

DCN 1166

DEPARTMENT OF THE ARMY  
UNITED STATES OF AMERICAREPLY TO  
ATTENTION OF

ASCS (5-10c)

MAY 10 1995

## MEMORANDUM FOR

Office of the Chief of Staff, ATTN: DACS-TAB, Headquarters,  
Department of the Army, 200 Army Pentagon, Washington, DC  
20310-0200

Assistant Chief of Staff for Installation Management, ATTN:  
DAIM-BO, Headquarters, Department of the Army, 600 Army  
Pentagon, Washington, DC 20310-0600

SUBJECT: Information Systems Software Center Realignment

## 1. Reference:

a. Memorandum, HQ, USAISC, ASCS, 30 Sep 94, subject:  
BRAC 95 Data Call # 13 - Leases.

b. Volume III, Department of the Army Analyses and  
Recommendations, DOD Report to the Defense Base Closure and  
Realignment Commission, Mar 95.

2. Reference 1a reported the strength and facilities data  
of the elements of the U.S. Army Information Systems  
Software Center (USAISSC) located in the Crown Ridge  
building at 4035 Ridgetop Road, Fairfax, VA to The Army  
Basing Study. Reference 1b recommended the relocation of  
the Crown Ridge elements to Fort Meade, MD.

3. In the development of reference 1a data, a transposition  
error was made in reporting the distribution of military and  
civilian strengths of the non-Software Development Center-  
Washington elements at Crown Ridge (i.e., the Army Reuse  
Center, the Professional Development Center, and the  
Executive Software Systems Directorate (ESSD)). The  
population figures were reported as 71 military, 17  
civilian, and 10 contractor, whereas the correct figures are  
17 military, 71 civilians, and 10 contractor personnel.  
USAISC regrets the reporting error.

4. Because of the close hold nature of The Army Basing  
Study's development of the BRAC 95 Army recommendations,  
USAISC was not consulted regarding the proposed relocation  
of the Crown Ridge elements of USAISSC to Fort Meade, MD.  
If USAISC had had the opportunity to provide input, it would  
have reported that activity was ongoing that would affect  
the numbers of USAISSC personnel in Crown Ridge that were  
available for relocation to Fort Meade. Be advised that on  
22-23 Feb 95, prior to the release of reference 1b, USAISSC

ASCS

SUBJECT: Information Systems Software Center Realignment

relocated the offices, equipment, and personnel of the Army Reuse Center and the USAISSC Professional Development Center from Crown Ridge to the HQ, USAISSC building (bldg 1464), Fort Belvoir, VA. The move was made in order to improve the operational efficiency of USAISSC, to reduce Crown Ridge lease costs to the Army, and to free up space in the building at the request of Space and Building Management Service-Washington. The authorized strength of the Army Reuse Center is one officer, 11 enlisted, and five civilian personnel. Ten contractor personnel who support the center were also relocated. The authorized strength of the USAISSC Professional Development Center is 2 civilians.

5. The second phase of the planned local moves affecting the Crown Ridge elements was to collocate the ESSD with the other directorates of HQ, USAISSC at Fort Belvoir. Sufficient floor space was being made available in the HQ, USAISSC building at Fort Belvoir to accommodate the remaining 78 personnel (includes nine overhire authorizations) of ESSD. This was made possible through a combination of manpower decrements imposed on USAISSC and the transfer of the USAISSC Data Management Directorate to the Defense Information Systems Agency under DMRD 918.

6. USAISC recommends that the planned local move of ESSD to Fort Belvoir be effected instead of relocating the activity to Fort Meade. ESSD was not specifically mentioned in the BRAC 95 recommendations and moving the directorate would not only implement the spirit of the BRAC recommendation, i.e., to move USAISSC elements out of leased space onto a military installation, but would also improve the operational capability of USAISSC. In taking the recommended action, there would be no impact on the overall population of Fort Belvoir, since the ESSD gains at Fort Belvoir would be offset by the manpower decrements and DMRD 918 losses. The move could be executed for less than \$50,000, would require no environmental assessment, and, if implemented as soon as possible, would result in greater savings of lease costs at Crown Ridge. Further, the Army would save the expense of renovation or new construction for the 69 personnel at Fort Meade and avoid the cost of paying relocation costs for the civilian personnel that would have to relocate to the Fort Meade commuting area.

7. The issue of providing space for contractor support personnel must also be addressed. Contract support is essential to the performance of the USAISSC missions.

ASCS

SUBJECT: Information Systems Software Center Realignment

Collocation of the government and contractor personnel is a key factor in mission efficiency and effectiveness. Work space for contractors is provided at Crown Ridge and is a contractually-negotiated condition. Contractor personnel were included in reference 1a. If space for contractor personnel is not made available at Fort Meade, the support contracts will have to be renegotiated to accommodate the contractor's acquisition of work space in the Fort Meade area. This alternative would result in much higher contract costs to USAISC, a cost for which the command has had no opportunity to budget. USAISC strongly recommends that space be made available in Government facilities on Fort Meade for the contractor personnel. Preferably that space should be in the same facilities that are provided to USAISSC.

8. Considering the changes discussed above, the revised USAISSC FY 96 authorized strength figures (includes 30 overhire authorizations) at Crown Ridge subject to move to Fort Meade per the BRAC announcement would be as follows:

	<u>Mil</u>	<u>Civ</u>	<u>Contractor</u>
Software Development Center-Washington	66	179	126

9. USAISC is prepared to execute the realignment package per your directions. POC in this matter is Mr. G. R. King, ASSD-SS, DSN 879-8916.

10. ISC - Voice of America's Army.

  
 HARRY B. LOPER  
 Colonel, GS  
 Chief of Staff

CF:  
 DCSOPS, HQDA, ATTN: DAMO-FDO  
 Cdr, USAMDW, ATTN: ANEN-RS  
 Act Dir, USAISEC  
 Cdr, USAISSC



DEPARTMENT OF THE ARMY  
U.S. ARMY MILITARY DISTRICT OF WASHINGTON  
WASHINGTON, DC 20319-5050



REPLY TO  
ATTENTION OF

ANEN-RS (5-10c)

13 February 1995

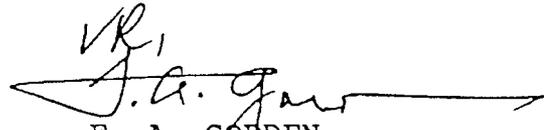
MEMORANDUM FOR Director, National Security Agency/Chief, Central  
Security Service, Fort George G. Meade, MD  
20755-6000

SUBJECT: Request for Utilization of Pershing Hall

1. Thank you for your letter of 20 January 1995 regarding Pershing Hall at Fort George G. Meade. The Army has identified plans for the continued use of this facility following the disestablishment of HQ, First U.S. Army. The enclosed correspondence from the Commanding General, Forces Command, detailing the Army's initiatives, is provided for your information.

2. To meet the Chief of Staff, Army requirement for efficient utilization of space, I have requested Lieutenant General Otjen and the Fort Meade Military Community review the space allocation within Pershing Hall. This review will assess Forces Command requirements and others, and determine the availability of remaining space at this facility. The installation commander will respond to you subsequent to this review.

Encl

  
F. A. GORDEN  
Major General, U.S. Army  
Commanding

CF:  
Commander, Fort George G. Meade Military Community, Bldg 4550,  
Fort George G. Meade, MD 20755-7000



DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF STAFF  
200 ARMY PENTAGON  
WASHINGTON DC 20310-0200



REPLY TO  
ATTENTION OF

February 13, 1995

Executive Actions Division

Vice Admiral John M. McConnell  
Director  
National Security Agency  
Fort George G. Meade, Maryland 20755-6000

Dear Admiral McConnell:

I am responding to your letter to Major General Gorden under the provisions of U.S. Army Military District of Washington Housing Policy 04, Designation and Allocation of General/Flag Officer's Quarters, which assigns me responsibility for designating Army general/flag officer's quarters in the National Capital Region. I have given careful consideration to your request. Unfortunately, your request for your successor to occupy Quarters One at Fort George G. Meade upon Lieutenant General Otjen's departure this summer cannot be favorably considered.

As an approved special command position, the Director, National Security Agency, is entitled to designated quarters under the provisions of Army Regulation 210-13, General/Flag Officer's Quarters and Installation Commander's Quarters. These quarters are permanently designated regardless of the military service of the incumbent and include amenities appropriate for entertaining foreign or U.S. dignitaries of high governmental or military rank, as well as members of the business, industrial, labor, scientific, and academic communities. Likewise, quarters are permanently designated for the Installation Commander, whose position is key and essential to the mission of the organization and installation.

The Deputy Commanding General, Second Army (East) will move from Fort Gillem to Fort Meade as Second Army assumes oversight of Army National Guard and Army Reserve training along the Eastern Seaboard. To support this expanded role, Second Army will consolidate one Readiness Group, the Regional Training Brigade — Headquarters, an Operational Readiness Evaluation Team, and three subordinate elements in Pershing Hall. The Deputy Commanding General will interface with the Adjutant Generals in 17 states and serve as an intermediary for the Civilian Aides to the Secretary of the Army. He will work closely with 11 Army Reserve Commands and exercise command and control over 7 Readiness Groups to provide active duty assistance and training to the Reserve





DEPARTMENT OF THE ARMY  
 HEADQUARTERS, UNITED STATES ARMY FORCES COMMAND  
 FORT MCPHERSON, GEORGIA 30330-6000



REPLY TO  
 ATTENTION OF

AFPI

2 February 1995

MEMORANDUM FOR Major General Fred A. Gorden, Commanding General,  
 United States Army Military District of Washington,  
 Fort Leslie J. McNair, Washington, DC 20319-5000

SUBJECT: Continuation of Forces Command (FORSCOM) Occupancy of  
 Pershing Hall and Quarters One, Fort George G. Meade, Maryland

1. Headquarters, First U.S. Army inactivates on 30 September 1995; its mission and functions will be assumed by Second U. S. Army in Atlanta, Georgia. Other FORSCOM elements at Fort Meade will not be affected and will remain; and we plan to continue installation commander duties as performed under Lieutenant General Otjen. Additionally, FORSCOM intends to station a Regional Training Brigade (RTB) headquarters with three subordinate elements at Fort Meade (activating NLT 1 May 1995) and establish a forward element of Second U.S. Army. The forward element will consist of an Active Component (AC) Deputy Commanding General (DCG) with a staff of approximately ten personnel. Also plan to station a DCG (Reserve Component) at Fort Meade. Both deputies will be major generals.
2. FORSCOM's intent is to house all elements in the current First Army Headquarters building, Pershing Hall. Our recent major renovation of the facility included installation of carpeting, workstations, new automation systems, and a modern conference facility. Also, the telephone system has been fully upgraded to interface with the new Fort Meade fiber optic system. With relocation of Readiness Group, Meade, to Pershing Hall occupancy will be approximately 261 personnel, ensuring full use of this superb facility.
3. Would like the Second U.S. Army DCG (Forward) to occupy Quarters One and continue FORSCOM's command presence in the Northeast. The span of control and task assumed by Second U.S. Army is immense. The need for an AC general officer's presence in that sector is essential to maintenance of interoperability with all components of "America's Army."
4. Appreciate your continued support of FORSCOM's unique requirements at Fort Meade.

  
 DENNIS J. REIMER  
 General, USA  
 Commanding

ROM : FORSCOM RFRM-MRP

404 659 7825

1995-02-02

COST ASSOCIATED WITH ██████████ CROWN RIDGE

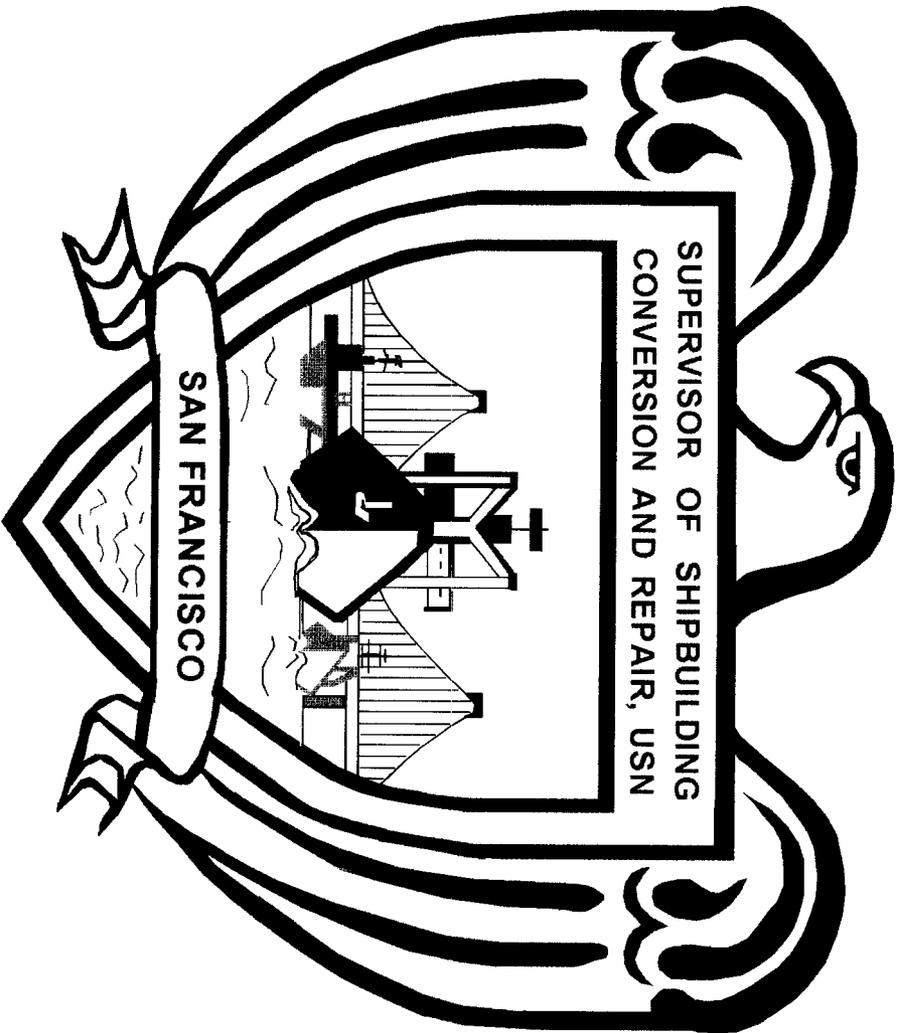
DESCRIPTION OF WORK	FUNDED BUY	COST
STANDARD IMPROVEMENTS OF CROWN RIDGE (BUILDOUT)	HAZEL/PETERSON, INC.	1,300,000
"ABOVE" STANDARD IMPROVEMENTS OF CROWN RIDGE (BUILDOUT)	GSA	2,800,000
"ABOVE" STANDARD IMPROVEMENTS OF CROWN RIDGE (BUILDOUT)	USAISDCW	42,000
TELECOMMUNICATIONS TO INCLUDE (ISDN, LAN, EQUIPMENT, ETC) INITIAL	USAISDCW	2,000,000
TELECOMMUNICATIONS IMPROVEMENTS AFTER MOVE-IN	USAISDCW	200,000
T-1 CIRCUIT (ASIMS)	USAISDCW	18,000
██████████		
TEMPORARY PHONE SERVICE	USAISDCW	15,500
DIGITAL DIALTONE	USAISDCW	47,000
CHANGE ORDERS (BELL ATLANTIC)	USAISDCW	30,000
TRANSCEIVER (BELL ATLANTIC)	USAISDCW	6,700
FIBER WIRING	USAISDCW	900
TELECOM TRAINING FOR ISDN ETC...	USAISDCW	21,000
ADDITIONAL TE1s (PHONES)	USAISDCW	11,000
ADDITIONAL CABLE FOR COMPUTER ROOM	USAISDCW	4,500
DATA CARTRIDGE	USAISDCW	900
DISC MEMOREX	USAISDCW	5,500
GVC TRANSCEIVER	USAISDCW	2,600
BOM	USAISDCW	2,500
SECURITY SYSTEMS INSTALLATION:		
SENSORMATIC CONTRACT	USAISDCW	11,000
SCHINDLER CONTRACT (ELEVATORS)	USAISDCW	12,500
FURNITURE COST:		
MODULAR FURNITURE PIECE PARTS	USAISDCW	41,000
INSTALL LABOR	USAISDCW	5,000
RELOCATE MODULAR FURNITURE	GSA	
RELOCATE MODULAR FILE SYSTEMS	GSA	
PACK & RELOCATE ADP EQUIPMENT	GSA	
RELOCATE GOVT ISSUED FURNITURE	GSA	
	TOTAL:	514,500
ELECTRICAL DISCONNECT AT MELPAR	USAISDCW	3,500
BUILDING SIGNAGE	USAISDCW	25,000
GRAND TOTAL:		██████████

*(with equipment)*

514,500

7,120,600.

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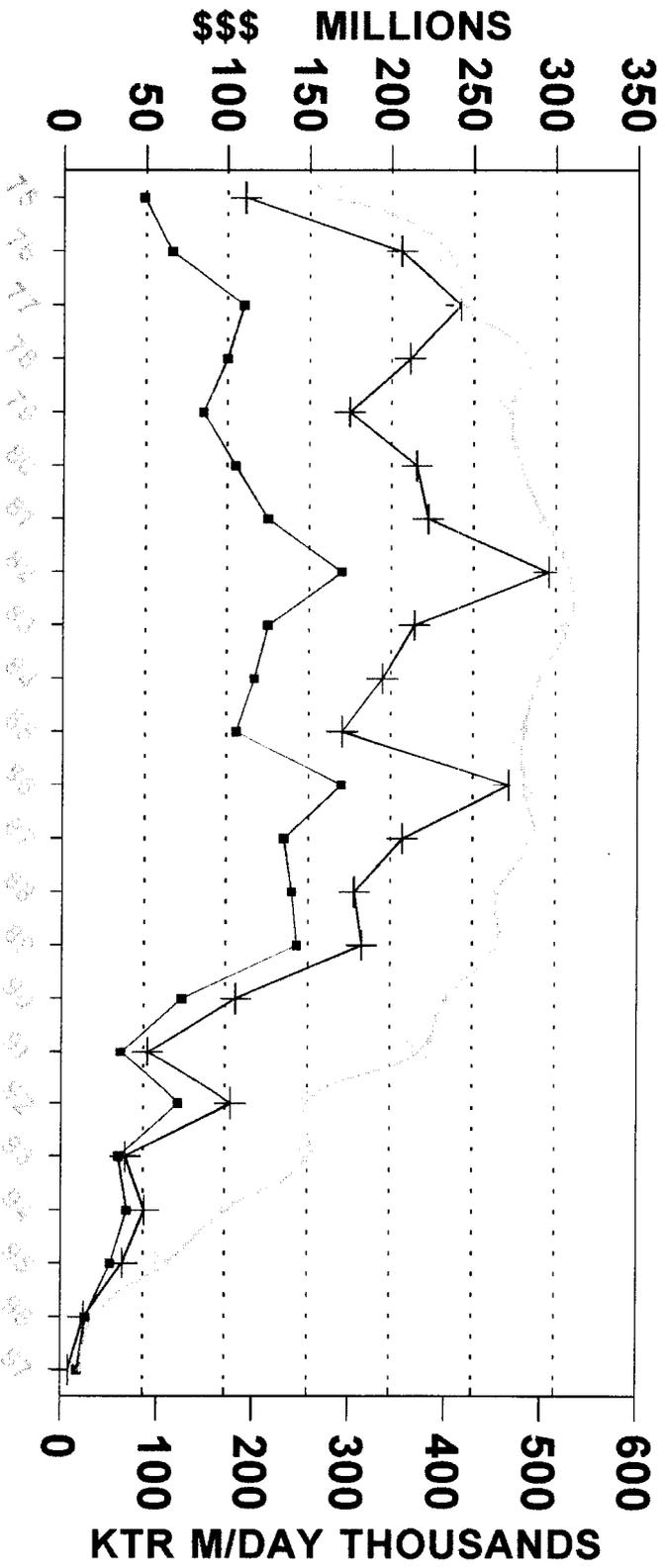


**SUPSHIP SAN FRANCISCO**

**DBCRC BRIEFING**

**23 MAY 1995**

# BAY AREA NAVY SHIPWORK PROGRESS PAYMENTS - KTR MANDAYS - WORKYEARS BY FISCAL YEAR



\$\$\$ MIL	49	66	110	100	85	105	125	170	125	117	106	170	135	140	143	73	36	71	35	40	30	15	10
KTR MANDAY	190	353	415	362	299	369	381	507	367	334	292	466	355	305	313	182	90	177	67	87	64	24	8
WORKYEAR	162	235	245	283	273	279	293	308	308	290	281	286	265	265	234	218	150	150	100	64	20	12	

(HPNS CLOSURE - 1974)

-- \$\$\$ MIL    + KTR MANDAY    - WORKYEAR



## SSSF DOWNSIZING HISTORY

	FY91	FY92	FY93	FY94	FY95	FY96	FY97	FY98
<b>AUTHORIZED WORKYEARS</b>	218	150	150	100	61	20	12	12
RESIGN	4							
OPTIONAL RETIREMENT		2						
EARLY RETIREMENT	5							
DISCONTINUED SERVICE RETIREMENT	15		2	4				
VSIP/RESIGN			2		3			
VSIP/OPTIONAL RETIREMENT			21	7	7	<7>		
VSIP/EARLY RETIREMENT			13	7	13	<1>		
EXPANDED VSIP			2	2	2			
XFER OTHER FEDERAL JOBS	41		11	10	9			
SEPARATION	3		4	3	7			
<b>TOTAL:</b>	68	2	55	34	41	8	12	12

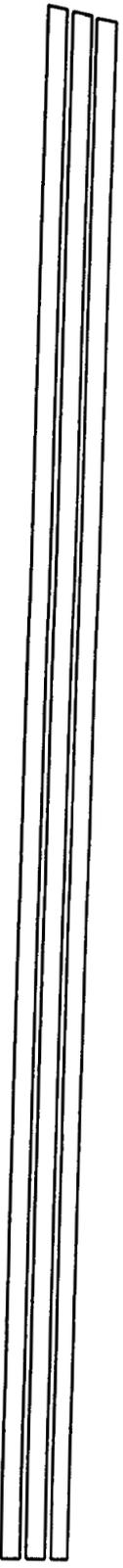
**FY REDUCTION:      32%                      36%      34%      67%      60%**

# Document Separator



**Engineering Field  
Activity West  
San Bruno, CA**

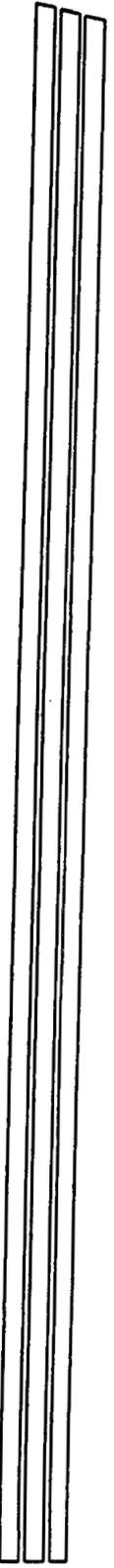
**Briefing for:  
Commissioner Montoya  
23 May 1995**





# Agenda

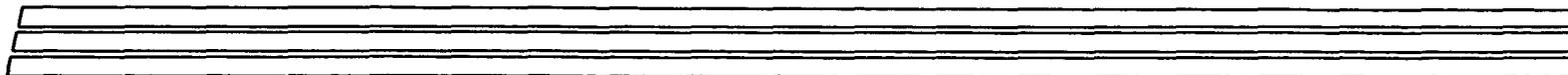
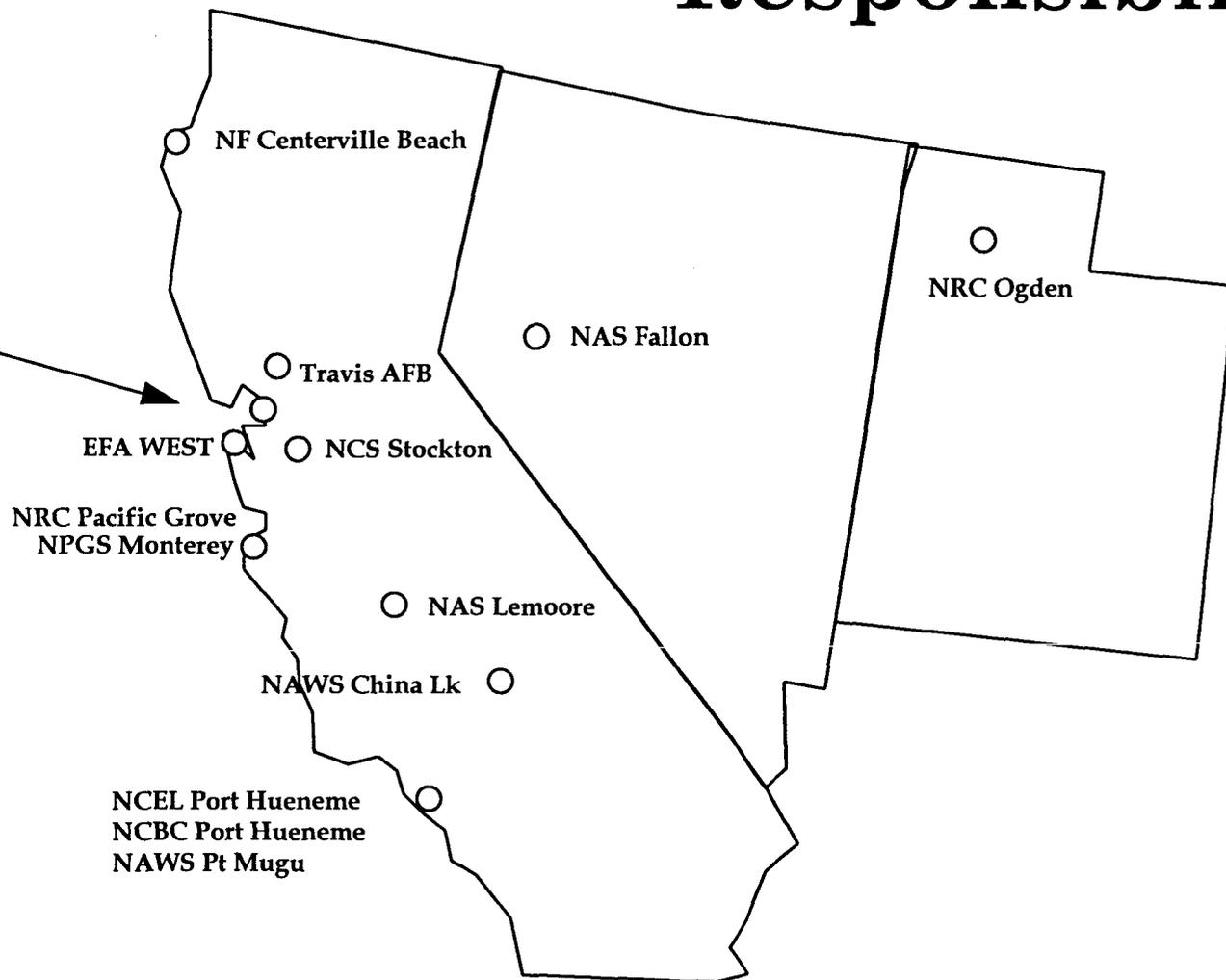
- West Coast Vision
- Mission
- EFAA West Organization
- Workload indicators
  - DIP
  - WIP
  - Environmental
  - Base Closure
- Projected Staffing
- Tenants / Building Utilization





# EFA WEST Area of Responsibility

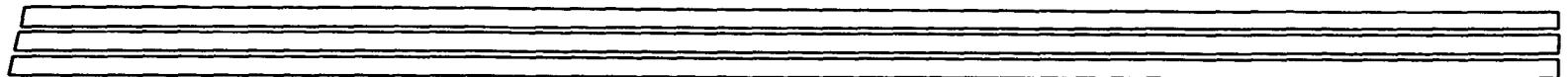
PWC SF Bay  
NS TI & HPA  
NSY Mare Isl  
NWS Concord  
NAS Alameda  
NADEP Alameda  
NHOSP Oakland  
FISC Oakland  
NAS Moffett Fld  
NSGA Skaggs Isl





# NAVFAC West Coast Vision

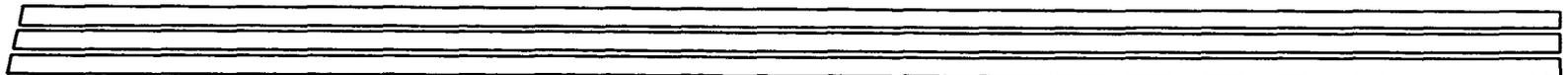
- EFA West as well as EFA NW and Southwest, has a solid continuing workload.
- EFA West experience and expertise cannot be easily transferred, duplicated, or absorbed at Southwest.
- West coast resources are allocated based on workload.
- Environmental cleanup requires close interaction and coordination with regulators and activities.
- Geographic proximity to customers is **THE** key factor in responsive customer service and project execution.
- EFA West AOR, even after BRAC 93 closures are complete is expansive and it would have an adverse effect on customers to move the work to Southwest.





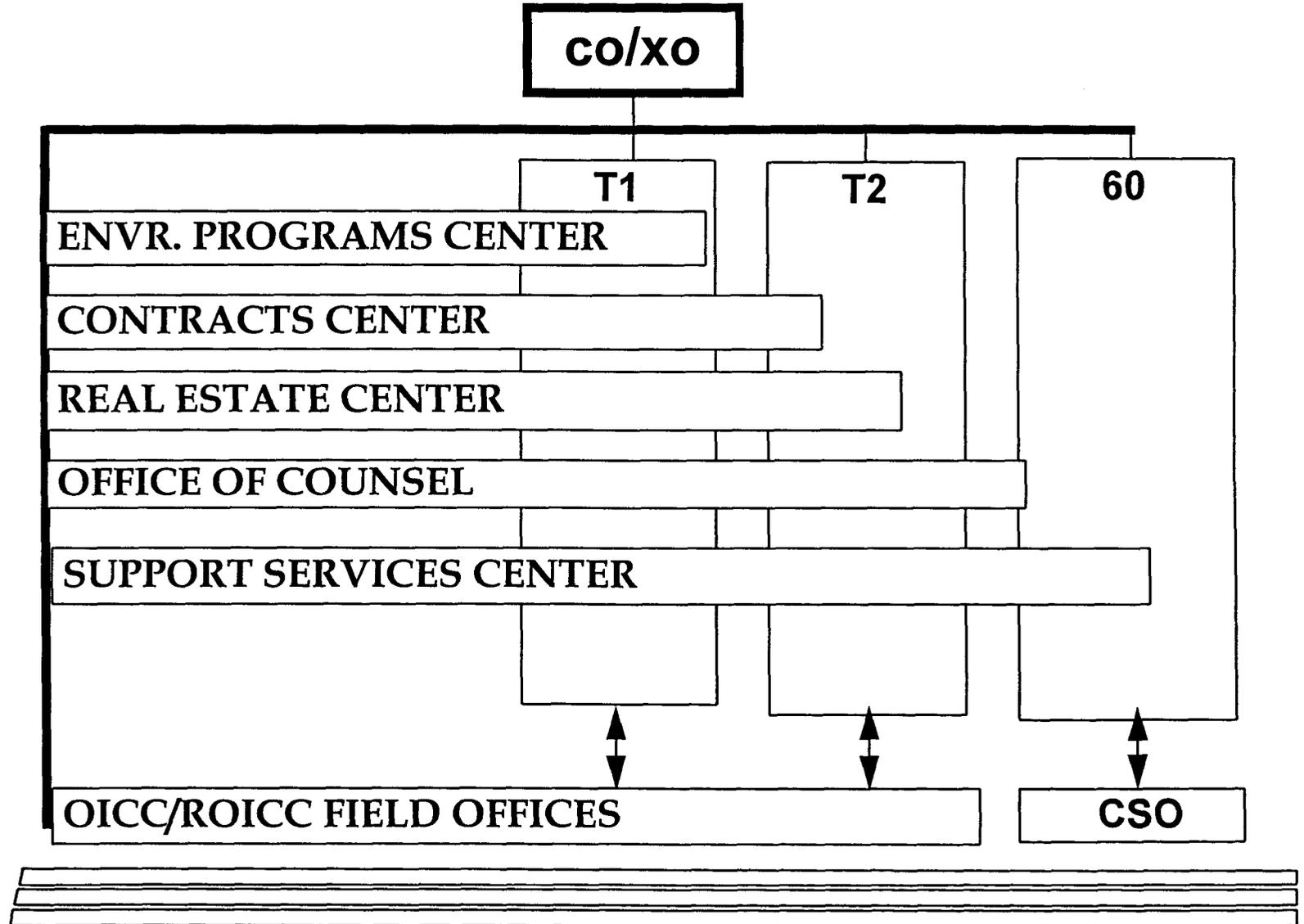
# Mission Statement

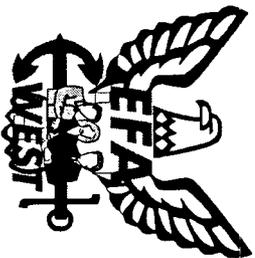
- **Our mission is to provide the best shore installation support possible.**
- **We are the Navy and Marine Corps' shore installation experts for:**
  - **Installation Planning**
  - **Facility Design and Construction**
  - **Facility Management Support**
  - **Environmental Management**
  - **Base Closure and Realignment**
- **We are absolutely committed to providing innovative, high quality, cost-effective, and timely products and services.**





# EFA WEST Organization





# EFA West Organization Concept

## ● Acquisition Teams

- Focus on customer
- Maximize internal teamwork
- Cross traditional functional areas

## ● Base Conversion & Closure

## ● Environmental Program Center

## ● Support Program Centers

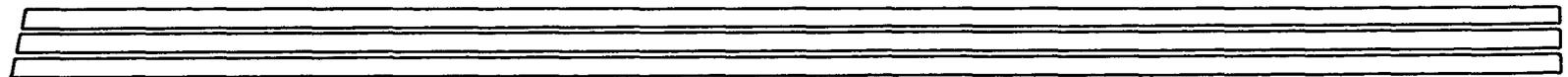
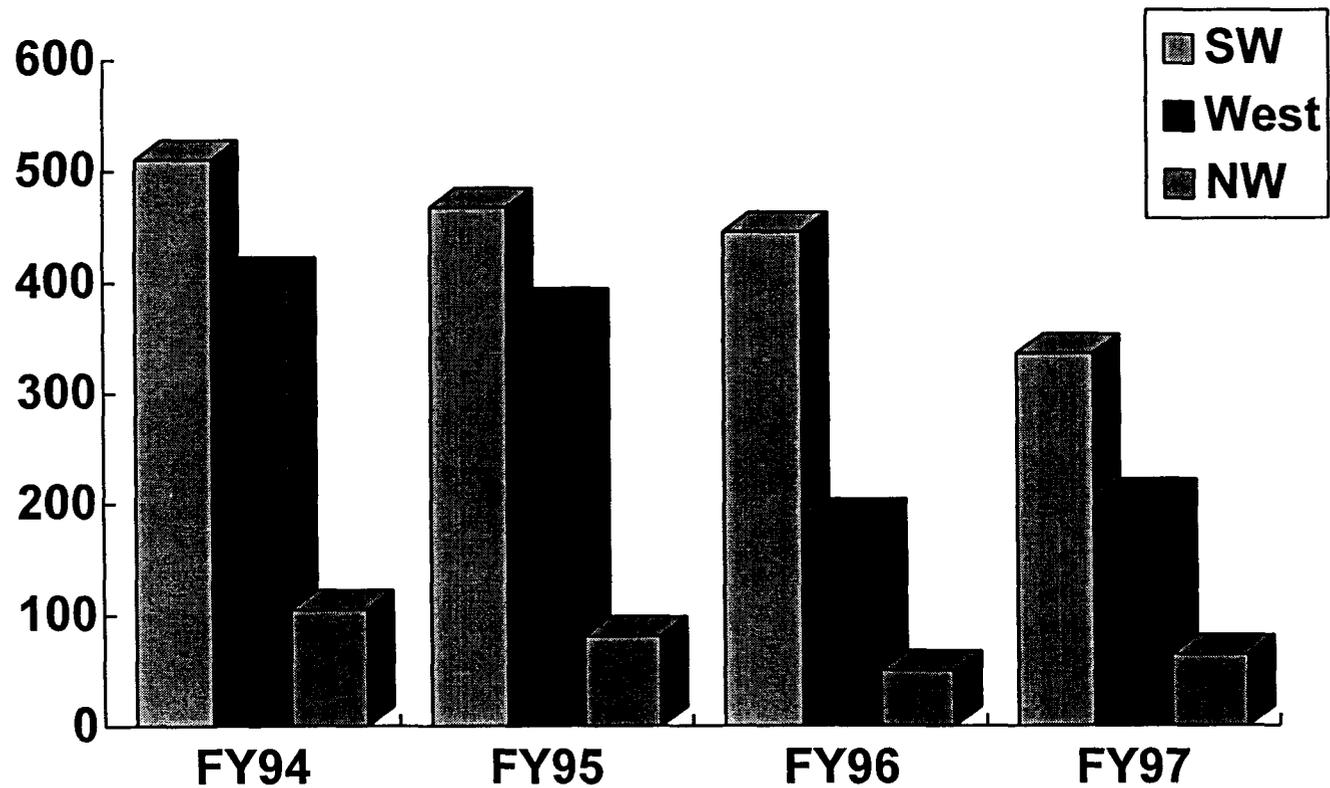
- Contracts
- Support Services Center
- Real Estate, Planning
- Counsel





# Workload: DIP

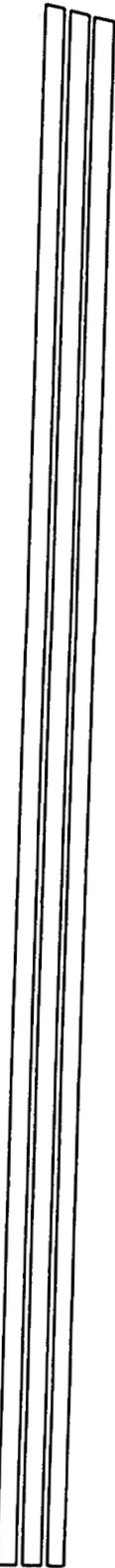
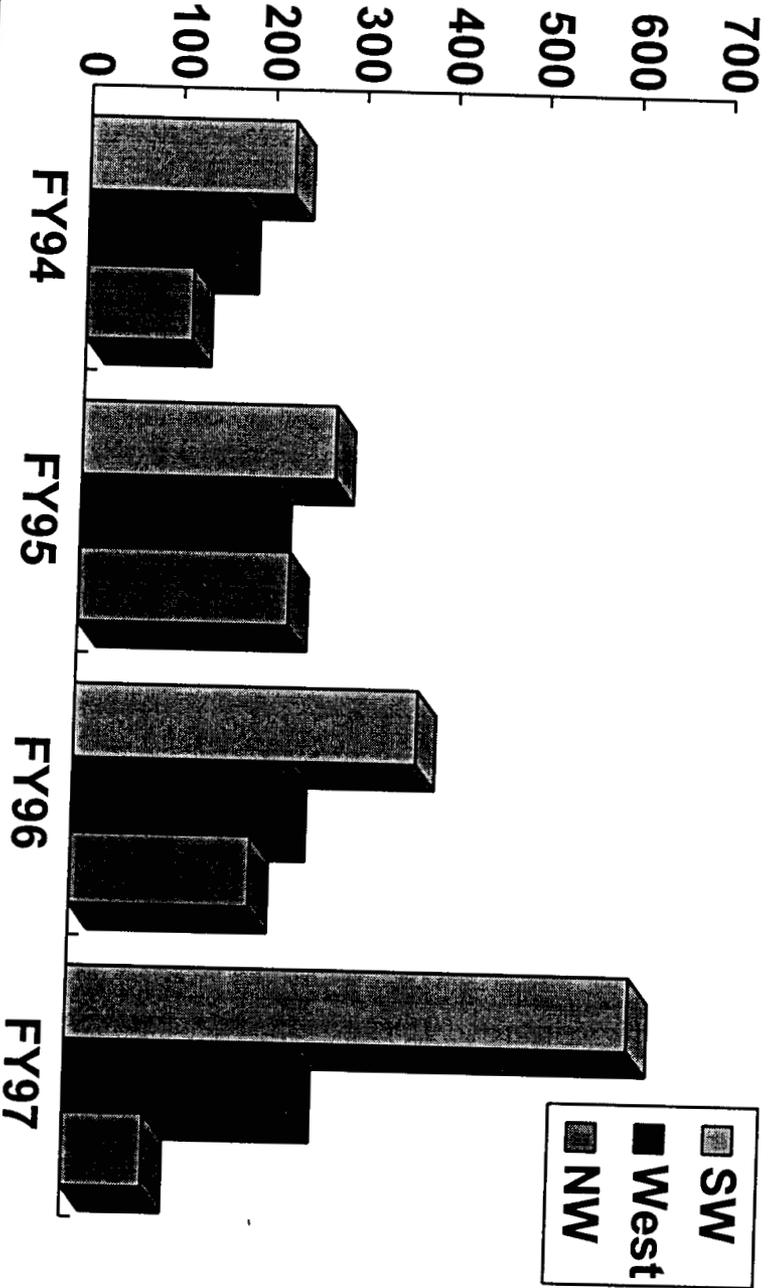
\$ million



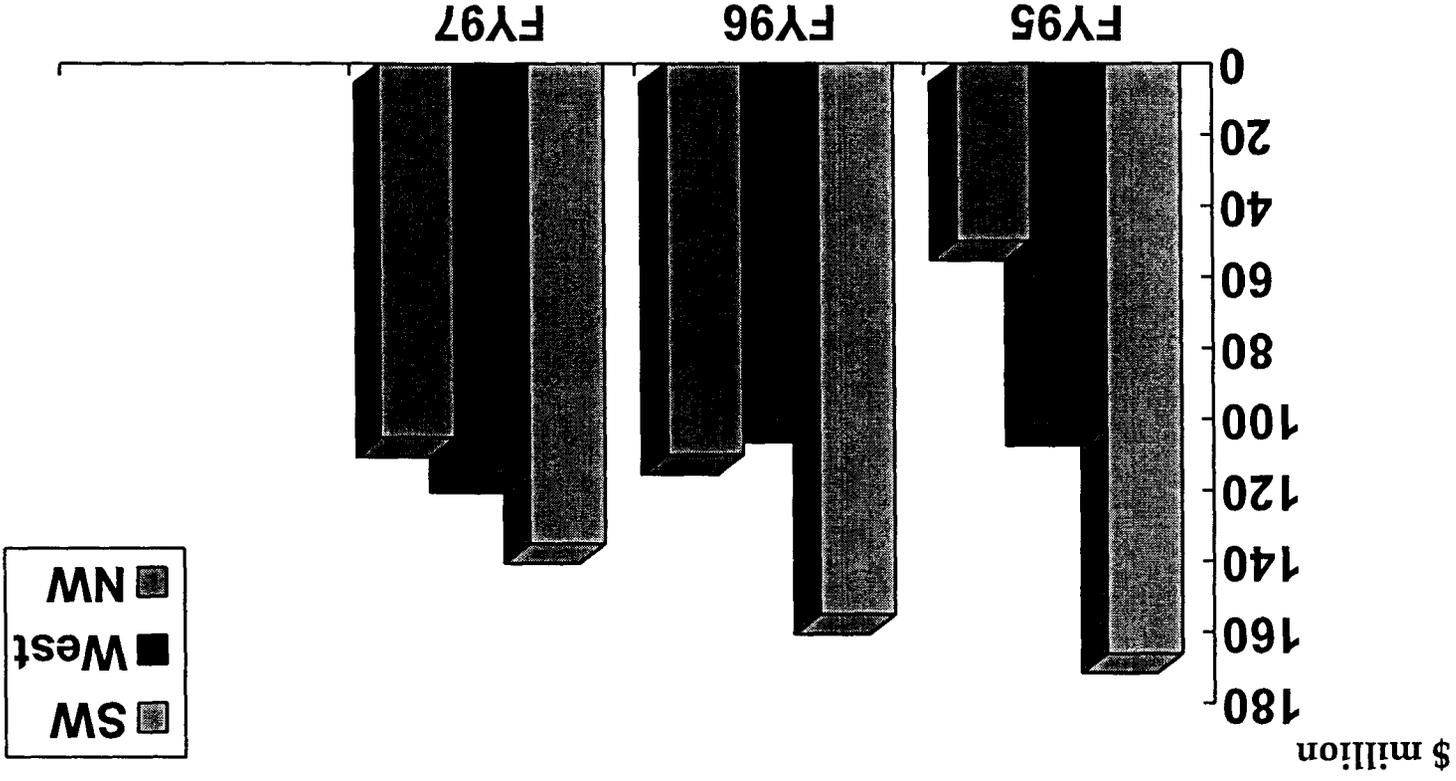


# Workload: Construction WIP

\$ million



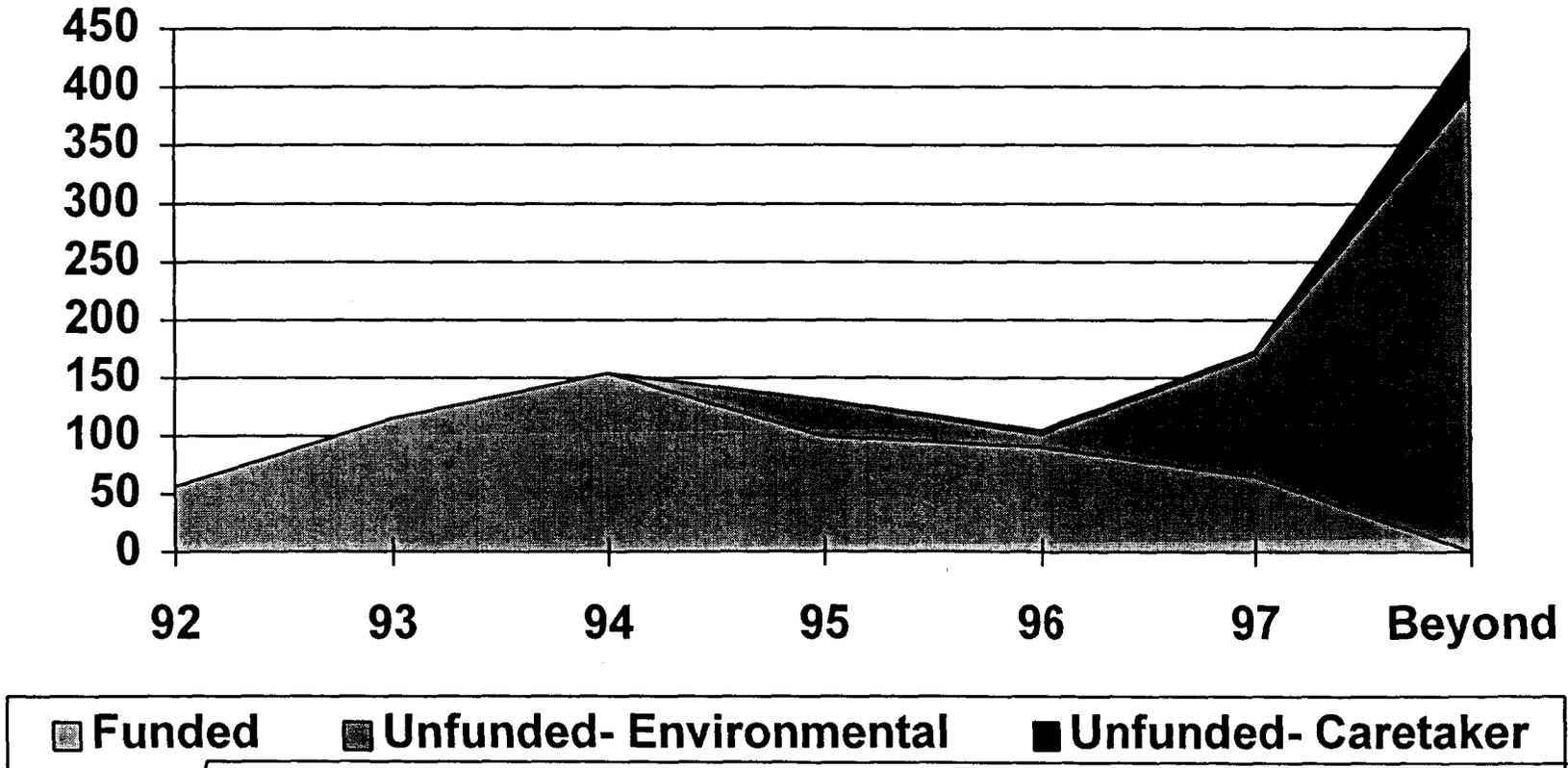
# Workload: Environmental





# BRAC 88/91 Budget Summary NAVFACENGCOM Requirements

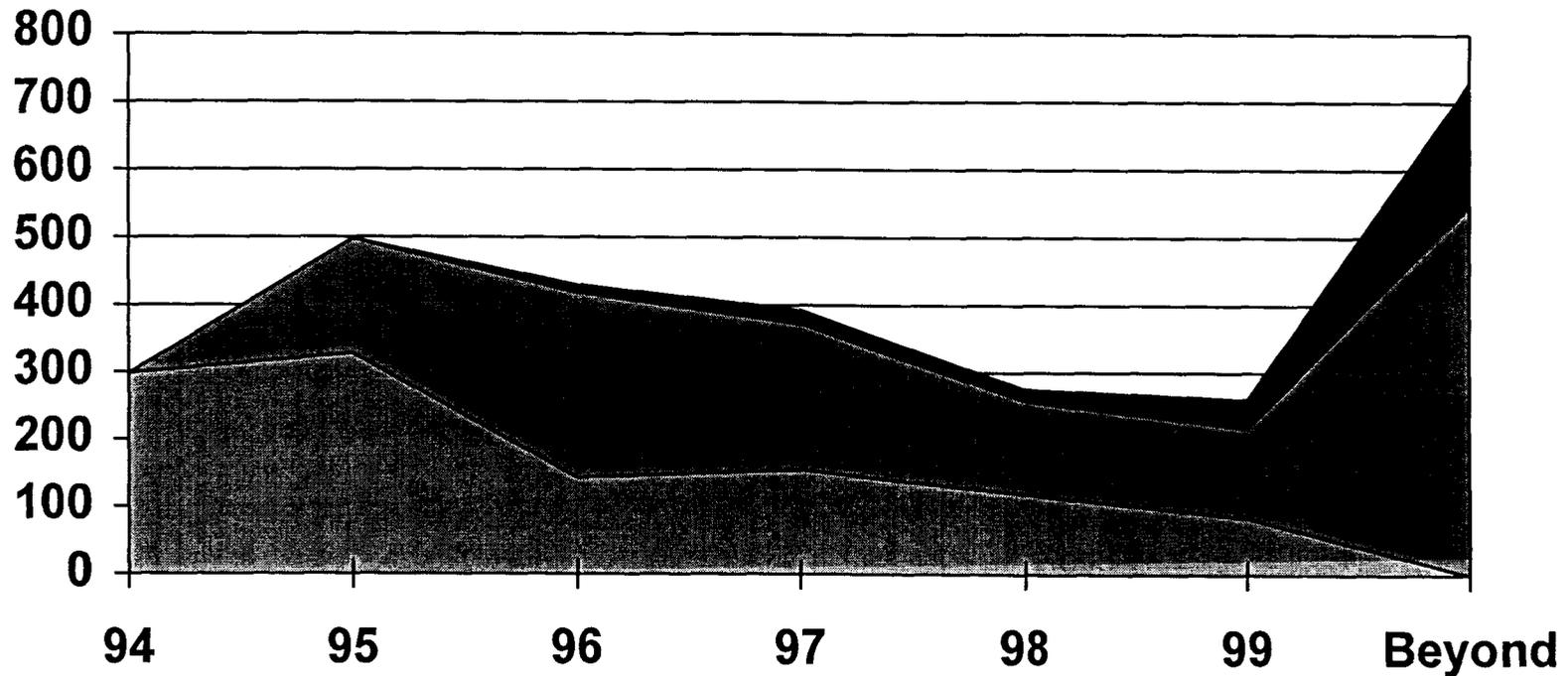
\$ million





# BRAC 93 Budget Summary NAVFACENGCOM Requirements

\$ million

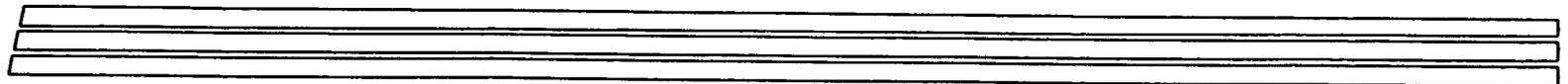


■ Funded    ■ Unfunded- Environmental    ■ Unfunded- Caretaker



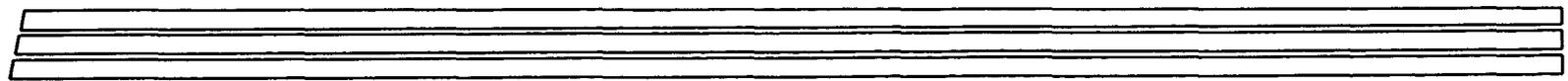
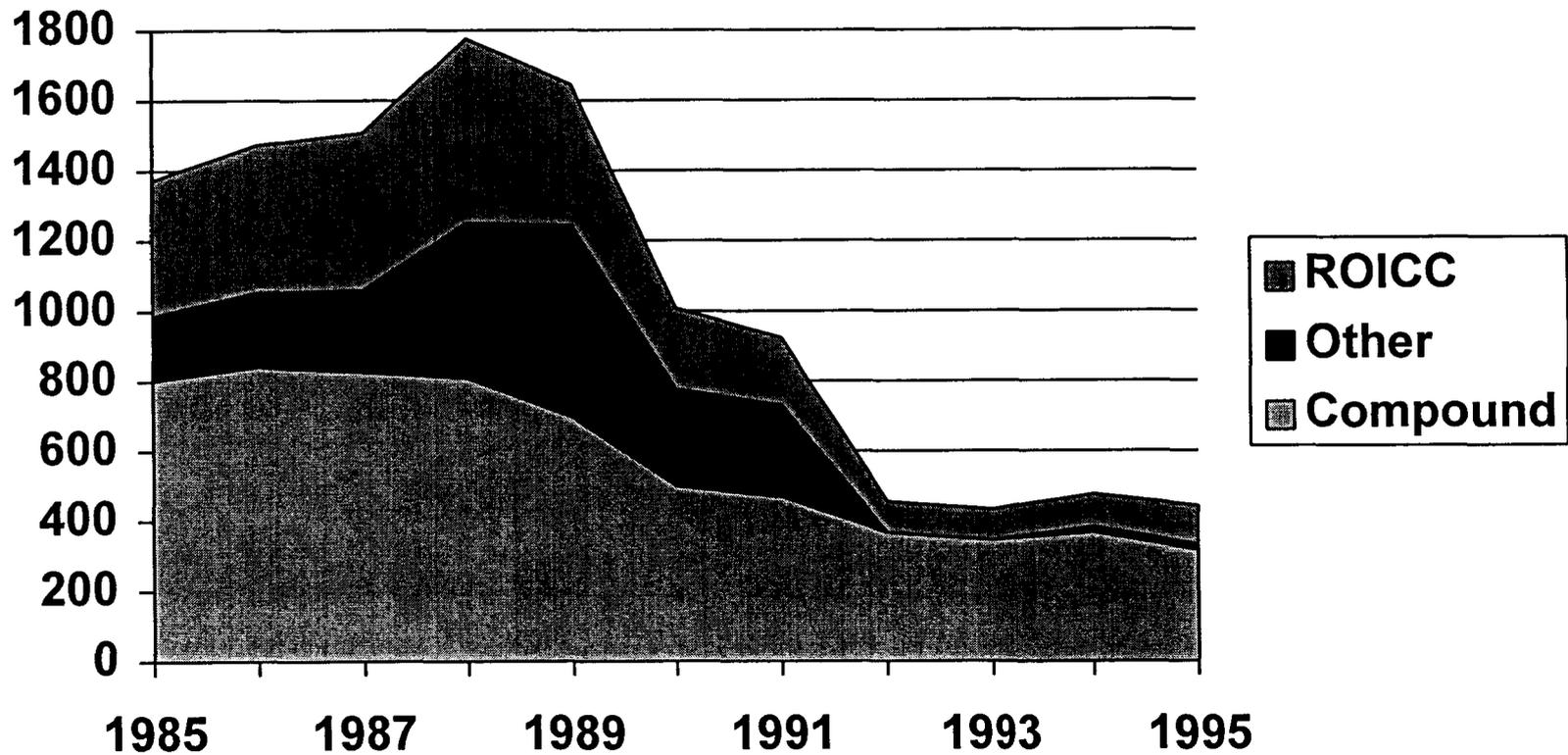
# EFA West BRAC Activities

- | <b>● <u>BRAC II</u></b>           | <b><u>Transfer Date to EFA West</u></b> |
|-----------------------------------|---|
| - Hunters Point Annex             | 1 Apr 94                                |
| - NAS Moffett Field               | (transfer to NASA 7/94)                 |
| <b>● <u>BRAC III</u></b>          |   |
| - NRC Pacific Grove               | 1 July 94                               |
| - NSY Mare Island                 | 1 Apr 96                                |
| - NCEL Pt Hueneme                 | 30 Sep 96                               |
| - NRC Ogden                       | 30 Sep 96                               |
| - NAVHOSP Oakland                 | 30 Sep 96                               |
| - NAS / NADEP Alameda             | 30 Apr 97                               |
| - NAVSTA Treasure Island          | 30 Sep 97                               |
| - PWC San Francisco               | 30 Sep 98                               |
| <b>● <u>Potential BRAC IV</u></b> |   |
| - EFA West                        |   |
| - FISC Oakland                    |   |
| - NAS Point Mugu                  |   |



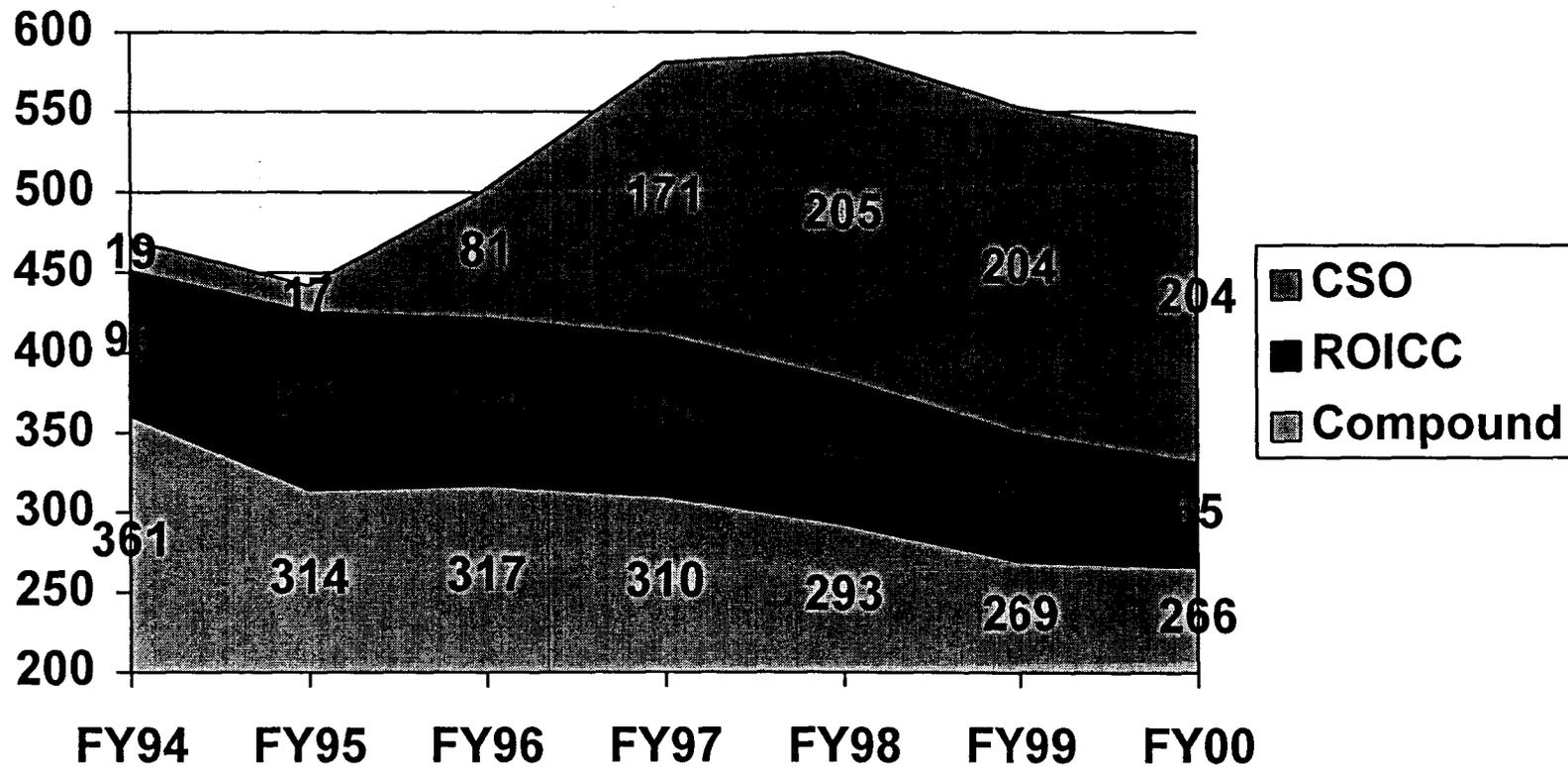


# EFD/ EFA West Civilian Staffing, 1985 - 1995



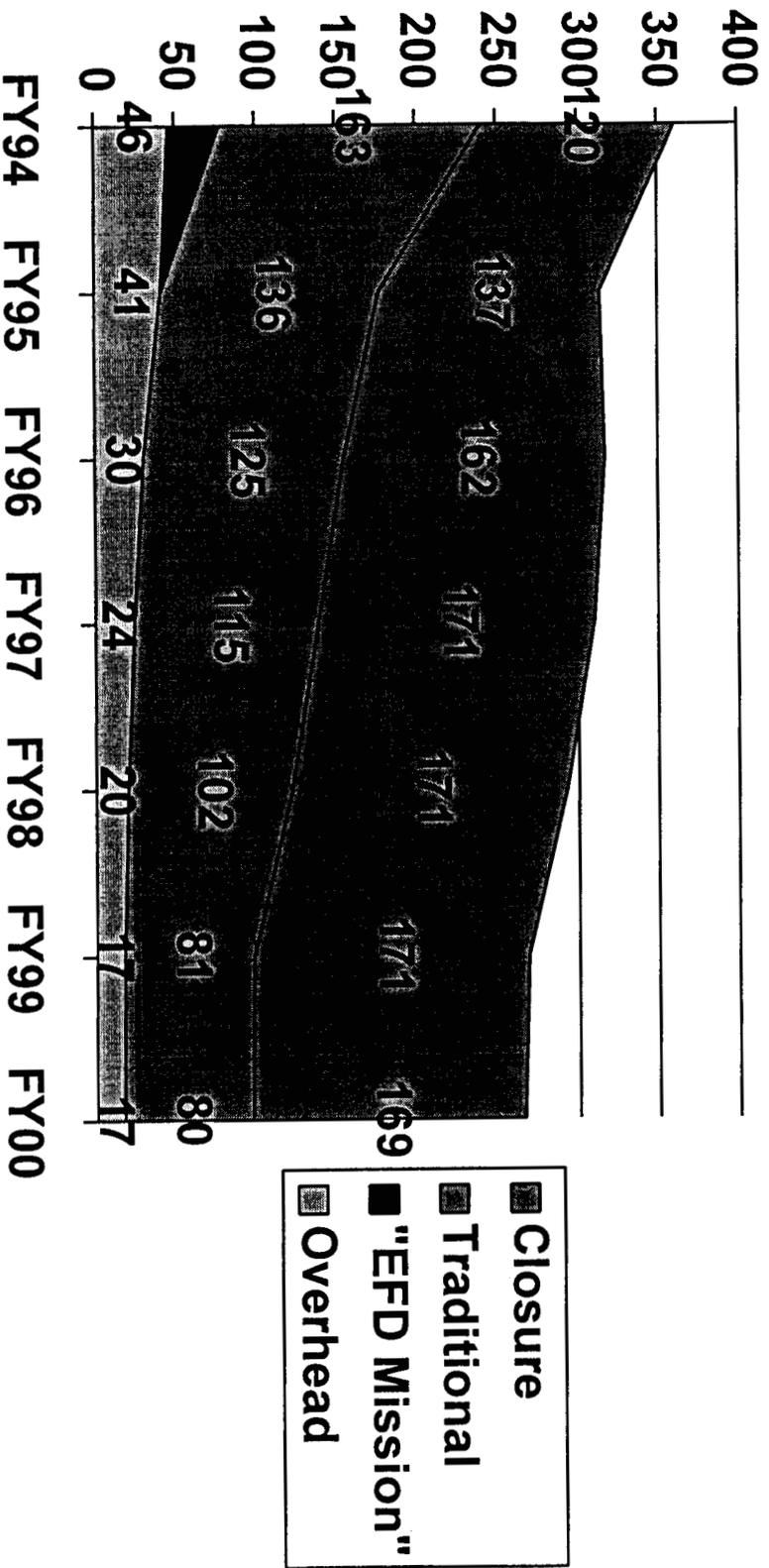


# Projected Staffing Including Caretaker Site Offices and ROICCs





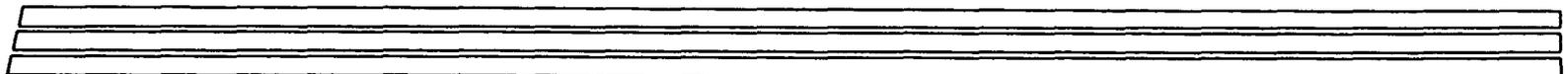
# EFA West San Bruno Compound Staffing Breakdown





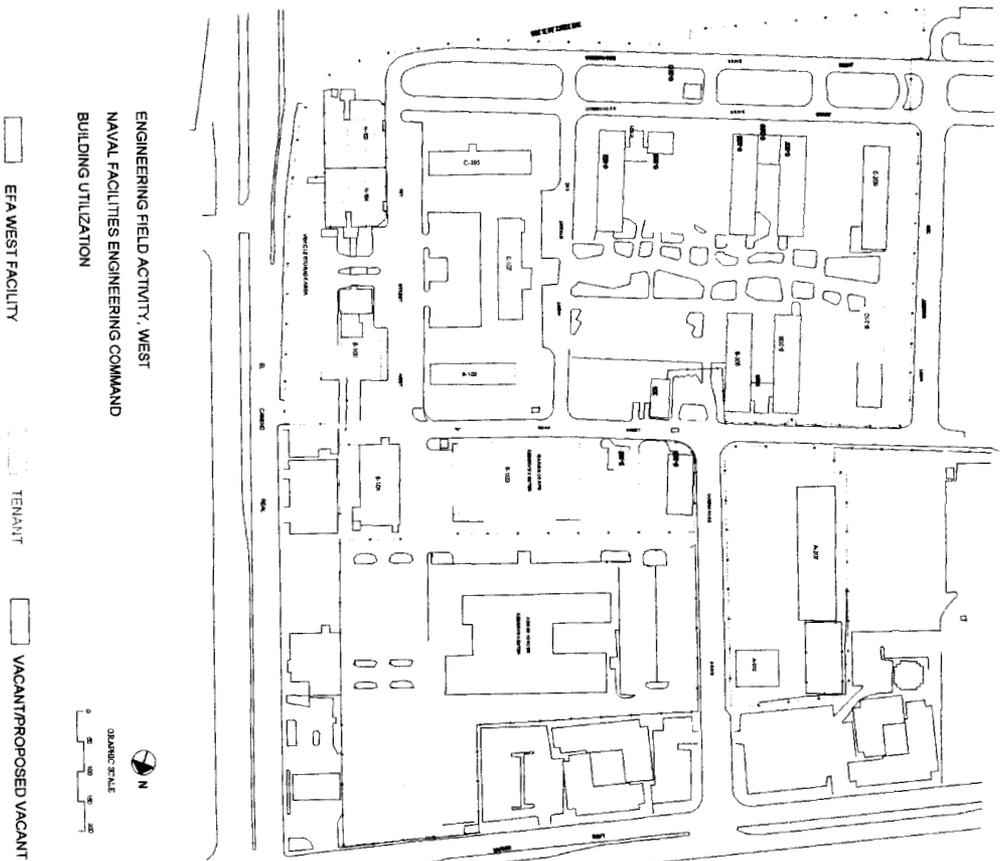
# Tenants, San Bruno Compound

- Government Tenants, # of people
  - OGC Litigation, 6
  - PSD Travel Office, 1
  - Joint Military Postal Activity, Pacific, 17
  - PWC San Francisco Bay, 4
  - DFAS San Bruno, 6
  - Naval Investigative Service, 2
  - Defense Contract Management Dist. West, 2
- Non-Government Tenants, # of people
  - Commodore Cafe, 2
  - Small Business Administration, 1
  - US Soil Conservation Service, 1
- Projected New Tenants, # of people
  - Naval Reserve Readiness Cmd, Reg 20, 48
  - MARCORP Recruiting Station, SF, 22
  - MARCORP Reserve center, San Raphael, 40 (+170 drilling reservists)
  - Army Casualty Command, 4





# EFA West - Building Utilization



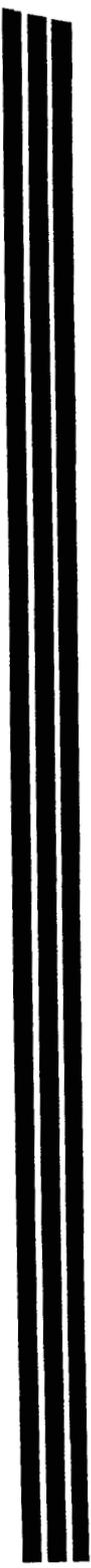
ENGINEERING FIELD ACTIVITY, WEST  
NAVAL FACILITIES ENGINEERING COMMAND  
BUILDING UTILIZATION

— EFA WEST FACILITY  
..... TENANT  
- - - - - VACANT/PROPOSED VACANT



GRAPHIC SCALE

0 50 100 150 200





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION IX  
75 Hawthorne Street  
San Francisco, CA 94105

May 22, 1995

Captain Terry Dillon  
Commander, NAVFACENCOM, EFA-West  
900 Commodore Drive  
San Bruno, CA 94066-5006

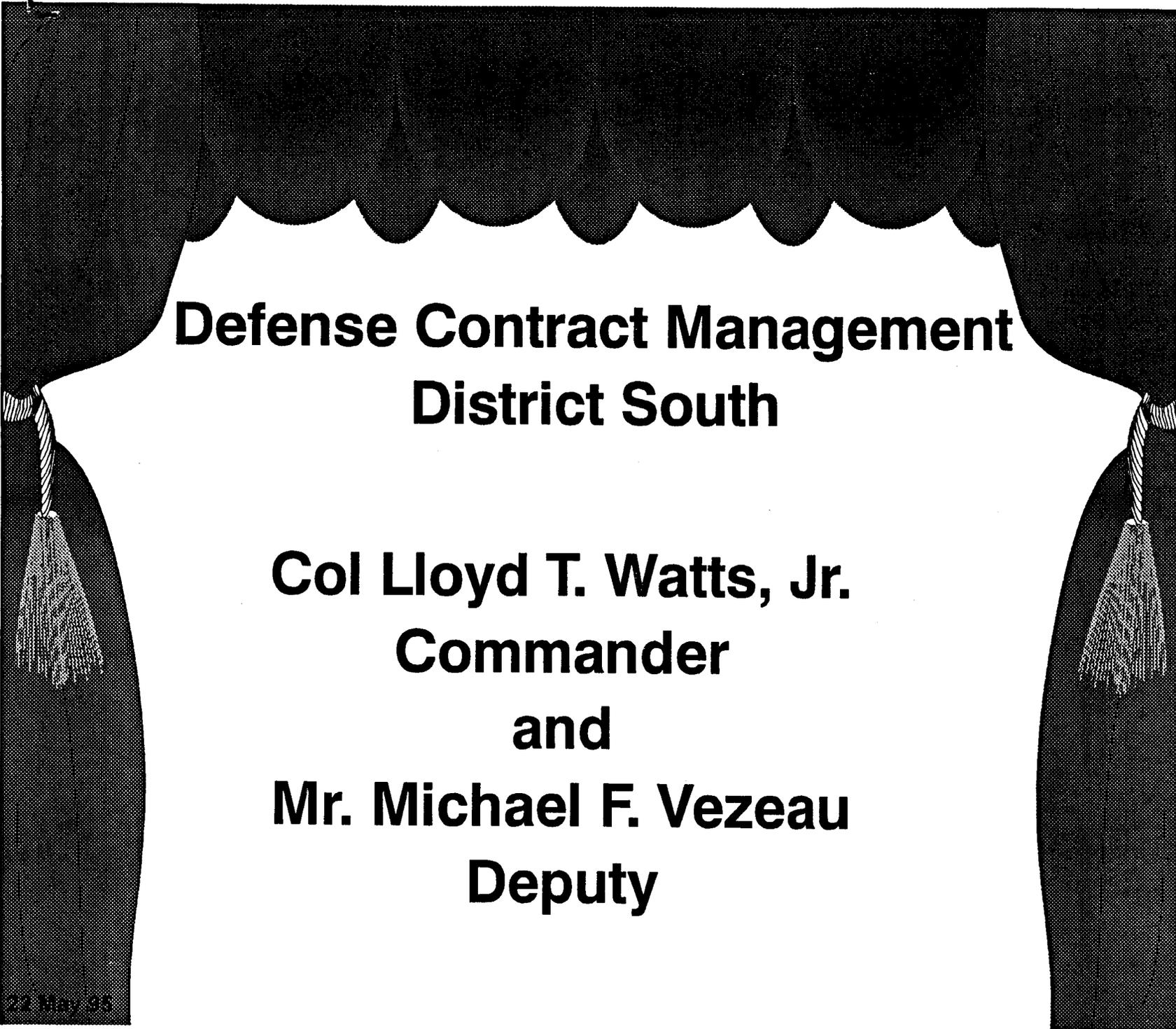
Dear Captain Dillon:

The addition of EFA-West to the Base Realignment and Closure Commission's list of potential Round 4 closure candidates may disrupt our interagency project teams as they currently function, since EFA-West is largely responsible for the investigations, cleanups and reuse planning at the many local closing Naval bases. It has been our experience that close coordination between Navy BECs, Navy RPMs, Navy reuse personnel and regulatory personnel is an important ingredient to ensure the success of our Fast Track Cleanup teams. This coordination has been facilitated at the Bay Area sites by the geographic proximity of all team members to each other and to the affected communities. We anticipate that the advantages of geographic proximity and stability in Navy personnel assigned to the projects would be compromised by the closure of EFA-West. We would like to discuss your strategies for ensuring ongoing team productivity should the EFA-West closure become a reality.

Sincerely,

Julie Anderson  
Director  
Federal Facilities Cleanup Office

# Document Separator

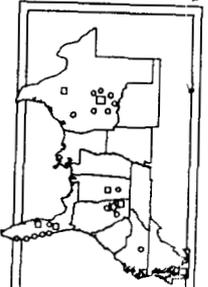


**Defense Contract Management  
District South**

**Col Lloyd T. Watts, Jr.  
Commander**

**and**

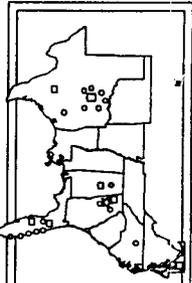
**Mr. Michael F. Vezeau  
Deputy**



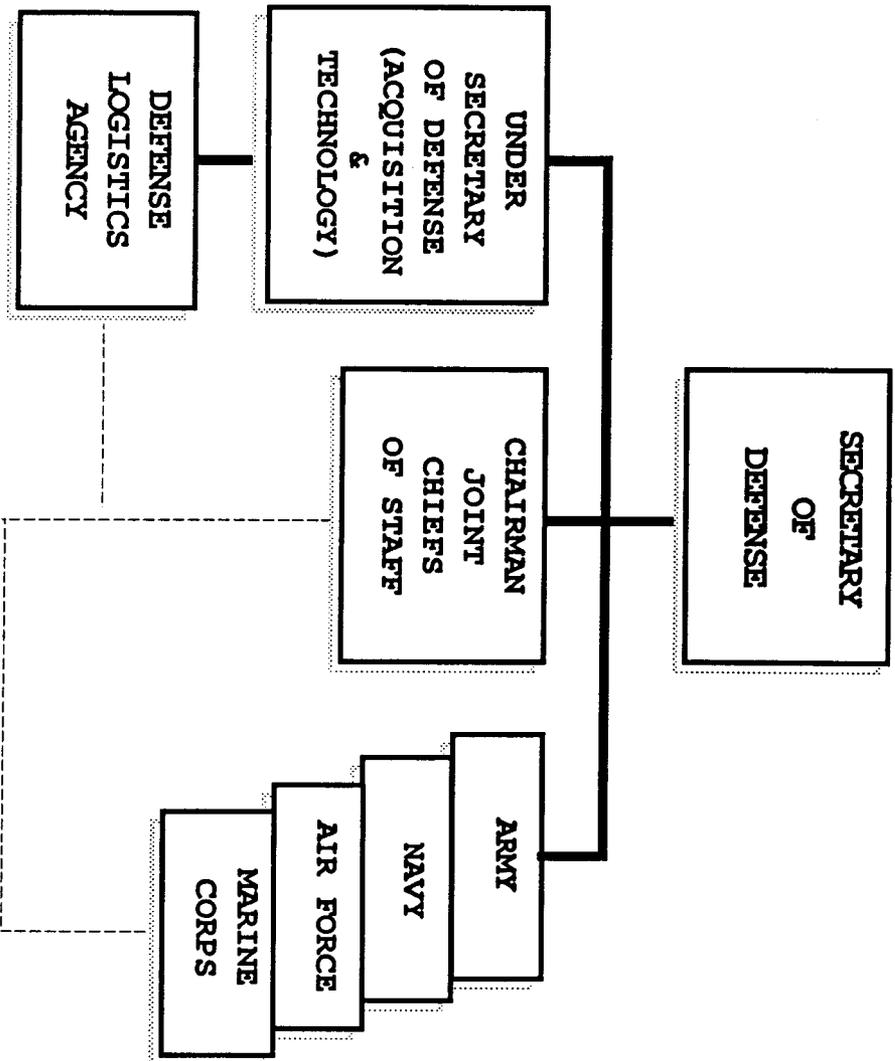
# **DCMD South**

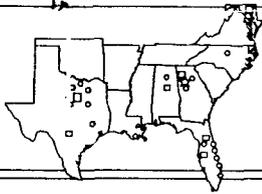
- **WHO WE ARE**

- **WHAT WE DO**

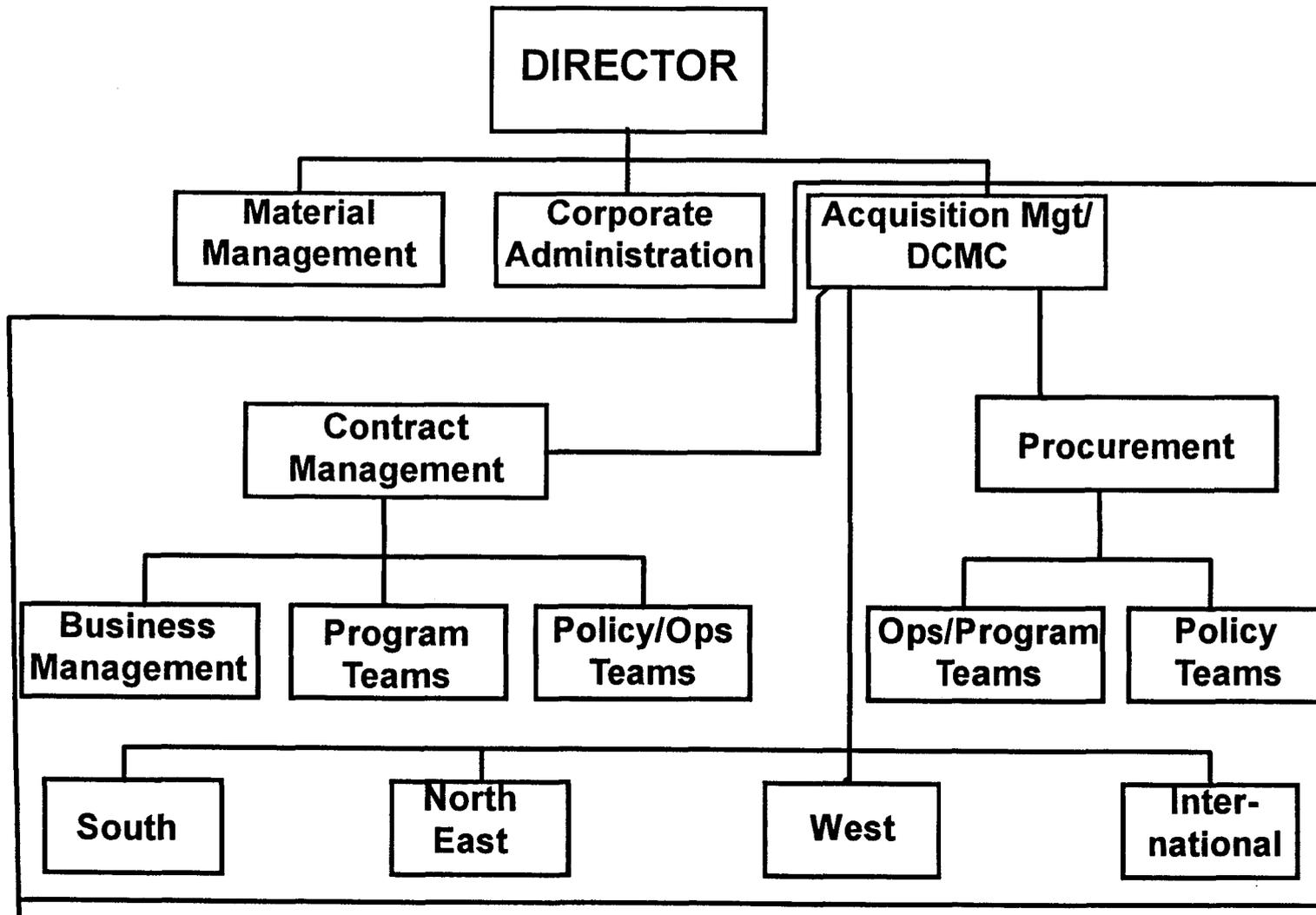


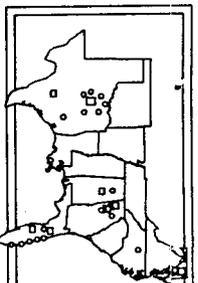
# Organizational Relationships





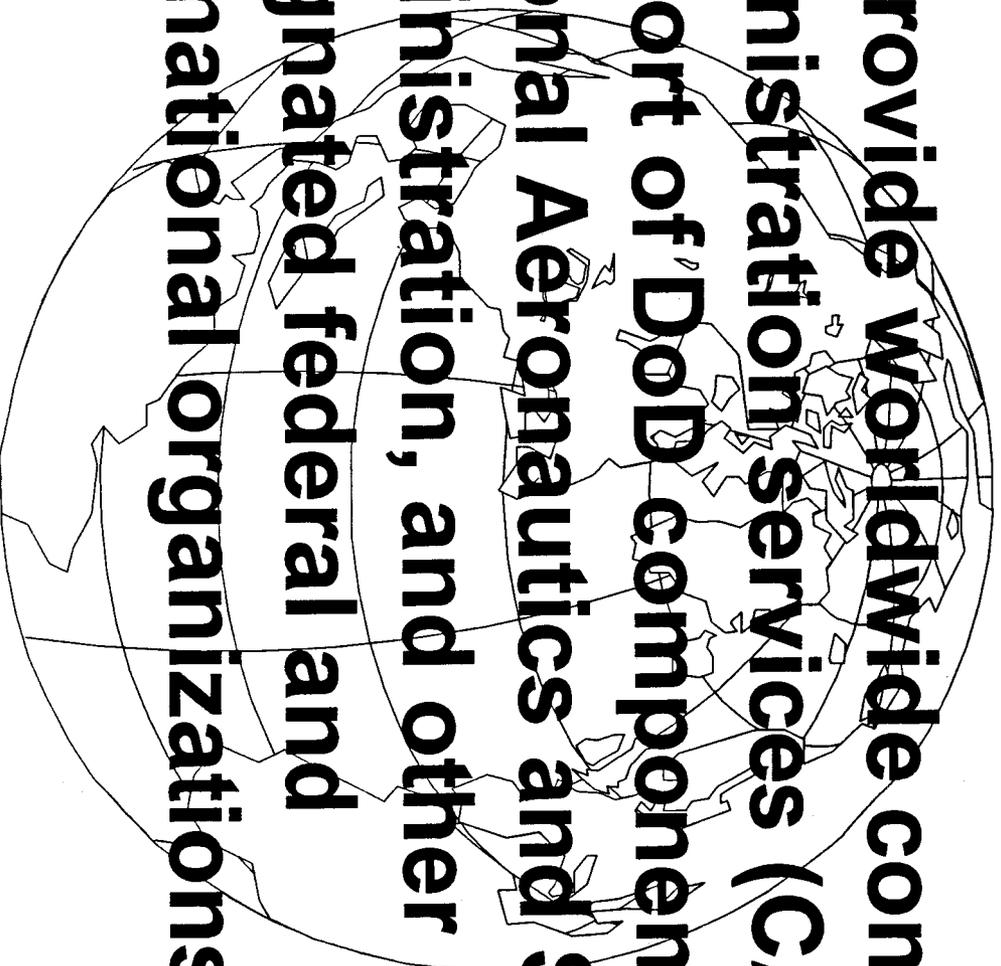
# Defense Logistics Agency

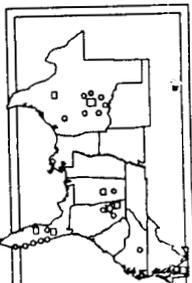




## **Defense Contract Management Command Mission**

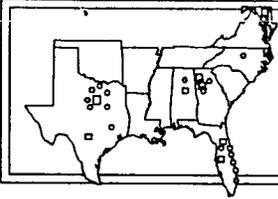
**We provide worldwide contract administration Services (CAS) in support of DoD components, National Aeronautics and Space Administration, and other designated federal and international organizations.**



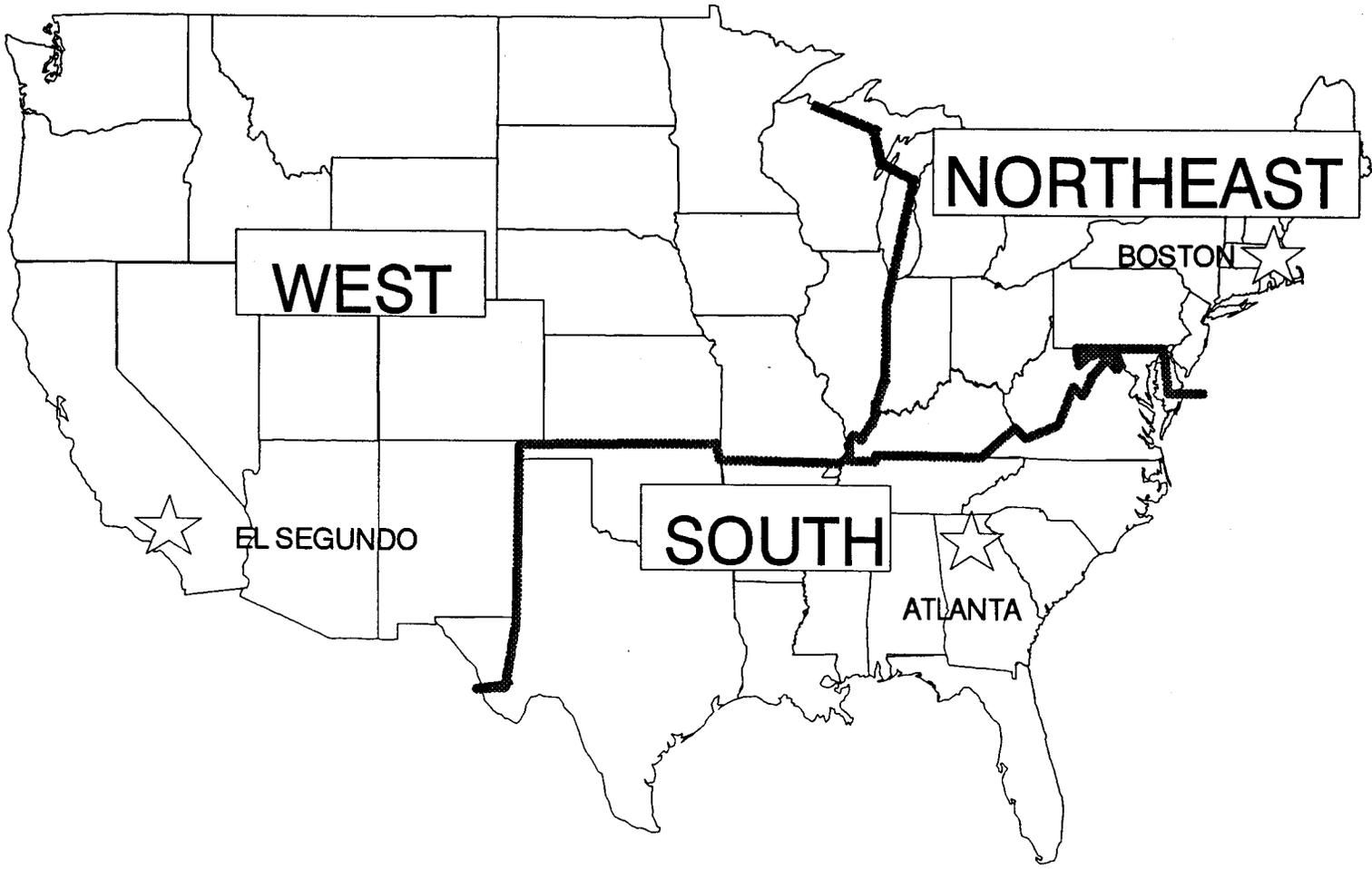


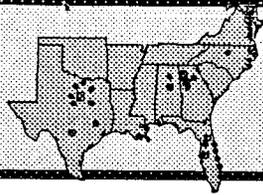
# **DCMC Mission**

- **Assure contractor compliance with cost, delivery, technical, quality and other terms of the contract**
- **Accept products on behalf of the government**
- **Provide program and technical support**
- **Ensure that the contractor is paid**



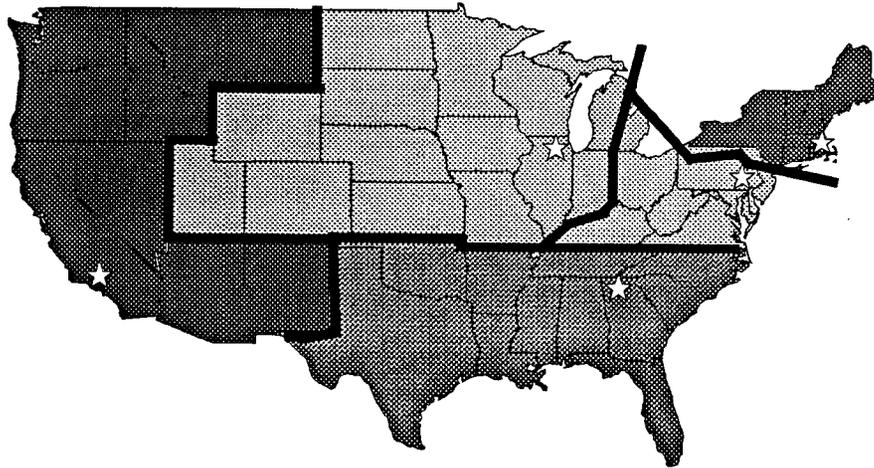
# Defense Contract Management Command



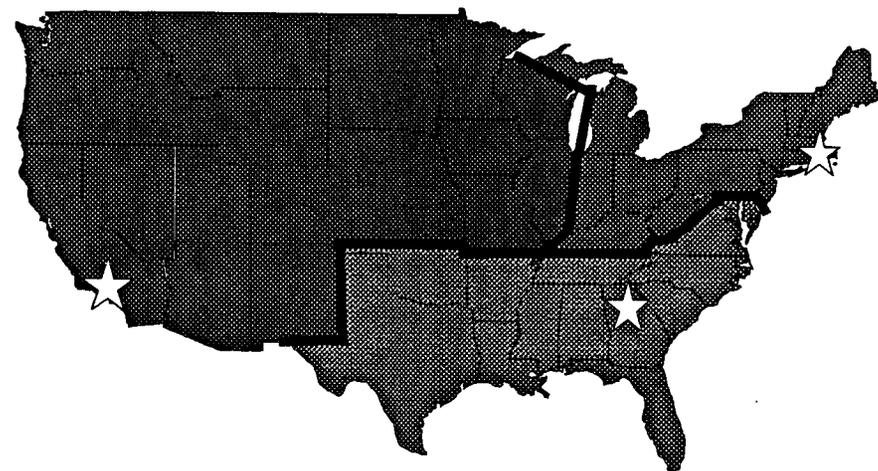


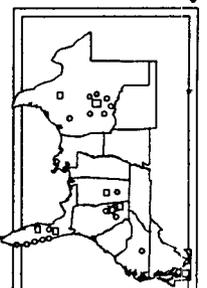
# BRAC 93

**Before Consolidation**



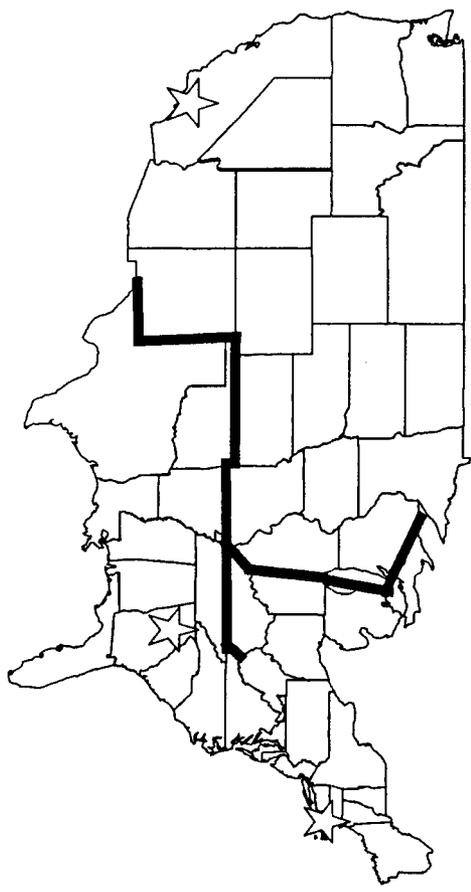
**After Consolidation**



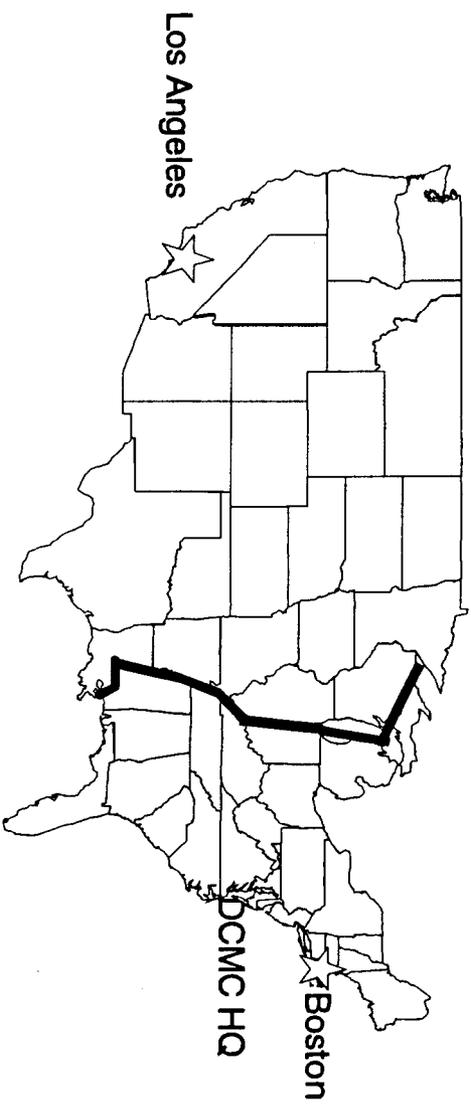


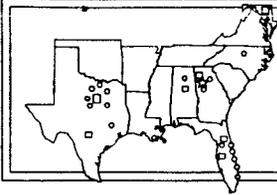
# BRAC 95

**Before Consolidation**

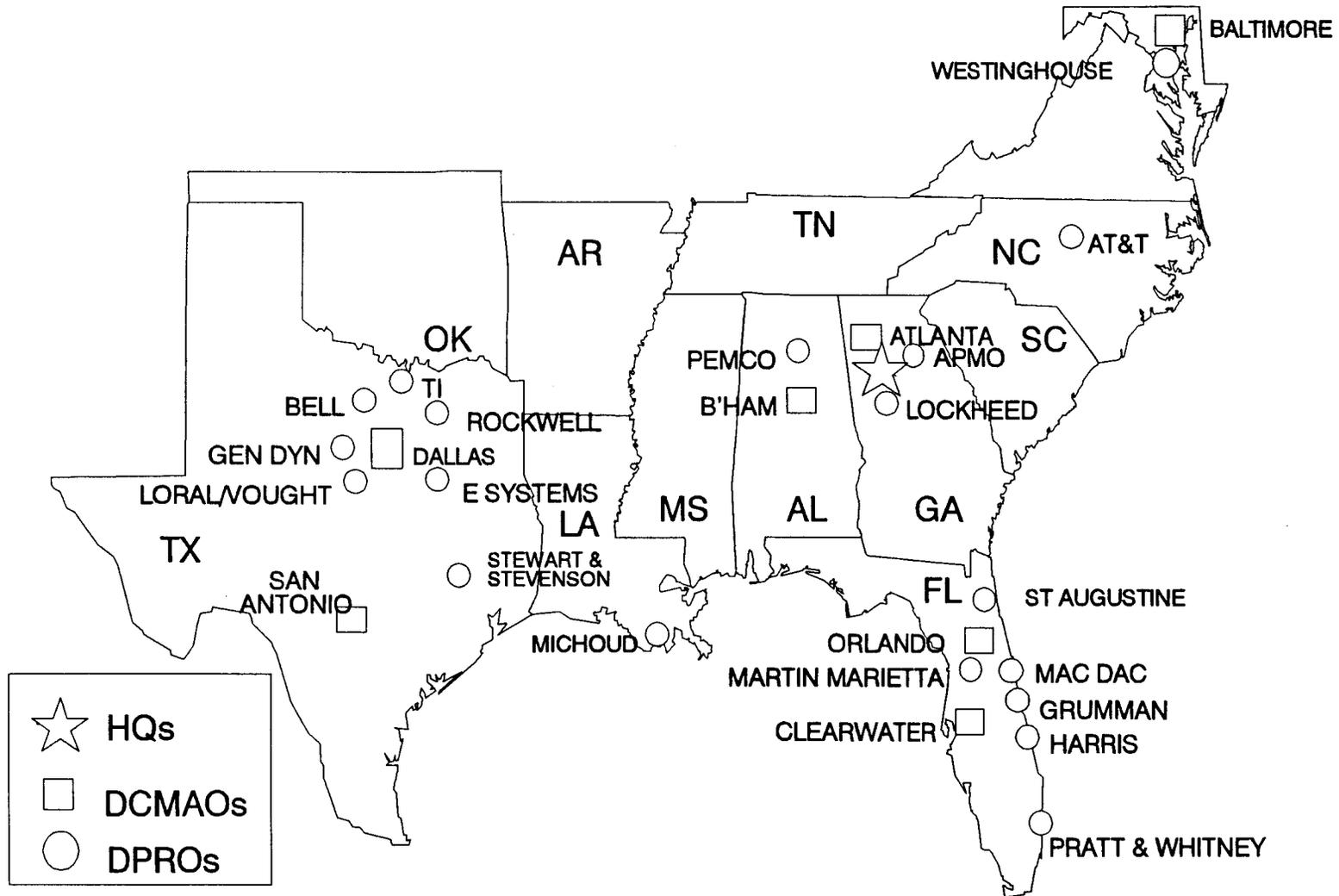


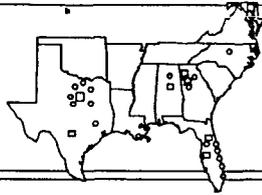
**After Consolidation**



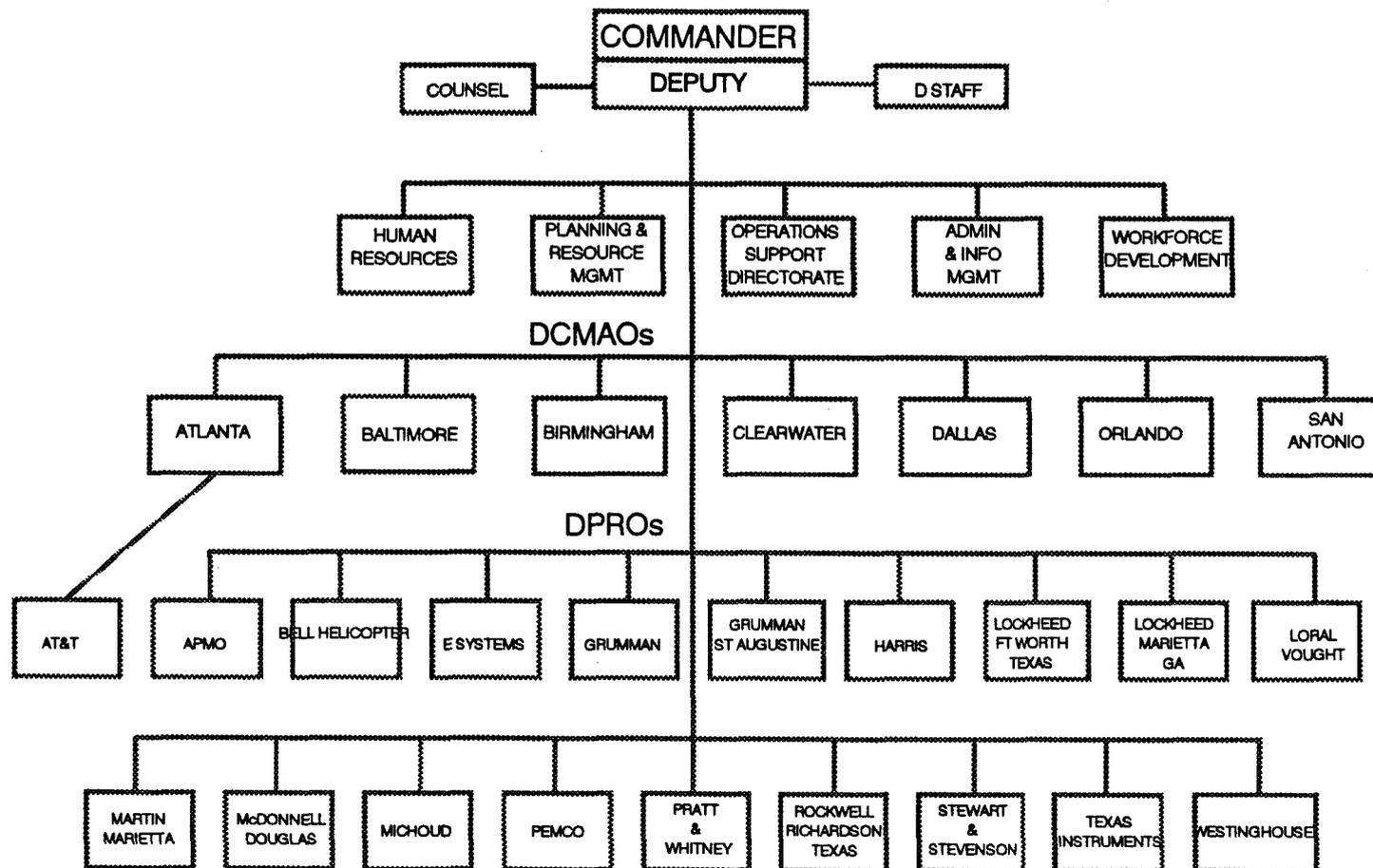


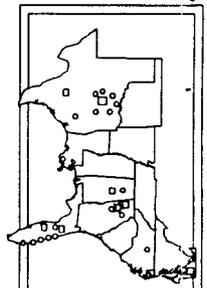
# DCMD South





# Defense Contract Management District South



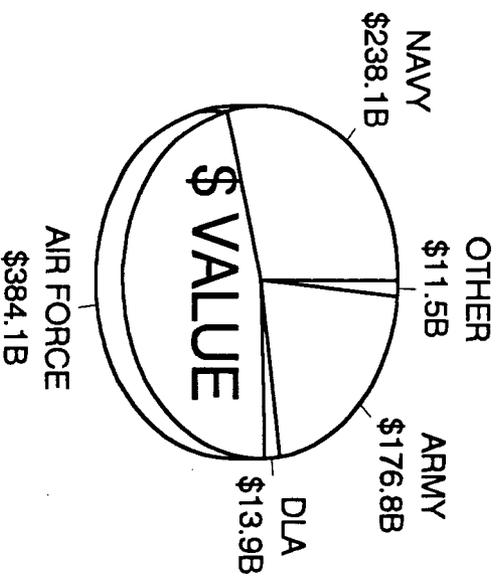
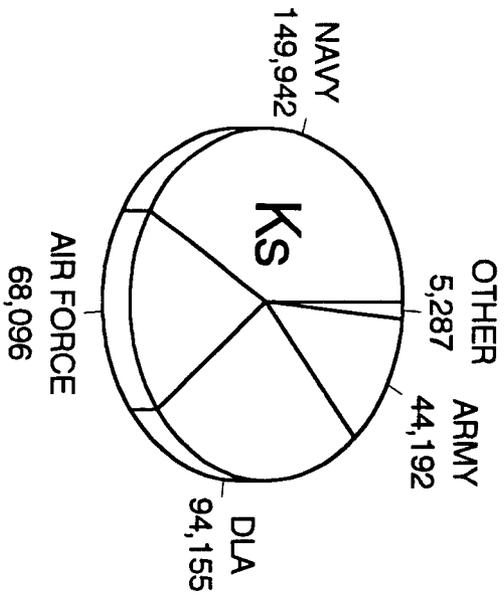


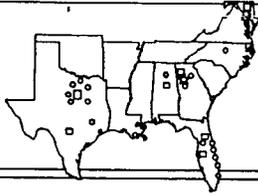
# DCMC at a Glance

Prime Contracts: 361,672  
 (24,000 Contractors)

Contracts Value: \$844.4 Billion  
 (\$177B ULO)

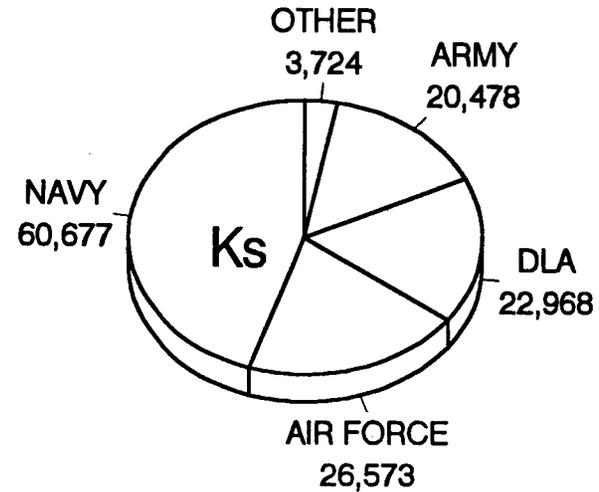
Workforce: Civilian 16,924  
 Military 633  
 TOTAL 17,557



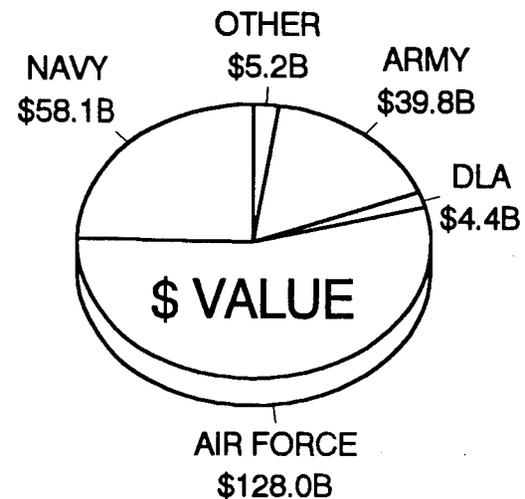


# DCMD South at a Glance

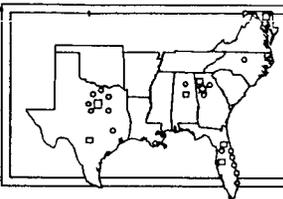
Prime Contracts: 134,420  
*(3,369 Contractors)*



Contracts Value: \$ 235.5 Billion  
*(\$37B ULO)*



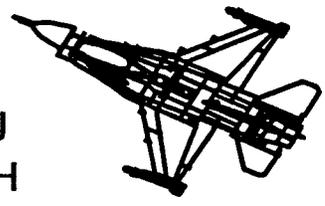
Workforce:	Civilian	3,285
	Military	<u>137</u>
	<b>TOTAL</b>	<b>3,422</b>



# DCMDS DAES Programs

## AIRCRAFT SYSTEMS

- F22
- F16
- C130J
- C130H
- JSTARS
- OH58D AHIP
- LANTIRN
- LONGBOW FCR
- V22
- AWACS RSIP (E-3A)



## MISSILES

- JAVELIN
- HARM
- JSOW
- ATACMS
- MLRS
- HELLFIRE
- SM-2
- LONGBOW MISSILE
- PATRIOT
- JDAM
- AVENGER

## C<sup>3</sup> SYSTEMS

- MILSTAR
- SMART-T
- SINGARS
- NAVSTAR
- SBIS
- CMU
- CASS
- RCAS
- CEC

## TORPEDOES

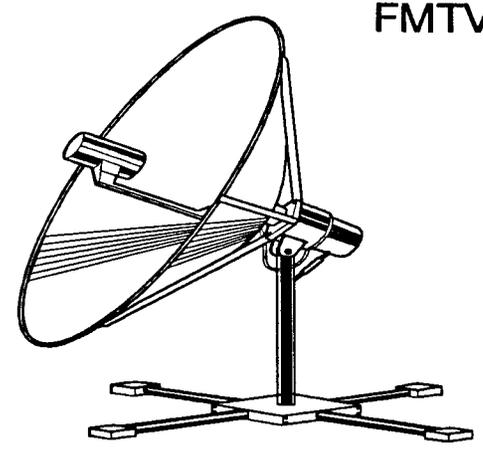
- Mk-48 ADCAPS

## SURVEILLANCE

- FDS

## WHEELED VEHICLE SYSTEMS

- FMTV



## DCMDS MAJOR PROGRAMS

### AIRCRAFT SYSTEMS

F22	Advanced Tactical Fighter (ATF)
F16	Fighter Aircraft
C-130J	Cargo Transport Upgrade
C-130H	Cargo Transport
JSTARS	Joint Surveillance and Target Attack Radar System (Aircraft)
OH58D AHIP	Advanced Helicopter Improvement Program
LANTIRN	Low Altitude Navigation and Targeting System Infra-Red Night
LONGBOW FCR	Longbow Fire Control Radar
V22	Joint Advanced Vertical Aircraft Tilt Rotor
AWACS RSIP	Airborne Warning and Control System, Radar System Improvement Program

### MISSILES

JAVELIN	Advanced Anti-Tank Weapon System - Medium
HARM	High Speed Anti-Radiation Missile
JSOW	Joint Stand-Off Weapons
ATACMS	Army Tactical Missile System
MLRS	Multiple Launch Rocket System
HELLFIRE	Laser Hellfire System Air to Ground
SM-2	Standard Surface to Air Missile
LONGBOW	Hellfire Missile System Compatible with Longbow Fire Control
PATRIOT	Patriot PAC-3 Long Range Missile Improvement Program
JDAM	Joint Direct Attack Munitions
AVENGER	Forward Air Defense System

### C3 SYSTEMS

MILSTAR	Military Strategic/Tactical and Relay Satellite Communications System
SMART-T	Secure Mobile Anti-Jam Reliable Tactical System - Terminal
SINCGARS	Single Channel Ground and Airborne Radio System
NAVSTAR	Global Positioning System
SBIS	Sustained Base Information System
CMU	Cheyenne Mountain Upgrade
CASS	Consolidated Automated Support System
RCAS	Reserve Component Automation System
CEC	Cooperative Engagement Capability

### TORPEDOES

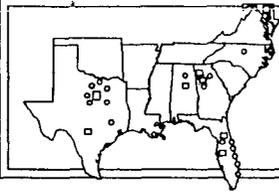
MK-48 ADCAPS	Advanced Capability Torpedo System
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### SURVEILLANCE

FDS	Fixed Distribution System, Anti-Submarine Warfare Surveillance System
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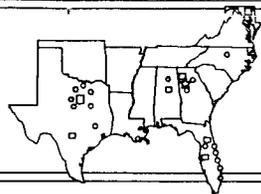
### WHEELED VEHICLES

FMTV	Family Medium Tactical Vehicles
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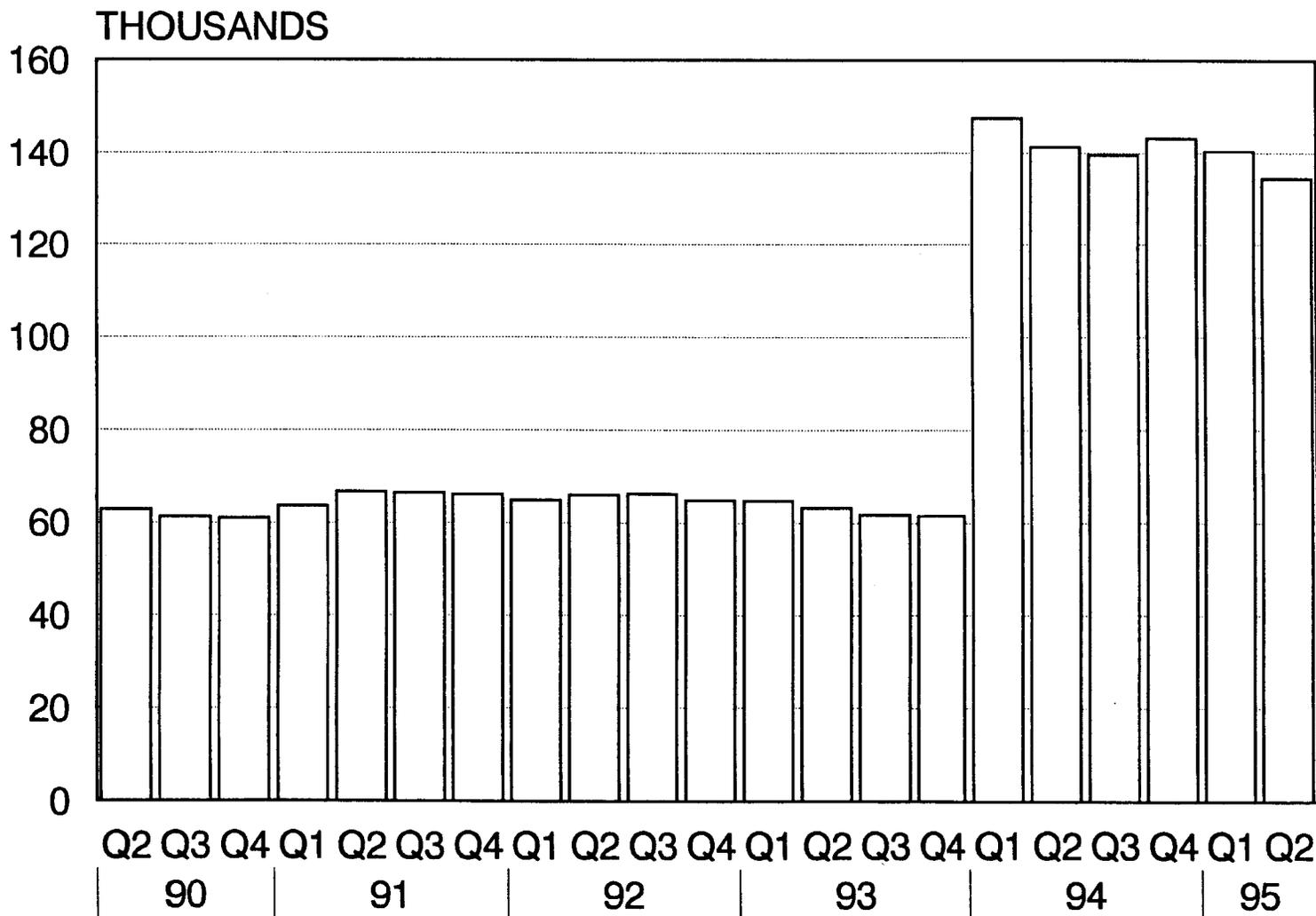


## DCMD South

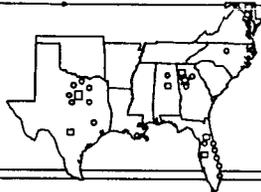
- **Oct 1965** — DCASR Atlanta Formed
  - Former AF, Army, Navy and DSA Contract Admin Activities
  - One of Eleven DCAS Regions
- **Jun 1990** — DCMR Atlanta Established (DMRD 916)
  - DCASR Atlanta
  - AFPRO Pratt & Whitney, West Palm Bch, FL
  - AFPRO Lockheed, Marietta, GA
- **Aug 1990** — DCMD South Established (DMRD 916)
  - Former DCMR Atlanta
  - Former DCMR Dallas
    - General Dynamics, Fort Worth, TX
    - LTV
    - Bell Helicopter
  - One of Five DCMDs & DCMC International
- **Jul 1994** — DCMD South Expanded
  - BRAC of DCMD Mid-Atlantic
    - DCMAO Baltimore
    - DPRO Westinghouse
- **28 Feb 1995** DCMD South on BRAC



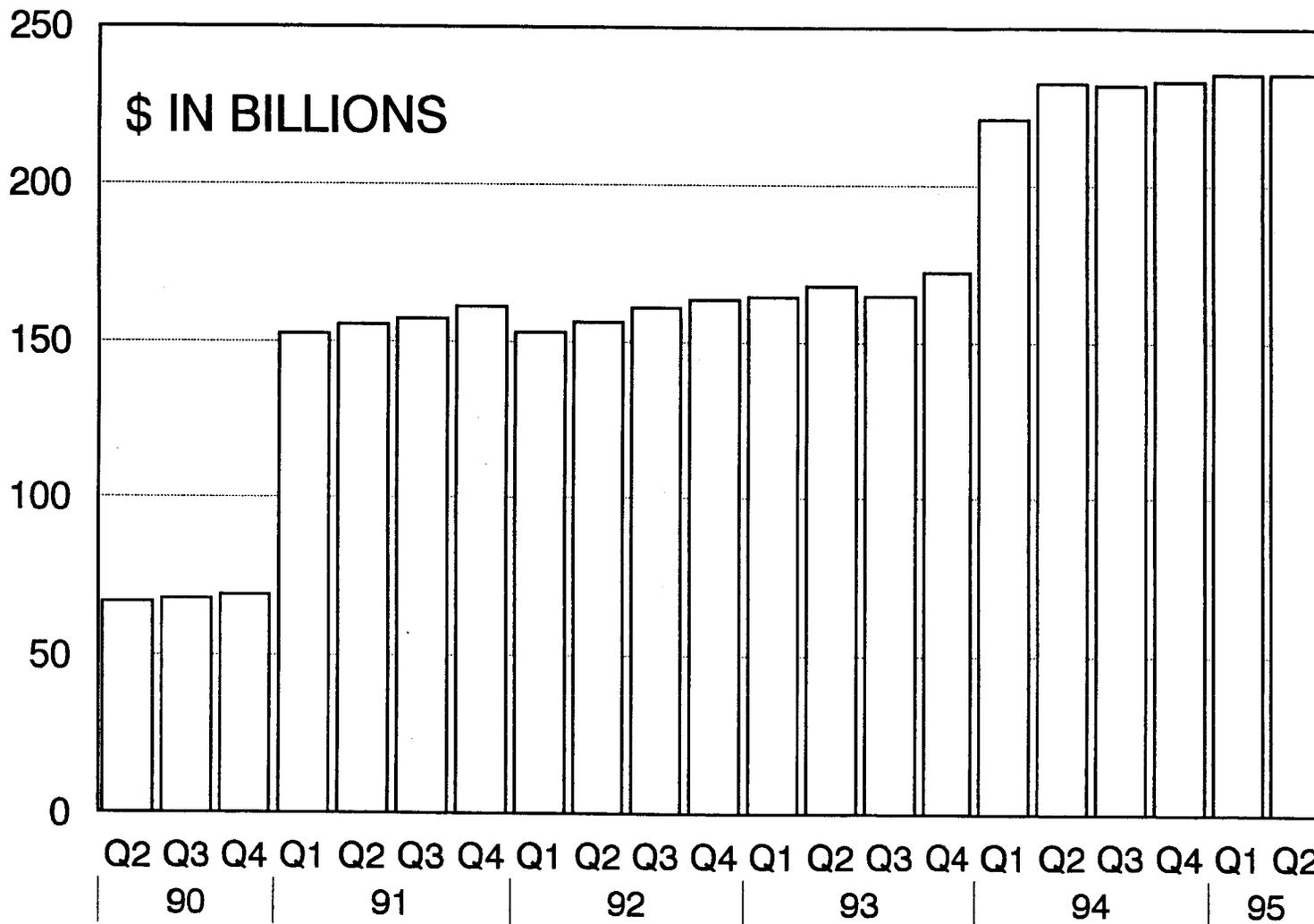
# Contract Count - DCMDS



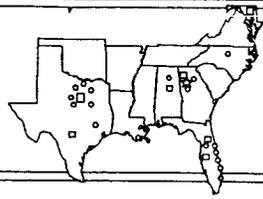
FY 94 INCLUDES DPRO WESTINGHOUSE AND DCMAO BALTIMORE



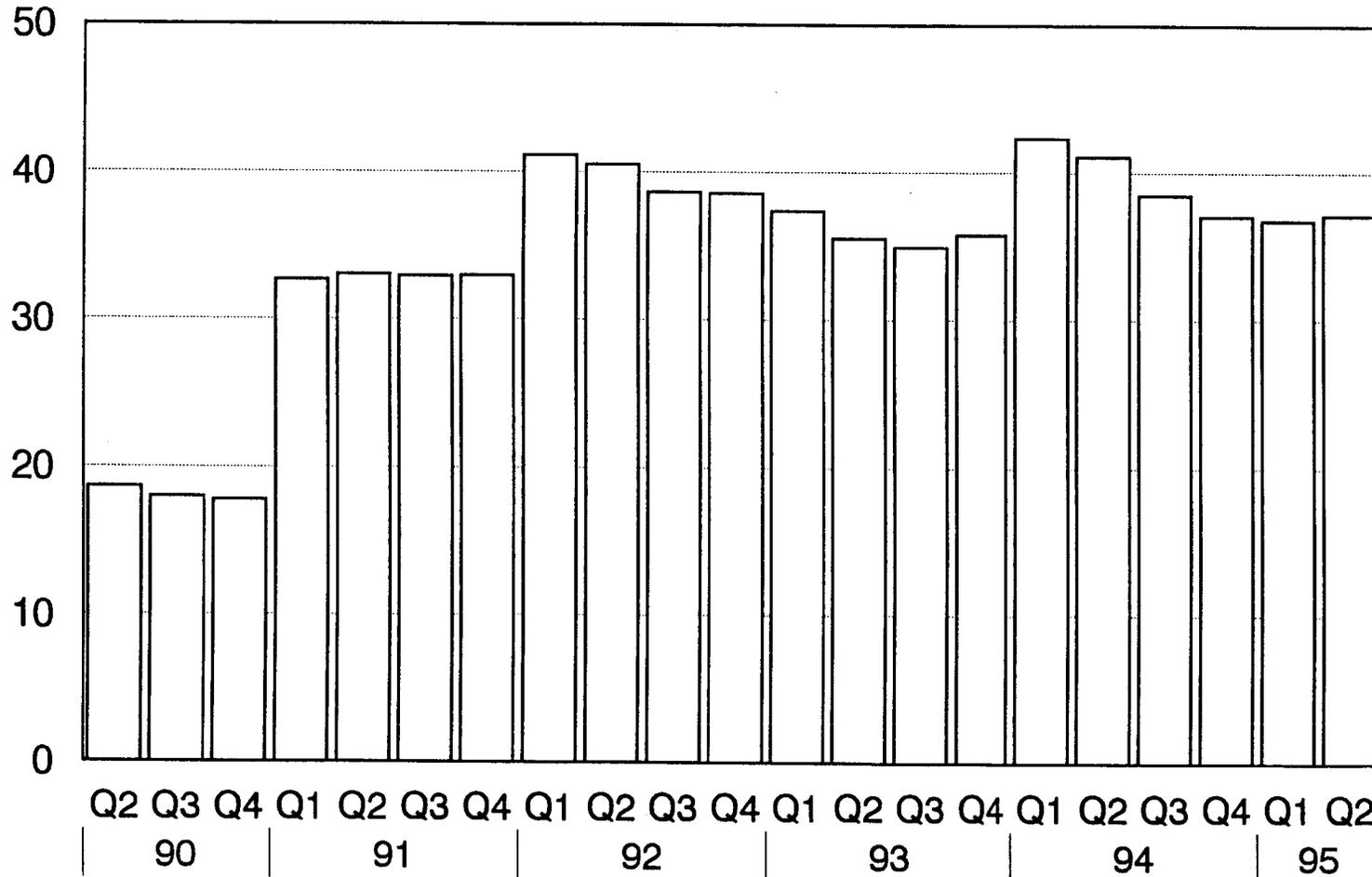
# Obligated Value Of Contracts DCMDS



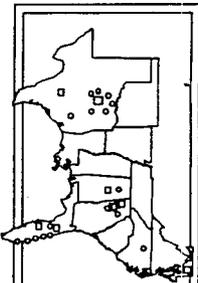
FY 94 INCLUDES DPRO WESTINGHOUSE AND DCMAO BALTIMORE



# Total Unliquidated Obligation DCMDS



□ UNLIQUIDATED OBLIGATIONS (\$ BILLIONS)

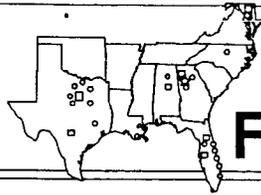


# DCMD South

## Budget Status

	(\$000)		% Of Alloc
	<u>Allocation</u>	<u>Obligations</u>	<u>Oblig</u>
Labor	\$174,069	\$86,317	49.6%
NonLabor	\$29,965	\$18,989	63.4%
PCS	\$3,535	\$2,273	64.3%
Total	\$207,569	\$107,579	51.8%

As of 31 Mar 95



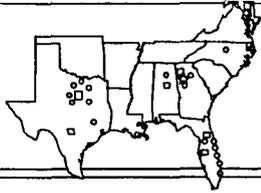
# DCMD South - General Profile

## FY 95 Civilian Authorized End Strength (AES)

		AES	O/B (03/11)
* DCMAOs (7)	56%	1882	1819
** DPROs (18)	37%	1243	1236
HQs	7%	<u>227</u>	<u>231</u>
		3352	3285

\* Includes DPRO AT&T

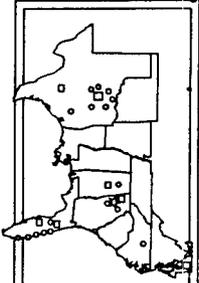
\*\* Includes APMO



## DCMD South

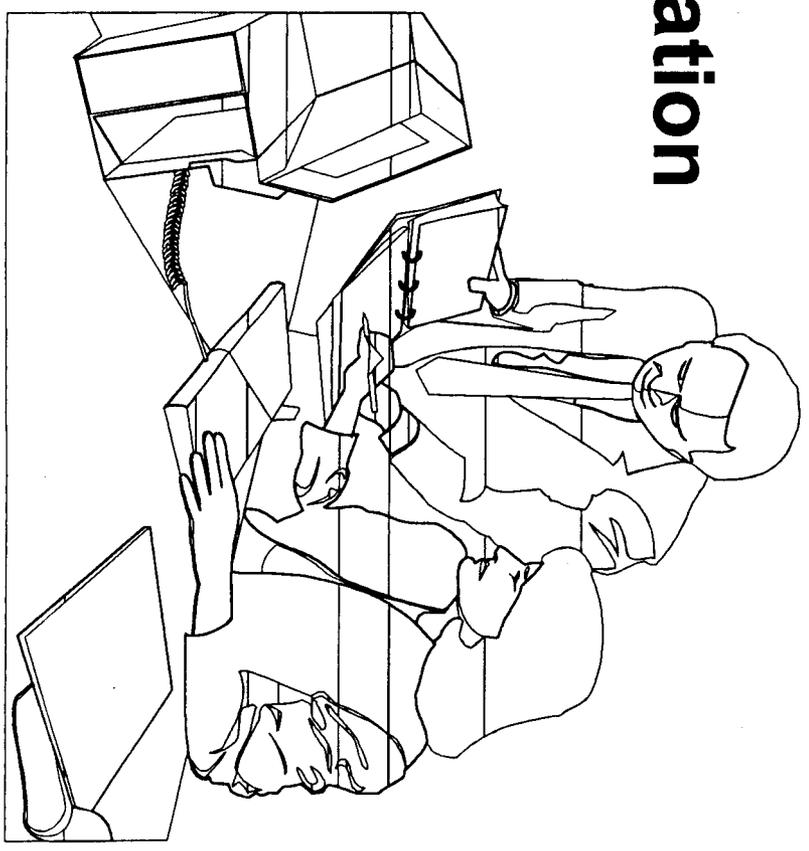
### End Strength

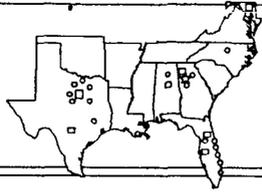
<b>FY89</b>	<b>- 1924</b>	<b>DCASR ATLANTA (130 DFAS)</b>
<b>FY90</b>	<b>- 3815</b>	<b>DCMDS (133 DFAS + 290 TMO)</b>
<b>FY91</b>	<b>- 3298</b>	
<b>FY92</b>	<b>- 3255</b>	
<b>FY93</b>	<b>- 2975</b>	
<b>FY94</b>	<b>- 3361</b>	<b>POST BRAC 93</b>
<b>APR 95-</b>	<b>3316</b>	



# **Mission of DCMDS Headquarters**

**Enable and Support the Contract Administration Offices in the Performance of Government Contract Administration Services**





## **DCMDS Vision**

**We, the members of District South,  
serve our country by ensuring timely delivery of  
quality products and services to  
our customers.**

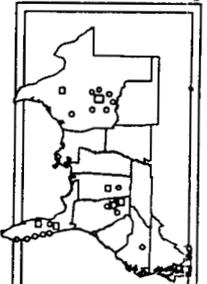
**We understand and satisfy our customers'  
expectations.**

**We treat people with dignity, trust and respect.**

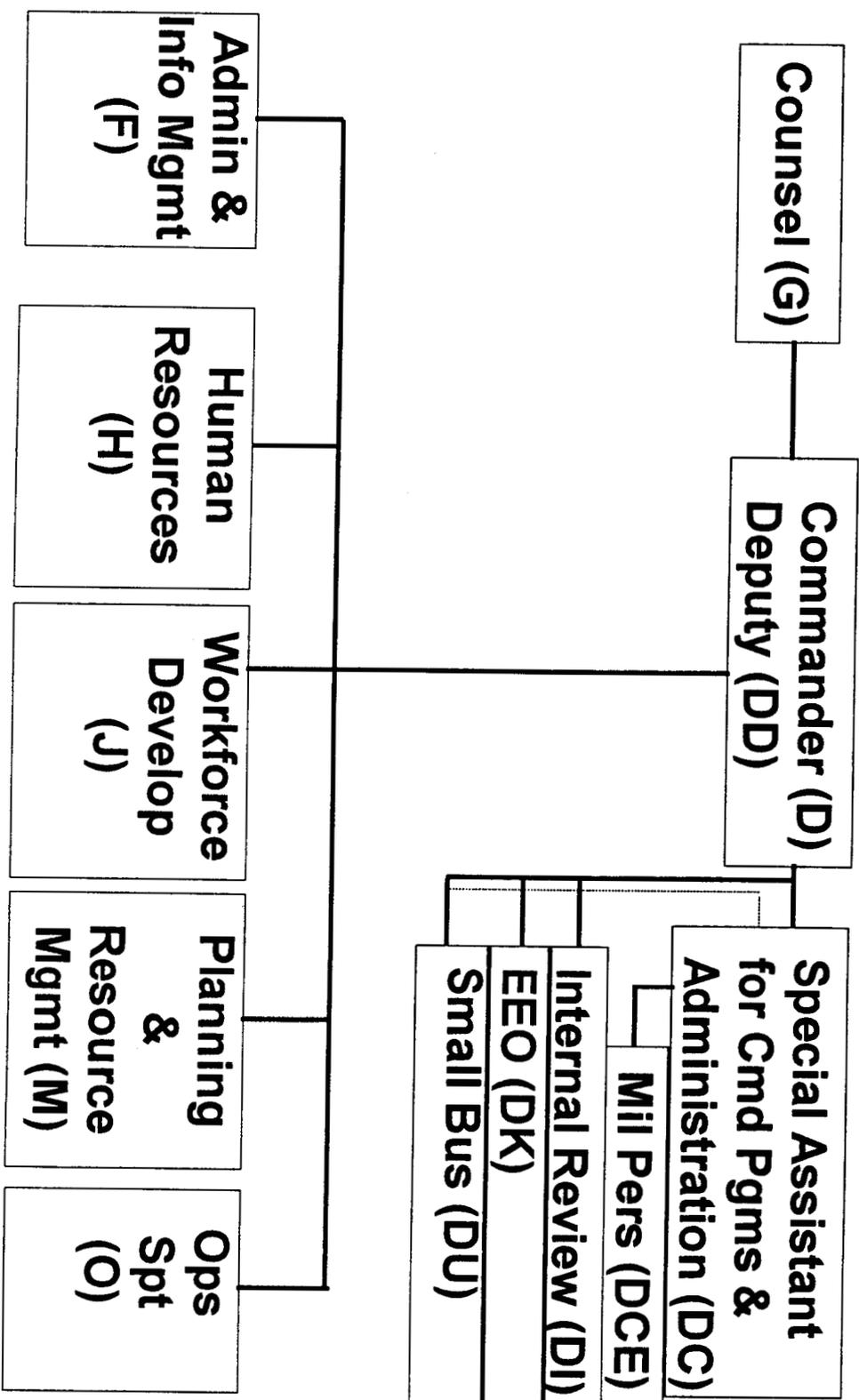
**Our work environment provides opportunity  
for individual growth and improvement.**

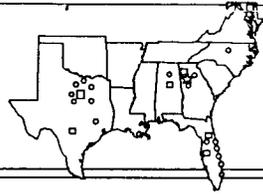
**We operate with integrity and ethics.**

**We use appropriate technology  
to best serve our customers.**



# DCMD South





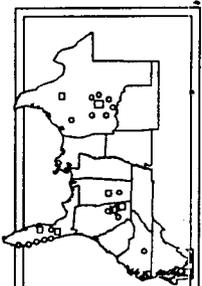
# **DCMD South**

## **Command Programs and Administration (-DC)**

- **Congressionals and Public Affairs**
- **Data Analysis and Integrity**
- **Assist DCMC in Metrics Development**
  
- **Military Personnel Office (-DCE)**
  - **Military Performance Reports and Assignments**
  - **Processing Awards/Decorations**
  - **Military Manpower Issues**
  - **Reserve Program Interface and Management**

**Civ - 5**

**Mil - 1**



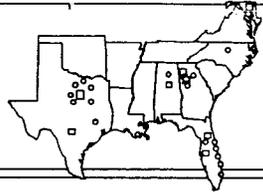
# **DCMD South**

**Office of Internal Review (-DI)**

- **Conduct Internal Audits**
- **External Audit Liaison Program**
- **Accomplishes DLA Directed Audits**

**Civ - 4**

**Mil - 0**



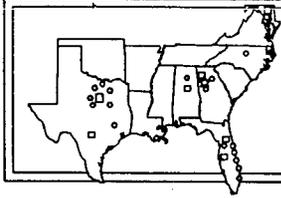
## **DCMD South**

Office of Equal Employment Opportunity (-DK)

- **Implements EEO/Affirmative Action**
- **Manages EEO Complaint Process**
- **Oversite of Special Emphasis Programs**

**Civ - 4**

**Mil - 0**

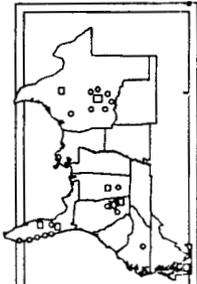


## **DCMD South**

### **Small Business Office (-DU)**

- **Ombudsman for Small and Disadvantaged Business Firms**
- **Liaison With Other Government Activities**
- **Assists CAO Small Business Staffs**

**Civ - 3**  
**Mil - 0**



# **DCMD South**

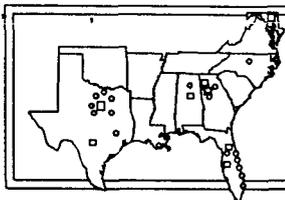
**Administration & Information Management**

**Directorate (-F)**

- **Telecommunications Operations and Support**
- **Command Security Services**
- **Procures Supplies and Services**
- **Records Management Support**
- **Facilities Management**
- **Manages Video Teleconferencing Center**

**Civ - 51**

**Mill - 0**



## **DCMD South**

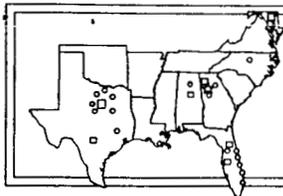
### **Office of Counsel (-G)**

**Provides Legal Advice and Representation in  
the Areas of:**

- **Contract Administration**
- **Fraud**
- **Ethics**
- **Personnel**

**Civ - 9**

**Mil - 0**



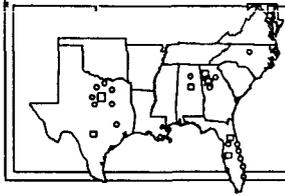
## **DCMD South**

### **Human Resources Directorate (-H)**

- **Classification and Pay Administration Functions**
- **Employee and Labor Relations**
- **Safety and Health Office**
- **Staffing Function**

**Civ - 45**

**Mil - 0**



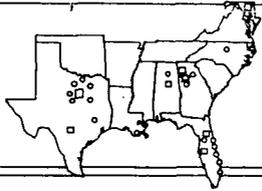
# **DCMD South**

## **Workforce Development Directorate (-J)**

- **Determines Developmental Needs of Workforce**
- **Manages Defense Acquisition Workforce Improvement Act**
- **Develops Training Courses**
- **Manages Training Budget**

**Civ - 18**

**Mil - 0**

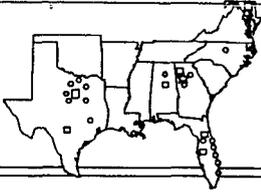


## **DCMD South**

### **Planning & Resource Management Directorate (-M)**

- **Administers Planning Process**
- **Resource/Budget Manager**
- **Administers Internal Management Control Program**
- **Liaison With DFAS**
- **Manages Reimbursable Reporting System**

**Civ -28  
Mil - 0**



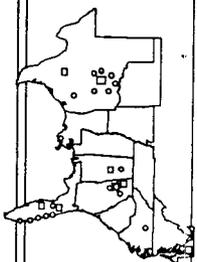
## **DCMD South**

### **Operations Support Directorate (-O)**

- **Deployment and Oversight of Contract Administration Policies, Plans, Programs and Procedures Within District South**
- **Consultative Support to CAOs and DCMC**
- **Technical Assistance to CAOs**

**Civ - 58**

**Mil - 2**



# DCMC Indicators and Initiatives

## Quality (Right Item)

- Procas
- Early CAS
- Quality Assurance
- Engineering Assurance
- Quality Initiatives

## Responsiveness (Right Time)

- DCMC Ontime Delivery
- Production Surveillance
- Property Administration

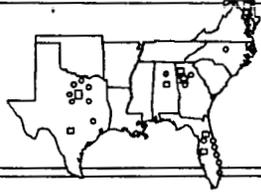
# Affordability

## Cost of Stuff (Right Price)

- Overhead Strategy
- Preaward CAS Involvement
- Cancelling Funds/Contract
- Closeout Strategy
- Core Contract Administration
- Pricing and Negotiations
- Price Related Systems

## Cost of Ops (Right Oversight)

- Reinvention Lab
- FEDCAS
- Program Integration
- Financial Performance
- Result
- End Strength Reduction



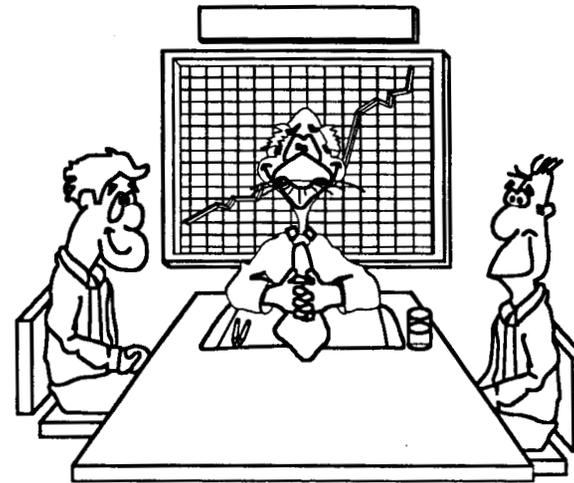
# Process Oriented Contract Administration Services (PROCAS)

Change to Survive -- Improve to Prosper  
Teamwork for Performance



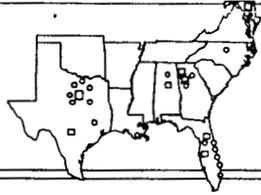
## COMPLIANCE

- ▶ Adversarial Environment
- ▶ Functionally Driven
- ▶ Regulated
- ▶ Task Oriented
- ▶ Reviews, Audits, Inspections
- ▶ Detection and Correction

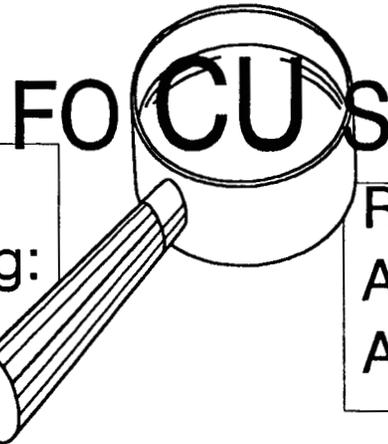


## PROCESS

- ▶ Teaming
- ▶ Customer Focused
- ▶ Empowered
- ▶ Process Oriented
- ▶ Performance Based
- ▶ Prevention and Improvement



# Customer Focus Program

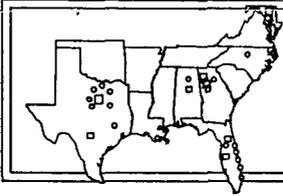


1066 Customers  
Surveyed, Including:

- Program Managers
- PCOs
- Technical Specialists
- Item Managers

Result -- Problem  
Areas Identified and  
Action Teams Initiated

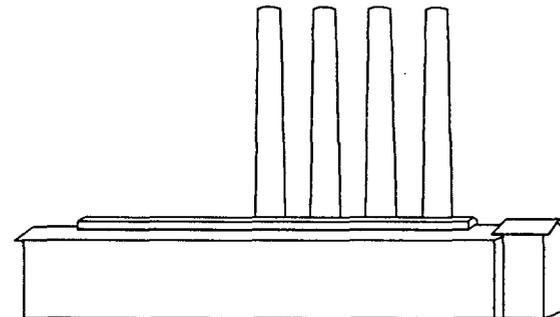
- Contract Close Out
- First Article Administration
- Contract Delivery Surveillance
- Negotiation of Delivery Extensions
- Manufacturing Process Surveillance
- Engineering Change Proposals
- Technical Support to Negotiations
- Product Quality Deficiency Report



# Environmental

## WHY THE CONCERN?

- Major clean-up costs developing
- Major OSD issue
- Customer concerns

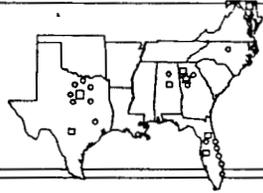


## DCMC INITIATIVES

- 5 Pilot sites to determine cost and magnitude of the problem
- Develop an appropriate oversight policy

## GOALS

- Improved protection on government contracts
- Consistent cost allowance decisions
- Risk based system surveillance



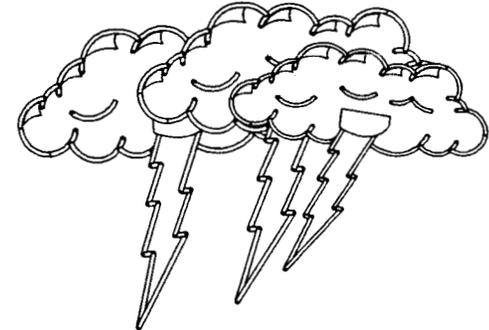
# "Early CAS" Involvement

## WHY THE CONCERN?

Need for . . .

- Better communications between buying activity and contract administration
- Better contracts
- Better predictions of contractor performance

## POTENTIAL CONTRACT PROBLEMS

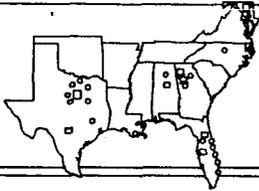


## DCMC INITIATIVE

- Partner with buying activities prior to contract award

## GOAL

- Improved contract execution



# **Early CAS Involvement Examples**

## **REQUESTS FOR SUPPORT**

**OCHAMPUS (2)**

**WAR-MED Planning System**

**Marine Corps Advanced Amphibious Assault Vehicle**

## **COMMITMENTS**

**DoD High Performance Computing (HPC) Modernization Program**

**HARM**

**JSOW/BLU108**

**Department of Commerce, National Data Buoy**

**OCHAMPUS Financial Analysis Service**

**Multiple Launch Rocket System**

**Longbow Fire Control Radar (Lot 1 Production)**

**OCHAMPUS Region 3 & 4 Managed Care**

**Non Developmental Airlift Alternative (NDAA)**

**C130J**

## **COMPLETED**

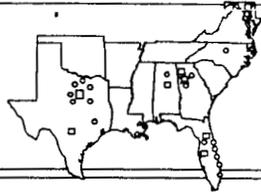
**KC-135 Programmed Depot Maintenance**

**Secure Mobile Anti-Jam Reliable Tactical Terminal (SMART-T)**

**T-44/T-34 Training Aircraft**

**JSTARS Sirborne Battlefield Surveillance/Management Radar System**

**LANTIRN**



# Business Strategy

- Offering Contract Management Expertise to All Federal Agencies

NASA

DEPT OF ENERGY

U.S. POSTAL SERVICE

DEPT OF TRANSPORTATION

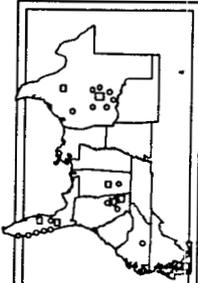
FEDERAL AVIATION ADM

DEPT OF TREASURY

STATE DEPARTMENT

GENERAL SERVICES ADM





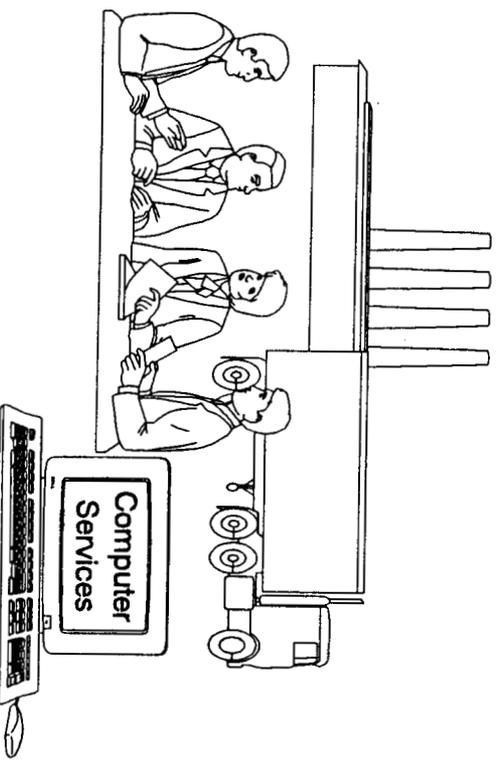
# Overhead

## WHY THE CONCERN?

- Downsizing business base
- Increasing contractor overhead rates
- Customer concern

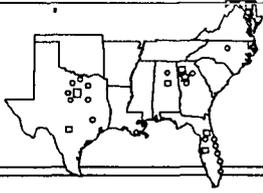
## DCMC INITIATIVE

- Develop corporate overhead strategy



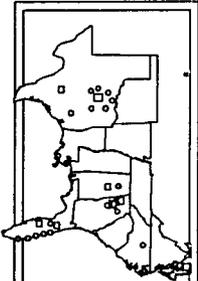
## GOAL

- Reasonable overhead rates
- Reduced overhead costs commensurate with reduced business base



## **DCMD South Institutionalizing Cultural Change**

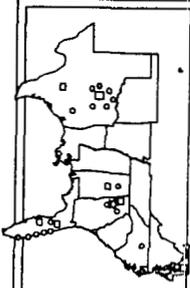
- **1988 - Productivity Group  
Total Quality Management Steering Committee**
- **1989 - Commitment to Excellence**
- **1990 - Facilitators Trained**
- **1991 - Integrated Planning Process  
Vision Developed  
TQM for Managers  
TQM for Employees**
- **1992 - Milliken Visit  
Quality Improvement Prototype  
Leadership in Change**



## **DCMD South**

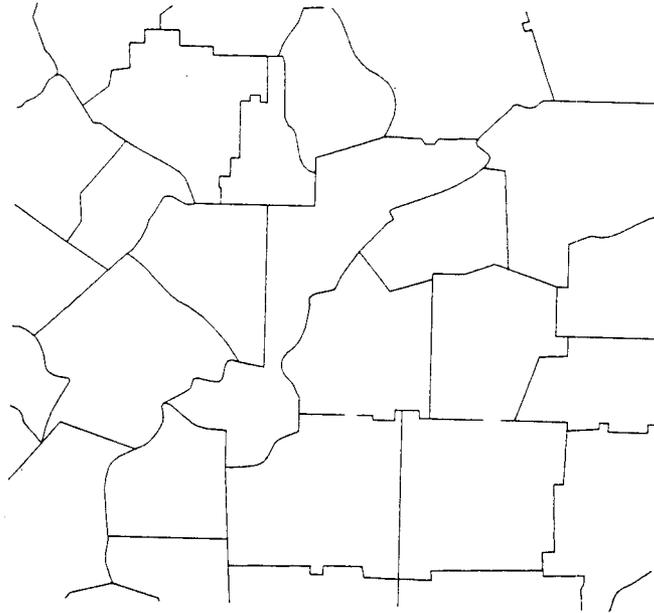
# **Institutionalizing Cultural Change**

- **1993 - Customer Surveys**
  - Personel Empowerment**
  - Goverment Performance & Results Act**
  - Performance Plan**
- **1994 - Unit Self Assessment**
  - DCMC Commanders Cup**
  - DCMC Quality Criteria Training**
- **1995 - Teambuilding**



# Summary

**DCMDS Headquarters Organized and Strategically Located to Support the Contract Administration Offices in Providing Effective and Efficient Contract Administration Services to Customers**

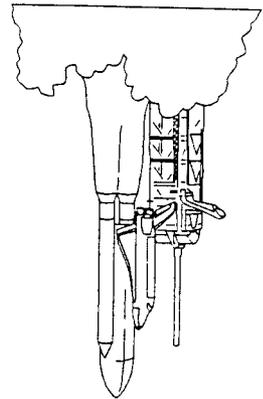


A COMMUNITY PERSPECTIVE

HQ DCMDs

THE PROPOSED CLOSING OF

BRAC 95 -



5M.N.3010

Doris to give opening remarks:

○ who we are

○ what we do

○ History of our drawdown to present

## ACCESSIBILITY

We will begin by introducing ourselves as SOUTHERNERS. That is not to say t were born or raised here; just that we work here. But we believe that it ma nness sense that an agency the size of DCMC that has approximately 15000 empl should maintain a district presence in the south. This is where ITS AT: ii place of civil rights, it is an international city, it is the host city for Olympics, and it is the place where contractors are moving to from the nort GOOD BUSINESS SENSE TO KEEP US HERE.

@ Transportation. Atlanta airport is one of the top 3 airports in the at times, it is even #1 in traffic. It serves as a hub for Delta and Trans recent construction of a new international concourse makes it is easier tha in and around Atlanta, As such, more and more contractors are moving into area.

@ Climate. The climate in the south is a major draw for new contracto in. Spring and fall are temperate; summers are warm and winters are genera and mild. As a result, 15 of the top 20 US aerospace and defense contractor ties in Georgia as do 5 foreign aerospace firms.

@ Colleges and Universities. There are 30 colleges and seven junior the metro Atlanta area, including the internationally recognized institutio University, Georgia Institute of Technology, Clark Atlanta University (whic passes Morehouse College, Morehouse Medical School, Spelman College, Clark University and Interdenominational Theological Center), Georgia State Unive versity of Southern Technology and Kennesaw State University. The availabi lege graduates offers an excellent source of high quality candidates for a tions.

@ Birth Place of Civil Rights. As history has shown, Atlanta is the b of civil rights. This district has maintained the following 100% diversity

- 100% in employment of black males
- 100% in employment of black females
- 100% in employment of American Indian Males
- 100% in employment of American Indian Females

Over 70% of the nations 102 historical and predominantly black colleges and are located in the Southern District. If we are to continue in our pursuit ployees, it would be good business sense to maintain a district presence in AND TO GIVE US SOME MORE INSIGHT INTO THIS AREA. IS PROFESSOR  
• JEAN BROWN OF SPELMAN COLLEGE.

@ Medical Facilities. There are excellent medical facilities through Atlanta area, including Emory University which is a leader in health care r this county alone, there are 4 hospitals, 3 mental health facilities, 5 publ 9 nursing homes and a number of privately operated neighborhood healthcare addition, the Centers for Disease Control is headquartered in the metro Atla

@ Housing. And finally, housing. Many contractors are moving into A because of affordable housing. The average cost of a home in the Atlanta ar with prices ranging from \$60,000 to \$500,000 plus.

AND TO GIVE US SOME ADDITIONAL INFORMATION ON THE HOUSING MAR-  
KET IS MR. Rick Arzet OF Coldwell Bankers REAL ESTATE COMPANY.

## COMMUNITY INVOLVEMENT

We would like to thank the local community for their interest, and give you examples of our community involvement.

@ Tommy Nobis Rehabilitation Center Services. We currently hire some people from the Tommy Nobis Rehabilitation Center Services. These people have physical or mental disabilities that inhibit their chances of employment through hiring practices. This agency has continued to hire these personnel and provide essential employment. AND HERE TO TELL YOU MORE ABOUT THE TOMMY NOBIS CENTER AND OUR INVOLVEMENT AS A DISTRICT IS \_\_\_\_\_.

@ American Red Cross. We have an on-going schedule with the American Red Cross to conduct blood drives on site, usually 4-5 times a year. We give many blood products to the community. We have been ranked #1 in DCMC with 133 donors and 19 pheresis donors. Pheresis donors are donors that donate large quantities in addition to whole blood products. HERE TODAY IS \_\_\_\_\_ FROM THE AMERICAN RED CROSS - SHE WILL GIVE YOU SOME ADDITIONAL INFORMATION ON OUR CONTRIBUTIONS.

@ Combined Federal Campaign Fund. For the last 10 years, we have contributed over \$300,000 to the Combined Federal Campaign Fund.

@ Habitat for Humanity. We have supported this endeavor by participating with an organization in building one house for a family within our community.

## MAKES GOOD BUSINESS SENSE

It makes good business sense to maintain a district in the South in addition to Boston and Los Angeles because:

@ Industry is moving this way. A recent article in the Washington Post predicted that cutbacks in the defense industry has changed its modus operandi. The Washington Post further stated that the defense industry will continue to maintain its traditional home bases in California and the Northeast United States where there are high wages, taxes, and utility and environmental costs and move instead to states such as Georgia, Florida, Texas and Arizona.

@ Building Costs. Our building is the only one of the 3 districts that is owned by DoD - we are located on Air Force Plan #6. We have made extensive improvements in this building to bring it up-to-date. We have replaced the entire conditioning system in this building. We have resurfaced and resealed the lot. We have established a quality engineering laboratory in this building. This laboratory is used for training engineering and quality assurance personnel, destructive testing, and high reliability soldering. These improvements have cost about \$2.5 million. As you can see, DCMD South has spent a lot of money to improve this building through 2007. This building belongs to the DoD community; it makes good business sense to do away with the one district that is in a government facility.

@ ADP Costs. Where in the pre-planning stage for BRAC 95 has any consideration been given to computer capabilities of merging the 3 district data bases into 2 data bases? In 1989, the AFPROs and the ARMY PROs were realigned under 2 districts. Their AMIS contract data base system was to be merged into our MOCAS base system. BRAC 91 resulted in merging from 9 to 5 districts, and BRAC 95 resulted in merging data bases from 5 to 3 districts. These mergers still have not been accomplished successfully. We are still tracking certain data elements separately in AMIS and MOCAS. And now we are trying to go down to 2 districts. The director at DFAS Columbus has indicated off the record that there is no way the current hardware can handle two districts. Another expert in the MOCAS has also stated off the record that further mergers are currently unmanageable until the MOCAS re-design is completed which will take 2 to 3 years. If these are valid assumptions, then further reduction will result in less and less data integrity.

@ Data Base Integrity. Our FY 94 nontransmitted error rating showed the following:

DCMDS - 1.64%  
DCMDN - 2.67%  
DCMDW - 6.17%

Again, if we had the least number of errors for total transactions, why do we do away with District South?

@ Travel Costs. We examined the airfares from Atlanta to our field a ties and then re-figured them based on the proposed realignment. Airfares would result in an increase of 42%. Again, it makes no good business sense maintain an office in Atlanta, GA.

@ Personnel Pay Rates. Locality payment rates for the Federal Govern show that Atlanta has a locality payment of 4.66%; Boston 6.97% and Los An 7.39%. This means that a person doing the exact same job in Atlanta, Bosto Angeles receives less pay in Atlanta, Again, it makes no good business sen away with the one district that has a lowest personnel pay rates.

@ Personnel Actions. If DCMD South were eliminated as a headquarters North and DCMD West personnel offices would have to pick up additional work servicing the approximately 3400 current personnel in DCMD South, with no a resources added to their organizations. This would lead to a degradation o tiveness and efficiency of handling ALL personnel actions within DCMC - pro awards, disciplinary actions, transfers, retirements, hiring, etc.

@ Office Automation/PC Maintenance. If DCMD South were eliminated as headquarters, DCMD North and DCMD West would have to expend significant add effort to maintain the established PC/LAN/Office Automation equipment and s without additional resources, as proposed. This would lead to a critical d tion of the efficiency and effectiveness of ALL personnel in DCMC.

@ Personnel Strengths. The BRAC 95 analysis would result in the leas ber of employees being displaced. Personnel figures are:

DCMDS	229
DCMDW	279
DCMDN	372

Rather than doing away with the District that has become more efficient, it make good business sense for the other two Districts to reduce their levels - a decrease of approximately 200 persons overall.

MILITARY VALUE

OF

DISTRICT SOUTH

We believe that District South should rank #1 in military value in relation two districts. Instead, we went from being ranked #1 in 93 to #3 in 95. He on this subject is Mrs. Terry Jansen.

## CONCLUSION

We believe that District South has been the leader in downsizing and re-investing have brought our personnel resources down from 350 in 1993 to 227 today. Throwing two Districts have an average of 325 in each location. We challenge the districts to follow us: we are lean and mean, and still do the job. AT THIS UPON MR. OSCAR LEONARD FOR CLOSING REMARKS.

- @ Call upon the Community
- @ Disability Awareness Council
- @ Closing Remarks

## MILITARY VALUE ANALYSIS

Good morning. My name is Terry Jansen and I am here to talk to you about Military Value, actually the only criteria that really matters in the final analysis of whether an activity should continue to serve the military services or not.

In the Concept of Operations, 18 Mar 94, DLA made the assumption that geographic location attracts logistics expertise, then proceeded to ignore its own assumption by disregarding the fact that the South is the fastest growing area in business and is virtually a magnet, attracting relocations of potential employees. Last week, the Chairman of the Cobb County Board of Commissioners said that Cobb County will begin to take measures to slow the county's population growth, with a goal of limiting it to 600,000 in the next five years. These measures are necessary because of the constant influx of people moving into the area from the north. Almost 70 percent of the people in this room are transplants from the north. Over 95 percent of the Fortune 500 companies have offices in the Atlanta area, from regional to international. The expertise is here and we don't have to worry about not being able to attract additional personnel in a up-staffing situation. While the BRAC Executive Group's (BRACEG) premise that retaining staff in lieu of hiring new employees is important, especially in light of the previous DLA disaster when DFAS was formed and they could not get experienced people to move to Columbus, Ohio, it is not valid in this situation. In the BRACEG minutes of the 7 Dec 94 meeting, it says "While volume or scope of workload does not define essentiality, per se, the technical expertise of the work force is a key factor in evaluating the risk inherent in any alternative", yet the criteria established by DLA to define Military Value flies in the face of its own pronouncements. The movement of defense contractors' facilities is to the sun belt, but that fact was ignored.

In the Organizational Span of Control section, under "Support Ratio of District to Field", DLA shows that in '90, the ratio throughout DLA was 20%, in '93 the ratio had dropped to 10%, a target of 7% was set for '94, and efforts are underway to achieve 5% in '97. In the BRACEG meeting of 19 Dec 94, the minutes state that one of the reasons for selecting DCMDN to remain, while deciding to close DCMDS was "Although the Northeast supports its field personnel with a lower headquarters to field ratio than DCMDS, Northeast has a larger managerial and administrative infrastructure in place. If Northeast were to close, South would have to be staffed-up considerably more than NE." There is no basis given for that assumption, yet the facts show that the DCMD South staff went down from 258 in 1994 to 239 in early 1995 and now stands at 227, while picking up approximately 550 additional field personnel upon the closure of DCMDM in June 1994. It would certainly appear that we are being penalized for being efficient for carrying out DLA's policy to streamline the organization by drawing down the number of administrative support personnel and going to a two-tier management structure. One of the justifications stated for closing us was that we would have the least amount of personnel impacted. If we had not followed DLA's directive to downsize, we would have had a better chance.

The DLA Vision includes a tenet to Ensure Best Value and reduced cost through:

Multifunctional teams

Best Business Practices Benchmarking

Corporate Information Management and Technology Infusion

Yet, DLA chooses to disregard District South's lead in making early strides in reorganizing into Multifunctional teams, and achieving more support to the field personnel with a smaller District staff, through the tremendous effort and sunk costs needed to move the entire District South headquarters staff effectively into the information age through the use of computers.

The decision to close DCMD South was not made 19 Dec 94, when Adm. Straw approved the recommendation presented to him by the BRACEG. It was made in 1993 when the "spoils" were divided among the three surviving Districts, after Central and MidAtlantic were disestablished. The number of DCMAOs and DPROs, and their locations, that we would receive was determined by DLA; the number of contractors and contracts, with their Unliquidated Obligations, was determined by DLA; and the size of our resultant workforce was determined by DLA. Upon learning of the projected divisions, we made a proposal to DLA that would have more equitably distributed the work load among the three Districts, but DLA chose not to consider it. Consequently, we were left in a considerably weaker position when, lo and behold, DLA decided that the number of DCMAOs and DPROs, and their locations, the number of contractors and contracts, with their Unliquidated Obligations, and the size of our resultant workforce were all **critical** factors in determining who should be closed in BRAC 95. To quote a famous military personage of the past, "Surprise, Surprise!"

I thought I had a pretty good idea of the concept of what Military Value meant - To provide what the customer wants, where they want it, when they want it, at the lowest possible price. When the BRAC announcement was made, the local newspapers all had bold headlines that shouted "NO BASES IN GEORGIA TO CLOSE!" One of the reasons cited for Georgia's good luck was that the southern states were "militarily strategic". I don't understand how the south could be militarily strategic to the armed services, yet DCMDs have so little military value, when our mission here is to serve the military.

I believe the Defense Logistics Agency must have its own definition and DLA's criteria of what constitutes military value differs from mine. In this age of electronic communication and air transportation, it is not just where an DCMAO or DPRO is located, but how quickly can they be reached. We can fly to DCMAO Orlando and be in the office before our peers in Boston can drive to a location less than 100 miles away. Access to the airport is better evaluated by the time it takes to get there during office hours, than the miles it takes as the crow flies or the fish swims. While access to a train might be important in an area where many employees rely on it for their daily commute, it is low priority in an area where people are able to drive to work and park for free. Our state of the art video telecommunication center allows us to meet "face to face" with 25 different activities throughout the country. We had ours for months before Boston got theirs.

Much of the criteria established by DLA to define what Military Value meant appears to have changed over the years. In BRAC 93, we ranked second of the five Districts, in BRAC 95 we ranked third out of three. If it can be said "What a difference a day makes, 24 little hours", I guess that a lot of thing can change in two years. And they have in District South. We have increased our number of major contractors, as several defense contractors have relocated to the south or merged with other contractors who are already established in the south. We have accomplished a mammoth undertaking in the closeout of approximately 20,000 overage contracts at DCMAO Baltimore since we acquired it in June, 1994. We have both of the largest dollar-value contracts in the country in the south with the F-22 and Stewart and Stevenson's Army trucks. The V-22 program is definitely a major future undertaking. Somehow, these criteria were not taken into account. But for Boston to try to monitor these programs from its location will be detrimental to the contractors, and ultimately, to the military.

The BRACEG conceded that it would be difficult to merge three Districts into two, but felt that there would only be a moderate risk to the mission of DCMC. They failed to mention one of the most important limitations facing the disestablishment of District South and that is the limitations of the automated systems used to perform the DCMC mission. Many of those systems are deficient. They are hard to change, technically obsolete with limited capacity to expand, require many manual functions, and have inadequate interface with DoD systems. These deficiencies result in slow processes and bad data. Just ask anyone at DLA to wager their next paycheck on the accuracy of the Quality Assurance Management Information System and see how quickly they will admit to DLA's inability to fix that one system after years of trying. Much of the AMIS contract data still has not been merged into MOCAS from the 1989 acquisition of the Plant Representative Offices from the military services. Ask a defense contractor how smoothly the merger of all of the accounting and payment data went when all of the Finance offices were pulled out of DCMC and consolidated at DFAS. That process was accomplished over a period of years because of problems with the data systems, but the problems continue to plague DFAS, resulting in late payments, exorbitant interest fees due to late payments, and degradation of services to the contractor. Ultimately, the military services suffer. The payment disasters of DFAS should be warning enough that the automated systems are a principle factor in the timing of closures. It is too late to find that the system is incapable of supporting the data base after an activity has been closed.

As I have said, the distribution of the workload after BRAC 93 was made in a method designed to place this organization in harm's way in BRAC 95. In addition, it was not that the data was wrong, it was that the wrong data was collected. The true measure of what constitutes an activity's value to the military was not looked at. It would be logical for you to question why the Commission should care, if it is so obvious that DLA manipulated the situation to favor their close neighbor, the Northeast. We believe that the Commission should care because it is their responsibility to ensure that the military services are receiving the best service at the lowest cost, without political pressure or consideration.

The availability and condition of land, facilities, and associated airspace is an important factor in the evaluation process. The BRACEG Meeting Minutes of 15 Nov 94, said "Distinguishing among the military value of activities with like missions is diffi-

cult. Often, the ability to expand the condition of the building(s) and facility are the differentiating factors. The methodology for assigning points in the military value analysis for BRAC 95 will reflect the mission similarities more clearly. The methodology will also appear easier to defend, and will make the role of military judgment in the decision process more obvious." There have been a number of major improvement made to B-95 in the last few years that have resulted in a very desirable workspace. As these cost are sunk, there is no future cost required. As a side note, we are totally unable to understand how facility costs for DCMD West were projected for their next location since they don't even have a location designated.

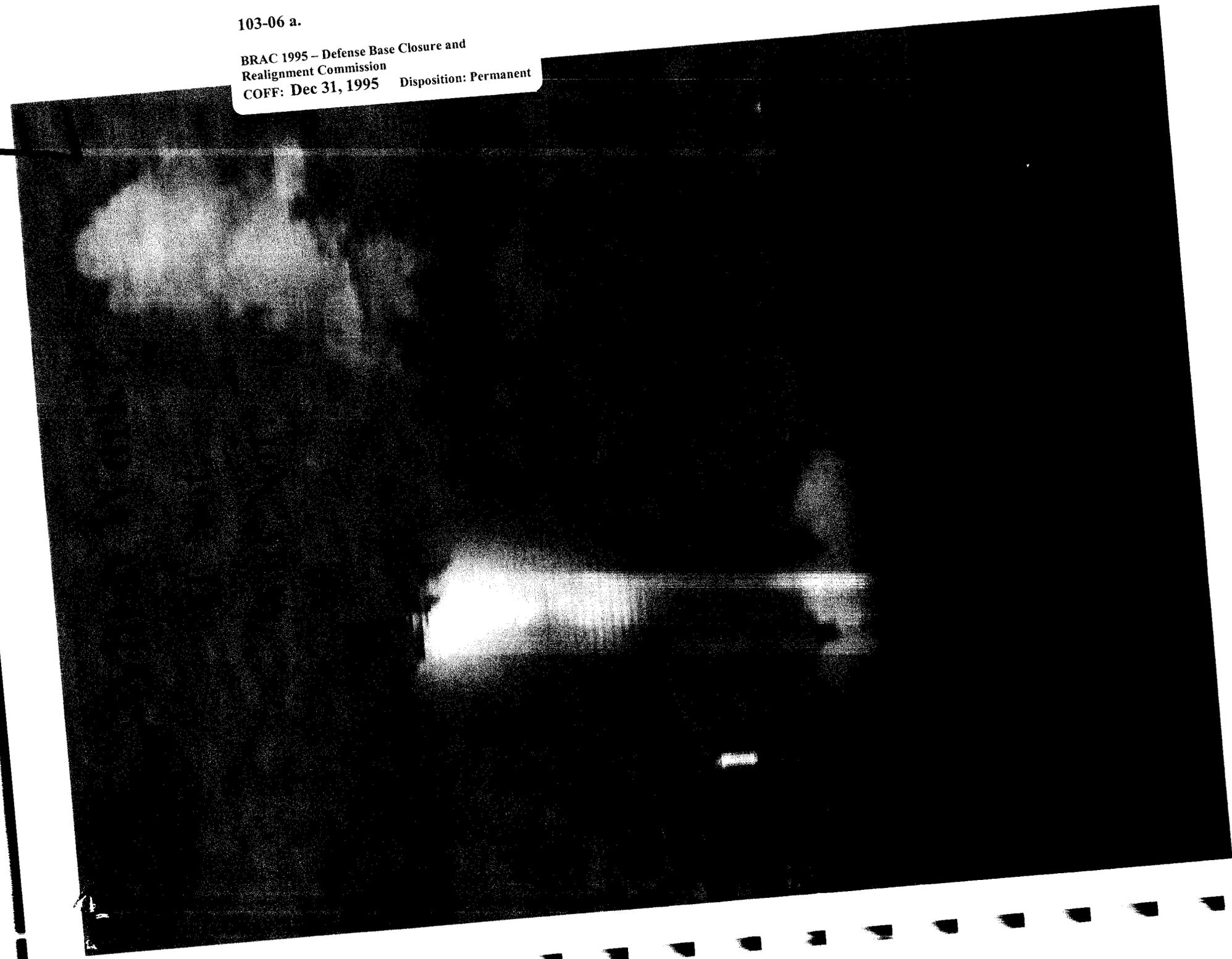
In light of the southern migration of defense contractors, DLA can ill afford to lose its presence in the south. We feel that instead of trying to manage contract administration for all of the military services from two far-flung locations on opposite shores with large staffs, it would be much more beneficial to the military services to maintain three location with smaller, leaner staffs. We have already begun the process and would be happy to show Boston and LA how it is done.

# Document Separator

103-06 a.

BRAC 1995 - Defense Base Closure and  
Realignment Commission

COFF: Dec 31, 1995 Disposition: Permanent



SECTION I.

MILITARY VALUE ISSUES

SPLITTING UP & CLOSING

NAVAL WARFARE ASSESSMENT DIVISION, CORONA

INDEPENDENCE, SYNERGISM & FLEET READINESS

NWAD is one of only one independent Naval warfare assessment operation. Sending functions to NSWC Crane and NAWC China Lake would destroy the synergism and compromise the independence of NWAD's weapons procurement & reliability assessment functions built up over decades of experience.

Fleet Readiness depends on real time assessments of fighting capability through NWAD's War Assessment Laboratory (WAL). The WAL would be off line for years unless a totally redundant capability is developed, a scenario not costed in the NWAD closure calculations.

## INDEPENDENCE, SYNERGISM & FLEET READINESS

In the course of discussions about the splitting up and closing of the Naval Warfare Assessment Center, Corona, four issues have arisen that must be given very serious consideration.

### **1. Independence Will Be Lost**

Torpedo failures in World War II and missile failures in the 1960s led to the creation of an NWAD. Its role is to independently assess weapons systems to ensure that they are able to reliably perform to acceptable standards. Its further role is to independently assess fleet readiness and honestly advise commanders as to their strengths and problems.

Natural human instincts make it crucial that the assessment function be kept independent of weapons design, acquisition, in-service and using functions. The organization must be free to make its assessments without pressure, and to establish institutional priorities free of bias. This is perhaps more true today than ever, given the apparent weakening of even scientific ethics.

Should NWAD be split up as proposed by the Base Structure Evaluation Committee (BSEC), the operations assigned to NSWC, Crane and NAWC, China Lake would have functional and priority conflicts of interest. In either case, the independence so vital to NWAD's believability will have been compromised.

By analogy, after an airliner crash, the nation relies on the National Transportation Safety Board (NTSB) to independently assess the causes of the catastrophe. Clear conflicts of interest would prevent reliance upon an analysis by Boeing or Delta Airlines. NWAD's relationship to the rest of the Navy needs to be equally pristine.

### **2. Fleet Readiness Will Suffer Without Prohibitive Spending On A Redundant Warfare Assessment Laboratory**

Since its inception, a goal of NWAD has been to provide fleet commanders with readiness assessments as rapidly as possible, but certainly before they move into harm's way. What once took weeks, can now be accomplished in hours with satellite and undersea fiber optic links to the new Warfare Assessment Laboratory (WAL).

This permits commanders to make adjustments in the middle of fleet exercises or to repeat them. Also, costs are saved by using simulations to replace live missile, aircraft or munitions firings. The entire WAL is capable of being secured for top secret operations.

While the WAL is slated for reproduction at NPGS, Monterey, the costing of this scenario does not include creating an entirely redundant capability before bringing down the WAL at NWAD, Corona. The latter would take duplicating equipment in both places and at least two years of parallel staffing.

Fleet readiness would suffer dramatically if the WAL were taken off line for the two or more years needed to transfer equipment to Monterey and bring the new WAL on-line. If the redundancy scenario is used, the one-time costs of closing NWAD would be prohibitive.

## **2. Synergy Will Be Lost**

Over years of experience, NWAD has gathered together a variety of assessment, measurement and equipment testing functions which are mutually reinforcing. They permit analysts to assess a problem, understand the measuring tools upon which they are relying, and determine the physics of why a failure has occurred.

This synergy is crucial to NWAD's ability to advise the Navy on the problems being encountered, and reasons for them, through the entire life-cycle of weapons systems. This includes assessing the relationship between fleet training problems, systems performance, material quality and related testing.

If NWAD is split up between NPGS, Monterey; NSWC, Crane; and NAWC, China Lake, the synergism between functions will be lost, and the assessment capability will suffer.

## **4. Military Value Ranking Incorrect**

The Base Structure Analysis Team (BSAT) gave NWAD's military value a 19.81 score on a scale that nominally ranged from zero to 100. This score ranked 30th among 64 technical centers that were evaluated using a Military Value Matrix comprising 200 weighted questions.

The matrix questions were heavily weighted in favor of the warfare centers and research facilities. This mandated a lower score for NWAD by definition, as it is an operation that must be independent of all such activities. Thus, little or no recognition was given to the military importance of the independent assessment function or its allied engineering, despite their importance to ensuring that weapons are reliable and crews ready to fight.

Even given this bias, a careful review of the matrix indicates that, based on certified data submitted to the BSAT, NWAD did not receive credit for a number of questions where credit was due. Had it does so, ATTACHMENT A shows the score would have risen to 42.35, improving NWAD's rank among technical centers to between 9 and 19.

ATTACHMENT A

NWAD, Norco

Capabilities and Military Value Summary

BRAC Installation Visit

23 May 1995

Measuring Military Value

## NWAD Military Value

Item	Maximum Value	Original Score	Item Description	.....Reference.....			Revised Score
				Data Call	Page No.	Paragraph	
<b>MISSION STATEMENT</b>							
1	2.492	0.000	Includes full life-cycle responsibility.	5	3	1	2.492
						11	3
						56	
2	2.492	0.000	Includes total system responsibility.	5	2,3	1	2.492
						11	3
3	0.296	0.000	Includes sub-system/component responsibility.	5	5	1	0.296
						8	5
4	1.986	0.000	Includes system integration responsibility.	5	8	5	1.986
5	0.202	0.000	Includes component integration responsibility.	5	4	4	0.202
6	0.519	0.000	Includes research.	5	3	1	0.519
						4	2
7	0.519	0.000	Includes development.	5	3	1	0.519
						3	2
						4	2
						5	3
						8	5
8	0.519	0.000	Includes test and evaluation.	5	3	1	0.519
						3	2
						5	1
						5	2
						6	5
						7	1
						8	5
9	0.370	0.000	Includes procurement/acquisition.	5	2	2	0.370
						2	3
						3	1
						3	2
						6	4
10	0.749	0.000	Includes in-service engineering.	5	2	4	0.749
11	0.499	0.000	Includes support to direct formal training of naval forces.	5	2	1	0.499
						1	3
						5	3
						7	2
						3	1
						3	2
						9	1
						6	4
						6	5
						7	1
						7	1
						8	4
						8	5
12	0.593	0.000	A naval surface warfare activity.				0.000
13	0.593	0.000	A naval air warfare activity.				0.000
14	0.519	0.000	A naval undersea warfare activity.				0.000
15	0.667	0.000	A naval command, control and ocean surveillance activity.				0.000
16	0.741	0.000	A naval research laboratory activity.				0.000
17	0.498	0.498	Includes joint/lead service assignments.				0.498
	14.254	0.498	<b>MISSION STATEMENT SUB-TOTAL</b>				11.141

## NWAD Military Value

Item	Maximum Value	Original Score	Item Description	..... Reference .....		Revised Score
				Data Call	Page No. Paragraph	
<b>TECHNICAL FUNCTION</b>						
18	0.296	0.000	Includes a minimum of 100 in-house technical WY's in Platforms.			0.000
19	0.667	0.000	Includes a minimum of 100 in-house technical WY's in Weapon Systems.	5 Tab A		0.667
20	0.667	0.000	Includes a minimum of 100 in-house WY's in Combat Systems Integration.			0.000
21	0.148	0.000	Includes a minimum of 100 in-house WY's in Special Operations.			0.000
22	0.444	0.000	Includes a minimum of 100 in-house WY's in Sensors & Surveillance Systems.			0.000
23	0.148	0.000	Includes a minimum of 100 in-house WY's in Navigation.			0.000
24	0.667	0.000	Includes a minimum of 100 in-house WY's in C3I.			0.000
25	0.296	0.000	Includes a minimum of 100 in-house WY's in Defense Systems.			0.000
26	0.222	0.000	Includes a minimum of 100 in-house WY's in Strategic Programs.			0.222
27	0.148	0.148	Includes a minimum of 100 in-house WY's in General Mission Support.			0.148
28	0.519	0.000	Includes a minimum of 100 in-house WY's in General Technology Base.			0.000
29	0.519	0.000	Includes a minimum of 100 in-house WY's in Basic Research (RDT&E).			0.000
30	0.444	0.000	Includes a minimum of 100 in-house WY's in Technical Base (RDT&E).			0.000
31	0.593	0.000	Includes a minimum of 100 in-house WY's in Development & Development Support.			0.000
32	0.296	0.000	Includes a minimum of 100 in-house WY's in Aquisition.	5 Tab A		0.296
33	0.624	0.000	Includes a minimum of 100 in-house WY's in Lifetime Support.	5 Tab A		0.624
34	0.374	0.374	Includes a minimum of 100 in-house WY's in Training/Simulation.			0.374
35	0.222	0.000	Platforms share of DON In-house technical WY's is => 5%.	5 Tab A		0.222
36	0.593	0.000	Weapon Systems share of DON in-house technical WY's is => 5%.	5 Tab A		0.593
37	0.593	0.000	Combat System Integration share of DON in-house technical WY's is => 5%.	5 Tab A		0.593
38	0.074	0.000	Special Operations Support share of DON in-house technical WY's is => 5%.			0.000
39	0.370	0.000	Systems and Surveillance Systems share of DON in-house technical WY's is => 5%.			0.000
40	0.074	0.000	Navigation share of DON in-house technical WY's is => 5%.			0.000
41	0.593	0.000	C3I share of DON in-house technical WY's is => 5%.			0.000
42	0.222	0.000	Defense Systems share of DON in-house technical WY's is => 5%.			0.000
43	0.148	0.000	Strategic Programs share of DON in-house technical WY's is => 5%.	5 Tab A		0.148
44	0.074	0.074	General Mission Support share of DON in-house technical WY's is => 5%.			0.074
45	0.444	0.000	General Technology Base share of DON in-house technical WY's is => 5%.			0.000
46	0.444	0.000	Basic Research (RDT&E) share of DON in-house technical WY's is => 5%.			0.000
47	0.370	0.000	Technical Base (RDT&E) share of DON in-house technical WY's is => 5%.	5 Tab A		0.370
48	0.519	0.000	Development and Development Support (RDT&E) share of DON in-house technical WY's => 5%.			0.000
49	0.222	0.000	Acquisition share of DON in-house technical WY's is => 5% .	5 Tab A		0.222
50	0.499	0.000	Lifetime Support share of DON In-house Technical WY's is => 5%.	5 Tab A		0.499
51	0.374	0.374	Training/Simulation share of DON in-house technical WY's => 5%.			0.374
52	0.296	0.000	Technical functions are performed for aircraft.			0.000
53	0.296	0.000	Technical functions are performed for submarines.			0.000
54	0.296	0.000	Technical functions are performed for surface ships.			0.000
55	0.296	0.000	Technical functions are performed for command, control and ocean surveillance.			0.000
	14.091	0.970	<b>TECHNICAL FUNCTIONS SUB-TOTAL</b>			<b>5.426</b>

## NWAD Military Value

.....Reference.....

Item	Maximum Value	Original Score	Item Description	Data Call	Page No.	Paragraph	Revised Score
<b>FACILITIES</b>							
56	1.245	1.245	Facility is a host activity.				1.245
57	0.252	0.000	80% to 90% of administrative & laboratory space is adequate.				0.000
58	0.403	0.403	90% to 100% of administrative & laboratory space is adequate.				0.403
59	0.252	0.000	3% to 5% of administrative & laboratory space is inadequate.				0.000
60	0.403	0.403	Less than 3% of administrative & laboratory space is inadequate.				0.403
61	0.996	0.996	No funds are required to correct inadequacies.				0.996
62	0.622	0.000	Funds are required to correct inadequacies, but less than \$500,000.				0.000
63	0.373	0.000	Funds are required to correct inadequacies, totaling between \$500,000 and \$5,000,000.				0.000
64	0.148	0.148	Less than 5% of utilized floor space is leased.				0.148
65	0.148	0.148	Less than 25% of plant account space is assigned to tenants.				0.148
66	0.525	0.000	10,000 to 49,000 sqft of existing Government owned space is available to for expansion.				0.000
67	0.876	0.000	50,000 to 100,000 sqft of existing Government owned space is available for expansion.				0.000
68	1.227	1.227	More than 100,000 sqft of Government owned space is available for expansion.				1.227
69	0.203	0.203	10,000 to 49,000 sqft of Government owned space can be constructed for expansion.				0.203
70	0.405	0.000	50,000 to 100,000 sqft of Government owned space can be constructed for expansion.				0.000
71	0.607	0.000	More than 100,000 sqft of Government owned space can be constructed for expansion.				0.000
72	0.303	0.000	Expansion opportunities can support 80 to 99 additional persons.				0.000
73	0.506	0.506	Expansion opportunities can support 100 to 499 additional persons.				0.506
74	0.708	0.000	Expansion opportunities can support more than 500 additional persons				0.000
75	0.102	0.000	250 to 499 unimproved & unincumbered acres available for expansion.				0.000
76	0.203	0.000	500 to 1,000 unimproved & unencumbered acres available for expansion.				0.000
77	0.305	0.000	More than 1,000 unimproved & unencumbered acres available for expansion.				0.000
78	0.051	0.051	Expansion is not constrained by parking limitations.				0.051
79	0.102	0.102	Expansion is not constrained by radio frequency limitations.				0.102
80	0.349	0.349	10 to 49 acres with roads & utilities available for expansion.				0.349
81	0.701	0.000	50 to 499 acres with roads & utilities available for expansion.				0.000
82	1.051	0.000	More than 500 acres with roads & utilities available for expansion.				0.000
83	0.374	0.374	Site utilities less than 70% of the utility capacity.				0.374
84	0.249	0.249	Less than 20% of replacement value of the site's SF&E is portable.				0.249
85	0.498	0.000	Replacement value of Fixed SF&E is between \$25M and \$100M.				0.000
86	0.746	0.746	Replacement value of Fixed SF&E exceeds \$100M.				0.746
87	0.498	0.000	Site has revenue producing resources.				0.000
	15.431	7.150	<b>FACILITIES SUB-TOTAL</b>				7.150

## NWAD Military Value

Item	Maximum Value	Original Score	Item Description	..... Reference .....			Revised Score
				Data Call	Page No.	Paragraph	
<b>RANGES, FEATURES, &amp; OTHER CAPABILITIES</b>							
88	0.872	0.000	Site operates piers that can support naval combatants.				0.000
89	0.872	0.000	Site operates an operational airfield that supports high-performance aircraft.				0.000
90	0.203	0.000	Site has ordnance storage capacity 500,000 and 999,999 net explosive weight.				0.000
91	0.405	0.000	Site has ordnance storage capacity between 1,000,000 and 9,999,999 net explosive weight.				0.000
92	0.607	0.000	Site has ordnance storage capacity that is at least 10,000,000 net explosive weight.				0.000
93	0.202	0.000	Facility has a super computer or parallel computers on site.	5	51	9	0.202
94	0.525	0.525	Data transfers across the site is supported by a high speed network.				0.525
95	1.051	1.051	Real time data interconnectivity is achieved with other sites.				1.051
96	1.495	0.000	Production is accomplished at this site.				0.000
97	0.249	0.249	Site has a real time Video Teleconferencing Center.				0.249
98	0.203	0.203	Officially assigned mobilization responsibility.				0.203
99	0.203	0.203	Adequate facilities available to support mobilization responsibilities.				0.203
100	0.203	0.000	Site maintains production facilities to be activated for contingencies.	5	62	10.c	0.203
101	0.102	0.000	Site supports Reserve Unit mobilization responsibilities.	5	62	11.c	0.102
102	0.872	0.000	Site controls range airspace of greater than 5,000 sq mi.			d	0.000
103	0.302	0.000	Airspace range has no limiting (current or future) encroachment or environmental concerns.				0.000
104	0.872	0.000	Site controls range sea/undersea space of greater than 100 sq mi.				0.000
105	0.302	0.000	Seaspace/undersea range has no limiting (current or future) encroachment or environmental concerns.				0.000
106	0.872	0.000	Site controls range landspace of greater than 100 sq mi.				0.000
107	0.302	0.000	Landspace range has no limiting (current or future) encroachment or environmental concerns.				0.000
108	0.499	0.000	Site has range facilities that are used for fleet tactical training.	5	65	d	0.499
				5 Tab A	A-1	preface	
				5 Tab B	B-2	1	
109	1.986	0.000	Facility is part of the DoD Major Range and Test Facility Base.				0.000
110	0.624	0.000	At least 100,000 man hours of depot/industrial maintenance performed in FY 1993.				0.000
	13.823	2.231	<b>RANGES, FEATURES &amp; OTHER CAPABILITIES SUB-TOTAL</b>				3.237

## NWAD Military Value

Item	Maximum Value	Original Score	Item Description	.....Reference.....			Revised Score
				Data Call	Page No.	Paragraph	
<b>MANPOWER</b>							
111	1.193	0.000	Total civilians on board is between 1,000 and 1,999.	1	14	10	1.193
112	1.393	0.000	Total civilians on board is between 2,000 and 3,999.				0.000
113	1.592	0.000	Total civilians on board is greater than 4,000.				0.000
114	0.296	0.000	Average civilian technical staff years of experience is less than 7.				0.000
115	0.592	0.000	Average civilian technical staff years of experience is greater than 7 and less than 9.				0.000
116	1.038	1.038	Average civilian technical staff years of experience is greater than 9 and less than 11.				1.038
117	1.334	0.000	Average civilian technical staff years of experience is greater than 11 and less than 13.				0.000
118	0.888	0.000	Average civilian technical staff years of experience is greater than 13 and less than 15.				0.000
119	0.444	0.000	Average civilian technical staff years of experience is greater than 15.				0.000
120	0.296	0.000	Average civilian technical staff education level is less than 13.				0.000
121	0.592	0.000	Average civilian technical staff education level is greater than 13 and less than 14.				0.000
122	0.888	0.000	Average civilian technical staff education level is greater than 14 and less than 15.				0.000
123	1.186	1.186	Average civilian technical staff education level is greater than 15 and less than 16.				1.186
124	1.482	0.000	Average civilian technical staff education level is greater than 16.				0.000
125	0.296	0.000	Avg # of articles published over last 4 years per 100 technical staff.				0.000
126	0.074	0.074	Avg # of articles published over last 4 years per 100 technical staff.				0.074
127	0.296	0.000	Books/chapters written over last 4 years per 100 technical staff is in the top 25%.				0.000
128	0.074	0.000	Books/chapters written over last 4 years per 100 technical staff is in the next 25%.				0.000
129	0.148	0.000	Activity has Nobel laureates employed.				0.000
130	0.148	0.000	Avg # of awards over last 4 years per 100 technical staff is in the top 25%.				0.000
131	0.074	0.074	Avg # of awards over last 4 years per 100 technical staff is in the next 25%.				0.074
132	0.444	0.000	Patents granted over last 4 years per 100 technical staff is in the top 25%.				0.000
133	0.296	0.000	Patents granted over last 4 years per 100 technical staff is in the next 25%.				0.000
134	0.444	0.000	Patents granted over last 4 years per 100 technical staff is in the top 25%.				0.000
135	0.296	0.000	Patents granted over last 4 years per 100 technical staff is in the next 25%.				0.000
136	0.148	0.000	National Academy of Engineering/Science members.				0.000
137	0.740	0.000	# of CRDA's signed by the activity is over 10.				0.000
138	0.740	0.000	Annual royalty income per 100 technical staff is in the top 25%.				0.000
139	0.444	0.000	Annual royalty income per 100 technical staff is in the next 25%.				0.000
140	0.872	0.000	Number of major end item prototypes currently in use is in the top 25%.				0.000
141	0.498	0.498	Number of major end item prototypes currently in use is in the next 25%.				0.498
	19.246	2.870	<b>MANPOWER SUB-TOTAL</b>				4.063

## NWAD Military Value

Item	Maximum Value	Original Score	Item Description	..... Reference .....			Revised Score
				Data Call	Page No.	Paragraph	
<b>LOCATION/ENVIRONMENT</b>							
142	0.888	0.000	Location is necessary to perform assigned technical functions.				0.888
143	0.746	0.000	Location has natural features that are essential to the mission of the facility.				0.746
144	0.592	0.000	Location enhances synergy with other activities and bases.				0.592
145	0.222	0.000	Location enhances joint use capability.				0.222
146	0.202	0.000	Location provides favorable weather conditions.				0.202
147	0.888	0.000	Location is important to customers.				0.888
148	0.302	0.302	Site has no endangered/theratened species and biological hazards that restrict current operations.				0.302
149	0.302	0.302	Site has no jurisdictional wetlands that currently restrict base operations.				0.302
150	0.302	0.302	Site has no National Register cultural resources that constrain base operations.				0.302
151	0.302	0.302	Base ops or development plans are not constrained by laws applying to environmental fiacilities/NPDES.				0.302
152	0.202	0.000	Site is in an "allotment" or "maintenance" air quality control area for CO, Ozone, PM-10 .				0.000
153	0.202	0.202	Site operations or development plans have not been restricted due to air quality considerations.				0.202
154	0.202	0.202	Site has no installation restriction issues taht restrict operations or development plans.				0.202
155	0.101	0.101	Site has no significant maintenance dredging restrictions.				0.101
	5.453	1.713	<b>LOCATION/ENVIRONMENT SUB-TOTAL</b>				5.251
<b>QUALITY OF LIFE</b>							
156	0.746	0.746	Is there sufficient off base housing?				0.746
157	0.746	0.000	Do 90% or more of the housing units have all the required utilities?				0.000
160	0.746	0.000	Is the average wait for housing 3 months or less?				0.000
163	0.996	0.000	Are 90% of BEQ rooms adequate?				0.000
165	0.746	0.000	Are 90% of BOQ rooms adequate?				0.000
166	0.872	0.000	Does the site have more than 90% of the listed MWR facilities?				0.000
169	0.498	0.000	Are >90% of the childcare facilities adequate?				0.000
172	0.746	0.000	Is the average wait for 6-12 month childcare < 180 days?				0.000
177	0.592	0.592	Do >50% of site military and civilian personnel live within a a 30 minute commute?				0.592
178	0.296	0.000	Are local area educational institutions programs adequate for military family members.	5	111-115	b	0.296
179	0.592	0.592	Are there educational opportunities at all college levels within a 30-mile radius?				0.592
180	0.592	0.592	Are college education courses available on base?				0.592
184	0.444	0.444	Do military family members have reasonable access to medical/dental facilities?				0.444
185	0.074	0.000	Is the violent crime rate < 768/100,000?	5	clarificat'n	23	0.074
186	0.074	0.000	Is the property crime rate < 1902/100,000?	5	clarificat'n	23	0.074
187	0.074	0.074	Is the drug crime rate < 400/100,000?				0.074
	8.834	3.040	<b>QUALITY OF LIFE SUB-TOTAL</b>				3.484

## NWAD Military Value

Item	Maximum Value	Original Score	Item Description	.....Reference.....		Revised Score
				Data Call	Page No. Paragraph	
<b>COST</b>						
188	0.593	0.593	Percent of all employees employed in technical operations is more than 90.			0.593
189	0.444	0.000	Percent of all employees employed in technical operations is between 70 and 90.			0.000
190	0.296	0.000	Percent of all employees employed in technical operations is between 50 and 70.			0.000
191	0.146	0.000	Percent of all employees employed in technical operations is between 30 and 50.			0.000
192	0.074	0.000	Percent of all employees employed in technical operations is less than 30.			0.000
193	0.222	0.000	Percent of overhead performed by government civilians is greater than 90.			0.000
194	0.370	0.000	Percent of overhead performed by government civilians is between 70 and 90.			0.000
195	0.519	0.000	Percent of overhead performed by government civilians is between 50 and 70.	5	14	0.519
196	0.370	0.000	Percent of overhead performed by government civilians is between 30 and 50.			0.000
197	0.222	0.222	Percent of overhead performed by government civilians is less than 30.			0.222
198	0.222	0.000	Percent of technical operations performed by government civilians is more than 90.			0.000
199	0.370	0.000	Percent of technical operations performed by government civilians is between 70 and 90.			0.000
200	0.519	0.519	Percent of technical operations performed by government civilians is between 50 and 70.			0.519
201	0.370	0.000	Percent of technical operations performed by government civilians is between 30 and 50.			0.000
202	0.222	0.000	Percent of technical operations performed by government civilians is less than 30.			0.000
	4.959	1.334	<b>COST SUB-TOTAL</b>			1.853
<b>LOSS IMPACT</b>						
203	0.249	0.000	Directly impacts naval force training (20 to 39 WY's in Training/Simulation).			0.000
204	0.249	0.249	Directly impacts naval force training (40 or higher WY's in Training/Simulation).			0.249
205	0.498	0.000	Directly impacts existing naval force readiness (100 to 499 WY's in Lifetime Support).	5 Tab A		0.498
206	0.498	0.000	Directly impacts existing naval readiness (500 or higher WY's in Lifetime Support).			0.000
207	0.708	0.000	Directly impacts future naval force development (100 to 499 WY's in RDT&E).			0.000
208	0.809	0.000	Directly impacts future naval force development (500 or higher WY's in RDT&E).			0.000
209	0.444	0.000	Loss of activity adversely affects top 25% of technical mission areas.			0.000
210	0.296	0.000	Loss of activity adversely affects 2nd 25% of technical mission areas.			0.000
211	0.148	0.000	Loss of activity adversely affects 3rd 25% of technical mission areas.			0.000
	3.751	0.249	<b>LOSS IMPACT SUB-TOTAL</b>			0.747
	100.00	19.81	<b>TOTAL MILITARY VALUE</b>			42.35

SECTION II.

COST RECOVERY PERIOD

SPLITTING UP & CLOSING

NAVAL WARFARE ASSESSMENT DIVISION, CORONA

C  
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COST RECOVERY PERIOD: 14+ YEARS

If the BSEC-DATA CALL process was aimed at giving the BRAC Commission hard data on whether closing NWAD would create a real DOD cost saving, the record shows it was seriously flawed.

Had realistic assumptions from hard data replaced arbitrary decisions, the annual savings would have been closer to \$8.9 million, the one time closure costs \$100.5 million and the cost recovery period 14+ years.

**REALISTIC COST & SAVINGS ESTIMATES WOULD  
HAVE REMOVED NWAD FROM BASE CLOSURE LIST**

If the Base Structure Analysis Team (BSAT) had used realistic assumptions about NWAD's personnel needs and one-time closing costs, the Base Structure Evaluation Committee (BSEC) would have seen a 14+ year cost recovery period and not recommended NWAD for closure.

**NWAD CLOSURE RECOMMENDED ON 4TH SCENARIO**

BSAT ran four scenarios involving closing NWAD. According to the 12 Dec 1994 BSEC minutes (ATTACHMENT A: RP-0492-F9, page 3), the first three scenarios moving the facility to the Naval Post Graduate School (NPGS) Monterey were regarded as too expensive. A fourth scenario was ordered splitting NWAD into pieces and sending:

1. NWAD's assessment functions to NPGS Monterey.
2. Most Measurement Science functions to NSWC Crane.
3. Measurement Science Test Set Certification & Systems Engineering to NAWC China Lake.

The BSAT COBRA model run on this option yielded (ATTACHMENT B):

- |                                      |              |
|--------------------------------------|--------------|
| 1. Annual Savings                    | \$21,200,000 |
| 2. One Time Closing Costs            | \$76,000,000 |
| 3. Cost of Money                     | 3.0%         |
| 4. Years Before Return On Investment | 3+ Years     |

BSEC accepted these results and recommended that NWAD be split up and closed.

**DATA CALL - BSEC PROCESS SERIOUSLY FLAWED**

If the BSEC-DATA CALL process was aimed at giving the BRAC Commission hard data on whether closing NWAD would create a real DOD cost saving, the record shows it was seriously flawed. Had realistic assumptions from hard data replaced arbitrary decisions, the process would have shown almost no chance of achieving savings yet a high risk of losing NWAD's independence & synergism in assessing weapons procurement & reliability and real time Fleet Readiness.

**COST SAVINGS INCREASED BY "DIRECTION"**

The \$21.2 million in annual cost savings shown for NWAD was not the result of expected program reductions. It came from manpower cuts "directed" by higher headquarters without regard to NWAD's underlying workload. To meet them, NWAD was required to assume the elimination of almost its entire management & support structure plus arbitrarily list funded programs which it would cease supporting to reach this "directed" result.

\$12.3 million of the \$21.2 in annual cost savings came from salary savings created in this fashion. Since other costs are tied to staffing levels, this is an underestimate of the value of cost reductions achieved by direction, not management science.

This \$12.3 million cannot be saved if NWAD in fact performs at the work level which documented FY 96 budget submissions and recent history support. The FY 96 budget submissions have been validated by program sponsors, NAVORDCEN and NAVSEA Comptrollers. Thus, the true cost savings would be closer to \$8.9 million than \$21.2 million.

**NOTE:** The directed cutbacks do not allow for bringing a redundant Warfare Assessment Laboratory (WAL) at NPGS Monterey fully on-line, before abandoning the WAL at Norco. Yet this is the precise scenario required to avoid harming Fleet Readiness by eliminating real time access to WAL assessments for at least 1-2 years.

### Documentation

1. NWAD's initial response to the BRAC DATA CALL (18 Nov 1994) was based upon civilian manpower levels for FY 96 documented by budget submissions and validated in Feb-95 by NAVORDCEN and NAVSEA Comptrollers. The validated budgets translate into 982 workers (ATTACHMENT C).
2. NWAD initial response to the BRAC DATA CALL, and two others were rejected by higher headquarters. These rejections called for NWAD to submit a DATA CALL with ever decreasing manpower levels: 890, 765, and 622 (later amended to 636) respectively (ATTACHMENT D).
3. The directed manpower level of 636 finally decided upon by higher headquarters would nearly eliminate NWAD's entire command & support tier of staff plus over 100 directly funded positions. To meet this directed staffing pattern, NWAD had to create an arbitrary list of funded programs which it would cease to support (ATTACHMENT D).
4. NWAD's final DATA CALL submission specifically contained the caveat that the manpower reductions were "directed". This language was deleted in the certified response transmitted to the BRAC Commission (ATTACHMENT E).
5. The scenario by which NWAD was directed to show manpower reductions in ATTACHMENT D is considerably at variance with the response to an official Congressional Inquiry by Congressman Ken Calvert (ATTACHMENT F):

- A. Contrary to the Response to Inquiry, NWAD and its superiors were not making "informed judgement" in the DATA CALL when staff cutbacks were being made. ATTACHMENT D shows that cutback levels were being arbitrarily assigned and NWAD had to arbitrarily create a list of successful programs which it would no longer support in order to reach its directed manpower reductions.
- B. ATTACHMENT D is also at variance with the Response to Inquiry statement that only certain bureaucratic administrative & support positions were being eliminated by the direct staff cuts. It shows nearly the entire administrative operation was eliminated including program administrators.
- C. NWAD's budget history reveals that while Navy appropriations have fallen, program managers have kept NWAD's work load roughly constant (ATTACHMENT C). This is not unexpected for an operation that impartially assesses technology in an era in which technology is being used to replace Naval manpower. This history contradicts the Response to Inquiry contention that 33% cuts elsewhere in Naval budgets will by extension apply to NWAD's function.

**Calculation**

1. Current Manpower Level	992
2. Directed Manpower Level	<u>636</u>
3. Directed Reduction	(356)
4. No Salary Savings Taken <sup>1</sup>	<u>82</u>
5. Net Positions Saved	(274)
6. Salary/Benefit Average	<u>\$45,000</u>
7. Directed Salary Savings	\$12,330,000
8. Total Savings - COBRA	<u>\$21,200,000</u>
<b>9. Savings @ Certified Work Load<sup>2</sup></b>	<b><u>\$8,870,000</u></b>

- 1/ Asserted in response to Congressional Inquiry without documentation.
- 2/ No allowance made for creating a redundant WAL or for non-salary savings resulting from directed reductions.

## ONE TIME COSTS REDUCED BY ARBITRARY BSAT DECISION

The \$76.0 million in one time costs from splitting up and closing NWAD significantly underestimated the cost of this scenario. These underestimates come from arbitrary assumptions made by BSAT in using its COBRA model.

BSAT valued at zero some \$9.7 million in documentable wage differentials and travel costs. It assumed that the \$12 million cost of building the WAL in low cost Corona in the past would be the same as replicating it in high cost Monterey in the future. And some \$22.8 million in one time unique costs were reduced to \$854,000.

If just the most obvious cases of underestimates by BSAT are included, the one time cost of splitting up and closing NWAD would be \$100.5 million not \$76.0 million. While the \$24.5 million difference may not be great by BRAC standards, it stretches the cost recovery period for justifying the closure of NWAD beyond reasonable limits.

### Documentation

1. In the certified response to the DATA CALL, NWAD listed one time increases in Mission Costs of \$36,315,000 (ATTACHMENT G-1). The BSAT arbitrarily eliminated all of these costs in its COBRA runs (ATTACHMENT H). \$9.7 million however are well documented and necessary.

\$7.7 million represents contractor wage differentials between a low cost area like Norco, California and higher cost areas like Monterey and China Lake. In the response to Congressman Calvert, the contention was made that these positions might not be geographically located in those areas (ATTACHMENT F). NWAD, however, clearly stated during the DATA CALL process that these contractors must be physically located with its operations.

\$2.0 million represents extra travel costs that would be required from the new sites. In the response to Congressman Calvert's Inquiry, the contention was made that this travel was not necessary (ATTACHMENT F). NWAD however, indicates it carefully calculated the cost differences between airports and trips required.

The \$26.6 million eliminated by the BSAT for additional contractors to handle a percentage of NWAD's existing work load would be appropriate, assuming that NWAD's estimate of its own manpower estimates is restored.

**NOTE: The ATTACHMENT F response to Congressman Calvert's Inquiry indicates that NWAD's Mission Costs were \$11.3 million not \$36.7 million. The response errs as the costs totalling \$11.3 million were for just the years 2001 & beyond. The \$36.7 million figure correctly applied to the full five year closing period.**

2. The certified response to the DATA Call shows \$12 million as the cost for reproducing the Warfare Assessment Laboratory in Monterey. That was the original cost of building it in a low cost Corona in the past. The cost of replicating it in high cost Monterey in the future would be substantially higher. A \$4 million difference is included here.
3. In the certified response to the DATA CALL, NWAD listed one time increases in other unique Costs of \$11,360,000 and other moving Costs of \$11,413,000 (ATTACHMENT G-2). The BSAT arbitrarily reduced these "Other Costs" in its COBRA runs to \$854,000 (ATTACHMENT H).

Among the costs zeroed out in this calculation were the following hard cost estimates of moving sensitive information and equipment. The list was created by NWAD listed and included in the DATA CALL (ATTACHMENT G-2):

PCs, off-load, backup, declassify, ship	\$ 202,000
Shipping CONEX Boxes	63,000
WAL Equipment	1,892,000
Communication Switches	495,000
Telemetry Equipment Shipping & Handling	1,164,000
Classified Safes & Data - Handling & Packing	145,000
Hazardous Materials Handling	85,000
Gage Labs, Tear down, package, recalibrate	2,088,000
NWAD Technical Libraries	158,000
<b>TOTAL</b>	<b>\$6,292,000</b>

NOTE: This list omits productivity losses (\$3.5 million), personnel downtime (\$1.6 million) and the cost of phasing out the long term base contract for the Norco site (\$2.3 million). It also omits the costs of a transition team (\$8.8 million). All of these were also zeroed out by the BSAT.

4. In ATTACHMENT A, BSAT indicated that it arbitrarily downgraded 24,040 feet of NWAD RTD&E office space slated for Crane to administrative. The independent Navy Facilities Command list this as RTD&E space. The COBRA run shows the downgraded space being reproduced for \$273,000 or \$11.35 per square foot (ATTACHMENT I). Other COBRA runs show the RTD&E office space at \$198 a foot or higher. The difference is \$4.5 million.

**Calculation**

1. COBRA One Time Costs	\$76.0
2. Wage Differentials	7.7
3. Travel Cost Differentials	2.0
4. WAL future Costs, added	4.0
4. Moving Sensitive Equipment & Data	6.3
5. RDT&E @ \$198.00 not \$11.35	4.5
<b>TOTAL</b>	<b>\$100.5</b>

**REVISED COST & SAVINGS ESTIMATES: REMOVE NWAD FROM CLOSURE LIST**

Assuming that:

1. NWAD performs and uses manpower for the level of work validated for FY 96, which is consistent with past workload levels.
2. That the unvalidated contention that the BSAT did not take the cost savings from 82 workers cut from NWAD is true.
3. That Fleet Readiness assessments through the WAL are allowed to lapse as the personnel are not hired to bring up a redundant capability.
4. That only the hard costs detailed above are added back into the One Time Closure Costs.

Then, the following are the costs and potential savings from splitting up and moving NWAD:

1. Annual Savings	\$8,870,000
2. One Time Closing Costs	\$100,500,000
3. Cost of Money	3.0%
4. Years Before Return On Investment	14+ Years

Positive returns over that length of time must be treated with great skepticism. The BSEC certainly agreed in its deliberations of 9 February 1995 (RP-0587-F12) when it was stated that:

"Unlike prior rounds, the BSEC rejected scenarios that had high up-front costs or a long period for return on investment. None of the recommended actions require more than four years to achieve a return on investment, and most pay off in one year or less [ATTACHMENT J]"

Given the fact that no one has questioned the need for NWAD's independent assessment capability, such a situation presents an overwhelming argument for taking NWAD off of the base closure list.

ATTACHMENT A

Base Structure Evaluation Committee (BSEC)

12 December 1994 Minutes

*Document: RP-0492-F9*

*page 3*

Subj: REPORT OF BSEC DELIBERATIONS ON 12 DECEMBER 1994

analysis of NISMC.

7. Captain Golembieski and Ms. Coast departed the deliberative session. Mr. Gerald Schiefer, Mr. Don DeYoung, Commander Mark Samuels, CEC, USN, and Major Walt Cone, USMC, entered the deliberative session.

8. Mr. Schiefer reported to the BSEC concerning the current status of DoN Technical Centers activities and the JCSG T&E in the BRAC-95 process.

9. Mr. Wennergren and Commander Samuels briefed the COBRA analysis of the closure of NWAD Corona, with necessary functions moving to the Naval Post Graduate School (NPGS) (Scenario 039). See enclosures (5) through (10). Commander Samuels described the four functional areas performed at NWAD Corona (Measurement Science, Performance Assessment, Quality Assessment, and Systems Engineering). See enclosure (8). The data response provided two alternatives (ALT A and ALT B, enclosures (6) and (7)) to the basic scenario. Enclosure (10) reflects the NWAD Corona Scenario Comparison. The BSAT adjusted military construction costs by: changing the cost code for RDT&E office space to administrative vice RDT&E laboratory (lab); reducing non-lab/non-warehouse loading densities to 170 square feet per billet vice 243/500 square feet per billet, resulting in 29% to 34% in reduced square footage requirements; and reducing by 25% the proposed square footage for the warehouse/precision machine shop space (25% of the inventory is for systems no longer used in the Fleet). The basic scenario (enclosure (5)) resulted in one-time costs of \$73.9 million, steady-state savings of \$20.6 million, and return on investment in 3 years. The total military construction cost was \$47.7 million. Military construction costs for ALT A enclosure (6), and ALT B, enclosure (7), totalled \$31.7 million and \$46.8 million, respectively. The BSEC noted that all three scenarios required significant military construction costs at the activities receiving NWAD Corona functions. Upon discussion, the BSEC directed the BSAT to run a COBRA analysis on another alternative (ALT C). The ALT C scenario moves: the Measurement Science functions to NSWC Crane, except for Test Set Certification RDT&E which moves to NAWC China Lake; the Performance Assessment functions to NPGS; the Quality Assessment RDT&E to the NPGS; and the Systems Engineering RDT&E to NAWC China Lake. The BSEC will consider the results of the COBRA analysis for ALT C when they are available.

Run "C"

10. Mr. Wennergren briefed the results of COBRA analysis for the closure of NSWC Annapolis (Baseline, Scenario 035) and an alternative (ALT1) provided in the data call response. See enclosures (11) and (12), respectively. The one-time costs for the Baseline Scenario were \$27.3 million/for ALT1 were \$19.8 million; steady-state savings for the Baseline Scenario were \$19.8

For Reference Citation

**BSAT**

## BASE STRUCTURE ANALYSIS TEAM

4401 Ford Avenue • Post Office Box 16268 • Alexandria, Virginia 22302-0268 • (703) 681-0490

RP-0492-F9  
BSAT/OZ  
12 DEC 1994

### MEMORANDUM FOR BASE STRUCTURE EVALUATION COMMITTEE

Subj: REPORT OF BSEC DELIBERATIONS ON 12 DECEMBER 1994

- Encl:
- (1) Chairman, JCSG Military Treatment Facilities, Memo, dtd 5 DEC 1994
  - (2) Briefing Materials for COBRA Analysis (NAVHOSP Corpus Christi)
  - (3) Briefing Materials for COBRA Analysis (NAVHOSP Beaufort)
  - (4) Briefing Materials for COBRA Analysis (NISMIC)
  - (5) Briefing Materials for COBRA Analysis (NWAD Corona)
  - (6) Briefing Materials for COBRA Analysis (NWADA Corona)
  - (7) Briefing Materials for COBRA Analysis (NWADB Corona)
  - (8) Briefing Materials for NWAD Corona Functional Areas
  - (9) Briefing Materials for NWAD Corona Scenario Movements
  - (10) Briefing Materials for NWAD Corona Scenario Comparison
  - (11) Briefing Materials for COBRA Analysis (NSWC Annapolis)
  - (12) Briefing Materials for Functions Lost in NSWC Baseline Scenario
  - (13) Briefing Material for COBRA Analysis (NHRC San Diego)
  - (14) Briefing Materials for COBRA Analysis (WESTDIV, EFANW, and SOUTHDIV)
  - (15) Briefing Materials for COBRA Analysis (NAS Atlanta)
  - (16) Briefing Materials for COBRA Analysis (Scenarios 099 and 103)
  - (17) Briefing Materials for COBRA Analysis (FISC Oakland)
  - (18) SUPSHIP Military Value Matrix
  - (19) Briefing Materials for COBRA Analysis (SUPSHIPS)
  - (20) Briefing Materials for COBRA Analysis (JCSG-DM-2-Norfolk)
  - (21) Briefing Materials for COBRA Analysis (NISE Norfolk)

1. The sixty-sixth deliberative session of the Base Structure Evaluation Committee (BSEC) convened at 0956 on 12 December 1994 at the Center for Naval Analyses. The following members of the BSEC were present: The Honorable Robert B. Pirie, Jr., Chairman; Mr. Charles P. Nemfakos, Vice Chairman; Ms. Genie McBurnett; Vice Admiral Richard Allen, USN; Vice Admiral William A. Earner, Jr., USN; Lieutenant General James A. Brabham, USMC; and Ms. Elsie Munsell. The following members of the BSAT were present: Mr. John Turnquist; Mr. Richard Leach; Mr. David Wennergren; Ms. Anne

RP-0492-F9

\*\*\* MASTER DOCUMENT \*\*\*

ATTACHMENT B

Base Structure Analysis Team (BSAT)

Results of COBRA Run

NWAD, Corona

To

NPGS, Monterey  
NSWC, China Lake  
NAWC, Crane

**Base Analysis**  
**Category: NAVAL TECHNICAL CENTERS**

**FOR CONSIDERATION: Study Naval Warfare Assessment Division, Corona, CA FOR CLOSURE.**

CRITERIA	Naval Warfare Assessment Division, Corona, CA (*)
MILITARY VALUE	1 of 1    NO ONE ELSE
FORCE STRUCTURE	No impact
ISSUES	<ul style="list-style-type: none"> <li>• Base recommended for closure in all Navy Technical Center scenario runs.</li> <li>• Closure scenario moves positions to Naval Postgraduate School, Monterey, CA (367 billets), Naval Air Warfare Center, China Lake, CA (84 positions), and Naval Surface Warfare Center, Crane, IN (188 positions).</li> </ul>
ONE-TIME COSTS (\$ M)	76.0
ANNUAL SAVINGS (\$ M)	21.2
RETURN ON INVESTMENT ✓	3 years
BASE OPERATING BUDGET (\$ M)	23.4
PERSONNEL ELIMINATED (MIL/CIV)	1 / 165
PERSONNEL REALIGNED (MIL/CIV)	8 / 636
ECONOMIC IMPACT (BRAC95/CUM)	0.3% / 1.3 %
ENVIRONMENTAL	No significant limitations

- (C) = DoD recommendation for closure  
(R) = DoD recommendation for realignment  
(\*) = Candidate for further consideration

ATTACHMENT C

NWAD

Capabilities and Military Value Summary

BRAC Installation Visit

23 May 1995

IV. Workload, IV-1 to IV-4

**MANPOWER/WORKLOAD**

**OVERVIEW**

The directed manpower/workload figures used in NWAD's BRAC 95 scenarios were 35% lower than any official, historic, or projected workload figures. The following is provided:

- **Official BRAC 95 Guidance**

The original guidance on the civilian manpower baseline to use in BRAC 95 scenarios was provided by a memorandum from Commander, NAVSEA ltr Ser 09B/215 of 29 Sep 94. The following is a summary of that memo:

1. The BSAT had indicated that the FY 96/97 OSD/OMB would most likely be their baseline.
2. Enclosure (1 ) of the memo provided a copy of the official budget document to be used, the CP-7 budget exhibit.
3. The total number of civilian employees shown in the CP-7 budget exhibit were:

FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
989	890	881	881	881	881

Note that the FY 95 through FY 97 numbers were based on an approved DOD Budget.

- **Historic CP-7/Actual Budget Performance**

The endstrength reflected in this exhibit compares well with the Navy C-7 budget exhibits. As shown below the CP-7 exhibit is a fairly accurate portrayal of actual budget performance.

Fiscal Year	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
	Personnel					
CP-7 Budget Document	1,079	1,090	1,097	974	989	999
Actual Budget Performance	1,203	1,070	1,104	1,040	983	992

- **Projected Workload**

Taking this into account, the workload predicted for NWAD using the CP-7 Budget Exhibit and the historical understatement would be:

FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
999	987	972	972	972	972

- **FY 96 Budget Validation**

The Naval Ordnance Center conducted an unprecedented validation of FY 96 workload as part of the effort to reduce a budgetary mark caused by a mismatch of projected workload in the O&M,N OP-32 Budget Exhibit. Within the context of that validation, NWAD contacted 90% of the Navy program offices who budget for work to be done here. Each of these sponsors was asked to validate their projected workload for NWAD and where possible, to tie this workload into a budget exhibit. As a result of this process, NWAD validated a workload income of \$178M which equates to 982 W/Ys. The following table indicates past and current funding levels and the validated FY 96 expected level. The validated workload was subsequently accepted by the NAVSEA Comptroller.

FY 92 Actual (\$000)	FY 93 Actual (\$000)	FY 94 Actual (\$000)	FY 95 Current Plan (\$000)	FY 96 Validated (\$000)
180,812	177,483	169,517	185,530	178,000

It demonstrates the stability of workload for NWAD, during the past years notwithstanding the DOD downsizing environment. NWAD engineering is deemed "high value" and "core essential" by customers, and as a DBOF activity, has been and continues to be spared from significant funding reductions by Program Sponsors.

- **Summary**

In the BRAC scenarios answered by NWAD after 23 Nov 94, the civilian endstrength of 622 was a directed 30% savings over the CP-7 Budget Exhibit baseline. NAVSEA indicated that this endstrength was based on projected workload based on budget documentation and downsizing actions. At nearly the same time, the NAVSEA Comptroller accepted the Naval Ordnance Center FY 96 workload, with NWAD's validated workload of 982 workyears, which translates nearly one to one in civilian endstrength. It appears the personnel reduction mandate given for BRAC scenario's is not consistent with more realistic and probable FY 96 levels based on later information.

## WORKLOAD ANALYSIS

Civilian endstrength numbers for all BRAC Scenarios were based on the FY 96/97 OSD/OMB budget baseline. The endstrength baseline was established using data from the CP-7 Budget Exhibit. NWAD's civilian endstrength as reflected in this exhibit were:

FY95	FY96	FY97	FY98	FY99	FY00
989	890	881	881	881	881

The endstrength reflected in this exhibit compares well with the Navy C-7 budget exhibits. As shown below the CP-7 exhibit is a fairly accurate portrayal of actual budget performance.

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Taking this into account, the workload predicted for NWAD using the CP-7 Budget Exhibit and the historical understatement would be:

FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
999	987	972	972	972	972

The Naval Ordnance Center

conducted an unprecedented validation of FY 96 workload as part of the effort to reduce a budgetary mark caused by a mismatch of projected workload in the O&MN OP-32 Budget Exhibit. Within the context of that validation, NWAD contacted 90% of the Navy program offices who budget for work to be done here. Each of these sponsors was asked to validate their projected workload for NWAD and where possible, to tie this workload into a budget exhibit. As a result of this process, NWAD validated a workload income of \$178M which equates to 982 W/Ys. The following table indicates past and current funding levels and the validated FY 96 expected level. The validated workload was subsequently accepted by the NAVSEA Comptroller.

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180,812	177,483	169,517	185,530	<u>178,000</u>

It demonstrates the stability of workload for NWAD, during the past years notwithstanding the DOD downsizing environment. NWAD engineering is deemed "high value" and "core essential" by customers, and as a DBOF activity, has been and continues to be spared from significant funding reductions by Program Sponsors.

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NAVSEA Comptroller accepted the Naval Ordnance Center FY 96 workload, with NWAD's validated workload of 982 workyears, which translates nearly one to one in civilian endstrength. It appears the personnel reduction mandate given for BRAC scenario's is not consistent with more realistic and probable FY 96 levels based on later information.

ATTACHMENT D

NWAD

Capabilities and Military Value Summary

BRAC Installation Visit

23 May 1995

IV. Workload, IV-5 to IV-7

**MANPOWER/WORKLOAD BRAC 95 SCENARIOS**

The original guidance on the civilian manpower baseline to use in BRAC 95 scenarios was provided by a memorandum from Commander, NAVSEA ltr Ser 09B/215 of 29 Sep 94. The following is a summary of that memo:

1) The BSAT had indicated that the FY 96/97 OSD/OMB would most likely be their baseline.

2) Enclosure (1 ) of the memo provided a copy of the official budget document to be used, the CP-7 budget exhibit.

3) The total number of civilian employees shown in the CP-7 budget exhibit were:

FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
989	890	881	881	881	881

Note that the FY 95 through FY 97 numbers were based on an approved DOD Budget.

On 15 Nov 94, the NAVORDCEN established additional guidelines to be used in BRAC scenario responses at a meeting held at headquarters. These guidelines stated that manpower be accounted for to be used in transition management (5%), lost productivity (25%), and learning curve of new personnel (20%). At this meeting, a total of 866 civilian direct workyears were identified as part of the FY 96 workload. Using a 20% over head rate, the FY 96 anticipated total civilian workload would be 1,039.

On 18 Nov 94, NWAD received the original Scenario Development Data Call Tasking from the BSAT through NAVSEA and NAVORDCEN. The scenario was "Close NWAD Corona. Move necessary functions to NPGS Monterey." Attached to this basic scenario was a BRAC-95 Scenario Data Call Attachment 1: Base Loading Data. The Manpower Data in this attachment reflected a total of 986 personnel on board, including tenants in FY 96, with a total loss of 109 personnel between FY 96 and FY 01, reflected in an onboard count of 877 in FY 01.

In addition to the basic scenario, NWAD received two other scenarios to respond to on 18 Nov 94. Each of these scenarios contained the same Base Loading Data. In the initial NWAD response to the basic scenario, dated 19 Nov 94, NWAD corrected the Attachment 1 Manpower Data to reflect anticipated workload based on budget submissions, a workload subsequently validated by the NAVORDCEN and NAVSEA Comptrollers in Feb 95. This correction reflected a total civilian onboard count, including tenants, of 1,018 in FY 96, and 1,013 in FY 01. It also included a total of 58 NWAD employees at field offices throughout the world. This response was not accepted by higher authority, and on 21 Nov 94, NWAD was directed by the Commander, NAVORDCEN, RADM Robert Sutton, to respond utilizing Base Loading Data reflecting the following civilian manpower breakdown:

FY 96	FY 01
890	881

This direction was provided to RADM Sutton by NAVSEA. On 22 Nov 94, NWAD responded with corrected scenario responses reflecting this data. Each of these responses assumed that the Corona site of NWAD was closed, and that NWAD was transferred as a fully operational tenant to the Naval Post Graduate School, Monterey, CA while remaining a division of the NAVORDCEN.

The 22 Nov 94 response was rejected at NAVSEA headquarters. There was a flurry of confusing direction provided to NAVORDCEN headquarters as to what was required of NWAD as the submitting activity. COL Richard Chambliss, USMC, NAVORDCEN Chief of Staff, provided verbal guidance to NWAD concerning manpower savings that apparently came at NAVSEA 01M direction. These numbers did not in any way correlate to the CP-7 budget document that had been previously designated as the baseline, and appeared to be an arbitrary civilian end strength target without regard to workload. This caused additional confusion within the NWAD BRAC team. Additionally, the assumption that NWAD was being transferred as a totally functional Division of the NAVORDCEN was changed. The transfer was of some of the functions of NWAD to the Naval Postgraduate School, which would assume the role of Immediate Superior In Command (ISIC). In order to gain some insight into what NAVSEA headquarters required, the NWAD Executive Officer, CDR David Leslie, USN, called Mr. Larry Freeman at NAVSEA 01M on 22 Nov 94. Mr. Freeman, then heading the NAVSEA BRAC team was not available. CDR Leslie talked to Ms. Judith Atkins and Mr. Jim Logan of NAVSEA 01M, who provided

NAVSEA guidance directly to NWAD, vice through the NAVORDCEN. This guidance was that the data call responses provided by NWAD did not reflect enough savings. Specifically, they conveyed the attitude that the NAVSEA field activities were deliberately providing misleading information on manpower savings, that when an activity was closed, there were no corresponding loss of manpower, and that the overall workload of the Navy was declining faster than reflected in the CP-7 budget guidance. Thus, NAVSEA 01M felt that the closure of NWAD should show some cost savings associated with manpower reductions in the 30%-50% range. CDR Leslie explained to the NAVSEA representatives that these numbers did not reflect reality, and because of the productive ratio that NWAD historically achieved, 0.8, it would require shedding direct, funded work to achieve even the lowest savings target, even after elimination of all indirect funded personnel. The highlights of this conversation were reported to the NWAD Commanding Officer, CAPT Edward Schwier, USN, who relayed them to NAVORDCEN Headquarters and Commander, RADM Sutton. CDR Leslie also relayed these same highlights to Mr. Clint Hepler, BRAC Coordinator on NAVORDCEN Staff, who corroborated that NAVSEA representatives, invoking the name of the Commander, NAVSEA, VADM George Sterner, USN, had in fact directed a 50% manpower reduction. Because there seemed to be a concerted effort to show what NWAD considered false or misleading personnel savings, CAPT Schwier requested written guidance from RADM Sutton. He also requested that this guidance contain specific direction concerning what direct work

should be shed, as he did not feel qualified to make that decision without greater insight into total Navy programs and budgets. The requested personnel guidance was provided by Commander NAVORDCEN ltr Ser N00/531 of 22 Nov 94. This letter did not, however, provide the requested guidance on workload. The personnel actions reflected in this letter revised the scenario initially directed to NWAD and focused the NWAD effort on an alternative scenario which included NAVAIR and NAVSEA activities as the receiving sites. The letter directed that all command and support functions would be assumed by the receiving sites, and established an overall manpower ceiling of 765.

On 23 Nov 94, RADM Sutton provided additional verbal guidance concerning the manpower savings that the scenario response was to reflect. Subsequent direct contact between RADM Sutton and VADM Sterner clarified the desired manpower savings to be approximately 30%. This guidance, it appears, was negotiated between NAVSEA and NAVORDCEN headquarters. The CP-7 budget exhibit for FY 96 was to be used as a baseline, and NWAD responses should show a 30% manpower savings over this baseline. The baseline figure for FY 96 was established as 992 civilian employees and 883 in FY 01. The BRAC scenario responses thus were constrained to a total civilian work force of 622. These constraints remained in effect throughout the remainder of the BRAC scenario response cycle, with only minor adjustments reflecting individual scenario perturbations or to correct errors to data previously submitted.

In order to achieve the directed personnel end strength target, NWAD developed a list of what workload would be shed over and above the elimination of all command and support functions. This resulted in the elimination of 164 command and support positions and 102 directly funded positions. Each and every certified response that left NWAD after 22 Nov 94 contained as part of Table I-A the caveat that there was a directed savings objective and a directed personnel reduction. Certified responses above NWAD do not contain this caveat. In the final certified NWAD data, the command and support positions were reduced by 139 vice 164 because of requirements at gaining sites for additional billets to support more personnel. An administrative correction of 5 billets was also required. Thus, the total civilian personnel billets transferred in the final scenario became 636, vice 622. Table VI-1 summarizes the impact on NWAD personnel in each of the nine engineering capabilities resulting from the proposed BRAC scenario.

The COBRA model establishes an algorithm to determine the number of billets that will be moved in a given scenario, as well as the number of personnel lost due to retirement, reduction in force, and turnover. This in effect caused a double reduction in NWAD civilian personnel. Not only was a lower initial baseline established, but the COBRA model, designed to take into account other historical factors concerning personnel moves, assesses additional reductions to the reduced baseline. Thus, the COBRA model provided for a total workforce move of only 412 personnel out of an initial true baseline of over 1,000, and the gaining activity would be required to hire 224 new personnel.

ATTACHMENT E

NWAD

BRAC DATA CALL

Enclosure (1) - Scenario Summary - page 2

1. Original Version From NWAD, Corona
2. Edited Certified Version

# NWAD DATA CALL

## BRAC-95 SCENARIO DEVELOPMENT DATA CALL ENCLOSURE (1) - SCENARIO SUMMARY

Certification functions within a single NAVAIR organization. Experience has shown that placing independent assessment functions such as Test Systems Certification within an organization affected by the assessments themselves invites the dangers associated with conflict of interest.

A total of 164 command staff and support positions, some of which would be duplicated by existing organizations at the gaining bases, were eliminated to reach part of the directed savings objective of 30 percent. Subsequent direction from BSAT on 14 December 1994, allowed for the addition of staff personnel to be transferred from losing base dependent upon the particular scenario. For this scenario, 19 additional personnel are being transferred. This will reduce the gaining base support impact and reduce the eliminated number of command staff and support positions to 145. In addition, 102 direct funded positions were eliminated to achieve the directed reduction. This was done by identifying currently funded programs for which execution will either cease or be procured after closure from some other source. The need for each of these programs is conveyed annually by the sponsors, and stable funding is projected for their execution in the outyears. NWAD's direct funding has remained relatively stable despite declining Defense budgets, as program managers continue to fund the products we provide.

The basis for selecting the programs for which the execution will either cease or be procured after closure was subjective judgment. Validation from specific sponsors could not be included within the time constraints as to whether actual savings will result, or if the work will be reallocated. The following lists the sponsors and workyears for the programs:

<u>PROGRAM</u>	<u>SPONSOR</u>	<u>WORKYEARS</u>
Metrology Type II Standards Calibration Laboratory	Fleet, NAVSEA, NAVAIR, SSP, Other	10
Government-Industry Data Exchange Program (GIDEP)	ASN(RDA)	14
Test Program Set Development	TRIDENT, NAVSEA(04)	11
Defense Acquisition University (DAU)	ASN(RDA)	11
Foreign Military Sales (FMS)	PMS-380, NAVSEA, NAVAIR	36
Systems Engineering Support	NAVSEA, NAVAIR, Other	20
	<b>Total</b>	<b>102</b>

We have confirmed that approximately 50% of the machine shop equipment resident at NWAD would, in fact, not require movement to NSWC Crane. The savings associated with not moving this equipment are reflected in the response below. Additionally, NWAD would be abandoning some of the metrology equipment as excess.

# CERTIFIED DATA CALL

## BRAC-95 SCENARIO DEVELOPMENT DATA CALL ENCLOSURE (1) - SCENARIO SUMMARY

Certification functions within a single NAVAIR organization. Experience has shown that placing independent assessment functions such as Test Systems Certification within an organization affected by the assessments themselves invites the dangers associated with conflict of interest.

A total of 164 command staff and support positions, some of which would be duplicated by existing organizations at the gaining bases, were eliminated to reach part of a savings objective of 30 percent. Subsequent coordination between NWAD, NAVORDCEN, and NAVSEASYSKOM on 14 December 1994, permitted additional staff support not available at the gaining site to be transferred from the losing base, dependent upon the particular scenario. For this scenario, 19 additional positions are being transferred. This will reduce the gaining base support impact and reduce the eliminated number of command staff and support positions to 145. In addition, 102 direct funded positions were eliminated to achieve the reduction goal. This was done by identifying currently funded programs for which execution will either cease or be procured after closure from some other source. The need for each of these programs is conveyed annually by the sponsors, and stable funding is projected for their execution in the outyears. NWAD's direct funding has remained relatively stable despite declining Defense budgets, as program managers continue to fund the products we provide.

The basis for selecting the programs for which the execution will either cease or be procured after closure was subjective judgment. Validation from specific sponsors could not be included within the time constraints as to whether actual savings will result, or if the work will be reallocated. The following lists the sponsors and workyears for the programs:

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Test Program Set Development	TRIDENT, NAVSEA(04)	11
Defense Acquisition University (DAU)	ASN(RDA)	11
Foreign Military Sales (FMS)	PMS-380, NAVSEA, NAVAIR	36
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	Total	102

We have confirmed that approximately 50% of the machine shop equipment resident at NWAD would, in fact, not require movement to NSWC Crane. The savings associated with not moving this equipment are reflected in the response below. Additionally, NWAD would be abandoning some of the metrology equipment as excess.

ATTACHMENT F

Response To Inquiry From  
Congressman Ken Calvert

May 22, 1995



DEPARTMENT OF THE NAVY  
THE ASSISTANT SECRETARY OF THE NAVY  
(INSTALLATIONS AND ENVIRONMENT)  
1000 NAVY PENTAGON  
WASHINGTON, D.C. 20350-1000

MAY 22 1995

The Honorable Ken Calvert  
House of Representatives  
Washington, D.C. 20515

Dear Mr. Calvert:

This letter is in response to the memorandum of May 16, 1995, forwarded to us via the U.S. Navy Office of Legislative Affairs from Dave Ramey of your staff.

Attached are the responses to the questions posed in the memorandum regarding Naval Warfare Assessment Division, Corona.

As always, if I can be of any further assistance, please let me know.

Sincerely,

ROBERT B. PIRIE, JR.

Attachment

## Responses to Questions Submitted by Representative Calvert

Q1. We hold information from official BRAC files and public documents for NWAD that clearly indicate that the preponderance of the billets culminated from BRAC scenarios run on NWAD were based solely on a "directed savings objective" and not founded on any real underlying study or documented savings assessment. If this is not true, please provide copies of the underlying studies or documents which form the basis for the savings achieved through the elimination of personnel. We would like copies of the studies/documents for each of the potential receiving sites for all of the four (4) scenarios covered in the GAO report. Also, please provide points of contact with phone numbers for each study should follow-up be required. If no such studies/documents exist, please so state.

A1. Billet eliminations associated with the closure of NWAD Corona were based on an assessment by NWAD Corona management and its superiors in the NAVSEA chain of command, and are shown in the certified data call response. The time constraints associated with the base closure process do not allow for the commissioning of long-term management studies. The process depends, in part, on the informed judgement of the responsible managers. This judgement lead NWAD Corona to eliminate 102 direct technical positions, and 145 command staff and support positions. However, 82 of the direct technical positions reflect a continuing workload requirement which will be transferred to the private sector. Consequently, no salary savings were taken for these 82 positions. The 145 command staff and support position eliminations were determined through coordination with the receiving commands. They represent those administrative and support positions (i.e. Public Works, Supply, Comptroller, Human Resources, etc.) that will not be required once NWAD Corona closes.

Q2. The note at the beginning of each scenario run on NWAD indicates that funded direct work will be abandoned if NWAD moves. A list of programs is provided which included well known programs such as GIDUP, etc. Please provide copies of the Navy's or other documentation that shows that these programs will no longer require these services to be performed by anyone. If no such documentation exists, please so state.

A2. The NWAD Corona certified Scenario Development Data Call response lists the programs that NWAD Corona may no longer service and could be procured through other sources. These programs are: Metrology Type II Standards Calibration Laboratory, Government-Industry Data Exchange Program, Test Program Set Development, Defense Acquisition University, Foreign Military Sales, and Systems Engineering Support. The 102 direct technical positions mentioned in answer 1 above are drawn from these programs. These programs will continue to be supported either through the 82 positions to be transferred to the private sector, or through the excess capacity that is remaining at the receiving sites. Program Managers have the flexibility to reassign the necessary work to other activities as appropriate. The BRAC-95 recommendations do not eliminate all excess capacity within DON's technical centers, therefore, Program Managers will still be able to obtain the necessary services from the best available source.

## Responses to Questions Submitted by Representative Calvert

Q3. The note from and signed by Captain Schweir at the front of each of the NWAD scenarios on the base loading data indicates that CP-7 loading data is inaccurate in the case of NWAD (about 10-15% low). Please provide the documentation that shows that the NWAD Base Commander does not know how many people he has on board in FY96 (next October) and why CP-7 is a more accurate predictor of future personnel at NWAD than information held by the activity. If none exists, please so state.

A3. The statement of the base commander is not based on hard data, but rather based on an assumption that since NWAD Corona received more work than was budgeted for in FY1994, that this trend will continue in the future. In reality, budget lines are decreasing substantially. Between FY1994 and FY1996, the RDT&E,N appropriation decreased by over 5% and the O&M,N appropriation decreased by almost 3%. By the end of FY2001, the RDT&E,N appropriation will have decreased by over 33% and the O&M,N appropriation will have declined by almost 14%. In addition, in NWAD Corona's certified Capacity Analysis Data Call response they indicate that over the last 8 years, projected budgeted workyears have closely tracked with actual in-house workyears. In the last two years of that period the actual workyears did exceed budgeted workyears, however, in these years a substantial reduction in the usage of contractor workyears is also seen. Therefore, there is no expectation that additional resources beyond those currently budgeted will be available. Finally, if NWAD Corona, in fact, has more personnel on-board at the time of the transfer, this would increase the number of eliminated billets and thus increase the savings resulting from this closure.

Q4. The note underneath each of the facility matrices in the official Navy BRAC scenario submissions for NWAD indicate that the NAVFAC Basic Facilities Requirements document for NWAD characterize most space as RDT&E space. Yet the available space at receiving sites used in the COBRA model run appears to be Administrative type space. Please provide the documentation or site visit/audit report used as a basis to change the NAVFAC facilities requirements for NWAD. If the available space at the receiving sites is RDT&E, then please provide copies of the NAVFAC BFR document for each potential receiving site for all scenarios run and indicate which space is currently available for transferred NWAD activities. Further, please provide documentation used and at what cost the space (whether RDT&E or Administrative) at the proposed receiving sites can be renovated, or built from scratch, to accommodate the work that would be transferred from NWAD. If no documentation/studies exist, please so state.

A4. In the NWAD Corona COBRA analysis, RDT&E construction was included at Monterey, China Lake and Crane. In only one case did the BSEC convert an RDT&E requirement to administrative space, 23,390 sqft at NSWC Crane. This adjustment was based on NWAD Corona's certified response that the "engineering office space" for the measurement science functions is similar to office space with standard office furnishings, to include personal



## Responses to Questions Submitted by Representative Calvert

computers, workstations, servers and related peripheral equipment (see "Scenario Development Data - Response to BSEC Questions", page 6). The amount of actual laboratory space required to support these functions was entered as submitted and was not adjusted by the BSEC.

Q5. The official Navy BRAC submissions for NWAD show approximately \$36 million+ in "mission costs." These costs are detailed in each scenario. Please explain, item by item, for all scenarios why this entire \$36 million was apparently zeroed out in the COBRA analysis. Please provide any substantiating documentation that exists. If the COBRA model takes these specific items into account, please provide the documentation showing where the COBRA model does so. If no such documentation exists, please so state.

A5. The final data call response included \$11.3 million in recurring mission costs. These costs fell into three categories - Increased Travel costs, Contracting Costs Differentials, and Procurement of Technical Services. All of these costs were excluded from our COBRA analysis.

a. Increased Travel Costs - \$0.6 million per year. If the assumptions are made that future travel requirements are static, that trips will continue to be made to the same locations, and it costs more to fly out of one airport in California than from another airport, then a case could be made for inclusion of these costs. However, the reality is that prior travel requirements for NWAD Corona are not an indication of future requirements given the projected decline in DON budgets. In addition, the migration of workload to Monterey, Crane, China Lake, and the private sector will change both departure and destination sites as well as actual numbers of trips required to be taken. For example, NWAD Corona's analysis only identified cost increases and did not identify offsetting savings associated with reductions in travel costs associated with personnel who will now work out of China Lake and Crane, nor did it reflect the potential to avoid travel cost increases through better utilization of video teleconferencing, etc. NWAD Corona's analysis also did not take into consideration changes in travel costs resulting from both projected reductions in Corona's future workload and transfers of work to the private sector. Additionally, travel requirements are a function of Program Manager discretion and/or individual project needs, and will fluctuate from year-to-year over the life of a project.

b. Contracting Costs Differentials - \$2.5 million per year. This cost estimate was based on an assumption that all contracting efforts would be relocated to Monterey and that the resulting cost to the government would be increased. However, there is no guarantee: (1) that all contracted work would be relocated outside of the southern California area, (2) that some contracted work might not be relocated to other receiving sites, e.g., China Lake or Crane, or (3) that any resulting new contracts would actually result in a cost increase to the government. The nature of competitive bidding is such that future proposal costs are

**Responses to Questions Submitted by Representative Calvert**

unpredictable, especially in an aggressive bidding environment. Assuming an increase in support contract costs at this time is speculative at best, and it is impossible to accurately apportion any increases that may occur as resulting from a closure decision rather than from some other market or programmatic forcing function. Finally, as a result of the transfer of functions to receiving sites and the private sector, support contract costs may actually decrease as a result of this closure action.

c. Procurement of Technical Services - \$8.2 million per year. When work is projected to be transferred to the private sector, the presumption is made that this transfer will only take place if private sector performance proves to be less costly than government performance. To reflect the continuing requirement to perform this workload, no salary savings are shown for work shifted to the private sector. While no savings are shown, COBRA algorithms do calculate RIF costs for these eliminated in-house jobs. Since no savings were taken for this transferred workload, there is no need to show an offset of recurring costs for private sector performance of this work.

ATTACHMENT G

NWAD

BRAC DATA CALL

Enclosure (2) - LOSING BASE QUESTIONS

MISSION COSTS: \$36,315,000

G-1 pages 2-23; 2-28

UNIQUE COSTS: \$11,360,000

MOVING COSTS: \$11,413,000

G-2 pages 2-19, 2-20, 2-21; 2-28

**BRAC-95 SCENARIO DEVELOPMENT DATA CALL**  
**Enclosure (2) - LOSING BASE QUESTIONS**

Summarize data shown in response to supporting data questions a. through j. above in the following table. Note that all entries must be shown in (\$000).

**Table 2-F: Dynamic Base Information Summary**

Losing Base: NWAD Corona, CA								
		1996	1997	1998	1999	2000	2001	Total
a.	One-Time Unique Costs	1762	1762	1762	1762	1762	2550	11360
b.	One-Time Unique Svgs	0	0	0	0	0	0	0
c.	One-Time Move Costs	0	750	2974	0	7689	0	11413
d.	Net Mission Costs	0	513	6649	6649	11252	11252	36315
e.	Net Mission Savings	0	0	127	127	139	139	532
f.	Misc Recur Costs	0	0				150	150
g.	Misc Recur Savings	0	0	0	0	5	5	10
h.	Land Sales	0	0	0	0	0	0	0
i.	Procurement Cost Avoid	0	0	0	0	0	0	0
j. Fac. Shutdown (KSF)		ALL						

**BRAC-95 SCENARIO DEVELOPMENT DATA CALL**  
**Enclosure (2) - LOSING BASE QUESTIONS**

d. **Net Mission Costs.** Complete the following worksheet to identify any net recurring increases in mission costs associated with the closure/realignment of the losing base and/or transfer of workload to gaining bases. For each net cost increase, identify the name of the gaining base where the workload will be transferred (if applicable), cost increases by year and describe the nature of the cost increase. If this worksheet is filled in, provide supporting data to show calculations and methodology used to estimate these cost increases.

Net Mission Costs (Cost Increases) Worksheet						
Losing Base: NWAD Corona, CA						
Gaining Base	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001 and Beyond
1. NPGS Monterey, CA	0	0	172	172	338	338
Description: Travel						
2. NAWC China Lake, CA	0	113	113	113	113	113
Description: Travel						
3. NPGS Monterey, CA	0	0	1280	1280	2517	2517
Description: Contracting Costs differential between NPGS and NWAD based upon Area Wage Board differential.						
4. NPGS Monterey, CA	0	0	2560	2560	5760	5760
Description: Procurement of technical services for 72 total positions direct work eliminated in Table 1-A. (Calculated as 80% of eliminated direct work based upon a \$100K/Manyear rate, or 57.6 Workyears)						
5. NSWC Crane, IN			2000	2000	2000	2000
Description: Procurement of technical services for 25 total positions direct work eliminated in Table 1-A. (Calculated as 80% of eliminated direct work based upon a \$100K/Manyear rate, or 20 Workyears)						
6. NSWC Crane, IN			97	97	97	97
Description: Travel						
7. NAWC, China Lake		400	400	400	400	400
Description: Procurement of technical services for 5 total positions direct work eliminated in Table 1-A (calculated as 80% of eliminated direct work based upon a \$100K/manyear rate, or 4 workyears)						
8. NAWC, China Lake			27	27	27	27
Description: Contracting cost differential between NAWC and NWAD based upon Area Wage Board differential.						

Add additional lines to worksheet as necessary.

*Sum on Page 2-28*

*810 810*

**BRAC-95 SCENARIO DEVELOPMENT DATA CALL**  
**Enclosure (2) - LOSING BASE QUESTIONS**

**b. Other One-Time Unique Savings.** Identify any other one-time unique savings at the losing base which will not be calculated automatically by the COBRA algorithms (as noted in the Introduction section). Examples include net proceeds to DoD resulting from an existing MOU with a state or local government, one-time environmental compliance cost avoidances, etc. This area should not be used to identify routine moving or personnel savings, which are calculated automatically by the COBRA algorithms. Do not include Construction Cost Avoidances (which were identified in a separate data call), or Procurement Cost Avoidances (which are covered under item i. below). For each savings, identify the amount, year in which it will occur and describe the nature of the savings. Only savings directly attributable to the closure/realignment action should be identified. Do not double count any savings identified on Gaining Base tables (Enclosure (3)).

Losing Base: NWAD Corona, CA

	<u>Cost</u>	<u>FY</u>	<u>Description</u>
1.	\$0		None identified.

**c. One-Time Unique Moving Costs.** The COBRA algorithms use standard packing and shipping rates to calculate the cost of transporting equipment and vehicles. Identify here only those unique moving costs associated with movements out of the losing base that would be incurred in addition to standard packing and shipping costs associated with tonnage and vehicles identified in Table 2-B. Examples of unique moving costs include packing, special handling or recalibration of specialized laboratory or industrial equipment; movement of special materials, etc. If unique costs identified here include packing and shipping costs, then ensure that tonnage for this "unique" equipment is not included under the Mission and Support equipment identified in Table 2-B. For each cost included in the table above, identify the amount, year in which the cost will be incurred, the name of the gaining base and a brief description of the cost.

Losing Base: NWAD Corona, CA

	<u>Cost</u>	<u>FY</u>	<u>Gaining Base</u>	<u>Description</u>
1.	\$ 25	1997	NAWC China Lake, CA	Off-loading, declassification and back-up of PCs, peripherals, servers, and workstations
2.	\$ 93	1998	NPGS Monterey, CA NSWC Crane, IN	Off-loading, declassification and back-up of PCs, peripherals, servers, and workstations
3.	\$ 68	2000	NPGS Monterey, CA NSWC Crane, IN	Off-loading, declassification and back-up of PCs, peripherals, servers, and workstations

**BRAC-95 SCENARIO DEVELOPMENT DATA CALL**  
**Enclosure (2) - LOSING BASE QUESTIONS**

	<u>Cost</u>	<u>FY</u>	<u>Gaining Base</u>	<u>Description</u>
4.	\$ 6	1997	NAWC China Lake, CA	Inventory and packing of classified safes
5.	\$ 25	1998	NPGS Monterey, CA NSWC Crane, IN	Inventory and packing of classified safes
6.	\$ 14	2000	NPGS Monterey, CA NSWC Crane, IN	Inventory and packing of classified safes
7.	\$ 12	1997	NAWC China Lake, CA	Packing, handling, and shipping hazardous materials
8.	\$ 48	1998	NPGS Monterey, CA NSWC Crane, IN	Packing, handling, and shipping hazardous materials
9.	\$ 25	2000	NAWC China Lake, CA NPGS Monterey, CA NSWC Crane, IN	Packing, handling, and shipping hazardous materials
<del>10.</del>	\$211	1997	NAWC China Lake, CA	Packing and unpacking downtime for personnel
<del>11.</del>	\$804	1998	NPGS Monterey, CA NSWC Crane, IN	Packing and unpacking downtime for personnel
<del>12.</del>	\$583	2000	NPGS, Monterey, CA NSWC Crane, IN	Packing and unpacking downtime for personnel
13.	\$2088	2000	NSWC Crane, IN	Teardown, packing build-up, and calibrate Gage and Calibration Laboratory equipment
14.	\$158	1998	NSWC Crane, IN	Packing of Technical Library
<del>15.</del>	\$465	1997	NAWC China Lake, CA	Productivity loss
<del>16.</del>	\$1773	1998	NPGS Monterey, CA NSWC Crane, IN	Productivity loss
<del>17.</del>	\$1285	2000	NPGS Monterey, CA NSWC Crane, IN	Productivity loss
18.	\$ 9	1997	NAWC China Lake, CA	Shipping of CONEX Boxes
19.	\$ 36	1998	NPGS Monterey, CA	Shipping of CONEX Boxes
20.	\$ 18	2000	NPGS Monterey, CA	Shipping of CONEX Boxes
21.	\$ 22	1997	NAWC China Lake, CA	Packing, handling, and shipping of classified materials
22.	\$ 22	1998	NPGS Monterey, CA	Packing, handling, and shipping of classified materials
23.	\$ 56	2000	NPGS Monterey, CA	Packing, handling, and shipping of classified materials
24.	\$1892	2000	NPGS Monterey, CA	Packing and handling of Micro/ Training, Computer Room, WAL, and COMM of equipment

**= omit**

**BRAC-95 SCENARIO DEVELOPMENT DATA CALL  
Enclosure (2) - LOSING BASE QUESTIONS**

<u>Cost</u>	<u>FY</u>	<u>Gaining Base</u>	<u>Description</u>
25. \$480	2000	NPGS Monterey, CA	Teardown and build-up of communication switches
26. \$ 15	1998	NPGS Monterey, CA	Shipping of miscellaneous switches
27. \$235	2000	NPGS Monterey, CA	Shipping of Telecom, Telemetry, WISS Laboratory equipment
28. \$929	2000	NPGS Monterey, CA	Shipping of Telemetry Ground Station, Earth Satellite, and APAN equipment
29. \$ 16	2000	NPGS Monterey, CA	Shipping of Data Processing computer laboratories equipment

d. and e. **Changes in Mission Costs.** Items d. and e. should be used to identify those changes in mission costs that result from the closure/realignment action, but are not counted elsewhere in this data call response or COBRA algorithms. For example, **do not include** changes in non-payroll Base Operating Support (BOS), Family Housing Operations, housing allowances, CHAMPUS costs/savings, or salary savings for eliminated positions/billets, all of which are calculated by other COBRA algorithms. Examples of items to include here are changes in operating costs due to the transfer of workload to gaining bases, economies of scale, changes in travel requirements, differences in wage grade labor rates or locality pay differentials, changes in the amount of mission work performed on contract, and changes in utility requirements or ADP/telecommunications costs not included in responses provided in the Base Operating Support tables of Data Call 66.

For purposes of calculating changes in costs associated with the transfer of mission workload from a losing to a gaining base, the following information is provided below. Calculations should take into consideration both economies of scale and differences in operating costs. Remember, any salary savings resulting from eliminated military billets and/or civilian positions must be identified as a number of billets/positions eliminated in Table 2-C. **Do not include** basic salary and fringe benefit savings associated with billets/positions identified as eliminated on Table 2-C. Also, **do not identify** changes in the non-payroll BOS Costs (including non-payroll G&A for DBOF activities) reported in Data Call 66.

First, identify economies of scale by examining the historic pattern of how labor, overhead and other costs vary with workload volume (adjust prior year costs for inflation to make them comparable; use statistical tests to determine the type of relationship that exists). The relationship between costs and workload can then be used to estimate changes in labor and overhead rates which result from the projected change in workload. Economies of scale benefits will generally accrue to gaining bases on an incremental basis, as the workload ramps up, and will remain in future years after all workload is transitioned.

ATTACHMENT H

Base Structure Analysis Team (BSAT)

Results of COBRA Run: 9 February 1995

One Time Costs

NWAD, Corona

To

NPGS, Monterey  
NSWC, China Lake  
NAWC, Crane

COBRA REALIGNMENT SUMMARY (COBRA v5.08) - Page 1/2  
 Date As Of 09:57 12/24/1994, Report Created 12:54 02/09/1995

Department : NAVY  
 Option Package : NWAD  
 Scenario File : P:\COBRA\PRELIM\PRELIM\NWAD-REV.CBR  
 Std Fctrs File : P:\COBRA\N96DROF.SFF

Starting Year : 1996  
 Final Year : 2000  
 ROI Year : 2003 (3 Years)

NPV in 2015(\$K): -178,301  
 1-Time Cost(\$K): 78,040

Net Costs (\$K) Constant Dollars

	1996	1997	1998	1999	2000	2001	Total	Beyond
MilCon	9,488	21,217	0	18,579	0	0	49,284	0
Person	-8	128	182	-3,181	-8,738	-9,099	-18,739	-9,098
Overhd	1,920	1,775	597	-4,148	-5,228	-12,183	-17,265	-12,183
Moving	1	1,981	7,742	720	7,180	0	17,614	0
Missio	0	0	0	0	0	0	0	0
Other	0	72	274	125	383	0	854	0
<b>TOTAL</b>	<b>11,381</b>	<b>25,151</b>	<b>8,775</b>	<b>12,097</b>	<b>-4,384</b>	<b>-21,282</b>	<b>31,729</b>	<b>-21,282</b>

	1996	1997	1998	1999	2000	2001	Total	-
<b>POSITIONS ELIMINATED</b>								
Off	0	0	0	0	1	0	1	
Enl	0	0	0	0	0	0	0	
Civ	0	1	21	81	82	0	185	
TOT	0	1	21	81	83	0	166	

	1996	1997	1998	1999	2000	2001	Total	-
<b>POSITIONS REALIGNED</b>								
Off	0	0	2	0	0	0	2	
Enl	5	0	1	0	0	0	6	
Stu	0	0	0	0	0	0	0	
Civ	0	84	320	0	232	0	636	
TOT	5	84	323	0	232	0	644	

Summary:

- Close NWAD Corona
- Move PA, QA, & WAL functions to NPGS Monterey
- Move MS functions (less Test Set Cert) to NSWC Crane
- Move SE and Test Set Cert functions to HAWC China Lake
- Move Army Reservist to 77
- Run based on NWAD "Final" cart received 12/23/94

ATTACHMENT I

Base Structure Analysis Team (BSAT)

Results of COBRA Run: 9 February 1995

Space Costs

NWAD, Corona

To

NAWC, Crane

Department : KAYY  
 Option Package : HWAD  
 Scenario File : P:\COBRA\PRELIM\PRELIM3\HWAD-REY.CBR  
 Std Fctra File : P:\COBRA\HQ5080F.SFF

MilCon for Base: HSWC CRANE, IX

All Costs in \$K

Description:	MilCon Categ	Using Rehab	Rehab Cost*	New MilCon	New Cost*	Total Cost*
Measurement Science	ROTE	30,826	n/a	0	n/a	3,093
Environmental Xhse	STORA	14,760	n/a	0	n/a	285
MS Offices	ADMIN	24,040	n/a	0	n/a	273
Prooision Machine	OPERA	2,407	n/a	0	n/a	240
Forced Machine	ROTE	0	n/a	1	n/a	500

-----  
 Total Construction Cost: 4,401  
 + Info Management Account: 0  
 + Land Purchases: 0  
 - Construction Cost Avoid: 0  
 -----

TOTAL: 4,401

\* All MilCon Costs include Design, Site Preparation, Contingency Planning, and SIOH Costs where applicable.

14A

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ATTACHMENT J

Base Structure Evaluation Committee (BSEC)

9 February 1995 Minutes

*Document: RP-0587-F12*

ROI Less Than 4 Years

*page 8*

Subj: REPORT OF BSEC DELIBERATIONS ON 9 FEBRUARY 1995

the final list because of concerns regarding cumulative economic impact.

h. Supervisors of Shipbuilding (SUPSHIPS). The BSEC examined thirteen SUPSHIPS and recommended closure of two; however, the Secretary took a third, San Francisco, off the final list because of concerns regarding cumulative economic impact.

i. Training Centers. Twenty-nine training center activities were evaluated, and four were recommended for realignment. This would eliminate about 10% of existing DoN classroom and general lab hours.

j. Administrative Activities. The BSEC examined thirty-four Administrative Activities and recommended six for realignment. Most of these produce immediate savings through cost avoidance.

k. Reserve Activities. The BSEC looked at 298 Reserve activities and is recommending eleven for closure. This would eliminate 24,956 drill hours capacity. These adjustments are relatively small because the BSEC worked hard not to upset demographic support or recruiting.

Unlike prior rounds, the BSEC rejected scenarios that had high up-front costs or a long period for return on investment. None of the recommended actions require more than 4 years to achieve a return on investment, and most pay off in one year or less.

12. The recommendations would eliminate about 15,000 direct jobs and 18,000 indirect jobs. These numbers are not significant on a national scale as the national job growth rate is 300,000 jobs per month. The impacts may be geographically concentrated. For purposes of looking at regional impact, the Secretary of Defense has established 10 economic regions. The Pacific region (made up of Alaska, Washington, Oregon, California, and Hawaii) had the greatest net direct job losses in BRAC-93. Because of the actions in Guam, OCONUS would have the greatest net direct job losses under the DoN's 1995 recommendations. The direct and indirect job losses resulting from the realignment of Naval Activities Guam equate to about 5% of the Guam economic area employment base. That is the reason the BSEC did not recommend closure of the Public Works Center (PWC) in Guam even though the analysis would otherwise lead to that conclusion. Mr. Nemfakos briefed the number of jobs lost and the percent change in local employment in the areas that would be most affected by DoN's recommendations. The losses at Cherry Point, NC, and Lemoore, CA, involve the redirect of BRAC-93 activities. Those activities have not yet moved to the BRAC-93 receiving sites so there would be no net change in the current base population. There were no anticipated infrastructure problems at the top receiving sites.

**BSAT****BASE STRUCTURE ANALYSIS TEAM**

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BSAT\ON  
9 Feb 1995

## MEMORANDUM FOR THE BASE STRUCTURE EVALUATION COMMITTEE

Subj: REPORT OF BSEC DELIBERATIONS ON 9 FEBRUARY 1995

Encl: (1) DON BRAC-95 Closure/Realignment Recommendations  
(2) List of Affected Activities

1. The eightieth deliberative session of the Base Structure Evaluation Committee (BSEC) convened at 0905 on 9 February 1995 in the Center for Naval Analyses Boardroom. The following members of the BSEC were present: The Honorable Robert B. Pirie, Chairman; Mr. Charles P. Nemfakos, Vice Chairman; Ms. Genie McBurnett; Vice Admiral Richard Allen, USN; Vice Admiral William A. Earner, Jr., USN; Lieutenant General Harold W. Blot, USMC; Lieutenant General James A. Brabham, USMC; and Ms. Elsie Munsell. The following Owners/Operators (i.e. those senior individuals to whom the vast majority of the DoN shore infrastructure reports) were present: Admiral Bruce Demars, USN (Naval Reactors); Admiral William J. Flanagan, USN (CINCLANTFLT); Vice Admiral William Bowes, USN (NAVAIR); Vice Admiral Donald Hagen, MC, USN (BUMED); Lieutenant General Robert B. Johnston, USMC (MARFORLANT); Vice Admiral Timothy W. Wright, USN (CNET); Lieutenant General George R. Christmas, USMC; Vice Admiral Frank L. Bowman, USN (BUPERS); Rear Admiral Robert M. Moore, USN (NAVSUP); Rear Admiral Walter H. Cantrell, USN (SPAWAR); Rear Admiral Jack E. Buffington, CEC, USN (NAVFAC); Rear Admiral Edmund Giambastiani, USN (DEPCINCPACFLT); Rear Admiral G. Dennis Vaughn, USN (DEPCOMNAVRESFOR); Rear Admiral Thomas F. Stevens, USN (SECGRU); and Rear Admiral Marc Y. E. Pelaez, USN (ONR). The following members of the Base Structure Analysis Team (BSAT) were present: Mr. Richard A. Leach; Ms. Anne Rathmell Davis; Lieutenant Colonel Orval Nangle, USMC; Commander Robert Souders, USN; and Mr. Dan Turk.

2. Mr. Pirie advised the Owners/Operators that the purpose of the session was to review the presentation of the final DoN BRAC-95 recommendations which the Secretary of the Navy will make to the Deputy Secretary of Defense tomorrow. This is a final opportunity to receive any comments. Mr. Pirie thanked everyone for their cooperation and support. He anticipated increasing assaults on the recommendations as they become public.

3. Mr. Nemfakos briefed the Owners/Operators using the slides at enclosure (1). Rather than a numeric target, DoN's objective in the BRAC-95 process was to reduce excess infrastructure and generate responsible savings for use in recapitalization. In that

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SECTION III.

CUMULATIVE ECONOMIC IMPACT

SPLITTING UP & CLOSING

NAVAL WARFARE ASSESSMENT DIVISION, CORONA

RIVERSIDE SMA LOSS WOULD RISE TO

\$4.1 BILLION OR 7.7%

The closure of George & Norton Air Force Bases (AFB) and realignment of March AFB have taken \$3.8 billion or 7.0% of the Riverside SMA economy and 27,500 or 3.8% of its jobs.

If NWAD, Corona is closed the economic loss will reach \$4.1 billion or 7.7%; the job loss will rise to 30,150 or 4.1%.

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**Cumulative Economic Impacts  
NAVAL WARFARE ASSESSMENT DIVISION  
on the  
RIVERSIDE STANDARD METROPOLITAN AREA**

by

**John E. Husing, Ph.D.  
Defense Economist**

The Secretary of the Navy removed the Naval Warfare Assessment Division (*NWAD*) from the BRAC-95 base closure list citing the large cumulative economic impacts which the BRAC process has had on the California economy. The Government Accounting Office (*GAO*) was technically correct in stating that this was not the relevant area for measuring economic impacts. The relevant area was the Riverside Standard Metropolitan Area (*SMA*).

**GAO WRONG ON CUMULATIVE IMPACTS IN THE RIVERSIDE SMA**

However, GAO was wrong in its belief that cumulative economic impacts should not play a role in decisions about NWAD. The attached analysis shows that the Riverside SMA, composed of Riverside and San Bernardino Counties in California, has suffered among the most serious cumulative economic impacts from the BRAC process in the United States.

**CUMULATIVE BRAC INCOME LOSS**

The closure of Norton & George AFB's and the pending realignment of March AFB are costing the region \$3.1 billion out of the \$44 billion in income that existed before the BRAC process began. That is 7.0% of the economy.

**CUMULATIVE BRAC JOB LOSS**

In employment terms, the BRAC process is costing the Riverside SMA 27,497 jobs of the 732,900 that existed before the cutback's began. That is 3.8% of the economy. Unemployment has been up to 12.5%.

## **NWAD ADDS TO CUMULATIVE LOSSES**

Loss of NWAD'S \$283 million in economic impact, and 2,653 jobs, would deepen the cumulative harm done to the Riverside SMA. The income loss would rise to \$3.4 billion and 7.7% of its pre-BRAC level. The employment loss would rise to 30,149 jobs or 4.1% of its pre-BRAC level.

## **CONCLUSION**

If cumulative economic impact is to ever be a consideration for retaining military bases whose rationale for closure is at best marginal, then the situation in the Riverside SMA presents the strongest possible case for doing so.

### **For Detailed Report Contact:**

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