

**DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION  
2521 CLARK STREET  
ARLINGTON, VIRGINIA 22202  
(703) 699-2950**

**MEMORANDUM OF MEETING**

**DATE:** June 8, 2005

**TIME:** 9:00 AM

**MEETING [ X ] or PHONE CALL [ ] WITH:**

Day & Zimmermann Corp. Group

**SUBJECT:**

Hawthorne Army Depot  
Kansas Army Ammunition Plant  
Lone Star Army Ammunition Plant  
Mississippi Army Ammunition Plant  
Newport Chemical Depot

Note: All of the above installations are Government-Owned Contractor-Operated (GOCO) facilities for which Day & Zimmermann Corp. is the operating contractor.

**PARTICIPANTS:**

*Name/Title/Phone Number:*

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**Cliff Chichowlaz**, President/General Manager Day & Zimmermann Hawthorne Corp. (775) 945-7660

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**Ken Elliott**, General Manager Munitions and defense (DZMD) Kansas AAP (620) 421-7473

**Robert T. Herbert**, Senior Policy Advisor to Senator Harry Reid, Democratic Leader United States Senate-Nevada (202) 224-3542

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**Lynnette R. Jacquez**, Copeland Lowery Jacquez Denton & White (202) 347-5990

**Daniel C. Maldonado** Chief Executive Officer MARC Associates, Inc. (202) 833-0086

*Commission Staff:*

Gary Dinsick, Army Team Leader

Elizabeth Bieri, Army Team Analyst

\*George Delgado, Industrial-Joint Cross Services Issues Team Analyst

**SUMMARY/NOTES:**

**Hawthorne Army Ammunition Depot**

- Conditions have changed since 2003 data calls therefore COBRA submittal different from current numbers.
- Incorrect conclusions were reached by the Joint and Cross Services Team because data call numbers submitted for personnel were not included in the final report.
- Except for the installation Commander no military personnel are currently stationed at Hawthorne Army Ammunition Depot.
- Hawthorne Army Ammunition Depot is a Tier II Government Owned Contractor Operated (GOCO) munitions depot capable of shipping 2,000 tons of ammunition in 3 days.
- GOCOs provide an approach to rationalize the capacity of all ammunition functions (production, storage, renovation, and demilitarization) through competition.
- The decision shows a strategy to reduce GOCO's and to consolidate the workload into government owned government operated facilities.
- It's a capacity issue, particularly storage and demilitarization.
- Move to Tooele Army Ammunition Depot in Utah, a smaller installation than Hawthorne, is difficult as its storage space for ammunition is almost full. By 2007 all 8 current depots will be full with the returning ammunition (retrograde) from the Pacific rim, Europe, and Southwest Asia. The services will need to demilitarize 440K tons to create space for the overseas retrograde.
- There will be state licensing and permits issues at Toole and significant community issues. No encroachment issues exist at Hawthorne as it is surrounded by Federal lands, Tooele has encroachment issues.
- What is important are the types of facilities at Hawthorne, not the workload.
- Hawthorne's ammunition demilitarization capabilities were undervalued. The facility was not in full use during the 2003 data collection period and the data showed 0 munitions demilitarization when in fact Hawthorne was demilitarizing 6,000 tons per year.
- The demilitarization facility constructed in 1971-1972 was upgraded with new interiors, equipment, and technology and was accepted for use in 1984. The upgraded facility has a 50 year system design life that resulted in one of the few environmentally friendly ammunition demilitarization facilities in the country.
- The depot has two types of magazines in use by the Navy and the Marines for munitions storage that will need to be relocated.
- Hawthorne includes facilities appropriate for multi-function training, for example its area 101 is an urban training facility that looks like Iraq/Iran used by Seals, the US Marines, and Special Forces units who also use the barracks during training rotations.
- Hawthorne is currently working on providing a convoy live fire training scenario in its facilities.

- If Hawthorne closes down there will be significant community issues as the unemployment rate in the area will reach 27%.
- COBRA numbers do not include the tenants who will have to move if the depot closes down.
- Environmental clean up estimated at around \$383 Million were not included in the closing costs or payback for closure.
- The group recommends a BRAC commissioner visit to Hawthorne or as a minimum a staff visit.

#### **Kansas Army Ammunition Plant**

- Data does not consider current production at the depot.
- Expensive to move the facility due to specialized equipment i.e. a centrifuge.
- The Army will need to direct this workload movement to other Army ammunition activities or it could be competitively awarded to a non-U.S. source.

#### **Lone Star Army Ammunition Plant**

- There were data errors on personnel and capacity.
- No recognition in the data as to the complexity of producing ammunition.
- Potential for work to be contracted to SNC, Canada this will invalidate the projected savings, and the industrial base then will migrate to Canada. The Army will need to direct this workload movement to other Army ammunition activities or it could be competitively awarded to a non-U.S. source.
- Local use authority takes charge of the facilities and leases the facilities to Day & Zimmermann.

#### **Day & Zimmermann Group summary:**

- Concur with the assessment of overcapacity but believe the way to rationalize the capacity at the ammunition depots is through competition.
- Data used by the Joint and Cross Services team was inaccurate.
- It is a mistake to move Hawthorne into a smaller facility (Toole).
- Hawthorne's demilitarization capability was undervalued.
- Hawthorne was targeted for closure and the analysis was made to fit.
- Did the Joint and Cross Services' Team consider a scenario to close Toole Army Ammunition Depot?

#### **Day & Zimmermann Group recommendations:**

- Keep Hawthorne Army Ammunition depot open
- Privatize Kansas and Lone Star Army Ammunition Plants in place
- Agree with closures of Mississippi Army Ammunition Plant and Newport Chemical Depot
- Data call information in disagreement, query DOD.

Meeting was adjourned at 10:00AM, June 8, 2005.

\* Person responsible for this Memorandum: George M. Delgado

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# **Day & Zimmermann Munitions and Defense**

## **BRAC Commission Review And Analysis**

**Joint Issues Team**

**June 8, 2005**

**by**

**Day & Zimmermann**



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**We do what we say.®**



## BRAC Recommendation and Justification

- DOD recommended closure of Kansas and Lone Star AAPs due to overcapacity of the industrial base
- Kansas Justification: To reduce redundancy and remove excess from the Industrial Base, the closure allows DoD to create centers of excellence, avoid single point failure, and generate efficiencies.
- Lone Star Justification: To reduce redundancy and remove excess from the Industrial Base, the closure allows the DoD to create centers of excellence, avoid single point failure, and generate efficiencies. Goal is to establish multi-functional sites. Lone Star performs only one of 4 functions.







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# Lone Star AAP

July 2003



## BRAC ANALYSIS ERRORS

- The data used to generate the closure of Lone Star is faulty
  - Employment is higher than reported – high enough to deserve a site visit
  - Capability and current utilization was understated
  - No recognition of single source capability that others have been unsuccessful in manufacturing
  - No cost built in to acquire privately owned intellectual property and equipment
  - Assumption of competed work going to the receiving installation may not be true since in a lot of cases the competed work will be won by Canada
    - If work directed, then no benefit of competition will be achieved as currently exists
    - If work goes to Canada, than transfer costs will not be recouped



Lone Star AAP has critical capabilities and intellectual property that will be lost...

- **Much of the intellectual property belongs to Day & Zimmermann**
  - Designs for production equipment, processes, and tooling
  - Process control programs developed for production of detonators, self-destruct fuzes, and other products
  - Patents on critical production equipment: Chamlee Loader (US #3426946), Cargile Scooper (US #3383020), and Cone & Explosive Extractor (pending)
  
- **Lone Star has critical capabilities**
  - Produces, stores, maintains, upgrades, and demilitarizes munitions – *the full scope of activity*
  - Loaded Components (Primers, Detonators, Delays, etc.)
  - FASCAM Gator, Volcano, MOPMS
  - Artillery ICM 105mm, 155mm, MLRS (Grenades)
  - Hand Grenades (HE)
  - M223/M239 fuze production – *relocated to meet M77/M101 grenade production requirements*
  - M53 Delay, M59 Detonator, M67 Hand Grenade, and M223/M239 Fuze Production – *Lone Star sole source items*





Privatization is the most cost effective method to implement DoD's recommendations...

One-Time Costs	Closure (\$k)	Privatization (\$k)
O&M		
Civ Salary	426	426
Civ Moving	142	142
Unemployment	31	31
Other	7,021	1,918
Mil Personnel		
Other	21	21
Other		
Environmental	5,350	0
1-Time Other	15,984	0
<b>Total One-Time Costs</b>	<b>28,975</b>	<b>2,538</b>
<b>Total One-Time Savings w/Privatization</b>		<b>26,437</b>

*With privatization the avoidance of relocating the capabilities results in a one-time savings to DoD of \$26.4M – Also the annual net recurring savings of \$17.3M will remain the same as closure*



The best outcome is for the Commission to recommend that the Lone Star AAP be privatized-in-place

**Benefits to privatization-in-place include...**

- Reduces the organic base footprint while maintaining capabilities
- Lone Star would be operated at no-cost to the government
- Reduces one-time cost to implement the recommendation by \$26.4M and provides the same net recurring savings as closure of \$17.3M
- Retains competitive forces within the US industrial base without cost of ownership
- Preserves D&Z intellectual property and surge capacity at no cost to the Government
- Retains jobs and on-going business
- Allows the redevelopment of excess real estate





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**Kansas AAP**

July 2003



## Capacity Analysis Is Seriously Flawed

- **There is no apparent adjustment in the utilization figures for relative size and complexity of the munition!**
  - A detonator receives the same weight as artillery and cluster bombs.
  - The DoD BRAC report compares 3,000,000 Pyro/Demo detonators (roughly the size and complexity of a watch battery) to 3,112 SFW BLU-108 cluster bombs (thousands of times larger and significantly more sophisticated than a detonator). Unit hours for a SFW BLU-108 are roughly 10 HPU and for a detonator 0.003 HPU.
  - Even when comparing capacities by commodity the relative size and complexity of the munition have been ignored when determining utilization. (SFW BLU-108 = 10 HPU & M105 M915 = 1.5 HPU).
  - The quantities should be weighted by a factor that better represents the relative size and complexity of the production requirements, for example direct labor hours per unit (HPU).
- DoD BRAC report shows current usage higher than current capacity for cluster bombs, an obvious error.
- Numerous items in production at KSAAP have been left off the list altogether.
  - Artillery: 155mm, M795 HE
  - Mortars
  - Warheads
- Items that KSAAP has won for future production are also ignored.
  - Precision Guided Mortar Munition (PGMM)
  - Anti-Personnel Landmine Alternatives (Spider)





# IJCSSG - Munitions/Armaments Capacity Report - Capacity By Site

Site	Function	Category	Current Capacity*	Current Usage*	Maximum Capacity*	Capacity in Excess of Current Usage*			
USA	KANSAS ARMY AMMUNITION PLANT	MUNITIONS DEMILITARIZATION	DEPLETED URANIUM AMMO	57.0	1.0	57.0	56.0 -- 56.0		
			HE BOMBS	17.0	0.0	17.0	17.0 -- 17.0		
			HE ICM/BU & SUBMUNITIONS	17.0	0.0	17.0	17.0 -- 17.0		
			HIGH EXPLOSIVE MUNITIONS	142.0	2.5	142.0	139.5 -- 139.5		
			INERT	17.0	1.5	17.0	15.5 -- 15.5		
			NO FAMILY	0.0	0.0	0.0	0.0 -- 17.0		
			PROPELLENTS	63.0	1.0	63.0	62.0 -- 62.0		
			SMALL CAL AMMO/FUZES/MISC	63.0	1.0	63.0	62.0 -- 62.0		
			Site Total	376.0	7.0	393.0	369.0 -- 386.0		
			Percent of Capacity Not Utilized						98.1% -- 98.2%

Munitions Production	Current Capacity*	Current Usage*	Maximum Capacity*	Capacity in Excess of Current Usage*
Artillery	22,580.0	0.0	35,380.0	22,580.0 -- 35,380.0
Cluster Bombs	132.0	136.0	3,132.0	-4.0 -- 2,996.0
Missiles	1,300.0	130.0	1,336.0	1,170.0 -- 1,206.0
Mortar	0.0	0.0	30,000.0	0.0 -- 30,000.0
Pyrotechnic	0.0	0.0	3,000,000.0	0.0 -- 3,000,000.0
Rockets	512,000.0	0.0	512,000.0	512,000.0 -- 512,000.0
Site Total	\$35,992.0	246.0	\$3,581,828.0	\$35,746.0 -- \$3,581,582.0
Percent of Capacity Not Utilized				100.0% -- 100.0%

**No M795**

**No Mortars**

**No Anti-Personnel Landmine Alternatives (Spider)**

**No warheads listed  
M72 LAW, SMAW-D,  
LOS-MP**

Report Date: Thursday, April 21, 2005  
Database Date: April 18, 2005

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**NOW THEREFORE, IT IS HEREBY PROCLAIMED BY THE BOARD OF COUNTY COMMISSIONERS OF LABETTE COUNTY, KANSAS,** that it will support a BRAC recommendation which incorporates specific language calling for the privatization of ownership of all KSAAP real property and infrastructure in a Local Redevelopment Authority "LRA" and the continued location of all government owned manufacturing, office and other related equipment and fixtures for the purpose of providing facilities for continued munitions operations and additional long term economic development.

**NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF PARSONS, KANSAS** that it supports a modification to the BRAC recommendation which incorporates specific language directing the privatization of all KSAAP real property and infrastructure currently owned by the United States Government to a Local Redevelopment Authority initially created by Labette County and the City of Parsons and the continued location of all government owned equipment and fixtures for the purpose of providing facilities for continued munitions operations and additional long term economic development.

ed by Day and Zimmermann has important employees with a City of Parsons, Labette  
 tives to ensure which and provide the opportunity as long term economic  
 for development  
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 for development

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LABETTE COUNTY, KANSAS

WHEREAS, the Department of Defense, through the Kansas Army Ammunition Plant, is currently operating in Labette County, Kansas, and

WHEREAS, the KSAAP operates as an important employer and partner in the economic development of Labette County, Kansas, and

WHEREAS, there exist alternative sites and opportunities for the operations as well as long term economic development opportunities.

NOW THEREFORE, IT IS HEREBY PROCLAIMED BY THE BOARD OF COUNTY COMMISSIONERS OF LABETTE COUNTY, KANSAS, that it will support a BRAC recommendation which incorporates specific language calling for the privatization of ownership of all KSAAP real property and infrastructure in a Local Redevelopment Authority "LRA" and the continued location of all government owned manufacturing, office and other related equipment and fixtures for the purpose of providing facilities for continued munitions operations and additional long term economic development.

Adopted by the Board of Labette County Commissioners this 1st day of June, 2005.

ATTEST:  
 Linda Schaeppel, Labette County Clerk

LABETTE COUNTY COMMISSIONERS  
 Bryan C. Kinzer, Chairman  
 Jerry J. Curran, Commissioner  
 Anne D. O'Leary, Commissioner  
 Tom R. Alden, Commissioner

# Community Supports Privatization

BY THE GOVERNING BODY OF THE CITY OF PARSONS, KANSAS

Resolved and Adopted this 2nd day of June, 2005.

ATTEST:  
 Deborah K. Lamb, City Clerk

William W. Wheat, Mayor

.....  
**Desired Outcome**

- **Commission recommends that Lone Star and Kansas AAPs be privatized in place through a local redevelopment authority.**
- **Results in privatization of ownership of all real property and infrastructure and the continued location of all government owned manufacturing, office and other related equipment and fixtures in place for the purpose of providing facilities for continued munitions production and additional long-term economic development for the DoD and the Community.**



## **Day & Zimmermann Point of Contact**

- Jerry Smith, Vice President and General Manager  
(w) 903-334-1210  
(c) 903-277-8915

# ATTACHMENT 1

*Received from DZ1 8 June 2005*

## *IJCSG - Munitions/Armaments Capacity Report - Capacity By Site*

<i>Site</i>	<i>Function</i>	<i>Category</i>	<i>Current Capacity*</i>	<i>Current Usage*</i>	<i>Maximum Capacity*</i>	<i>Capacity in Excess of Current Usage*</i>
<b>USA</b>	<b>KANSAS ARMY AMMUNITION PLANT</b>					
		<b>MUNITIONS DEMILITARIZATION</b>				
		DEPLETED URANIUM AMMO	57.0	1.0	57.0	56.0 -- 56.0
		HE BOMBS	17.0	0.0	17.0	17.0 -- 17.0
		HE ICM/BU & SUBMUNITIONS	17.0	0.0	17.0	17.0 -- 17.0
		HIGH EXPLOSIVE MUNITIONS	142.0	2.5	142.0	139.5 -- 139.5
		INERT	17.0	1.5	17.0	15.5 -- 15.5
		NO FAMILY	0.0	0.0	17.0	0.0 -- 17.0
		PROPELLENTS	63.0	1.0	63.0	62.0 -- 62.0
		SMALL CAL AMMO/FUZES/MISC	63.0	1.0	63.0	62.0 -- 62.0
		<b>Site Total</b>	<b>376.0</b>	<b>7.0</b>	<b>393.0</b>	<b>369.0 -- 386.0</b>
		<b>Percent of Capacity Not Utilized</b>				<b>98.1% -- 98.2%</b>
		<b>Munitions Production</b>				
		Artillery	22,580.0	0.0	35,380.0	22,580.0 -- 35,380.0
		Cluster Bombs	112.0	116.0	3,112.0	-4.0 -- 2,996.0
		Missiles	1,300.0	130.0	1,336.0	1,170.0 -- 1,206.0
		Mortar	0.0	0.0	30,000.0	0.0 -- 30,000.0
		Pyro/Demo	0.0	0.0	3,000,000.0	0.0 -- 3,000,000.0
		Rockets	512,000.0	0.0	512,000.0	512,000.0 -- 512,000.0
		<b>Site Total</b>	<b>535,992.0</b>	<b>246.0</b>	<b>3,581,828.0</b>	<b>535,746.0 -- 3,581,582.0</b>
		<b>Percent of Capacity Not Utilized</b>				<b>100.0% -- 100.0%</b>

\* Capacity is measured in dth(k) for Armaments Production/Manufacturing and Munitions Maintenance functions; short tons for Munitions Demilitarization; ksf for Munitions Storage; and lbs or each(s) as applicable for Munitions Production.

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## *IJCSG - Munitions/Armaments Capacity Report - Capacity By Site*

<i>Site</i>	<i>Function</i>	<i>Category</i>	<i>Current Capacity*</i>	<i>Current Usage*</i>	<i>Maximum Capacity*</i>	<i>Capacity in Excess of Current Usage*</i>
<b>USA</b>	<b>KANSAS ARMY AMMUNITION PLANT</b>					
	<b>MUNITIONS STORAGE</b>					
		EXPLOSIVE ABOVE GROUND	255.6	155.5	255.6	100.1 -- 100.1
		Explosive Earth Covered	3.6	3.0	3.6	0.6 -- 0.6
		OTHER EXPLOSIVE STORAGE	979.3	737.4	979.3	241.9 -- 241.9
		<b>Site Total</b>	<b>1,238.5</b>	<b>895.9</b>	<b>1,238.5</b>	<b>342.6 -- 342.6</b>
		<b>Percent of Capacity Not Utilized</b>				<b>27.7% -- 27.7%</b>

\* Capacity is measured in dlh(k) for Armaments Production/Manufacturing and Munitions Maintenance functions; short tons for Munitions Demilitarization; ksf for Munitions Storage; and lbs or each(s) as applicable for Munitions Production.

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## Attachment 1

### DoD BRAC KSAAP Munitions/Armaments Capacity Report - Capacity by Site

	What Is This	Current Capacity	Current Usage	Maximum Capacity	Capacity in Excess of Current Usage	
Artillery	155mm, M795 & 105mm	22,580	-	35,380	22,580	35,380
Cluster Bombs	SFW (Expressed in terms of BLU-108s)	112	116	3,112	(4)	2,996
Missiles	BLU-108's for JSOW	1,300	130	1,336	1,170	1,206
Mortar	60mm, 81mm, 120mm	-	-	30,000	-	30,000
Pyro/Demo 0	Detonators (Line Inactive & Requires Major Facilitization)	-	-	3,000,000	-	3,000,000
Rockets	Grenades & MLRS	512,000	-	512,000	512,000	512,000
<b>Total</b>		<b>535,992</b>	<b>246</b>	<b>3,581,828</b>	<b>535,746</b>	<b>3,581,582</b>
Percent of Capacity Not Utilized					100.0%	100.0%

**KSAAP - Revised Analysis** **Attachment 1**  
**Munitions/Armaments Capacity Report - Capacity by Site**  
**Corrected for Unit Quantities**

	What Is This	Current Capacity	Current Usage	Maximum Capacity	Capacity in Excess of Current Usage	
Artillery	155mm, M795	12,800	10,000	12,800	2,800	2,800
Artillery	105mm	12,800		12,800		
Cluster Bombs	SFW (Expressed in terms of BLU-108s)	600	280	600	320	320
Missiles	BLU-108's for JSOW	1,300	130	1,300	1,170	1,170
Mortar	60mm	12,000	10,000	20,000	2,000	10,000
Mortar	81mm	10,000		10,000		
Mortar	120mm	8,000		8,200		
Pyro/Demo 0	Detonators (Line Inactive & Requires Major Facilitization)	-	-	-	-	-
Rockets	Grenades & MLRS	512,000	-	512,000	512,000	512,000
<b>Total</b>		<b>569,500</b>	<b>20,410</b>	<b>577,700</b>	<b>518,290</b>	<b>526,290</b>

**Percent of Capacity Not Utilized**

**91.0% 91.1%**

**Capacity Measured as Weighted Quantities (weighted by hours per unit)**

	What Is This	Current Capacity	Current Usage	Maximum Capacity	Capacity in Excess of Current Usage	
Artillery	155mm, M795	7,680	6,000	7,680	1,680	1,680
Artillery	105mm	4,992	-	4,992		
Cluster Bombs	SFW (Expressed in terms of BLU-108s)	6,000	2,800	6,000	3,200	3,200
Missiles	BLU-108's for JSOW	10,400	1,040	10,400	9,360	9,360
Mortar	60mm	2,088	1,740	3,480	348	1,740
Mortar	81mm	3,790	-	3,790		
Mortar	120mm	3,360	-	3,444		
Pyro/Demo 0	Detonators (Line Inactive & Requires Major Facilitization)	-	-	-	-	-
Rockets	Grenades & MLRS	9,956	-	9,956	9,956	9,956
<b>Total</b>		<b>48,266</b>	<b>11,580</b>	<b>49,742</b>	<b>24,544</b>	<b>25,936</b>

**Percent of Capacity Not Utilized**

**50.9% 52.1%**

# **ATTACHMENT 2**

## Munitions Production Capacity by Munitions Commodity Family

**Question:** Fill in the table below:

- 1) For columns "End Items" and "Components", please indicate with a "Y" (yes) or "N" (no) which you have capacity. (NOTE: If you have both "end item" and "component" enter the data for the end-item only.)
- 2) For "Current Capacity" columns, enter the current capacity amount in the appropriate column ("EA" (each) or "lbs" (pounds/month)). Current capacity is the expected monthly output from utilization of ALL ACTIVE lines or workstations running ONE shift (40 hours), under current operating conditions on a concurrent basis.
- 3) For "Current Usage" columns, enter the current usage amount in the appropriate column ("EA" (each) or "lbs" (pounds/month)). Current usage is the expected monthly output from that portion of the current capacity that is actually in use or on contract.
- 4) For "Maximum Capacity" columns, enter the current capacity amount in the appropriate column ("EA" (each) or "lbs" (pounds/month)). Using current capacity as a baseline, maximum capacity is the total monthly output attainable running ONE shift (40 hours), with full utilization of ALL LINES or workstations, active and inactive, on a concurrent basis. Maximum capacity INCLUDES hiring skilled labor and reactivation of inactive lines, but EXCLUDES facility expansion).

**Amplification: QUESTION/INSTRUCTIONS:**

This question is to be answered by government-owned, government operated (GOGO) and government-owned, contractor-operated (GOCO) facilities performing the following activities: munitions and/or armaments production; depot level munitions storage; deepstow and short-term storage; depot level munitions and/or armaments maintenance; munitions and/or armaments demilitarization and repair at traditional depot- and intermediate-levels as defined below.

Please fill in the following table(s)

Commodity Family	End Item (Yes/No)	Component (Yes/No)	Current Capacity (Ea)	Current Capacity (lbs)	Current Usage (Ea)	Current Usage (lbs)	Maximum Capacity (Ea)	Maximum Capacity (lbs)
60mm Mortar	Y	Y	12,000	0	10,000	0	12,000	0
81mm Mortar	Y	Y	10,000	0	0	0	10,000	0
120mm Mortar	Y	Y	8,000	0	0	0	8,200	0
105mm HE Artillery	Y	N	12,800	0	0	0	12,800	0
105mm Artillery (Other)	0	0	0	0	0	0	0	0
155mm HE Artillery	Y	N	12,800	0	10,000	0	12,800	0
155mm ICM Artillery	Y	N	12,800	0	12	0	12,800	0
155mm Artillery (Other)	0	0	0	0	0	0	0	0
MLRS Artillery	N	Y	512,000	0	0	0	512,000	0
Detonators/Delays/Relays	N	Y	1,028,000	0	0	0	1,028,000	0
Tomahawk Missile	N	Y	12	0	0	0	12	0
Shoulder-Launched Multipurpose Assault Weapon	N	Y	1250	0	0	0	2500	0
SFW/CBU-97/CBU105	Y	Y	60	0	28	0	60	0
CBU-87	Y	Y	1,500	0	0	0	01,500	0
BLU-108	Y	Y	200	0	520	0	200	0

155mm ICM ARTILLERY/M864 Currently Producing M864 Rounds to be utilized in the testing of the M42/M46 Grenades with the Self-Destruct Fuzes.

MLRS Artillery: M77 Grenade/Component

DETONATORS: M55

TOMAHAWK MISSILE: Payload Module Assembly/Component

**KSAAP - Significant Production Contracts**

**Attachment 2**

Item	Customer	Contract Number	Prime Contract Number	Item Produced	Quantity	Converted to Monthly DoD Definitions	Start Date	Finish Date
1	Textron Systems Corporation	28027	F08626-96-C-0001	SFW (FRP 1)	529	441	2/6/1997	1/23/1998
2	Textron Systems Corporation	75969	F08626-97-C-0003	SFW (FRP 2)	585	488	1/21/1998	3/19/1999
3	Textron Systems Corporation	L473PO114359	F08626-98-C-0002	SFW (FRP 3)	556	463	6/14/1999	1/14/2000
4	Textron Systems Corporation	L473PO143311	F08626-99-C-0008	SFW (FRP 4)	304	253	2/15/2000	12/31/2000
5	Textron Systems Corporation	L473PO175170	F08635-00-C-0009	SFW (FRP 5)	304	253	2/8/2001	3/29/2002
6	Textron Systems Corporation	L473PO210361	F08635-01-C-0005	SFW (FRP 6)	301	251	1/2/2002	12/31/2002
7	Textron Systems Corporation	L473PO232752	F08635-01-C-0005	SFW (FRP 7)	301	251	1/10/2003	1/16/2004
8	Textron Systems Corporation	PO246800	F08635-03-C-0022	SFW (FRP 8)	350	292	12/23/2004	2/18/2005
9	Textron Systems Corporation	PO246800	FA8677-04-C-0071	SFW (FRP 9)	320	267	1/3/2005	Open
10	US Army ARDEC	(Additional Options pending)	DAAE30-03-C-1166	LAP 155mm, HE M795 Projectiles	111,015	10,000	9/30/2003	3/30/2006
11	US Army ARDEC		DAAE30-02-1004	60mm Mortars	373,358	10,000	11/15/2001	Open

# **ATTACHMENT 3**

## *IJCSG - Munitions/Armaments Capacity Report - Capacity By Site*

<i>Site</i>	<i>Function</i>	<i>Category</i>	<i>Current Capacity*</i>	<i>Current Usage*</i>	<i>Maximum Capacity*</i>	<i>Capacity in Excess of Current Usage*</i>
<b>USA</b>	<b>MILAN AAP</b>					
	<b>Munitions Production</b>					
	Artillery		28,520.0	7,715.0	28,520.0	20,805.0 -- 20,805.0
	Medium Cal		853,251.0	316,658.0	853,251.0	536,593.0 -- 536,593.0
	Mines		0.0	0.0	10,200.0	0.0 -- 10,200.0
	Missiles		43.0	5.0	43.0	38.0 -- 38.0
	Mortar		93,831.0	0.0	93,831.0	93,831.0 -- 93,831.0
	Pyro/Demo		142,390.0	62.0	142,390.0	142,328.0 -- 142,328.0
	Tank		32,240.0	0.0	32,240.0	32,240.0 -- 32,240.0
	<b>Site Total</b>		<b>1,150,275.0</b>	<b>324,440.0</b>	<b>1,160,475.0</b>	<b>825,835.0 -- 836,035.0</b>
	<b>Percent of Capacity Not Utilized</b>					<b>71.8% -- 72.0%</b>
	 <b>MUNITIONS STORAGE</b>					
	EXPLOSIVE ABOVE GROUND		181.6	120.4	181.6	61.2 -- 61.2
	Explosive Earth Covered		53.3	11.7	53.3	41.6 -- 41.6
	OTHER EXPLOSIVE STORAGE		3,023.2	697.8	3,023.2	2,325.4 -- 2,325.4
	<b>Site Total</b>		<b>3,258.1</b>	<b>829.9</b>	<b>3,258.1</b>	<b>2,428.2 -- 2,428.2</b>
	<b>Percent of Capacity Not Utilized</b>					<b>74.5% -- 74.5%</b>

\* Capacity is measured in dlh(k) for Armaments Production/Manufacturing and Munitions Maintenance functions; short tons for Munitions Demilitarization; ksf for Munitions Storage; and lbs or each(s) as applicable for Munitions Production.

# Attachment 1

## KSAAP - Revised Analysis Munitions/Armaments Capacity Report - Capacity by Site Corrected for Unit Quantities

	What Is This	Current Capacity	Current Usage	Maximum Capacity	Capacity in Excess of Current Usage	
Artillery	155mm, M795	12,800	10,000	12,800	2,800	2,800
Artillery	105mm	12,800		12,800		
Cluster Bombs	SFW (Expressed in terms of BLU-108s)	600	280	600	320	320
Missiles	BLU-108's for JSOW	1,300	130	1,300	1,170	1,170
Mortar	60mm	12,000	10,000	20,000	2,000	10,000
Mortar	81mm	10,000		10,000		
Mortar	120mm	8,000		8,200		
Pyro/Demo 0	Detonators (Line Inactive & Requires Major Facilitization)	-	-	-	-	-
Rockets	Grenades & MLRS	512,000	-	512,000	512,000	512,000
<b>Total</b>		<b>569,500</b>	<b>20,410</b>	<b>577,700</b>	<b>518,290</b>	<b>526,290</b>

### Percent of Capacity Not Utilized

**91.0%      91.1%**

### Capacity Measured as Weighted Quantities (weighted by hours per unit)

	What Is This	Current Capacity	Current Usage	Maximum Capacity	Capacity in Excess of Current Usage	
Artillery	155mm, M795	7,680	6,000	7,680	1,680	1,680
Artillery	105mm	4,992	-	4,992		
Cluster Bombs	SFW (Expressed in terms of BLU-108s)	6,000	2,800	6,000	3,200	3,200
Missiles	BLU-108's for JSOW	10,400	1,040	10,400	9,360	9,360
Mortar	60mm	2,088	1,740	3,480	348	1,740
Mortar	81mm	3,790	-	3,790		
Mortar	120mm	3,360	-	3,444		
Pyro/Demo 0	Detonators (Line Inactive & Requires Major Facilitization)	-	-	-	-	-
Rockets	Grenades & MLRS	9,956	-	9,956	9,956	9,956
<b>Total</b>		<b>48,266</b>	<b>11,580</b>	<b>49,742</b>	<b>24,544</b>	<b>25,936</b>

### Percent of Capacity Not Utilized

**50.9%      52.1%**

**Parsons Sun**  
**June 2, 2005**

## **Agreement may save plant jobs**

County commission won't fight plant closure, but local authority may acquire KAAP site and munitions contracts may continue

By Jim Cook, Managing editor

Local officials will not fight the federal Base Realignment and Closures Board (BRAC) decision to close the Kansas Army Ammunition Plant.

But local officials will push for an arrangement that would allow Day & Zimmermann Inc. (DZI), the longtime contract operator at the plant, to remain on the property with the ability to bid for U.S. military munitions contracts.

The arrangement would provide for a Local Redevelopment Authority to acquire the 21.4-square-mile military installation with the potential to develop other industries at the location just east of Parsons.

KAAP, which began full production as the Kansas Ordnance Plant on July 14, 1942, was the only military installation in Kansas on the list for the first round of federal military base closures in a decade.

At a special meeting Wednesday night at Parsons Municipal Building, the Labette County Commission issued a proclamation in support of a BRAC recommendation to close the plant that would "incorporate specific language calling for the privatization of ownership of all KAAP real property and infrastructure in a Local Redevelopment Authority and the continued location of all government-owned manufacturing, office and other related equipment and fixtures for the purpose of providing facilities for continued munitions operations and additional long-term development."

Parsons City Manager Mary Reed said this morning that the Parsons City Commission would consider a similar resolution this afternoon.

The county proclamation cited Day & Zimmermann's role as "an important employer and partner in the economic future of all of Labette County."

County Commissioner Jerry Carson said hours of meetings between officials from DZI, local governmental units and local economic development agencies determined this approach to be the best for all concerned.

"We all reached the same conclusion," Carson told fellow commissioners Lonie Addis and Brian Kinzie before he proposed the proclamation. "This would save existing jobs and create others."

By moving ownership of the plant's nearly 14,000-acre tract to a local redevelopment authority, Carson said, DZI could continue to be a player in the local economy and other opportunities could arise.

DZI would need about 8,000 acres to operate and the remaining 5,000 acres could be targeted for other development, he said.

Ken Elliott, DZI's acting director at KAAP, said his company welcomed the county and city's action and that such community support will be necessary if DZI is to continue to be a part of the Southeast Kansas economic picture.

Elliott said company officials will meet next week with two members of the BRAC board to discuss the situation. DZI began operating the plant on March 1, 1970.

The plant area encompasses 21.4 square miles, or 13,727 acres. Buildings on site contain 2,200,000 feet of floor space and there are also 33 miles of railroad, 106 miles of roads and 178 total pond acres on the grounds.

Second District Congressman Jim Ryun told the Sun Tuesday that the way the process is structured in this round of base closings, removing KAAP from the closure list would be difficult but that he would support whatever decision was made locally.

Secretary of Defense Donald Rumsfeld announced on May 13 that the Department of Defense would close 33 major bases and downsize 29 others, saving an estimated \$48 billion over 20 years.

BRAC officials will review DOD's proposals and make final recommendations to President Bush, who in turn will pass along his recommendations to Congress for an up-or-down vote on the entire package.

Kansas' four major military bases - Fort Riley near Manhattan, McConnell Air Force Base at Wichita, Forbes Field in Topeka and Fort Leavenworth - would grow under the DOD plan.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS  
OF LABETTE COUNTY, KANSAS**

**PROCLAMATION**

**WHEREAS**, the Department of Defense BRAC recommendation currently is to close the Kansas Army Ammunition Plant "KSAAP" located east of Parsons; and

**WHEREAS**, the KSAAP operated by Day & Zimmermann is an important employer and partner in the economic future of all Labette County, Kansas; and

**WHEREAS**, there exist alternatives to closure which should preserve existing jobs at the KSAAP and provide the opportunity for future operations as well as long term economic development opportunities.

**NOW THEREFORE, IT IS HEREBY PROCLAIMED FBY THE BOARD OF COUNTY COMMISSIONERS OF LABETTE COUNTY, KANSAS**, that it will support a BRAC recommendation which incorporates specific language calling for the privatization of ownership of all KSAAP real property and infrastructure in a Local Redevelopment Authority "LRA" and the continued location of all government owned manufacturing, office and other related equipment and fixtures for the purpose of providing facilities for continued munitions operations and additional long term economic development.

Adopted by the Board of Labette County Commissioners this 1<sup>st</sup> day of June 2005.

Signed by:

Linda Schreppel, Labette County Clerk

Brian C. Kinzie, Chairman

Jerry D. Carson, Commissioner

Lonie R. Addis, Commissioner