

INFORMATION PAPER 4 August 2005

Purpose: Provide information on Anniston Army Depot's (ANAD) capacity/surge capabilities. Information is provided to finalize discussions that were not completed during BRAC Commissioner visit to ANAD on 3 August 2005 based on time constraints.

Information: ANAD has a current capacity of 4.1 M Direct Labor Hours (DLH) (1-8-5 shifts). Red River Army Depot's (RRAD) reported capacity is 2.4 M direct labor hours. ANAD has a planned execution plan of 5.1 M DLH in FY05 and approximately 7.2 M DLH in FY06 and RRAD is reporting approximately 4 M DLH for FY05 and 6.4 M DLH in FY06.

Based on BRAC recommendation ANAD is to add 2.2 M DLH of combat vehicle capacity, ANAD capacity will be increased to 6.3 M DLH (1-8-5 shift). As reported in briefing charts during BRAC Commissioner visit ANAD is currently adding approximately 600,000 DLH of capacity with construction of a new engine power train facility, along with the construction of a prototype facility. This brings total capacity after BRAC to 6.9 M DLH (1-8-5).

Additional capacity can be increased to 10.4 M DLH by adding 1.5 shifts or 13.9 M DLH by adding 2 shifts (2-8-5). Capacity chart is provided as attachment.

The actual work split for tactical versus combat vehicle at RRAD is unknown. Using a work split of 60% for combat vehicle (transitioned to ANAD) and 40% for tactical vehicles and using FY06 RRAD surge numbers, ANAD would have to support a surge requirement of 11.0 M DLH (7.2 M DLH ANAD/3.8 M DLH RRAD).

ANAD would be able to support a surge requirement of 11.0 M DLH on 1.5 shifts and increased overtime or go to two shifts. ANAD partnering relationships allows further flexibility with executing surge requirements.

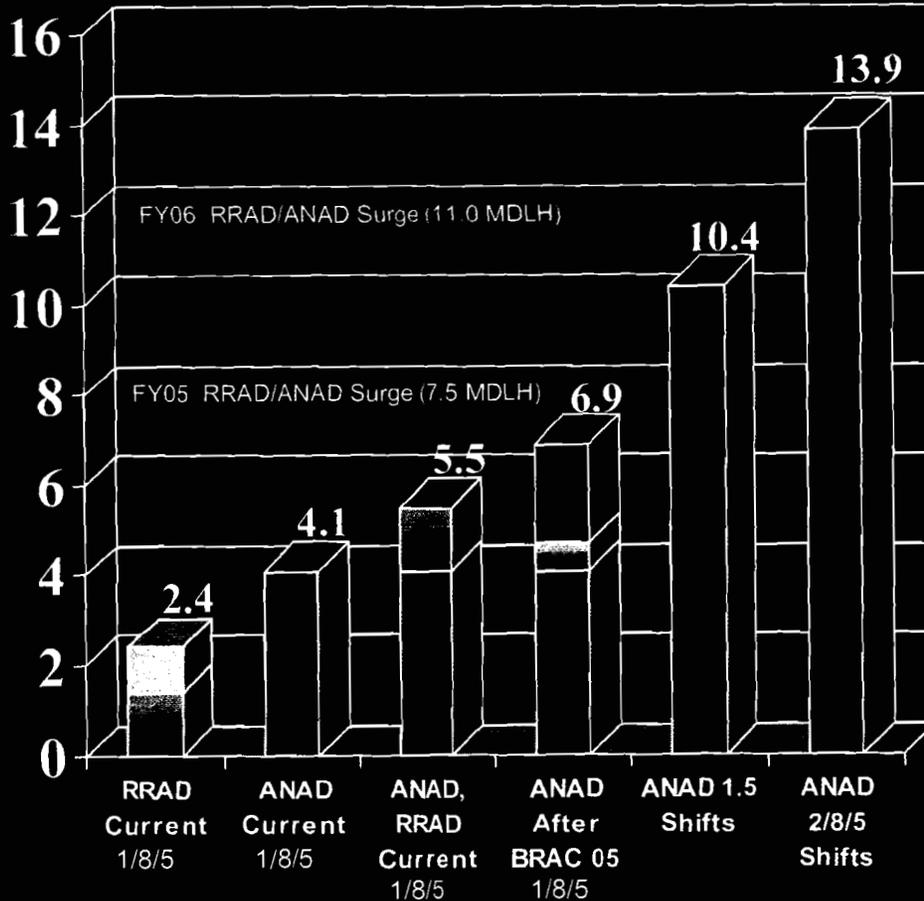
Conclusion: ANAD is currently exceeding execution plans for surge in FY05 and with the added 2.2 M DLH of capacity as recommended by BRAC can support all of the combat vehicle workload at ANAD and RRAD. If the 60/40% work split for combat vehicle/tactical is less than the 60% assumed then less capacity will be required. Combat vehicle capability still exists within the DOD (i.e. Marine Corp Barstow).



Combat Vehicle Capacity Millions of DLH

After BRAC 05 Transition ANAD
Will Have The Capacity To Meet All
Surge Requirements

FY	Total Surge RRAD/ANAD
05	7.5 MDLHs
06	11.0 MDLHs



RRAD Combat Vehicle
Capacity Based on 60% of
Total Workload (Assumption)

- **RRAD Other** Workload Not Transitioning to ANAD (I.e. Tactical, Missile, etc.)
- **Added by BRAC 05**
- ▨ **Other** Current Construction Projects (I.e. Powertrain, Prototype Facility)
- **Current ANAD**
- **RRAD Combat Vehicle**



Combat Vehicle Center for Industrial and Technical Excellence (CITE)

Attributes

ATTRIBUTE	ANAD
Flexible Production Lines with High Tonnage Overhead Cranes	X
Classified Armor Facility	X
Engine Recuperator Repair and Test Facility	X
Metallurgical and Chemical Laboratories	X
Full Combat Vehicle X-ray Facility	X
9-1/2 Inch Reinforced Concrete Maintenance Facility Floors and Roads	X
75 Ton Gantry Crane	X
Function Firing Range – Site Safety Board Approved Up to 203 mm	X
2 Computer Numerically Controlled Combat Vehicle Machining Centers	X
50 Ft. Wide 1.1 Mile Banked – High Speed Test Track w/ Laser Range	X



DEPARTMENT OF THE ARMY
DEPUTY UNDER
SECRETARY OF THE ARMY
101 ARMY PENTAGON
WASHINGTON DC 20310

August 1, 2005

Deputy Under Secretary of the Army

Senator Jeff Sessions
335 Russell Senate Office Building
Washington, DC 20510-0104

Dear Senator Sessions:

Thank you for your recent letter concerning depot maintenance public-private partnering. In that letter you asked for my thoughts on the Department's recognition of the inherent capabilities and industrial capacity of Anniston Army Depot and other maintenance depots that stand to gain workload as a result of BRAC recommendations. You also asked my opinion whether the BRAC Commission should adhere to the DoD's recommendations relating to maintenance depots.

I agree that the use of public-private partnering is an effective business process that leverages the best aspects of both public and private sectors. To date, Anniston Army Depot has been in the forefront in the use of business partnerships. Their proactive approach has resulted in numerous successful partnerships and the Department will build on those successes.

It is evident to me that the Department recognizes and appreciates the value of the inherent capacities and capabilities of our organic depot infrastructure, including Anniston. The Secretary's BRAC recommendations were arrived at after a deliberate, comprehensive and fair process. I fully support the recommendations of the Secretary of Defense.

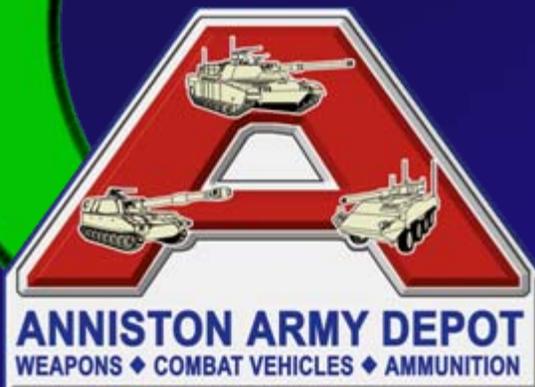
I trust this letter fully responds to your request and I look forward to working with you in the future on issues of mutual interest and concern.

Sincerely,

A handwritten signature in black ink that reads "Jack Bell". The signature is written in a cursive style with a large, looped "J" and "B".
Jack Bell



Anniston Army Depot



Presented to:

**The Honorable
James V. Hansen**

**Defense Base Closure and Realignment
Commission**

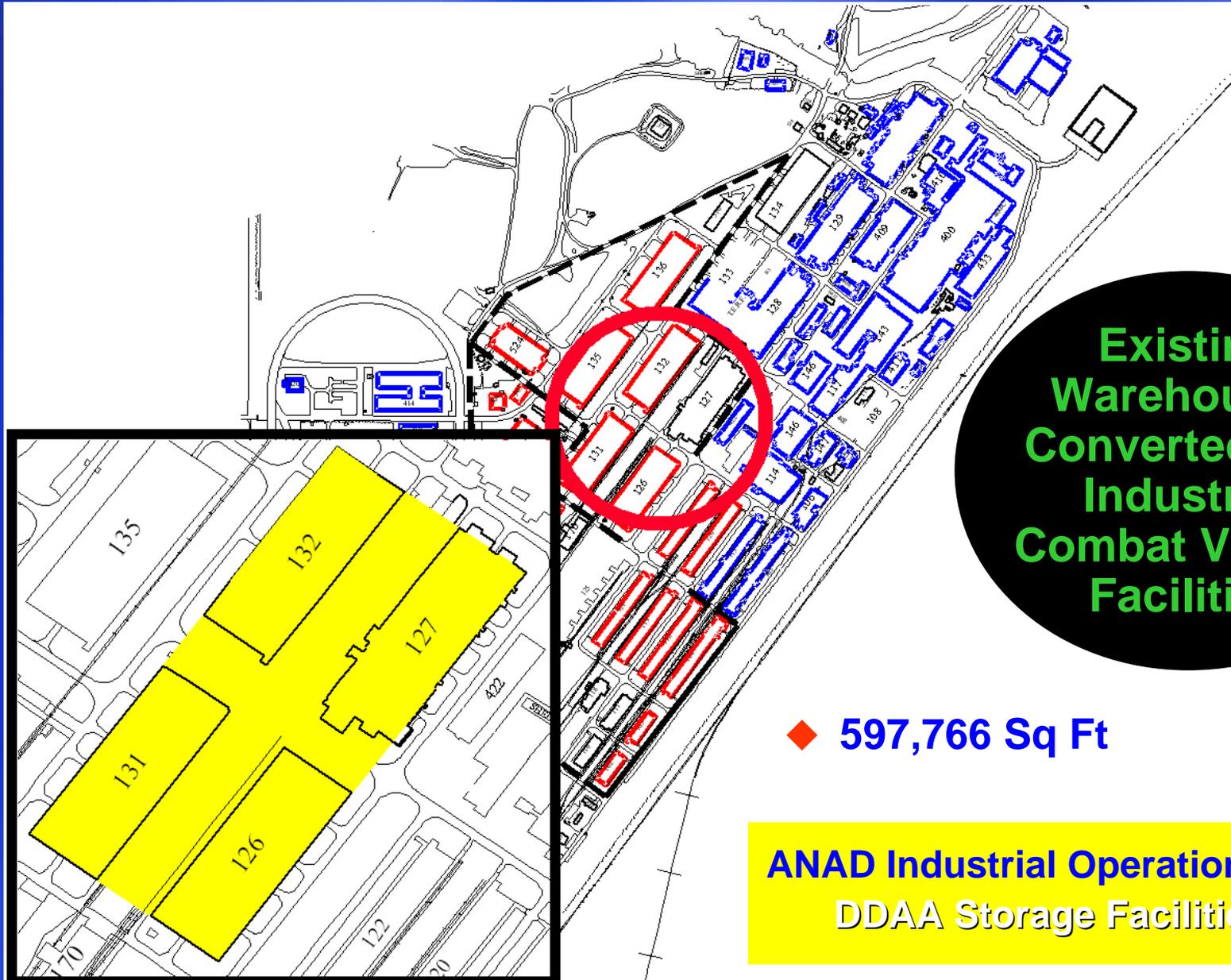
3 August 2005



Outline

- ◆ **Workload Transition Concept**
 - ◆ **Vehicle Production**
 - ◆ **Rubber Plant**
- ◆ **Environmental**
- ◆ **Partnering**
- ◆ **Co-Op**
- ◆ **Financial**

ANAD Accommodation of 2.2 MDLHs of Capacity



Existing
Warehouses
Converted into
Industrial
Combat Vehicle
Facilities

◆ 597,766 Sq Ft

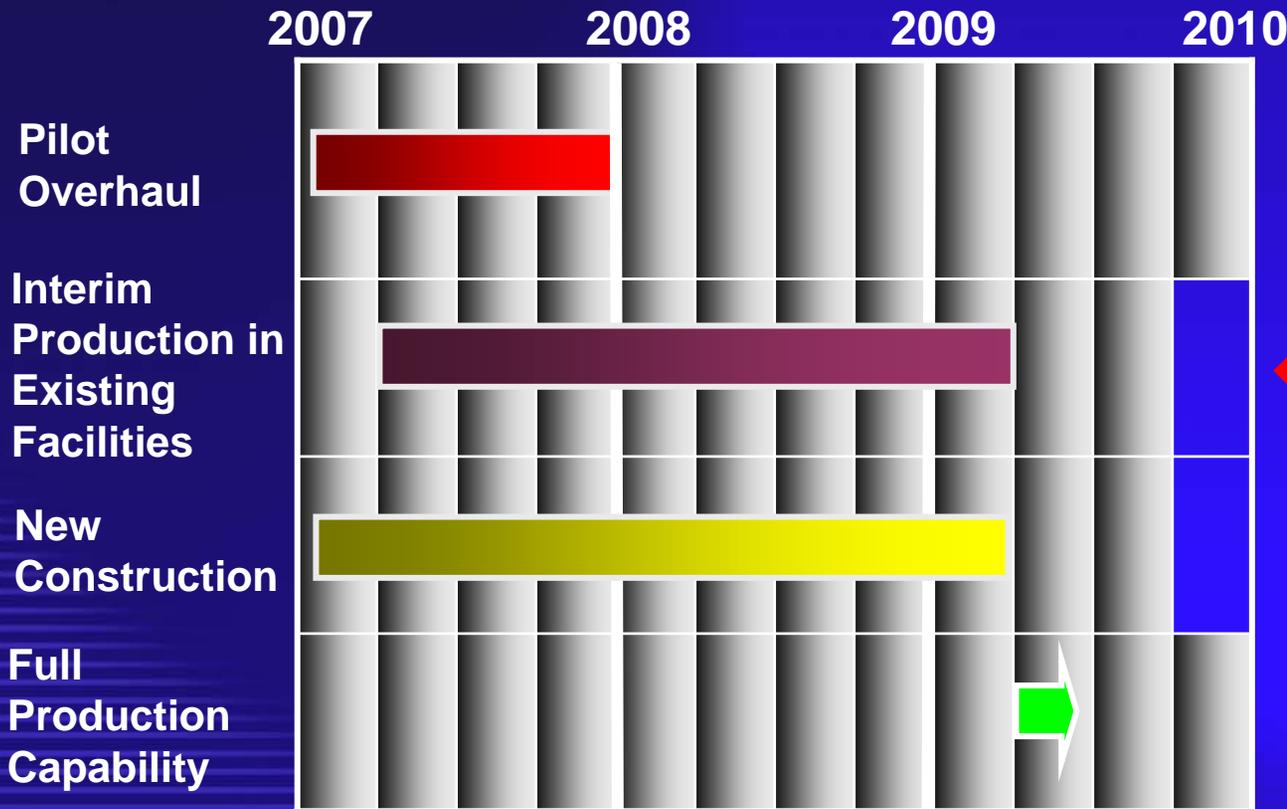
ANAD Industrial Operations 
DDAA Storage Facilities 



Combat Vehicle Transition



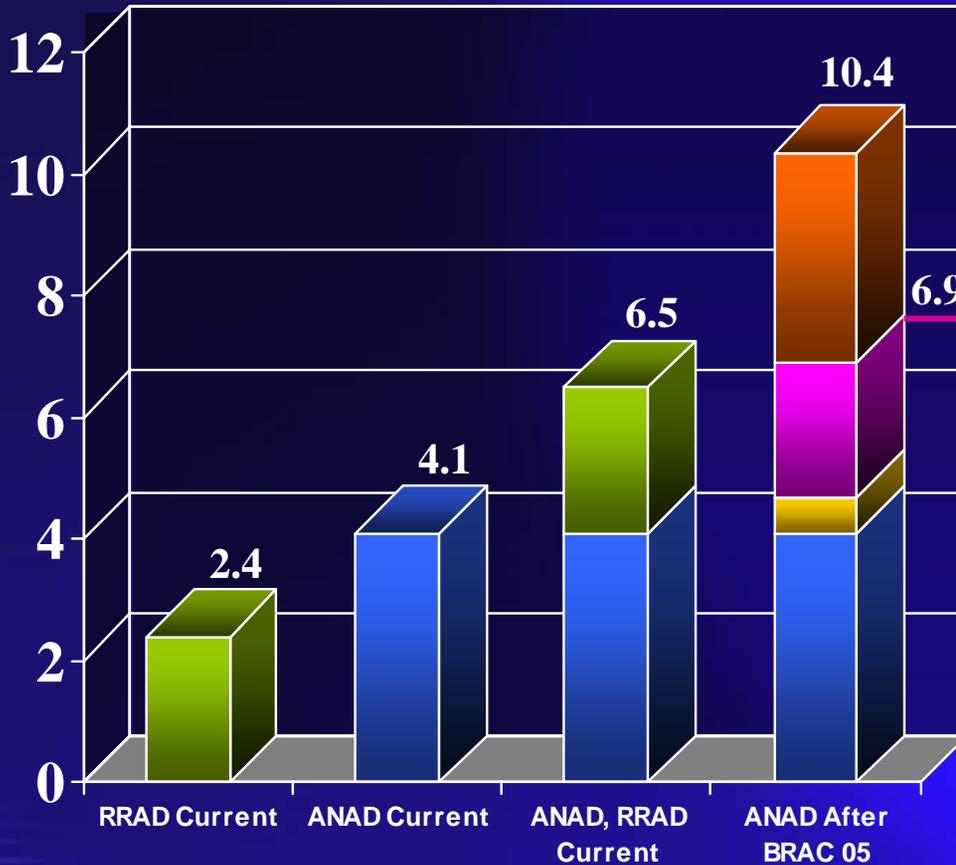
**Phased Transition Plan
No Break In Service**



◆ Existing Facilities Identified For Pilot Overhaul and Interim Production



Combat Vehicle Capacity Millions of DLH

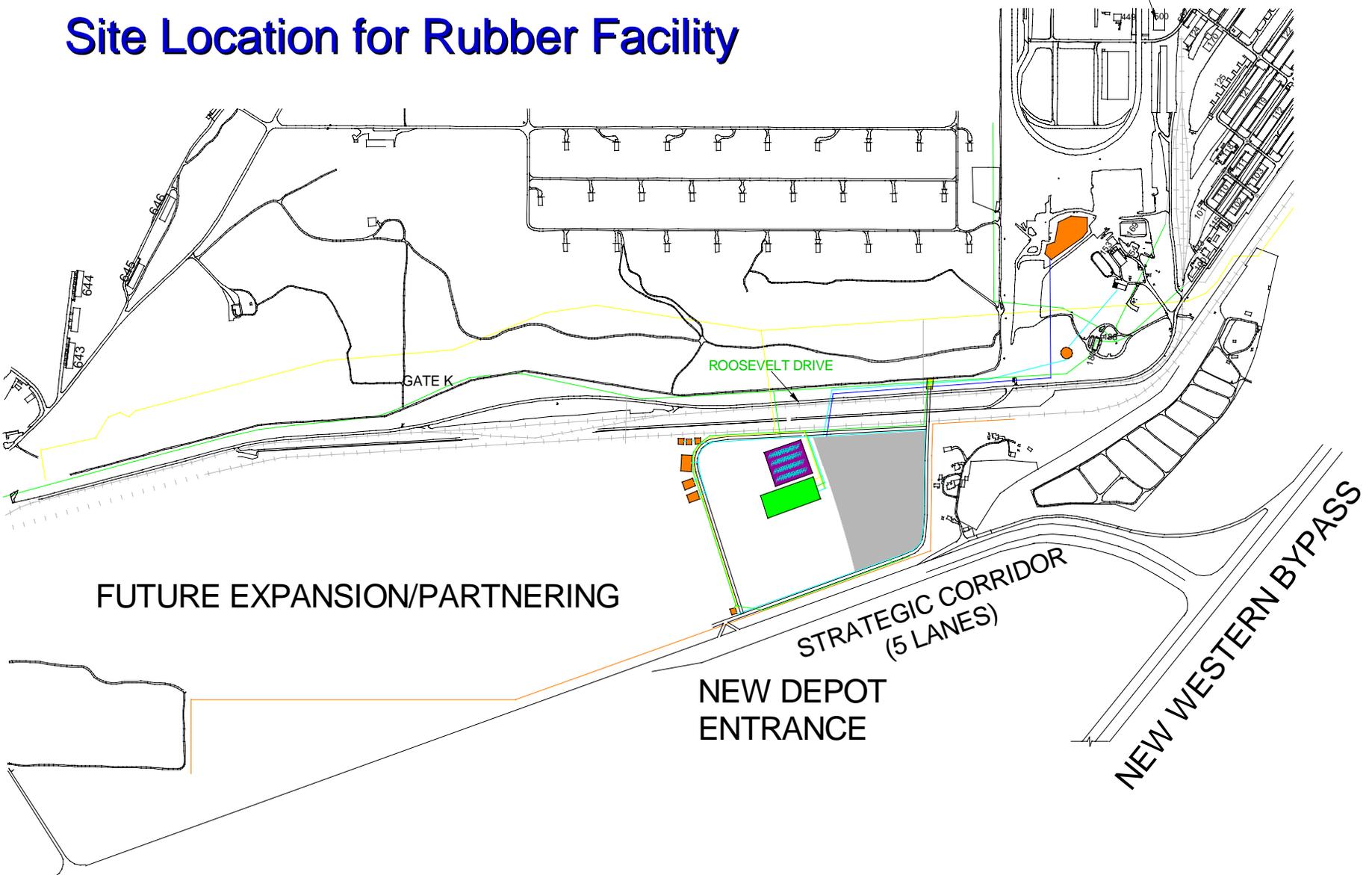


- 1.5 Shifts
- Added By BRAC 05
- Other
- Current ANAD
- Current RRAD

After BRAC 05 Transition ANAD Will Have More Than The Combined Capacity At ANAD/RRAD

Shift	Additional Capacity
1.0	0.4 KDLHs
1.5	3.9 MDLHs

Site Location for Rubber Facility





Anniston Army Depot Concept Drawing for Rubber Manufacturing

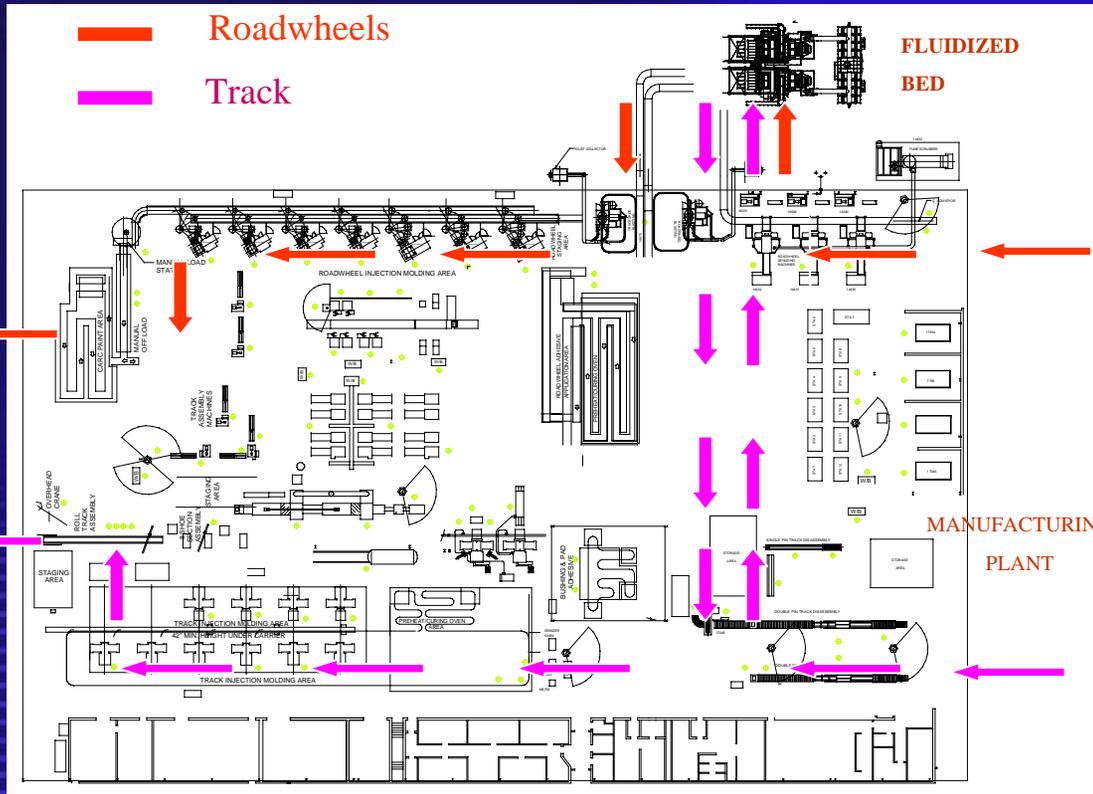
115,000 Sq Ft



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Anniston Army Depot Process Flow for Rubber Manufacturing



- LEAN PRINCIPLES
- Minimize Material Movement
- Maximize Effectiveness & Efficiency



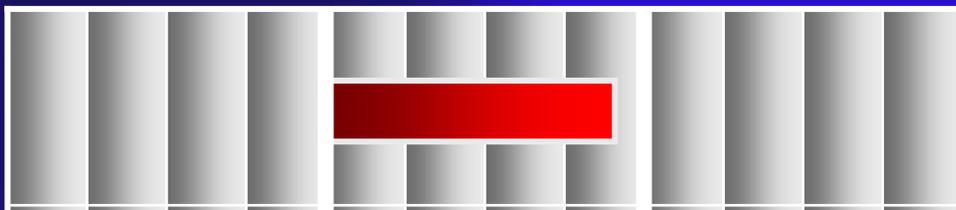
Rubber Products Transition



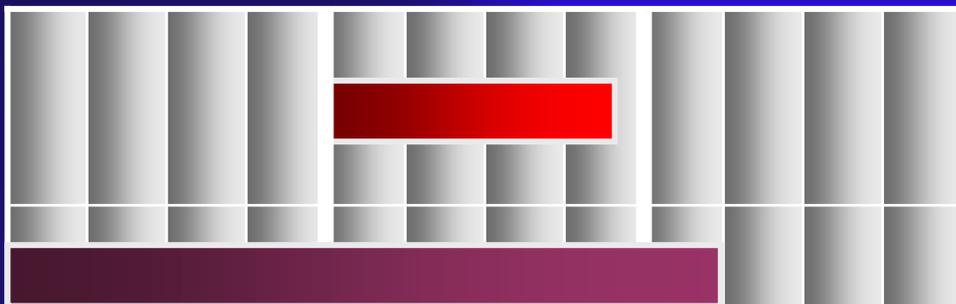
Phased Transition Plan
No Break In Service

2006 2007 2008 2009

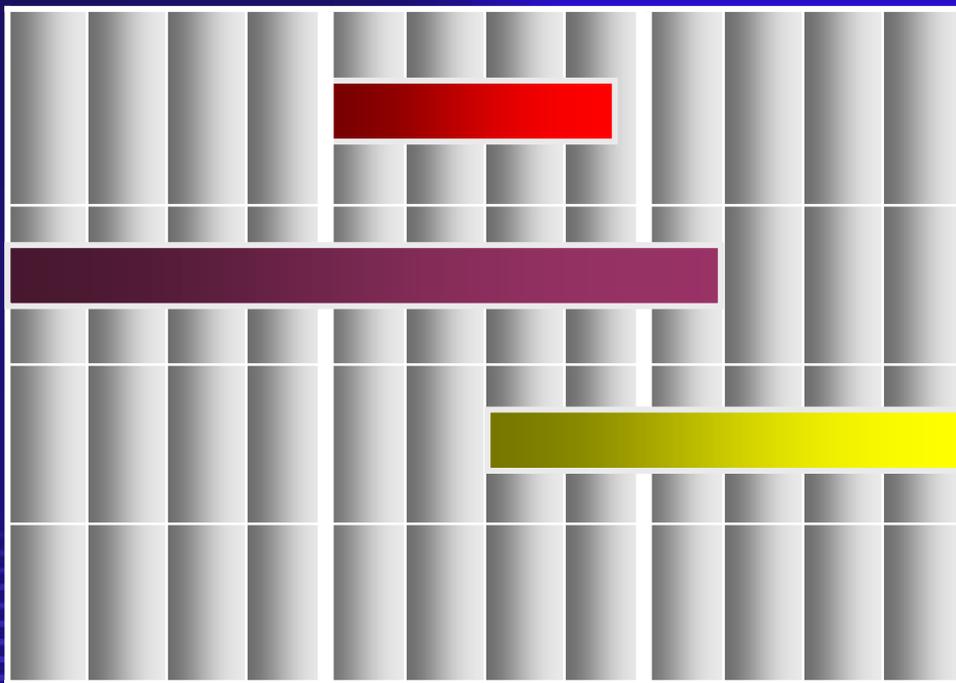
Pilot and Certification



Construction



Transition



Full Production Capability



◆ Existing Facilities Identified For Pilot And Certification



Rubber Products Manufacturers

Within a 50 Mile Radius of ANAD



Company	Location	Products Produced
BAE	Anniston, AL	Trackshoes
Goodyear	Gadsden, AL	Auto Tires
ACE Products	Lineville, AL	Lawn/Garden Tires, Agricultural Tires
Hoover Hanes	Tallapoosa, GA	Custom Mixing
Associated Rubber	Tallapoosa, GA	Custom Mixing
Carlisle Tire & Wheel	Bowdon, GA	Lawn/Garden Tires, Agricultural Tire, Custom Mixing



Rubber Products

- Expertise is at ANAD to manufacture quality track and roadwheels
- Phased Transition Plan
 - NO BREAK IN SERVICE
 - NO IMPACT ON READINESS



Transition Summary



- ◆ **ANAD Can Successfully Transition BRAC 05 Workload with NO Degradation of Support To The Warfighter**
- ◆ **Proven Ability to Successfully Transition Work (BRAC 95)**
- ◆ **Available Skills, Facilities, and Equipment (Except System – Unique) For Interim Accommodation of Work Until BRAC Construction Complete**
- ◆ **NO Substantial Barriers To Successful Transition**
 - ◆ **Capacity**
 - ◆ **Environmental**
 - ◆ **Rubber Plant/Certification**
 - ◆ **Bradley Transmission**

Anniston:

Planning for the Future

*While...
Supporting the Warfighter Today*



Environmental



Environmental



- ◆ **Sole Source Aquifer**
 - ◆ **Characteristics of Sole Source Aquifer**
 - ◆ **Not Designated by EPA**
 - ◆ **Work Practices Prevent Future Deterioration**

- ◆ **Endangered Species Not Effected by BRAC Workload**
 - ◆ **Tennessee Yellow Eyed Grass – 2 Colonies**

- ◆ **Industrial Waste Treatment Plant**
 - ◆ **Military Construction Project Required**

- ◆ **Environmental Permits**
 - ◆ **ADEM Sees No Problems with Planned Timeline**

- ◆ **NEPA Documentation**
 - ◆ **Eight to Ten Months to Complete After Funding**



Partnering

Partnering



- ◆ **Combat Vehicle Sustainment Support Contract**
 - ◆ M88
 - ◆ M9ACE
 - ◆ Paladin
 - ◆ FAASV
- ◆ **M113 Family of Vehicles (FOV)**

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Workforce Revitalization



Workforce Revitalization



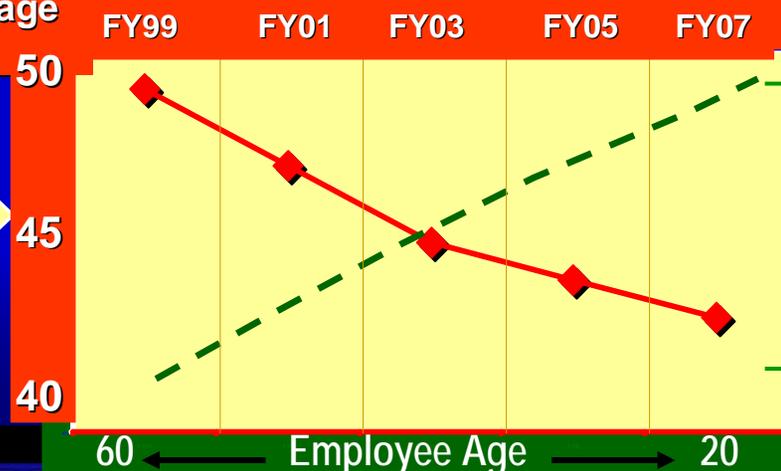
Mercedes
Co-Op Program
Modeled after ANAD

- ◆ On-Site Technical Education
- ◆ 70% of Students Received Technical College Scholarships
- ◆ 216 Students Now in Training or Full Time Employees
- ◆ 47 High Schools and 2 Technical Colleges In a 35 Mile Radius
- ◆ 10 State & 3 National Competition Winners
- ◆ 17 Students currently enrolled in the University Program
- ◆ 2,244 Hired Since 2000
- ◆ Alabama Industrial Development Training (AIDT) Pre-Employment System Available

Bottom Line...

ANAD Workforce
Average age is falling
while
Education Level is Climbing

Average Age



Education Level

2 Yr College Degree

High School & Below

60 ← Employee Age → 20



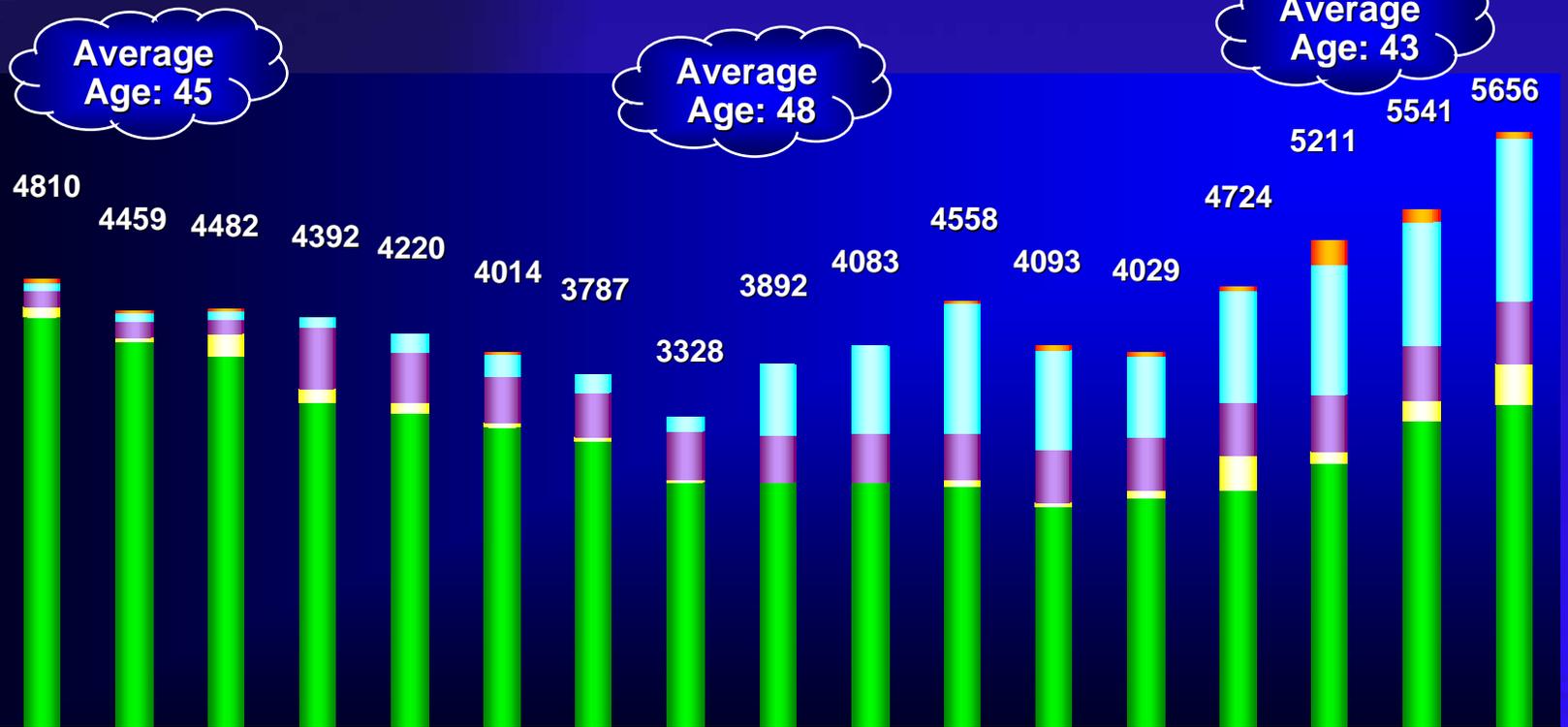
Financial/Personnel

On-Board Strength History

FY89 to FY05



of Employees



	FY89	FY90	FY91	FY92	FY93	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05
Military	51	35	28	9	9	10	9	4	3	3	4	60	57	57	246	129	51
Contractor	90	84	89	109	185	239	198	159	754	937	1405	1044	871	1181	1409	1326	1738
Tenant	178	167	157	634	542	501	468	504	499	504	503	567	556	568	603	586	675
Temporary	108	45	229	160	118	46	42	40	11	13	67	62	86	373	131	212	445
Permanent	4383	4128	3979	3480	3366	3218	3070	2621	2625	2626	2579	2360	2459	2545	2822	3288	3452

As of 30 June 05

VEHICLE SUPPORT CENTER

COMMITTED TO EXCELLENCE - SUPPORTING AMERICA'S WARFIGHTERS

ANAD

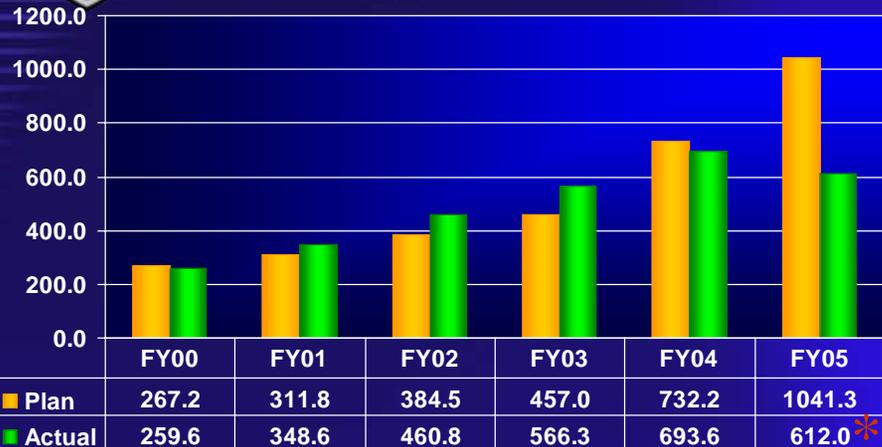
Business Metrics

Revenue, Expense, NOR, DLH's

* As of 30 June 05

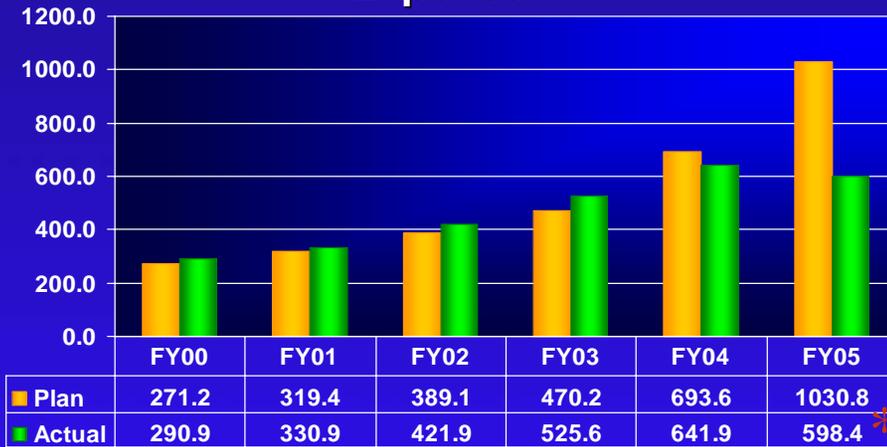
\$M

Revenue



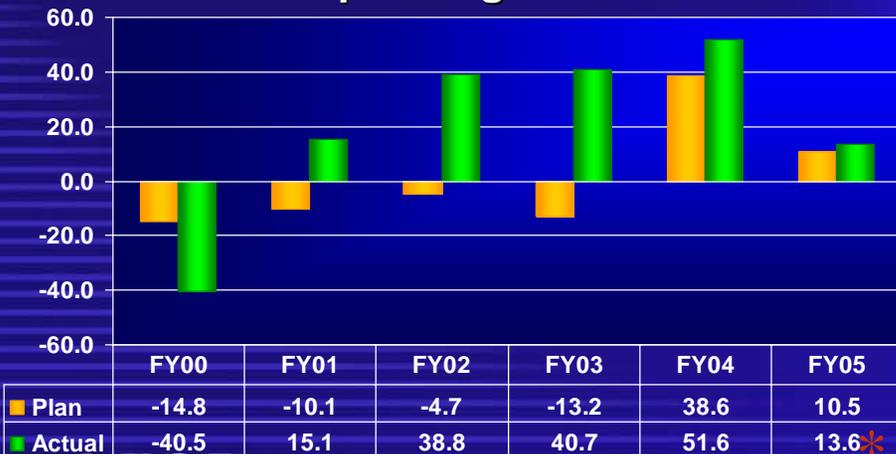
\$M

Expense



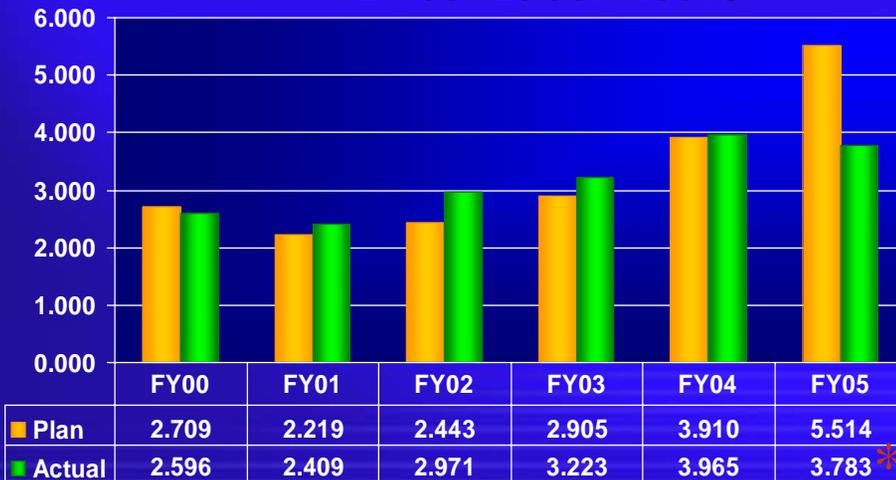
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Net Operating Result



M Hours

Direct Labor Hours



Anniston

AMERICA'S

**COMBAT
VEHICLE
SUPPORT
CENTER**



Backup Charts



BRAC '05

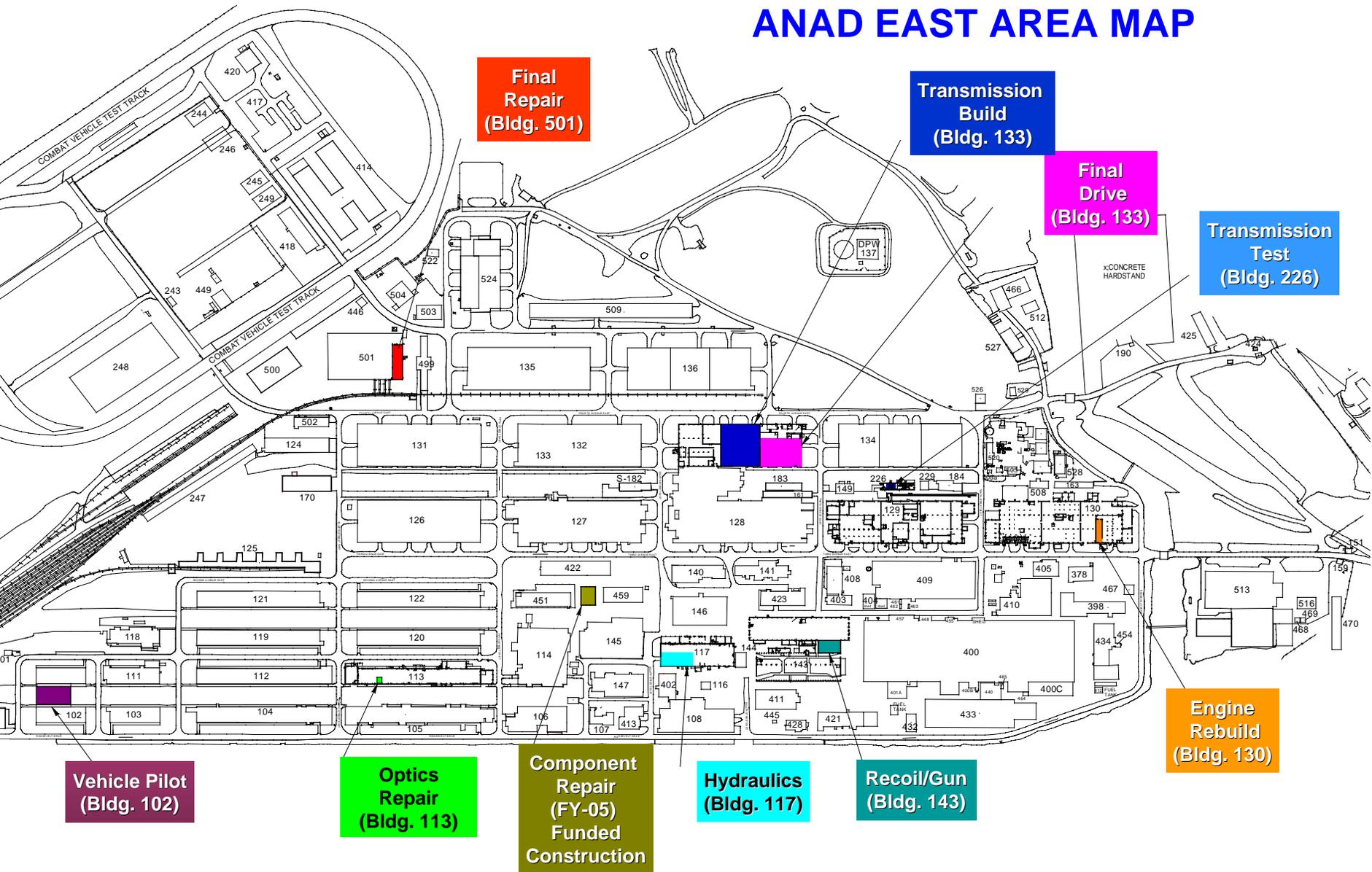


Accommodation
Contingencies

Utilizing

ANAD
Existing Facilities

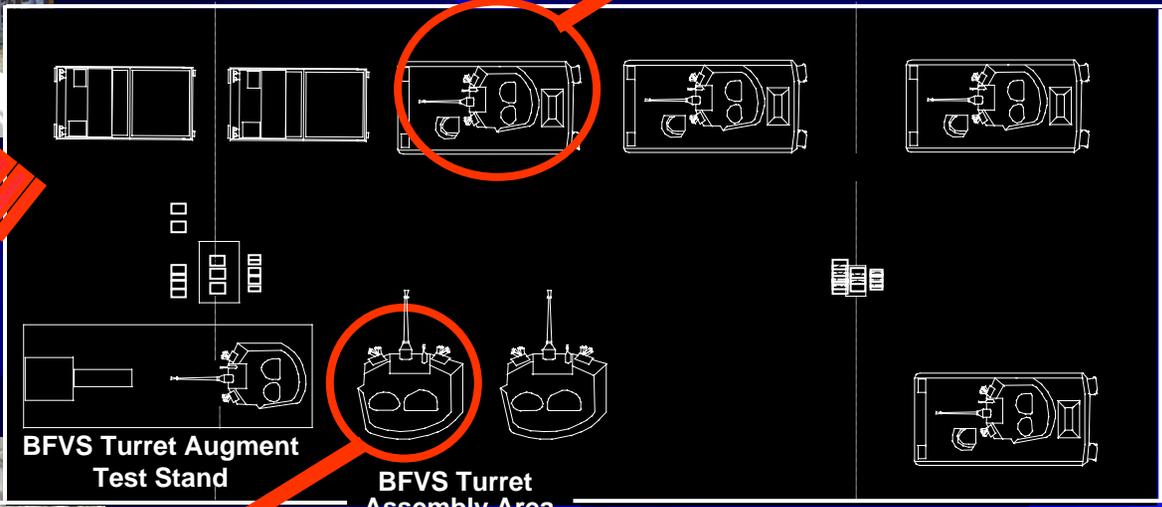
ANAD EAST AREA MAP



Pilot & Low Rate Production Accommodation Plan



Bradley/MLRS/SEE Pilots New Construction November 05 Completion



BFVS Turret Augment Test Stand

BFVS Turret Assembly Area

New Construction Bldg. 102



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Bradley, MLRS, Tactical Transmission Rebuild

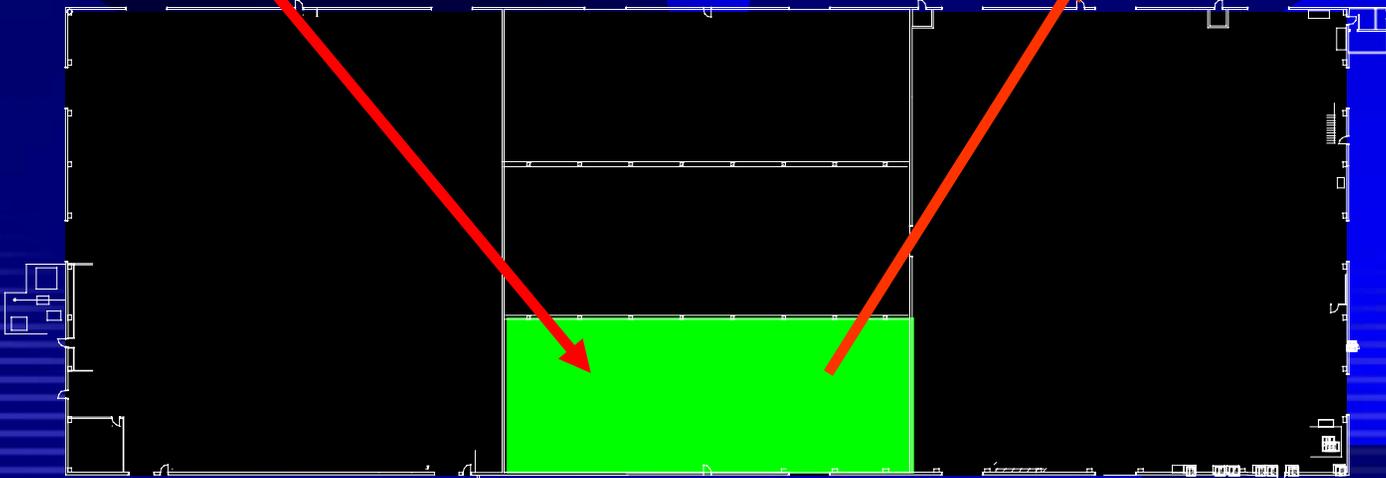
Bldg. 133



Existing Center Section Bldg. 133



Future Bradley Transmission Line



Bldg.133

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Bradley Optics Repair

Bldg. 113



Bradley
Optics
Rebuild Area



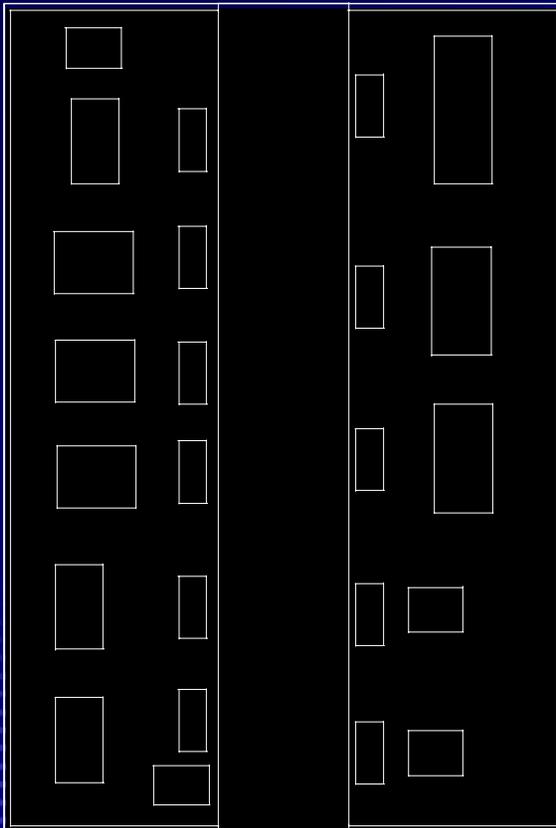
Bldg.113



Bradley, MLRS, SEE

Component Repair

FY-05 Funded Construction



Existing Component Repair

New Construction



Bradley, MLRS, SEE Hydraulic Repair

Bldg. 117



Bldg. 117 Before Renovation



Bldg. 117



Typical Test Equipment



Recoil/Gun

Work From Rock Island

Bldg. 143



Existing Recoil Room

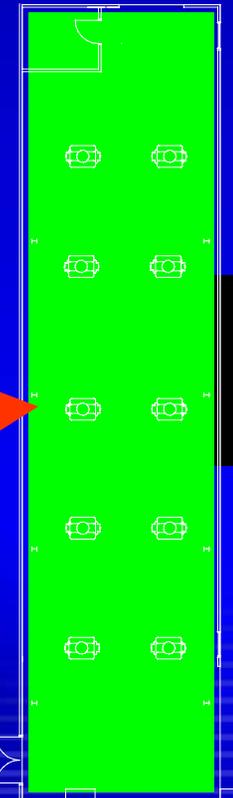
Bldg. 143



Bradley & MLRS Engine Rebuild Bldg. 130



Bldg. 130



Existing 903
Engine
Rebuild
Area

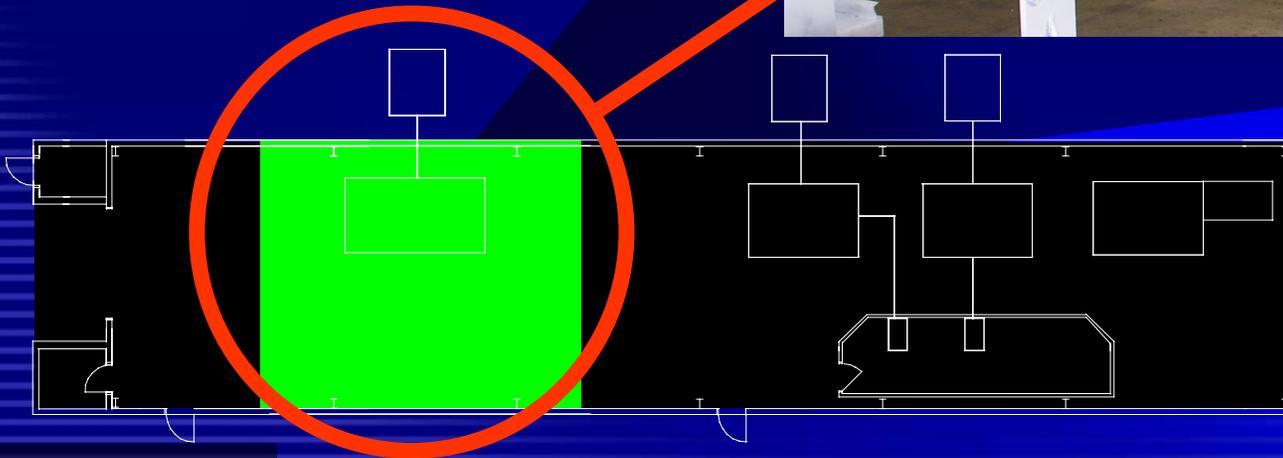


BBC Cross Drive Transmission Test Stand

Bldg. 226



**Existing Space Available
to Accommodate Cross Drive
Test Stand**



Bldg. 226



Bradley, MLRS, Tactical Final Drive Bldg. 133



Existing
Final Drive
Equipment



Bldg. 133



Bradley, MLRS, SEE Vehicle Final Repair Bldg. 501



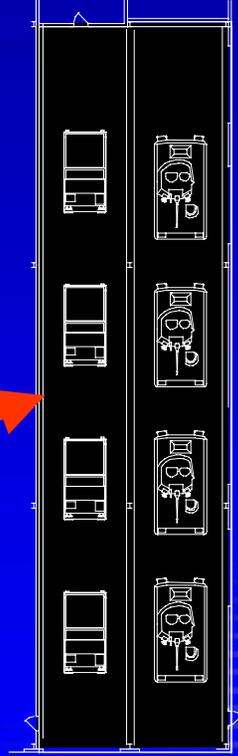
Existing High Bay Area



Existing Final Repair



Bldg. 501





ANAD Combat Vehicle Facility Building 400



- ANAD Currently Partnering M88, M9 ACE, M113 and PALADIN/FAASV with BAE
- BAE Currently Developing 137K Sq Ft of Combat Vehicle Capacity
- Space Generated In Building 400 By Moving Work to BAE Partner Will Be Used to Accommodate Bradley and MLRS

BLDG 400

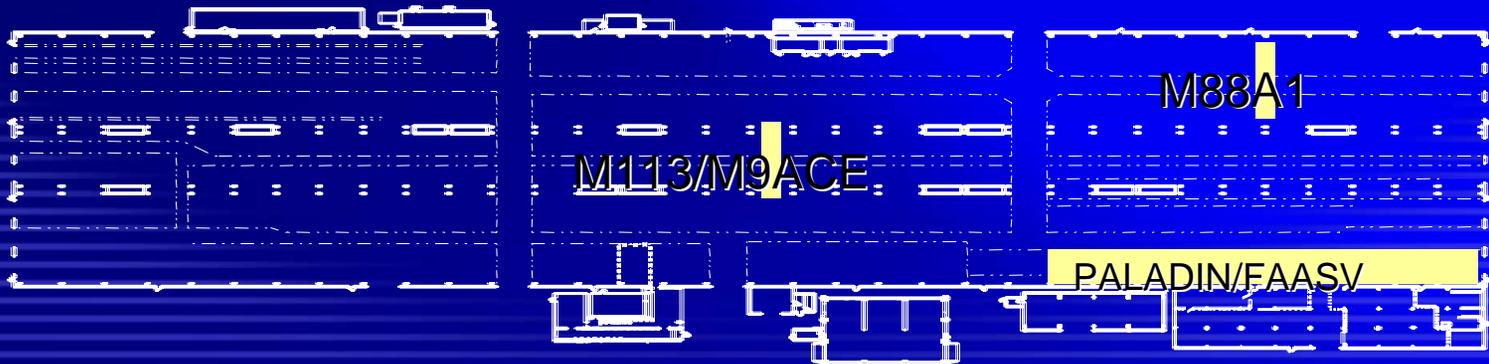


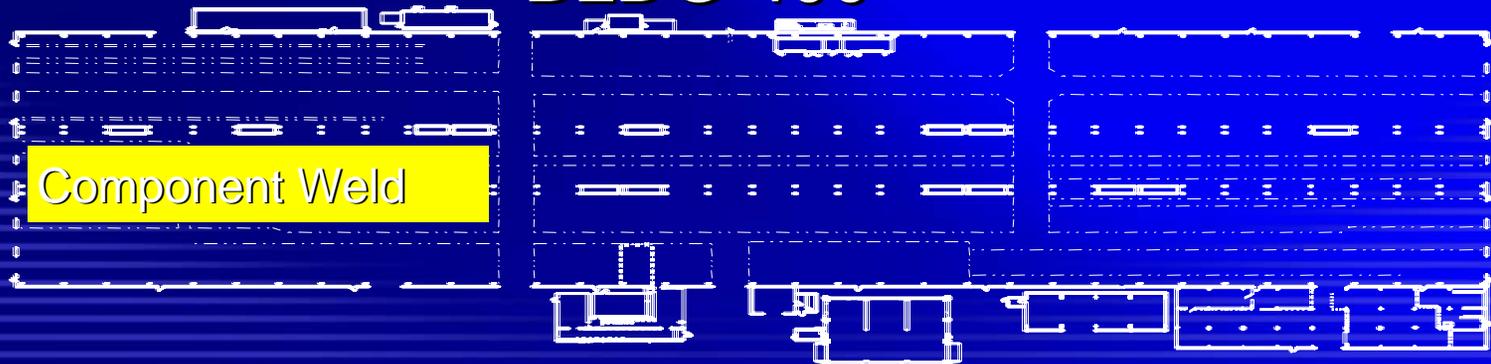


Photo Of Component Repair Area

Approximately 15,000 Sq Ft of Weld/Machine area can be converted to combat vehicle production for Bradley and MLRS



BLDG 400





CONCLUSION

Anniston has the ability to accept early transition of BRAC workload while awaiting construction to be completed.

BRAC construction will provide modern facilities with:

- **Improved efficiencies**
- **Lower costs**
- **Ability to accommodate future War surges.**