g., demographics, transportation) for Pascagoula, MS and the proposed receiving sites. No community infrastructure risks were identified. See slide 12 of enclosure (1).

d. Criterion eight. Ms. Davis reminded the IEG that criterion eight requires consideration of "the environmental impact, including the impact of costs related to potential environmental restoration, waste management, and environmental compliance." She noted that environmental restoration costs are not included in COBRA (i.e., DON has an obligation to perform environmental restoration regardless of whether the installation is closed, realigned or kept open) but must be considered in criterion eight analysis. The IEG reviewed the criterion eight analysis, noting that there are no environmental restoration costs for NAVSTA Pascagoula since it was constructed after 1986. No environmental issues associated with these scenarios were identified. See slides 13-14 of enclosure (1).

Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

6. After reviewing the scenario alignment assessment for the close NAVSTA Pascagoula scenarios (see slide 15 of enclosure (1)), the IEG reviewed the Candidate Recommendation Risk Assessment tool for the close NAVSTA Pascagoula scenarios. See slide 16 of enclosure (1). Ms. Davis informed the IEG that the DAG had refined the Candidate Recommendation Risk Assessment tool as directed by the IEG at its 16 September 2004 deliberative session. She noted that the Executability Risk (Y-axis) of the tool related to selection criteria 5-8 and the assigned scores comport with the discussion above in paragraph 5. The IEG concurred with the DAG's Executability Risk assessment. Ms. Davis noted that during its 21 December 2004 deliberative session, the DAG discussed the rationale for the variables and assigned scores for the Warfighting/Readiness Risk (X-axis). She explained that the DAG felt that a non-concurrence from a COCOM should receive a sufficiently high score so as to place the overall scenario risk in the yellow, thereby highlighting it to the IEG for its consideration. The IEG was not comfortable with automatically assigning an external concern an automatic score of "4" or "5". Accordingly, the IEG modified the assigned scores for the External Risk variables as follows: COCOM Non-concur (mitigation identified) is changed from a "4" to a "2" - "3" and COCOM Non-concur (mitigation not identified) is changed from "5" to a "4" - "5". The IEG determined that the External Risk for these candidate recommendations should be assigned a score of "2" since mitigation was identified and the concerns expressed by U.S. Pacific Command (PACOM) and U.S. Northern Command (NORTHCOM) were undefined.

7. Ms. Davis informed the IEG that during its 20 and 21 December 2004 deliberative sessions, the DAG noted that NAVSTA Mayport apparently has more excess capacity than NAVSTA Norfolk, and that CFFC prefers NAVSTA Mayport as a receiver site. Additionally, it was noted that NAVSTA Mayport is geographically closer to the operational areas for the NAVSTA Pascagoula assets. The IEG noted that scenario DON-0002 will maintain required flexibility at NAVSTA Norfolk for siting future ships and directed the DAG to prepare a candidate recommendation package for scenario DON-0002.

8. Ms. Davis used slide 19 of enclosure (1) to brief the IEG on the step one COBRA analysis for the HSA DON Reserve Centers Function. The IEG reviewed the COBRA summary for 11 reserve center scenarios. The IEG directed the DAG to continue with scenario analysis for the following scenarios for which the

DCN: 11919

Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

COBRA model results indicate an immediate Payback: Close NRC Cleveland, OH (DON-0051); Close NMCRC Encino, CA (DON-0054); Close NMCRC Moundsville, WV (DON-0025); and, Close I&I Rome, GA (DON-0056).

9. Additionally, the IEG directed the DAG to continue refining the data for the remaining Reserve Centers scenarios. Ms. Davis noted that the DAG will consult with MARFORRES and COMNAVRESFOR to determine whether operational necessity warrants further analysis of any additional scenarios.

10. Ms. Davis used slide 20 of enclosure (1) to brief the IEG on the step one COBRA analysis for the following HSA DON Regional Support Activities (RSA) Function scenarios:

a. Realign COMNAVREG Gulf Coast, COMNAVREG South, COMNAVREG Northeast and COMNAVRESFORCOM IM Function into remaining CONUS regions (DON-0041). The IEG reviewed the COBRA model results that indicate an immediate Payback and net present value savings of \$84.62 million. The IEG directed the DAG to continue with scenario analysis.

b. Realign COMNAVREG Gulf Coast, COMNAVREG South and COMNAVRESFORCOM IM Function into remaining CONUS Regions (DON-0040). The IEG reviewed the COBRA model results that indicate a Payback of one year and net present value savings of \$33.30 million. The IEG directed the DAG to continue with scenario analysis.

c. Realign COMNAVMARIANAS IM Function into COMNAVREG Hawaii (DON-0042). The IEG reviewed the COBRA model results for the scenario that indicate a Payback of over 100 years. The IEG approved the DAG's recommendation to discontinue further analysis of this scenario because the laydown on Guam may significantly increase as a result of the IGPBS requirement and other actions, thereby potentially increasing the scope of responsibility of the COMNAVMARIANAS IM Function.

11. Ms. Davis updated the IEG concerning additional RSA scenarios that align activities in accordance with the IM Regions scenarios. Ms. Davis noted that the DAG is working with the Naval Facilities Engineering Command (NAVFAC) to distinguish BRAC savings from existing NAVFAC transformation plan savings for three of four Facility Engineering Command (FEC) scenarios (DON-0073, DON-0074 and DON-0075). She informed the IEG that the DAG developed an additional NAVFAC scenario (DON-0154) to relocate the Navy Crane Center (NAVCRANECEN). The DAG

DCN: 11919  
Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

considered the value of re-issuing two of the three Reserve Readiness Command (REDCOM) scenarios as consolidations with the IM Region (DON-0077 and DON-0079). Lastly, the DAG's analysis indicates that the Navy Legal Service Office (NLSO) scenario should not be analyzed further since it involves a small number of personnel and can be accomplished independent of BRAC. These scenarios will be presented to the IEG for analysis at a future deliberative session.

12. Ms. Davis used slide 21 of enclosure (1) to conduct step one COBRA analysis for the following HSA DON Recruiting Function scenarios:

a. Close NRD Indianapolis, NRD Omaha, NRD Buffalo, NRD Montgomery and NRD San Antonio (DON-0061). The IEG reviewed the COBRA model results that indicate an immediate Payback and net present value savings of \$177.60 million. The IEG directed the DAG to continue with scenario analysis.

b. Close NRD Indianapolis, NRD Omaha, NRD Buffalo, NRD Montgomery and NRD Kansas City (DON-0062). The IEG reviewed the COBRA model results that indicate an immediate Payback and net present value savings of \$207.76 million. The IEG directed the DAG to continue with scenario analysis.

c. Close NRD Indianapolis, NRD Omaha, NRD Buffalo, NRD Montgomery, NRD San Antonio, NRD Portland, NRD Jacksonville, and NRD St. Louis (DON-0063). The IEG reviewed the COBRA model results that indicate an immediate Payback and net present value savings of \$294.87 million. The IEG directed the DAG to continue with scenario analysis.

The IEG noted COMNAVCRUITCOM's concern that DON-0063 poses a significant operational risk and indicated that this concern will be reflected in the Candidate Recommendation Risk Assessment tool. Ms. Davis also noted that COMNAVCRUITCOM used reduced personnel numbers based on Program Objective Memorandum (POM-06) when answering the scenario data call rather than using Program of Record (PR-05) as a baseline as provided in COBRA guidance. The DAG will develop a rule set for applying personnel numbers in the COBRA analysis in order to avoid miscalculations.

13. Ms. Davis used slide 22 of enclosure (1) to conduct step one COBRA analysis for the following DON-Specific Education and Training Officer Accession Training Function scenarios:

DCN: 11919  
Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

a. Realign NAS Pensacola by disestablishing Officer Training Command (OTC) Pensacola and consolidating the Navy Officer Training Accession Function at NAVSTA Newport (DON-0085). The IEG reviewed the COBRA model results that indicate a Payback of two years and net present value savings of \$21.22 million. The IEG directed the DAG to continue with scenario analysis.

b. Realign OTC Pensacola and OTC Newport to NAVSTA Great Lakes, IL (DON-0086). Ms. Davis noted that at its 14 December 2004 deliberative session, the DAG recognized the significant impact that the relocation of NAPS appears to have on the preliminary COBRA results for these scenarios and decided to review a COBRA analysis excluding the relocation of NAPS. Accordingly, at its 21 December 2004 deliberative session, the DAG reviewed the COBRA analysis for OTC consolidation only. The IEG reviewed the COBRA model results that indicate a Payback of 21 years and net present value costs of \$2.05 million. The IEG directed the DAG to remove the action to relocate NAPS from this scenario and continue with scenario analysis.

c. Realign OTC Newport to NAS Pensacola (DON-0087). The IEG reviewed the COBRA model results that indicate a Payback of over 100 years and net present value costs of \$17.36 million. The DAG recommended that the IEG eliminate NAS Pensacola as a viable receiving site because of the amount of military construction required to accommodate the Officer Training Accession Function. The IEG directed the DAG to continue refining the data but to discontinue further analysis of this scenario.

The IEG noted that NETC favors DON-0086, and that DON-0085 potentially conflicts with the close NAVSTA Newport (DON-0039) scenario.

14. Ms. Davis used slides 24-29 to discuss issues identified by the DAG's initial scenario data call review of the following scenarios. She noted that the DAG has not reviewed the COBRA model results for these scenarios:

a. Close SUBASE New London (DON-0033, SUBASE Kings Bay and NAVSTA Norfolk identified as the receiver sites (6 and 11 SSNs respectively) and DON-0034, NAVSTA Norfolk identified as the receiver site (17 SSNs)). Ms. Davis advised the IEG that data resolution is in progress to resolve discrepancies in personnel numbers. She noted that PACOM has expressed concern that since the scenarios consider the current force structure of the

DCN: 11919  
Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

submarine fleet, no adjustments were made for future movement considerations, i.e., force structure realignments from east coast to the Pacific. Ms. Davis noted that single siting of submarines at NAVSTA Norfolk may raise strategic dispersion concerns for scenario DON-0034, and the DOD Explosive Safety Board requirement for TRIDENT II submarine operations at SUBASE Kings Bay may impact the viability of scenario DON-0033. Additionally, the current submarine maintenance plan utilizes Northeast assets bringing into question the validity of the current maintenance plan. Finally, since both scenarios assume full nesting at NAVSTA Norfolk, additional pier construction may be required.

b. Close NAVSTA Everett and relocate the CVN to NAVSTA Pearl Harbor and CVW to Hawaii (DON-0036). Ms. Davis noted that there is an issue with the forward-deployed Naval force CVN maintenance model since lack of modifications to existing dry docks at NAVSTA Pearl Harbor will require docking to take place at NAVSTA Bremerton (with only one 120-day availability per year). Additionally, she noted that the COMPACFLT directed assumptions concerning the placement of an air wing provide for locating two F-18 squadrons at Hickam AFB, two F-18 squadrons at MCBH Kaneohe Bay, and propeller and rotary wing assets at Kalealoa (the former NAS Barbers Point). The IEG noted that this is inconsistent with the convention provided with respect to remaining within currently assigned footprint at MCAS Kaneohe Bay. The COMPACFLT directed assumptions thus result in moves/basing unacceptable to the Marine Corps. Ms. Davis advised the IEG that additional outstanding issues include the required military construction at a cost in excess of \$2 billion and the need to increase the size of the Pacific Missile Range Facility to facilitate Flight Carrier Landing Practice. Finally, Ms. Davis noted that the earliest date that forces could transfer is FY 2010.

c. Close NAVSTA Everett and relocate the CVN to NSA Guam and CVW to Guam (DON-0037). Ms. Davis advised the IEG that outstanding issues include the need for Air Force permission to base the air wing at Anderson AFB, the adequacy of the planned CVN maintenance infrastructure, and required military construction for this scenario in excess of \$2 billion. Additionally, there are concerns with respect to the ability of the civilian infrastructure in Guam to handle a CVN and associated air wing. Finally, Ms. Davis noted that the earliest date that forces could transfer is FY 2010.

Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

15. Ms. Davis used slide 31 of enclosure (1) to discuss the status of scenario development for the HSA DON Regional Support Activities Function. She noted that the refinement of earlier scenarios will enable DON to take advantage of additional savings opportunities. Additionally, Ms. Davis advised the IEG that fenceline closure possibilities have resulted from the relocation of a majority of fenceline tenants by other scenarios. The IEG approved posting the following scenarios to the OSD scenario tracking tool subject to further refinement, and issuance of a scenario data call:

a. Consolidate REDCOM Northeast (NAVSTA Newport) with COMNAVREG Northeast (DON-0155).

b. Consolidate REDCOM Northeast (NAVSTA Newport) and REDCOM Mid-Atlantic (Washington DC) with COMNAVREG Mid-Atlantic (DON-0156).

c. Close Marine Corps Support Activity, Kansas City, MO fenceline since an HSA JCSG scenario uncovers a significant portion of the fenceline (DON-0157).

d. Close Naval Support Activity New Orleans, LA since HSA JCSG scenarios uncover a significant portion of the fenceline (DON-0158a).

e. Realign Naval Support Activity New Orleans, LA by closing the east bank (DON-0159).

f. Close leased property in Lester, PA (DON-0154). The IEG noted that since the DON scenario (DON-0073) to relocate EFA Northeast to SUBASE New London, CT would uncover a significant portion of the leased property, moving NAVCRANECEN to NAVSTA Norfolk, VA would allow for closure of the leased property.

16. Ms. Davis used slides 33-38 of enclosure (1) to discuss JCSG scenario analysis coordination using the Industrial JCSG as an example. She discussed the coordination efforts needed for a JCSG enabling scenario when no analysis or recommendations are planned by the JCSG, a JCSG enabling scenario when the JCSG plans to conduct analysis and issue candidate recommendations, and a JCSG scenario that triggers a possible fenceline closure scenario. Ms. Davis noted that a failure to effectively coordinate analysis and recommendations between DON and the JCSGs could result in competing analysis and recommendations, different analyses based on different data sets, i.e., Industrial vice Integrated perspective, and analyses and

DCN: 11919

Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

recommendations based on combining data from independent data responses. She used slide 38 of enclosure (1) to brief the IEG concerning the current DON methodology for scenario analysis coordination, noting that communication and documentation of deliberative decisions were essential.

17. Ms. Davis used slide 39 of enclosure (1) to discuss the Industrial JCSG's analysis of efficiency in depot activities. She noted that cost efficiency was recognized as an important factor for evaluation of depot maintenance scenarios, citing the DON BRAC Considerations of 19 August 2004 and the Chairman, Industrial JCSG's 10 November 2004 memo to the DOD Comptroller requesting development of a credible metric. She informed the IEG that the method to evaluate cost efficiency has yet to be determined, noting that the DOD Comptroller's response to the Chairman, Industrial JCSG's request for an effective metric has not provided a viable solution. The IEG decided to request that the Industrial JCSG Chair develop and disseminate the methodology that will be used to incorporate cost efficiency in scenario analysis. To facilitate this request, the IEG will provide the Chair with a proposed metric.

18. The IEG received the following JCSG status updates:

a. Technical. Mr. Dillon informed the IEG that the JCSG has completed one scenario recommendation package. He noted that all Air Force proposed receiving sites require military construction. Additionally, Mr. Dillon advised the IEG that the JCSG Chair does not concur with the Air Force policy of maintaining an internal priority list that may override a JCSG decision. The IEG noted that this issue should be resolved at the ISG.

b. Industrial. RDML Hugel informed the IEG that the JCSG has completed two scenario recommendation packages. He noted that the JCSG has identified an apparent inconsistency regarding the correlation between the number of personnel being reduced at the losing site and the number of personnel required at the receiving site (e.g., a reduction of 700 personnel at the losing site and a requirement for only 100 personnel at the receiving site), raising concerns regarding the ability to continue to meet workload requirements. RDML Hugel emphasized that determination of the appropriate cost metric for evaluation of depot maintenance scenarios remains an issue and reminded the IEG that the JCSG has not determined the approach for Naval Aviation Maintenance. He noted that DON concurs with the Armament subgroup approach, wherein the Army has taken the lead

DCN: 11919

Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

by essentially closing Army activities and relocating assets. Lastly, RDML Hugel noted that shipyard scenario data call responses have not been returned to the JCSG.

c. Medical. RADM Martin informed the IEG that the JCSG has approved two scenarios and indicated that the scenario data call responses are providing quality data.

d. Education and Training. VADM Hoewing informed the IEG that the JCSG is conducting selection criteria 6-8 scenario analysis for its scenarios. He stated that the JCSG is conducting the analysis for a significant number of Army scenarios, noting that the Army is aggressively using the BRAC process as an opportunity to realign Army training. Additionally, the Army is apparently adopting a methodology that applies manpower savings for growth in combat arms (i.e., BRAC personnel savings are applied to "buy" combat arms personnel). VADM Hoewing noted that the JCSG is concerned that the Army's methodology for calculating manpower savings differs from the methodology employed by other Services. He stated that the JCSG's position is that the methodology for calculating manpower savings should be a DOD position rather than a Service position.

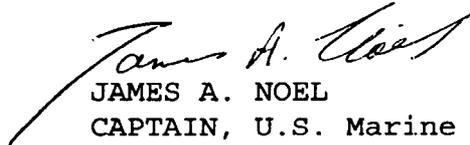
e. Headquarters & Support Activities. Mr. Rhodes informed the IEG that four of 15 scenario data call responses have been received by the JCSG. He indicated that the JCSG is disallowing military construction for support facilities added by the Air Force. Mr. Rhodes noted that the JCSG has received six COCOM comments that address its scenarios. He stated that the JCSG intends to declare military personnel scenarios that allow consolidation by Service. Lastly, Mr. Rhodes noted that the JCSG is analyzing the consolidation of criminal investigative services (i.e., NCIS/CID) at MCB Quantico, VA in a scenario that eliminates approximately 500 thousand square feet of leased space in the National Capital Region.

f. Supply and Storage. RADM (sel) Thompson informed the IEG that the JCSG has received accurate and timely scenario data call responses from DON, but has noted issues with Air Force and especially Army data. He noted that the JCSG expects to complete candidate recommendations by 14 January 2005. RADM Thompson emphasized the need for coordination with DON in instances where the JCSG is a follower (majority of cases) and to apprise DON of potential fence-line closure possibilities in instances when the JCSG is the lead. Lastly, RADM Thompson noted that the JCSG continues to have an issue concerning the certification chain for Army and Air Force data.

DCN: 11919

Subj: REPORT OF IEG DELIBERATIONS OF 23 DECEMBER 2004

19. The deliberative session adjourned at 1140.



JAMES A. NOEL  
CAPTAIN, U.S. Marine Corps  
Recorder, IAT

**TAB 1**



*Department of the Navy*  
*DON Analysis Group*

---

# **DON Analysis Group Brief to Infrastructure Evaluation Group**

**23 December 2004**



*Department of the Navy*  
*DON Analysis Group*

# Agenda

---

- **Scenario Data Call Status**
- **Scenario Analysis (Full)**
  - **Pascagoula**
- **Scenario Analysis (COBRA)**
  - **I&I/NMCRC**
  - **RSAs**
  - **NRDs**
  - **OTCs**
- **Scenario Analysis (Issues)**
  - **New London**
  - **CVN to Pacific**
- **Scenario Development**
  - **HSA DON-specific (6 scenarios)**
- **JCSG Scenario Analysis/Coordination**
- **IEG/FAB Open Discussion**



Department of the Navy  
DON Analysis Group

# Scenario Data Call Status

**DON**

Type	IN OSD Tracker	SDC Released	DAG Review	IEG Review
Operational	29	28	12	4
DON E&T	8	8	7	0
DON HSA	106	93	52	25
Fencelines	8	7	4	0
<b>Total</b>	<b>151</b>	<b>136</b>	<b>75</b>	<b>29</b>

**Status as of  
1330 21 Dec 04**

**JCSG**

JCSG	In OSD Tracker	Template RCVD	SDC Released	A/W Release	Template Withdrawn	Template Returned
E&T	55	34	31	3	3	27
HSA	124	48	48	0	0	46
IND	102	45	44	1	0	16
MED	54	26	23	3	1	14
S&S	45	10	9	1	0	9
TECH	56	30	30	0	0	13
INTEL	11	0	0	0	0	0
<b>Total</b>	<b>447</b>	<b>193</b>	<b>185</b>	<b>8</b>	<b>4</b>	<b>125</b>



*Department of the Navy*  
*DON Analysis Group*

---

# Scenario Analysis (Full)

DCN: 11919

23 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



Department of the Navy  
DON Analysis Group

## Scenario Analysis: DON-0001 and DON-0002

- Close all base operations at Naval Station Pascagoula, MS.
- Relocate 2 FFGs to Naval Station Norfolk, VA(Mayport, FL) to include required personnel, equipment, and support.
- Consolidate SIMA Pascagoula, MS with SIMA Norfolk, VA(Mayport, FL).
- Consolidate FISC Jacksonville, FL, function FISC Jacksonville DET Pascagoula, MS with FISC Norfolk, VA(Jacksonville, FL).
- Disestablish NAVDENCEN Gulf Coast Pensacola, FL, function Branch Dental Clinic NS Pascagoula, MS
- Disestablish NAVHOSP Pensacola, FL, function Branch Medical Activity Pascagoula, MS.
- CGs at Naval Station Pascagoula will remain until decommissioned through FY06.

**NOTE – scenario now includes entire effect of closing the Lakeside Housing Facility**

DCN: 11919

23 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



## Scenario Issues

---

- **Disposition of USCG Assets**
  - **MOA for Maintenance (0.2M FY 06-08)**
  - **Addressed as one-time cost through FY08**
- **Possible Enclaves**
  - **Lakeside Housing used to support Pre-comm Unit Crews**
    - **33 acre area provides low-cost BQ housing alternative for pre-comm crews**
  - **Defense Common Ground Station-Navy 2 (DCGS-N2) (Formerly JFNU-2)**
    - **MILCON Appropriated; contract award Sep 04; construction not started**
    - **Operationally, appears this can be relocated, except for possible synergy with other local assets (FBI, MS State Ports authority, USCG)**
  - **Costs of enclaves evaluated, separately and together**
  - **DAG recommends total closure**



Department of the Navy  
DON Analysis Group

# ROI Summary

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	Payback Years	20 Year NPV
DON-0001 (Norfolk Receives)	540	414	11.40	-46.86	Immediate	-642.6
DON-0002 (Mayport Receives)	540	414	11.16	-47.42	Immediate	-651.1

All Dollars shown in Millions

## Notes:

**Limited Costs due to small transfer of personnel (2 FFGs and support)**



*Department of the Navy*  
*DON Analysis Group*

---

## **Criterion Six**

### **Economic Impact**

---

- **Law requires consideration of:**

**“The economic impact on existing communities in the vicinity of military installations”**



Department of the Navy  
DON Analysis Group

# Criterion Six Economic Impact

## Pascagoula, Mississippi Metropolitan Statistical Area (37700)

Counties : George  
Jackson



### Overall Economic Impact of Proposed BRAC-05 Action:

ROI population(02)	153,143
ROI employment (02)	68,520
Authorized Manpower (05)	1,657
Manpower(05) /employment(02)	2.42%
Total estimated Job Change	-1,758
Job change/employment (02)	-2.57%

### ISSUES:

- Employment decrease exceeds 1%
- HAP is activated

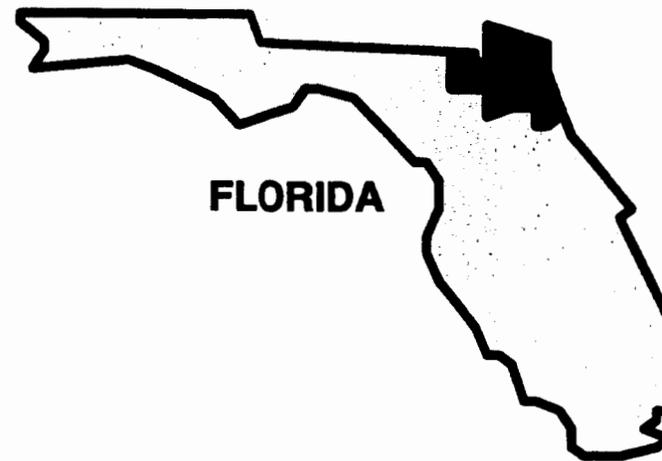


Department of the Navy  
DON Analysis Group

# Criterion Six Economic Impact

## Jacksonville, Florida Metropolitan Statistical Area (27260)

Counties: Baker, Clay, Duval,  
Nassau, St. Johns



### Overall Economic Impact of Proposed BRAC-05 Action:

ROI population(02)	1,176,480
ROI employment (02)	727,765
Authorized Manpower (05)	13,040
Manpower(05) /employment(02)	1.79%
Total estimated Job Change	870
Job change/employment (02)	0.12%

**ISSUES:**

**None**

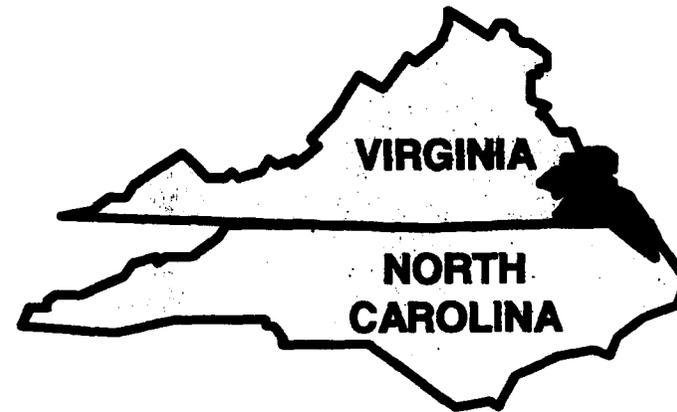


Department of the Navy  
DON Analysis Group

# Criterion Six Economic Impact

## Virginia Beach-Norfolk- Newport News, VA-NC Metropolitan Statistical Area (47260)

**Counties:** Chesapeake, Norfolk, Currituck, Poquoson, Gloucester, Portsmouth, Hampton, Suffolk, Isle of Wight, Surry, James City, Virginia Beach, Mathews, Williamsburg, York, Newport News



### Overall Economic Impact of Proposed BRAC-05 Action:

ROI population(02)	1,613,728
ROI employment (02)	978,888
Authorized Manpower (05)	56,089
Manpower(05) /employment(02)	5.73%
Total estimated Job Change	826
Job change/employment (02)	0.08%

### ISSUES:

None



# Criterion Seven Community Infrastructure

“The ability of both the existing and potential receiving communities infrastructure to support forces, missions, personnel”

**Attributes Considered:**

- Demographics ✓
- Child Care ✓
- Cost of Living ✓
- Education ✓
- Employment ✓
- Housing ✓
- Medical Providers ✓
- Safety/Crime ✓
- Transportation ✓
- Utilities ✓

- DAG reviewed community profiles for:
  - oPascagoula, MS
  - oJacksonville, FL
  - oVirginia Beach-Norfolk-Newport News, VA-NC
- DAG identified no community infrastructure risk

**Data Call Input/Comment** ✓  
(Additional data requested in scenario data call)



Department of the Navy  
DON Analysis Group

# Criterion Eight Environmental

## DON-0001 Naval Station Norfolk Receiving Installation

- **General Environmental Issues**
  - **Air Quality** – NAVSTA Norfolk is in Maintenance for Ozone (1 Hour) and Marginal Non-attainment for Ozone (8 Hour) This scenario will not require air conformity determination. No criterion 8 impact.
  - **No Criterion 8 Environmental Impact from other areas.**
- **Impacts of Costs**

Selection Criterion 8 Environmental Points	Naval Station Pascagoula, MS (Installation Realigned)	Naval Station Norfolk, VA (Installation Gaining Functions)
Environmental Restoration	No DERA Costs	DERA Costs through FY-03 \$85.9M. CTC is \$24.5M. No impact.
Waste Management	None	None
Environmental Compliance	None	None



Department of the Navy  
DON Analysis Group

# Criterion Eight Environmental

## DON-0002 Naval Station Mayport Receiving Installation

- **General Environmental Issues**
  - **Air Quality** – NAVSTA Mayport is in Maintenance for Ozone (1 Hour). This scenario will not require air conformity determination. No criterion 8 impact.
  - **No Criterion 8 Environmental Impact on other areas.**
- **Impacts of Costs**

<b>Selection Criterion 8 Environmental Points</b> Environmental Restoration	<b>Naval Station Pascagoula, MS (Installation Realigned)</b> No DERA Costs	<b>Naval Station Mayport, FL (Installation Gaining Functions)</b> Installation has spent \$16.5M through FY03 for environmental restoration. CTC is \$13.1M. No impact
<b>Waste Management</b>	None	None
<b>Environmental Compliance</b>	None	\$20K for Air Permit for Paint/Blast Booth

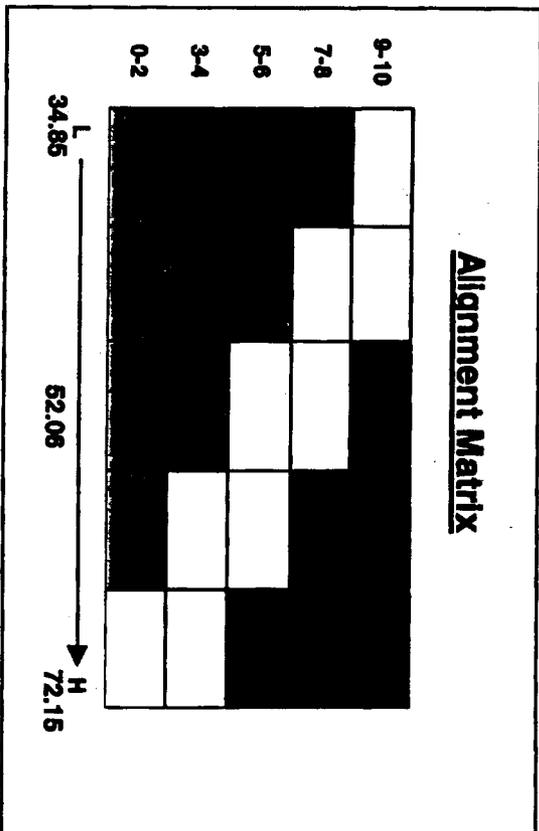


Department of the Navy  
DON Analysis Group

# Close NS Pascagoula NS Norfolk or Mayport Receives (DON-0001 and DON-0002)

## Scenario Divergence

- **Excess Capacity Reduction**
  - Score: 0
- **Principles, Objectives and Considerations Alignment**
  - Score: 0
- **Transformational Options**
  - Score: 1
- **Function/Scenario Alignment**
  - Score: 0
- **Expansion**
- **Capability/Flexibility**
  - Score: 1
- **Total Alignment Score: 2**



\*Based upon 16 Active Bases

Mean Military Value Score: 52.87  
Military Value Ranking: 16 of 16



Department of the Navy  
DON Analysis

# Candidate Recommendation Risk Assessment (DON-0001 and DON-0002)

## Executability Risk

### Investment Recoupment

**0: Immediately self financing or significant return on investment (<2 years)**

**1: Investment recoverable in 2-4 years**

**2: Significant investment is required and is not recoverable in less than 4 years**

### Savings Realism/Uncertainty

**0: No concerns**

**1: Savings potential low or uncertain**

**2: Great uncertainty regarding savings**

### Economic Impact

**0: Low direct/indirect job losses in community (<.1%)**

**1: Some direct/indirect job losses in community (>.1% and < 1%)**

**2: Greater potential economic effect on community due to single action or cumulative effort of all actions (>1%)**

### Community Infrastructure Impact

**0: Receiving site community(ies) readily able to absorb forces, missions, personnel**

**1: Some potential impact on receiving site community(ies) but absorption likely over time**

**2: Impact on receiving community likely; uncertainty regarding absorption of forces, missions, personnel**

### Environmental Impact

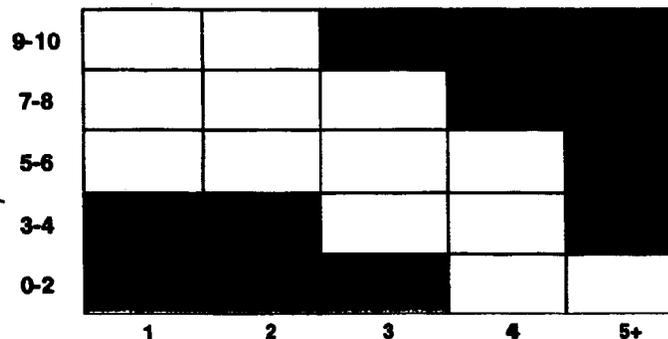
**0: Minimal impact at receiving site or no risk of executability**

**1: Mitigation at receiving site required but possible**

**2: Complex mitigation at receiving site probable; uncertainty about executability**

**Issues:** Homeland Defense

## Risk Matrix



## Warfighting/Readiness Risk

### Internal Risk

**(0-1) Low** Minor impact on manning, training and/or equipment

**(2-3) Medium** Reduced capability, but still mission capable

**(4-5) High** Significant impact, approaching point which affects ability to deploy forces

### External Risk

**(2-3) COCOM Non-concur** (mitigation identified)

**(4-5) COCOM Non-concur** (mitigation not identified)



Department of the Navy  
DON Analysis Group

# ROI Summary

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	Payback Years	20 Year NPV
DON-0001 (Norfolk Receives)	540	414	11.40	-46.86	Immediate	-642.6
DON-0002 (Mayport Receives)	540	414	11.16	-47.42	Immediate	-651.1

All Dollars shown in Millions

- **CFFC prefers scenario option to send ships to Mayport (DON-0002)**
  - Limited excess capacity in Norfolk, more excess in Mayport
  - Mission operations mainly in Caribbean; Mayport closer to OPAREAs.

***IEG Decision Item:  
Prepare Candidate Recommendation Package for DON-0002***



**INFRASTRUCTURE ANALYSIS TEAM**  
ODASN (IS&A), 2221 South Clark Street, Suite 900, Arlington, VA 22202

(703)-602-6500

RP-0338  
IAT/JAN  
21 Dec 2004

MEMORANDUM FOR THE INFRASTRUCTURE EVALUATION GROUP (IEG)

Subj: REPORT OF IEG DELIBERATIONS OF 16 DECEMBER 2004

Encl: (1) DON Analysis Group Brief to IEG of 16 December 2004  
(2) USD (AT&L) memo of 14 December 2004

1. The thirty-third deliberative session of the Department of the Navy (DON) Infrastructure Evaluation Group (IEG) convened at 1004 on 16 December 2004 in room 4D447 at the Pentagon. The following members of the IEG were present: Ms. Anne R. Davis, Co-Chair; Gen William L. Nyland, USMC, Co-Chair; ADM John B. Nathman, USN, Co-Chair; VADM Justin D. McCarthy, USN, Member; VADM Kevin J. Cosgriff, USN, Member; BGen Martin Post, USMC, alternate for LtGen Michael A. Hough, USMC, Member; Ms. Carla Liberatore, alternate for LtGen Richard L. Kelly, USMC, Member; Dr. Michael F. McGrath, Member; Mr. Robert T. Cali, Member; Mr. Ronnie J. Booth, Navy Audit Service, Representative; and, Mr. Thomas N. Ledvina, Navy Office of General Counsel (OGC), Representative. The following members of the DON Analysis Group (DAG) were present: Mr. Thomas R. Crabtree, Mr. Paul Hubbell; Ms. Ariane Whittemore; Mr. Michael Akin, alternate for RADM Christopher E. Weaver, USN; Mr. Michael F. Jaggard; and, CAPT Thomas Mangold, USN, alternate for RDML(sel) Charles Martoglio, USN. The following members or representatives of the Functional Advisory Board (FAB) were present: VADM Gerald L. Hoewing, USN; RADM Jay Cohen, USN; RADM William R. Klemm, USN; RADM(sel) Alan S. Thompson, SC, USN; Mr. Michael Rhodes; RDML Mark Hugel, USN; Col Michael J. Massoth, USMC; CAPT Albert J. Shimkus, NC, USN; CAPT William Wilcox, USN; and, Mr. Thomas B. Grewe. The following members of the IAT were also present: Mr. Dennis Biddick, Chief of Staff; Mr. David LaCroix, Senior Counsel; Mr. John E. Leather; CAPT Jason A. Leaver, USN; Mr. Andrew S. Demott; CAPT Gene A. Summerlin, USN; CAPT Matthew A. Beebe, CEC, USN; CAPT Jan G. Rivenburg, USN; CDR Robert E. Vincent II, JAGC, USN; CDR Judith D. Bellas, NC, USN; CDR Stephen J. Cincotta, USN; CDR Beth Hartmann, CEC, USN; LCDR Vincent J. Moore, JAGC, USNR; and, Capt James A. Noel, USMC. All attendees were provided enclosures (1) and (2).

Subj: REPORT OF IEG DELIBERATIONS OF 16 DECEMBER 2004

2. Ms. Davis used slide 3 of enclosure (1) to update the IEG on the status of the scenario data call (SDC) process as of 14 December 2004, noting that the number of SDCs is climbing dramatically. 365 JCSG scenarios are now posted in the OSD scenario tracking tool.

3. Ms. Davis used slide 5 of enclosure (1) to discuss the status of scenario development for the DON Aviation Operations Function. During its deliberative session on 9 December 2004, the IEG directed the DAG to develop a scenario to close NAS Oceana, VA and move the assets to MCAS Beaufort, SC, since it appears to have favorable environmental conditions for basing supersonic jet squadrons. The DAG developed and recommended this scenario for presentation to the IEG during its 14 December 2004 deliberative session. Additionally, the DAG noted that Moody AFB, GA could potentially serve as a receiving site because it appears to have the necessary infrastructure and operational characteristics for a Navy Master Jet Base (MJB), and that further analysis will allow DON to better understand the available flexibility for Navy east coast tactical aviation (TACAIR) laydown. Accordingly, the DAG decided to recommend an additional scenario to the IEG to close NAS Oceana and move the assets to Moody AFB. After reviewing the quad charts and scenario alignment assessments (see slides 37-40 of enclosure (1)), the IEG approved posting the following scenarios to the OSD scenario tracking tool subject to further refinement, and issuance of SDCs:

a. Close NAS Oceana, VA. All F-18 squadrons, station aircraft and VR-56 squadron move to MCAS Beaufort, SC. All VF squadrons disestablish or transition to VFA and the AIMD will move or consolidate to Base X.

b. Close NAS Oceana, VA. All F-18 squadrons, station aircraft and VR-56 squadron move to Moody AFB, GA. All VF squadrons disestablish or transition to VFA and the AIMD will move or consolidate to Base X.

The IEG noted that while E&T JCSG scenarios may remove aviation training functions from Moody AFB, its availability will depend on Air Force plans for basing its operational aviation assets.

4. Ms. Davis used slide 6 of enclosure (1) to brief the IEG on a possible fenceline closure scenario for NAS Whiting Field, FL. She stated that during its 14 December 2004 deliberative session, the DAG reviewed and approved a fenceline closure scenario since four E&T JCSG scenarios independently move

Subj: REPORT OF IEG DELIBERATIONS OF 16 DECEMBER 2004

functions out of and uncover NAS Whiting Field (E&T-0044, E&T-0046, E&T-0047 and E&T-0048). After reviewing the quad chart, scenario alignment assessment and scenario description (see slides 41-43 of enclosure (1)), the IEG approved posting the following scenario to the OSD scenario tracking tool subject to further refinement, and issuance of a SDC:

Close NAS Whiting Field, FL. All remaining activities/tenants are to be disestablished.

Ms. Davis noted that the IAT will refine the SDC responses but hold the information until it is determined whether any of the E&T JCSG scenarios become candidate recommendations.

5. Ms. Davis used slides 8-14 of enclosure (1) to brief the IEG on Cost of Base Realignment Actions (COBRA), a model used to calculate costs, savings, and return on investment of proposed realignment and closure actions. She noted that OSD assigned the Department of the Army as the lead Service for the COBRA model and directed its use by the Services and JCSGs. Ms. Davis stated that the OSD COBRA Joint Process Action Team (JPAT) refined the COBRA model used in all previous BRAC rounds by: increasing installation specific data; adding enclave cost calculations; and improving the algorithms for base operating support (BOS), median home price, rehabilitation factors and military construction (MILCON). See slide 9 of enclosure (1).

6. Ms. Davis noted that COBRA is a macro model that estimates the one-time and recurring costs and savings, the number of years required to obtain a return on investment (ROI), and a twenty-year net present value of costs and savings associated with a specific closure or realignment action. She noted that it allows for standardized comparisons across the Services, Defense Agencies and JCSGs, but emphasized that it does not provide "answers" or budget quality detail. Ms. Davis stated that standard factors, static installation data, and dynamic scenario data are entered into the COBRA model to produce a total of twelve reports (e.g., Realignment Summary Report, Recurring Cost Summary Report). See slides 11-12 of enclosure (1). She noted that the four most significant cost considerations are: personnel salaries; sustainment, restoration and modernization (S/RM); BOS; and MILCON. See slide 13 of enclosure (1). Ms. Davis noted that initial reviews of COBRA data identified the need to: eliminate duplication of BOS, S/RM and mission costs that are already included in the COBRA model; apply a consistent rule set for calculating TRICARE costs that allows the Medical JCSG to resolve medical manpower and military

Subj: REPORT OF IEG DELIBERATIONS OF 16 DECEMBER 2004

construction costs at the conclusion of analysis; and develop written guidance on the treatment of costs attributable to BRAC actions (e.g., parking, incremental MILCON) to ensure that they are calculated consistently. This rule set will be used by the DAG and shared with the DON JCSG representatives.

7. Ms. Davis used slide 16 to outline a four-step process for IEG COBRA analysis. Step one will involve IEG review of COBRA data and issues that have been refined by the DAG. In step two, the DAG will conduct Selection Criteria 6-8 analyses and Risk assessments, and draft DON candidate recommendations. In step three, the IEG will review draft candidate recommendations packaged by DON-specific functional areas to assess the aggregate costs and impacts of candidate recommendations by function. Step four will involve integrating Service and JCSG candidate recommendations, examining the aggregate impacts of all candidate recommendations, reviewing matured fenceline closure scenarios, and de-conflicting scenarios. Ms. Davis noted that steps one through three will occur in the near term while step four will occur after the JCSGs and ISG have completed their analyses.

8. Ms. Davis used slide 17 of enclosure (1) to discuss the status of scenario development for the HSA DON Reserve Centers Function. She noted that 36 scenarios have been issued to close or realign 36 of the 197 activities in the HSA DON Reserve Centers universe (25 Navy Reserve Centers (NRCs) and 11 Navy and Marine Corps Reserve Centers (NMCRCs) or Inspector-Instructor Staff units (I&I)). Additionally, Ms. Davis reminded the IEG that 51 Joint Action Scenario Team (JAST) scenarios consider opportunities for joint action in this functional area. She stated that, during its step one Reserve Centers COBRA analysis, the IEG will review a sample COBRA brief and reminded the IEG that the fundamental assumption for NRC scenarios is that reservists will be absorbed at existing NRCs.

9. The IEG reviewed the COBRA analysis for the scenario to close NRC Horseheads, NY, including the scenario description, Disposition of Billets/Positions, One-Time Costs/Savings Summary, Recurring Costs/Saving Summary, Key Elements of Recurring Savings, and Return on Investment (ROI) Summary reports. See slides 18-23 of enclosure (1). The IEG noted that the elimination of military billets listed on the "Disposition of Billets/Positions" report does not imply a force structure reduction, but characterizes the cost implications for the scenario. See slide 19 of enclosure (1). Additionally, the IEG noted that the steady-state savings reflected on the ROI summary

Subj: REPORT OF IEG DELIBERATIONS OF 16 DECEMBER 2004

report indicate annual savings after the BRAC implementation period in 2011. The IEG then reviewed the COBRA summary for the 25 NRC scenarios (see slide 24 of enclosure (1)) and directed the DAG to continue with scenario analysis for these scenarios, i.e., conduct the criteria 6-8 analyses and risk assessments.

10. Ms. Davis used slide 25 of enclosure (1) to discuss the status of scenario development for DON Specific Operations Functions. The IEG conducted step one COBRA analysis for the following scenarios:

a. Close NAVSTA Pascagoula, MS scenarios (DON-0001, relocate assets to NAVSTA Norfolk, VA and DON-0002, relocate assets to NAVSTA Mayport, FL). The IEG reviewed the COBRA model results that indicate an immediate ROI and net present value savings of \$652.4 million and \$645.8 million respectively. The IEG noted that the Coast Guard would face increased costs of operation as a result of these scenarios. The IEG further noted that it may be necessary to enclave or relocate Defense Common Ground Station-Navy Unit 2, and that the latter may impact homeland defense synergies with the Coast Guard. The IEG also noted that these scenarios will either require an enclave for the Lakeside Support Facility or an increase in per diem costs for Pre-commission units. The IEG directed the DAG to continue with scenario analysis. See slide 26 of enclosure (1).

b. Realign NAVSTA Norfolk, VA and relocate 11 SSNs to SUBASE New London, CT (DON-0004). The IEG reviewed the COBRA model results that indicate there is no ROI for this scenario and net present value costs of \$237.62 million. The IEG noted that the recurring cost of contract personnel vice eliminated Industrial personnel, the requirement for a floating drydock (\$93 million) to accommodate additional submarines, and personnel and medical costs (i.e., first identification of the need for a consistent rule set for calculating Tricare costs) are outstanding issues for this scenario. See slide 27 of enclosure (1). The IEG directed the DAG to continue refining the data for this scenario.

c. Close CBC Gulfport, MS and relocate to MCB Camp Lejeune, NC (DON-0008). The IEG reviewed the COBRA model results that indicate ROI of 100+ years and net present value costs of \$509.06 million. The IEG noted that MILCON costs of \$688 million at MCB Camp Lejeune and competition for available space because of USMC force structure increases are outstanding issues for this scenario. See slide 28 of enclosure (1). The

Subj: REPORT OF IEG DELIBERATIONS OF 16 DECEMBER 2004

IEG directed the DAG to continue refining the data for this scenario.

11. The IEG received the following JCSG status updates:

a. Supply and Storage. RADM(sel) Thompson advised the IEG that the regional strategic distribution point strategy is a new approach but is not expected to adversely impact DON depot maintenance and fleet concentration areas. Additionally, he noted that NAVSEA 08 is receptive to considering the relocation of nuclear materials if recommended by a Supply and Storage JCSG scenario.

b. Headquarters & Support Activities. Mr. Rhodes advised the IEG that the JCSG is not reviewing all leased space in the National Capital Region, e.g., Office of Naval Intelligence leased space and the Navy Annex. Additionally, he noted that the five regional mobilization sites created by the JCSG's scenarios are expected to handle unit processing. Individuals will continue being supported locally and Marine Expeditionary Force mobilization will continue at the home base. Mr. Rhodes further noted that the JCSG is considering DON suggested alternate locations for MARFORRES and appears to be adopting a hybrid solution relocating MARFORRES from NSA New Orleans to NAS JRB Belle Chase. Lastly, he noted that the Air Force is apparently resistant to HSA Installation Management scenarios that create joint solutions.

c. Education and Training. VADM Hoewing advised the IEG that the co-location of advanced undergraduate flight training with JSF initial training and operational squadrons remains an issue that has not been resolved by the ISG. He noted that the proposed consolidation of intelligence training at Goodfellow AFB (E&T-0040) could break Navy and Marine Corps synergies. The IEG expressed concern that this scenario could result in a loss of DON competency. VADM Hoewing noted that E&T JCSG scenarios (0004 and 0017) remove elements of Marine Corps Combat Service Support School from MCB Camp Lejeune, thereby breaking synergies gained by co-location with operational forces. The IEG tasked CFFC to ascertain the fleet's position concerning these JCSG scenarios. Lastly, VADM Hoewing noted that the privatization of the Defense Language Institute (DLI) at Monterey could break synergies gained by co-location with the Naval Post-graduate School. The IEG requested that an option be explored to align DLI with an alternate military installation that could provide supervised housing for junior enlisted students.

Subj: REPORT OF IEG DELIBERATIONS OF 16 DECEMBER 2004

d. Industrial. RADM Klemm updated the IEG concerning the JCSG's approach for Naval Aviation Maintenance. He noted that there are two basic approaches. The first approach consolidates this function into a minimum number of sites and is supported by the Air Force because it favors depots with capacity and growth potential. This could likely result in Air Force Aviation Logistics Centers being receiver sites at the expense of the NADEPs. This approach has significant cost and responsiveness issues for DON. DON favors the Fleet Readiness Centers approach that merges intermediate and depot level maintenance capabilities into six regions and reduces the workload at the NADEPs and Joint Aviation Depots with a rotating Service command structure. The IEG noted that this issue should be raised as a DON issue at the ISG. RADM Klemm also noted that the directed closure analysis of Naval Shipyards is not supportable since four shipyards are required for the next 10-15 years based on the current 20-year Force Structure Plan. Accordingly, the closure of any one shipyard yields high risks.

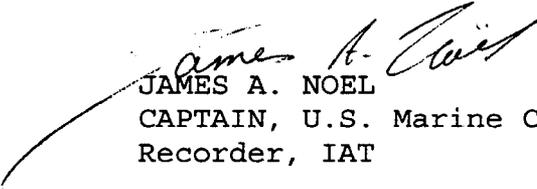
e. Technical. RADM Cohen informed the IEG that a number of Technical JCSG scenarios break synergies of the Naval Warfare Centers and could impact DON capabilities. He noted that despite strong DON objections the JCSG continues to review options to transform the DON Command, Control, Communication, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) acquisition model and that this could adversely affect the Navy.

12. Ms. Davis used slide 33 of enclosure (1) to discuss a number of outstanding issues. Dr. McGrath will work with RADM Cohen to address the acquisition transformational ideas that appear to be originating from the Technical JCSG. In response to the draft OSD Comptroller memorandum, the Air Force has submitted its position on the appropriate metric for measuring the efficiency and effectiveness of outcomes in terms of unit costs. The IEG noted that DON should submit its position on an accurate cost metric. Ms. Davis informed the IEG that she met with U.S. Northern Command (NORTHCOM) and United States Strategic Command staff on 10 December 2004. NORTHCOM expressed concern that DON scenarios that remove all DON assets from a geographic area may impact the homeland defense mission. She advised that DON will continue to work with NORTHCOM to better identify and understand homeland defense mission requirements and impacts on DON capabilities. The IEG reviewed enclosure (2), noting that OSD has directed the JCSGs not to register any new scenarios after 20 December 2004 without ISG authorization. Lastly, Ms. Davis reminded the DON JCSG Representatives to ensure that JCSG deliberations are accurately recorded, and

Subj: REPORT OF IEG DELIBERATIONS OF 16 DECEMBER 2004

emphasized the importance of DON Principals' involvement in deliberations.

13. The deliberative session adjourned at 1143.

  
JAMES A. NOEL  
CAPTAIN, U.S. Marine Corps  
Recorder, IAT

**TAB 1**



Department of the Navy  
DON Analysis Group

# **DON Analysis Group**

## **Brief to**

# **Infrastructure Evaluation Group**

## **16 December 2004**

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



Department of the Navy  
DON Analysis Group

# Agenda

- Scenario Data Call Status
- Scenario Development
  - Close Oceana, to MCAS Beaufort
  - Close Oceana, to Moody AFB
  - Fenceline Closure – Whiting Field
- COBRA Overview
- Scenario Analysis
  - DON-specific HSA
    - Reserve Center Summary
  - DON-specific Operational
    - DON-0001/ 0002 (Pascagoula)
    - DON-0004 (New London)
    - DON-0008 (Gulfport)
- JCSCG/ISG Issues
- Outstanding Issues/Status
- Next Steps
- IEG/FAB Open Discussion

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA

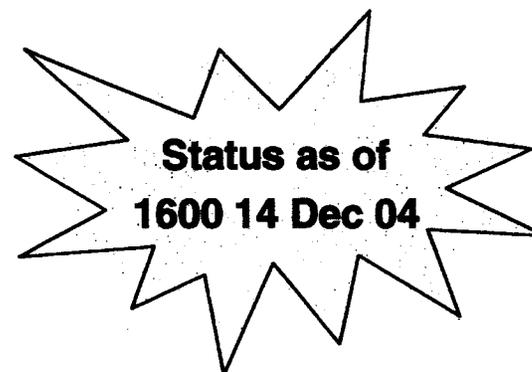


Department of the Navy  
DON Analysis Group

# Scenario Data Call Status

**DON**

Type	IN OSD Tracker	SDC Released	DAG Review	IEG Review
Operational	27	22	8	0
DON E&T	8	6	5	0
DON HSA	107	79	40	0
Fencelines	8	6	3	0
<b>Total</b>	<b>150</b>	<b>113</b>	<b>56</b>	<b>0</b>



**JCSG**

JCSG	In OSD Tracker	Template RCVD	SDC Released	A/W Release	Template Withdrawn	Template Returned
E&T	47	33	31	2	3	22
HSA	106	48	48	0	0	46
IND	89	44	39	5	0	11
MED	54	24	20	4	1	6
S&S	26	10	10	0	0	9
TECH	35	25	23	2	0	3
INTEL	8	0	0	0	0	0
<b>Total</b>	<b>365</b>	<b>184</b>	<b>171</b>	<b>13</b>	<b>4</b>	<b>97</b>



**Department of the Navy**  
**DON Analysis Group**

# Scenario Development

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



**Department of the Navy**  
*DON Analysis Group*

# **New Oceana Scenarios**

- **MCAS Beaufort:**
  - **Represents excess capacity by 2024**
    - **Transition to JSF**
    - **Movement of assets from Beaufort to Cherry Point**
- **Moody AFB:**
  - **Potential receiving site for Navy**
    - **Contains fundamentals for Master Jet Base**
      - **Parallel runways**
      - **Possible OLF (Whitehouse)**
      - **Unencroached airspace to the east**
  - **Requires discussion with Air Force on viability**

***IEG Decision Item:***  
***Approve scenarios for data call release***



Department of the Navy  
DON Analysis Group

# Fenceline Closure NAS Whiting Field

- 14 December DAG approved Scenario to close NAS Whiting Field based on E&T scenarios.
- 4 E&T JCSG Scenarios move functions out of NAS Whiting Field Milton, FL:

E&T-0044	Status Quo #1 DON: Consolidate Undergraduate Pilot Training	HT-8 and HT-18 to NAS Pensacola VT-2 to NAS Corpus Christi VT-3 and VT-6 to NAS Meridian CTW 5 to NAS Pensacola and NAS Meridian
E&T-0046	Cooperative: Realigns and consolidates Undergrad Pilot and NAV/NFO/CSO training	HT-8 and HT-18 to Fort Rucker VT-2 and VT-3 to Meridian VT-6 to Vance AFB Disestablish CTW 5
E&T-0047	Transformational #1. Realigns and Consolidates Undergrad Pilot, NAV/NFO/CSO training and Realigns Adv Jet with JSF ITS	HT-8 and HT-18 to Fort Rucker VT-2 and VT-3 to Vance AFB VT-6 to Laughlin AFB Disestablish CTW 5
E&T-0048	Transformational #2. Realigns and Consolidates Undergrad Pilot, NAV/NFO/CSO training and Realigns Adv Jet with JSF ITS	HT-8 and HT-18 to Fort Rucker VT-2 to Vance AFB VT-3 to Laughlin AFB VT-6 to Vance and Laughlin AFBs Disestablish CTW 5

**IEG Decision Item:**  
**Approve scenario data call release**



**Department of the Navy**  
**DON Analysis Group**

# **COBRA Overview**

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



# **COBRA Background**

---

- **OSD Policy: DoD components and JCSGs must use COBRA Model**
- **JPAT refined model**
  - **Department of Army lead**
  - **OSD, Services, JCSGs and DLA members**
  - **Updated model used in all prior rounds of BRAC**



*Department of the Navy*  
*DON Analysis Group*

# **JPAT Accomplishments**

---

- **Increased installation specific data (e.g. locality pay rates, freight rates)**
- **Added enclave cost calculations**
- **Improved algorithms for BOS, median home price, rehab factors, and military construction**
- **Increased cooperation with auditors and GAO**



Department of the Navy  
DON Analysis Group

---

# The COBRA Model

---

- **MACRO Model**
  - Estimates costs and savings of BRAC actions
  - Models all actions in 6 years and assumes steady state thru 20 years
- **Not an optimizing or budgetary tool**
  - Does not provide “answers”
  - Does not provide activity level budget detail
- **Standardizes comparisons across Services, Defense Agencies and JCSGs**

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



Department of the Navy  
DON Analysis Group

# COBRA Data

- **Standard Factors**
  - Demographics
  - Financial cost data
  - Pay and allowances
  - Civilian, transportation, and construction costing factors
  - Relocation program factors
- **Static installation data - starting position ("baseline")**
  - Population
  - Operating Costs
  - Installation specific cost factors
- **Dynamic scenario data**
  - Personnel moved/eliminated/added
  - Equipment moved
  - Scheduling of moves/eliminations
  - Identified unique costs and savings
  - Construction/rehabilitation requirements

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



# COBRA Outputs

---

- *Net Present Value*
- *Payback Year*
- *Payback Period*
- **Realignment Summary Rpt**
- **One-Time Cost Summary Rpt**
- **Recurring Cost Summary Rpt (e.g. S/RM, BOS)**
- **Military Construction Summary Rpt**
- **Personnel Summary Rpt**
- **Total of 12 reports (output, input, errors)**



## **“Big Four” Cost Drivers**

- **Personnel Salaries**
  - An average civilian position costs \$900K NPV over 20 years
  - \$100 million building equates to 107 civilian positions
- **Sustainment/Restoration & Modernization (S/RM)**
  - S/RM requirements determined by the Facilities Sustainment Model (FSM)
  - Average annual sustainment requirement for a medium sized DoD installation is between \$10 and \$20 million
- **Base Operating Support (BOS)**
  - Algorithm refined to capture the fixed cost of establishing an installation
  - Average medium sized DoD installation annual BOS expenditure is between \$50 and \$150 million
- **Military Construction (MILCON)**
  - Use DoD Facilities Pricing Guide (FPG) to determine costs
  - e.g. \$164 a square foot to build a general admin building



---

---

## Issues

- **Duplication of costs**
  - Automatically calculated by COBRA or “wash costs” (BOS, SRM, mission)
- **Medical Costs**
  - OSD(HA) algorithm calculates TRICARE costs
    - Rule set agreed to by OSD, MILDEPS, MJCSG (includes Dental)
  - MJCSG plans to realign medical personnel and facilities in end game when scenarios have been approved
- **Consistency**
  - Costs attributable to BRAC action (BQs, Parking, Incremental MILCON, Child Development Centers)



**Department of the Navy**  
**DON Analysis Group**

# Scenario Analysis

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



# COBRA Outbriefs

---

- **First Look**
  - **Clean Data**
  - **Issues**
- **Proceed to Draft DON Candidate Recommendations**
  - **Criteria 6-8 analysis**
  - **Risk assessments**
- **Candidate Recommendations**
  - **By DON-specific functional areas**
  - **Review aggregate costs and impacts**
- **Integration of Candidate Recommendations**
  - **Impacts of JCSG recommendations**
  - **Fenceline Closures**



Department of the Navy  
DON Analysis Group

## **Scenario Analysis: Reserves**

- **Background**
  - **DON Reserve universe: 197 activities**
  - **Scenarios issued: Close/realign 36 activities**
    - **NRC – 25 scenarios**
    - **NMCRC, I&I – 11 scenarios**
  - **Also up to 50 Joint scenarios**
- **Reserve Center First Look**
  - **Sample COBRA brief**
  - **Reservists absorbed at existing sites**
  - **Summary of NRC Scenarios (25)**

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



*Department of the Navy*  
*DON Analysis Group*

# Scenario Description

---

- **Close NRC Horseheads, NY**



Department of the Navy  
DON Analysis Group

# Disposition of Billets/Positions

Scenario		OFF	ENL	CIV	STU	TOT
DON-0015	Eliminate	1	1	0		2
	Move	0	5	0		5

Notes: Eliminating command structure and some support staff. Remaining support staff being reassigned.



Department of the Navy  
DON Analysis Group

# One-Time Costs/Savings Summary

One - Time Costs/Savings FY06 -- FY11									
Scenario	Const	Pers	Ovhd	Move	Other	Total Costs	Svgs	Net Costs	
DON-0015	0	0.014	0.008	0.030	0	0.052	-0.008	0.044	

All Dollars Shown in Millions

Notes:

Personnel early PCS

Moving costs



Department of the Navy  
DON Analysis Group

# Recurring Costs/Savings Summary

Recurring Costs/Savings FY 06 – FY11						
Scenario	O&M	Mill Pers	Other	Total Costs	Svgs	Net Costs
DON-0015	0.017	0	0	0.017	-2.320	-2.303

All Dollars Shown in Millions

Notes:



Department of the Navy  
DON Analysis Group

# Key Elements of Recurring Savings

Scenario: DON-0015		
Element (* Indicates recurring savings will occur to year 2025)	Description	Total Net Savings (\$M) FY06-FY11
SRM*	Closed 18.1 KSF of facilities	.602
BOS*	Closed stand alone reserve center	.255
MIL/CIV Salaries/BAH*	Eliminated 2 Billets	1.462

Notes:

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



Department of the Navy  
DON Analysis Group

# ROI Summary

Scenario	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0015	.051	.413	Immediate	-5.949

All Dollars shown in Millions

## Notes:



Department of the Navy  
DON Analysis Group

# COBRA Summary

## NRCs – No specific receiver

SDC#	Closes	Billets E/Im	Billets Moved	# Selres	One-Time Costs (&M)	Steady-State Savings (\$M)	ROI Years	20 Year NPV (\$M)
DON-0049	NRC Forest Park, IL	14	2	534	0.170	2.054	Immediate	-29.853
DON-0019	NRC Adelphi, MD	16	1	650	0.164	1.726	Immediate	-24.812
DON-0052	NRC Orange, TX	12	1	165	0.328	1.404	Immediate	-19.910
DON-0053	NMCRC, Tacoma, WA	8	12	650	0.142	1.155	Immediate	-16.542
DON-0020	NRC Duluth, MN	7	0	130	0.065	0.887	Immediate	-12.776
DON-0043	NRC Glen Falls, NY	7	0	94	0.041	0.824	Immediate	-11.850
DON-0014	NRC Lacrosse, WI	5	2	126	0.059	0.811	Immediate	-11.686
DON-0050	NRC St. Petersburg, FL	4	8	462	0.095	0.792	Immediate	-11.473
DON-0011	NRC Tuscaloosa, AL	7	0	140	0.046	0.765	Immediate	-11.053
DON-0046	NRC Dubuque, IA	7	0	120	0.046	0.678	Immediate	-9.753
DON-0048	NRC Lubbock, TX	5	2	170	0.077	0.669	Immediate	-9.638
DON-0045	NRC Bangor, ME	7	0	101	0.041	0.662	Immediate	-9.525
DON-0022	NRC Lincoln, NE	5	2	110	0.184	0.653	Immediate	-9.330
DON-0012	NRC Pocatello, ID	6	1	78	0.037	0.590	Immediate	-8.420
DON-0024	NRC Sioux City, IA	5	2	53	0.054	0.572	Immediate	-8.224
DON-0009	NRC Asheville NC	2	5	116	0.051	0.538	Immediate	-7.786
DON-0018	NRC Evansville, IN	4	3	118	0.061	0.536	Immediate	-7.714
DON-0010	NRC Cedar Rapids, IA	5	2	100	0.052	0.532	Immediate	-7.651
DON-0055	NMCRC Grissom AFB IN	5	2	169	0.080	0.526	Immediate	-7.547
DON-0016	NRC Central Pt, OR	5	2	94	0.044	0.517	Immediate	-7.446
DON-0013	NRC Cape Girardeau, MO	2	5	162	0.064	0.402	Immediate	-6.944
DON-0023	NRC Marquette, MI	4	3	63	0.049	0.468	Immediate	-6.744
DON-0021	NRC Lexington, KY	5	4	194	0.060	0.460	Immediate	-6.320
DON-0015	NRC Horseheads, NY	2	5	130	0.051	0.413	Immediate	-5.949
DON-0047	NRC Watertown, NY	4	5	79	0.077	0.412	Immediate	-5.919
<b>Subtotal</b>		<b>153</b>	<b>69</b>	<b>4808</b>	<b>2.138</b>	<b>19.046</b>		<b>-274.865</b>

All Dollars shown in Millions

**Continue with Scenario Analysis**



*Department of the Navy*  
*DON Analysis Group*

# Scenario Analysis: Operational

- **Close NS Pascagoula, relocate to NS Norfolk or NS Mayport**
  - Close base operations
  - Move two FFGs
- **Realign NS Norfolk to SUBASE New London**
  - Moves 11 SSNs
  - Single sites SSNs
- **Close CBC Gulfport, relocate to Camp Lejeune**
  - Moves Seabee units and training functions
  - Collocates with supported units



Department of the Navy  
DON Analysis Group

# Scenario Analysis: DON-0001/-0002

- **Scenario Description: Close NS Pascagoula, NS Norfolk or NS Mayport receives (Forces consist of 2 FFGs)**
- **COBRA model results (in million \$\$)**

Scenario	One-Time Costs	Steady-State Savings	Payback Years	20 Year NPV
DON-0001 (Norfolk Receives)	11.40	-55.77	Immediate	-652.4
DON-0002 (Mayport Receives)	11.40	-55.45	Immediate	-645.8

- **Issues**
  - **Coast Guard impact**
  - **Defense Common Ground Station-Navy Unit 2**
    - **Homeland Defense Issue; Options: Enclave or relocate**
  - **Lakeside Support Facility**
    - **Support for Precomm Units; Options: Enclave or Increase Per Diem Costs**

***Continue with Scenario Analysis***



Department of the Navy  
DON Analysis Group

# Scenario Analysis: DON-0004

- **Scenario Description: Realign NS Norfolk, VA; Relocate all 11 SSNs to SUBASE New London, CT**

- **COBRA model results (in million \$\$)**

One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
144.10	0	NEVER	237.62

- **Issues**

- Recurring cost of contract personnel (EB) vs. eliminated Industrial personnel (NNSY)
- \$93M Floating Drydock (industrial tail)
- Personnel/medical costs

***Continue with Data Refinement***



# Scenario Analysis: DON-0008

- Scenario Description: Close CBC Gulfport, MS;  
Relocate to Camp Lejeune, NC

- COBRA model results (in million \$\$)

One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
754.71	16.73	100+	509.06

- Issues
  - MILCON costs at Camp Lejeune: \$688 million
  - USMC force structure increases will compete for space at Camp Lejeune

*Continue with Data Refinement*



**Department of the Navy**  
**DON Analysis Group**

# JCSG Issues

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



*Department of the Navy*  
*DON Analysis Group*

# JCSG Issues

---

- **Supply & Storage:**
  - **Regional Strategic Distribution Point strategy implications for Navy depot maintenance / fleet concentration areas**
  - **NAVSEA 08 material managed by NAVICP-M at NSA Mechanicsburg**
  
- **Headquarters & Support Activities:**
  - **JCSG not reviewing all leased space in NCR**
  - **Five Regional Mobilization Sites envisioned to handle unit processing; individuals still supported locally and MEF mobilization will continue at home base**
  - **DON suggested alternate locations for MARFORRES**
  - **USAF very resistant to IM scenarios to create Joint solutions**



*Department of the Navy*  
*DON Analysis Group*

# JCSG Issues

- **Education & Training:**

- **Advanced Undergraduate Pilot Training collocated with JSF initial training site and Operational Squadrons**
- **All intel training to Goodfellow AFB (would eliminate NMITC at Dam Neck)**
- **E&T 0004 and E&T 0017 take elements of Marine Corps Combat Service Support School out of Camp Lejeune**
  - **Synergies between schools and operational forces will be lost**
- **Privatization of DLI at Monterey**
  - **Synergies of collocation with NPGS will be lost**

- **Intelligence:**

- **E&T Scenario (0040) will move all DON Intelligence Training out of Fleet Concentration Areas**



# JCSG Issues

- **Industrial:**

- **Naval Aviation Maintenance - Two basic approaches:**

- **Consolidate Into Minimum Sites – Capacity & Growth Potential Drives Outcomes – AF ALCs Receive, NADEPs Lose – Cost and Responsiveness Risks**
    - **Fleet Readiness Centers (FRCs) – I & D Capabilities Merge – 6 Regions (Center plus Satellites)**

- **Naval Shipyards – Directed Closure Analysis**

- **Four Shipyards Required for Next 10-15 Years – Based on Current 20-Year Force Structure Plan**
    - **Closure of Any One Shipyard Yields High Risks**

- **Technical:**

- **Multiple scenarios pull apart essential pieces of DON Warfare centers, including MCCDC/MARCORSYSCOM**

- **Scenarios "consolidate single functions," despite arguments to maintain warfare center synergies**
    - **Many of these will break DON capabilities**



Department of the Navy  
DON Analysis Group

## Outstanding Issues/Status

---

- **Adequate acquisition expertise on TJCSG**
- **OSD Comptroller memo on cost effectiveness**
- **Meeting with NORTHCOM/STRATCOM**
- **ISG Chair memo on finalizing scenario development**
- **Upcoming ISG/IEC meetings**

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



Department of the Navy  
DON Analysis Group

## Next Steps

- Analysis tempo very high
- FAB members ensure complete record of deliberations
- Deliberations require Principal involvement

***We're at Decision Points***



*Department of the Navy*  
*DON Analysis Group*

# IEG/JCSG Open Discussion

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



**Department of the Navy**  
**DON Analysis Group**

# Back-Up

DCN: 11919

16 Dec 04

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



Department of the Navy  
DON Analysis Group

# Close NAS Oceana (DON-0151)

<p style="text-align: center;"><b>Scenario</b></p> <ul style="list-style-type: none"> <li>• <b>Close NAS Oceana</b> <ul style="list-style-type: none"> <li>– All F-18 squadrons, station aircraft and VR-56 move to MCAS Beaufort, SC</li> <li>– All VF squadrons disestablish or transition to VFA</li> <li>– AIMD move/consolidate to Base X</li> </ul> </li> </ul>	<p style="text-align: center;"><b>Drivers/Assumptions</b></p> <ul style="list-style-type: none"> <li>• <b>MCAS Beaufort’s relatively empty maneuver airspace of Atlantic.</b></li> <li>• <b>Maintain east coast TACAIR single site.</b></li> <li>• <b>This scenario does not impact Dam Neck.</b></li> <li>• <b>USMC must relocate VMFA aircraft, personnel, equipment, and support.</b></li> </ul>
<p style="text-align: center;"><b>Justification/Impact</b></p> <ul style="list-style-type: none"> <li>• <b>Decrease capacity and operating costs.</b></li> <li>• <b>Relieve community pressure on heavily encroached installation.</b></li> <li>• <b>USMC planning to empty Beaufort at completion of JSF transition.</b></li> </ul>	<p style="text-align: center;"><b>Potential Conflicts</b></p> <ul style="list-style-type: none"> <li>• <b>Environmental considerations (noise and air quality, encroachment) at MCAS Beaufort.</b></li> <li>• <b>Construction of parallel runway, OLF, sufficient hangar space, and infrastructure for Master Jet Base.</b></li> <li>• <b>Moving to a base with significantly lower Mil Value (from 6 to 15 of 35).</b></li> </ul>

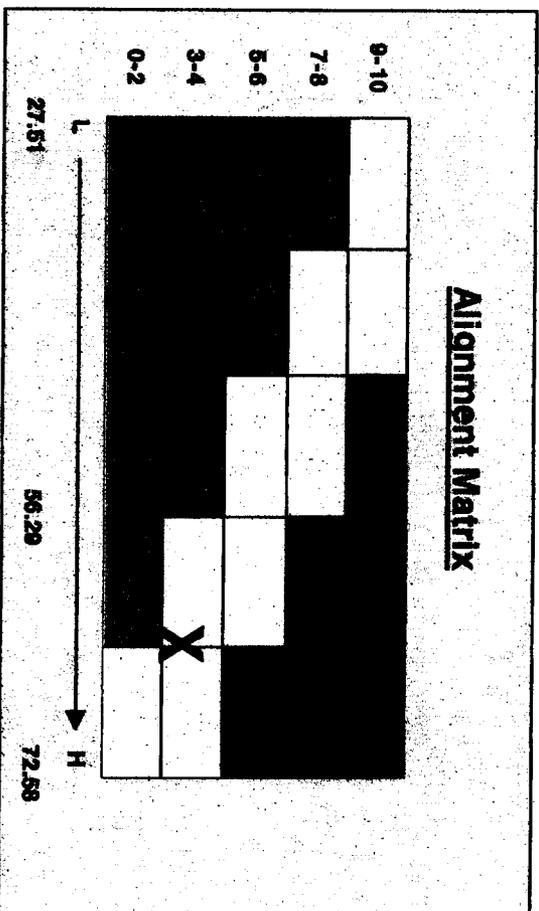


Department of the Navy  
DON Analysis Group

# Close NAS Oceana (MCAS Beaufort Receives)

## Scenario Divergence

- **Excess Capacity Reduction**
  - Score: 0
- **Principles, Objectives and Considerations Alignment**
  - Score: 0
- **Transformational Options**
  - Score: 1
- **Function/Scenario Alignment**
  - Score: 1
- **Expansion Capability/Flexibility**
  - Score: 1
- **Total Alignment Score: 3**



Military Value Score: 65.49

\*Mean Military Value Score: 56.29

Military Value Ranking: 6 of 35

*\*Based upon 35 Bases*



Department of the Navy  
DON Analysis Group

# Close NAS Oceana (DON-0153)

Scenario	Drivers/Assumptions
<p><b>Close NAS Oceana</b></p> <ul style="list-style-type: none"> <li>- All F-18 squadrons, station aircraft and VR-56 move to Moody AFB GA</li> <li>- All VF squadrons disestablish or transition to VFA</li> <li>- AIMD move/consolidate to Base X</li> </ul> <p><b>Justification/Impact</b></p> <ul style="list-style-type: none"> <li>• Decrease capacity and operating costs.</li> <li>• Relieve community pressure on heavily encroached installation.</li> <li>• Air Force planning to empty Moody AFB.</li> </ul>	<p><b>Drivers/Assumptions</b></p> <ul style="list-style-type: none"> <li>• Moody AFB's relatively empty maneuver airspace of Atlantic.</li> <li>• Maintain east coast TACAIR single site.</li> <li>• This scenario does not impact Dam Neck.</li> <li>• Air Force must empty the base.</li> </ul> <p><b>Potential Conflicts</b></p> <ul style="list-style-type: none"> <li>• Environmental considerations (noise and air quality, encroachment) at Moody AFB.</li> <li>• Construction of sufficient hangar space, and infrastructure for Master Jet Base.</li> <li>• Moving to a base with significantly lower Mil Value (from 5 to 44 of 60).</li> </ul>





Department of the Navy  
DON Analysis Group

# NAS Whiting Field Lead: Education & Training

<p style="text-align: center;"><b>Scenario</b></p> <ul style="list-style-type: none"> <li>• <b>Close NAS Whiting Field Milton FL</b></li> <li>• <b>Tenants:</b> <ul style="list-style-type: none"> <li>–Chief of Naval Aviation Technical Training Det (40/2)</li> <li>–Commissary (DECA) (0/28)</li> <li>–Navy Exchange (0/40)</li> <li>–Branch Naval Dental Clinic (6/1)</li> <li>–Branch Medical Clinic (52/6)</li> <li>–METOC Det (8/1)</li> <li>–CNATRA Contracts Administration Unit Det (7/10)</li> <li>–NAVRES Det 0167 (95/0)</li> </ul> </li> </ul>	<p style="text-align: center;"><b>Drivers/Assumptions</b></p> <ul style="list-style-type: none"> <li>• <b>Principles: Organize, Recruit and Train</b></li> <li>• <b>Transformational Options: Consolidate aviation training with sister services for like-type aircraft to gain efficiencies. Source: Army; Application: all services.</b></li> </ul>
<p style="text-align: center;"><b>Justification/Impact</b></p> <ul style="list-style-type: none"> <li>• <b>Close a Navy installation</b></li> <li>• <b>JCSG Scenarios move primary functions</b></li> </ul>	<p style="text-align: center;"><b>Potential Conflicts</b></p> <ul style="list-style-type: none"> <li>• <b>JCSG COBRA runs not yet complete. Issued SDCs 2 Dec and 8 Dec.</b></li> </ul>

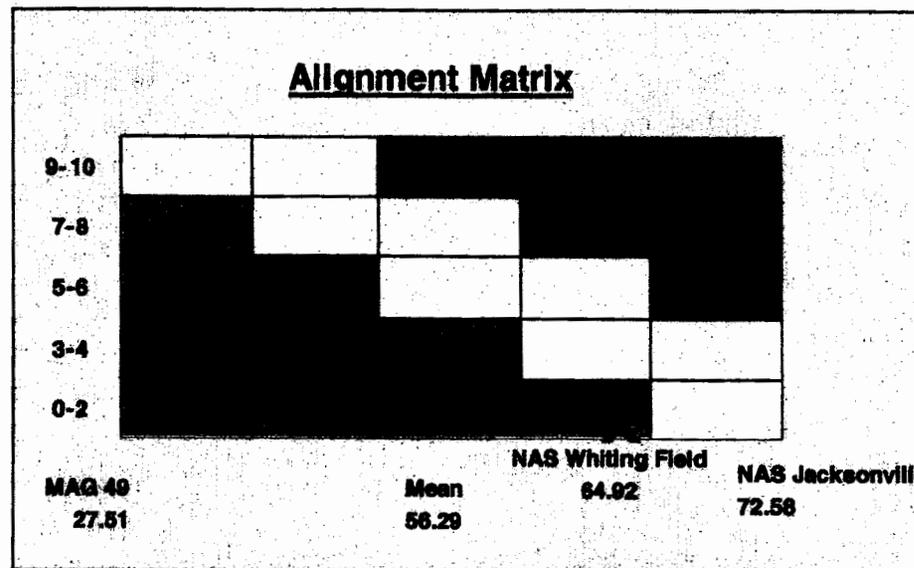


Department of the Navy  
DON Analysis Group

# NAS Whiting Field Lead: Education & Training

## Scenario Divergence

- *Excess Capacity Reduction*  
– Score: 0
- *Principles, Objectives and Considerations Alignment*  
– Score: 0
- *Transformational Options*  
– Score: 0
- *Function/Scenario Alignment*  
– Score: 0
- *Expansion Capability/Flexibility*  
– Score: 1
- *Total Alignment Score: 1*



Military Value Score: 64.92

\*Mean Military Value Score: 56.29

Military Value Ranking: 8 of 35



*Department of the Navy*  
*DON Analysis Group*

# NAS Whiting Field

## Lead: Education & Training

---

### **Scenario Title: Close NAS Whiting Field, Milton, FL.**

**For the purpose of this Scenario Data Call, the following BRAC Actions are being considered for analysis:**

**Action 1: Close base operations at NAS Whiting Field, Milton, FL.**

**Action 2: Realign NAS Pensacola, FL by assuming control of the required NAS Whiting Field, Milton, FL, outlying fields to support rotary wing training.**

**Action 3: Disestablish outlying fields operated by NAS Whiting Field, Milton, FL.**

**Action 4: Disestablish NAVRESDET (0167) Whiting Field, Milton, FL.**

**Action 5: Disestablish NAVHOSP Pensacola, FL, function BMC Whiting Field, Milton, FL.**

**Action 6: Disestablish NAVDENCEN Gulf Coast, Pensacola, FL, function BDC Whiting Field, Milton, FL.**

**ASSUMPTIONS: The purpose of this scenario is to close NAS Whiting Field Milton, FL. Each action must reflect the closure of support functions and the elimination of personnel and equipment as appropriate. Allow training operations to continue until the end of FY2008. All remaining activities/tenants at NAS Whiting Field Milton, FL are to be disestablished.**

**TAB 2**

ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS**THE UNDER SECRETARY OF DEFENSE**3010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3010

DEC 14 2004

**MEMORANDUM FOR CHAIRMEN, JOINT CROSS-SERVICE GROUPS****SUBJECT: Finalizing Scenario Development/Registration**

The Infrastructure Steering Group (ISG) directed the Joint Cross-Service Groups (JCSGs) to register the vast majority of their scenarios by November 1, 2004, and submit their candidate recommendations by December 20, 2004. While JCSGs may need to develop additional scenarios as part of the conflict resolution process, including those to enable Military Department scenarios, in order to arrive at a final set of candidate recommendation, the scenario development phase should terminate so that analysis and candidate recommendation selection receives priority focus.

Accordingly, unless the JCSG is directed by the ISG, as part of the scenario conflict resolution process, to develop an additional scenario, the JCSGs should not register scenarios after December 20, 2004. If a JCSG Chair believes additional scenarios are necessary after this date, the JCSG Chair must secure my approval prior to entering that scenario into the ISG Scenario Tracking Tool. All requests for approval must include the scenario, a quad-chart describing the scenario, and the rationale for why the scenario is needed. Please provide such requests to Mr. Peter Potochney, Director, BRAC.

Michael W. Wynne  
Acting USD (Acquisition, Technology & Logistics)  
Chairman, Infrastructure Steering Group

cc: Infrastructure Steering Group



Department of the Navy

**INFRASTRUCTURE ANALYSIS TEAM**  
ODASN (IS&A), 2221 South Clark Street, Suite 900, Arlington, VA 22202

(703)-602-6500

RP-0325

IAT/VJM

20 December 2004

## MEMORANDUM FOR THE DON ANALYSIS GROUP (DAG)

Subj: REPORT OF DAG DELIBERATIONS OF 30 NOVEMBER 2004

- Encl:
- (1) 30 November 2004 DAG Agenda
  - (2) COBRA Comparison Brief of 29 Nov 04 for DON-0001 & DON-0002
  - (3) COBRA Brief of 30 Nov 04 for DON-0040
  - (4) COBRA Brief of 30 Nov 04 for DON-0041
  - (5) COBRA Brief of 30 Nov 04 for DON-0009
  - (6) COBRA Brief of 30 Nov 04 for DON-0025
  - (7) COBRA Brief of 30 Nov 04 for DON-0059
  - (8) COBRA Brief of 30 Nov 04 for DON-0061
  - (9) COBRA Brief of 30 Nov 04 for DON-0062
  - (10) COBRA Brief of 30 Nov 04 for DON-0067
  - (11) COBRA Brief of 30 Nov 04 for DON-0004
  - (12) COBRA Brief of 30 Nov 04 for DON-0008
  - (13) COBRA Brief of 30 Nov 04 for DON-0038
  - (14) COBRA Comparison Brief of 30 Nov 04 for DON-0038, DON-0064 & DON-0065
  - (15) COBRA Brief of 30 Nov 04 for DON-0042
  - (16) COBRA Brief of 30 Nov 04 for DON-0015
  - (17) COBRA Brief of 30 Nov 04 for DON-0019
  - (18) COBRA Brief of 30 Nov 04 for DON-0043
  - (19) COBRA Brief of 30 Nov 04 for DON-0045
  - (20) COBRA Brief of 30 Nov 04 for DON-0047
  - (21) COBRA Brief of 30 Nov 04 for DON-0044
  - (22) COBRA Brief of 30 Nov 04 for DON-0056
  - (23) COBRA Brief of 30 Nov 04 for DON-0057
  - (24) COBRA Brief of 30 Nov 04 for DON-0058
  - (25) COBRA Brief of 30 Nov 04 for DON-0063

1. The twenty-fourth deliberative session of the Department of the Navy (DON) Analysis Group (DAG) convened at 1009 on 30 November 2004 in the Infrastructure Analysis Team (IAT) conference room located at Crystal Plaza 6, 9<sup>th</sup> floor. The following members of the DAG were present: Ms. Anne R. Davis, Chair; Ms. Carla Liberatore, Member; Ms. Ariane L. Whittemore, Member; BGen Martin Post, USMC, Member; Mr. Michael F. Jaggard, Member; Mr. Paul Hubbell, Member; Mr. Thomas R. Crabtree, Member; Ms. Debra Edmond, Member; Mr. Michael G. Akin, alternate for RADM Christopher E. Weaver, USN, Member; and CAPT Thomas E.

Subj: REPORT OF DAG DELIBERATIONS OF 30 NOVEMBER 2004

Mangold, USN, alternate for RDML(sel) Charles Martoglio, USN, Member. MajGen Emerson N. Gardner, USMC, Member, was absent. Mr. Ronnie J. Booth, Navy Audit Service Representative, Mr. Thomas Ledvina, Office of General Counsel Representative, and the following members of the IAT were also present: Mr. Dennis Biddick, Chief of Staff; Mr. David LaCroix, Senior Counsel; CAPT Christopher T. Nichols, USN; Mr. Jack Leather; LtCol Anthony A. Wienicki, USMC; CDR Robert E. Vincent II, JAGC, USN, Recorder; LCDR Vincent J. Moore, JAGC, USNR, Recorder; and, Capt James A. Noel, USMC, Recorder. All attending DAG members were provided enclosures (1) through (25).

2. Before beginning the discussion of preliminary COBRA results for various DON scenarios, Mr. Leather demonstrated the "Notebook" function of the Department of the Navy BRAC Information Transfer System (DONBITS). The Notebook allows users to view all data submitted in response to Scenario Data Calls (SDC). He then continued a discussion begun at the previous DAG session of scenarios for the closure of NAVSTA Pascagoula, MS. Mr. Leather presented a comparison of two NAVSTA Pascagoula scenarios, one of which relocates its functions to NAVSTA Norfolk, VA, (DON-0001), and one which relocates its functions to NAVSTA Mayport, FL (DON-0002). See enclosure (2). The preliminary data shows an immediate Payback (or Return On Investment (ROI)) for both scenarios, with similar one-time costs and substantial recurring savings driven largely by the elimination of over 500 billets in both scenarios. See pages 5 through 7 of enclosure (2).

3. Mr. Leather described variations in the initial data for NAVSTA Pascagoula scenarios. He noted the effect of the Housing Assistance Program (HAP) on these and other scenarios where the BRAC action removes more than one percent of the workforce in the affected Metropolitan Statistical Area (MSA). Because both of these scenarios would have this effect, the cost of providing housing assistance to DOD personnel whose housing values could be adversely affected is reflected in the calculation of One-Time Costs/Savings. See slide 5 of enclosure (2). The DAG discussed the apparent inclusion in One-Time or unique Recurring costs of certain Base Operating Support (BOS) costs already included in the COBRA model as Recurring Operations and Maintenance (O&M) costs, and directed a review of the data. Recurring costs for O&M shown for NAVSTA Mayport are approximately four times higher than that for NAVSTA Norfolk. See slide 7 of enclosure (2). This is apparently due to higher rates in Mayport for military housing allowances (i.e., BAH), government-funded medical expenses (i.e., TRICARE), and BOS

DCN: 1999  
Subj: REPORT OF DAG DELIBERATIONS OF 30 NOVEMBER 2004

costs. Mr. Leather explained that there is a factor in the model that assumes larger bases are more efficient per person at providing services, thus a smaller base receiving a certain number of personnel will show a higher cost per person to support the new population than a larger base absorbing the same number of persons. Mr. Leather stated that it also appears that the COBRA model is showing TRICARE costs at the receiving facility without corresponding savings at the losing facility, and that discussions were ongoing to find the cause of this discrepancy. The DAG also discussed maintenance costs for former Navy vessels transferred to the Coast Guard but which are maintained by the Navy (through FY08) pursuant to a Memorandum of Understanding, and determined that this cost should be counted as a one-time cost rather than a recurring cost.

4. The DAG then discussed other matters that will require resolution prior to the finalization of the COBRA analysis for these scenarios. The Lakeside Housing Area at NAVSTA Pascagoula presently supports pre-commissioning crews and could possibly be useful to CBC Gulfport, which is nearby. This scenario does not include the complete effect of closing this facility. Joint Fires Network Unit TWO (JFNU-2), a newly established Reserve unit that will occupy a building to be constructed on board NAVSTA Pascagoula, raises another issue. The DAG directed the IAT to do additional research to determine its mission and support requirements in order to determine its appropriate disposition, e.g., possible need to establish an enclave. The DAG also discussed the apparent discrepancy in Shore Intermediate Maintenance Activity (SIMA) maintenance costs, with the data showing a SIMA Norfolk augment of .75M, approximately four times higher than the SIMA Mayport figure of .18M and determined that the IAT would need to research this discrepancy to determine if it is accurate. The DAG further noted the reported costs for child care at, and need for transfer of dental personnel to, NAVSTA Norfolk because of the reported saturation of these services at that installation. It is not clear, however, that the saturation arises from these scenarios. See slide 10 of enclosure (2). The DAG directed the IAT to continue to research these matters to determine if these reported costs can be attributed to BRAC.

5. The DAG adjourned at 1132 and reconvened at 1139. All parties present when the DAG adjourned were again present with the exception of Ms. Davis.

6. The DAG next considered the preliminary COBRA results for Headquarters and Support Activity (HSA) scenarios. DON-0040

Subj: REPORT OF DAG DELIBERATIONS OF 30 NOVEMBER 2004

realigns COMNAVREG Gulf Coast with COMNAVREG Southeast and COMNAVREG Midwest, and consolidates the COMNAVRESFORCOM Installation Management (IM) function at three alternate sites. See enclosure (3). Mr. Leather noted there are no HAP expenditures in the COMNAVREG Gulf Coast scenarios, thus the One-Time Costs/Savings figure will need to be corrected, and that the recurring savings in this scenario are generated mostly from BOS savings and the elimination of civilian billets (the military billets involved are dual-hatted so they are not eliminated). He also noted that CNI assumes that all Regional Commanders will be single-hatted in the future. This may generate costs in some cases where stand-alone regional commands are to be created. The DAG directed further research and refinement of the data for this scenario and discussed a Commander, Navy Installations (CNI) recommendation to move COMNAVREG Midwest to New Orleans, LA, where it would be more centrally located. The DAG determined that this scenario will be examined, however, there is no data to make any determination at this time.

7. Ms. Davis returned to the deliberative session at 1200 and resumed the chair.

8. The DAG next discussed the preliminary COBRA results for scenario DON-0041, which realigns COMNAVREG Gulf Coast, COMNAVREG South, COMNAVREG Northeast, and the COMNAVRESFORCOM IM function. See enclosure (4). Mr. Leather noted that HAP costs had again been added in error to this scenario and would be removed. The DAG noted that the activity had submitted costs for travel and creating a SIPRNET seat, which it determined would normally not be allowed as BRAC costs. The DAG directed further research and refinement of the data for this scenario and additional clarification of the reason for the SIPRNET cost to determine if it is allowable as a BRAC cost. COMNAVREG Northeast offered an alternative scenario consolidating COMNAVREG Midwest with COMNAVREG Northeast. The DAG decided to reject this scenario with the provision that it could be re-examined in the future if conditions warranted.

9. Mr. Leather next discussed the preliminary COBRA results for Scenario DON-0009, the closure of Naval Reserve Center (NRC) Asheville, NC. See enclosure (5). This scenario generates an immediate Payback. Mr. Leather noted that in common with other scenarios closing NRCs, this scenario did not specify a receiving location for the relocating assets that will be distributed to other reserve centers. To accommodate this, the model assumes assets to be moved relocate "Base X", a notional

Subj: REPORT OF DAG DELIBERATIONS OF 30 NOVEMBER 2004

site used for consistency of analysis that is statistically "average" and presumed to be located approximately 1200 miles from the activity to be closed. In this and other NRC scenarios there are one-time costs associated with closing the facility and moving its records. The DAG noted that the various NRC scenarios discussed today are similar in that the NRCs in question all close with an accompanying redistribution of all of their Reserve units and personnel. However they move differing numbers of administrative personnel, (e.g., this scenario moves five billets and eliminates two, while other NRC scenarios eliminate virtually all of their billets), even though the receiving sites presumably already have a complement of administrative staff. The DAG directed the IAT to clarify the reasons for these variations.

10. Scenario DON-0025, closure of NMCRC Moundsville, WV, is similar to DON-0009, except that it is a NMCRC and thus involves relocation of Marine Reserve units. See enclosure (6). The active duty Marine administrative staff is, unlike their Navy Reserve equivalents, directly assigned to the Marine units to be moved. For this reason the movement of Marine units in NMCRC and USMC Inspector and Instructor Staff (I&I) scenarios is treated differently than the movement of Navy units in NRC scenarios, in that more billets are moved instead of eliminated, and because the billets are moved to specific receiver locations with their units instead of being moved to "Base X". Mr. Leather next discussed the preliminary COBRA results for scenario DON-0059 that moves I&I Memphis, TN, from a Marine Corps-owned facility to NSA Millington, TN. See enclosure (7). This scenario generates some savings from closing a stand-alone facility but takes over 100 years to generate a Payback because of high MILCON costs arising from building a new facility on board NSA Millington. The DAG directed the IAT to research whether existing facilities on board NSA Millington could be rehabilitated to house the Marine units. The DAG directed further research and refinement of the data for all of the Reserve scenarios.

11. BGen Post departed the deliberative session at 1245.

12. Mr. Leather next discussed the preliminary COBRA results for the Navy Recruiting District (NRD) scenarios. DON-0061 and DON-0062 both close NRD Indianapolis, IN; NRD Omaha, NE; NRD Buffalo, NY; and NRD Montgomery, AL. See enclosures (8) and (9). DON-0061, which is based on the BRAC Optimization Model, also closes NRD San Antonio, TX, and DON-0062, which is based on the Navy Recruiting Command Transformational Plan, also closes

DCN: 11919

Subj: REPORT OF DAG DELIBERATIONS OF 30 NOVEMBER 2004

NRD Kansas City, MO. Both scenarios show similar levels of costs and savings and eliminate a similar number of billets, with DON-0062 being slightly higher in each of these areas. Mr. Leather noted that the Navy Recruiting Command had already agreed to the elimination of 152 billets in anticipation of the closure of NRD Kansas City in accordance with its Transformational Plan, meaning that the Navy Recruiting Command has already eliminated these billets from its future force structure. The Navy Recruiting Command prefers to close NRD Kansas City because that scenario is seen as creating NRDs of more uniform size with a more effective span of control. See Slide 9 of enclosure (9).

13. The DAG adjourned at 1326 and reconvened at 1339. All parties present when the DAG adjourned were again present.

14. Mr. Leather next presented preliminary COBRA results for additional scenarios presented by the Operations Team. DON-0067 realigns Cambria Airport, Johnstown, PA, and moves Marine Light Attack Helicopter Squadron SEVEN SEVEN FIVE (HMLA-775) Det. A to NAS JRB Willow Grove, PA. See enclosure (10). The DAG discussed several issues with the data for this scenario, including the inclusion of a MILCON cost for a new ammunition storage facility at Johnstown and a reported MILCON cost to rehabilitate a hanger module at NAS JRB Willow Grove. Additional research by the IAT indicates that HMLA-775 Det. A is using a portable facility that was originally moved to Cambria Airport from NAS JRB Willow Grove, meaning that it could be returned there to eliminate the MILCON cost. The DAG directed further research and refinement of the data for this scenario with attention to these two issues.

15. The DAG next presented preliminary COBRA results for scenario DON-0004, the transfer of 11 SSNs from NAVSTA Norfolk, VA, to SUBASE New London, CT. See enclosure (11). The scenario shows considerable one-time costs driven primarily by the need to construct a floating drydock (\$93 million) with the capacity to handle Virginia-class SSNs and new Bachelor Housing for approximately 440 personnel. The DAG noted that TRICARE and Health Network costs were both listed under Recurring Costs, and that there appeared to various non-BRAC costs contained in the Recurring Costs calculation and an imbalance between mission costs and savings. The DAG also discussed whether a reported requirement to upgrade piers at SUBASE New London is a pre-existing requirement or one that can be attributed to BRAC. The DAG directed the IAT to resolve these issues and to continue to refine the COBRA data.

Subj: REPORT OF DAG DELIBERATIONS OF 30 NOVEMBER 2004

16. Mr. Leather next presented preliminary COBRA results for scenario DON-0008, which closes CBC Gulfport, MS, and relocates its functions to MCB Camp Lejeune, NC. See enclosure (12). The initial data shows that this scenario never generates a Payback. Very high One-Time costs are driven primarily by the reported need to build duplicates of most CBC Gulfport facilities at Camp Lejeune (\$700 million), but there are also significant costs for civilian RIF and early retirement, personnel moves, and HAP. See slides 5 through 7 of enclosure (12). The DAG discussed several data issues and discrepancies related to this scenario. There appear to have been a number of costs reported in the scenario data call that are not allowable BRAC costs. Although previous capacity data and military value analysis showed some excess of existing infrastructure at Camp Lejeune, no suitable existing facilities or services were reported in the SDC. In addition, there are possible conflicts with USMC expansion plans and access to facilities for deployment, as well as environmental and other concerns raised by this scenario. See slide 9 of enclosure (12). The DAG directed further review of the data collected and issues presented.

17. The DAG adjourned at 1452 and reconvened at 1508. All parties present when the DAG adjourned were again present with the exception of Ms. Carla Liberatore, member.

18. Mr. Leather next presented preliminary COBRA results for scenarios involving officer-training activities. Scenario DON-0038 realigns Officer Training Command (OTC) Pensacola, FL, to NAVSTA Newport, RI. See enclosure (13). This scenario generates relatively small savings as increased personnel costs limit recurring savings. The DAG noted very little reported billet elimination, and no significant reduction in the officer accession footprint, which seems contrary to the Naval Education and Training Command (NETC)'s stated desires for realignment of this function. The DAG also noted a potential conflict with scenario DON-0039 closing NAVSTA Newport and questioned whether all of the MILCON costs were necessary. Accordingly, the DAG directed further review of the data and issues presented.

19. Mr. Leather then presented a comparison of scenario DON-0038 with scenario DON-0064 (realign OTC Pensacola, OTC Newport, and the Naval Academy Preparatory School (NAPS), Newport, to NAVSTA Great Lakes, IL) and scenario DON-0065 (realign OTC Newport and NAPS Newport to OTC Pensacola). See enclosure (14). Neither of the latter two scenarios shows any return on investment, but both have similar issues to DON-0038 regarding

Subj: REPORT OF DAG DELIBERATIONS OF 30 NOVEMBER 2004

billet elimination and lack of significant reduction in officer accession footprint (facilities or staff). Because the scenarios did not show expected efficiencies or savings, the NETC made a request for further review of the data in order to explore the potential for consolidation efficiencies, to include consideration of efficiencies with college preparatory programs, i.e., NAPS, BOOST and STA 21, which was approved by the DAG. With regard to NAPS, the DAG also discussed, and directed the IAT to develop, a proposed scenario (submitted as an alternative to DON-0064 and DON-0065) to move NAPS from NAVSTA Newport to the U.S. Naval Academy.

20. Mr. Leather then presented preliminary COBRA results for scenario DON-0042 that realigns the Commander Naval Forces Marianas (COMNAVMAR) IM function to COMNAVREG Hawaii. See enclosure (15). The initial data shows only slight savings, with fairly modest one-time costs but relatively high recurring costs based in part on the transfer of Guamanian civilians who would be entitled to home leave. Recurring savings are driven primarily by the elimination of three military and five civilian billets. COMNAVMAR has recommended maintaining the status quo and possible future alignment with the regional commander in Japan due to increasing mission scope. COMNAVMAR cited a possible negative impact on the development of important relationships with other Services on Guam and the difficulties of travel and communications between Hawaii and Guam caused by distance and a 20-hour difference in time zones, as additional reasons for maintaining the status quo. The DAG directed further review of the data collected and issues presented.

21. Mr. Leather next presented preliminary COBRA results for nine Reserve activities scenarios. DON-0015 closes NRC Horseheads, NY; DON-0019 closes NRC Adelphi, MD; DON-0043 closes NRC Glens Falls, NY; DON-0045 closes NRC Bangor, ME; DON-0047 closes NRC Watertown, NY; DON-0044 closes MWSS-472 Det. A, Fresno, CA; DON-0056 closes Inspector and Instructor Staff (I&I) Rome, GA; DON-0057 closes I&I West Trenton, NJ; and DON-0058 closes I&I Charleston, SC. See enclosures (16) through (24). The initial data shows an immediate return on investment for the NRC scenarios and the I&I Rome scenario, and a three-year return on investment for the I&I West Trenton scenario. The MWSS-472 Det. A, Fresno, and I&I Charleston scenarios never show a return on investment because of the reported need to build new facilities for these units at their receiving sites. In reviewing these scenarios, the DAG again noted the notional move to "Base X" and the variations in billet eliminations at NRCs as

DCN: 11919

Subj: REPORT OF DAG DELIBERATIONS OF 30 NOVEMBER 2004

discussed in paragraph 9, above. The DAG directed further review of the data collected and issues presented.

22. Mr. Leather then presented preliminary COBRA results for scenario DON-0063, which closes NRD Indianapolis, NRD Omaha, NRD Buffalo, NRD Montgomery, NRD San Antonio, NRD Portland, OR, NRD Jacksonville, FL, and NRD St. Louis, MO. See enclosure (25). This is a companion scenario to the five-NRD scenarios discussed in paragraph 12, above. This scenario shows greater savings than the five-NRD scenarios, primarily from reduced MILPERS costs and civilian salaries resulting from eliminated billets, and moving from leased locations. CNRC, however, views this as a high risk scenario and favors the five-NRD scenarios because it perceives the span of control over Recruiting Stations would be unacceptably large in this scenario. See slide 8 of enclosure (25). The DAG discussed whether scenarios closing six or seven NRDs would add value to the BRAC process and determined that the five and eight-NRD scenarios provide an adequate view of potential risks and benefits of consolidation. The DAG noted similar data issues to those presented by the five-NRD scenarios and directed further review of the data collected and issues presented.

23. The DAG adjourned at 1641.



VINCENT J. MOORE  
LCDR, JAGC, USNR  
Recorder, IAT

**TAB 1**



# DON Analysis Group

30 November 2004  
1000-1400  
Crystal Plaza 6, 9<sup>th</sup> Floor

---

**Meeting called by:** Chairman Recorder: LCDR Moore

## ----- Agenda Topics -----

### Deliberative Session:

- Scenario Data Call Results
- Mr. Jack Leather and  
Scenario POCs

### Administrative

- Next meeting 6 December, 1300-1700

---

## Other Information

Read ahead for deliberative discussions.

**TAB 2**



**Department of the Navy**  
**Infrastructure Analysis Group**

**Scenario Comparison**  
**DON-0001 & DON-0002**  
**Close NS Pascagoula, MS;**  
**Relocate to NS Norfolk, VA(0001)**  
**Relocate to NS Mayport, FL(0002)**  
**Criterion 5 - COBRA**

**29 November 2004**

**Jack Leather**

**CDR Ed Fairbairn**

DCN: 11919



*Department of the Navy*  
*Infrastructure Analysis Group*

## **Scenario Descriptions**

- **Close all base operations at Naval Station Pascagoula, MS.**
- **Relocate 2 FFGs to Naval Station Norfolk, VA(Mayport, FL) to include required personnel, equipment, and support.**
- **Consolidate SIMA Pascagoula, MS with SIMA Norfolk, VA(Mayport, FL).**
- **Consolidate FISC Jacksonville, FL, function FISC Jacksonville DET Pascagoula, MS with FISC Norfolk, VA(Jacksonville, FL).**
- **Consolidate NAVDENCEN Gulf Coast Pensacola, FL, function Branch Dental Clinic NS Pascagoula, MS with NAVDENCEN MIDLANT Norfolk, VA(SOUTHEAST Jacksonville, FL).**
- **Consolidate NAVHOSP Pensacola, FL, function Branch Medical Activity Pascagoula, MS with NAVMEDCEN Portsmouth, VA(NAVHOSP Jacksonville, FL).**
- **CGs at Naval Station Pascagoula will remain until decommissioned through FY06.**



**Department of the Navy**  
*Infrastructure Analysis Group*

# ROI Summary

Scenario	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
<b>DON-0001</b> (Norfolk Receives)	10.75	-49.44	Immediate	-684.6
<b>DON-0002</b> (Mayport Receives)	10.44	-52.39	Immediate	-727.5

All Dollars shown in Millions

**Notes:**

**Limited Costs due to small transfer of personnel (2 FFGs and support)**



Department of the Navy

Infrastructure Analysis Group

# Disposition of Billets/Positions

Scenario	OFF	ENL	CIV	STU	TOT	
DON-0001 (Norfolk Receives)	Eliminate	31	402	106		539
	Move	33	378	4	0	415
DON-0002 (Mayport Receives)	Eliminate	34	410	108		552
	Move	30	370	2	0	402

**Notes:**

**Eliminate Base Operating Support**

**Move Shipboard Personnel**

**Partially Move FISC**

**Move Dental (not the case for NS Mayport)**



**Department of the Navy**  
Infrastructure Analysis Group

# One-Time Costs/Savings Summary

One-Time Costs/Savings FY 06 - FY 11									
Scenario	Const	Pers	Ovhd	Move	Other	Total Costs	Svgs	Net Costs	
DON-0001 Norfolk Receives	0	4.70	2.15	2.91	0.99	10.75	0.74	10.00	
DON-0002 Mayport Receives	0	4.83	2.15	2.44	0.99	10.40	0.71	9.69	

All Dollars Shown in Millions

**Notes: PERS – Civilian RIF, Eliminate Military PCS**

**OVHD – Program Mgmt Costs**

**Move – Military and Civilian Personnel**

**Other – HAP / RSE**

**ENV / Mitigation (Haz waste, air permit for paint/blast booth) 0002 only**

**1-Time Savings: Military Moves**



**Department of the Navy**  
*Infrastructure Analysis Group*

---

---

## MILCON Summary

---

---

Scenario: DON-0001	NAVSTA NORFOLK VA			
	NONE			
Scenario: DON-0002	NAVSTA MAYPORT FL			
	NONE			

Note: All Dollars Shown in Millions



**Department of the Navy**  
Infrastructure Analysis Group

## Recurring Costs/Savings Summary

Recurring Costs/Savings FY 06 - FY 11						
Scenario	O&M	Mil Pers	Other	Total Costs	Svgs	Net Costs
DON-0001 Norfolk Receives	1.51	15.8	13.89	31.17	283.97	-252.80
DON-0002 Mayport Receives	5.37	12.36	3.54	21.28	290.89	-269.61

All Dollars Shown in Millions

**Notes:**

**Mission Costs:**

**SIMA Pascagoula: MOA with USCG for Maint of PCs. (.2M/yr)**

**Misc Costs:**

**SIMA Norfolk: Maintenance of 2 FFGs – (1.5M/yr – 4X SIMA Mayport)**

**NAVSTA Norfolk:**

**Berthing costs for 2 FFGs**

**Child Development Homes required due to current saturation (0.05M/yr) - (not an issue at NS Mayport – DON-0002)**



**Department of the Navy**

*Infrastructure Analysis Group*

# Key Elements of Recurring Savings

Scenario: DON-0001 & 0002		
Element (* Indicates recurring savings will occur to year 2025)	Description	Total Recurring Savings (\$M) FY06-FY11
MILCON	None	
SRM*	Closed 0.29M SF of facilities	9.4
BOS*	Closed the base	19.5
MIL/CIV Salaries/BAH*	Eliminated 539 Billets (Norfolk, VA) Eliminated 553 Billets (Mayport, FL)	253.9 260.6
Misc Recurring*	Dredging every 18 months no longer required	1.2
	-SIMA Mayport no longer has to send personnel TAD to Pascagoula for Availabilities (MAYPORT ONLY)	0.3

Notes:



**Department of the Navy**  
*Infrastructure Analysis Group*

## Agency Impact

---

- **US Coast Guard**
  - **NAVSTA Pascagoula**
    - **Several U.S. Coast Guard units are located onboard NAVSTA Pascagoula - specifically, a multi-mission USCG station and three USCG cutters.**
    - **The units pay only for the direct costs they generate (utilities, tugs, building maintenance, etc.).**
    - **If NAVSTA were to close and the property revert to the local community, the USCG units could experience increased costs due to the policies of the new "landlord."**
    - **THESE COSTS, HOWEVER, CANNOT BE ASSESSED WITHOUT INVOLVING THE COMMUNITY DIRECTLY IN A BRAC DISCUSSION**
  - **SIMA Pascagoula, FL**
    - **In July 04, VCNO and USCG Vice Commandant signed an MOA to transfer five Navy coastal patrol craft (PC) to USCG custody and operational control.**
    - **The transfer occurred at the beginning of FY05 and will remain in effect at least through FY08.**
    - **One element of the agreement is that the Navy will continue to fund and accomplish maintenance, including maintenance performed by SIMAs (now SERMCs) at the crafts' homeports.**
    - **Two of these craft (with a third to follow) have been homeported at NAVSTA Pascagoula.**
    - **If NAVSTA is closed and SIMA realigns, some renegotiation of the agreement may be required to clarify SIMA-accomplished maintenance responsibilities.**<sup>9</sup>



**Department of the Navy**  
*Infrastructure Analysis Group*

## Scenario Issues

- **NAVSTA Pascagoula, MS**
  - Navy is in process of establishing Joint Fires Network Unit – 2 (JFNU-2)
    - Unit outfitting funded and construction commenced
    - Staffed by reserve personnel. RESFOR will have to revisit home basing plans for this deployable unit.
  - SF of facilities shutdown – originally reported 253 KSF. Additional facilities on line now has total of 341 KSF. Would increase savings.
  - Lakeside housing area (not addressed in data call 1) support for Precom Unit Crews
    - Existed prior to NS Pascagoula establishment. Taken over by NS Pasc.
    - 33 acre area provides low-cost BQ housing alternative for pre-comm crews
  - Disposition of USCG Assets – MOA for Maintenance (0.2M annually)
- **SIMA**
  - SIMA Norfolk augment of .75M per FFG for ship maintenance
  - SIMA Mayport augment of .18M per FFG for ship maintenance
- **NAVSTA Norfolk, VA (Only)**
  - Child Development Home Saturation will require funding as noted
- **NAVDENCEN MIDLANT Norfolk, VA (Only)**
  - All dental personnel from Pascagoula to transfer
- **CFFC**
  - Prefers scenario option to send ships to Mayport (DON-0002)
    - Limited excess capacity in Norfolk, more excess in Mayport
    - Mission operations mainly in Caribbean, Mayport closer to OPAREAs.



**Department of the Navy**  
*Infrastructure Analysis Group*

## Scenario Comparison

Scenario:	DAG Reductions	One-Time Cost	ROI Years	Billets Eliminated	Total MILCON
DON-0001 & DON-0002					
DON-0001 Norfolk	TBD	10.00	Immediate	539	0
DON-0002 Mayport	TBD	9.69	Immediate	522	0

Note: All Dollars Shown in Millions

Notes:

CFFC Recommends DON-0002



**Department of the Navy**  
*Infrastructure Analysis Group*

---

# **BACK-UP SLIDES**

DCN: 11919

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



*Department of the Navy*

*Infrastructure Analysis Group*

## **Joint Fires Network Unit – 2**

---

- **The Navy is in the process of establishing the Naval Reserve mission Joint Fires Network Unit-2 (JNFU-2) at NAVSTA Pascagoula. Unit equipment outfitting has already been funded and construction of the facility is underway. If NAVSTA is closed, the reserve force will have to revisit its home-basing plans for this deployable unit. (Note: The unit will be staffed by reserve personnel except for a minimal staff that will be on-site full time.)**
- **Future location of Joint Fires Network Unit (JFNU) must be addressed. JFNU-2 is independent Tenant of NAVSTA Pascagoula and new MILCON facility is under construction. Unit is a component of FORCENET and is member of jointly fielded Tactical Exploitation System. Long-range plan at Pascagoula has Navy, Coast Guard, MS Port Authority and FBI using the JFNU-2 facility. In summary, the movement of 2 FFGs from Pascagoula to Mayport is preferred over the similar proposal to Norfolk.**

**TAB 3**



## INFRASTRUCTURE ANALYSIS TEAM

ODASN (IS&A), 2221 South Clark Street, Suite 900, Arlington, VA 22202

(703)-602-6500

RP-0198

IAT/JAN

15 September 2004

MEMORANDUM FOR THE INFRASTRUCTURE EVALUATION GROUP (IEG)

Subj: REPORT OF IEG DELIBERATIONS OF 9 SEPTEMBER 2004

Encl: (1) DON Analysis Group Brief to IEG of 9 September 2004  
(2) DON BRAC Principles and Corresponding DON BRAC Objectives and Considerations  
(3) DON BRAC Objectives

1. The twenty-third deliberative session of the Department of the Navy (DON) Infrastructure Evaluation Group (IEG) convened at 1053 on 9 September 2004 in room 4D447 at the Pentagon. The following members of the IEG were present: Ms. Anne R. Davis, Co-Chair; LtGen Richard L. Kelly, USMC, alternate for Gen William L. Nyland, USMC, Co-Chair; ADM John B. Nathman, USN, Co-Chair; VADM Justin D. McCarthy, USN, Member; VADM Kevin J. Cosgriff, USN, Member; Ms. Carla Liberatore, alternate for LtGen Richard L. Kelly, USMC, Member; RMDL Mark Emerson, USN, alternate for LtGen Michael A. Hough, USMC, Member; Dr. Michael F. McGrath, Member; Mr. Robert T. Cali, Member; Mr. Ronnie J. Booth, Navy Audit Service, Representative; and, Mr. Thomas N. Ledvina, Navy Office of General Counsel, Representative. The following additional members of the DON Analysis Group (DAG) were present: Ms. Ariane Whittemore; RADM Christopher E. Weaver, USN; Mr. Thomas R. Crabtree; and Mr. Paul Hubbell. The following members or representatives of the Functional Advisory Board (FAB) were present: VADM Donald C. Arthur, Jr., MC, USN; VADM Gerald L. Hoewing, USN; RADM Jay Cohen, USN; RADM William R. Klemm, USN; RADM(Sel) Alan S. Thompson, SC, USN; Mr. George Ryan; BGen Thomas L. Conant, USMC; RDML Mark Hugel, USN; Ms. Claudia Clark; Mr. Michael Rhodes; RDML Robert D. Hufstader, MC, USN; Mr. Barry Dillon; Ms. Susan C. Kinney; Ms. Karin Dolan; Col Michael J. Massoth, USMC; CAPT William Wilcox, USN; CAPT Albert J. Shimkus, NC, USN; CAPT David W. Mathias, CEC, USN; and LT Erik Breitenbach, USN. The following members of the IAT were also present: Mr. Dennis Biddick, Chief of Staff; Mr. Dave LaCroix, Senior Counsel; CAPT Jason A. Leaver, USN; CAPT Christopher T. Nichols, USN; CDR Edward J. Fairbairn, USN; LtCol Teri E. Erdag, USMC; CDR Beth L. Hartmann, CEC, USN; Capt James A. Noel, USMC; and Ms. SueAnn Henderson. All IEG members were

Subj: REPORT OF IEG DELIBERATIONS OF 9 SEPTEMBER 2004

provided enclosure (1) and all attendees were provided enclosures (2) and (3).

2. Ms. Davis used slide 7 of enclosure (1) to discuss guidance linkages for the BRAC process and provided enclosures (2) and (3) to the IEG to discuss proposed DON BRAC Objectives. Enclosure (2) includes the DoD BRAC Principles, corresponding proposed DON BRAC Objectives, and DON BRAC Considerations. Enclosure (3) contains the proposed DON BRAC Objectives. The DoD BRAC Principles are strategic level statements that support the Services' Title 10 responsibilities. The DON BRAC considerations are statements of policy to help focus on critical factors concerning DON BRAC decisions. The proposed DON Objectives represent DON goals or desired outcomes from the BRAC 2005 process, i.e., what the DON hopes to accomplish in BRAC, and link the DoD BRAC Principles to the DON BRAC Considerations. The DoD BRAC Principles, proposed DON BRAC Objectives, and DON BRAC Considerations will be the official guidance for DON members and will facilitate an iterative review during the DON BRAC process to ensure compliance with applicable guidance.

3. The Marine Corps raised a concern that the proposed DON BRAC Objectives did not address an expected modest increase in Marine Corps end strength. Additionally, the Marine Corps expressed concern that as currently stated, the third proposed DON BRAC Objective corresponding to the DoD Principle: Supply, Service and Maintain, may not adequately address the ability to accommodate surge. The Office of Deputy Commandant for I&L, Headquarters, U. S. Marine Corps, and the IAT will modify the proposed DON BRAC Objectives before they are published. Subject to the revisions suggested by the Marine Corps and anticipated inputs from Deputy and Chief of Staff, U.S. Fleet Forces Command, the IEG approved the use of the proposed DON BRAC Objectives, along with the DOD BRAC Principles and DON Considerations, for use by all DON personnel involved in the BRAC process. Ms. Davis noted that the DON BRAC considerations are subject to revision pending the issuance of OSD BRAC considerations.

4. After discussing the components of a successful BRAC recommendation detailed on slide 8 of enclosure (1), Ms. Davis provided the initial proposed scenarios developed by the DAG. The DAG initially focused on Operational Functions (Surface/Subsurface, Aviation, and Naval Ground), evaluating the certified data to assess capacity and military value. The DAG applied business rules/model parameters to define the

Subj: REPORT OF IEG DELIBERATIONS OF 9 SEPTEMBER 2004

operational viability of the optimization model's outputs to develop the initial scenario proposals.

a. Surface/Subsurface Function: Ms. Davis noted that the proposed scenarios for this function were based predominantly on the capacity data and relative military value scores, i.e., the recommendations focused on those activities that had limited capacity and low military value. The DAG applied optimization model rules for permissible site combinations and applicable constraints/restrictions to develop the following scenarios:

1. Close Naval Station Pascagoula, Mississippi and relocate forces to East Coast Bases with available capacity.
2. Close Naval Station Ingleside, Texas and relocate forces to Naval Station San Diego, California and Naval Air Base Little Creek, Virginia.
3. Close Attack Submarine (SSN) berthing function at Submarine Base New London, Connecticut and relocate forces to Naval Station Norfolk, Virginia.
4. Relocate SSNs at Naval Station Norfolk, VA to Submarine Base New London, Connecticut as an alternative to proposal "3".
5. Close Naval Station Everett, Washington and relocate forces to West Coast Bases with available capacity.

b. Aviation Function: The DAG applied optimization model rules for permissible site combinations and applicable constraints/restrictions and decided to continue an iterative review of optimization model outputs as additional parameters may be necessary to assess alternatives.

c. Naval Ground Function: The proposed scenarios for this function were based predominantly on the capacity data and relative military value scores. The DAG applied optimization model rules for permissible site combinations and applicable constraints/restrictions to develop the following scenarios:

1. Close Construction Battalion Center (CBC) Gulfport, Mississippi and relocate forces to Marine Corps Base (MCB) Camp Lejeune, North Carolina.

Subj: REPORT OF IEG DELIBERATIONS OF 9 SEPTEMBER 2004

2. Close Naval Mobile Construction Battalion (NMCB) Function at Naval Base Ventura County, California and relocate forces to MCB Camp Pendleton, California.

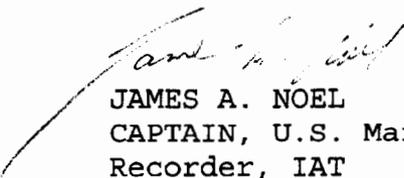
3. Close CBC Gulfport, Mississippi and single site forces at Naval Base Ventura County, California.

4. Close NMCB Function at Naval Base Ventura County, California and single site forces at CBC Gulfport, Mississippi.

5. VADM Hoewing departed from the session at 1128. The IEG noted that the DAG proposed scenarios represented a good starting point for further analysis and approved further development for release of scenario data calls at the appropriate time.

6. The IEG tasked the DAG with the development of a risk assessment tool to identify consequences of BRAC actions on supporting/tenant activities and ensure conformity with DOD BRAC Principles, DON BRAC Objectives, and DON BRAC Considerations. Additionally, the IEG proposed incorporating representatives from Deputy Chief of Naval Operations for Plans, Policy and Operations (N3/N5) and Deputy Commandant for Plans, Policies, and Operations (PP&O), Headquarters, U.S. Marine Corps into the DON BRAC process to gain insight into strategic basing plans in order to better guide the infrastructure decisions of BRAC. The Navy and Marine Corps will consider designating additional members to the DAG from N3/5 and PP&O. Ms. Davis noted that as SECNAVNOTE 11000 is currently being staffed for changes, it is an ideal time to formalize any additions to the DAG membership.

7. The deliberative session adjourned at 1205.

  
JAMES A. NOEL  
CAPTAIN, U.S. Marine Corps  
Recorder, IAT

**TAB 1**



***Department of the Navy***

***DoN Analysis Group***

---

# **DON Analysis Group Brief to Infrastructure Evaluation Group**

**9 September 2004**



# Agenda

---

- **Ethics Brief – Conflicts of Interest & BRAC**
- **Executive Decision Making Process**
- **DON BRAC Objectives**
  - *IEG Decision Item*
- **Initial DON Scenarios**
  - *IEG Decision Item*
- **Next Steps**



# Ethics Brief

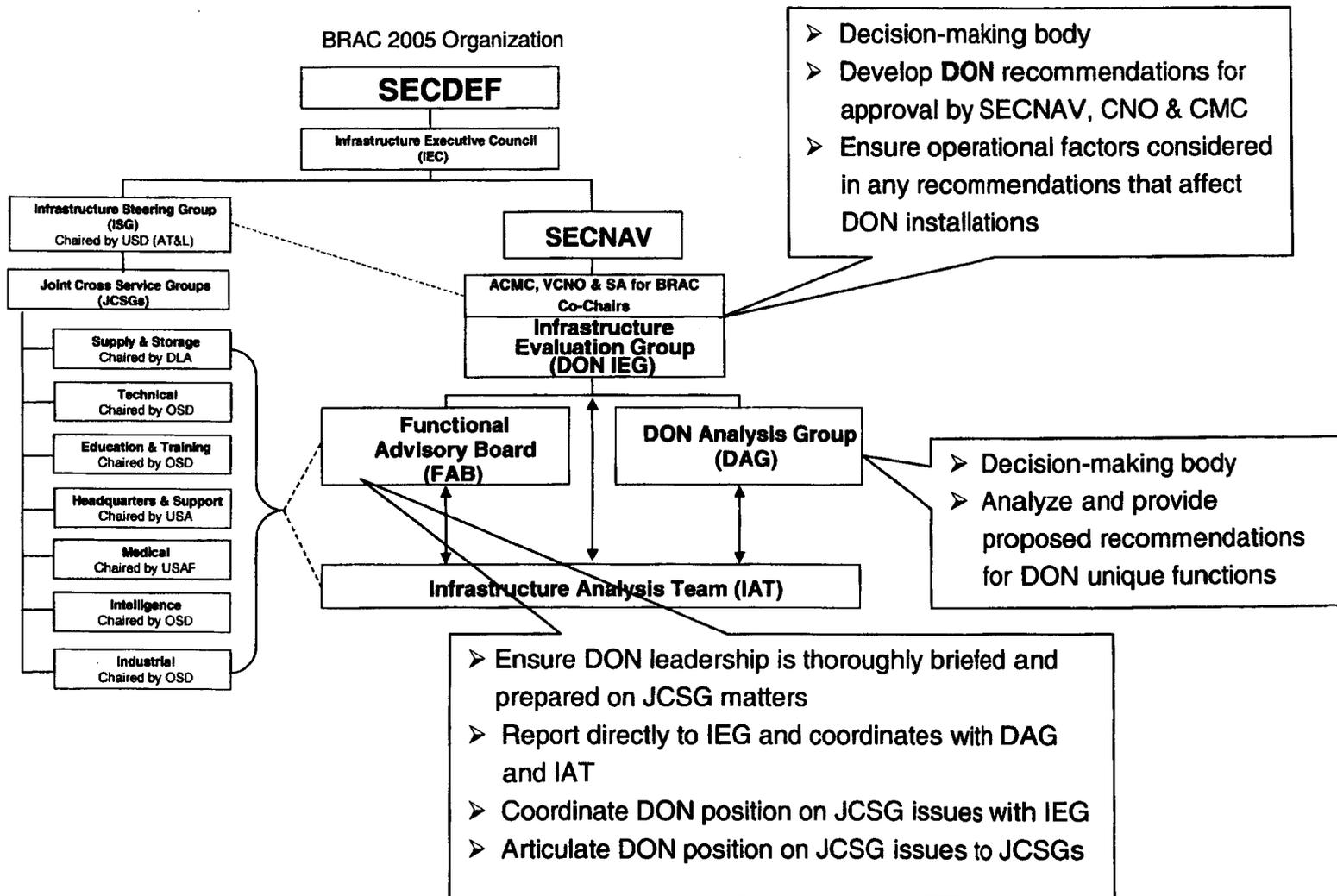
---

- **Provided separately**
- **Mandatory for all BRAC decision-makers (DAG, IEG, ISG, IEC, JCSGs)**



**Department of the Navy**  
DoN Analysis Group

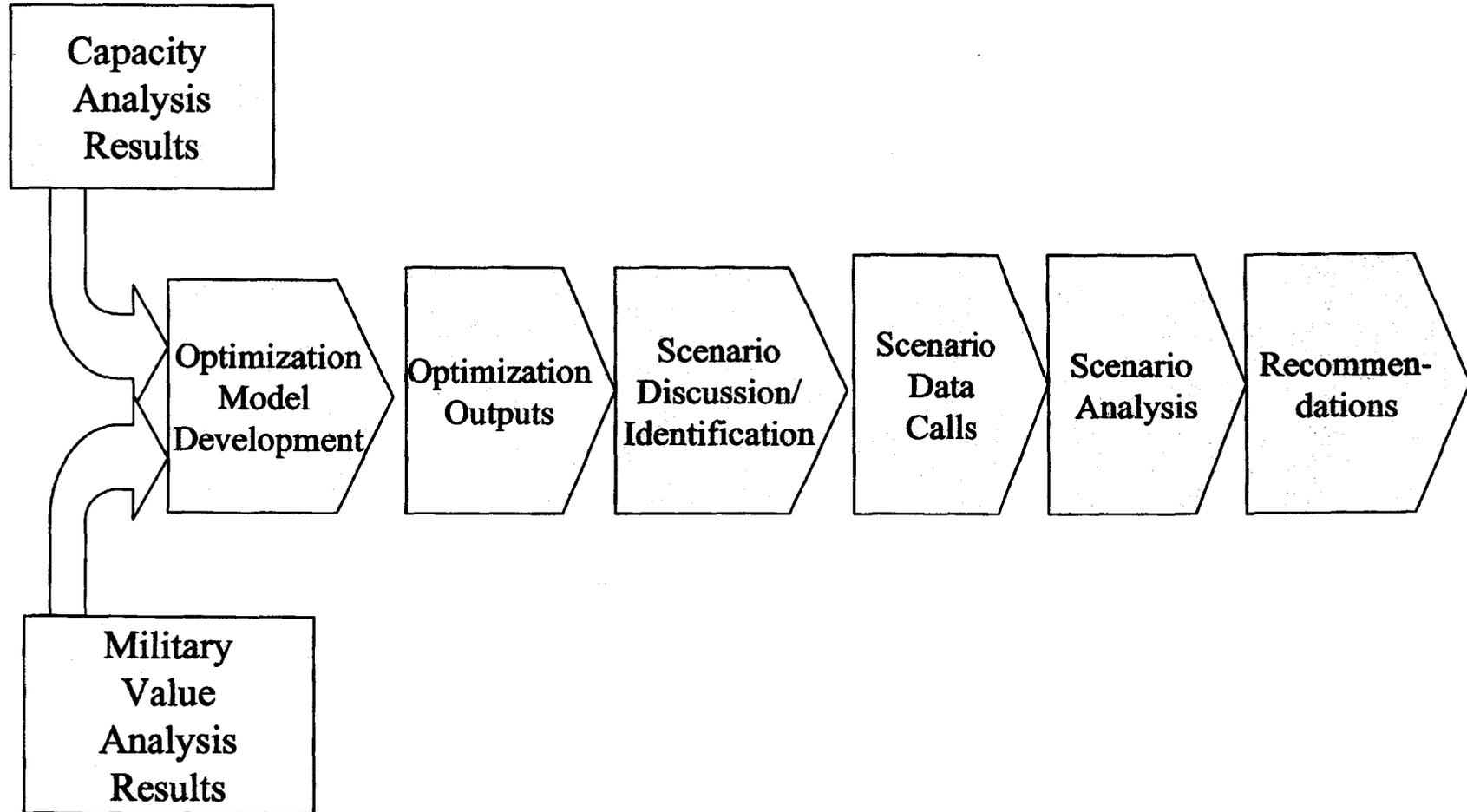
# DON BRAC Roles and Responsibilities





**Department of the Navy**  
*DoN Analysis Group*

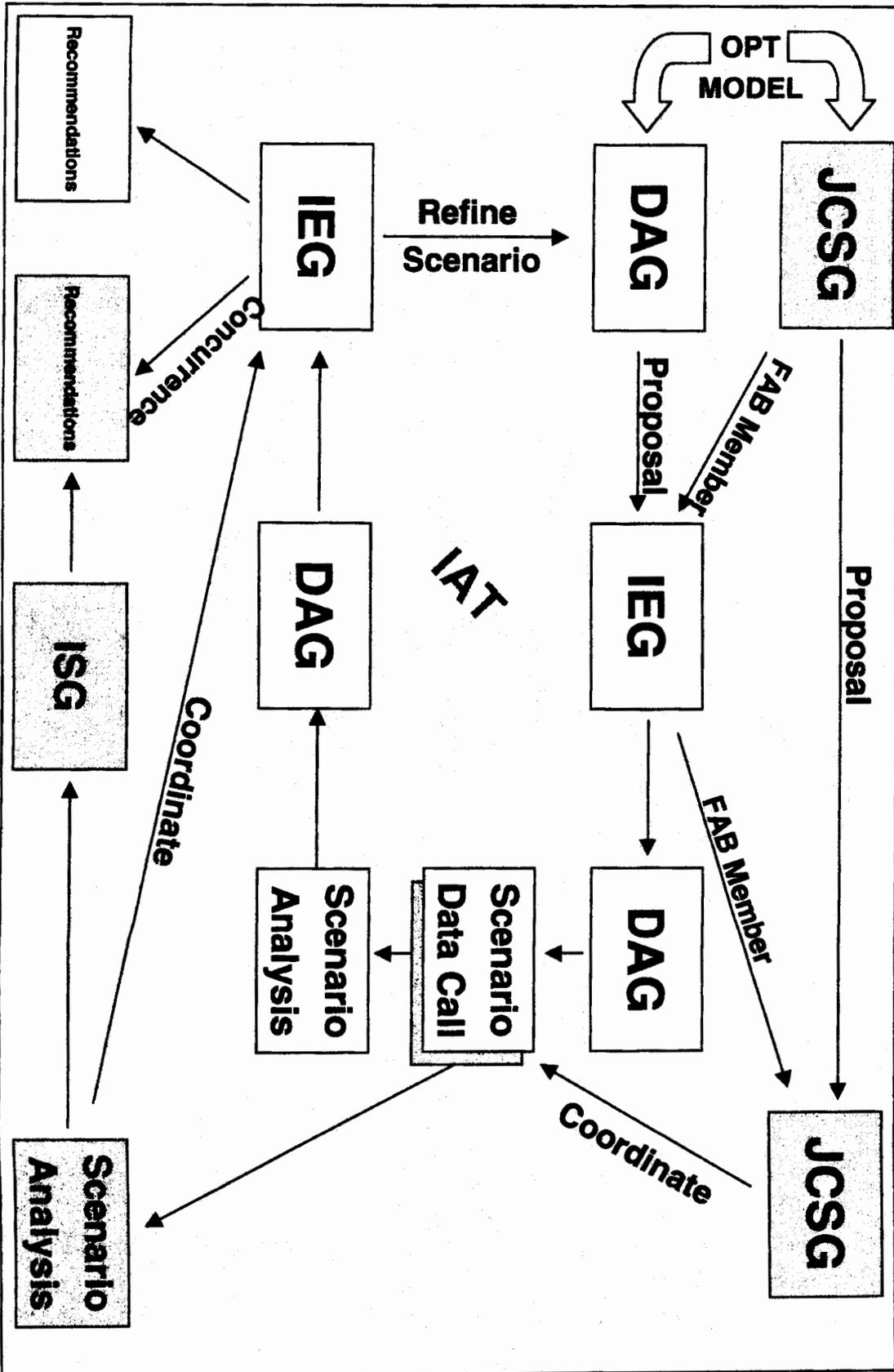
# Scenario Development Approach





Department of the Navy  
DoN Analysis Group

# DON BRAC Decision Flow

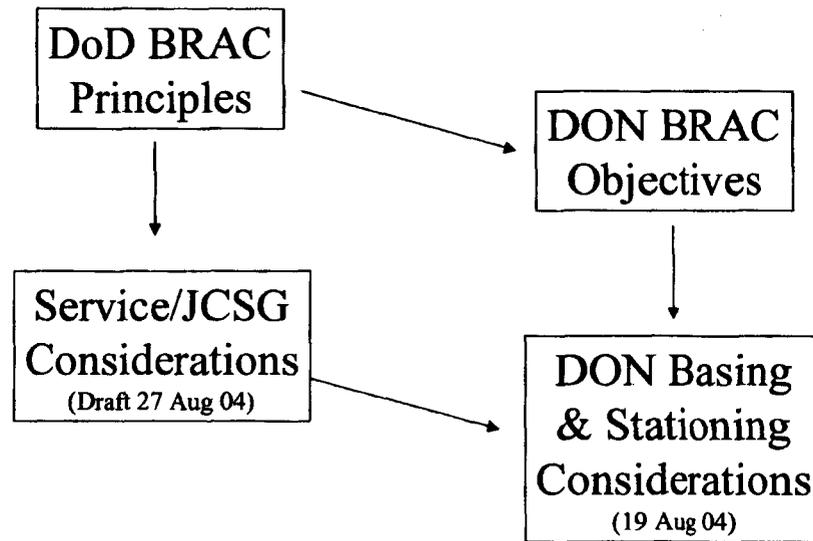




# DON BRAC Objectives

- **Separate handout**

## Guidance Linkages



**IEG Decision Item:**  
**Approve for use by all DON personnel involved in BRAC process**



**Department of the Navy**  
*DoN Analysis Group*

# Components of a Successful Recommendation

**Scenario Development** → **Scenario Analysis** → **Recommendations**

**BRAC  
Selection  
Criteria 1-4**

**Capacity/MiVal  
Data Analysis**

**Principles, Objectives, Considerations, Transformational  
Options, Military Judgment, Operational Factors**

**Feasibility Cost Effectiveness  
Data Analysis**

**BRAC  
Selection  
Criteria 5-8**



*Department of the Navy*

*DoN Analysis Group*

# **Initial DON Scenarios: DAG Deliberations**

---

- **Focused first on Operational Functions**
  - **Surface/subsurface, Aviation, Ground**
- **Evaluated data to assess capacity & military value**
  - **Ability of activities/bases to support these functions**
- **Applied business rules/model parameters to bound operational viability of outputs**
- **Developed initial scenario proposals**
  - **Surface/subsurface, Ground**
  - **Iterative review of Aviation model outputs; need additional parameters to assess alternatives**



*Department of the Navy*  
*DoN Analysis Group*

# **Initial DON Scenarios: Surface/Subsurface**

- **Close NAVSTA PASCAGOULA MS**
  - Forces relocate to available capacity at East Coast Bases
- **Close NAVSTA INGLESIDE TX**
  - Forces relocate to NAVSTA SAN DIEGO CA, NAB LITTLE CREEK VA
- **Close SSN berthing function at SUBASE NEW LONDON CT**
  - Forces relocate to NAVSTA NORFOLK VA
- **Relocate NAVSTA NORFOLK VA SSNs to SUBASE NEW LONDON CT (alternative to above proposal)**
- **Close NAVSTA EVERETT WA**
  - Forces relocate to available capacity at West Coast Bases

***IEG Decision Item:***  
***Approve DAG release of scenario data calls***



**Department of the Navy**  
*DoN Analysis Group*

# **Initial DON Scenarios: Naval Ground**

- **Close CBC GULFPORT MS**
  - Relocate forces to MCB CAMP LEJEUNE NC
- **Close NMCB Function at NAVBASE VENTURA COUNTY CA**
  - Relocate forces to MCB CAMP PENDLETON CA
- **Close CBC GULFPORT MS**
  - Single site forces at NAVBASE VENTURA COUNTY CA
- **Close NMCB Function at NAVBASE VENTURA COUNTY CA**
  - Single site forces at CBC GULFPORT MS

***IEG Decision Item:  
Approve DAG release of scenario data calls***



**Department of the Navy**

*DoN Analysis Group*

# Next Steps

---

- **DAG**
  - Issue scenario data calls
  - Continue scenario development by function (Aviation, Reserves, Recruiting, Recruit Training, Officer Accession, DON PME, Regional Support)
  - Use joint data to consider additional opportunities (e.g., USMC, SPECWAR, EOD, Aviation)
  - Evaluate scenario data; develop refined scenarios
- **FAB**
  - Develop JCSG scenarios to support DON operational scenarios
  - Prepare to brief IEG on JCSG scenarios

**TAB 2**

7 Sep 2004

## **DoD BRAC Principles and Corresponding DON BRAC Objectives and Considerations**

**DoD Principle: Recruit and Train:** The Department must attract, develop, and retain active, reserve, civilian, and contractor personnel who are highly skilled and educated and have access to effective, diverse, and sustainable training space in order to ensure current and future readiness, to support advances in technology, and to respond to anticipated developments in joint and service doctrine and tactics.

### **DON Objectives**

- Optimize access to critical maritime training facilities.
- Leverage joint and commercial education and training.

### **DON Considerations**

- Strive to preserve access to air, land, and sea areas and facilities (to include wargaming/simulation/experimentation) in the following environments: cold weather, tropical weather, swamps, littoral, mountainous, and desert conditions with operationally efficient access and proximity to meet current and future Service and Joint training/test/operational requirements for both Active and Reserve Component forces and weapons systems.
- For major Carrier Strike Group/ Expeditionary Strike Group/Maritime Prepositioning Group level exercises, ranges/OPAREAs with air, sea and over the shore maneuver space should be within operationally efficient proximity, generally defined as within 3 underway days for the Groups. For individual unit training, ranges and operating areas should be within an approximate distance of 6 underway hours for ships, 12 underway hours for submarines, and 1 un-refueled sortie for aircraft.
- Fleet Replacement and Operational Squadrons (with the exception of Reserve Squadrons) should not be located outside operationally efficient proximity (e.g. farther than one un-refueled leg) from DoD-scheduled airspace, ranges, targets, low-level routes, outlying fields and over-water training airspace with access to aircraft carrier support.
- Undergraduate flight training should be located separately from operational squadrons.
- DON specific initial skills training should be located with accessions training to minimize student moves or with skills progression training to allow cross-utilization of instructors, facilities, and equipment, and support future training and efficiency improvements.
- DON specific skills progression training and functional skills training relevant to homeported platforms should be located in Fleet concentration areas.
- DON requires a center for Naval strategic thought, and joint and coalition maritime security policy innovation.
- DON requires access to relevant educational programs that include specific focus on those areas that are uniquely maritime, and reflect concepts of expeditionary deployment/employment. Military student admission requirements should complement military personnel management practices.

**DoD Principle: Quality of Life:** The Department must provide a quality of life, including quality of work place that supports recruitment, learning, and training, and enhances retention.

**DON Objective**

- Align basing infrastructure with communities to provide desirable/consistent levels of quality of life.

**DON Consideration**

- Consider needs of operational/non-operational (sea-shore) rotation in assessing sufficient capacity.

**DoD Principle: Organize:** The Department needs force structure sized, composed, and located to match the demands of the National Military Strategy, effectively and efficiently supported by properly aligned headquarters and other DoD organizations, and that take advantage of opportunities for joint basing.

**DON Objectives**

- Accommodate the 20 year force structure plan, including the advent of future platforms such as LCS, JSF, BAMS, UAVs and DD (X).
- Facilitate Active/Reserve integration and synchronization.
- Leverage opportunities for joint basing and training.
- Facilitate evolution of force structure and infrastructure organizational alignment.
- Enable further installation management regional alignment.
- Rationalize regional management structure for recruiting districts and reserve readiness commands.
- Minimize use of long term leased administrative space.
- Rehabilitate existing facilities for more effective use where it makes sense.
- Functions most effectively performed "remotely" should be.

**DON Considerations**

- Where practicable, organizations in leased space should be moved into available space on DoD installations, exclusive of recruiting activities.
- DON will maintain reserve component presence in every state.
- The Navy Reserve should become fully integrated with active forces, located to leverage pooled equipment and training facilities. Reserve presence priority is: 1) active duty commands, 2) joint reserve facilities, 3) naval reserve activity.

**DoD Principle: Equip:** The Department needs research, development, acquisition, test, and evaluation capabilities that efficiently and effectively place superior technology in the hands of the warfighter to meet current and future threats and facilitate knowledge-enabled and net-centric warfare.

**DON Objective**

- Provide flexible RDTE infrastructure to adapt to DON transformational mission changes and joint operations

**DON Considerations**

- DON should maintain the minimum required corporate science and technology capability, consisting of intellectual capital and facilities, to explore new and emerging technologies for naval warfare across the air, land, and maritime operating environment.
- DON should preserve the minimum required non-renewable infrastructure (i.e. air, land, sea, and space ranges and frequency spectrum) sufficient to ensure the successful RDTE&A, life-cycle support of emerging and existing technologies and capabilities for maritime operating environments and individual, team, and unit training.

**DoD Principle: Supply, Service, and Maintain:** The Department needs access to logistical and industrial infrastructure capabilities optimally integrated into a skilled and cost efficient national industrial base that provides agile and responsive global support to operational forces.

**DON Objectives**

- Consolidate airframe basing to minimize sites while maintaining ability to meet operational requirements.
- Rely on private sector support services where cost effective/feasible.
- Retain sufficient organic capability to effectively support maritime-unique operational concepts.
- No function should cost more after BRAC than before, for the same output.

**DON Considerations**

- To minimize family disruption, strive to place ship maintenance capabilities close to the Fleet to:
  - Dry dock CVNs and submarines on both coasts and in the central Pacific.
  - Refuel/de-fuel/inactivate nuclear-powered ships.
  - Dispose of inactivated nuclear-powered ship reactor compartments.
- DON should seek to preserve minimum organic maintenance, supply and distribution capability to represent Naval requirements (all classes of supply), integrate logistics support for Naval forces, acquire appropriate support for Navy and Marine Corps unique material, and preserve service-specific capabilities (e.g. MALS support to the FRSS, deployable intermediate maintenance support for MPS equipment, Navy IMAs, reach back support for sea-based logistics, etc).
- DON seeks a depot maintenance industrial complex that delivers best value cradle-to-grave results in cost-efficiency (total unit cost), responsiveness (schedule compliance and flexibility), and quality (compliance with specifications).
- DON needs continued capability to engineer, produce, maintain, and handle ordnance and energetic materials designed specifically for the maritime environment.

**DoD Principle: Deploy & Employ (Operational):** The Department needs secure installations that are optimally located for mission accomplishment (including homeland defense), that support power projection, rapid deployable capabilities, and expeditionary force needs for reach-back capability, that sustain the capability to mobilize and surge, and that ensure strategic redundancy.

#### **DON Objectives**

- Align DON infrastructure to efficiently and effectively support Fleet Response Plan and Seabasing concepts.
  - Aviation Requirements
  - Surface Requirements
  - Submarine Requirements
  - Expeditionary Requirements
  - Range Requirements
  - Training Requirements
  - Logistics & Maintenance Requirements
- Align infrastructure to support Integrated Global Positioning & Basing Strategy decisions.
- Align Naval medical providers/facilities with fleet concentration areas.
- Realign assets to maximize use of capacity in fleet concentration areas while maintaining fleet dispersal and viable AT/FP capability.

#### **DON Considerations**

- Infrastructure and all elements of the MAGTF should be geographically positioned to enhance training, maintenance and deployment of Marine Forces as MAGTFs. This necessitates considerations of retaining/acquiring sufficient sea access, air space, air-to-ground training ranges and maneuver areas, for training and deployment purposes; preserving necessary rail access, explosives safety arcs, and staging areas.
- Fleet basing capabilities should be dispersed to preclude a single major debilitating, attack within the Global War on Terror and support the Fleet Response Plan and Sea-basing concepts. This means retaining at a minimum:
  - CVN (Nuclear Carrier) capability: 2 East Coast ports, 2 West Coast ports, and 2 forward-based in the Pacific.
  - SSBN (Nuclear Submarine Ballistic Missile) basing: 1 East Coast port, 1 West Coast port.
  - MPA (Maritime Patrol Aircraft) and rotary wing aircraft located within one unrefueled sortie from overwater training areas.
  - CLF (Combat Logistics Force) capability: 1 East Coast and 1 West Coast base that minimize explosive safety risks and eliminate waiver requirements.
- Seek to preserve and align sufficient medical capacity (manning, logistics, training and facilities) integral to the operational forces, as well as an efficient reach back system to ensure the continuum of care for those operating forces and their families.

7 Sep 2004

**DoD Principle: Intelligence:** The Department needs intelligence capabilities to support the National Military Strategy by delivering predictive analysis, warning of impending crises, providing persistent surveillance of our most critical targets, and achieving horizontal integration of networks and databases.

**DON Objective**

- Align intelligence infrastructure to support the warfighter.

**DON Consideration**

- Seek to maintain sufficient organic Intelligence, Surveillance and Reconnaissance/analytic infrastructure to meet warfighting and acquisition requirements, while effectively leveraging Joint and National intelligence capabilities.

Approved by IEG (date)

**TAB 3**

7 Sep 2004

### DON BRAC Objectives

- Optimize access to critical maritime training facilities.
- Leverage joint and commercial education and training.
- Align basing infrastructure with communities to provide desirable/consistent levels of quality of life.
- Accommodate the 20 year force structure plan, including the advent of future platforms such as LCS, JSF, BAMS, UAVs and DD (X).
- Facilitate Active/Reserve integration and synchronization.
- Leverage opportunities for joint basing and training.
- Facilitate evolution of force structure and infrastructure organizational alignment.
- Enable further installation management regional alignment.
- Rationalize regional management structure for recruiting districts and reserve readiness commands.
- Minimize use of long term leased administrative space.
- Rehabilitate existing facilities for more effective use where it makes sense.
- Functions most effectively performed "remotely" should be.
- Provide flexible RDTE infrastructure to adapt to DON transformational mission changes and joint operations
- Consolidate airframe basing to minimize sites while maintaining ability to meet operational requirements.
- Rely on private sector support services where cost effective/feasible.
- Retain sufficient organic capability to effectively support maritime-unique operational concepts.
- No function should cost more after BRAC than before, for the same output.
- Align DON infrastructure to efficiently and effectively support Fleet Response Plan and Seabasing concepts.
  - Aviation Requirements
  - Surface Requirements
  - Submarine Requirements
  - Expeditionary Requirements
  - Range Requirements
  - Training Requirements
  - Logistics & Maintenance Requirements
- Align infrastructure to support Integrated Global Positioning & Basing Strategy decisions.
- Align Naval medical providers/facilities with fleet concentration areas.
- Realign assets to maximize use of capacity in fleet concentration areas while maintaining fleet dispersal and viable AT/FP capability.
- Align intelligence infrastructure to support the warfighter.