

Recommendation Detail

133 H&SA - 12 Co-locate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations Y N 133

DoD Description

Close 1010 North Glebe Road, 1515 Wilson Boulevard, 4850 Mark Center Drive, the Crown Ridge Building at 4035 Ridgetop, and 1901 N. Beauregard, leased installations in Northern VA, by relocating the Office of the Secretary of Defense to Fort Belvoir, VA.

Close North Tower at 2800 Crystal Drive, a leased installation in Arlington, VA, by relocating the DoD Inspector General to Fort Belvoir, VA.

Close 1600 Wilson Boulevard, a leased installation in Arlington, VA, by relocating the Defense Human Resources Activity to Fort Belvoir, VA.

Close 1500 Wilson Boulevard and Presidential Towers, leased installations in Arlington, VA, by relocating offices accommodating Pentagon Renovation temporary space to Fort Belvoir, VA.

Close Metro Park III and IV (6350 and 6359 Walker Lane), a leased installation in Alexandria, VA, by relocating the Defense Contract Management Agency Headquarters to Fort Lee, VA.

Realign 400 Army Navy Drive, a leased installation in Arlington, VA, by relocating the Office of the Secretary of Defense, Washington Headquarters Services, and the DoD Inspector General to Fort Belvoir, VA.

Realign the Webb Building, a leased installation in Arlington, VA, by relocating the Department of Defense Education Activity and the Defense Human Resources Activity to Fort Belvoir, VA.

Realign Rosslyn Plaza North, a leased installation in Arlington, VA, by relocating offices accommodating Pentagon Renovation temporary space, Washington Headquarters Services and the Defense Human Resources Activity to Fort Belvoir, VA.

Realign Crystal Gateway North, a leased installation in Arlington, VA, by relocating the Office of the Secretary of Defense, Washington Headquarters Services, and the DoD Inspector General to Fort Belvoir, VA.

Realign 2001 North Beauregard Street, 621 North Payne Street, Ballston Metro Center, Crystal Square 4, Crystal Square 5, Crystal Plaza 6, 4015 Wilson Boulevard, Skyline 5, and Skyline 6, leased installations in Northern VA, by relocating the Office of the Secretary of Defense to Fort Belvoir, VA.

Realign Crystal Mall 3, a leased installation in Arlington, VA, by relocating the Office of the Secretary of Defense and the Defense Finance and Accounting Service at Fort Belvoir, VA.

Realign Hoffman 1, Crystal Gateway 1, Crystal Gateway 2, Crystal Gateway 3, and the James K. Polk Building, leased installations in Northern VA, by relocating the Office of the Secretary of Defense and Washington Headquarters Services to Fort Belvoir, VA.

Realign the Nash Street Building, a leased installation in Arlington, VA, by relocating the Defense Human Resources Activity to Fort Belvoir, VA.

Realign Alexandria Tech Center IV, a leased installation in Alexandria, VA, by relocating the Defense Technology Security Administration to Fort Belvoir, VA.

Realign 1400-1450 South Eads Street, a leased installation in Arlington, VA, by relocating the DoD Inspector General to Fort Belvoir, VA.

Realign 1401 Wilson Boulevard, a leased installation in Arlington, VA, by relocating the Office of the Secretary of Defense, Washington Headquarters Services, and Defense Human Resources Activity to Fort Belvoir, VA.

Realign 1555 Wilson Boulevard, a leased installation in Arlington, VA, by relocating offices of the Office of the Secretary of Defense and Defense Human Resources Activity to Fort Belvoir, VA.

Realign Crystal Mall 2-3-4 and Skyline 4, leased installations in Northern VA, by relocating Washington Headquarters Services to Fort Belvoir, VA.

COBRA Data

1 Time Costs (\$M) 666.7	Rank/190 9	% Total 2.24%	Payback (Years) 9	6 Year Net (\$M) \$376.85	Rank/190 183	20-Year NPV (\$M) 256.4 (\$257.60)	Rank/190 50	% Total 0.53%
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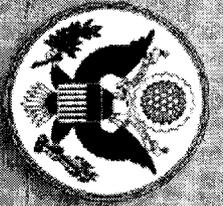
Job Impact at Affected Bases

Action	Base Name	State	Net Mil.	Net Civ.	Net Cont.	Total Dir.	Total InDir.	Total Chng
Realign	Leased Space - VA	VA	0	-9	-1,518	-1,527	-1,013	-2,540
Realign	Leased Space - VA	VA	-1,459	-2,326	0	-3,785	-2,674	-6,459
Realign	Leased Space - VA	VA	-1,288	-3,218	0	-4,506	-3,243	-7,749
Gainer	Fort Belvoir	VA	2,693	5,215	1,462	9,370	6,603	15,973
Gainer	Fort Lee	VA	54	496	56	606	448	1,054
Net jobs for this Recommendation			0	158	0	158	121	279

Other OSD Recommendations

***See Appendix - Alphabetical Listing of Bases

- 2747 + 5553 = 8300
 + 2747 + 5711 = 8458
 Δ 158
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**Sec. 133: Collocate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations
DoD Recommendation**

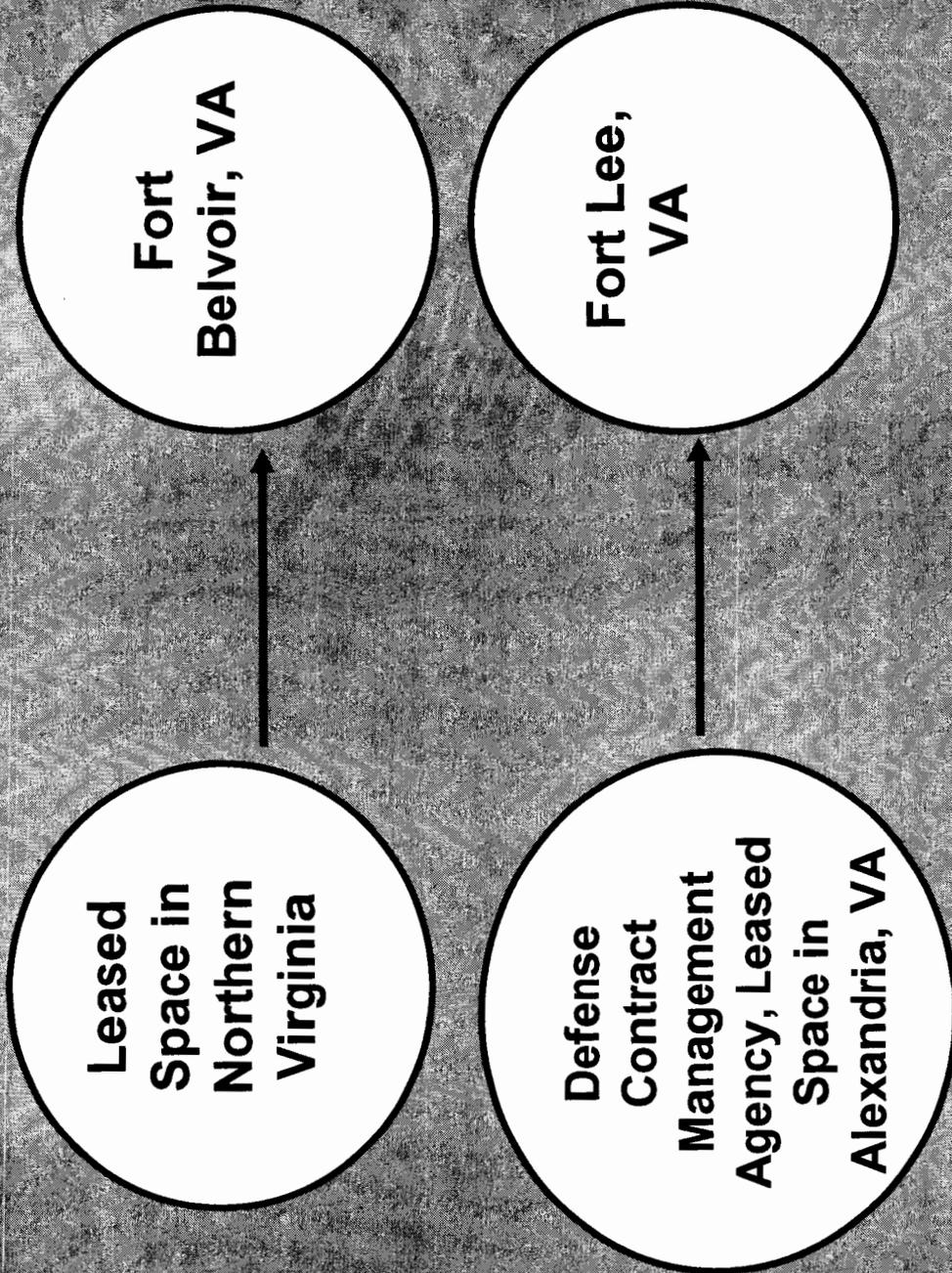
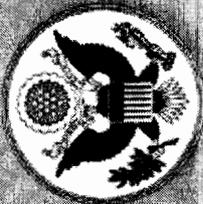
- A. Close 9 leased installations in Northern VA**
- B. Close Metro Park III and IV, leased installations in Alexandria, VA**
- C. Realign 28 leased installations in Northern VA**

MR. CHAIRMAN, COMMISSIONERS:

THE NEXT RECOMMENDATION FOR YOUR
CONSIDERATION IS FOUND IN CHAPTER FIVE,
SECTION 133 AND COLLOCATES
MISCELLANEOUS OSD, DEFENSE AGENCY, AND
FIELD ACTIVITY LEASED LOCATIONS TO FORT
BELVOIR AND FORT LEE, VA.

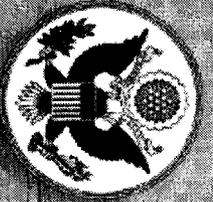
THE EFFECT OF THIS RECOMMENDATION
CLOSES 9 AND REALIGNS 28 LEASED
INSTALLATIONS IN NORTHERN VIRGINIA,
RELOCATING DOD OFFICES/AGENCIES TO FORT
BELVOIR AND IT CLOSES METRO PARK III AND
IV AND RELOCATES DEFENSE CONTRACT

Sec. 133: Collocate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations Associated Installations



DCN: 11930

MANAGEMENT AGENCY HEADQUARTERS TO
FORT LEE, VA.



Sec. 133: Collocate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations DoD Justification

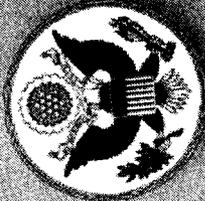
- Reduces Department's reliance on leased space
- Enhances Force Protection; current leased locations are non-compliant with Force Protection standards.
- Relocates activities to installations with higher military value (average MV is 272nd to 332nd out of 334)
- Allows DCMA to combine headquarters facilities from two adjacent buildings into one facility.
- Relocates DCMA Headquarters to military installation farther than 100 miles from Pentagon, providing dispersion of DoD activities away from dense concentration of National Capital Region (NCR)

COBRA

- \$601.7M One-Time Implementation Cost
- 9-Year Payback
- (\$256.4M) Savings 20-year Net Present Value
- 2747 Military; 5553 Civillians

DOD'S JUSTIFICATION IS THE RECOMMENDATION MEETS DOD'S OBJECTIVE OF REDUCING THE DEPARTMENT'S RELIANCE ON LEASED SPACE AND ENHANCES SECURITY FOR DOD ACTIVITIES, AND INCREASES MILITARY VALUE BY MOVING ACTIVITIES TO INSTALLATIONS WITH HIGHER MILITARY VALUE. IN ADDITION, RELOCATION OF THE DCMA HEADQUARTERS TO A MILITARY INSTALLATION THAT IS FARTHER THAN 100 MILES FORM THE PENTAGON PROVIDES DISPERSION OF DOD ACTIVITIES AWAY FROM A DENSE CONCENTRATION WITHIN THE NATIONAL CAPITAL REGION AND HAS THE

Sec. 133: Collocate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations Issues



- C1
 - Bias toward leased space resulted in predetermined outcome.
 - DoD violated BRAC law with regard to closure and realignment of leased space.
 - Relocation of DCMA will constrain access to field operations and customers.
- C2
 - Vulnerability assessments to determine adequacy of Force Protection standards were not conducted.
- C5
 - Costs are understated; savings are overstated.
 - Pentagon Renovation swing space is included.
- C7
 - Infrastructure at Fort Belvoir cannot sustain influx of workers.

ADDED BENEFIT OF ALLOWING DCMA TO
COMBINE ITS TWO FACILITIES INTO ONE.

MILCON
\$407,304 mil

DOD'S COBRA ESTIMATES A ONE-TIME
IMPLEMENTATION COST OF \$601.7M WITH A
PAYBACK EXPECTED IN 9 YEARS. THE NET
PRESENT VALUE OVER 20 YEARS IS A SAVINGS
OF \$256.4M. THIS RECOMMENDATION AFFECTS
APPROXIMATELY 8,300 PERSONNEL.

THIS SLIDE SUMMARIZES KEY ISSUES THAT
WERE DEVELOPED DURING ANALYSIS OF THIS
RECOMMENDATION AND ARE GROUPED BY
THEIR ASSOCIATED SELECTION CRITERIA.

AND ARE ~~THE~~ THE SAME

GENERAL ISSUES YOU RECENTLY HEARD

THE COMMUNITY IS CONCERNED THAT DOD'S
ASSUMPTIONS FOR LEASED SPACE OWNERSHIP
AND FORCE PROTECTION COMPLIANCE BIASED
THE MILITARY VALUE INDEX AGAINST LEASED
SPACE UNFAIRLY. THE COMMUNITY HAS

EXPRESSED THE CONCERN THAT DOD'S FORCE

PROTECTION STANDARDS ARE OVERLY
STRINGENT, EXCEEDING THOSE DEVELOPED BY
THE INTERAGENCY SECURITY COMMITTEE
TASKED WITH DEVELOPING AND EVALUATING
SECURITY STANDARDS FOR FEDERAL
FACILITIES.

THE ASSESSMENT OF THE STAFF IS THE DEPARTMENT NEITHER ASSESSED THE INDIVIDUAL BUILDINGS TO DETERMINE THE TERMS OF THE LEASE NOR CONDUCTED VULNERABILITY ASSESSMENTS TO DETERMINE THE LEVEL OF COMPLIANCE WITH FORCE PROTECTION STANDARDS.

~~SPECIFIC~~
AFFECTED COMMUNITIES CLAIMED THEIR QUALITY OF LIFE COULD BE REDUCED BECAUSE OF TRANSPORTATION PROBLEMS SUCH AS INCREASED TRAFFIC, LACK OF PUBLIC TRANSPORTATION, AND INCREASED COMMUTING TIMES, WITH THE ATTENDANT

ISSUES OF AIR POLLUTION AND INCREASED
FUEL CONSUMPTION.

ARE
THERE ~~HAVE BEEN OR WILL BE~~ SEVERAL
RECOMMENDATIONS BEFORE THE COMMISSION
THAT RELOCATE BETWEEN 10,000 AND 12,000
PEOPLE TO THE FORT BELVOIR AREA.

IT IS INTUITIVE
THEREFORE, IT IS ~~THE STAFF'S ASSESSMENT~~
THAT THERE WILL BE AN IMPACT ON THE
SURROUNDING COMMUNITY AND ON THOSE
WHOSE PLACE OF EMPLOYMENT CHANGES
BECAUSE OF THE RESULTS OF THE COMBINED
RECOMMENDATIONS.

~~IN SUMMARY, IT IS THE ASSESSMENT OF THE
STAFF THAT THE SECRETARY DEVIATED FROM~~

~~SELECTION CRITERIA 1, 2, AND 5. HOWEVER,~~

~~THE PART OF THE RECOMMENDATION THAT~~

~~RELOCATES THE DEFENSE CONTRACT~~

~~MANAGEMENT AGENCY HEADQUARTERS TO~~

~~FORT LEE, VIRGINIA HAS MILITARY VALUE~~

~~BECAUSE IT RELOCATES DCMA HEADQUARTERS~~

~~TO A MILITARY INSTALLATION FARTHER THAN~~

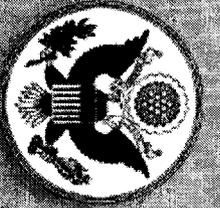
~~100 MILES FROM THE PENTAGON, PROVIDING~~

~~DISPERSION OF DOD ACTIVITIES AWAY FROM~~

~~THE DENSE CONCENTRATION OF THE NATIONAL~~

~~CAPITAL REGION.~~

MR. CHAIRMAN, THIS CONCLUDES MY
PREPARED REMARKS. THE STAFF WILL
ADDRESS ANY QUESTIONS YOU OR THE
COMMISSIONERS HAVE PRIOR TO ANY MOTIONS
YOU MIGHT WANT TO MAKE.



Sec. 133: Collocate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations

C1

DoD Position:

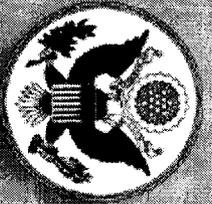
- Meets an important DoD objective with regard to future use of leased space.
- Results in significant improvement in military value as a result of movement to an installation.
- Richmond International Airport provides sufficient commercial airline service to meet DCMA's needs.
- Relationships between DCMA and customers in NCR will not be compromised.

Community Position:

- Negative impact on operational readiness; current 'scattered' arrangement of leased office space makes more strategic sense than does concentration.
- Relocation will disrupt synergies with Federal Government agencies and the Pentagon.

Commission Staff Assessment:

- No indication of mission enhancement or synergy for various agencies (including DoD Inspector General; DoD Education Activity; Human Resources Directorate; Defense Technology Security Administration) moved from leased space to the gaining site.



Sec. 133: Collocate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations

C2

DoD Position:

- Meets an important DoD objective with regard to enhanced security for DoD Activities.

Community Position:

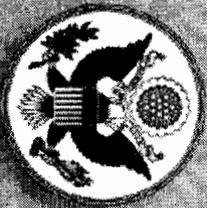
- DOD's standards are more stringent than those developed by the Interagency Security Committee (tasked with developing and evaluating security standards for Federal facilities.)
- Assumptions made for leased space ownership and AT/FP compliance biased the military value index against leased facilities.

GAO Report:

- Application of the standards in BRAC was not the result of a threat or vulnerability assessment of the affected facilities.

Commission Staff Assessment:

- Vulnerability assessments to determine adequacy of AT/FP standards were not conducted.



Sec. 133: Collocate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations

~~C5~~

DOD Position:

- Leased space has historically higher overall costs than government-owned.

Community Position:

- Predetermined bias against leased space led to unfair and misleading analysis of military value.
- Assumptions made for leased space ownership and AT/FP compliance biased the military value index against leased facilities.

GAO:

- Cost avoidance factor applied consistently, but data was not collected that would indicate if existing leases met the standards.

Commission Staff Assessment:

- Lease terms are variable.
- Standardized square foot cost avoidance for AT/FP not validated.
- Residual cost for early termination of leases was not included.
- Recommendation provides space for about 5K personnel who are in leased space during the Pentagon renovation project. This is the approximate number of people who will be unable to return to the Pentagon.

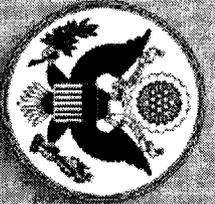


Sec. 133: Collocate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations C5 (Savings) / Cost

MILCON \$407, 304mil

COBRA DATA

	DoD COBRA Run	R&A COBRA Run Ft Lee only
One Time Cost	\$601.7M	\$55.9M
Net Implementation Cost	\$414.6M	\$47.0M
Annual Recurring (Savings)	(\$67.0M)	(\$2.9M)
Payback Period	9 years	25 years
Net Present Value at 2025	(\$256.4M)	\$13.9M



Sec. 133: Collocate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations

C7

DOD Position:

- Fort Belvoir: Impact on Air Quality is expected; New Source Review permitting and Air Conformity Analysis required; potential impact to historical/prehistoric archeological resources may cause increased delays and costs; threatened/endangered species may be impacted and lead to additional training or operations.

GAO Report:

- Fort Belvoir's population will increase by about 10,700. Army estimates \$55 million to improve roads and other infrastructure in the area. It is uncertain whether this will be sufficient to fully support the impact on the surrounding community's infrastructure, or the likelihood that federal assistance is likely to be sought by local governments to help communities reduce the impact -- costs that will have the effect of increasing one-time costs and offsetting short-term savings from the recommendations.

Commission Staff Assessment:

- Quality of life will be reduced because of transportation problems such as increased traffic, lack of public transportation, and increased commuting times, with the attendant issues of air pollution and increased fuel consumption.

Leased Space Recommendations Specific to MILDEPs and OSD

Issue: Delete components of four recommendations that move Army, Navy, Air Force and OSD staff elements in leased space in the NCR to DoD-owned space in the NCR based on the following:

- AT/FP influenced military value such that all leased space fell to the bottom of the MV model.
- Relocation does not enhance ability of activities to perform mission; distance from the Pentagon may negatively impact performance of mission.
- The Commission is reviewing the legality of BRAC recommendations dealing with leased space.
- DoD should work with the Commonwealth of Virginia and the private sector outside of the BRAC process to arrive at solutions that were not possible within the strictures of the BRAC process.
- Can be accomplished outside of BRAC.

Key Points:

- All previous BRAC rounds have moved organizations located in leased space within the NCR to owned space within and outside the NCR/DC area.
- In all instances, the movement from leased space to owned space envisioned in these recommendations improves the affected organization's force protection posture.
- Distance from the Pentagon has no impact on mission performance -- the large variety of organizations located within and outside of the NCR perform superbly.
- Analysis shows these BRAC 2005 moves should save the DoD \$112.9M annually.

DoD Position: There is ample precedent within BRAC to move organizations located in leased space within the NCR to DoD-owned installations. Further the BRAC statute specifically addresses leased space. Examples include the large movement of Navy organizations from leased space in Crystal City to Pax River and other locations in BRAC 93. While some may claim that AT/FP, not MV, drove these four leased space recommendations, this is incorrect because AT/FP was properly accounted for as a consideration of MV -- it was one or 20 metrics (weighted at 10% of total) considered in development of these recommendations.

These leased space recommendations address implementation of the new DoD AT/FP requirements as outlined in UFC 4-010-01 as one of many factors used to determine military value. In all instances, the movement from leased space to owned space envisioned in these recommendations improves the affected organization's force protection posture. Additionally, the future requirement that all DoD organizations must

reside in AT/FP compliant leased space will require either numerous relocations to DoD owned space or acquisition of leases that provide facilities that meet DoD standards. The latter will likely force further dispersion of organizations to locations outside the beltway where there is more abundant space to achieve adequate stand off. Now is the perfect time to alleviate the necessity for this type prescription by taking advantage of the one-time provisions of BRAC 2005 to backfill to available DoD owned space. During the recent House Government Reform Committee hearing on the new DoD AT/FP standard, two local congressmen (Representatives Davis and Moran) voiced their opinion in sworn proceedings that DoD should not count on receiving such funding through normal channels.

The Commission should not, therefore, conclude that these leased space recommendations have substantially deviated from the selection criteria. A clear lesson learned from previous BRAC rounds is that leased space can be dealt with successfully under the BRAC umbrella.

A BRAC goal is to maximize operational value and minimize cost. The Secretary emphasized in his 16 May testimony to the Commission that "it clearly makes sense to do all that one can do to identify and remove whatever excess exists to be better able to address those pressing needs to help the warfighter." HSA JCSG identified substantial excess administrative space on DoD owned installations and has recommended that many activities now occupying expensive leased space be moved to fill this excess. Implementation of the recommendations will eliminate substantial inherent costs such as high urban real estate/property taxes, building insurance and security protection services which are currently hidden in commercial lease rates. GAO has repeatedly noted that MILCON is cheaper than leasing commercial office space over the long term. The Comptroller General specifically expressed this GAO position in his testimony to the Commission.

The four recommendations in question collectively save the DoD \$112.9M annually. There may be additional savings generated once implementation is complete and organizations find they can consolidate common support functions. Additionally, the requirement that in the future all DoD organizations must reside in AT/FP compliant leased space will require either relocation to DoD-owned space, or acquisition of leases that provide facilities that meet the DoD standards. The latter will likely disperse organizations to locations outside of the Beltway where there is abundant land to achieve adequate stand off.

In the case of the military departments, most organizations should be able to occupy existing excess administrative space. Some renovation of facilities may be required; however, elimination of excess space is what BRAC is all about. In addition, the OSD leased space recommendation accounts for the 5000 people that will not be able to get

back in the Pentagon when the renovation is complete. No one has programmed for this requirement and it is very appropriate to accommodate the requirement within BRAC.

Impact to DoD: If these recommendations are deleted DoD will lose a significant opportunity to realign its administrative space, gain organizational efficiencies and cut costs. Additionally, DoD employees will remain in less secure, non-AT/FP compliant work space until new, higher cost AT/FP compliant leases are acquired or military construction is programmed to accommodate organizations on DoD-owned installation. The 20-year Net Present Value of this recommendation is a savings of \$1,052M.

COBRA REALIGNMENT SUMMARY REPORT (COBRA v6.10) - Page 1/2
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Starting Year : 2006
 Final Year : 2010
 Payback Year : 2019 (9 Years)

NPV in 2025(\$K): -256,411
 1-Time Cost(\$K): 601,747

Net Costs in 2005 Constant Dollars (\$K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
	----	----	----	----	----	----	-----	-----
MilCon	33,728	0	338,519	35,056	0	0	407,304	0
Person	0	0	0	-91	6,065	9,151	15,125	9,151
Overhd	0	0	8,181	12,650	-76,169	-76,169	-131,506	-76,169
Moving	0	0	4,828	148	15,362	0	20,338	0
Missio	0	0	0	0	0	0	0	0
Other	0	164,510	5,610	0	-66,751	0	103,369	0
TOTAL	33,728	164,510	357,139	47,763	-121,493	-67,018	414,630	-67,018

	2006	2007	2008	2009	2010	2011	Total
	----	----	----	----	----	----	-----
POSITIONS ELIMINATED							
Off	0	0	0	0	0	0	0
Enl	0	0	0	0	0	0	0
Civ	0	0	0	0	0	0	0
TOT	0	0	0	0	0	0	0

POSITIONS REALIGNED							
Off	0	0	0	2,152	46	0	2,198
Enl	0	0	0	541	8	0	549
Stu	0	0	0	0	0	0	0
Civ	0	0	0	5,072	483	0	5,555
TOT	0	0	0	7,765	537	0	8,302

"Excursion"

COBRA REALIGNMENT SUMMARY REPORT (COBRA v6.10) - Page 1/2
 Data As Of 8/17/2005 10:56:45 AM, Report Created 8/17/2005 11:07:38 AM

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Starting Year : 2006
 Final Year : 2010
 Payback Year : 2035 (25 Years)

NPV in 2025(\$K): 13,950
 1-Time Cost(\$K): 55,874

Net Costs in 2005 Constant Dollars (\$K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
	----	----	----	----	----	----	-----	-----
MilCon	2,595	0	0	28,735	0	0	31,330	0
Person	0	0	0	0	1,175	-721	454	-721
Overhd	0	0	0	631	-2,219	-2,219	-3,808	-2,219
Moving	0	0	0	148	15,361	0	15,509	0
Missio	0	0	0	0	0	0	0	0
Other	0	0	5,610	0	-2,298	236	3,548	0
TOTAL	2,595	0	5,610	29,514	12,018	-2,705	47,033	-2,941

	2006	2007	2008	2009	2010	2011	Total
	----	----	----	----	----	----	-----
POSITIONS ELIMINATED							
Off	0	0	0	0	0	0	0
Enl	0	0	0	0	0	0	0
Civ	0	0	0	0	0	0	0
TOT	0	0	0	0	0	0	0

	2006	2007	2008	2009	2010	2011	Total
	----	----	----	----	----	----	-----
POSITIONS REALIGNED							
Off	0	0	0	0	46	0	46
Enl	0	0	0	0	8	0	8
Stu	0	0	0	0	0	0	0
Civ	0	0	0	0	483	0	483
TOT	0	0	0	0	537	0	537

Removes all leased space moves from the recommendation except those going to the

costs - because other leased cost savings & AT/FP cost avoidance net incl

The mission of the **Human Resources Directorate (HRD)** is to provide HR services for executive, political, military, and civilian personnel; equal employment opportunity; security investigations and clearances; adjudications and appeals; and voluntary campaign programs (e.g., annual Combined Federal Campaign).

The **Department of Defense Education Activity (DoDEA)** is the umbrella agency that oversees the Department of Defense Dependents Schools (DoDDS) overseas, and the Department of Defense Domestic Dependent Elementary and Secondary Schools (DDESS) in the United States from its headquarters in Arlington, Virginia.

The Office of the **Inspector General** of the Department of Defense was established by Congress as one of the "independent and objective units to conduct and supervise audits and investigations relating to the programs and operations of those establishments." As the principal advisor to the Secretary of Defense in all Inspector General matters, the Inspector General serves as an extension of "the eyes, ears, and conscience" of the Secretary. In support of the mission of the Department of Defense, the Office of the Inspector General endeavors to: Provide leadership...to promote economy, efficiency and effectiveness" of the Department of Defense, i.e. military readiness in peace and victory in war; Prevent and detect fraud, waste, and abuse; Provide policy direction for audits and investigations; "Provide a means for keeping the Secretary of Defense and the Congress fully and currently informed about problems and deficiencies; and Give particular regard to the activities of the internal audit, inspection, and investigative units of the military departments with a view toward avoiding duplication and insuring effective coordination and cooperation.

Washington Headquarters Service manages DoD-wide programs and operations for the Pentagon Reservation and DoD leased facilities in the National Capital Region. WHS is organizationally aligned under the Director of Administration and Management for the Office of the Secretary of Defense.

Defense Technology Security Administration administers the development and implementation of DoD technology security policies on international transfers of defense-related goods, services, and technologies to ensure that critical U.S. military technological advantages are preserved; transfers that could prove detrimental to U.S. security interests are controlled and limited; proliferation of weapons of mass destruction and their means of delivery is prevented; diversion of defense-related goods to terrorists is prevented; legitimate defense cooperation with foreign friends and allies is supported; and the health of the defense industrial base is assured. DTSA acts as the single point of contact for the coordination of Department of Defense support to the Departments of State and Commerce in their export control missions. DTSA provides technical assessments of license applications referred from the Department of State's Directorate of Defense Trade Controls (DDTC) and the Department of Commerce's Bureau of Industry and Security (BIS). Additionally, DTSA works closely with DDTC and BIS to support development of export control regulations and procedures. The Defense Technology Security Administration supports the development of DoD policy with respect to missile

DCN: 11930

proliferation and provides technical advice to the Office of Negotiations Policy, which has responsibility for the formulation of DoD non-proliferation policy.

Co-locate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations

Issue: DoD recommended moving the Defense Contract Management Agency (DCMA) from leased space in Alexandria, VA, to Fort Lee, VA. The Commission is considering moving DCMA to Fort Belvoir, VA, or remaining in leased space instead of Fort Lee, VA, based on:

- Possible disruption due to lack of close proximity to a major metropolitan airport and concern about high-level customers in the National Capital Region (NCR).
- Concern that DCMA's space requirements have changed since their response to the Scenario Data Call (SDC).
- Concern that the actual costs of the move to Fort Lee, VA, are not accurately reflected by algorithms in the COBRA model.

Key Points:

- The needs of DCMA were thoroughly considered.
- Keeping DCMA in leased space does not improve its military value. It reduces overall BRAC savings and does not improve the AT/FP posture of the organization.

DoD Position: During the course of the BRAC process, senior representatives of the Headquarters & Support Activities (H&SA) JCSG met with the DCMA Director on several occasions to discuss DCMA's requirements. The H&SA JCSG consistently followed its standard analytical methodology and deliberative approach in making this recommendation. DCMA was provided every opportunity to update all relevant information under the BRAC guidelines. The JCSG believes that the Richmond International Airport provides sufficient commercial airline service to meet the agency's needs and the relationships with customers in the NCR will not be compromised by this move. The data used in developing cost estimates for relocating DCMA to Fort Lee was provided by DCMA. The algorithms and standard factors in the Cost of Base Realignment Actions model were audited by DoD audit agencies and reviewed by the Government Accountability Office. The move to Fort Lee, VA, will not compromise DCMA's ability to conduct business as usual.

Impact on DoD: Retaining DCMA in its current location or moving to Fort Belvoir will prevent the Department from efficiently using existing capacity on military installations. The 20-year Net Present Value of this recommendation is a savings of \$258M.

COBRA ECONOMIC IMPACT REPORT (COBRA v6.10)

Data As Of 05/06/05 3:03:23 PM, Report Created 05/06/05 3:03:29 PM

Department : Headquarters and Support JCSG
 Scenario File : S:\COBRA Workspace\COBRA - ----\COBRA INPUT Templates\OSD 4thEst Leased\HSA 0053 (OSD 4th Est to Belvoir & NNMC)\2005 05 06 w DCMA wo WRAMC with real footnotes\HSA 0053R (OSD 4th Est to Belvoir & NNMC).CBR
 Option Pkg Name: HSA 0053RV2 (OSD 4th Est to Belvoir & NNMC)
 Std Fctrs File : S:\COBRA Workspace\COBRA 6.10 - 20 April 05\BRAC2005.SFF

Alexandria / I-395 A, VA (HSA001)							
	2006	2007	2008	2009	2010	2011	Total
Jobs Gained-Mil	0	0	0	0	0	0	0
Jobs Lost-Mil	0	0	0	1,234	54	0	1,288
NET CHANGE-Mil	0	0	0	-1,234	-54	0	-1,288
Jobs Gained-Civ	0	0	0	0	0	0	0
Jobs Lost-Civ	0	0	0	2,735	483	0	3,218
NET CHANGE-Civ	0	0	0	-2,735	-483	0	-3,218
Jobs Gained-Stu	0	0	0	0	0	0	0
Jobs Lost-Stu	0	0	0	0	0	0	0
NET CHANGE-Stu	0	0	0	0	0	0	0
Roslyn - Ballston Co, VA (HSA018)							
	2006	2007	2008	2009	2010	2011	Total
Jobs Gained-Mil	0	0	0	0	0	0	0
Jobs Lost-Mil	0	0	0	1,459	0	0	1,459
NET CHANGE-Mil	0	0	0	-1,459	0	0	-1,459
Jobs Gained-Civ	0	0	0	0	0	0	0
Jobs Lost-Civ	0	0	0	2,326	0	0	2,326
NET CHANGE-Civ	0	0	0	-2,326	0	0	-2,326
Jobs Gained-Stu	0	0	0	0	0	0	0
Jobs Lost-Stu	0	0	0	0	0	0	0
NET CHANGE-Stu	0	0	0	0	0	0	0
Greater Fairfax Coun, VA (HSA007)							
	2006	2007	2008	2009	2010	2011	Total
Jobs Gained-Mil	0	0	0	0	0	0	0
Jobs Lost-Mil	0	0	0	0	0	0	0
NET CHANGE-Mil	0	0	0	0	0	0	0
Jobs Gained-Civ	0	0	0	0	0	0	0
Jobs Lost-Civ	0	0	0	9	0	0	9
NET CHANGE-Civ	0	0	0	-9	0	0	-9
Jobs Gained-Stu	0	0	0	0	0	0	0
Jobs Lost-Stu	0	0	0	0	0	0	0
NET CHANGE-Stu	0	0	0	0	0	0	0
HSA DC Lease, DC (HSA009)							
	2006	2007	2008	2009	2010	2011	Total
Jobs Gained-Mil	0	0	0	0	0	0	0
Jobs Lost-Mil	0	0	0	0	0	0	0
NET CHANGE-Mil	0	0	0	0	0	0	0
Jobs Gained-Civ	0	0	0	0	0	0	0
Jobs Lost-Civ	0	0	0	0	0	0	0
NET CHANGE-Civ	0	0	0	0	0	0	0
Jobs Gained-Stu	0	0	0	0	0	0	0
Jobs Lost-Stu	0	0	0	0	0	0	0
NET CHANGE-Stu	0	0	0	0	0	0	0

COBRA SUSTAINMENT/RECAP/BOS/HOUSING CHANGE REPORT (COBRA v6.10) - Page 2
 Data As Of 05/06/05 3:03:23 PM, Report Created 05/06/05 3:03:29 PM

Department : Headquarters and Support JCSG
 Scenario File : S:\COBRA Workspace\COBRA - ----\COBRA INPUT Templates\OSD 4thEst Leased\HSA 0053 (OSD 4th Est to Belvoir & NNMC)\2005 05 06 w DCMA wo WRAMC with real footnotes\HSA 0053R (OSD 4th Est to Belvoir & NNMC).CBR
 Option Pkg Name: HSA 0053RV2 (OSD 4th Est to Belvoir & NNMC)
 Std Fctrs File : S:\COBRA Workspace\COBRA 6.10 - 20 April 05\BRAC2005.SFF

NNMC BETHESDA, MD (N00168)

	2006	2007	2008	2009	2010	2011	Total
Jobs Gained-Mil	0	0	0	0	0	0	0
Jobs Lost-Mil	0	0	0	0	0	0	0
NET CHANGE-Mil	0	0	0	0	0	0	0
Jobs Gained-Civ	0	0	0	0	0	0	0
Jobs Lost-Civ	0	0	0	0	0	0	0
NET CHANGE-Civ	0	0	0	0	0	0	0
Jobs Gained-Stu	0	0	0	0	0	0	0
Jobs Lost-Stu	0	0	0	0	0	0	0
NET CHANGE-Stu	0	0	0	0	0	0	0

BELVOIR, VA (51062)

	2006	2007	2008	2009	2010	2011	Total
Jobs Gained-Mil	0	0	0	2,693	0	0	2,693
Jobs Lost-Mil	0	0	0	0	0	0	0
NET CHANGE-Mil	0	0	0	2,693	0	0	2,693
Jobs Gained-Civ	0	0	0	5,070	145	0	5,215
Jobs Lost-Civ	0	0	0	0	0	0	0
NET CHANGE-Civ	0	0	0	5,070	145	0	5,215
Jobs Gained-Stu	0	0	0	0	0	0	0
Jobs Lost-Stu	0	0	0	0	0	0	0
NET CHANGE-Stu	0	0	0	0	0	0	0

WALTER REED, DC (11933)

	2006	2007	2008	2009	2010	2011	Total
Jobs Gained-Mil	0	0	0	0	0	0	0
Jobs Lost-Mil	0	0	0	0	0	0	0
NET CHANGE-Mil	0	0	0	0	0	0	0
Jobs Gained-Civ	0	0	0	0	0	0	0
Jobs Lost-Civ	0	0	0	0	0	0	0
NET CHANGE-Civ	0	0	0	0	0	0	0
Jobs Gained-Stu	0	0	0	0	0	0	0
Jobs Lost-Stu	0	0	0	0	0	0	0
NET CHANGE-Stu	0	0	0	0	0	0	0

LEE, VA (51484)

	2006	2007	2008	2009	2010	2011	Total
Jobs Gained-Mil	0	0	0	0	54	0	54
Jobs Lost-Mil	0	0	0	0	0	0	0
NET CHANGE-Mil	0	0	0	0	54	0	54
Jobs Gained-Civ	0	0	0	0	496	0	496
Jobs Lost-Civ	0	0	0	0	0	0	0
NET CHANGE-Civ	0	0	0	0	496	0	496
Jobs Gained-Stu	0	0	0	0	0	0	0
Jobs Lost-Stu	0	0	0	0	0	0	0
NET CHANGE-Stu	0	0	0	0	0	0	0

No personnel reductions in this scenario

~~2113~~
~~14205~~
1908

Alex/T395 (4,506)
 Rosslyn/Balston (3,785)
 Greater Inyo (9)
8300

Belvoir

Personnel Summary

	Off	Enl	Civ	TOTAL
Alex 395	(1,039)	(249)	(3,218)	(3,969) 4506
to Belvoir	993	241	2,735	3,969
To H&L	46	8	483	537
Rosslyn-Balston	(1,159)	(300)	(2,326)	(3,785)
to Belvoir	1,159	300	2,326	3,785
Greater H&L Inyo	4	4	(9)	(9)
Belvoir			9	9
				<u>8300</u>

Darken (The operations & activities to which they belong, change depending on phase/initial)

			(Presidential Inyo - 395)
900	225	1119	(Rosslyn)
550	138	688	570 Inyo - 395
550	157	687	Rosslyn Phase 7 Belvoir
	2500	2494	

Mark Duke
Durrer
Caton

1 mo

Alexandria
Mayan
City

Bill Ewell

lease terms are
- highly variable;

15

- age C/AO -
Classed facilities
max 159
req 160

covered leases
typically
linked to market
rates

C. $AT/FP \frac{428.98}{GSF} =$
 AT/FP cost avoided

-> 2 (same as)

Appropriated leased
cost for NCI - \$37.29/
GSF

cost in your

- 3 mo

8 open acres

1 block from Eisenhower Metro stop
Wilson Bridge project
More/better access to Hazzman Bldg

W/
Shur
to E

Permanent leases
are via unless there
is some true value.

that for Def Analysis
& C/A

Leased space is
good if it meets
AT/FP reqmts
or is used

pleases n of
- former AMC building
and-off distance

temporarily ASA
(28 Jan. mon) JCSG

owners want DoD

Winkler, Hazzman, Prudential

-> move
funding

Developers are ready to move
construction process can be expedited.

***DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
2521 CLARK STREET, SUITE 600
ARLINGTON, VIRGINIA 22202
(703) 699-2950***

MEMORANDUM OF MEETING

DATE: July 21, 2005

TIME: 9:00 AM

MEETING WITH:

Mrs. Sallie H. Flavin, Deputy Director, Defense Contract Management Agency, (DCMA),
Phone: (703) 4281942, E-mail:sallie.flavin@dcma.mil

Col. Jamie Adams, Chief of Staff, DCMA, Phone: (703) 4281729, E-mail:
Jamie.adams@dcma.mil

Commission staff:

Thomas A. Pantelides *

SUBJECT: Recommended move of DCMA from leased space to Fort Lee, VA.

MEETING SUMMARY:

Mrs. Flavin provided a point paper on the DCMA's views of the proposed move, attachment I. The main point raised was the mission impact of moving to Fort Lee versus Fort Belvoir, Quantico, or even Scott Air Force Base. Mrs. Flavin's concern is being away from the Pentagon and a transportation center required for the world wide travel performed by DCMA staff.

BASE'S PRESENT MISSION:

DCMA is a DoD combat support organization that works with all of the services to ensure military forces receive the weapons systems, supplies and services they need. DCMA provides the full range of contract administration functions with 11,500 civilian and military professionals at 900 locations world wide. A comprehensive brief of the missions of DCMA was provided (attachment II).

SECRETARY OF DEFENSE RECOMMENDATION:

The proposal is to close Metro Park III and IV a leased installation in Alexandria, VA. and relocate DCMA Headquarters to Fort Lee, VA.

SECRETARY OF DEFENSE JUSTIFICATION:

The recommendation meets DoD's objective with regard to future use of leased space and enhanced security for DoD activities. Additionally, the recommendation results in a significant improvement in military value as a result of the movement from leased space to a military installation. The recommendation also allows DCMA to combine its headquarters facilities from two adjacent leased buildings into one facility that meets its current space requirements.

MAIN FACILITIES REVIEWED:

I toured DCMA's headquarters building at Metro Park, see attachment III for floor plan of the headquarter building 2nd, 3rd and 5th floors. Total Square footage for the floors used by DCMA is about 74,000 for the headquarters an additional 10,000 is in another building for the international group, across the street with an additional 11,000 at GSA Springfield. DCMA has about 95,000 square feet of leased space. The proposed facility at Fort Lee will be 110,898 square feet of space, (see attachment IV)

KEY ISSUES IDENTIFIED

The organization claims a mission impact as a result of being away from a large airport and the Pentagon. We have asked for information to allow us to verify number of personnel that will be involved in the move. Additionally, the building size planned is larger than leased with amenities not available within the leased space. Of the 65 contractors 35 – 40 we were told are not mission essential and therefore are not required to be in the same building.

FOLLOW UP TO KEY ISSUES IDENTIFIED

Based on information provided from our clearing house questions (attachment V) we requested additional clarification from DCMA officials, (attachment VI). The response from DCMA explained timing differences in personnel numbers used for COBRA and currently planned. COBRA used 537 positions in calculating DCMA requirements at Fort Lee; current DCMA is authorized 654 positions with 557 positions filled. (Attachment VI page 3&5).

Additionally, the clearing house provided information indicating they were "aware of DCMA's concern about location requirements that impact transportation access." However, they believe "that access to Richmond International Airport should provide sufficient commercial airline service to meet the agency's needs." (Attachment VII). DCMA Officials disagree and do not believe that the command has had an opportunity to fully express their concerns as noted in Attachment VI.

* Denotes individual responsible for completing the memorandum

E-Library
DCN: 11930

DCN 6306

(271 pages, economic data,
COBRA, etc)

Deliberative Document – For Discussion Purposes Only – Do Not Release Under FOIA
HSA-0053 Co-locate Miscellaneous OSD and 4th Estate Activities to WRAMC

- **Competing Recommendations:** None. This recommendation replaces HSA-0106 (hereby withdrawn) and takes advantage of space being vacated by a Medical JCSG recommendation: MED-0030.
- **Force Structure Capabilities:** OSD, WHS, DTSA, DoDEA, and DHRA have indicated to the JCSG that this candidate proposal will have no impact on the 20-year force structure plan of its respective organizations (please see attached memoranda). The attached memorandum from the DoDIG indicates some future force structure changes; the information has been incorporated into the scenario data call and the COBRA analysis.

HSA JCSG

10 May 2005

MEMORANDUM FOR RECORD

SUBJECT: Certification of Military Value Results

1. The purpose of this memorandum is to provide certification of the military value results and rankings. For each subgroup, military value models were developed using Multi-Attribute Value Theory in accordance with the ISG-approved scoring plans. These models were implemented in Logical Decisions for Windows software. For each subgroup, data was collected via the OSD databases or other secondary sources. The method for obtaining data and constructing military value metrics is explicitly defined in each subgroup's military value methodology. The methodologies coupled with the data response source sheet provide the details for how each data point was obtained and calculated. The analytical team made every attempt to use the most accurate and certified data available. In cases where this was not possible, we presented the specific exceptions to the HSA JCSG members, and documented them in either the methodologies or in separate memorandums. Our intent throughout this process has been to be as fair and unbiased as possible; we applied this intent when dealing with data issues.
2. Each time a source data point changes, the associated military value changes. We have done our best to take snapshots in time throughout the BRAC process to ensure accurate military value results. Sensitivity analysis was performed to gauge the general impact on military value results, and specific impact on our recommendations attributed to data changes.
3. The results of the military analysis provided in the final military value report is certified as accurate to the best of my knowledge and belief. If evidence is presented to show that there are errors, or required data modifications, we will continue to perform sensitivity analysis to gauge the impact.
4. Questions or issues can be addressed to the undersigned by phone at 703.696.9448, ext. 148, or email at Christopher.Hill@wso.whs.mil.



CHRISTOPHER M. HILL
LTC, AR
Operations Research Analyst

leased space

DCN: 11930
SHOOSHAN
C O M P A N Y

BRAC Commission

JUL 29 2005

Received

July 19, 2005

VIA FIRST CLASS MAIL

The Honorable Anthony J. Principi
Chairman
2005 Defense Base Closure and Realignment Commission
2521 S. Clark St., Ste. 600
Arlington, VA 22202

Re: BRAC Recommendations

Dear Chairman Principi:

In light of the recent regional BRAC hearing in Arlington, Virginia on July 7, I would like to offer my support for the substantiated case presented by Governor Mark Warner, Senator John Warner, Senator Allen, and others representing the local jurisdictional authorities in Virginia.

As stated to the Commission during the regional hearing, I agree that the BRAC Commission should investigate close-in alternatives as a means of maintaining the existing synergy between Department of Defense agencies and private contractors. In this time of war, terrorism, and uncertainty that we are currently facing, the public and private sectors need to work together to support our existing military operations in every way possible, including providing them with safe and secure buildings in close proximity to the Pentagon, the Office of Homeland Security, and the other defense and research agencies and contractors that are located in close-in locations, specifically in Arlington County.

We have spent the last four years on the development of One Liberty Center, the new home for the Office of Naval Research (ONR), the Air Force Office of Scientific Research (AFOSR), and Defense Office of Hearings & Appeals (DOHA) in Arlington, and have come to understand the essential need for our defense agencies to be protected in secure buildings. However, it is difficult to justify relocating these agencies that have just invested more than \$10 million of their own funding in substantial security upgrades, including blast-resistance, perimeter standoff, electronic upgrades, and operational security, notwithstanding the additional funds provided for their tenant buildout. These agencies have operated from the same location for the past 40 years, and invested in these state-of-the-art security upgrades to protect their personnel in the most desirable location.

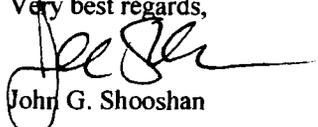
The latest BRAC report issued on May 13 did not consider any of the creative solutions already located in Arlington County that can provide a secure facility for our defense agencies based on the newest security criteria. With an estimated 16 million square feet of office space remaining to be built in Arlington's pipeline of potential development, there are several sites that could meet the new security standards of increased setbacks and force protection. Along with Arlington Economic Development, we have studied the possibility of providing such a facility at the

Arlington Hall site, located at Route 50 and George Mason Drive, and the WMATA bus yard site, located on Wilson Boulevard, just three blocks from the Ballston Metro. Both of these sites, along with other potential close-in sites, should be fully examined by the BRAC Commission before sending their recommendation to the President on September 8.

In closing, I believe we need to find a way to work with the Department of Defense to locate them to physically safe, secure, and close-in buildings. Relocating the recommended Department of Defense agencies would greatly jeopardize the efficiency and effectiveness between the agencies and private contractors. I am hopeful that we can continue to work together to maintain the Department of Defense's leased space in Arlington County, along with an estimated 23,000 Department of Defense jobs and the potential for even more private sector jobs.

In the meantime, I appreciate your efforts and diligence in pursuing this process. Thank you for your consideration of this request, and the many others that support maintaining Department of Defense's leased space in Arlington.

Very best regards,



John G. Shooshan

DCN: 11930

	mil	lin	Total
A & M Bldg	688	688	3064
Roslyn Plaza North	687	687	2061
Presidential Town	1125	1,125	3369
	<u>2500</u>	<u>2494</u>	<u>7494</u>
	2494		
	<u>5494</u>		

Pen Pen -

Pentagon Renovation Program Office -
 10-yr project
 7mm - phases
 5 wedges of ~5k employees each

Erno
 Kolding -
 Nagy,
 master
 Planner

→ leased swing bldg

The wedge undergoing renovation was designed to house occupants of the next wedge.

requires ~~>17mil~~ sqft of external swing space & substantial amt of internal swing space & extensive tenant relocation requests.

Basement (Segment 1) - construction began Oct 1994 - ^{finished} FY 99
 design of remaining segments began in FY 97

Dec 1996 - Wedge 1 → vacated by Dec 97
 construction began by ~~Jan~~ ^{Feb} 98
 1st tenants moved into Wedge 1 in Feb 2001.

Wedge 2 ^{occupants} → 1 in 2003
 3 → 2 in 2005
 4 → 3 in 2007
 5 → 4 in 2009

tenants in swing space → 5 in 2010
 Wedges 2-5 -

underway Sep 2001

accelerated schedule - completion in Dec 2010, 4 yrs ahead of schedule.

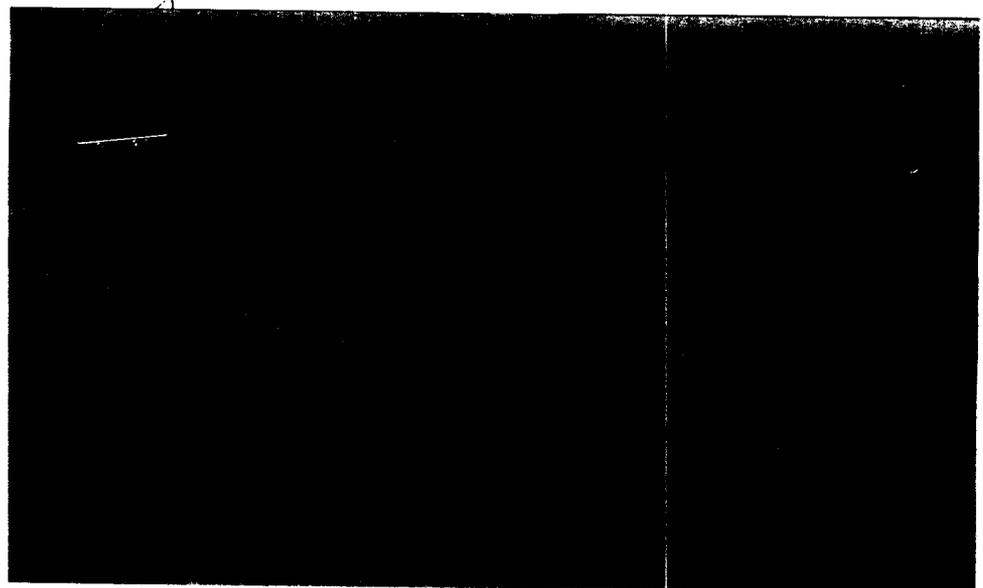
5K tenants had to be relocated to various swing space locations, temp office space leased in & around Pentagon.

move-out phase of Wedge 1 → Jan 1, 1998 - Dec 31, 1998
In most circumstances the personnel moved into swing space from Wedge 1 will remain in leased space until Wedge 5 is completed in 2014. (Part of relocation process involved the design & mod of these leased spaces.)

5005 OSD Pentagon Gen
Rpt to Congress
Mar 1, 2005
Jude X
2674

build out of the building
2ndary egress, increased mission growth, increased IT; merged command
Pentagon Force Protection Agency, ~400 people

~~5500~~ - 6K.
5K will not be able to fit back into the building.



Jerush Pohlman
703-614-2173

DCMA BRAC Position Paper

Background: The Defense Contract Management Agency (DCMA) is a Department of Defense combat support agency. Under the initial 2005 BRAC recommendations, DCMA Headquarters, located in the western end of Alexandria, Virginia, and several other DCMA offices in northern Virginia, have been identified for relocation to Fort Lee, Virginia. Collectively, these DCMA activities occupy about 110,000 square feet.

A major thrust of the BRAC 2005 recommendations is the relocation of activities in leased space to military installations. DCMA applauds and fully endorses this approach. However, the proposed relocation of the DCMA Headquarters and ancillary local activities to Fort Lee, Virginia, which is south of Richmond, evokes valid concerns and presents significant challenges and cost considerations that would be far less severe if the new location were on DoD-owned property in northern (rather than southern) Virginia.

Cost Considerations: The relocation of DCMA Headquarters activities from northern Virginia to Petersburg (Fort Lee), Virginia, will require the payment of Permanent Change of Station (PCS) costs to nearly 600 employees. The high value of northern Virginia homes will drive these PCS costs considerably higher than the national average, and could be in excess of \$30 million. Moreover, the PCS moves would spawn a payout of BRAC leave that could add up to another \$5-8 million. Most of these costs could be avoided if these Headquarters elements were to move to the northern Virginia installations of Fort Belvoir or Quantico.

Constrained Access to DCMA Field Operations and Customers: A significant part of the DCMA Headquarters mission requires travel to field offices and customers around the continental U. S. and at facilities overseas. This travel is reciprocal in terms of Headquarters personnel visiting their customers, and our customers visiting Headquarters. Byrd International Airport in Richmond, the closest airport to Fort Lee, does not offer the breadth of service in terms of flight selection, routes, and destinations to satisfactorily meet the Headquarters' diverse travel requirements. If DCMA Headquarters remained in northern Virginia, DCMA travelers could continue to have three major international airports for traveling to and from the Agency's 800 locations worldwide. The lesser options offered by Byrd International can be expected to expand travel schedules and erode productivity.

Mission Risk: The DCMA Headquarters mission requires access to and frequent interaction with senior-level Defense acquisition officials, customers, and stakeholders, most of whom are in the Pentagon or National Capital Region. It is through this interface that DCMA Headquarters representatives negotiate levels of support, identify and prioritize customer requirements and desired outcomes, and advise senior DoD and Military Service acquisition officials on procurement policies and strategies. These DCMA personnel also are engaged with OSD and Military Service acquisition staffs, serving on major weapons systems decision support Integrated Product Teams, policy working groups, and procurement advisory panels. This requirement will remain,

irrespective of the location of DCMA Headquarters. As such, relocation outside the National Capital Region can be expected to engender travel costs and pare productivity.

Workforce Risk: The likely declination on the part of many DCMA employees to move out of northern Virginia will result in critical skill gaps and jeopardize mission success. This reluctance to relocate is attributable in large measure to the high incidence of spousal employment among DCMA employees in northern Virginia. Moreover, a prospective move to Fort Lee will spur many Headquarters employees to seek positions with other Federal activities in the National Capital Region -- the overwhelming majority of our northern Virginia employees work in job series that are in great demand in other Federal agencies. The impact of such an exodus would be exacerbated by the ensuing difficulty of recruiting and retaining competent and experienced individuals, many of whom would be deterred from joining DCMA Headquarters by the looming relocation to Fort Lee. Moreover, it creates the potential for back-to-back Permanent Change of Station moves for new hires.

RECOMMENDATION: Modify the current proposal so that it calls for the relocation of DCMA activities in the National Capital Region to Fort Belvoir or Quantico in 2010 when the current lease expires, rather than to Fort Lee.

Addendum on DCMA Mission and Organization:

The Defense Contract Management Agency (DCMA) is a Department of Defense combat support agency. DCMA provides a broad range of acquisition-management services that ensure that the Military Services and the ultimate customer --the American warrior -- receive contracted-for supplies and services that are delivered on time, within cost, and in compliance with the quality and performance requirements set forth in the contract. With approximately 11,500 civilian and military employees, DCMA currently manages the performance of more than 315,000 prime contracts valued in excess of \$1 trillion through a network of over 800 field offices around the world primarily located in contractor plant facilities.

As the agency responsible for verifying Defense contractor compliance, DCMA is the DoD's principal source for quality assurance. Throughout the acquisition life cycle, DCMA technicians, engineers, quality assurance representatives and administrative contracting officers work closely with the buying components of the Military Services to ensure they receive quality products and services. DCMA also does work for NASA, the Transportation Security Administration, the State Department, as well as many foreign governments through the Foreign Military Sales program.

REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
DEPUTY CHIEF OF STAFF, G-8
700 ARMY PENTAGON
WASHINGTON DC 20310-0700
HSA-JCSG-D-05-468

DAPR-ZB

29 July 2005

MEMORANDUM FOR OSD BRAC CLEARINGHOUSE

SUBJECT: OSD BRAC Clearinghouse Tasker 0715 – DCMA

1. Reference response to information request, 27 July 2005, from Mr. Frank Cirillo, Director, Review and Analysis, BRAC Commission, subject as above.
2. Request/Question: I respectfully request a written response from the Department of Defense concerning the following requests, which pertain to recommendation H&SA-12:

Based on our visit to DCMA headquarters we found DCMA is in the processes of renovating space for organizational consolidation. Additionally, we were told that DCMA's mission would be affected by the planned move given that Fort Lee was not close to a large airport and the Pentagon.

We also found a disparity between the square footage occupied in leased space, the space planned in the COBRA model and that planned by Fort Lee. Currently the command has three locations with approximately 95,000 square feet of space. The COBRA model estimates 146,000 square feet for the administrative building and apportions a need for an additional 41,000 square feet for other construction such a small unit headquarter building and apparently apportions base construction requirements as a result of the planned relocation of DCMA to Fort Lee.

These construction cost include family housing, indoor physical fitness facility etc. For a total military construction footprint of 187,000 square feet, this does not take into consideration the parking required. Given the need for additional VTC facilities Fort Lee plans to construct an 110,898 square foot administration building with an exercise facility a cafeteria and other special space to accommodate 431 civilians, 16 military and 65 contractors. We were told that about 35-40 of the contractors were not actually required to be in the headquarters building.

How was the mission impact of moving DCMA to Fort Lee evaluated? Were alternative locations such as Fort Belvoir or Quantico considered for DCMA? What factors were used to select Fort Lee as the proposed site for relocation?

What consideration was given to the avoidance of PCS costs if the command was located at Fort Belvoir or Quantico? How were PCS costs estimated?

DAPR-ZB

SUBJECT: OSD BRAC Clearinghouse Tasker 0715 – DCMA

What are the current construction requirements and costs for DCMA? Is it a normal practice for a base to apportion major construction project requirements for civilians and contractors? Moreover, are all of the contractors within DCMA essential; and, should they drive facility requirements for the BRAC scenario?

I would appreciate your response by August 1, 2005. Please provide a control number for this request and do not hesitate to contact me if I can provide further information concerning this request.

3. Response:

In the certified data provided by DCMA, the organization identified 83,708 usable square feet of space (translates to 104,635 gross square feet) in two buildings in Alexandria, Virginia. DCMA also identified 24,758 usable square feet in another leased location in Manassas, Virginia. This building was not included in the BRAC recommendation due to the understanding that this is a location-specific office and not part of the headquarters operation.

The HSA JCSG consistently estimated space requirements for administrative space by multiplying the number of personnel moving by 200 gross square feet per person and adding to that any specific special space needs identified by an agency. In this case, DCMA identified 593 personnel in the noted buildings via its certified response to BRAC data calls. These personnel consist of 46 officers, 8 enlisted personnel, 483 civilians, and 56 contractors. DCMA also identified 13,519 gross square feet of special space requirements. $593 * 200$ gross square feet per person + 13,519 gross square feet = 132,519 gross square feet. It is correct that the COBRA model indicates a requirement for 146,000 gross square feet of administrative space (FAC code 6100) at Fort Lee. This figure was provided to the HSA JCSG as a certified figure by the U.S. Army. It is slightly higher than the space requirement forecast by the HSA JCSG of 132,519 gross square feet, but the HSA JCSG was required to use certified data to complete its COBRA analyses. During implementation, specific needs of DCMA will be taken into consideration, and construction of a smaller facility than that forecast in COBRA will be undertaken if appropriate to the circumstances existing at the time.

DCMA did not indicate that any of the reported contractors were not required to be co-located with its headquarters facility. All contractors reported in certified data were supposed to be mission critical and, as such, it was assumed that they should be included in space requirements.

The COBRA model calls for a total facility requirement of 205,000 gross square feet that includes the Army's estimate of community facilities (total of 59,000 gross square feet, detailed by type and required square feet) that will be required at Fort Lee to support DCMA. All of these figures were supplied to the HSA JCSG as certified data from the

DAPR-ZB

SUBJECT: OSD BRAC Clearinghouse Tasker 0715 – DCMA

Army. A parking requirement of 18,000 gross square feet at a cost of \$941,000 is included in the COBRA model.

According to the Army, it considered the space requirements of all units and organizations relocating to Fort Lee; estimated the aggregate requirements for community facilities these moves would generate at Fort Lee; and assessed these total requirements against available, vacant facilities currently at the installation. The requirements that could not be met by existing excess capacity were considered MILCON and the cost of this construction was apportioned to the recommendations that move units to Fort Lee.

In evaluating the mission impact of moving DCMA to Fort Lee, no factors were identified to the HSA JCSG that indicated that the DCMA headquarters was required to or needed to be located within the National Capital Region, or for that matter, in any particular location in the United States. As such, a military installation outside of the National Capital Region, yet close to an urban area, with a higher military value than DCMA's current space profile was considered a good fit. Neither Fort Belvoir nor Marine Corps Base Quantico was considered as an alternative for DCMA's potential relocation. Carlisle Barracks in Pennsylvania was briefly considered as an alternative, but was not pursued since it was unclear whether space would be made available at this installation via other BRAC actions. The location of Fort Lee near Richmond, Virginia should provide suitable access to airport facilities.

PCS costs in the COBRA model are determined by formulae embedded in the model based on numbers of personnel and old and new locations. Further explanation about this, or any other, aspects of the COBRA model should be sought from the developers of this model. The impact of PCS costs was evaluated by the HSA JCSG in the context of reviewing the entire output of a particular COBRA scenario.

The current construction requirements and costs for DCMA are detailed in the COBRA model output in the report entitled "COBRA Military Construction Assets Report" in the section called "MILCON for Base: LEE, VA (51484)". All inputs for this portion of the report were provided to the HSA JCSG by the Army as certified data. These costs from the COBRA model are detailed in the following table:

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SUBJECT: OSD BRAC Clearinghouse Tasker 0715 - DCMA

Type of Space	New MILCON GSF	New MILCON Cost (\$000s)
General Admin Bldg	146,000	23,224
Army/Community Facilities:		
Vehicle Maintenance Shop	3,000	498
Small Unit HQ Bldg	16,000	2,785
Large Unit HQ Bldg	4,000	720
Enlisted Unaccompanied Housing	2,000	343
Dining Facility	3,000	838
Vehicle Parking, Surfaced	18,000	941
Chapel	1,000	196
Exchange Sales Facility	5,000	628
Indoor Physical Fitness Facility	2,000	376
Child Care Facility	1,000	190
Recreation Center	1,000	174
Dental Facility	1,000	252
Family Housing Dwelling	2,000	164
Total	205,000	31,329

4. Coordination: N/A.



CARLA K. COULSON
COL, GS

Deputy Director, Headquarters and
Support Activities JCSG

Memorandum for: Headquarters and Support Joint Cross Service Group

The following questions relate to H&SA – 12 to relocate the Defense Contract Management Agency (DCMA) to Fort Lee.

Background

Based on our visit to DCMA headquarters we found DCMA is in the processes of renovating space for organizational consolidation. Additionally, we were told that DCMA's mission would be affected by the planned move given that Fort Lee was not close to a large airport and the Pentagon.

Additionally, we found a disparity between the square footage occupied in leased space, the space planned in the COBRA model and that planned by Fort Lee. Currently the command has three locations with approximately 95,000 square feet of space. The COBRA model estimates 146,000 square feet for the administrative building and apportions a need for an additional 41,000 square feet for other construction such a small unit headquarter building and apparently apportions base construction requirements as a result of the planned relocation of DCMA to Fort Lee.

These construction cost include family housing, indoor physical fitness facility etc. For a total military construction footprint of 187,000 square feet, this does not take into consideration the parking required. Given the need for additional VTC facilities Fort Lee plans to construct an 110,898 square foot administration building with an exercise facility a cafeteria and other special space to accommodate 431 civilians, 16 military and 65 contractors. We were told that about 35-40 of the contractors were not actually required to be in the headquarters building.

Questions

- How was the mission impact of moving DCMA to Fort Lee evaluated? Were alternative locations such as Fort Belvoir or Quantico considered for DCMA?
- What factors were used to selecting Fort Lee as the proposed site for relocation?
- What consideration was give to the avoidance of PCS costs if the command was located at Fort Belvoir or Quantico?
- How were PCS costs estimated?
- What are the current construction requirements and costs for DCMA?
- Is it a normal practice for a base to apportion major construction project requirements for civilians and contractors?
- Are all of the contractors within DCMA essential and should they drive facility requirements for the BRAC senario?



OSD & 4th Estate Leased Scenario

- Scenario Resolution as of 04 APR 05:
 - 500K GSF of PenRen space to NNMC, Bethesda
 - 200K GSF LESS than reported last week
 - Renovated space from USUHS
 - Balance to Ft. Belvoir
 - 1.5+M GSF
 - All new MILCON except 76K GSF warehouse
 - SDCs reissued Friday and again Monday
 - Expect SDC Returns Wednesday or Thursday
 - Prepare COBRA
 - Prepare NEW Candidate Recommendation Package



HSA-0077R: Army Service Providers

- Receiver Change – from Army
 - Ft. Eustis replaces Ft. Lee
- Activity Addition – from Army
 - Relocate Army Environmental Center from APG to Ft. Sam Houston
- Integration Issues
 - Closures of Forts Monroe and McPherson
 - Possible Closure of Rock Island Arsenal
 - Incorporating into Candidate Recommendation Package – Outstanding Questions



OSD & 4th Estate Leased Scenario

- OSD, WHS, DTSA, DLSA, DoDIG, DoDEA, DHRA, and PenRen Temporary Space
- Requires 2.045M GSF of Admin Space plus 76K GSF of Warehouse
- Impacts 9,193 Personnel including 1,418 Contractors
 - No personnel savings reported
 - 5,000 are for PenRen



OSD & 4th Estate Leased Scenario

DCN: 11930

- Ft. Belvoir Issues
 - Army Integration meeting included Installation Planners
 - Main Post has very limited expansion ability
 - EPG site will likely open for Intel CR
 - Easily accommodates 4.1M GSF
 - Transportation access and Air Quality are good
 - Infrastructure needs appear to be limited to internal site work only



OSD & 4th Leased Scenarios: Proforma Comparison

DCN: 11930

	Belvoir	WRAMC	Belvoir/WRAMC - 50/50 split	WRAMC/NNMC - 60/40 split
HSA #	53	106	Proforma	Would
NPV - Savings	\$275.6	\$691.6	\$464.7	Approximate
One Time Cost	\$427.8	\$249.8	\$341.4	WRAMC
Implementation Cost	\$263.4	\$32.0	\$152.9	Scenario -
Payback/Years	8	3	5	All rehab &
Annual Savings	\$56.0	\$78.0	\$65.5	same market

Defense Contract Audit Agency (DCAA)¹

Mission

DCAA reports to the Under Secretary of Defense (Comptroller). DCAA performs all contract audits for the Department of Defense, and provides accounting and financial advisory services regarding contracts and subcontracts to all DoD components responsible for procurement and contract administration. These services are provided in connection with negotiation, administration, and settlement of contracts and subcontracts. DCAA also provides contract audit services to some other Government Agencies. MILDEP contract audit agencies combined into DCAA in 1965.

DCAA consists of six major organizational components: a Headquarters and five regions. The five regional offices manage more than 300 Field Audit Offices (FAO) and sub offices located throughout the United States and overseas. A FAO is identified as either a branch office or a resident office. Sub offices are established by regional directors as extensions of FAOs when required to furnish contract audit service more economically. A resident office is established at a contractor's location when the amount of audit workload justifies the assignment of a permanent staff of auditors and support staff. A branch office is established at a strategically situated location within the region, and is responsible for performing all contract audit service within the assigned geographical area, exclusive of contract audit service performed by a resident or liaison office within the area. A DCAA liaison office is established at a DoD procurement or contract administration office to provide effective communication and coordination among procurement, contract administration, and contract audit elements.

Locations

Headquarters	Physical Location	Personnel
Washington DC	Fort Belvoir	120

Field Operations	Physical Location	Personnel
Irving, TX (Regional Off)	Leased Space	50
Smyrna, GA (Regional Off)	Leased Space	50
Philadelphia, PA (Regional Off)	Leased Space	50
Lowell, MA (Regional Off)	Leased Space	50
La Miranda, CA (Regional Off)	Leased Space	50
Memphis, TN (School/IT Center)	Leased Space	70
Contractor Locations		3660

Recommendation

Headquarters DCAA has a very small presence in the National Capital Area, and it resides on a military installation. DCAA's regional and subordinate management offices are small, generally <50 people. The majority of DCAA's nearly 4100-person workforce is located at or near contractor operations; many are in cells of 2-4 people. DCAA has been aggressive in downsizing over the years, and continues to seek improved processes that will ultimately shrink management staff. Capacity and Military Value analysis may show that some of DCAA's field offices could consolidate and/or be moved to installations. The dispersed nature of DCAA operations, its relatively small management cadre, and the follow-the-contractor nature of its work argue for functional status quo.

Recommend HSA JCSG limit analysis to footprint alone.

¹ Population numbers are approximate. Information is uncertified.

Defense Legal Services Agency (DLSA)¹

Mission

DLSA provides legal advice and services for Defense Agencies, DoD Field Activities, and other assigned organizations. DoD General Counsel is also the director of DLSA. Responsibilities include:

- Provide technical support and assistance for development of DoD Legislative Program.
- Manage departmental legislative comment programs.
- Provide centralized legislative document reference and distribution point for DoD and maintain Department's historical legislative files.
- Exercise Dodd-wide responsibility for Standards of Conduct Program.
- Administer Security Clearance Review Program.

DLSA has three divisions: the Standards of Conduct Office, which advises officials in OSD and elsewhere in the Department of their obligations under the government ethics regulations; Office of Legislative Counsel, which is responsible for coordinating all legislative proposals within DoD and, through the Office of Management and Budget, the Executive Branch; and the Defense Office of Hearings and Appeals, which provides hearing and appeal procedures for security clearance determinations, CHAMPUS determinations, and other matters.

Locations

Headquarters	Physical Location	Personnel
Washington DC	Pentagon	15

Field Operations	Physical Location	Personnel
Arlington, VA (DOHA)	Leased Space	95
Los Angeles, CA (DOHA Sat)	Leased Space	13
Columbus, OH (DOHA Sat)	Leased Space	40
Boston, MA (DOHA Sat)	Leased Space	1

Recommendation

Capacity and Military Value analysis may show that DLSA's (specifically, DOHA's) presence in the National Capital Area is unnecessary. It also may show that DOHA's field offices could be combined and/or moved to installations. DLSA's small size, and the finite scope of its oversight responsibilities of DoD legal policies and services, argue for functional status quo.

Recommend HSA JCSG limit analysis to footprint alone.

¹ Population numbers are approximate. Information is uncertified.

Defense Security Cooperation Agency (DSCA)¹**Mission**

DSCA reports to the Under Secretary of Defense for Policy (USDP). DSCA leads, directs and manages security cooperation programs to support U.S. national security objectives that strengthen America's alliances and partnerships through transfer of defense capabilities, international military education, and humanitarian assistance and mine action. It has dotted-line responsibility to the State Department, the Office of Management and Budget, the JCS, and combatant commands, and others. The State Department is DSCA's most prominent U.S. government partner. DSCA's director splits his time equally between the two, and they share legislative committees. Generally, 65% of the DSCA headquarters staff makes daily trips to the State Department. Essentially, USDP oversees all foreign policy matters for DoD, DSCA is the DoD focal point for security cooperation, and the MILDEPs execute the programs.

Locations

Headquarters	Physical Location	Personnel
Washington DC	Leased Space	170

Field Operations	Physical Location	Personnel
DSADC Mechanicsburg, PA	Naval Support Activity	103
DISAM Dayton, OH	Wright-Patterson AFB	66
DIILS Newport, RI	Newport Naval Station	17
DLO Denver, CO	Buckley AFB Annex	6

Recommendation

Headquarters DSCA has a relatively small presence in Washington DC. While it does not reside on a military installation, its international mission, natural linkages to the State Department and representatives of foreign governments, and the need for regular face-to-face intercourse among respective staffs argue for functional status quo. Capacity and Military Value analyses may, however, reveal opportunities for consolidation of DSCA field activities.

Recommend HSA JCSG limit analysis to footprint alone.

¹ Population numbers are approximate. Information is uncertified.

Pentagon Force Protection Agency (PFPA)¹

Mission

PFPA reports to the OSD Director of Administration and Management. PFPA provides force protection, security, and law enforcement, as required for the people, facilities, infrastructure and other resources at the Pentagon Reservation and to DoD activities and DoD-occupied facilities not under the jurisdiction of a military department within the National Capital Region. This responsibility involves nearly 40 buildings and 70,000 occupants. PFPA's charter encompasses the full spectrum of threats to the Pentagon Facilities by utilizing a balanced strategy of prevention, preparedness, detection, response, crisis management, and consequence management. PFPA is the DoD focal point for coordination with other DoD components, other Executive Departments and agencies, and state and local authorities on matters involving force protection, security, and law enforcement activities that impact the Pentagon Facilities. PFPA was established as a full-spectrum law enforcement agency in May 2002; it replaced the Defense Protective Service.

Locations

Headquarters	Physical Location	Personnel
Washington DC	Pentagon	585

Field Operations	Physical Location	Personnel
Arlington, VA (3 sites)	Leased Space	83
Alexandria, VA (2 sites)	Leased Space	0
Washington DC	FOB #2	154

Recommendation

In less than two years, PFPA has grown from a 300+ security force to an 800+ full-capability law enforcement agency. Its expertise ranges from Antiterrorism to CBRNE to Physical Security to Law Enforcement and Security Force to Operations Security Programs. PFPA is ahead of its recruiting goal, and is attracting (through enabling legislation) high-quality law enforcement officers. Capacity and Military Value analysis may show that some of its field operations could consolidate and/or move onto active military installations. Currently, by policy, installations provide their own service and leased-spaced activities are serviced through various arrangements. This situation argues for further analysis to see if opportunities exist for creating a single DoD NCR protection force; e.g., PFPA, that could release other DoD human and fiscal resources for war fighting tasks.

Recommend HSA JCSG further analyze the NCR force protection landscape through very-specific targeted data calls.

¹ Population numbers are approximate. Information is uncertified.

Defense Security Service (DSS)¹

Mission

DSS reports to the Deputy Secretary of Defense for Intelligence. In 2004, DSS will complete transfer of its Personnel Security Investigations Program (1800 people) to the Office of Personnel Management. When the transfer is complete, and with other planned overhead reductions, DSS will shrink from about 2600 to 600 people with a two-faceted mission. It will provide industrial security products and services, and offer security education and training to DoD and other government entities.

Locations

Headquarters	Physical Location	Personnel
Alexandria, VA	Leased Space	

Field Operations	Physical Location	Personnel
Linthicum, MD (DSS Academy)	Leased	
Columbus, OH	Leased	
Various Locations	Leased	

Recommendation

With most of DSS's mission and people (Personnel Security Investigations Program) transferring to OPM, its size and mission scope will be dramatically reduced. All of its remaining activities will be in leased space. Capacity and Military Value analysis may show that some of its operations could consolidate and/or move onto active military installations. This situation argues for further analysis to see if opportunities exist for collapsing DSS into another DoD agency with a related mission, e.g., Defense Contract Management Agency, which could reduce management overhead, reduce span of control, produce efficiencies, and release DoD human and fiscal resources for war fighting tasks.

Recommend HSA JCSG further analyze this situation through very-specific targeted data calls.

¹ Population numbers are approximate. Information is uncertified.



Candidate #HSA-0053: Co-locate Miscellaneous OSD and 4th Estate Leased Locations

Candidate Recommendation (summary): Close 11 and realign 24 leased installations in Northern Virginia by relocating offices of the Office of the Secretary of Defense, Washington Headquarters Services, the Defense Technology Security Administration, the Defense Human Resources Activity, the DoD Education Activity, the DoD Inspector General, and Pentagon Renovation Project temporary space to Ft. Belvoir and NNMC, Bethesda. Realign WRAMC by relocating offices of the Office of the Secretary of Defense to Ft. Belvoir.

<u>Justification</u>	<u>Military Value</u>
<ul style="list-style-type: none"> ✓ Eliminates ~1.75 million USF leased space in NCR. ✓ Facilitates consolidation of common support functions. ✓ Relocates to AT/FP compliant location. 	<ul style="list-style-type: none"> ✓ OSD-298th; WHS-292nd; DHRA-266th; DTSA-275th; DODIG-330th; DODEA-332nd - out of 336. ✓ NNMC, Bethesda: 103rd out of 336 ✓ Ft. Belvoir: 48th out of 336
<u>Payback</u>	<u>Impacts</u>
<ul style="list-style-type: none"> ✓ One Time Cost: \$377.0M ✓ Net Implementation Cost: \$216.3M ✓ Annual Recurring Savings: \$ 60.5M ✓ Payback Period: 5 Years ✓ NPV (savings): \$384.2M 	<ul style="list-style-type: none"> ✓ Criterion 6: -1,977 jobs (1,125 direct, 852 indirect); <0.1% ✓ Criterion 7: No impacts. ✓ Criterion 8: Air quality issue. No impediments.

✓ Strategy
✓ COBRA

✓ Capacity Analysis / Data Verification
✓ Military Value Analysis / Data Verification

✓ JCSG/MilDep Recommended
✓ Criteria 6-8 Analysis

✓ De-conflicted w/JCSGs
✓ De-conflicted w/MilDeps

**DOD RECOMMENDATION #133 (H&SA 12)
COLLOCATE MISCELLANEOUS OSD, DEFENSE AGENCY, AND FIELD ACTIVITY
LEASED LOCATIONS**

- Bundles approximately 40 addresses in Northern Virginia.
- Includes “swing space” for 4,994 employees displaced because of Pentagon Renovation; upon completion of renovation, approximately 5-6K employees will not be able to return to the Pentagon.
- Receiving location for majority of employees affected by this location is Ft Belvoir.
 - Community is very concerned over lack of public transportation and poor road system.
 - JCSG asked that recommendation language be changed so gaining location is less specific.
- Defense Contracting Management Agency will go to Ft Lee.
- Average Military Value based on current locations is 272nd to 332nd out of 334 entities.

**DOD RECOMMENDATION #149 (H&SA 49)
RELOCATE MISCELLANEOUS DEPARTMENT OF NAVY LEASED LOCATIONS**

- Bundles all Department of the Navy organizations in Northern Virginia and two at PAX River; includes FOB2 (Navy Annex).
- Average Military Value based on current locations is 92nd to 326th out of 334 entities.

ALL RECOMMENDATIONS THAT HAVE LEASED SPACE ELEMENTS.

- Only two items in DoD Justification:
 1. Leased space is more expensive than government-owned space.
 - DoD used a standard methodology to compute cost for each leased location (i.e., within NCR, \$37.29 per Gross Square Foot).
 2. Leased space does not comply with DoD Force Protection standards.
 - DOD did not conduct vulnerability assessments to determine level of compliance standards. One-time AT/FP cost avoidance (“savings”) is computed by multiplying the amount of GSF involved times \$28.28.

VOL I, Part 1, chapter 3, page 22: Section 2913(d) of the Defense Base Closure and Realignment Act of 1990, as amended, requires the Department’s cost and savings criteria to “take into account the effect of the proposed closure or realignment on the costs of any other activity of the Department of Defense or any other Federal agency that may be required to assume responsibility for activities at the military installations.” With respect to determining the effect of the proposed action on the costs of “any other Federal agency that may be required to assume responsibility for activities” at a closing or realigning installation, *the COBRA model is insufficient because it does not include estimates of non-DOD entity costs or savings.*

“In order to satisfy the requirements of Section 2913(d) with respect to non-DOD Federal agencies, when a scenario directly impacted a non-DOD Federal agency, the scenario proponent *assumed that such agency will be required to assume responsibility for base operating activities on the military installation.* The scenario proponent further assumed that because such agency *will be required to assume base operating responsibilities it did not have before the proposed action, the effect of the action will be to increase that agency’s costs.*”

**RECOMMENDATION #138 (H&SA 22)
 CONSOLIDATE CORRECTIONAL FACILITIES INTO JOINT REGIONAL
 CORRECTIONAL FACILITIES**

- Consolidates correctional functions into five Level II Joint Regional Correctional Facilities.
- Results of COBRA updates:

May 15 Final		July 29 Update		No Military Personnel Reductions	
NPV	Payback	NPV	Payback	NPV	Payback
\$2.3M savings	16 yrs	\$11.2M savings	15 yrs	\$272.0M cost	Never

- DOD needs BRAC process to build new facilities.
- Recommendation is probably the one that meets best the principle of jointness; unfortunately, costs break the COBRA bank.
- JCSG is not consistent in the application of its own methodology (SUBASE Bangor and Ft Lewis).



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
DEPUTY CHIEF OF STAFF, G-8
700 ARMY PENTAGON
WASHINGTON DC 20310-0700
HSA-JCSG-D-05-493

DAPR-ZB

10 August 2005

MEMORANDUM FOR OSD BRAC CLEARINGHOUSE

SUBJECT: OSD BRAC Clearinghouse Tasker 0851 – Leased Space

1. Reference email, Ms. Carol Schmidt, August 8, 2005
2. Issue/Question:

For Headquarters and Support Activities

Please describe "PENREN" requirements; identify leased space, other than A&M Building, Rosslyn Plaza North, and Presidential Tower, used as PENREN and number of mil/civ at those sites.

3. Response:

The BRAC recommendation entitled "Collocate Miscellaneous OSD, Defense Agency, and Field Activity Leased Locations" provides space for 4,994 personnel that are currently in leased space during the Pentagon renovation project ("the swing space"). Since it is anticipated that this approximate number of personnel that resided in the pre-renovation Pentagon will not be able to move back into the building at the end of the renovation project, the noted BRAC recommendation was constructed to provide space for those personnel at Fort Belvoir. The estimated number of personnel in the recommendation was based on information provided by the Pentagon Renovation Office in September 2004, and generally corresponds to the number of personnel that can be accommodated in the three large swing space locations that are included in the COBRA analysis. Because the activities assigned to the Pentagon renovation leased space can change based on the phasing of the renovation project, specific identification of the activities to be relocated in the BRAC recommendation was not done. Washington Headquarters Services, under direction from the Office of the Secretary of Defense, is working toward identifying what activities will occupy the fully renovated Pentagon; this should be complete not later than mid-year 2006. It is anticipated that activities that are located in the "swing space" at the end of the renovation project will be those that relocate to Fort Belvoir.

WHS reports the following buildings as other "PenRen leased space", with the indicated usable square feet associated with each location. The certified data that the HSA JCSG has with regard to these locations does not provide the detail for personnel associated specifically with the PenRen portion of these buildings. For the PenRen portion of buildings not associated with a BRAC recommendation, as indicated in the Comment column, it was assumed that the personnel in those spaces would be easily absorbed into the renovated Pentagon.

DAPR-ZB
 SUBJECT: OSD BRAC Clearinghouse Tasker 0851 – Leased Space

Other PenRen Leased Buildings	PenRen USF	Comment
Franconia Warehouse	17,808	Not admin space, not a continuing need post Renovation
Crystal Gateway 2	1,873	Unspecified occupant
Crystal Square 2	5,093	Included in MDA Recommendation
Nash Street Building	15,946	OSD, Air Force, and Army
Skyline V	20,790	OSD and OSD Health Affairs - included in OSD Recommendation
Jefferson Plaza 1 & 2	67,500	Included in National Guard Recommendation

4. Coordination: None required.


 CARLA K. COULSON
 COL, GS
 Deputy Director, Headquarters and
 Support Activities JCSG