DCN 1452

DLA BRAC 95

FACT SHEETS

INDEX	TAB
DDCO	A
DDMT	B
DDLP	C
DDOU	D
DDRT	E
DCMCI	F
DCMDS	G
DCMDW	H
DISC	I

TAB A - I

Document Separator

DEFENSE DISTRIBUTION DEPOT COLUMBUS, OHIO (DDCO)

RECOMMENDATION:

Realign DDCO and designate it as a storage site for war reserve/slow moving materiel. Active material will be relocated to optimum storage locations within the DoD distribution system.

COSTS/SAVINGS:

One-Time Costs:	$7.9M
Steady State:	$11.6M (FY 98)
Net Present Value:	$161.0M
Return on Investment Year:	Immediately (1997)
Start Year:	1996
End Year:	1997

RATIONALE FOR RECOMMENDATION:

DDCO was recommended for realignment rather than closure because of the need for inactive storage space for slow movers and War Reserve Materiel (WRM). The Columbus installation ranked 1 of 6 in installation Military Value and will remain open. Retaining DDCO allows DLA to maximize use of shared overhead and optimize use of retained DLA operated facilities. It also takes advantage of the synergy of a collocated ICP.

WHY OTHER STAND-ALONE DEPOTS WERE NOT SELECTED:

Both DDJC and DDSP ranked significantly higher in Military Value because of large storage and thruput capacities, close proximity to an APOE and WPOE, and the capability to support two MRCs. Richmond has the best facilities in DLA. DDRV has a large amount of conforming storage for hazardous material, new construction and mechanization, and is collocated with an ICP. DLA took advantage of realigning a depot collocated with an ICP to fully utilize the facility and share overhead on an installation that was remaining open. It would not be prudent to retain DDMT or DDOU, who are installation hosts, just to serve as a war reserve/slow moving materiel depot. Therefore, DDMT and DDOU were both selected for closure.

RISK ASSESSMENT:

Implementing all of the closure/realignment actions for distribution will leave DLA in a 21M ACF shortfall. However, both Navy and Air Force have offered additional storage space at their collocated locations to offset any deficit if necessary. In addition, DLA took some risks in the Storage Management Plan for inventory reductions; for remaining in some substandard facilities; and for increases in new requirements from European retrograde, out-to-in (materiel requiring inside storage space) and Army residual material at closing bases.

PERSONNEL IMPACTS:

Personnel Transferred
76 civilians to DDSP

Personnel Eliminated
287 civilians and 2 military = 289

PERSONNEL REDUCTION METHODOLOGY (COBRA)

Active stock will no longer be stored at DDCO. A caretaker staff of 50 personnel is adequate for operations and management of war reserve/slow-moving stock. If required during a contingency, additional temporary staffing can be furnished from other depots, temporary hires, or contractors.

MILITARY VALUE:

Military Value Ranking in Category (see charts at enclosure 1): 6 of 6

Installation Military Value: N/A

Military Value Point Distribution Methodology:

Points were assigned to the depots based on the certified data. In most cases, the "best" answer received the total points available, and the others received a proportion of the points based on the relationship of their answer to the "best" answer. Age of buildings (under Mission Suitability) was determined based on an average age of all buildings, normalized by the number of square feet in each. Building condition (also under Mission Suitability) was determined by comparing the Long Range Maintenance Planning data developed by the Navy Norfolk Public Works Center to the expected cyclic maintenance requirements of a new building, again, normalized by square footage.

SAILS RESULTS:

When DDCO is closed, the relative operating cost is $265,407--three other stand-alone depots, San Joaquin, Ogden, and Memphis, show more savings in a single depot closure than does DDCO.

DISTRIBUTION SYSTEM STORAGE, WORKLOAD, AND PERSONNEL PROJECTIONS:

Reductions in storage capacity requirements, workload throughput, and personnel are shown below:

	FY 92	FY 01
Storage Capacity Requirement	788M ACF	452M ACF
Workload Throughput	44M	21M
Personnel	24,700	11,100

DDCO SPECIFIC WORKLOAD DATA:

Percent Support to Local Installation:	6.8%
Percent Support Worldwide:	78.8%
Storage Capacity (ACF):	28.643M
Occupied Cubic Feet:	23.281M
Excess Storage Capacity (ACF):	5.362M
Current Thruput Capacity (Issues, Receipts, and Eaches):	10,113
Maximum Thruput Capacity (Issues, Receipts, and Eaches) single 8-hour shift:	13,610
Maximum Thruput Capacity (Issues, Receipts, and Eaches) second 8-hour shift:	13,610

FACILITY DATA:

Facility Age Evaluation: 58.9 Years for stand alone
Facility Condition:
Ranked 5 of 6 for Stand-Alone Depots.

MILCON:

Convert operational area to 5M ACF of bulk storage. Estimated cost is $1M.

TENANT IMPACTS:

DDCO is a tenant of the Defense Construction Supply Center (DCSC) the installation host. A large number of tenant activities and associated personnel are located on the DCSC complex. Besides DDCO there are several other large tenants (over 300 assigned personnel). These include the DLA Systems Design Center (605 people), a Defense Finance and Accounting Service Center (1,263 people), and the Defense Information Systems Agency (488 people). Overall, tenant personnel on the DCSC complex totals over 3,500 people.

ECONOMIC IMPACT:

DDCO	DCSC	Cumulative (All Svcs)
-365 Direct	-358 Direct	-9030 Jobs
-632 Indirect	-623 Indirect	-1.5%
-997 (0.1%)	-981 (0.1%)	

ENVIRONMENTAL IMPACT:

We reviewed all environmental conditions present on the installation. No outstanding environmental issues are present. The BRACEG concluded that the environmental considerations do not prohibit this recommendation from being implemented.

COMMUNITY IMPACT:

DLA conducted a comprehensive analysis of the ability of each DLA community to support additional mission and personnel. We collected community-specific data in infrastructure, cost of living, and quality of life areas. All data was provided by DLA activities located in the affected communities. All data was certified as being accurate by the DLA field activity commander. All recommended receiving communities were assessed assuming all new hires into the area would come from outside the area and that these new hires would all have dependents who would relocate in the area as well.

The Harrisburg, PA area stands to receive 398 additional personnel as a result of DLA's BRAC 95 recommendations (76 from DDCO, 87 from DDRT, 22 from Chambersburg (10 DDLP, 12 DSDC [This activity is a tenant of the Army at Letterkenny. It is our intent that the Army will relocate the DSDC personnel.]), 213 from Memphis (124 DDMT, 89 DDRE Memphis)). Analysis of the community data for the Harrisburg area indicates that it can absorb this increase to its population base.

MAP - (See enclosure 2.)

2 Encl

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

		DDSP		DDCO		DDRV	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 290 POINTS							
A. Current/Future Mission							
1. DoD Essentiality	25	Y	25	Y	25	Y	25
2. Other DoD Activity Performing Same Mission	25	N	25	N	25	N	25
B. Strategic Location Current & Future Mission							
1. % Workload Supporting							
a. Maintenance Activity	0	0.00	0	0.00	0	0.00	0
b. Other Local Installation	15	0.00	0	6.80	15	0.00	0
c. 100 Mile Customer	10	2.00	1	1.30	1	15.80	9
d. 300 Mile Customer	5	5.00	1	13.10	3	19.49	5
e. All others	70	93.00	69	78.80	58	64.71	48
C. Operational Readiness							
1. Over and above worldwide wartime/contingency role (CCP, ALOC) as specified in the Concepts of Operations	100	Y	100	N	0	N	0
2. Distance Depot to:							
a. Aerial POE	20	136.00	11	474.00	3	99.00	15
b. Water POE	20	178.00	7	535.00	2	89.00	14
TOTAL MISSION SCOPE	290		239		132		141

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

Data Element	Military Value	DDSP Response	DDSP Points Earned	DDCO Response	DDCO Points Earned	DDRV Response	DDRV Points Earned
II. Mission Suitability 475 POINTS							
A. Facility Suitability							
1. Average Age of Facility	20	44.54 Yrs	5	58 Yrs	3	43 Yrs	5
2. Condition of Depot Facility & Satellite Storage	100	$26.07/SF	58	$15.22 SF	77	$4.36/SF	92
3. % of Facilities							
a. Permanent	15	56.78	9	100.00	15	90.11	14
b. Semi-Permanent	0	43.22	0	0.00	0	8.77	0
c. Temporary	0	0.00	0	0.00	0	1.12	0
4. Unique Ops Facilities	10	Y	10	N	0	Y	10
5. Storage Capacity in ACF In 000's	150	69,572.00	134	28,643.00	55	27,284.00	53
6. Specialized Storage Facilities Hazardous in 000's	10	0.00	0	0.00	0	2,364.00	9
7. Thru-put Capacity (8-hr. Single Shift Current Manning, Workload Mix and Facilitation	150	25,743.00	150	10,113.00	59	9,447.60	55
B. Location Suitability							
1. Distance From Depot							
a. Rail	0	13.00	0	9.00	0	0.00	0
b. Water	10	69.00	1	110.00	1	89.00	1
c. Surface	0	0.00	0	0.00	0	0.00	0
d. Air	10	12.00	2	2.00	10	99.00	0
TOTAL MISSION SUITABILITY	475		369		220		239

MILITARY VALUE BASE SPECIFIC INFORMATION Stand-Alone Distribution Depots							
		DDSP		DDCO		DDRV	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
III. Operational Efficiencies 100 POINTS							
A. Operating Costs							
I. BOS Costs Per Paid Equivalent	35	5,781.00	30	5,593.00	31	4,938.00	35
2. RPM Costs Per Square Foot	35	1.69	22	1.21	31	1.42	26
B. Transportation Costs							
I. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	5.11	10	3.40	15	5.43	9
2.Actual Second Destination Transportation Costs by Ton for Off Base Issues	15	139.33	14	263.37	7	206.64	10
TOTAL OPERATIONAL EFFICIENCIES	100		76		84		80

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

Data Element	Military Value	DDSP Response	DDSP Points Earned	DDCO Response	DDCO Points Earned	DDRV Response	DDRV Points Earned
IV. Expandability 135 POINTS							
A. Facility/Installation Expansion							
1. Excess Storage Capacity in Attainable Cubic Feet In 000's	85	10,338.00	44	5,362.00	23	2,311.00	10
2. Buildable Acres	25	303.00	8	0* See ICP	0	0* See ICP	0
3. Limitations on Expansion (Environmental, Historical, etc.)	5	No	5	No	5	No	5
B. Mobilization Expansion							
1. Surge Capability							
a. Single 8-hr Shift	10	62,395.00	9	13,610.00	2	17,113.00	3
b. Second 8-hr Shift	10	62,395.00	9	13,610.00	2	17,113.00	3
TOTAL EXPANDABILITY	135		75		32		21
TOTAL POINTS FOR STANDALONE DEPOTS	1000		759		468		481

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

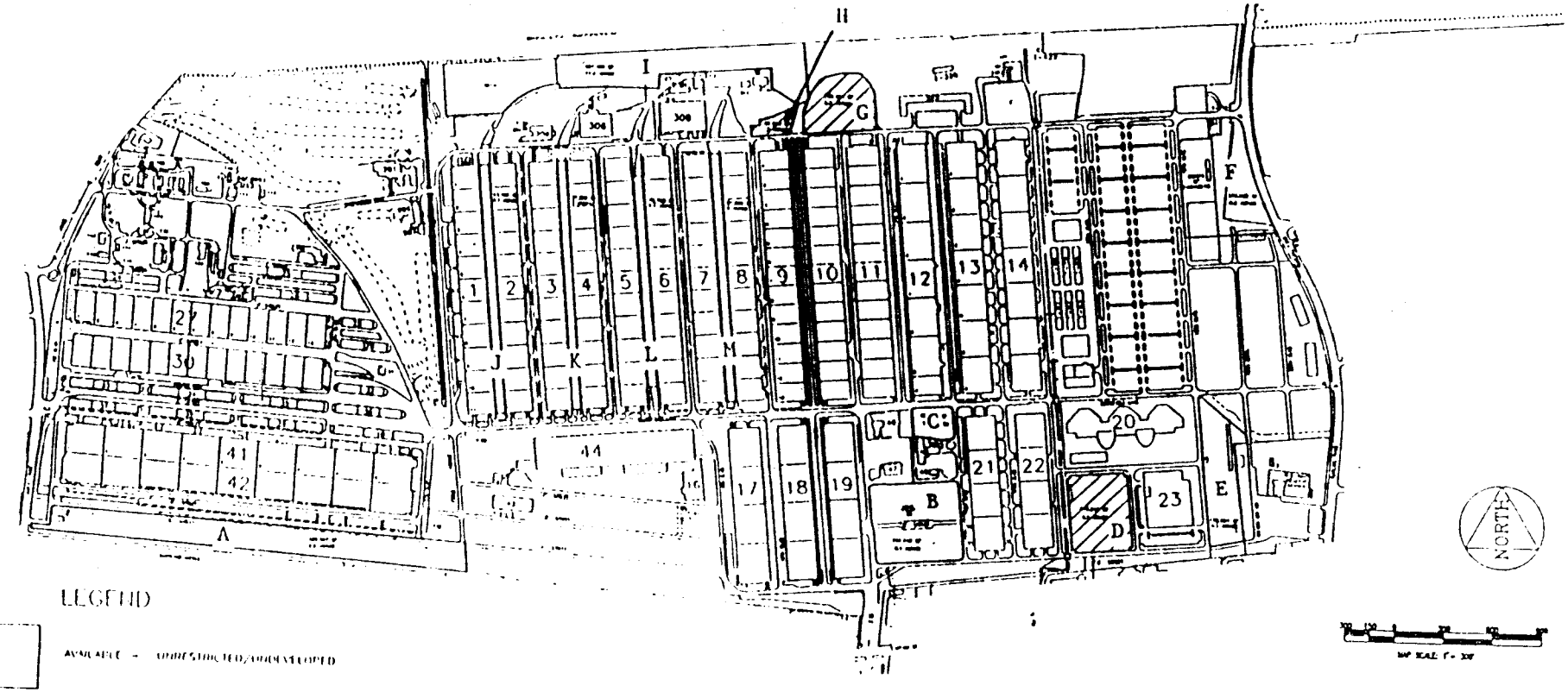
Data Element	Military Value	DDMT Response	DDMT Points Earned	DDOU Response	DDOU Points Earned	DDJC Response	DDJC Points Earned
I. Mission Scope 290 POINTS							
A. Current/Future Mission							
1. DoD Essentiality	25	Y	25	Y	25	Y	25
2. Other DoD Activity Performing Same Mission	25	N	25	N	25	N	25
B. Strategic Location Current & Future Mission							
1. % Workload Supporting							
a. Maintenance Activity	0	0.00	0	0.00	0	0.00	0
b. Other Local Installation	15	0.00	0	3.60	6	0.16	0
c. 100 Mile Customer	10	0.22	0	1.90	1	17.00	10
d. 300 Mile Customer	5	6.88	2	0.00	0	0.87	0
e. All others	70	92.90	69	94.50	70	81.97	61
C. Operational Readiness							
1. Over and above worldwide wartime/contingency role (CCP, ALOC) as specified in the Concepts of Operations	100	N	0	N	0	Y	100
2. Distance Depot to:							
a. Aerial POE	20	671.00	2	727.00	2	75.00	20
b. Water POE	20	391.00	3	763.00	2	63.00	20
TOTAL MISSION SCOPE	290		126		133		261

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

		DDMT		DDOU		DDJC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
II. Mission Suitability 475 POINTS							
A. Facility Suitability							
1. Average Age of Facility	20	41 Yrs	6	48 Yrs	4	40 Yrs	6
2. Condition of Depot Facility & Satellite Storage	100	$8.12/ SF	87	$7.82/SF	88	$13.61/SF	78
3. % of Facilities							
a. Permanent	15	88.63	13	59.00	9	92.78	14
b. Semi-Permanent	0	9.59	0	41.00	0	7.22	0
c. Temporary	0	1.77	0	0.00	0	0.00	0
4. Unique Ops Facilities	10	Y	10	Y	10	Y	10
5. Storage Capacity in ACF In 000's	150	33,980.00	65	31,838.00	61	77,934.00	150
6. Specialized Storage Facilities Hazardous in 000's	10	958.00	4	2,677.00	10	676.00	3
7. Thru-put Capacity (8-hr. Single Shift Current Manning, Workload Mix and Facilitation	150	10,805.00	63	8,684.00	51	17,376.20	101
B. Location Suitability							
I. Distance From Depot							
a. Rail	0	0.00	0	0.00	0	0.00	0
b. Water	10	10.00	10	718.00	0	10.00	10
c. Surface	0	0.00	0	0.00	0	0.00	0
d. Air	10	3.00	7	32.00	1	3.00	7
TOTAL MISSION SUITABILITY	475		265		234		379

MILITARY VALUE BASE SPECIFIC INFORMATION Stand-Alone Distribution Depots							
		DDMT		DDOU		DDJC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
III. Operational Efficiencies 100 POINTS							
A. Operating Costs							
1. BOS Costs Per Paid Equivalent	35	5,533.00	31	8,103.00	21	6,060.00	29
2. RPM Costs Per Square Foot	35	1.32	28	1.06	35	1.94	19
B. Transportation Costs							
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	7.43	7	5.55	9	7.27	7
2. Actual Second Destination Transportation Costs by Ton for Off Base Issues	15	188.04	10	264.96	7	131.33	15
TOTAL OPERATIONAL EFFICIENCIES	100		76		72		70

MILITARY VALUE BASE SPECIFIC INFORMATION Stand-Alone Distribution Depots							
		DDMT		DDOU		DDJC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
IV. Expandability 135 POINTS							
A. Facility/Installation Expansion							
1. Excess Storage Capacity in Attainable Cubic Feet In 000's	85	5,607.00	24	7,951.00	33	20,180.00	85
2. Buildable Acres	25	136.00	3	995.00	25	296.50	7
3. Limitations on Expansion (Environmental, Historical, etc.)	5	No	5	Yes Air	0	Yes Air	0
B. Mobilization Expansion							
1. Surge Capability							
a. Single 8-hr Shift	10	23,151.00	3	27,307.00	4	67,946.00	10
b. Second 8-hr Shift	10	23,151.00	3	27,307.00	4	67,946.00	10
TOTAL EXPANDABILITY	135		38		66		112
TOTAL POINTS FOR STANDALONE DEPOTS	1000		505		505		822



LEGEND

AVAILABLE – UNRESTRICTED/UNDEVELOPED

AVAILABLE – UNRESTRICTED/DEVELOPED

DCSC SITE MAP

AVAILABLE LAND IN ADDITION TO 20 ACRE BUILDING SITES

SYMBOL	DESCRIPTIONS	DATE	APPROVED
	REVISIONS		

DEFENSE CONSTRUCTION SUPPLY CENTER
FACILITIES ENGINEERING DIVISION
COLUMBUS, OHIO 43216-5000

DEFENSE CENTER SITE MAP

1" = 300'-0"

3 NOV 91

8 NOV 1

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DEFENSE DISTRIBUTION DEPOT MEMPHIS, TENNESSEE (DDMT)

RECOMMENDATION:

Close DDMT. Workload and stock will be relocated to optimum storage locations within the DoD Distribution System.

COSTS/SAVINGS:

One-Time Costs:	85.7M
Steady State:	23.8M (FY 99)
Net Present Value:	244.4M
Return on Investment Year:	2001 (3 Years)
Start Year:	1996
End Year:	1998

RATIONALE FOR RECOMMENDATION:

This recommendation was based on declining storage and capacity requirements and the desire to minimize unneeded infrastructure to reduce distribution costs. Closing DDMT closes an entire installation. The SAILS model optimized distribution costs when DDMT and DDOU were the two depots selected for closure. DDMT tied for 3 of 6 in the Military Value Analysis and was 6 of 6 in the Installation Military Value Analysis. There are sufficient storage and thruput capacities available in the remaining depots to accommodate projected workload and storage requirements.

WHY OTHER STAND-ALONE DEPOTS WERE NOT SELECTED:

Columbus scored highest in Installation Military Value and Richmond has the best facilities in DLA, so both are remaining open. Both DDCO and DDRV are collocated with these ICPs and can maximize shared overhead and optimize use of retained DLA facilities. DDJC and DDSP's higher Military Value scores are attributable to large storage and thruput capacities and to their location near an APOE and a WPOE. In addition, both have the capability for contingency support of two MRCs and CCP and ALOC operations. These attributes removed them from consideration for closure.

RISK ASSESSMENT:

Implementing all of the closure/realignment actions for distribution will leave DLA in a ~~21M~~ 10M ACF shortfall. However, both Navy and Air Force have offered additional storage space at their collocated locations to offset this deficit if necessary. In addition, DLA took some risks in the Storage Management Plan for inventory reductions; for remaining in some substandard facilities; and for increases in new requirements from European retrograde, out-to-in (material requiring inside storage space) and Army residual material at closing bases.

PERSONNEL IMPACTS:

Personnel Transferred:

400 civilians to Depot X
124 civilians to DDSP (New Cumberland)
97 civilians to Battle Creek (NSO and DSDC)
24 civilians to DGSC (DIPEC)
89 civilians to HQ DDRE (New Cumberland)

Personnel Eliminated:

500 civilians and 11 military = 511

PERSONNEL REDUCTION METHODOLOGY (COBRA):

POM reductions were taken first. Due to workload reductions, it is projected that only 40% of the indirect and 60-65% of the direct labor will be required to accommodate workload moving from a closed or disestablished depot. Manpower was reduced to these percentages and positions were then dispersed commensurate with the migration of workload.

MILITARY VALUE:

Military Value Ranking in Category (see charts at enclosure 1): Tied for 3 of 6

Installation Military Value: 6 of 6

Military Value Point Distribution Methodology:

Points were assigned to the depots based on the certified data. In most cases, the "best" answer received the total points available, and the others received a proportion of the points based on the relationship of their answer to the "best" answer. Age of buildings (under Mission Suitability) was determined based on an average age of all buildings, normalized by the number of square feet in each. Building condition (also under Mission Suitability) was determined by comparing the Long Range Maintenance Planning data developed by the Navy Norfolk Public Works Center to the expected cyclic maintenance requirements of a new building, again, normalized by square footage.

SAILS RESULTS:

Closing the combination of DDMT and DDOU show the lowest relative operating cost for the remainder of the depot distribution system.

DISTRIBUTION SYSTEM STORAGE, WORKLOAD AND PERSONNEL PROJECTION:

Reductions in storage capacity requirements, workload throughput, and personnel are shown below:

	FY 92	FY 01
Storage Capacity Requirements	788M ACF	452M ACF
Workload Throughput	44M	21M
Personnel	24,700	11,100

DDMT SPECIFIC WORKLOAD DATA:

Percent Support to Local Installation:	0%
Percent Support Worldwide:	92.90%
Storage Capacity (ACF):	33.980M
Occupied Cubic Feet (OCF):	28.373M
Excess Storage Capacity (ACF):	5.607M
Current Thruput Capacity (Issues, Receipts, Eaches) one 8-hour shift:	10,805
Maximum Thruput Capacity (Issues, Receipts, Eaches) one 9-hour shift:	23,151
Maximum Thruput Capacity (Issues, Receipts, Eaches) second 8-hour shift:	23,151

FACILITY DATA:

Facility Age Evaluation: 41.9 Years for stand alone
Facility Condition:
Ranked 3 of 6 in Stand-Alone Depots.

MILCON:

Planning estimate to account for renovating existing administrative space at a location to be determined for the tenants expected to remain in the Memphis area. An administrative space use rate of 130 square feet per person was used for the planning. Estimated cost is $0.4M based on renovations to existing space.

TENANT IMPACTS:

All tenants required movement as listed below:

ACTIVITY	# OF PERSONNEL MOVING		NEW LOCATION
	CIV	MIL	
DSDC	17	0	DRMS HQ, Battle Creek, MI
NSO	80	0	DRMS HQ, Battle Creek, MI
DGSC	24	0	DGSC, Richmond, VA
DDRE HQ	89	0	DDRE HQ, New Cumberland, PA
DRMS HQ	4	0	Base X (within a 25 mile radius)
DCSAO	1	0	Base X (within a 25 mile radius)
DLA Trade Sec	6	0	Base X (within a 25 mile radius)
DCMDS	2	0	Base X (within a 25 mile radius)
AAFES	10	0	Base X (within a 25 mile radius)
Army Med Dep	5	12	Base X (within a 25 mile radius)
CORPS OF ENGS	1	0	Base X (within a 25 mile radius)
GSA	1	0	Base X (within a 25 mile radius)

ECONOMIC IMPACT:

-1300 Direct (1,245 DLA, 55 Contractors)
-2049 Indirect CUMULATIVE: -9030 Jobs
-3349 (-0.6%) -1.5%

ENVIRONMENTAL IMPACT:

We reviewed all environmental conditions present at the installation. The installation has contaminated land and is listed on EPA's National Priorities List. The EG concluded that the environmental considerations do not prohibit this recommendation from being implemented.

COMMUNITY IMPACT:

DLA conducted a comprehensive analysis of the ability of each DLA community to support additional mission and personnel. We collected community-specific data in infrastructure, cost of living, and quality of life areas. All data was provided by DLA activities located in the affected communities. All data was certified as being accurate by the DLA field activity commander. All recommended receiving communities were assessed assuming all new hires into the area would come from outside the area and that these new hires would all have dependents who would relocate in the area as well.

The Harrisburg, PA area stands to receive 398 additional personnel as a result of DLA's BRAC 95 recommendations (213 from Memphis (124 DDMT, 89 DDRE Memphis), 87 from DDRT, 76 from DDCO, 22 from Chambersburg (10 DDLP, 12 DSDC) [This activity is a tenant of the Army at Letterkenny. It is our intent that the Army will relocate the DSDC personnel.]). Analysis of the community data for the Harrisburg area indicates that it can absorb this increase to its population base.

The Battle Creek, MI area stands to receive 97 additional personnel as a result of DLA's BRAC 95 recommendations (80 National Sales Office, 17 DSDC). Analysis of the community data for the Battle Creek area indicates that it can absorb this increase to its population base.

The Richmond, VA area stands to receive 359 additional personnel as result of DLA's BRAC 95 recommendations (24 from Memphis, 335 from DISC). Analysis of the community data for the Richmond area indicates that it can absorb this increase to its population base.

MAP - (See enclosure 2.)

2 Encl

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

Data Element	Military Value	DDSP Response	DDSP Points Earned	DDCO Response	DDCO Points Earned	DDRV Response	DDRV Points Earned
I. Mission Scope 290 POINTS							
A. Current/Future Mission							
1. DoD Essentiality	25	Y	25	Y	25	Y	25
2. Other DoD Activity Performing Same Mission	25	N	25	N	25	N	25
B. Strategic Location Current & Future Mission							
1. % Workload Supporting							
a. Maintenance Activity	0	0.00	0	0.00	0	0.00	0
b. Other Local Installation	15	0.00	0	6.80	15	0.00	0
c. 100 Mile Customer	10	2.00	1	1.30	1	15.80	9
d. 300 Mile Customer	5	5.00	1	13.10	3	19.49	5
e. All others	70	93.00	69	78.80	58	64.71	48
C. Operational Readiness							
1. Over and above worldwide wartime/contingency role (CCP, ALOC) as specified in the Concepts of Operations	100	Y	100	N	0	N	0
2. Distance Depot to:							
a. Aerial POE	20	136.00	11	474.00	3	99.00	15
b. Water POE	20	178.00	7	535.00	2	89.00	14
TOTAL MISSION SCOPE	290		239		132		141

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

		DDSP		DDCO		DDRV	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
II. Mission Suitability 475 POINTS							
A. Facility Suitability							
1. Average Age of Facility	20	44.54 Yrs	5	58 Yrs	3	43 Yrs	5
2. Condition of Depot Facility & Satellite Storage	100	$26.07/SF	58	$15.22 SF	77	$4.36/SF	92
3. % of Facilities							
a. Permanent	15	56.78	9	100.00	15	90.11	14
b. Semi-Permanent	0	43.22	0	0.00	0	8.77	0
c. Temporary	0	0.00	0	0.00	0	1.12	0
4. Unique Ops Facilities	10	Y	10	N	0	Y	10
5. Storage Capacity in ACF In 000's	150	69,572.00	134	28,643.00	55	27,284.00	53
6. Specialized Storage Facilities Hazardous in 000's	10	0.00	0	0.00	0	2,364.00	9
7. Thru-put Capacity (8-hr. Single Shift Current Manning, Workload Mix and Facilitation	150	25,743.00	150	10,113.00	59	9,447.60	55
B. Location Suitability							
I. Distance From Depot							
a. Rail	0	13.00	0	9.00	0	0.00	0
b. Water	10	69.00	1	110.00	1	89.00	1
c. Surface	0	0.00	0	0.00	0	0.00	0
d. Air	10	12.00	2	2.00	10	99.00	0
TOTAL MISSION SUITABILITY	475		369		220		239

MILITARY VALUE BASE SPECIFIC INFORMATION Stand-Alone Distribution Depots							
		DDSP		DDCO		DDRV	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
III. Operational Efficiencies 100 POINTS							
A. Operating Costs							
1. BOS Costs Per Paid Equivalent	35	5,781.00	30	5,593.00	31	4,938.00	35
2. RPM Costs Per Square Foot	35	1.69	22	1.21	31	1.42	26
B. Transportation Costs							
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	5.11	10	3.40	15	5.43	9
2. Actual Second Destination Transportation Costs by Ton for Off Base Issues	15	139.33	14	263.37	7	206.64	10
TOTAL OPERATIONAL EFFICIENCIES	100		76		84		80

MILITARY VALUE BASE SPECIFIC INFORMATION Stand-Alone Distribution Depots							
		DDSP		DDCO		DDRV	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
IV. Expandability 135 POINTS							
A. Facility/Installation Expansion							
1. Excess Storage Capacity in Attainable Cubic Feet In 000's	85	10,338.00	44	5,362.00	23	2,311.00	10
2. Buildable Acres	25	303.00	8	0* See ICP	0	0* See ICP	0
3. Limitations on Expansion (Environmental, Historical, etc.)	5	No	5	No	5	No	5
B. Mobilization Expansion							
1. Surge Capability							
a. Single 8-hr Shift	10	62,395.00	9	13,610.00	2	17,113.00	3
b. Second 8-hr Shift	10	62,395.00	9	13,610.00	2	17,113.00	3
TOTAL EXPANDABILITY	135		75		32		21
TOTAL POINTS FOR STANDALONE DEPOTS	1000		759		468		481

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

		DDMT		DDOU		DDJC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 290 POINTS							
A. Current/Future Mission							
1. DoD Essentiality	25	Y	25	Y	25	Y	25
2. Other DoD Activity Performing Same Mission	25	N	25	N	25	N	25
B. Strategic Location Current & Future Mission							
1. % Workload Supporting							
a. Maintenance Activity	0	0.00	0	0.00	0	0.00	0
b. Other Local Installation	15	0.00	0	3.60	8	0.16	0
c. 100 Mile Customer	10	0.22	0	1.90	1	17.00	10
d. 300 Mile Customer	5	6.88	2	0.00	0	0.87	0
e. All others	70	92.90	69	94.50	70	81.97	61
C. Operational Readiness							
1. Over and above worldwide wartime/contingency role (CCP, ALOC) as specified in the Concepts of Operations	100	N	0	N	0	Y	100
2. Distance Depot to:							
a. Aerial POE	20	671.00	2	727.00	2	75.00	20
b. Water POE	20	391.00	3	763.00	2	63.00	20
TOTAL MISSION SCOPE	290		126		133		261

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

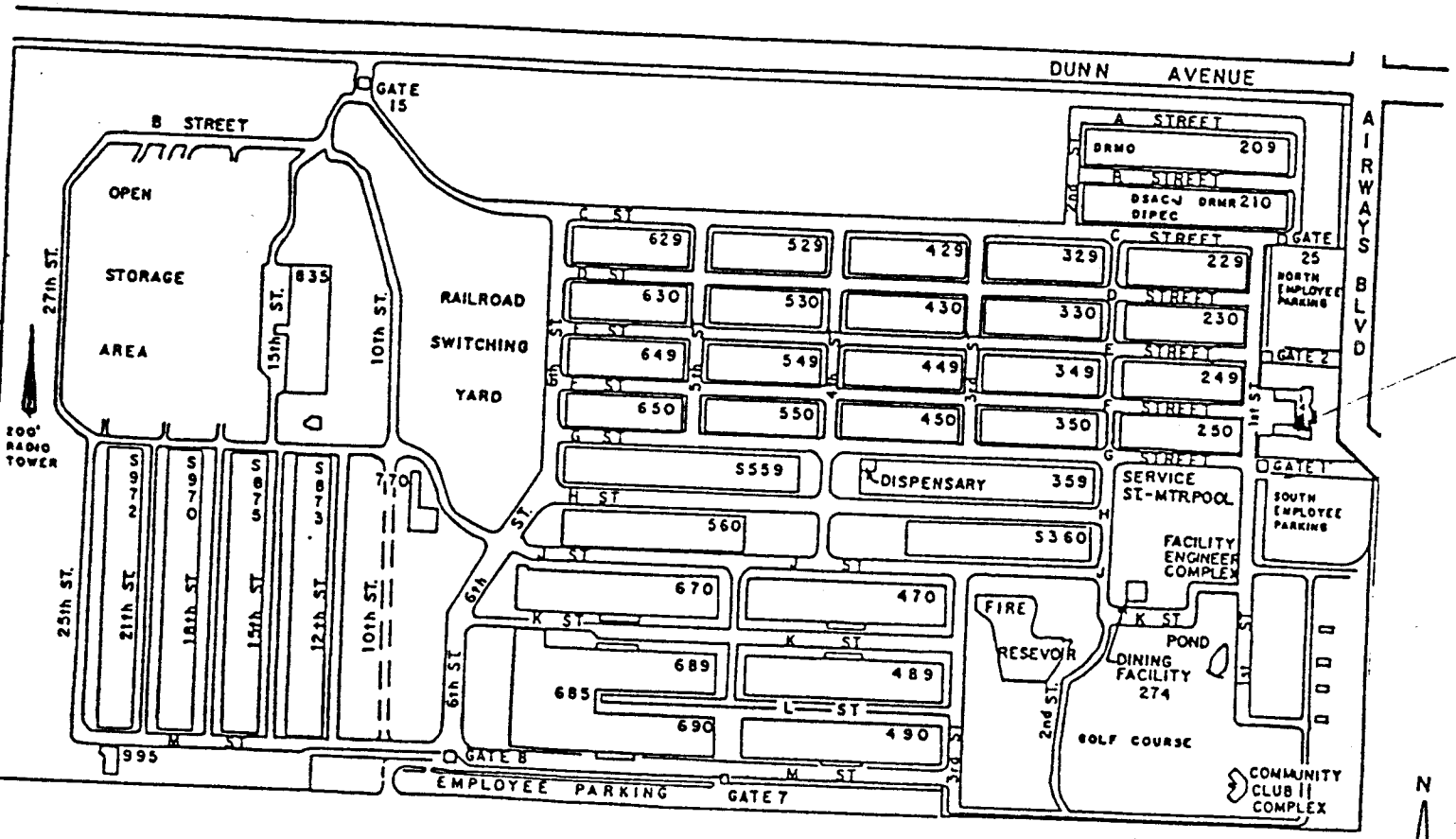
Data Element	Military Value	DDMT Response	DDMT Points Earned	DDOU Response	DDOU Points Earned	DDJC Response	DDJC Points Earned
II. Mission Suitability 475 POINTS							
A. Facility Suitability							
1. Average Age of Facility	20	41 Yrs	6	48 Yrs	4	40 Yrs	6
2. Condition of Depot Facility & Satellite Storage	100	$8.12/ SF	87	$7.82/SF	88	$13.61/SF	78
3. % of Facilities							
a. Permanent	15	88.63	13	59.00	9	92.78	14
b. Semi-Permanent	0	9.59	0	41.00	0	7.22	0
c. Temporary	0	1.77	0	0.00	0	0.00	0
4. Unique Ops Facilities	10	Y	10	Y	10	Y	10
5. Storage Capacity in ACF In 000's	150	33,980.00	65	31,838.00	61	77,934.00	150
6. Specialized Storage Facilities Hazardous in 000's	10	958.00	4	2,677.00	10	676.00	3
7. Thru-put Capacity (8-hr. Single Shift Current Manning, Workload Mix and Facilitation	150	10,805.00	63	8,684.00	51	17,376.20	101
B. Location Suitability							
1. Distance From Depot							
a. Rail	0	0.00	0	0.00	0	0.00	0
b. Water	10	10.00	10	718.00	0	10.00	10
c. Surface	0	0.00	0	0.00	0	0.00	0
d. Air	10	3.00	7	32.00	1	3.00	7
TOTAL MISSION SUITABILITY	475		265		234		379

MILITARY VALUE BASE SPECIFIC INFORMATION Stand-Alone Distribution Depots							
		DDMT		DDOU		DDJC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
III. Operational Efficiencies 100 POINTS							
A. Operating Costs							
1. BOS Costs Per Paid Equivalent	35	5,533.00	31	8,103.00	21	6,060.00	29
2. RPM Costs Per Square Foot	35	1.32	28	1.06	35	1.94	19
B. Transportation Costs							
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	7.43	7	5.55	9	7.27	7
2. Actual Second Destination Transportation Costs by Ton for Off Base Issues	15	188.04	10	264.96	7	131.33	15
TOTAL OPERATIONAL EFFICIENCIES	100		76		72		70

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

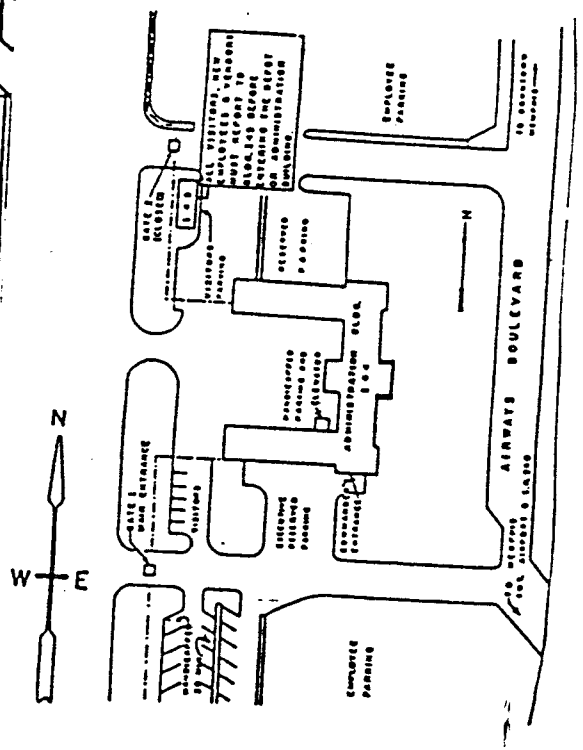
Data Element	Military Value	DDMT Response	DDMT Points Earned	DDOU Response	DDOU Points Earned	DDJC Response	DDJC Points Earned
IV. Expandability 135 POINTS							
A. Facility/Installation Expansion							
1. Excess Storage Capacity in Attainable Cubic Feet In 000's	85	5,607.00	24	7,951.00	33	20,180.00	85
2. Buildable Acres	25	136.00	3	995.00	25	296.50	7
3. Limitations on Expansion (Environmental, Historical, etc.)	5	No	5	Yes Air	0	Yes Air	0
B. Mobilization Expansion							
1. Surge Capability							
a. Single 8-hr Shift	10	23,151.00	3	27,307.00	4	67,946.00	10
b. Second 8-hr Shift	10	23,151.00	3	27,307.00	4	67,946.00	10
TOTAL EXPANDABILITY	135		38		66		112
TOTAL POINTS FOR STANDALONE DEPOTS	1000		505		505		822

Defense Logistics Agency Memphis Map



Inset map below is of building 144 and the surrounding area.

HQ DOMT



Document Separator

DEFENSE DISTRIBUTION LETTERKENNY, PENNSYLVANIA (DDLP)

RECOMMENDATION:

Disestablish DDLP. Materials associated with the maintenance mission will be relocated to DDAA, Anniston, AL. Remainder of stock will be stored in optimum storage locations within the DoD distribution system.

COSTS/SAVINGS:

One-Time Costs:	$44.9M
Steady State:	$12.4M (FY 01)
Net Present Value:	$102.1M
Return on Investment Year:	2003 (3 Years)
Start year:	1996
End Year:	2000

RATIONALE FOR RECOMMENDATION:

The collocated maintenance activity realigned to Anniston Army Depot Alabama. DLA followed the Army's lead. Other customers within the DDLP area can be supported from nearby distribution depots. There is sufficient storage and thruput capacity available at the depots not selected for closure. This action follows the BRAC 95 decision rule to reduce infrastructure.

WHY OTHER COLLOCATED DEPOTS WERE NOT SELECTED:

DLA has a commitment to the Services to maintain a distribution presence at fleet and maintenance depot sites for rapid response support. If the maintenance activity did not close or realign, the distribution depot did not close or realign.

RISK ASSESSMENT:

Implementing all of the for closure/realignment actions for distribution will leave DLA in a 21M ACF shortfall. However, both Navy and Air Force have offered additional storage space at their collocated locations to offset this deficit if necessary. In addition, DLA took some risks in the Storage Management Plan for inventory reductions; remaining in some substantial facilities; and increases in new requirements from European retrograde, out-to-in (materiel requiring inside storage space) and Army residual material at closing bases.

PERSONNEL IMPACTS:

Personnel Transferred:
190 civilians to DDAA, Anniston, AL
10 civilians to DDSP, New Cumberland, PA

Personnel Eliminated:
174 civilians and 4 military

PERSONNEL REDUCTION METHODOLOGY (COBRA):

POM reductions were taken first. Due to workload reductions, it is projected that only 40% of the indirect and 60-65% of the direct labor will be required to accommodate workload moving from a closed or disestablished depot. Manpower was reduced to these percentages and positions were then dispersed commensurate with the migrations of the workload.

MILITARY VALUE:

Military Value Ranking in Category (see charts at enclosure 1): 3 of 17

Installation Military Value: N/A

Military Value Point Distribution Methodology:

Points were assigned to the depots based on the certified data. In most cases, the "best" answer received the total points available, and the others received a proportion of the points based on the relationship of their answer to the "best" answer. Age of buildings (under Mission Suitability) was determined based on an average age of all buildings, normalized by the number of square feet in each. Building condition (also under Mission Suitability) was determined by comparing the Long Range Maintenance Planning data developed by the Navy Norfolk Public Works Center to the expected cyclic maintenance requirements of a new building, again, normalized by square footage.

SAILS RESULTS: N/A

DISTRIBUTION SYSTEM STORAGE, WORKLOAD, AND PERSONNEL PROJECTIONS:

Reductions in storage capacity requirements, workload throughput, and personnel are shown below:

	FY 92	FY 01
Storage Capacity Requirement	788M ACF	452M ACF
Workload Throughput	44M	21M
Personnel	24,700	11,100

DDLP SPECIFIC WORKLOAD DATA:

Percent Support to Maintenance:	41.60%
Percent Support to local customers other than maintenance:	36.30%
Storage Capacity (ACF):	25.150M
Occupied Cubic Feet (OCF):	18.754M
Excess Storage Capacity:	6.396M
Current Thruput Capacity (Issues, Receipts, and Eaches) one 8-hour shift:	2,185
Maximum Thruput Capacity (Issues, Receipts, and Eaches) one 8-hour shift:	4,248
Maximum Thruput Capacity (Issues, Receipts, and Eaches) second 8-hour shift:	4,248

FACILITY DATA:

Facility Age Evaluation: 45.51 years
Facility Condition:
Ranked 15 of 17 in Collocated Depots.

MILCON:

Construct 36 acres of new reinforced concrete heavy vehicle hardstand at DDAA to replace the capacity lost at DDLP. Estimated cost is $15.6M.

ECONOMIC IMPACT:

-378 Direct	Cumulative:	-5271 Jobs
-370 Indirect		-8.5%
-748 (-1.2%)		

ENVIRONMENTAL IMPACT:

We reviewed all environmental conditions present at the installation. No outstanding environmental issues are present. The EG concluded that environmental considerations do not prohibit this recommendation from being implemented.

COMMUNITY IMPACT:

DLA conducted a comprehensive analysis of the ability of each DLA community to support additional mission and personnel. We collected community-specific data in infrastructure, cost of living, and quality of life areas. All data was provided by DLA activities located in the affected communities. All data was certified as being accurate by the DLA field activity commander. All recommended receiving communities were assessed assuming all new hires into the area would come from outside the area and that these new hires would all have dependents who would relocate in the area as well.

The Anniston, AL area stands to receive 539 additional personnel as a result of DLA's BRAC 95 recommendations (190 from DDLP, 349 from DDRT). Analysis of the community data for the Anniston area indicates that it can absorb this increase to its population base.

The Harrisburg, PA area stands to receive 398 additional personnel as a result of DLA's BRAC 95 recommendations (22 from Chambersburg (10 DDLP, 12 DSDC [This activity is a tenant of the Army at Letterkenny. It is our intent that the Army will relocate the DSDC personnel.]), 213 from Memphis (124 DDMT, 89 DDRE Memphis), 87 from DDRT, 76 from DDCO). Analysis of the community data for the Harrisburg area indicates that it can absorb this increase to its population base.

MAP - (See enclosure 2.)

2 Encl

MILITARY VALUE BASE SPECIFIC INFORMATION
Collocated Distribution Depots

		DDPW		DDHU		DDMC		DDCT	
Data Element	MIL Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 295 POINTS									
A. Current/Future Mission									
1. DoD Essentiality	65	YES	65	YES	65	YES	65	YES	65
2. Other DoD Activity Performing Same Mission	25	NO	25	NO	25	NO	25	NO	25
B. Strategic Location Current & Future Mission									
1. Percent Workload Supporting									
a. Maintenance Activity	100	7.00	9	38.40	51	62.00	83	71.57	95
b. Local Installation	25	7.00	5	16.80	12	8.00	6	12.29	8
c. 100 Mile Customer	20	40.00	20	0.00	0	6.00	3	0.00	0
d. 300 Mile Customer	10	1.00	0	0.20	0	0.00	0	0.00	0
e. Worldwide Customer	5	45.00	4	44.60	4	24.00	2	16.14	1
2. Special Transportation - Stock	25	NO	0	YES	25	NO	0	YES	25
C. Operational Readiness									
1. Distance Depot to:									
a. Aerial POE	10	764.00	5	717.00	6	56.00	10	1,246.00	2
b. Water POE	10	60.00	9	753.00	0	92.00	9	570.00	2
SUBTOTAL MISSION SCOPE	295		142		188		203		223

Data Element	MIL Value	DDPW Response	DDPW Points Earned	DDHU Response	DDHU Points Earned	DDMC Response	DDMC Points Earned	DDCT Response	DDCT Points Earned
II. Mission Suitability 445 POINTS									
A. Suitable Facility									
1. Average Age of Facility	20	48.83	4	31.67	9	33.98	8	33.81	8
2. Condition of Depot Facility & Satellite Storage	100	3.50	96	13.06	80	4.40	96	10.60	81
3. Percent of Facilities									
a. Permanent	15	100.00	15	69.62	10	99.96	15	93.91	14
b. Semi-Permanent	0	0.00	0	30.38	0	0.01	0	6.09	0
c. Temporary	0	0.00	0	0.00	0	0.03	0	0.00	0
4. Unique Ops Facilities	25	YES	25	YES	25	YES	25	YES	25
5. Storage Capacity in ACF In 000s	100	3,809.00	13	15,625.00	53	12,791.00	43	2,315.00	8
6. Specialized Storage Facilities In 000s									
a. Hazardous	25	0.00	0	69.00	1	239.00	5	21.00	0
b. Freeze/Chill	5	0.00	0	9.00	0	23.00	0	1.00	0
c. Hardstand	10	73.00	0	534,000.00	1	1,055,851.00	3	397,284.00	1
7. Thru-put Capacity (8-hr. Single ShiftCurrent Manning,Workload Mix & Facilitization	100	1,736.90	17	4,150.00	40	4,379.90	43	1,537.60	15
B. Location Suitability									
1. Distance From Depot									
a. Rail	15	0.00	15	0.00	15	22.00	0	17.00	3
b. Water	15	60.00	14	728.00	0	92.00	13	12.00	15
c. Surface	0	0.00	0	0.00	0	0.00	0	0.00	0
d. Air	15	60.00	4	22.00	11	9.00	13	19.90	11
SUBTOTAL MISSION SUITABILITY	445		203		245		264		181

Data Element	MIL Value	DDPW Response	DDPW Points Earned	DDHU Response	DDHU Points Earned	DDMC Response	DDMC Points Earned	DDCT Response	DDCT Points Earned
III. Operational Efficiencies 120 POINTS									
A. Operating Costs									
1. BOS Costs Per Paid Equivalent	45	6,910.00	8	10,888.00	5	9,415.00	6	1,791.00	31
2. RPM Costs Per Square Foot	45	2.05	23	4.13	0	2.01	23	1.71	26
B. Transportation Costs									
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	3.74	11	0.63	14	3.30	11	3.26	11
2. Actual Second Destination TransportationCosts by Ton for Off Base Issues	15	46.36	13	17.57	14	91.24	12	222.57	7
SUBTOTAL OPERATIONAL EFFICIENCIES	120		55		33		52		75
IV. Expandability 140 POINTS									
A. Facility/Installation Expansion									
1. Excess Storage Capacity in Attainable Cubic Feet	90	1,207.00	11	2,435.00	22	4,023.00	36	439.00	4
2. Buildable Acres	25	0.00	0	20.00	0	7.30	0	130.00	2
3. Limitations on Expansion	5	NO	5	NO	5	YES	0	NO	5
a. Environmental									
b. Historical									
c. Other									
B. Mobilization Expansion									
1. Surge Capability									
a. Single 8-hr Shift	10	5,924.00	2	26,360.00	8	6,940.00	2	2,978.00	1
b. Second 8-hr Shift Authorized	10	5,924.00	2	26,360.00	10	6,940.00	3	2,978.00	1
SUBTOTAL EXPANDABILITY	140		20		45		41		13
TOTAL POINTS-COLLOCATED DEPOTS	1000		420		511		560		492

MILITARY VALUE BASE SPECIFIC INFORMATION
Collocated Distribution Depots

		DDBC		DDDC		DDOO		DDST	
Data Element	MIL Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 295 POINTS									
A. Current/Future Mission									
1. DoD Essentiality	65	YES	65	YES	65	YES	65	YES	65
2. Other DoD Activity Performing Same Mission	25	NO	25	NO	25	NO	25	NO	25
B. Strategic Location Current & Future Mission									
1. Percent Workload Supporting									
a. Maintenance Activity	100	25.00	33	14.03	19	44.00	59	36.00	48
b. Local Installation	25	30.00	21	21.88	15	24.00	17	6.00	4
c. 100 Mile Customer	20	15.00	8	38.07	19	3.00	2	1.00	1
d. 300 Mile Customer	10	20.00	4	3.64	1	7.00	1	0.76	0
e. Worldwide Customer	5	10.00	1	22.38	2	22.00	2	56.24	5
2. Special Transportation - Stock	25	YES	25	YES	25	NO	0	NO	0
C. Operational Readiness									
1. Distance Depot to:									
a. Aerial POE	10	422.00	7	513.00	7	1,122.00	3	1,651.00	0
b. Water POE	10	412.00	5	495.00	3	694.00	1	538.00	3
SUBTOTAL MISSION SCOPE	295		194		181		175		151

Data Element	MIL Value	DDBC Response	DDBC Points Earned	DDDC Response	DDDC Points Earned	DDOO Response	DDOO Points Earned	DDST Response	DDST Points Earned
II. Mission Suitability 445 POINTS									
A. Suitable Facility									
1. Average Age of Facility	20	48.72	4	44.17	5	50.24	4	33.72	8
2. Condition of Depot Facility & Satellite Storage	100	9.30	86	9.50	85	3.80	96	6.81	92
3. Percent of Facilities									
a. Permanent	15	92.19	14	89.43	13	100.00	15	57.34	9
b. Semi-Permanent	0	5.01	0	9.16	0	0.00	0	42.66	0
c. Temporary	0	2.80	0	1.41	0	0.00	0	0.00	0
4. Unique Ops Facilities	25	YES	25	YES	25	YES	25	YES	25
5. Storage Capacity in ACF In 000s	100	9,633.00	33	14,975.00	51	18,595.00	63	26,318.00	89
6. Specialized Storage Facilities In 000s									
a. Hazardous	25	0.00	0	210.00	4	250.00	5	253.00	5
b. Freeze/Chill	5	0.00	0	537.00	3	4.00	0	4.00	0
c. Hardstand	10	1,793.00	0	421,000.00	1	793.00	0	1,667.00	0
7. Thru-put Capacity (8-hr. Single ShiftCurrent Manning,Workload Mix & Facilitization	100	419.90	4	7,965.90	78	5,976.00	58	5,215.00	51
B. Location Suitability									
I. Distance From Depot									
a. Rail	15	0.00	15	4.80	12	9.00	9	2.50	13
b. Water	15	132.00	12	5.00	15	105.00	13	192.00	11
c. Surface	0	0.00	0	0.00	0	0.00	0	0.00	0
d. Air	15	83.00	0	6.00	14	20.00	11	0.00	15
SUBTOTAL MISSION SUITABILITY	445		193		306		299		318

Data Element	MIL Value	DDBC Response	DDBC Points Earned	DDDC Response	DDDC Points Earned	DDOO Response	DDOO Points Earned	DDST Response	DDST Points Earned
III. Operational Efficiencies 120 POINTS									
A. Operating Costs									
1. BOS Costs Per Paid Equivalent	45	4,838.00	12	9,782.00	6	4,058.00	14	5,802.00	10
2. RPM Costs Per Square Foot	45	0.83	36	1.37	30	0.92	35	1.57	28
B. Transportation Costs									
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	12.88	0	3.61	11	4.34	10	3.74	11
2. Actual Second Destination TransportationCosts by Ton for Off Base Issues	15	17.47	14	63.98	13	395.66	0	145.88	9
SUBTOTAL OPERATIONAL EFFICIENCIES	120		62		60		59		58
IV. Expandability 140 POINTS									
A. Facility/Installation Expansion									
1. Excess Storage Capacity in Attainable Cubic Feet	90	5,032.00	45	4,748.00	42	1,941.00	17	8,472.00	75
2. Buildable Acres	25	296.00	4	0.00	0	0.00	0	146.00	2
3. Limitations on Expansion	5	YES	0	YES	0	NO	5	NO	5
a. Environmental									
b. Historical									
c. Other									
B. Mobilization Expansion									
1. Surge Capability									
a. Single 8-hr Shift	10	5,631.00	2	20,904.00	7	19,114.00	6	12,363.00	4
b. Second 8-hr Shift Authorized	10	5,631.00	2	20,904.00	8	18,814.00	7	12,363.00	5
SUBTOTAL EXPANDABILITY	140		53		57		35		91
TOTAL POINTS-COLLOCATED DEPOTS	1000		502		604		568		618

MILITARY VALUE BASE SPECIFIC INFORMATION
Collocated Distribution Depots

		DDRT		DDTP		DDLP		DDJF	
Data Element	MIL Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 295 POINTS									
A. Current/Future Mission									
1. DoD Essentiality	65	YES	65	YES	65	YES	65	YES	65
2. Other DoD Activity Performing Same Mission	25	NO	25	NO	25	NO	25	NO	25
B. Strategic Location Current & Future Mission									
1. Percent Workload Supporting									
a. Maintenance Activity	100	12.00	16	42.70	57	41.60	55	45.67	61
b. Local Installation	25	8.00	6	7.50	5	36.30	25	2.50	2
c. 100 Mile Customer	20	0.00	0	7.20	4	0.00	0	6.51	3
d. 300 Mile Customer	10	50.00	10	7.70	2	0.00	0	1.00	0
e. Worldwide Customer	5	30.00	3	34.90	3	22.10	2	44.32	4
2. Special Transportation - Stock	25	YES	25	YES	25	YES	25	YES	25
C. Operational Readiness									
1. Distance Depot to:									
a. Aerial POE	10	917.00	4	153.00	9	165.00	9	262.00	8
b. Water POE	10	368.00	5	100.00	9	217.00	7	561.00	3
SUBTOTAL MISSION SCOPE	295		159		204		213		196

Data Element	MIL Value	DDRT Response	DDRT Points Earned	DDTP Response	DDTP Points Earned	DDLP Response	DDLP Points Earned	DDJF Response	DDJF Points Earned
II. Mission Suitability 445 POINTS									
A. Suitable Facility									
1. Average Age of Facility	20	34.69	7	36.68	6	45.51	4	44.31	5
2. Condition of Depot Facility & Satellite Storage	100	3.20	96	13.51	80	13.30	80	11.70	81
3. Percent of Facilities									
a. Permanent	15	92.44	14	100.00	15	91.70	14	94.88	14
b. Semi-Permanent	0	7.56	0	0.00	0	8.30	0	5.12	0
c. Temporary	0	0.00	0	0.00	0	0.00	0	0.00	0
4. Unique Ops Facilities	25	YES	25	YES	25	YES	25	NO	0
5. Storage Capacity in ACF In 000s	100	23,007.00	78	16,862.00	57	25,150.00	85	4,936.00	17
6. Specialized Storage Facilities In 000s									
a. Hazardous	25	401.00	8	93.00	2	335.00	7	397.00	8
b. Freeze/Chill	5	100.00	1	635.00	3	0.00	0	45.00	0
c. Hardstand	10	886,473.00	2	968,000.00	3	2,617,000.00	7	242,000.00	1
7. Thru-put Capacity (8-hr. Single ShiftCurrent Manning,Workload Mix & Facilitization	100	4,257.50	41	1,904.80	19	2,185.00	21	3,533.00	34
B. Location Suitability									
I. Distance From Depot									
a. Rail	15	0.00	15	0.00	15	0.00	15	17.00	3
b. Water	15	286.00	9	96.00	13	217.00	11	15.00	15
c. Surface	0	0.00	0	0.00	0	0.00	0	0.00	0
d. Air	15	23.00	11	29.00	10	2.00	15	30.00	10
SUBTOTAL MISSION SUITABILITY	445		307		248		284		188

Data Element	MIL Value	DDRT Response	DDRT Points Earned	DDTP Response	DDTP Points Earned	DDLP Response	DDLP Points Earned	DDJF Response	DDJF Points Earned
III. Operational Efficiencies 120 POINTS									
A. Operating Costs									
1. BOS Costs Per Paid Equivalent	45	1,682.00	33	2,740.00	20	4,717.00	12	5,998.00	9
2. RPM Costs Per Square Foot	45	1.34	30	1.85	25	1.22	32	2.55	17
B. Transportation Costs									
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	5.41	9	3.36	11	5.27	9	2.73	12
2. Actual Second Destination TransportationCosts by Ton for Off Base Issues	15	114.82	11	0.81	15	9.49	15	36.35	14
SUBTOTAL OPERATIONAL EFFICIENCIES	120		83		71		68		52
IV. Expandability 140 POINTS									
A. Facility/Installation Expansion									
1. Excess Storage Capacity in Attainable Cubic Feet	90	2,113.00	19	1,443.00	13	6,396.00	57	1,492.00	13
2. Buildable Acres	25	2,080.00	25	10.00	0	1,223.00	15	0.00	0
3. Limitations on Expansion	5	NO	5	NO	5	NO	5	NO	5
a. Environmental									
b. Historical									
c. Other									
B. Mobilization Expansion									
1. Surge Capability									
a. Single 8-hr Shift	10	11,004.00	3	4,498.00	1	4,248.00	1	7,324.00	2
b. Second 8-hr Shift Authorized	10	11,004.00	4	4,498.00	2	4,248.00	2	7,324.00	3
SUBTOTAL EXPANDABILITY	140		56		21		80		23
TOTAL POINTS-COLLOCATED DEPOTS	1000		605		544		645		459

MILITARY ... ECIFIC INFORMATION

Collocated Distribution Depot

Data Element	MIL Value	DDWG Response	DDWG Points Earned	DDAA Response	DDAA Points Earned	DDCN Response	DDCN Points Earned
I. Mission Scope 295 POINTS							
A. Current/Future Mission							
1. DoD Essentiality	65	YES	65	YES	65	YES	65
2. Other DoD Activity Performing Same Mission	25	NO	25	NO	25	NO	25
B. Strategic Location Current & Future Mission							
1. Percent Workload Supporting							
a. Maintenance Activity	100	31.90	43	75.00	100	44.00	59
b. Local Installation	25	13.71	9	5.00	3	8.00	6
c. 100 Mile Customer	20	6.40	3	0.00	0	6.00	3
d. 300 Mile Customer	10	3.16	1	5.00	1	4.00	1
e. Worldwide Customer	5	44.74	4	15.00	1	38.00	3
2. Special Transportation - Stock	25	YES	25	YES	25	NO	0
C. Operational Readiness							
1. Distance Depot to:							
a. Aerial POE	10	252.00	8	376.00	8	179.00	9
b. Water POE	10	167.00	8	343.00	5	179.00	8
SUBTOTAL MISSION SCOPE	295		191		233		179

Data Element	MIL Value	DDWG Response	DDWG Points Earned	DDAA Response	DDAA Points Earned	DDCN Response	DDCN Points Earned
II. Mission Suitability 445 POINTS							
A. Suitable Facility							
1. Average Age of Facility	20	32.33	9	44.80	5	46.79	4
2. Condition of Depot Facility & Satellite Storage	100	5.80	92	9.70	85	10.91	81
3. Percent of Facilities							
a. Permanent	15	99.99	15	100.00	15	86.66	13
b. Semi-Permanent	0	0.01	0	0.00	0	13.34	0
c. Temporary	0	0.00	0	0.00	0	0.00	0
4. Unique Ops Facilities	25	YES	25	YES	25	NO	0
5. Storage Capacity in ACF In 000s	100	18,358.00	62	18,965.00	64	3,239.00	11
6. Specialized Storage Facilities In 000s							
a. Hazardous	25	231.00	5	544.00	11	0.00	0
b. Freeze/Chill	5	28.00	0	0.00	0	0.00	0
c. Hardstand	10	329,703.00	1	3,811,971.00	10	246,000.00	1
7. Thru-put Capacity (8-hr. Single ShiftCurrent Manning,Workload Mix & Facilitization	100	4,667.00	45	4,084.92	40	2,791.00	27
B. Location Suitability							
I. Distance From Depot							
a. Rail	15	0.00	15	0.00	15	0.00	15
b. Water	15	167.00	12	280.00	9	5.00	15
c. Surface	0	0.00	0	0.00	0	0.00	0
d. Air	15	0.00	15	11.00	13	16.00	12
SUBTOTAL MISSION SUITABILITY	445		296		292		179

Data Element	MIL Value	DDWG Response	DDWG Points Earned	DDAA* Response	DDAA* Points Earned	DDCN Response	DDCN Points Earned
III. Operational Efficiencies 120 POINTS							
A. Operating Costs							
1. BOS Costs Per Paid Equivalent	45	3,927.00	14	3,872.00	14	3,633.00	15
2. RPM Costs Per Square Foot	45	1.63	27	1.38	30	1.85	25
B. Transportation Costs							
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	5.25	9	10.31	3	0.59	14
2. Actual Second Destination TransportationCosts by Ton for Off Base Issues	15	95.31	11	17.45	14	24.00	14
SUBTOTAL OPERATIONAL EFFICIENCIES	120		61		61		68
IV. Expandability 140 POINTS							
A. Facility/Installation Expansion							
1. Excess Storage Capacity in Attainable Cubic Feet	90	4,432.00	39	6,787.00	60	799.00	7
2. Buildable Acres	25	436.00	5	1,468.00	18	0.00	0
3. Limitations on Expansion	5	NO	5	NO	5	NO	5
a. Environmental							
b. Historical							
c. Other							
B. Mobilization Expansion							
1. Surge Capability							
a. Single 8-hr Shift	10	7,659.00	2	5,635.00	2	3,534.00	1
b. Second 8-hr Shift Authorized	10	11,872.00	5	7,718.00	3	3,534.00	1
SUBTOTAL EXPANDABILITY	140		56		88		14
TOTAL POINTS-COLLOCATED DEPOTS	1000		604		674		440

Data Element	MIL Value	DDNV Response	DDNV Points Earned	DDAG Response	DDAG Points Earned
III. Operational Efficiencies 120 POINTS					
A. Operating Costs					
1. BOS Costs Per Paid Equivalent	45	4,295.00	13	1,237.00	45
2. RPM Costs Per Square Foot	45	2.03	23	0.01	45
B. Transportation Costs					
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	5.46	9	0.00	15
2. Actual Second Destination TransportationCosts by Ton for Off Base Issues	15	204.80	7	0.00	15
SUBTOTAL OPERATIONAL EFFICIENCIES	120		52		120
IV. Expandability 140 POINTS					
A. Facility/Installation Expansion					
1. Excess Storage Capacity in Attainable Cubic Feet	90	10,135.00	90	6,634.00	59
2. Buildable Acres	25	0.00	0	0.00	0
3. Limitations on Expansion	5	NO	5	NO	5
a. Environmental					
b. Historical					
c. Other					
B. Mobilization Expansion					
1. Surge Capability					
a. Single 8-hr Shift	10	32,118.00	10	1,519.00	0
b. Second 8-hr Shift Authorized	10	22,598.00	9	1,517.00	1
SUBTOTAL EXPANDABILITY	140		114		65
TOTAL POINTS-COLLOCATED DEPOTS	1000		714		601

MILITARY VALUE BASE SPECIFIC INFORMATION
Collocated Distribution Depots

		DDNV		DDAG	
Data Element	MIL Value	Response	Points Earned	Response	Points Earned
I. Mission Scope 295 POINTS					
A. Current/Future Mission					
1. DoD Essentiality	65	YES	65	YES	65
2. Other DoD Activity Performing Same Mission	25	NO	25	NO	25
B. Strategic Location Current & Future Mission					
1. Percent Workload Supporting					
a. Maintenance Activity	100	17.00	23	20.00	27
b. Local Installation	25	31.00	21	15.00	10
c. 100 Mile Customer	20	10.00	5	0.00	0
d. 300 Mile Customer	10	5.00	1	18.00	4
e. Worldwide Customer	5	37.00	3	47.00	4
2. Special Transportation - Stock	25	NO	0	YES	25
C. Operational Readiness					
1. Distance Depot to:					
a. Aerial POE	10	0.00	10	302.00	8
b. Water POE	10	0.00	10	167.00	8
SUBTOTAL MISSION SCOPE	295		163		176

Data Element	MIL Value	DDNV Response	DDNV Points Earned	DDAG Response	DDAG Points Earned
II. Mission Suitability 445 POINTS					
A. Suitable Facility					
1. Average Age of Facility	20	45.63	4	40.49	6
2. Condition of Depot Facility & Satellite Storage	100	13.10	80	7.20	90
3. Percent of Facilities					
a. Permanent	15	87.58	13	100.00	15
b. Semi-Permanent	0	8.32	0	0.00	0
c. Temporary	0	4.10	0	0.00	0
4. Unique Ops Facilities	25	YES	25	N	0
5. Storage Capacity in ACF In 000s	100	29,512.00	100	15,442.00	52
6. Specialized Storage Facilities In 000s					
a. Hazardous	25	584.00	12	1,234.00	25
b. Freeze/Chill	5	984.00	5	0.00	0
c. Hardstand	10	336,000.00	1	1,183,000.00	3
7. Thru-put Capacity (8-hr. Single ShiftCurrent Manning,Workload Mix & Facilitization	100	10,272.00	100	1,036.00	10
B. Location Suitability					
I. Distance From Depot					
a. Rail	15	0.00	15	0.00	15
b. Water	15	0.10	15	174.00	11
c. Surface	0	0.00	0	0.00	0
d. Air	15	0.00	15	11.00	13
SUBTOTAL MISSION SUITABILITY	445		385		240

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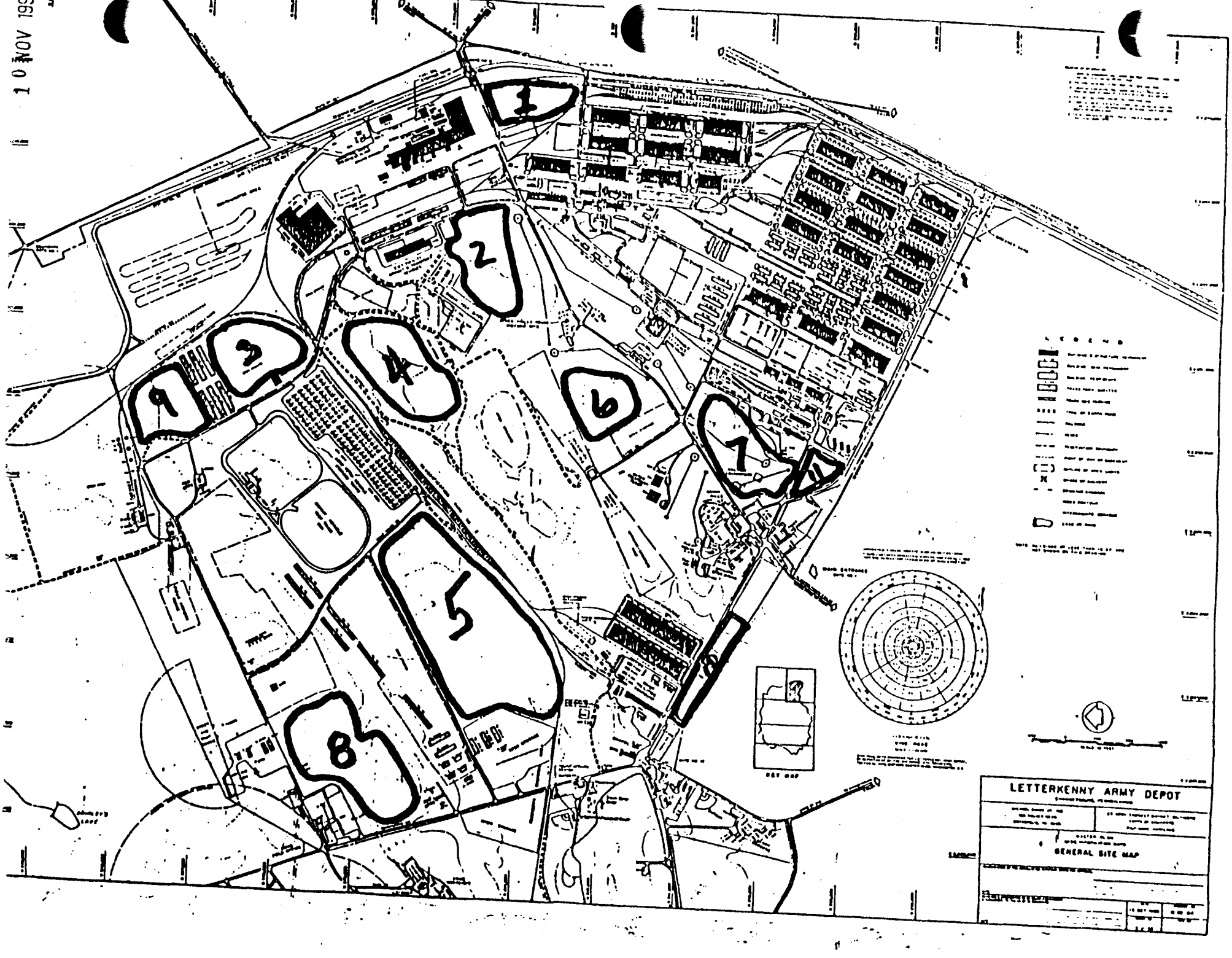

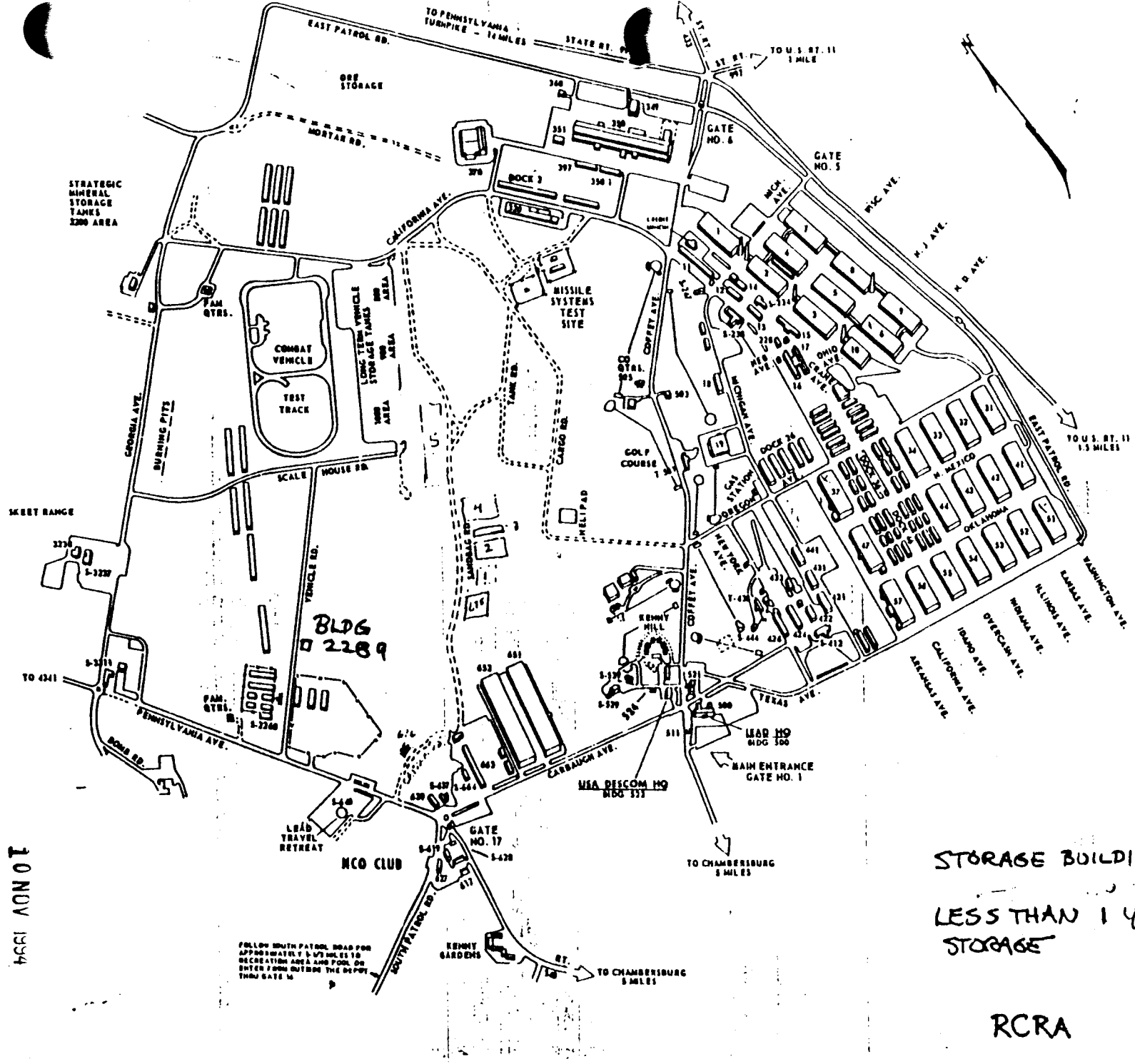

STORAGE BUILDING 2289

LESS THAN 1 YEAR CONTAINER STORAGE

RCRA

10 NOV 1994

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TAB D

DEFENSE DISTRIBUTION DEPOT OGDEN, UTAH (DDOU)

RECOMMENDATION:

Close DDOU except for a 36,000 square foot cantonment for Army Reserve personnel. Stock will be relocated to optimum storage locations within DoD distribution system.

COSTS/SAVINGS:

One-Time Costs:	$110.8M
Steady State:	$21.3M (FY 00)
Net Present Value:	$180.9M
Return on Investment Year	2003 (4 Years)
Start Year:	1996
Completion Year:	1999

RATIONALE FOR RECOMMENDATION:

The recommendation to close DDOU was based on declining storage and capacity requirements. and the desire to minimize unneeded infrastructure to reduce distribution costs. This action closes an entire installation. In addition, the SAILS model optimizes distribution costs when DDMT and DDOU are the two depots selected for closure. DDOU tied for 3 of 6 in the Military Value analysis and was 5 of 6 in the installation Military Value analysis. Sufficient storage and thruput capacity is available in the remaining depots to accommodate projected workload and storage requirements.

WHY OTHER STAND-ALONE DEPOTS WERE NOT SELECTED:

Columbus scored first in installation Military Value and Richmond has the best facilities in DLA, so both are remaining open. Both DDCO and DDRV are collocated with these ICPs and can maximize shared overhead and optimize use of retained DLA facilities. DDJC and DDSP's higher military value scores are attributable to large storage and thruput capacities, close proximity to APOE and WPOE capabilities for contingency support of two MRCs, and has CCP and ALOC operations. These factors removed them from consideration for closure.

RISK ASSESSMENT:

Implementing all of the closure/realignment actions for distribution will leave DLA in a 21M ACF shortfall. However, both Navy and Air Force have offered additional storage space at their collocated locations to offset this deficit if necessary. In addition, DLA took some risks in the Storage Management Plan for inventory reductions; by remaining in some substandard facilities; and for increases in new requirements from European retrograde, out-to-in (materiel requiring inside storage space) and Army residual material at closing bases.

PERSONNEL IMPACTS:

Personnel Transferred:
213 civilians to DDJC
213 civilians to Base X

Personnel Eliminated:
385 civilians and 6 military = 391

PERSONNEL REDUCTION METHODOLOGY (COBRA):

POM reductions were taken first. Due to workload reductions, it is projected that only 40% of the indirect and 60-65% of the direct labor will be required to accommodate workload moving from a closed or disestablished depot. Manpower was reduced to these percentages and positions were then dispersed commensurate with the migration of workload.

MILITARY VALUE:

Military Value Ranking in Category (see charts at enclosure 1): Tied for 3 of 6

Installation Military Value: 5 of 6

Military Value Point Distribution Methodology:

Points were assigned to the depots based on the certified data. In most cases, the "best" answer received the total points available, and the others received a proportion of the points based on the relationship of their answer to the "best" answer. Age of buildings (under Mission Suitability) was determined based on an average age of all buildings, normalized by the number of square feet in each. Building condition (also under Mission Suitability) was determined by comparing the Long Range Maintenance Planning data developed by the Navy Norfolk Public Works Center to the expected cyclic maintenance requirements of a new building, again, normalized by square footage.

SAILS RESULTS:

Closing the combination of DDOU and DDMT show the lowest relative operating cost for the remainder of the depot distribution systems.

DISTRIBUTION SYSTEM STORAGE, WORKLOAD, AND PERSONNEL PROJECTIONS:

Reductions in storage capacity requirements, workload throughput and personnel are shown below:

	FY 92	FY 01
Storage Capacity Requirement	788M ACF	452M ACF
Workload Throughput	44M	21M
Personnel	24,700	11,100

DDOU SPECIFIC WORKLOAD DATA:

Percent support to Local Installation:	3.6%
Percent support Worldwide:	94.5%
Storage Capacity (ACF):	31.838M
Occupied Cubic Feet (OCF):	23.887M
Excess Storage Capacity (ACF):	7.951M
Current Thruput Capacity (Issues, Receipts, and Eaches):	8,684
Maximum Thruput Capacity (Single 8-hour shift):	27,307
Maximum Thruput Capacity (Issues, Receipts, and Eaches) second 8-hour shift:	27,307

FACILITY DATA:

Facility Age Evaluation: 48.8
Facility Condition Evaluation:
Ranked 2 of 6 in Stand-Alone Depots

MILCON:

Reconfigure existing administrative space at DDRW for the tenants being relocated. Space for an additional 122 people will be provided. Estimated cost is $3.5M based on renovations to existing space.

Planning estimate to account for renovating existing administrative space at a location to be determined for the tenants expected to remain in the Ogden area. An administrative space use rate of 130 square feet per person was used for the planning. Estimated cost is $11.1M based on renovations to existing space.

Conversion of an existing flammable material storage warehouse to a hazardous material storage warehouse at DDJC for the hazardous material to be relocated from DDOU. Estimated cost is $7.3M.

TENANT IMPACTS:

The recommendation to close DDOU required movement of all DDOU tenants as listed below:

ACTIVITY	# OF PERSONNEL MOVING		NEW LOCATION
	Civ	Mil	
DCPSO	8	0	HQ DDRW, Stockton, CA
DRMS West	51	1	HQ DDRW, Stockton, CA
DRMS HQ	21	0	HQ DDRW, Stockton, CA
DSDC-H	66	1	HQ DDRW, Stockton, CA
DSDC-W	44	0	HQ DDRW, Stockton, CA
HQ DDRW	93	0	HQ DDRW, Stockton, CA
172nd Med Sup Bat	1	7	Base X (within a 25 mile radius)
DCSAO	1	0	Base X (within a 25 mile radius)
DCIS	9	0	Base X (within a 25 mile radius)
DPS	1	0	Base X (within a 25 mile radius)
IPC O	61	0	Base X (within a 25 mile radius)
IRS	844	0	Base X (within a 25 mile radius)
AAFES	1	0	Base X (within a 25 mile radius)
Utah Nat'l Guard	8	0	Base X (within a 25 mile radius)

ENVIRONMENTAL IMPACT:

We reviewed all environmental conditions present at the installation. The installation is in an area assigned by EPA as nonattainment for carbon monoxide. Twelfth Street, the main road leading into and out of the base, has vehicle miles traveled limitations (a 22% allowable increase from FY 90 - FY15). The BRACEG concluded that environmental considerations do not prohibit this recommendation from being implemented.

COMMUNITY IMPACT:

DLA conducted a comprehensive analysis of the ability of each DLA community to support additional mission and personnel. We collected community-specific data in infrastructure, cost of living, and quality of life areas. All data was provided by DLA activities located in the affected communities. All data was certified as being accurate by the DLA field activity commander. All recommended receiving communities were assessed assuming all new hires into the area would come from outside the area and that these new hires would all have dependents who would relocate in the area as well.

The San Joaquin County, CA area stands to receive 504 additional personnel as a result of DLA's BRAC 95 recommendations (498 from Ogden (213 DDOU, 111 DSDC Ogden, 93 DDRW Ogden, 52 DRMS Operations West Ogden, 21 DRMS Ogden, 8 DCPSO Ogden), 6 DDRW Texarkana). Analysis of the community data for the San Joaquin area indicates that it can absorb this increase to its population base.

MAP - (See enclosure 2.)

2 Encl

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

		DDSP		DDCO		DDRV	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 290 POINTS							
A. Current/Future Mission							
1. DoD Essentiality	25	Y	25	Y	25	Y	25
2. Other DoD Activity Performing Same Mission	25	N	25	N	25	N	25
B. Strategic Location Current & Future Mission							
1. % Workload Supporting							
a. Maintenance Activity	0	0.00	0	0.00	0	0.00	0
b. Other Local Installation	15	0.00	0	6.80	15	0.00	0
c. 100 Mile Customer	10	2.00	1	1.30	1	15.80	9
d. 300 Mile Customer	5	5.00	1	13.10	3	19.49	5
e. All others	70	93.00	69	78.80	58	64.71	48
C. Operational Readiness							
1. Over and above worldwide wartime/contingency role (CCP, ALOC) as specified in the Concepts of Operations	100	Y	100	N	0	N	0
2. Distance Depot to:							
a. Aerial POE	20	136.00	11	474.00	3	99.00	15
b. Water POE	20	178.00	7	535.00	2	89.00	14
TOTAL MISSION SCOPE	290		239		132		141

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

Data Element	Military Value	DDSP Response	DDSP Points Earned	DDCO Response	DDCO Points Earned	DDRV Response	DDRV Points Earned
II. Mission Suitability 475 POINTS							
A. Facility Suitability							
1. Average Age of Facility	20	44.54 Yrs	5	58 Yrs	3	43 Yrs	5
2. Condition of Depot Facility & Satellite Storage	100	$26.07/SF	58	$15.22 SF	77	$4.36/SF	92
3. % of Facilities							
a. Permanent	15	56.78	9	100.00	15	90.11	14
b. Semi-Permanent	0	43.22	0	0.00	0	8.77	0
c. Temporary	0	0.00	0	0.00	0	1.12	0
4. Unique Ops Facilities	10	Y	10	N	0	Y	10
5. Storage Capacity in ACF In 000's	150	69,572.00	134	28,643.00	55	27,284.00	53
6. Specialized Storage Facilities Hazardous in 000's	10	0.00	0	0.00	0	2,364.00	9
7. Thru-put Capacity (8-hr. Single Shift Current Manning, Workload Mix and Facilitation	150	25,743.00	150	10,113.00	59	9,447.60	55
B. Location Suitability							
I. Distance From Depot							
a. Rail	0	13.00	0	9.00	0	0.00	0
b. Water	10	69.00	1	110.00	1	89.00	1
c. Surface	0	0.00	0	0.00	0	0.00	0
d. Air	10	12.00	2	2.00	10	99.00	0
TOTAL MISSION SUITABILITY	475		369		220		239

MILITARY VALUE BASE SPECIFIC INFORMATION Stand-Alone Distribution Depots							
		DDSP		DDCO		DDRV	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
III. Operational Efficiencies 100 POINTS							
A. Operating Costs							
1. BOS Costs Per Paid Equivalent	35	5,781.00	30	5,593.00	31	4,938.00	35
2. RPM Costs Per Square Foot	35	1.69	22	1.21	31	1.42	26
B. Transportation Costs							
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	5.11	10	3.40	15	5.43	9
2. Actual Second Destination Transportation Costs by Ton for Off Base Issues	15	139.33	14	263.37	7	206.64	10
TOTAL OPERATIONAL EFFICIENCIES	100		76		84		80

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

Data Element	Military Value	DDSP Response	DDSP Points Earned	DDCO Response	DDCO Points Earned	DDRV Response	DDRV Points Earned
IV. Expandability 135 POINTS							
A. Facility/Installation Expansion							
1. Excess Storage Capacity in Attainable Cubic Feet In 000's	85	10,338.00	44	5,362.00	23	2,311.00	10
2. Buildable Acres	25	303.00	8	0* See ICP	0	0* See ICP	0
3. Limitations on Expansion (Environmental, Historical, etc.)	5	No	5	No	5	No	5
B. Mobilization Expansion							
1. Surge Capability							
a. Single 8-hr Shift	10	62,395.00	9	13,610.00	2	17,113.00	3
b. Second 8-hr Shift	10	62,395.00	9	13,610.00	2	17,113.00	3
TOTAL EXPANDABILITY	135		75		32		21
TOTAL POINTS FOR STANDALONE DEPOTS	1000		759		468		481

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

		DDMT		DDOU		DDJC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 290 POINTS							
A. Current/Future Mission							
1. DoD Essentiality	25	Y	25	Y	25	Y	25
2. Other DoD Activity Performing Same Mission	25	N	25	N	25	N	25
B. Strategic Location Current & Future Mission							
1. % Workload Supporting							
a. Maintenance Activity	0	0.00	0	0.00	0	0.00	0
b. Other Local Installation	15	0.00	0	3.60	8	0.16	0
c. 100 Mile Customer	10	0.22	0	1.90	1	17.00	10
d. 300 Mile Customer	5	6.88	2	0.00	0	0.87	0
e. All others	70	92.90	69	94.50	70	81.97	61
C. Operational Readiness							
1. Over and above worldwide wartime/contingency role (CCP, ALOC) as specified in the Concepts of Operations	100	N	0	N	0	Y	100
2. Distance Depot to:							
a. Aerial POE	20	671.00	2	727.00	2	75.00	20
b. Water POE	20	391.00	3	763.00	2	63.00	20
TOTAL MISSION SCOPE	290		126		133		261

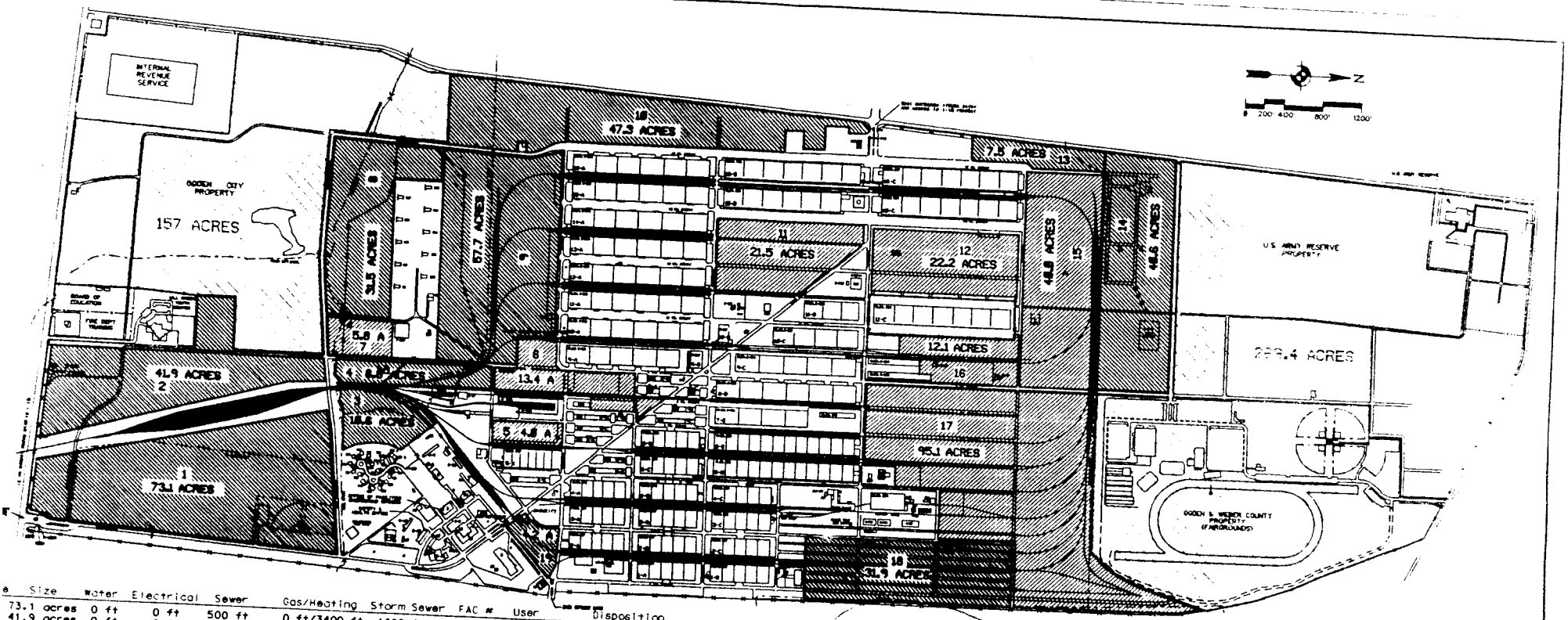
MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

		DDMT		DDOU		DDJC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
II. Mission Suitability 475 POINTS							
A. Facility Suitability							
1. Average Age of Facility	20	41 Yrs	6	48 Yrs	4	40 Yrs	6
2. Condition of Depot Facility & Satellite Storage	100	$8.12/ SF	87	$7.82/SF	88	$13.61/SF	78
3. % of Facilities							
a. Permanent	15	88.63	13	59.00	9	92.78	14
b. Semi-Permanent	0	9.59	0	41.00	0	7.22	0
c. Temporary	0	1.77	0	0.00	0	0.00	0
4. Unique Ops Facilities	10	Y	10	Y	10	Y	10
5. Storage Capacity in ACF In 000's	150	33,980.00	65	31,838.00	61	77,934.00	150
6. Specialized Storage Facilities Hazardous in 000's	10	958.00	4	2,677.00	10	676.00	3
7. Thru-put Capacity (8-hr. Single Shift Current Manning, Workload Mix and Facilitation	150	10,805.00	63	8,684.00	51	17,376.20	101
B. Location Suitability							
1. Distance From Depot							
a. Rail	0	0.00	0	0.00	0	0.00	0
b. Water	10	10.00	10	718.00	0	10.00	10
c. Surface	0	0.00	0	0.00	0	0.00	0
d. Air	10	3.00	7	32.00	1	3.00	7
TOTAL MISSION SUITABILITY	475		265		234		379

MILITARY VALUE BASE SPECIFIC INFORMATION Stand-Alone Distribution Depots							
		DDMT		DDOU		DDJC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
III. Operational Efficiencies 100 POINTS							
A. Operating Costs							
1. BOS Costs Per Paid Equivalent	35	5,533.00	31	8,103.00	21	6,060.00	29
2. RPM Costs Per Square Foot	35	1.32	28	1.06	35	1.94	19
B. Transportation Costs							
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	7.43	7	5.55	9	7.27	7
2. Actual Second Destination Transportation Costs by Ton for Off Base Issues	15	188.04	10	264.96	7	131.33	15
TOTAL OPERATIONAL EFFICIENCIES	100		76		72		70

MILITARY VALUE BASE SPECIFIC INFORMATION
Stand-Alone Distribution Depots

Data Element	Military Value	DDMT Response	DDMT Points Earned	DDOU Response	DDOU Points Earned	DDJC Response	DDJC Points Earned
IV. Expandability 135 POINTS							
A. Facility/Installation Expansion							
1. Excess Storage Capacity in Attainable Cubic Feet In 000's	85	5,607.00	24	7,951.00	33	20,180.00	85
2. Buildable Acres	25	136.00	3	995.00	25	296.50	7
3. Limitations on Expansion (Environmental, Historical, etc.)	5	No	5	Yes Air	0	Yes Air	0
B. Mobilization Expansion							
1. Surge Capability							
a. Single 8-hr Shift	10	23,151.00	3	27,307.00	4	67,946.00	10
b. Second 8-hr Shift	10	23,151.00	3	27,307.00	4	67,946.00	10
TOTAL EXPANDABILITY	135		38		66		112
TOTAL POINTS FOR STANDALONE DEPOTS	1000		505		505		822



e	Size	Water	Electrical	Sewer	Gas/Heating	Storm Sewer	FAC #	User	Disposition
	73.1 acres	0 ft	0 ft	500 ft	0 ft/3400 ft	1000 ft			
	41.9 acres	0 ft	0 ft	2000 ft	0 ft/2800 ft	1850 ft			
	10.6 acres	0 ft	0 ft	200 ft	200 ft/1600 ft	0 ft			
	8.8 acres	0 ft	0 ft	100 ft	150 ft/ 800 ft	25 ft			
	4.0 acres	0 ft	0 ft	0 ft	40 ft/ 950 ft	0 ft			
	13.4 acres	0 ft	0 ft	0 ft	0 ft/ 350 ft	0 ft	45112	ARMY RES	Military Vehicles
	5.8 acres	50 ft	40 ft	1350 ft	1000 ft/1800 ft	1100 ft	45110	DDOU-WS	Lumber
	31.5 acres	50 ft	300 ft	1500 ft	1300 ft/1800 ft	1300 ft	45112	DDOU-TO	Horses
	57.7 acres	0 ft	0 ft	0 ft	0 ft/ 0 ft	0 ft			
	47.3 acres	0 ft	0 ft	0 ft	350 ft/1150 ft	0 ft			
	21.5 acres	0 ft	0 ft	0 ft	0 ft/ 150 ft	0 ft			
	22.2 acres	0 ft	0 ft	0 ft	0 ft/ 500 ft	0 ft	45112	DDOU-TO	Agricultural Lease
	7.5 acres	0 ft	0 ft	0 ft	1300 ft/1000 ft	0 ft	45112	DDOU-TO	Agricultural Lease
	40.6 acres	0 ft	0 ft	0 ft	0 ft/2400 ft	0 ft			
	40.0 acres	0 ft	0 ft	0 ft	0 ft/1400 ft	0 ft	45112	DDOU-TO	Agricultural Lease
	12.1 acres	0 ft	0 ft	0 ft	0 ft/1200 ft	0 ft	45111	DDOU-TO	Pallets (Flat & Box)
	95.1 acres	0 ft	0 ft	0 ft	0 ft/ 100 ft	0 ft	45111	DDOU-TS	Field Medical Units
	31.9 acres	0 ft	0 ft	0 ft	500 ft/ 400 ft	0 ft			
	4.2 acres	0 ft	0 ft	0 ft	0 ft/ 280 ft	25 ft			

PLFA: DDRW
SLFA: DDOU
QUESTION: IV.B.31

355.1 ACRES - UNRESTRICTED UNDEVELOPED

214.1 ACRES - UNRESTRICTED DEVELOPED

4.[illegible] ACRES - RETRIEVABLE GRANTED DDOU AREAS (FROM DDOU TO DDRW FOR PUBLIC USE)

995.6 TOTAL ACRES AVAILABLE

DEFENSE DEPOT OGDEN
FACILITIES ENGINEERING DIVISION

GENERAL SITE PLAN
(UNRESTRICTED ACREAGE)

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TAB E

DEFENSE DISTRIBUTION DEPOT RED RIVER, TEXAS (DDRT)

RECOMMENDATION:

Disestablish DDRT. Materiel associated with the maintenance mission will be relocated to DDAA, Anniston, AL. Remainder of stock will be stored in optimum storage locations within the DoD distribution system.

COSTS/SAVINGS:

One-Time Costs:	$58.9M
Steady State:	$18.9M (FY 01)
Net Present Value:	$186.1M
Return on Investment Year:	2002 (2 Years)
Start Year:	1996
End Year:	2000

RATIONALE FOR RECOMMENDATION:

The collocated maintenance depot realigned to Anniston Army Depot, AL. DLA followed the Army lead. Other customers within the area can be supported from nearby distribution depots. There is sufficient storage and thruput capacity available at the remaining depots not selected for closure to satisfy requirements and timeframes.

WHY OTHER COLLOCATED DEPOTS WERE NOT SELECTED:

DLA has a commitment to the Services to maintain a distribution depot at maintenance sites for rapid response support. If the maintenance activity did not close or realign, the collocated distribution depot did not close or realign.

RISK ASSESSMENT:

Implementing all of the closure/realignment actions for distribution will leave DLA in a 21M ACF shortfall. However, both Navy and Air Force have offered additional storage space at their collocated locations to offset this deficit if necessary. In addition, DLA took some risks in the Storage Management Plan for inventory reductions; for remaining in some substandard facilities; and for increases in new requirements from European retrograde, out-to-in (materiel requiring inside storage space) and Army residual material at closing bases.

PERSONNEL IMPACTS:

Personnel Transferred:

349 civilians to DDAA, Anniston, AL
87 civilians to DDSP, New Cumberland, PA
6 civilians to HQ DDRW, Stockton, CA

Personnel Eliminated:

378 civilians and 1 military = 379

PERSONNEL REDUCTION METHODOLOGY (COBRA):

POM reductions were taken first. Due to workload reductions, it is projected that only 40% of the indirect and 60-65% of the direct labor will be required to accommodate workload moving from a closed or disestablished depot. Manpower was reduced to these percentages and positions were then dispersed commensurate with the migrations of the workload.

MILITARY VALUE:

Military Value Ranking in Category (see charts at enclosure 1): 5 of 17

Installation Military Value: N/A

Military Value Point Distribution Methodology:

Points were assigned to the depots based on the certified data. In most cases, the "best" answer received the total points available, and the others received a proportion of the points based on the relationship of their answer to the "best" answer. Age of buildings (under Mission Suitability) was determined based on an average age of all buildings, normalized by the number of square feet in each. Building condition (also under Mission Suitability) was determined by comparing the Long Range Maintenance Planning data developed by the Navy Norfolk Public Works Center to the expected cyclic maintenance requirements of a new building, again, normalized by square footage.

SAILS RESULTS: N/A

DISTRIBUTION SYSTEM STORAGE, WORKLOAD, AND PERSONNEL PROJECTIONS:

Reductions in storage capacity requirements, workload throughput, and personnel are shown below:

	FY 92	FY 01
Storage Capacity Requirement	788M ACF	452M ACF
Workload Throughput	44M	21M
Personnel	24,700	11,100

DDRT SPECIFIC WORKLOAD DATA:

Percent Support to Maintenance:	12%
Percent Support to Local Customers (other than Maintenance):	8%
Storage Capacity (ACF):	23.007M
Occupied Storage Capacity (OCF):	20.894M
Excess Storage Capacity (ACF):	2.113M
Current Thruput Capacity (Issues, Receipts, and Eaches) one 8-hour shift:	4,258
Maximum Thruput Capacity (Issues, Receipts, and Eaches) one 8-hour shift:	11,004
Maximum Thruput Capacity (Issues, Receipts, and Eaches) second 8-hour shift:	11,004

FACILITY DATA:

Facility Age Evaluation: 34.69 years

Facility Condition:

Ranked tied for 1st with DDPW and DDOO of 17 in Collocated Depots.

MILCON:

Construct 44 acres of new reinforced concrete heavy vehicle hardstand at DDAA to replace the capacity lost a DDRT. Estimated cost is $19M.

ECONOMIC IMPACT:

-821 Direct	Cumulative:	-4583 Jobs
-781 Indirect		-7.7%
-1602 (-2.7%)		

ENVIRONMENTAL IMPACT:

We reviewed all environmental conditions present on the installation. No outstanding environmental issues are present. The EG concluded that environmental considerations do not prohibit this recommendation from being implemented.

COMMUNITY IMPACT:

DLA conducted a comprehensive analysis of the ability of each DLA community to support additional mission and personnel. We collected community-specific data in infrastructure, cost of living, and quality of life areas. All data was provided by DLA activities located in the affected communities. All data was certified as being accurate by the DLA field activity commander. All recommended receiving communities were assessed assuming all new hires into the area would come from outside the area and that these new hires would all have dependents who would relocate in the area as well.

The Anniston, AL area stands to receive 539 additional personnel as a result of DLA's BRAC 95 recommendations (349 from DDRT, 190 from DDLP). Analysis of the community data for the Anniston area indicates that it can absorb this increase to its population base.

The Harrisburg, PA area stands to receive 398 additional personnel as a result of DLA's BRAC 95 recommendations (87 from DDRT, 22 from Chambersburg (10 DDLP, 12 DSDC [This activity is a tenant of the Army at Letterkenny. It is our intent that the Army will relocate the DSDC personnel.]), 213 from Memphis (124 DDMT, 89 DDRE Memphis), 76 from DDCO). Analysis of the community data for the Harrisburg area indicates that it can absorb this increase to its population base.

MAP - (See Enclosure 2)

2 Encl

MILITARY VALUE BASE SPECIFIC INFORMATION
Collocated Distribution Depots

		DDPW		DDHU		DDMC		DDCT	
Data Element	MIL Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 295 POINTS									
A. Current/Future Mission									
1. DoD Essentiality	65	YES	65	YES	65	YES	65	YES	65
2. Other DoD Activity Performing Same Mission	25	NO	25	NO	25	NO	25	NO	25
B. Strategic Location Current & Future Mission									
1. Percent Workload Supporting									
a. Maintenance Activity	100	7.00	9	38.40	51	62.00	83	71.57	95
b. Local Installation	25	7.00	5	16.80	12	8.00	6	12.29	8
c. 100 Mile Customer	20	40.00	20	0.00	0	6.00	3	0.00	0
d. 300 Mile Customer	10	1.00	0	0.20	0	0.00	0	0.00	0
e. Worldwide Customer	5	45.00	4	44.60	4	24.00	2	16.14	1
2. Special Transportation - Stock	25	NO	0	YES	25	NO	0	YES	25
C. Operational Readiness									
1. Distance Depot to:									
a. Aerial POE	10	764.00	5	717.00	6	56.00	10	1,246.00	2
b. Water POE	10	60.00	9	753.00	0	92.00	9	570.00	2
SUBTOTAL MISSION SCOPE	295		142		188		203		223

Data Element	MIL Value	DDPW Response	DDPW Points Earned	DDHU Response	DDHU Points Earned	DDMC Response	DDMC Points Earned	DDCT Response	DDCT Points Earned
II. Mission Suitability 445 POINTS									
A. Suitable Facility									
1. Average Age of Facility	20	48.83	4	31.67	9	33.98	8	33.81	8
2. Condition of Depot Facility & Satellite Storage	100	3.50	96	13.06	80	4.40	96	10.60	81
3. Percent of Facilities									
a. Permanent	15	100.00	15	69.62	10	99.96	15	93.91	14
b. Semi-Permanent	0	0.00	0	30.38	0	0.01	0	6.09	0
c. Temporary	0	0.00	0	0.00	0	0.03	0	0.00	0
4. Unique Ops Facilities	25	YES	25	YES	25	YES	25	YES	25
5. Storage Capacity in ACF In 000s	100	3,809.00	13	15,625.00	53	12,791.00	43	2,315.00	8
6. Specialized Storage Facilities In 000s									
a. Hazardous	25	0.00	0	69.00	1	239.00	5	21.00	0
b. Freeze/Chill	5	0.00	0	9.00	0	23.00	0	1.00	0
c. Hardstand	10	73.00	0	534,000.00	1	1,055,851.00	3	397,284.00	1
7. Thru-put Capacity (8-hr. Single ShiftCurrent Manning,Workload Mix & Facilitization	100	1,736.90	17	4,150.00	40	4,379.90	43	1,537.60	15
B. Location Suitability									
I. Distance From Depot									
a. Rail	15	0.00	15	0.00	15	22.00	0	17.00	3
b. Water	15	60.00	14	728.00	0	92.00	13	12.00	15
c. Surface	0	0.00	0	0.00	0	0.00	0	0.00	0
d. Air	15	60.00	4	22.00	11	9.00	13	19.90	11
SUBTOTAL MISSION SUITABILITY	445		203		245		264		181

Data Element	MIL Value	DDPW Response	DDPW Points Earned	DDHU Response	DDHU Points Earned	DDMC Response	DDMC Points Earned	DDCT Response	DDCT Points Earned
III. Operational Efficiencies 120 POINTS									
A. Operating Costs									
1. BOS Costs Per Paid Equivalent	45	6,910.00	8	10,888.00	5	9,415.00	6	1,791.00	31
2. RPM Costs Per Square Foot	45	2.05	23	4.13	0	2.01	23	1.71	26
B. Transportation Costs									
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	3.74	11	0.63	14	3.30	11	3.26	11
2. Actual Second Destination TransportationCosts by Ton for Off Base Issues	15	46.36	13	17.57	14	91.24	12	222.57	7
SUBTOTAL OPERATIONAL EFFICIENCIES	120		55		33		52		75
IV. Expandability 140 POINTS									
A. Facility/Installation Expansion									
1. Excess Storage Capacity in Attainable Cubic Feet	90	1,207.00	11	2,435.00	22	4,023.00	36	439.00	4
2. Buildable Acres	25	0.00	0	20.00	0	7.30	0	130.00	2
3. Limitations on Expansion	5	NO	5	NO	5	YES	0	NO	5
a. Environmental									
b. Historical									
c. Other									
B. Mobilization Expansion									
1. Surge Capability									
a. Single 8-hr Shift	10	5,924.00	2	26,360.00	8	6,940.00	2	2,978.00	1
b. Second 8-hr Shift Authorized	10	5,924.00	2	26,360.00	10	6,940.00	3	2,978.00	1
SUBTOTAL EXPANDABILITY	140		20		45		41		13
TOTAL POINTS-COLLOCATED DEPOTS	1000		420		511		560		492

MILITARY VALUE BASE SPECIFIC INFORMATION
Collocated Distribution Depots

		DDBC		DDDC		DDOO		DDST	
Data Element	MIL Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 295 POINTS									
A. Current/Future Mission									
1. DoD Essentiality	65	YES	65	YES	65	YES	65	YES	65
2. Other DoD Activity Performing Same Mission	25	NO	25	NO	25	NO	25	NO	25
B. Strategic Location Current & Future Mission									
1. Percent Workload Supporting									
a. Maintenance Activity	100	25.00	33	14.03	19	44.00	59	36.00	48
b. Local Installation	25	30.00	21	21.88	15	24.00	17	6.00	4
c. 100 Mile Customer	20	15.00	8	38.07	19	3.00	2	1.00	1
d. 300 Mile Customer	10	20.00	4	3.64	1	7.00	1	0.76	0
e. Worldwide Customer	5	10.00	1	22.38	2	22.00	2	56.24	5
2. Special Transportation - Stock	25	YES	25	YES	25	NO	0	NO	0
C. Operational Readiness									
1. Distance Depot to:									
a. Aerial POE	10	422.00	7	513.00	7	1,122.00	3	1,651.00	0
b. Water POE	10	412.00	5	495.00	3	694.00	1	538.00	3
SUBTOTAL MISSION SCOPE	295		194		181		175		151

Data Element	MIL Value	DDBC Response	DDBC Points Earned	DDDC Response	DDDC Points Earned	DDOO Response	DDOO Points Earned	DDST Response	DDST Points Earned
II. Mission Suitability 445 POINTS									
A. Suitable Facility									
1. Average Age of Facility	20	48.72	4	44.17	5	50.24	4	33.72	8
2. Condition of Depot Facility & Satellite Storage	100	9.30	86	9.50	85	3.80	96	6.81	92
3. Percent of Facilities									
a. Permanent	15	92.19	14	89.43	13	100.00	15	57.34	9
b. Semi-Permanent	0	5.01	0	9.16	0	0.00	0	42.66	0
c. Temporary	0	2.80	0	1.41	0	0.00	0	0.00	0
4. Unique Ops Facilities	25	YES	25	YES	25	YES	25	YES	25
5. Storage Capacity in ACF In 000s	100	9,633.00	33	14,975.00	51	18,595.00	63	26,318.00	89
6. Specialized Storage Facilities In 000s									
a. Hazardous	25	0.00	0	210.00	4	250.00	5	253.00	5
b. Freeze/Chill	5	0.00	0	537.00	3	4.00	0	4.00	0
c. Hardstand	10	1,793.00	0	421,000.00	1	793.00	0	1,667.00	0
7. Thru-put Capacity (8-hr. Single ShiftCurrent Manning,Workload Mix & Facilitization	100	419.90	4	7,965.90	78	5,976.00	58	5,215.00	51
B. Location Suitability									
I. Distance From Depot									
a. Rail	15	0.00	15	4.80	12	9.00	9	2.50	13
b. Water	15	132.00	12	5.00	15	105.00	13	192.00	11
c. Surface	0	0.00	0	0.00	0	0.00	0	0.00	0
d. Air	15	83.00	0	6.00	14	20.00	11	0.00	15
SUBTOTAL MISSION SUITABILITY	445		193		306		299		318

Data Element	MIL Value	DDBC Response	DDBC Points Earned	DDDC Response	DDDC Points Earned	DDOO Response	DDOO Points Earned	DDST Response	DDST Points Earned
III. Operational Efficiencies 120 POINTS									
A. Operating Costs									
1. BOS Costs Per Paid Equivalent	45	4,838.00	12	9,782.00	6	4,058.00	14	5,802.00	10
2. RPM Costs Per Square Foot	45	0.83	36	1.37	30	0.92	35	1.57	28
B. Transportation Costs									
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	12.88	0	3.61	11	4.34	10	3.74	11
2. Actual Second Destination TransportationCosts by Ton for Off Base Issues	15	17.47	14	63.98	13	395.66	0	145.88	9
SUBTOTAL OPERATIONAL EFFICIENCIES	120		62		60		59		58
IV. Expandability 140 POINTS									
A. Facility/Installation Expansion									
1. Excess Storage Capacity in Attainable Cubic Feet	90	5,032.00	45	4,748.00	42	1,941.00	17	8,472.00	75
2. Buildable Acres	25	296.00	4	0.00	0	0.00	0	146.00	2
3. Limitations on Expansion	5	YES	0	YES	0	NO	5	NO	5
a. Environmental									
b. Historical									
c. Other									
B. Mobilization Expansion									
1. Surge Capability									
a. Single 8-hr Shift	10	5,631.00	2	20,904.00	7	19,114.00	6	12,363.00	4
b. Second 8-hr Shift Authorized	10	5,631.00	2	20,904.00	8	18,814.00	7	12,363.00	5
SUBTOTAL EXPANDABILITY	140		53		57		35		91
TOTAL POINTS-COLLOCATED DEPOTS	1000		502		604		568		618

TAB F

MILITARY VALUE BASE SPECIFIC INFORMATION
Collocated Distribution Depots

		DDRT		DDTP		DDLP		DDJF	
Data Element	MIL Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 295 POINTS									
A. Current/Future Mission									
1. DoD Essentiality	65	YES	65	YES	65	YES	65	YES	65
2. Other DoD Activity Performing Same Mission	25	NO	25	NO	25	NO	25	NO	25
B. Strategic Location Current & Future Mission									
1. Percent Workload Supporting									
a. Maintenance Activity	100	12.00	16	42.70	57	41.60	55	45.67	61
b. Local Installation	25	8.00	6	7.50	5	36.30	25	2.50	2
c. 100 Mile Customer	20	0.00	0	7.20	4	0.00	0	6.51	3
d. 300 Mile Customer	10	50.00	10	7.70	2	0.00	0	1.00	0
e. Worldwide Customer	5	30.00	3	34.90	3	22.10	2	44.32	4
2. Special Transportation - Stock	25	YES	25	YES	25	YES	25	YES	25
C. Operational Readiness									
1. Distance Depot to:									
a. Aerial POE	10	917.00	4	153.00	9	165.00	9	262.00	8
b. Water POE	10	368.00	5	100.00	9	217.00	7	561.00	3
SUBTOTAL MISSION SCOPE	295		159		204		213		196

Data Element	MIL Value	DDRT Response	DDRT Points Earned	DDTP Response	DDTP Points Earned	DDLP Response	DDLP Points Earned	DDJF Response	DDJF Points Earned
II. Mission Suitability 445 POINTS									
A. Suitable Facility									
1. Average Age of Facility	20	34.69	7	36.68	6	45.51	4	44.31	5
2. Condition of Depot Facility & Satellite Storage	100	3.20	96	13.51	80	13.30	80	11.70	81
3. Percent of Facilities									
a. Permanent	15	92.44	14	100.00	15	91.70	14	94.88	14
b. Semi-Permanent	0	7.56	0	0.00	0	8.30	0	5.12	0
c. Temporary	0	0.00	0	0.00	0	0.00	0	0.00	0
4. Unique Ops Facilities	25	YES	25	YES	25	YES	25	NO	0
5. Storage Capacity in ACF In 000s	100	23,007.00	78	16,862.00	57	25,150.00	85	4,936.00	17
6. Specialized Storage Facilities In 000s									
a. Hazardous	25	401.00	8	93.00	2	335.00	7	397.00	8
b. Freeze/Chill	5	100.00	1	635.00	3	0.00	0	45.00	0
c. Hardstand	10	886,473.00	2	968,000.00	3	2,617,000.00	7	242,000.00	1
7. Thru-put Capacity (8-hr. Single ShiftCurrent Manning,Workload Mix & Facilitization	100	4,257.50	41	1,904.80	19	2,185.00	21	3,533.00	34
B. Location Suitability									
1. Distance From Depot									
a. Rail	15	0.00	15	0.00	15	0.00	15	17.00	3
b. Water	15	286.00	9	96.00	13	217.00	11	15.00	15
c. Surface	0	0.00	0	0.00	0	0.00	0	0.00	0
d. Air	15	23.00	11	29.00	10	2.00	15	30.00	10
SUBTOTAL MISSION SUITABILITY	445		307		248		284		188

Data Element	MIL Value	DDRT Response	DDRT Points Earned	DDTP Response	DDTP Points Earned	DDLP Response	DDLP Points Earned	DDJF Response	DDJF Points Earned
III. Operational Efficiencies 120 POINTS									
A. Operating Costs									
1. BOS Costs Per Paid Equivalent	45	1,682.00	33	2,740.00	20	4,717.00	12	5,998.00	9
2. RPM Costs Per Square Foot	45	1.34	30	1.85	25	1.22	32	2.55	17
B. Transportation Costs									
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	5.41	9	3.36	11	5.27	9	2.73	12
2. Actual Second Destination TransportationCosts by Ton for Off Base Issues	15	114.82	11	0.81	15	9.49	15	36.35	14
SUBTOTAL OPERATIONAL EFFICIENCIES	120		83		71		68		52
IV. Expandability 140 POINTS									
A. Facility/Installation Expansion									
1. Excess Storage Capacity in Attainable Cubic Feet	90	2,113.00	19	1,443.00	13	6,396.00	57	1,492.00	13
2. Buildable Acres	25	2,080.00	25	10.00	0	1,223.00	15	0.00	0
3. Limitations on Expansion	5	NO	5	NO	5	NO	5	NO	5
a. Environmental									
b. Historical									
c. Other									
B. Mobilization Expansion									
1. Surge Capability									
a. Single 8-hr Shift	10	11,004.00	3	4,498.00	1	4,248.00	1	7,324.00	2
b. Second 8-hr Shift Authorized	10	11,004.00	4	4,498.00	2	4,248.00	2	7,324.00	3
SUBTOTAL EXPANDABILITY	140		56		21		80		23
TOTAL POINTS-COLLOCATED DEPOTS	1000		605		544		645		459

MILITARY VALUE BASE SPECIFIC INFORMATION
Collocated Distribution Depots

		DDWG		DDAA		DDCN	
Data Element	MIL Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 295 POINTS							
A. Current/Future Mission							
1. DoD Essentiality	65	YES	65	YES	65	YES	65
2. Other DoD Activity Performing Same Mission	25	NO	25	NO	25	NO	25
B. Strategic Location Current & Future Mission							
1. Percent Workload Supporting							
a. Maintenance Activity	100	31.90	43	75.00	100	44.00	59
b. Local Installation	25	13.71	9	5.00	3	8.00	6
c. 100 Mile Customer	20	6.40	3	0.00	0	6.00	3
d. 300 Mile Customer	10	3.16	1	5.00	1	4.00	1
e. Worldwide Customer	5	44.74	4	15.00	1	38.00	3
2. Special Transportation - Stock	25	YES	25	YES	25	NO	0
C. Operational Readiness							
1. Distance Depot to:							
a. Aerial POE	10	252.00	8	376.00	8	179.00	9
b. Water POE	10	167.00	8	343.00	5	179.00	8
SUBTOTAL MISSION SCOPE	295		191		233		179

Data Element	MIL Value	DDWG Response	DDWG Points Earned	DDAA Response	DDAA Points Earned	DDCN Response	DDCN Points Earned
II. Mission Suitability 445 POINTS							
A. Suitable Facility							
1. Average Age of Facility	20	32.33	9	44.80	5	46.79	4
2. Condition of Depot Facility & Satellite Storage	100	5.80	92	9.70	85	10.91	81
3. Percent of Facilities							
a. Permanent	15	99.99	15	100.00	15	86.66	13
b. Semi-Permanent	0	0.01	0	0.00	0	13.34	0
c. Temporary	0	0.00	0	0.00	0	0.00	0
4. Unique Ops Facilities	25	YES	25	YES	25	NO	0
5. Storage Capacity in ACF In 000s	100	18,358.00	62	18,965.00	64	3,239.00	11
6. Specialized Storage Facilities In 000s							
a. Hazardous	25	231.00	5	544.00	11	0.00	0
b. Freeze/Chill	5	28.00	0	0.00	0	0.00	0
c. Hardstand	10	329,703.00	1	3,811,971.00	10	246,000.00	1
7. Thru-put Capacity (8-hr. Single ShiftCurrent Manning,Workload Mix & Facilitization	100	4,667.00	45	4,084.92	40	2,791.00	27
B. Location Suitability							
I. Distance From Depot							
a. Rail	15	0.00	15	0.00	15	0.00	15
b. Water	15	167.00	12	280.00	9	5.00	15
c. Surface	0	0.00	0	0.00	0	0.00	0
d. Air	15	0.00	15	11.00	13	16.00	12
SUBTOTAL MISSION SUITABILITY	445		296		292		179

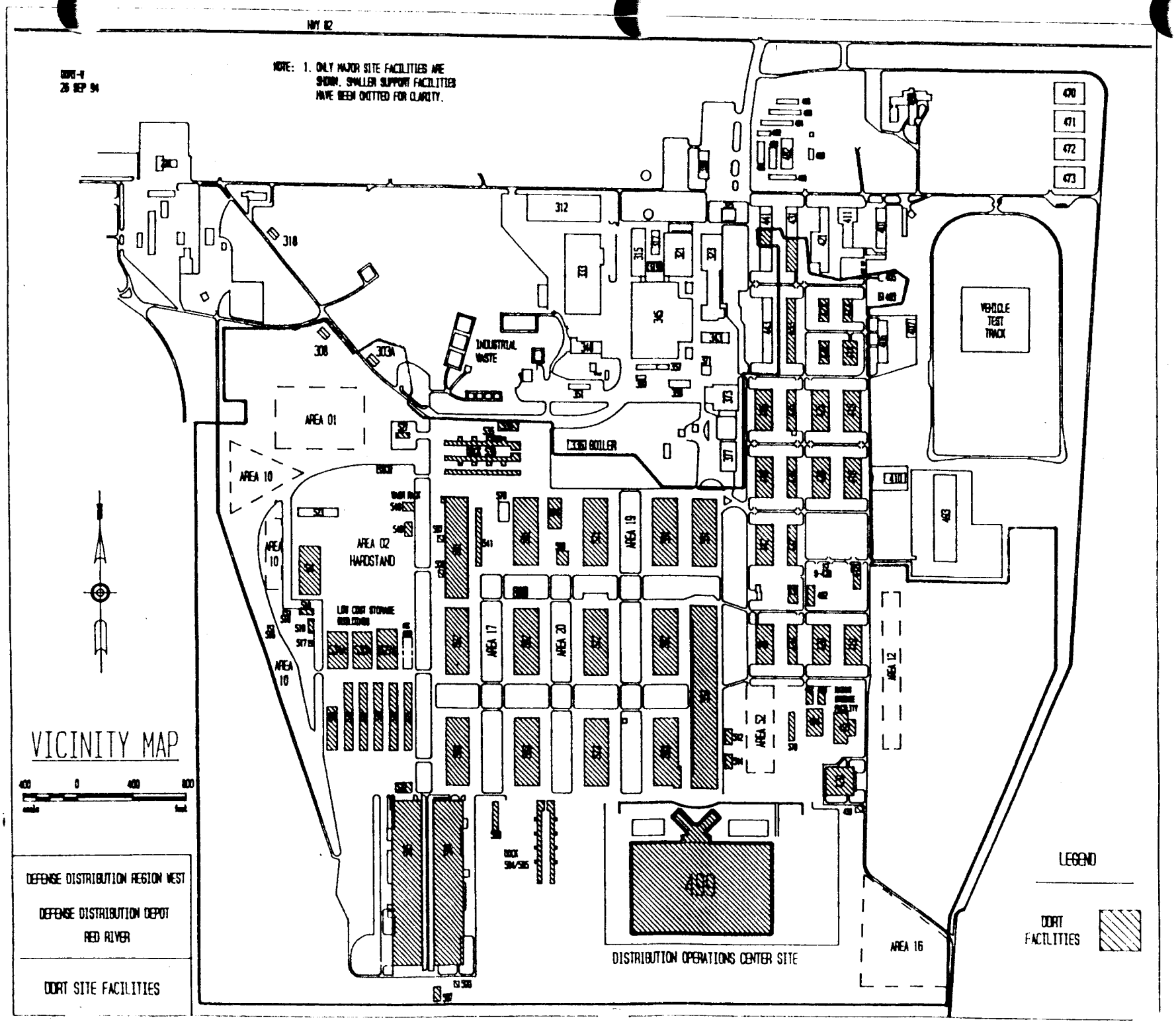
Data Element	MIL Value	DDWG Response	DDWG Points Earned	DDAA* Response	DDAA* Points Earned	DDCN Response	DDCN Points Earned
III. Operational Efficiencies 120 POINTS							
A. Operating Costs							
1. BOS Costs Per Paid Equivalent	45	3,927.00	14	3,872.00	14	3,633.00	15
2. RPM Costs Per Square Foot	45	1.63	27	1.38	30	1.85	25
B. Transportation Costs							
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	5.25	9	10.31	3	0.59	14
2. Actual Second Destination TransportationCosts by Ton for Off Base Issues	15	95.31	11	17.45	14	24.00	14
SUBTOTAL OPERATIONAL EFFICIENCIES	120		61		61		68
IV. Expandability 140 POINTS							
A. Facility/Installation Expansion							
1. Excess Storage Capacity in Attainable Cubic Feet	90	4,432.00	39	6,787.00	60	799.00	7
2. Buildable Acres	25	436.00	5	1,468.00	18	0.00	0
3. Limitations on Expansion	5	NO	5	NO	5	NO	5
a. Environmental							
b. Historical							
c. Other							
B. Mobilization Expansion							
1. Surge Capability							
a. Single 8-hr Shift	10	7,659.00	2	5,635.00	2	3,534.00	1
b. Second 8-hr Shift Authorized	10	11,872.00	5	7,718.00	3	3,534.00	1
SUBTOTAL EXPANDABILITY	140		56		88		14
TOTAL POINTS-COLLOCATED DEPOTS	1000		604		674		440

Data Element	MIL Value	DDNV Response	DDNV Points Earned	DDAG Response	DDAG Points Earned
III. Operational Efficiencies 120 POINTS					
A. Operating Costs					
1. BOS Costs Per Paid Equivalent	45	4,295.00	13	1,237.00	45
2. RPM Costs Per Square Foot	45	2.03	23	0.01	45
B. Transportation Costs					
1. Actual Second Destination Transportation Costs by Line for Off Base Issues	15	5.46	9	0.00	15
2. Actual Second Destination TransportationCosts by Ton for Off Base Issues	15	204.80	7	0.00	15
SUBTOTAL OPERATIONAL EFFICIENCIES	120		52		120
IV. Expandability 140 POINTS					
A. Facility/Installation Expansion					
1. Excess Storage Capacity in Attainable Cubic Feet	90	10,135.00	90	6,634.00	59
2. Buildable Acres	25	0.00	0	0.00	0
3. Limitations on Expansion	5	NO	5	NO	5
a. Environmental					
b. Historical					
c. Other					
B. Mobilization Expansion					
1. Surge Capability					
a. Single 8-hr Shift	10	32,118.00	10	1,519.00	0
b. Second 8-hr Shift Authorized	10	22,598.00	9	1,517.00	1
SUBTOTAL EXPANDABILITY	140		114		65
TOTAL POINTS-COLLOCATED DEPOTS	1000		714		601

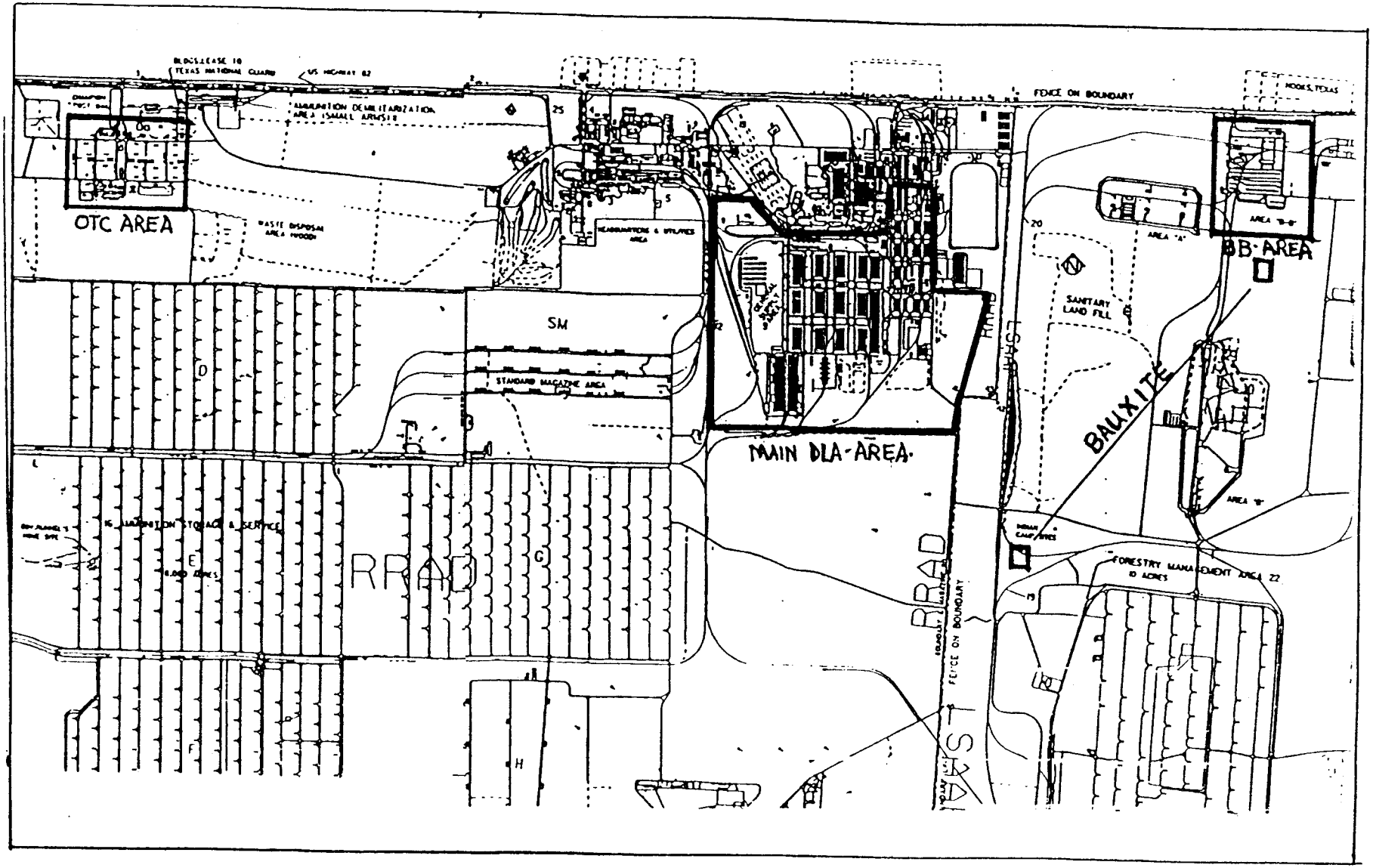
MILITARY VALUE BASE SPECIFIC INFORMATION
Collocated Distribution Depots

		DDNV		DDAG	
Data Element	MIL Value	Response	Points Earned	Response	Points Earned
I. Mission Scope 295 POINTS					
A. Current/Future Mission					
1. DoD Essentiality	65	YES	65	YES	65
2. Other DoD Activity Performing Same Mission	25	NO	25	NO	25
B. Strategic Location Current & Future Mission					
1. Percent Workload Supporting					
a. Maintenance Activity	100	17.00	23	20.00	27
b. Local Installation	25	31.00	21	15.00	10
c. 100 Mile Customer	20	10.00	5	0.00	0
d. 300 Mile Customer	10	5.00	1	18.00	4
e. Worldwide Customer	5	37.00	3	47.00	4
2. Special Transportation - Stock	25	NO	0	YES	25
C. Operational Readiness					
1. Distance Depot to:					
a. Aerial POE	10	0.00	10	302.00	8
b. Water POE	10	0.00	10	167.00	8
SUBTOTAL MISSION SCOPE	295		163		176

Data Element	MIL Value	DDNV Response	DDNV Points Earned	DDAG Response	DDAG Points Earned
II. Mission Suitability 445 POINTS					
A. Suitable Facility					
1. Average Age of Facility	20	45.63	4	40.49	6
2. Condition of Depot Facility & Satellite Storage	100	13.10	80	7.20	90
3. Percent of Facilities					
a. Permanent	15	87.58	13	100.00	15
b. Semi-Permanent	0	8.32	0	0.00	0
c. Temporary	0	4.10	0	0.00	0
4. Unique Ops Facilities	25	YES	25	N	0
5. Storage Capacity in ACF In 000s	100	29,512.00	100	15,442.00	52
6. Specialized Storage Facilities In 000s					
a. Hazardous	25	584.00	12	1,234.00	25
b. Freeze/Chill	5	984.00	5	0.00	0
c. Hardstand	10	336,000.00	1	1,183,000.00	3
7. Thru-put Capacity (8-hr. Single ShiftCurrent Manning,Workload Mix & Facilitization	100	10,272.00	100	1,036.00	10
B. Location Suitability					
I. Distance From Depot					
a. Rail	15	0.00	15	0.00	15
b. Water	15	0.10	15	174.00	11
c. Surface	0	0.00	0	0.00	0
d. Air	15	0.00	15	11.00	13
SUBTOTAL MISSION SUITABILITY	445		385		240


HWY 82
NOTE: 1. ONLY MAJOR SITE FACILITIES ARE SHOWN. SMALLER SUPPORT FACILITIES HAVE BEEN OMITTED FOR CLARITY.
26 SEP 94
VICINITY MAP
400 0 400 800
DEFENSE DISTRIBUTION REGION WEST
DEFENSE DISTRIBUTION DEPOT RED RIVER
DDRT SITE FACILITIES
AREA 01
AREA 02 HARDSTAND
AREA 10
AREA 12
AREA 16
AREA 17
AREA 19
AREA 20
AREA 24
INDUSTRIAL WASTE
BOILER
VEHICLE TEST TRACK
DISTRIBUTION OPERATIONS CENTER SITE
LEGEND
DDRT FACILITIES

DEFENSE DISTRIBU. .N DEPOT RED RIVER



Red River Army Depot
(see next map for ODRT portion)

DEFENSE CONTRACT MANAGEMENT COMMAND INTERNATIONAL (DCMCI)

RECOMMENDATION:

Realign the DCMCI (Gentile AFS), Dayton, OH, and merge its mission into DCMC HQ, Fort Belvoir, VA.

COSTS/SAVINGS:

One-Time Costs:	**$3.1M**
Steady State:	**$3.1M (FY 99)**
Net Present Value:	**$38.7M**
Return on Investment Year:	**1999 (1-year)**
Start Year	**1996**
End Year	**1998**

RATIONALE FOR RECOMMENDATION

The DCMCI mission is to provide command and control, including operational and management control and oversight for offices located outside the United States. Merging the mission with DCMC HQ, gives the opportunity to (a) take advantage of close proximity to the State Department and the international support infrastructure in Washington, DC, and the surrounding areas and (b) maximizes use of shared overhead with DCMC.

WHY WAS DCMCI NOT INTEGRATED INTO ONE OF THE DCMDs

The DCMCI and DCMC HQ have substantial interaction with the international community and the State Department located in the Washington, DC, area. The remaining DCMDs are located in Boston, MA, and El Segundo, CA. There are none in this area. Military judgment determined that merging the DCMCI with its parent component (DCMC HQ) will provide efficiencies as a result of synergy which can be achieved from the opportunity to take advantage of the location's proximity to the State Department and the international community infrastructure. Merging it with either DCMD Northeast or DCMD South would not provide these efficiencies.

RISK ASSESSMENT:

Risk in continued support of mission is expected to be minimal.

PERSONNEL IMPACTS:

Personnel Transferred: 41 civilians and 11 military to Fort Belvoir, VA
Personnel Eliminated: 28 civilians and 5 military = 33

PERSONNEL REDUCTION METHODOLOGY (COBRA):

A baseline staffing was developed on expected future efficiencies, ADP systems enhancements, continued reductions in requirement for contract management and a reduction in subordinate activities. Efficiencies which could be achieved by maximizing used of shared overhead with DCMC HQ were also considered.

MILITARY VALUE:

Military Value - DCMCI was excluded from analysis with its peer group since the number of contracts, the dollar value of contracts and number of contractors would not permit an equitable comparison (see charts at enclosure 1).

Installation Military Value: N/A

Military Value Point Distribution Methodology:

No points awarded since it was not compared to other DCMDs.

EXCESS CAPACITY: (See enclosure 2.)

MILCON: N/A

WORKLOAD DATA:

DCMAOs assigned - 13
Number of Contractors - 1,120
Contracts on hand - 5,000
Contract dollars obligated - $10.4 billion
Dollars of unliquidated obligations - $2.7 billion

FACILITY DATA:

Facility Age - 0

ECONOMIC IMPACT:

None to Dayton - DCMCI is a tenant at Gentile Air Station which is scheduled for closure as a result of BRAC 93. DCMCI spaces were identified for realignment from Dayton in BRAC 93.

ENVIRONMENTAL IMPACT:

We reviewed all environmental conditions present at the installation. No outstanding environmental conditions are present. The BRACEG concluded that environmental considerations do not prohibit this recommendation from being implemented.

COMMUNITY IMPACT:

DLA conducted a comprehensive analysis of the ability of each DLA community to support additional mission and personnel. We collected community-specific data in infrastructure, cost of living, and quality of life areas. All data was provided by DLA activities located in the affected communities. All data was certified as being accurate by the DLA field activity commander. All recommended receiving communities were assessed assuming all new hires into the area would come from outside the area and that these new hires would all have dependents who would relocate in the area as well.

The Washington, DC, area stands to receive 52 additional personnel as a result of DLA's BRAC 95 recommendations. Analysis of the community data indicates that the area can absorb this increase to its population base.

MAP - (See enclosure 3.)

3 Encl

MILITARY VALUE BASE SPECIFIC INFORMATION
DCMDs

		DCMDN		DCMDS		DCMDW		DCMCI	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 175 Points									
A. Current/Future Mission									
I. DoD Essentiality (V.17)	50	Y	50	Y	50	Y	50	Y	
2. Unique Mission - Present (V.1)	20	5.00	20	3.00	12	2.00	8	3.00	
3. Unique Mission - Future (V.1)	20	6.00	20	3.00	10	2.00	7	2.00	
SUBTOTAL CURRENT/FUTURE MISSION	90		90		72		65		
B. Mission Diversity									
I. No. DCMAOs/DPROs Reporting Direct to DCMDHQ (V.2.a less V.2.d)	15	34.00	15	24.00	11	30.00	13	13.00	
2. No.Paid Equivalents Receiving Support Services	10	4,546.00	10	3,207.00	7	3,694.00	8	582.00	
3. No.Customers in Customer Outreach Program (V.3)	5	53.00	5	46.00	4	43.00	4	20.00	
4. No. Active Contractors (V.10)	5	9,845.00	5	7,470.00	4	8,092.00	4	1,120.00	
5. No. Contracts Managed (V.11)	15	143,505.00	15	143,193.00	15	103,326.00	11	4,991.00	
6. Oblig Dollar (Bill) Value Managed (V.13)	5	271.00	4	233.00	3	387.00	5	10.40	
7. $ (Bill) Value Unliq. Oblig. Managed (V.14)	5	36.00	2	37.00	3	73.00	5	2.70	
8. No. CACOs/DACOs (V.6)	5	90.00	5	49.00	3	58.00	3	0.00	
9. No. ACATI Program Mgmd (V.4)	20	62.00	20	32.00	10	26.00	8	0.00	
SUBTOTAL MISSION DIVERSITY	85		81		60		61		
TOTAL MISSION SCOPE	175		171		132		126		

Encl 1

MILITARY VALUE BASE SPECIFIC INFORMATION
DCMDs

		DCMDN		DCMDS		DCMDW		DCMCI	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
II. Mission Suitability 375 Points									
A. Location Suitability									
1. Need Present Location (V.18)	25	N	0	N	0	N	0	N	
2. Located in Approx. Center of Work Concentration w/in 150 mls (V.2.b)									
a. Contractors (%)	10	21.00	4	25.00	5	47.00	10	0.00	
b. Contracts (%)	10	27.00	5	15.00	3	53.00	10	0.00	
c. $ Obligated (%)	10	35.00	9	19.00	5	37.00	10	0.00	
d. $ ULO (%)	10	36.00	9	17.00	4	41.00	10	0.00	
e. # DCMAO's, DPRO's, & DCMO's (%)	10	27.00	6	21.00	5	46.00	10	0.00	
Subtotal of points			33		22		50		
3. No. DCMAs/DPROs w/i 150 miles of DCMD HQ (V.2.b)	50	10.00	45	5.00	23	11.00	50	0.00	
4. Acess to Transportation									
a. Bus	5	1.00	5	2.00	5	20.00	0	1.00	
b. Train	5	1.00	5	30.00	0	20.00	2	78.00	
c. Plane	15	5.00	14	35.00	0	2.00	15	2.50	
Subtotal of points			24		5		17		
5. Type of Space (DoD or Non-DoD)	25	DoD	25	DoD	25	Non DoD	0	DoD	
SUBTOTAL LOCATION SUITABILITY	175		127		75		117		
B. Facility Suitability									
1. Condition of Building (J.D.)	150	20.00	120	29.00	110	19.00	122	11.00	
2. Age of Building (J.D.)	50	85.00	0	29.00	26	10.00	41	0.00	
SUBTOTAL FACILITY SUITABILITY	200		120		136		163		
TOTAL MISSION SUITABILITY	375		247		211		280		

MILITARY VALUE BASE SPECIFIC INFORMATION DCMDs									
		DCMDN		DCMDS		DCMDW		DCMCI	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
III.Operational Efficiencies 375 Points									
A. BOS Costs									
1. BOS Costs Per Paid Equivalent	75	2,215.00	75	2,857.00	58	3,709.00	45	14,889.00	
2. RPM Costs Per Square Feet	100	10.41	64	18.00	37	6.64	100	12.27	
3. Rental/Lease or ISSA Costs of HQ Space	75	0.00	75	9,450.00	75	4,072,116.00	0	0.00	
SUBTOTAL BOS COSTS	250		214		170		145		
B. Personnel Costs									
1. Ratio of DCMD HQ Costs to Total Costs (%)	75	6.19	75	9.50	49	8.55	54	14.00	
2. Total G&A Costs Per Paid Equivalent DCMAOs/DPROs	15	3,177.00	15	3,963.00	12	5,573.00	9	15,329.00	
3. DCMD HQ Direct Costs Per Paid Equivalent at DCMAOs and DPROs	15	43.00	12	65.00	8	33.00	15	214.00	
4. DCMD HQ Indirect Costs/Paid Equivalent at DCMAOs & DPROs	20	1,444.00	18	1,292.00	20	1,727.00	15	0.00	
SUBTOTAL PERSONNEL COSTS	125		120		89		93		
TOTAL OPERATIONAL EFFICIENCIES	375		334		259		238		

MILITARY VALUE BASE SPECIFIC INFORMATION
DCMDs

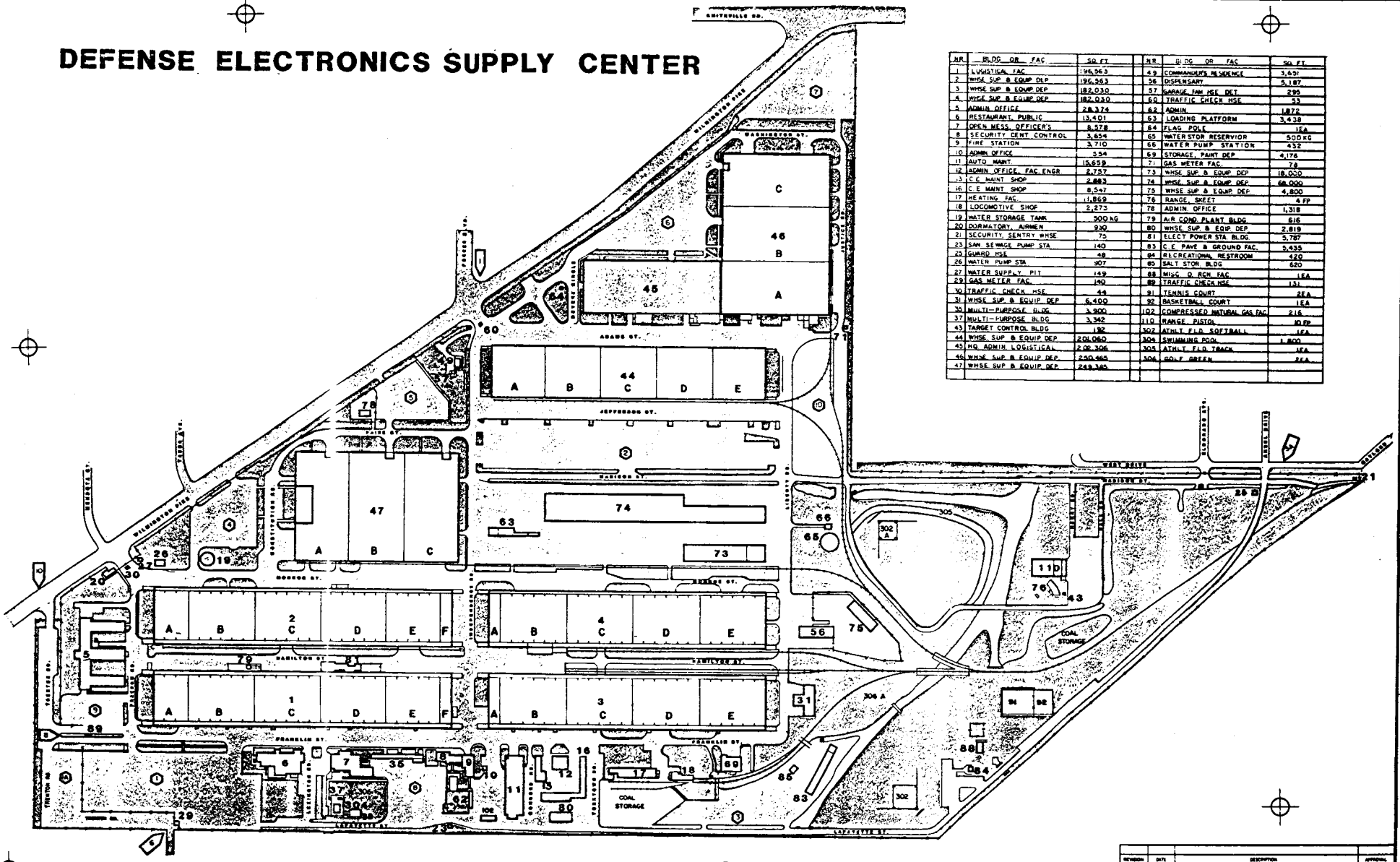
		DCMDN		DCMDS		DCMDW		DCMCI	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
IV. Expandability 75 Points									
A. Facility/ Installation Expansion									
1. Additional Personnel in Present Space	30	525.00	30	374.00	21	352.00	20	0.00	
2. Additional Space for Expansion	15	16,000.00	4	13,390.00	3	59,749.00	15	0.00	
3. Other DoD Space in Metro Area	15	120,000.00	9	190,000.00	15	120,385.00	10	0.00	
4. DoD Acreage to Build	15	0.00	0	3.50	15	0.00	0	0.00	
SUBTOTAL FACILITY EXPANSION	75		43		54		45		
B. Mobilization Expansion									
1. Capability for Surge	0	Y	0	Y	0	Y	0	Y	
SUBTOTAL MOBILIZATION EXPANSION	0		0		0		0		
TOTAL EXPANDABILITY	75		43		54		45		
TOTAL POINTS FOR DCMDs	1000		795		656		689		

DCMD EXCESS CAPACITY ANALYSIS

Activity	Existing Administrative Space (Sq Ft)	No. of additional people who can be accommodated in existing space	Other Warehouse Storage Space (Sq Ft)	Utilization Rate Other Warehouse Storage Space
DCMDW	124,906	352	64,628	79%
DCMDS	127,349	374	NA	NA
DCMDN	169,517	525	NA	NA
DCMCI	19,390	0	NA	NA

Page 7

DEFENSE ELECTRONICS SUPPLY CENTER



NR	BLDG OR FAC	SQ FT	NR	BLDG OR FAC	SQ FT
1	LOGISTICAL FAC	196,563	49	COMMANDER'S RESIDENCE	3,651
2	WHSE SUP & EQUIP DEP	196,563	56	DISPENSARY	5,187
3	WHSE SUP & EQUIP DEP	182,030	57	GARAGE FAM HSE DET	295
4	WHSE SUP & EQUIP DEP	182,030	60	TRAFFIC CHECK HSE	53
5	ADMIN OFFICE	28,374	62	ADMIN	1,872
6	RESTAURANT, PUBLIC	13,401	63	LOADING PLATFORM	3,438
7	OPEN MESS, OFFICER'S	8,578	64	FLAG POLE	1 EA
8	SECURITY CENT CONTROL	3,654	65	WATER STOR RESERVIOR	500 KG
9	FIRE STATION	3,710	66	WATER PUMP STATION	432
10	ADMIN OFFICE	554	69	STORAGE, PAINT DEP	4,176
11	AUTO MAINT	15,659	71	GAS METER FAC	78
12	ADMIN OFFICE, FAC ENGR	2,757	73	WHSE SUP & EQUIP DEP	18,000
13	C E MAINT SHOP	2,883	74	WHSE SUP & EQUIP DEP	68,000
16	C E MAINT SHOP	8,547	75	WHSE SUP & EQUIP DEP	4,800
17	HEATING FAC	11,869	76	RANGE, SKEET	4 FP
18	LOCOMOTIVE SHOP	2,273	78	ADMIN OFFICE	1,318
19	WATER STORAGE TANK	500 KG	79	AIR COND PLANT BLDG	616
20	DORMATORY, AIRMEN	930	80	WHSE SUP & EQUIP DEP	2,819
21	SECURITY, SENTRY WHSE	75	81	ELECT POWER STA BLDG	5,787
23	SAN SEWAGE PUMP STA	140	83	C E PAVE & GROUND FAC	3,435
25	GUARD HSE	48	84	RECREATIONAL RESTROOM	420
26	WATER PUMP STA	307	85	SALT STOR BLDG	620
27	WATER SUPPLY PIT	149	88	MISC O RCN FAC	1 EA
29	GAS METER FAC	140	89	TRAFFIC CHECK HSE	131
30	TRAFFIC CHECK HSE	44	91	TENNIS COURT	2 EA
31	WHSE SUP & EQUIP DEP	6,400	92	BASKETBALL COURT	1 EA
35	MULTI-PURPOSE BLDG	3,900	102	COMPRESSED NATURAL GAS FAC	216
37	MULTI-PURPOSE BLDG	3,342	110	RANGE PISTOL	10 FP
43	TARGET CONTROL BLDG	182	302	ATHLT FLD SOFTBALL	1 EA
44	WHSE SUP & EQUIP DEP	201,060	304	SWIMMING POOL	1,800
45	HQ ADMIN LOGISTICAL	202,306	305	ATHLT FLD TRACK	1 EA
46	WHSE SUP & EQUIP DEP	230,465	306	GOLF GREEN	2 EA
47	WHSE SUP & EQUIP DEP	249,385			

DCMCI
IN bldg 4

REVISION	DATE	DESCRIPTION	APPROVAL

DEFENSE ELECTRONICS SUPPLY CENTER
GENTILE AF STATION — OFFICE OF THE FACILITIES ENGINEER
WILMINGTON PIKE DAYTON, OHIO

DESIGNED BY
DRAWN BY
APPROVED
CHIEF ENGR & PROD CONTROL OFFICE
APPROVED
CHIEF FACILITIES ENGR DIVISION
APPROVED

PROJECT NO | DRAWING NO
DATE | SCALE | SHEET OF
FILE DRAWER NO

Encl 3

DIRECTIONS TO DCMCI

1. TAKE 1-70 EAST TO I-75 SOUTH

2. TAKE I-75 SOUTH TO 35 EAST (XENIA EXIT)

3. GO STRAIGHT FOR APPROXIMATELY 3-4 MILES (EXIT TO RIGHT [WAYNE/KEOWEE])

4. TURN RIGHT COMING OFF OF EXIT AND THEN MAKE A LEFT AT THE 2ND LIGHT (WAYNE)

5. CONTINUE STRAIGHT ON WAYNE (STAY TO THE RIGHT). LANE WILL CURVE TO THE RIGHT (WILMINGTON PIKE)

6. CONTINUE STRAIGHT ON WILMINGTON (YOU WILL CROSS A MAJOR INTERSECTION [PATTERSON])

7. WHEN YOU SEE WHIO TELEVISION STATION ON YOUR LEFT AND A DONUT SHOP ON YOUR RIGHT MAKE A RIGHT AT THE LIGHT.

8. MAKE A LEFT AND PROCEED TO THE CHECKPOINT.

9. AFTER CLEARING THE CHECKPOINT, GO STRAIGHT UNTIL YOU COME TO A FOUR WAY STOP (TURN LEFT)

10. PROCEED UNTIL YOU COME TO A FLASHING CAUTION LIGHT (YELLOW), THE BUILDING TO YOUR RIGHT (BLDG #4) IS DCMCI (LARGE DCMCI SIGN). PLEASE PARK IN THE LOT ACROSS FROM THE BUILDING AND ENTER IN DOOR 4-E1. THIS IS THE COMMAND SECTION.

IF FOR WHATEVER REASON YOU BECOME LOST -- DON'T PANIC -- ASK ANYBODY HOW TO GET TO DESC ON WILMINGTON PIKE

CALL IF YOU HAVE ANY QUESTIONS 513-296-5987/DEBBIE

TAB G

DEFENSE CONTRACT MANAGEMENT DISTRICT SOUTH (DCMDS)

RECOMMENDATION:

Disestablish DCMD South and relocate missions to DCMD Northeast and DCMD West.

COSTS/SAVINGS:

One-time Costs:	$3.8M
Steady State:	$6.1M (FY 99)
Net Present Value:	$75.8M
Return on Investment:	Year 1999 (1 Year)
Start Year:	1996
End Year:	1998

RATIONALE FOR RECOMMENDATION:

Impact of DoD Force Structure drawdown and budget cuts will result in decline in acquisition workload. There is excess capacity in "span of control"--number of offices supervised--nationwide. Based on workload decreases, DCMC has disestablished 15 DCMAOs/DPROs since BRAC 93. Expect to go from 90 offices in Sep 94 to 64 offices in Sep 01. Therefore, only two DCMDs required--one on the West Coast and one on the East Coast.

WHY OTHER ACTIVITIES IN THE CATEGORY WERE NOT SELECTED:

DCMD South, rather than DCMD Northeast or DCMD West, because: A West Coast DCMD is required due to the high dollar value of contracts and the significant weapon-system workload on the West Coast. On the East Coast, there is a higher concentration of workload in the Northeast, in terms of span of control, field personnel provided support services, numbers of contractors, and value of contract dollars obligated, than in the South.

RISK ASSESSMENT:

Considered a moderate but manageable risk to mission management because both DCMD Northeast and DCMD West have participated in previous region district downsizing efforts (e.g., BRAC 93). They are accustomed to managing transfer of cognizance of subordinate activities. Furthermore, implementation will take place over a two-year period, during which time due to declining workload, both DCMD Northeast and DCMD West are expected to disestablish a number of subordinate activities currently under their cognizance. This will result in a somewhat diminished span of control so that transferring additional offices to the remaining DCMDs is considered as moderate risk.

PERSONNEL IMPACTS:

Personnel Transferred:

20 civilians and 1 military to DCMDN, Boston, MA
20 civilians and 2 military to DCMDW, El Segundo, CA

Personnel Eliminated:
101 civilians and 2 military = 103

PERSONNEL REDUCTION METHODOLOGY (COBRA):

Developed a baseline staffing based on expected future efficiencies, ADP systems enhancements, continued reductions in requirement for contract management and a reduction in subordinate activities.

MILITARY VALUE:

Military Value Ranking in Category (see charts at enclosure 1): Ranked third out of 3 (lowest score).

Installation Military Value: N/A

Military Value Point Distribution Methodology:

Points were assigned to the DCMDs based on the certified data. In most cases, the "best" answer received the total points available, and the others received a proportion of the points based on the relationship of their answer to the "best" answer. For Yes/No questions, the desired answer got all the points and others none. Age of buildings (under Mission Suitability) was determined based on an average age of all buildings, normalized by the number of square feet in each. Building condition (also under Mission Suitability) was determined by comparing the long-range maintenance estimates developed by each DCMD to the expected cyclic maintenance requirements of a new building again, normalized by square footage.

EXCESS CAPACITY - (See enclosure 2 for all in the category.)

WORKLOAD (CONUS) DATA:	**BRAC 93 FY92**	**BRAC 95 FY94**	**FY 96**	**FY 98**	**FY 01**
TOTAL RDT&E and Procurement Dollars	$102.2B	$82.3B	$83.1B	81.1B	$78.2B
Number of DCMAOs/DPROs	105	90	*	*	*
Number of Contractors	25,500	25,400	24,500	23,500	22,000
Contracts on hand (thou.)	412	390	367	343	314
Contract dollars obligated	$865B	$891B	$757B	$722B	$702B
Dollars of unliquidated obligations	$170B	$146B	$140B	$133B	$130B

*** Number and location of offices are dependent on geographical location of contractors to whom contracts are awarded.**

FACILITY DATA:

Facility Age: 29 Years
Facility Condition: Ranked 3 of 3 in DCMDs (Last)

MILCON: N/A

ECONOMIC IMPACT

- Direct (146 DLA, 23 Contractors)

-169 Direct	Cumulative:	+508 jobs
-106 Indirect		+0.0%
-275 (Less than 0.1%)		

ENVIRONMENTAL IMPACT - We reviewed all environmental conditions present at the installation. No outstanding environmental conditions are present. The BRACEG concluded that environmental considerations do not prohibit this recommendation from being implemented.

COMMUNITY IMPACT - DLA conducted a comprehensive analysis of the ability of each DLA community to support additional mission and personnel. We collected community-specific data in infrastructure, cost of living, and quality of life areas. All data was provided by DLA activities located in the affected communities. All data was certified as being accurate by the DLA field activity commander. All recommended receiving communities were assessed assuming all new hires into the area would come from outside the area and that these new hires would all have dependents who would relocate in the area as well.

The Boston, MA, area stands to receive 21 additional personnel as a result of DLA's BRAC 95 recommendations. Analysis of the community data indicates that the area can absorb this increase to its population base.

The Los Angeles, CA, area stands to receive 22 additional personnel as a result of DLA's BRAC 95 recommendations. Analysis of the community data indicates that the area can absorb this increase to its population base.

MAP - (See enclosure 3.)

3 Encl

MILITARY VALUE BASE SPECIFIC INFORMATION
DCMDs

		DCMDN		DCMDS		DCMDW		DCMCI	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope 175 Points									
A. Current/Future Mission									
1. DoD Essentiality (V.17)	50	Y	50	Y	50	Y	50	Y	
2. Unique Mission - Present (V.1)	20	5.00	20	3.00	12	2.00	8	3.00	
3. Unique Mission - Future (V.1)	20	6.00	20	3.00	10	2.00	7	2.00	
SUBTOTAL CURRENT/FUTURE MISSION	90		90		72		65		
B. Mission Diversity									
1. No. DCMAOs/DPROs Reporting Direct to DCMDHQ (V.2.a less V.2.d)	15	34.00	15	24.00	11	30.00	13	13.00	
2. No.Paid Equivalents Receiving Support Services	10	4,546.00	10	3,207.00	7	3,694.00	8	582.00	
3. No.Customers in Customer Outreach Program (V.3)	5	53.00	5	46.00	4	43.00	4	20.00	
4. No. Active Contractors (V.10)	5	9,845.00	5	7,470.00	4	8,092.00	4	1,120.00	
5. No. Contracts Managed (V.11)	15	143,505.00	15	143,193.00	15	103,326.00	11	4,991.00	
6. Oblig Dollar (Bill) Value Managed (V.13)	5	271.00	4	233.00	3	387.00	5	10.40	
7. $ (Bill) Value Unliq. Oblig. Managed (V.14)	5	36.00	2	37.00	3	73.00	5	2.70	
8. No. CACOs/DACOs (V.6)	5	90.00	5	49.00	3	58.00	3	0.00	
9. No. ACATI Program Mgmd (V.4)	20	62.00	20	32.00	10	26.00	8	0.00	
SUBTOTAL MISSION DIVERSITY	85		81		60		61		
TOTAL MISSION SCOPE	175		171		132		126		

MILITARY VALUE BASE SPECIFIC INFORMATION
DCMDs

		DCMDN		DCMDS		DCMDW		DCMCI	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned	Response	Points Earned
II. Mission Suitability 375 Points									
A. Location Suitability									
1. Need Present Location (V.18)	25	N	0	N	0	N	0	N	
2. Located in Approx. Center of Work Concentration w/in 150 mls (V.2.b)									
a. Contractors (%)	10	21.00	4	25.00	5	47.00	10	0.00	
b. Contracts (%)	10	27.00	5	15.00	3	53.00	10	0.00	
c. $ Obligated (%)	10	35.00	9	19.00	5	37.00	10	0.00	
d. $ ULO (%)	10	36.00	9	17.00	4	41.00	10	0.00	
e. # DCMAO's, DPRO's, & DCMO's (%)	10	27.00	6	21.00	5	46.00	10	0.00	
Subtotal of points			33		22		50		
3. No. DCMAs/DPROs w/i 150 miles of DCMD HQ (V.2.b)	50	10.00	45	5.00	23	11.00	50	0.00	
4. Acess to Transportation									
a. Bus	5	1.00	5	2.00	5	20.00	0	1.00	
b. Train	5	1.00	5	30.00	0	20.00	2	78.00	
c. Plane	15	5.00	14	35.00	0	2.00	15	2.50	
Subtotal of points			24		5		17		
5. Type of Space (DoD or Non-DoD)	25	DoD	25	DoD	25	Non DoD	0	DoD	
SUBTOTAL LOCATION SUITABILITY	175		127		75		117		
B. Facility Suitability									
1. Condition of Building (J.D.)	150	20.00	120	29.00	110	19.00	122	11.00	
2. Age of Building (J.D.)	50	85.00	0	29.00	26	10.00	41	0.00	
SUBTOTAL FACILITY SUITABILITY	200		120		136		163		
TOTAL MISSION SUITABILITY	375		247		211		280		

MILITARY VALUE BASE SPECIFIC INFORMATION
DCMDs

Data Element	Military Value	DCMDN Response	DCMDN Points Earned	DCMDS Response	DCMDS Points Earned	DCMDW Response	DCMDW Points Earned	DCMCI Response	DCMCI Points Earned
III.Operational Efficiencies 375 Points									
A. BOS Costs									
1. BOS Costs Per Paid Equivalent	75	2,215.00	75	2,857.00	58	3,709.00	45	14,889.00	
2. RPM Costs Per Square Feet	100	10.41	64	18.00	37	6.64	100	12.27	
3. Rental/Lease or ISSA Costs of HQ Space	75	0.00	75	9,450.00	75	4,072,116.00	0	0.00	
SUBTOTAL BOS COSTS	250		214		170		145		
B. Personnel Costs									
1. Ratio of DCMD HQ Costs to Total Costs (%)	75	6.19	75	9.50	49	8.55	54	14.00	
2. Total G&A Costs Per Paid Equivalent DCMAOs/DPROs	15	3,177.00	15	3,963.00	12	5,573.00	9	15,329.00	
3. DCMD HQ Direct Costs Per Paid Equivalent at DCMAOs and DPROs	15	43.00	12	65.00	8	33.00	15	214.00	
4. DCMD HQ Indirect Costs/Paid Equivalent at DCMAOs & DPROs	20	1,444.00	18	1,292.00	20	1,727.00	15	0.00	
SUBTOTAL PERSONNEL COSTS	125		120		89		93		
TOTAL OPERATIONAL EFFICIENCIES	375		334		259		238		

MILITARY VALUE BASE SPECIFIC INFORMATION
DCMDs

Data Element	Military Value	DCMDN Response	DCMDN Points Earned	DCMDS Response	DCMDS Points Earned	DCMDW Response	DCMDW Points Earned	DCMCI Response	DCMCI Points Earned
IV. Expandability 75 Points									
A. Facility/ Installation Expansion									
1. Additional Personnel in Present Space	30	525.00	30	374.00	21	352.00	20	0.00	
2. Additional Space for Expansion	15	16,000.00	4	13,390.00	3	59,749.00	15	0.00	
3. Other DoD Space in Metro Area	15	120,000.00	9	190,000.00	15	120,385.00	10	0.00	
4. DoD Acreage to Build	15	0.00	0	3.50	15	0.00	0	0.00	
SUBTOTAL FACILITY EXPANSION	75		43		54		45		
B. Mobilization Expansion									
1. Capability for Surge	0	Y	0	Y	0	Y	0	Y	
SUBTOTAL MOBILIZATION EXPANSION	0		0		0		0		
TOTAL EXPANDABILITY	75		43		54		45		
TOTAL POINTS FOR DCMDs	1000		795		656		689		

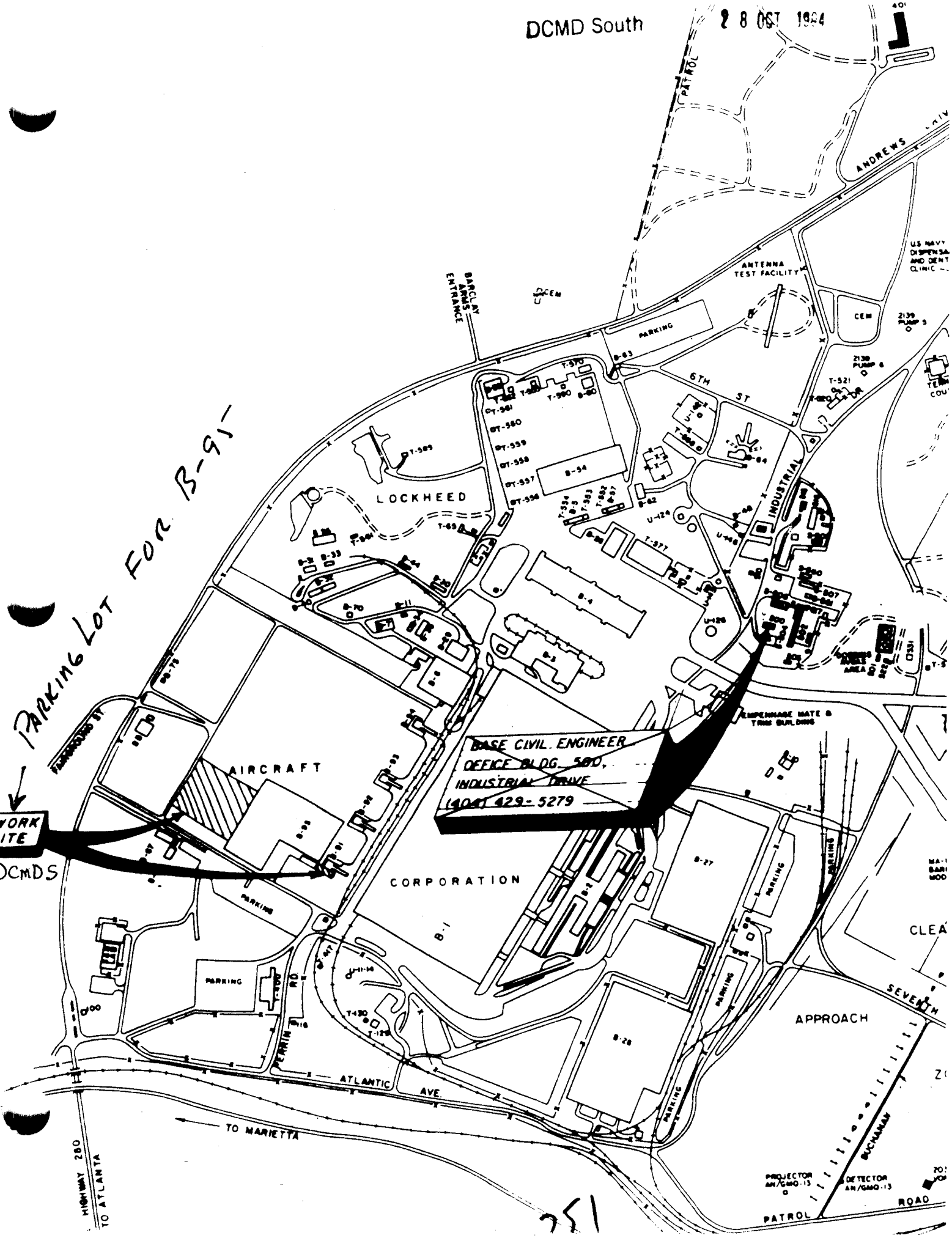
DCMD EXCESS CAPACITY ANALYSIS

Activity	Existing Administrative Space (Sq Ft)	No. of additional people who can be accommodated in existing space	Other Warehouse Storage Space (Sq Ft)	Utilization Rate Other Warehouse Storage Space
DCMDW	124,906	352	64,628	79%
DCMDS	127,349	374	NA	NA
DCMDN	169,517	525	NA	NA
DCMCI	19,390	0	NA	NA

Encl 2

DCMD South

28 OCT 1994



251

TAB H

DEFENSE CONTRACT MANAGEMENT DISTRICT WEST (DCMDW)

RECOMMENDATION:

This is a redirect of the following BRAC 93 Commission recommendation. "Relocate the Defense Contract Management District, El Segundo, CA, to Long Beach Naval Shipyard Los Angeles, CA, or space obtained from exchange of land for space between the Navy and the Port Authority/City of Long Beach." The current recommendation is expanded to read: Relocate the DCMD, El Segundo, CA, (a) to Government property in the Los Angeles/Long Beach area, or (b) to space obtained from exchange of land between the Navy and Port Authority/City of Long Beach, or (c) to a purchased office building, whichever is the most cost-effective for DoD.

COSTS/SAVINGS

One-time Costs:	$10.3M
Steady State:	$4.2M (00)
Net Present Value:	$51.2M
Return on Investment Year:	Immediate (1999)
Start Year:	1996
End Year:	1999

RATIONALE FOR RECOMMENDATION:

The DCMD West is currently located in GSA-leased administrative space in El Segundo, CA. The BRAC 93 Commission found it was cost effective for DCMD West to move from leased space to DoD owned property. The Navy has been involved in exploratory discussions on behalf of DLA. However, the President's Five-Point Revitalization Plan, which affords communities the opportunity to obtain installations without substantial compensation, has significantly impacted the Navy's ability to consummate a land exchange at Long Beach with the Port Authority/City of Long Beach. The Long Beach Naval Shipyard, which was another option, has been placed on the BRAC 95 list for closure.

The BRAC 93 recommendation is revised/expanded to add the option for purchase of an office building. This redirect eliminates the cost of a warehouse and reflects the requirement for reduced administrative space.

RISK ASSESSMENT:

Moving from El Segundo to Long Beach poses no mission risk.

PERSONNEL IMPACTS:

Personnel Transferred: 253 (231 from El Segundo to Long Beach/22 plus-up from DCMD South)

Personnel Eliminated: N/A

PERSONNEL REDUCTION METHODOLOGY (COBRA): N/A

MILITARY VALUE:

N/A. This is a redirect of a BRAC 93 recommendation which moved the DCMD West.

MILCON:

The MILCON requirement is based on the PURCHASE (not building) of an office building. The total MILCON is $5.37M (does not include $11.0M cost avoidance in FY 96). The estimated cost to purchase an office building is $4.1M and rehabilitation cost is estimated at $1.26M.

WORKLOAD DATA: N/A

ECONOMIC IMPACT:

This recommendation will not result in a change in employment in the Los Angeles/Long Beach, CA, primary MSA because all affected jobs will remain in that area. The plus-up of 22 people from DCMD South and 14 indirect will affect overall employment by less than on tenth of one percent. The cumulative overall impact for the Los Angeles/Long Beach, CA, MSA is -0.4%.

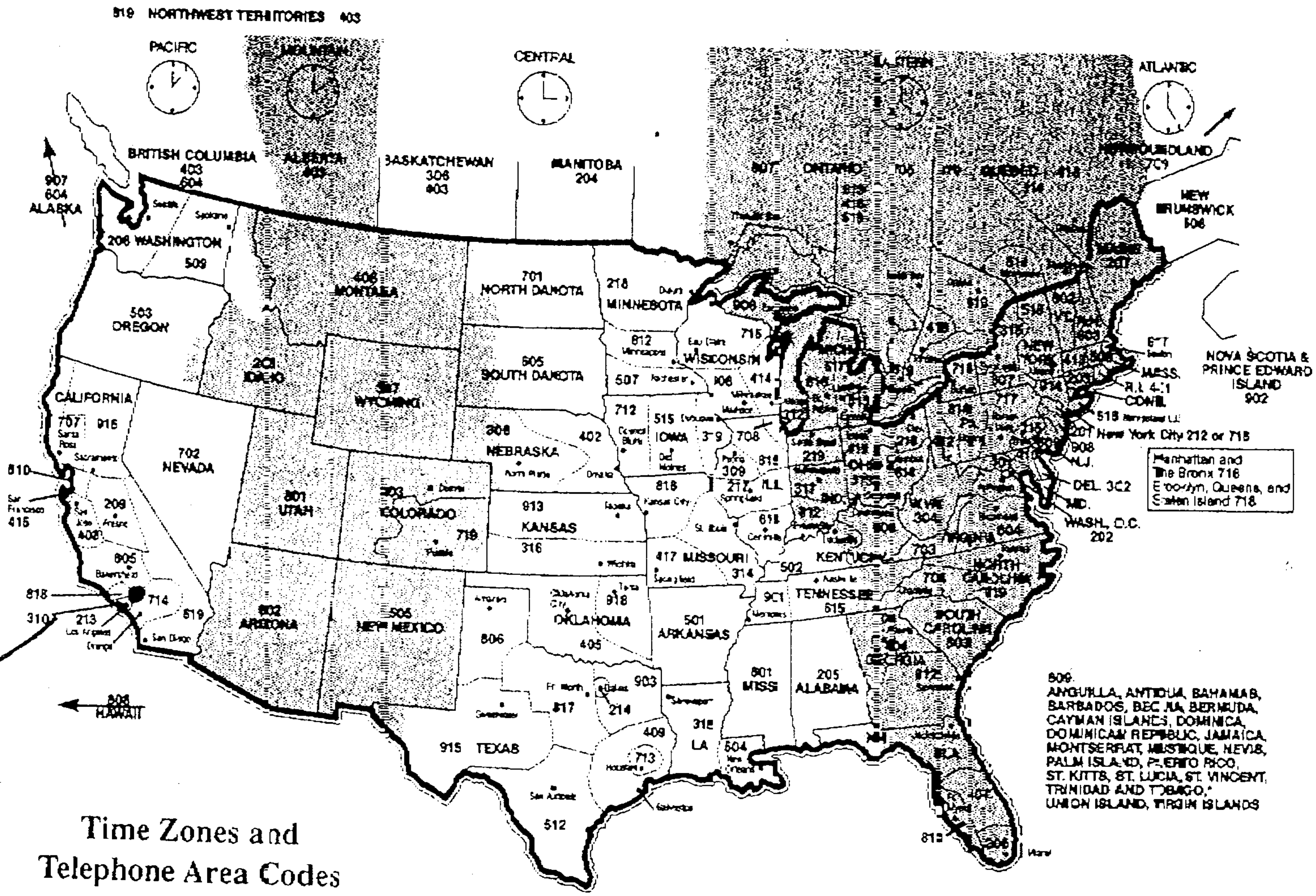
ENVIRONMENTAL IMPACT:

We reviewed air quality conditions in the Los Angeles South Coast Air Basin. The EG determined that the air quality considerations do not prohibit the recommendation from being implemented.

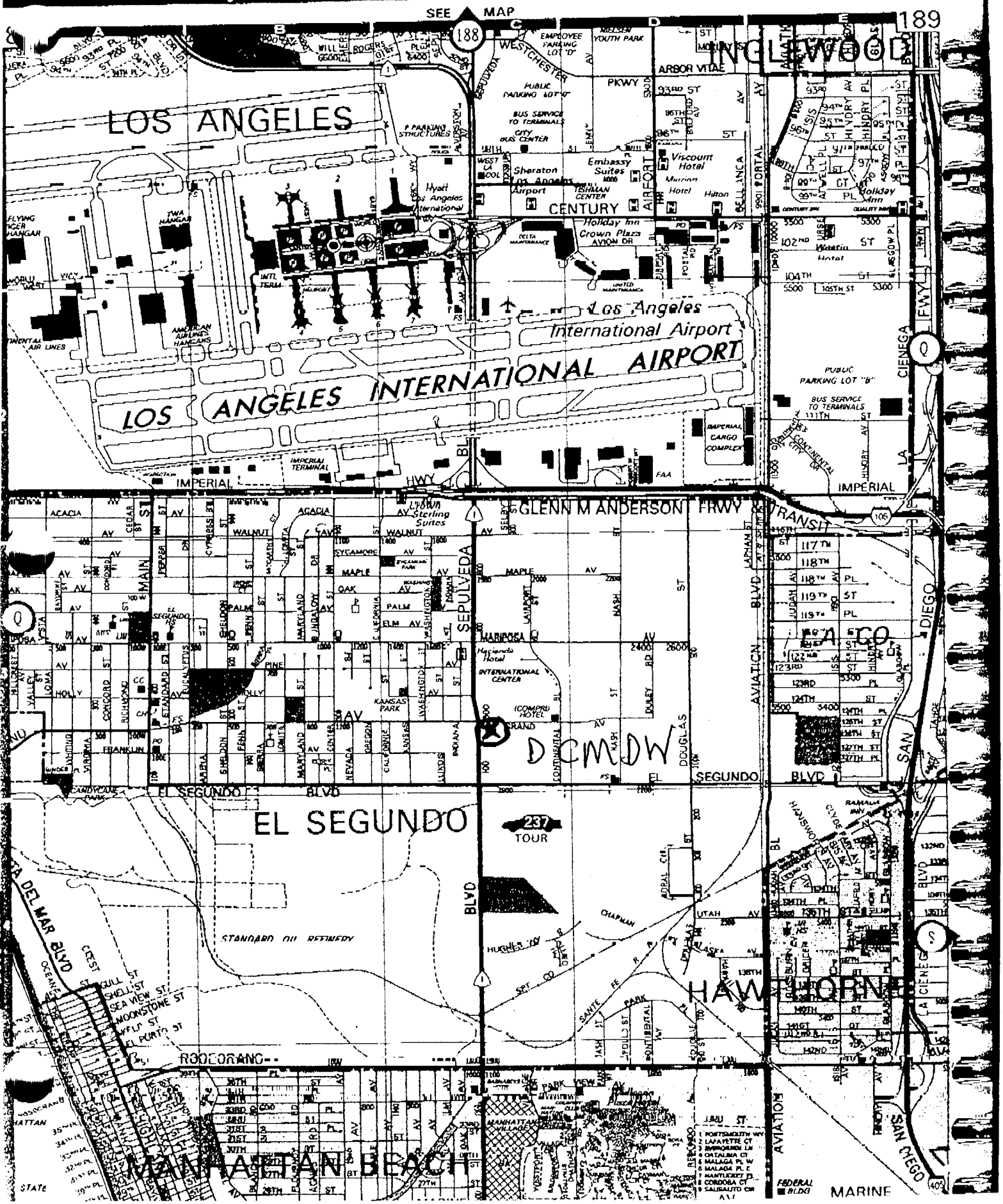
COMMUNITY IMPACT: N/A

MAP - (See enclosure 1.)

1 Encl



Time Zones and Telephone Area Codes


SEE MAP
188
189
LOS ANGELES
INGLEWOOD
WESTCHESTER
ARBOR VITAE
PKWY
93RD ST
PUBLIC PARKING LOT "A"
BUS SERVICE TO TERMINALS
CITY BUS CENTER
Sheraton Los Angeles Airport
Embassy Suites
Viscount Hotel
Marriott Hotel
Hilton
Holiday Inn
Hyatt Los Angeles International
CENTURY
Holiday Inn Crown Plaza
AVION DR
Westin Hotel
102ND ST
104TH ST
105TH ST
Los Angeles International Airport
LOS ANGELES INTERNATIONAL AIRPORT
PUBLIC PARKING LOT "B"
BUS SERVICE TO TERMINALS
IMPERIAL CARGO COMPLEX
IMPERIAL TERMINAL
IMPERIAL
HWY
FAA
CIENEGA
FWY
GLENN M ANDERSON FRWY
TRANSIT
ACACIA
WALNUT
SYCAMORE
MAPLE
OAK
PALM
ELM
MAIN ST
SEPULVEDA
MARIPOSA
Hacienda Hotel
INTERNATIONAL CENTER
KANSAS PARK
FRANKLIN
EL SEGUNDO BLVD
EL SEGUNDO
237
TOUR
DCMDW
AVIATION BLVD
DOUGLAS
SAN DIEGO
CHAPMAN
UTAH
HUGHES
SPT CO
SANTE FE
PARK
HAWTHORNE
STANDARD OIL REFINERY
VIA DEL MAR BLVD
CREST ST
GULL ST
SHELL ST
SEA VIEW ST
MOONSTONE ST
EL PORTO ST
ROSECRANS
MANHATTAN BEACH
MANHATTAN VILLAGE
PARK VIEW AV
FEDERAL BLDG
MARINE

TAB I

DEFENSE INDUSTRIAL SUPPLY CENTER (DISC)

RECOMMENDATION:

Disestablish DISC. Distribute the management of Federal Supply Classes (FSCs) within the remaining DLA Inventory Control Points (ICPs). Create one ICP for the management of troop and general support items at the Defense Personnel Support Center (DPSC) in Philidelphia, PA. Create two ICPs from the management of weapon system related FSCs at the Defene Construction Supply Center (DCSC) in Columbus, OH, and the Defense General Supply Center (DGSC) in Richmond, VA.

COSTS/SAVINGS:

One-Time Costs:	**$16.9M**
Steady State:	**$18.4M (FY 01)**
20 Year Net Present Value:	**$236.5M**
Return on Investment Year	**1999 (Immediate)**
Start Year	**1996**
End Year	**1999**

RATIONALE FOR RECOMMENDATION:

DLA is fundamentally changing the way it organizes to manage items in the military supply system. As a result, one ICP managing troop and general support items and two ICPs managing weapon system items will be created. DISC had the lowest military value of the three hardware ICPs. It also is the smallest DLA ICP. Closing DISC and delaying the relocation of DPSC to the ASO compound (directed in BRAC 93) allows the Agency to achieve a substantial cost avoidance by back-filling the space already occupied by DISC and avoiding renovation of warehouse space.

WHY OTHER ICPS WERE NOT SELECTED:

DPSC is almost entirely a troop support ICP. No other ICP currently manages troop support items. The percentage of general support items at other ICPs is relatively small. Singling-up troop and general support items under DPSC management is the most logical course of action.

DCSC and DGSC are host activities of compounds which house a number of DLA and non-DLA activities, conforming to the DLA decision rules concerning maximizing the use of shared overhead and making optimum use of retained DLA-operated facilities. Both Richmond and Columbus have high installation military value, and take advantage of the synergy of a collocated Depot. Both have considerable expansion capability. The facilities at DGSC are the best maintained of any in DLA, while DCSC has a new building in progress and another planned.

RISK ASSESSMENT:

The risk attendent on the recommendation is moderate. Weapon system items are managed in a fundamentally different way than troop and general support items. Both DCSC and DGSC already manage weapon system items and are accustomed (as a result of consumable item transfers and normal reassignment of FSCs) to assuming new related workload. DPSC has always managed items more commercial in nature, and should be able to assume the management of additional general support items without difficulty. Futhermore, implementation will take place over a four year period, which will allow personnel to be retrained and minimize personnel disruption within the Supply Management community.

PERSONNEL IMPACTS:

Personnel requirements at the end of FY 99 were determined based on the number of personnel supporting the various supply classes. However, the number of billets moved, and to where they were moved was predicated on minimizing the disruption to Supply Management personnel. Therefore, although the amount of general support workload transferred from DISC will be small, the majority of the additional billets which the troop and general support ICP will require were transferred from DISC to DPSC.

Personnel Positions Transferred:

DISC to DPSC 510 civilians and 13 military
DISC to DGSC 323 civilians and 12 military

Personnel Positions Eliminated:

DISC 46 civilians and 4 military
(Net impact on Philadelphia = -369 civilians and 16 military)
DCSC 358 civilians and no military

PERSONNEL REDUCTION METHODOLOGY (COBRA):

The Executive Group determined that the synergy which would be achieved by grouping items requiring the same type of management would result in saving 5% of direct labor, and 25% of indirect labor. In accordance with the intent of the National Performance Review, the Executive Group further determined that 50 percent of the general and administrative overhead associated with FSCs would be saved by consolidation. (General and administrative overhead associated with base operations would be eliminated only if an installation were closed.) Those percentages, applied to the equivalents supporting moving workload, determined labor requirements at any given site for each scenario considered.

MILITARY VALUE:

Military Value ranking in category: DISC was the lowest ranking of the three hardware centers. (See charts at enclosure 1.)

Installation Military Value: N/A

Military Value Point Distribution Methodology:

Points were assigned to the hardware centers based on the certified data. In most cases, the "best" answer received the total points available, and the others received a proportion of the points based on the relationship of their answer to the "best" answer. Age of buildings (under Mission Suitability) was determined based on an average age of all buildings, normalized by the number of square feet in each. Building condition (also under Mission Suitability) was determined by comparing the Long Range Maintenance Planning data developed by the Norfolk Public Works Center to the expected cyclic maintenance requirements of a new building, again, normalized by square footage.

EXCESS CAPACITY:

ICP Excess Capacity Analysis

	DCSC	DFSC	DGSC	DISC	DPSC
Exist Admin Space	1,631 K	49 K	584 K	282 K	523 K
Add People in Exist Space	3,835	0	1,247	108	0
Buildable Acres	77	0	37	9	0

WORKLOAD DATA:

	Weapon System I	Weapon System II	Troop & General
Workload:			
NSNs	1.65M	1.45M	0.45M
Act. Stocked NSNs	608K	503K	183K
Prs w/o DOs	243K	218K	297K
Gross Sales	$1.44B	$1.2B	$4.18B

FACILITY DATA:

Facility Age: 48 Years
Facility Condition:
Ranking 3 of 3 for Hardware ICPs.

MILCON:

As a result of this recommendation, there will be a Military Construction cost avoidance of $28.6 million.

The 1993 Base Closure and Realignment Commission directed the relocation of DPSC to the Aviation Support Office (ASO) complex in Northese Philadelphia, and the closure of DESC and relocation of its mission to DCSC in Columbus, OH. Due to Force Structure drawdowns, the amount of space which will have to be renovated at the ASO complex and at the DCSC complex to accommodate those BRAC 93 recommendations will be reduced. The disestablishment of DISC and the realignment of DCSC and DGSC will result in a cost avoidance of $25.5 million at ASO and $3.1 million at DCSC.

ECONOMIC IMPACT:

-385 Direct		
-813 Indirect	Cumulative:	-31,744 Jobs
-1198 (Less than .1%)		-1.2%

ENVIRONMENTAL IMPACT

We reviewd all environmental conditions present at this installation. DISC is located in an area that is in nonattainment for ozone, nitrogen dioxide, and carbon monoxide. DISC must implement an employee trip program to comply with state implementations plan actions. The EG concluded that environmental considerations do not prohibit this recommendation.

COMMUNITY IMPACT

DLA conducted a comprehensive analysis of the ability of each DLA community to support additional mission and personnel. We collected community-specific data in infrastructure, cost of living, and quality of life areas. All data was provided by DLA activities located in the affected communities. All data was certified as being accurate by the DLA field activity commander. All recommended receiving communities were assessed assuming all new hires into the area would come from outside the area and that these new hires would all have dependents who would relocate in the area as well.

The Richmond, VA, area stands to receive 359 additional personnel as result of DLA's BRAC 95 recommendations (335 from DISC, 24 from Memphis). Analysis of the community data for the Richmond area indicates that it can absorb this increase to its population base.

MAP - (See enclosure 2.)

2 Encl

HARDWARE ICPs MILITARY VALUE Base Specific Information							
		DCSC		DGSC		DISC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
I. Mission Scope							
A. Current/Future Mission							
1. DoD Essentiality	100	Yes	100	Yes	100	Yes	100
2. Same/Similar Mission	100	Yes	0	Yes	0	Yes	0
SUBTOTAL CURRENT/FUTURE MISSION	200		100		100		100
B. Mission Diversity							
1. Field Activities Reporting Directly to this Activity	10	No	0	Yes	10	No	0
2. Percentage Paid Equivalents Directly Support Field Activities	10	0.00	0	1.40	10	0.00	0
3. No. of NSNs Managed							
a. Active NSNs	40	1,309,771	40	217,278	7	418,118	13
b. Inactive NSNs	10	491,518	7	428,732	6	683,087	10
4. $ Value Inventory Managed							
a. Active Inventory ($M)	40	$ 3,594.3	40	$ 632.7	7	$ 549.4	6
b. Inactive Inventory ($M)	10	$ 615.0	4	$ 1,529.4	10	$ 948.3	6
5. No. of PRs Awarded	15	408,730	15	171,239	6	173,567	6
6. $ Value of Contracts Awarded ($M)	15	$ 1,008.4	15	$ 682.1	10	$ 393.6	6
7. % Business ($ Value) Supporting Non-DoD	25	13.25	21	2.37	4	15.79	25
8. % Paid Equivalent Supporting Non-DoD	25	13.25	25	2.37	4	0.00	0
SUBTOTAL MISSION DIVERSITY	200		167		74		72
TOTAL MISSION SCOPE	400		267		174		172

HARDWARE ICPs MILITARY VALUE Base Specific Information							
		DCSC		DGSC		DISC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
II. Mission Suitability							
A. Facility Suitability							
1. Age of Buildings	25	38.47	9	42.60	7	48.00	5
2. Current Condition of Buildings	140	20.64	115	19.36	118	29.00	110
3. Infrastructure Suitable for Electronic Commerce	25	Yes	25	Yes	25	Yes	25
4. Access to Transportation	10	Yes	10	Yes	10	Yes	10
a. Air							
b. Bus							
c. Train							
TOTAL MISSION SUITABILITY	200		159		160		150

HARDWARE ICPs MILITARY VALUE Base Specific Information							
		DCSC		DGSC		DISC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
III. Operational Efficiencies							
A. BOS Costs							
1. BOS Costs Per Paid Equivalent	50	$ 8,455.00	50	$ 11,731.00	36	$ 8,947.00	47
2. RPM Costs Per Square Feet	50	$ 7.50	50	$ 7.88	48	$ 12.92	29
3. Comm. Costs Per Paid Equivalent	25	$ 5,649.00	25	$ 9,089.00	16	$ 7,042.00	20
SUBTOTAL BOS COSTS	125		125		100		96
B. Personnel Costs							
1. Total G&A Costs Per Paid Equivalent	25	$ 19,122.00	25	$ 27,342.00	17	$ 19,127.00	25
2. Total Direct Costs Per Paid Equivalent	25	$ 20,752.00	25	$ 25,182.00	21	$ 31,202.00	17
3. Total Indirect Costs per Paid Equivalent	25	$ 16,473.00	8	$ 5,242.00	25	$ 5,397.00	24
SUBTOTAL PERSONNEL COSTS	75		58		63		66
TOTAL OPERATIONAL EFFICIENCIES	200		183		163		162

HARDWARE ICPs MILITARY VALUE Base Specific Information							
		DCSC		DGSC		DISC	
Data Element	Military Value	Response	Points Earned	Response	Points Earned	Response	Points Earned
IV. Expandability							
A. Facility/Installation Expansion							
1. Total Buildable Acres	40	77	40	37	19	9	5
2. Acceptable DoD Space in MSA (Sq Ft)	10	0	0	14,418	0	672,777	10
3. Additional Personnel Accommodated in Current Space	60	3,835	60	1,247	20	108	2
4. Excess DLA Warehouse Could Be Allocated	50	0	0	0	0	0	0
SUBTOTAL FACILITY EXPANSION	160		100		39		17
B. Mobilization Expansion-Surge Capability	0	Yes	0	Yes	0	Yes	0
C. Mission Expansion		Yes		Yes		Yes	
Additional Mission w/o Additional Personnel (%)	40	13	31	13	31	17	40
TOTAL EXPANDABILITY	200		131		70		57
TOTAL FOR HARDWARE ICPs	1000		740		567		541

DFSC Military Value

Mission Scope	
Is the mission essential to DoD?	Yes
Does any other DoD activity perform the same or similar mission?	No
Do any field activities or other entities (based on support agreements) report directly to this activity?	Yes
What percentage of the workforce (paid equivalents) directly support these field activities?	0
How many active NSNs are managed?	53
How many inactive NSNs are managed?	12
What is the dollar value of active NSNs managed?	$1,973.5M
What is the dollar value of inactive of NSNs managed?	0
How many purchase requests were awarded?	1,295
What is the total dollar value of contracts awarded?	$4,700.8M
What percentage of the total business (dollar value) is represented by non-DoD customer support?	3.87
What percentage of the workforce (paid equivalents) performs support for non-DoD customers?	3.87
Mission Suitability	
What is the age of the building?	0
What is the current condition of the building?	Excellent
Is the facility infrastructure suitable to accommodate electronic commerce (e.g., data processing and communication)?	Yes
Does the location of the facility provide ready access to major transportation modes (air, bus, and train)?	Yes
Operational Efficiencies	
What are the BOS costs per paid equivalent?	$20,324.00
What are the Real Property Maintenance (P930) Costs per square foot?	$12.86
What are the Communication (P970) Costs per paid equivalent?	$7,276.00
What are the total General and Administrative Costs per paid equivalent?	$23,172.00
What are the total Direct Costs per paid equivalent?	$39,765.00
What are the total Indirect Costs per paid equivalent?	$8,113.00
Expandability	
What are the total buildable acres as defined in the data call?	0
Is there other acceptable DoD space available in the metropolitan statistical area?	0
How many additional personnel can the activity accommodate in the present administrative space?	0
How much excess DLA warehouse space could be allocated at this installation?	0
Does the activity have the capability to assume additional workload/taskings (e.g., surge capabilities to support wartime or contingency operations)?	Yes
How much additional related mission responsibilities to support customers can be provided without additional personnel and/or infrastructure?	0

DPSC Military Value

Mission Scope	Medical	Clothing & Textiles	Subsistence
Is the mission essential to DoD?	Yes	Yes	Yes
Does any other DoD activity perform the same or similar mission?	No	No	Yes
Do any field activities or other entities (based on support agreements) report directly to this activity?	Yes	Yes	Yes
What percentage of the workforce (paid equivalents) directly support these field activities?	<1.00	<1.00	5.3
How many active NSNs are managed?	13,436	23,605	66,758
How many inactive NSNs are managed?	62,903	3,722	0
What is the dollar value of active NSNs managed?	$274.7M	$1092.0M	$455.7M
What is the dollar value of inactive of NSNs managed?	$11.8M	$269.2M	$65.6M
How many purchase requests were awarded?	216,467	22,680	3,607,415
What is the total dollar value of contracts awarded?	$492.5M	$613.2M	$1,780.0M
What percentage of the total business (dollar value) is represented by non-DoD customer support?	2	1.7	2.7
What percentage of the workforce (paid equivalents) performs support for non-DoD customers?	2.1	4.4	2.7
Mission Suitability			
What is the age of the building?		50.17 Years	
What is the current condition of the building?		Excellent	
Is the facility infrastructure suitable to accommodate electronic commerce (e.g., data processing and communication)?		Yes	
Does the location of the facility provide ready access to major transportation modes (air, bus, and train)?		Yes	
Operational Efficiencies			
What are the BOS costs per paid equivalent?		$15,865.00	
What are the Real Property Maintenance (P930) Costs per square foot?		$6.55	
What are the Communication (P970) Costs per paid equivalent?		$10,201.00	
What are the total General and Administrative Costs per paid equivalent?		$30,398.00	
What are the total Direct Costs per paid equivalent?		$26,575.00	
What are the total Indirect Costs per paid equivalent?		$8,380.00	
Expandability			
What are the total buildable acres as defined in the data call?		0	
Is there other acceptable DoD space available in the metropolitan statistical area?		0	
How many additional personnel can the activity accommodate in the present administrative space?		0	
How much excess DLA warehouse space could be allocated at this installation?		0	
Does the activity have the capability to assume additional workload/taskings (e.g., surge capabilities to support wartime or contingency operations)?		Yes	
How much additional related mission responsibilities to support customers can be provided without additional personnel and/or infrastructure?	20.3	57.5	3

AVIATION SUPPLY COMPOUND
CRONIN ST.
BLDG 27
CHELTENHAM AVE.
RICHARDSON ST.
TABOR AVE GATE
BLDG 101
BLDG 9
LEIDEL AVE
BLDG 26
RAMSEY ST.
BLDG 8
McCANN ST.
BLDG 10
BLDG 7
BLDG 24
CARTER ST.
FOSTER AVE
BLDG 6
McCARTHY ST.
BLDG 5
GATES AVE.
PATROL ROAD
BLDG 90
DISC AUDITORIUM
BLDG 4
BLDG 12
YOUNG ST.
BLDG 3
BLDG 2
WOOD AVE.
BLDG 36
OXFORD AVE GATE
BLDG 15
BLDG 1
CAFETERIA
ROBBINS AVE.
OXFORD AVE
TRUE NORTH

DEFENSE LOGISTICS AGENCY

Table of Contents

Inventory Control Points

Index	Contents
L	Background Information on Inventory Control Points
M	Defense Industrial Supply Center (DISC), Philadelphia, PA Information

BASE VISIT REPORT

DEFENSE INDUSTRIAL SUPPLY CENTER (DISC)
Philadelphia, PA

7 April 1995

LEAD COMMISSIONER:

Al Cornella

ACCOMPANYING COMMISSIONER:

None

COMMISSION STAFF:

Ms. Marilyn Wasleski, Interagency Team Analyst
Mr. David Epstein, Navy Team Analyst

LIST OF ATTENDEES:

BG Roy E. Beauchamp, USA
Commander
Mr. Nick Ranalli, Deputy Commander
Ms. Judy Hawryliak, Director,
Commodity Business Units
Congressman Robert A. Borski
Mayor Edward G. Rendell,
City of Philadelphia
Ms. Terry Gillen, Director of Commerce
City of Philadelphia
Mr. Mark Vieth, Staff Member
Congressman Borski
Ms. Karen Peck, Staff Member
Congressman Borski
Ms. Deborah Peacock, Staff Member
Senator Santorum
Mr. Glen Thomas, Staff Member
Governor Ridge
Major Robert A. Ratner, USAF
Executive Officer-DISC
Mr. Edward Hintz, Counsel
DISC

Mr. Matthew Duffy, Chief
Human Resources-DISC
Col. Steve Sheldon, USAF
Director, Acquisition Planning-DISC
Col. Joseph Mower, USAF
Director, Products Services-DISC
Col. Richard Fousek, USA
Director, Customer Services-DISC
Mr. Lou Julg, Resource Management-DISC
Mr. Vern Rose, DISC VP, AFGE Local
1698
Mr. Nick Yevitz, Office of Public Affairs-
DISC
Mr. William Crane, Office of Quality Mgmt.
DISC
Ms. Joan Tobin, Director, Small Business-
DISC
Ms. Carol Smeltz, Chief, Commodity
Business Unit (N)-DISC
Mr. Chris Cosfol, Chief, Commodity
Business Unit (U)-DISC
Mr. Elliot Chant, Chief, Commodity
Business Unit (M)-DISC

ATTENDEES, cont'd.

LTC Robert Burke, USA, Chief, Commodity Business Unit (Y)-DISC
Mr. John Cuorato, Chief, Commodity Business Unit (W)-DISC
Mr. Irve Kenig, Chief, Commodity Business Unit (J)-DISC

INSTALLATION'S PRESENT MISSION:

The Defense Industrial Supply Center purchases and manages a vast number and variety of industrial supplies for the Military Services, DLA, other federal agencies, international organizations, and foreign governments.

SECRETARY OF DEFENSE RECOMMENDATION:

Disestablish Defense Industrial Supply Center

- Distribute the management of Federal Supply Classes within the remaining DLA inventory control points (ICP). Create one ICP for the management of troop and general support items at the Defense Personnel Support Center in Philadelphia, PA. Create two ICP's for the management of weapon system related Federal Supply Classes at the Defense Construction Supply Center (DCSC) in Columbus, OH and the Defense General Supply Center (DGSC) in Richmond, VA.

DOD JUSTIFICATION:

- Consolidating management of items by the method of management will improve oversight, streamline the supply management process, increase internal efficiency, and reduce overhead.
- DLA manages nearly five times as many weapon system items as troop and general support items. A single troop and general support ICP is adequate, while two weapon system ICPs are necessary.
- DISC has the lowest military value of the three hardware ICP's.
- DCSC and DGSC are host activities of compounds which house a number of DLA and non-DLA operated facilities. Both have expansion capability.
- DGSC facilities are the best maintained. DCSC has several new buildings completed or in progress.
- DISC is a tenant on a Navy compound.
- Disestablishing DISC allows DLA to achieve a substantial cost avoidance by back-filling the space already occupied by DISC and substantially reducing the amount of conversion required to existing warehouse space.

MAIN FACILITIES REVIEWED:

The visit began with a Command Briefing on the Defense Industrial Supply Center. This briefing covered the Center's mission, capabilities, performance indicators, installation infrastructure, and personnel. The briefing was followed by a presentation by the Federal Manager's Association. Lastly, a windshield tour of the base's facilities was conducted. This presentation highlighted the military value of DISC and the flaws (as viewed by the Association) in the Defense Logistic Agency's analysis of the Center. The tour made a stop at a building to highlight the recent conversion of a building from warehouse space to office space. The automated systems which were developed by DISC employees (and contribute to their increased efficiencies) were also highlighted during the tour.

KEY ISSUES IDENTIFIED:

Mission

The Defense Industrial Supply Center provides the services with industrial hardware such as, bearings, cable, fasteners, gaskets, springs, and metal through accurate inventory management, best value acquisition, technical and quality control support. All of these items are critical to the readiness of the soldier during war as well as peace time. These items cannot be obtained from a local hardware store, because they must conform to specific engineering specifications. Failure of these items in a plane or helicopter can cause a crash or disable the aircraft from taking off.

Weapon system items represent 64% of DISC's business.

DISC has been the inventory/item manager of these items for over 40 years. It takes many years of experience to manage these items because one needs to know the market, the industry, the customer, and the product (technical engineering specifications). With this knowledge the item manager can ensure marketplace leverage, and product quality, conformance, and integrity. DISC employees have many years of experience managing these weapon critical items and focus on the needs of the customer. For example, there are 173,567 different national stock numbers to be managed under screws, bolts, and studs.

DISC provides technical support to the services. It coordinates with services on engineering issues and maintains 1.5 million technical drawings/specifications.

The item managers also determine at which Defense Distribution Depot an item will be stocked. Seventy-two percent of DISC's items require stock positioning within this distribution system.

Performance Indicators

- $712 million in industrial items were sold to the services in 1994. Even though DoD is downsizing, this figure is expected to increase to $850 million in 1995.
- 4.8 million customer orders were filled in 1994.
- 1.1 million national stock numbers are managed.
- 353,000 technical data requisitions were received in 1994.
- DISC manages 32% of DLA managed national stock numbers.
- DISC received 38% of all DLA customer orders in 1994.
- Product Conformance is 98.9%.
- Legal Recovery: $42.1 million.
- 134,000 contracts awarded in FY 1994, worth $406 million.
- 350,000 requests for quotes were issued in FY 1994, with 1,000,000 responses.
- Average procurement value is about $3,027.
- $203.5 million awarded to small business in FY 1994.
- DISC business is high volume, low value.

Personnel

- Currently, DISC has 1818 civilian employees and 27 military. They are scheduled to take a 4% reduction in force in each of the next four years, as are all of the other Inventory Control Points. This will bring their workforce down to 1,413 by the year 2001. DISC has taken a 27% reduction in their workforce from 1986 - 1994. A lot of the reduction has been made possible through the business process improvements (see below) developed by DISC employees. DISC recognized early on that they would have to become more efficient and take staff reductions.
- The average age of their employees is 43.1 years. The workforce is 55% female, 27% minority.

Business Process Improvements

- DISC employees have developed innovative technology (through hard work) that has revolutionized the acquisition process.

  --Standard Work Station Data Base
  --LAN Connectivity
  --Automated Small Purchases (Cost Avoided: $130,000 monthly)
  --Electronic Bulletin Board
  --Defense Printing Service Remoting Printing

- Commodity Business Units were developed at DISC. This allows all personnel involved with the buying of an item to be on one team. This concept is being implemented at all inventory control points.

COMMUNITY CONCERNS RAISED:

- Military readiness will be impacted by the massive movements of items between inventory control points--2.4 million items. DLA recognized in BRAC 1993 that a mass movement of items would be too risky. Why is it not still too risky in 1995? If this recommendation is approved and in concert with the already approved BRAC 1993 decision, 62% of DLA's items will be transferring among the ICP's at about the same time.
- It is documented fact that when management of inventory migrates there is a degradation of service.
- Loss of experienced item managers.
- DISC's primary business is weapon system items--64%, 706,176 different national stock items. This represents 40% of DLA's weapon system business. Defense General Supply Center's business is only 48.6% weapon system items, which represents only 328,186 different national stock numbers. This represents only 17.6% of DLA's weapon system business. The community questions the decision to disestablish a proven weapon system inventory control point to create another one.
- DISC manages more items than DGSC--1,116,172 vs. 675,799. In that regard, DISC employees are more efficient at managing those items. DISC manages 803 items per employee, while DGSC only manages 636 items per employee. Given that fact alone, if DISC managed items are moved to DGSC, DLA would need an additional 277 employees at DGSC.
- COBRA costs are understated. Cost to move items was not included. This could as much as $66 million. The Defense Personnel Support Center 's move to the Aviation Supply Office (ASO) Compound would be delayed two years under the BRAC 1995 proposal. The cost to continue operating this center at its present location instead of consolidating it at the Compound was not included in the COBRA. This cost could be about $50 million.
- DLA's analysis of people to be eliminated by this move is flawed. DLA does not have a sound basis for their personnel elimination.
- MILCON cost avoidance in COBRA is too high, since Navy estimates as much as $38.6 million will still have to spent on renovations at the Compound. This is because DPSC's personnel requirements will be going up to 2600. In addition , 600 tenants will be moved to the Compound from the DPSC facility. The BRAC 1993 estimate t accommodate both DISC, DPSC and the tenants on the compound was $45.9 million.
- DLA's analysis underestimated the available capacity at the ASO Compound. Only the space DISC currently occupies was considered. The Compound has much expansion capability.
- DLA's recommendation ignored the synergy's developed between ASO and DISC. The Navy recognized these synergy's and in BRAC 1995 stated that this as one of the reasons they did not want to move ASO out of Philadelphia. These synergy's are not only in administrative functions, but in contract management savings. ASO and DISC manage similar items and take advantage of buying off the same contract for an item. This allows them to pull their buying needs and buy a larger quantity at a lower cost.
- The Community believes that the risk to the customer was not considered.

- The Community recommends that the ICP's be realigned to two weapon system ICP's--Defense Construction Supply Center, Columbus, OH and Defense Industrial Supply Center, Philadelphia, PA; one troop support ICP--Defense Personnel Support Center, Philadelphia, PA, and one general support center--Defense General Supply Center, Richmond, VA. This would align all of the items with their center of excellence and save about 500 positions. This plan would eliminate about 100 more positions than DLA's. This plan also eliminates the risk to the services as there would be no major movement of items. In addition, DISC and DPSC would be consolidated under one command, as so directed under BRAC 1993. The reason the personnel elimination's would be greater is because each ICP would be retaining items that they are most proficient at managing and adding additional items that they are proficient at handling.
- Personnel issues--job loss. Employees at DISC have no guarantees that they will be offered jobs at DPSC. Since DISC is being disestablished, the employees have no job rights.

REQUESTS FOR STAFF AS A RESULT OF VISIT:

- Explore community contentions.

Marilyn Wasleski/Interagency Issues Team/04/26/95 3:38 PM

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
Summary Sheet

Defense Industrial Supply Center (DISC)
Philadelphia, PA

INSTALLATION MISSION

The Defense Industrial Supply Center purchases and manages a vast number and variety of industrial supplies for the Military Services, DLA, other federal agencies, international organizations, and foreign govenments.

DOD RECOMMENDATION: Disestablish Defense Industrial Supply Center

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DOD JUSTIFICATION

- Consolidating management of items by the method of management required will improve oversight, streamline the supply management process, increase internal efficiency, and reduce overhead.
- DLA manages nearly five times as many weapon system items as troop and general support items. A single troop and general support ICP is adequate. Two weapon system ICPs are necessary.
- DISC has the lowest military value of the three hardware ICPs.
- DCSC and DGSC are host activities of compounds which house a number of DLA and non-DLA activities, which maximizes the use of shared overhead and makes optimum use of retained DLA-operated facilities. Both have expansion capability.
- DGSC facilities are the best maintained. DCSC has several new buildings completed or in progress.
- DISC is a tenant on a Navy compound.
- Disestablishing DISC allows DLA to achieve a substantial cost avoidance by back-filling the space already occupied by DISC and substantially reducing the amount of conversion required to existing warehouse space.

COST CONSIDERATIONS DEVELOPED BY DOD

- One-time Cost: $ 16.9 million
- Net Costs and Savings During Implementation: $ 59.3 million
- Annual Recurring Savings: $ 18.4 million
- Break-even Year: 1999 (immediate)
- Net Present Value Over 20 Years: $236.5 million

MANPOWER IMPLICATIONS OF THIS ACTION (EXCLUDES CONTRACTORS)

	Military	Civilian	Students
Baseline			
Reductions	4*	404*	-
Realignments	12**	323**	-
Total	16	727	

*The 404 position reduction includes 358 civilian positions being eliminated from the Defense Construction Supply Center, Columbus, and 46 civilian and 4 military positions being eliminated from the Defense Industrial Supply Center, Philadelphia.

**The 323 civilian positions and 12 military realignments are from the Defense Industrial Supply Center.

MANPOWER IMPLICATIONS OF ALL RECOMMENDATIONS AFFECTING THIS INSTALLATION (INCLUDES ON-BASE CONTRACTORS AND STUDENTS)

	Out		In		Net Gain (Loss)	
Recommendation	Military	Civilian	Military	Civilian	Military	Civilian
Close NATSF	4	223	0	0	(4)	(223)
Close NAESU	10	80	0	0	(10)	(80)
Disestablish DISC	16	369	0	0	(16)	(369)
TOTAL	30	672	0	0	(30)	(672)

ENVIRONMENTAL CONSIDERATIONS

- Environmental considerations present at the receiving installations do not prohibit this recommendation from being implemented. The movement of personnel is minimal and the environmental impacts are negligible.

REPRESENTATION

Senators:	Arlen Specter
	Rick Santorum
Representative:	Robert A. Borski
Governor:	Tom Ridge

ECONOMIC IMPACT

- Potential Employment Loss: 1,198 jobs (385 direct and 813 indirect)
- Philadelphia, PA-NJ MSA Job Base: 2,604,793 jobs
- Percentage: 0.1 percent decrease
- Cumulative Economic Impact (1994-2001): 1.2 percent decrease

MILITARY ISSUES

- Relocation of current mission.
- Response time for surge requirements.

COMMUNITY CONCERNS/ISSUES

- Job loss
- Loss of experienced workforce
- Military Value

ITEMS OF SPECIAL EMPHASIS

- Validation of costs associated with recommended action.

Marilyn Wasleski/Interagency Issues Team/03/29/95 12:00 PM

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
Base Summary Sheet

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Philadelphia, PA

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ITEMS OF SPECIAL EMPHASIS

- Validation of costs associated with recommended action.

COST CONSIDERATIONS

• One-time Cost:	$ 16.9 million
• Net Costs and Savings During Implementation:	$ 59.3 million
• Annual Recurring Savings:	$ 18.4 million
• Break-even Year:	year (x years)
• Net Present Value Over 20 Years:	$236.5 million

MANPOWER IMPLICATIONS

	Military	Civilian	Students
Baseline			
Reductions	4	404	-
Realignments	12	323	-
Total	16	727	-
	743		

ENVIRONMENTAL CONSIDERATIONS

- Environmental considerations present at the receiving installations do not prohibit this recommendation from being implemented. The movement of personnel is minimal and the environmental impacts are negligible.

REPRESENTATION

Senators:	Arlen Specter
	Rick Santorum
Representative:	Robert A. Borski
Governor:	Tom Ridge

SIGNIFICANT ISSUES

MILITARY ISSUES

- Relocation of current mission.
- Response time for surge requirements.

ECONOMIC IMPACT

• Potential Employment Loss:	1,198 jobs (385 direct and 813 indirect)
• Philadelphia, PA-NJ MSA Job Base:	2,604,793 jobs
• Percentage:	0.1 percent decrease
• Cumulative Economic Impact (year-year):	1.2 percent decrease

COMMUNITY CONCERNS/ISSUES

- Job loss.

Marilyn Wasleski/Interagency Issues Team/03/11/95 11:29 AM

As of: 19:00 14 March 1995

ECONOMIC IMPACT DATABASE

Installation: DEFENSE CONSTRUCTION SUPPLY CENTER

tate: Ohio | Service: DLA

Report Note: | Comment:

Previous BRAC Actions: Year: 93

Action: REALIGNING | Mil: 0 | Civ: 1440 | Contr: 0 | Train: 0

BRAC95 Inputs:

urrent Base Pers.: ff: 44 | Enl: 5 | Civ: 3013 | Contr: 155 | Train: 0

Action: REALIGNING

	1994	1995	1996	1997	1998	1999	2000	2001
Military Pers. Relocated (OUT)	0	0	0	0	0	0	0	0
Military Pers. Disestablished (OUT)	0	0	0	0	0	0	0	0
Civilian Pers. Relocated (OUT)	0	0	0	0	0	0	0	0
Civilian Pers. Disestablished (OUT)	0	0	0	0	0	358	0	0
Contractor Personnel (OUT)	0	0	0	0	0	0	0	0
Military Training Status (OUT)	0	0	0	0	0	0	0	0
Military Personnel (IN)	0	0	0	0	0	0	0	0
Civilian Personnel (IN)	0	0	0	0	0	0	0	0
Contractor Personnel (IN)	0	0	0	0	0	0	0	0
Military Training Status (IN)	0	0	0	0	0	0	0	0

Do the 358 people losing their jobs and DCSC have bumping rights?

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

IN REPLY
REFER TO

29 June 1995

SUBJECT: DLA Director's Pledge

TO: The Employees of the Defense Industrial Supply Center (DISC)

Military force structure reductions and budget cuts have drastically reduced our inventory control point workload. To keep pace with these reductions and maximize our ICP efficiency, a concept of operations has been developed that separates the management of weapon systems items and commercial items, and reduces DLA weapon systems inventory control points from three to two.

Philadelphia was selected as our commercial center because it has outstanding expertise in executing commercial practices and support. We pledge that the general supply national stock numbers that migrate to Philadelphia will be assigned to DISC and that the DISC workforce will be offered jobs managing these items. When we transition those general support items to the Troop and General Support ICP, we pledge that the DISC workforce will be given first opportunity to fill the resulting positions, expected to be approximately 1,100 in number.

Personally and professionally, we are committed to taking care of our valuable ICP workforce. For the good of our Agency, for the good of our mission, we pledge to make every effort to retain your dedicated, proven service.

RAY E. McCOY
Major General, USA
Principal Deputy Director

EDWARD M. STRAW
Vice Admiral, SC, USN
Director

REMARKS OF VADM EDWARD M. STRAW AT DISC ON 29 JUNE 1995

I HAVE COME TO PHILADELPHIA TODAY ON THE RECOMMENDATION OF MAYOR RENDELL TO LOOK YOU IN THE EYES AND ADDRESS THE VERY IMPORTANT CONCERNS OF THIS GREAT WORKFORCE, IN LIGHT OF THE RECOMMENDATIONS BY THE BASE CLOSURE AND REALIGNMENT COMMISSION LAST FRIDAY. I HAVE SPENT MOST OF TODAY TAKING ON SOME EXCELLENT QUESTIONS FROM MEMBERS OF THE DISC WORKFORCE. I THINK I HAVE SATISFIED MOST OF THEIR CONCERNS. FOR THE QUESTIONS THAT I HAVE NOT ANSWERED, I PROMISE TO GET ANSWERS BACK QUICKLY.

I KNOW MANY OF YOU WILL BE SKEPTICAL OF WHAT I HAVE TO SAY BECAUSE, AS YOU KNOW, THE CONCEPT TO CREATE A TROOP AND GENERAL SUPPORT CENTER HERE IN PHILADELPHIA WAS APPROVED BY ME AND RESULTED IN THE DEFENSE INDUSTRIAL SUPPLY CENTER BEING RECOMMENDED FOR DISESTABLISHMENT.

I COULD DANCE AROUND THIS POINT, BUT I KNOW THAT PHILADELPHIANS LIKE STRAIGHT TALK (I HAVE SPENT SEVEN YEARS OF MY CAREER IN PHILADELPHIA AND CONSIDER PHILADELPHIA MY SECOND HOME. MY WIFE IS FROM PHILADELPHIA AND SOME OF MY OLDEST FRIENDS LIVE HERE TODAY.). I KNOW PHILADELPHIA, AND IT IS FOR THIS REASON THAT I AGREED WITH YOUR MAYOR TO COME HERE TODAY TO DEAL WITH THIS SUBJECT UP FRONT AND, HOPEFULLY, PUT IT BEHIND US AND MOVE ON.

MY DECISION TO APPROVE THE CONCEPT OF OPERATIONS AND THE MANAGEMENT OF COMMERCIAL ITEMS IN PHILADELPHIA WAS THE END RESULT OF A PROCESS THAT STARTED WITH THE COLLECTION OF CERTIFIED DATA PROVIDED BY OUR FIELD COMMANDERS. THIS DATA WAS ANALYZED BY A TEAM OF LOGISTICS PROFESSIONALS, WHO PRESENTED ME WITH A COMPELLING CASE FOR OUR CURRENT BRAC RECOMMENDATION -- A CASE THAT THE DoD INSPECTOR GENERAL, THE GENERAL ACCOUNTING OFFICE, A BIG-SIX ACCOUNTING FIRM, AND THE BRAC COMMISSION ALL AGREED WITH.

ADDITIONALLY, OUR BRAC RECOMMENDATION IS ONE THAT RESPONDS TO THE VERY DIFFICULT TASK THE BASE CLOSURE COMMISSION WAS CHARGED TO ACCOMPLISH -- THE COST-EFFECTIVE REDUCTION OF BASE INFRASTRUCTURE, COMMENSURATE WITH A RAPIDLY SHRINKING FORCE STRUCTURE. A FORCE STRUCTURE THAT BY THE YEAR 2000 WILL SEE TROOP STRENGTH DOWN BY 35 PERCENT; SHIPS, AIRCRAFT AND TANKS DOWN BY 33 PERCENT; AND INVENTORIES DOWN BY OVER 50 PERCENT.

THE BRAC PROCESS IS MOST ONEROUS, AND I DOUBT A MORE DIFFICULT PROCESS COULD BE DESIGNED. CONGRESSMAN BORSKI, ON MONDAY, CALLED IT INHUMANE. FOR CERTAIN, THE BRAC PROCESS IS NOT ABOUT THE QUALITY OF PEOPLE, IT'S NOT ABOUT THE QUALITY OF PAST PERFORMANCE, IT'S NOT ABOUT LOYALTY, IT'S NOT ABOUT TRUST OR APPRECIATION AND PERSONAL COMMITMENT -- IT'S ABOUT CLOSING BASES, REDUCING INFRASTRUCTURE AND LOWERING OVERHEAD. IT PITS SERVICE AGAINST SERVICE, HEADQUARTERS AGAINST FIELD, FIELD ACTIVITY AGAINST FIELD ACTIVITY, STATE AGAINST STATE, CITY AGAINST CITY, AND EVEN NEIGHBORHOOD AGAINST NEIGHBORHOOD.

THERE ARE NO WINNERS IN THE OUTCOME. I WAS NOT CELEBRATING FRIDAY NIGHT, WHEN THE COMMISSION ACCEPTED THE SECRETARY OF DEFENSE PROPOSAL REGARDING THE DEFENSE LOGISTICS AGENCY. RATHER, I WAS CONCERNED -- CONCERNED ABOUT THE THOUSANDS OF WORKERS AND THEIR FAMILIES IN DLA CITIES SUCH AS MEMPHIS, OGDEN, LETTERKENNY, SACRAMENTO, SAN ANTONIO, DAYTON, ATLANTA, AND PHILADELPHIA. I WAS, AND REMAIN, CONCERNED ABOUT OUR WORKERS, YOUR FUTURES, AND YOUR NATURAL REACTION TO CONCLUDE THAT SOMEHOW YOU HAVE FALLEN SHORT, AND THAT YOU HAVE BEEN BETRAYED.

I UNDERSTAND THESE FEELINGS, THESE CONCERNS, AND THE PAIN. I ESPECIALLY UNDERSTAND IT IN CITIES, WHERE THERE ARE NO OPTIONS TO OUTRIGHT CLOSURE AND JOB LOSS. AND, I UNDERSTAND IT IN CITIES, WHERE THE OPTIONS ARE CLOUDED BY MISUNDERSTANDING, SKEPTICISM, AND RUMOR. THAT IS WHY, LADIES AND GENTLEMEN, I'M HERE TODAY -- TO CLEAR UP MISUNDERSTANDING AND TO GIVE YOU A PERSONAL FACE-TO-FACE COMMITMENT THAT I PRAY WILL ELIMINATE YOUR SKEPTICISM AND GIVE YOU THE CONFIDENCE TO MOVE FORWARD WITH THE SAME ABOVE AND BEYOND PROFESSIONALISM THAT HAS BEEN YOUR TRADEMARK.

IF THE PRESIDENT AND THE CONGRESS APPROVE THE COMMISSION'S RECOMMENDATIONS, THE IMPACT OF THE CHANGE IN ITEM MIX, HERE AT DISC, WILL BE AT THE VERY WORST THE ELIMINATION OF 385 JOBS. NOT 1500 JOBS -- 385 JOBS AT THE VERY WORST.

BUT, I SINCERELY BELIEVE, AS A LONG-TIME STUDENT OF INVENTORY CONTROL POINTS, AND BASED ON TODAY'S EXPERIENCE IN THE MOVE OF OUR ICP FROM DAYTON TO COLUMBUS, OHIO, THAT YOU MAY ACTUALLY BE HIRING IN FY 99 RATHER THAN RIFFING IN FY 99, AS A RESULT OF SOME LIKELY OCCURRENCES. LET ME LIST THEM FOR YOU:

- THERE ARE OVER 800 EMPLOYEES IN THE DISC/DPSC WORKFORCE, THAT ARE ELIGIBLE FOR RETIREMENT BUYOUT INCENTIVES.

- THERE WILL BE SOUTH PHILADELPHIA EMPLOYEES, WHO WILL NOT MOVE NORTH WHEN DPSC COMES TO THIS COMPOUND.

- THERE ARE SOME OF YOU, WHO WILL DECIDE TO MOVE WITH YOUR ITEMS TO RICHMOND AND COLUMBUS.

- THERE ALSO MAY BE AN INCREASE IN COMMERCIAL ITEMS MANAGED HERE, WHICH WILL REDUCE THE PROJECTED JOB LOSS BELOW 385. I SAY THIS FOR TWO REASONS:

  - NEW ACQUISITION REFORM LEGISLATION IS DRIVING A SHIFT FROM MILITARY SPECS TO COMMERCIAL SPECS, AND I BELIEVE THIS WILL INCREASE THE NUMBER OF COMMERCIAL ITEMS OVER THE NEXT FOUR TO FIVE YEARS.

  - AND, SECOND, ACTIONS BEING CONSIDERED BY CONGRESS REGARDING ITEMS CURRENTLY MANAGED BY OTHER AGENCIES HAVE THE POTENTIAL TO INCREASE THE COMMERCIAL COUNT HERE.

AGAIN, MY BOTTOM LINE HERE IS THAT, WHEN THE SMOKE CLEARS AND NATURAL ATTRITION OCCURS, I EXPECT THAT NO ONE AT DISC TODAY WILL BE OUT OF A JOB BECAUSE OF THIS BRAC PROPOSAL. THAT'S MORE THAN I CAN SAY TO THE THOUSANDS OF DLA WORKERS IN THE OTHER CITIES I MENTIONED.

IN ADDITION TO THIS OPTIMISM ON MY PART, I HAVE COMMITTED TO YOU, THROUGH LETTERS TO CONGRESSMAN BORSKI, MAYOR RENDELL, AND GENERAL BEAUCHAMP, THAT AS WE MOVE THE WEAPON ITEMS OUT OF DISC OVER THE NEXT FOUR TO FIVE YEARS, WE WILL SIMULTANEOUSLY MOVE COMMERCIAL ITEMS INTO DISC. THE DISC WORKFORCE WILL TAKE OVER MANAGEMENT OF THESE GENERAL COMMERCIAL ITEMS; AND, WHEN THE FLAG POLE OF THE NEW TROOP AND GENERAL ICP GOES UP, THERE WILL BE A MASS TRANSFER OF DISC EMPLOYEES TO THE NEW COMMAND, ALONG WITH THE GENERAL COMMERCIAL ITEMS THEY ARE MANAGING.

MAYOR RENDELL ASKED ME TO COME HERE TODAY TO MAKE THE SAME COMMITMENT TO YOU IN PERSON. TODAY, GENERAL RAY McCOY, DLA'S NEW DEPUTY DIRECTOR AND A LEADER WHO I EXPECT TO BE WITH DLA FOR SEVERAL YERS TO COME, AND I WILL BOTH SIGN THIS PLEDGE OF COMMITMENT TO THE DISC WORKFORCE. THIS COMMITMENT WILL ASSURE YOU, THAT DLA WILL NOT ABANDON YOU. IT WILL, ALSO, ASSURE YOU, THAT WE ARE COMMITTED TO YOUR WELFARE AND YOUR FAMILY'S WELFARE; AND IT WILL ASSURE YOU, THAT WE APPRECIATE YOUR MANY, MANY YEARS OF UNPARALLELED SERVICE TO YOUR COUNTRY AND YOUR COMMITMENT TO LOGISTICS EXCELLENCE.

I WILL NOW READ AND THEN SIGN DLA'S COMMITMENT TO THIS GREAT WORKFORCE. **REFER TO ATTACHMENT.**

THANK YOU FOR YOUR COURAGE AND YOUR NEVER SWERVING COMMITMENT TO YOUR COUNTRY.

IT'S BEEN MY PLEASURE TO BE WITH YOU TODAY. GOD BLESS AMERICA.

ROBERT A. BORSKI
3D DISTRICT, PENNSYLVANIA

COMMITTEES:
TRANSPORTATION AND INFRASTRUCTURE
RANKING DEMOCRAT—SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

STEERING COMMITTEE

REGIONAL WHIP

Congress of the United States
House of Representatives
Washington, DC 20515

WASHINGTON OFFICE:
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PHILADELPHIA, PA 19135
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2630 MEMPHIS ST.
PHILADELPHIA, PA 19125
(215) 426-4616

March 16, 1995

Major General Lawrence P. Farrell, Jr., USAF
Principal Deputy Director
Defense Logistics Agency
Cameron Station
Alexandria, VA 22304-6100

Please refer to this number when responding 950316-3

Dear General Farrell:

I am writing to request additional material relating to your base closure recommendation for the Defense Logistics Agency's (DLA) Inventory Control Points (ICPs).

I greatly appreciate the supporting materials your staff has provided to me to date relating to the ICP recommendation. However, in order to execute a thorough review of your recommendation, I need all materials you have relating to the following minutes of the DLA BRAC meetings:

Mark, can I see this please? Bob

1) An explanation of General Babbit's concerns on the ICP Concepts of Operation from DLA BRACEG meeting, April 12, 1994.

2) All supporting data from the meetings of July 6-8, 1994, specifically on the significant concerns that were raised regarding organization of the Hardware ICPs under a management style grouping.

3) Details of discussions on workload consolidation by type of management from the January 23, 1995 meeting.

In addition, I need any additional supporting material you have relating to your analysis of reorganizing ICPs along the lines of "like styles of items managed."

Finally, I would greatly appreciate receiving the COBRA analysis for the ICP recommendation on computer diskette.

Because time is of the essence in the BRAC process, I would greatly appreciate receiving the above as soon as possible, preferably within the next few days.

I have enclosed copies of the meeting minutes referenced above. Please contact my Legislative Director, Mr. Mark Vieth, at (202) 225-8251 if you have any questions regarding this request.

PRINTED ON RECYCLED PAPER

Thank you in advance for your attention to these important matters.

Sincerely,

ROBERT A. BORSKI
Member of Congress

RAB/mdv
Enclosures

✓ cc: Honorable Alan Dixon, Chairman
Defense Base Closure and Realignment Commission

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

IN REPLY REFER TO CAAJ (BRAC)

CLOSE HOLD

08 AUG 1994

MEMORANDUM OF MEETING

SUBJECT: Summary of Base Realignment and Closure (BRAC) Executive Group (BRACEG) Meeting - 6 July 1994

I. PURPOSE: To revisit the Inventory Control Point (ICP) and Distribution Concepts of Operations prior to presenting the Concepts to the Director. A list of BRACEG attendees is at enclosure 1. Briefing charts are at enclosure 2. Revised ICP and Distribution Concepts of Operations are enclosures 3 and 4, respectively.

II. BRIEF SUMMARY OF DISCUSSION:

A. Gen Babbitt indicated that he had some concern about the broad organizing principles associated with the ICP concept of operation approved by the BRACEG on 12 Apr 94. A revised concept of operation was presented that will allow more flexibility.

1. Items have traditionally been assigned to DLA ICPs on the basis of industry groupings. Assigning items based on the management process involved (i.e., military specification vs. commercial item), or venue (i.e., Air/Land/Sea), or weapon systems might make more sense. The traditional order focuses on the supplier. Venue and weapons system are oriented more to the customer. Structuring around management process is more internally focused. There are advantages and disadvantages to each principle. Modern technology and Commodity Business Units allow the choice of an organizing principle to be independent of basing decisions. The actual execution of the concept philosophy would be determined by what made the most business sense in light of the BRAC analysis process.

2. MMS recommended using the management process as the organizing principle. Several significant concerns were raised, including de-emphasizing moving to more commercial practices, moving away from "one face to industry," and diluting emphasis on weapon system support items.

3. The BRACEG agreed that the ideas and issues should be taken to the Director.

B. Minor changes associated with the Distribution region concept were reviewed.

1. The distribution Concept of Operations was changed to remove any appearance of a predecision about the location of the primary distribution sites. The concept was also changed to emphasize that command and control is the primary function of the Regions.

2. Another change emphasizes that the Commanders of Depots, which DLA is permitted to operate, should be the Base Commander. All other Depots should "buy" support services which do not require standardization from whatever source makes sense.

08 AUG 1994

SUBJECT: Summary of Base Realignment and Closure (BRAC) Executive Group (BRACEG) Meeting - 6 July 1994

III. DECISIONS REACHED: It was agreed that these concepts were ready for presentation to the Director on 7 Jul 94.

IV. FOLLOW-UP ACTIONS:

A. We need to be more specific on the objective we want to achieve in the ICP concept change and what latitude still exists—MMS.

B. Change the "Personal Staff" chart in the Distribution Region revision chart to management support or something similar—MMD.

4 Encl

M. V. McMANAMAY
Team Chief
DLA BRAC Team

GARY S. THURBER
Deputy Director
(Corporate Administration)

LAWRENCE F. FARRELL, JR.
Major General, USAF
Principal Deputy Director

CLOSE HOLD

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

IN REPLY REFER TO CAAJ (BRAC)

Referenced in 6 Jul 94 Minutes dtd 8 Aug 94

26 APR 1994

MEMORANDUM OF MEETING

SUBJECT: Summary of Base Realignment and Closure (BRAC) 95 Executive Group (BRACEG) Meeting - 12 April 94

I. PURPOSE: To provide the BRACEG status of BRAC 95 actions. A list of BRACEG attendees is at enclosure 1.

II. BRIEF SUMMARY OF DISCUSSION:

A. Changes to the Defense Supply Center (DSC) concept of operations were briefed and are at enclosure 2. Narrative changes are at enclosure 3. A productivity increase of 4 - 5% is envisioned through initiatives such as accommodation of new or increased business, acquisition streamlining, and expanded use of Electronic Commerce/Electronic Data Interchange (EC/EDI). DoD standard systems in development will improve efficiencies and will be beneficial but not mandatory for future improvements. Supply management streamlining and initiatives for improvement will continue to consider socioeconomic programs.

B. Changes to the Distribution concept of operations, since the initial concept briefing on 18 Mar 94, included the points below:

1. Container Consolidation Points and Air Lines of Communication capabilities are additional factors that make our two Primary Distribution Sites more uniquely valuable.

2. A FY 93 study showed that depots were operating at 57% of their receipt and issue production capacity (rather than 57% of their total).

3. Cites justification for facilities improvement.

C. The command and control concept of operation for Distribution is not yet completed.

D. The DCMC concept of operation briefing is at enclosure 4. The written concept of operation is at enclosure 5. Key points discussed during the DCMC concept of operation briefing were:

1. The need to specifically identify the National Aeronautics and Space Administration (NASA) as a key element of the DCMC mission was reviewed. The discussion revealed that NASA workload makes up a larger share of DCMC workload than all other non-DoD activities put together. Therefore, specifically mentioning NASA as a key customer is appropriate.

2. DCMC personnel reductions/projections, mission changes and workload impacts (obligated value of contracts, contracts on hand, and undelivered orders) were reviewed. While the dollar value of contracts rose slightly in 1993, the number of contracts on hand declined. Workload was declining slower than reductions in personnel. Unliquidated obligations were inflated by slow close outs.

3. DCMC forecasts that grant workload will increase. Efforts to administer more overhaul and repair contracts are also expected.

4. Options and alternatives to manage the DCMC should be explored.

5. Providing common support (e.g., personnel, resource management, etc.) is a major part of the mission of DCMC districts and the Distribution regions. Therefore, ongoing discussions about the potential for Regional Administrative Support Centers need to be considered in conjunction with discussions of the mission/value added of Districts and Regions. The possibility that operation of Administrative Support Centers might be more costly than the current DCMD and Distribution Region management was discussed.

6. The concept of operation as it relates to the function of district management and the "value added" by retaining the district level of management needs to be addressed in more detail.

E. Key points of discussion during the COBRA briefing (enclosure 6) were:

1. COBRA is not an optimizer.

2. COBRA develops cost comparisons based on three key cost areas; i.e., cost of operation at the present location(s), cost of operation at the new location(s), and cost of the move from the present location to the new location(s). For BRAC 95 we will input costs directly that cannot be accommodated in the model.

3. Our decision-making rationale should be based on more than just economic factors shown in COBRA results. Military value, taking into account mission requirements and changes, must drive the decision process.

4. Within a scenario, COBRA uses over 80 standard factors when calculating costs and savings. Where actual factors are not available, a methodology for estimating the factor(s) needs to be developed and documented.

5. COBRA outputs consist of recurring and one-time costs and savings.

III. FOLLOW-UP ACTIONS:

A. Compare the DLA vision, used in the upcoming DLA briefing to the Joint Chiefs of Staff, in concert with the DSC and Distribution vision statements and make changes as necessary—MMD/ MMS.

2 6 APR 1994

SUBJECT: Summary of Base Realignment and Closure (BRAC) 95 Executive Group (BRACEG) Meeting - 12 April 94

B. Identify DCMC management alternatives to include pros and cons for each alternative. These should be developed before the concept of operation is presented to the Director--AQ.

C. Program manager support should be highlighted in the written DCMC concept of operation--AQ.

D. Dovetail DASC's Administrative Support Center concept with the Region/DCMD support concept and initiate further discussion between DD, CA, and CAH--CA.

E. Provide additional comments concerning the DCMC concept of operations to AQ--BRACEG.

F. Review Service methodologies in estimating standard factors for such factors as number of people relocating and reduction-in-force costs--CAAJ (BRAC).

G. The composition of cost factors input into the COBRA model (when it is not appropriate for the model to generate these costs) should be reviewed with the BRACEG Chairman, before input--CAAJ(BRAC).

H. Schedule ICP/Distribution concept briefs to the Director--CAAJ (BRAC).

6 Encl

M. V. McMANAMAY
Team Chief
DLA BRAC

GARY S. THURBER
Deputy Director
(Corporate Administration)

LAWRENCE P. FARRELL, JR.
Major General, USAF
Principal Deputy Director

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

CLOSE HOLD

IN REPLY REFER TO CAAJ(BRAC)

9 AUG 1994

MEMORANDUM OF MEETING

SUBJECT: Summary of Meeting with the Director - 7 and 8 July 1994

I. PURPOSE: To gain the Director's approval of the Defense Supply Center Concept of Operations previously accepted by the BRAC Executive Group. A list of attendees is enclosure 1. Briefing Charts are at enclosure 2. The revised narrative Concept of Operations is enclosure 3.

II. BACKGROUND: DLA is not directly identified in the DoD Force Structure Plan. Therefore, Concepts of Operations for each of the major business elements are used to translate between the DoD Force Structure Plan and DLA's operations. Each Business Area Concept of Operations is the basis of Military Value analysis.

III. BRIEF SUMMARY OF DISCUSSION:

A. Wide-ranging discussion of the organizing concept which should frame the Agency's approach to item management into the twenty-first century exceeded the time available on 7 July. The meeting resumed at 1400 on 8 July 1994.

B. It was agreed that whatever organizing principles the Agency adopted should, first of all, make sense to the customer. From the customer's perspective, structuring material management around the intended use (i.e., weapon systems support and troop/general support) of the item would make more intuitive sense than structuring around the processes by which the various items were managed. Commodity Business Units are the basic building blocks of the organization, continuing the Agency's focus on weapon system support while positioning the Agency to adapt rapidly to changing workload and requirements.

IV. CONCLUSION: The Director concluded that the Defense Supply Center Concept of Operations, as revised, made management sense and was likely to increase the efficiency of

CLOSE HOLD

9 AUG 1994

CAAJ(BRAC) PAGE 2
SUBJECT: Summary of Meeting with the Director - 7 and 8 July 1994

operations regardless of the outcome of the BRAC analysis process. The Concept is also broad enough to allow future/follow-on decisions based on what makes sound business sense. Therefore, the Concept of Operations was approved as revised.

3 Encl

M. V. McMANAMAY
Team Chief
DLA BRAC

GARY S. THURBER
Deputy Director
(Corporate Administration)

LAWRENCE P. FARRELL, JR.
Major General, USAF
Principal Deputy Director

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

CLOSE HOLD

IN REPLY REFER TO CAAJ(BRAC)

3 FEB 1995

MEMORANDUM OF MEETING

SUBJECT: Summary of Meeting with the Director - 23 January 1995

I. PURPOSE: To present the outcome of the Executive Group's analysis of Inventory Control Point (ICP) and Depot scenarios, in preparation to react to preliminary Service decisions, expected on 25 January 1995. (Army and Air Force decisions on maintenance sites will drive the scope of Depot decisions, and Navy action on the Aviation Supply Office (ASO) could constrain ICP decisions.) DLA decisions are due 48 hours after the Military Service decisions. A list of attendees is at enclosure 1. Briefing charts are at enclosure 2.

II. BRIEF SUMMARY OF DISCUSSION:

A. Service decisions to close more maintenance sites than we had initially thought could constrain DLA decisions regarding Stand-Alone Depots because of capacity shortfalls. Closing both Defense Depot Ogden and Defense Depot Memphis still make sense from a military judgment perspective. However, we may have to consider keeping some capacity at a site where the maintenance operation is closing, but the base, or some portion of the base, will remain open.

B. There is an element of risk in any of the ICP options. However, workload consolidation by the different type of management needed by weapon system items and troop and general support items increases synergy and allows better management control.

1. The data says it requires more people to manage troop and general support items than it does to manage weapon system items. Different mixes of active and inactive items explains some of the difference, but much is cultural (i.e., since funding is based on sales, the more purchase requests generated, the more an ICP "earns"). Singling-up management of troop and general support items would sharpen management focus on the problem. However, the split at Defense General Supply Center (DGSC) and Defense Construction Supply Center (DCSC) needs to be verified.

2. If Navy closes the ASO, the cost for DLA to operate the base has to be figured into Options 2a and 2b. That makes Option I the highest pay back option.

3. Options I and II are the highest risk options because of turmoil and single point of failure.

4. The Executive Group recommends either Option I or IIIa because Richmond is a much better facility, and there is some synergy in having a collocated ICP and Depot. However, the Executive Group did not reach a consensus on which Option they preferred because of the perception of greater risk inherent in Option I. However, Option I is more consistent with the Supply Management Concept of Operations. If the Agency does not take advantage of the opportunity to single up now, it will not be able to do so later.

5. The advantage of moving management of Industrial Plant Equipment (IPE) items again is questionable, even though the Federal Supply Class is more similar to general support items than to weapon system items. Consider the impact of keeping IPE at DGSC in Option IIIa.

III. FOLLOW-UP ACTIONS:

A. Analyze a version of Option IIIa keeping IPE at DGSC--CAAJ(BRAC).

B. Verify the split between equivalents supporting weapon system items and troop and general support items at DCSC and DGSC--MMS.

2 Encl

M. V. McMANAMAY
Team Chief
DLA BRAC

GARY S. THURBER
Deputy Director
(Corporate Administration)

LAWRENCE P. FARRELL, JR.
Major General, USAF
Principal Deputy Director

Document Separator

THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

EXECUTIVE CORRESPONDENCE TRACKING SYSTEM (ECTS) # 950316-3

FROM: BORSKI, ROBERT A.	TO: FARRELL, LAWRENCE P.
TITLE: REP. (PA)	TITLE: DEPUTY DIRECTOR
ORGANIZATION: U.S. CONGRESS	ORGANIZATION: DLA
INSTALLATION (s) DISCUSSED:	

OFFICE OF THE CHAIRMAN	FYI	ACTION	INIT	COMMISSION MEMBERS	FYI	ACTION	INIT
CHAIRMAN DIXON				COMMISSIONER CORNELLA			
STAFF DIRECTOR	✓			COMMISSIONER COX			
EXECUTIVE DIRECTOR	✓			COMMISSIONER DAVIS			
GENERAL COUNSEL				COMMISSIONER KLING			
MILITARY EXECUTIVE				COMMISSIONER MONTOYA			
				COMMISSIONER ROBLES			
DIR./CONGRESSIONAL LIAISON	✓			COMMISSIONER STEELE			
DIR./COMMUNICATIONS				REVIEW AND ANALYSIS			
				DIRECTOR OF R & A	✓		
EXECUTIVE SECRETARIAT				ARMY TEAM LEADER			
				NAVY TEAM LEADER			
DIRECTOR OF ADMINISTRATION				AIR FORCE TEAM LEADER			
CHIEF FINANCIAL OFFICER				INTERAGENCY TEAM LEADER	✓		
DIRECTOR OF TRAVEL				CROSS SERVICE TEAM LEADER	✓		
				MW		✓	
DIR./INFORMATION SERVICES							

TYPE OF ACTION REQUIRED

	Prepare Reply for Chairman's Signature		Prepare Reply for Commissioner's Signature
	Prepare Reply for Staff Director's Signature		Prepare Direct Response
	ACTION: Offer Comments and/or Suggestions	✓	FYI

Subject/Remarks:

FORWARDING REQUEST FOR INFORMATION SENT TO MAJ GEN FARRELL REGARDING THE DEFENSE LOGISTICS AGENCY'S INVENTORY CONTROL POINTS

Due Date: 950320	Routing Date: 950316	Date Originated: 950316	Mail Date:

Inventory Control Point

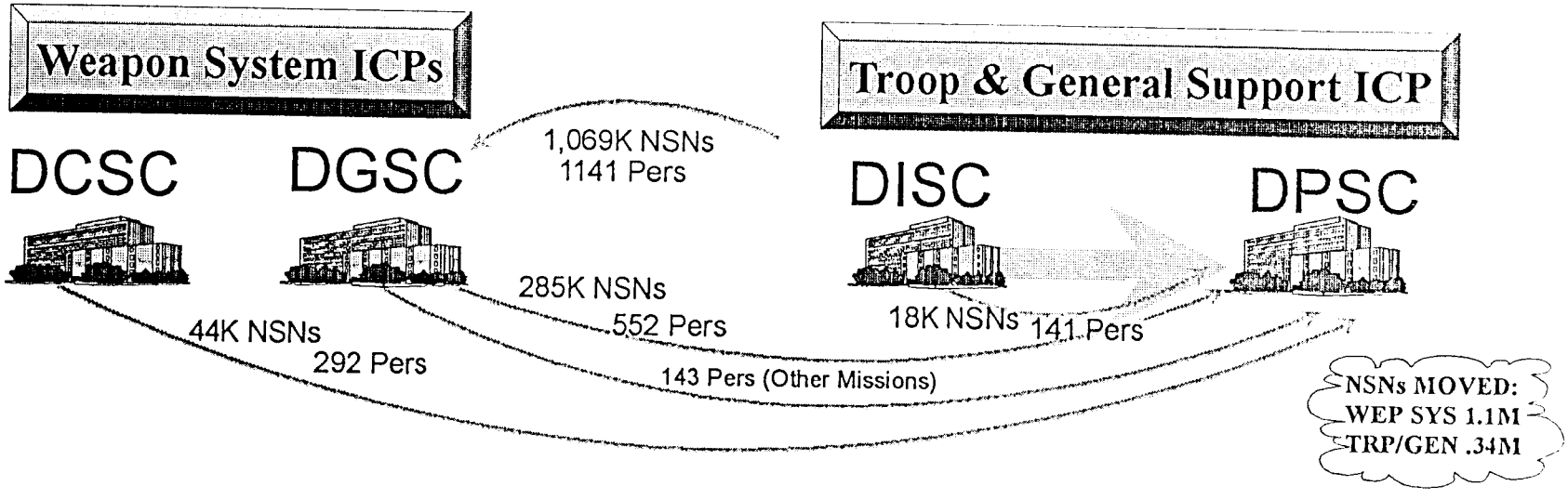
Implementation Planning for BRAC 95

Capt R. T. Moore III
19 Apr 1995

ICP Concept of Operations

- Align ICPs by "Troop and General" and "Weapon System" Support
  - Troop Support Items: Service member's personal protection, physical comfort, and/or well being
  - General Support Items:
    - Base, fixed installation or support operations; or
    - Market ready commodities
  - Weapon System Support Items: Used in weapon system applications and:
    - Specifically designed for use in such applications; and/or
    - Not readily available in the commercial sector
- Basic Implementation Premises
  - FSCs will not be split
    - Face to industry ... cycle time / leverage
    - Prevalent management mode rules
  - Items may be realigned between FSCs

Chosen Alternative



	DCSC		DGSC		DISC	DPSC	T&G
	Before	After	Before	After	Before	Before	After
NSNs	1.69M	1.65M	.64M	1.45M	1.12M	.1M	.46M
Active	.63M	.60M	.22M	.49M	.41M	.02M	.18M
Inactive	1.06M	1.05M	.42M	.96M	.71M	.98M	.28M
Sales	$1.58B	$1.44B	$1.12B	$1.2B	$0.71B	$3.42B	$4.18B
Contracts	260K	243K	149K	218K	132K	217K	297K
Percentages							
NSNs	48%	47%	18%	41%	31%	3%	13%
Sales	23%	21%	16%	18%	11%	50%	61%
Contracts	34%	32%	20%	29%	17%	29%	39%

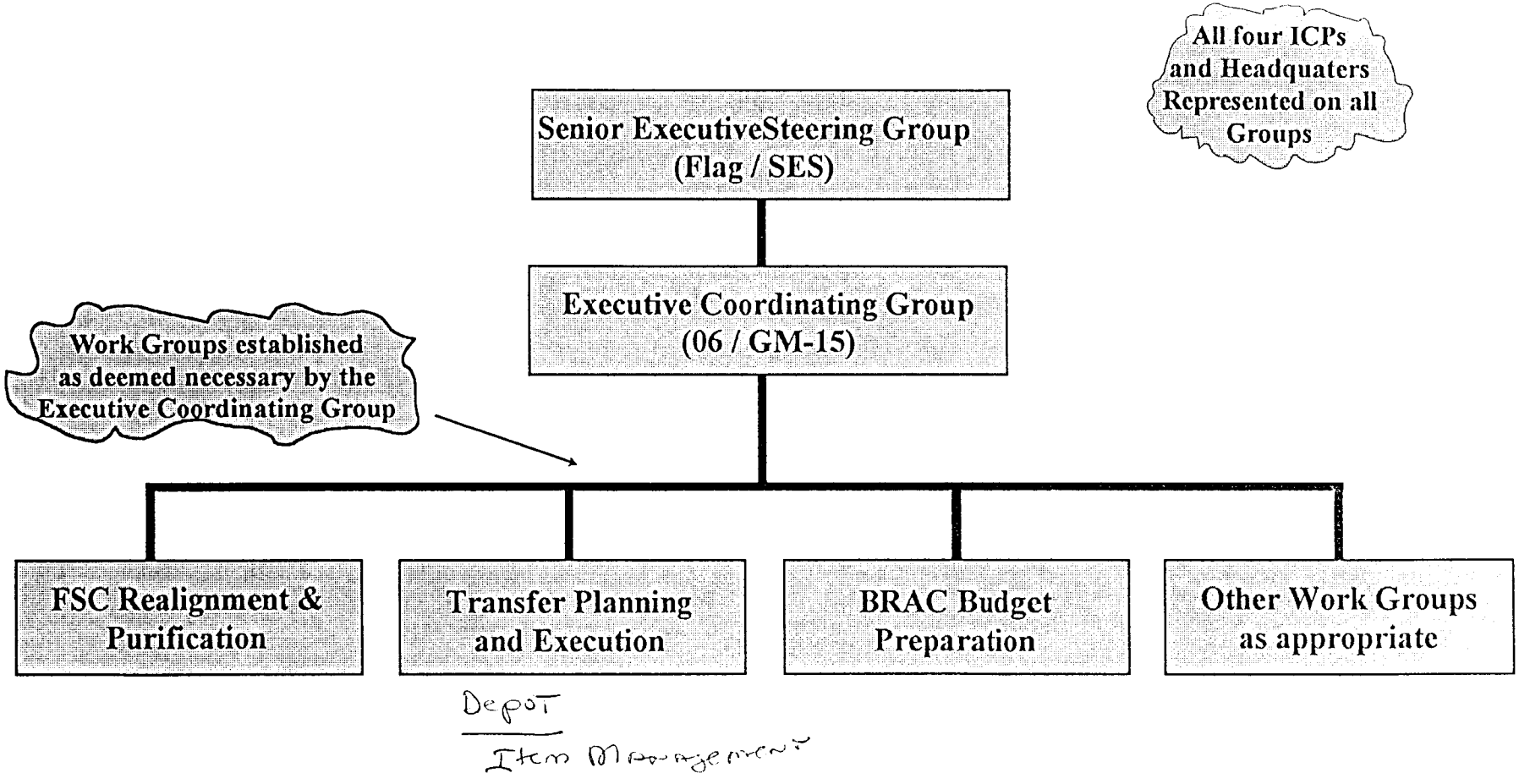
ICP Civilian Staffing

FY95 thru FY99

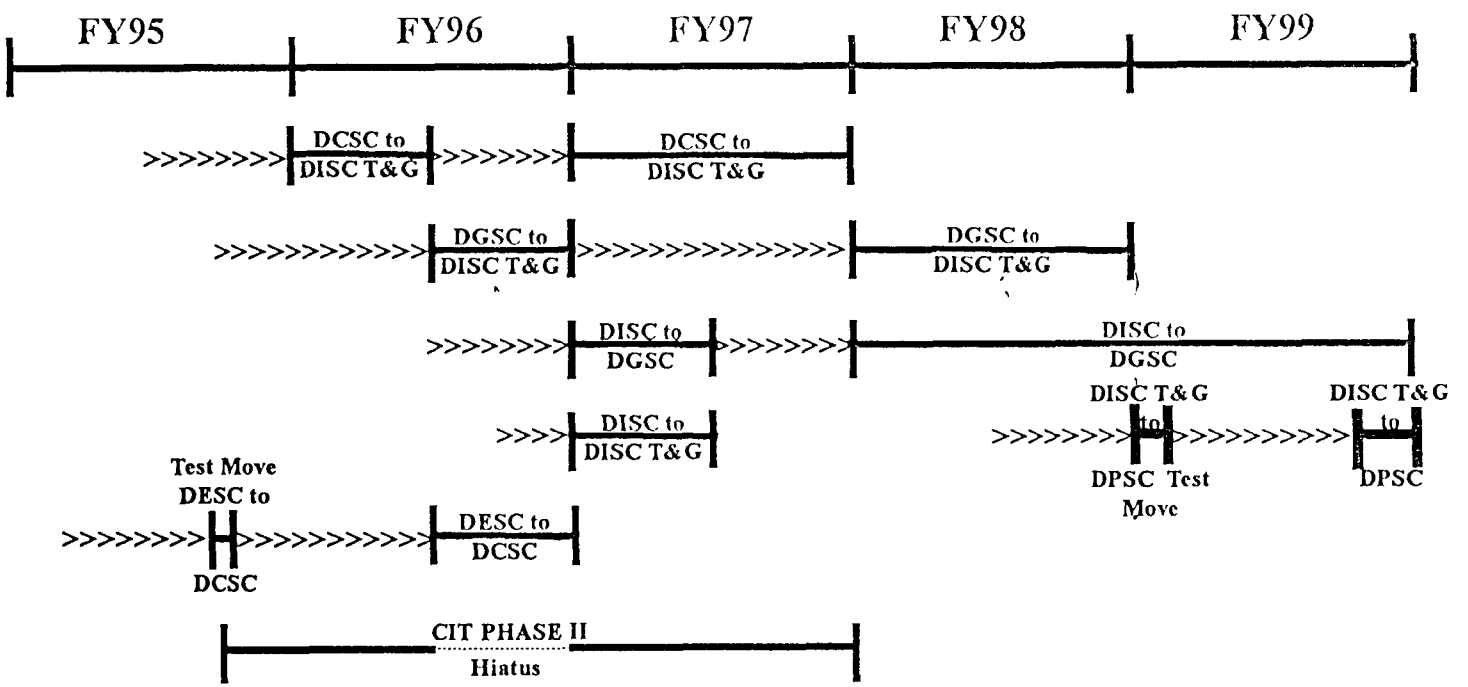
Activity	FY94	FY95	FY96	FY97	FY98	FY99	FY99 After BRAC 95	Delta
DGSC	2198	2152	2066	1983	1904	1828	2151	+323
DCSC	2045	1995	3284	3269	3138	3013	2655	-358
DESC	1824	1711	171					
DISC	1851	1755	1679	1624	1559	1497		
DPSC	2098	2029	1858	1623	1558	1480	2608	-369
BRAC93 Adj				164	158	167	BOSP INSTALLATIONS	
Total	10016	9642	9058	8663	8317	7985	7414	-404

Workload Transfer Planning

Structure



Notional Transfer Strategy



- Transfer Precepts
  - CIT Phase II takes precedence
  - Transfers to DISC T&G will be to a dedicated group
    - FY96 Transfers will be to gain experience in establishing support arrangements for new "market ready" groupings of items
    - Losing activity retains day-to-day responsibility until support in place
  - DCSC T&G transfers will be completed first
  - Subsequent transfers phased to balance personnel requirements
    - Savings not taken until end FY99

Summary

- **ICP Workload Transfer Over Next 4 Years is a Massive Effort**
  - Over 70% of item management responsibility changing between BRAC 93 and BRAC 95
- **Readiness and Price Commitments Must be Maintained**
- **Must be Carefully Coordinated with Other Significant Initiatives**
  - CIT Phase II
  - Reduced LRT
  - Improved Performance
  - Shift in Business Practices

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

JUN 1995

IN REPLY REFER TO CAAJ(BRAC)

Honorable Alan J. Dixon
Chairman
Defense Base Closure and Realignment Commission
1700 North Moore Street, Suite 1425
Arlington, VA 22209

Dear Chairman Dixon:

During the last several weeks the Defense Logistics Agency (DLA) has been receiving indications that some on the Commission are concerned about the potential impact on readiness of the large scale reassignment of management responsibility for items of supply inherent in the Secretary of Defense's recommendation to disestablish the Defense Industrial Supply Center (DISC). These concerns were laid out in a package prepared by the DISC chapter of the Federal Manager's Association (FMA), which your staff provideded us on 1 June 1995. Specifically, the FMA contends that the rate at which items must be transferred in order to meet the "proposed" schedule imposes unnecessary and substantial risk; and that this transfer of item management responsibility cannot be done without significantly degrading readiness. The FMA also contends that DLA overlooked appropriate "lessons learned" from Base Realignment and Closure (BRAC) 93 and the reorganization of the Defense Construction Supply Center (DCSC) in making our recommendation. In addition, the FMA questioned the economic viability of the recommendation because they feel that the costs of effecting the item transfers have been significantly underestimated.

The following paragraphs will briefly address the FMA's principal concerns and their underlying assumptions. However, before proceeding, it is worth stressing that DLA holds no mission or objective higher than supporting the readiness of the armed forces. Neither the Agency nor the Department would propose any action we felt had the potential to impair or compromise military readiness. DLA is confident that consolidating items by the type of management required can be accomplished without adversely affecting readiness.

With regard to the rate of transfer, the FMA contends that the timeframe proposed for moving the approximately 1.1 million items managed by DISC to the Defense General Supply Center (DGSC) is unrealistic. By their calculations, this will require relocating approximately 41,000 items per month, which, predicated on historical data (most notably the Consumable Item Transfer (CIT) Program Phases I and II), the FMA asserts is about four times what is achievable. Using the same precedents, they suggest that a minimum of an 8 to 10 year period is required.

9 JUN 1995

The FMA concern appears to be founded on a misinterpretation of preliminary analysis and planning documents, and incomplete information. In particular, the 41,000 per month transfer figure presumes the bulk of the BRAC 95 reassignments will take place in only 2 years, 1998 and 1999. Apparently, this was assumed to be the "proposed time frame" because it is what is reflected in a "notional" transfer schedule distributed by this Headquarters at a BRAC 95 implementation planning meeting in early May 1995, and because DLA made a corporate decision that the CIT Phase II item transfers planned for 1996 and 1997 will take precedence over the BRAC 95 transfers. Neither the "notional" schedule nor the CIT decision were intended, or should be construed, as establishing a definitive time line. Giving CIT Phase II precedence does not mean that we will not also avail ourselves of the opportunity to start BRAC 95 item movements as soon as possible, nor does reflecting a notional end date of 1999 in preliminary planning documentation indicate that we will not use the full 6-year transfer period allowed by law if the need arises.

DISC NO BUDGET BEYOND 99

It also needs to be understood that there is a considerable difference between reassigning active and inactive items. Of the 1.1. million items managed by DISC, over 600,000 are inactive and, consequently, involve minimal effort and negligible risk to relocate. Predicated on 400,000 active items, there is adequate time to complete the recommended action even at the very conservative 10,000 items a month figure proposed by the FMA as a realistic transfer rate. However, we are confident that we can proceed faster without having to accept any undue risks. As relayed in our 25 April 1995 letter to the Commission, we have a wealth of experience in conducting large scale item transfers, having just completed the successful assimilation of over 750,000 CIT Phase I items from the Services, and will be applying the lessons learned from that evolution to the BRAC transfers. Just as importantly, we are taking advantage of improvements in information technology and the adoption of new business practices to significantly reduce the risks involved with conducting massive item transfers. The following subparagraphs speak briefly to each of these points:

DISC CONTENDS THEY HAVE APPROX. 700K ITEMS

CIT II - 170K ITEMS

a. In analyzing what could have worked better in the CIT Phase I program, we discovered that most of the problems we encountered were directly related either to receiving items that were not properly prepared for transfer (insufficient technical information or other data, deficient asset position, etc.), or to Automatic Data Processing (ADP) system incompatibilities between the transferring Service and DLA. As the BRAC 95 recommendation involves an internal reassignment action, the ADP system incompatibility problem clearly does not apply. We are taking care of the preparation problem for both CIT Phase II and our BRAC 95 recommendation by establishing an organization to serve as an impartial "hub" to determine the fitness of an item to be transferred. We have also budgeted substantial sums to provide the labor and support necessary for the

9 JUN 1995

transferring Inventory Control Point (ICP) to ensure that items are properly prepared. Simply put, an active item will not be reassigned unless it is supported with adequate technical documentation, appropriate contracts, and a full "pipeline." This should minimize the universe of items requiring immediate action by the receiving ICP and thus the potential for disrupting Service support.

NOT IN TIME FOR BRAC

b. With respect to technological improvements, most of our business, both internal and external to the ICP, is now done electronically. In the past, transferring items required sorting, packaging, and moving huge amounts of hard to use paper records (item manager folders, contract correspondence, drawings, specifications etc.) needed to fill out the basic management information available in computer files. In contrast, for this transfer much of the critical ancillary data will be passed electronically using digitized images that are indexed and cross referenced to greatly simplify their employment by the receiving ICP. Furthermore, if the need should arise, the capability exists for us to quickly create "virtual" organizations to access expertise wherever it may reside. This is being made even easier by the relocation of all our ICP data processing to the Columbus, OH, Megacenter this summer.

c. As with the use of a "hub" and improved technology, our shift in business processes significantly abates the risks associated with reassigning items. More specifically, we are placing much more reliance on direct commercial support and on establishing long term contractual relations with our suppliers. We already have a broad spectrum of coverage in both areas and expect them to expand rapidly over the next several years. The effect is to substantially decrease the likelihood that transferred items will require near term procurements or other immediate corrective actions. This in turn gives the receiving ICP more time to familiarize itself with the new items, and the ability to concentrate its attention on what will be a much smaller universe of items requiring near term actions.

LOSE SPECIALIZED EXPERIENCE FOR SOME PERIOD OF TIME

As many of the concerns about the rate of transfer are unfounded, so is the attempt to extrapolate the problems encountered during the Defense Construction Supply Center (DCSC) reorganization along weapon system lines to our BRAC 95 recommendation. While it is true that DCSC's Supply Material Availability (SMA) rate declined after its reorganization, that did not translated into degraded readiness. If one looks at Mission Capability (MC) rates for the individual weapon systems one will find that they did not suffer any precipitous decrease due to DCSC managed materiel. This is due to both the ability of the ICP to differentiate between critical and non-critical items (and consequently focus its efforts on the important items), and DoD's multi-echelon supply system which

9 JUN 1995

makes allowance for momentary interruptions in the wholesale level of support. It is also noteworthy that DCSC's SMA rate is rising rapidly and will soon be back to where it was before the reorganization approximately 18 months ago.

STILL 5% BELOW DISC AFTER 18 MONTHS OF MST ATTN.

The preceding is not intended to imply that the DCSC reorganization did not encounter some problems. However, the problems were largely internal management issues, and the Agency learned valuable lessons from those failures which, we believe, will assist us in assuring the movement of item management does not impact support to the Military Services.

In the same vein, DLA does not believe, as asserted by the FMA, that the BRAC 95 recommendation to transfer item management responsibilities is inconsistent with our decision in BRAC 93 not to propose merging DISC with DCSC in Columbus, OH. The concern in BRAC 93 was that the workforce would not transfer with the workload. The BRAC 95 recommendation was constructed to take maximum advantage of our trained workforce where it currently resides. Trained individuals would manage different items, but their experience would be retained.

The FMA also expressed concern that the cost to transfer items was not considered. Discreet item transfer costs were not included in the Cost of Base Realignment Actions (COBRA) model runs. Such costs had not been separately recognized by DoD in the past. DLA also did not know the magnitude of the costs, given all the improvements anticipated in the transfer process. However, even using a worst case estimate, the General Accounting Office (GAO) concluded that the difference in Net Present Value would not be sufficient to change the recommendation. For your information, transfer costs have been included in the BRAC budget currently being developed, and the revised COBRA run provided to you.

The FMA also appears to imply that a simple merger of DISC and DPSC, without transferring item management responsibilities, would have less impact on readiness than the Secretary's recommendation. On the contrary, the span of control and management problems inherent in overseeing two large and diverse management systems with little commonality in customers or vendors are far more likely to adversely affect readiness. Nor would such a merger allow DLA to take full advantage of the increasing emphasis on separating commercial type practices and materiel from weapon system related requirements. As pointed out in the 24 May 1995 Report of the Commission on Roles and Missions of the Armed Forces, only by taking full advantage of commercial practices and putting greater reliance on the commercial sector, where feasible, can the DoD sustain readiness of forces and weapon systems in today's funding climate.

9 JUN 1995

We do not mean to imply that there is no risk involved with our proposal, or that we can guarantee there will be no impact. It is readily admitted that transferring so many items will be a complex affair and require the utmost in careful planning to ensure it is completed without disrupting support. However, we firmly believe: we have the requisite expertise and skill to successfully conclude this ICP consolidation; that the risks are well within acceptable bounds given the reduced threat environment; and that our assessment of what is prudent is in keeping with the Secretary of Defense's priorities.

In closing, it is important to remember that with acquisition reform, new business practices, and the drop off in business attendant to the force structure reductions we simply no longer require three weapon system oriented ICPs. It would be regrettable to forego the savings available from our recommendation, and the direct contribution these savings could make to readiness, because of concerns about our ability to manage a process where we have repeatedly demonstrated our proficiency. We are certain we should proceed.

Sincerely,

George T. Babbitt

GEORGE T. BABBITT
Major General, USAF
Principal Deputy Director

Activities Impacted by BR 95 Recommendations

Activity	Start # Civ	Start # Mil	POM Elims	Eliminations Civ	Eliminations Mil	Eliminations Cont	Stay in Area Civ	Stay in Area Mil	Transfers Civ	Transfers Mil	Move to	Impact on Area Direct	Impact on Area Indirect	Impact on Area Total	Impact on Area %
DISC	1851	29	972	46	4	0	0	0				-385	-813	-1198	0.0
									323	12	DGSC	335	520	855	0.1
236.5 / 18.4						Total out of DISC area			369	16					
							510	13			DPSC				
DCSC	3323	49	310	358	0	0	2655	49	0	0		-358	-623	-981	-0.1
Columbus Realigns	498	3	85	287	2	0	0	0				-365	-632	-997	-0.1
DDCO									76	0	DDSP	76	42	118	0.0
161.0 / 11.6						Total out of DCSC area			363	2					
							50	1							
Red River Closes															
DDRT	1059	1	245	378	1	0	0	0				-821	-781	-1602	-2.7
186.1 / 18.9									349	0	DDAA	349	326	675	1.1
									87	0	DDSP	87	48	135	0.0
DDRWRT	6	0	0	0	0	0	0	0	6	0	DDRW	6	8	14	0.0
						Total out of DDRT area			820	1					
Ogden Closes	2206	15	269	385	6	11	0	0				-1113	-1834	-2947	-0.4
									213	0	XDEPOT	TBD	TBD	TBD	TBD
DDOU									213	0	DDJC	213	117	330	0.2
180.9 / 21.3									190	2	(TEN) DDRW				
DDRWOU	93	0	0	0	0	0	0	0	93	0	DDRW	285	379	664	0.3
						Total out of DDOU area			1105	8					
									936	7	Local				

Activities Impacted by BR 95 Recommendations

Activity	Start # Civ	Start # Mil	POM Elims	Eliminations Civ	Eliminations Mil	Eliminations Cont	Stay in Area Civ	Stay in Area Mil	Transfers Civ	Transfers Mil	Move to	Impact on Area Direct	Impact on Area Indirect	Impact on Area Total	Impact on Area %
Memphis Closes	1530	23	355	500	11	55	0	0				-1300	-2049	-3349	-0.6
									400	0	XDEPOT	TBD	TBD	TBD	TBD
DDMT									124	0	DDSP	124	68	192	0.0
244.3 / 23.8									24	0	(IPE) DGSC	24	38	62	0.0
									97	0	DRMSHQ	97	42	139	0.2
DDREMT	89	0	0	0	0	0	0	0	89	0	DDRE	89	115	204	0.1
						Total out of DDMT area			1289	11					
									30	12	Local				
Letterkenny Closes	455	4	81	174	4	0	0	0				-378	-370	-748	-1.2
DDLP									190	0	DDAA	190	177	367	0.6
102.1 / 12.4									10	0	DDSP	10	6	16	0.0
						Total out of DDLP area			374	4					
Def Contract Mgmt Dist -	237	5	54	101	2	23	0					-169	-106	-275	0.0
South (DCMDS)									20	1	DCMDN	21	13	34	0.0
									20	2	DCMDW	22	14	36	0.0
75.8 / 6.1						Total out of DCMDS area			164	5					
									42	0	DCMAO-Atl				
Def Contract Mgmt Cmd -															
International (DCMCI)	83	16	14	28	5	0	0					-85	-45	-130	0.0
38.7 / 3.1									41	11	HQ-DCMC	52	96	148	0.0
						Total out of DCMCI area			69	16					

Chg 8 Feb 95

Option I
Close DISC/DPSC in 1999

	DISC to DCSC
DCSC Weapon Sys (n/c)	2274
DISC W/S	1141
DGSC W/S	513
DPSC W/S	0
TOTAL W/S	**3928**
Base Ops	381
TOTAL REQUIRED	**4309**
1994 DCSC AVAILABLE	-3323
Billets Transferred	**986**

	DPSC to DGSC
DGSC Troop & Gen (n/c)	655
DGSC Misc (n/c)	260
DPSC T & G	1212
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2560**
Base Ops	308
TOTAL REQUIRED	**2868**
1994 DGSC AVAILABLE	-2198
Billets Transferred	**670**

Option II
Close DGSC Inst/DISC in 1999

	DISC to DCSC
DCSC W/S (n/c)	2274
DISC W/S	1141
DGSC W/S	513
DPSC W/S	0
TOTAL W/S	**3928**
Base Ops	381
TOTAL REQUIRED	**4309**
1994 DCSC AVAILABLE	-3323
Billets Transferred	**986**

	DGSC to DPSC
DPSC T & G (n/c)	1480
DGSC T & G	552
DGSC Misc	216
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2681**
Base Ops	0
TOTAL REQUIRED	**2681**
1994 DPSC AVAILABLE	-2098
Billets Transferred	**583**

Option III
Close DISC in 1999

	DCSC
DCSC W/S (n/c)	2274
Base Ops	381
Total Required	**2655**
1999 DCSC Available	-3013
	-358

	DISC to DPSC
DPSC T & G	1480
DGSC T & G	552
DGSC MISC	216
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2681**
Base Ops	0
Total Required	**2681**
1994 DPSC Avail	-2098
Billets Transferred	**583**

	DISC to DGSC
DGSC W/S (n/c)	605
DISC W/S	1141
DPSC W/S	0
TOTAL W/S	**1746**
Base Ops	308
Total Required	**2054**
1999 Avail	-1828
Billets Transferred	**226**

Option III A
Close DISC in 1999
IPE Remains at DGSC

DCSC W/S (n/c)	2274
Base Ops	381
Total Required	**2655**
1999 DCSC Available	-3013
	-358

	DISC to DPSC
DPSC T & G	1480
DGSC T & G	552
DGSC MISC (less IPE)	143
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2608**
Base Ops	0
Total Required	**2608**
1994 DPSC Avail	-2098
Billets Transferred	**510**

	DISC to DGSC
DGSC W/S (n/c)	605
DGSC IPE (n/c)	97
DISC W/S	1141
DPSC W/S	0
TOTAL W/S	**1843**
Base Ops	308
Total Required	**2151**
1999 Avail	-1828
Billets Transferred	**323**

Option IV
Close DGSC Inst in 1999

	DCSC
DCSC W/S (n/c)	2274
Base Ops	381
Total Required	**2655**
1999 Available	-3013
	-358

	DGSC to DPSC
DPSC T & G (n/c)	1474
DGSC T & G	552
DGSC Misc	216
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2675**
Base Ops	22
Total Required	**2697**
1994 DPSC Avail	-2098
Billets Transferred	**599**

	DGSC to DISC
DISC W/S (n/c)	1331
DGSC W/S	513
DPSC W/S	0
Total W/S	**1844**
Base Ops	0
TOTAL REQUIRED	**1844**
1999 Avalil	-1497
Billets Transferred	**347**

Changed 8 Feb 95

		5 FY 94 Peramanent Civilians							FY 96		FY 97		FY 98		FY 99	
		Direct	% Dir	InDirect	% Ind	G & A	% G & A	Total	Total	Pom Chg	Total	Pom Chg	Total	POM Chg	Total	POM chg
DCSC	Weapon Systems Items	1356	40.8	844	25.4	309	9.3	2509								
	Troop & General Support	205	6.17	128	3.85	61	1.84	294								
	Miscellaneous	0		0		0		0								
	Base Operations	0		0		420	12.64	420								
	Totals	1561		972		790		3323	3284	-39	3269	-15	3138	-131	3013	-125
DGSC	Weapons Systems Items	507	23.07	97	4.41	123	5.6	727								
	Troop & General Support	550	25.02	105	4.78	133	6.05	788								
	Miscellaneous	188		71		54		313								
	[IPE]	[25]	[1.14]	[71]	[3.23]	[20]	[.91]									
	[OTHER]	[163]	[7.42]	[0]		[34]	[1.55]									
	Base Operations	0		0		370	16.83	370								
	Totals	1245		273		680		2198	2066	-132	1983	-83	1904	-79	1828	-76
DISC	Weapon Systems Items	1228	66.34	143	7.73	275	14.86	1646								
	Troop & General Support	146	7.89	25	1.35	34	1.84	205								
	Miscellaneous	0		0		0		0								
	Base Operations	0		0		0		0								
	Totals	1374		168		309		1851	1679	-172	1624	-55	1559	-65	1497	-62

Aug & Feb

		FY 99				95%	75%	50%	
		Direct	Indirec	G&A	Total	Direct	Indirec	G&A	TOTAL
DCSC	Weapon Systems Items	1229	765	280	2274	1168	574	140	1882
	Troop & General Support	186	116	56	358	177	87	28	292
	Miscellaneous								
	Base Operations			381	381				
	Totals	1415	881	717	3013				
DGSC	Weapons Systems Items	422	81	102	605	401	61	51	513
	Troop & General Support	457	87	111	655	434	62	56	552
	Miscellaneous	157	59	45	260	149	44	23	216
	(IPE)	[21]	[59]	[17]	[97]				
	(Miscellaneous)	[136]	[0]	[28]	[163]	[129]	[0]	[14]	[143]
	Base Operations			308	308				
	Totals	1035	227	566	1828				
DISC	Weapon Systems Items	993	116	222	1331	943	87	111	1141
	Troop & General Support	118	20	28	166	112	15	14	141
	Miscellaneous								
	Base Operations								
	Totals	1111	136	250	1497				

changed
4 FEB 95

POM

	FY 94 Permanent Civilians						
	DIRECT	% DIR	INDIRECT	% IND	G & A	% G & A	TOTAL
Weapons Systems Items	0	0.67	0		0	0	0
Troop & General Support	1179	56.2	280	13.35	426	20.3	1885
Base Operations					185	8.82	185
Personnel Supt. to DISC					28	1.33	28
Total	1179		280		639		2098

FY 99 DPSC at So. Phil.							
DIRECT	INDIRECT	G & A	TOTAL	95% DIR	75% INDIR	50% G & A	TOTAL
0	0	0	0	0	0	0	0
926	220	334	1480	879	165	168	1212
		145	145				
		22	22				
926	220	501	1647				

	FY 96		FY 97		FY 98		FY 99	
	TOTAL	CHG	TOTAL	CHG	TOTAL	CHG	TOTAL	CHG
POM Stream - DPSC at ASO	1858	-240	1623	-235	1558	-65	1496	-62
POM Stream - DPSC at So. Phil.	1858	-240	1787	-71	1716	-71	1647	-69

	DPSC at ASO - FY 97 Perm. Civilians						
	DIRECT	%	INDIRECT	%	G & A	%	TOTAL
Weapons System	12	0.71	0		4	0.24	16
Troop & General	1032	60.92	248	14.64	373	22.02	1653
Base Operations					0		
Personnel Supt. to DISC					25	1.48	25
TOTAL	1044		248		402		1694

FY 99 - DPSC at ASO			
DIRECT	INDIRECT	G & A	TOTAL
11	0	4	15
911	219	329	1459
		0	0
		22	22
922	219	355	1496

Weapon System	11		0		4		15
Troop & General	989		238		357		1584
Base Operations	0		0		0		0
Personnel Supt. to DISC	0		0		24		24
TOTAL	1000		238		385		1623

Option I
Close DISC/DPSC in 1999

	DISC to DCSC
DCSC Weapon Sys (n/c)	2274
DISC W/S	1141
DGSC W/S	513
DPSC W/S	0
TOTAL W/S	**3928**
Base Ops	381
TOTAL REQUIRED	**4309**
1994 DCSC AVAILABLE	-3323
Billets Transferred	**986**

	DPSC to DGSC
DGSC Troop & Gen (n/c)	655
DGSC Misc (n/c)	260
DPSC T & G	1212
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2560**
Base Ops	308
TOTAL REQUIRED	**2868**
1994 DGSC AVAILABLE	-2198
Billets Transferred	**670**

Option II
Close DGSC Inst/DISC in 1999

	DISC to DCSC
DCSC W/S (n/c)	2274
DISC W/S	1141
DGSC W/S	513
DPSC W/S	0
TOTAL W/S	**3928**
Base Ops	381
TOTAL REQUIRED	**4309**
1994 DCSC AVAILABLE	-3323
Billets Transferred	**986**

	DGSC to DPSC
DPSC T & G (n/c)	1480
DGSC T & G	552
DGSC Misc	216
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2681**
Base Ops	0
TOTAL REQUIRED	**2681**
1994 DPSC AVAILABLE	-2098
Billets Transferred	**583**

Option III
Close DISC in 1999

	DCSC
DCSC W/S (n/c)	2274
Base Ops	381
Total Required	**2655**
1999 DCSC Available	-3013
	358

	DISC to DPSC
DPSC T & G	1480
DGSC T & G	552
DGSC MISC	216
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2681**
Base Ops	0
Total Required	**2681**
1994 DPSC Avail	-2098
Billets Transferred	**583**

	DISC to DGSC
DGSC W/S (n/c)	605
DISC W/S	1141
DPSC W/S	0
TOTAL W/S	**1746**
Base Ops	308
Total Required	**2054**
1999 Avail	-1828
Billets Transferred	**226**

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL

# of pages ▶ 6

To: Marylin Wasilinski	From: C. Kelleher
Dept./Agency	Phone #
Fax # 696-0550	Fax #

NSN 7540-01-317-7368 5099-101 GENERAL SERVICES ADMINISTRATION

Option III A Close DISC In 1999 IPE Remains at DGSC		Option IV Close DGSC Inst In 1999	
			DCSC
DCSC W/S (n/c)	2274	DCSC W/S (n/c)	2274
Base Ops	381	Base Ops	381
Total Required	**2655**	**Total Required**	**2655**
1999 DCSC Available	-3013	1999 Available	-3013
	-358		**-358**
			DGSC to DPSC
	DISC to DPSC	DPSC T & G (n/c)	1474
DPSC T & G	1480	DGSC T & G	552
DGSC T & G	552	DGSC Misc	216
DGSC MISC (less IPE) 695	143	DCSC T & G	292
DCSC T & G	292	DISC T & G	141
DISC T & G	141	**TOTAL T & G**	**2675**
TOTAL T & G	**2608**	Base Ops	22
Base Ops	0	**Total Required**	**2697**
Total Required	**2608**	1994 DPSC Avail	-2098
1994 DPSC Avail	-2098	**Billets Transferred**	**599**
Billets Transferred	**510**		
	DISC to DGSC		DGSC to DISC
DGSC W/S (n/c)	605	DISC W/S (n/c)	1331
DGSC IPE (n/c)	97	DGSC W/S	513
DISC W/S	1141	DPSC W/S	0
DPSC W/S	0	**Total W/S**	**1844**
TOTAL W/S	**1843**	Base Ops	0
Base Ops	308	**TOTAL REQUIRED**	**1844**
Total Required	**2151**	1999 Avail	-1497
1999 Avail	-1828	**Billets Transferred**	**347**
Billets Transferred	**323**		

[illegible] in 1994 1480 [illegible] avail

695
292
141
[illegible]

Rep [illegible] –
[illegible] – 1480 –
– [illegible] with
[illegible]

Good [illegible]

1828 – 1999 – [illegible] will [illegible] that
[illegible]

		FY 94 Peramanent Civilians						
		Direct	% Dir	InDirect	% Ind	G & A	% G & A	Total
DCSC	Weapon Systems Items	1356	40.8	844	25.4	309	9.3	2509
	Troop & General Support	205	6.17	128	3.85	61	1.84	294
	Miscelaneous	0		0		0		0
	Base Operations	0		0		420	12.64	420
	Totals	1561		972		790		3323
DGSC	Weapons Systems Items	507	23.07	97	4.41	123	5.6	727
	Troop & General Support	550	25.02	105	4.78	133	6.05	788
	Miscelaneous	188		71		54		313
	[IPE]	[25]	[1.14]	[71]	[3.23]	[20]	[.91]	[116]
	[Other]	[163]	[7.42]	[0]	[0]	[34]	[1.55]	[197]
	Base Operations	0		0		370	16.83	370
	Totals	1245		273		680		2198
DISC	Weapon Systems Items	1228	66.34	143	7.73	275	14.86	1646
	Troop & General Support	146	7.89	25	1.35	34	1.84	205
	Miscellaneous	0		0		0		0
	Base Operations	0		0		0		0
	Totals	1374		168		309		1851

	FY 94 Permanent Civilians						
	DIRECT	% DIR	INDIRECT	% IND	G & A	% G & A	TOTAL
Weapons Systems Items							
Troop & General Support	1179	56.2	280	13.35	426	20.3	1885
Base Operations					185	8.82	185
Personnel Supt. to DISC					28	1.33	28
Total	1179		280		639		2098

	FY 96		FY 97		FY 98		FY 99	
	TOTAL	CHG	TOTAL	CHG	TOTAL	CHG	TOTAL	CHG
POM Stream - DPSC at ASO in 1997	1858	-240	1623	-235	1558	-65	1480	78
POM Stream - DPSC at ASO in 1999	1858	-240	1787	-71	1716	-71	1647 1480	-69 -236

	FY 99 DPSC							
	DIRECT	DIRE	G & A	TOTAL	5% DI	5% INDI	50% G &	TOTAL
Weapons Systems Items								
Troop & General Support	926	220	334	1480	879	165	168	1212
Base Operations			145	145				
Personnel Supt. to DISC			22	22				
Total	926	220	501	1647				

Option I
Close DISC/DPSC in 1999

	DISC to DCSC
DCSC Weapon Sys (n/c)	2274
DISC W/S	1141
DGSC W/S	513
DPSC W/S	0
TOTAL W/S	**3928**
Base Ops	381
TOTAL REQUIRED	**4309**
1994 DCSC AVAILABLE	-3323
Billets Transferred	**986**

	DPSC to DGSC
DGSC Troop & Gen (n/c)	655
DGSC Misc (n/c)	260
DPSC T & G	1212
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2580**
Base Ops	308
TOTAL REQUIRED	**2888**
1994 DGSC AVAILABLE	-2198
Billets Transferred	**670**

Option II
Close DGSC Inst/DISC in 1999

	DISC to DCSC
DCSC W/S (n/c)	2274
DISC W/S	1141
DGSC W/S	513
DPSC W/S	0
TOTAL W/S	**3928**
Base Ops	381
TOTAL REQUIRED	**4309**
1994 DCSC AVAILABLE	-3323
Billets Transferred	**986**

	DGSC to DPSC
DPSC T & G (n/c)	1480
DGSC T & G	552
DGSC Misc	216
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2681**
Base Ops	0
TOTAL REQUIRED	**2681**
1994 DPSC AVAILABLE	-2098
Billets Transferred	**583**

Option III
Close DISC in 1999

	DCSC
DCSC W/S (n/c)	2274
Base Ops	381
Total Required	**2655**
1999 DCSC Available	3013
	-358

	DISC to DPSC
DPSC T & G	1480
DGSC T & G	552
DGSC MISC	216
DCSC T & G	292
DISC T & G	141
TOTAL T & G	**2681**
Base Ops	0
Total Required	**2681**
1994 DPSC Avail	-2098
Billets Transferred	**583**

	DISC to DGSC
DGSC W/S (n/c)	605
DISC W/S	1141
DPSC W/S	0
TOTAL W/S	**1746**
Base Ops	308
Total Required	**2054**
1999 Avail	1828
Billets Transferred	**226**

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL

# of pages ▶ 6

To: Marylin Washinski	From: C. Kelleher
Dept./Agency	Phone #
Fax # 696-0550	Fax #

NSN 7540-01-317-7368 5099-101 GENERAL SERVICES ADMINISTRATION

Option III A Close DISC In 1999 IPE Remains at DGSC		Option IV Close DGSC Inst In 1999	
			DCSC
DCSC W/S (n/c)	2274	DCSC W/S (n/c)	2274
Base Ops	381	Base Ops	381
Total Required	**2655**	**Total Required**	**2655**
1999 DCSC Available	-3013	1999 Available	-3013
	-358		-358
			DGSC to DPSC
	DISC to DPSC	DPSC T & G (n/c)	1474
DPSC T & G	1480	DGSC T & G	552
DGSC T & G	552	DGSC Misc	216
DGSC MISC (less IPE)	143	DCSC T & G	292
DCSC T & G	292	DISC T & G	141
DISC T & G	141	**TOTAL T & G**	**2675**
TOTAL T & G	**2608**	Base Ops	22
Base Ops	0	**Total Required**	**2697**
Total Required	**2608**	1994 DPSC Avail	-2098
1994 DPSC Avail	-2098	**Billets Transferred**	**599**
Billets Transferred	**510**		
	DISC to DGSC		DGSC to DISC
DGSC W/S (n/c)	605	DISC W/S (n/c)	1331
DGSC IPE (n/c)	97	DGSC W/S	513
DISC W/S	1141	DPSC W/S	0
DPSC W/S	0	**Total W/S**	**1844**
TOTAL W/S	**1843**	Base Ops	0
Base Ops	308	**TOTAL REQUIRED**	**1844**
Total Required	**2151**	1999 Avail	-1497
1999 Avail	-1828	**Billets Transferred**	**347**
Billets Transferred	**323**		

		FY 94 Peramanent Civilians						
		Direct	% Dir	InDirect	% Ind	G & A	% G & A	Total
DCSC	Weapon Systems Items	1356	40 8	844	25.4	309	9.3	2509
	Troop & General Support	205	6.17	128	3.85	61	1 84	294
	Miscelaneous	0		0		0		0
	Base Operations	0		0		420	12 64	420
	Totals	1561		972		790		3323
DGSC	Weapons Systems Items	507	23.07	97	4.41	123	5 6	727
	Troop & General Support	550	25.02	105	4 78	133	6.05	788
	Miscelaneous	188		71		54		313
	[IPE]	[25]	[1.14]	[71]	[3 23]	[20]	[.91]	[116]
	[Other]	[163]	[7.42]	[0]	[0]	[34]	[1 55]	[197]
	Base Operations	0		0		370	16.83	370
	Totals	1245		273		680		2198
DISC	Weapon Systems Items	1228	66.34	143	7 73	275	14 86	1646
	Troop & General Support	146	7 89	25	1.35	34	1 84	205
	Miscellaneous	0		0		0		0
	Base Operations	0		0		0		0
	Totals	1374		168		309		1851

FY 96		FY 97		FY 98		FY 99	
Total	Pom Chg	Total	Pom Chg	Total	POM Chg	Total	POM chg
3284	-39	3269	-15	3138	-131	3013	-125
2066	-132	1983	-83	1904	-79	1828	-76
1679	-172	1624	-55	1559	-65	1497	62

		FY 99				95%	75%	50%	
		Direct	Indirec	G&A	Total	Direct	Indirec	G&A	TOTAL
DCSC	Weapon Systems Items	1229	765	280	2274	1168	574	140	1882
	Troop & General Support	186	116	56	358	177	87	28	292
	Miscellaneous								
	Base Operations			381	381				
	Totals	1415	881	717	3013				
DGSC	Weapons Systems Items	422	81	102	605	401	61	51	513
	Troop & General Support	457	87	111	655	434	62	56	552
	Miscellaneous	157	59	45	260	149	44	23	216
	(IPE)	[21]	[59]	[17]	[97]				
	(Miscellaneous)	[136]	[0]	[28]	[163]	[129]	[0]	[14]	[143]
	Base Operations			308	308				
	Totals	1035	227	566	1828				
DISC	Weapon Systems Items	993	116	222	1331	943	87	111	1141
	Troop & General Support	118	20	28	166	112	15	14	141
	Miscellaneous								
	Base Operations								
	Totals	1111	136	250	1497				

	FY 94 Permanent Civilians						
	DIRECT	% DIR	INDIRECT	% IND	G & A	% G & A	TOTAL
Weapons Systems Items							
Troop & General Support	1179	56.2	280	13.35	426	20.3	1885
Base Operations					185	8.82	185
Personnel Supt. to DISC					28	1.33	28
Total	1179		280		639		2098

	FY 96		FY 97		FY 98		FY 99	
	TOTAL	CHG	TOTAL	CHG	TOTAL	CHG	TOTAL	CHG
POM Stream - DPSC at ASO in 1997	1858	-240	1623	-235	1558	-65	1480	-78
POM Stream - DPSC at ASO in 1999	1858	-240	1787	-71	1716	-71	1647 1480	-69 -236

	FY 99 DPSC							
	DIRECT	DIRE	G & A	TOTAL	5% DI	5% INDI	50% G &	TOTAL
Weapons Systems Items								
Troop & General Support	926	220	334	1480	879	165	168	1212
Base Operations			145	145				
Personnel Supt. to DISC			22	22				
Total	926	220	501	1647				

THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
1700 NORTH MOORE STREET SUITE 1425
ARLINGTON, VA 22209
703-696-0504

ALAN J. DIXON, CHAIRMAN

COMMISSIONERS:
AL CORNELLA
REBECCA COX
GEN J. B. DAVIS, USAF (RET)
S. LEE KLING
RADM BENJAMIN F. MONTOYA, USN (RET)
MG JOSUE ROBLES, JR., USA (RET)
WENDI LOUISE STEELE

June 5, 1995

Thomas A. Glennon
Career Entry Group
Office of Staffing Policy and Operations
Office of Personnel Management
1900 E Street, NW
Washington, D.C. 20415-0001

Dear Mr. Glennon:

I am writing for an opinion as to whether Office of Personnel Management regulations would classify the scenario described below as a transfer of function, providing permanent employees the opportunity the right to move with their work, or as a transfer of workload that would not provide employees with any job rights.

The Defense Base Closure and Realignment Commission was established in 1990 by Congress to ensure a fair, non-partisan and timely process of closing and realigning military installations within the United States. The Commission is now engaged in the third and final round of closures and realignments authorized by law. The Commission is reviewing and analyzing a list of installations recommended by the Secretary of Defense for realignment and closure presented to the Commission on March 1, 1995. The Commission may make changes to this list and will present its final recommendations to the President no later than July 1, 1995.

One of the recommendations presented by the Secretary of Defense involves a reorganization of work within the Defense Logistics Agency (DLA). In order to assist the Commission in our analysis, we would like an OPM opinion on the following scenario and whether it should be classified as a transfer of function or a transfer of workload:

DLA has five Inventory Control Points (ICPs), four of which manage a mix of weapon system, troop support and general support items. DLA's new concept of operations includes consolidating these activities by creating two ICPs which solely handle weapon systems and one ICP which solely handles troop and general support items. The recommendation designates the Defense General Supply Center in Richmond, Virginia and the Defense Construction Supply Center in Columbus, Ohio, each of which already perform some weapon system support, as the two sites for the weapon systems ICPs and recommends that Defense Personnel Support Center (DPSC) in Philadelphia, Pennsylvania expands its operation and become the sole troop and general support ICP.

In order to accomplish the consolidation, DLA recommends moving general and support item work, which is done by approximately 292 people, from Columbus to DPSC in Philadelphia. DLA also recommends moving troop and general support work, which is done by approximately 695, people from Richmond to DPSC. DLA then recommends that the Defense Industrial Supply Center (DISC) in Philadelphia be disestablished and that the general and support work done by approximately 141 people at DISC move to DPSC and the weapons support work done by approximately 1141 people at DISC move to Richmond, Virginia. Once all this movement has taken place, DPSC will have work for approximately 2600 people. At that time, DPSC will have approximately 1500 permanent employees and so will have the opportunity to fill approximately 1100 positions. DLA has classified these movements as workload transfers and have not provided employees with any rights to move with their job.

Since the Commission is working toward a deadline of July 1, 1995, a timely response would be greatly appreciated. Please contact me if you need any additional information.

Sincerely,

Elizabeth King

Elizabeth King
Counsel

DEFENSE INDUSTRIAL SUPPLY CENTER
DISC-EEP, 700 ROBBINS AVENUE, PHILADELPHIA, PA 19111-5096

FAX

Date: 6/15/95

Number of pages including cover sheet: 4

To: BOB COOK / MARILYN WASLESKI

Phone:

Fax phone:

CC:

From: ALBERT CAPPIELLA

Phone: (215) 697-4291

Fax phone: 215-697-0311

REMARKS: ☑ Urgent ☐ For your review ☐ Reply ASAP ☐ Please comment

Please take note of attached comparison of DLA run corrected for true one-time costs (but still including flawed methodology) with run requested by BRAC on DISC/DPSC merger under single command. The choice is obvious!

AC

COBRA RESULTS COMPARISON

	NPV	One-Time Costs
Original DLA Proposal ICP 22B	$236.5M	$16.9M
DLA Proposal with Omitted 1-time Costs Included	$119.3M	$143.2M
DLA Run DISC/DPSC of 6/12/95	$122.7M	$2.5M

ADVANTAGES OF DISC/DPSC MERGER*

- Greater NPV Savings ($3.4M)
- $140M less One-Time Costs
- No Military Readiness Risk!
- Maintain DISC Expertise/ASO Synergy
- Achieve DLA Concept of Operations (at reasonable rate)
- Fewer Jobs Lost to Philadelphia

Recommendation: Adopt DISC/DPSC Scenario

*Based on DLA COBRA run of 6/12/95 Requested by BRAC Commission

COBRA REALIGNMENT SUMMARY (COBRA v3.08) - Page 1/2
Data As Of 15:38 06/12/1995, Report Created 15:53 06/12/1995

THIS SCENARIO IS NOT RECOMMENDED BY DLA

Department : DLA
Option Package : DISCDPSC
Scenario File : C:\COBRA508\DISCDPSC.CBR
Std Fctrs File : C:\COBRA508\ICP.SFF

Starting Year : 1996
Final Year : 1997
ROI Year : Immediate

NPV in 2015($K): -122,663
1-Time Cost($K): 2,604

Net Costs ($K) Constant Dollars

	1996	1997	1998	1999	2000	2001	Total	Beyond
MilCon	-5,977	0	0	0	0	0	-5,977	0
Person	0	-2,893	-6,524	-6,524	-6,524	-6,524	-28,988	-6,524
Overhd	165	-1,818	-1,942	-1,942	-1,942	-1,942	-9,421	-1,942
Moving	0	1,496	0	0	0	0	1,496	0
Mission	0	0	0	0	0	0	0	0
Other	0	339	0	0	0	0	339	0
TOTAL	-5,812	-2,874	-8,466	-8,466	-8,466	-8,466	-42,549	-8,466

	1996	1997	1998	1999	2000	2001	Total
POSITIONS ELIMINATED							
Off	0	4	0	0	0	0	4
Enl	0	0	0	0	0	0	0
Civ	0	172	0	0	0	0	172
TOT	0	176	0	0	0	0	176
POSITIONS REALIGNED							
Off	0	0	0	0	0	0	0
Enl	0	0	0	0	0	0	0
Stu	0	0	0	0	0	0	0
Civ	0	0	0	0	0	0	0
TOT	0	0	0	0	0	0	0

Summary:

Merge DISC and DPSC at the ASO compound in 1997. No movement of item management responsibility occurs.

BG Robert W. Pointer, Jr. USA (Ret)
75 Robinwood Drive
Clifton Park, NY 12065
518 371-2412

DISC

June 2, 1995

MG Josue Robles USA (Ret)
Commissioner
BRAC
1700 North Moore Street, Suite 1425
Arlington, VA 22209

Dear General Robles,

I am writing to express my thoughts, concerns and recommendations relating to the proposed disestablishment of the Defense Industrial Supply Center (DISC) in Philadelphia. Although I did not serve in DLA, I have significant experience in the Army logistics and acquisition structures..

I commanded support battalions in Vietnam and in CONUS, and a support group. I was Program Manager of two major programs in the Tank Automotive, and Armament communities. I also served as Commander of Watervliet Arsenal, a GOGO manufacturing plant for all of our large caliber guns. I also served as Deputy Commander of the Armament, Munitions and Chemical Command (AMCCOM) and as the first Commander of the Armament Research Development and Engineering Command (ARDEC). All of these activities provided me with a hands on understanding of the complexity of providing weapon systems for our troops in the field, and supporting those systems in peace and war. As you know, it is not easy. It takes teamwork.

I also served on the Kalergis Group in the Office of the Chief of Staff Army in the early 1970s responsible for the reorganization of the Army, and I was responsible for DCSLOG and DCSRDA in the reorganization of the Army Staff, and for the first base closure and realignment plan for the Army. This base of experience has given me a good understanding of challenges and difficulties in maintaining an effective logistics support base and the impact of turbulence to that base through restructuring.

I have found that the most important element in providing effective logistics support is not facilities & equipment. Most crucial are the trained people acting as a team, with the systems and processes to do the job.

Over a year ago, the Commander of DISC asked me to visit to see how they are working to accomplish their expanding mission. He and his staff briefed me on their innovative approaches and the new processes they have put in place to assure efficient mission accomplishment and customer satisfaction. I was impressed and still am. As DISC assumes increasing responsibility for the supply of spares to support the Services, the support team within DISC, a close working relationship with the cognizant engineers in the services is critical to success. Not unexpected, there have been rough edges in transferring missions from the services to DLA. However through innovative approaches, DISC has continued to establish a working team relationship with the

services to assure that the spares acquired by DISC meet the stringent requirements of weapon systems.

I understand that DISC leads DLA in performance. This is not by accident. It is the result of team work, organizational effectiveness, and development of effective systems and processes.

Breaking up this mission and transferring it to the other ICPs is a risky proposition and is bound to undo much of the progress made by DISC and the Services. My experience tells me that projected savings are either not realized or are offset by the turbulence inherent in such a move. This looks to be the case here. The trained and experienced team developed over the years to accomplish the specialized mission of providing weapon systems spares will be lost. This loss is bound to affect the readiness of our forces.

I hope that this information will be useful as you and your fellow Commissioners make this significant decision. If I can help in any way, please do not hesitate to call.

Respectfully,

Robert W. Pointer, Jr.

BG USA(Ret)

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

CLOSE HOLD

REPLY REFER TO CAAJ(BRAC)

3 FEB 1995

MEMORANDUM OF MEETING

SUBJECT: Summary of Base Realignment and Closure (BRAC) Executive Group (BRACEG) Meeting - 29 December 1994 (Morning Session)

I. PURPOSE: To provide the BRACEG adjustments to the Inventory Control Point (ICP) Military Value (enclosure 2) and ICP Cost of Base Realignment Action (COBRA) runs (enclosure 3). A list of attendees is at enclosure 1.

II. BRIEF SUMMARY OF DISCUSSION:

A. The BRAC Team Chief indicated that community information was now in the BRACEG books. BRACEG members should review this information because it will be another tool available when making receiving location decisions. Besides this community information, an economic impact assessment will be accomplished for gaining and losing locations using a standard model provided by the Office of the Secretary of Defense (OSD). This model will be run once initial decisions are made and results will be presented.

B. Hardware ICP Military Value changes:

1. Under Mission Suitability, paragraph IIA2, ICP "C," the point value increased from 105 to 110.

2. Changes were made to Operational Efficiencies, because of new field inputs based on BRAC Team questions and DoDIG audits.

3. Under Expandability, paragraph IVC, ICP "B," points earned increased from 0 to 29. The data call response from ICP "B" was initially misinterpeted; thus a correction was made. Military Value rankings did not change as a result of these modifications.

C. Hardware ICP COBRA scenarios:

1. Scenarios 1, 2, and 3 are reruns based on updated personnel numbers.

2. It was the BRACEG consensus that scenario 1 should not be considered further as it was run since it closes the Defense General Supply Center (DGSC) only and not the total installation. Based on decision rules, they agreed that a closure of the entire base, including the Defense Distribution Depot Richmond, would be necessary to avoid further infrastructure costs.

3. In scenario 2 the personnel savings are larger since two ICPs are disestablished. Additionally, the Defense Personnel Support Center (DPSC) has a relatively large staff associated with general and administrative functions.

4. As in scenario 1, scenario 3 is not preferred because it does not consider closing the compound at DGSC.

5. Scenario 6 may be an acceptable option, if the risk associated with disestablishing two ICPs seems too high.

6. In scenario 5, personnel projections to manage the installation were reduced to match the current facility management capability at the Aviation Supply Office (ASO) compound. Also infrastructure projects at ASO for water and electric repairs will cost several million dollars. These projects have been put on hold by the Navy until after BRAC 95 decisions are finalized.

7. In considering these scenarios, the BRACEG was concerned about the obvious disruption of the workforce and the potential negative impact on ongoing process improvement initiatives. The increasing scope of responsibility in the scenarios associated with disestablishing two hardware centers was of even greater concern. Also the BRACEG agreed that discussions associated with the Defense Industrial Supply Center and DPSC would have to consider whether the Navy decided to realign or disestablish ASO since DLA would have to make a decision whether to take over operational responsibility of the ASO compound or remain in South Philadelphia at the DPSC compound. Both options would result in higher costs.

III. FOLLOW-UP ACTIONS:

A. Ask the Navy Base Structure Analysis Team to provide necessary certified data concerning ASO facility costs–CAAJ(BRAC).

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

CLOSE HOLD

REPLY REFER TO CAAJ(BRAC)

3 FEB 1995

MEMORANDUM OF MEETING

SUBJECT: Summary of Base Realignment and Closure (BRAC) Executive Group (BRACEG) Meeting - 29 December 1994 (Afternoon Session)

I. PURPOSE: To provide the BRACEG with four closure/realignment options and several alternatives within the options (enclosure 2). A list of attendees is at enclosure 1.

II. BRIEF SUMMARY OF DISCUSSION:

A. Some closure/realignment options applicable to both Inventory Control Points (ICPs) and distribution depots have been developed. These include:

1. Realign both the Defense Distribution Depot Columbus (DDCO) and the Defense Distribution Depot Letterkenny (DDLP) if the Army does not close the base. Both storage operations will be retained, but on a limited scope. DDCO will provide storage capacity for primarily slow-moving stock. DDLP's primary mission will be support to the maintenance mission and storage of maintenance repairables and storage of slow-moving stock. Both locations will be reduced to site locations of the Defense Distribution Depot Susquehanna (DDSP). Command structure will be eliminated. This recommendation is consistent with the distribution concept of operations and will result in surcharge reductions for DLA customers.

2. Remain at the Defense Construction Supply Center (DCSC). The DCSC installation has a number of significant defense missions besides the ICP. These include the distribution depot mission, the DLA Data System Design Center, the Defense Accounting and Finance Service, and the Defense Information Systems Agency. DCSC has the highest hardware ICP Military Value and is also ranked highest in the DLA installation Military Value analysis.

3. If the Navy Maintenance Depot at Jacksonville closes, realign the Defense Distribution Depot Jacksonville (DDJF) as a site under the Defense Distribution Depot Warner Robins (DDWG) and eliminate the command structure. This realignment would be necessary to allow the Agency to continue to provide timely support to the ships at Mayport.

4. Remain at the Defense Distribution Depot San Joaquin (DDJC) and DDSP:

a. DDJC is our primary distribution site on the west coast for the Pacific Theater and is close to air and water ports of embarkation. It has the largest depot storage and throughput capacities in the west. DDJC scored the highest of all stand-alone depots in Military Value. Finally, although the Strategic Analysis of Integrated Systems (SAILS) model favors storing more at the East Coast depots, operations costs with DDJC are less than operations costs with the Defense Distribution Depot Ogden (DDOU).

b. DDSP is our primary distribution site on the east coast. It has a high Military Value and because it is close in proximity to both vendors and customers, is an attractive location for the SAILS model.

B. Nine BRAC options associated with ICPs and distribution depots were reviewed along with information relative to concepts of operations, risks, the SAILS model, and Military Value of installations, ICPs, and depots.

1. Option 1--eliminates the most facilities and is the best two depot savings option. It satisfies both Concepts of Operations. However, this is a high-risk scenario, especially for the ICPs because the disestablishment of two supply centers and the associated movement of item management responsibilities (troop and support item management to the Defense General Supply Center (DGSC); weapon systems item management to DCSC). Enclosure 3 identifies item management options. The personnel turmoil associated with a BRAC decision and the significant movement of item management responsibilities while attempting to implement many new item management initiatives/processes will be a challenge. A storage capacity shortfall of 28 million Attainable Cubic Feet (ACF) is projected. About 21 million ACF of the shortfall could possibly be accommodated by storing additional assets at Rough and Ready Island (if it is not on the Navy closure list), by converting warehouse operations space (and racking out) at DDCO and racking-out a hanger at Norfolk (potential transfer from the Navy to DLA).

2. Option 2a closes our installation with very good facilities and infrastructure (DGSC) and the Defense Distribution Depot Richmond (DDRV) that the SAILS model indicates is in a preferable location.

3. In option 2b we get a much higher payoff in closing Defense Distribution Depot Memphis (DDMT) than closing DDOU. The much larger staff at DDMT and resultant savings if both staffs were equally reduced, percentage wise, is the primary factor in this savings difference. Additionally, the large number of tenants at DDOU (1,400) drives one time costs considerably higher than those at Memphis who has fewer tenants.

NOTES FROM COMMANDERS CONFERENCE
AT DESC IN LATE 1993.

per ②

6 DEC 1993

DISC - RM
- OC/OP
- AL

Infrastructure Review - AKA - Reassignment of FSC's between DLA ICP's.

Attached are the briefing charts used by DLA-MMS during Commander's Conference. Recommendation was not accepted as presented. Reason was

that this ~~plan~~ recommendation envisioned wholesale item transfers. Such transfers are labor intensive and involve significant, initial, support disruptions. Without a clear analysis of the benefits (cost/benefit), DLA HQ (and the ICPs) were unwilling to agree to recommendations.

Ergo - for the short term, DLA will review some limited FSC reassignments rather than simply moving all DESC classes to DCSC. ~~Of~~ Coordination with DSC's will be accomplished

George Allen

INFRASTRUCTURE REVIEW

WHY DO WE NEED IT?

MOMENT OF OPPORTUNITY
BRAC 93 & 95

NEW GAME WITH NEW RULES

NPR; OSD & OUR OWN DATA INDICATE

OUR PROBLEMS = LOST BUSINESS

CAPTURE NEW BUSINESS (MIL & CIV)

MAINTAIN FRAMEWORK FOR FUTURE
SURGE SUPPORT

FUTURE ENVIRONMENT

NO CAPTIVE AUDIENCE

NO LIMIT ON OUR MARKET

CUSTOMER REQUIREMENTS WILL BE FASTER

STREAMLINE PROVISIONING PROCESS

GROUPING BY BUSINESS PRODUCTS

PEACETIME ROLE A DRIVER FOR DLA

NATURAL DISASTER SUPPORT

MUST BE SELF-SUSTAINING

REVIEW GROUP RESULTS
DLA HAS TWO TYPES OF BUSINESS

COMMERCIAL & WEAPON SYSTEM UNIQUE

EACH BUSINESS REQUIRES DIFFERENT MANAGEMENT TECHNIQUES

TYPE OF BUSINESS SHOULD DRIVE THE INFRASTRUCTURE

DEFINITION
MILITARY UNIQUE ITEMS

- ITEMS MANUFACTURED SPECIFICALLY FOR DOD
- ITEMS WITH LONG LEAD TIMES
- ITEMS WITH SOURCE CONTROL DRAWINGS
- CRITICAL ITEMS REQUIRING SOURCE INSPECTION

DEFINITION
COMMERCIAL ITEMS

- ITEMS SOLD TO OTHER THAN DOD
- ITEMS AVAILABLE QUICKLY FROM COMMERCIAL SOURCES
- ITEMS AVAILABLE FROM MORE THAN ONE COMMERCIAL SOURCE
- MARKETPLACE DETERMINES LEVEL OF QUALITY
- NOT MANUFACTURED SPECIFICALLY FOR DOD

MISSION OBJECTIVES
MILITARY

INTEGRATED LOGISTICS SUPPORT

IMPROVED TECH & LOG SERVICES

IMPROVED QUALITY ASSURANCE

PARTICIPATE IN INTEGRATED WEAPON SYSTEM DATA BASE

MISSION OPERATIONAL READINESS OF END ITEMS

MISSION OBJECTIVES
COMMERCIAL

EMPHASIS ON QUICK RESPONSE & LOW PRICES

PREDOMINANTLY A BUYING SERVICE UTILIZING DOD DEMAND TO OBTAIN MARKET CLOUT

FOCUSED TOWARD NEW MARKETS & PRODUCT LINES

MILITARY ACTIVITIES

NEW APPROACH TO TRADITIONAL BUSINESS PRACTICES

DEPOT STOCKAGE

CORPORATE OEM CONTRACTS

SHARED PRODUCTION

SAVE THROUGH COMPETITION

UTILIZE BREAKOUT, VALUE ENGINEERING

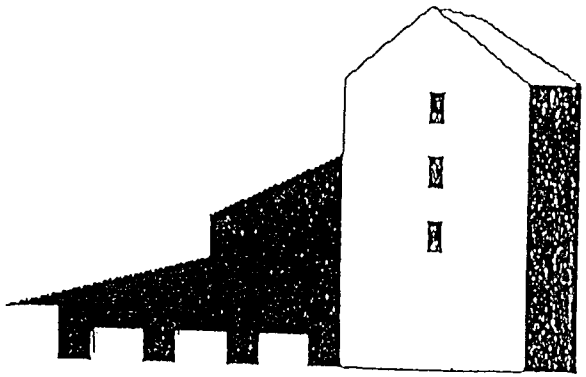
COMMERCIAL ACTIVITIES

UTILIZE COMMERCIAL BUSINESS PRACTICES

UTILIZE COMMERCIAL DISTRIBUTION SYSTEM

USE PRIME VENDOR TYPE CONTRACTS

EMPHASIZE EC/EDI



ALLOCATION OF ITEMS

COMMERCIAL & MILITARY
WITHIN EACH CENTER

OR

AMONG THE CENTERS

WITHIN THE CENTERS

PROS

COMMODITY EXPERTISE EXISTS

BUSINESS RELATIONSHIPS WITH INDUSTRY EXIST

CONS

LESS FOCUS

MILITARY SIDE IMPEDES INNOVATION ON COMMERCIAL SIDE

AMONG THE CENTERS

CONS (SHORT TERM)

TRANSFER ITEM MANAGEMENT

MANAGEMENT BY NSN, NOT FSC

PROS

CONCENTRATION OF MISSION SUPPORT

BETTER SERVICE TO CUSTOMERS

CENTER FOR REENGINEERING

RECOMMENDATION

THREE COMMERCIAL ICPs

- DGSC DPSC DFSC

TWO MILITARY ICPs

- DISC DESC/DCSC

MIGRATION STRATEGY
RULES OF PLAY

DGSC TO BE COMMERCIAL HARDWARE ICP

DGSC DRAWS NSNs AS COMMERCIAL DISTRIBUTION COVERAGE OBTAINED

DISC, DESC, DCSC DRAW MILITARY NSNs FROM DGSC BY COMMODITY AREA

NOTHING CRITICAL WILL TRANSFER INTO DGSC

NOTHING REQUIRING SOURCE INSPECTION INTO DGSC

HQ CONTROLS VOLUME OF CHANGE TO BALANCE WORKLOAD

Facsimile Header Page

Defense Industrial Supply Center
Product Services
(Engineering & Standardization)
700 Robbins Avenue
Philadelphia PA 19111-5096

DEFENSE INDUSTRIAL SUPPLY CENTER

SUBJECT: CIT Costs

TO: Marilyn Wasleski **Office:** BRAC Cam.

FAX Num: (703) 696-0550 **Voice Num:** (703) 696-0504

Message

Marilyn —
Here is the DMRD Report extract I spoke to you about. It shows considerable DLA Recurring Costs for CIT which is counter to Bob Cook's impression as expressed at yesterday's Meeting.

Al

FROM: Al Cappiella **OFFICE:** DISC-EEP

FAX: (215) 697-0311 **VOICE:** (215) 697-4271

DATE: 4/26/95 **# PAGES** 4

(Including header)

THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

July 3, 1990

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
ASSISTANT SECRETARIES OF DEFENSE
COMPTROLLER
GENERAL COUNSEL
INSPECTOR GENERAL
DIRECTOR, OPERATIONAL TEST AND EVALUATION
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES

SUBJECT: DMRD 926 Inventory Control Point Consolidation Study Report

The attached report was prepared by a joint OSD/Component study team, charged with reviewing the potential for consolidating Inventory Control Point (ICP) activities. I am approving the report recommendations, to include the following major actions:

- Transfer item management responsibility for approximately one million consumable items from the Military Services to the Defense Logistics Agency;

- Direct the Army to develop a plan to realign and consolidate its ICPS to reduce overhead costs, while maintaining responsive and effective logistics support to its operating forces;

- Continue Service management of reparable items, subject to a future reassessment of consolidation and increased interservice integration, as the necessary ADP systems, policies, and support infrastructure are developed; and

- Consolidate cataloging functions.

The Assistant Secretary of Defense for Production and Logistics will oversee implementation and provide me with progress reports. Your continued effort and support are deeply appreciated. These improvements will reduce costs significantly while preserving our readiness and sustainability.

Attachment

12142

Table 2. Impact of the Transfer of 981K Items to DLA
Unadjusted Service Costs
(Constant FY 89 Dollars—Millions)

	FY91	FY92	FY93	FY94	FY95	FY96
Service Recurring Costs	3.6	26.0	57.2	83.0	88.0	88.0
DLA Recurring Costs	3.8	17.2	31.5	42.0	42.6	42.6
Recurring Savings	(0.2)	11.4	25.7	41.0	45.4	45.4
Nonrecurring Costs	38.1	41.4	32.2	12.7	0.0	0.0
Net Cumulative Savings	(38.3)	(68.3)	(74.8)	(46.4)	(1.0)	44.4

Table 3. Impact of The Transfer of 981K Items to DLA
Adjusted Service Costs
(Constant FY 89 Dollars—Millions)

	FY91	FY92	FY93	FY94	FY95	FY96
Service Recurring Costs	3.9	31.1	82.2	90.3	95.6	95.6
DLA Recurring Costs	4.1	18.8	34.2	45.7	46.3	46.3
Recurring Savings	(0.2)	12.3	28.0	44.6	49.3	49.3
Nonrecurring Costs	40.1	43.6	34.1	13.4	0.0	0.0
Net Cumulative Savings	(40.3)	(71.7)	(77.9)	(46.7)	2.6	51.9

4. Summary. Tables 2 and 3 summarize the costs and savings for the proposed transfer of 981 thousand consumable items to DLA. As noted above, the costs provide for the conventional transfer of data to DLA, rather than electronic transfer. The savings were determined from FY 1989 baseline resource data submitted by the Services. Accordingly, the savings do not consider the impact of any approved personnel reductions previously executed by the Services during FY 1990 or programmed for the FY 1991-1995 timeframe. Complete information on this was not provided by all of the Services, and therefore the adjustments were not included in the analysis. It is critical to note that the bottom line savings must be decremented by the amount of savings resulting from each Service's adjust-

ments in its outyear program. Otherwise, the savings will result in duplicate cuts to Service programs.

C. Conclusions.

- The transfer of Category 1 items to DLA in Phase 1 permits the Services to retain Category 2 items that they identify as requiring special management attention. This will allow enough time to validate the rationale for continued Service management of Category 2 items, develop new filter criteria, where appropriate, and apply the criteria to the Category 2 items in Phase 2.
- The transfer of 981 thousand Category 1 items would produce an estimated recurring annual savings in the range of $45 million to $49 million (FY 1989 dollars) beginning in FY 1995.
- The estimated nonrecurring costs range from $124 million to $134 million, or higher, if the electronic transfer of engineering data and drawings is established. This addition to the nonrecurring costs would, however, be offset to some degree by a reduction in DLA's nonrecurring costs later in the transfer period.
- The breakeven point occurs in FY 1995.
- All savings are derived from FY 1989 baseline data and do not consider the impact of approved or proposed Service reductions in their outyear programs. The final determination of savings under DMRD 926 must consider these outyear adjustments, and any potential overlaps with other DMRDs, to avoid "double-dipping" on the total savings.
- The mass migration of stock fund assets and their sales base from the Services to DLA and the continuing liability held by the Services for assets under procurement, that will be delivered to DLA, will place each Service's stock fund in danger of insolvency.

D. Recommendations.

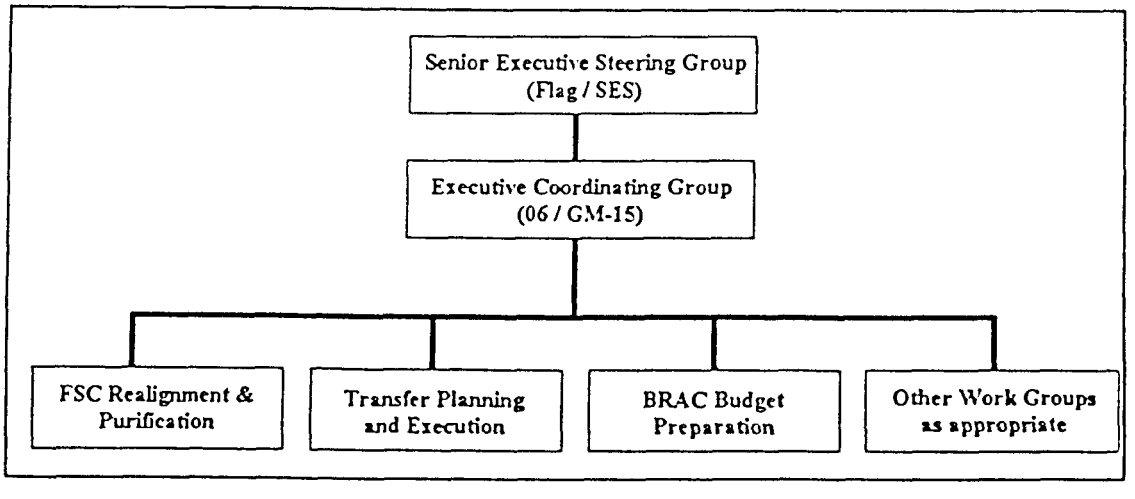
- Approve the Phase 1 transfer of 981 thousand consumable items to DLA and the supporting implementation plan contained in Appendix G.
- Approve the Phase 2 proposal to validate the Service rationale for retaining Category 2 items, develop revised criteria, where appropriate, and apply the criteria to Category 2 items.
- Require DLA to identify alternative approaches that would reduce total DoD item transfer costs and DLA's management costs for the Phase 1 items and report the results to the ASD (P&L) by October 1, 1990.

Memorandum for the Record 21 April 1995

Encl: (1) List of Attendees
(2) Executive Coordinating Group Members and Initial Deliverables
(3) General Definitions of Troop, General, and Weapon System Support Items
(4) Letter to Congressman Borski
(5) Notional Transfer Schedule
(6) Updated IPC ADP Processing Transfer Schedule
(7) ICP BRAC Implementation Planning Briefing of 19 April 1995
(8) Action Items
(9) Open Questions

1. On 22 March 1995 and 30 March 1995 the personnel listed in enclosure (1) met to continue defining the planning process for implementing the BRAC 95 recommendation to concentrate Troop and General (T&G) Support item management in a single Inventory Control Point (ICP) in Philadelphia Pa. and Weapon System (WS) Support item management in two ICPs; one in Richmond Va. the other in Columbus Oh.. The following subparagraphs provide a brief synopsis of the major discussion points and decisions.

a. BRAC 95 Implementation Planning Organizational Structure: Since every ICP is affected by the BRAC 95 workload transfers it was determined that the planning and execution processes should be overseen by a Flag / SES level steering group. This body will be composed of representatives from headquarters and each of the ICPs, and shall provide guidance and direction to, and perform adjudication functions for, an Executive Coordinating Group (ECG). The ECG will be directly responsible for promulgating a detailed implementation plan and then coordinating the actual execution of that plan. The ECG will be composed of 06 / GM-15 representatives from headquarters and each of the ICPs and will be authorized to establish any working groups it deems necessary to fulfill its responsibilities (enclosure (2) pertains). The basic arrangement is depicted in the figure below. It should be noted that the displayed working groups are "notional" at this point, although as indicated in subparagraph b the committee has determined that the establish of a working group to review the assignment of items to the T&G and WS categories is warranted.



b. FSC Assignment Validation and Adjustment: As discussed above it was unanimously agreed that a work group would be established to review the assignment of items to FSCs and FSCs to the T&G and WS categories. In fulfilling this function it was expected that the team would use the definitions displayed in enclosure (3) to perform two primary functions: (1) refining the FSC and item assignments; and (2) identifying new groupings of market ready items that would permit us to take full advantage of existing commercial manufacturing and distribution network capabilities (e.g. associating nails, wood screws, pallets, and wood working tools with wood products to take advantage of the normal construction material distribution channel's capabilities).

It was envisioned that completing this effort would require dedicating 3 to 4 personnel from each ICP (a total of 15 to 20 personnel) for a period of six months to:

(1) Review and recommend refinements to the general WS and T&G item classifications agreed to by the ICPs in September 1994, and propose realignments of management responsibility among the ICPs to support those refinements. This includes identification of new groupings to allow us to take full advantage of market ready opportunities;

(2) Review current federal supply classification procedures in light of emerging business practices which recognize management differences between those items which are readily available in the commercial market place, and those T&G and weapon system related items which are not readily available in the commercial sector. Evaluate alternative methods of classification to support management by type as just defined as opposed to the current methodology of management by class; and

(3) Recommend a methodology to reorient the FSC structure to support a management by type strategy.

There was some discussion as to whether or not an item should be classified as weapon system related simply because it had a Weapon System Designator Code (WSDC) assigned. Although consensus was not reached, it appeared that the sentiment was leaning towards the interpretation that it should not. The rationale presented was that the type of management applied to an item was driven by its availability in the market place, not whether or not it has a WSDC assigned. More specifically it was argued that supporting a WSDC coded common use screw that was abundantly available from every local hardware store required a different management approach.... the ICP primarily ensures that there is a contract in place and allows the commercial market place to perform the inventory management and technical functions .... than supporting a weapon system related item that was not readily available in the commercial market place .... the ICP must perform the full range of item management and technical functions as well as have contract instruments in place.

The committee did admit experience has shown that support as measured by responsiveness, quality, and cost is optimized when management responsibility is aligned along commercial industry and distribution channel lines as doing so allows us to exercise

full leverage in the market place and concentrate specific management techniques and expertise. Therefore, it was agreed the FSC review team would be charged to ensure that these factors were appropriately reflected in its recommendations.

c. Transfer Precepts: Several basic precepts governing the transfer of items were concurred in by the committee. In particular:

(1) CIT Phase II takes precedence over any BRAC actions.

(2) To the extent possible, the items being transferred to Philadelphia will be grouped in related "market ready" batches to allow the application of new business processes and support methods (e.g. Prime Vendor arrangements). This will expedite our implementation of Business Process Improvements... and consequently our ability to take full advantage of existing commercial manufacturing and distribution network capabilities .... while executing BRAC 95.

(3) A small dedicated organization will be established in Philadelphia to implement new BPI support arrangements for the items being transferred in. Establishing dedicated groups at DISC and DGSC to handle the transfer out and DGSC to handle the receipt of new items will be reviewed.

(4) To the extent possible, items will be transferred with long term contracts underpinning them in order to decrease the risk of severe support problems developing in the short term.

(5) To the extent possible the gaining activity will not be encumbered with day to day management responsibility for an item during the period that they are establishing new BPI support arrangements (e.g. Prime Vendor arrangements or a long term contract for an item with a deficient asset position). Rules governing when day to day management responsibility will transfer are as follows:

Category A ... Market ready items being worked by the BPI groups will transfer when the initial offers to the new support arrangement are received, if the initial offers are deemed to be acceptable.
(An alternative to transfer them at the time of solicitation was put forward. This needs to be decided at the 21 April committee meeting)

Category B ... Items which have existing long term contracts will be transferred at the time the FSC is identified for transfer.

Category C ... Items with a healthy asset position (*defined as whenever the asset position is above _____*) or with excesses on hand will be transferred at the time the FSC is identified for transfer.

Category D ... Non-stocked items will be transferred at the time the FSC is identified for transfer.

Category E ... Items that have a natural affinity with the material already being managed by the gaining Commodity Business Unit (CBU) will be transferred at the time the FSC is identified for transfer.

Category F ... Items which have a CBU integrity or which logically should travel en mass-e will be transferred together.

(6) The target is to complete all transfers by the end of FY99 if possible.

(7) In those instances where gaining activities cannot quickly hire necessary expertise, or incumbents with special skills decline to relocate, losing activities will make knowledgeable personnel available on a reimbursable basis to assist the gaining activity in maintaining adequate support for the items and/or mission.

(8) Subsequent to the last meeting a command decision was made that general items being relocated to Philadelphia would be initially transferred to DISC because of operating and computer system similarities. It was also supported by Human Resources personnel as the most appropriate way to fulfill our commitment to equitably treat both Philadelphia work forces. Enclosure (3) is a copy of a letter sent to Congressman Borski reaffirm our position in this matter.

d. Transfer Schedule: Enclosure (5) provides a notional transfer schedule. As shown basic elements include:

- Near term activities must be planned so as to not conflict with the transfer of ICP ADP processing from IPC Richmond to DMC Columbus. Enclosure (6) provides the schedule for this.
- Standing-up a Philadelphia BPI/Market Ready group by October 1995;
- Transferring DCSC plumbing and perhaps wood product items combined with like product families/items from DISC (wood screws etc.) and DGSC (pallets and wood working tools) to Philadelphia between October and December 1995 to serve as a pilot BPI move;
- Completing the transfer of plumbing and wood product items to Philadelphia by March 1996 so that it is done before the mass moves associated with implementing the BRAC 93 directed consolidation of DESC and DCSC begin;
- Completing the relocation of DCSC T&G items to Philadelphia in FY97;
- Conducting a pilot non-market ready item transfer from DGSC to Philadelphia in the June through December 1996 time frame. Volumes as high as 100,000 items were discussed but led to some concern by DGSC about its potential impact on CIT Phase II. Therefore this subject was left as an open item for further deliberation.
- Phasing the remaining transfer actions across FYs 97 to 99 in such a fashion as to balance the personnel requirements.

e. Budget: The Steering committee acknowledged that the ICPS are not currently resourced to execute the BRAC 95 item transfers while simultaneously effecting the many business process improvement initiatives, improving performance, maintaining price commitments to the customers, and absorbing a 4% per year productivity cut in labor funding. Consequently, the committee agreed implementing BRAC 95 warranted providing additional labor resources. It also acknowledged that it would be essential to secure BRAC funding for these and all related non-labor requirements to preclude an unwarranted impact on customer prices (as O&M funding these costs would not have to be recovered).

A three prong approach was discussed to satisfy this requirement. The first is to fund the 15 to 20 person FSC review team discussed in subparagraph b above. The second is to provide: the Philadelphia receiving activity an increased labor authority of 30 to 50 man years for FY96 and FY97 to establish a BPI implementation group; and DISC and DGSC perhaps up to 10 man years in the same years to establish transfer groups responsible for coordinating the evolution and for preparing/receiving transfer packages. The last is to not take any BRAC budget reductions during the time the items are being transferred in order to create a surplus labor pool to cover the BRAC labor requirements in FY98 and FY99. For example, transferring the DCSC troop and general support items to Philadelphia would decrease DCSC's end strength by 358 (FY99) but only increase Philadelphia's end strength by 292. This creates a pool of 66 end strength that can be redistributed among, or reapplied within, the ICPs to offset BRAC labor requirements.

The total potential surplus labor pool is displayed in the table below. It should be realized that the actual amount of surplus created is directly dependent on the phasing of the item transfers. Items transferred earlier than FY99 will in fact generate a larger pool as the figures in the table reflect the application of a 4% productivity cut in every year. For example there are 181 end strength associated with the DGSC miscellaneous functions in FY96 as opposed to 163 in FY99. This provides a slight additional cushion for those actions completed in FY97 and FY98.

	Decrease at Losing Activity	Increase at Receiving Activity	Temporary Surplus
DCSC T&G	358	292	+66
DGSC T&G	655	552	+103
DGSC Miscellaneous	163	143	+20
DISC WS	1331	1141	+190
DISC T&G	166	141	+25
Total	2673	2269	+404

Note: figures are FY99 numbers taken from POM 96

There was also considerable discussion about how much it cost to prepare and receive transfer packages. Estimates ranged from over $30 per package to approximately $10 dollars per package. Although the group nominally agreed to use an estimate of $20 to prepare a package (about 1 hours time) and $10 to receive a package (about .5 hours time), there was considerable concern that this still represented an unfundable amount (approximately $43 million); particularly in view of the fact that the ICPs received no compensation for the DESC to DCSC transfer or for CIT Phases I or II. Furthermore, several members were not convinced that a process couldn't be established to substantially reduce the per package cost (e.g. the utilization of JEDMICS, contractors etc.).

Other budget agreements reached were:

- The ICPs would absorb any training costs out of hide
- Funding for the following items will be requested in the BRAC 95 budget
  - PCS and personnel separation costs
  - TDY costs
  - ADP infrastructure and software changes necessary to support the implementation of BRAC 95
  - Any minor or major facilities or Milcon requirements

Considering all of the above factors, Mr. Molino offered a very rough estimate that Philadelphia would require approximately 30 work years and $3 million in FY96 and 50 work years and $5 million in FY97. Conversely DCSC's costs would be limited to package preparation expenses of approximately $300,000 in FY96 and $600,000 in FY97 (predicated on the still questionable $20 per package).

The last budget item discussed was needing to ensure that the ICPs budgets / business plans were adjusted to reflect NOR and sales changes as items were transferred. This was considered to be adequately addressed by the process currently employed to handle CIT Phases I and II.

2. A slightly modified version of the briefing given by DLA-MMSX to the Commanders' BRAC conference on 19 April 1995 is attached for information (enclosure (7) pertains). The next meeting is scheduled for 1300 21 April 1995. The purpose of the meeting is to bring the ECG together and provided them with an overview of the deliberations to date and what the Steering Groups expectations are for their efforts. To assist in this, enclosures (8) and (9) provide a recapitulation of action items and open questions.

RTM

R. T. Moore III
Asst Executive Director
(Inventory 2000)

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

CLOSE HOLD

REPLY REFER TO CAAJ(BRAC)

3 FEB 1995

MEMORANDUM OF MEETING

SUBJECT: Summary of Base Realignment and Closure (BRAC) Executive Group (BRACEG) Meeting - 29 December 1994 (Morning Session)

I. PURPOSE: To provide the BRACEG adjustments to the Inventory Control Point (ICP) Military Value (enclosure 2) and ICP Cost of Base Realignment Action (COBRA) runs (enclosure 3). A list of attendees is at enclosure 1.

II. BRIEF SUMMARY OF DISCUSSION:

A. The BRAC Team Chief indicated that community information was now in the BRACEG books. BRACEG members should review this information because it will be another tool available when making receiving location decisions. Besides this community information, an economic impact assessment will be accomplished for gaining and losing locations using a standard model provided by the Office of the Secretary of Defense (OSD). This model will be run once initial decisions are made and results will be presented.

B. Hardware ICP Military Value changes:

1. Under Mission Suitability, paragraph IIA2, ICP "C," the point value increased from 105 to 110.

2. Changes were made to Operational Efficiencies, because of new field inputs based on BRAC Team questions and DoDIG audits.

3. Under Expandability, paragraph IVC, ICP "B," points earned increased from 0 to 29. The data call response from ICP "B" was initially misinterpeted; thus a correction was made. Military Value rankings did not change as a result of these modifications.

C. Hardware ICP COBRA scenarios:

1. Scenarios 1, 2, and 3 are reruns based on updated personnel numbers.

2. It was the BRACEG consensus that scenario 1 should not be considered further as it was run since it closes the Defense General Supply Center (DGSC) only and not the total installation. Based on decision rules, they agreed that a closure of the entire base, including the Defense Distribution Depot Richmond, would be necessary to avoid further infrastructure costs.

3. In scenario 2 the personnel savings are larger since two ICPs are disestablished. Additionally, the Defense Personnel Support Center (DPSC) has a relatively large staff associated with general and administrative functions.

4. As in scenario 1, scenario 3 is not preferred because it does not consider closing the compound at DGSC.

5. Scenario 6 may be an acceptable option, if the risk associated with disestablishing two ICPs seems too high.

6. In scenario 5, personnel projections to manage the installation were reduced to match the current facility management capability at the Aviation Supply Office (ASO) compound. Also infrastructure projects at ASO for water and electric repairs will cost several million dollars. These projects have been put on hold by the Navy until after BRAC 95 decisions are finalized.

7. In considering these scenarios, the BRACEG was concerned about the obvious disruption of the workforce and the potential negative impact on ongoing process improvement initiatives. The increasing scope of responsibility in the scenarios associated with disestablishing two hardware centers was of even greater concern. Also the BRACEG agreed that discussions associated with the Defense Industrial Supply Center and DPSC would have to consider whether the Navy decided to realign or disestablish ASO since DLA would have to make a decision whether to take over operational responsibility of the ASO compound or remain in South Philadelphia at the DPSC compound. Both options would result in higher costs.

III. FOLLOW-UP ACTIONS:

A. Ask the Navy Base Structure Analysis Team to provide necessary certified data concerning ASO facility costs–CAAJ(BRAC).

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

CLOSE HOLD

REPLY REFER TO CAAJ(BRAC)

3 FEB 1995

MEMORANDUM OF MEETING

SUBJECT: Summary of Base Realignment and Closure (BRAC) Executive Group (BRACEG) Meeting - 29 December 1994 (Afternoon Session)

I. PURPOSE: To provide the BRACEG with four closure/realignment options and several alternatives within the options (enclosure 2). A list of attendees is at enclosure 1.

II. BRIEF SUMMARY OF DISCUSSION:

A. Some closure/realignment options applicable to both Inventory Control Points (ICPs) and distribution depots have been developed. These include:

1. Realign both the Defense Distribution Depot Columbus (DDCO) and the Defense Distribution Depot Letterkenny (DDLP) if the Army does not close the base. Both storage operations will be retained, but on a limited scope. DDCO will provide storage capacity for primarily slow-moving stock. DDLP's primary mission will be support to the maintenance mission and storage of maintenance repairables and storage of slow-moving stock. Both locations will be reduced to site locations of the Defense Distribution Depot Susquehanna (DDSP). Command structure will be eliminated. This recommendation is consistent with the distribution concept of operations and will result in surcharge reductions for DLA customers.

2. Remain at the Defense Construction Supply Center (DCSC). The DCSC installation has a number of significant defense missions besides the ICP. These include the distribution depot mission, the DLA Data System Design Center, the Defense Accounting and Finance Service, and the Defense Information Systems Agency. DCSC has the highest hardware ICP Military Value and is also ranked highest in the DLA installation Military Value analysis.

3. If the Navy Maintenance Depot at Jacksonville closes, realign the Defense Distribution Depot Jacksonville (DDJF) as a site under the Defense Distribution Depot Warner Robins (DDWG) and eliminate the command structure. This realignment would be necessary to allow the Agency to continue to provide timely support to the ships at Mayport.

4. Remain at the Defense Distribution Depot San Joaquin (DDJC) and DDSP:

a. DDJC is our primary distribution site on the west coast for the Pacific Theater and is close to air and water ports of embarkation. It has the largest depot storage and throughput capacities in the west. DDJC scored the highest of all stand-alone depots in Military Value. Finally, although the Strategic Analysis of Integrated Systems (SAILS) model favors storing more at the East Coast depots, operations costs with DDJC are less than operations costs with the Defense Distribution Depot Ogden (DDOU).

b. DDSP is our primary distribution site on the east coast. It has a high Military Value and because it is close in proximity to both vendors and customers, is an attractive location for the SAILS model.

B. Nine BRAC options associated with ICPs and distribution depots were reviewed along with information relative to concepts of operations, risks, the SAILS model, and Military Value of installations, ICPs, and depots.

1. Option 1—eliminates the most facilities and is the best two depot savings option. It satisfies both Concepts of Operations. However, this is a high-risk scenario, especially for the ICPs because the disestablishment of two supply centers and the associated movement of item management responsibilities (troop and support item management to the Defense General Supply Center (DGSC); weapon systems item management to DCSC). Enclosure 3 identifies item management options. The personnel turmoil associated with a BRAC decision and the significant movement of item management responsibilities while attempting to implement many new item management initiatives/processes will be a challenge. A storage capacity shortfall of 28 million Attainable Cubic Feet (ACF) is projected. About 21 million ACF of the shortfall could possibly be accommodated by storing additional assets at Rough and Ready Island (if it is not on the Navy closure list), by converting warehouse operations space (and racking out) at DDCO and racking-out a hanger at Norfolk (potential transfer from the Navy to DLA).

2. Option 2a closes our installation with very good facilities and infrastructure (DGSC) and the Defense Distribution Depot Richmond (DDRV) that the SAILS model indicates is in a preferable location.

3. In option 2b we get a much higher payoff in closing Defense Distribution Depot Memphis (DDMT) than closing DDOU. The much larger staff at DDMT and resultant savings if both staffs were equally reduced, percentage wise, is the primary factor in this savings difference. Additionally, the large number of tenants at DDOU (1,400) drives one time costs considerably higher than those at Memphis who has fewer tenants.

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

CLOSE HOLD

08 AUG 1994

MEMORANDUM OF MEETING

SUBJECT: Summary of Base Realignment and Closure (BRAC) Executive Group (BRACEG) Meeting - 6 July 1994

I. PURPOSE: To revisit the Inventory Control Point (ICP) and Distribution Concepts of Operations prior to presenting the Concepts to the Director. A list of BRACEG attendees is at enclosure 1. Briefing charts are at enclosure 2. Revised ICP and Distribution Concepts of Operations are enclosures 3 and 4, respectively.

II. BRIEF SUMMARY OF DISCUSSION:

A. Gen Babbitt indicated that he had some concern about the broad organizing principles associated with the ICP concept of operation approved by the BRACEG on 12 Apr 94. A revised concept of operation was presented that will allow more flexibility.

1. Items have traditionally been assigned to DLA ICPs on the basis of industry groupings. Assigning items based on the management process involved (i.e., military specification vs. commercial item), or venue (i.e., Air/Land/Sea), or weapon systems might make more sense. The traditional order focuses on the supplier. Venue and weapons system are oriented more to the customer. Structuring around management process is more internally focused. There are advantages and disadvantages to each principle. Modern technology and Commodity Business Units allow the choice of an organizing principle to be independent of basing decisions. The actual execution of the concept philosophy would be determined by what made the most business sense in light of the BRAC analysis process.

2. MMS recommended using the management process as the organizing principle. Several significant concerns were raised, including de-emphasizing moving to more commercial practices, moving away from "one face to industry," and diluting emphasis on weapon system support items.

3. The BRACEG agreed that the ideas and issues should be taken to the Director.

B. Minor changes associated with the Distribution region concept were reviewed.

1. The distribution Concept of Operations was changed to remove any appearance of a predecision about the location of the primary distribution sites. The concept was also changed to emphasize that command and control is the primary function of the Regions.

2. Another change emphasizes that the Commanders of Depots, which DLA is permitted to operate, should be the Base Commander. All other Depots should "buy" support services which do not require standardization from whatever source makes sense.

Midatlantic,and other tenants with approximately 800 personnel. DPSC was not reviewed as part of the ICP category since it manages a much smaller number of items which have a significantly higher dollar value than the hardware ICPs. The activity has no administrative space available, but does have a small number of buildable acres. Environmental problems at DPSC would make building or extensive renovations impossible for some time in the future.

With the movement of DCMD Midatlantic and the Clothing Factory out of DPSC, the Working Group examined options to either utilize the base as a receiver or move DPSC to another location. Scenarios were built so that activities moved to locations where excess space had been identified. DISC, currently a tenant at ASO which is recommended for closure by the Navy, was considered for possible realignment to DPSC. A scenario which realigned DPSC to ASO where DLA would assume responsibility for the base was analyzed. Another, which split the three commodities at DPSC between DGSC and DCSC was also examined.

The distribution depot at New Cumberland has available buildable acres. Additionally, another recommendation moves DISC, a hardware ICP from Philadelphia to New Cumberland. This allows several activities to be consolidated. The presence of three ICPs and major DLA facilities in the area will create significant opportunities for savings and efficiencies in the future. As a result of the closure of DPSC, the property will be excess to Army needs. The Army will dispose of it in accordance with existing policy and procedure.

Return on Investment: Total estimated one time cost for these closures is $173.0 million. Annual steady state savings are $90.6 million with an immediate return on investment.

Impacts: Closing the DPSC installation and the Clothing Factory will have an impact on the local economy. The projected potential employment loss, both direct and indirect, is 0.4 percent of the employment base in the Philadelphia Metropolitan Statistical Area, assuming no economic recovery. The closure will ultimately result in a reduction in air emissions, wastewater discharges, and solid waste.

Defense Industrial Supply Center, Philadelphia, Pennsylvania

Recommendation: Relocate the Defense Industrial Supply Center (DISC), a hardware Inventory Control Point (ICP), located in Philadelphia, Pennsylvania, to New Cumberland, Pennsylvania.

Justification: DISC is a tenant of the Navy's Aviation Supply Office (ASO) located in Philadelphia. With the Navy decision to close ASO during BRAC 93, DISC must either be relocated or remain behind and assume responsibility for the base.

The Executive Group considered options where square footage or buildable acres existed. Also, only locations where ICPs currently exist were considered.

Collocation with DCSC, DESC and DGSC were also considered. DGSC has buildable acres but no space available. DESC has warehouse space and DCSC will have administrative space in 1997. However, with the recommended closures of DESC and realignment with DCSC, the additional move of DISC to DCSC was considered too risky. Scenarios were run splitting DISC among the remaining hardware centers and splitting DISC between DCSC and DGSC. Both options were considered too risky because proposed moves split managed items to multiple locations.

RETARY OF DEFENSE
ECOMMENDATION

Relocate the Defense Industrial Supply Center (DISC), a hardware Inventory Control Point (ICP), located in Philadelphia, Pennsylvania, to New Cumberland, Pennsylvania.

SECRETARY OF DEFENSE JUSTIFICATION

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Locating DISC at Defense Distribution Region East, a DLA activity located at New Cumberland, Pennsylvania, and the presence of three ICPs and major DLA facilities in the area will create significant opportunities for savings and efficiencies in the future. The relocation of DISC to New Cumberland provides the best payback for DoD. The relocation allows the Navy to close and dispose of ASO.

COMMUNITY CONCERNS

The community argued moving DISC, the Defense Personnel Support Center (DPSC), and ASO out of Philadelphia, and closing the Defense Clothing Factory could impact more than 9,000 jobs and would be economically devastating to the community. The community contended DISC and ASO should remain together and DPSC should be moved to the ASO facility, resulting in the closure of the DPSC installation. This scenario, they asserted, would also provide more cost savings and would be less disruptive than moving DPSC and DISC to New Cumberland, as proposed by DoD and DLA.

COMMISSION FINDINGS

The Commission found moving DISC from Philadelphia would create a negative cumulative economic impact on Philadelphia. The Commission also found the Secretary's recommendation did not yield the greatest savings commensurate with no mission degradation. Further, the Commission found the most cost-effective option was for DISC to remain in place.

COMMISSION RECOMMENDATION

The Commission finds the Secretary of Defense deviated substantially from final criteria 4, 5, and 6. Therefore, the Commission recommends the following: the Defense Industrial Supply Center remains open and located within the Aviation Supply Office compound in Philadelphia, Pennsylvania. The Commission finds this recommendation is consistent with the force-structure plan and final criteria.

Defense Personnel Support Center Philadelphia, Pennsylvania

Category: Inventory Control Point
Mission: Provide food, clothing and textiles, medicines, and medical equipment to military personnel and their eligible dependents worldwide
Cost to close: $ 45.9 million
Savings: 1994-99: $ 6.5 million
Annual: $ 26.1 million
Payback: 7 years

SECRETARY OF DEFENSE RECOMMENDATION

Close the Defense Personnel Support Center (DPSC), Philadelphia, Pennsylvania, and relocate its mission to the Defense Distribution Region East, New Cumberland, Pennsylvania. Close the Defense Clothing Factory, relocate the personnel supporting the flag mission, and use existing commercial sources to procure the Clothing Factory products.

DEFENSE LOGISTICS AGENCY

18 May 1995

MEMO FOR ICP Commanders

SUBJ: Review of DISC's Proposed Weapon System Support Concept

1. As we are all aware, there has been considerable dialog over the last eighteen months about how DLA could improve its weapon systems support capabilities and move to a process that was more compatible with the Services' management of weapon systems. One step in that direction was revising our concept of operations to focus Inventory Control Points (ICP) on managing either weapon systems' related items or troop and general support related items. While this concept provides a strategic framework for conducting business in the future, it does not address organizational considerations within the broad support categories (e.g. how item management responsibilities will be assigned to the individual ICPs). Obviously, there are many ways that this could be done; by weapon system, industry group, or commodity for example.

2. In this regard DISC, on their own volition (but with headquarters knowledge), undertook an effort last fall to define how the management responsibilities of each of the ICPs might be structured to support the concept of operations and improve our overall capabilities. Enclosure (1) is the result of their analysis. Since it was started well in advance of, and conducted completely independent from, the BRAC 95 process it presumes there are still four ICPs. What it recommends is basically strengthening the commodity orientation of our ICPs by creating two weapon systems support ICPs (one devoted to managing approximately 1.5 million mechanical items, and one to managing approximately 1.25 million electrical/electronic items), a general supply ICP managing about 810 thousand items and a troop support ICP managing DPSC's current population of items. Although BRAC 95 was not considered in the study, the arrangement DISC is proposing would still be viable under BRAC 95 simply by combining the troop and general supply items at one ICP.

3. I must admit there is some natural attraction to the mechanical versus electrical/electronic alignment they are proposing for the weapon system ICPs because of how it leverages the work force and strengthens our face to industry. However, as stated above, there are alternative constructs, such as aligning by specific industry group (e.g. aerospace versus automotive) that may offer somewhat similar advantages. I would appreciate your comments on DISC's proposal and any other thoughts you might have on how we should organize in the long term. I stress in the "long term" because while we have some flexibility as to how we distribute items in the short

run, there is no intention of doing anything that would significantly alter the BRAC 95 recommendation ... or add to the complexity of implementing it if approved.

4. For information, I have given a copy of the proposal to the ICP BRAC 95 Executive Coordinating Group for their consideration while reviewing/purifying FSC assignments. As stressed above major changes are not expected, however, it could prove beneficial in their efforts to redress any personnel/work load imbalances caused by the initial macro level analysis.

5. As a last item of interest, the package also contains a depiction of the revised customer services organization at DISC. It has a number of engaging features and may be of some use as you prepare for the upcoming commanders conference.

Very respectfully,

R T Moore

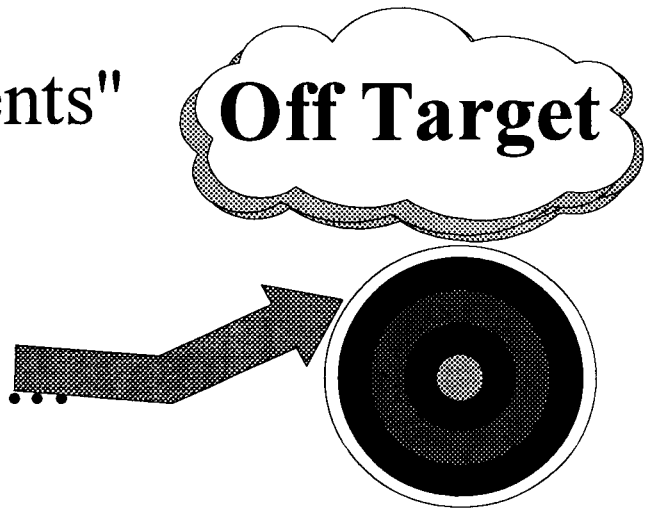
1 Encl

R.T. Moore III
Captain, SC, USN
Assistant Executive Director
(Inventory 2000)

Purpose

Refocus the Issue!!

- Not a "Jobs Issue" - Assurances from DLA
  - DISC - General
  - DPSC - Troop
- Issue Is that DLA Recommendation Is:
  - Ill Conceived, Ill Planned, Ill Executed With
  - **Ill Effect on Readiness**
- BRAC 93 Baseline with "Enhancements" Still Best Business Decision

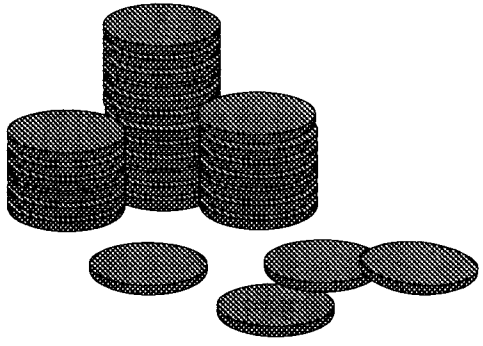


Ready.....Fire.....Aim.....

Concept of Operations

- Intent Is to Produce a Business Outcome

"Affordable Readiness"

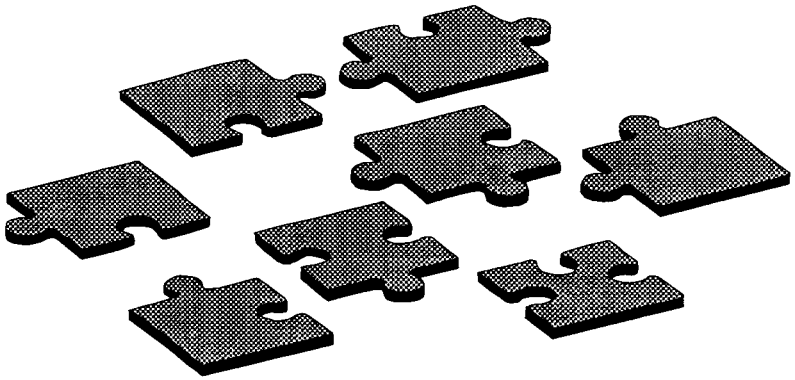


- Can't Get There from Here!!
  - Infrastructure Not Changed
    - Systems - Processes - Procedures
- Item Allocation Still Breeds Hybrid ICPs
- No Integration with "Weapons Managers"

Business Outcome ⇒ Affordable Readiness

- Disestablishing Mgt and Technical Expertise
  - Product, Customer, Industry
- Too Much, Too Soon
  - Schedule of Moves (CIT)
  - Capacity of Centers to Absorb
- Destroying Existing/Future Synergy of Interservice Integration (DISC/ASO)

- Item Transfer and DPSC Retention Costs Omitted -GAO Validated
  - DLA Data Call - 28 April
- Personnel Savings ⇒ Reality Impaired

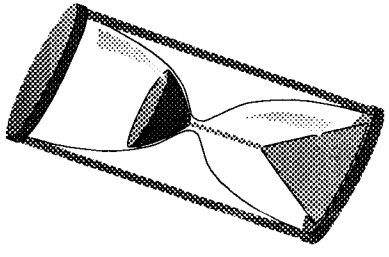


Do It Smarter.....Not Faster!

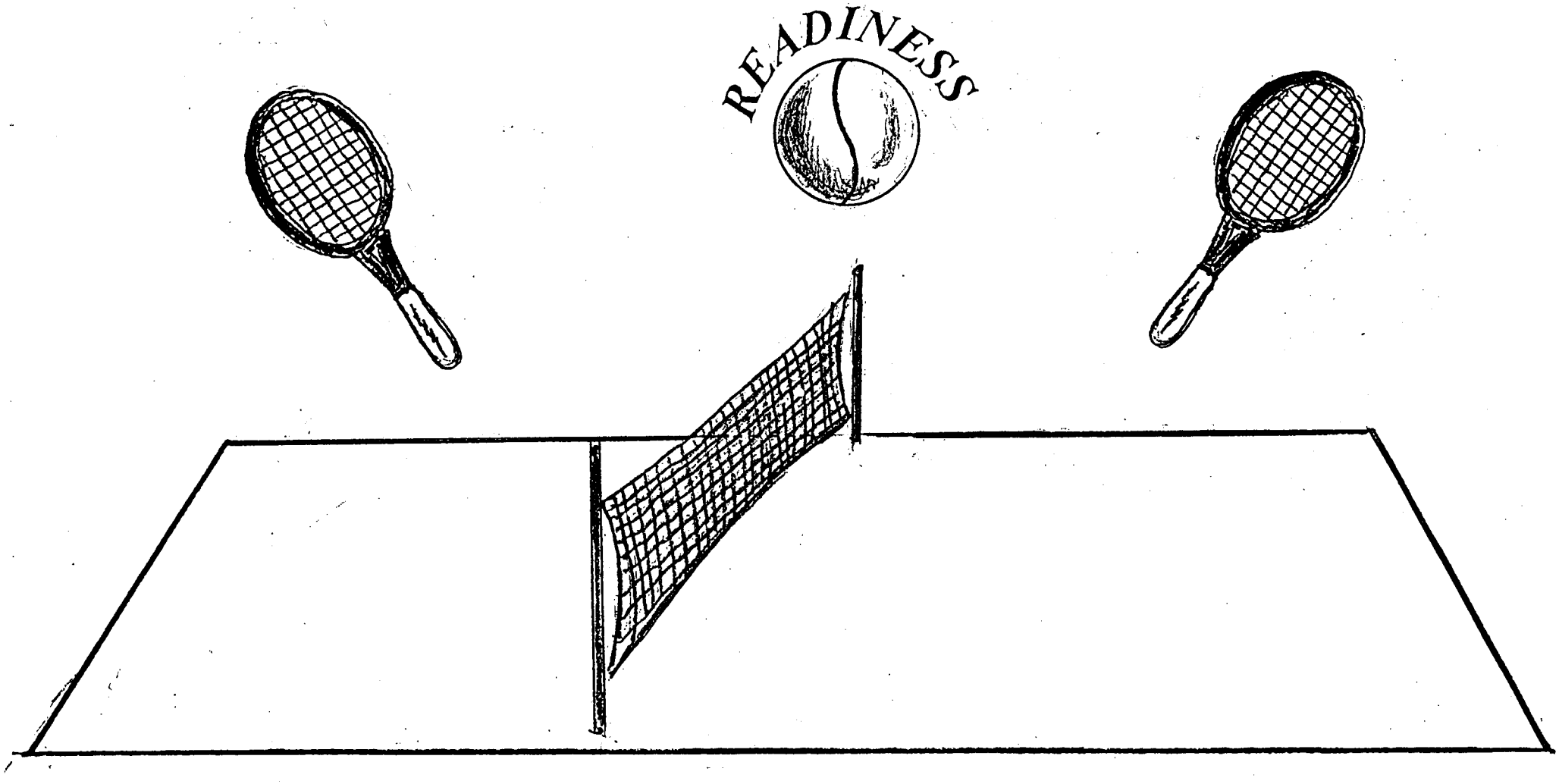
- BRAC 95 Will "Legislate" a Compressed Timeframe Failure!

- Intent Of DLA BRAC 95 Can/Will Be Accomplished within BRAC 93.....
  .....Logically.....Methodically.....Successfully

- Too Many "Unknowns" in DLA Plan for BRAC to Make an Informed, Low Risk Decision.....



THE BALL'S IN YOUR COURT



HOW PERSONNEL SAVINGS WERE DETERMINED BY DLA

FOR THE DISC PROPOSAL

	Civilian Positions Before Transfer	Civilian Positions Reqd After Transfer	Reduction	Civilian Cobra Inputs
Transfer of DISC Weapons Items to DGSC	1331	1141	190	46
Transfer of DGSC Troop and General Support Items to DPSC	655	552	103	
Transfer of DCSC Troop and General Support Items to DPSC	358	292	66	358
Transfer DGSC Misc. to DPSC	163	143	20	
Transfer DISC General Support Items to DPSC	166	141	25	
Total Civilian Personnel Reduction			404	404

DLA claims that they determined the savings by cutting overhead, especially at DCSC. The 404 reduction was actually determined using the above calculations by DLA taking cuts in the three categories of resources, direct, indirect and G&A assigned to each group of items that are to be transferred. The data was obtained from off-line DLA spreadsheets provided to Congressman Borski's office. DLA then allocated the positions eliminated in the off-line spreadsheets in COBRA Run ICP22 to DCSC and DISC.

The size of the reductions relate directly to the number of items and associated resource categories being transferred from one ICP to another. The larger the number of items being transferred the larger the cuts taken. The methodology and cuts have no relationship to managing like items together at the same site.

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

CLOSE HOLD

08 AUG 1994

MEMORANDUM OF MEETING

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RETARY OF DEFENSE
LCOMMENDATION

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DEFENSE LOGISTICS AGENCY

18 May 1995

MEMO FOR ICP Commanders

SUBJ: Review of DISC's Proposed Weapon System Support Concept

1. As we are all aware, there has been considerable dialog over the last eighteen months about how DLA could improve its weapon systems support capabilities and move to a process that was more compatible with the Services' management of weapon systems. One step in that direction was revising our concept of operations to focus Inventory Control Points (ICP) on managing either weapon systems' related items or troop and general support related items. While this concept provides a strategic framework for conducting business in the future, it does not address organizational considerations within the broad support categories (e.g. how item management responsibilities will be assigned to the individual ICPs). Obviously, there are many ways that this could be done; by weapon system, industry group, or commodity for example.

2. In this regard DISC, on their own volition (but with headquarters knowledge), undertook an effort last fall to define how the management responsibilities of each of the ICPs might be structured to support the concept of operations and improve our overall capabilities. Enclosure (1) is the result of their analysis. Since it was started well in advance of, and conducted completely independent from, the BRAC 95 process it presumes there are still four ICPs. What it recommends is basically strengthening the commodity orientation of our ICPs by creating two weapon systems support ICPs (one devoted to managing approximately 1.5 million mechanical items, and one to managing approximately 1.25 million electrical/electronic items), a general supply ICP managing about 810 thousand items and a troop support ICP managing DPSC's current population of items. Although BRAC 95 was not considered in the study, the arrangement DISC is proposing would still be viable under BRAC 95 simply by combining the troop and general supply items at one ICP.

3. I must admit there is some natural attraction to the mechanical versus electrical/electronic alignment they are proposing for the weapon system ICPs because of how it leverages the work force and strengthens our face to industry. However, as stated above, there are alternative constructs, such as aligning by specific industry group (e.g. aerospace versus automotive) that may offer somewhat similar advantages. I would appreciate your comments on DISC's proposal and any other thoughts you might have on how we should organize in the long term. I stress in the "long term" because while we have some flexibility as to how we distribute items in the short

run, there is no intention of doing anything that would significantly alter the BRAC 95 recommendation ... or add to the complexity of implementing it if approved.

4. For information, I have given a copy of the proposal to the ICP BRAC 95 Executive Coordinating Group for their consideration while reviewing/purifying FSC assignments. As stressed above major changes are not expected, however, it could prove beneficial in their efforts to redress any personnel/work load imbalances caused by the initial macro level analysis.

5. As a last item of interest, the package also contains a depiction of the revised customer services organization at DISC. It has a number of engaging features and may be of some use as you prepare for the upcoming commanders conference.

Very respectfully,

R.T. Moore III
Captain, SC, USN
Assistant Executive Director
(Inventory 2000)

1 Encl

Memorandum for the Record

17 March 1995

POST ANNOUNCEMENT PLANNING MEETING

Encl: (1) List of Attendees
(2) Federal Supply Class Breakdown by ICP and Category
(3) Agenda /Discussion Points
(4) Action Items
(5) Open Questions

1. On 10 march 1995 the personnel listed in enclosure (1) met to initiate the planning process for implementing the BRAC 95 recommendation to: disestablish the Defense Industrial Supply Center (DISC); and realign item management responsibilities among the Defense General, Construction, and Personnel Supply Centers to correspond to the Inventory Control Point (ICP) concept of operations. More specifically, Troop and General Support item management will be concentrated at the Defense Personnel Supply Center (DPSC) and Weapon System Support item management will be split between the Defense General Supply Center (DGSC) and the Defense Construction Supply Center (DCSC). Enclosure (2) provides a synopsis of current and projected item management responsibility by Center and Federal Supply Class (FSC).

2. Radm Chamberlin opened the meeting by briefly discussing DLA's recommendation. He stressed it was predicated on military value and infrastructure reduction considerations, not on recent performance. In consonance with this he publicly recognized the skill, motivation and success of the DISC work force. He also acknowledged that authority to disestablish DISC was dependent on approval of the recommendation through the BRAC process, but allowed how the extraordinary complexity of what we are about to undertake plus the need to adequately reflect our requirements in the upcoming budgets argued strongly for immediately commencing preparatory planning.

3. Radm Chamberlin laid out three objectives for the group: first, define the major issues and questions that must be addressed; secondly, identify the areas where strategic assumptions still need to be made; and lastly, lay the initial groundwork for structuring the detailed planning process. The group's efforts focused on the first of these objectives (enclosure (3) pertains), with the conversation largely centered on: ① understanding what FSCs move where; ② delineating significant personnel issues; and ③ how BRAC 95 should be reflected in the budget and POM 97. Enclosure (4) lays out specific action items emanating from, and the following subparagraphs capsulate significant points and agreements made during, these discussions.

would IMPACT Cobra numbers

a. FSC Realignment: The assumption that it was preferable to assign management responsibility for all the items in an FSC to one activity was unanimously reaffirmed by the participants. However, it was also agreed that the BRAC recommendation did not limit DLA's authority to adjust the projected FSC management responsibilities (listed in enclosure (2)) as it progressed through the detailed planning and implementation processes. It was further acknowledged that two forms of adjustment could occur: either an FSC could be reassigned in its entirety; or items could be moved from one FSC to another, or new, FSC. The movement of items to other FSCs was thought to have particular potential when dealing with classes which

have a relatively high percentage of both weapon system and troop /general items and different management requirements associated with each segment (e.g. wood screws vs turbine engine fasteners). Lastly, it was confirmed that the intention is to transfer any reimbursable work associated with specific FSCs, with those FSCs.

b. Personnel Issues: As expected there was significant discussion of the personnel ramifications associated with the recommendation to disestablish DISC. It was reiterated by the BRAC office and personnel specialists that classifying the DISC action as a realignment or disestablishment conveyed no specific personnel rights; rather personnel rights are solely dependent on whether actions are classified as work load or functional transfers. Due to both the confusion and intense interest in this area it was decided that headquarters DLA would issue written clarification as soon as possible.

The need to better define what the actual personnel situation might be for each activities' work force was also acknowledged. It was agreed that this should be done as soon as possible, but that it was dependent on certain implementation and budget decisions that had not been made yet. Other notable deliberations included: options available to provide preferential treatment to the adversely impacted work forces; avenues available for maximizing attrition; the general problem of retaining specific and unique expertise at least through the transition period; the requirement to ascertain as soon as practical what the actual personnel situations are in each geographical region; and a recognition that the more we could treat this as merger vice takeover actions the better off we would be.

c. Budget and POM 97: Considerable concern was expressed by the ICP Deputy Directors about their ability to absorb the directed productivity improvement marks while simultaneously: accelerating the implementation of DLA's new business practices; gaining several hundred thousand new items through CIT Phase II; internally transferring ownership of over 65% of the items we currently manage (includes DESC movement to DCSC); and maintaining performance. Further, apprehension was voiced over the assumption used in the BRAC Cobra model runs that all POM reduction would be taken against "losing activities".

The principal countervailing considerations were: the universally endorsed requirement to become more efficient; the acceptance that we did not want to create an unbalanced work force during the evolution (over stressed one place, idle another); and the realization that the appropriate mechanism to fund any "bubble" caused by BRAC 95 was the BRAC 95 budget (due in May '95). There was some discussion of DLA's decision not to request labor funding in the BRAC 93 budget, and it was admitted there is some unknown chance that the command might adopt that as its position for BRAC 95. It was stressed, however, that whether or not such a request went forward would be primarily dependent of how solid a case the ICPs could build for the requirement. It was also opined that the enormity of the task now before us in conjunction with the fact that BRAC 95 costs would not be reflected in the prices we charge our customers might make the environment more receptive to such a request.

Given the above it was decided that: all ICPs would respond to POM 97 in accordance with the previously distributed guidance; projected BRAC 95 savings would be applied "on top" of the activities' POM 97 baseline; and BRAC 95 costs, including labor, would be separately justified and submitted for inclusion in the BRAC 95 budget.

4. DCSC put forward a proposal to expedite the transfer of both lumber products and plumbing supplies to Philadelphia. Their desire is to complete the transfer prior to December '95 in order to avoid conflicting with CIT Phase II, office relocations, and large scale DESC transfers after January '96. It was unanimously agreed that using at least lumber as a near term small scale "model" was permissible (DLA is authorized to transfer FSCs), appropriate (it fits the ICP concept of operations so therefore isn't dependent on the BRAC decision), and advantageous (provides a controlled environment in which to gain experience). DPSC recommended that we approach the model from a more expanded perspective and include items managed by DGSC and DISC that would be associated with the same commercial distribution channels (e.g. wood screws, nails, wood pallets etc.). Doing so was embraced by all participants.

5. All participants believe we should give serious consideration to changing the names of the ICPs at the earliest opportunity in order to: create a more cooperative, less combative, atmosphere to the reorganizations; and more appropriately reflect what the ICPs are actually doing. In the case of DCSC, and depending on the chosen name perhaps DGSC, this could be done immediately. However, I would recommend that we not do anything in Philadelphia that might infer a presumption of a final decision.

6. The next meeting of the Deputies is scheduled to commence 0900 22 March 1995. It will be held in the DCSC command conference room. In preparation for the meeting participants were requested to make any additions to enclosure (3) they felt were appropriate. Principal topics to be discussed are: ① timing / phasing of the items transfers; ② establishing a structure to perform the detailed planning; ③ critical prerequisites to conducting the transfers. Additional items will be covered as time permits.

R. T. Moore
Capt, SC, USN

cc:
DISC
DPSC
DGSC
DCSC
MMSD
MMSB
MMSL
MMSP-CIMO
CAAJ
CAHS

Agenda / Discussion Points:

1. Overview of BRAC
   - What are the basic rules?
   - What assumptions were incorporated in the basic recommendation?
   - What flexibility are we allowed in execution?

2. What FSCs move where?
   - How do we want to handle Troop and General classes with a high percentage of weapon system items?
     - Does the notion of Home Class project apply?
   - What other allowances do we need, or can we, make for additions / deletions
   - What options should we consider for transferring items?
     - How do we establish the increments?
     - Should we give special consideration to items on long term contracts or other groups of items?

3. What software changes may be required to support the transfer?
   - Do we use the logistic reassignment process, or create our own programs to transfer items on a file to file basis?
   - Do we need enhancements to support our weapon system support role or any other functional role?
   - Do we need management software?
     - Project management
     - EIS

4. What are the timing issues?
   - What are the competing events? What is the relationship to:
     - CIT Phase II
     - business initiatives
     - previous BRAC actions
     - other evolutions
   - How do we sequence the transfers to be least disruptive?
   - What and/or who is the critical path?

5. How do we reflect BRAC 95 in the budget?
    - What is the time line for the BRAC budget submission?
        - What financial assumptions were incorporated in the recommendation?
    - What was the funding experience for BRAC 93?
    - How do we treat productivity and business process improvement savings in the budget and POM 97?

6. What are the personnel issues?
    - Is there any differentiation in the conveyance of rights between a disestablishment or realignment action?

7. What are the organizational issues?
    - Is there benefit to making the customer interface portions of DCSC and DGSC "look" and "feel" the same?

8. How do we conduct the actual implementation planning?
    - Who has the lead?
    - Do we establish a single or multiple teams to develop the plan?
    - How is the process overseen?

ACTION ITEMS

A. Personnel

1. DLA Human Resources Office in conjunction with the DLA BRAC office will provide written clarification on the impact the classification of a BRAC action has on the rights of affected employees, and what are the determinates for the conveyance of personnel rights.

   a. A specific question was asked as to whether the classification of an action as a work load transfer or functional transfer is negotiatble under any of our existing labor agreements. The immediate answer was no, but DLA Human Resources agreed to confirm that and to provide a short explanation of the process used to make a work load versus functional transfer determination.

2. DLA Human Resources Office will provide a shopping list of the options available to provide preferential treatment / consideration of employees adversely affected by the BRAC action. A request was made to ensure it included any actions that would assist in the retention of areas where the pool of expertise is limited.

3. DLA Human Resources Office will provide a shopping list of options available to maximize attrition.

4. DLA Human Resources Office agreed to provide guidance concerning how to handle BRAC related Union interfaces under the new partnership arrangement.

5. DLA Human Resources Office will provide a matrix of the most likely labor relations issues (e.g. Bargaining unit etc.) and the steps involved in their handling.

B. Material Transfer

1. DGSC and DISC agreed to povide lessons learned from the last DISC → DGSC transfer. There is particular interest in what failed in execution and the factors which added time and cost.

2. DISC, DGSC, DPSC and DCSC agreed to review the FSCs they manage for additional items that should be included in the lumber the "transfer model". The initent is to group together all the items that are provided within the same commercial distribution channel. Examples of such items are wood screws, nails, pallets, and perhaps some prefab buildings.

3. DISC, DGSC, DPSC and DCSC agreed to do the preparatory work for including plumbing supplies in the "transfer model". However, no agreement on whether or not to actually include it was reached.

enclosure (4)

C. Support Areas

1. DISC, DGSC, DCSC, and DPSC agreed to lay out what "support area" improvements they consider to be critical conditions and/or prerequisites of successfully effecting the planned item realignments while simultaneously continuing to execute the corporate vision. Software enhancements requirements are of specific interest.

OPEN QUESTIONS

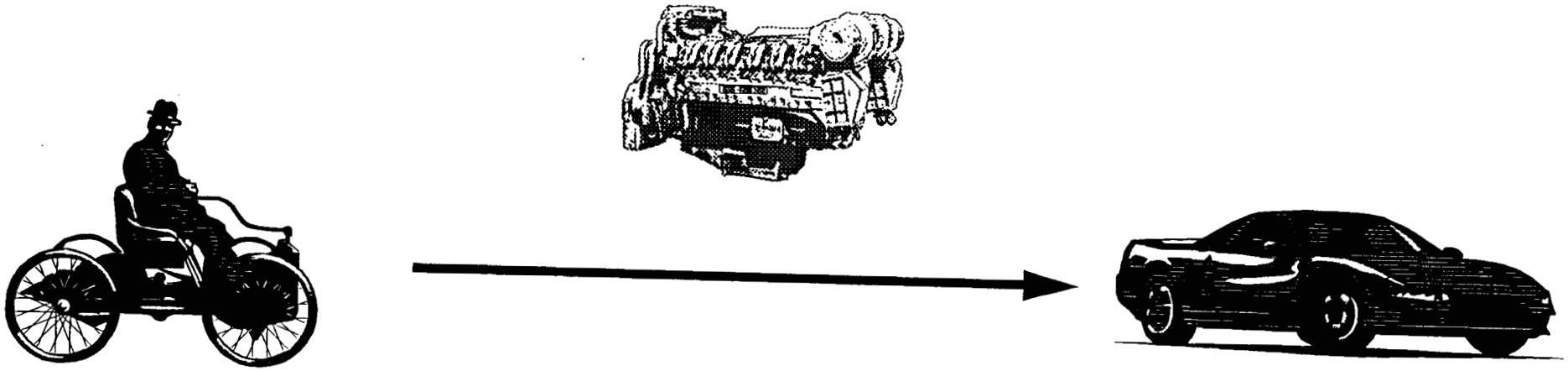
1. To what degree should we defer current cataloging work in order to form a team to specifically address reclassifying items into "home classes"?

2. Should we give more consideration to the creation of a "North Philadelphia Detachment"? DPSC has indicated that it strongly disfavors such an approach. However, I would recommend leaving it on the table until we have more fully assessed the personnel situation and skill requirements.

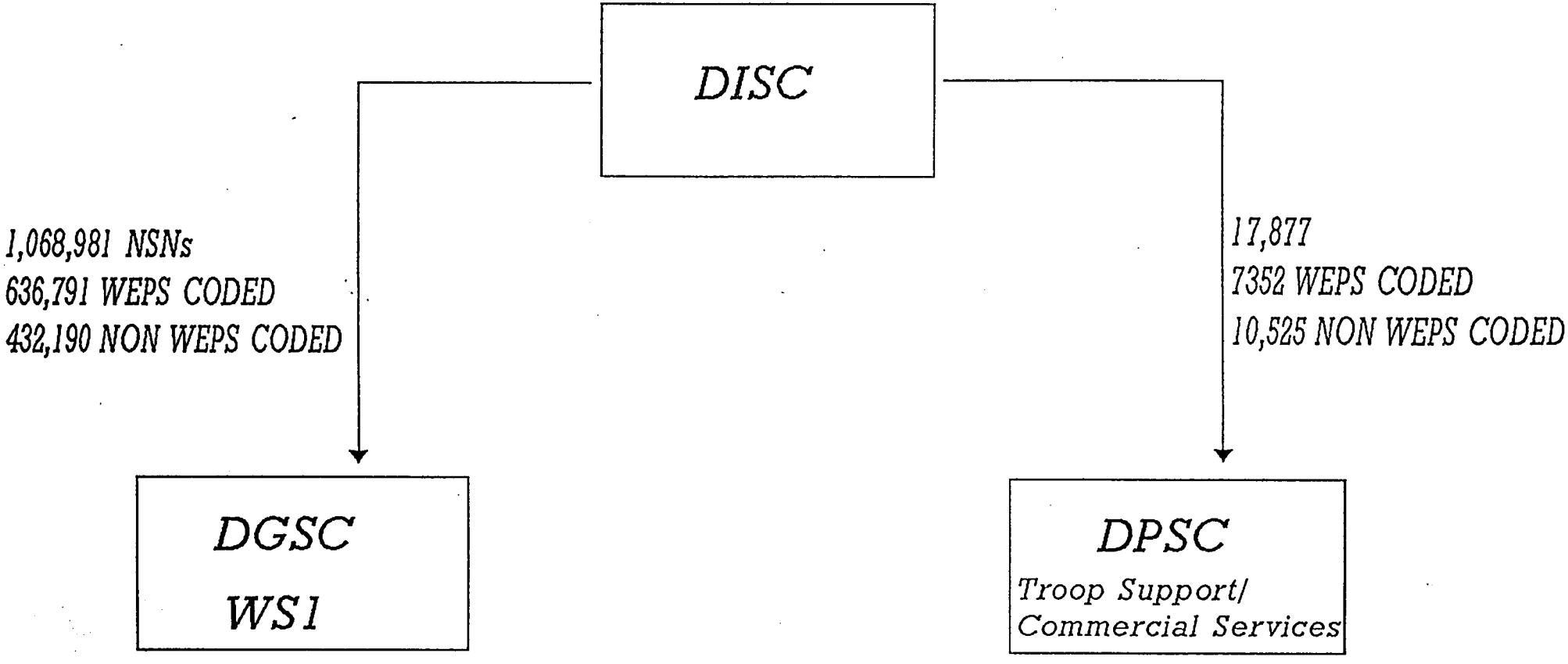
enclosure (5)

CONCEPT OF OPERATIONS

Appearance VS Performance



CONCEPT OF OPERATIONS
WEAPON SYSTEM ICPS?



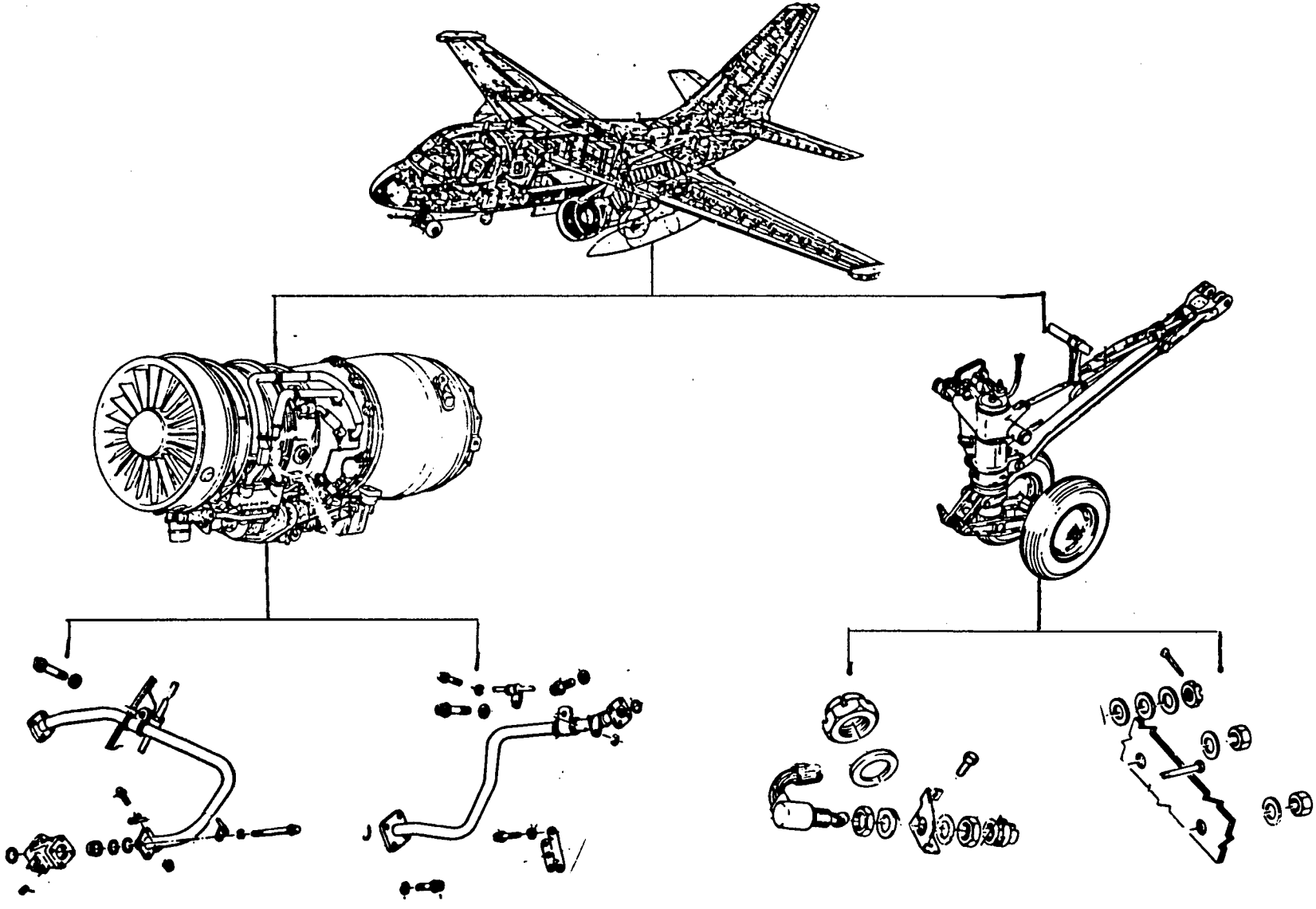
CONOPS VISION FOR ICP	DISC IS THERE ALREADY !!
• COMBAT SUPPORT AGENCY	• DISC HAS MOST WEAPONS ITEMS, HIGHEST SUPPORT. FIRST READINESS ADVOCATES FIRST WEAPONS MANAGEMENT PROTOTYPE • DISC SUPPLIES 51% OF TOTAL INDUSTRIES REQUISITIONS
• "DCSC SHOULD BE SITUATED IN AN AREA TO ATTRACT AND MAINTAIN REQUIRED LOGISTICS TALENT"	• DISC COLOCATED WITH SERVICE ICP (ASO) NAVAL ENGINEERING ACTIVITY (NAESU) NAVY INTERNATIONAL LOGISTICS CONTROL OFFICE (NAVILCO) LARGE POOL OF DIVERSE TALENT ON BASE.
• COMMODITY BUSINESS UNITS	• INVENTED HERE; EMULATED ELSEWHERE • ORGANIZED ALONG PROCESS LINES • FIRST MULTIFUNCTIONAL JOB SERIES • FIRST FULLY INTEGRATED WORK STATION • FIRST MULTISKILLED TRAINING PROGRAM
• CORPORATE DLA/DOD CONTRACTS	• CONCEPT INVENTED HERE ASO/DISC CONTRACTS SYNERGY
• FUNCTIONAL PROCESS IMPROVEMENT METHODOLOGY	• ABC PROTOTYPED HERE • DPACS, AIMS, AUTOMATED CUSTOMER RETURNS, AND SMALL AUTOMATED COMPETITIVE REBUYS PROTOTYPED HERE
• BEST VALUE ACQUISITION	• DELIVERY EVALUATION FACTOR INVENTED AND IMPLMENTED AT DISC

CONOPS VISION FOR ICP	DISC IS ALREADY THERE
•EXPANDED USE OF ELECTRONIC COMMERCE	•PROTOTYPED/ BENCHMARKED HERE •100% FOR AUTOMATED SMALL PURCHASES •FIRST DLA ICP TO ESTABLISH DESEX: AUTOMATED CUSTOMER SERVICE MODULE
•MARKETING	•FIRST ORGANIZATION HERE; EMULATED ELSEWHERE
•TAILORED/FLEXIBLE CUSTOMER SUPPORT	•NATIONAL PERFORMANCE REVIEW LEAD CENTER

DISC IS WHAT DLA WANTS AN ICP TO BE!

TECHNICAL, CUSTOMER AND INDUSTRY EXPERTISE

DISC Manages "Gozintas"



MILITARY VALUE
HARDWARE REQUISITIONS BY CUSTOMER

	TOTAL FY94 REQNS	% ONTIME PROCESS	% OF TOTAL SERVICE REQUISITIONS SUBMITTED TO HARDWARE CENTERS				AVAIL-ABILITY
			USA	USN	USAF	USMC	
DISC	384.9M	97.4	40.5%	37.4%	40.9%	40%	89.5
DGSC	201.8M	94.2	14.7%	17.8%	22.2%	12.3%	86.1
DCSC	163.8M	94.8	36.3%	19.6%	16.7%	35.6%	82.0
DESC	254.9M	95.3	7.9%	20.8%	19.2%	10.9%	89.1

SOURCE: ICP COMMAND DATA BASE FEB 95

DLA WEAPONS SUPPORT

	TOTAL ITEMS MANAGED	WEAPONS CODED ITEMS	% OF TOTAL DLA WEAPONS ITEMS	ITEMS CODED EC-1	% DLA TOTAL EC-1	# ITEMS LEVEL A SYSTEM APPL	% DLA TOTAL LEVEL A ITEMS
DISC	1,116,172	706,176 (63%)	34.5%	284,087	33%	297,172	37%
DGSC	675,799	328,186 (48.6%)	16%	146,343	17%	133,359	16%
DCSC	730,186	416,529 (57%)	20%	160,205	19%	120,299	15%
DESC	1,138,853	598,105 (52.5%)	29.5%	271,542	31%	257,931	32%

MILITARY VALUE
WEAPONS SYSTEM SUPPORT

SERVICE COMPONENT	DGSC (RICHMOND)			DCSC (COLUMBUS)			DESC (DAYTON)			DISC (PHILA.)		
	CHRONIC SYS BELOW GOAL	SERV SMA	EC-1 SMA LEVEL A	CHRONIC SYS BELOW GOAL	SERV SMA	EC-1 SMA LEVEL A	CHRONIC SYS BELOW GOAL	SERV SMA	EC-1 SMA LEVEL A	CHRONIC SYS BELOW GOAL	SERV SMA	EC-1 SMA LEVEL A
USA	22	88.8	90.	119	82.21	76.8	20	89.9	88.3	6	91.55	91.95
USN	19	85.9	89.4	151	82.27	82.6	14	90.08	92.7	17	88.9	90.3
USMC	12	89.1	91.9	31	84.8	83.9	9	90.9	88.5	0	92.6	90.7
USAF	22	81.8	80.3	71	79.4	76.1	29	86	85.3	15	85.4	85
TOTALLING	75			372			72			38		

SOURCE; DLA FEB DATA

HARDWARE CENTERS
PROPORTION OF DLA WEAPONS EFFORT
MAR94 thru FEB95

SYSTEM	DISC			DGSC			DESC			DCSC		
	%DMD	%NSNs	SMA	%DMD	%NSNs	SMA	%DMD	%NSNs	SMA	%DMD	%NSNs	SMA
CHINOOK HELICOPTER	61.9%	49.2%	94.0%	17.8%	15.4%	92.5%	9.4%	20.8%	93.5%	10.9%	14.5%	89.5%
TOW MISSLE	58.9%	40.2%	97.7%	29.0%	13.4%	97.1%	8.9%	43.8%	93.6%	3.2%	2.7%	90.9%
M-109 HOWITZER	50.0%	56.1%	94.8%	22.8%	9.6%	91.5%	6.2%	7.8%	93.5%	21.0%	26.6%	85.0%
M-198 HOWITZER	60.2%	72.5%	97.2%	24.0%	6.4%	96.4%	1.1%	4.6%	97.2%	14.7%	16.4%	89.5%
ABRAMS TANK	61.5%	52.0%	94.4%	17.9%	8.8%	94.9%	7.2%	23.2%	93.5%	13.3%	16.0%	83.3%
BRADLEY FIGHTING VEHICLE	57.4%	54.4%	94.1%	17.6%	9.8%	93.9%	6.6%	14.5%	92.3%	18.5%	21.4%	85.5%
POSEIDON & TRIDENT	37.9%	21.6%	96.4%	22.2%	9.3%	94.0%	35.5%	64.9%	94.3%	4.4%	4.3%	86.3%
F-14A ACFT (TOMCAT)	44.0%	34.3%	94.4%	13.6%	12.6%	89.9%	30.5%	42.7%	92.7%	11.9%	10.3%	84.3%
S-3A ACFT (VIKING)	44.0%	33.4%	94.6%	12.5%	10.9%	91.6%	31.7%	45.3%	92.7%	11.7%	10.4%	84.9%
E-2C ACFT (HAWKEYE)	42.5%	30.6%	94.3%	12.2%	12.3%	92.2%	33.1%	47.4%	93.0%	12.3%	9.7%	85.6%
C-5 ACFT (GALAXY)	51.4%	44.3%	89.0%	19.3%	22.3%	84.7%	17.7%	23.4%	89.0%	11.7%	10.0%	83.7%
C-141 ACFT (STARLIFTER)	45.0%	41.6%	89.9%	24.6%	20.2%	82.5%	18.9%	29.0%	88.9%	11.4%	9.1%	84.1%
F-15 ACFT (EAGLE)	49.5%	33.6%	89.9%	21.0%	13.3%	87.9%	16.5%	45.3%	86.4%	13.0%	7.8%	79.7%
E-3A ACFT (AWACS)	46.0%	39.1%	91.6%	22.7%	21.7%	88.4%	20.0%	30.8%	90.3%	11.3%	8.4%	84.5%
AMPHIB ASSAULT VEHICLE	52.2%	53.5%	89.8%	17.7%	10.0%	88.3%	8.2%	11.5%	92.1%	22.0%	25.1%	78.2%
M1A1 COMBAT TANK	59.5%	51.8%	94.5%	15.9%	6.7%	95.6%	10.8%	22.0%	93.9%	13.9%	19.6%	85.5%
LAV, ANTI TANK	46.2%	50.6%	96.0%	17.4%	9.9%	92.2%	9.8%	11.2%	93.9%	26.6%	28.3%	90.0%

SOURCE: F-112
NSN: FEB95 COUNT
DMD&SMA: 12 MO AVG (MAR94/FEB95)

AVAILABILITY AND MILITARY VALUE

- ON A BASE OF 12.2 MILLION REQUISITIONS PER YEAR A 1% DIFFERENCE IN AVAILABILITY = 122,000 BACKORDERS

- BACKORDERS IMPACT READINESS AND MONEY

e.g. NAVY AVIATION DEPOTS: 1 DAY OF REPAIR TURN AROUND TIME COSTS ASO $11M IN SPARES REQUIREMENTS

ONE DAY OF LINE STOPPAGE ON THE C5 REPAIR LINE AT SAN ANTONIO ALC COSTS $100K

ONE DAY OF LINE STOPPAGE ON AMPHIBIOUS ASSAULT VEHICLE AT MCLB ALBANY COSTS $104K.

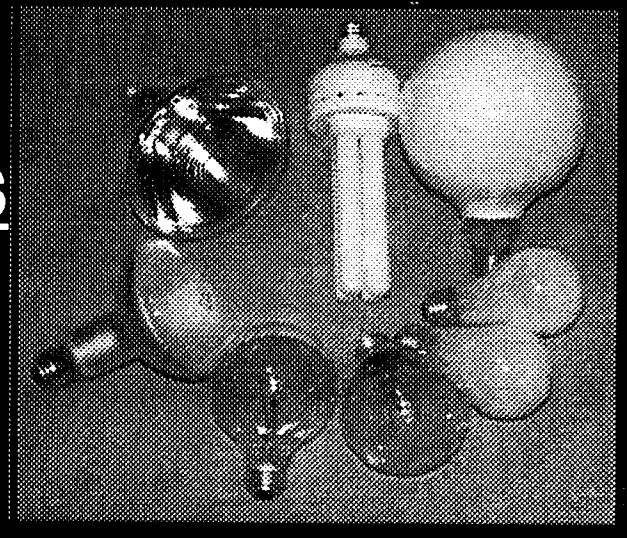
Readiness Risk:
Technical and Industry Expertise

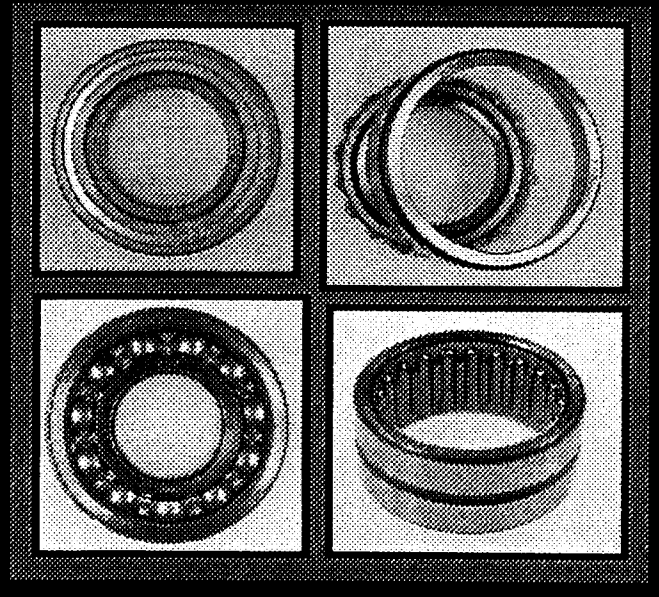
DISC → DGSC

1.1 Million
Weapons Support Items

General Support Items

If these fail you can change them!



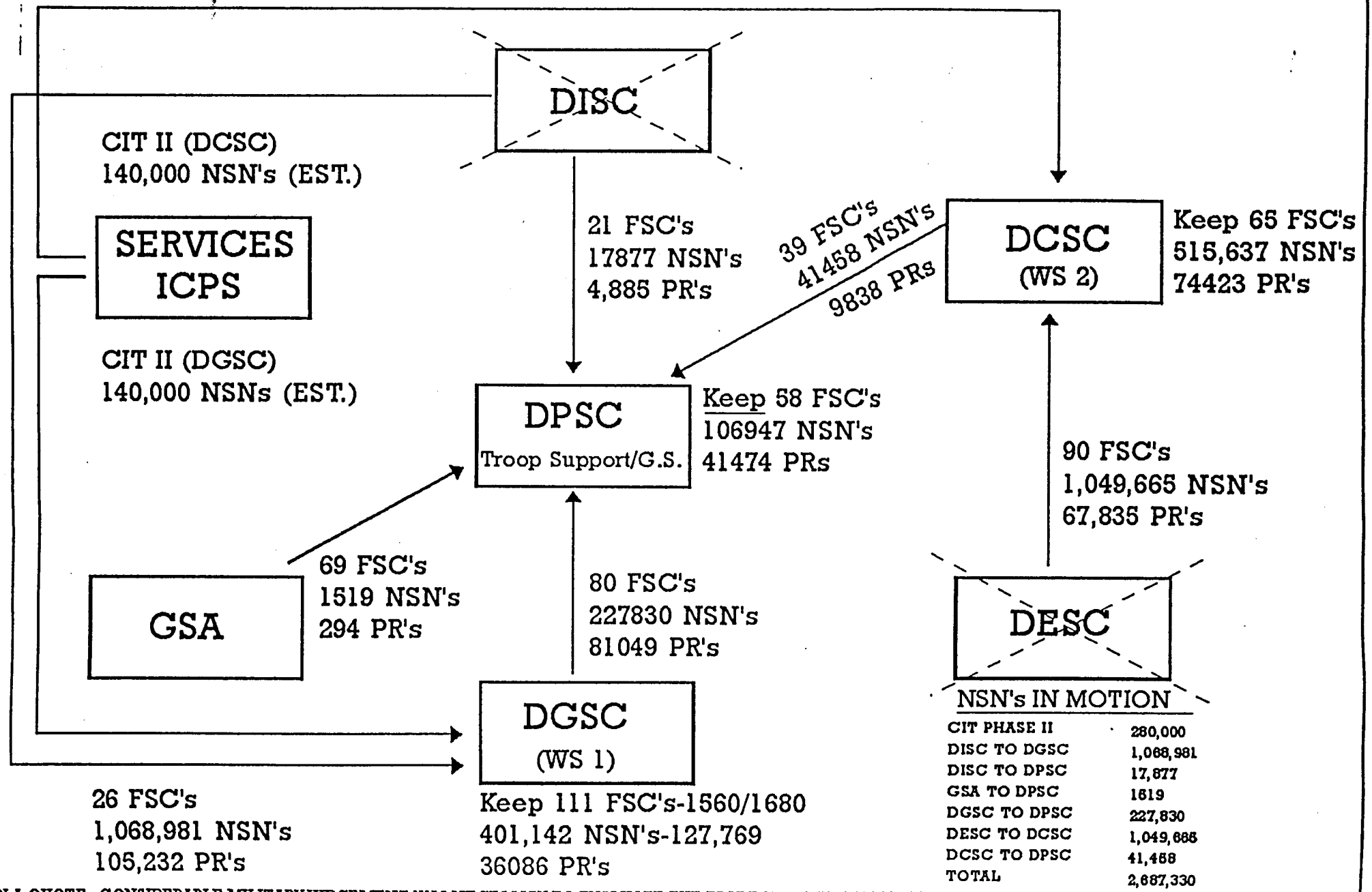


Weapons Support Items

If these fail a life could be lost!

TOO MUCH, TOO SOON

DLA BRAC CONFIGURATION
3/95

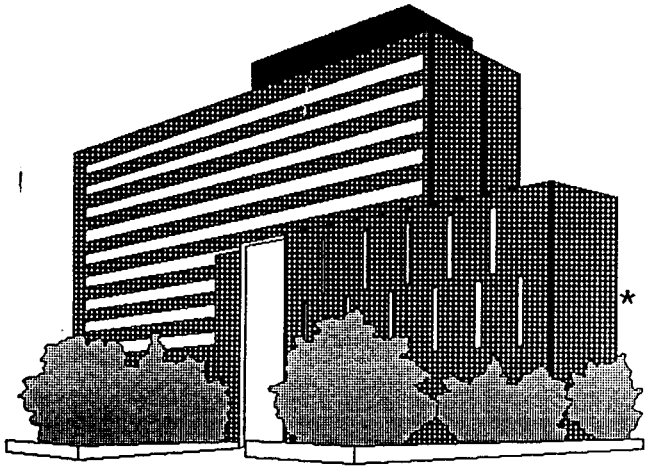


NSN's IN MOTION

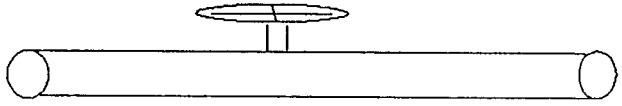
CIT PHASE II	280,000
DISC TO DGSC	1,068,981
DISC TO DPSC	17,877
GSA TO DPSC	1619
DGSC TO DPSC	227,830
DESC TO DCSC	1,049,665
DCSC TO DPSC	41,458
TOTAL	2,687,330

DLA QUOTE: CONSIDERABLE MILITARY JUDGEMENT WAS NECESSARY TO EVALUATE THE TRADEOFFS IN EACH SCENARIO

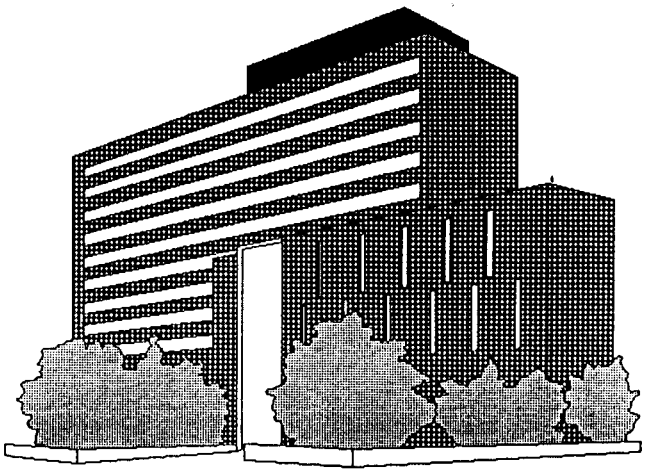
READINESS RISK: TOO MUCH, TOO SOON



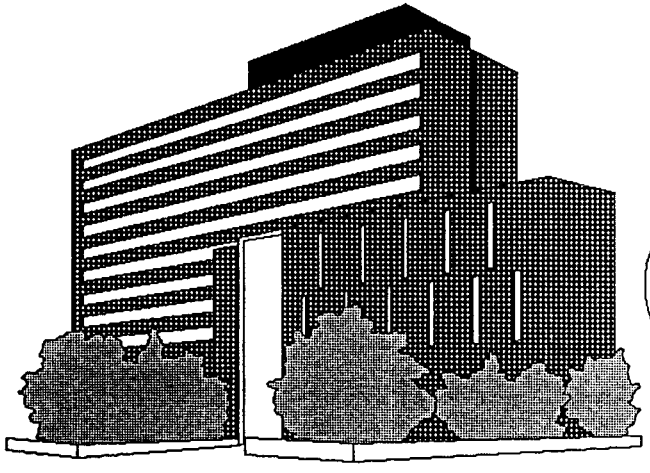
SERVICES



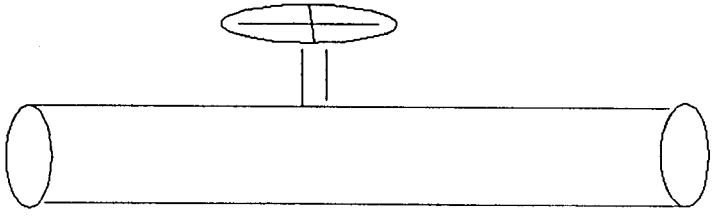
* 5,000 ITEMS MO. CAPACITY



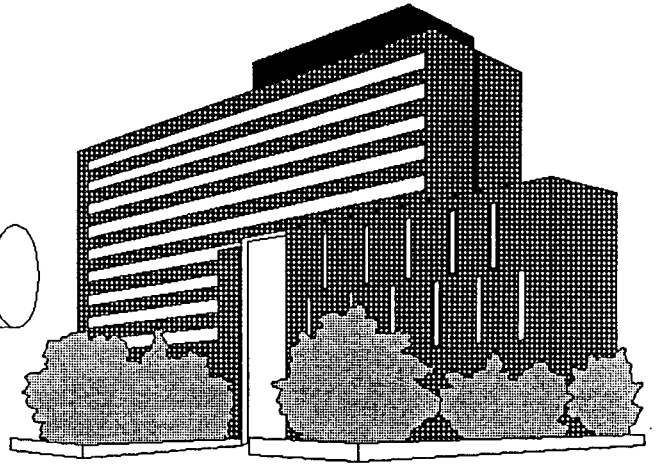
DGSC



DISC



45,000 ITEMS PER MO.



DGSC

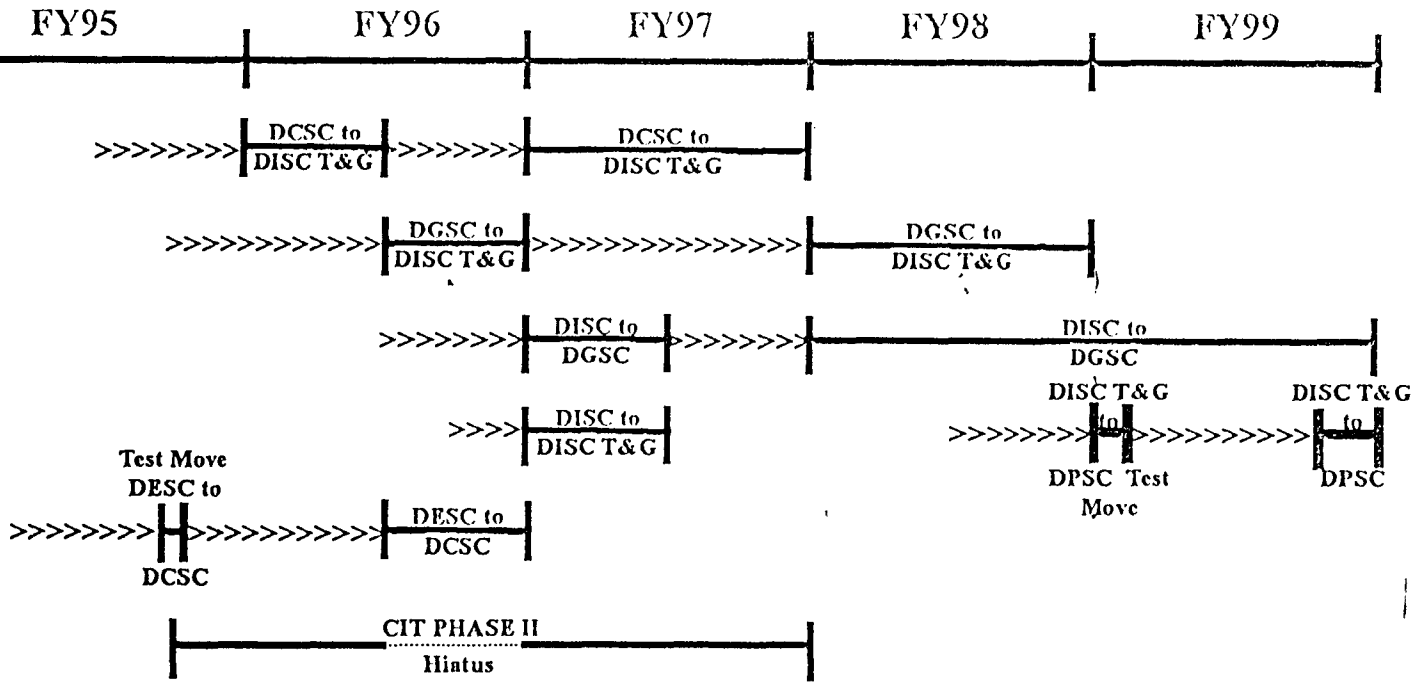
HUGE READINESS RISK

*AVAILABILITY ↓
*READINESS ↓

*LEADTIMES ↑
*INVENTORY ↑
*ERRORS ↑
*COSTS ↑

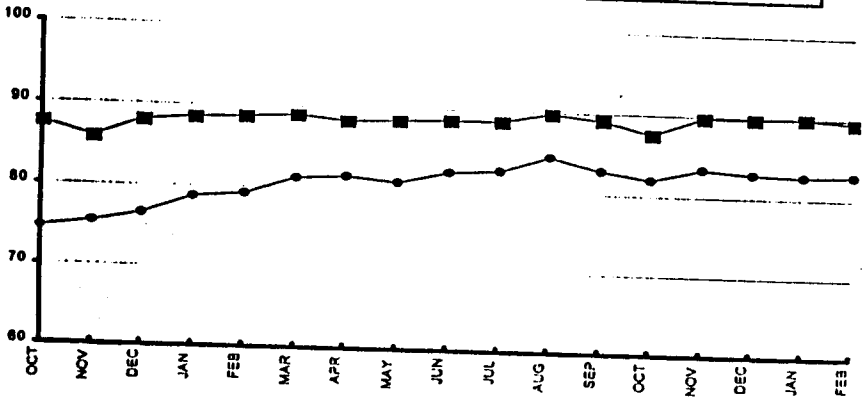
*DOCUMENTED, DGSC CAPACITY PLAN

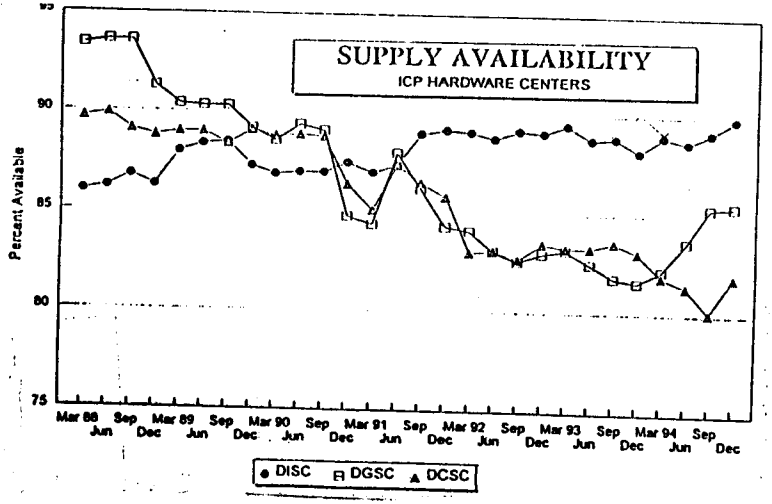
Notional Transfer Strategy



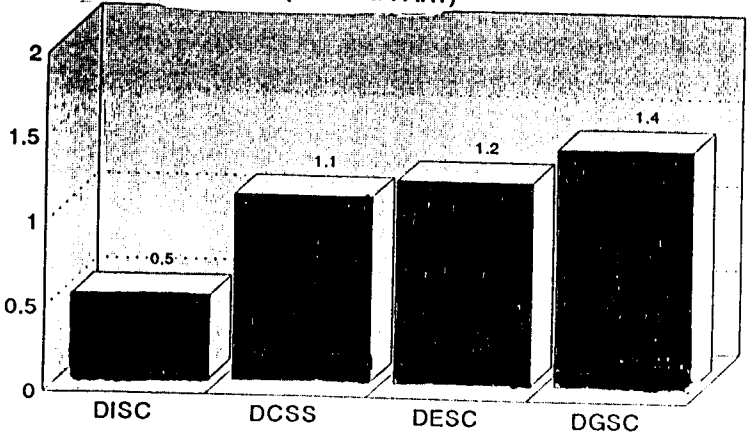
- Transfer Precepts
  - CIT Phase II takes precedence
  - Transfers to DISC T&G will be to a dedicated group
    - FY96 Transfers will be to gain experience in establishing support arrangements for new "market ready" groupings of items
    - Losing activity retains day-to-day responsibility until support in place
  - DCSC T&G transfers will be completed first
  - Subsequent transfers phased to balance personnel requirements
    - Savings not taken until end FY99

ITEM TRANSFER PHENOMENA





REPORTS OF DISCREPANCY
(WRONG PART)



AS A % OF REQUISITIONS FILLED

READINESS RISK:

PROVIDING THE WRONG PART

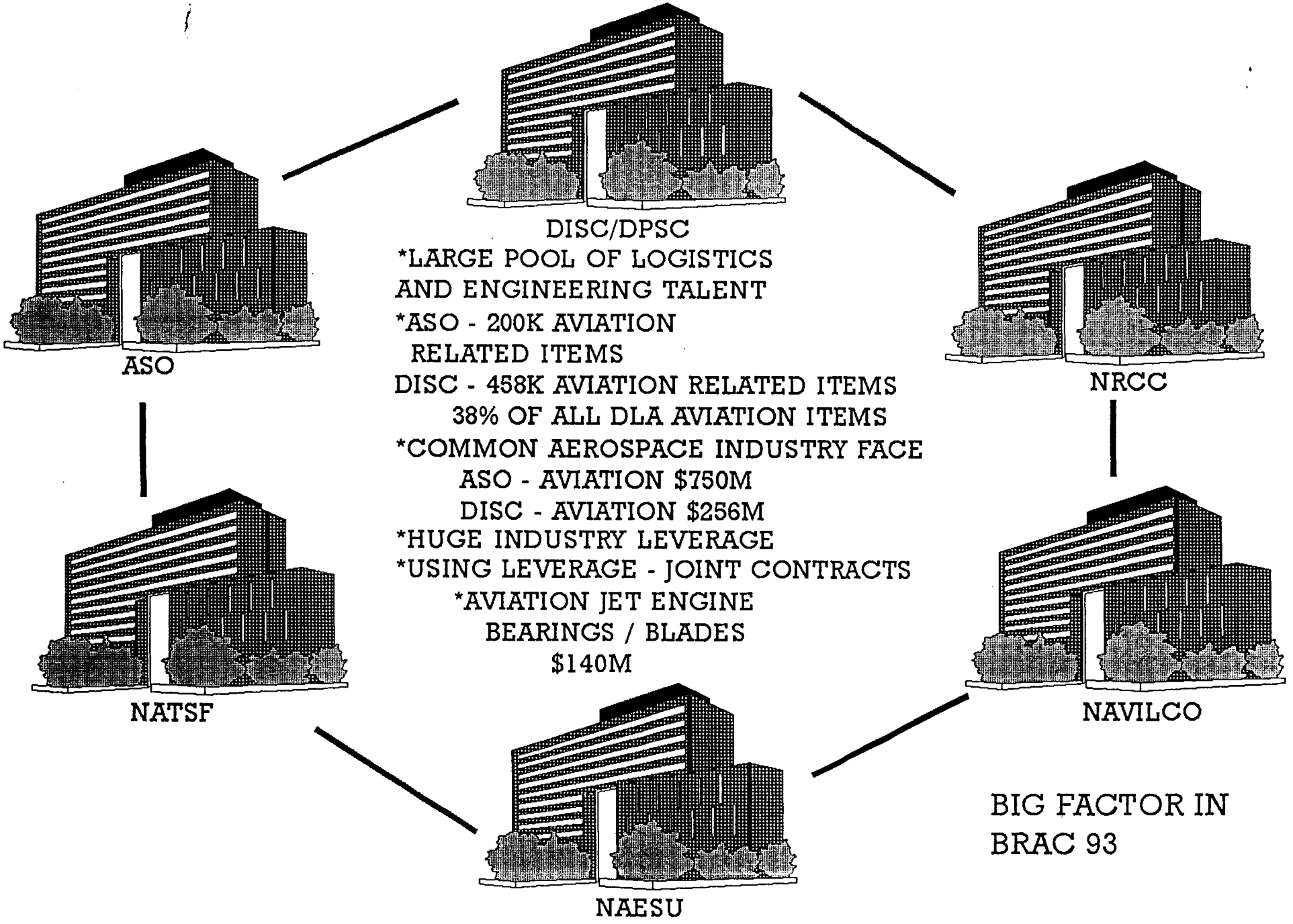
INTER SERVICE SYNERGY

DLA WEAPONS MANAGEMENT AVIATION

	TOT ITEMS MANAGED	ITEMS MANAGED WITH AVIATION APPLICATION	% OF CENTER ITEMS WITH AVIATION APP	CENTER'S % OF DLA TOTAL ITEMS WITH AVIATION APP
DISC	1,116,172	457,633	41.0%	37.9%
DGSC	675,799	206,254	30.5%	17.1%
DCSC	730,186	138,071	18.9%	11.4%
DESC	1,138,863	404,905	35.6%	33.6%

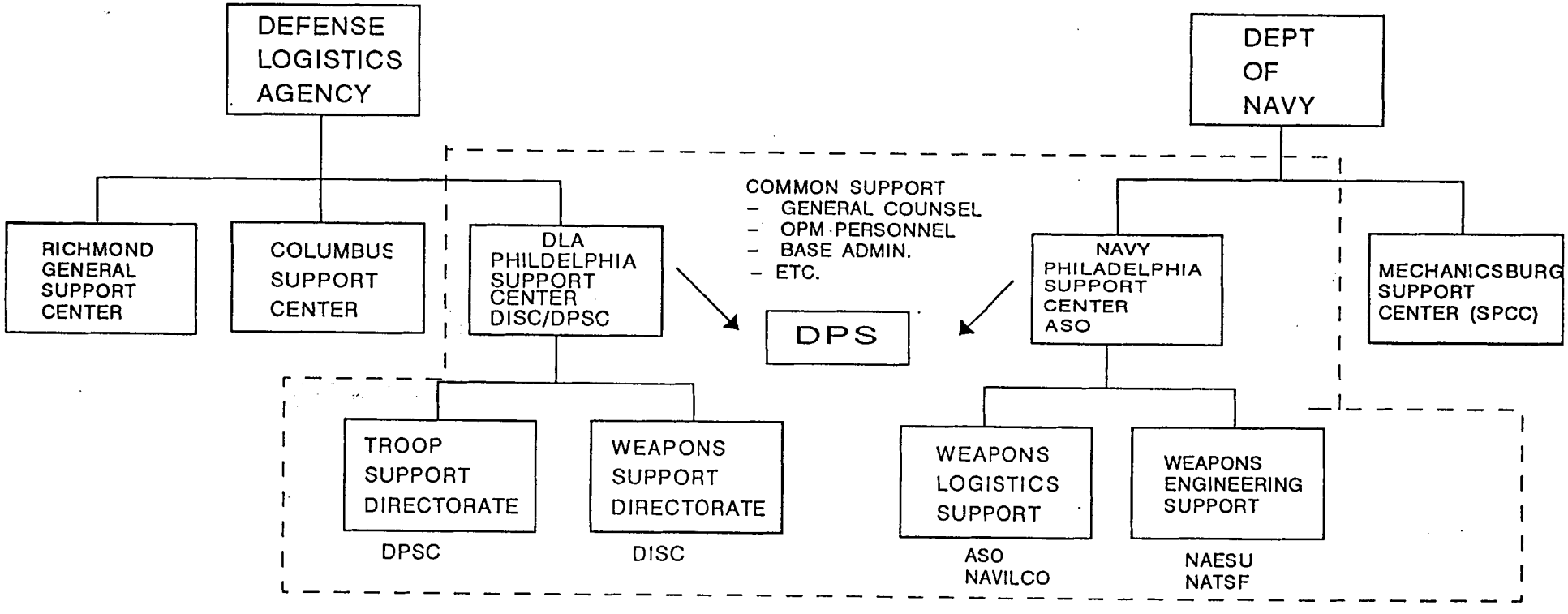
READINESS RISK: LOSS OF SYNERGY

AN INTERSERVICE LOGISTICS NPR LABORATORY



BIG FACTOR IN
BRAC 93

THE PHILLY SOLUTION
INTER SERVICE INTEGRATION POTENTIAL



- AEROSPACE TECHNICAL SUPPORT
- COMMODITY TECHNICAL SUPPORT
- MATERIEL LOGISTICS
- FOREIGN MILITARY LOGISTICS

- ACTUAL COST SAVINGS
- CONSISTENT WITH DLA CONOPS
- MINIMIZES READINESS RISK
- MAINTAINS INTENT AND INTEGRITY OF BRAC 93
- A GOOD BUSINESS DECISION

Purpose

Refocus the Issue!!

- Not a "Jobs Issue" - Assurances from DLA
  - DISC - General
  - DPSC - Troop
- Issue Is that DLA Recommendation Is:
  - Ill Conceived, Ill Planned, Ill Executed With
  - **Ill Effect on Readiness**
- BRAC 93 Baseline with "Enhancements" Still Best Business Decision

Ready.....Fire.....Aim.....

Concept of Operations

- Intent Is to Produce a Business Outcome

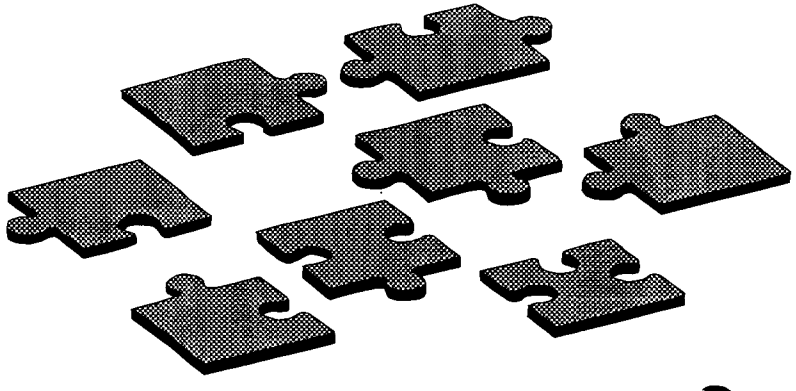
"Affordable Readiness"

- Can't Get There from Here!!
  - Infrastructure Not Changed
    - Systems - Processes - Procedures
- Item Allocation Still Breeds Hybrid ICPs
- No Integration with "Weapons Managers"

Business Outcome ➡ Affordable Readiness

- Disestablishing Mgt and Technical Expertise
  - Product, Customer, Industry
- Too Much, Too Soon
  - Schedule of Moves (CIT)
  - Capacity of Centers to Absorb
- Destroying Existing/Future Synergy of Interservice Integration (DISC/ASO)

- Item Transfer and DPSC Retention Costs Omitted -GAO Validated
  - DLA Data Call - 28 April
- Personnel Savings ➡ Reality Impaired

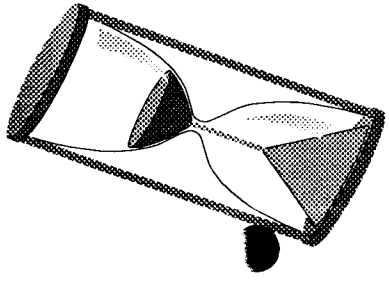


Do It Smarter.....Not Faster!

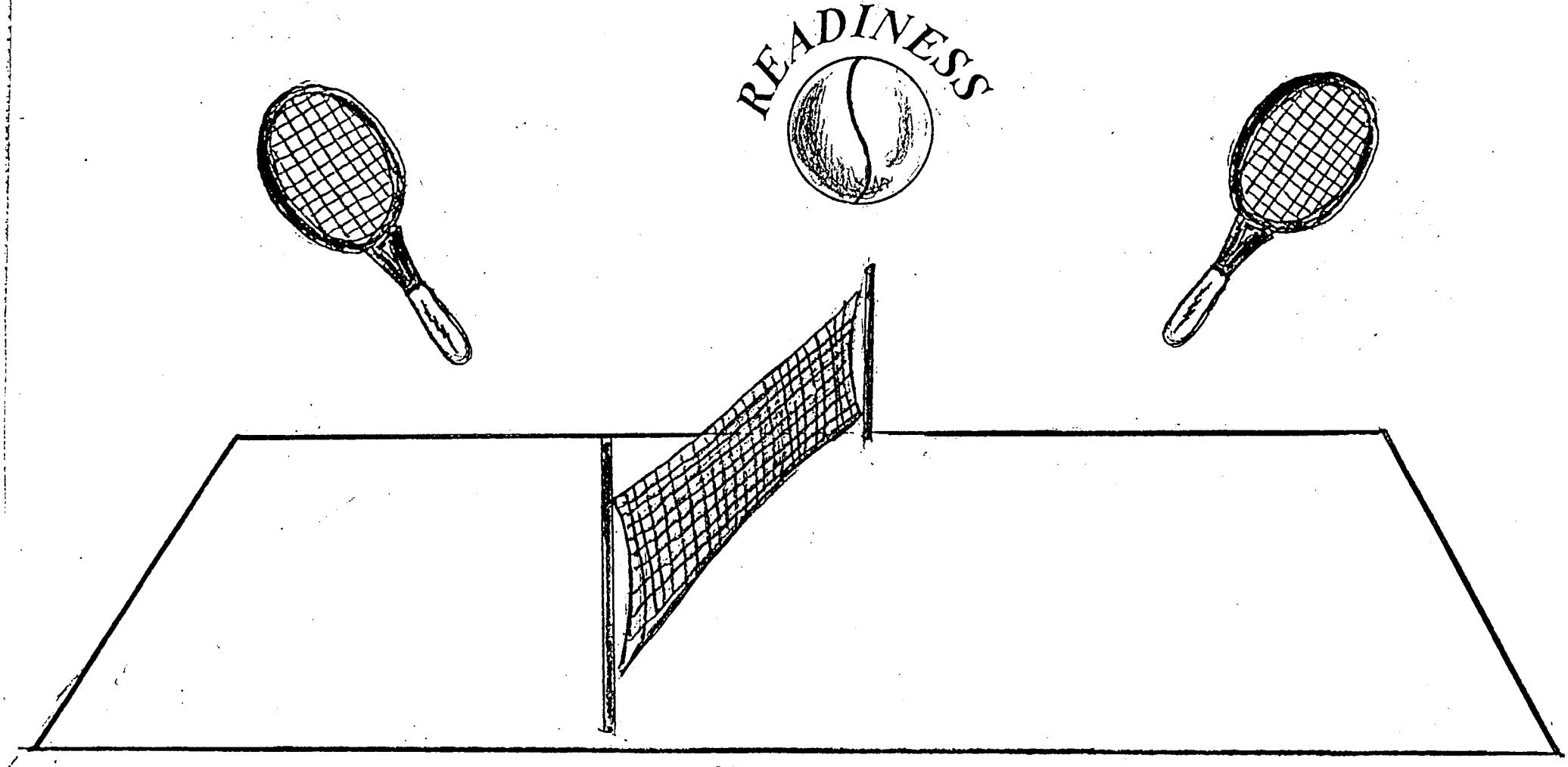
- BRAC 95 Will "Legislate" a Compressed Timeframe Failure!

- Intent Of DLA BRAC 95 Can/Will Be Accomplished within BRAC 93.....
  .....Logically.....Methodically.....Successfully

- Too Many "Unknowns" in DLA Plan for BRAC to Make an Informed, Low Risk Decision.....



THE BALL'S IN YOUR COURT



DEFENSE INDUSTRIAL SUPPLY CENTER
DISC-EEP, 700 ROBBINS AVENUE, PHILADELPHIA, PA 19111-5096

FAX

Date: 6/16/95

Number of pages including cover sheet: 3

To: MARILYN WASLESKI

Phone:

Fax phone:

CC:

From: ALBERT CAPPIELLA

Phone: (215) 697-4291

Fax phone: 215-697-0311

REMARKS: ☐ Urgent ☑ For your review ☐ Reply ASAP ☐ Please comment

Marilyn—
Since the BRAC staff seems "hung up" on the DLA Concept of Operations, please review the following which indicate that the agency would implement it anyhow (outside of BRAC). We agree, so lets take the DISC Disestablishment "off-the-table."

AC

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22304-6100

CLOSE HOLD

REFER TO CAAJ(BRAC)

9 AUG 1994

MEMORANDUM OF MEETING

SUBJECT: Summary of Meeting with the Director - 7 and 8 July 1994

I. PURPOSE: To gain the Director's approval of the Defense Supply Center Concept of Operations previously accepted by the BRAC Executive Group. A list of attendees is enclosure 1. Briefing Charts are at enclosure 2. The revised narrative Concept of Operations is enclosure 3.

II. BACKGROUND: DLA is not directly identified in the DoD Force Structure Plan. Therefore, Concepts of Operations for each of the major business elements are used to translate between the DoD Force Structure Plan and DLA's operations. Each Business Area Concept of Operations is the basis of Military Value analysis.

III. BRIEF SUMMARY OF DISCUSSION:

A. Wide-ranging discussion of the organizing concept which should frame the Agency's approach to item management into the twenty-first century exceeded the time available on 7 July. The meeting resumed at 1400 on 8 July 1994.

B. It was agreed that whatever organizing principles the Agency adopted should, first of all, make sense to the customer. From the customer's perspective, structuring material management around the intended use (i.e., weapon systems support and troop/general support) of the item would make more intuitive sense than structuring around the processes by which the various items were managed. Commodity Business Units are the basic building blocks of the organization, continuing the Agency's focus on weapon system support while positioning the Agency to adapt rapidly to changing workload and requirements.

IV. CONCLUSION: The Director concluded that the Defense Supply Center Concept of Operations, as revised, made management sense and was likely to increase the efficiency of

CLOSE HOLD

CLOSE HOLD

9 AUG 1994

SUBJECT: Summary of Meeting with the Director - 7 and 8 July 1994

operations regardless of the outcome of the BRAC analysis process. The Concept is also broad enough to allow future/follow-on decisions based on what makes sound business sense. Therefore, the Concept of Operations was approved as revised.

3 Encl

Cathy Ann Kelleher
M. V. McMANAMAY
Team Chief
DLA BRAC

GARY S. THURBER
Deputy Director
(Corporate Administration)

LAWRENCE P. FARRELL, JR.
Major General, USAF
Principal Deputy Director

CLOSE HOLD

DEFENSE INDUSTRIAL SUPPLY CENTER
DISC-EEP, 700 ROBBINS AVENUE, PHILADELPHIA, PA 19111-5096

FAX

Date: 6/15/95

Number of pages including cover sheet: 4

To: BOB COOK / MARILYN WASLESKI

Phone:

Fax phone:

CC:

From: ALBERT CAPPIELLA

Phone: (215) 697-4291

Fax phone: 215-697-0311

REMARKS: ☑ Urgent ☐ For your review ☐ Reply ASAP ☐ Please comment

Please take note of attached comparison of DLA run corrected for true one-time costs (but still including flawed methodology) with run requested by BRAC on DISC/DPSC merger under single command. The choice is obvious!

AC

COBRA RESULTS COMPARISON

	NPV	One-Time Costs
Original DLA Proposal ICP 22B	$236.5M	$16.9M
DLA Proposal with Omitted 1-time Costs Included	$119.3M	$143.2M
DLA Run DISC/DPSC of 6/12/95	$122.7M	$2.5M

TEL:215-697-1172 Jun 15'95 16:05 No.017 P.03

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ADVANTAGES OF DISC/DPSC MERGER*

- Greater NPV Savings ($3.4M)
- $140M less One-Time Costs
- No Military Readiness Risk!
- Maintain DISC Expertise/ASO Synergy
- Achieve DLA Concept of Operations (at reasonable rate)
- Fewer Jobs Lost to Philadelphia

Recommendation: Adopt DISC/DPSC Scenario

*Based on DLA COBRA run of 6/12/95 Requested by BRAC Commission

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COBRA REALIGNMENT SUMMARY (COBRA v5.08) - Page 1/2
Data As Of 15:38 06/12/1995, Report Created 15:53 06/12/1995

THIS SCENARIO IS NOT RECOMMENDED BY DLA

Department : DLA
Option Package : DISCDPSC
Scenario File : C:\COBRA508\DISCDPSC.CBR
Std Fctrs File : C:\COBRA508\ICP.SFF

Starting Year : 1996
Final Year : 1997
ROI Year : Immediate

NPV in 2015($K): -122,683
1-Time Cost($K): 2,604

Net Costs ($K) Constant Dollars

	1996	1997	1998	1999	2000	2001	Total	Beyond
MilCon	-5,977	0	0	0	0	0	-5,977	0
Person	0	-2,893	-6,524	-6,524	-6,524	-6,524	-28,988	-6,524
Overhd	165	-1,818	-1,942	-1,942	-1,942	-1,942	-9,421	-1,942
Moving	0	1,498	0	0	0	0	1,498	0
Mission	0	0	0	0	0	0	0	0
Other	0	339	0	0	0	0	339	0
TOTAL	-5,812	-2,874	-8,466	-8,466	-8,466	-8,466	-42,549	-8,466

	1996	1997	1998	1999	2000	2001	Total
POSITIONS ELIMINATED							
Off	0	4	0	0	0	0	4
Enl	0	0	0	0	0	0	0
Civ	0	172	0	0	0	0	172
TOT	0	176	0	0	0	0	176
POSITIONS REALIGNED							
Off	0	0	0	0	0	0	0
Enl	0	0	0	0	0	0	0
Stu	0	0	0	0	0	0	0
Civ	0	0	0	0	0	0	0
TOT	0	0	0	0	0	0	0

Summary:

Merge DISC and DPSC at the ASO compound in 1997. No movement of item management responsibility occurs.

COBRA REALIGNMENT SUMMARY (COBRA v5.08) - Page 1/2
Data As Of 15:38 06/12/1995, Report Created 15:53 06/12/1995

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Department : DLA
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Scenario File : C:\COBRA508\DISCDPSC.CBR
Std Fctrs File : C:\COBRA508\ICP.SFF

Starting Year : 1996
Final Year : 1997
ROI Year : Immediate

NPV in 2015($K): -122,663
1-Time Cost($K): 2,504

Net Costs ($K) Constant Dollars

	1996	1997	1998	1999	2000	2001	Total	Beyond
MilCon	-5,977	0	0	0	0	0	-5,977	0
Person	0	-2,893	-6,524	-6,524	-6,524	-6,524	-28,988	-6,524
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Enl	0	0	0	0	0	0	0
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