

BASE VISIT REPORT
PORTSMOUTH NAVAL SHIPYARD

1 JUNE 2005

LEAD COMMISSIONER: Chairman Anthony J. Principi

ACCOMPANYING COMMISSIONER: Commissioner James H. Bilbray, Commissioner Philip Coyle and Commissioner Lloyd W. Newton

COMMISSION STAFF: Executive Director Charles Battaglia, General Counsel David Hague, USN/USMC Team Lead Jim Hanna, Lead Analyst C. W. Furlow, Senior Analyst George Delgado, Senior Analyst Brian McDaniel, Communications Deputy Robert McCreary and Communications Advance Representative Christina Estrada

LIST OF ATTENDEES:

Union Presidents	
Paul O'Connor	Federal Employees Metal Trades Council
Terry Eleftherion	International Federation of Professional and Technical Engineers
Arvard Worster	American Federation of Government Employees
Donald Shaw	International Association of Fire Fighters
Association Presidents	
John Bond	Naval Civilian Managers Association
Lawrence Sands	National Association of Superintendents
Earl Donnell	Shipyards Superintendent's Association
Steven Boisvert	Federal Managers Association
Shipyards	
CAPT Jonathan Iverson	Shipyards Commander
Nancy Peschel	Long Range Corporate Planning Manager
James Argue	Nuclear Engineering and Planning Manager
Guy Beaudoin	Radiological Controls Manager
Dennis Dubois	Occupational Safety, Health, and Environmental Director
John Tarpey	Quality Assurance Manager
John MacGinnis	Engineering and Planning Officer (Acting)
John Edic	Assistant Operations Planning Manager
Troy Kaichen	Nuclear Production Manager
James Culver	Deputy Comptroller
Richard Doig	Lifting and Handling Director
Patricia Riordan	Base Support Officer
Haven Wiggin	Production Resources Manager

Library Routing Slip 2005 BRAC Commission Materials

Title of Item: Base Visit Report
 Installation or Community: Naval Shipyards Portsmouth NH
 Source: Commission Generated
 Certified Material? yes no
 Analyst / Provider: CW Furlow Date Received: _____

Earl Donnell	Deputy Production Resources Officer
James Kautz	Human Resources Director
John Scibisz	Nuclear Business Manager
Thomas Marshall	Security Director
Governors	
John Baldacci	Governor of Maine
John Lynch	Governor of New Hampshire
Congressional	
Judd Gregg	Senator, New Hampshire
John Sununu	Senator, New Hampshire
Olympia Snowe	Senator, Maine
Susan Collins	Senator, Maine
Charles Bass	Congressman, New Hampshire
Jeb Bradley	Congressman, New Hampshire
Thomas Allen	Congressman, Maine
Michael Michaud	Congressman, Maine
CAPT Lester Moore	Chief Knowledge Officer (Commander Submarine Force)
Gordon Tanaka	Naval Reactors Representative (Portsmouth)
Richard Luke	Naval Sea Shipyard Representative (Portsmouth)

BASE'S PRESENT MISSION:

- The primary mission of the Portsmouth Naval Shipyard (PNSY) is keeping America's Navy #1 in the world by serving as a partner on the Navy maintenance team, providing the best value in industrial and engineering support for world-wide nuclear submarine maintenance and inter-service regional maintenance.

SECRETARY OF DEFENSE RECOMMENDATION:

- Close the Naval Shipyard Portsmouth, Kittery, ME
 - Relocate the ship depot repair function to Naval Shipyard Norfolk, VA, Naval Shipyard and Intermediate Maintenance Facility Pearl Harbor, HI and Naval Shipyard Puget Sound, WA
 - Relocate the Submarine Maintenance, Engineering, Planning and Procurement Command (SUBMEPP) to Naval Shipyard Norfolk.

SECRETARY OF DEFENSE JUSTIFICATION:

- Retains one nuclear-capable shipyard on each coast, plus sufficient shipyard capacity to support forward deployed assets
- Four Naval Shipyards performing depot-level ship refueling, modernization, overhaul and repair work

- Sufficient excess capacity in the aggregate across the four shipyards to close either Naval Shipyard Pearl Harbor or Naval Shipyard Portsmouth
- Naval Shipyard Portsmouth was selected for closure because it is the only closure which could both eliminate excess capacity and satisfy retention of strategically placed shipyard capability
- Planned force structure and force positioning adjustments reflected in the 20-year Force Structure Plan led to the selection of Naval Shipyard Portsmouth as the preferred closure candidate
- Additional savings anticipated from reduced unit costs at the receiving shipyards because of the higher volume of work
- Naval Shipyard Portsmouth had a low military value compared to operational homeports
- Naval Shipyard Portsmouth berthing capacity not required to support the Force Structure Plan

MAIN FACILITIES REVIEWED:

- A Command Overview Brief was presented by Ms Nancy Peschel, Manager for Long Range Corporate Planning at the PNSY Officer's Club during a working lunch
 - The Command Brief focused on the role of the PNSY, quality of life in the PNSY/Kittery, ME area, economic impact and people and culture
 - Chairman Principi asked about the total number of dry-docks available and their current usage – **Shipyard Subject Matter Experts (SME's) in the audience answered with five dry-docks at Pearl Harbor NSY, six (with only five useable) at Puget Sound NSY, four at Norfolk NSY and three at Portsmouth NSY (all of the dry-docks, except one are full)**
 - Commissioner Coyle asked whether or not the Command felt the number of personnel that would relocate as a result of this recommendation estimated to be 40% by DoD was accurate – **Briefer explained that PNSY personnel are made up of mostly New Englanders and are unlikely to move**
 - Commissioner Coyle asked if the Command had taken a survey to determine number of personnel that would consider relocating - **The briefer responded that the Shipyard did not, but that the SUBMEPP Tenant Command completed a survey of it's 213 Civilians and reported ~6% would be interested in relocating**

- Chairman Principi asked about the Shipyard/Labor Union relationship - **The briefer, Commanding Officer and Union Representatives in attendance all responded that the relationship is very good and that it took about a decade to get to the trust level currently realized**
- The Commissioners, Staff and elected officials were taken on a walking and bus tour around the shipyard and support facilities on the island
 - Toured the “Head In” Building and enclosed Dry-dock 2 area where the USS Jacksonville (SSN 699) was undergoing an Engineered Refueling Overhaul (ERO)
 - Toured the Submarine Ship Service 500kW Motor Generator Repair/Rewind Center, Machine Shop, Trident Shaft, Submarine Battery, Submarine Antenna, Submarine Transducer & Hydrophone and Submarine Bow Dome Refurbishment Areas
 - Received a windshield tour of the entire Base Complex
- The Commissioners, Staff and elected officials returned to the Officer’s Club for a second brief presented by Mr Earl Donnell, Shipyard Superintendent’s Association, on behalf of the civilian workforce and was not part of the Command brief
 - This brief addressed the military value of PNSY and payback of the recommendation to close the shipyard
 - It was a comparative analysis of all shipyards with significant analytical detail
 - A list of the Military Construction (MILCON) projects was provided to the Chairman
 - Commissioner Coyle asked if the DoD included some measure of excellence in its analysis and did the shipyard receive credit for their achieved efficiencies - **The briefer responded that, in his opinion, the shipyard did not receive credit for achieved efficiencies**
- Overall, the briefs and tour were well received by the Commissioners

KEY ISSUES IDENTIFIED:

- Military Value of PNSY underestimated
- Capacity to perform work without PNSY overestimated
- USN’s future maintenance workload underestimated
- Cost of closure inaccurately calculated
- Costs associated with moving PNSY workload inaccurate
- PNSY’s contribution to operational readiness disregarded

INSTALLATION CONCERNS RAISED:

- PNSY workforce consists mostly of New Englanders and most will probably not relocate
- Training and certification for shipyard workers takes several years to accomplish
- Non DoD Reuse potential constrained by location of non-nuclear toxic waste site

COMMUNITY CONCERNS RAISED:

- A large crowd (estimated to be over 8,000 people) lined the street to the front gate wearing yellow "Save Our Shipyard" shirts and displaying various base support signs to greet the Commissioners as they were driven to the base

REQUESTS FOR STAFF AS A RESULT OF VISIT: