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1995 MAINTENANCE DEPOT CLOSURE AND REALIGNMENT ALTERNATIVES

Category	DoD	Cross-Service 1	Cross-Service 2
Army Depots	(C) Red River (R) Letterkenny	(C) Red River (C) Letterkenny	(C) Red River (C) Letterkenny
Navy Shipyards	(C) Long Beach	(C) Portsmouth (C) Pearl Harbor	*(C) Long Beach *(C) Portsmouth *(C) Pearl Harbor
Navy Aviation Depots		(C) Jacksonville	(C) Jacksonville
Navy Weapon Center	(C) Crane-Louisville (R) Keyport	(C) Crane-Louisville (C) Keyport	** (C) Crane-Louisville ** (C) Keyport
Air Force Aviation	(R) San Antonio (R) Sacramento (R) Ogden (R) Warner Robins (R) Ok City	(C) San Antonio	(C) San Antonio (C) Sacramento

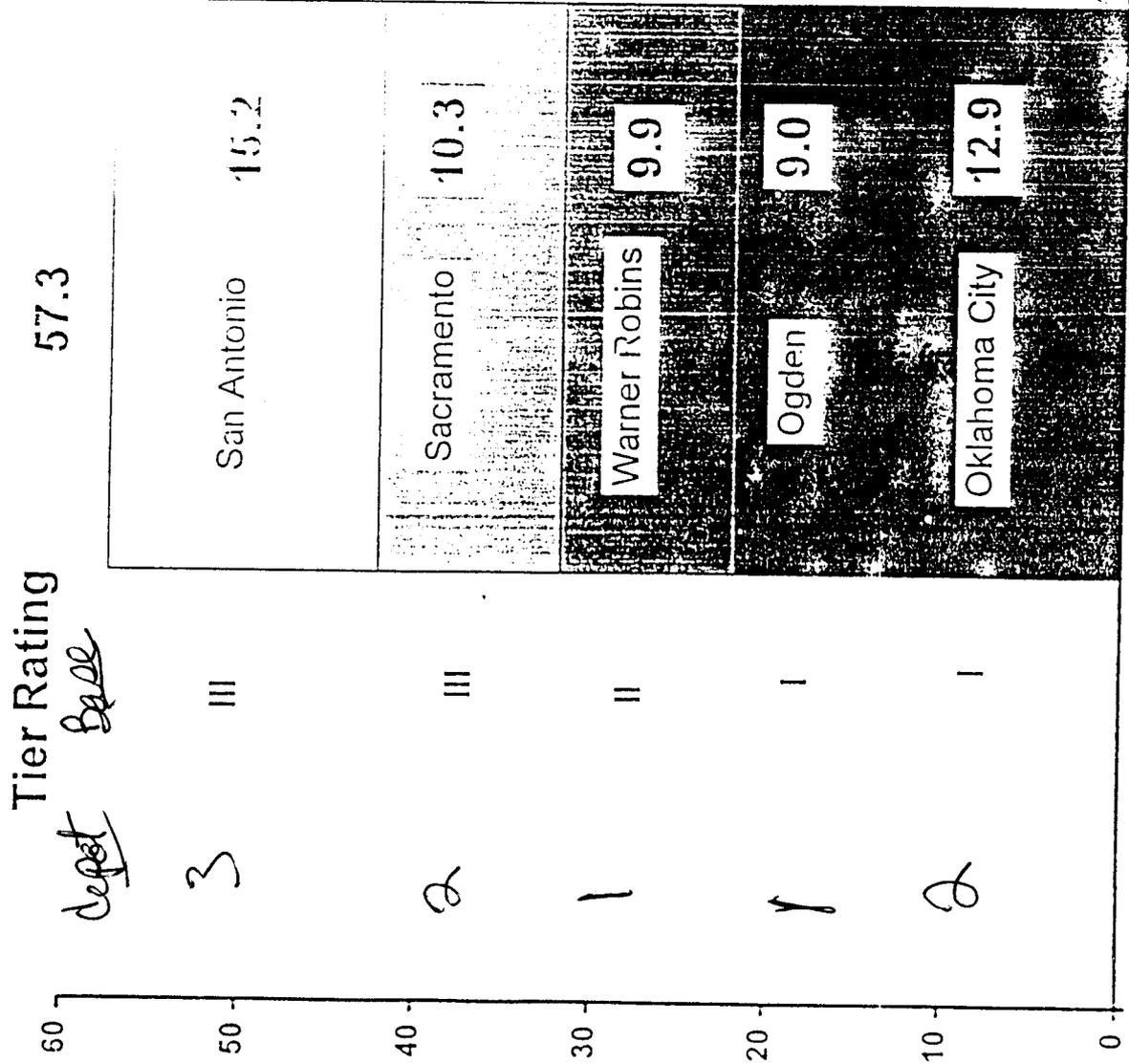
C = CLOSURE

R = REALIGN

* = CLOSE any 2 of 3

** = CLOSE any 1 of 2

**Air Force Certified Maximum Potential Capacity (Single Shift)
Reported to Joint Cross Service Group (Million Hrs)**



57.3

Tier Rating

depot base

base

60

50

40

30

20

10

0

get really involved with the contract to correct the contract. I think we need to make the contract go to the contract. I think we need to make the contract go to the contract. I think we need to make the contract go to the contract. I think we need to make the contract go to the contract.

FY 99 Projected
Workload = 29.3

DONE
4/17

ANN DUNE JOE

**BRAC Depot/Shipyard History
1988 — 1995 (Recom)**

■ = CLOSED

■ = OPEN

Army

- Anniston
- Corpus Christi
- Lexington Bluegrass
- Letterkenny
- Pueblo
- Red River
- Sacramento
- Tobyhanna
- Tooele

Navy

- Alameda
- Cherry Point
- Jacksonville
- Norfolk (NAD)
- North Island
- Pensacola
- Crane
- Louisville
- Keyport
- Portsmouth
- Philadelphia
- Norfolk (NSY)
- Charleston
- Puget Sound
- Mare Island
- Long Beach
- Pearl Harbor
- Guam

Air Force

- Oklahoma City
- Ogden
- San Antonio
- Sacramento
- Warner Robins

Marines

- Albany
- Barstow

OHIO

1. In a letter to the Commission, Governor Voinovich stated that he felt the Air National Guard unit's ability to recruit personnel would be negatively impacted by its proposed relocation to Wright-Patterson Air Force Base. In your opinion, how will the unit's recruiting be impacted and why?
2. In your opinion, what percentage of personnel will relocate with the Air National Guard unit if it moves to Wright-Patterson Air Force Base?
3. As you know, the Springfield-Beckley Air National Guard unit has both a federal and state mission. Will the unit's ability to fulfill its state mission be affected by the proposed relocation to Wright-Patterson Air Force Base?

MISSOURI

1. Based on your knowledge of Federal activities in the St. Louis area, will the General Services Agency be able to backfill the space if ATCOM's moves.
2. Mr Overton You have testified GSA would have to relocate the remaining tenants from the Federal Center if ATCOM is relocated. Could you explain why these tenants could not stay at the Federal Center?

MICHIGAN

1. To what extent does the recommendation to close the family housing units on Selfridge impact officer and enlisted military families?

ILLINOIS

1. To what extent does the recommendation to close the family housing units on Price Center impact officer and enlisted military families remaining in the St. Louis area?

KENTUCKY

1. To what extent have plans on privatization been finalized? Do you have signed letters of intent by the private companies?
2. What happens to the new plating facility under this concept? Has Louisville looked to do work in this plating facility for work being accomplished in older facilities?

INDIANA

1. Has the city or state agreed to furnish bonds, or a like vehicle to aid in your proposed privatization?
2. Do you require a sole source arrangement from the Navy to accomplish this privatization?
3. Does NSWC Crane support your proposal linking to them?

cost to close -

- cost very expensive however savings comparable
- least attractive impact on TDA.
- 4-5 m dollars that
- if want to close depot ... here is COBRA consequences. but hard to convert into top line impact

Strategy for getting where we got to

FRC strengths + weaknesses

tests by looky at cost per person?
 yes same result
 trend doesn't hold for sq feet

under stated McCellan

Direct labor hours

look@ Jacksonville

meets budget is important focus

Time to close Charleston
 → how long to total setup
 A few long transfers

paying for depots can be done

Charts

2:00 Back
encompassed

~~Chart right behind page that referred~~
~~each category on new page~~

→ ~~number each question in category~~

~~no acronyms~~

~~no more than 8-10 pages~~

boil down questions

- ~~1 page shipyard~~

- ~~1 Army depot~~

~~partments single page~~

~~put into fewer questions~~
~~i.e. AF depots cost to close~~

1 page Dallas + Albuquerque (heavy regional)

Document Separator

**DEPOT MAINTENANCE
JOINT CROSS-SERVICE GROUPS**

GENERAL LEAD-IN QUESTION

Mr. Klugh, please explain, in general terms, the Joint Cross Service Group study of depot maintenance.

We understand capacity was one of the most significant features of your study.

- Please describe in percentage terms, current excess capacity
- What is the excess capacity by Service and by depot?

What is the impact of DoD's BRAC recommendations on excess capacity?

What would have been the impact on excess capacity if the Joint Cross Service alternatives had been accepted?

The Air Force's elimination of excess capacity requires reengineering of the core workload. What would the Air Force's excess capacity be if the reengineering can not be accomplished?

Mr. Klugh, please describe the concept of "maximum potential capacity".

Does maximum potential capacity require a second shift or military construction expenditures?

Mr. Klugh, describe how your Joint Cross Service Group assigned functional values?

When assigning workload, how did the functional value scores impact the positioning of workload?

Please describe the "centers of excellence concept".

EXPLANATION OF 8 JCSG PROPOSALS

(R&A chart - Chart # 1)

Mr. Klugh, based on extensive study, the Joint Cross Service Group indicated that up to 8 maintenance depots could be closed. This table lists the depots proposed for closure. Please explain the basis for these proposals.

What was the basis for the alternatives to close depots at Kelly and McClellan and Jacksonville, in the fixed wing aircraft area?

Did any of your analysis point to the need to close Cherry Point, Hill, Tinker, Warner Robins or North Island?

Mr. Nemfakos, the Navy's configuration analysis did not result in a scenario that closed a complete NADEP. Did the Navy investigate any NADEP realignment scenarios that, through interservicing, would have reduced the substantial overcapacity for component and engine workload?

The Depot JCSG included the closure of NADEP Jacksonville in its alternatives. How did the Navy assess this proposal?

Mr. Klugh, in your view, what were the short falls of the process that permitted the Services to disregard the Joint Cross Service analysis and options?

Mr. Klugh, if you were responsible for submitting a recommendation to the Defense Base Closure and Realignment Commission for removal of Navy and Air Force fixed wing aircraft maintenance depot infrastructure, would your recommendation be to close or downsize? Would you recommend interservicing?

Mr. Klugh, in both alternatives one and two, specific workload transfers are identified for each commodity group except for sea systems. In that case, the alternative states, "Consolidate as possible within the Department of the Navy." Why was the sea systems commodity area proposal not specific concerning workload distribution?

Mr. Klugh, JCSG Alternative Two proposes the closure of Long Beach and either Pearl Harbor or Portsmouth. Did the JCSG view the latter two shipyards as equivalent in terms of capability as well as capacity?

Mr. Klugh, the COBRA for scenario JCSG Alternative One indicates that virtually all of Portsmouth's workload can be moved to Norfolk for a cost of \$100 million. This implies that the current and predicted shipyard workload does not justify keeping Portsmouth. Please comment.

Mr. Klugh, what does the DoD BRAC recommendation do to your ability to InterService depot maintenance work in the future?

COST ISSUE

Mr. Klugh, this chart (No. 3) depicts the BRAC history since 1988 on depots/shipyards. Prior actions have been closures, and, as this chart shows, the Air Force has elected to downsize all ALCs in lieu of closure of one or two depots as recommended by the Joint Cross Service Group. Please inform us why your team recommended closure vs. downsizing.

What is your estimate of the percentage of personnel that would move upon the closure of a depot?

Is there a difference in the number of people that would move upon a downsizing versus closure?

WHY USE THE BRAC PROCESS

General Blume, the Air Force's recommendation to downsize Air Logistics Centers is a continuation of downsizing actions which have been occurring over the past decade.

(Chart of Air Force quote- Chart # 4)

The Air Force has consolidated workload to the "maximum extent possible", what additional workload consolidation is done by the BRAC process?

General Blume, the downsizing of ALCs would not breach the BRAC thresholds if actions were to be evenly phased over the next several years. Why did the Air Force choose to use the BRAC process if it could independently accomplish the same result?

(Chart - R&A History of Depot Closures)

General Blume, never in the history of BRAC has the DoD recommended downsizing in place of a depot. Why was it not recommended to earlier Commissions?

General Blume, have you determined that the law allows BRAC funds to be expended to mothball and demolish depot space?

General Blume, have you furnished all data used in your analysis to the Commission?

General Blume, this certified data sheet indicates use of the AFMC-21 study in your BRAC '95 process. Why have you and the Air Force refused to provide the AFMC-21 study to the Commission staff?

Mr. Nemfakos, the Navy says that "continuing decreases in force structure eliminate the need to retain the capacity to drydock large naval vessels for emergent requirements." How many large-decked ships (CV, CVN, LHA & LHD)

are in the Pacific Fleet now? How many are expected to be in the Pacific Fleet in 2001?

Mr. Nemfakos, currently, the Navy is facilitating Norfolk, Pearl Harbor, and Puget Sound Naval Shipyards for refueling 688-class submarines. How many 688's are slated to be refueled? At which yards? How much is it costing to facilitate Pearl Harbor to perform these refueling, including training and milcon?

REENGINEERING

General Blume, the Air Force's BRAC recommendation to downsize all ALCs in place requires reengineering of workload to achieve a 15% productivity savings.

Was this based on certified data from the performing organizations?

Do your site surveys confirm this 15% productivity savings is achievable?

(If the answer is yes then Commissioner Steele or Davis could ask:)

General Blume, why was I told by Tinker and Robins that the 15% productivity improvement is not achievable?

IF HAD TO CLOSE TWO

(Chart from SecAF hearing -Chart # X)

General Blume, when the Secretary of the Air Force testified before the Defense Base Closure and Realignment Commission, she showed a chart which compared the cost of downsizing two depots to the cost of closing two depots.

Which two depots were represented on that chart?

General Blume, the Secretary of the Air Force testified to the fact that Air Force depot capacity levels indicate that the need to close 1.5 -2 depots. As we know, the Air Force has determined that it is more cost effective to eliminate two “depot equivalents” through downsizing rather than two bases. The Commission staff will be investigating the Air Force’s cost to close calculations.

If the Air Force were to close one or two depots, which would they be and why?

Mr. Nemfakos, in 1993 the Navy recommended closure of three of the six NADEPS. When do you expect to have each of the three facilities closed?

Do you expect to attain the annual recurring savings of over \$230 million you projected in 1993 from the closure of the three NADEPS?

WHY NOT MCCLELLAN?

General Blume, two years ago, the Deputy Assistant Secretary of the Air Force for installations testified to the Commission that “...if the Commission chooses to recommend a closure of a major Air Force depot this year, it should be McClellan. Not only can closure be accommodated within the DoD cost and payback guidelines, but it was also the lowest ranked of the five major depot bases.”

If McClellan's cost to close was not prohibitive in 1993, why is it prohibitive in 1995 when cost to close is calculated to be lower than it was in 1993?

MOTHBALLING AND DEMOLITION

General Blume, the Air Force's BRAC submission will eliminate 13.2 million hours of capacity, but will not eliminate or consolidate overhead structures and therefore overhead costs of the depots.

The BRAC submission equates to knocking down bedrooms and locking others when the kids go off to college, rather than moving into a smaller house.

What are the costs of demolishing 2.8 million square feet of depot space?
What are the savings? How do savings accrue from mothballing depot space?

General Shane, did the Army consider downsizing depots? If not, why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

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Navy, did the Navy consider downsizing maintenance facilities rather than closures? If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

OVERHEAD COSTS

(R&A chart - Chart #5)

General Blume, the Air Force BRAC recommendation will not cut overhead of depots proportionately with reductions in capability. The increasing proportional size of overhead will result in increased depot labor hour costs; for example the labor hour rate will increase \$6 per hour at the Tinker depot.

In addition to the BRAC proposals to downsizing in place, mothballing and demolition of depot space, will the Air Force take any steps to reduce depot overhead to make the depot system more efficient?

Wouldn't the force structure support be better served with the elimination of at least proportional overhead and administrative costs when eliminating industrial capability? In other words, cutting the fat and muscle proportionately?

Navy, the Navy has had considerable experience closing aviation depots.

How have the closures of Naval Aviation depots impacted the proportion of overhead vs. operating costs?

IMPACT OF MILITARY VALUE

(Chart from AF BRAC justification -Chart #X)

General Blume, military value is the most important criterion to be considered when sizing the DoD infrastructure through the base closure process. The Air Force has translated military value into a tiering system. This chart shows the tiering of depot installations and depots. Please explain how these tiers were derived.

What was the basis for assigning Kelly and McClellan Air Forces Bases to tier 3?

What was the basis for assigning the depot at Kelly to tier 3?

The BCEG minutes indicate that the Air Force was studying the closure of Kelly and McClellan for 11 months. Were military values a significant basis for studying Kelly and McClellan as closure candidates?

How did the low military values of Kelly and McClellan impact the Air Force's final base closure recommendations?

The Air Force's BRAC recommendation would result in a Tier 3 base (lowest ranking) receiving workload from tier 1 bases (highest ranking) and would eliminate significantly more positions from the tier 1 bases than from tier 3 bases. What is the reason for this?

(R&A chart -Chart #5)

General Blume, this chart shows a stacked bar which reflects each of the Air Force depots' maximum potential capacity. The depots are stacked according to installation military value or "tier". The chart demonstrates that the Air Force's depot workload could be performed by tier 1 and 2 installations.

Does this mean that the Air Force could reach its future workload with only three depots?

COST TO CLOSE

(Chart from AF BRAC justification -Chart #X)

General Blume, the Air Force's 1995 Base Closure documentation included estimates of the cost to close each of the five depot installations. We note that the costs to close Kelly and McClellan were significantly less than the closure costs for the three other installations. Were the costs-to-close a significant basis for studying Kelly and McClellan as closure candidates?

Why were the costs to close these two so much lower than the other three?
Do the costs to close include any environmental clean-up costs?

(R&A chart -chart #X)

General Blume, Mrs. Widnall testified that a depot closure is prohibitively expensive. We note that the COBRA models that the Air Force generated show significantly greater costs-to-close and significantly smaller savings to close an Air Force depot than the COBRAs generated by the other Services to close their depots.

One of the biggest cost drivers are moving costs. Personnel moving cost of \$300 million is driven by movement of 26,000 employees. We understand that there are standard factors which are applied against positions slated for movement. However, each Service made different assumptions on the number of positions to be transferred versus eliminated. Could you comment on the need to realign 26,000 personnel under the dual closure option. It appears that the Air Force assumed that there would be no synergies and efficiencies from consolidating work to fewer sites.

Please explain.

Does it seem logical to transfer 90% of the Air Force personnel under the closure scenario vs. retrain 85% under the downsize option?

The Air Force's dual depot closure COBRAs smoothly phases the workforce to be transferred between 1996 and 2001. Why were the

positions to be eliminated carried until 2001 and eliminated all at once in that year?

Navy, Navy COBRA data indicates that the closure of Long Beach results in relatively far fewer realignments of personnel than do Air Force closure options.

Were your assumptions based on the experience that the Navy has had with closing maintenance activities? Please explain the assumptions that drive the number of billets eliminated versus moved.

General Blume, when Hill implemented the Navy FA-18 work, how many personnel migrated from North Island?

(If answer is “few” or “none”) So, what I’m hearing is that Hill required no significant transfers of personnel to work on an aircraft type they had never worked on before?

General Shane, please explain the Army’s assumptions which drive the numbers of positions which will be moved versus realigned.

General Blume, the Air Force COBRAs for dual closure reflect \$55 million to construct administrative space and \$89 million for purchase of new equipment. Why would it be necessary to expend BRAC funds for new equipment and administrative space?

REAL PROPERTY MAINTENANCE COSTS

General Blume, annual maintenance costs vary considerably among the depot installations ranging from a high of \$17 million at Kelly to a low of \$4 million at Tinker.

How were real property maintenance costs factored into the options to downsize vs. close?

Why does the Air Force assume that all real property maintenance savings from the closure of an installation will become a cost at a gaining installation?

INTER VS. INTRA SERVICING

General Blume, why did the Air Force choose not to use the workload migration options of the Joint Cross Service Group? The Cross Service Group looked at InterService workload migrations, however, when considering closures, the Air Force assumed that all workload would stay in-house.

Mr. Nemfakos, regarding the Naval Surface Warfare Center detachment at Louisville, why didn't the Navy examine the possibility of closing the Naval Industrial Reserve Ordnance Plant at Minneapolis?

Mr. Nemfakos, when did you first hear of the proposal to privatize the facility at Louisville? What did you think about it? Did the proposed reuse plan affect the BSEC's decision to place Louisville on the list? Did you consider the plan when writing the language to close Louisville?

MISSILES

Mr. Klugh, why did the JCSG initially recommend the decentralization of tactical missile maintenance and then later “approve “ the Army plan to consolidate at Tobyhanna?

Did the JCSG consider the centralization of tactical missile maintenance at Hill Air Force Base? If so, what were the findings?

Was Anniston considered for missile maintenance consolidation?

Mr. Klugh, part of Navy’s rationale for retaining Portsmouth NSY is its East Coast location. In moving shipyard work, did the JCSG account for the benefit of East Coast/ West Coast capabilities?

Did the JCSG take dry-dock capabilities / capacity into account?

General Shane, the Army studied its two smaller ground vehicle depots for possible closure. Tobyhanna Army Depot was not studied for closure because it was considered a unique one of a kind depot for the repair of electronics components.

Did the Army look at possibly closing Tobyhanna Army Depot and transferring the electronics workload to Letterkenny, a facility that is partly focused on electronics and partly focused on ground vehicle maintenance? In terms of buildings and acres, Letterkenny is a considerably larger depot.

Did the Army consider the cost benefits of moving the missile guidance and control workload to Tobyhanna, vice Letterkenny as originally envisioned by the 1993 BRAC? Implementation of DOD’s recommendation would likely require added costs to transport guidance and control sections between Letterkenny and Tobyhanna. Were these costs included the Army’s COBRA analysis? If yes, what is the estimated cost impact?

In determining military value, why did the Army place heavy emphasis on capacity, which is based on the number of work stations to produce a

particular workload, and relatively less emphasis on building square footage and expandable acreage?

The Army plans to transfer ground vehicle workload from Letterkenny to Anniston, but none of the personnel authorizations would be realigned. How can this work be accomplished at Anniston, with no additional people?

Were other options considered as an alternative to the Letterkenny / Tobyhanna scenario recommended by DOD? For example, did the Army look at sending all of the tactical missile storage and maintenance workload to Hill Air Force Base and sending the residual conventional ammunition storage mission to other DOD storage locations. This would result in a total base closure, rather a partial realignment.

General Kluge, we understand the Joint Cross Service Group for Depot Maintenance looked at alternatives for accommodating tactical missile maintenance at three sites -- Barstow, Hill, and Anniston-- if Letterkenny were approved for closure. In your view what are the advantages and disadvantage of consolidating like workloads at one single location versus the three locations suggested by you joint group? Do you believe the Army's proposal to transfer guidance and control work to Tobyhanna, and leaving the ammunition and missile storage mission at Letterkenny is the best alternative? If not, why not?

LETTERKENNY

General Shane, did the Army look at moving the Tobyhanna Depot to Letterkenny? If so, what were the results? Do you believe this would be a good idea?

JACKSONVILLE

Mr. Klugh, your Cross Service team recommended the closure of Jacksonville Navy Aviation Depot. Where was their engine work to be done under your proposal?

Do you still support this proposed alternative?

NAVY REPRESENTATIVE

Why did the Navy not implement the JCSWG alternative to close Jacksonville?

Document Separator

**DEPOT MAINTENANCE
JOINT CROSS-SERVICE GROUPS**

GENERAL LEAD-IN QUESTION

Mr. Klugh, please explain, in general terms, the Joint Cross Service Group study of depot maintenance.

We understand capacity was one of the most significant features of your study.

- Please describe in percentage terms, current excess capacity
- What is the excess capacity by Service and by depot?

What is the impact of DoD's BRAC recommendations on excess capacity?

What would have been the impact on excess capacity if the Joint Cross Service alternatives had been accepted?

The Air Force's elimination of excess capacity requires reengineering of the core workload. What would the Air Force's excess capacity be if the reengineering can not be accomplished?

Mr. Klugh, please describe the concept of "maximum potential capacity".

Does maximum potential capacity require a second shift or military construction expenditures?

Mr. Klugh, describe how your Joint Cross Service Group assigned functional values?

When assigning workload, how did the functional value scores impact the positioning of workload?

Please describe the "centers of excellence concept".

Mr. Klugh, what does the DoD BRAC recommendation do to your ability to InterService depot maintenance work in the future?

EXPLANATION OF 8 JCSG PROPOSALS

(R&A chart - Chart # 1)

Mr. Klugh, based on extensive study, the Joint Cross Service Group indicated that up to 8 maintenance depots could be closed. This table lists the depots proposed for closure. Please explain the basis for these proposals.

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Did any of your analysis point to the need to close Cherry Point, Hill, Tinker, Warner Robins or North Island?

Mr. Klugh, in your view, what were the short falls of the process that permitted the Services to disregard the Joint Cross Service analysis and options?

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COST ISSUE

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Mr. Klugh, if you were responsible for submitting a recommendation to the Defense Base Closure and Realignment Commission for removal of Navy and Air Force fixed wing aircraft maintenance depot infrastructure, would your recommendation be to close or downsize? Would you recommend interservicing?

WHY THE AIR FORCE USED THE BRAC PROCESS

General Blume, the Air Force's recommendation to downsize Air Logistics Centers is a continuation of downsizing actions which have been occurring over the past decade.

(Chart of Air Force quote- Chart # 4)

If the Air Force has consolidated workload to the "maximum extent possible", what additional workload consolidation is done by the BRAC process?

General Blume, the downsizing of ALCs would not breach the BRAC thresholds if actions were to be evenly phased over the next several years. Furthermore, if the personnel eliminations due to reengineering were subtracted from the BRAC recommendation, only one installation would have a workload adjustment which breaches the BRAC threshold. Why did the Air Force choose to use the BRAC process if it could independently accomplish the same result?

(Chart - R&A History of Depot Closures)

General Blume, never in the history of BRAC has the DoD recommended downsizing in place of a depot. Why was it not recommended to earlier Commissions?

General Blume, have you determined that the law allows BRAC funds to be expended to mothball and demolish depot space?

Recent Changes to Air Force BRAC Recommendation to the Commission

General Blume, the Commission staff recently received a new depot base closure recommendation from the air Force.

Would you please explain why the Air Force revised its BRAC recommendation 7 weeks into the process when the air Force had a year to prepare their BRAC recommendations?

We are understandably having trouble analyzing a moving target. Can we have your assurances that the Air Force will not change its 1995 BRAC recommendations any further?

General Blume, have you furnished all data used in your analysis to the Commission?

General Blume, this certified data sheet indicates use of the AFMC-21 study in your BRAC '95 process. Why have you and the Air Force refused to provide the AFMC-21 study to the Commission staff?

will you spend the next three minutes
can you briefly summarize
the revised recommendations.

Shipyard Issues

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Did the JCSG take dry-dock capabilities / capacity into account?

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How did the Navy assess this proposal?

Air Force
REENGINEERING

General Blume, all of the savings from the Air Force's BRAC recommendation to downsize all ALCs in place is the result of a 15 % reengineering factor.

Have the reengineering studies been performed yet?

What is the basis of the 15 % factor?

Was this based on certified data from the performing organizations?

Do your site surveys confirm this 15% productivity savings is achievable?

(If the answer is yes then Commissioner Steele or Davis could ask:)

General Blume, why was I told by Tinker and Robins that the 15% productivity improvement is not achievable?

~~decision~~
~~An Air Force decision to close~~

IF HAD TO CLOSE TWO

An Air Force

(Chart from SecAF hearing -Chart # 5)

General Blume, when the Secretary of the Air Force testified before the Defense Base Closure and Realignment Commission, she showed a chart which compared the cost of downsizing two depots to the cost of closing two depots.

Which two depots were represented on that chart?

General Blume, the Secretary of the Air Force testified to the fact that Air Force depot capacity levels indicate that the need to close 1.5 -2 depots. As we know, the Air Force has determined that it is more cost effective to eliminate two “depot equivalents” through downsizing rather than two bases. The Commission staff will be investigating the Air Force’s cost to close calculations.

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an gone

WHY NOT MCCLELLAN?

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If McClellan’s cost to close was not prohibitive in 1993, why is it prohibitive in 1995 when cost to close is calculated to be lower than it was in 1993?

Depot
MOTHBALLING AND DEMOLITION

General Blume, the Air Force's BRAC submission will eliminate 8.9 million of the 13.2 million hours of excess capacity, but will not eliminate or consolidate overhead structures and therefore overhead costs of the depots. Therefore, fixed overhead cost will need to be spread over reduced workload which results in higher hourly rates.

The BRAC submission equates to knocking down bedrooms and locking others when the kids go off to college, rather than moving into a smaller house.

What are the costs of demolishing 2.8 million square feet of depot space?
What are the savings? How do savings accrue from mothballing depot space?

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In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Mr. Remi

Navy, did the Navy consider downsizing maintenance facilities rather than closures? If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Depot
OVERHEAD COSTS

(R&A chart - Chart #6)

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~~Air Force~~
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move further up

to under
Klugh
stuff

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move letter

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*Move
to Army
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Mr. Klugh, your Cross Service team recommended the closure of Jacksonville Navy Aviation Depot. Where was their engine work to be done under your proposal?

Do you still support this proposed alternative?

Document Separator

Glenn - now
Thurs 8:30

NEW ALC DOWNSIZE PROPOSAL

General Blume,

One week ago, today you dropped a revised downsize in place proposal on our doorstep. That revised proposal shows the cost to mothball and demolish unneeded infrastructure had increased from \$183 million to a new total of \$234 million. That represents almost a 28 percent increase in just 7 weeks.

What accounts for this increase?

The revised proposal also suggests that \$127 million of the \$234 million program is a BRAC action, and that the remaining amount will be programmed and funded by the Air Force. I understand less than half of the 6.8 million square feet of unneeded infrastructure will be eliminated under the BRAC portion of your revised proposal. Are "fenced" funds available to the Air Force to enable execution of the non-BRAC portion of the downsize program?

Overall, your revised proposal reportedly would eliminate about 10 million direct labor hours, from the total excess capacity of 13.2 million hours. How much of the excess capacity would be eliminated under the BRAC portion of the proposal, and how much is dependent upon approval and execution of Air Force funded programs?

Air Force implementation of the downsize in place strategy will cost the American taxpayers almost a quarter billion dollars. Considering that each one of the five surviving ALC's will continue to incur annual fixed overhead expenses of almost \$200 million after downsizing, wouldn't the taxpayers be better served, if the Air Force were to double the up front investment and close at least one depot activity as it originally planned, and therefore eliminate at least \$200 million of recurring fixed overhaed expenses.

**DEPOT MAINTENANCE
JOINT CROSS-SERVICE GROUPS**

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Mr. Klugh, please describe the concept of "maximum potential capacity".

Does maximum potential capacity require a second shift or military construction expenditures?

Mr. Klugh, describe how your Joint Cross Service Group assigned functional values?

When assigning workload, how did the functional value scores impact the positioning of workload?

Please describe the "centers of excellence concept".

Mr. Klugh, what does the DoD BRAC recommendation do to your ability to InterService depot maintenance work in the future?

EXPLANATION OF 8 JCSG PROPOSALS

(R&A chart - Chart # 1)

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Did any of your analysis point to the need to close Cherry Point, Hill, Tinker, Warner Robins or North Island?

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Mr. Klugh, if you were responsible for submitting a recommendation to the Defense Base Closure and Realignment Commission for removal of Navy and Air Force fixed wing aircraft maintenance depot infrastructure, would your recommendation be to close or downsize? Would you recommend interservicing?

WHY THE AIR FORCE USED THE BRAC PROCESS

General Blume, the Air Force's recommendation to downsize Air Logistics Centers is a continuation of downsizing actions which have been occurring over the past decade.

(Chart of Air Force quote- Chart # 4)

If the Air Force has consolidated workload to the "maximum extent possible", what additional workload consolidation is done by the BRAC process?

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General Blume, this certified data sheet indicates use of the AFMC-21 study in your BRAC '95 process. Why have you and the Air Force refused to provide the AFMC-21 study to the Commission staff?

Shipyard Issues

Mr. Klugh, part of Navy's rationale for retaining Portsmouth NSY is its East Coast location. In moving shipyard work, did the JCSG account for the benefit of East Coast/ West Coast capabilities?

Did the JCSG take dry-dock capabilities / capacity into account?

Mr. Nemfakos, the Navy says that "continuing decreases in force structure eliminate the need to retain the capacity to drydock large naval vessels for emergent requirements." How many large-decked ships (CV, CVN, LHA & LHD) are in the Pacific Fleet now? How many are expected to be in the Pacific Fleet in 2001?

Mr. Nemfakos, currently, the Navy is facilitating Norfolk, Pearl Harbor, and Puget Sound Naval Shipyards for refueling 688-class submarines. How many 688's are slated to be refueled? At which yards? How much is it costing to facilitate Pearl Harbor to perform these refueling, including training and milcon?

Mr. Nemfakos, the Navy's configuration analysis did not result in a scenario that closed a complete NADEP. Did the Navy investigate any NADEP realignment scenarios that, through interservicing, would have reduced the substantial overcapacity for component and engine workload?

The Depot JCSG included the closure of NADEP Jacksonville in its alternatives.

How did the Navy assess this proposal?

REENGINEERING

General Blume, all of the savings from the Air Force's BRAC recommendation to downsize all ALCs in place is the result of a 15 % reengineering factor.

Have the reengineering studies been performed yet?

What is the basis of the 15 % factor?

Was this based on certified data from the performing organizations?

Do your site surveys confirm this 15% productivity savings is achievable?

(If the answer is yes then Commissioner Steele or Davis could ask:)

General Blume, why was I told by Tinker and Robins that the 15% productivity improvement is not achievable?

IF HAD TO CLOSE TWO

(Chart from SecAF hearing -Chart # 5)

General Blume, when the Secretary of the Air Force testified before the Defense Base Closure and Realignment Commission, she showed a chart which compared the cost of downsizing two depots to the cost of closing two depots.

Which two depots were represented on that chart?

General Blume, the Secretary of the Air Force testified to the fact that Air Force depot capacity levels indicate that the need to close 1.5 -2 depots. As we know, the Air Force has determined that it is more cost effective to eliminate two “depot equivalents” through downsizing rather than two bases. The Commission staff will be investigating the Air Force’s cost to close calculations.

If the Air Force were to close one or two depots, which would they be and why?

WHY NOT MCCLELLAN?

General Blume, two years ago, the Deputy Assistant Secretary of the Air Force for installations testified to the Commission that “ ...if the Commission chooses to recommend a closure of a major Air Force depot this year, it should be McClellan. Not only can closure be accommodated within the DoD cost and payback guidelines, but it was also the lowest ranked of the five major depot bases.”

If McClellan’s cost to close was not prohibitive in 1993, why is it prohibitive in 1995 when cost to close is calculated to be lower than it was in 1993?

MOTHBALLING AND DEMOLITION

General Blume, the Air Force's BRAC submission will eliminate 8.9 million of the 13.2 million hours of excess capacity, but will not eliminate or consolidate overhead structures and therefore overhead costs of the depots. Therefore, fixed overhead cost will need to be spread over reduced workload which results in higher hourly rates.

The BRAC submission equates to knocking down bedrooms and locking others when the kids go off to college, rather than moving into a smaller house.

What are the costs of demolishing 2.8 million square feet of depot space?
What are the savings? How do savings accrue from mothballing depot space?

General Shane, did the Army consider downsizing depots? If not, why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

]

Navy, did the Navy consider downsizing maintenance facilities rather than closures? If not why not?

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(R&A chart - Chart #6)

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COST ISSUE

Mr. Klugh, this chart (No. 3) depicts the BRAC history since 1988 on depots/shipyards. Prior actions have been closures, and, as this chart shows, the Air Force has elected to downsize all ALCs in lieu of closure of one or two depots as recommended by the Joint Cross Service Group. Please inform us why your team recommended closure vs. downsizing.

Mr. Klugh, if you were responsible for submitting a recommendation to the Defense Base Closure and Realignment Commission for removal of Navy and Air Force fixed wing aircraft maintenance depot infrastructure, would your recommendation be to close or downsize? Would you recommend interservicing?

WHY THE AIR FORCE USED THE BRAC PROCESS

General Blume, the Air Force's recommendation to downsize Air Logistics Centers is a continuation of downsizing actions which have been occurring over the past decade.

(Chart of Air Force quote- Chart # 4)

If the Air Force has consolidated workload to the "maximum extent possible", what additional workload consolidation is done by the BRAC process?

General Blume, the downsizing of ALCs would not breach the BRAC thresholds if actions were to be evenly phased over the next several years. Furthermore, if the personnel eliminations due to reengineering were subtracted from the BRAC recommendation, only one installation would have a workload adjustment which breaches the BRAC threshold. Why did the Air Force choose to use the BRAC process if it could independently accomplish the same result?

(Chart - R&A History of Depot Closures)

General Blume, never in the history of BRAC has the DoD recommended downsizing in place of a depot. Why was it not recommended to earlier Commissions?

General Blume, have you determined that the law allows BRAC funds to be expended to mothball and demolish depot space?

Recent Changes to Air Force BRAC Recommendation to the Commission

General Blume, the Commission staff recently received a new depot base closure recommendation from the air Force.

Would you please explain why the Air Force revised its BRAC recommendation 7 weeks into the process when the air Force had a year to prepare their BRAC recommendations?

We are understandably having trouble analyzing a moving target. Can we have your assurances that the Air Force will not change its 1995 BRAC recommendations any further?

General Blume, have you furnished all data used in your analysis to the Commission?

General Blume, this certified data sheet indicates use of the AFMC-21 study in your BRAC '95 process. Why have you and the Air Force refused to provide the AFMC-21 study to the Commission staff?

Shipyard Issues

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Mr. Klugh, the COBRA for scenario JCSG Alternative One indicates that virtually all of Portsmouth's workload can be moved to Norfolk for a cost of \$100 million. This implies that the current and predicted shipyard workload does not justify keeping Portsmouth. Please comment.

COST ISSUE

Mr. Klugh, this chart (No. 3) depicts the BRAC history since 1988 on depots/shipyards. Prior actions have been closures, and, as this chart shows, the Air Force has elected to downsize all ALCs in lieu of closure of one or two depots as recommended by the Joint Cross Service Group. Please inform us why your team recommended closure vs. downsizing.

Mr. Klugh, if you were responsible for submitting a recommendation to the Defense Base Closure and Realignment Commission for removal of Navy and Air Force fixed wing aircraft maintenance depot infrastructure, would your recommendation be to close or downsize? Would you recommend interservicing?

WHY THE AIR FORCE USED THE BRAC PROCESS

General Blume, the Air Force's recommendation to downsize Air Logistics Centers is a continuation of downsizing actions which have been occurring over the past decade.

(Chart of Air Force quote- Chart # 4)

If the Air Force has consolidated workload to the "maximum extent possible", what additional workload consolidation is done by the BRAC process?

General Blume, the downsizing of ALCs would not breach the BRAC thresholds if actions were to be evenly phased over the next several years. Furthermore, if the personnel eliminations due to reengineering were subtracted from the BRAC recommendation, only one installation would have a workload adjustment which breaches the BRAC threshold. Why did the Air Force choose to use the BRAC process if it could independently accomplish the same result?

(Chart - R&A History of Depot Closures)

General Blume, never in the history of BRAC has the DoD recommended downsizing in place of a depot. Why was it not recommended to earlier Commissions?

General Blume, have you determined that the law allows BRAC funds to be expended to mothball and demolish depot space?

Recent Changes to Air Force BRAC Recommendation to the Commission

General Blume, the Commission staff recently received a new depot base closure recommendation from the air Force.

Would you please explain why the Air Force revised its BRAC recommendation 7 weeks into the process when the air Force had a year to prepare their BRAC recommendations?

We are understandably having trouble analyzing a moving target. Can we have your assurances that the Air Force will not change its 1995 BRAC recommendations any further?

General Blume, have you furnished all data used in your analysis to the Commission?

General Blume, this certified data sheet indicates use of the AFMC-21 study in your BRAC '95 process. Why have you and the Air Force refused to provide the AFMC-21 study to the Commission staff?

Shipyard Issues

Mr. Klugh, part of Navy's rationale for retaining Portsmouth NSY is its East Coast location. In moving shipyard work, did the JCSG account for the benefit of East Coast/ West Coast capabilities?

Did the JCSG take dry-dock capabilities / capacity into account?

Mr. Nemfakos, the Navy says that "continuing decreases in force structure eliminate the need to retain the capacity to drydock large naval vessels for emergent requirements." How many large-decked ships (CV, CVN, LHA & LHD) are in the Pacific Fleet now? How many are expected to be in the Pacific Fleet in 2001?

Mr. Nemfakos, currently, the Navy is facilitating Norfolk, Pearl Harbor, and Puget Sound Naval Shipyards for refueling 688-class submarines. How many 688's are slated to be refueled? At which yards? How much is it costing to facilitate Pearl Harbor to perform these refueling, including training and milcon?

Mr. Nemfakos, the Navy's configuration analysis did not result in a scenario that closed a complete NADEP. Did the Navy investigate any NADEP realignment scenarios that, through interservicing, would have reduced the substantial overcapacity for component and engine workload?

The Depot JCSG included the closure of NADEP Jacksonville in its alternatives.

How did the Navy assess this proposal?

REENGINEERING

General Blume, all of the savings from the Air Force's BRAC recommendation to downsize all ALCs in place is the result of a 15 % reengineering factor.

Have the reengineering studies been performed yet?

What is the basis of the 15 % factor?

Was this based on certified data from the performing organizations?

Do your site surveys confirm this 15% productivity savings is achievable?

(If the answer is yes then Commissioner Steele or Davis could ask:)

General Blume, why was I told by Tinker and Robins that the 15% productivity improvement is not achievable?

IF HAD TO CLOSE TWO

(Chart from SecAF hearing -Chart # 5)

General Blume, when the Secretary of the Air Force testified before the Defense Base Closure and Realignment Commission, she showed a chart which compared the cost of downsizing two depots to the cost of closing two depots.

Which two depots were represented on that chart?

General Blume, the Secretary of the Air Force testified to the fact that Air Force depot capacity levels indicate that the need to close 1.5 -2 depots. As we know, the Air Force has determined that it is more cost effective to eliminate two “depot equivalents” through downsizing rather than two bases. The Commission staff will be investigating the Air Force’s cost to close calculations.

If the Air Force were to close one or two depots, which would they be and why?

WHY NOT MCCLELLAN?

General Blume, two years ago, the Deputy Assistant Secretary of the Air Force for installations testified to the Commission that “...if the Commission chooses to recommend a closure of a major Air Force depot this year, it should be McClellan. Not only can closure be accommodated within the DoD cost and payback guidelines, but it was also the lowest ranked of the five major depot bases.”

If McClellan’s cost to close was not prohibitive in 1993, why is it prohibitive in 1995 when cost to close is calculated to be lower than it was in 1993?

MOTHBALLING AND DEMOLITION

General Blume, the Air Force's BRAC submission will eliminate 8.9 million of the 13.2 million hours of excess capacity, but will not eliminate or consolidate overhead structures and therefore overhead costs of the depots. Therefore, fixed overhead cost will need to be spread over reduced workload which results in higher hourly rates.

The BRAC submission equates to knocking down bedrooms and locking others when the kids go off to college, rather than moving into a smaller house.

What are the costs of demolishing 2.8 million square feet of depot space?
What are the savings? How do savings accrue from mothballing depot space?

General Shane, did the Army consider downsizing depots? If not, why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

]

Navy, did the Navy consider downsizing maintenance facilities rather than closures? If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

OVERHEAD COSTS

(R&A chart - Chart #6)

General Blume, the Air Force BRAC recommendation will not cut overhead of depots proportionately with reductions in capability. The increasing proportional size of overhead will result in increased depot labor hour costs; for example the labor hour rate will increase \$6 per hour at the Tinker depot.

In addition to the BRAC proposals to downsizing in place, mothballing and demolition of depot space, will the Air Force take any steps to reduce depot overhead to make the depot system more efficient?

Shouldn't the Department eliminate at least proportional overhead and administrative costs when eliminating industrial capability? In other words, cutting the fat and muscle proportionately?

Navy, the Navy has had considerable experience closing aviation depots.

How have the closures of Naval Aviation depots impacted the proportion of overhead vs. operating costs?

IMPACT OF MILITARY VALUE

(Chart from AF BRAC justification -Chart #7)

General Blume, military value is the most important criterion to be considered when sizing the DoD infrastructure through the base closure process. The Air Force has translated military value into a tiering system. This chart shows the tiering of depot installations and depots. Please explain how these tiers were derived.

What was the basis for assigning Kelly and McClellan Air Forces Bases to tier 3?

What was the basis for assigning the depot at Kelly to tier 3?

The BCEG minutes indicate that the Air Force was studying the closure of Kelly and McClellan for 11 months. Were military values a significant basis for studying Kelly and McClellan as closure candidates?

How did the low military values of Kelly and McClellan impact the Air Force's final base closure recommendations?

The Air Force's BRAC recommendation would result in a Tier 3 base (lowest ranking) receiving workload from tier 1 bases (highest ranking). What is the reason for this?

(R&A chart -Chart #8)

General Blume, this chart shows a stacked bar which reflects each of the Air Force depots' maximum potential capacity. The depots are stacked according to installation military value or "tier". The chart demonstrates that the Air Force's depot workload could be performed by tier 1 and 2 installations.

Does this mean that the Air Force could reach its future workload with only three depots?

COST TO CLOSE

(Chart from AF BRAC justification -Chart #9)

General Blume, the Air Force's 1995 Base Closure documentation included estimates of the cost to close each of the five depot installations. We note that the costs to close Kelly and McClellan were significantly less than the closure costs for the three other installations. Were the costs-to-close a significant basis for studying Kelly and McClellan as closure candidates for 11 months?

Why were the costs to close these two so much lower than the other three?
Do the costs to close include any environmental clean-up costs?

(R&A chart -chart #10)

General Klugh, There are significant differences between the Services COBRA estimates to close depots. For example, there are substantial differences in the percentages of people which would be moved

What is your estimate of the percentage of personnel that would move upon the closure of a depot?

Is there a difference in the number of people that would move upon a downsizing versus closure?

General Blume, Mrs. Widnall testified that a depot closure is prohibitively expensive. We note that the COBRA models that the Air Force generated show significantly greater costs-to-close and significantly smaller savings to close an Air Force depot than the COBRAs generated by the other Services to close their depots.

One of the biggest cost drivers are moving costs. Personnel moving cost of \$160 million is driven by movement of 16,000 employees. We understand that there are standard factors which are applied against positions slated for movement. However, each Service made different assumptions on the number of positions to be transferred versus eliminated. Could you comment on the need to realign 16,000 personnel to close Kelly option. It appears that the Air Force assumed that

there would be no synergies and efficiencies from consolidating work to fewer sites.

Please explain.

Does it seem logical to transfer 90% of the Air Force personnel under the closure scenario vs. retrain 85% under the downsize option?

The Air Force's depot closure COBRAs smoothly phases the workforce to be transferred between 1996 and 2001. Why were the positions to be eliminated carried until 2001 and eliminated all at once in that year?

Navy, Navy COBRA data indicates that the closure of Long Beach results in relatively far fewer realignments of personnel than do Air Force closure options.

Were your assumptions based on the experience that the Navy has had with closing maintenance activities? Please explain the assumptions that drive the number of billets eliminated versus moved.

General Blume, when Hill implemented the Navy FA-18 work, how many personnel migrated from North Island?

(If answer is "few" or "none") So, what I'm hearing is that Hill required no significant transfers of personnel to work on an aircraft type they had never worked on before?

General Shane, please explain the Army's assumptions which drive the numbers of positions which will be moved versus realigned.

Mr. Nemfakos, in 1993 the Navy recommended closure of three of the six NADEPS. When do you expect to have each of the three facilities closed?

Do you expect to attain the annual recurring savings of over \$230 million you projected in 1993 from the closure of the three NADEPS?

REAL PROPERTY MAINTENANCE COSTS

General Blume, annual maintenance costs vary considerably among the depot installations ranging from a high of \$17 million at Kelly to a low of \$4 million at Tinker.

How were real property maintenance costs factored into the options to downsize vs. close?

Why does the Air Force assume that all real property maintenance savings from the closure of an installation will become a cost at a gaining installation

Louisville

Mr. Nemfakos, regarding the Naval Surface Warfare Center detachment at Louisville, why didn't the Navy examine the possibility of closing the Naval Industrial Reserve Ordnance Plant at Minneapolis?

Mr. Nemfakos, when did you first hear of the proposal to privatize the facility at Louisville? What did you think about it? Did the proposed reuse plan affect the BSEC's decision to place Louisville on the list? Did you consider the plan when writing the language to close Louisville?

MISSILES

Mr. Klugh, why did the JCSG initially recommend the decentralization of tactical missile maintenance and then later “approve “ the Army plan to consolidate at Tobyhanna?

Did the JCSG consider the centralization of tactical missile maintenance at Hill Air Force Base? If so, what were the findings?

Was Anniston considered for missile maintenance consolidation?

Mr. Klugh, we understand the Joint Cross Service Group for Depot Maintenance looked at alternatives for accommodating tactical missile maintenance at three sites -- Barstow, Hill, and Anniston-- if Letterkenny were approved for closure. In your view what are the advantages and disadvantage of consolidating like workloads at one single location versus the three locations suggested by your joint group? Do you believe the Army’s proposal to transfer guidance and control work to Tobyhanna, and leaving the ammunition and missile storage mission at Letterkenny is the best alternative? If not, why not?

TOBYHANNA AND LETTERKENNY

General Shane, the Army studied two ground vehicle depots for possible closure. Tobyhanna Army Depot was not studied for closure because it was considered a unique, one of a kind, depot for the repair of electronics components.

Did the Army look at possibly closing Tobyhanna Army Depot and transferring the electronics workload to Letterkenny, a facility that is partly focused on electronics and partly focused on ground vehicle maintenance? In terms of buildings and acres, Letterkenny is a considerably larger depot.

Did the Army consider the cost benefits of moving the missile guidance and control workload to Tobyhanna, vice Letterkenny as originally envisioned by the 1993 BRAC? Implementation of DOD's recommendation would likely require added costs to transport guidance and control sections between Letterkenny and Tobyhanna. Were these costs included in the Army's COBRA analysis? If yes, what is the estimated cost impact?

In determining military value, why did the Army place heavy emphasis on capacity, which is based on the number of work stations to produce a particular workload, and relatively less emphasis on building square footage and expandable acreage?

The Army plans to transfer ground vehicle workload from Letterkenny to Anniston, but none of the personnel authorizations would be realigned. How can this work be accomplished at Anniston, with no additional people?

Were other options considered as an alternative to the Letterkenny / Tobyhanna scenario recommended by DOD? For example, did the Army look at sending all of the tactical missile storage and maintenance workload to Hill Air Force Base and sending the residual conventional ammunition storage mission to other DOD storage locations. This would result in a total base closure, rather than a partial realignment.

General Shane, did the Army look at moving the Tobyhanna Depot to Letterkenny? If so, what were the results? Do you believe this would be a good idea?

JACKSONVILLE

Mr. Klugh, your Cross Service team recommended the closure of Jacksonville Navy Aviation Depot. Where was their engine work to be done under your proposal?

Do you still support this proposed alternative?

Document Separator

General Lead-in question

Mr. Klugh:

Please explain, in general terms, the Joint Cross Service Group study of depot maintenance.

We understand capacity was one of the most significant features of your study.

- **Please describe in percentage terms, current excess capacity**
- **What is the excess capacity by Service and by depot?**

What is the impact of DoD's BRAC recommendations on excess capacity?

What would have been the impact on excess capacity if the Joint Cross Service alternatives had been accepted?

The Air Force's elimination of excess capacity requires reengineering of the core workload. What would Air Force's excess capacity be if the reengineering can not be accomplished?

Mr. Klugh:

Please describe the concept of "maximum potential capacity".

Does maximum potential capacity require a second shift or military construction expenditures?

Mr. Klugh:

Describe how your Joint Cross Service Group assigned functional values?

When assigning workload, how did the functional value scores impact the positioning of workload?

Please describe the “centers of excellence concept”.

Explain 8 JCSG proposals

Mr. Klugh:

(R&A chart - chart # X)

Based on extensive study, the joint Cross Service Group indicated that 5 to 8 maintenance depots could be closed. This table lists the depots proposed for closure. Please explain the basis for these proposals.

What was the basis for the alternatives to close depots at Kelly and McClellan and Jacksonville, in the fixed wing aircraft area?

Did any of your analysis point to the need to close Cherry Point, Hill, Tinker, Warner Robins or North Island?

Mr. Klugh:

In your view, what were the short falls of the process that permitted the Services to disregard the Joint Cross Service analysis and options?

Mr. Klugh:

If you were responsible for submitting a recommendation to the Defense Base Closure and Realignment Commission for removal of Navy and Air Force fixed wing aircraft maintenance depot infrastructure, would your recommendation be to close or downsize? Would you recommend interservicing?

Mr. Klugh:

What does the DoD BRAC recommendation do to your ability to interService depot maintenance work in the future?

Cost Issue

Mr. Klugh:

What is your estimate of the percentage of personnel that would move upon the closure of a depot?

Is there a difference in the number of people that would move under a downsizing versus closure?

Why use BRAC process

General Blume:

The Air Force's recommendation to downsize Air Logistics Centers is a continuation of downsizing actions which have been occurring over the past decade.

(Chart of Air Force quote- chart # X)

2 *BRAC chart*

The Air Force has consolidated workload to the "maximum extent possible", what additional workload consolidation is done by the BRAC process?

General Blume:

The downsizing of ALCs would not breach the BRAC thresholds if actions were to be evenly phased over the next several years. Why did the Air Force choose to use the BRAC process and subject itself to the scrutiny of the Commission, if it could independently accomplish the same result?

(Chart - R&A history of depot closures)

3

General Blume:

Never in the history of BRAC has the DoD recommended downsizing in place of a depot. Why was it not recommended to earlier Commissions?

Have you determined that the law allows BRAC funds to be expended to mothball and demolish depot space?

Blume:

Have you furnished all data used in your analysis to the Commission?

Blume:

Did you use AFMC 21 Study or any Air Force Technology Review Concept (TRC) studies data in your analysis?

Reengineering

Blume:

The Air Force's BRAC recommendation to downsize all ALCs in place requires reengineering of workload to achieve a 15% productivity savings.

Was this based on certified data from the performing organizations?

Do your site surveys confirm this 15% productivity savings is achievable?

If the answer is yes then Commissioner Steele or Davis could ask:

General Blume:

Why was I told by Tinker and Robins that the 15 % productivity improvement is not achievable?

If had to close 2

④

(chart from SecAF hearing -Chart # X)

General Blume:

When the Secretary of the Air Force testified before the Defense Base Closure and realignment Commission, she showed a chart which compared the cost of downsizing two depots to the cost of closing two depots. Which two depots were represented on that chart?

The Secretary of the Air Force testified to the fact that Air Force depot capacity levels indicate that the need to close 1.5 -2 depots. As we know, the Air Force has determined that it is more cost effective to eliminate two “depot equivalents” through downsizing rather than two bases. The Commission staff will be investigating the Air Force’s cost to close calculations.

If the Air Force were to close one or two depots, which would they be and why?

Why not McClellan

General Blume:

Two years ago, the Deputy Assistant Secretary of the Air Force for installations testified to the Commission that “...if the Commission chooses to recommend a closure of a major Air Force depot this year, it should be McClellan. Not only can closure be accommodated within the DoD cost and payback guidelines, but it was also the lowest ranked of the five major depot bases.”

If McClellan’s cost to close was not prohibitive in 1993, why is it prohibitive in 1995 when cost to close is calculated to be lower than it was in 1993?

Mothballing and demolition

General Blume:

The Air Force's BRAC submission will eliminate 13.2 million hours of capacity, but will not eliminate or consolidate overhead structures and therefore overhead costs of the depots.

The BRAC submission equates to knocking down bedrooms and locking others when the kids go off to college, rather than moving into a smaller house.

What are the costs of demolishing 2.8 million square feet of depot space? What are the savings? How do savings accrue from mothballing depot space?

General Shane:

Did the Army consider downsizing depots? If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Navy:

Did the Navy consider downsizing maintenance facilities rather than closures? If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Overhead costs

5

(R&A chart - chart #X)

General Blume:

The Air Force BRAC recommendation will not cut overhead of depots proportionately with reductions in capability. The increasing proportional size of overhead will result in increased depot labor hour costs; for example the labor hour rate will increase \$6 per hour at the Tinker depot. In addition to the BRAC proposals to downsizing in place, mothballing and demolition of depot space; will the Air Force take any steps to reduce depot overhead to make the depot system more efficient?

Wouldn't the American citizen be better served with the elimination of at least proportional overhead and administrative costs when eliminating industrial capability? In other words, cutting the fat and muscle proportionately.

Navy:

The Navy has had considerable experience closing aviation depots. How have the closures of Naval Aviation depots impacted the proportion of overhead vs. operating costs?

Impact of Military value

6

(Chart from AF BRAC justification -chart #X)

General Blume:

Military value is the most important criteria to be considered when sizing the DoD infrastructure through the base closure process. The Air Force has translated military value into a tiering system. This chart shows the tiering of depot installations and depots. Please explain how these tiers were derived.

What was the basis for assigning Kelly and McClellan Air Forces Bases to tier 3?

What was the basis for assigning the depot at Kelly to tier 3?

The BCEG minutes indicate that the Air Force was studying the closure of Kelly and McClellan for 11 months. Were military values a significant basis for studying Kelly and McClellan as closure candidates?

How did the low military values of Kelly and McClellan impact the Air Force's final base closure recommendations?

The Air Force's BRAC recommendation would result in a Tier 3 depot (lowest ranking) receiving workload from tier 1 depots (highest ranking) and would eliminate significantly more positions from the tier 1 bases than from tier 3 bases. Why?

(R&A chart -chart #X)



General Blume:

This chart shows a stacked bar which reflects each of the Air Force depots' maximum potential capacity. The Depots are stacked according to installation military value or "tier". The chart demonstrates that the Air Force's depot workload could be performed by tier 1 and 2 installations.

Wouldn't military value be optimized by consolidating workload at the tier 1 bases?

2a of 8b

Cost to Close

(chart from AF BRAC justification -chart #X)

General Blume:

The Air Force's 1995 Base Closure documentation included estimates of the cost to close each of the five depot installations. We note that the costs to close Kelly and McClellan were significantly less than the closure costs for the three other installations. Were the costs-to-close a significant basis for studying Kelly and McClellan as closure candidates?

9

General Blume:

(R&A chart -chart #X)

Mrs. Widnall testified that a depot closure is prohibitively expensive. We note that the COBRA models that Air Force generated show significantly greater costs-to-close and significantly smaller savings that the COBRAs generated by the other Services.

One of the biggest cost drivers are moving costs. Personnel moving cost of \$300 million is driven by movement of 26,000 employees. We understand that there are standard factors which are applied against positions slated for movement. However, each Service made different assumptions on the number of positions to be transferred versus eliminated. Could you comment on the need to realign 26,000 personnel under the dual closure option. It appears that the Air Force assumed that there would be no synergies and efficiencies from consolidating work to fewer sites. Please explain.

Does it seem logical to transfer 90% of the Air Force personnel under the closure scenario vs. retrain 85% under the downsize option?

The Air Force's dual depot closure COBRAs smoothly phases the workforce to be transferred between 1996 and 2001. Why were the positions to be eliminated carried until 2001 and eliminated all at once in that year?

Navy:

Navy COBRA data indicates that the closure of Long Beach results in relatively far fewer realignments of personnel than do Air Force closure options.

Were your assumptions based on the experience that the Navy has had with closing maintenance activities? Please explain the assumptions that drive the number of billets eliminated versus moved.

General Shane:

Please explain the Army's assumptions which drive the numbers of positions which will be moved versus realigned.

General Blume:

The Air Force COBRAs for dual closure reflect \$55 million to construct administrative space and \$89 million for purchase of new equipment. Why would it be necessary to expend BRAC funds for new equipment and administrative space?

Real Property Maintenance Costs

General Blume:

Annual maintenance costs vary considerably among the depot installations ranging from a high of \$17 million at Kelly to a low of \$4 million at Tinker.

How were real property maintenance costs factored into the options to downsize vs. close?

Why does the Air Force assume that all real property maintenance savings from the closure of an installation will become a cost at a gaining installation?

Inter vs. intra Servicing

General Blume:

Why did the Air Force choose not to use the workload migration options of the Joint Cross Service Group? The Cross Service Group looked at interService workload migrations, however, when considering closures the Air Force assumed that all workload would stay in-house.

Missiles

Mr. Klugh:

Why did the JCSG initially recommend the decentralization of tactical missile maintenance and then later “approve “ the Army plan to consolidate at Tobyhanna?

Mr. Klugh:

Part of Navy's rationale for retaining Portsmouth NSY is its east coast location. In moving shipyard work, did the JCSG account for the benefit of east coast/ west coast capabilities?

Did the JCSG take dry-dock capabilities / capacity into account?

ALC Questions on Depots

General, with regard to the Air Force's depot downsize proposal, our quick review of statistical back-up documentation reveals several conflicting pieces of information. We are having difficulty determining which of the several back-up source documents are correct. The Secretary's recommendation shows receiving, but not losing locations. Correspondance to Commission staff from Air Force headquarters provides a list of workload transfers into and out of each ALC. Still another piece of correspondence from AFMC headquarters to the effected ALC's provides another set of workload transfer options. In order for us to make an accurate assessment of your proposal we need to know exactly what the Air Force is planning. To illustrate our frustrations, I want to ask several questions about workload and personnel shifts into and out of TINKER AFB.

workload in

First, lets look at the sites that will be receiving new workload as a result of your downsize-in-place recommendation. The Secretary's list indicates that Tinker AFB will be receiving work in the machine manufacturing, airborne electronics, airborne electronics software, and plating areas. A memo from Air Force headquarters answering questions posed by Commission staff, indicates that Tinker will be receiving work in the only the machine manufacturing and plating areas. Yet another piece of correspondence from AFMC headquarters to the affected ALC,s dated March 9,1995 indicates that Tinker will be receiving work in only the machine manufacturing area. General, could you please tell us which piece of documentation is correct?

workload out

Now lets look at the workload that is forecast to leave Tinker under the downsize proposal. First, the Secretary's report makes no mention workloads that will transferred from Tinker. Information provided to the staff, in response to their request, reflects that Tinker will be losing 280,000 hours of instrument work. Why does your proposal take work from tier I and tier II base and assign it to a tier III base? A review of documentation supporting a recently completed TRC consolidation study indicates that in terms of one-time implementation costs and overall return on investment transferring instrument work to McClellan Air Force Base was one of least cost effective choices.. Why didn't the Air Force select a more cost effective option? Did the Air Force intentionally look at ways to backload work into McClellan?

Personnel slots eliminated

The Secretary's report clearly shows that Tinker will losing 1180 direct jobs. Back-up to the COBRA indicates that Tinker will be losing 999 personnel slots. The memorandum to the ALC's from AFMC headquarters dated March 9, 1995 advises that Tinker will be losing 693 personnel slots as a result of the downsize initiative. Tinker officials think they should be losing no more than 651 slots based on the workload that they would be transferring other locations. General, could you please advise us what the correct

numbers should be and also what effect the smaller number of personnel eliminations would have on the costs and benefits of your downsize-in-place proposal?

Square footage of buildings to be mothballed or demolished

Again, we are having extreme difficulty trying to get the numbers to track. The COBRA analysis on which your downsize proposal is based, shows that Tinker will mothball 702,000 square of space and that 304,000 square feet of infrastructure will be demolished. Our visit to the installation indicates that the installation has identified space totaling 411,000 square for mothballing and 499,000 square feet for building demolition. Of this amount more than 400,000 square was planned and programmed for demolition prior to BRAC. General, could please explain what accounts for these differences? Why are you claiming BRAC savings for demolition projects that were previously planned? Do similar situations at the other ALC's? How does the mothballing and demolition of buildings save money over the long run? Don't you continue to incur unneeded overhead costs to maintain mothballed workspace, especially in areas where only portions of buildings or sections of bays are closed off?

(V)

1995 MAINTENANCE DEPOT CLOSURE AND REALIGNMENT ALTERNATIVES

Category	DoD	Cross-Service 1	Cross-Service 2
Army Depots	(C) Red River (R) Letterkenny	(C) Red River (C) Letterkenny	(C) Red River (C) Letterkenny
Navy Shipyards	(C) Long Beach	(C) Portsmouth (C) Pearl Harbor	*(C) Long Beach *(C) Portsmouth *(C) Pearl Harbor
Navy Aviation Depots		(C) Jacksonville	(C) Jacksonville
Navy Weapon Center	(C) Crane-Louisville (R) Keyport	(C) Crane-Louisville (C) Keyport	** (C) Crane-Louisville ** (C) Keyport
Air Force Aviation	(R) San Antonio (R) Sacramento (R) Ogden (R) Warner Robins (R) Ok City	(C) San Antonio	(C) San Antonio (C) Sacramento

C = CLOSURE

R = REALIGN

* = CLOSE any 2 of 3

** = CLOSE any 1 of 2

CATEGORY	ACTIVITY	1988	BRAC 1991	1993	1995
Army Depots	Anniston				
	Corpus Christi				
	Lexington-Bluegrass	X			
	Letterkenny				X
	Pueblo	X			
	Red River				X
	Sacramento		X		
	Tobyhanna Tooele			X	
Navy Air Depots	Alameda			X	
	Cherry Point				
	Jacksonville				
	Norfolk			X	
	North Island				
	Pensacola			X	
Navy Warfare Center	Crane				X
	Crane-Louisville				X
	Keyport				
Marine Corps Depot	Albany				
	Barstow				
Navy Shipyard	Portsmouth				
	Philadelphia		X		
	Norfolk				
	Charleston			X	
	Puget Sound				
	Mare Island			X	
	Long Beach				X
	Pearl Harbor				
Air Force Logistics Center	Oklahoma City				XD
	Ogden				XD
	San Antonio				XD
	Sacramento				XD
	Warner Robins				XD
Other Air Force Depots	Guidance & Metrology			XP	
	Maint & Regeneration				

X = depot closure
 D = down size

Air Force Depot Proposal

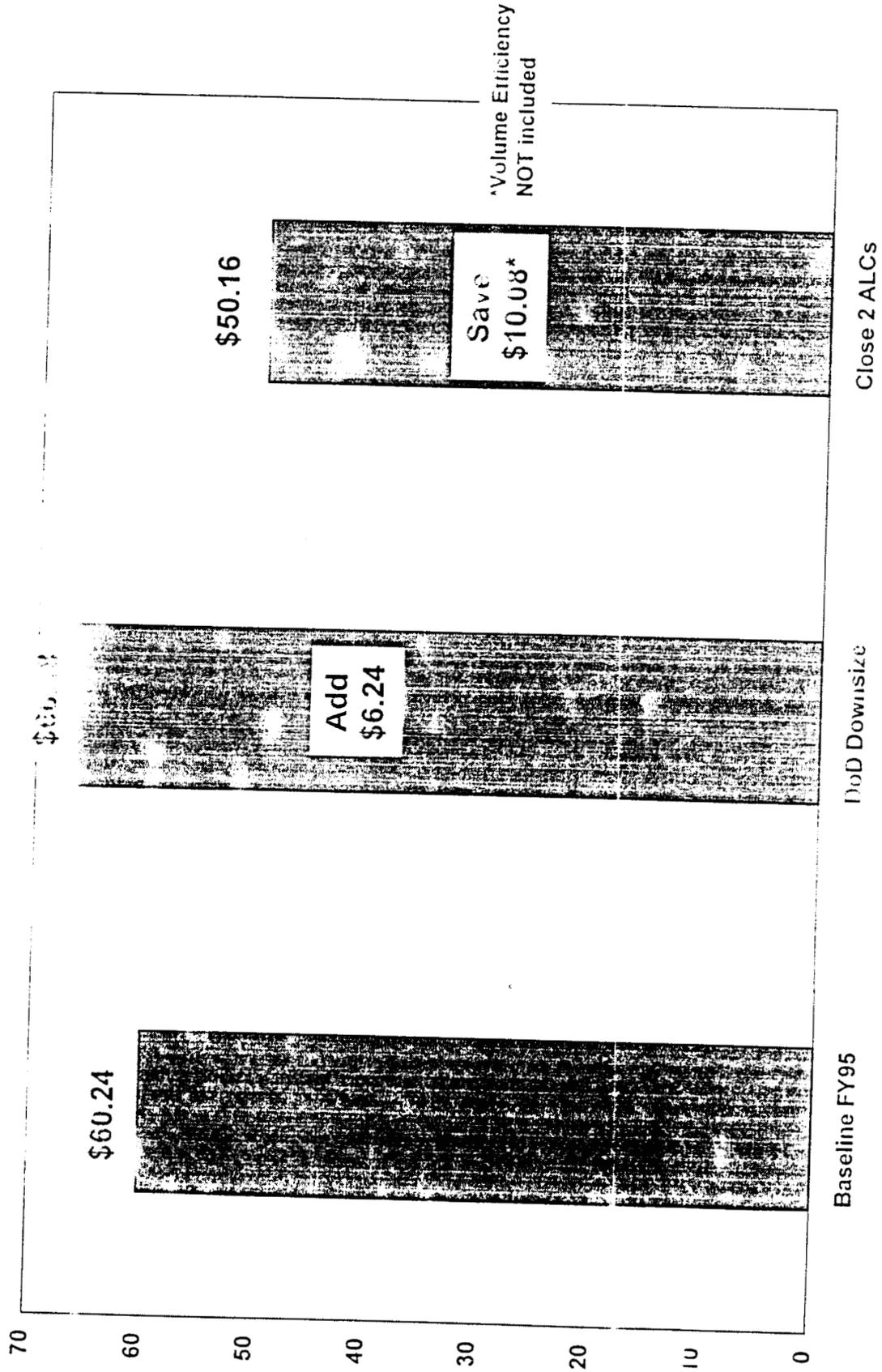


Cost Implications (\$ Millions)

Consolidate at All Depots	FY96-01 Net		Annual Savings	Total Savings*
	One-Time Costs	Costs (Savings)		
RAC ACTIONS	183	(139)	89	991
NON-BRAC ACTIONS	35	(488)	146	1,875
ALL ACTIONS	218	(627)	235	2,866
Alternative - Close 2 Depots (+\$600 Million Env)	1,107	(363)	161	699

* Savings in 20 year net present value

Effect of Workload Volume on Depot Maintenance Hourly Rate at Tinker AFB



UNCLASSIFIED

(6)

INDUSTRIAL/TECHNICAL SUPPORT - DEPOT Subcategory

TIERING OF BASES

As an intermediate step in the Air Force Process, the BCFG members established the following tiering of bases based on the relative merit of bases within the subcategory as measured using the eight selection criteria. Tier I represents the highest relative merit,

TIER I

Hill AFB

Tinker AFB

TIER II

Robins AFB

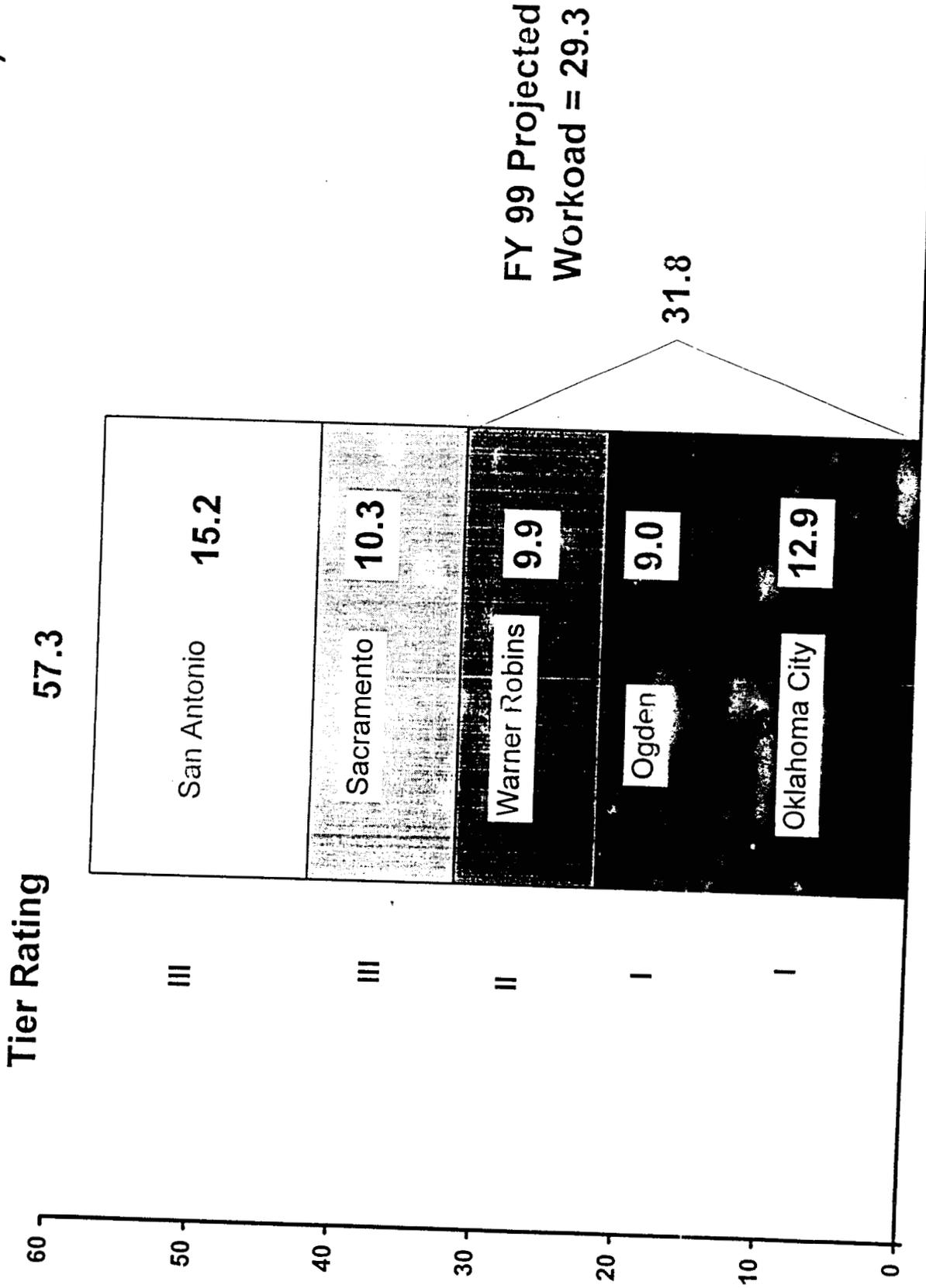
TIER III

Kelly AFB

McClellan AFB

UNCLASSIFIED

**Air Force Certified Maximum Potential Capacity (Single Shift)
Reported to Joint Cross Service Group (Million Hrs)**



UNCLASSIFIED

INDUSTRIAL/TECHNICAL SUPPORT - DEPOT Subcategory

IV/V Cost and Manpower Implications/Return on Investment

One Time Costs (Closing)

20 Year Net Present Value

Steady State Savings

Manpower Savings

Return On Investment

Base Name	IV.1	IV.2	Steady State Savings	Manpower Savings	V
Hill AFB	1409	514	70	1450	30
Kelly AFB	653	-180	70	1492	10
McClellan AFB	514	-607	96	1756	5
Robins AFB	1011	133	75	1744	18
Tinker AFB	1312	633	56	1393	42

UNCLASSIFIED

UNCLASSIFIED

8 P.

INDUSTRIAL/TECHNICAL SUPPORT - DEPOT Subcategory

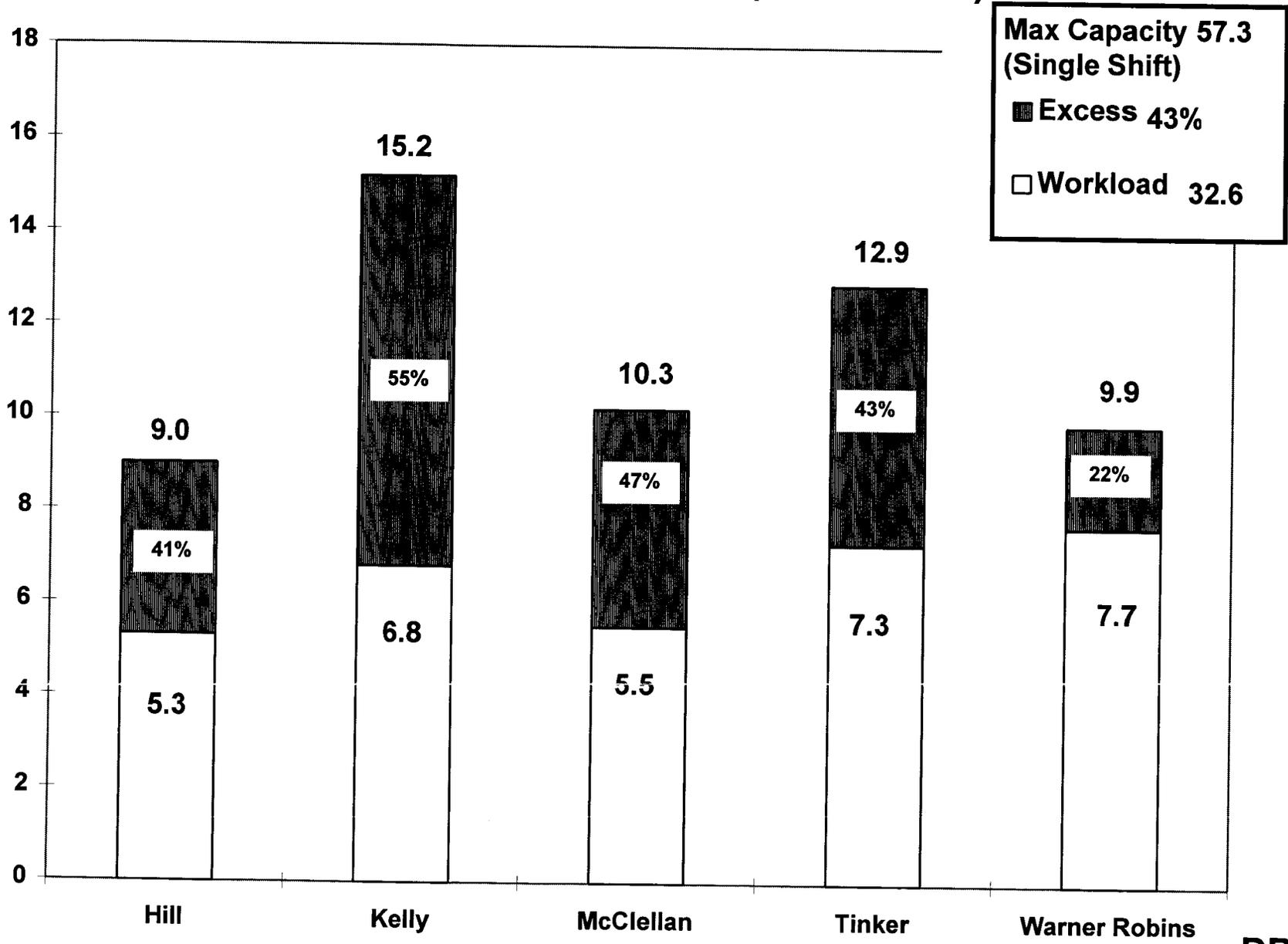
OVERALL

Overall Mission Requirements
 Facilities and Infrastructure
 Contingency and Mobility
 Costs and Manpower Implications
 Return on Investment
 Economic Impact
 Community
 Environmental Impact

Base Name	I	II	III	IV	V	VI	VII	VIII
Hill AFB	Green -	Yellow +	Green -	1,409/ 514	30	31,908 (4.8%)*	Green -	Yellow +
Kelly AFB	Yellow	Green -	Yellow +	653/-180	10	43,136 (5.9%)*	Green -	Red +
McClellan AFB	Yellow +	Yellow +	Yellow +	514/-607	5	32,772 (4.3%)*	Yellow	Yellow +
Robins AFB	Green -	Green -	Green	1,011/ 133	18	31,103 (19.7%)*	Green -	Yellow +
Tinker AFB	Yellow +	Green	Green	1,312/ 633	42	47,733 (8.2%)*	Green -	Yellow +

UNCLASSIFIED

Depot Maintenance Maximum Capacity (Single Shift) vs. Current Workload (MiL. Hours)



DRAFT JOINT CROSS SERVICE GROUP (DEPOTS) QUESTIONS ON
NEWARK AFB

1. General Blume, In December, 1994, GAO issued a report concerning the Newark Air Force Base Aerospace Guidance and Metrology Center. Because of the high projected cost, the report challenged the Air Force attempts to privatize the Center's workload in place and recommended the Secretaries of Defense and Air Force reevaluate the 1993 Base Closure Commission recommendation to close the Center and move the workload to other depots and to the private sector. How did the Air Force respond to this report? As a result of this report has the Air Force changed any of its plans in dealing with Newark Air Force Base? Has the Air Force reevaluated the cost associated with privatizing in place the Center?

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Document Separator

DRAFT

APRIL 9, 1995

LABORATORY HEARING QUESTIONS

Dr. Jones:

Please explain in general terms, the Laboratory Joint Cross Service Group's study which you chaired.

Do you believe the decision to split research and development activities from test and evaluation activities precluded elimination of excess laboratory capacity/infrastructure?

We understand your initial methodology did not identify total excess capacity or significant potential candidates for closure and/or realignment. Please briefly explain this and how you revised your methodology to arrive at your proposed major alternatives.

What is the impact of DoD's 1995 BRAC recommendations on the excess laboratory capacity?

What would have been the impact on excess laboratory capacity if the joint cross service group's alternatives had been accepted?

Dr. Jones:

(R&A chart - chart # 1)

Based on extensive study, your joint cross service group identified priority alternatives for Service consolidation in four areas. Please explain the basis for these alternatives.

Dr. Jones:

(R&A chart # 2)

Does this chart accurately describe the results of the Services' recommended laboratory closures and/or realignments?

In your view, what were the deficiencies in the process that allowed the Services to disregard the joint cross-service analyses and suggested alternatives for laboratory closures and/or realignments?

Dr. Jones:

In your view, by not accepting the proposed alternatives of the joint cross service group, did the Services miss a “golden opportunity” to eliminate excess laboratory capacity and cross-service their future science and technology work?

In sum, you wrote: “If we are to achieve desired results it appears that we have a system in which only a heavier handed instrument will suffice” Please explain this comment in more detail.

In your view, should this Commission be the “heavier handed instrument” to recommend additional cross servicing in DoD’s laboratory system, along the lines of your proposed alternatives?

Dr. Jones:

(R&A chart - chart # 3)

This chart shows that DoD’s only recommended laboratory closure and/or realignment involving cross-servicing is to close the Air Force’s Rome Laboratory and realign its functions at Fort Monmouth, New York, and Hanscom Air Force Base, Massachusetts. According to the Air Force’s justification: “The Laboratory Joint Cross Service Group analysis recommended the Air Force consider the closure of Rome Laboratory.

Please explain your group’s proposed alternatives for cross service collocation of common Command, Control, Communications, Computers, and Intelligence (C4I) activities, including the context in which your group viewed the closure and realignment of Rome Lab.

Dr. Jones:

(Rome Lab chart - chart # 4)

Did the Laboratory Joint Cross Service Group envision that the Air Force would recommend closing Rome Laboratory and realigning its C4I functions to two separate locations rather than realigning its functions to either Fort Monmouth or Hanscom Air Force Base?

Dr. Jones, as you know, Rome is one of the Air Force’s four finest laboratories, called Tier I laboratories. As Director of Defense Research and Engineering, are you concerned that closing the lab and moving some of its C4I functions to Fort Monmouth and others to Hanscom Air Force Base will have a major impact on the lab’s ability to conduct its current and further work?

Please explain the importance of C4I research, development, and acquisition to the Services and DoD, especially in light of the declining defense budget. Isn’t this one of the most important areas where future budgets are being increased rather than cut?

What is Rome Laboratory’s importance to this work?

In your view does it make sense to split Rome Lab's functions between two military installations?

Dr. Jones:

The Army is planning to locate the functions and personnel positions from Rome Laboratory into facilities at Fort Monmouth's Meyer Center currently occupied by the Electronic Technology Device Laboratory which is moving to Adelphi, Maryland, as the result of a 1991 BRAC decision to consolidate Army laboratories. Does it make sense from a joint cross servicing perspective to move the Army's lab from Fort Monmouth which performs C4I functions, including DoD's flat screen display science and technology work, to Adelphi at the time Rome Laboratory's related C4I functions are to move to Fort Monmouth?

Two 1994 DoD Office of the Inspector General's reports estimated that DoD could save a significant portion of \$466 million in prior BRAC military construction and equipment funds planned for Army and Navy laboratories by utilizing existing Air Force laboratory space and equipment. It's our understanding that you and the Services disagreed with the Inspector General. However, the DoD comptroller stated that a temporary withhold had been placed on the military construction funds and suggested that BRAC 95 would provide an appropriate opportunity to restudy the issues. What is the status of the withhold of these funds and has your position on this matter changed from a jointness perspective?

General Shane:

On what basis did the Army not accept the Laboratory Joint Cross Service Group's four priority alternatives?

From a jointness perspective, does it make sense to move the Army's Electronics Technology Device Laboratory which currently performs C4I functions at Fort Monmouth to Adelphi, Maryland, while moving some of Rome Laboratory's C4I functions to Fort Monmouth?

Mr. Pirie:

On what basis did the Navy not accept the Laboratory Joint Cross Service Group's four priority alternatives?

Why did the Navy choose not to realign C4I functions of its Space and Naval Warfare Systems Command to Fort Monmouth or to Hanscom Air Force Base as suggested by the Laboratory Joint Cross Service Group?

General Blume:

On what basis did the Air Force not accept the Laboratory Joint Cross Service Group's four priority alternatives?

Did anyone from the Air Force involved in the decision to close Rome Laboratory and realign its functions to Fort Monmouth and Hanscom Air Force Base visit the lab before the recommendation to (1) discuss these actions with the laboratory's managers, (2) to evaluate the impact of these actions on the lab's current and future C4I work, (3) determine the Lab's requirements at the new locations, and (4) determine what had to be moved to the new location and at what cost?

General Blume:

In lieu of these actions before the recommendation was made, how did the Air Force determine the cost and savings of the Rome Laboratory recommendation?

Commission analysts have determined that the Air Force's cost and savings associated with this recommendation are highly suspect since significant moving and communications costs were not included in the Cost of the Base Realignment Actions (COBRA) for Rome Laboratory. What is the Air Force doing to determine Rome's requirements and costs and to redo its COBRA analysis? When will the revised COBRA be made available to the Commission?

C. HART 1

**DOD LABORATORY JOINT CROSS SERVICE GROUP
PRIORITY ALTERNATIVES FOR SERVICE CONSIDERATION**

**THE DOD LABORATORY JOINT CROSS SERVICE GROUP IDENTIFIED FOUR PRIORITY ALTERNATIVES FOR
SERVICE CONSIDERATION:**

- CONSOLIDATE MOST COMMAND, CONTROL, COMMUNICATIONS, COMPUTERS, AND
INTELLIGENCE (C4I) ACQUISITION AND R&D AT FORT MONMOUTH, NJ.**
- CONSOLIDATE AIR LAUNCHED WEAPONS' RDT&E AT NAVAL AIR WARFARE CENTER, CHINA
LAKE, CA.**
- CONSOLIDATE EXPLOSIVES AT ARMAMENT RESEARCH DEVELOPMENT ENGINEERING
CENTER, PICATINNY ARSENAL, NJ., AND AT NAVAL AIR WEAPONS CENTER, CHINA LAKE.**
- CONSOLIDATE PROPELLANTS AT NAVAL AIR WARFARE CENTER, CHINA LAKE.**

DOD LABORATORY JOINT CROSS SERVICE GROUP

RESULTS

“THE FINAL RESULTS ARE DISAPPOINTING AND UNBALANCED. CROSS-SERVICING IS MINOR AT BEST”

(DR. ANITA K. JONES, GROUP CHAIR AND DIRECTOR DEFENSE RESEARCH AND ENGINEERING)

NAVY:

- **ELIMINATED A SIGNIFICANT NUMBER OF LABS (14)**
- **MOVED SPACE AND NAVAL WARFARE (C4I) TO SAN DIEGO INSTEAD OF FORT MONMOUTH.**
- **MAINTAINED EXPLOSIVES FACILITY AT INDIAN HEAD.**

AIR FORCE:

- **REALIGNED C4I WITHIN ITS OWN INFRASTRUCTURE BY CLOSING ROME LAB AND MOVING A SMALL CONTINGENT TO FORT MONMOUTH AND THE REST TO HANSCOM AFB.**
- **DID NOT CONSOLIDATE AIR-LAUNCHED WEAPONS OR PROPELLANTS.**
- **REVERSED A PREVIOUS BRAC DECISION TO CLOSE WILLIAMS AFB, AND MOVE ITS AIRCREW TRAINING LAB FUNCTIONS TO ORLANDO, FL.**

ARMY:

- **CLOSED ONE LAB, REALIGNING ITS FUNCTIONS INTERNALLY.**
- **CHOSE NOT TO MOVE ITS PROPELLANT WORK TO NAVAL AIR WARFARE CENTER CHINA LAKE.**

ROME LABORATORY

DOD RECOMMENDATION

- CLOSE THE ROME LABORATORY. LABORATORY ACTIVITIES WILL RELOCATE TO FORT MONMOUTH, NEW JERSEY, AND HANSCOM AIR FORCE BASE, MASSACHUSETTS.
- PHOTONICS ELECTROMAGNETIC AND RELIABILITY (EXCEPT TEST SITE OPERATIONS AND MAINTENANCE OPERATIONS), COMPUTER SYSTEMS, RADIO COMMUNICATIONS AND COMMUNICATIONS NETWORK ACTIVITIES WITH THEIR SHARE OF ROME LAB STAFF ACTIVITIES, WILL RELOCATE TO FORT MONMOUTH.
- SURVEILLANCE, INTELLIGENCE AND RECONNAISSANCE SOFTWARE, TECHNOLOGY, ADVANCED C2 CONCEPTS AND SPACE COMMUNICATIONS ACTIVITIES, WITH THEIR SHARE OF ROME LAB STAFF ACTIVITIES, WILL RELOCATE TO HANSCOM AIR FORCE BASE.
- TEST SITE (E.G., STOCKBRIDGE AND NEWPORT) OPERATIONS AND MAINTENANCE OPERATIONS WILL REMAIN AT ITS PRESENT LOCATION BUT WILL REPORT TO HANSCOM AIR FORCE BASE.

The Proposed Relocation

Current Directorates

Intelligence & Reconnaissance
Command, Control, & Communications
Electromagnetics & Reliability
Surveillance & Photonics

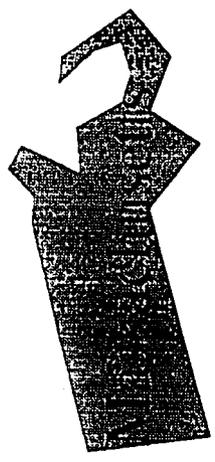


Proposed Thrust

Electromagnetics & Reliability
Total of 77 Positions

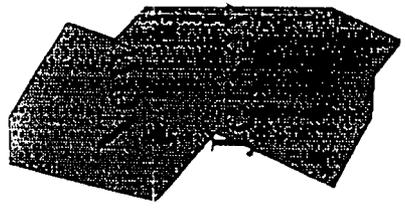
Proposed Thrust

Electromagnetics
Intelligence
Surveillance
Software Technology
Command and Control
Space Communications
Total of 595 Positions



Proposed Thrust

EM/Reliability
Photonics
Computer Systems
Comm Networks
Radio Comm
Total of 283 Positions



DEFENSE BASE CLOSURE AND REALIGNMENT
COMMISSION
DAILY NEWS SUMMARY

March 28, 1995

**TO: SENATOR DIXON, AL CORNELLA, REBECCA G. COX,
GENERAL J.B. DAVIS, S. LEE KLING, BENJAMIN F. MONTOYA,
JOE ROBLES, WENDI L. STEELE**

**DAVID LYLES, CHARLIE SMITH, WADE NELSON,
MADELYN CREEDON, CHUCK PIZER, CECE CARMAN,
BEN BORDEN, JIM SCHUFREIDER, CHIP WALGREN**

21ST STORY of Level 1 printed in FULL format.

Copyright 1995 The Post and Courier (Charleston, SC)
The Post and Courier (Charleston, SC)

March 25, 1995, Saturday, SATURDAY EDITION

SECTION: A, Pg. 15

LENGTH: 605 words

HEADLINE: 10-minute base talk prepared;

BRAC MEETING: South Carolina must tell the 1995 federal base closure committee why Charleston should get the redirected Nuclear Power Training Command.

BYLINE: TERRY JOYCE; Of The Post and Courier

BODY:

South Carolina will have 10 minutes next month to tell the 1995 base closures commission why the Pentagon made some excellent choices when it decided recently to beef up the state's military population.

"We're working up a letter which Gov. (David) Beasley and the state's congressional delegation will sign," saying why South Carolina deserves a military windfall, Beasley spokeswoman Ginny Wolfe said.

At issue are what Wolfe called "redirects" - the realignment portion of the Defense Department's base closure process that should add 4,600 people, mostly military members, to bases in the state.

O.J. "Skip" Fink, a Beasley aide, will present the letter April 4 at a regional hearing of the Defense Base Closure and Realignment Commission in Birmingham, Ala.. That letter will tout the state's bases and urge the commission to leave the Pentagon's recommendations alone.

The Charleston Naval Weapons Station in Goose Creek figures to gain more than 2,700 sailors under the plan. That's because the Navy would be ordered to redirect its Nuclear Power Training Command this way, instead of sending it to New London, Conn.

The command is at the Navy's training center in Orlando, Fla. A decision two years ago to close that center remains unchanged, but the move isn't scheduled until 1998.

This year, the base closures commission plans 11 hearings in the United States and Guam, according to a prepared statement. The hearing in Birmingham will give representatives from Alabama, Mississippi, Tennessee, Florida, Georgia, Louisiana, Puerto Rico and South Carolina a chance to speak.

The time allotted varies from state to state depending on how many installations are affected and the number of civilian and military jobs lost in each state.

Alabama, which could lose more than 8,000 military and civilian employees, gets 65 minutes at the start of the day. South Carolina, which expects a net gain, will have 10 minutes at the end.

The Post and Courier (Charleston, SC), March 25, 1995

Wolfe said Fink will ask retired Vice Adm. Dave Emerson of Charleston to speak during the state's time slot.

"Charleston and the military have a very strong heritage, with ties running in both directions," Wolfe said. "Also, we'll ask (the commission) to recognize what the people there have already gone through."

The 1993 base closures commission agreed to close the Charleston Naval Base and shipyard. Recent figures show the anticipated job loss at about 20,000.

Contacted Friday, Emerson said he plans to mention some of the area's strong points as relate to the military as good reasons why the nuclear power school should come here. Items include:

Charleston Naval Hospital, which beat back an attempt at closure in 1993. The hospital soon will be staffed by Air Force as well as Navy personnel and still will have an estimated 66,000 beneficiaries after the naval base closes.

Charleston Air Force Base. The base is the only major airlift center on the East Coast close to a large military hospital. The proximity of the two facilities would be important in time of war.

NISE East. The Naval In Service Engineering center will have about 1,500 employees, mostly civilian, on board by 1999. NISE East is building a new headquarters at the south end of the weapons station.

Emerson said he also would point out the cost savings of shifting the move from Connecticut to South Carolina.

The extent to which the recommended shift will receive attention from leaders in Connecticut remained unclear. Base closures commission spokesman Wade Nelson said similar hearings would be conducted May 5 in New York City on affected bases in the Northeast.

LOAD-DATE-MDC: March 28, 1995

22ND STORY of Level 1 printed in FULL format.

Copyright 1995 Denver Publishing Company
Rocky Mountain News

March 25, 1995, Saturday

SECTION: NEWS/NATIONAL/INTERNATIONAL; Ed. F; Pg. 16A

LENGTH: 307 words

HEADLINE: Fitzsimons gets noticed by base panel
17% of all letters sent to closure commission concern medical center,
giving it No. 2 mail rank

BYLINE: John Brinkley; News Washington Bureau

DATELINE: WASHINGTON

BODY:

The base closure commission has received more mail about Fitzsimons Army Medical Center than about any other facility on the Pentagon's closure list except one, a commission spokesman said.

The commission has received 900 letters. Of those, 155 - or 17% - concerned Fitzsimons.

Only the Red River Army Depot in Texas was the subject of more letters, 189, said commission spokesman John Earnhardt.

There are 33 military bases and facilities on the closure list.

The Future of Fitzsimons Initiative, a citizens group that is lobbying to keep the hospital open, printed and distributed about 30,000 postcards.

The cards were given to military veterans and others interested in the hospital's future. They were to sign and return them to the lobbying group so the cards could be presented to the commission when it holds a hearing on Fitzsimons.

But many people instead mailed them to the commission in Washington.

Dave Pohlman, a co-chair of the Future of Fitzsimons Initiative, said the idea for the postcards arose from the notion that strong community opposition helped save Goodfellow Air Force Base in San Angelo, Texas, from closure in 1993.

The Pentagon in 1993 recommended - and the commission approved - the closure of Lowry Air Force Base in Aurora.

Lowry was one of the Air Force's two technical training bases, the other being Goodfellow.

LANGUAGE: English

LOAD-DATE-MDC: March 28, 1995

23RD STORY of Level 1 printed in FULL format.

Copyright 1995 Times Publishing Company
St. Petersburg Times

March 25, 1995, Saturday, City Edition

SECTION: TAMPA TODAY; LOCAL; Pg. 3B

DISTRIBUTION: TAMPA TODAY; TAMPA BAY AND STATE

LENGTH: 291 words

HEADLINE: Base commission officials scrutinize MacDill

BYLINE: J.T. WARD

DATELINE: TAMPA

BODY:

(ran S edition of tampa bay AND state)

The chairman of a military base closure commission refused to say Friday if he thinks a Defense Department proposal to transfer 12 KC-135 aerial refueling tankers and up to 700 personnel to MacDill Air Force Base is a good idea.

"That's like asking a judge what he's going to do on a case," said former U.S. Sen. Alan J. Dixon, now chairman of the Defense Base Closure and Realignment Commission.

Dixon and Rebecca G. Cox, a two-time commission member, toured MacDill early Friday, inspecting the base marina, communications center, flight line operations, commissary and post exchange complex and housing areas.

They also met with state and local officials, including Tampa Mayor Sandra Freedman, Mayor-elect Dick Greco and Gov. Lawton Chiles.

The Defense Department has recommended changes - from transferring units to outright closure - at more than 100 military bases across the nation. The eight-member commission has until July 1 to study the changes, make modifications and present the final list to Congress.

Dixon said each base will be evaluated on its importance to national security, its ecological history and impact, and the cost savings to be generated by the changes.

Officials from the 43rd Air Refueling Group - the unit recommended for transfer to MacDill from Malmstrom Air Force Base in Montana - and from the Air Mobility Command and Air Combat Command will visit MacDill next week to see if the former fighter base can accommodate the larger tanker aircraft and their crews.

Dixon said their findings would carry "great weight" when the full commission meets on April 4 to begin hearings on the base closures and realignments.

24TH STORY of Level 1 printed in FULL format.

Copyright 1995 The Tribune Co. Publishes The Tampa Tribune

The Tampa Tribune

March 25, 1995, Saturday, FINAL EDITION

SECTION: FLORIDA/METRO, Pg. 1

LENGTH: 557 words

HEADLINE: MacDill's past won't sway panel;
The decision to move tankers to Tampa will be based on the present, a board member said.

BYLINE: BRIAN EDWARDS; Tribune Staff Writer

DATELINE: TAMPA

BODY:

Past decisions to close MacDill Air Force Base won't matter when the base closure commission considers moving a dozen aerial refueling planes to the base, its chairman said Friday.

Alan Dixon, who chairs the Defense Base Closure and Realignment (BRAC) Commission, and commissioner Rebecca Cox toured the base Friday, meeting with community leaders and Gov. Lawton Chiles. After the tour, Dixon said decisions by previous commissions in 1991 and 1993 won't have any weight in this panel's deliberation.

"The question is, what's right now?" Dixon said in an interview with The Tampa Tribune. "What's happened in the past isn't significant."

Dixon and Cox probed base officials about the condition of the base's facilities, its intricate underground fueling system and the runway.

"Obviously the capacity is here for not only the recommended changes but a good deal more," said Dixon, a Democratic former senator from Illinois.

He was quick to point out that no decision has been made regarding the Pentagon's recommendation to move a dozen KC-135R Stratotankers from Malmstrom Air Force Base in Great Falls, Mont., to MacDill.

Chiles, who canceled his planned visit Thursday afternoon, changed his mind and flew to the base for a brief meeting with Dixon before going on to Lake Wales. Dixon and Chiles, who served in the U.S. Senate together, talked privately for about 10 minutes.

"He made the point about how important MacDill Air Force Base is to the state of Florida," said Col. Charlie Ohlinger, base commander. "The fact that the governor took the time to come here and speak for MacDill is certainly a plus."

Ohlinger showed Cox and Dixon numerous areas of the base including the refueling system tied directly into the runway and the base's five cavernous hangars, three of which are available. The refueling system can pump 600 gallons a minute straight from the base's 14 million gallon tank farm. That makes

The Tampa Tribune, March 25, 1995

MacDill a particularly good home for tankers, which can hold about 30,000 gallons of fuel, Ohlinger said.

About 30 officers will arrive at MacDill next week from Air Mobility and Air Combat commands to see what will be required to provide a home for the tanker unit, Ohlinger said.

MacDill was one of the first visits to more than 50 bases by commission members.

The Pentagon wanted to close the base completely in 1991, but changed its mind when it learned how much it would cost to move the two unified commands, U.S. Central Command and U.S. Special Operations Command.

In 1993, the commission transferred the airfield to the U.S. Commerce Department, which moved a squadron of weather planes to the base. Commerce never took it over because it didn't want to foot the entire bill. Last month, the Pentagon said the Air Force should just keep the airfield and bring in the tanker unit to make its operations more cost effective.

Commissioners will listen to Montana boosters March 31 at a public hearing there and listen to Florida's concerns April 4 in Birmingham, Ala.

The commission will come out with its own list by May 17 and then forward a final list to President Clinton by July 1. He'll forward it to Congress, which must vote the package up or down in its entirety.

Dixon said Friday morning he doubts the commission will add many bases onto the Pentagon's original list.

LOAD-DATE-MDC: March 27, 1995

25TH STORY of Level 1 printed in FULL format.

Copyright 1995 P.G. Publishing Co.
Pittsburgh Post-Gazette

March 23, 1995, Thursday, WEST EDITION

SECTION: METRO, Pg. W1

LENGTH: 802 words

HEADLINE: Efforts aloft to save reserve base

BYLINE: Judy Chestnutt, Post-Gazette Staff Writer

BODY:

The Air Force won't save nearly as much money as it thinks by closing the 911th Airlift Wing, a group organized by Gov. Ridge said Tuesday.

Richard Napoli, spokesman for The BRAC (Base Realignment and Closure Commission) Pennsylvania Action Committee, said in a press conference at the Moon Municipal Building that they believe the U.S. Air Force used incorrect figures to determine how much it costs to operate the reserve base.

Bill McQuade, spokesman for the local group trying to keep the base in Moon, said the Air Force might have included unrelated costs.

McQuade's group, which is called the Coalition to Preserve Military Presence in Western Pennsylvania, is being advised by the BRAC PAC, which is fighting the closing of all bases in the state.

The decision of which base must close comes down to dollars and cents, said McQuade, but from a military standpoint.

The positive economic impact on surrounding communities is a plus, but that is not the argument that will keep the base from closing, Napoli said.

The key is the military value, or cost efficiency, of the airlift wing.

McQuade said the Air Force reported the base operating support costs for the 911th as \$ 22.3 million, when the correct figure should be \$ 10.3 million.

Base operating support should include the cost of such things as office products, not the cost of airplanes or manpower -- which were included in the 911th's base operating support, McQuade contends.

'We don't think the same rules were used in all of the eight or nine bases,' said McQuade.

Air Force officials could not be reached for comment yesterday.

McQuade said the number of employees at the base in Youngstown might have been understated. The base in Youngstown is scheduled to remain open.

McQuade said the Youngstown unit was listed with only 175 employees, while the 911th was credited with 346.

Pittsburgh Post-Gazette, March 23, 1995

While he thinks the 346 is correct for the 911th, he said he thinks the Youngstown count makes the comparison less favorable for the 911th.

'It should be the same because it's a twin unit,' McQuade explained. 'That's a difference of 170 positions, which is worth \$ 7 million to \$ 10 million.'

Although Napoli declined to go into details, he said the data supplied by the U.S. Air Force was as much as 100 percent off.

Senior Superior Court Judge John Brosky, the leader of the Coalition to Preserve Military Presence in Western Pennsylvania, has asked Carnegie Mellon University to help to determine the correct figures.

'I don't think they have the numbers right, and we're not going to suffer because somebody made an error in the numbers they submitted,' said County Commissioner Tom Foerster.

Another aspect of the coalition's argument is that Pittsburgh has four runways compared to Youngstown's two.

And, the 911th has free use of the Pittsburgh International Airport -- a cost savings that wasn't properly accounted for, the group contended.

'We can operate any aircraft in the world. (Youngstown) is locked into what they've got. They've got no future,' said McQuade. 'They are building hangars in Youngstown, and they're going to close them down here. That doesn't make much sense.'

The 30 acres of land that the county offered the base in case of expansion was not included in the original assessment of its military value, said Foerster.

If the BRAC PAC succeeds in keeping the 911th open, it would need the additional acreage to accommodate the other bases that would consolidate into it.

'Expandability is part of the criteria of military value,' said Foerster. 'From what we understand, that was not included in the original assessment of military value.'

But the BRAC PAC advised Brosky's group to hire a consultant, which requires money they don't have, said McQuade.

'We're talking big dollars that we don't have right now,' said McQuade. 'If any big corporations are willing to help us, it would help.'

Moon has given the local group office space in its Public Safety Building to set up a command center. The office plans to open today, and office hours are scheduled for 9 a.m. to 9 p.m. weekdays.

Volunteers will be answering phones, researching and working on papers to present at the Regional Hearing in Baltimore May 4.

Pittsburgh Post-Gazette, March 23, 1995

After the hearings, the Base Realignment and Closure Commission, which recommends the closings, must agree to a list by July 1. The list goes to President Clinton and must be accepted or rejected in full.

If it is accepted, Congress gets the same limited vote.

'The whole idea is to save taxpayers' money. If they are just going to move around equipment and close one and open up another and spend additional money opening up another one, then where is the savings?' said Napoli.

'The fact is there probably is no savings.'

LOAD-DATE-MDC: March 27, 1995

The Baltimore Sun, March 25, 1995

spokeswoman Jill Bloom.

It was the second time in four months that Mrs. Snoops, 70, has been hospitalized. In December, she was admitted at Franklin Square Hospital Center in Rosedale, eastern Baltimore County, for an apparent respiratory problem.

Train car derails, blocks Gaither Road

SYKESVILLE -- One car of a 117-car freight train hauling grain from Cumberland to Baltimore jumped the track and blocked Gaither Road for seven hours Thursday night.

Ronald Miller, a conductor for the CSX System, said the car derailed at the Carroll-Howard county line at 9 p.m. and damaged the rails, ties and roadbed. Mr. Miller told state police that the car became separated from the other cars before the derailment.

CSX spokesman Robert Gould said the derailed car was the 81st car in the line. The cause of the crash is under investigation.

400 activists rally to save Fort Ritchie

CASCADE -- About 400 people, many chanting "Save Fort Ritchie," greeted Alton Cornella, a member of a panel reviewing proposed military base closings, after he toured the Western Maryland post yesterday.

Speaking briefly with reporters, Mr. Cornella, one of eight members of the Defense Base Closure and Realignment Commission, said the panel would investigate military concerns raised by the Fort Ritchie Military Affairs Committee, a group working to save the 638-acre base.

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HEADLINE: Vets to pay for care? Defense plans system changes

BYLINE: Renate Robey, Denver Post Staff Writer

BODY:

Charles Malouff spent 35 years in the Air Force, including a tour of duty in Vietnam.

Malouff thought he had a deal.

He would risk his life and the government would reciprocate with a paycheck and free health care. "There was a moral commitment made by this country when we agreed to put our lives on the line," he said. "It was a gentleman's agreement."

Now, with the possibility of Fitzsimons Army Medical Center closing and massive changes in the Defense Department medical system, free health care may come to an end for many veterans.

Regardless of whether Fitzsimons closes, a new system called Tri-Care is planned by the Department of Defense. For some active-duty families and retirees, that will mean paying enrollment fees and insurance co-payments for the first time. For those older than 65, the new system means they may not be treated at military posts such as Fitzsimons, even if the hospital stays open.

The Veterans Affairs Medical Center is an option for only a limited number of retirees because of strict eligibility requirements. Plus, no relatives of military members can be treated there.

About 60,000 military people and retirees in the Denver area are eligible to use Fitzsimons. In most cases, they get free outpatient care and pay for hospitalization. Many chose to retire in the area because of the hospital.

But given today's circumstances, Malouff and other vets feel betrayed.

Four of his six children have served in the military. "Today," he says, "I wouldn't advise a youngster to join, because the government doesn't keep their promises."

Fitzsimons, which provides major medical services to about 824,000 people in a 12-state region, was included in a list of recommended base closures issued this month. The list is being considered by a national commission that will make recommendations to the president. Area leaders will fight to keep the hospital open, but the odds against them are long.

The 1995 list of proposed base closures will save \$ 4 billion, the Pentagon estimates. When targeting Fitzsimons for closure, military planners said the

The Denver Post, March 26, 1995 Sunday

hospital is "low in military value" and a proposed \$ 245 million replacement isn't practical. The military is cutting back on health-care spending - making it tough on retirees, who get care on a "space available" basis at military installations.

In another bid to cut costs, the Defense Department is introducing the Tri-Care system, which could be in place in the Denver area by late 1996. Under the system, military people would have to sign up each year for health-care plans, similar to the way civilians choose health-maintenance organizations or other insurance options. The system calls for partnerships with civilian health-care providers.

Some military officers say the new system will be better in the long run. They believe it will cost less nationally and give retirees better access to medical care. Adding civilian providers could cut down on long waits at crowded military clinics.

And for people who don't have access to a military hospital, the new insurance options actually may be less expensive than the old plans, said Brig. Gen. John Parker, commander of Fitzsimons.

Under the new system, active-duty members get free health care. Others, including family members of active-duty personnel and retirees under 65, will have to enroll in one of the health-care plans.

Another change is that those older than 65 won't be eligible for these health programs. Many will have to rely on Medicare instead of going to Fitzsimons. About 11,000 military retirees and family members over 65 live in the area.

"These folks have enjoyed the freedom of using (military) medical treatment facilities. When Tri-Care comes in they're not eligible for enrollment," said Parker. "This (over 65) group really feels the change. Everybody else will adjust to this."

Change won't be so easy for older veterans, who face much tougher adjustments.

Vets don't think it's fair. "On my first re-enlistment, I was promised health care for myself and my family. They said they would do it 100 percent; there would be no cost," said Donald Walling, 59, who retired from the military after 22 years. The added cost now "is going to hurt like heck - spelled with a big 'H.' It's something you don't plan on, and now I'm retired and they throw this at me."

U.S. Rep. Joel Hefley, R-Colorado, has proposed a bill that would make it easier for military hospitals to be compensated for treating Medicare-eligible patients. However, the issue still is whether there will be enough space and doctor time to see them. Once the new system starts up, retirees over 65 may not even be able to make appointments at Fitzsimons.

GRAPHIC: PHOTO: Denver Post file photo WAY OF LIFE: Closing Fitzsimons, above, would be a big change for many.

LOAD-DATE-MDC: March 27, 1995

Document Separator

General Lead-in question

Mr. Klugh:

Please explain, in general terms, the Joint Cross Service Group study of depot maintenance.

We understand capacity was one of the most significant features of your study.

- **Please describe in percentage terms, current excess capacity**
- **What is the excess capacity by Service and by depot?**

What is the impact of DoD's BRAC recommendations on excess capacity?

What would have been the impact on excess capacity if the Joint Cross Service alternatives had been accepted?

The Air Force's elimination of excess capacity requires reengineering of the core workload. What would Air Force's excess capacity be if the reengineering can not be accomplished?

Mr. Klugh:

Please describe the concept of "maximum potential capacity".

Does maximum potential capacity require a second shift or military construction expenditures?

Mr. Klugh:

Describe how your Joint Cross Service Group assigned functional values?

When assigning workload, how did the functional value scores impact the positioning of workload?

Please describe the “centers of excellence concept”.

Explain 8 JCSG proposals

Mr. Klugh:

(R&A chart - chart # X)

Based on extensive study, the joint Cross Service Group indicated that 5 to 8 maintenance depots could be closed. This table lists the depots proposed for closure. Please explain the basis for these proposals.

What was the basis for the alternatives to close depots at Kelly and McClellan and Jacksonville, in the fixed wing aircraft area?

Did any of your analysis point to the need to close Cherry Point, Hill, Tinker, Warner Robins or North Island?

Mr. Klugh:

In your view, what were the short falls of the process that permitted the Services to disregard the Joint Cross Service analysis and options?

Mr. Klugh:

If you were responsible for submitting a recommendation to the Defense Base Closure and Realignment Commission for removal of Navy and Air Force fixed wing aircraft maintenance depot infrastructure, would your recommendation be to close or downsize? Would you recommend interservicing?

Mr. Klugh:

What does the DoD BRAC recommendation do to your ability to interService depot maintenance work in the future?

Cost Issue

Mr. Klugh:

What is your estimate of the percentage of personnel that would move upon the closure of a depot?

Is there a difference in the number of people that would move under a downsizing versus closure?

Why use BRAC process

General Blume:

The Air Force's recommendation to downsize Air Logistics Centers is a continuation of downsizing actions which have been occurring over the past decade.

(Chart of Air Force quote- chart # X)

The Air Force has consolidated workload to the "maximum extent possible", what additional workload consolidation is done by the BRAC process?

General Blume:

The downsizing of ALCs would not breach the BRAC thresholds if actions were to be evenly phased over the next several years. Why did the Air Force choose to use the BRAC process and subject itself to the scrutiny of the Commission, if it could independently accomplish the same result?

(Chart - R&A history of depot closures)

General Blume:

Never in the history of BRAC has the DoD recommended downsizing in place of a depot . Why was it not recommended to earlier Commissions?

Have you determined that the law allows BRAC funds to be expended to mothball and demolish depot space?

Blume:

Have you furnished all data used in your analysis to the Commission?

Blume:

Did you use AFMC 21 Study or any Air Force Technology Review Concept (TRC) studies data in your analysis?

Reengineering

Blume:

The Air Force's BRAC recommendation to downsize all ALCs in place requires reengineering of workload to achieve a 15% productivity savings.

Was this based on certified data from the performing organizations?

Do your site surveys confirm this 15% productivity savings is achievable?

If the answer is yes then Commissioner Steele or Davis could ask:

General Blume:

Why was I told by Tinker and Robins that the 15 % productivity improvement is not achievable?

If had to close 2

(chart from SecAF hearing -Chart # X)

General Blume:

When the Secretary of the Air Force testified before the Defense Base Closure and realignment Commission, she showed a chart which compared the cost of downsizing two depots to the cost of closing two depots. Which two depots were represented on that chart?

The Secretary of the Air Force testified to the fact that Air Force depot capacity levels indicate that the need to close 1.5 -2 depots. As we know, the Air Force has determined that it is more cost effective to eliminate two “depot equivalents” through downsizing rather than two bases. The Commission staff will be investigating the Air Force’s cost to close calculations.

If the Air Force were to close one or two depots, which would they be and why?

Why not McClellan

General Blume:

Two years ago, the Deputy Assistant Secretary of the Air Force for installations testified to the Commission that “...if the Commission chooses to recommend a closure of a major Air Force depot this year, it should be McClellan. Not only can closure be accommodated within the DoD cost and payback guidelines, but it was also the lowest ranked of the five major depot bases.”

If McClellan’s cost to close was not prohibitive in 1993, why is it prohibitive in 1995 when cost to close is calculated to be lower than it was in 1993?

Mothballing and demolition

General Blume:

The Air Force's BRAC submission will eliminate 13.2 million hours of capacity, but will not eliminate or consolidate overhead structures and therefore overhead costs of the depots.

The BRAC submission equates to knocking down bedrooms and locking others when the kids go off to college, rather than moving into a smaller house.

What are the costs of demolishing 2.8 million square feet of depot space? What are the savings? How do savings accrue from mothballing depot space?

General Shane:

Did the Army consider downsizing depots? If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Navy:

Did the Navy consider downsizing maintenance facilities rather than closures? If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Overhead costs

(R&A chart - chart #X)

General Blume:

The Air Force BRAC recommendation will not cut overhead of depots proportionately with reductions in capability. The increasing proportional size of overhead will result in increased depot labor hour costs; for example the labor hour rate will increase \$6 per hour at the Tinker depot. In addition to the BRAC proposals to downsizing in place, mothballing and demolition of depot space; will the Air Force take any steps to reduce depot overhead to make the depot system more efficient?

Wouldn't the American citizen be better served with the elimination of at least proportional overhead and administrative costs when eliminating industrial capability? In other words, cutting the fat and muscle proportionately.

Navy:

The Navy has had considerable experience closing aviation depots. How have the closures of Naval Aviation depots impacted the proportion of overhead vs. operating costs?

Impact of Military value

(Chart from AF BRAC justification -chart #X)

General Blume:

Military value is the most important criteria to be considered when sizing the DoD infrastructure through the base closure process. The Air Force has translated military value into a tiering system. This chart shows the tiering of depot installations and depots. Please explain how these tiers were derived.

What was the basis for assigning Kelly and McClellan Air Forces Bases to tier 3?

What was the basis for assigning the depot at Kelly to tier 3?

The BCEG minutes indicate that the Air Force was studying the closure of Kelly and McClellan for 11 months. Were military values a significant basis for studying Kelly and McClellan as closure candidates?

How did the low military values of Kelly and McClellan impact the Air Force's final base closure recommendations?

The Air Force's BRAC recommendation would result in a Tier 3 depot (lowest ranking) receiving workload from tier 1 depots (highest ranking) and would eliminate significantly more positions from the tier 1 bases than from tier 3 bases. Why?

(R&A chart -chart #X)

General Blume:

This chart shows a stacked bar which reflects each of the Air Force depots' maximum potential capacity. The Depots are stacked according to installation military value or "tier" . The chart demonstrates that the Air Force's depot workload could be performed by tier 1 and 2 installations.

Wouldn't military value be optimized by consolidating workload at the tier 1 bases?

Cost to Close

(chart from AF BRAC justification -chart #X)

General Blume:

The Air Force's 1995 Base Closure documentation included estimates of the cost to close each of the five depot installations. We note that the costs to close Kelly and McClellan were significantly less than the closure costs for the three other installations. Were the costs-to-close a significant basis for studying Kelly and McClellan as closure candidates?

General Blume:

(R&A chart -chart #X)

Mrs. Widnall testified that a depot closure is prohibitively expensive. We note that the COBRA models that Air Force generated show significantly greater costs-to-close and significantly smaller savings than the COBRAs generated by the other Services.

One of the biggest cost drivers are moving costs. Personnel moving cost of \$300 million is driven by movement of 26,000 employees. We understand that there are standard factors which are applied against positions slated for movement. However, each Service made different assumptions on the number of positions to be transferred versus eliminated. Could you comment on the need to realign 26,000 personnel under the dual closure option. It appears that the Air Force assumed that there would be no synergies and efficiencies from consolidating work to fewer sites. Please explain.

Does it seem logical to transfer 90% of the Air Force personnel under the closure scenario vs. retrain 85% under the downsize option?

The Air Force's dual depot closure COBRAs smoothly phases the workforce to be transferred between 1996 and 2001. Why were the positions to be eliminated carried until 2001 and eliminated all at once in that year?

Navy:

Navy COBRA data indicates that the closure of Long Beach results in relatively far fewer realignments of personnel than do Air Force closure options.

Were your assumptions based on the experience that the Navy has had with closing maintenance activities? Please explain the assumptions that drive the number of billets eliminated versus moved.

General Shane:

Please explain the Army's assumptions which drive the numbers of positions which will be moved versus realigned.

General Blume:

The Air Force COBRAs for dual closure reflect \$55 million to construct administrative space and \$89 million for purchase of new equipment. Why would it be necessary to expend BRAC funds for new equipment and administrative space?

Real Property Maintenance Costs

General Blume:

Annual maintenance costs vary considerably among the depot installations ranging from a high of \$17 million at Kelly to a low of \$4 million at Tinker.

How were real property maintenance costs factored into the options to downsize vs. close?

Why does the Air Force assume that all real property maintenance savings from the closure of an installation will become a cost at a gaining installation?

Inter vs. intra Servicing

General Blume:

Why did the Air Force choose not to use the workload migration options of the Joint Cross Service Group? The Cross Service Group looked at interService workload migrations, however, when considering closures the Air Force assumed that all workload would stay in-house.

Missiles

Mr. Klugh:

Why did the JCSG initially recommend the decentralization of tactical missile maintenance and then later “approve “ the Army plan to consolidate at Tobyhanna?

Mr. Klugh:

Part of Navy's rationale for retaining Portsmouth NSY is its east coast location. In moving shipyard work, did the JCSG account for the benefit of east coast/ west coast capabilities?

Did the JCSG take dry-dock capabilities / capacity into account?

ALC Questions on Depots

General, with regard to the Air Force's depot downsize proposal, our quick review of statistical back-up documentation reveals several conflicting pieces of information. We are having difficulty determining which of the several back-up source documents are correct. The Secretary's recommendation shows receiving, but not losing locations. Correspondance to Commission staff from Air Force headquarters provides a list of workload transfers into and out of each ALC. Still another piece of correspondence from AFMC headquarters to the effected ALC's provides another set of workload transfer options. In order for us to make an accurate assessment of your proposal we need to know exactly what the Air Force is planning. To illustrate our frustrations, I want to ask several questions about workload and personnel shifts into and out of TINKER AFB.

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First, lets look at the sites that will be receiving new workload as a result of your downsize-in-place recommendation. The Secretary's list indicates that Tinker AFB will be receiving work in the machine manufacturing, airborne electronics, airborne electronics software, and plating areas. A memo from Air Force headquarters answering questions posed by Commission staff, indicates that Tinker will be receiving work in the only the machine manufacturing and plating areas. Yet another piece of correspondence from AFMC headquarters to the affected ALC,s dated March 9,1995 indicates that Tinker will be receiving work in only the machine manufacturing area. General, could you please tell us which piece of documentation is correct?

workload out

Now lets look at the workload that is forecast to leave Tinker under the downsize proposal. First, the Secretary's report makes no mention workloads that will transferred from Tinker. Information provided to the staff, in response to their request, reflects that Tinker will be losing 280,000 hours of instrument work. Why does your proposal take work from tier I and tier II base and assign it to a tier III base? A review of documentation supporting a recently completed TRC consolidation study indicates that in terms of one-time implementation costs and overall return on investment transferring instrument work to McClellan Air Force Base was one of least cost effective choices.. Why didn't the Air Force select a more cost effective option? Did the Air Force intentionally look at ways to backload work into McClellan?

Personnel slots eliminated

The Secretary's report clearly shows that Tinker will losing 1180 direct jobs. Back-up to the COBRA indicates that Tinker will be losing 999 personnel slots. The memorandum to the ALC's from AFMC headquarters dated March 9, 1995 advises that Tinker will be losing 693 personnel slots as a result of the downsize initiative. Tinker officials think they should be losing no more than 651 slots based on the workload that they would be transferring other locations. General, could you please advise us what the correct

numbers should be and also what effect the smaller number of personnel eliminations would have on the costs and benefits of your downsize-in-place proposal?

Square footage of buildings to be mothballed or demolished

Again, we are having extreme difficulty trying to get the numbers to track. The COBRA analysis on which your downsize proposal is based, shows that Tinker will mothball 702,000 square of space and that 304,000 square feet of infrastructure will be demolished. Our visit to the installation indicates that the installation has identified space totaling 411,000 square for mothballing and 499,000 square feet for building demolition. Of this amount more than 400,000 square was planned and programmed for demolition prior to BRAC. General, could please explain what accounts for these differences? Why are you claiming BRAC savings for demolition projects that were previously planned? Do similar situations at the other ALC's? How does the mothballing and demolition of buildings save money over the long run? Don't you continue to incur unneeded overhead costs to maintain mothballed workspace, especially in areas where only portions of buildings or sections of bays are closed off?

Questions for GAO- Maintenance Depots

Preliminary analysis indicates that significant excess capacity will continue to exist in DOD's depots even if this Commission accepts all of the Secretary's closure and realignment recommendations. This conclusion is based on a comparison of available reported by individual depots and forecast core workload.

Could you please estimate the amount of excess capacity in DOD maintenance depots before the current BRAC recommendations and the percentage of remaining excess capacity if all of the Secretary's closure and realignment recommendations are adopted.

We understand your office has recently evaluated the reasonableness of reported capacity measures at several ALC's and found that the advertised available capacities were often understated. Could you please tell us the results of your capacity validation and verification studies?

Did you find hidden capacity problems were more prevalent in any one service? If so, tell us who the biggest abusers were.

As you know, General Klugh's joint cross service group for depot maintenance collected certified data depicting the current capacity of each installation. The cross service group also collected maximum potential capacity numbers. Our recent visits to a few of DOD's depots revealed that many installations are capable of producing significantly more work. In fact one depot claimed that the infrastructure could support on a single 8-hour, 5-day-per-week basis, workload almost double the current volume --- without any new brick and mortar construction.

Have you found that depots artificially reduced their reported capacity by simply removing workstations, but the overall available infrastructure, (ie. numbers of buildings and square footage) is the same as that which supported the peak workloads of the mid 1980's? Does this mean more depots should (or could) be added to the potential closure and realignment list?

In your review of Cost of Base Realignment and Closure (COBRA) analyses supporting DOD's proposals to close or realign two Army depots, five Air Force depots, one Navy shipyard and two Navy weapon centers, did you find any glaring inconsistencies in policies and assumptions supporting the various estimates?

Did you find that any of the COBRA analyses were based on non certified data? If so please explain.

Did you find any significant differences in the way the services computed personnel eliminations and numbers of personnel eligible for moving cost reimbursement?

In your view does it seem logical or even appropriate for the Air Force to offer government paid moving expenses, costing more than \$30,000 per person, to 94 percent

of impacted employees? Other services and government agencies appear to follow substantially less costly personnel moving policy assumptions. For example, the Army is transferring certain workloads to receiver locations without any people or equipment. In other words the labor pool and facility infrastructure at the receiver location is deemed adequate to satisfy the expanded workload requirements.

Did you find that any of the services appeared to be transferring new workloads between depot activities to preserve or shore up infrastructure at installations having lower military value? If so, please explain.

Did you find any significant differences between the ways the individual services analyzed and determined military value for maintenance depot activities. If so, please comment on the major differences.

In your view, did the Secretary's list of closure and realignment recommendations achieve the goals that the joint cross service group was supposed to accomplish? As you know, the joint cross service group proposals were intended to retain in only one service militarily, unique capabilities used by two or more services and consolidate similar workload across the Services to reduce excess capacity.

The joint group initially recommended the decentralization of tactical missile maintenance workload moving it from Letterkenny (like this Commission directed in 1993) to one of three locations, an Army depot, an Air Force ALC and a Marine Corps logistics center. The joint group also asked the Army to look at enclaving the missile maintenance work adjacent to the missile storage facility. Later, the joint group agreed with the Army's counter proposal which would retain missile storage and disassembly at Letterkenny, and transfer tactical missile guidance and control work to the Tobyhanna facility which is located about 175 miles to the north.. In your view does the Army's counter proposal make good operational and economic sense?

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In your view, do you believe the Air Force proposal to eliminate excess capacity by building demolition or mothballing is an appropriate and sound business practice? It seems that, if the other services followed the same practice, there would never be any base closures.

Has your office looked into the legalities of using BRAC program dollars to demolish infrastructure as a substitute for base closure, especially in those instances when demolition projects were planned and programmed prior to BRAC?

I read recently, that the GAO has embarked on its own internal downsizing program. The Comptroller General has stated publically, and many on Capital Hill believe, your downsizing approach, should serve as a model program for other government agencies to follow. I also know that your staff recently vacated the fifth floor of your seven story building. Did GAO consider mothballing the fifth floor by turning off most of the lights, locking the doors, posting a "do not disturb sign" and blacking out the number "5" on your elevator selection panels? Or

will the GAO renovate the vacant space, and make it available for use by other employees currently assigned to leased space.

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Did you find hidden capacity problems were more prevalent in any one service? If so, tell us who the biggest abusers were.

As you know, General Klugh's joint cross service group for depot maintenance collected certified data depicting the current capacity of each installation. The cross service group also collected maximum potential capacity numbers. Our recent visits to a few of DOD's depots revealed that many installations are capable of producing significantly more work. In fact one depot claimed that the infrastructure could support on a single 8-hour, 5-day-per-week basis, workload almost double the current volume --- without any new brick and mortar construction.

Have you found that depots artificially reduced their reported capacity by simply removing workstations, but the overall available infrastructure, (ie. numbers of buildings and square footage) is the same as that which supported the peak workloads of the mid 1980's? Does this mean more depots should (or could) be added to the potential closure and realignment list?

In your review of Cost of Base Realignment and Closure (COBRA) analyses supporting DOD's proposals to close or realign two Army depots, five Air Force depots, one Navy shipyard and two Navy weapon centers, did you find any glaring inconsistencies in policies and assumptions supporting the various estimates?

Did you find that any of the COBRA analyses were based on non certified data? If so please explain.

Did you find any significant differences in the way the services computed personnel eliminations and numbers of personnel eligible for moving cost reimbursement?

In your view does it seem logical or even appropriate for the Air Force to offer government paid moving expenses, costing more than \$30,000 per person, to 94 percent

which number 26,000?

of impacted employees? Other services and government agencies appear to follow substantially less costly personnel moving policy assumptions. For example, the Army is transferring certain workloads to receiver locations without any people or equipment. In other words the labor pool and facility infrastructure at the receiver location is deemed adequate to satisfy the expanded workload requirements.

Did you find that any of the services appeared to be transferring new workloads between depot activities to preserve or shore up infrastructure at installations having lower military value? If so, please explain.

Did you find any significant differences between the ways the individual services analyzed and determined military value for maintenance depot activities. If so, please comment on the major differences.

In your view, did the Secretary's list of closure and realignment recommendations achieve the goals that the joint cross service group was supposed to accomplish? As you know, the joint cross service group proposals were intended to retain in only one service militarily, unique capabilities used by two or more services and consolidate similar workload across the Services to reduce excess capacity.

The joint group initially recommended the decentralization of tactical missile maintenance workload moving it from Letterkenny (like this Commission directed in 1993) to one of three locations, an Army depot, an Air Force ALC and a Marine Corps logistics center. The joint group also asked the Army to look at enclaving the missile maintenance work adjacent to the missile storage facility. Later, the joint group agreed with the Army's counter proposal which would retain missile storage and disassembly at Letterkenny, and transfer tactical missile guidance and control work to the Tobyhanna facility which is located about 175 miles to the north.. In your view does the Army's counter proposal make good operational and economic sense?

Questions for GAO- Maintenance Depots

Preliminary analysis indicates that significant excess capacity will continue to exist in DOD's depots even if this Commission accepts all of the Secretary's closure and realignment recommendations. This conclusion is based on a comparison of available reported by individual depots and forecast core workload.

Could you please estimate the amount of excess capacity in DOD maintenance depots before the current BRAC recommendations and the percentage of remaining excess capacity if all of the Secretary's closure and realignment recommendations are adopted.

We understand your office has recently evaluated the reasonableness of reported capacity measures at several ALC's and found that the advertised available capacities were often understated. Could you please tell us the results of your capacity validation and verification studies?

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Did you find that any of the COBRA analyses were based on non certified data? If so please explain.

Did you find any significant differences in the way the services computed personnel eliminations and numbers of personnel eligible for moving cost reimbursement?

In your view does it seem logical or even appropriate for the Air Force to offer government paid moving expenses, costing more than \$30,000 per person, to 94 percent

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In your view, do you believe the Air Force proposal to eliminate excess capacity by building demolition or mothballing is an appropriate and sound business practice? It seems that, if the other services followed the same practice, there would never be any base closures.

Has your office looked into the legalities of using BRAC program dollars to demolish infrastructure as a substitute for base closure, especially in those instances when demolition projects were planned and programmed prior to BRAC?

I read recently, that the GAO has embarked on its own internal downsizing program. The Comptroller General has stated publically, and many on Capital Hill believe, your downsizing approach, should serve as as model program for other government agencies to follow. I also know that your staff recently vacated the fifth floor of your seven story building. Did GAO consider mothballing the fifth floor by turning off most of the lights, locking the doors, posting a "do not disturb sign" and blacking out the number "5" on your elevator selection panels? Or

will the GAO renovate the vacant space, and make it available for use by other employees currently assigned to leased space.

Document Separator

Kilgoh:

If you were responsible for
submitting a recommendation to
DCRC, for removal of ~~that~~

aviation depot excess infrastructure,
would your recommendation

be closure or downsizing?

would you recommend commodity
areas be interserviced

Kilgoh: Interservicing
What does the DoD BRAC recommendation
do to your ability to interservice

Why use BRAC process

General Blume:

P3

P1

The Air Force's recommendation to downsize Air Logistics Centers is a continuation of downsizing actions which have been occurring over the past decade. The downsizing of ALCs would not breach the BRAC thresholds if actions were to be evenly phased over the next several years. Why did the Air Force choose to use the BRAC process and subject itself to the scrutiny of the Commission, if it could independently accomplish the same result?

Why should the Commission's time be spent on reviewing actions that Air Force could conduct independently?

Why should mothballing of buildings and demolition substitute for depot closure?

Have you determined that the law allows BRAC funds to be expended to mothball and demolish depot space?

P2

The Air Force has consolidated workload to the "maximum extent possible," what workload consolidation is ~~by~~ done by the BRAC process?

(RAF chart of history of depot closure)
throughout history never a downsize ...

Reengineering

Blume:

~~We understand that the Air Force's BRAC recommendation to downsize all ALCs in place requires reengineering of workload to achieve a 15% productivity savings. Has the reengineering been performed yet? Couldn't the reengineering be done outside of the BRAC process?~~

~~was this product~~

was this based on certified data from the performing organizations?

Do your site surveys

confirm this 15% productivity savings are achievable

(if answer is yes)

from Steele.

Why was I told by Tinker and Robins that this was not achievable?

Explain 8 JCSG proposals

Mr. Klugh:

Do

Based on the extensive study, the joint Cross Service Group indicated that 5 to 8 maintenance depots could be closed. This table lists the depots ~~proposed~~ for closure. Please explain the basis for these proposals.

(CHART)
alternatives alternatives alternatives

What was the basis for the proposals to close depots at Kelly and McClellan versus Hill, Tinker or Warner Robins?

Did any of your analysis point to the need to close Hill, Tinker or Warner Robins?

In your view, what were the short falls of the process that permitted the Services to disregard the Joint Cross Service analysis and options?

responsible for

excess

you must submitting a recommendation to the Defense Closure and Realignment Commission for removal of Navy and Air Force Fixed wing aircraft, maintenance depot infrastructure. what would be your recommendation, would you recommend be closure or downsizing? would you recommend intermingling?

Did your analysis use data collected by each service or did you use separate sources of data that did not result from your data calls?

separate page

Has there you furnished all data used in your analysis to the Commission.

Did you use AFMC SI Study, or any Air Force Technology Review Concept (TRC) study data in your analysis.

If answer is no (RTA chart) Our use AFMC SI data your COBRAS

17 April
GS

General Lead-in question

Mr. Klugh:

Please explain, in general terms, the Joint Cross Service Group study of depot maintenance.

We understand capacity was one of the most significant features of your study. *show as your chart which*

- **Please describe in percentage terms, current excess capacity as identified by the Joint Cross Service Group.** *DoD chart*
- **what is the excess capacity by Service and by depot?**
- ~~Are there any commodity areas where there is relatively more excess capacity?~~
- **Please describe the concept of maximum potential capacity.**

Please show us for

- **What is the impact of the DoD BRAC recommendations on excess capacity?** *chart*

What would be the impact on excess capacity of the Air Forces BRAC recommendation, if the 15 % reengineering could not be accomplished.

What would have been the impact on excess capacity if the Joint Cross Service recommendations had been accepted? *chart*

How much was proposed alternatives

Mr. Klugh:

Describe how your Joint Cross Service Group assigned functional values?

When assigning workload, how did the functional value scores impact the positioning of workload by commodity?

If had to close 2

General Blume:

US

When Sec of Air Force testified she showed ~~2~~ charts, a chart which compared cost to downsize close to close 1 two depots, which two depots were represented on that chart?

The Secretary of the Air Force testified to the fact that Air Force depot capacity levels indicate that the need to close 1.5 -2 depots. As we know, the Air Force has determined that it is more cost effective to eliminate two "depot equivalents" through downsizing rather than two bases. The Commission staff will be investigating the Air Force's cost to close calculations.

If the Air Force were to close one or two depots, which would they be and why?

Why not McClellan

General Blume:

Two years ago, the Deputy Assistant Secretary of the Air Force for installations testified to the Commission that "...if the Commission chooses to recommend a closure of a major Air Force depot this year, it should be McClellan. Not only can closure be accommodated within the DoD cost and payback guidelines, but it was also the lowest ranked of the five major depot bases."

If McClellan's cost to close was not prohibitive in 1993, why is it prohibitive in 1995 when cost to close is calculated to be lower than it was in 1993?

Wrightman ↑

Examples of COBRA data from each Military Department

	Air Force Kelly	Navy Portsmouth	Army Red River	Army Letterkenny
Start year	1996	1996	1996	1996
final year	2001	1998	1999	1999
ROI year	2010	1997	1999	1998
NPV	-283	-2,308	-1,497	-952
Steady state savings	-76	-150	-123	-78
costs:				
construction	104	20	0	0
personnel	34	10	5	4
overhead	21	17	22	12
moving	278	45	31	32
one time costs	582	101	60	50
one time savings	7	16	0	24
positions:				
eliminated	1,245	2,075	1,861	1,287
realigned	16,415	417	1,040	803

Handwritten scribbles and asterisks on the left margin.

Handwritten asterisks and brackets on the left margin.

total population

Mothballing and demolition

General Blume:

The Air Force's BRAC submission will eliminate X hours of excess capacity, but will not eliminate or consolidate overhead structures and therefore overhead costs of the depots.

3.2 million

The BRAC submission equates to knocking down bedrooms and locking others when the kids go off to college, rather than moving into a smaller house.

What are the costs of demolishing 2.8 million square feet of depot space?

What are the savings?

How do savings accrue from mothballing depot space?

General Shane:

Did the Army consider downsizing depots rather than depot closures?

If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Navy:

Did the Navy consider downsizing maintenance facilities rather than closures?

If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Overhead costs

General Blume:

The Air Force BRAC recommendation will not cut overhead of depots proportionately with reductions in capability. The increasing proportional size of overhead will result in increased depot labor hour costs; for example the labor hour rate will increase \$6 per hour at the Tinker depot. In addition to the BRAC proposals to downsizing in place, mothballing and demolition of depot space; will the Air Force take any steps to reduce depot overhead to make the depot system more efficient.

Wouldn't the American citizen be better served with the elimination of at least proportional overhead and administrative costs when eliminating industrial capability? In other words, cutting the fat and muscle proportionately.

Navy:

The Navy has had considerable experience closing aviation depots. How have the closures of Naval Aviation depots impacted the proportion of overhead vs. operating costs?

Impact of Military value

General Blume:

Military value is the most important criteria to be considered when sizing the DoD infrastructure through the base closure process. The Air Force has translated military value into a tiering system. This chart shows the tiering of depot installations and depots. Please explain how these tiers were derived.

What was the basis for assigning Kelly and McClellan Air Forces Bases to tier 3?

What was the basis for assigning the depot at Kelly to tier 3?

The BCEG minutes indicate that the Air Force was studying the closure of Kelly and McClellan for 11 months. Were military values a significant basis for studying Kelly and McClellan as closure candidates?

How did the low military values of Kelly and McClellan impact the Air Force's final base closure recommendations?

The Air Force's BRAC recommendation would result in a Tier 3 depot (lowest ranking) receiving workload from tier 1 depots (highest ranking) and would eliminate significantly more positions from the tier 1 bases than from tier 3 bases. Why?

This chart shows a stacked bar which reflects each of the Air Force depots' maximum potential capacity. The Depots are stacked according to installation military value or "tier". The chart demonstrates that the Air Force's depot workload could be performed by tier 1 and 2 installations.

Wouldn't military value be optimized by consolidating workload at the tier 1 depots?

General Lead-in question

Mr. Klugh:

Please explain, in general terms, the Joint Cross Service Group study of depot maintenance.

We understand capacity was one of the most significant features of your study.

- **Please describe in percentage terms, current excess capacity as identified by the Joint Cross Service Group.**
- **What is the excess capacity by Service and by depot?**

What is the impact of the DoD BRAC recommendations on excess capacity?

What would be the impact on excess capacity of the Air Forces BRAC recommendation, if the 15 % reengineering could not be accomplished?

What would have been the impact on excess capacity if the Joint Cross Service alternatives had been accepted?

Please describe the concept of maximum potential capacity.

Mr. Klugh:

Describe how your Joint Cross Service Group assigned functional values?

When assigning workload, how did the functional value scores impact the positioning of workload by commodity?

Explain 8 JCSG proposals

R+A chart

Mr. Klugh:

Based on the extensive study, the joint Cross Service Group indicated that 5 to 8 maintenance depots could be closed. This table lists the depots proposed for closure. Please explain the basis for these proposals. (chart)

What was the basis for the alternatives to close depots at Kelly and McClellan versus Jacksonville, in the fixed wing aircraft area?

Did any of your analysis point to the need to close Cherry Point, Hill, Tinker, Warner Robins or North Island?

In your view, what were the short falls of the process that permitted the Services to disregard the Joint Cross Service analysis and options?

If you were responsible for submitting a recommendation to the Defense Base Closure and Realignment Commission for removal of Navy and Air Force fixed wing aircraft maintenance depot infrastructure, would your recommendation be to close or downsize? Would you recommend interservicing?

Did your analysis use data collected by each Service, or did you use separate sources of data that did not result from your data calls?

Cost Issue

What is your estimate of the percentage of personnel that would move upon the closure of a depot?

Is there a difference in the number of people that would move under a downsizing versus closure?

Why use BRAC process

General Blume:

The Air Force's recommendation to downsize Air Logistics Centers is a continuation of downsizing actions which have been occurring over the past decade.

The Air Force has consolidated workload to the "maximum extent possible", what additional workload consolidation is done by the BRAC process? (Chart - R&A history of depot closures)

The downsizing of ALCs would not breach the BRAC thresholds if actions were to be evenly phased over the next several years. Why did the Air Force choose to use the BRAC process and subject itself to the scrutiny of the Commission, if it could independently accomplish the same result?

Have you determined that the law allows BRAC funds to be expended to mothball and demolish depot space?

Reengineering

Blume:

The Air Force's BRAC recommendation to downsize all ALCs in place requires reengineering of workload to achieve a 15% productivity savings.

Was this based on certified data from the performing organizations?

Do your site surveys confirm this 15% productivity savings are achievable? (STEELE) If so, why was I told by Tinker and Robins that this was not achievable?



If had to close 2

General Blume:

When the Secretary of the Air Force testified before the Defense Base Closure and realignment Commission, she showed a chart which compared the cost of downsizing two depots to the cost of closing two depots. Which two depots were represented on that chart?

The Secretary of the Air Force testified to the fact that Air Force depot capacity levels indicate that the need to close 1.5 -2 depots. As we know, the Air Force has determined that it is more cost effective to eliminate two “depot equivalents” through downsizing rather than two bases. The Commission staff will be investigating the Air Force’s cost to close calculations.

If the Air Force were to close one or two depots, which would they be and why?

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General Blume:

Two years ago, the Deputy Assistant Secretary of the Air Force for installations testified to the Commission that “...if the Commission chooses to recommend a closure of a major Air Force depot this year, it should be McClellan. Not only can closure be accommodated within the DoD cost and payback guidelines, but it was also the lowest ranked of the five major depot bases.”

If McClellan's cost to close was not prohibitive in 1993, why is it prohibitive in 1995 when cost to close is calculated to be lower than it was in 1993?

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Navy:

Did the Navy consider downsizing maintenance facilities rather than closures? If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Overhead costs

(R+A chart)

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Impact of Military value

on some produced chart (R+A chart) (from Air Force)

General Blume:

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Cost to Close

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If McClellan’s cost to close was not prohibitive in 1993, why is it prohibitive in 1995 when cost to close is calculated to be lower than it was in 1993?

General Blume:

The Air Force’s 1995 Base Closure documentation included estimates of the cost to close each of the five depot installations. (show chart) We note that the costs to close Kelly and McClellan were significantly less than the closure costs for the three other installations. Were the costs-to-close a significant basis for studying Kelly and McClellan as closure candidates?

General Blume:

(chart)

Mrs. Widnall testified that a depot closure is prohibitively expensive. We note that the COBRA models that Air Force generated show significantly greater costs-to-close and significantly smaller savings than the COBRAs generated by the other Services.

One of the biggest cost drivers are moving costs. Personnel moving cost of \$300 million is driven by movement of 26,000 employees. We understand that there are standard factors which are applied against positions slated for movement. However, each Service made different assumptions on the number of positions to be transferred versus eliminated. Could you comment on the need to realign 26,000 personnel under the dual closure option. It appears that The Air Force assumed that there would be no synergies and efficiencies from consolidating work to fewer sites. Please explain.

Does it seem logical to transfer 90% of the Air Force personnel under the closure scenario vs. retrain 85% under the downsize option?

The Air Force's dual depot closure COBRAs smoothly phases the workforce to be transferred between 1996 and 2001. Why were the positions to be eliminated carried until 2001 and eliminated all at once in that year?

Navy:

Navy COBRA data indicates that the closure of Long Beach results in relatively far fewer realignments of personnel than do Air Force closure options.

Were your assumptions based on the experience that the Navy has had with closing maintenance activities? Please explain the assumptions that drive the number of billets eliminated versus moved.

General Shane:

Please explain the Army's assumptions which drive the numbers of positions which will be moved versus realigned.

General Blume:

The Air Force COBRAs for dual closure reflect \$55 million to construct administrative space and \$89 million for purchase of new equipment. Why would it be necessary to expend BRAC funds for new equipment and administrative space?

Real Property Maintenance Costs

General Blume:

Annual maintenance costs vary considerably among the depot installations ranging from a high of \$17 million at Kelly to a low of \$4 million at Tinker.

How were real property maintenance costs factored into the options to downsize vs. close?

Why does the Air Force assume that all real property maintenance savings from the closure of an installation will become a cost at a gaining installation?

Inter vs. intra Servicing

General Blume:

Why did the Air Force choose not to use the workload migration options of the Joint Cross Service Group? The Cross Service Group looked at interservice workload migrations, however, when considering closures the Air Force assumed that all workload would stay in-house.

Missiles

Mr. Klugh:

Why did the JCSG initially recommend the decentralization of tactical missile maintenance and then later “approve “ the Army plan to consolidate at Tobyhanna?

Mr. Klugh:

Part of Navy's rationale for retaining Portsmouth NSY is its east coast location. In moving shipyard work, did the JCSG account for the benefit of east coast/ west coast capabilities?

Did the JCSG take dry-dock capabilities / capacity into account?

General Lead-in question

Mr. Klugh:

Please explain, in general terms, the Joint Cross Service Group study of depot maintenance.

We understand capacity was one of the most significant features of your study.

- **Please describe in percentage terms, current excess capacity**
- **What is the excess capacity by Service and by depot?**

What is the impact of DoD's BRAC recommendations on excess capacity?

What would have been the impact on excess capacity if the Joint Cross Service alternatives had been accepted?

The Air Force's elimination of excess capacity requires reengineering of the core workload. What would Air Force's excess capacity be if the reengineering can not be accomplished?

Mr. Klugh:

Please describe the concept of "maximum potential capacity".

Does maximum potential capacity require a second shift or military construction expenditures?

Mr. Klugh:

Describe how your Joint Cross Service Group assigned functional values?

When assigning workload, how did the functional value scores impact the positioning of workload?

Please describe the “centers of excellence concept”.

Explain 8 JCSG proposals

Mr. Klugh:

(R&A chart - chart # X)

Based on extensive study, the joint Cross Service Group indicated that 5 to 8 maintenance depots could be closed. This table lists the depots proposed for closure. Please explain the basis for these proposals.

What was the basis for the alternatives to close depots at Kelly and McClellan and Jacksonville, in the fixed wing aircraft area?

Did any of your analysis point to the need to close Cherry Point, Hill, Tinker, Warner Robins or North Island?

Mr. Klugh:

In your view, what were the short falls of the process that permitted the Services to disregard the Joint Cross Service analysis and options?

Mr. Klugh:

If you were responsible for submitting a recommendation to the Defense Base Closure and Realignment Commission for removal of Navy and Air Force fixed wing aircraft maintenance depot infrastructure, would your recommendation be to close or downsize? Would you recommend interservicing?

Mr. Klugh:

What does the DoD BRAC recommendation do to your ability to interService depot maintenance work in the future?

Cost Issue

Mr. Klugh:

What is your estimate of the percentage of personnel that would move upon the closure of a depot?

Is there a difference in the number of people that would move under a downsizing versus closure?

Why use BRAC process

General Blume:

The Air Force's recommendation to downsize Air Logistics Centers is a continuation of downsizing actions which have been occurring over the past decade.

(Chart of Air Force quote- chart # X)

2 Ben's chart

The Air Force has consolidated workload to the "maximum extent possible", what additional workload consolidation is done by the BRAC process?

General Blume:

The downsizing of ALCs would not breach the BRAC thresholds if actions were to be evenly phased over the next several years. Why did the Air Force choose to use the BRAC process and subject itself to the scrutiny of the Commission, if it could independently accomplish the same result?

3

(Chart - R&A history of depot closures)

General Blume:

Never in the history of BRAC has the DoD recommended downsizing in place of a depot . Why was it not recommended to earlier Commissions?

Have you determined that the law allows BRAC funds to be expended to mothball and demolish depot space?

Blume:

Have you furnished all data used in your analysis to the Commission?

Blume:

Did you use AFMC 21 Study or any Air Force Technology Review Concept (TRC) studies data in your analysis?

Reengineering

Blume:

The Air Force's BRAC recommendation to downsize all ALCs in place requires reengineering of workload to achieve a 15% productivity savings.

Was this based on certified data from the performing organizations?

Do your site surveys confirm this 15% productivity savings is achievable?

If the answer is yes then Commissioner Steele or Davis could ask:

General Blume:

Why was I told by Tinker and Robins that the 15 % productivity improvement is not achievable?

If had to close 2

(4)

(chart from SecAF hearing -Chart # X)

General Blume:

When the Secretary of the Air Force testified before the Defense Base Closure and realignment Commission, she showed a chart which compared the cost of downsizing two depots to the cost of closing two depots. Which two depots were represented on that chart?

The Secretary of the Air Force testified to the fact that Air Force depot capacity levels indicate that the need to close 1.5 -2 depots. As we know, the Air Force has determined that it is more cost effective to eliminate two “depot equivalents” through downsizing rather than two bases. The Commission staff will be investigating the Air Force’s cost to close calculations.

If the Air Force were to close one or two depots, which would they be and why?

Why not McClellan

General Blume:

Two years ago, the Deputy Assistant Secretary of the Air Force for installations testified to the Commission that “...if the Commission chooses to recommend a closure of a major Air Force depot this year, it should be McClellan. Not only can closure be accommodated within the DoD cost and payback guidelines, but it was also the lowest ranked of the five major depot bases.”

If McClellan’s cost to close was not prohibitive in 1993, why is it prohibitive in 1995 when cost to close is calculated to be lower than it was in 1993?

Mothballing and demolition

General Blume:

The Air Force's BRAC submission will eliminate 13.2 million hours of capacity, but will not eliminate or consolidate overhead structures and therefore overhead costs of the depots.

The BRAC submission equates to knocking down bedrooms and locking others when the kids go off to college, rather than moving into a smaller house.

What are the costs of demolishing 2.8 million square feet of depot space? What are the savings? How do savings accrue from mothballing depot space?

General Shane:

Did the Army consider downsizing depots? If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Navy:

Did the Navy consider downsizing maintenance facilities rather than closures? If not why not?

In your view, is downsizing in place a cost effective method for sizing the depot infrastructure to meet force structure and program requirements?

Overhead costs



(R&A chart - chart #X)

General Blume:

The Air Force BRAC recommendation will not cut overhead of depots proportionately with reductions in capability. The increasing proportional size of overhead will result in increased depot labor hour costs; for example the labor hour rate will increase \$6 per hour at the Tinker depot. In addition to the BRAC proposals to downsizing in place, mothballing and demolition of depot space; will the Air Force take any steps to reduce depot overhead to make the depot system more efficient?

Wouldn't the American citizen be better served with the elimination of at least proportional overhead and administrative costs when eliminating industrial capability? In other words, cutting the fat and muscle proportionately.

Navy:

The Navy has had considerable experience closing aviation depots. How have the closures of Naval Aviation depots impacted the proportion of overhead vs. operating costs?

Impact of Military value

6

(Chart from AF BRAC justification -chart #X)

General Blume:

Military value is the most important criteria to be considered when sizing the DoD infrastructure through the base closure process. The Air Force has translated military value into a tiering system. This chart shows the tiering of depot installations and depots. Please explain how these tiers were derived.

What was the basis for assigning Kelly and McClellan Air Forces Bases to tier 3?

What was the basis for assigning the depot at Kelly to tier 3?

The BCEG minutes indicate that the Air Force was studying the closure of Kelly and McClellan for 11 months. Were military values a significant basis for studying Kelly and McClellan as closure candidates?

How did the low military values of Kelly and McClellan impact the Air Force's final base closure recommendations?

The Air Force's BRAC recommendation would result in a Tier 3 depot (lowest ranking) receiving workload from tier 1 depots (highest ranking) and would eliminate significantly more positions from the tier 1 bases than from tier 3 bases. Why?

(R&A chart -chart #X)

7

General Blume:

This chart shows a stacked bar which reflects each of the Air Force depots' maximum potential capacity. The Depots are stacked according to installation military value or "tier" . The chart demonstrates that the Air Force's depot workload could be performed by tier 1 and 2 installations.

Wouldn't military value be optimized by consolidating workload at the tier 1 bases?

8a or 8b

Cost to Close

(chart from AF BRAC justification -chart #X)

General Blume:

The Air Force's 1995 Base Closure documentation included estimates of the cost to close each of the five depot installations. We note that the costs to close Kelly and McClellan were significantly less than the closure costs for the three other installations. Were the costs-to-close a significant basis for studying Kelly and McClellan as closure candidates?

9

General Blume:

(R&A chart -chart #X)

Mrs. Widnall testified that a depot closure is prohibitively expensive. We note that the COBRA models that Air Force generated show significantly greater costs-to-close and significantly smaller savings that the COBRAs generated by the other Services.

One of the biggest cost drivers are moving costs. Personnel moving cost of \$300 million is driven by movement of 26,000 employees. We understand that there are standard factors which are applied against positions slated for movement. However, each Service made different assumptions on the number of positions to be transferred versus eliminated. Could you comment on the need to realign 26,000 personnel under the dual closure option. It appears that the Air Force assumed that there would be no synergies and efficiencies from consolidating work to fewer sites. Please explain.

Does it seem logical to transfer 90% of the Air Force personnel under the closure scenario vs. retrain 85% under the downsize option?

The Air Force's dual depot closure COBRAs smoothly phases the workforce to be transferred between 1996 and 2001. Why were the positions to be eliminated carried until 2001 and eliminated all at once in that year?

Navy:

Navy COBRA data indicates that the closure of Long Beach results in relatively far fewer realignments of personnel than do Air Force closure options.

Were your assumptions based on the experience that the Navy has had with closing maintenance activities? Please explain the assumptions that drive the number of billets eliminated versus moved.

General Shane:

Please explain the Army's assumptions which drive the numbers of positions which will be moved versus realigned.

General Blume:

The Air Force COBRAs for dual closure reflect \$55 million to construct administrative space and \$89 million for purchase of new equipment. Why would it be necessary to expend BRAC funds for new equipment and administrative space?

Real Property Maintenance Costs

General Blume:

Annual maintenance costs vary considerably among the depot installations ranging from a high of \$17 million at Kelly to a low of \$4 million at Tinker.

How were real property maintenance costs factored into the options to downsize vs. close?

Why does the Air Force assume that all real property maintenance savings from the closure of an installation will become a cost at a gaining installation?

Inter vs. intra Servicing

General Blume:

Why did the Air Force choose not to use the workload migration options of the Joint Cross Service Group? The Cross Service Group looked at interService workload migrations, however, when considering closures the Air Force assumed that all workload would stay in-house.

Missiles

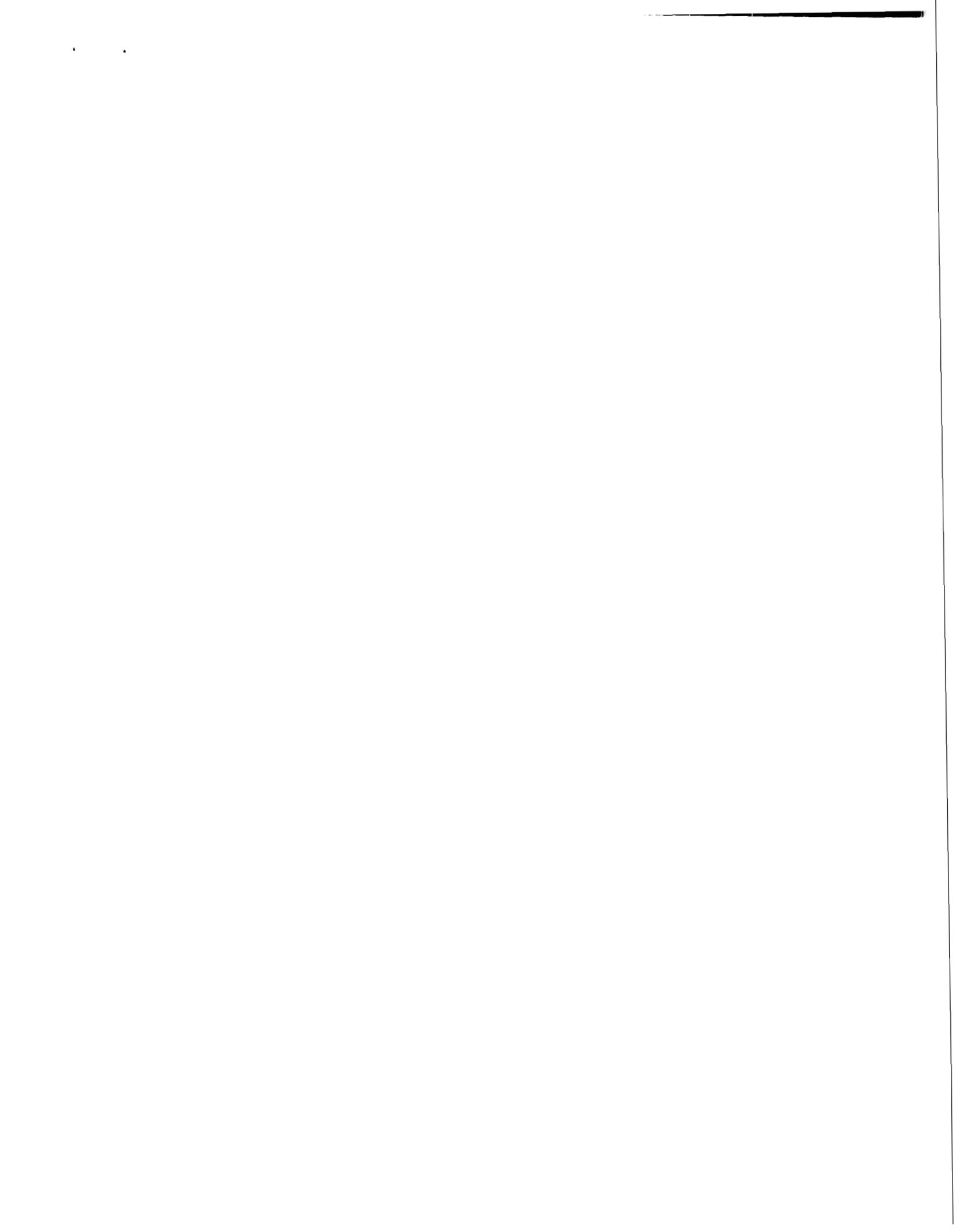
Mr. Klugh:

Why did the JCSG initially recommend the decentralization of tactical missile maintenance and then later “approve “ the Army plan to consolidate at Tobyhanna?

Mr. Klugh:

Part of Navy's rationale for retaining Portsmouth NSY is its east coast location. In moving shipyard work, did the JCSG account for the benefit of east coast/ west coast capabilities?

Did the JCSG take dry-dock capabilities / capacity into account?



ALC Questions on Depots

General, with regard to the Air Force's depot downsize proposal, our quick review of statistical back-up documentation reveals several conflicting pieces of information. We are having difficulty determining which of the several back-up source documents are correct. The Secretary's recommendation shows receiving, but not losing locations. Correspondance to Commission staff from Air Force headquarters provides a list of workload transfers into and out of each ALC. Still another piece of correspondence from AFMC headquarters to the effected ALC's provides another set of workload transfer options. In order for us to make an accurate assessment of your proposal we need to know exactly what the Air Force is planning. To illustrate our frustrations, I want to ask several questions about workload and personnel shifts into and out of TINKER AFB.

workload in

First, lets look at the sites that will be receiving new workload as a result of your downsize-in-place recommendation. The Secretary's list indicates that Tinker AFB will be receiving work in the machine manufacturing, airborne electronics, airborne electronics software, and plating areas. A memo from Air Force headquarters answering questions posed by Commission staff, indicates that Tinker will be receiving work in the only the machine manufacturing and plating areas. Yet another piece of correspondence from AFMC headquarters to the affected ALC,s dated March 9,1995 indicates that Tinker will be receiving work in only the machine manufacturing area. General, could you please tell us which piece of documentation is correct?

workload out

Now lets look at the workload that is forecast to leave Tinker under the downsize proposal. First, the Secretary's report makes no mention workloads that will transferred from Tinker. Information provided to the staff, in response to their request, reflects that Tinker will be losing 280,000 hours of instrument work. Why does your proposal take work from tier I and tier II base and assign it to a tier III base? A review of documentation supporting a recently completed TRC consolidation study indicates that in terms of one-time implementation costs and overall return on investment transferring instrument work to McClellan Air Force Base was one of least cost effective choices.. Why didn't the Air Force select a more cost effective option? Did the Air Force intentionally look at ways to backload work into McClellan?

Personnel slots eliminated

The Secretary's report clearly shows that Tinker will losing 1180 direct jobs. Back-up to the COBRA indicates that Tinker will be losing 999 personnel slots. The memorandum to the ALC's from AFMC headquarters dated March 9, 1995 advises that Tinker will be losing 693 personnel slots as a result of the downsize initiative. Tinker officials think they should be losing no more than 651 slots based on the workload that they would be transferring other locations. General, could you please advise us what the correct

numbers should be and also what effect the smaller number of personnel eliminations would have on the costs and benefits of your downsize-in-place proposal?

Square footage of buildings to be mothballed or demolished

Again, we are having extreme difficulty trying to get the numbers to track. The COBRA analysis on which your downsize proposal is based, shows that Tinker will mothball 702,000 square of space and that 304,000 square feet of infrastructure will be demolished. Our visit to the installation indicates that the installation has identified space totaling 411,000 square for mothballing and 499,000 square feet for building demolition. Of this amount more than 400,000 square was planned and programmed for demolition prior to BRAC. General, could please explain what accounts for these differences? Why are you claiming BRAC savings for demolition projects that were previously planned? Do similar situations at the other ALC's? How does the mothballing and demolition of buildings save money over the long run? Don't you continue to incur unneeded overhead costs to maintain mothballed workspace, especially in areas where only portions of buildings or sections of bays are closed off?

3

CATEGORY	ACTIVITY	1988	BRAC 1991	1993	1995
Army Depots	Anniston Corpus Christi Lexington-Bluegrass Letterkenny Pueblo Red River Sacramento Tobyhanna Tooele	X X	 X	 X	 X X
Navy Air Depots	Alameda Cherry Point Jacksonville Norfolk North Island Pensacola			X X X	
Navy Warfare Center	Crane Crane-Louisville Keyport				X X
Marine Corps Depot	Albany Barstow				
Navy Shipyard	Portsmouth Philadelphia Norfolk Charleston Puget Sound Mare Island Long Beach Pearl Harbor		X	 X X	 X
Air Force Logistics Center	Oklahoma City Ogden San Antonio Sacramento Warner Robins				XD XD XD XD XD
Other Air Force Depots	Guidance & Metrology Maint & Regeneration			XP	

X = depot closure
D = down size

Air Force Depot Proposal



4

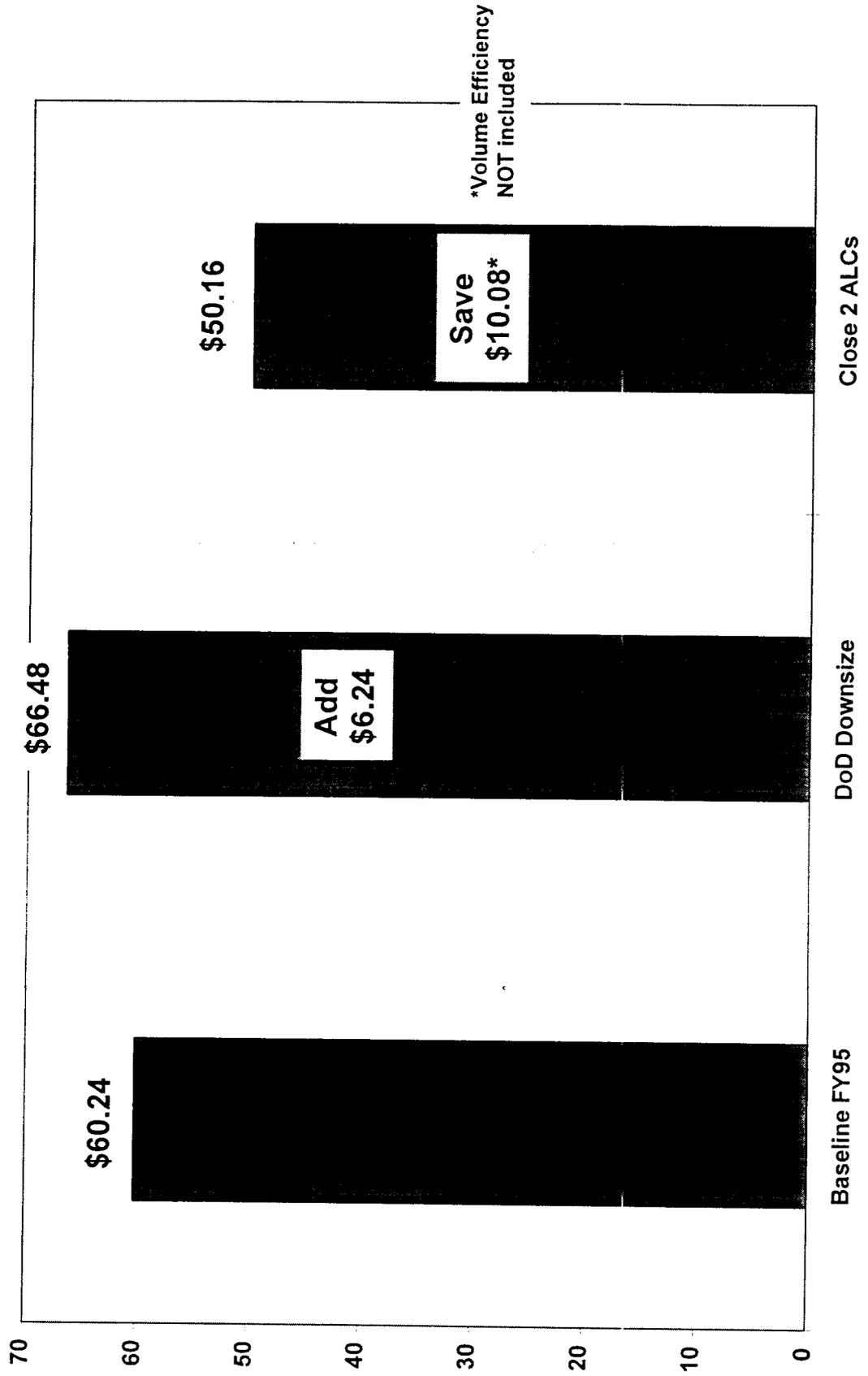
Cost Implications (\$ Millions)

Consolidate at All Depots	FY96-01 Net		Total Savings*
	One-Time Costs	Costs (Savings)	
BRAC ACTIONS	183	(139)	991
NON-BRAC ACTIONS	35	(488)	1,875
ALL ACTIONS	218	(627)	2,866
Alternative - Close 2 Depots (+\$600 Million Env)	1,107	(363)	699

* Savings in 20 year net present value

5

Effect of Workload Volume on Depot Maintenance Hourly Rate at Tinker AFB



INDUSTRIAL/TECHNICAL SUPPORT - DEPOT Subcategory**TIERING OF BASES**

As an intermediate step in the Air Force Process, the BCEG members established the following tiering of bases based on the relative merit of bases within the subcategory as measured using the eight selection criteria. Tier I represents the highest relative merit,

TIER I

Hill AFB
Tinker AFB

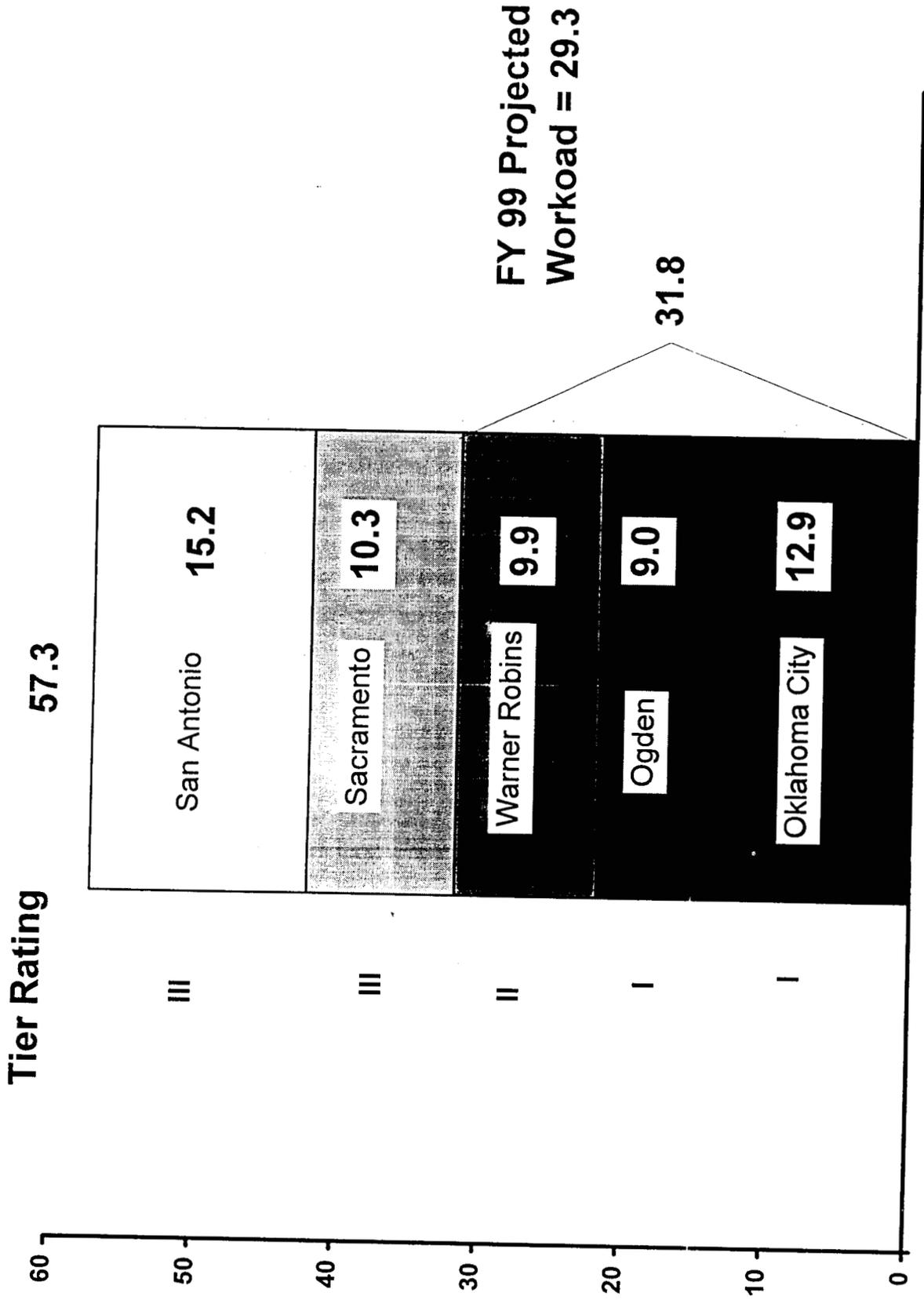
TIER II

Robins AFB

TIER III

Kelly AFB
McClellan AFB

**Air Force Certified Maximum Potential Capacity (Single Shift)
Reported to Joint Cross Service Group (Million Hrs)**



UNCLASSIFIED

82

INDUSTRIAL/TECHNICAL SUPPORT - DEPOT Subcategory IV/V Cost and Manpower Implications/Return on Investment

Base Name	IV.1	IV.2	Steady State Savings	Manpower Savings	Return On Investment
Hill AFB	1409	514	70	1450	30
Kelly AFB	653	-180	70	1492	10
McClellan AFB	514	-607	96	1756	5
Robins AFB	1011	133	75	1744	18
Tinker AFB	1312	633	56	1393	42

One Time Costs (Closing)

20 Year Net Present Value

Steady State Savings

Manpower Savings

Return On Investment

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INDUSTRIAL/TECHNICAL SUPPORT - DEPOT Subcategory

OVERALL

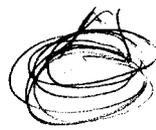
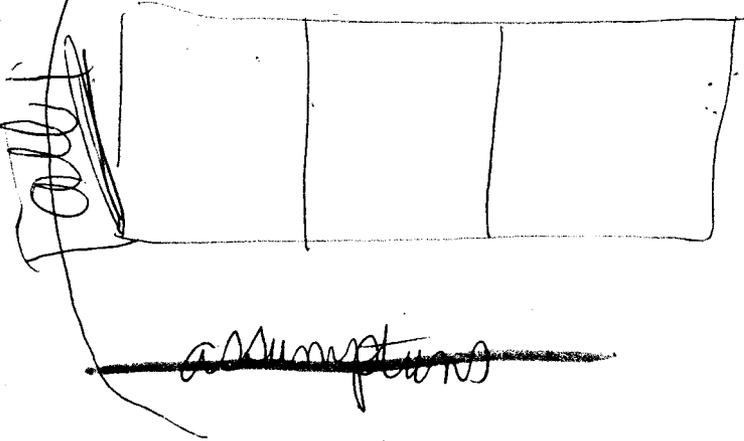
*Overall Mission Requirements**Facilities and Infrastructure**Contingency and Mobility**Costs and Manpower Implications**Return on Investment**Economic Impact**Community**Environmental Impact*

Base Name	I	II	III	IV	V	VI	VII	VIII
Hill AFB	Green -	Yellow +	Green -	1,409/ 514	30	31,908 (4.8%)*	Green -	Yellow +
Kelly AFB	Yellow	Green -	Yellow +	653/-180	10	43,136 (5.9%)*	Green -	Red +
McClellan AFB	Yellow +	Yellow +	Yellow +	514/-607	5	32,772 (4.3%)*	Yellow	Yellow +
Robins AFB	Green -	Green -	Green	1,011/ 133	18	31,103 (19.7%)*	Green -	Yellow +
Tinker AFB	Yellow +	Green	Green	1,312/ 633	42	47,733 (8.2%)*	Green -	Yellow +

Examples of COBRA data from each Military Department

	Air Force Kelly	Navy Long Beach	Army Red River	Army Letterkenny
Start year	1996	1996	1996	1996
final year	2001	1997	1999	1999
ROI year	2010	1997	1999	1998
NPV	-283	-1,949	-1,497	-952
Steady state savings costs:	-76	-131	-123	-78
one time costs	582	55	60	50
one time savings	7	168	0	24
positions:				
population	8,440	3,706	2,971	3,017
eliminated	1,245	1,697	1,861	1,287
realigned	6,415	472	1,040	803

hearing



personnel when eliminated

→ (rotated vs eliminated)

⇒ (million cost avoidance vs construct facilities)

→ if you had to close two (not two equivalents)

Klugh

Blue

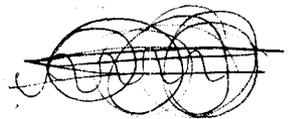
681-0456

Klugh - JASC (recommendations describe

(DoD recommendations

→ how impact excess capacity

why did you recommend what you



QWR
15% benefit factor
What is it
What does it mean ~~to~~ square footage

Cost of excess capacity? QFR

Cost of overhead in place for downsizing
rough estimation of overhead
ask how

QWR
RPMA

Excess capacity calculate by ~~ABC~~ Dept

monthly
→ BOS } relatively
→ RPMA } unchanged

gemm

slide for downsize / closure

compare ~~to~~
 cost
 savings
 workload
 infrastructure

gemm

What's been identified

mothballed

legal to use BRAC funds to demolish build

demolish count as proc action

cost differential to demolish vs mothball

cost to maintain mothballed build? - historical data from Ray Phyll

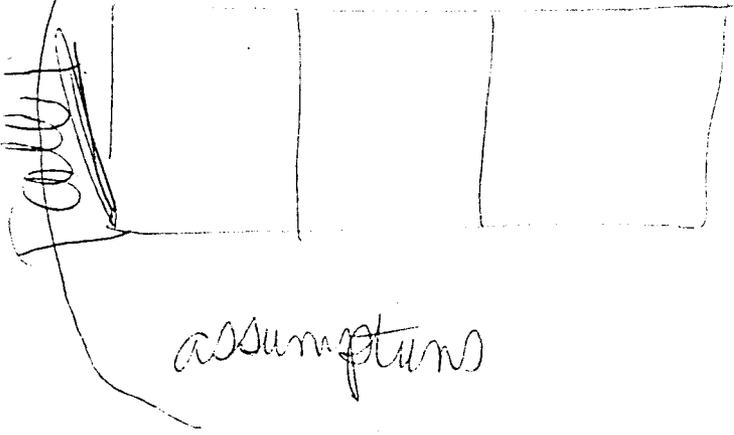
gemm

~~Army expenses~~

~~Army expenses~~ + AF plan

and army?

hearing



personnel when eliminated

→ (moderated is eliminated)

⇒ (national cost avoidance to construct facilities)

if you had to close two (not two equivalents) Blue

recommendations cascade



(DoD recommendations)

→ how impact across capacity

why did you recommend what you

QFR

15% benefit factor
What is it
What does it mean to square footage

Cost of excess capacity? QFR

Cost of overhead for downsize
in place rough estimation of overhead
use now

QFR

RPMA

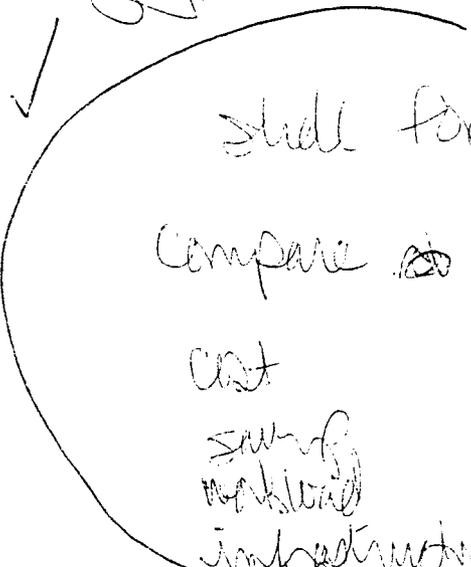
in place

rough estimate

RPMA
→ RPMA
→ RPMA

relationship unchanged

glenn



should for downsize / closure

compare to

cost

sum of
national

infrastructure

glenn

What's been identified

Worthwhile

Legal to use BRAC funds
to demolish build

demolish, cost as per plan

is different to demolition
is maintain

Cost to maintain the build facility?
Historical data sample that

glenn

~~very important~~

Navy experience + AF plan

~~Ann~~ [personnel #'s
and square footage

✓ Fall
w
Beating
w/et of
meets w/ AT

[Questions

(Question big #'s in cobra

~~Ann~~ [Comparison of cobras costs ... done

* [note to General Klugh
ask for excess capacity by
capacity, by depot for 3 scenarios done

[chart comparing
assumptions

[chart ~~summary~~ summary
experiences

Organize data for Air Force
Plan McC., Kelly, Hill etc

Examples of COBRA data from each Military Department

	Air Force Kelly	Navy Portsmouth	Army Red River	Army Letterkenny
Start year	1996	1996	1996	1996
final year	2001	1998	1999	1999
ROI year	2010	1997	1999	1998
NPV	-283	-2,308	-1,497	-952
Steady state savings		-150	-123	-78
costs:				
construction	104	20	0	0
personnel	34	10	5	4
overhead	21	17	22	12
moving	278	45	31	32
one time costs	582	101	60	50
one time savings	7	16	0	24
positions:				
eliminated	1,245	2,075	1,861	1,287
realigned	16,415	417	1,040	803

Date: 27 MAR 95
To: CAPTAIN Bob Moeller and Associates
From: Larry Jackson
Subject: REQUEST FOR INFORMATION--NADEPS

The following questions request information on the closure of Naval Aviation Depots (NADEPs). Where practical, please base your responses on historical data (e.g. on closure experience to date). Please note sources for the answers. Where answers are based on a single NADEP, please note which one.

1. What are the savings for closing a NADEP vice down-sizing it?
2. What percentage of transferring workload has required training at the receiving facility?
3. What percentage of personnel have transferred to receiving facilities?
4. How do COBRA standard factors compare with actual experience?
5. How much time is projected for the closure of the largest (in terms of personnel) NADEP?
6. What significant, if any, environmental issues have resulted at receiving NADEPs?
7. Please describe the Navy's methodology for developing COBRA costs for closing a NADEP, specifically addressing at least the following:
 - workload transfer
 - personnel re-training
 - personnel transfers
 - personnel eliminations
 - timing of personnel reductions with workload transfer
 - determination of personnel to be realigned vice eliminated

Members of the Base Closure Commission Joint-Service and Navy Teams would like to meet to discuss the above issues, particularly Navy methodology for running and developing data for COBRAs on NADEPs in both the 1993 and 1995 rounds of Base Closure. Based on the Commission travel schedule, the afternoon of Friday, 07 April appears to be a good date to aim for.

Document Separator

Examples of COBRA data from each Military Department

	Air Force Kelly	Navy Portsmouth	Army Red River	Army Letterkenny
Start year	1996	1996	1996	1996
final year	2001	1998	1999	1999
ROI year	2010	1997	1999	1998
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positions:				
eliminated	1,245	2,075	1,861	1,287
realigned	16,415	417	1,040	803

COMPARISON OF COBRA ASSUMPTIONS

	Navy	Air Force	Army
Time to Close	2-3 years	6 years	3-4 years
positions eliminated before workload move	average has been 20-30% gainer estimated requirement	none	na
timing of position elimination	phased over closure period	all in 2001	phased according to scenerio
civilian personnel leave cost	none recognized as BRAC gov't obligated to pay regardless	all recognized as BRAC cost	none recognized as BRAC gov't obligated to pay regardless
personnel shop to hire at receiving base offices location	none recognized as BRAC personnel and recruitment offices already in place at receiving location	\$4,000 per new employee	none recognized as BRAC personnel and recruitment already in place at receiving
Production transition costs	COBRA calculated none recognized (increase production prior to move)	COBRA calculated plus cost to run parallel lines and interim contract support	COBRA calculated
amount of equipment moved	based on estimate of receiver	all moved	na
equipment transportation costs	based on tonnage	estimated as 4% of equipment acquisition cost	na
equipment excess cost cost	not recognized as BRAC cost assume proceeds equal costs	recognize full excess costs as BRAC costs	not recognized as BRAC
supply transportation costs	based on tonnage	estimated as 1% of inventory value	na
procurement of new equipment	not BRAC cost	five percent of equipment at losing base is repurchased	na
Administrative MilCon	rehab admin space	new and rehab administrative space	none
MilCon cost avoidance	savings from all projects programmed at losing base	none recognized	savings from all projects budgeted for losing base
Base Conversion Agency Costs	COBRA calculation	COBRA calculation plus \$30 M/ 2 base closures	COBRA calculation

Changes of assumptions behind Air Force Closure COBRAs

30 percent of workforce eliminated

closure action occurs in four years

realignment and elimination of billets is phased 25 % each year

\$15 M civilian terminal leave costs eliminated

\$90 M of new procurement of equipment is eliminated

\$ 6 M of cost to send equipment to excess is eliminated

\$26 M interim contract cost during transition eliminated

\$55 M for Milcon of administrative space is eliminated

\$30 M for Conversion Agency is eliminated

First Cut at revised Air Force Closure COBRAs
Comparison of Air Force and Bevins COBRAs

	<u>Air Force</u>	<u>Bevins</u>
start year	1996	1996
final year	2001	1999
ROI year	2009 (10 years)	2000 (1 year)
NPV	624 million	4,634 million
1- time costs	1,200	864
construction	246	148
personnel	62	51
overhead	41	39
other	274	202
1-time savings	11	11
net costs	1,190	854
steady state savings	162	405
position eliminated		
civ	1,884	7,113
mil	799	799
Total	2,683	7,012
positions realigned		
civ	19,296	13,191
mil	4,684	6,684
Total	25,980	19,875

Topics for Discussion

- I Strategy for ALC analysis

- II Excess Capacity
 - JLSC charts of capacity
 - capacity charts formulated by Tinker AFB

- III Summary of square footage for mothballing and demolition

- IV COBRA
 - comparison of COBRA cost between Services
 - summary of varying Service COBRA assumptions
 - revision of Air Force assumptions
 - impact of new assumptions

- V Questions for the 17 April Hearing

ALC Analysis Approach:

Capacity analysis indicates
need to close 2 Air Force Depots

AF recommendation:
closure of 2 depot "equivalents"

- space - knocking down and mothballing buildings inappropriate method for reducing capacity
- hours - 15 % "reengineering benefit factor" inappropriate and not achievable

closure of "depot
equivalents" not valid

•• need 2 "real" closures

select 2 to consider on following criteria:

- level playing field cost to close COBRAs
- military value tier
- proposals of JCSG
- 11 months of AF study

analyze 2 "real" depot closures

cost to close is not prohibitive

Depot Analysis Approach:

Capacity Analysis indicates need to close :

2 AF depots,
2 Army depots,
1 Naval aviation depot,
2 shipyard,
1 Naval warfare center

DoD recommendation closed:

2 AF depot "equivalents",
2 Army depots,
1 shipyard,
1 naval warfare center

therefore to achieve reasonable capacity reductions :
must close 1 Naval aviation depot and 1 Shipyard

DRAFT

Excess Capacity Summary - Certified Data

(DLH)

Major Commodity Group	Army	Air Force	Marines	Navy	TOTAL
1 Aircraft Airframes	50,000	2,902,752		2,258,080	5,210,832
2 Aircraft Comp	796,000	4,028,271		447,213	5,271,484
3 Engines (Gas Turb)	273,055	2,641,147		161,660	3,075,862
4 Missiles & Comp	1,273,140	516,540	14,400	22,193	1,826,273
5 Amphibians			67,800		67,800
6 Gnd Cbt Vehicles	3,005,131		23,600		3,028,731
7 Comm & Electr	1,240,000	856,892	45,000	814,527	2,956,419
8 Auto/Constr Equip	66,000		66,400		132,400
9 Tactical Vehicles	399,000		84,500		483,500
10 Gnd Gen Purp Items	526,604	85,102	47,600		659,306
11 Sea Systems			400	12,188,356	12,188,756
12 Software	2,000	482,854			484,854
13 Spec Interest Items	154,000	287,904		149,001	590,905
14 Other Commodity	127,000	745,496	5,600	196,878	1,074,974
15 Assoc Fabric/Mfg	362,000	635,550		174,434	1,171,984
16 Fleet Support				1,876,059	1,876,059
TOTAL	8,273,930	13,182,508	355,300	18,288,401	40,100,139

(% of Capacity)

Major Commodity Group	Army	Air Force	Marines	Navy	TOTAL
1 Aircraft Airframes	3	25		48	29
2 Aircraft Comp	37	39		23	37
3 Engines (Gas Turb)	40	34		18	33
4 Missiles & Comp	67	36	100	37	53
5 Amphibians			20		20
6 Gnd Cbt Vehicles	52		14		51
7 Comm & Electr	47	45	12	51	45
8 Auto/Constr Equip	80		20		32
9 Tactical Vehicles	100		12		43
10 Gnd Gen Purp Items	69	32	16		50
11 Sea Systems			7	29	29
12 Software	20	12			12
13 Spec Interest Items	67	40		25	38
14 Other Commodity	100	87	86	26	62
15 Assoc Fabric/Mfg	41	40		10	28
16 Fleet Support				46	46
TOTAL	47	33	16	31	34

Excess Capacity Summary - DM-1 (Minimize Sites/Maximize Military Value)

(DLH)

Major Commodity Group	Army	Air Force	Marines	Navy	TOTAL
1 Aircraft Airframes	50,000	2,375,628		621,831	3,047,459
2 Aircraft Comp	1,015,000	3,996,386		220,883	5,232,269
3 Engines (Gas Turb)	479,055	150,532		36,672	666,259
4 Missiles & Comp	93,000	280,950			373,950
5 Amphibians			67,800		67,800
6 Gnd Cbt Vehicles	226,729		63,700		290,429
7 Comm & Electr	934,500	563,083	288,600	540,519	2,326,702
8 Auto/Constr Equip			49,400		49,400
9 Tactical Vehicles			84,500		84,500
10 Gnd Gen Purp Items	628,148	100,642	15,500		744,290
11 Sea Systems				4,928,782	4,928,782
12 Software	2,000	511,547			513,547
13 Spec Interest Items	21,000	32,949		51,103	105,052
14 Other Commodity	127,000	745,496	5,600	56,992	935,088
15 Assoc Fabric/Mfg	362,000	275,232		36,999	674,231
16 Fleet Support				202,388	202,388
TOTAL	3,938,432	8,032,445	575,100	6,696,169	20,242,146

(% of Capacity)

Major Commodity Group	Army	Air Force	Marines	Navy	TOTAL
1 Aircraft Airframes	3	22		20	19
2 Aircraft Comp	49	38		12	36
3 Engines (Gas Turb)	70	3		4	10
4 Missiles & Comp	16	21			19
5 Amphibians			20		20
6 Gnd Cbt Vehicles	8		33		9
7 Comm & Electr	33	30	77	70	40
8 Auto/Constr Equip			15		15
9 Tactical Vehicles			12		12
10 Gnd Gen Purp Items	100	36	3		53
11 Sea Systems				14	14
12 Software	20	13			13
13 Spec Interest Items	6	100		8	10
14 Other Commodity	100	87	86	9	59
15 Assoc Fabric/Mfg	41	22		2	18
16 Fleet Support				8	8
TOTAL	30	25	23	14	20

Excess Capacity Summary - DM-2 (Minimize Excess Capacity)

(DLH)

Major Commodity Group	Army	Air Force	Marines	Navy	TOTAL
1 Aircraft Airframes	50,000	754,980		621,831	1,426,811
2 Aircraft Comp	1,015,000	2,930,177		280,197	4,225,374
3 Engines (Gas Turb)	479,055	51,429		36,672	567,156
4 Missiles & Comp	93,000	280,950		59,993	433,943
5 Amphibians			67,800		67,800
6 Gnd Cbt Vehicles	226,729		63,700		290,429
7 Comm & Electr	458,030	1,888	207,200	735,506	1,402,624
8 Auto/Constr Equip			49,400		49,400
9 Tactical Vehicles			84,500		84,500
10 Gnd Gen Purp Items	628,149		13,800		641,949
11 Sea Systems				5,018,385	5,018,385
12 Software	2,000	2,035			4,035
13 Spec Interest Items	11,000	32,949		45,462	89,411
14 Other Commodity	127,000	708,823	5,600	61,980	903,403
15 Assoc Fabric/Mfg	362,000	62,385		91,183	515,568
16 Fleet Support				202,388	202,388
TOTAL	3,451,963	4,825,616	492,000	7,153,597	15,923,176

(% of Capacity)

Major Commodity Group	Army	Air Force	Marines	Navy	TOTAL
1 Aircraft Airframes	3	8		20	10
2 Aircraft Comp	49	32		13	32
3 Engines (Gas Turb)	70	1		4	8
4 Missiles & Comp	16	21		100	21
5 Amphibians			20		20
6 Gnd Cbt Vehicles	8		33		9
7 Comm & Electr	13	100	55	68	28
8 Auto/Constr Equip			15		15
9 Tactical Vehicles			12		12
10 Gnd Gen Purp Items	100		2		49
11 Sea Systems				14	14
12 Software	20	0			0
13 Spec Interest Items	3	100		7	9
14 Other Commodity	100	87	86	10	58
15 Assoc Fabric/Mfg	41	6		6	15
16 Fleet Support				8	8
TOTAL	25	16	19	15	17

Excess Capacity Summary - Service Proposals

(DLH)

Major Commodity Group	Army	Air Force	Marines	Navy	TOTAL
1 Aircraft Airframes	50,000	1,283,385		1,941,703	3,275,088
2 Aircraft Comp	721,000	2,149,232		447,233	3,317,465
3 Engines (Gas Turb)	273,055	767,401		131,660	1,172,116
4 Missiles & Comp	88,794	139,152	14,400	22,193	264,539
5 Amphibians			67,800		67,800
6 Gnd Cbt Vehicles	280,829		23,600		304,429
7 Comm & Electr	1,240,000	156,249	45,000	368,107	1,809,356
8 Auto/Constr Equip			66,400		66,400
9 Tactical Vehicles			84,500		84,500
10 Gnd Gen Purp Items	397,768	26,342	48,900		473,010
11 Sea Systems			400	9,841,505	9,841,905
12 Software	2,000	642,494			644,494
13 Spec Interest Items	146,000	63,985		96,958	306,943
14 Other Commodity	127,000	399	5,600	196,878	329,877
15 Assoc Fabric/Mfg	362,000	152,959		146,901	661,860
16 Fleet Support				1,510,425	1,510,425
TOTAL	3,688,446	5,381,598	356,600	14,703,563	24,130,207

(% of Capacity)

Major Commodity Group	Army	Air Force	Marines	Navy	TOTAL
1 Aircraft Airframes	3	15		41	22
2 Aircraft Comp	35	29		23	29
3 Engines (Gas Turb)	40	15		14	17
4 Missiles & Comp	12	15	100	37	15
5 Amphibians			20		20
6 Gnd Cbt Vehicles	9		14		9
7 Comm & Electr	47	15	12	35	35
8 Auto/Constr Equip			20		19
9 Tactical Vehicles			12		12
10 Gnd Gen Purp Items	63	14	16		43
11 Sea Systems			7	26	26
12 Software	20	18			18
13 Spec Interest Items	65	15		18	26
14 Other Commodity	100	0	86	26	33
15 Assoc Fabric/Mfg	41	16		9	19
16 Fleet Support				37	37
TOTAL	28	19	16	27	25

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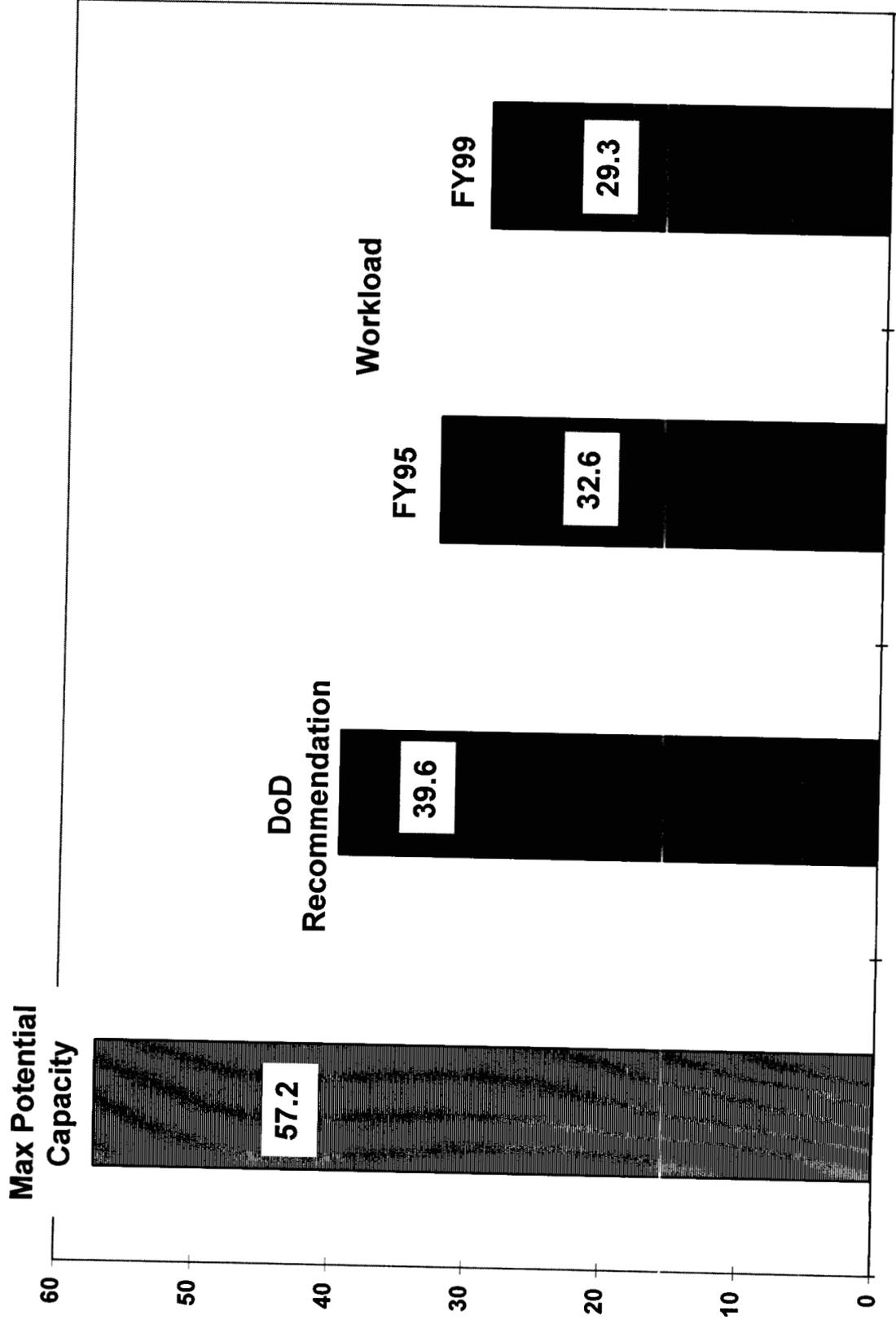
**COMPARISON OF
ALC INFRASTRUCTURE USED,
AVAILABLE FOR EXPANSION,
TO BE MOTHBALLED OR DEMOLISHED
(square feet in millions)**

ALC	BLDGS USED	AVAIL	FOR	EXPANSION		DOWNSIZE	
		ADEQATE	SUB- STAND	TOTAL	DEMO	MOTH- BALL	TOTAL
TINKER	5.1	1.2	.7*	1.9	.3	.7	1.0
ROBINS	4.0	.7	.1	.8	.1	.6	.7
HILL	5.0	.8	.5	1.3	.2	1.0	1.2
KELLY	4.8	.5	1.0*	1.5	.2	1.0	1.2
McCLELLAN	3.4	.2	1.0	1.2	.2	.6	.8
TOTAL	22.3	3.4	3.3	6.7	1.0	3.9	4.9

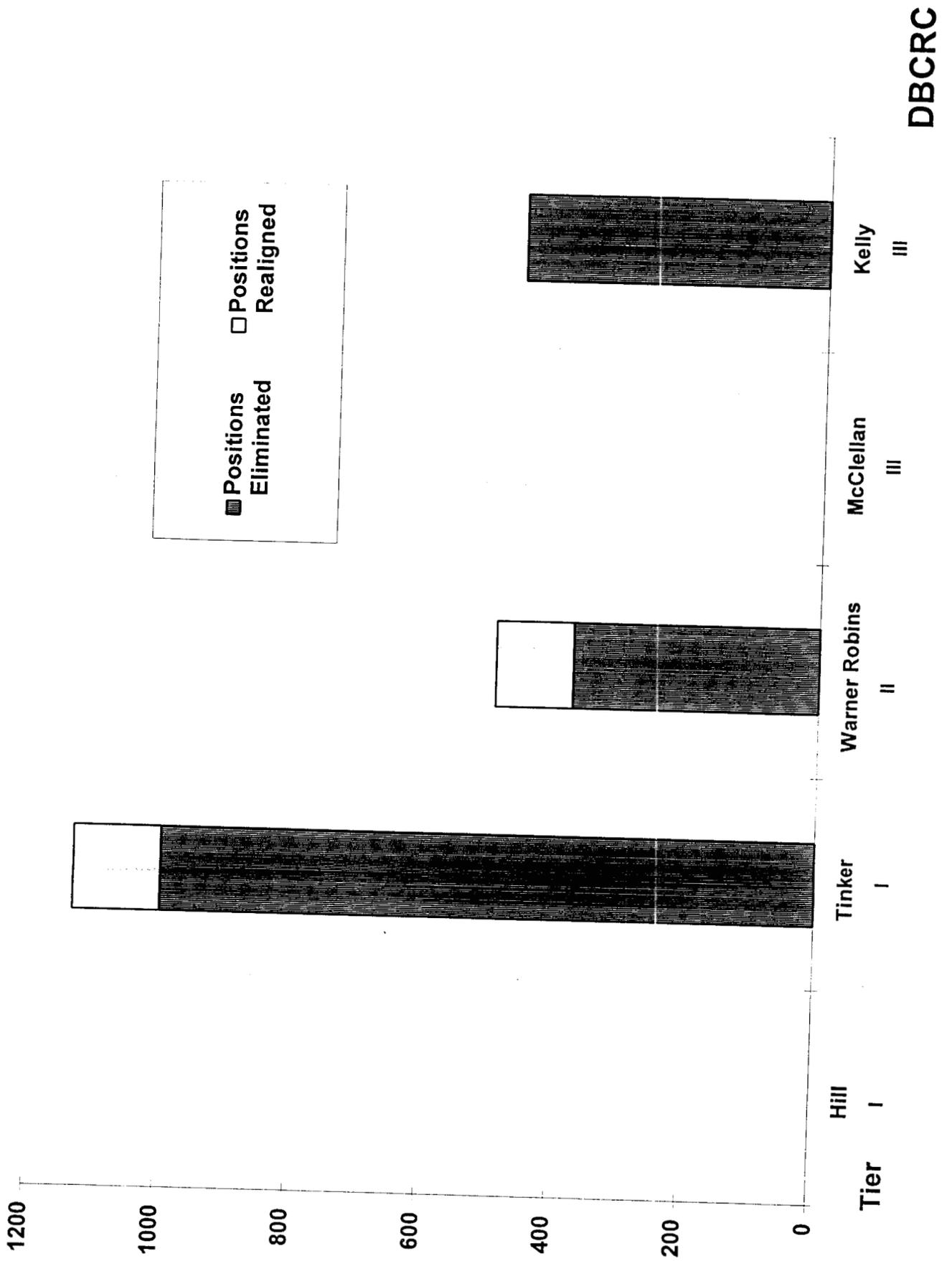
* 500,000 SQUARE FEET PROGRAMMED FOR DEMOLITION PRIOR TO BRAC 95

**1,000,000 SQUARE FEET PROGRAMMED FOR DEMOLITION PRIOR TO BRAC 95

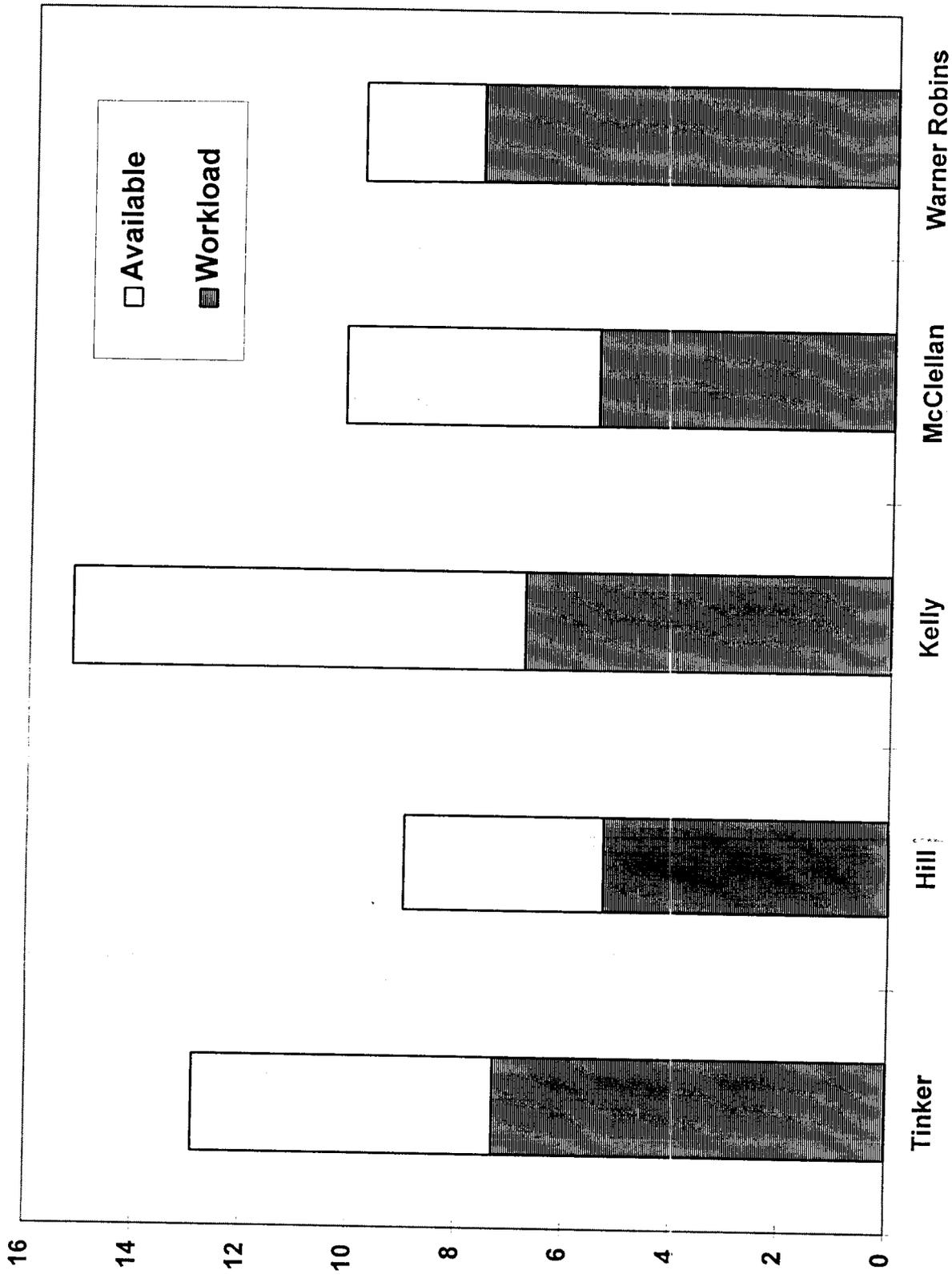
Depot Maintenance Capacity vs. Workload (Million Hours)



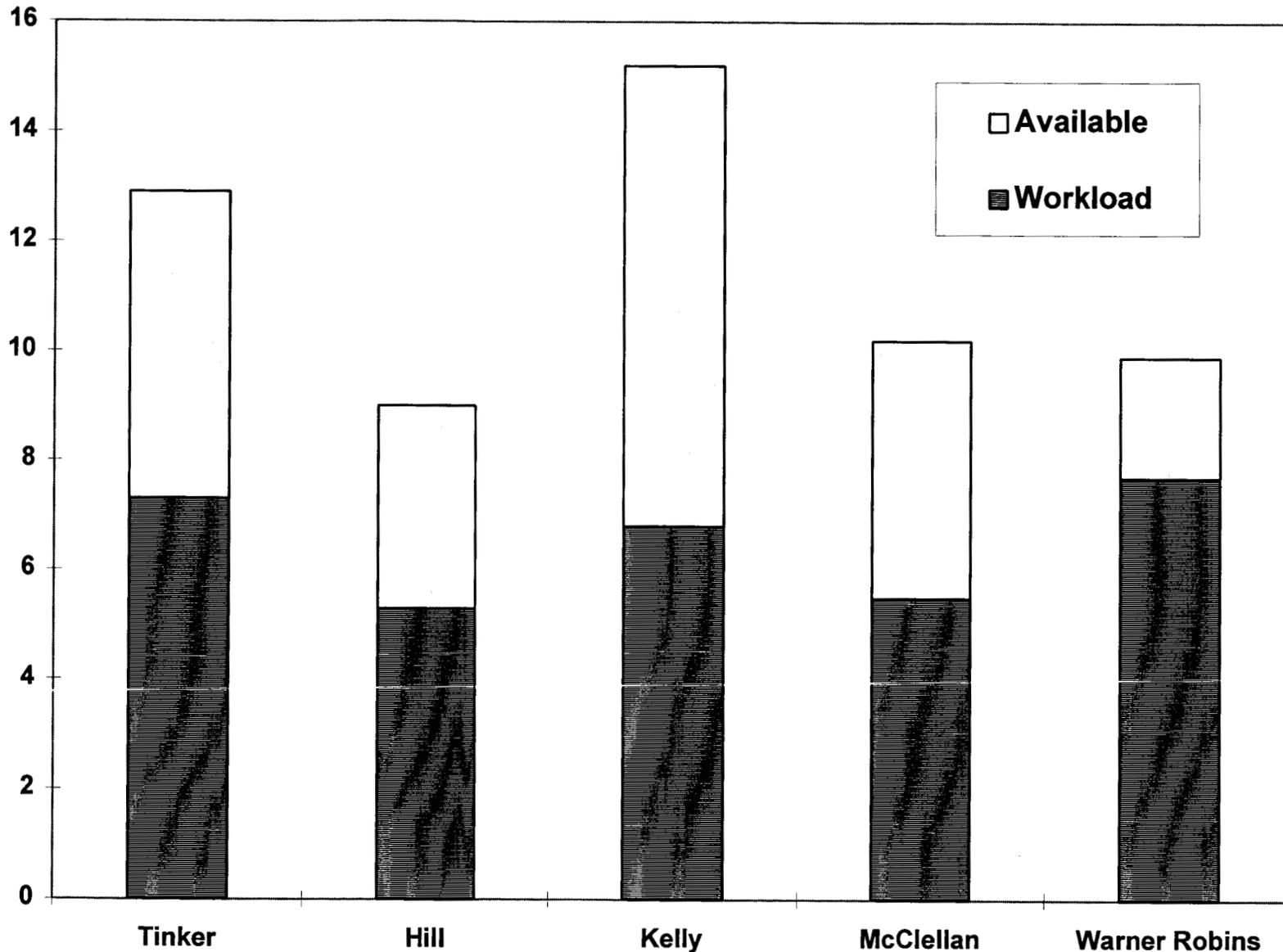
Depot Downsizing of Air Force ALCs



Depot Maintenance Hours at Tinker AFB Available vs. Current Workload (Million Hours)

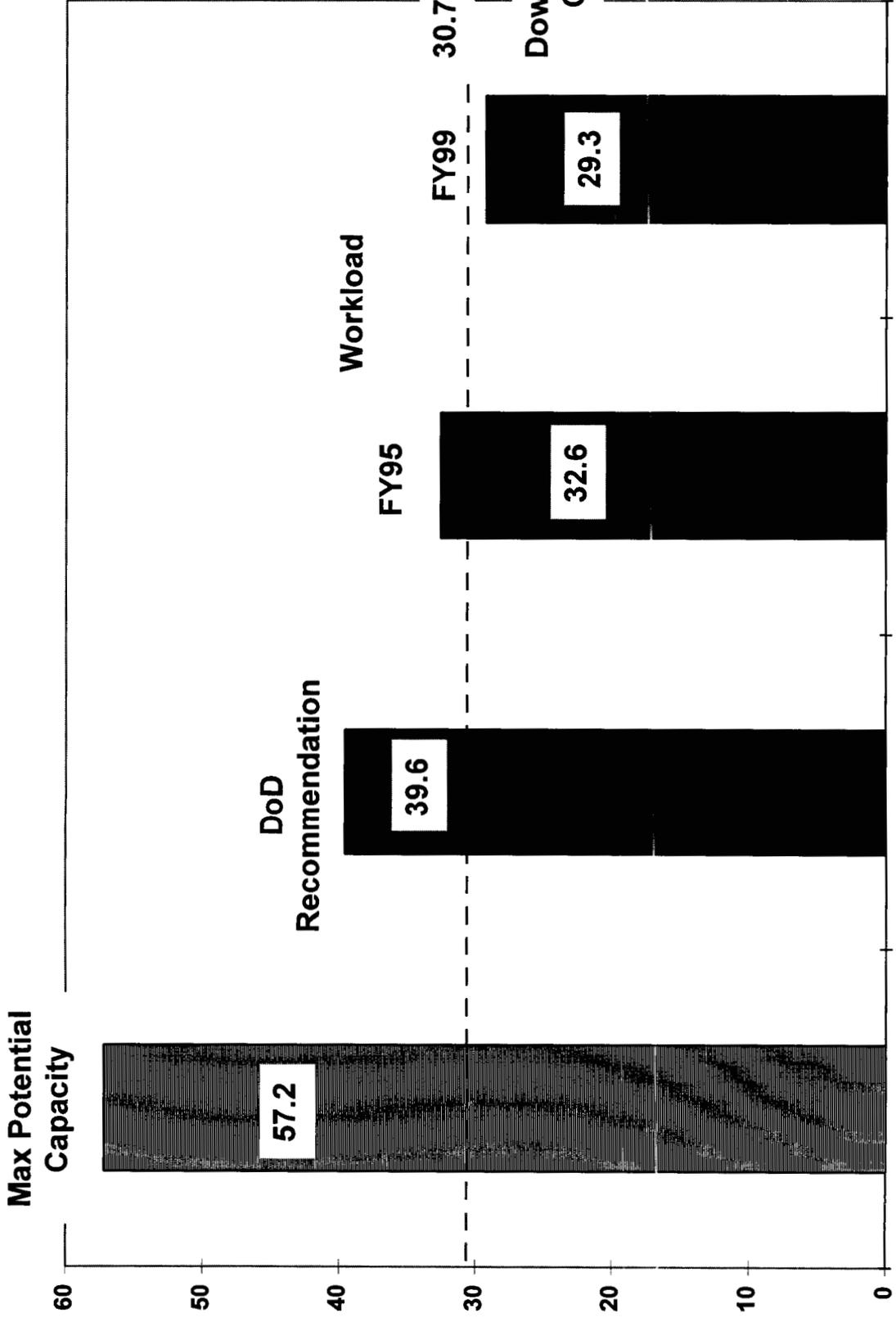


Depot Maintenance Hours at Tinker AFB Available vs. Current Workload (Million Hours)

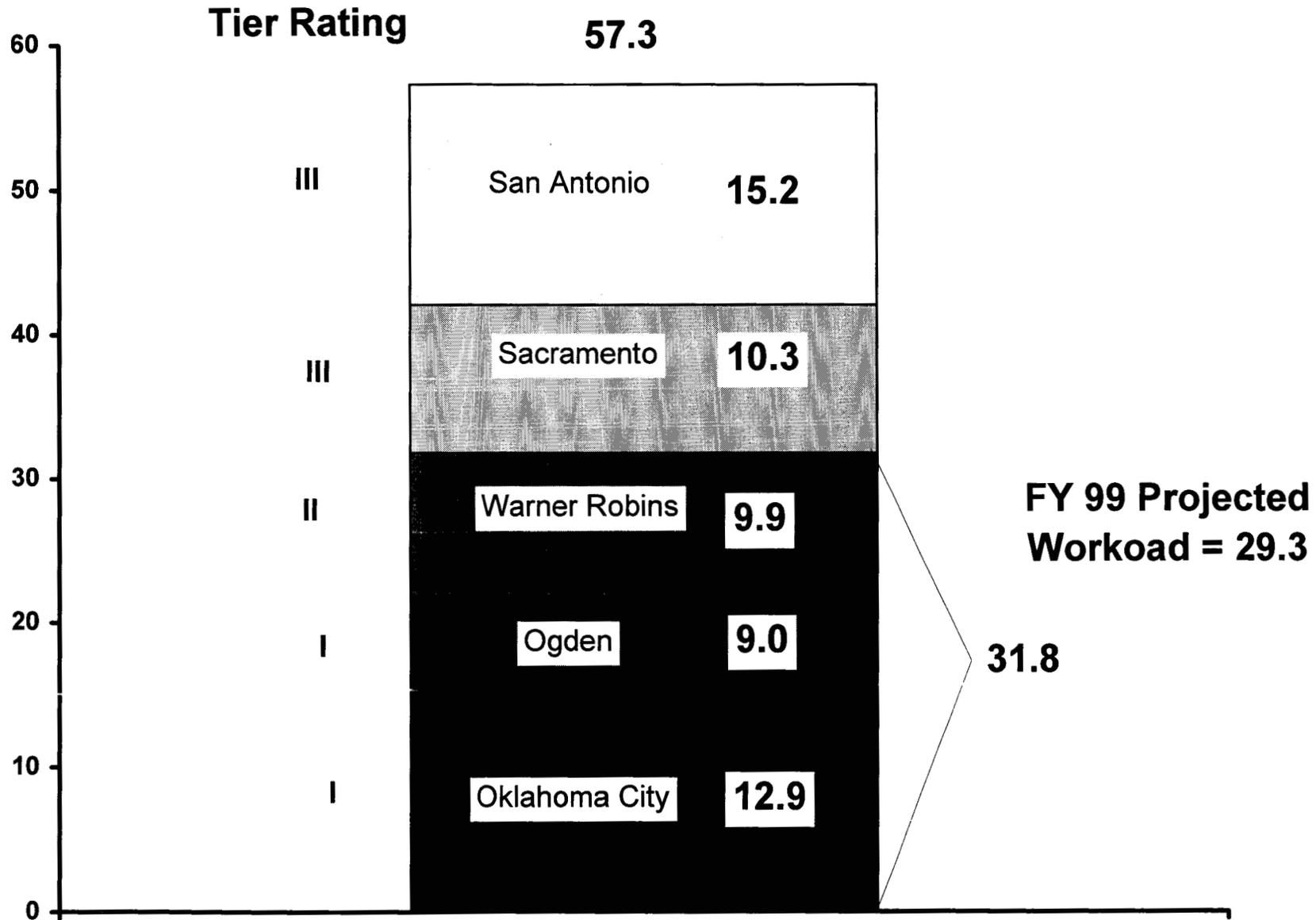


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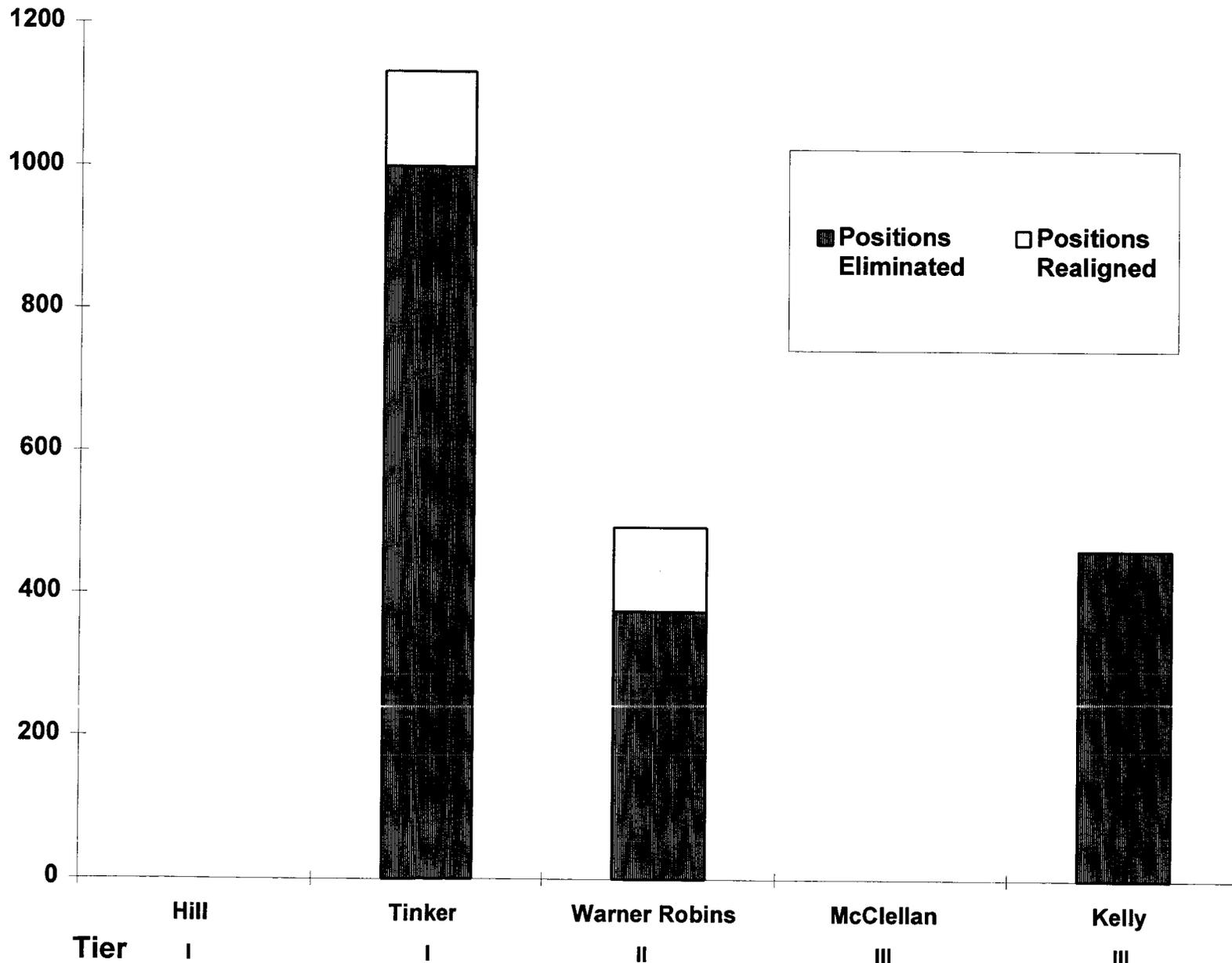
Depot Maintenance Capacity vs. Workload (Million Hours)



Air Force Certified Maximum Potential Capacity (Single Shift) Reported to Joint Cross Service Group (Million Hrs)

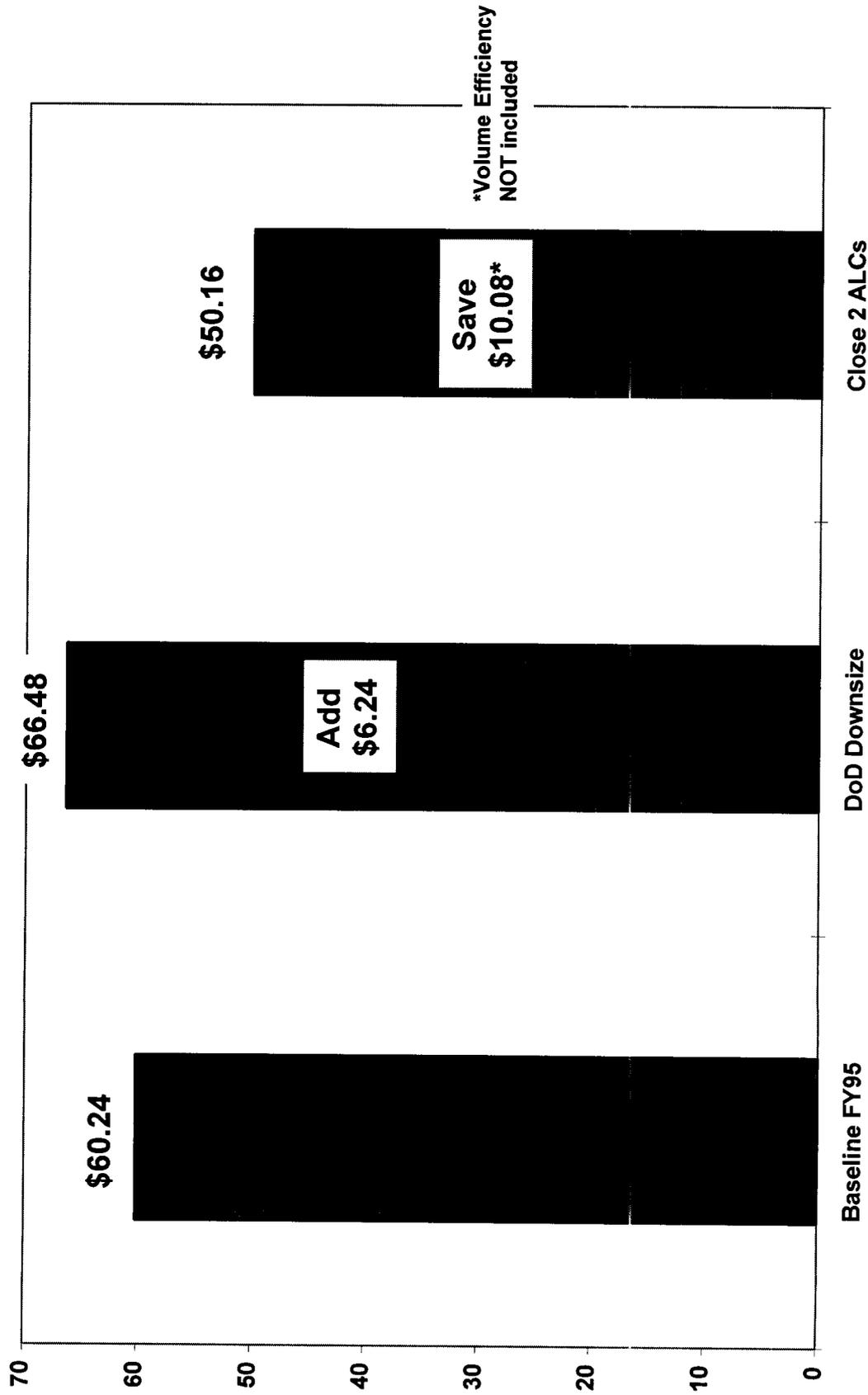


Depot Downsizing of Air Force ALCs

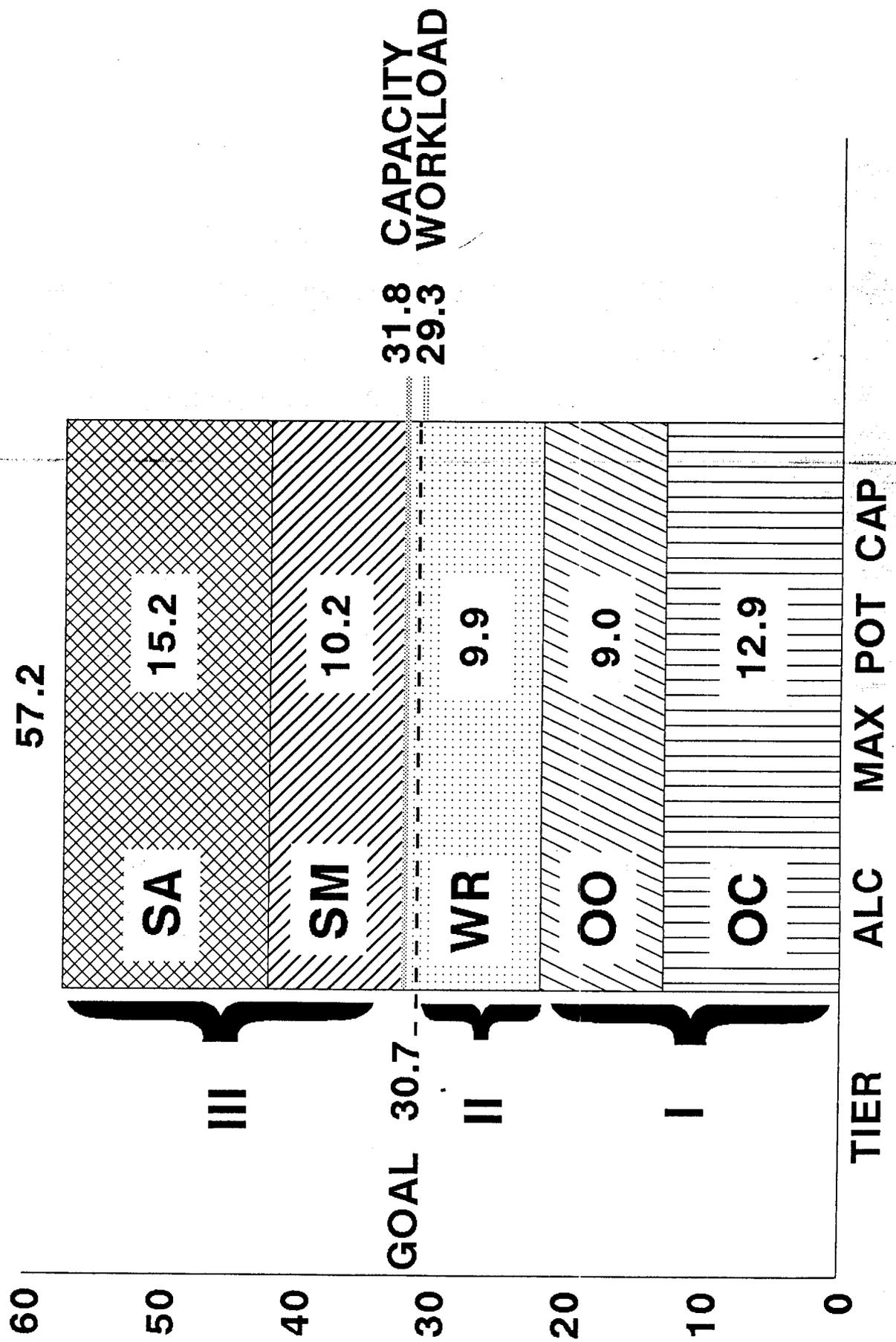


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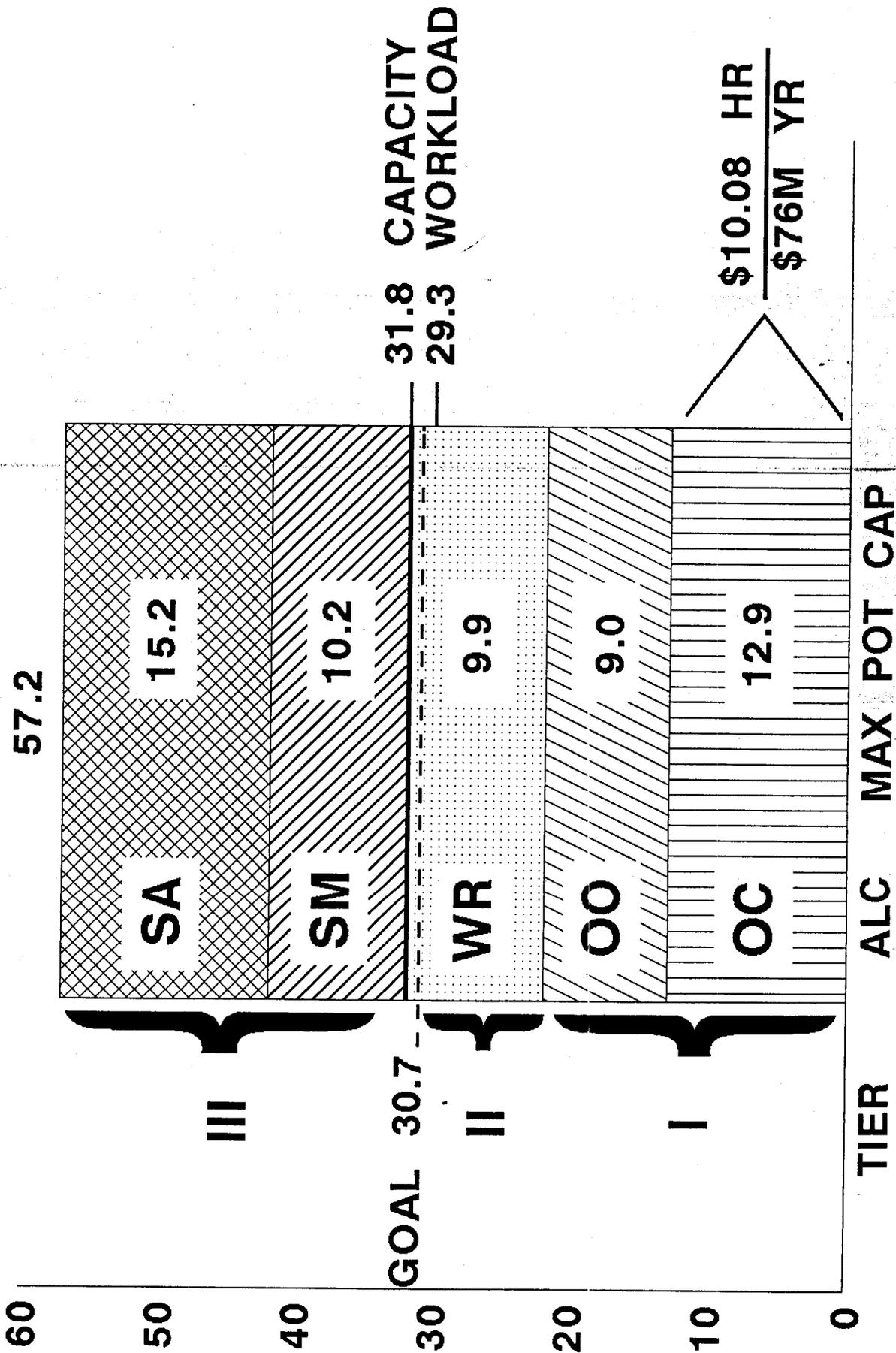
Effect of Workload Volume on Depot Maintenance Hourly Rate at Tinker AFB



AFMC MAXIMUM POTENTIAL CAPACITY



AFMC MAXIMUM POTENTIAL CAPACITY



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TO: X-SERVICE TEAM

FR: JOE

RE: PROPOSED AGENDA FOR X-SERVICE TEAM MEETING

on FRIDAY, 24 MARCH 95

TIME: TBA

1) From Team Leaders' Meeting of Thursday, 23 March:

- The Commissioner Installation Visit NoteBooks should now also contain relevant local news articles in the "additional information" section.
- The 17 April hearing schedule times have been finalized (attached). Les signed off on these letters for the team in Jim's and Ann's absences. The letters originated in David's office. PLEASE NOTE: In the letters, David designated Ed Brown as coordinator for the GAO part of the hearings, and Ben for the rest. (Does anyone know why? I presume, however, that we will be the ones doing the coordinating in the end.)

There was not a Team Leaders' meeting held on Wednesday, 22 March.

2) 17 April Hearings:

- The team has an extremely tight travel schedule the weeks of 3 April and 10 April. Everyone is due to be in the office Friday, 13 April, with the hearings being on the following Monday, 17 April.

THEREFORE, I would suggest we have as much of our preparation completed by Friday, 31 March, as we possibly can--obviously, we are going to have questions based upon what we are going to visit. WEEKEND WORK Sat-Sun, 15-16 April??? Next week Mon-Thurs is wide open for our team. We are all scheduled to be here in the office on those days. I believe it would be an ideal time to get questions completed.

3) TRAVEL TRAVEL TRAVEL!

- We all need to go over, together, the travel schedule day by day. Numerous concerns and questions remain.

4) Les, Brian and I (along w/Alex and David Epstein) attended the LakeHurst mtg Thursday. They gave a good, if not impassioned, presentation according to their point of view. Military value, however, did not come through in their presentation, even when directly asked about it by Les.



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

March 23, 1995

Honorable John M. Deutch
Deputy Secretary of Defense
The Pentagon, Room 3E944
Washington, D.C. 20301

Dear Mr. Secretary:

The Defense Base Closure and Realignment Commission is continuing its review of the Defense Department's recommendations to close or realign military installations in the United States. As part of this review, the Commission would like to invite the head of each of the Joint Cross Service Groups to testify with a witness from each of the military departments at a hearing on April 17, 1995, in Room SH-216 of the Hart Senate Office Building.

The Commission will receive testimony from the General Accounting Office from 8 a.m. to 10 a.m. at this hearing. Following the GAO testimony, the Commission would like to ask questions of the head of each Joint Cross Service Group in the following order:

Depot Maintenance	10 a.m.-noon
Undergraduate Pilot Training	1 p.m.-2 p.m.
Medical	2 p.m.-3 p.m.
Labs, Test and Evaluation	3 p.m.-4 p.m.

Each panel will include the Joint Cross Service Group witness along with a witness from each military department who should be prepared to address how their military department dealt with the Joint Cross Service Group alternatives in that area.

In order to have the maximum amount of time for questions, the Commission will dispense with opening statements by the witnesses and proceed directly to questions in each panel. If any of the witnesses wish to submit prepared testimony to the Commission, 150 copies of the testimony should be provided to the Commission no later than April 13. If your staff has any questions, they should contact Mr. Ben Borden of the Commission staff.

Thank you for your continuing assistance to the work of the Defense Base Closure and
Realignment Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan J. Dixon". The signature is fluid and cursive, with the first name "Alan" written in a more rounded script and "J. Dixon" in a more angular, blocky style.

Alan J. Dixon
Chairman



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

March 23, 1995

Honorable Charles A. Bowsher
Comptroller General
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Bowsher:

The Defense Base Closure and Realignment Commission is continuing its review of the Secretary of Defense's recommendations to close or realign military installations in the United States. As you know, the Defense Base Closure and Realignment Act of 1990 requires the Comptroller General of the United States to transmit to the Congress and the Commission "a detailed analysis of the Secretary's recommendations and selection process" no later than April 15.

I would like to invite you, or your designated representative, to present the results of your analysis to the Commission at a hearing on Monday, April 17. As part of your testimony, the Commission is particularly interested in hearing the General Accounting Office's views on the costs and savings projected by the Secretary of Defense in his base closure and realignment recommendations.

The hearing will be held in Room SH-216 of the Hart Senate Office Building beginning at 8 a.m. Since the Commission will also be receiving testimony from Department of Defense witnesses during the hearing, we anticipate GAO's testimony will last approximately two hours. In order to allow time for Commissioners to ask questions, the GAO witness should limit any opening remarks to 10 minutes.

Please provide 150 copies of GAO's prepared remarks to the Commission by Thursday, April 13. If your staff has any questions, they should contact Mr. Ed Brown of the Commission staff.

Thank you for your continuing assistance to the Commission. I look forward to GAO's testimony on April 17.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan J. Dixon". The signature is fluid and cursive, with the first name "Alan" being particularly prominent.

Alan J. Dixon
Chairman