

HOW PERSONNEL SAVINGS WERE DETERMINED BY DLA
FOR THE DISC PROPOSAL

	<u>Civilian Positions Before Transfer</u>	<u>Civilian Positions Reqd After Transfer</u>	<u>Reduction</u>	<u>Civilian Cobra Inputs</u>
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.

05/25/95

17:10

ROBERT A. BUHSKI
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AND INFRASTRUCTURE
RANKING DEMOCRAT—SUBCOMMITTEE ON
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STEERING COMMITTEE

REGIONAL WHIP

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

May 25, 1995

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

Dear Mr. Chairman:

I am writing to express my concern that the General Accounting Office did not adequately answer a question I submitted regarding the Department of Defense's recommendation to "disestablish" the Defense Industrial Supply Center (DISC).

In its May 5 letter to you, GAO indicated that it was responding to two questions from my office. GAO's answer to the first question, concerning significant cost omissions, takes up a better part of three pages. However, its answer to the second, concerning the methodology used for calculating position eliminations, takes up only two short paragraphs and does not even begin to adequately address the issue.

The 404 civilian positions that the Defense Logistics Agency (DLA) claims it can eliminate in this recommendation is by far the most important data input used. It is what drives the savings in the DLA's COBRA run (ICP22) and directly accounts for almost 82 percent of the recurring savings stream. Without this input, the DLA recommendation would not make economic sense. Calculation of personnel eliminations was not performed by the COBRA model but instead was computed off line by DLA. Because the crucial nature of this input, it is important that DLA sound methodology for this computation.

GAO's response states that "... the number of positions eliminated vary based on the overhead positions on board losing activity." If this is true, then it contradicts information provided by DLA to my staff. This is how computed the savings in the 1993 round of base closure there was actually a base closure. There is no bar year and, as such, overhead is not the salient isf provided documentation to my staff that showed eliminated were calculated as a function of the -- categorized by direct, indirect and general -- related to the number and type of items be' the losing activity. As I will demonstrate r big difference.

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GAO also states that DLA "... will determine the actual number of people required... during BRAC 1995 implementation...." It is fair for DLA to do this. No one expects estimates to be 100 percent accurate. However, the final numbers should be as a result of changes to the values of the variables used in DLA's equation methodology. The methodology itself should not be subject to change since it represents the basis for the recommendation.

Clearly, my previous letter did not frame the question in sufficient enough detail. What follows is an elaboration on what I feel is the flaw in DLA's methodology:

The DLA Concept of Operations revolves around the idea that a certain number of personnel savings can be obtained through economies of scale obtained by managing the same general groupings of items at a single site. In this case, DLA feels that 404 positions can be saved. It is very fair then to ask what methodology was used to determine these savings.

As explained earlier, DLA keys the savings to the personnel associated with the items being transferred from the losing activity. This is flagrantly illogical and does not pass the common sense test.

Using this methodology, DLA figures that 190 people can be saved by transferring DISC's one million plus weapon systems items to DGSC to be combined with their 400 thousand weapon systems items. Yet if DGSC's items were to be transferred to DISC, DLA would compute a savings of only 92 people! DLA's Concept of Operations claims that savings are tied to man like items, yet their methodology ties savings to item where the items are managed should not matter unless or more efficient than the other (DLA chose to ignore if I will explain later). Using DLA's methodology, many other activities could be generated simply by moving each activity's

In addition to using a flawed methodology the most obvious criterion -- efficiency. Why personnel savings based on each activity's efficiency? Why each of the different groups of items? Why the whole DLA proposal is based on the no same grouping are essentially the same. efficiency in managing these items see calculate personnel savings. The pro a much more efficient manager of we Based on DLA data, DISC manages 78 direct and indirect personnel whi Therefore, based on the existing DGSC would need to hire approximately handle DISC's items.

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DLA's methodology is seriously flawed. Because 82 percent of its savings are based on this methodology, the recommendation to disestablish DISC is flawed as well. The BRAC Commission should require the GAO to reevaluate DLA's methodology and adequately document its findings. A recommendation of this magnitude, one that affects thousands of people's lives, should have a firm economical basis. The American taxpayers, as well as the people being directly impacted by this proposal, deserve a thorough explanation of how DLA arrived at its conclusions. For this reason, it is essential that GAO provide a detailed analysis of this methodology.

If necessary, I believe a meeting among DLA representatives, GAO staff, DISC representatives, your staff and my staff could go a long way towards expeditiously resolving this issue. I would be happy to facilitate such a meeting in any way I can.

Thank you for your consideration of this important matter.

Sincerely,



ROBERT A. BORSKI
Member of Congress

RAB/mdv

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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 capsule significant points and agreements made during, these discussions.

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

*would
IMPACT
Cobra
numbers*

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 negotiable 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 provide 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 intent 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)

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MINUTES OF THE EXECUTIVE COORDINATING GROUP

26 APRIL 1995

The attendees, attached enclosure 1, met and discussed two items. BRAC 95 budget input for the POM 97-01 submission and chartering a sub-group for "FSC Realignment and Purification."

Budget Input

The requirement was to prepare by 5 May, BRAC 95 POM budget input. The DLA POM 97-01 is due in OSD in early June. The DLA COBRA model data provided information on MILCON and personnel costs and CAAE provided an estimate on environmental costs. This data is as follows (\$MIL):

	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
COBRA	2	1	0.9	12.6	0.5	0
Environment	0.5	0.6	0.5	0.5	0	0
TOTAL	2.5	1.6	1.4	13.1	0.5	0

The Executive Group's task was to determine what additional costs needed to be identified. The major concern was to estimate the cost of moving logistical data for the items being transferred between Centers. DISC had analyzed this in detail and determined that the cost per item (less terminal items) was \$64.80. Based on this, the cost of the transfer would be approximately \$84 million. DGSC developed an estimate using some of DISC's data and came up with an estimate of \$56 million. DISC/DGSC's analysis is enclosure 2. The CIMMO representative provided information that Air Force actual costs for transfer of an item with technical data was \$75. That is \$75 just for the losing activity, no costs for the gaining activity. Only 15 percent of the Air Force items came with complete technical data. The average costs for all Air Force items coming to DIA, again only the cost of the losing activity, was \$19.53.

The Executive Group discussed the methodology of a mass transfer and the relative short time frames and concluded the information would have to be transferred as is and on a large scale project basis. For example, if most of the DISC transfer were to take place over a two year period, the rate of transfer would be 42,000 items per month. Some of the considerations were: that the cost to transfer "inactive items," items with little hard copy data, would be minimal; that technical data for the most part, would be transferred in some form of electronic storage as a result of JEDMICs and other electronic capability; that the bulk of the transfer would start in October 1997 so as not to interfere with CIT Phase II. However it was recognized that with changes to FSC designation and other initiatives, transfers could take place parallel with the CIT as long as it was certain that there would be no adverse impact on CIT.

The Executive Group believed that it could best develop an estimate of the cost to transfer items by using its collective ICP experience which included item transfers. It concluded that the minimal additional cost that the ICPs could not absorb would equate to one and a half hours of effort to prepare active items for transfer and one hour at the receiving activity for a total of two and a half hours for an estimated 600,000 active items, a total of 1.5 million hours. The cost of this effort was based on the GS-9 hourly rate of \$16.41 per hour. \$16.41 x 1.5 million hours is \$24,615,000 rounded to \$24 million. It was recognized that temporary help could be hired at a lower cost, that overtime would be required due to the high volume/short time frame of the transfer and that there would be other costs such as a materiel, transportation and TDY. It was the judgement of the group that these plus's and minus's could be handled in the \$24 million total. The one cost that this \$24 million is not intended to cover is for data system requirements such as the requirements to transfer computerized files between Centers. DSDC has been tasked to provide an estimate as soon as possible.

A summary of the above costs estimates is as follows:

DISC: \$84 million
 DGSC: \$56 million
 AF data: \$28 million (losing activity only)
 Executive Group: \$24 million (plus data systems costs)

These costs are roughly comparable however the Executive Groups estimate assumes the ICPs and headquarters will absorb a significant amount of the costs as anormal part of operations in terms of getting ready to transfer and receive items as well as other specific tasks such as work hours involved in "FSC realignment and purification." The \$24 million is over and above what can be absorbed.

Given the schedule of CIT II, it was decided that most of the \$24 million would be expended in FY 98 and FY 99. The following is the spread by fiscal year (millions):

<u>96</u>	<u>97</u>	<u>98</u>	<u>99</u>	<u>TOTAL</u>
2	4	9	9	24

Adding the \$24 million to the previously identified costs results in the following array:

	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>TOTAL</u>
COBRA	2.0	1.0	0.9	12.6	0.5	0	17.0
ENVIRONMENT	0.5	0.6	0.5	.5	---	0	2.1
ITEM TRANSFER	<u>2.0</u>	<u>4.0</u>	<u>9.0</u>	<u>9.0</u>	<u>---</u>	<u>0</u>	<u>24.0</u>
	1.5	5.6	10.4	22.1	0.5	0	43.1

* Again, these costs do not include ADP costs which the Executive Group considers very important for a successful transfer.

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Inventory Control Point

Implementation Planning for BRAC 95

Capt R. T. Moore III
19 Apr 1995

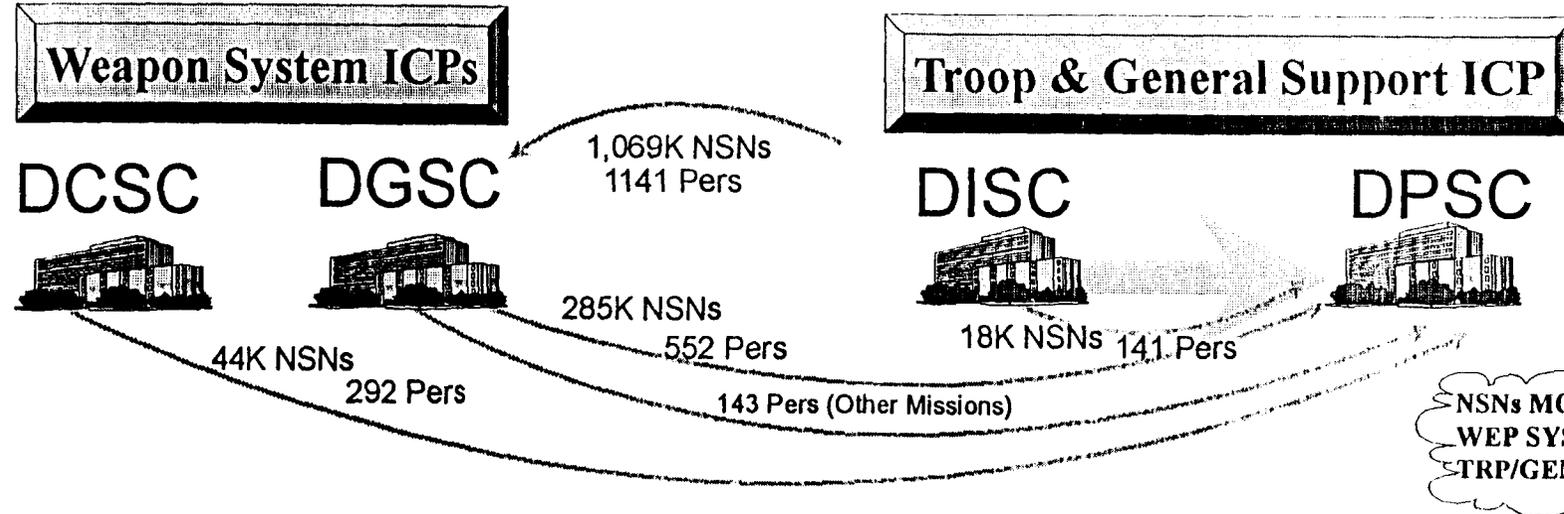


ICP Concept of Operations

- **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
	<u>Before</u>	<u>After</u>	<u>Before</u>	<u>After</u>	<u>Before</u>	<u>Before</u>	<u>After</u>
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)	BRAC INSTANCES	
Total	10016	9642	9058	8663	8317	7985	7414	-404



Workload Transfer Planning Structure

All four ICPs and Headquarters Represented on all Groups

Senior Executive Steering Group
(Flag / SES)

Executive Coordinating Group
(06 / GM-15)

Work Groups established as deemed necessary by the Executive Coordinating Group

FSC Realignment & Purification

Transfer Planning and Execution

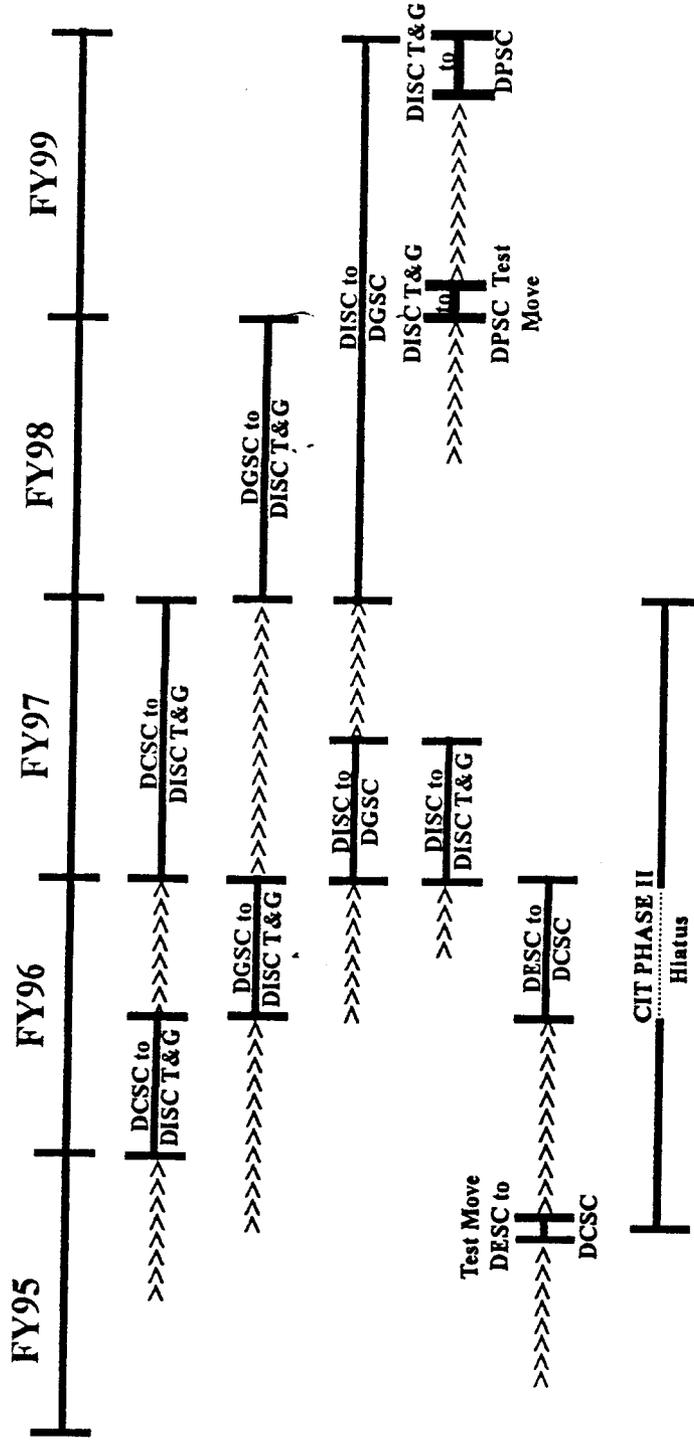
BRAC Budget Preparation

Other Work Groups as appropriate

Depot
Item Management



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 - *Logistics Response Time*
 - Improved Performance
 - Shift in Business Practices

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6 DEC 1993

Disc - RM
- OC/OP
- AL

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

Attached are the briefing charts used by DLT-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), DIA HQ (and the ICP's) were unwilling to agree to recommendations.

Expo - for the short term, DIA will review some limited FSC reassignments rather than simply moving all DSC classes to DSC. ~~By~~ Coordination with DSC's will be accomplished.

Jerry 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

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MILITARY ACTIVITIES

NEW APPROACH TO TRADITIONAL BUSINESS PRACTICES

DEPOT STOCKAGE

CORPORATE OEM CONTRACTS

SHARED PRODUCTION

SAVE THROUGH COMPETITION

UTILIZE BREAKOUT, VALUE ENGINEERING

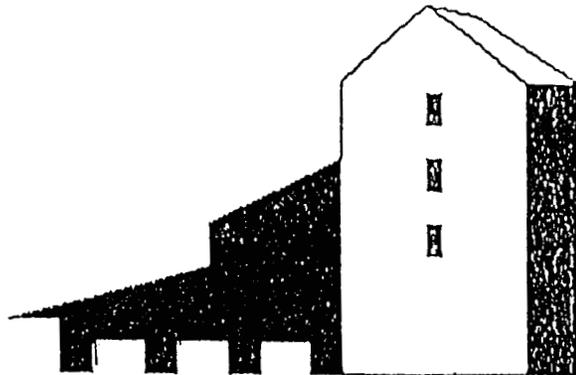
COMMERCIAL ACTIVITIES

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

Document Separator

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



CLOSE HOLD

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 misinterpreted; 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.

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

3 FEB 1995

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

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 (DDLK) 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. DDLK'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.

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

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.

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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.

CLOSE HOLD



DLA BRAC 93 Detailed Analysis

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.

SECRETARY OF DEFENSE RECOMMENDATION

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

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.

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

1 Encl

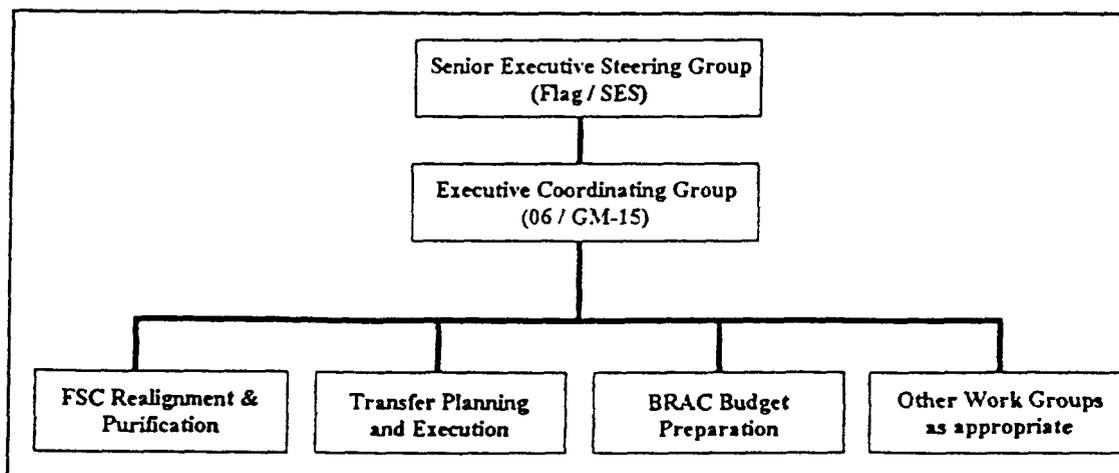
Memorandum for the Record

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 masse 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.

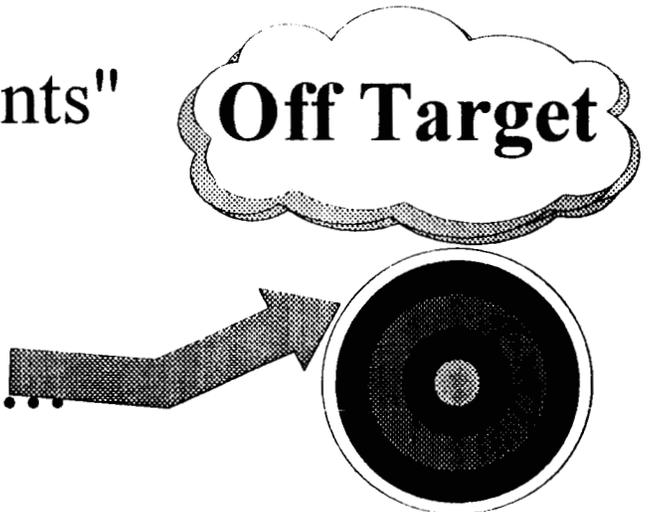

R. T. Moore III
Asst Executive Director
(Inventory 2000)

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.....



Off Target

Concept of Operations

- Intent Is to Produce a Business Outcome



"Affordable Readiness"

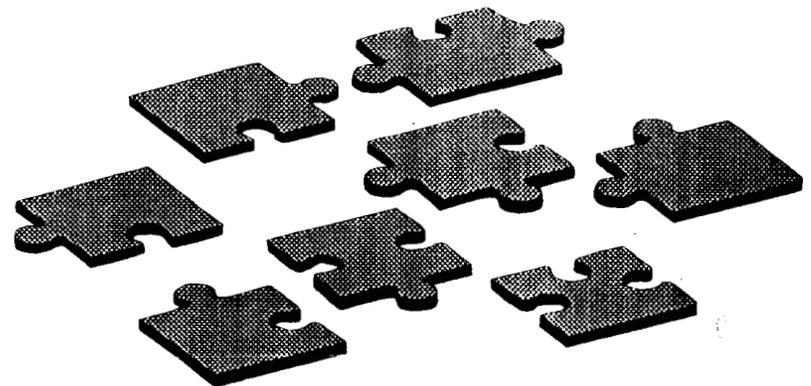


- Can't Get There from Here!!
 - Infrastructure Not Changed
 - Systems - Processes - Procedures
- Item Allocation Still Breeds Hybrid ICPs
- No Integration with "Weapons Managers"

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!

.....

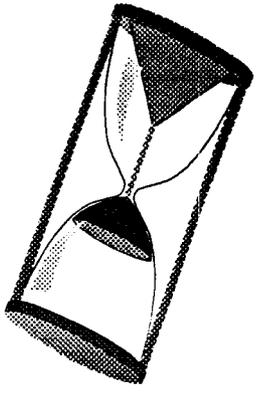
■ BRAC 95 Will "Legislate" a Compressed Timeframe

Failure! ■■■■▲

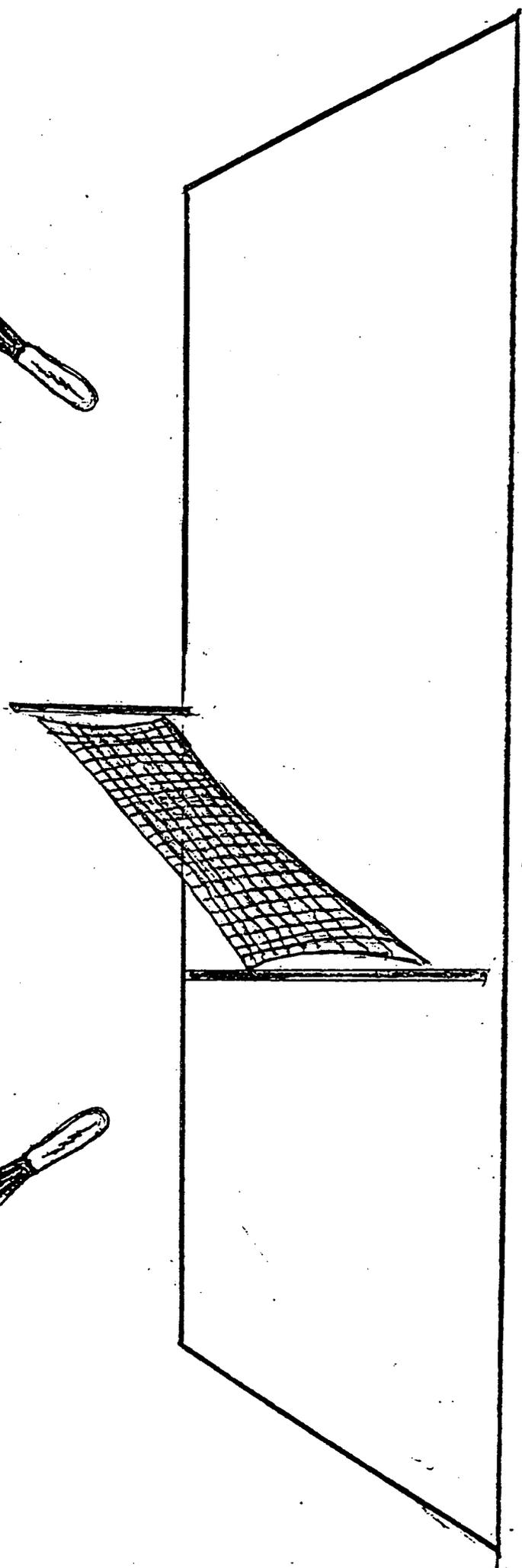
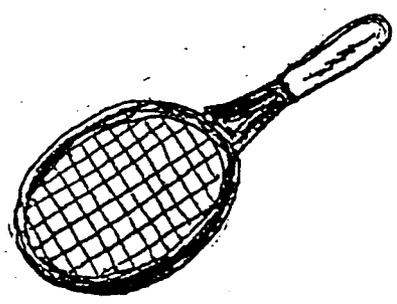
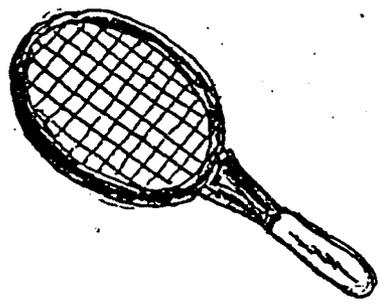
■ Intent Of DLA BRAC 95 Can/Will Be Accomplished within BRAC 93.....

.....Logically.....Methodically.....Successfully

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

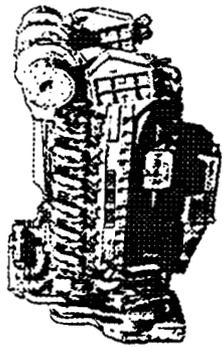


THE BALL'S IN YOUR COURT



CONCEPT OF OPERATIONS

Appearance VS Performance



CONCEPT OF OPERATIONS WEAPON SYSTEM ICPS?

DISC

```
graph TD; DISC[DISC] --> DGSC[DGSC  
WSI]; DISC --> DPSC[DPSC  
Troop Support/  
Commercial Services];
```

1,068,981 NSNs
636,791 WEPS CODED
432,190 NON WEPS CODED

DGSC
WSI

17,877
7352 WEPS CODED
10,525 NON WEPS CODED

DPSC
*Troop Support/
Commercial Services*

CONOPS VISION FOR ICP

- COMBAT SUPPORT AGENCY
- “DCSC SHOULD BE SITUATED IN AN AREA TO ATTRACT AND MAINTAIN REQUIRED LOGISTICS TALENT”
- COMMODITY BUSINESS UNITS
- CORPORATE DLA/DOD CONTRACTS
- FUNCTIONAL PROCESS IMPROVEMENT METHODOLOGY
- BEST VALUE ACQUISITION

DISC IS THERE ALREADY !!

- DISC HAS MOST WEAPONS ITEMS, HIGHEST SUPPORT.
FIRST READINESS ADVOCATES
FIRST WEAPONS MANAGEMENT PROTOTYPE
- DISC SUPPLIES 51% OF TOTAL INDUSTRIES REQUISITIONS
- DISC COLOCATED WITH SERVICE ICP (ASO)
NAVAL ENGINEERING ACTIVITY (NAESU)
NAVY INTERNATIONAL LOGISTICS CONTROL OFFICE (NAVILCO)
LARGE POOL OF DIVERSE TALENT ON BASE.
- INVENTED HERE; EMULATED ELSEWHERE
- ORGANIZED ALONG PROCESS LINES
- FIRST MULTIFUNCTIONAL JOB SERIES
- FIRST FULLY INTEGRATED WORK STATION
- FIRST MULTISKILLED TRAINING PROGRAM
- CONCEPT INVENTED HERE
ASO/DISC CONTRACTS SYNERGY
- ABC PROTOTYPED HERE
- DPACS, AIMS, AUTOMATED CUSTOMER RETURNS, AND
SMALL AUTOMATED COMPETITIVE REBUYS
PROTOTYPED HERE
- DELIVERY EVALUATION FACTOR INVENTED AND
IMPLMENTED AT DISC

CONOPS VISION FOR ICP

- EXPANDED USE OF ELECTRONIC COMMERCE

- 100% FOR AUTOMATED SMALL PURCHASES

- FIRST DLA ICP TO ESTABLISH DESEX: AUTOMATED CUSTOMER SERVICE MODULE

- MARKETING

- TAILORED/FLEXIBLE CUSTOMER SUPPORT

DISC IS ALREADY THERE

- PROTOTYPED/ BENCHMARKED HERE

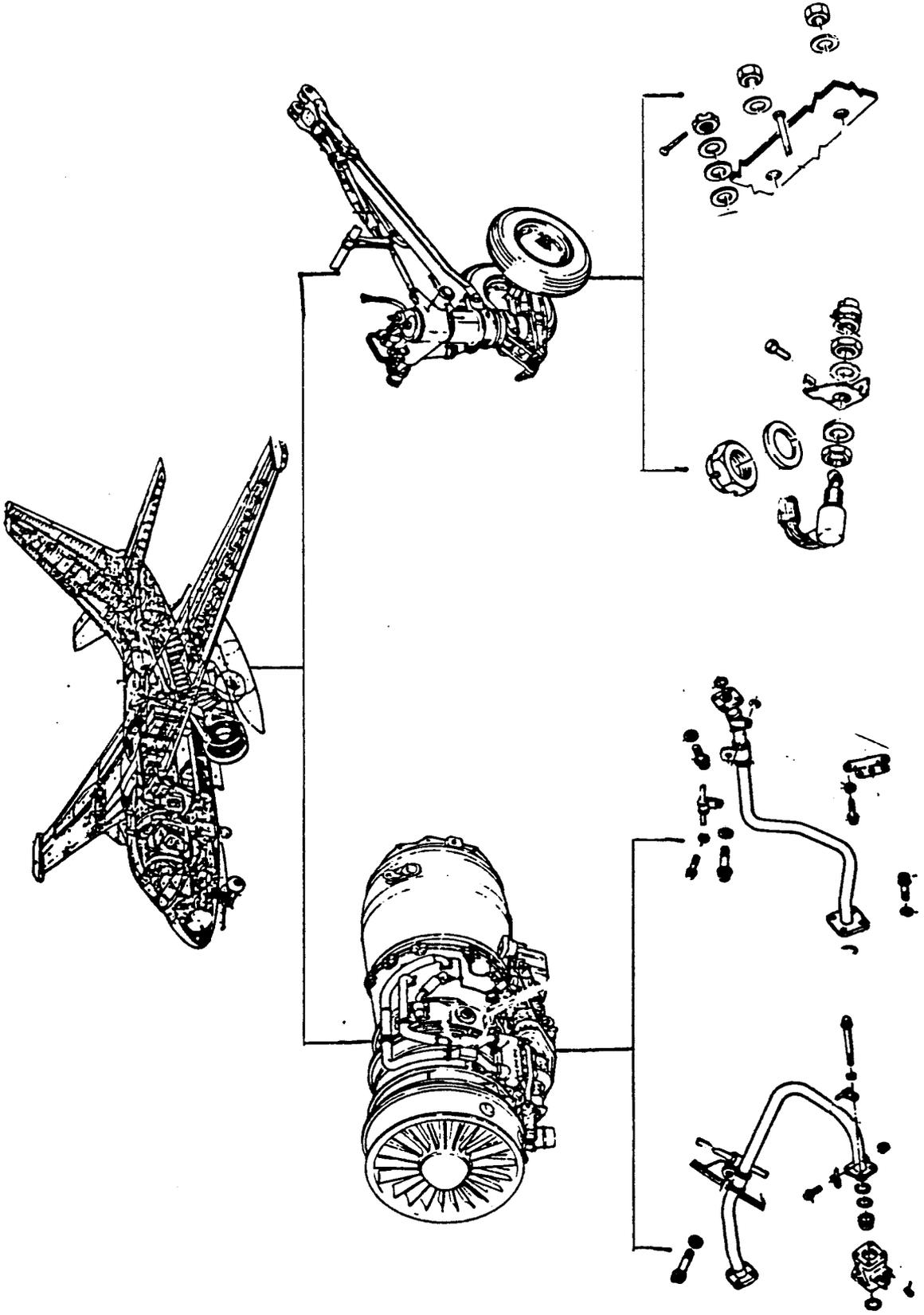
- FIRST ORGANIZATION HERE; EMULATED ELSEWHERE

- 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

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	))))) %DHD	DISC %NSNS	(((SMA	))))) %DHD	DGSC %NSNS	(((SMA	))))) %DHD	DESC %NSNS	(((SMA	))))) %DHD	DCSC %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 MISSILE	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
 DHD&SMA: 12 NO 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

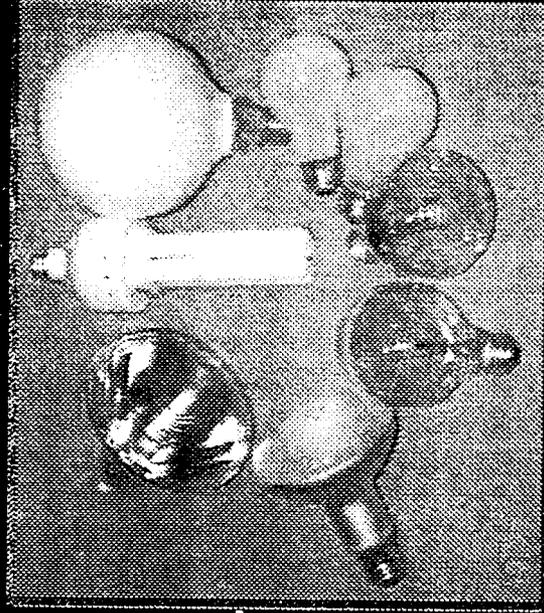
ALC COSTS \$100K

ONE DAY OF LINE STOPPAGE ON AMPHIBIOUS ASSAULT VEHICLE AT MCLB

ALBANY COSTS \$104K.

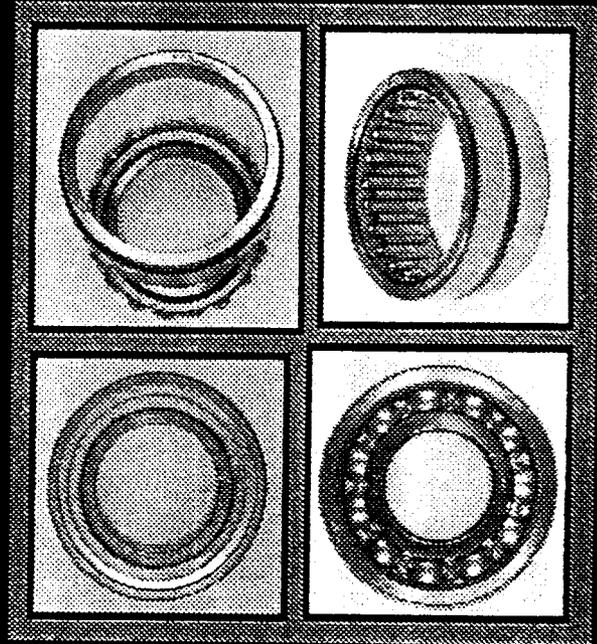
Readiness Risk: Technical and Industry Expertise

DISC  DGSC
1.1 Million
Weapons Support Items



General Support Items

If these fail you can change them!



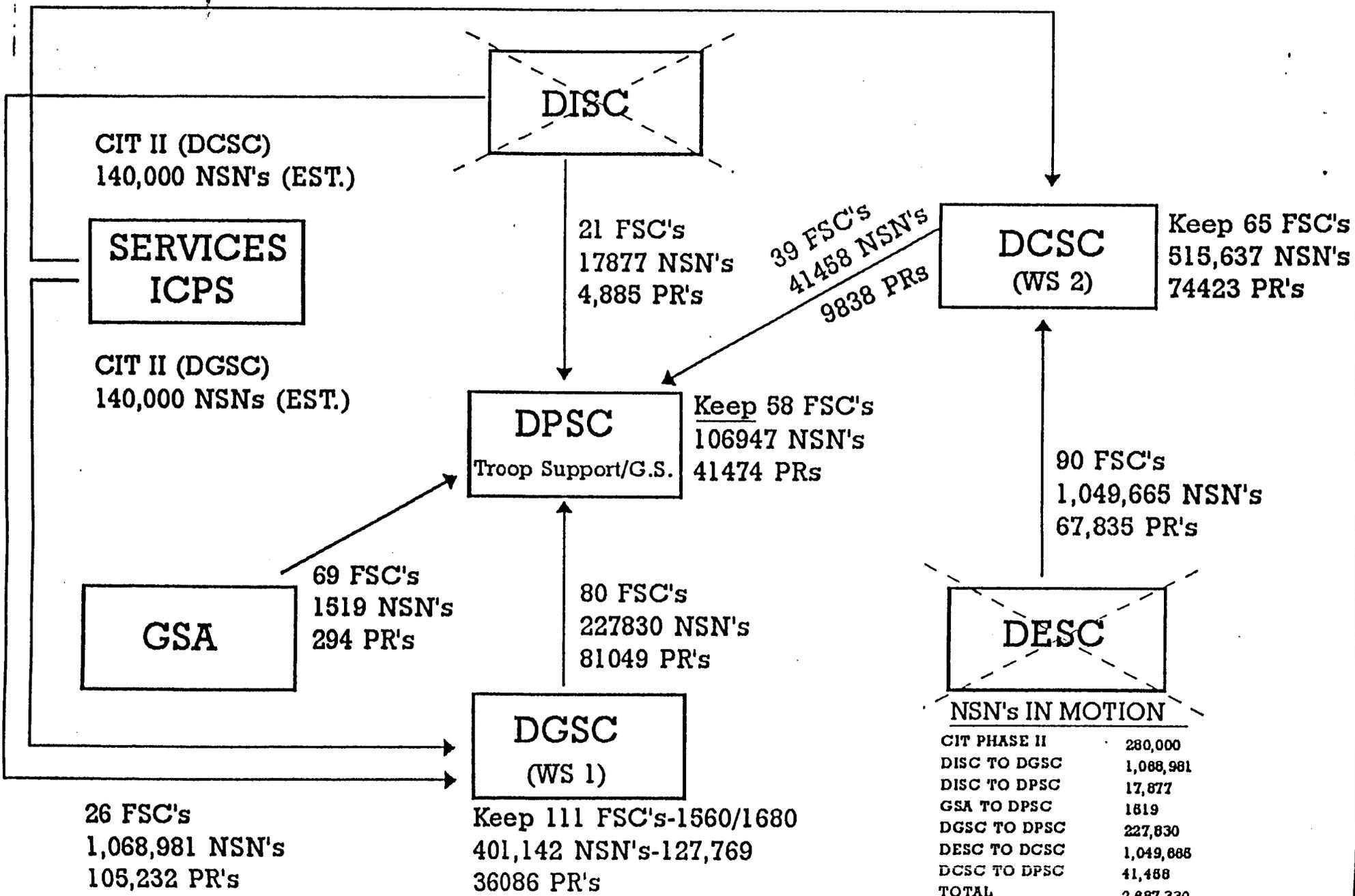
Weapons Support Items

If these fail a life could be lost!

TOO MUCH, TOO SOON

DLA BRAC CONFIGURATION

3/95

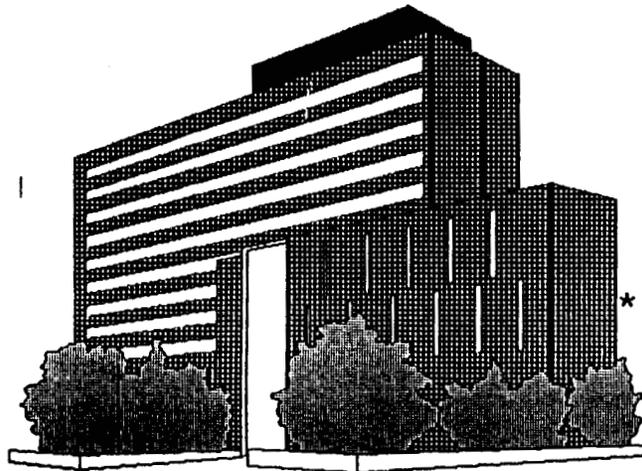


NSN's IN MOTION

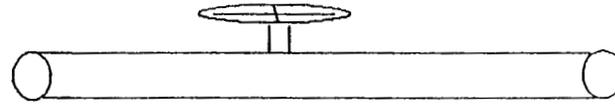
CIT PHASE II	280,000
DISC TO DGSC	1,068,981
DISC TO DPSC	17,877
GSA TO DPSC	1,519
DGSC TO DPSC	227,830
DESC TO DCSC	1,049,665
DCSC TO DPSC	41,458
TOTAL	2,687,330

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

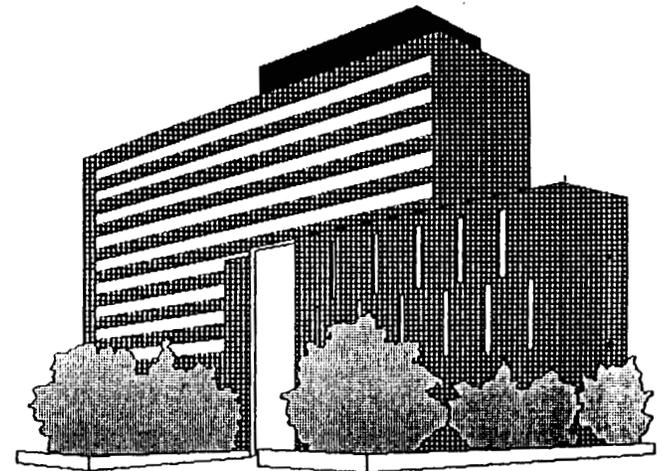
READINESS RISK: TOO MUCH, TOO SOON



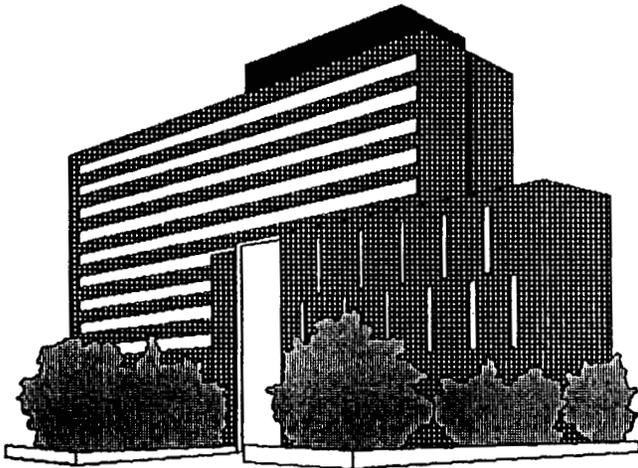
SERVICES



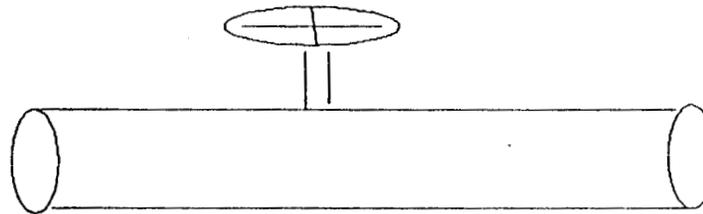
* 5,000 ITEMS MO. CAPACITY



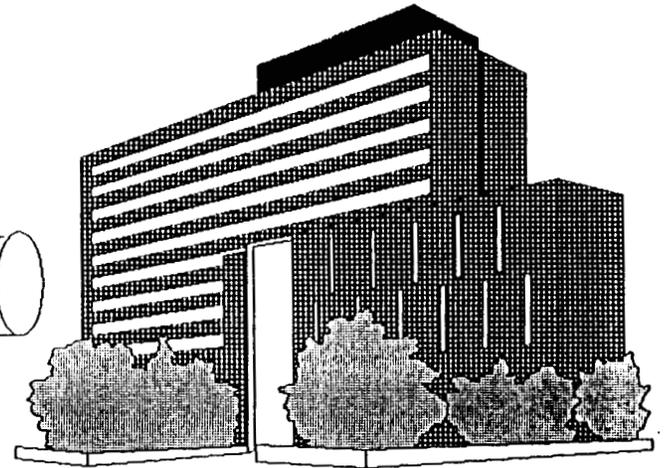
DGSC



DISC



45,000 ITEMS PER MO.



DGSC

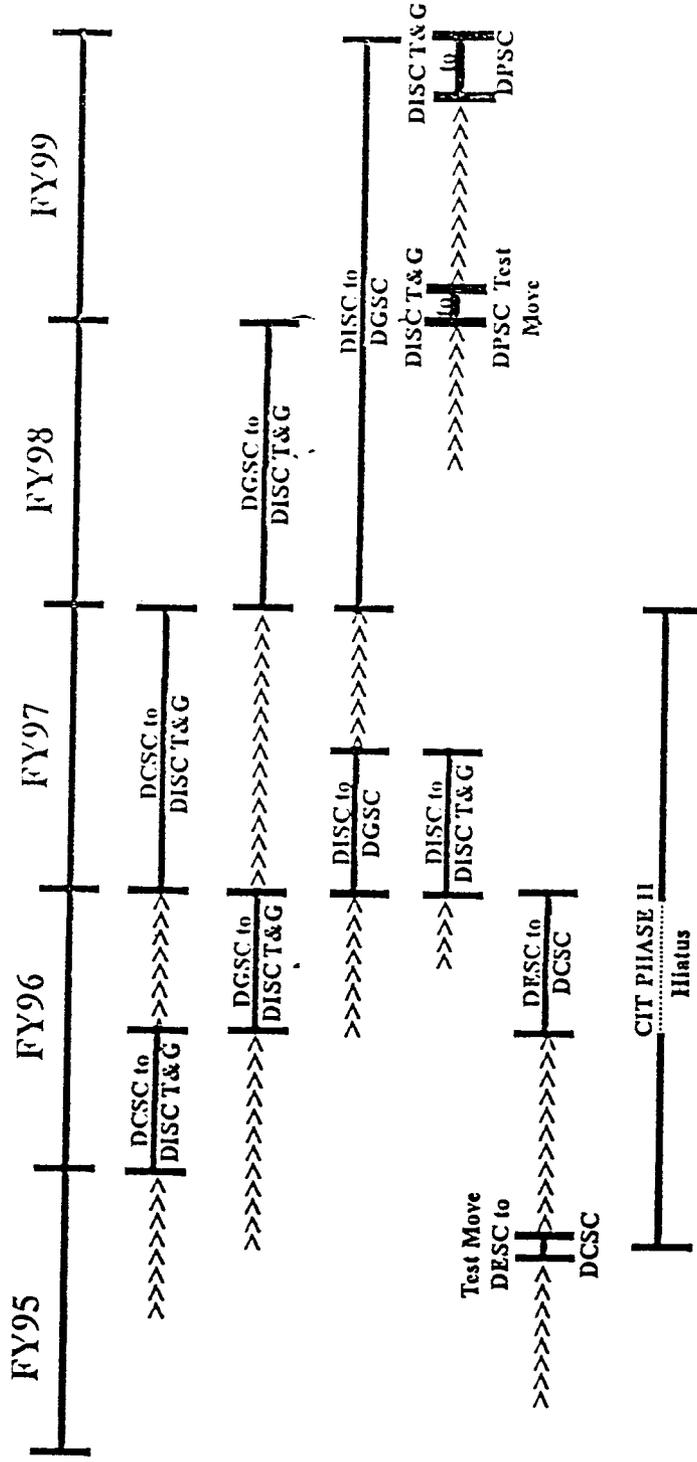
HUGE READINESS RISK

- *AVAILABILITY ↓
- *LEADTIMES ↑
- *READINESS ↓
- *INVENTORY ↑
- *ERRORS ↑
- *COSTS ↑

*DOCUMENTED, DGSC CAPACITY PLAN



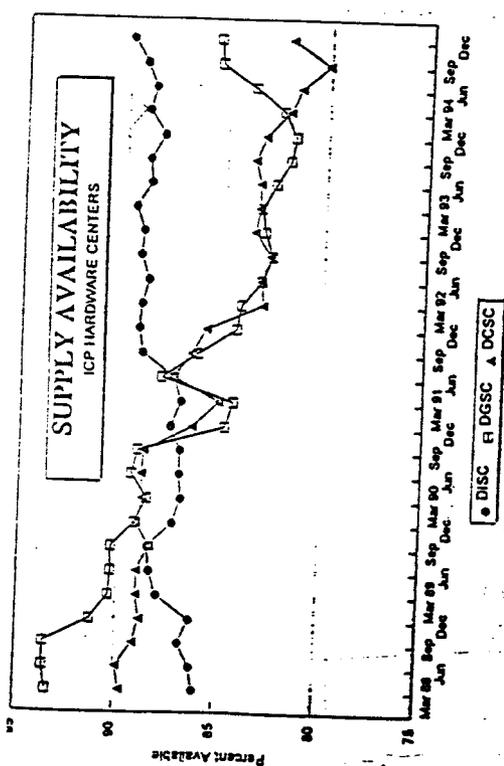
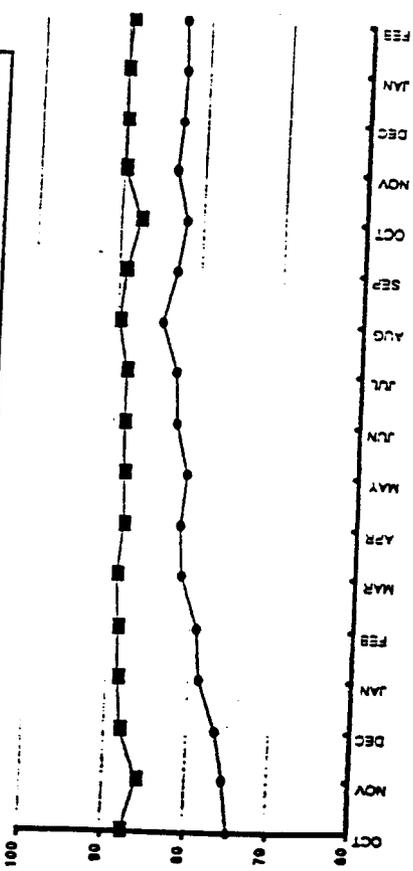
Notional Transfer Schedule



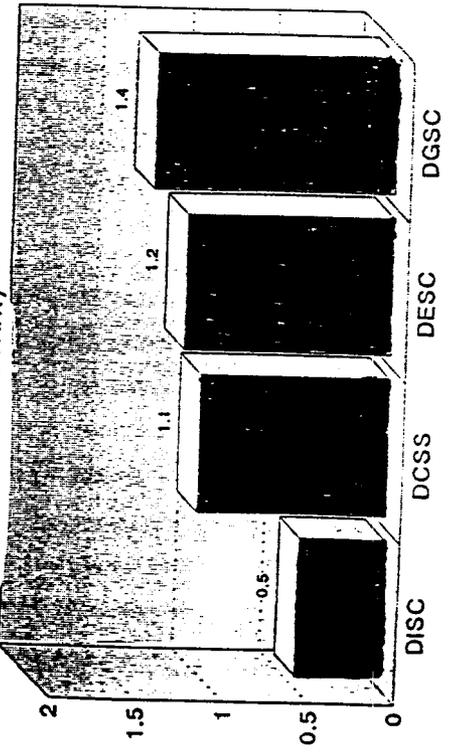
Transfer Precepts

- 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



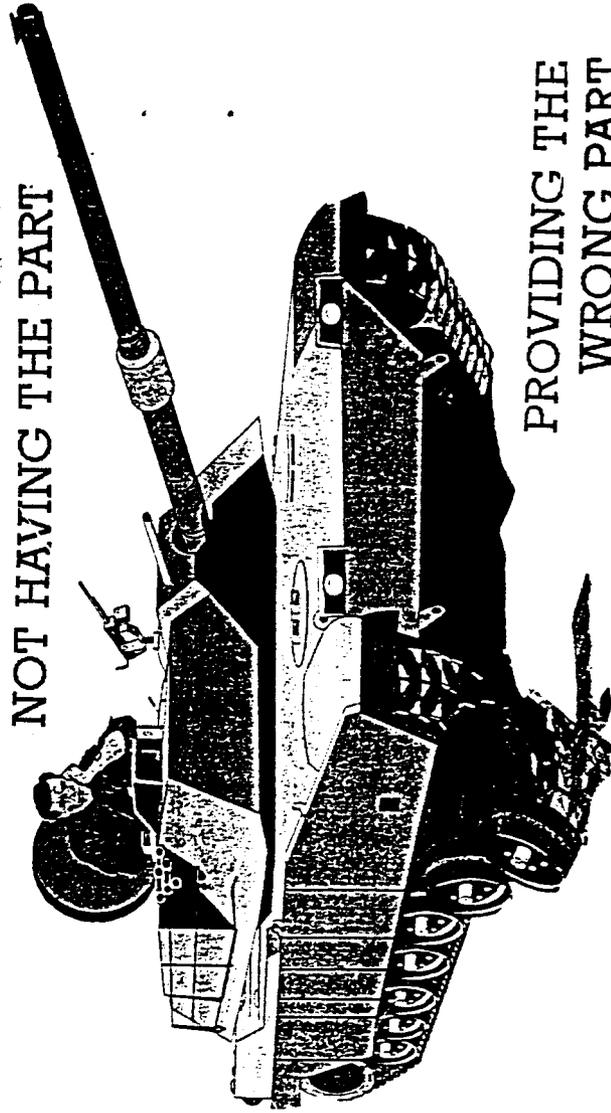
REPORTS OF DISCREPANCY (WRONG PART)



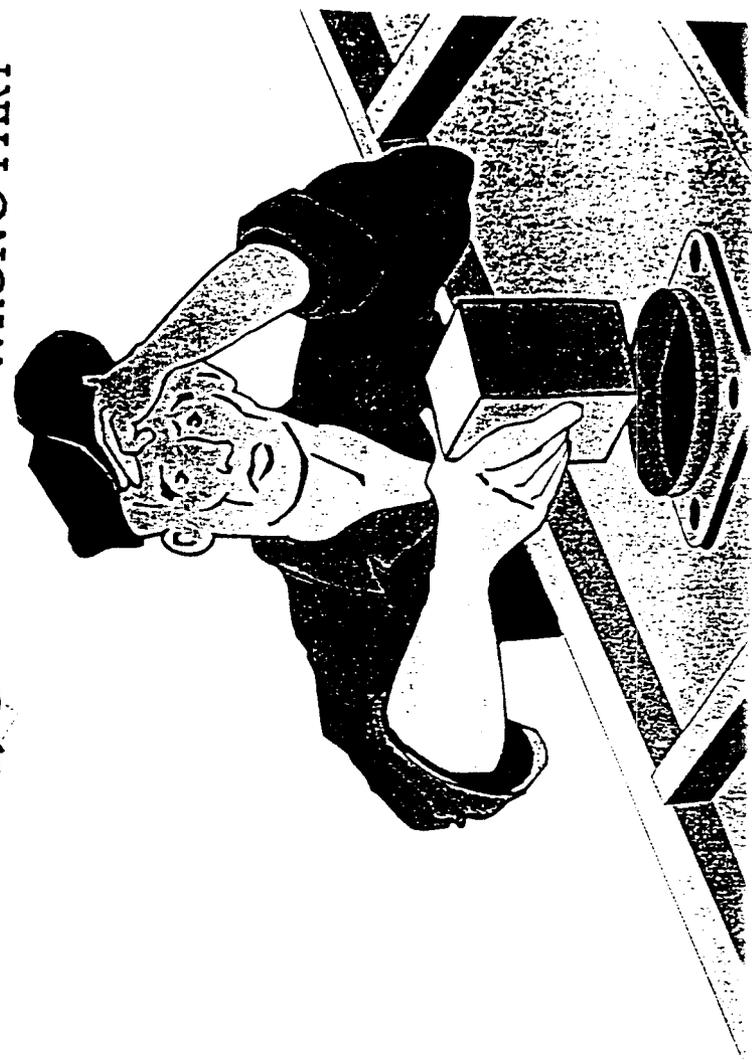
AS A PER OF DISCREPANCIES FILED

READINESS RISK:

NOT HAVING THE PART



PROVIDING THE WRONG PART

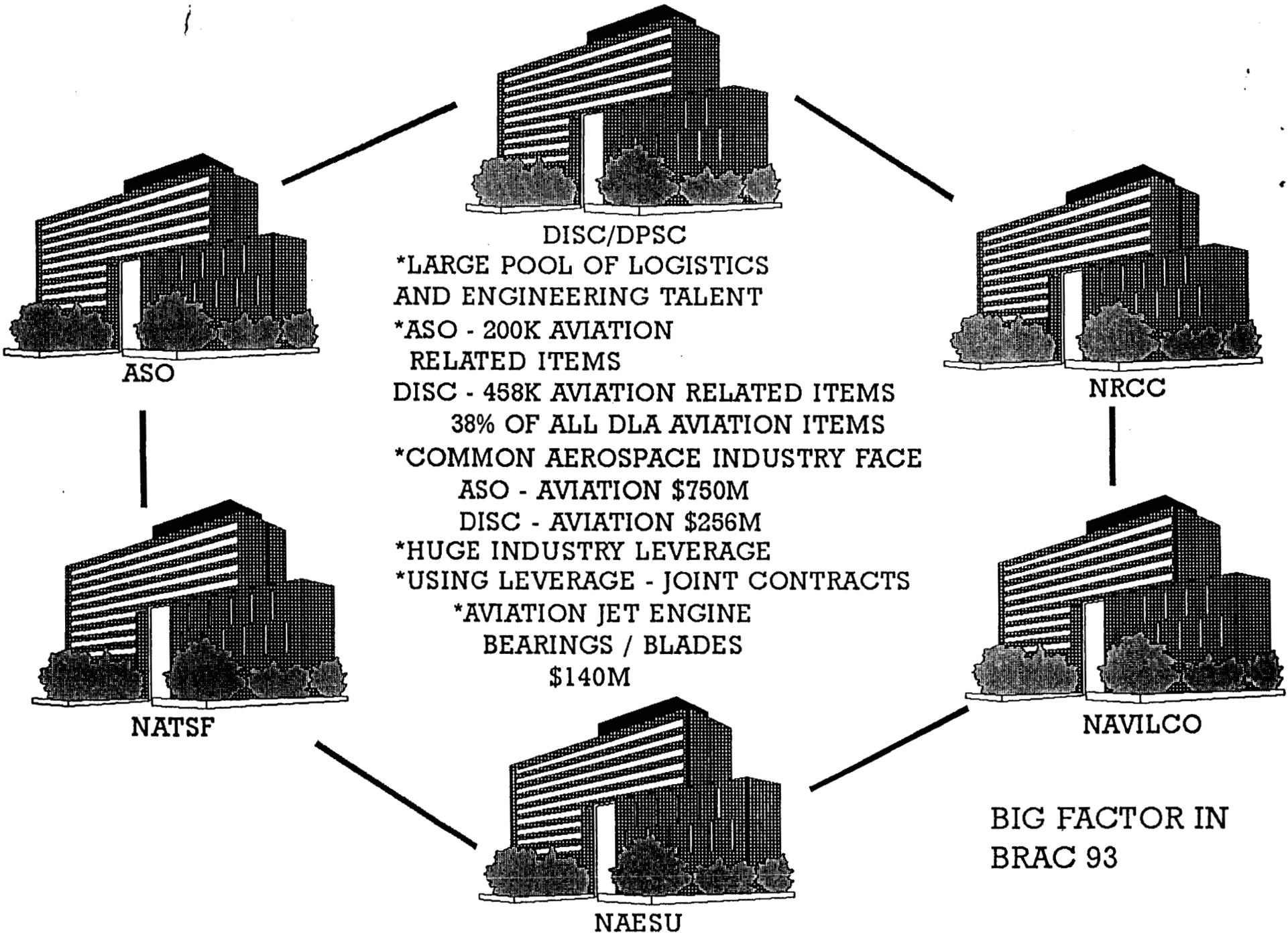


INTER SERVICE SYNERGY

DLA WEAPONS MANAGEMENT AVIATION

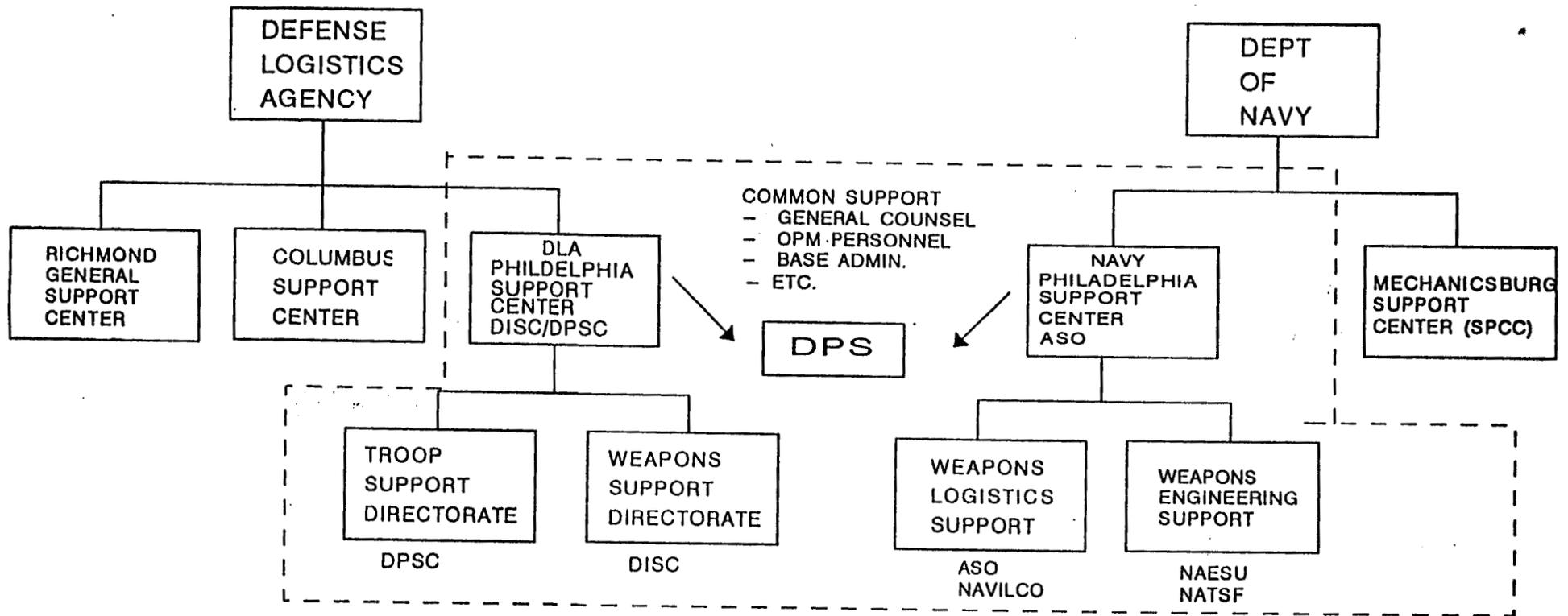
	TOT ITEMS MANAGED	ITEMS MANAGED WITH AVIATION APPLICATION	% OF CENTER ITEMS WITH AVIATION APP	CENTER'S % OF DLA TOTAL ITEMS WITH AVIATION APP
DISC	1,116,172	457,633	41.0%	37.9%
DGSC	675,799	206,254	30.5%	17.1%
DCSC	730,186	138,071	18.9%	11.4%
DESC	1,138,863	404,905	35.6%	33.6%

READINESS RISK: LOSS OF SYNERGY
AN INTERSERVICE LOGISTICS NPR LABORATORY



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

BRAC Information Sheet

May 30, 1995

Subject: BRAC 95 - Impact on Readiness

Background:

- ◆ DISC's original concerns regarding the BRAC 95 decision were twofold:
 1. Take care of its people and assure jobs. DISC has accomplished this objective.
 2. Address our concern regarding the impact the BRAC 95 decision will have on readiness throughout DLA and DoD.
- ◆ DISC's Federal Manager's Association (FMA) has major concerns regarding readiness.
- ◆ DLA states:
 1. ICP workload transfer over next 4 years is a massive effort with over 70% of item management responsibility changing between BRAC 93 and BRAC 95.
 2. Consumable Item Transfer (CIT) II takes precedence. Note: This leaves two years to transfer 1.4 million items (BRAC 95).
- ◆ BRAC 93 analysis deemed item transfers too risky.
- ◆ DLA does not appear to be concerned about the impact of this massive effort on readiness.
- ◆ DLA's planning disregarded: the cost to transfer items (GAO has accepted DISC's position that item transfer costs must be included); the need to maintain a strong base of corporate knowledge for commodities managed; the item transfer phenomena (support goes down after items are transferred); and the recent experience at the Defense Construction Supply Center (DCSC) with its reorganization to Application Groups and its dramatic negative impact on performance.
- ◆ Personnel at the DLA Supply Centers have expressed serious concern regarding DLA's decision to move 66% of its items and serious concern regarding the timeframe within which this transfer will take place.
- ◆ DLA has an on-going example of what can happen when a reorganization to weapons systems (Applications Groups) is poorly planned and totally disregards the current expertise of personnel managing items. Details follow in this Information Sheet.

Readiness:

- ◆ Military Preparedness is comprised of four elements: 1) Readiness; 2) Force Structure; 3) Modernization of Equipment; and 4) Sustainability.
- ◆ Readiness is determined by: 1) Personnel; 2) Equipment and Supplies on hand (DLA impacts this); 3) Equipment Readiness (DLA impacts this); and 4) Training (dependent on equipment readiness).

DISC's Federal Manager's Association Position:

- ◆ Readiness will be seriously impacted throughout DLA and DoD by BRAC 95.
- ◆ It will take years to recover if proposal is implemented as currently planned.
- ◆ Not addressing this issue would be a dereliction of the FMA's responsibility to the DoD.
- ◆ Readiness is a serious issue. Why take the risk? There are better ways to accomplish what DLA is trying to achieve.

What is Happening within DLA during BRAC 95 That Will Impact on Readiness:

- ◆ 2.4 million items in transition (includes BRAC 93).
- ◆ 253,655 CIT Phase II items will be transferred to DLA beginning Jan 96. Planned completion data is Oct 97. Note: There is already slippage by 4 months for items moving to DGSC due to the migration of FLIS production processing from DIPC Battle Creek to Defense Megacenter, Columbus, Ohio.
- ◆ CIT Phase I items still coming in.
- ◆ DESC is moving to DCSC - 1440 personnel.
- ◆ DPSC is moving to DISC - 1500 personnel.
- ◆ DGSC will receive 1.1 million items from DISC.
- ◆ SAMMS (Material Management System) moving to megacenter.

Readiness Issues:

- ◆ Massive movement of items. 2.4 million items moving. Over 66% of DLA's 3.5 million items will move between 1996 and 1999. This includes DESC's items (BRAC 93).
- ◆ Personnel will be managing new items and new classes.
- ◆ Expertise not going with items. Stock classes have own characteristics. Two to three years needed to gain experience. Previous managers will not be available to provide help.
- ◆ Loss of expertise/corporate knowledge throughout DLA. "We are all starting over!"
- ◆ Due to loss of expertise, data (technical history, supply, procurement data) accompanying items is critical. Item transfer cannot be rushed.
- ◆ Due to magnitude of transfer, extensive effort will be required to accomplish transfer. This will impact on time devoted to mission. Planned downsizings will also impact on mission.
- ◆ Retirements/loss of key personnel due to BRAC 93 and 95. Major loss of corporate expertise. This is happening now at DESC.
- ◆ Loss of existing synergy. DISC and ASO synergy will cease.
- ◆ Item transfer timeframe developed by DLA (Tab 1) is unrealistic.
 1. Decision has been made to accomplish CIT Phase II prior to BRAC 95 transfer.
 2. For CIT II, Supply Centers have stated to DLA the maximum number of items they can receive per month. DGSC has stated they can receive 5000 items monthly. See Tab 2 for Supply Center's maximum receipt volume.
 3. Under BRAC 95, bulk of transfer will take place in 1998 and 1999. DISC will need to transfer 41,000 items monthly to DGSC. No item transfer of this magnitude has been accomplished before!
 4. Based on 10,000 items (a more feasible number - based on historical data) transferring monthly to DGSC from DISC, transfer would require 9 years to complete. See Tab 3.
- ◆ DISC/DGSC Issues:
 - DISC currently supports the following: 423 Army Weapons Systems; 418 Navy Weapons Systems; 357 Airforce Weapons Systems; and 176 Marine Weapons Systems.
 - DGSC now manages 384,774 Weapons Systems NSNs (86,000 active items). DISC manages 1.1 millions Weapons Systems NSNs (408,000 active items). In a two year period DGSC will take on DISC's workload. In terms of active items, DISC handles five times the Weapons Systems workload. DISC's supply availability is 5% higher. Can we assume DGSC will be able to handle DISC's workload and raise their supply availability to meet current performance levels? .

What Will Happen to Readiness:

- ◆ Supply availability will go down.
- ◆ Lead times will go up. Need for higher levels of inventory.
- ◆ Backorder will go up.
- ◆ Customer satisfaction will go down.
- ◆ Customer complaints will go up.
- ◆ Customer mission failure will go up.

Case Study Exists with DLA - DLA Not Learning from Past Experience:

- ◆ Defense Construction Supply Center (DCSC) reorganized in 1993/1994 into Application Groups: Land; Air; Maritime; and Commodity.
- ◆ This reorganization was poorly planned and disregarded the existing expertise within its commodities.
- ◆ Major degradation in customer support and readiness resulted.
- ◆ Due to the seriousness of this, DLA convened a special high level fact finding group to determine causes and remedies.
- ◆ Group briefed DLA (General Babbit, Admiral Chamberlain, Marilyn Barnett (since reassigned to DCSC)), DCSC Commander and key personnel on 30 November 1994.
- ◆ Fact Finding Group stated:
 1. Any reorganization would have problems. This reorganization was worse.
 2. Weapons systems application plus staff alignment "forced too soon."
 3. Assumptions made without analysis, i.e. "One face to industry."
 4. Assignment of people not thought out. Loss of corporate knowledge. This is a recurring theme.
 5. Application groups:
 - Destroyed industry line up/focus
 - Ruined commodity expertise for Item Managers, Buyers, and Technicians.
- ◆ Performance - Supply Availability - was seriously impacted.
- ◆ The chart in Tab 4 reflects Navy Weapons Systems (DLA supports 418) and the "below goal" statistics for each of the Supply Centers. Note the impact of DCSC's reorganization on supply availability.
- ◆ The BRAC 95 Item Transfer dwarfs this example in size and scope, but the scenarios are similar in that the need to maintain corporate knowledge was minimized or disregarded.

Do We Assume a Peaceful World Situation over the next 4 - 5 years as DLA Sorts Out the Potential Problems Caused by BRAC 95:

- ◆ The New York Times editorial, "The Two War Fantasy", 5 February 1995, suggested that the United States would never face two major regional conflicts at once.
- ◆ William J. Perry, Secretary of Defense, responded to this editorial in a letter to the New York Times, dated 10 February 1995.
- ◆ Mr. Perry believes that because the United States is capable of fighting wars on two fronts at the same time, such a scenario will probably not happen.
- ◆ Readiness is a real and serious issue.
- ◆ Mr. Perry's response is enclosed as Tab 5.

Questions for the BRAC Commissioners:

- ◆ Will moving 66% of DLA's items not seriously impact readiness?
- ◆ Is it feasible to think corporate knowledge plays no part in an organization's performance?
- ◆ Can we assume no conflicts while DLA is moving its items and losing its expertise base?
- ◆ Should we play with readiness for the sake of saving 404 personnel spaces. These savings are questionable (the GAO will be addressing this issue). Real savings can be achieved through normal downsizing as currently planned.
- ◆ Do we want to risk potential disruption to readiness?
- ◆ Is there a better way? The status quo? Moving items over a longer timeframe? Designating DISC as the Weapons Center?

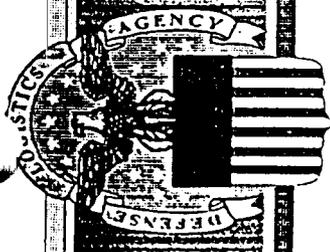
Conclusion:

- ◆ Within the proposed timeframes, the item transfer does not make sense.
- ◆ Based on historical data, CIT Phases I and II, the BRAC 95 transfer should be accomplished over an 8 - 10 year period.
- ◆ DLA did not learn from the Defense Construction Supply Center experience.
- ◆ DISC is the highest performing Supply Center. (Note: DESC was, however, BRAC 93 has resulted in downsizings and performance is now being impacted). This will be lost.
- ◆ Movement of items will be a disaster to supply availability and DoD readiness.
- ◆ The Services will "question" DLA's common sense. Our suppliers are already questioning this move. DLA, its Customers, and its suppliers all need to work together.
- ◆ There are no base closures associated with this. The mission is still required.
- ◆ Why take the risk?

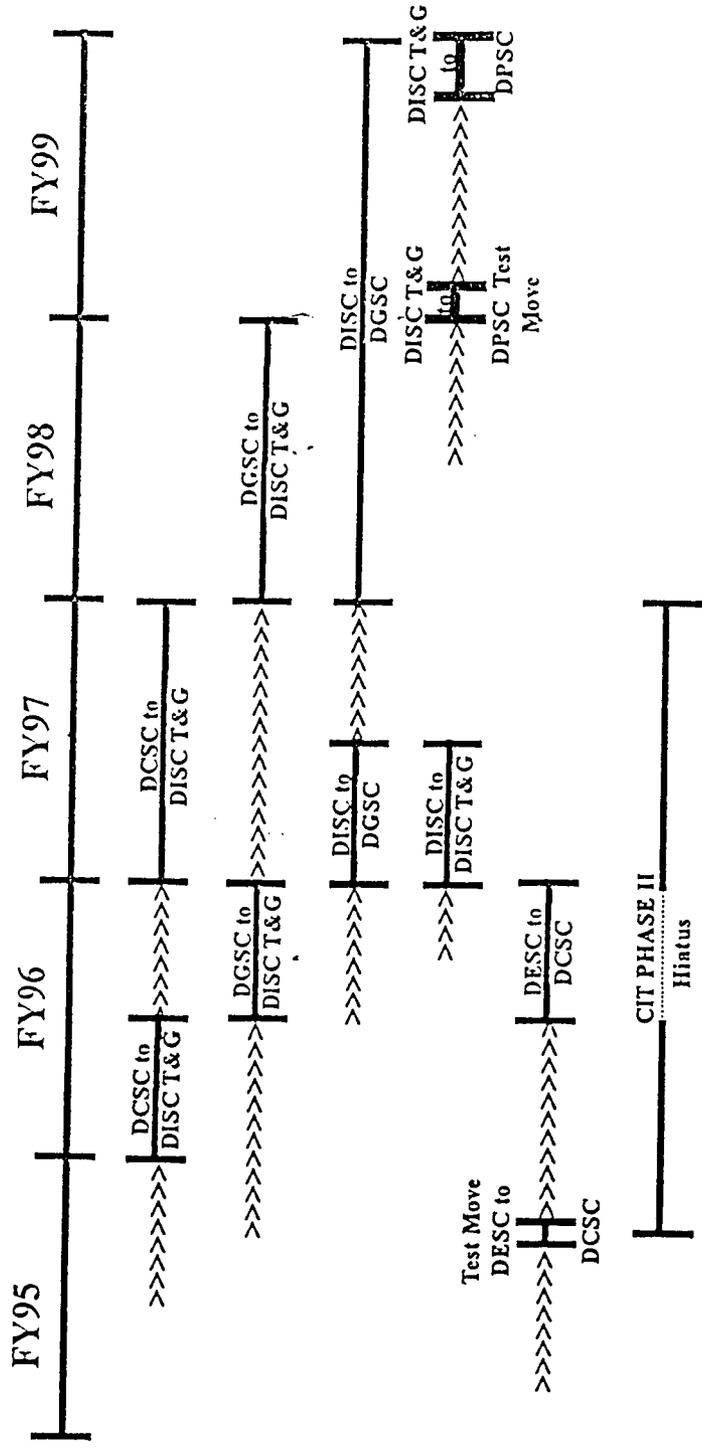
Recommendation:

- ◆ Stay with the BRAC 93 decision.
If DLA is still committed to the two Weapon System concept, they can accomplish this outside of BRAC 95. DLA can then implement within a reasonable and safe timeframe vs the condensed timeframe that would be imposed by BRAC 95.

Contact: DISC Federal Managers Association



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

TRANSFER WORKLOAD SCHEDULE (MAXIMUM LIMITS) AGREED TO BY ICPs

DCSC = 3,000 per month
 DESC = 8,000 per month
 DGSC = 5,000 per month
 DISC = 4,200 per month
 DPSC = MINIMAL (assumption of 200 per month only since these items will be processed manually)

<u>CENTER</u>	<u>JAN 96</u>	<u>FEB 96</u>	<u>MAR 96</u>	<u>APR 96</u>	<u>MAY 96</u>	<u>JUN 96</u>	<u>JUL 96</u>	<u>AUG 96</u>	<u>SEP 96</u>	<u>OCT 96</u>	<u>NOV 96</u>	<u>DEC 96</u>
DCSC	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
DESC	8,000	8,000	8,000	8,000	8,000	8,000	8,000	4,078				
DGSC	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
DISC	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	1,993
DPSC	200	200	200	200	200	167						
TOTAL	20,400	20,400	20,400	20,400	20,400	20,367	20,200	16,278	12,200	12,200	12,200	9,993

<u>CENTER</u>	<u>JAN 97</u>	<u>FEB 97</u>	<u>MAR 97</u>	<u>APR 97</u>	<u>MAY 97</u>	<u>JUN 97</u>	<u>JUL 97</u>	<u>AUG 97</u>	<u>SEP 97</u>	<u>OCT 97</u>
DCSC	1,503									
DESC										
DGSC	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	1,714
DISC										
DPSC										
TOTAL	6,503	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	1,714

NOTE: Monthly amount for DPSC is an estimate

There is also the potential for the following items to transfer with CIT2:

DCSC = 3,989
 DESC = 323
 DGSC = 1980, plus 226 (GSA)
 DISC = 2,480
 DPSC = 1

CIT TRANSFER - PHASE 2

DLA TO RECEIVE 253,655 ITEMS:
 DCSC = 37,503
 DESC = 60,078
 DGSC = 106,714
 DISC = 48,193
 DPSC = 1167

PROPOSED TRANSFER OF ITEMS INTO AN ICP

CENTER	JAN 97	FEB 97	MAR 97	APR 97	MAY 97	JUN 97	JUL 97	AUG 97	SEP 97	OCT 97	NOV 97	DEC 97	TOTAL
DGSC	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
DPSC/DISC	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	100,800
CY TOTAL	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	220,800
CENTER	JAN 98	FEB 98	MAR 98	APR 98	MAY 98	JUN 98	JUL 98	AUG 98	SEP 98	OCT 98	NOV 98	DEC 98	TOTAL
DGSC	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
DPSC/DISC	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	100,800
CY TOTAL	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	220,800
CENTER	JAN 99	FEB 99	MAR 99	APR 99	MAY 99	JUN 99	JUL 99	AUG 99	SEP 99	OCT 99	NOV 99	DEC 99	TOTAL
DGSC	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
DPSC/DISC	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	2,009				69,209
CY TOTAL	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	12,009	10,000	10,000	10,000	189,209
CENTER	JAN 00	FEB 00	MAR 00	APR 00	MAY 00	JUN 00	JUL 00	AUG 00	SEP 00	OCT 00	NOV 00	DEC 00	TOTAL
DGSC	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
DPSC/DISC													0
CY TOTAL	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
CENTER	JAN 01	FEB 01	MAR 01	APR 01	MAY 01	JUN 01	JUL 01	AUG 01	SEP 01	OCT 01	NOV 01	DEC 01	TOTAL
DGSC	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
DPSC/DISC													0
CY TOTAL	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
CENTER	JAN 02	FEB 02	MAR 02	APR 02	MAY 02	JUN 02	JUL 02	AUG 02	SEP 02	OCT 02	NOV 02	DEC 02	TOTAL
DGSC	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
DPSC/DISC													0
CY TOTAL	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
CENTER	JAN 03	FEB 03	MAR 03	APR 03	MAY 03	JUN 03	JUL 03	AUG 03	SEP 03	OCT 03	NOV 03	DEC 03	TOTAL
DGSC	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
DPSC/DISC													0
CY TOTAL	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
CENTER	JAN 04	FEB 04	MAR 04	APR 04	MAY 04	JUN 04	JUL 04	AUG 04	SEP 04	OCT 04	NOV 04	DEC 04	TOTAL
DGSC	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
DPSC/DISC													0
CY TOTAL	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
CENTER	JAN 05	FEB 05	MAR 05	APR 05	MAY 05	JUN 05	JUL 05	AUG 05	SEP 05	OCT 05	NOV 05	DEC 05	TOTAL
DGSC	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	8,981		108,981
DPSC/DISC													0
CY TOTAL	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	8,981	0	108,981
CY	1997	1998	1999	2000	2001	2002	2003	2004	2005	TOTAL			
TOTAL	220,800	220,800	189,209	120,000	120,000	120,000	120,000	120,000	108,981	1,339,790			

NOTE: DISC's maximum transfer workload amount was used to calculate those items being transferred to DPSC.
This was done because the items transferring to DPSC will first come to DISC, since DPSC is scheduled to occupy this site.

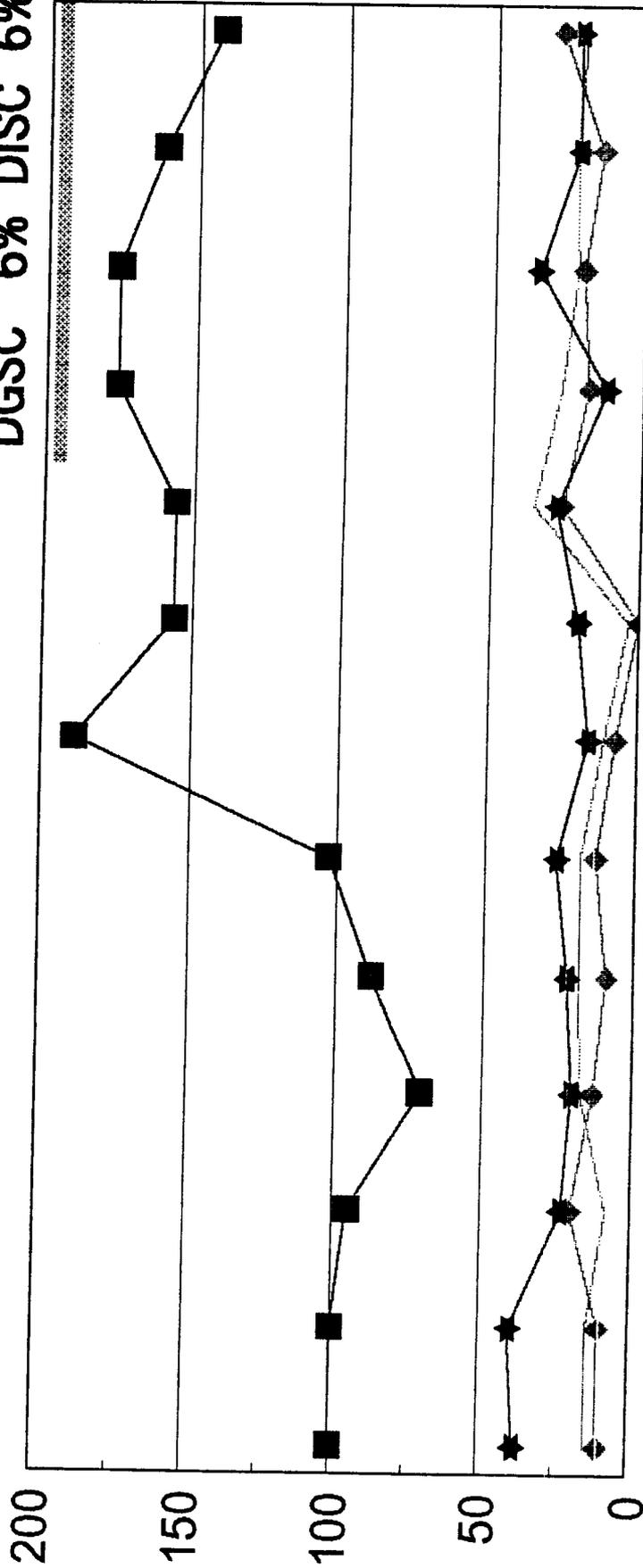
Systems Below 85% Supply Availability Goal

FY94 Navy Summary

Total Systems: 418

DCSC 44% DESC 8%

DGSC 6% DISC 6%



	Oct 93	Nov	Dec	Jan 94	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
DCSC ■	100	100	95	71	88	103	189	156	156	176	176	161	142
DESC ◆	10	20	13	9	7	13	7	0	26	18	20	14	28
DGSC ★	40	23	20	22	16	26	16	20	28	12	35	22	22
DISC ◇	14	8	17	18	11	18	11	3	36	27	22	23	20

What Readiness to Fight Two Wars Means

To the Editor:

"The Two-War Fantasy" (editorial, Feb. 5) suggests that the United States would never face two major regional conflicts at once. In fact, twice last year President Clinton was prepared to commit troops against well-armed adversaries to protect foreign policy goals.

In June, North Korea was on the verge of producing enough plutonium to make up to five nuclear weap-

ons. We were ready to seek economic sanctions against North Korea, something Pyongyang said it would consider an act of war. As a result, we were also preparing for a substantial military buildup in South Korea, where we already have 37,000 troops. Fortunately, North Korea agreed to negotiations that ultimately led to an agreement to halt its current nuclear program. The crisis ended without conflict.

United States security interests faced another threat in October, when elite Iraqi divisions suddenly started moving toward Kuwait. We feared another invasion and quickly mobilized significant ground, air and naval forces to repel Iraq. In the face of our resolve, Saddam Hussein withdrew.

In both cases deterrence worked because the United States had a ready force and was prepared to use it. But consider what might have happened if deterrence had not worked in North Korea. At the very least we would have been engaged in a tense standoff with a country that has a well-trained and forward-deployed army of 1.1 million men. At worst, we could have faced a war requiring a major commitment of force.

And what if Saddam Hussein, seeing that we were occupied in North Korea, had chosen this moment to launch a new attack against Kuwait?

The United States strategy to maintain a force that can fight two nearly simultaneous major regional conflicts is designed to prevent just this type of adventurism.

You quote me as saying that the prospect of fighting two wars is "entirely implausible." The two words that you surgically lifted from my testimony to Congress distorted my point: fighting two wars is implausible precisely because we have the capability to respond to two challenges at once. If we only had the capability for one major conflict, our weakness could invite a second conflict, thereby making plausible what would otherwise be an implausible scenario.

WILLIAM J. PERRY
Secretary of Defense
Washington, Feb. 10, 1995

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ROBINS AFB/WARNER ROBINS ALC **SUSTAINABLE ENVIRONMENTAL EXCELLENCE**

The Air Force BRAC 95 Environmental ratings of ALC bases do not accurately reflect the relevance of environmental criteria subelements to depot operations.

1. The following environmental criteria subelements are critical to current and future depot operations:

- * Clean Air Act
- * Availability and Quality of Water
- * Clean Water Act
- * RCRA - Hazardous Materials and Wastes

2. Clean Air Act

* Robins is 1 of only 2 depots (Tinker is the other one) not in a Clear Air Act (CAA) nonattainment area or near nonattainment area (Kelly AFB/San Antonio);

* Operating an industrial operation the size of an ALC in a CAA nonattainment area significantly increases compliance costs and the likelihood of serious constraints on depot operations;

* The phasing in of progressively more stringent CAA requirements over the next decade--especially in nonattainment areas--will significantly increase compliance costs and the need for mitigating action at the ALCs;

* Increasing CAA requirements will increase compliance costs at Robins, but it will remain in a ~~CAA~~ attainment area to minimize the impact on depot operations and manday rates.

3. Water Availability and Quality

* Adequate water is essential for depot operations and Robins enjoys access to a plentiful and high quality water source;

* Robins has its own wells and their operation is the only cost for the water it uses;

* The high quality of water at Robins water minimizes treatment costs.

4. Clean Water Act

- * Robins is in full compliance with the Clean Water Act
- * Robins discharges its treated wastewater into the Ocmulgee River and the effluent meets NPDES permit requirements; ^{in 1994}
- * Robins has awarded a \$5.4 million contract to upgrade its industrial wastewater and sewage treatment plants.

5. RCRA--Hazardous Materials and Wastes

- * Robins in full compliance with RCRA
- * Significant progress in recent years to improve management of hazardous materials and wastes;
- * Pollution prevent efforts to ensure compliance in the future.

6. Non Relevant Environmental Issues

- * Robins depot operations are not significantly impacted by:
 - Asbestos--Installation survey completed and no friable asbestos;
 - Biological--Although 5 Threatened and Endangered species have been identified, there are no critical habitats on base and existing wetlands do not constrain current or future depot operations;
 - Cultural--Although several building have historical significance and some archeological sites have been located on base, they do not constrain current or future depot operations; and
 - Installation Restoration Program involving NPL sites and RCRA cleanup efforts are well underway, are the least costly of any ALC and do not constrain current or future depot operations.

7. Solid Waste

*Robins has an active recycling program to minimize the amount of solid waste it must landfill;

* The landfill Robins uses to dispose of solid waste has a 50 year capacity and probably the lowest tipping fees of any of the ALCs.

8. Outyear Compliance Costs

* According to figures reported to Congress on environmental compliance and quality costs, Robins projected funding requirements for the period FY 96-FY 00 are the least of the ALCs:

(\$ in millions)

Kelly AFB	76.5
Tinker AFB	70.1
McClellan AFB	42.9
Hill AFB	35.5
Robins AFB	30.6
	255.6

* Although these compliance cost projections are very conservative because the Air Force does not include any requirements into the future that do not exist now, Robins AFB has the least uncertainty about potential environmental compliance costs of any other ALC.

BOTTOM LINE--Robins AFB Environmental Excellence is Real and Sustainable

* Robins AFB has no environmental problems that would significantly constrain or add to the cost of depot operations in the foreseeable future;

* Robins AFB is totally self supporting in dealing with its environmental requirements into the 21st century--it does not need regulatory waivers, air emission credits; or water allocations.

* Robins AFB can continue depot operations in an environmentally responsible fashion without asking communities or businesses in Central Georgia to assume any of the costs or burdens of its environmental compliance.

PROJECTED ALC COMPLIANCE COSTS, FY 95 - FY 99*

(\$ in millions)

Kelly AFB	130.6
Tinker AFB	109.0
McClellan AFB	65.6
Hill AFB	44.3
Robins AFB	41.2
	390.7

Source:
* FY 1994 Report to Congress (prior edition to numbers quoted on
p. 3).

Document Separator

UNITED STATES AIR FORCE



1993-1994

SECRETARY OF DEFENSE

ENVIRONMENTAL QUALITY

AWARD



WARNER ROBINS AIR LOGISTICS CENTER
ROBINS AIR FORCE BASE, GEORGIA

INTRODUCTION

Robins Air Force Base is a major Department of Defense Air Logistics Center. The largest industrial complex in the state of Georgia, it is home to more than 40 separate organizations employing approximately 13,400 civilians and 4,500 military personnel. The base has an annual economic impact of \$2.9 billion, reaching almost one-third of the state of Georgia. The Air Logistics Center encompasses approximately 3.1 million square feet of maintenance shops, 1.8 million square feet of administrative space, and 3.8 million square feet of storage space.

Team Robins performs many missions, including:

- Worldwide management and engineering responsibility for the F-15 fighter, the C-141 and C-130 transport aircraft, all Air Force helicopters, and all special operations aircraft which includes repair, overhaul, modification, and acquisition of these aircraft and related systems
- Repair of airborne avionics, electronic warfare, communications, radar, and navigation equipment using the largest repair facility in the world
- Worldwide management responsibility for Air Force fleet of more than 126,000 vehicles
- Support for hosted organizations such as the Headquarters Air Force Reserve, the 19th Air Refueling Wing, 5th Combat Communications Group, the 9th Space Warning Squadron, and the Defense Logistics Agency

Robins AFB is situated on 8,722 acres of an upper coastal plain, of which 2,300 acres are natural wetlands and 1,150 acres are timberland. Wildlife and vegetation are abundant, ranging from the American alligator and Florida panther to the flycatcher and loblolly pine. Artifacts recovered from 36 archaeological sites indicate that Robins was once a major Native American settlement.

The city of Warner Robins is immediately west of the base, with a population of some 40,000. Political and community support for the base are exceptionally strong—Senator Sam Nunn is from the same county, and the Governor has visited the base many times. The community coined a phrase and has made it a reality -- Every Day in Middle Georgia is Air Force Appreciation Day.

BACKGROUND

Middle Georgia was selected for the site of an Army Air Corps supply and maintenance depot because it had level land for an airfield and abundance of water. These were important points to consider in 1941, when emphasis was

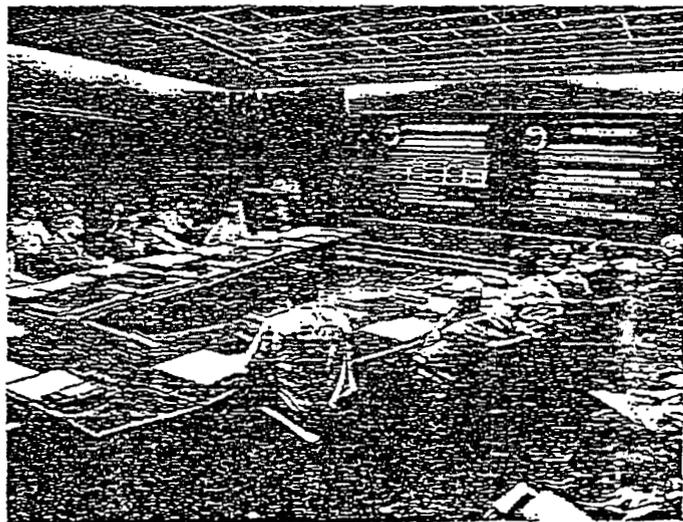
on speed of construction. But with haste came waste.

The environment suffered as a result of the rapid defense buildup. Industrial cleaning chemicals and aircraft fuel were released into the environment. Surplus material was dumped into landfills. From 1942 through 1978, these practices were acceptable and legal. Today, these practices are forbidden, and Robins is on the National Priorities List (NPL) for expedited cleanup.

Base environmental specialists are working diligently to clean up damage from the past — complying with today's laws and forging ahead with pollution prevention and conservation efforts for tomorrow. Today's charter is to ensure that Team Robins remains a leading steward of the environment and a role model for the Department of Defense and private industry.

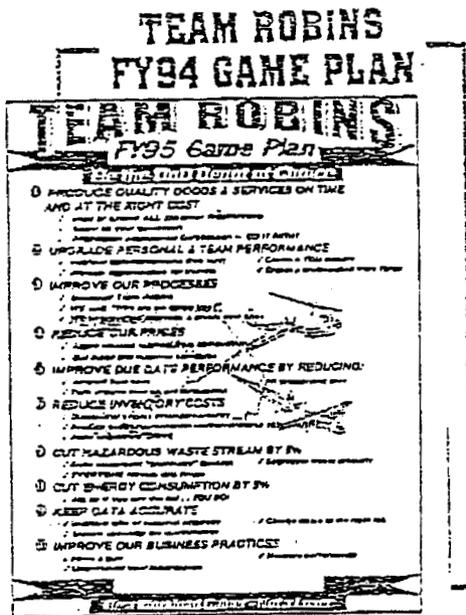
The principles of Total Quality Management are integrated throughout the installation's environmental program. The impetus for the management philosophy comes directly from the Air Logistics Center Commander (Installation Commander) through the Environmental Protection Committee (EPC) and the Environmental Management Directorate to each employee directly involved with the base's environmental management program. The Environmental Management Directorate, a team of 78 employees, works directly for the Installation Commander.

The installation's EPC, chaired by the Executive Director, meets quarterly to track the status of issues and provide an open forum to discuss environmental challenges facing the installation. Each of the installation's director/ commanders is an active member of the EPC.



Environmental Protection Committee

The Team Robins Game Plan, developed to focus the entire base on critical management challenges, was established in FY94. Each of the installation's employees has an input through Total Quality working teams starting at the lowest organizational level, proceeding through the chain of command directly to the Installation Commander. Both the FY94 and FY95 Game Plan contain specific environmental objectives for the entire installation.



FY94 and FY95 Game Plan

The status of the objectives is measured throughout the year, and progress is briefed to the entire work force by the Installation Commander. Top management at Robins AFB doesn't just talk the talk of environmental protection/leadership - they walk the talk!

In line with Total Quality Management principles, Integrated Product Teams (IPTs) have been developed in a number of environmental programs, including Water Quality, Hazardous Waste, Hazardous Materials, and Environmental Compliance Assessment. These IPTs bring together representatives of each organization on the installation impacted by a particular environmental protection program.

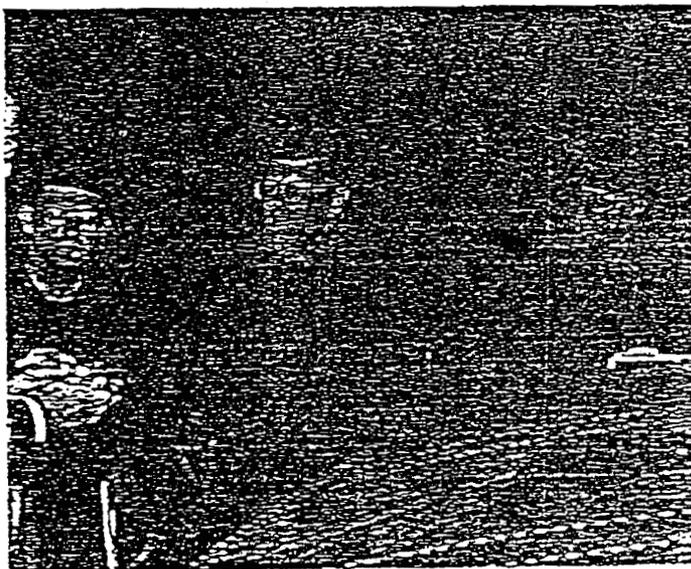
Recent successes of the IPTs have been the establishment of a storm water management plan, a significant increase of the number of base employees trained in hazardous waste management, implementation of the hazardous materials pharmacy, and recurring discrepancies identified in the FY94 external compliance audit, greatly exceeding goals established by the Major Command.

Through the initiative established by the Installation Commander, the base fixed 50% of the audit's findings within 30 days following the evaluation versus the command goal of 50% fixed within 90 days.

Forming partnerships with the community has been at the forefront of the Environmental Management philosophy. A Restoration Advisory Board (RAB), formed in 1994, advises the Restoration Division, especially in ranking sites using a relative risk decision matrix. The RAB is co-chaired by a community member and the Director of Environmental Management, a community-base partnership. We regularly participate in Clean Community events.

The community's most vocal environmentalist was given a close-up tour of the base's mission and environmental successes, resulting in a new respect for the Air Force's environmental initiatives. She has become a positive, primary member of the Restoration Advisory Board.

The head of the Georgia Environmental Protection Division (EPD) was hosted by the Installation Commander and given a firsthand view of the base's environmental successes and challenges, along with an understanding of the complexities of the installation. Three EPD branch chiefs spent a day at the installation in May 1994, also becoming more familiar with the complexity of operations at Robins AFB. A direct result of this partnering was receipt from the Georgia Chamber of Commerce of their first Pollution Prevention Award, recognizing the base's drastic reduction in use of paint, stripping chemicals.



Georgia Environmental Protection Division Visit

Table 1 lists significant environmental management plans, agreements, and permits along with date approved. Status of plan review is briefed at each EPC meeting.

MANAGEMENT PLANS/PERMITS	DATE APPROVED
Integrated Natural Resources Management Plan	Nov 91
Air Episode Management Plan	Feb 93
Pollution Prevention Management Plan	Apr 93
Resources Conservation & Recovery Act Part B Permit	Sep 93
Comprehensive Environmental Response/Compensation and Liability Act (CERCLA) Federal Facility Agreement	Dec 93
Storm Water Pollution Prevention Plan	Dec 93
Installation Restoration Program Management Action Plan	Jan 94
Asbestos Abatement Management/Cooperations Plan	Mar 94/Dec 94
Hazardous Waste Management Plan	Jul 94
Air Permit	Nov 94
Underground Injection Permit	Dec 94
Lead Abatement Management/Lead Cooperations Plan	Jan 95

Table 1

PROGRAM SUMMARY

The objectives of the environmental quality program are site cleanup, complying with today's laws, and staying ahead of future requirements (conservation and pollution prevention initiatives.)

We're attaining our objectives. In the cleanup area, 22 of 53 sites in the Installation Restoration Program (IRP) are finished. Remaining sites are under active remediation (5) or have preliminary study efforts well under way (6). All funds requested in FY95 are for remedial action or manpower to manage the program. The installation was free of compliance Notices of Violation (NOVs) at the end of CY94, and all permits were current or waiting regulatory action.

In the conservation area, the installation won the Air Force-Natural and Cultural Resources Protection Award for CY92-94. In the pollution prevention area, purchase of Ozone Depleting Substances (ODS) at the end of CY94 is down 84% from a CY92 baseline. Purchase of EPA's most toxic chemicals at the end of CY94 was down 70% from a CY92 baseline.

Many outstanding features and accomplishments of the program are listed in the "Accomplishments" section of this report, but three stand out.

First, the partnering that is taking place between the base, Environmental Protection Agency Region IV (EPA IV), and the Georgia Environmental Protection Division (EPD) is paying huge dividends in the restoration area. In years past, EPA IV and/or EPD would readily take us to formal dispute resolution. Partnering/teambuilding initiatives, often with a formally trained facilitator, have brought all parties together in a spirit of cooperation, building mutual respect and trust among party members. At least two disputes have been avoided since we began the process in mid-1994.

Another significant accomplishment was destruction of Agent Orange dioxin contaminated waste left over from the Vietnam era. Aircraft used for spraying operations were brought to Robins, and the Agent Orange tanks, pumps, etc., were removed from the aircraft and stored on base because of land ban restrictions. We found a permitted destruction facility in 1993 and today, our dioxin waste is destroyed and our Resource Conservation and Recovery Act (RCRA) Part B permit has been modified. The final result - "clean closure." Reductions in ODS and EPA-17 chemical purchase described above are the most significant features of the pollution prevention program.

Perhaps the most unique feature of the overall environmental quality program is the EPC restructuring that took place in late 1993. The EPC has a myriad of important matters to address and track. We use objective criteria and a color coded rating system to direct senior management focus to areas requiring the most attention to maintain compliance and the largest opportunities for pollution prevention efforts. In a glance, senior managers can assess the general health of more than 50 environmental items that are important to operation of the installation. By staying in compliance and reducing the quantity of hazardous material in the workplace, Robins AFB has become a recognized leader in environmental stewardship and advocacy.

ACCOMPLISHMENTS

This section describes in detail many environmental accomplishments of the 1993-1994 time frame. The list is not all-inclusive but illustrates the top notch quality of the installation environmental management program.

a. *Activities/achievements during past 2 years in NEPA Implementation*

- (1) *Proposals analyzed, decisions made, and NEPA process carried out for each*
- (2) *Coordination and public involvement techniques used and their effectiveness*
- (3) *Methodology for integrating environmental analysis into planning and decision making*
- (4) *Results of impact mitigation measures*

The National Environmental Policy Act (NEPA) guided installation decision making. In FY94 an \$85 million construction program to beddown the Joint Surveillance Target Attack Radar System (Joint STARS) aircraft was initiated. Georgia Power began construction of a \$55 million combustion turbine peaking power plant on base. These and other major federal actions required an efficient and effective environmental review process to comply with both the spirit and letter of NEPA. Robins AFB is fully committed to and deeply involved in performing meaningful environmental planning.

- In 1994, Environmental Management reviewed more than 1,200 civil engineering work requests for actions varying from "self-help" to in-house maintenance and repair, to large contract construction projects. These reviews immediately helped decision-makers to make environmentally sound decisions. For example, a work order for connecting a drain identified the wetlands as the gray water disposal site. The current action was immediately halted. Of the 1,200 informal reviews, approximately 200 required further analysis through the USAF's environmental impact analysis process. Ten actions from this smaller group required a formal environmental assessment. The remaining 190 projects were categorically excluded. In CY94, an Environmental Impact Statement was begun for the beddown of the B-1B aircraft at Robins AFB.

- Environmental assessments are forwarded to state and federal clearing houses for coordination. Our relationships with the State Historic Preservation Office and the U.S. Fish and Wildlife Service are particularly strong. Environmental assessments are published in local newspapers and can be readily reopened or supplemented if new information is available to the decision maker. Public acceptance of the effectiveness of this method has been acknowledged.

- Robins AFB personnel successfully negotiated the signing of the Interim Record of Decision for the NPL site, Operable Unit 2, Wetlands Remediation, to implement natural attenuation versus dredging. The National Resource Trustees (National Oceanographic and Atmospheric Administration and U.S. Fish and Wildlife

Service) played an important role in convincing the regulators to monitor this sensitive ecosystem, vice destroying it and helped the Air Force avoid \$112 million in cost.



Wetlands

- An environmental checklist, developed in mid-1993, identifies key issues such as cultural resources, wetlands, pollution prevention, air quality, recycling, etc. The checklist enables program managers to evaluate their projects and seek help from appropriate environmental specialists early in the project planning stage. It also focuses the use of limited resources on more complex and environmentally significant projects. Consequently, we attained the dual goals of public education concerning the need for environmental reviews and targeted formal reviews rather than shotgun NEPA application. Simple projects to replace door-knobs are no longer reviewed.

- The Environmental Management staff sponsored an executive level NEPA workshop to impress upon senior managers the need to begin the NEPA process early in the planning cycle. Environmental Management also sponsored a base-wide workshop on preparation of proposed actions and alternatives, resulting in more complete proposals for environmental review.

- For contract projects, all environmental specifications have been consolidated and centralized for ease of review and inspection by field personnel. This action is particularly crucial when environmental assessments have specified mitigation measures such as soil erosion and sedimentation control actions. As a direct result, mitigation measures are being implemented.

b. Activities/achievements during past 2 years in Air Pollution Control:

- (1) Permits, compliance records, and plant improvements
- (2) Emission sampling and ambient air monitoring
- (3) Control of activities in consideration of meteorological conditions
- (4) Participation in regional air quality planning and protection

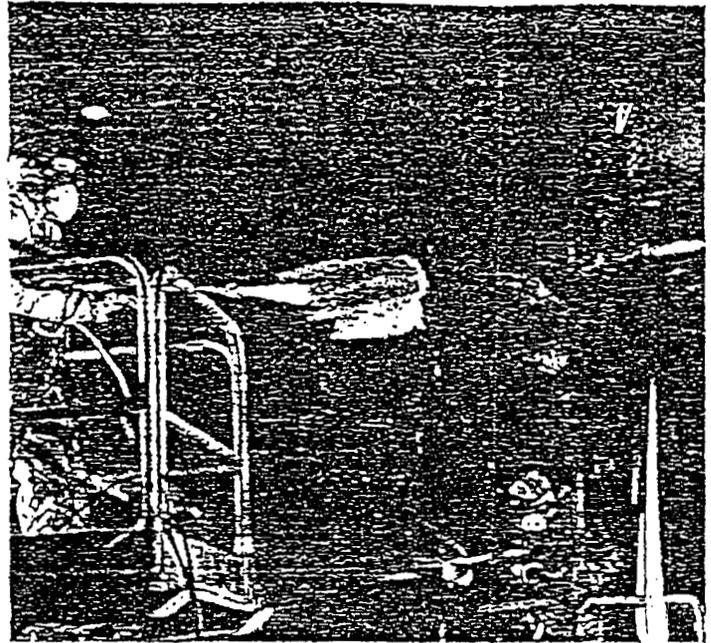
The Clean Air Act has resulted in numerous air pollution control measures. Most significant is the requirement for a vastly more complex permit application under Title V of the Act.

The Georgia EPD revised our Air Quality Permit in 1994 to add additional sources. Since hiring an additional environmental engineer in 1993 to work the air program, Robins AFB has ensured continued compliance in air quality. An emissions inventory was completed to identify all stationary emission sources and which sources will need to be permitted under Title V. A \$998,000 contract is underway to complete the Title V permit application, incorporating all air pollution requirements into one permit.

We completed the first phase of the Risk Management Program for Chemical Accidental Release Prevention: identification of five applicable chemical sources/processes for this program at Robins AFB and completed modeling for the risk analysis at each site. Phase II, development of a risk management plan, will be completed after the federal regulations are finalized.

Plant improvements are being implemented to reduce air emissions. Prior to 1993, Robins AFB used more methylene chloride than any other Air Force facility for aircraft depaint operations because of the volume of large aircraft overhauled. Chemical depainting is being replaced with alternate technologies, such as Bicarbonate of Soda Stripping (BOSS) or Plastic Media Beadblasting (PMB), to significantly reduce or eliminate the emissions of methylene chloride and Volatile Organic Compounds (VOCs).

Following engineering evaluation of the alternate technology, we implemented the BOSS method for depainting C-130 thin skin aircraft. Methylene chloride use is down from 57 drums to less than two drums per aircraft for spot depainting. This equates to a reduction in excess of one million pounds and contributes to a 77% reduction in pounds of EPA-17 chemicals purchased in 1994 versus 1992. This process change will reduce emissions of methylene chloride and VOCs from the depainting of aircraft by approximately 95%.



Bicarbonate of Soda Stripping Process

Robins AFB has a fully trained and equipped Asbestos Removal Team (A-Team) capable of handling emergency and cleanup situations. The A-Team has implemented procedures for asbestos floor tile removal which resulted in 50% savings as compared to previous methods.

Acurex Environmental Corporation completed an emission sampling and ambient air monitoring study for Robins AFB in conjunction with the U.S. EPA Air and Energy Research Laboratory at Research Triangle Park, N.C. Robins AFB contributed \$550,000 towards this effort, which identified hazardous air pollutants and emission rates for the base. Several representative stacks were sampled to analyze for hazardous air pollutants.



Stack Sampling

- Robins AFB is in an attainment area for criteria pollutants, resulting in little control of activity in consideration of meteorological conditions. Although air pollutant emissions are being reduced, there is no requirement to provide for additional reductions for meteorological conditions. Even under conditions which would induce higher levels of ozone such as hot days, the Middle Georgia area remains in attainment with federal and state standards.

- Robins AFB took the initiative to actively participate in regional air quality planning and protection by helping to develop the Aerospace National Emission Standard for Hazardous Air Pollutants (NESHAP). Robins AFB, including representatives from Environmental Management and the Technology and Industrial Support Directorate, participated in roundtable meetings with EPA, Aerospace Industries Association, DoD, and state regulators.

c. Activities/achievements during past 2 years in Water Pollution Control:

- (1) Permits, compliance records, and plant improvements
- (2) Management of point and non-point sources
- (3) Spill prevention and response
- (4) Water conservation
- (5) Drinking water protection
- (6) Ground water protection

Compliance with the Clean Water Act has resulted in numerous accomplishments over the past two years. Robins AFB generates all of its drinking water (permitted up to 5 MGD) from a deep aquifer and treats virtually all of its sewage (2 MGD) on base.

- The Georgia EPD reissued the National Pollutant Discharge Elimination System (NPDES) permit on Dec 1, 1993. This permit covers two industrial wastewater treatment plants, a sewage treatment plant, six stormwater ditches, and leachate from Zones 1 and 3 of the Installation Restoration Program (IRP). Robins AFB has maintained full compliance with discharge limits during this time period.

- Robins completed a \$1.2 million pipeline in May 1993 moving all treatment plant discharge points from Horsé Creek to the Ocmulgee River. This was a direct result of lower discharge limits placed on Robins in 1988. A second project (\$5.4 million) to upgrade the industrial wastewater and sewage treatment plants was awarded in FY94. The project includes a new biological treatment plant for one industrial plant, polishing filters at a second plant, an additional filter press for industrial sludge, and

recycling wastewater back to industrial processes. A \$3.3 million project was funded to correct inflow/infiltration problems.

- Parsons Engineering Science, Inc. completed an oil/water separator investigation during 1994 as part of management of our stormwater point sources. Operation manuals for each separator were prepared and recommendations for repairs and removal of non-operational separators were included.

- Robins implemented a fish, water and sediment monitoring plan for recovery of Duck Lake. Duck Lake is in the central part of the base, immediately adjacent to a military family housing area and the base golf course. The lake is contaminated with DDT as a result of a spill in 1979. A RCRA Corrective Measures Study was funded in FY94 in an effort to return the lake to recreational purposes. Restoring this lake will further enhance its aesthetic value and be a reflection of our environmental stewardship philosophy for all to see and enjoy.

- Within the 1993-1994 time period Robins AFB brought all regulated Underground Storage Tanks (USTs) into compliance with the EPA/EPD regulatory requirements, well ahead of the Dec 22, 1998 deadline. Compliance includes corrosion protection, overfill protection, and leak detection and monitoring. An on-going program is removing "vulnerable" USTs (due to age, single wall construction, bare steel material, etc.). More than half of our heating oil tanks have been removed and replaced with more energy efficient natural gas heating systems. A \$145,000 background site characterization was performed, identifying locations, age, material, construction, contents and site condition of all USTs. Due to this investigation, soil remediation is in progress at two sites.

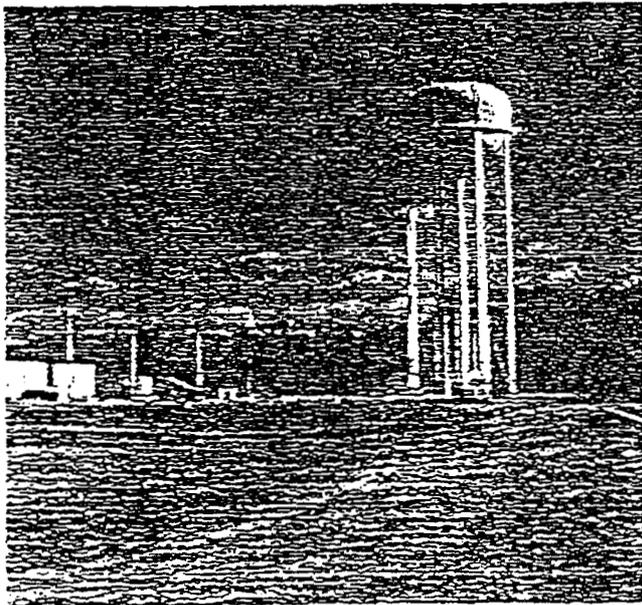


Underground Storage Tank Removal

- In mid-1994, an Aboveground Storage Tank (AST) program was launched so that Robins AFB would have an upgrade effort in progress before AST regulations are issued, as is anticipated in the near future. Several projects are already in design to equip our tanks with secondary containment, overflow prevention, and leak detection; when accomplished, the tanks will meet new regulation standards.

- The base spill team has handled approximately 100 incident responses in the last two years with no contamination allowed into any wetlands, ponds, or waterways on the installation or in surrounding vicinity. The base spill team has also been used to test new absorbent materials. These new materials are lighter, more absorbent, and can be used for energy recovery due to a higher BTU value instead of being placed in landfills. The new material saves government funds and makes a useful contribution to the Air Force's pollution prevention initiative. The results of these tests have been "crossfed" to other Air Force bases.

- Water conservation efforts include reuse of leaves as mulch in and around shrub beds and trees on base. Sprinkler heads on the golf course are capable of using recycled wastewater from the domestic wastewater treatment plant. Water conserving shower heads are in place in base billeting and the 1,393 military family housing units on base.



Joint STARS Water Well

- A project to properly cap and abandon 15 water wells to protect drinking water was a major initiative in 1993-1994. This project is especially timely in light of low levels of VOC contamination found in shallow aquifers in the base industrial area and in the vicinity of our large aboveground JP-8 fuel storage tanks. Two replacement wells for existing drinking water wells were constructed in 1993/1994, and a new well, water storage tank, and new water mains costing \$3.6 million are under construction to support the Joint STARS beddown.

- Groundwater protection efforts included securing all well heads and a project to delineate all jurisdictional wetlands on base. Wetlands delineation was accomplished over the past three years with the U.S. Army Corps of Engineers fully involved during that time.

d. Activities/achievements during past 2 years in Noise Pollution Control:

- (1) Noise sources and management methods
- (2) Planning and zoning activities

Noise pollution is a success story at Robins. Noise sources are predominately aircraft related, and while Robins is an operational base, it is relatively quiet. The Public Affairs Office receives noise complaints there were four in 1993 and only three in all of 1994.

- The KC-135 aircraft operated by the 19th Air Refueling Wing have been re-engined (KC-135R), and no longer use water for additional thrust, therefore reducing overall noise.

- The four to five functional flight checks performed on F-15 aircraft following programmed depot maintenance are spread out during the day. Functional flight checks are not performed at night.

- Robins' Air Installation Compatible Use Zone (AICUZ) plan was updated in 1993. An area north of the base was identified as being in Accident Potential Zone (APZ) 1. The Georgia State Legislature appropriated \$1.3 million to buy land in APZ 1 to reduce the public safety risk from low overflights. Local real estate agencies and banks are waiving fees to help homeowners relocate to other areas.

e. Activities/achievements during past 2 years in Radiation Pollution Control:

- (1) Radiation sources (unless classified)
- (2) Control and management methods

- Robins' Bioenvironmental Engineering Office has maintained strict control of radiation sources. There are eight permitted radioactive (ionizing) sources on base as well as thousands of radiofrequency (RF) emitters. The permitted sources belong to six different organizations and are used in gas chromatographs, chemical agent monitors, calibration equipment, lead detection instruments, inflight blade inspection systems, and the LANTIRN weapons system. In many organizations, the most hazardous RF emitter operations occur on the flightline and with the 5th Combat Communications Group.

- The Base Radiation Protection Program (WR-ALC RA-FBR 161-3) defines responsibilities, guidelines, procedures, and precautionary measures for the control of ionizing and non-ionizing radiation sources. Air Force policy is that all exposures to ionizing radiation be "As Low As Reasonably Achievable" (ALARA). Bioenvironmental Engineering personnel visit all shops with radiation sources at least annually to ensure operating instructions exist, procedures and safeguards are in place, and proper protective equipment is worn (when necessary) to make sure exposures are kept ALARA. Disposal of Radioactive items is handled in accordance with Technical Order 00-110N-2, Radioactive Waste Disposal, and is coordinated through the Base Radiation Safety Officer in Bioenvironmental Engineering and with the Low Level Radioactive Waste office in Environmental Management at Kelly AFB, Texas.

- One ionizing source not permitted, but tracked, was the old radium dial painting operation from the late 1940s until 1952. Waste was buried in a vault and Bioenvironmental Engineering monitored the site annually. In 1993 the site was excavated and found to contain mixed waste. The vault was removed in 1994 as part of the IRP, and the mixed waste was properly disposed in Utah, restoring yet another site providing generations to come with a cleaner and safer environment for tomorrow.

f. Activities/achievements during past 2 years in Waste Management and Resource Recovery:

- (1) Solid (municipal) waste management
- (2) Toxic and hazardous waste management

Waste management and resource recovery has been a dynamic area in 1993/1994. There have been significant achievements and accomplishments.

- The Qualified Recycling Program (QRP) council, chartered in 1994 and chaired by the base commander, has drafted an aggressive QRP operational plan that will ultimately result in reduction of waste by 72% from the

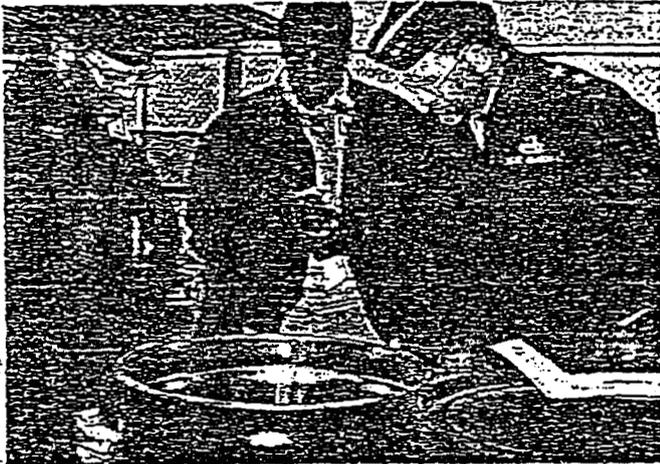
1992 baseline. At the end of CY94, Robins had achieved a 73.5% reduction in the amount of non-hazardous municipal solid waste sent to the Houston County landfill, compared to the baseline year of 1992. Robins disposed of 9,381 tons of waste in the landfill - a five-year low volume. The decrease of waste disposal is the result of source reduction initiatives such as two-sided copying and use of electronic mail. Recycling accounted for the diversion of more than 8,000 tons of material which included: recycled aluminum cans, cardboard, newspaper, office paper, glass, industrial wood, metal scraps, tires, cooking grease, and beef fat. A study, near completion, addressing the beneficial reuse of yardwaste, domestic sludge, and horse-stable waste, will also determine the feasibility of a cooperative effort between the city of Warner Robins composting facility and the base. Future plans for waste reduction include recycling steel/aerosol cans, fluorescent lamps, and plastics. Robins is negotiating a contract with the National Institute for the Severely Handicapped (NISH) to provide base-wide recycling operations.

- Robins uses affirmative procurement for both industrial and administrative purchases. Environmentally friendly materials are encouraged for use wherever possible. In 1993, 48% of all EPA regulated non-paper purchases contained recycled materials and 54% of all paper contained post-consumer recycled materials. During 1994, Robins required its copy machine contractor to provide paper containing 20% post-consumer content. Procedures are in place to recycle toner cartridges and purchase remanufactured cartridges. EPA Region IV and GSA Region IV offices recognized Robins as an environmental leader in Affirmative Procurement by inviting us to participate in planning "Buy Recycled Workshops" to be held at several locations within the region.

- Robins uses recycling to bridge the gap between industry and community by being involved in local recycling activities. For the past two years, base volunteers have assisted in the community Christmas Tree recycling program. More than 3,000 trees were chipped for mulch.

- Robins AFB benchmarked the hazardous waste disposal process at other Air Logistics Centers as well as facilities in the aerospace and hazardous waste disposal business, looking for effective methods that could be implemented at Robins to improve the hazardous waste disposal process. Licensing of Initial Accumulation Points (IAPs) for hazardous waste collection, bar-coding, and site management plans containing the facility hazardous waste management plan, waste characterization data, operational checklists, and training references implemented in 1994 are already showing improvements.

Licensing accumulation points and bar-coding will reduce the probability of enforcement actions and improper hazardous waste management through tighter control. Site management plans will provide the correct hazardous waste management procedures and relevant information to the process owner of each of the installation's 250 accumulation points. Tighter control of the installation's hazardous waste and clear understanding of responsibilities within the base's production shops have directly led to more favorable regulatory inspection results.



Installation Commander and Environmental Director inspect a hazardous waste drum.

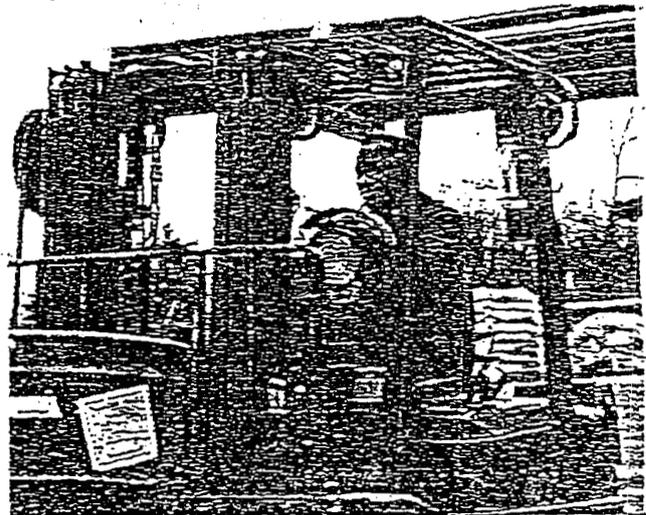
- Robins AFB is using plastic bead blast media to replace chemical paint strippers for depainting F-15 aircraft. We eliminated use of 35,000 pounds of methylene chloride, and we're now negotiating a contract to recycle the spent bead blast media into consumer and industrial products, such as bathroom fixtures and highway pavement.
- Another aspect of the base's hazardous waste management program is the operation of solvent reclamation stills. The stills annually recycle more than 14,000 gallons of used solvent and save the Air Force more than \$200,000 in the purchase of new hazardous materials.
- In Oct 93, Robins AFB initiated a revised hazardous waste training program.

— The base's philosophy was to train site managers of 90 day storage facilities. During the 1993 Georgia EPD inspection, regulators identified lack of required training for personnel handling hazardous waste, including Unit Environmental Coordinators (UEC), primary and alternate accumulation site managers, and their supervisors. The revised training was directed at

base personnel who handle or manage hazardous waste or material. The training was conducted once a month for approximately four hours. Assistance was provided by representatives from other organizations such as the Base's Fire Department, Safety Office, Office of Special Investigation (OSI), and Legal Office. Again, positive results were reflected in subsequent regulatory inspections. Additionally, thousands of base personnel have gained a greater appreciation of hazardous waste management requirements and protection of the environment.

— The scope of the training included Introduction to Resource Conservation Recovery Act (RCRA), accumulation point management, container use, marking and labeling, waste turn in procedures, personnel safety and fire safety. The program was successful. To better disseminate the training to the base populace, an Accumulation Point Management film was televised via local area network. Several copies of the film were reproduced and distributed throughout the installation for viewing at worker leisure.

— UECs developed a program to meet their specific needs. The UECs will be responsible for site-specific training of their accumulation point managers and alternates with guidance from Environmental Management.

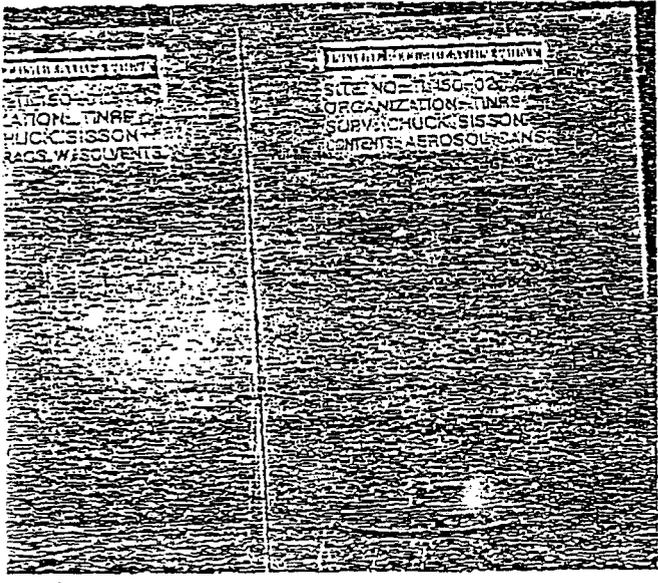


Hazardous Waste Collection

- An eight-hour Accumulation Site Managers Seminar, originating at the Air Force Institute of Technology (AFIT), was presented via satellite telecommunication on Sep 21, 1994 for 42 personnel involved in the management of waste/materials.

- A Good Management Practice (GMP) initiated by Environmental Management was to identify more LAPs. This procedure was implemented to better manage the waste streams coming from each organization and eliminate processing partially filled containers. This GMP not only saved disposal dollars but also focused hazardous waste management attention at the point of generation.

- An LAP number, along with a Waste Identification Number (WEN), will be assigned for proper identification of the container. Approximately 200 LAP containers have been identified throughout the center, with an estimate of about 250-300 being the final count. Standardized signs are being located at the LAPs. The signs list location, contents, supervisor, and primary and alternate persons responsible for the management of the containers. The hazardous waste integrated product team, through the direction of Environmental Management, has taken on this significant challenge to maintain an accurate inventory of waste streams and waste collection points. Signs will be provided to each process supervisor by the base's hazardous waste management staff.



Hazardous Waste Container Identification

- Specially designed lids for non-liquid hazardous waste accumulation were designed by the C-141 Product Directorate with approval from Environmental Management and the Georgia EPD. These lids spring shut yet allow easy addition of waste, eliminating a problem with "open containers" during RCRA inspections. This "easy open" lid encourages base employees to properly dispose of regulated wastes preventing hazardous substances from reaching the solid waste landfill.

- Robins AFB continues to maintain its status of "PCB-Free" under Air Force guidelines by eliminating regulated equipment sources exceeding PCB concentrations of 50 ppm. The base continues to control items less than 50 ppm for management purposes to preclude possible Comprehensive Environmental Response, Compensation, and Liability Act liabilities resulting from uncontrolled disposal in landfills.

g. Activities/achievements during past 2 years in Pest Management:

- (1) Integrated pest management program elements and management methods
- (2) Reductions in pesticide use and other improvements

A highly effective Integrated Pest Management Plan (IPMP) is fully implemented at Robins AFB. During the inspection process of this plan, pest management personnel identify various pests, locate breeding sites, identify potential food sources, and implement corrective actions. Where cracks and crevices are detected, caulking is often all that is required.

- Other IPMP measures implemented to control pests are public education about various pests, their life cycles, and how proper sanitation will eliminate sources of food, water, and harborage - providing up to 90% control without chemicals.

- Surveillance of disease vectors, such as mosquitoes, helps reduce chemical usage by reducing the number of replications. We use ultra-low-volume sprayer equipment with a biological chemical possessing fast knock-down properties and low residual qualities.

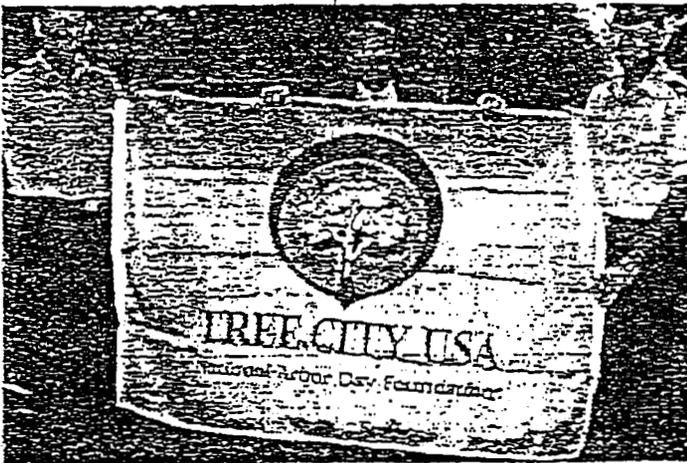
- Increased use of air blowers at entry ways to prevent flying insects from entering facilities and replacing wood shelving in food facilities with easy-to-clean metal units, have proven effective.

- Mouse traps, fly swatters, and limited quantities of pesticides are available through the Civil Engineering Self Help Store. Before pesticides are distributed, education on their proper use is emphasized. Facility occupants sign a statement acknowledging proper uses of pesticides and quantities issued are loaded into a central computer database for required reporting.

- Robins AFB eliminated herbicide usage (with the exception of Round-up) in all grounds maintenance activities. Disease-resistant grass species are specified for new projects.

- Robins AFB implemented a cooperative agreement with the USDA Animal Damage Control Unit to work with base personnel to eliminate bird problems in work areas, especially on the flightline. This agreement has been very successful because it mitigates the concerns of wildlife advocates.

- An initiative to plant more than 2,000 hardwood and ornamental trees was undertaken following a major snow storm in early 1993. The tree planting initiative increases diversity, reducing the probability that a disease or natural disaster will wipe out trees in a large portion of the base.
- In so doing, Robins AFB achieved "Tree City USA" status from the National Arbor Day Foundation.



Tree City USA

h. Activities/achievements during past 2 years in Environmental Research and Education (on and off installation):

- (1) Programs to enhance environmental ethic and awareness
- (2) Environmental research and development projects
- (3) Community involvement, activities, and affiliation of base people with civic and environmental organizations
- (4) Cooperation with Federal, State, and local agencies, organizations, and academic institutions

Robins AFB takes full advantage of our mission diversity by exploiting all environmental research and education opportunities.

- The Environmental Management Directorate hosted Robins' first Environmental Fair on Earth Day 1994. Festivities included an Arbor Day Proclamation, presentation of Tree City USA certification and an historic forest

dedication. More than 1,000 people including base employees, children from the base schools, and several outside agency participants, attended the fair. Earth Day 1994 was an extremely successful program and an all day event is planned for 1995.

- Robins AFB hosted Air Force-wide Emergency Planning and Community Right-to Know Act (EPCRA) training for the Southeast Region. This training was conducted in June 1994 and, besides providing a facility for formal training, allowed a forum for Air Force personnel from various bases and Major Commands to discuss various challenges and reporting requirements each had encountered through meeting the requirements of EPCRA.

- The Installation Commander has conducted five "green carpet tours" where he visits work centers and discusses environmental awareness with employees. His most recent "dumpster diving" tour, Dec 14, 1994, was video taped and shown at the weekly senior staff meeting to help drive home everyone's environmental responsibilities.

- The base newspaper features an environmental awareness article almost weekly. Topics have ranged from pollution prevention initiatives to environmental compliance self audits to recycling opportunities.

- In 1993, a hazardous materials pharmacy was implemented and a Hazardous Material (HazMat) Cell formed. The HazMat Cell is comprised of personnel from the Directorate of Environmental Management, the 78th Air Base Wing Supply Division, the 78th Medical Group Bioenvironmental Engineering Section, and the ALC Contracting Office.

- The HazMat Cell's goal is to provide those customers who must use hazardous materials with the right amount in the right quantity at the right time. By carefully monitoring the amount of chemical distributed to users and the quantity of material initially ordered, the base is able to minimize both waste generation and employee exposures to harmful chemicals.

- During an AFMC Inspector General visit in 1994, two elements of the pharmacy concept were selected to be benchmark programs for the Department of Defense Depot Maintenance Hazardous Material Management System. The dispensing facility in the Avionics Directorate was commended for its daily management of the issue and return of hazardous materials. Also, Robins was the first installation to manage a "Freebie List." A customer with excess or expired shelf life materials advertises it through an

on-base computer program managed by the HazMat Cell. Other authorized users can select materials from this list at no cost for use in their areas. This program has saved the installation an estimated \$24,000 in its first year of use.

- The Technology and Industrial Support Directorate has taken on numerous process development initiatives. Using Air Force pollution prevention funds, several prototype projects such as Bicarbonate of Soda Stripping have been proven successful. Another is flame spray application of thermoplastic powder coatings which is a safe, highly reliable, single-coat method of painting which eliminates toxic chemicals and ODSs in the aircraft component coating process. We're now looking at electrostatic and plasma spray application of powder coatings to make the process even better.

- Robins is working with the U.S. Department of Energy and Armstrong Laboratory to be the first Air Logistics Center to implement spray casting. The project will reduce and eventually eliminate hazardous waste by replacing chromium plating with a pressure controlled atomization process coating. Spray casting will save on disposal costs and improve operational efficiency.

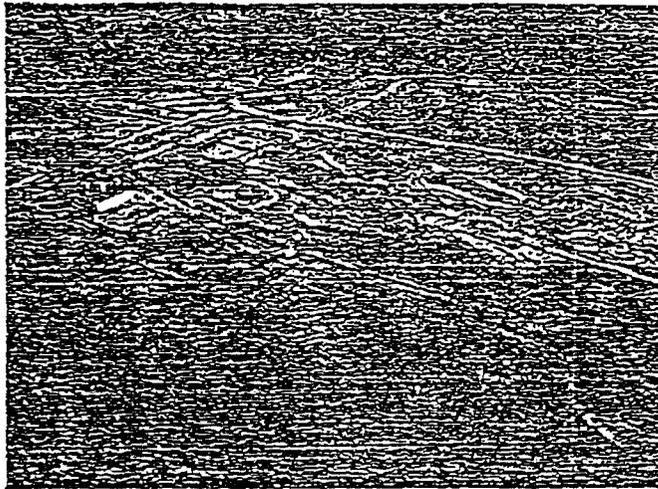
- Robins has eliminated cadmium plating from its industrial processes. The ion vapor deposition process involves the deposition of a pure aluminum film, which is 200 times less toxic than cadmium, on aircraft parts.

- An innovative contracting strategy allowed simultaneous tests based on performance criteria only of five waste solidification technologies at bench scale stage and three at pilot scale stage. The tests validated cost and efficacy prior to selecting a technology for solidifying the National Priorities List Sludge Lagoon.

- A study and assessment was conducted of a suspected drum disposal site using the Field Assessment and Study Team (FAST) concept which provided real-time analytical results, saving both time and money. Use of three-dimensional digital imaging software enabled the investigation team to visualize subsurface conditions for immediate understanding of location, depth, and concentration of pollutant mass to be remediated.

- The Restoration Division initiated interim remedial actions, where possible, enhancing Robins' image with state and federal regulators. Remediation of Landfill No. 3 was started in 1993 and will be completed in early 1995. The landfill mass will be totally enclosed by a combination of a slurry wall, an impervious cap system, and a lower confining natural impermeable clay layer.

- Blotting systems were installed to clean up petroleum contaminated soils at two RCRA sites. This technology replaced the traditional remediation method of soil excavation and disposal for a ten-fold savings.



Landfill No. 3

- The Middle Georgia Military Affairs Committee, representing nine communities surrounding the base, has been "adopted" by various installation organizations to learn more about specific units on base. The committee has been instrumental in spreading environmental "good news" stories in their communities.

- We continue to research and study the feasibility of various innovative, cutting edge paint application technologies. Robins paints more than 100 C-130, C-141, and F-15 aircraft each year. Prior to 1992, the coating system applied to most aircraft consisted of conversion coating, epoxy primer, and polyurethane topcoat. Since then, low VOC coatings, high-volume-low-pressure paint guns, and automatic paint gun washers have been used wherever possible.

- When fully developed, vapor corrosion inhibitors and electrostatically applied/infrared cured powder coatings will reduce inspection and maintenance requirements and increase the life of new and existing munitions. It is estimated that this process will extend the current two-year inspection and refurbishment cycle to up to 10 years. Another paint technology being developed at Robins involves using a plasma spray application of thermoplastic powder coatings to rapidly fuse the coating onto the aircraft substrate. This coating will eventually enhance the aircraft's resistance to abrasion, reduce hazardous material usage requirements, and generate minimal hazardous waste.

- Base personnel regularly participate in the Warner Robins Clean Community Commission and share program highlights. The commission has undertaken a beautification project on the highway that runs parallel with the west boundary of the base. Robins cleans up the base perimeter - the local community cleans up the city side of the highway.

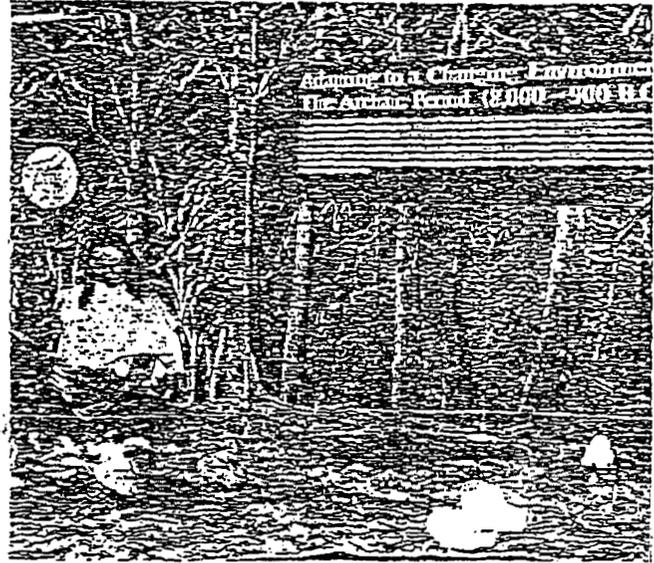
- Cooperation with federal, state, and local agencies is at an all-time high. Georgia has been delegated authority to administer the Resource Conservation and Recovery Act (RCRA) as it relates to hazardous waste management. Within two weeks of a compliance inspection, the base provides current status on any findings/questions asked at the regulator's office. We follow up with monthly status reports. As a result, enforcement actions have been minimal and no fines/penalties have been imposed. Robins AFB was NOV free at the end of CY94.

- Robins AFB actively keeps the public informed of our restoration program. Robins' IRP was showcased by Channel 11 News in Atlanta in a three-part telecast. This telecast showed the Air Force's commitment in cleaning up contaminated sites in an expeditious manner. Bioventing remediation at Robins was televised on Cable News Network, highlighting innovative environmental technologies and demonstrating Air Force resolve to clean up sites through efficient, cost-effective means. Personnel from the Restoration Division were routinely interviewed for the local Robins' Report and Middle Georgia news stations.

- Robins provided testbeds for validating experimental cleanup technologies in cooperation with regulators, research laboratories, and local universities. Robins' sites have proven to be ideal for conducting chlorinated hydrocarbon bioremediation of groundwater, bioventing of petroleum-contaminated soils, and sludge solidification.

- In tandem with aggressive restoration activities, a good working relationship with the community is resulting in a new respect for base initiatives. At the forefront of this effort in Environmental Management was the Restoration Division's establishment of a Restoration Advisory Board (RAB). The RAB is a coordinated, concerted effort by the Air Force, state and federal regulators, and local citizens to facilitate the early and continued exchange of information between all parties concerning the IRP at Robins AFB. This exchange in turn helps all parties understand the impacts of competing needs and requirements on affected communities and permits consideration of issues associated with environmental restoration and associated activities.

- From a modest beginning in 1984, the Museum of Aviation has become an important cultural, economic, and educational asset to the Air Force-Community Partnership which built and helps operate its unique facilities and programs. In 1993, Robins obtained a \$229,000 grant from the Legacy Resource Management Program for curation and display of native American artifacts found on base, some dating back to 3,000 B.C. In 1994, the museum received a \$913,000 grant from the Georgia State Legislature to build yet another hangar and MissionQuest Education Center to help educate students at all levels outside the classroom in the areas of math and science principles relating to aerospace technology.



Native American Museum Display

- Robins is also home of the Air Force Alternative Fuel Vehicle Systems Program Office (AFVSP) which manages more than 1,000 converted natural gas and electric vehicles. The AFVSP was appointed as the technical and management focal point within the Department of Defense (DoD) for the Advanced Research Projects Agency (ARPA) which allocates funding for DoD alternative fuel vehicles. The AFVSP is working under Memoranda of Agreement with both the Army and the Navy to fully develop and integrate non-tactical, alternatively fueled vehicles into their programs. The AFVSP was recently asked to join the Southern Coalition for Advanced Transportation (SCAT), one of six regional consortiums, to promote electric and hybrid vehicle technology throughout the country. During 1993 and 1994, Robins converted 80 of its fossil-fuel-burning vehicles to natural-gas-fueled vehicles. Robins also opened the Air Force's first compressed natural gas station with an automated management system capable of reporting fuel amount dispensed via the Vehicle Identification Link (VIL) system. Robins assisted in establishing

similar programs at many other Air Force Bases. Three electric vehicles, to include one bus, are expected to arrive on base by fall of 1995. Discussions are underway to showcase these electric vehicles during the 1996 summer Olympic games in Atlanta.

i. Activities/achievements during past 2 years in Environmental Compliance Assessment and Management Program:

- (1) Self-Assessments
- (2) Interaction with regulators, inspections, NOVs, agreements, fines/penalties, & other regulatory actions
- (3) Budget data, to illustrate adequate funding is being budgeted and received
- (4) Long-term planning for full and sustained compliance
- (5) Training programs

The Environmental Compliance Assessment and Management Program (ECAMP) is the backbone of our success in attaining environmental compliance. At the end of 1994 Robins AFB had no open enforcement actions, and there were no fines or penalties assessed in 1993/1994.

Robins AFB's ECAMP team developed and began to use an installation specific list of ECAMP protocol items to perform self-inspections and ECAMPs in September 1994. The list summarizes what protocol items each base organization should check in their area to determine compliance with environmental regulations. Additionally, the ECAMP Integrated Product Team (IPT) developed management action plans to correct ECAMP findings as soon as they were discovered. The ECAMP IPT reviewed these plans at least quarterly and briefed metric information at quarterly EPC meetings, facilitating proper senior leadership attention.

- This metric requires 100% of all findings programmed for closure in a management action plan within 90 days of the inspection's outbreak; 50% of findings fixed within the first 90 days, 35% fixed within 180 days, 95% of findings fixed within one year, and 100% of the findings fixed within two years.

Robins AFB conducts an annual concentrated base-wide evaluation, periodic self-inspections by ECAMP coordinators, and periodic no notice spot-checks by Environmental Management personnel. In addition, Robins' Installation Commander performs no-notice ECAMP inspections. The Commander's "dumpster-diving" and frequent reference to the importance of ECAMP in his staff meetings, Team Talk Addresses, and base newspaper publications have greatly served to promote environmental compliance.

Commander's Straight Corner Talk

Clean sweep a MUST for ECAMP

Environmental responsibility is clearly in everyone's job jar. We have an opportunity to prove we recognize our responsibility and are serious about practicing environmental compliance when we undergo our Environmental Compliance Assessment and Management Program (ECAMP) evaluation by Headquarters Air Force Materiel Command the week of April 13-22.

What does it take to have a successful ECAMP? Quite simply, know the ground rules, scrutinize your work areas, fix problems on the spot—before the evaluators arrive—and then keep 'em fixed. If you see an open hazardous waste collection drum—close it! If you notice aluminum cans intermingled with paper in the recycling bin—segregate them!

ECAMP is a positive, self-help program that enables us to pinpoint and fix environmental problems before they become major issues. The ECAMP

protocol checklist clearly outlines procedures to help us avoid notices of violation and fines from environmental regulatory agencies. Aggressive tracking, reporting and correction of findings ensure our base remains environmentally sound. ECAMP is also an effective educational tool. It is one of the best ways the Air Force has to increase environmental awareness.

This year's external ECAMP will happen when all eyes are focused on BRAC '95. Bad news, like good news, can travel fast. A great deal of time and resources have been invested training our folks and implementing progressive environmental management programs.

I expect every member of Team Robins to champion environmental responsibility and ensure we emerge from this upcoming evaluation as a leading steward of the environment.

Straight Talk Column from Robins Rev-Up

Additionally, the Commander challenged the base at the Team Talk to fix 50% of the External ECAMP findings with 30 days of the evaluation. The base met the challenge, beating the Major Command goal by 60 days.

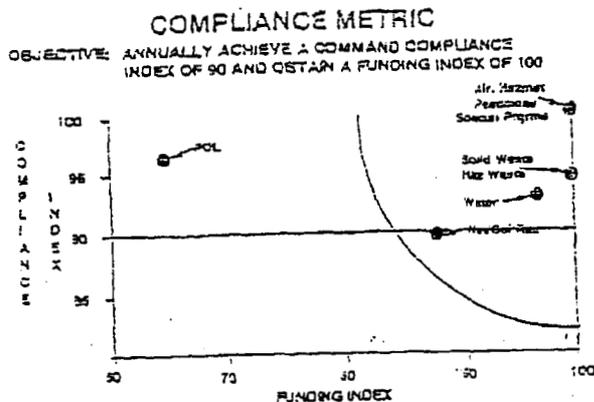
The periodic self-inspections by ECAMP coordinators and spot-checks by Environmental Management personnel serve to keep attention focused on the goal of full environmental compliance. Self-inspections help ECAMP coordinators discover and correct problems before regulatory agencies inspect. The no-notice spot-checks by Environmental Management personnel serve to focus senior leadership attention on problems in their areas, tangentially measuring the success of their ECAMP coordinator's performance. The primary goal of both types of ECAMP is to discover problems before they become regulatory issues.

Environmental Management personnel always accompany regulatory agency inspectors while they tour the installation. Any discrepancies discovered are often corrected on the spot or very shortly thereafter by actions performed by the ECAMP IPT. The goal is to correct any findings prior to receipt of NOVs. In addition, AFMCA policy requires a message be sent from the Installation Commander to the AFMC command section within five days of the receipt of an NOV. The message informs the Major Command of the NOV and if the citation is a

repeat ECAMP findings. This has strengthened the installation's corporate knowledge of past and present environmental compliance status. In addition, partnering with outside regulatory agencies has been promoted. The ECAMP manager can pass on to regulators the history of a problem area and what corrective actions have been planned or initiated. This often serves to curtail an enforcement action since the regulators know the issue will soon be resolved.

- Robins uses AFMC's Compliance and Funding Index Metric to measure the adequacy of budgetary programming in meeting environmental compliance requirements.
- Robins obligated \$17.5 million in FY93 and \$24.4 million in FY94 on environmental requirements. This tool serves to highlight funding shortfalls. Money can be reshuffled to more pressing concerns.

The compliance index (y-axis) is a measure of how well the base is meeting statutory requirements identified in ECAMP protocols. The funding index (x-axis) is the ratio of funded projects to the validated, executable projects.



Compliance Metric Chart

- Long-term planning for full and sustained compliance at Robins goes far beyond complying with today's laws. The Air Logistics Center aggressively seeks process improvements that will allow us to meet mission needs of the 21st century while minimizing discharge of pollutants. Robins is serious about source reduction rather than "end of the pipe" treatment. Process changes, alternate technologies, material substitutions, and best management practices are continually identified and implemented at every level.

During the past two years, the Center has participated in several Air Force Integrated Process Teams (IPT) aimed at improving the way business is done. As a member of the Acquisition Pollution Prevention and Tools IPT, we helped to identify management techniques to assist Air Force Weapon System Single Managers in achieving hazardous material reductions. The Pollution Prevention and Weapon System Acquisitions Handbook, published in December 1994, for use by the Weapon System Single Managers was a direct result of this effort. As a member of the Air Force Ozone Depleting Substances (ODS) IPT, we assisted in establishing Brooks AFB, Texas as the Air Force focal point on ODS alternatives.

In 1993, Robins began to digitize and screen technical orders to identify references to ODSs and other hazardous materials. Robins' format has become the criterion for the Air Force. By combining and implementing Air Force and local strategies, we have eliminated 62% of the ODS references in the 40,000 technical orders managed at Robins.

- We aggressively train production as well as environmental management personnel. First, ECAMP coordinators receive yearly training on how to conduct ECAMPs. For instance, in 1992, 42 ECAMP coordinators received the Air Force Institute of Technology's one week ECAMP course via satellite transmission. Next, since the majority of the ECAMP coordinators also serve as their organization's environmental coordinator, they receive yearly RCRA and Accumulation Point Management training. Environmental Management also provides staff assistance to the various ECAMP and Environmental coordinators by performing site-specific training at the various facilities. Finally, the ECAMP manager uses the ECAMP IPT to disseminate information. The ECAMP program manager has provided hand-outs containing helpful items of information, changes in policy, and examples of what to look for and avoid at each IPT.

CONCLUSION

This is a glimpse of Team Robins. We're good stewards of the environment, approaching the next century with sound leadership and a strong sense of accomplishment. Our cleanup goals are within reach; by maintaining persistent surveillance and progressive training programs, we'll stay in compliance; our conservation and pollution prevention efforts are paying huge dividends today and as we exploit new technologies, will provide a better tomorrow. At Team Robins, environmental quality and mission are on the same team.