

**NEWARK AIR FORCE BASE**

**Frank Cantwell**

## **Newark Air Force Base**

- A. Air Force May 3 Brief to the Commission**
- B. AF Legal Opinion on keeping some of Newark Workload In-Place**
- C. 1993 COBRA Runadjusted for 1995 factors and 1993 Summary Sheet**
- D. Stuff from Rockwell**
- E. Ohio to SECAF**
- F. Ohio to SECDEF/DEPSECDEF**
- G. OSD Response to Ohio concerning GAO Report**
- H. SECAF to Ohio**
- I. Senator Glenn to the Commission**
- J. My Working Papers**
- K. 1993 Stuff on Newark**
- L. Response to Sen Glenn's stuff**
- M. AF comments on Sen Glenn's stuff**



# Newark AFB Closure Update

3 May 95



# AGENDA

- Background
- Option B Plan
  - Air Force Cost Estimates
  - Coopers & Lybrand Analysis
- Privatization in Place (PIP)
  - Acquisition Strategy
  - Air Force Cost Estimates
  - Coopers & Lybrand Analysis
- Conclusions



# BACKGROUND

- The 1993 DoD Base Closure and Realignment Committee Recommended Newark AFB, Ohio, for Closure
- Aerospace Guidance and Metrology Center (AGMC) Depot Was Recommended to Be Closed, With Some Workload Moving to Other Depot Maintenance Activities Including the Private Sector
- HQ USAF/CV Gave Privatization in Place (PIP) Full and Fair Opportunity to Compete for This Workload With 30 Sept 96 Closure Goal
  - Law Requires Closure by the End of FY99
- Personnel Resources Removed From AF Budget (FY97 and Out)



# CLOSURE OPTIONS

- Privatization in Place (PIP)
- Contract Most of the Current AFMC Workloads
  - Guidance/Navigation Maintenance
  - Metrology Standards Lab/Tech Order
- AF Metrology and Calibration MGM Remain Organic in-Place
- Plan B
- Backup If PIP Does Not Work
- Move All AGMC Workloads to Organic Sources



# AGMC CLOSURE STRATEGY

- **AF Committed to Privatization in Place (PIP) As Approach to Newark AFB Closure**
- **AF Will Continue to Consider Other Workload Accomplishment Alternatives Should PIP Not Result in Approach That Is in AF's Best Interests to Include Cost and Risk Considerations**
- **AF Will Provide Current Information to Closure Commission**
- **AF Will Review Contractor Proposals (Mid June) to Determine Need for BRAC Workload Placement Flexibility**
- **SECAF Will Make Workload Allocation Decision Independent of Source Selection Decision**



# PLAN B ASSESSMENTS

- Air Force Cost Estimates
- Coopers & Lybrand Analysis



# NONRECURRING COSTS PLAN B

| <u>Personnel</u> |       | <u>Major Training Reqts</u> | <u>Major Projects</u> |
|------------------|-------|-----------------------------|-----------------------|
| Realigned        | 1,320 | Gyro Mechanic Training      | Clean Rooms           |
| Eliminated       | 275   | Software Eng Training       | Isolation Piers       |
|                  |       | (Rolled Into Personnel #)   |                       |

## Cost Summary (M)

|                |         |
|----------------|---------|
| Construction   | \$43.5  |
| Personnel      | \$39.9  |
| Transportation | \$189.1 |
| Other          | \$15.0  |
| Intm Supt      | \$21.7  |
| Total          | \$309.2 |

## Phasing

| <u>FY95</u> | <u>FY96</u> | <u>FY97</u> | <u>FY98</u> | <u>FY99</u> | <u>FY00</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$1.5M      | \$31.9M     | \$102.0M    | \$124.6M    | \$38.2M     | \$1.5M      |



Coopers  
& Lybrand

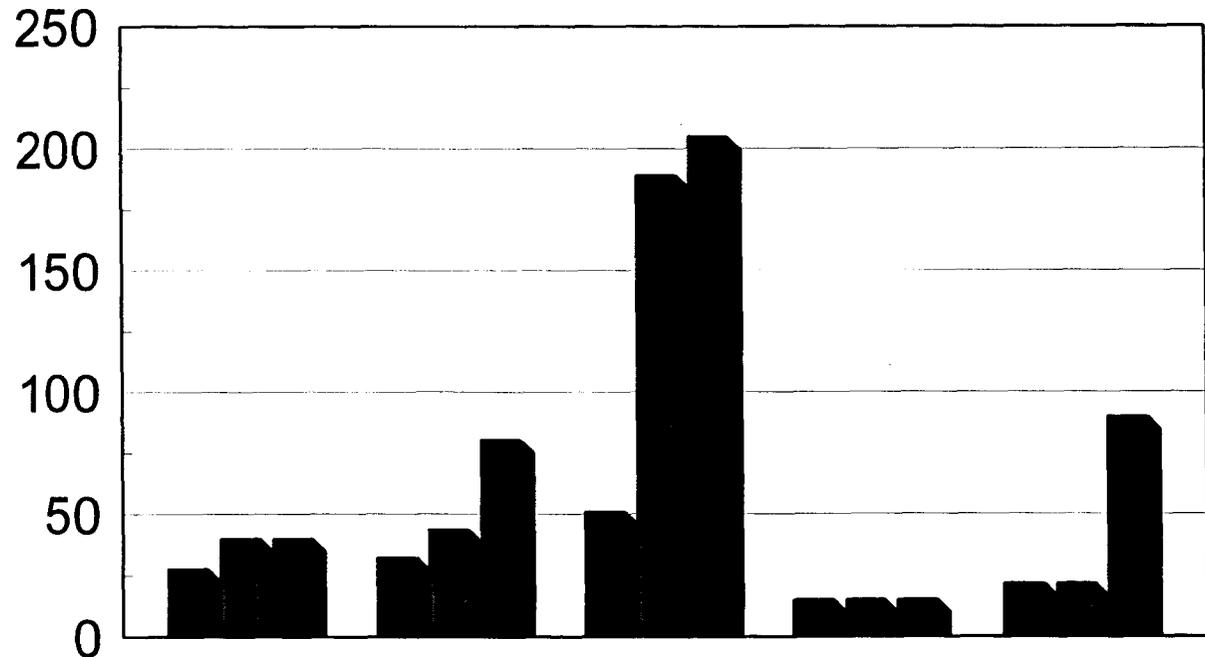
## Approach For Option "B" Estimate

- Evaluated the Cost Package to Determine if Costs Provided were Developed Based on:
  - ◆ Actual Estimates by Qualified Vendors
  - ◆ Actual Historical Costs for Items of Similar Scope and Cost Characteristics
  - ◆ Budgetary Numbers Based on Actuals
  - ◆ Forecasts Developed from Historical Performance and an Understanding of Future Requirements

Coopers  
& Lybrand

# Range Estimate Summary By Category For Option "B" Estimate

Millions of Dollars



|            | Personnel | MilCon | Transport | Other | IPS   |
|------------|-----------|--------|-----------|-------|-------|
| Low Range  | 27.56     | 32.30  | 51.00     | 15.00 | 21.70 |
| AFMC       | 39.87     | 43.50  | 189.10    | 15.00 | 21.70 |
| High Range | 39.87     | 80.40  | 205.00    | 15.00 | 89.80 |

## Conclusions & Recommendations for Option "B" Estimate

- AFMC Developed Estimate \$309.2 Million Falls within the C&L Developed Range of \$147.6 to \$430.1 Million, Therefore the Estimate Appears Reasonable
- To Improve the Estimate's Accuracy and Reduce the Size of the C&L Range, We Recommend the Following:
  - ♦ Revise Estimate to Reflect Projected Staffing Level
  - ♦ Conduct Seismic Studies to Isolate Pier Costs and Actual Construction Costs
  - ♦ Revise the Equipment Move Estimates Using Actual Equipment Specifics (Weight, Cube, Fragility)
  - ♦ Request Estimates from Outside Sources
  - ♦ Revise Estimate to Definitize Costs of Duplicate Line Equipment and Labor and Interim Contractor Support



# PRIVATIZATION IN PLACE (PIP)

- Strategy
- Schedule
- Air Force Cost Estimates
- Coopers & Lybrand Analysis



# PIP Acquisition Strategy Overview

- Two Workloads Being Contracted
  - Inertial Navigation and Guidance System Repair
  - Metrology Calibration Measurement
- Using Formal Source Selection Procedures
- Five Year Cost Plus Award Fee Contracts
  - Transition Period: Dec 95-Sep 96
  - Production Options: Oct 96-Sep 00
- Performance Location at Discretion of Offeror
  - Flexibility to Provide Best Value to AF
  - Expect Workload to Remain at Newark
- Repair Data Contractor Responsibility
  - Govt Data Provided "As Is Where Is"
  - Working Govt Purpose License Rights Agreements
- RFP Provision on Potential for No Award



# **SOURCE SELECTION SCHEDULE**

- |                |                           |
|----------------|---------------------------|
| <b>27 Apr:</b> | <b>Offeror Conference</b> |
| <b>3 May:</b>  | <b>RFP Release</b>        |
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# ADDITIONAL PROGRAM FEATURES

- C&L Source Selection Participation
- Evaluation of Cost Analysis Process and Results
- Source Selection Evaluation Board Report Addendum



# AIR FORCE PIP COST ESTIMATE

Nonrecurring (FY96/97) \$62.2M\*

## AGMC Transition Office Recurring Cost Estimates

| FY96**   | FY97     | FY98     | FY99     | FY00     |
|----------|----------|----------|----------|----------|
| \$117.3M | \$183.1M | \$184.0M | \$168.1M | \$171.2M |

(Quantity of Work As of 1 Dec 94)

|         |          |          |          |          |
|---------|----------|----------|----------|----------|
| \$70.6M | \$165.8M | \$166.4M | \$161.8M | \$158.9M |
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\*\* Transition Year

Coopers  
& Lybrand

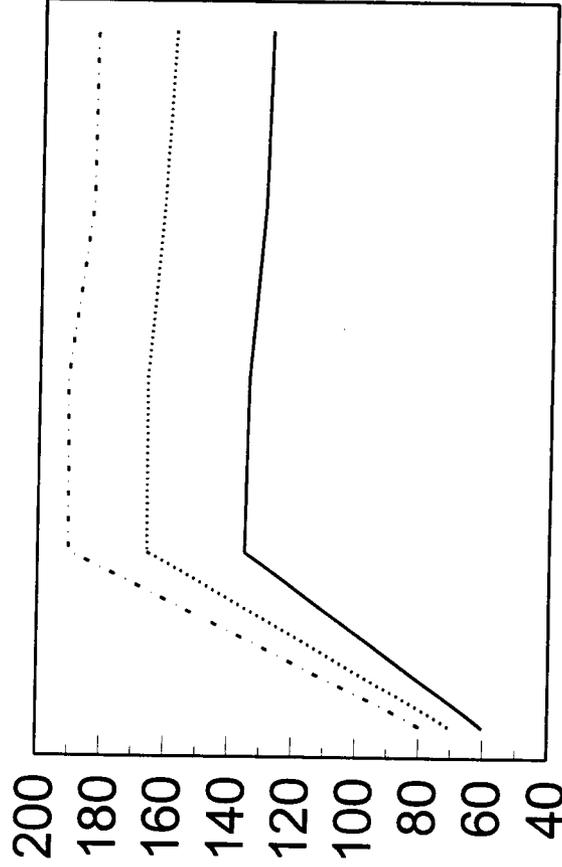
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Coopers  
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# PIP Range Estimate By Fiscal Year

**Range of Estimates Versus Point Estimate**  
Millions of Dollars



| Fiscal Year    | FY96 | FY97  | FY98  | FY99  | FY00  |
|----------------|------|-------|-------|-------|-------|
| C&L Low Range  | 60.3 | 135.3 | 134.6 | 130.0 | 128.6 |
| AFMC Estimate  | 70.6 | 165.8 | 166.4 | 161.8 | 158.9 |
| C&L High Range | 79.5 | 190.5 | 191.2 | 183.8 | 183.4 |

## Conclusions & Recommendations for PIP Estimate

- Methodology Appears Sound
- Source Documentation Appears Adequate, But Costs May Fluctuate Greatly
  - ◆ Three Items Critical to the Cost Estimate that May Fluctuate Significantly
    - Forecasted Workload to Actual Workload
    - Other Variables
    - AGMC Sales Prices
- To Improve the Estimate's Accuracy and Reduce the Size of the C&L Range, We Recommend Revisiting the Three Critical Items



# CONCLUSIONS

- **AF Aggressively Working PIP**
- **AF Recognizes Risk**
- **May Need Flexibility If Proposals Render PIP Effort Not Feasible**
- **Will Keep Congress and BRAC Commission Informed of Progress**



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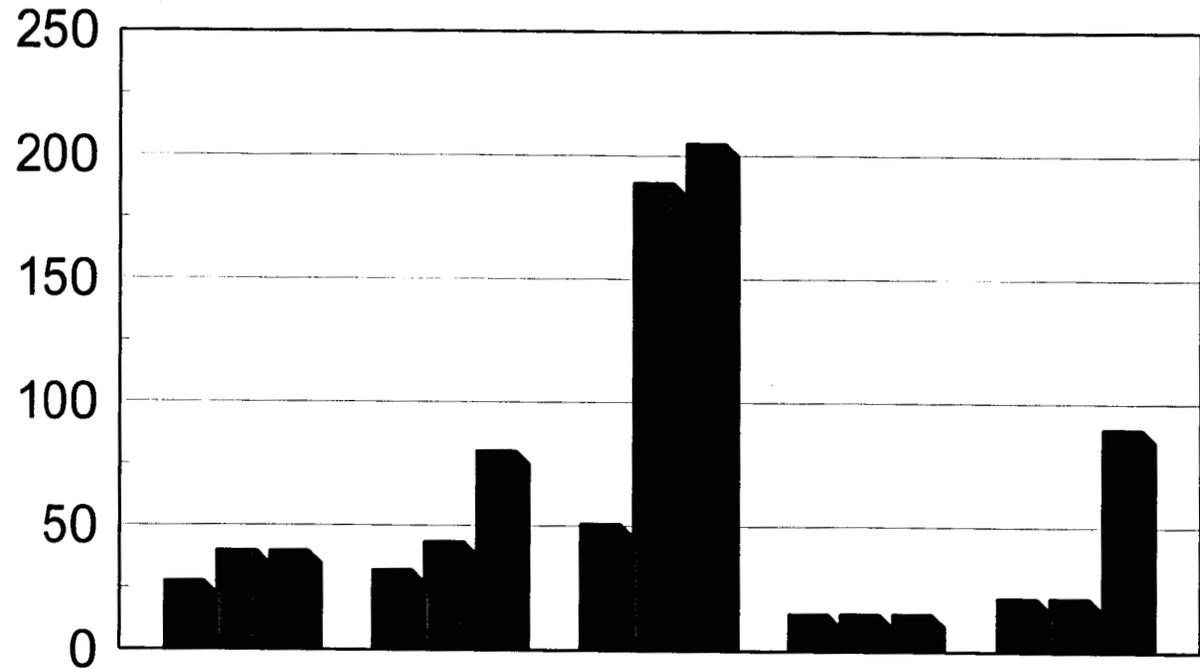
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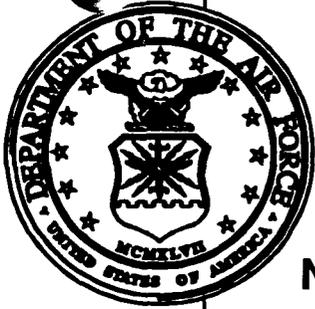
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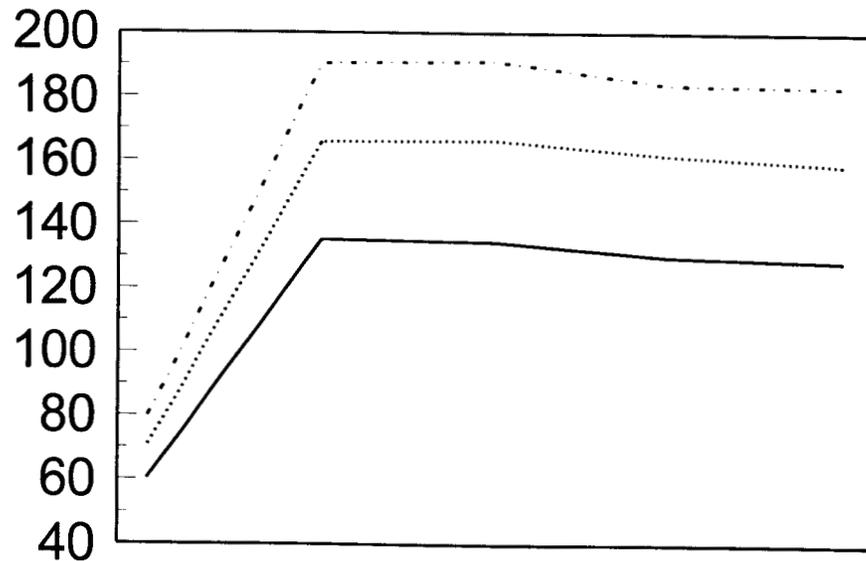
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DEPARTMENT OF THE AIR FORCE  
WASHINGTON DC



OFFICE OF THE GENERAL COUNSEL

MAY 8 1995

PLEASE PASS TO  
MR FRANK CASTWELL

MEMORANDUM FOR HQ USAF/LGMM  
HQ AFMC/JA

FROM TOM GIBBS  
AF/LGMM  
23859 / 3 PGS  
TOTAL

FROM: SAF/GCN  
1480 Air Force Pentagon  
Washington DC 20330-1480

SUBJECT: Newark AFB Disposal Issues

A number of issues relating to the disposal and reuse of Newark AFB, Ohio, have been presented to this office for resolution. Because these issues are related, this opinion will address each of those issues.

The issues arise from the closure of Newark AFB under the direction of the 1993 Defense Base Closure and Realignment Commission, made effective by the approval of the President and the absence of congressional disapproval. Under that direction, Newark AFB is to be closed, including the Aerospace Guidance and Metrology Center (AGMC) depot. Although the DoD recommendation anticipated the privatization in place (PIP) of most of the workload, the Commission expressed some doubt about that potential and, while allowing PIP, simply called for the movement of some workload to other depot maintenance activities including the private sector.

The issues include the following questions: (1) whether the Air Force Metrology and Calibration Materiel Group Manager (AFMETCAL MGM), in whole or in part, can remain in facilities at the closed Newark AFB; (2) whether use restrictions described in the 6 February 1995, memorandum from HQ AFMC/JA, a copy of which is attached, are appropriate; and (3) what impact on these issues, if any, is posed by the legal requirement that the federal government retain title for long-term presence on closed installations.

HQ AFMC is currently pursuing a privatization in place strategy for the workload from the AGMC depot. This strategy involves the transfer of real property to the local redevelopment authority, either by lease or deed, and a contract between the Air Force and a contractor who would perform the work in the transferred real property, using government furnished equipment. An exception to the privatization of the workload from AGMC is the management of the AFMETCAL program, which would remain an Air Force organic function. The Air Force intends to locate this management function at the Newark facility to oversee the contractor's performance of the AFMETCAL production work.

The stated purpose of the AFMETCAL function is the oversight of the contractor work. According to AFMC, collocation is critical because of the interaction with the work performed at present by the Air Force Measurement Standards laboratory, but which work is to be assigned to another depot or privatized under the base closure recommendation. As a result, AFMC asserts the AFMETCAL function should be located wherever the Measurement work is being performed. In my opinion, this arrangement would permit the location of the AFMETCAL function with a contractor, even if the contractor established their operation at the closed Newark AFB. Of course, it should similarly be located with the contractor, or assigned to another depot, if the workload is transferred to another location. This should be accounted for in the contract specifications, or accommodated in the event the work is assigned to another DoD depot. It may well be that the AFMETCAL workload should transfer to another Military Department if the AFMSL workload transfers to that Department.

Turning to the issue of the proposed restrictive covenants, we do not feel it is necessary to retain access rights. The need for such access arises only in the event that privatization in place ultimately is effected. The real need, however, is that the AFMETCAL be provided collocation rights with the workload. Since the AFMETCAL function's retention is contingent on the contract award, the provision of sufficient space for AFMETCAL should be part of the contract specification. It will then be necessary for the contractor to arrange for that space. In the case of a contractor operation at Newark (PIP) this could be arranged between the Local Redevelopment Authority (LRA) and the contractor.

Any contrary arrangement, such as the restrictive covenants requested, would be inconsistent with base closure policy and possibly the base closure law. The recommendation of the 1993 Commission, now given legal force, requires the closure of the installation, without reservation of an Air Force cantonment area. Following a closure, the property is typically disposed of to private parties based on a determination that it is surplus property. The declaration of surplus is based on a finding that the Government has no need for the property (32 CFR 91.3(d), (i)). The proposed reservation of rights is arguably inconsistent with both the base closure direction and the declaration of surplus. It is also inconsistent with the general policy of allowing the community to develop the plan for redevelopment of the property. The DoD implementing regulations do not provide for the retention of access rights except for purposes of carrying out our statutory obligations with respect to continued remediation of environmental contamination.

A final issue involves the requirement that any military unit or organization that will remain long term on a part of a closing Air Force base must retain the fee title to the property. This requirement does not conflict with the opinion above. To the contrary, the retention of title would be inconsistent with the only premise by which AFMETCAL would be able to remain at the base. Since the AFMETCAL operation will be remaining at Newark only in the event that a contractor is performing work at the Newark site, space for AFMETCAL in that case would be provided by the contractor.

In summary it is my opinion that the AFM/CY/TA work remain at the closed Stewart  
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 requirements should be added in the negotiations with an eventual contractor.

*Fred W. Kuen*  
 FRED W KUEN  
 Assistant Director

Attachment  
 HQ AFM/CY/TA let, n Job 119

cc:  
 AF/RTT

In summary, it is my opinion that the AFMETCAL could remain at the closed Newark AFB in space provided by a contractor in the event that the PIP proposal is successful. There is no justification to retain title to or burden with restrictive covenants conveyance of the property on which the privatized AGMC workload will continue to be performed. Any space and access requirements should be addressed in the negotiations with an eventual contractor.

*Fred W. Kuhn*  
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Assistant General Counsel

Attachment  
HQ AFMC/JA ltr, 6 Feb 95

cc:  
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PLEASE PASS TO  
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FROM TOM GIBB  
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The issues arise from the closure of Newark AFB under the direction of the 1993 Defense Base Closure and Realignment Commission, made effective by the approval of the President and the absence of congressional disapproval. Under that direction, Newark AFB is to be closed, including the Aerospace Guidance and Metrology Center (AGMC) depot. Although the DoD recommendation anticipated the privatization in place (PIP) of most of the workload, the Commission expressed some doubt about that potential and, while allowing PIP, simply called for the movement of some workload to other depot maintenance activities including the private sector.

The issues include the following questions: (1) whether the Air Force Metrology and Calibration Materiel Group Manager (AFMETCAL MGM), in whole or in part, can remain in facilities at the closed Newark AFB; (2) whether use restrictions described in the 6 February 1995, memorandum from HQ AFMC/JA, a copy of which is attached, are appropriate; and (3) what impact on these issues, if any, is posed by the legal requirement that the federal government retain title for long-term presence on closed installations.

HQ AFMC is currently pursuing a privatization in place strategy for the workload from the AGMC depot. This strategy involves the transfer of real property to the local redevelopment authority, either by lease or deed, and a contract between the Air Force and a contractor who would perform the work in the transferred real property, using government furnished equipment. An exception to the privatization of the workload from AGMC is the management of the AFMETCAL program, which would remain an Air Force organic function. The Air Force intends to locate this management function at the Newark facility to oversee the contractor's performance of the AFMETCAL production work.

# Document Separator

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

Starting Year : 1994  
 Final Year : 1999  
 ROI Year : Immediate

NPV in 2013(\$K): -97,652  
 1-Time Cost(\$K): 33,499

1993 Newark  
 run with 1995  
 Standard Factors

| Net Costs (\$K) | Constant Dollars |              |               |                |               |               |               | Total         | Beyond |
|-----------------|------------------|--------------|---------------|----------------|---------------|---------------|---------------|---------------|--------|
|                 | 1994             | 1995         | 1996          | 1997           | 1998          | 1999          |               |               |        |
| MilCon          | 0                | 0            | 0             | -4,500         | 0             | 0             | -4,500        | 0             |        |
| Person          | 0                | 0            | -14,233       | -73,578        | -73,578       | -73,578       | -234,969      | -73,578       |        |
| Overhd          | 60               | 45           | -1,110        | -4,069         | -4,075        | -4,080        | -13,229       | -4,094        |        |
| Moving          | 0                | 3,100        | 5,993         | 0              | 0             | 0             | 9,093         | 0             |        |
| Missio          | 0                | 0            | 34,044        | 68,088         | 68,088        | 68,088        | 238,308       | 68,088        |        |
| Other           | 100              | 245          | 245           | 0              | 0             | 0             | 590           | 0             |        |
| <b>TOTAL</b>    | <b>160</b>       | <b>3,390</b> | <b>24,938</b> | <b>-14,059</b> | <b>-9,566</b> | <b>-9,570</b> | <b>-4,707</b> | <b>-9,585</b> |        |

|                             | 1994     | 1995     | 1996         | 1997     | 1998     | 1999     | Total        |
|-----------------------------|----------|----------|--------------|----------|----------|----------|--------------|
| <b>POSITIONS ELIMINATED</b> |          |          |              |          |          |          |              |
| Off                         | 0        | 0        | 0            | 0        | 0        | 0        | 0            |
| Enl                         | 0        | 0        | 0            | 0        | 0        | 0        | 0            |
| Civ                         | 0        | 0        | 1,578        | 0        | 0        | 0        | 1,578        |
| <b>TOT</b>                  | <b>0</b> | <b>0</b> | <b>1,578</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>1,578</b> |
| <b>POSITIONS REALIGNED</b>  |          |          |              |          |          |          |              |
| Off                         | 0        | 0        | 32           | 0        | 0        | 0        | 32           |
| Enl                         | 0        | 0        | 60           | 0        | 0        | 0        | 60           |
| Stu                         | 0        | 0        | 0            | 0        | 0        | 0        | 0            |
| Civ                         | 0        | 0        | 101          | 0        | 0        | 0        | 101          |
| <b>TOT</b>                  | <b>0</b> | <b>0</b> | <b>193</b>   | <b>0</b> | <b>0</b> | <b>0</b> | <b>193</b>   |

Summary:  
 -----

NEWARK.CBR

ORR → GIRZ

Annual Costs ~ 100M  
 of Newark

Ave Cost 163.225

Beyond  
 Savings 77.6M per year  
 (Anln)  
 change costs to  
 from 68.1 → 163.2  
 Change Savings \$100M

COBRA REALIGNMENT SUMMARY (COBRA v5.08) - Page 2/2  
 Data As Of 13:58 02/20/1993, Report Created 12:57 04/28/1995

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

| Costs (\$K) Constant Dollars |            |              |               |               |               |               |                |               |
|------------------------------|------------|--------------|---------------|---------------|---------------|---------------|----------------|---------------|
|                              | 1994       | 1995         | 1996          | 1997          | 1998          | 1999          | Total          | Beyond        |
|                              | ----       | ----         | ----          | ----          | ----          | ----          | ----           | ----          |
| MilCon                       | 0          | 0            | 0             | 0             | 0             | 0             | 0              | 0             |
| Person                       | 0          | 0            | 22,953        | 408           | 408           | 408           | 24,175         | 408           |
| Overhd                       | 60         | 45           | 1,254         | 531           | 525           | 520           | 2,935          | 506           |
| Moving                       | 0          | 3,100        | 6,137         | 0             | 0             | 0             | 9,237          | 0             |
| Missio                       | 0          | 0            | 34,044        | 68,088        | 68,088        | 68,088        | 238,308        | 68,088        |
| Other                        | 100        | 245          | 245           | 0             | 0             | 0             | 590            | 0             |
| <b>TOTAL</b>                 | <b>160</b> | <b>3,390</b> | <b>64,632</b> | <b>69,027</b> | <b>69,020</b> | <b>69,016</b> | <b>275,245</b> | <b>69,001</b> |

| Savings (\$K) Constant Dollars |          |          |               |               |               |               |                |               |
|--------------------------------|----------|----------|---------------|---------------|---------------|---------------|----------------|---------------|
|                                | 1994     | 1995     | 1996          | 1997          | 1998          | 1999          | Total          | Beyond        |
|                                | ----     | ----     | ----          | ----          | ----          | ----          | ----           | ----          |
| MilCon                         | 0        | 0        | 0             | 4,500         | 0             | 0             | 4,500          | 0             |
| Person                         | 0        | 0        | 37,186        | 73,986        | 73,986        | 73,986        | 259,144        | 73,986        |
| Overhd                         | 0        | 0        | 2,364         | 4,600         | 4,600         | 4,600         | 16,164         | 4,600         |
| Moving                         | 0        | 0        | 144           | 0             | 0             | 0             | 144            | 0             |
| Missio                         | 0        | 0        | 0             | 0             | 0             | 0             | 0              | 0             |
| Other                          | 0        | 0        | 0             | 0             | 0             | 0             | 0              | 0             |
| <b>TOTAL</b>                   | <b>0</b> | <b>0</b> | <b>39,694</b> | <b>83,086</b> | <b>78,586</b> | <b>78,586</b> | <b>279,952</b> | <b>78,586</b> |

NET PRESENT VALUES REPORT (COBRA v5.08)  
 Data As Of 13:58 02/20/1993, Report Created 12:57 04/28/1995

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

| Year | Cost(\$)    | Adjusted Cost(\$) | NPV(\$)     |
|------|-------------|-------------------|-------------|
| ---- | -----       | -----             | -----       |
| 1994 | 160,000     | 157,844           | 157,844     |
| 1995 | 3,390,000   | 3,254,820         | 3,412,664   |
| 1996 | 24,938,464  | 23,303,177        | 26,715,841  |
| 1997 | -14,059,394 | -12,785,867       | 13,929,974  |
| 1998 | -9,565,722  | -8,466,414        | 5,463,559   |
| 1999 | -9,570,468  | -8,243,907        | -2,780,348  |
| 2000 | -9,584,706  | -8,035,204        | -10,815,552 |
| 2001 | -9,584,706  | -7,820,150        | -18,635,702 |
| 2002 | -9,584,706  | -7,610,851        | -26,246,553 |
| 2003 | -9,584,706  | -7,407,155        | -33,653,708 |
| 2004 | -9,584,706  | -7,208,910        | -40,862,618 |
| 2005 | -9,584,706  | -7,015,970        | -47,878,588 |
| 2006 | -9,584,706  | -6,828,195        | -54,706,783 |
| 2007 | -9,584,706  | -6,645,445        | -61,352,229 |
| 2008 | -9,584,706  | -6,467,587        | -67,819,815 |
| 2009 | -9,584,706  | -6,294,488        | -74,114,304 |
| 2010 | -9,584,706  | -6,126,023        | -80,240,326 |
| 2011 | -9,584,706  | -5,962,066        | -86,202,392 |
| 2012 | -9,584,706  | -5,802,497        | -92,004,890 |
| 2013 | -9,584,706  | -5,647,199        | -97,652,089 |

TOTAL ONE-TIME COST REPORT (COBRA v5.08) - Page 1/6  
 Data As Of 13:58 02/20/1993, Report Created 12:57 04/28/1995

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

(All values in Dollars)

| Category                              | Cost       | Sub-Total  |
|---------------------------------------|------------|------------|
| -----                                 | ----       | -----      |
| Construction                          |            |            |
| Military Construction                 | 0          |            |
| Family Housing Construction           | 0          |            |
| Information Management Account        | 0          |            |
| Land Purchases                        | 0          |            |
| Total - Construction                  |            | 0          |
| Personnel                             |            |            |
| Civilian RIF                          | 18,317,713 |            |
| Civilian Early Retirement             | 709,425    |            |
| Civilian New Hires                    | 364,000    |            |
| Eliminated Military PCS               | 0          |            |
| Unemployment                          | 3,153,924  |            |
| Total - Personnel                     |            | 22,545,061 |
| Overhead                              |            |            |
| Program Planning Support              | 197,285    |            |
| Mothball / Shutdown                   | 930,000    |            |
| Total - Overhead                      |            | 1,127,285  |
| Moving                                |            |            |
| Civilian Moving                       | 273,545    |            |
| Civilian PPS                          | 2,275,200  |            |
| Military Moving                       | 459,406    |            |
| Freight                               | 28,961     |            |
| One-Time Moving Costs                 | 6,200,000  |            |
| Total - Moving                        |            | 9,237,112  |
| Other                                 |            |            |
| HAP / RSE                             | 0          |            |
| Environmental Mitigation Costs        | 0          |            |
| One-Time Unique Costs                 | 590,000    |            |
| Total - Other                         |            | 590,000    |
| -----                                 |            |            |
| Total One-Time Costs                  |            | 33,499,459 |
| -----                                 |            |            |
| One-Time Savings                      |            |            |
| Military Construction Cost Avoidances | 4,500,000  |            |
| Family Housing Cost Avoidances        | 0          |            |
| Military Moving                       | 144,440    |            |
| Land Sales                            | 0          |            |
| One-Time Moving Savings               | 0          |            |
| Environmental Mitigation Savings      | 0          |            |
| One-Time Unique Savings               | 0          |            |
| -----                                 |            |            |
| Total One-Time Savings                |            | 4,644,440  |
| -----                                 |            |            |
| Total Net One-Time Costs              |            | 28,855,019 |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

Base: Newark, OH  
 (All values in Dollars)

| Category                              | Cost       | Sub-Total  |
|---------------------------------------|------------|------------|
| -----                                 | ----       | -----      |
| Construction                          |            |            |
| Military Construction                 | 0          |            |
| Family Housing Construction           | 0          |            |
| Information Management Account        | 0          |            |
| Land Purchases                        | 0          |            |
| Total - Construction                  |            | 0          |
| Personnel                             |            |            |
| Civilian RIF                          | 18,317,713 |            |
| Civilian Early Retirement             | 709,425    |            |
| Civilian New Hires                    | 0          |            |
| Eliminated Military PCS               | 0          |            |
| Unemployment                          | 3,153,924  |            |
| Total - Personnel                     |            | 22,181,061 |
| Overhead                              |            |            |
| Program Planning Support              | 197,285    |            |
| Mothball / Shutdown                   | 930,000    |            |
| Total - Overhead                      |            | 1,127,285  |
| Moving                                |            |            |
| Civilian Moving                       | 273,545    |            |
| Civilian PPS                          | 2,275,200  |            |
| Military Moving                       | 459,406    |            |
| Freight                               | 28,961     |            |
| One-Time Moving Costs                 | 6,200,000  |            |
| Total - Moving                        |            | 9,237,112  |
| Other                                 |            |            |
| HAP / RSE                             | 0          |            |
| Environmental Mitigation Costs        | 0          |            |
| One-Time Unique Costs                 | 590,000    |            |
| Total - Other                         |            | 590,000    |
| -----                                 | -----      | -----      |
| Total One-Time Costs                  |            | 33,135,459 |
| -----                                 | -----      | -----      |
| One-Time Savings                      |            |            |
| Military Construction Cost Avoidances | 4,500,000  |            |
| Family Housing Cost Avoidances        | 0          |            |
| Military Moving                       | 144,440    |            |
| Land Sales                            | 0          |            |
| One-Time Moving Savings               | 0          |            |
| Environmental Mitigation Savings      | 0          |            |
| One-Time Unique Savings               | 0          |            |
| -----                                 | -----      | -----      |
| Total One-Time Savings                |            | 4,644,440  |
| -----                                 | -----      | -----      |
| Total Net One-Time Costs              |            | 28,491,019 |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

Base: Hill, UT  
 (All values in Dollars)

| Category                              | Cost   | Sub-Total |
|---------------------------------------|--------|-----------|
| -----                                 | ----   | -----     |
| Construction                          |        |           |
| Military Construction                 | 0      |           |
| Family Housing Construction           | 0      |           |
| Information Management Account        | 0      |           |
| Land Purchases                        | 0      |           |
| Total - Construction                  |        | 0         |
| Personnel                             |        |           |
| Civilian RIF                          | 0      |           |
| Civilian Early Retirement             | 0      |           |
| Civilian New Hires                    | 28,000 |           |
| Eliminated Military PCS               | 0      |           |
| Unemployment                          | 0      |           |
| Total - Personnel                     |        | 28,000    |
| Overhead                              |        |           |
| Program Planning Support              | 0      |           |
| Mothball / Shutdown                   | 0      |           |
| Total - Overhead                      |        | 0         |
| Moving                                |        |           |
| Civilian Moving                       | 0      |           |
| Civilian PPS                          | 0      |           |
| Military Moving                       | 0      |           |
| Freight                               | 0      |           |
| One-Time Moving Costs                 | 0      |           |
| Total - Moving                        |        | 0         |
| Other                                 |        |           |
| HAP / RSE                             | 0      |           |
| Environmental Mitigation Costs        | 0      |           |
| One-Time Unique Costs                 | 0      |           |
| Total - Other                         |        | 0         |
| -----                                 |        |           |
| Total One-Time Costs                  |        | 28,000    |
| -----                                 |        |           |
| One-Time Savings                      |        |           |
| Military Construction Cost Avoidances | 0      |           |
| Family Housing Cost Avoidances        | 0      |           |
| Military Moving                       | 0      |           |
| Land Sales                            | 0      |           |
| One-Time Moving Savings               | 0      |           |
| Environmental Mitigation Savings      | 0      |           |
| One-Time Unique Savings               | 0      |           |
| -----                                 |        |           |
| Total One-Time Savings                |        | 0         |
| -----                                 |        |           |
| Total Net One-Time Costs              |        | 28,000    |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

Base: Kelly, TX  
 (All values in Dollars)

| Category                              | Cost   | Sub-Total |
|---------------------------------------|--------|-----------|
| -----                                 | ----   | -----     |
| Construction                          |        |           |
| Military Construction                 | 0      |           |
| Family Housing Construction           | 0      |           |
| Information Management Account        | 0      |           |
| Land Purchases                        | 0      |           |
| Total - Construction                  |        | 0         |
| Personnel                             |        |           |
| Civilian RIF                          | 0      |           |
| Civilian Early Retirement             | 0      |           |
| Civilian New Hires                    | 56,000 |           |
| Eliminated Military PCS               | 0      |           |
| Unemployment                          | 0      |           |
| Total - Personnel                     |        | 56,000    |
| Overhead                              |        |           |
| Program Planning Support              | 0      |           |
| Mothball / Shutdown                   | 0      |           |
| Total - Overhead                      |        | 0         |
| Moving                                |        |           |
| Civilian Moving                       | 0      |           |
| Civilian PPS                          | 0      |           |
| Military Moving                       | 0      |           |
| Freight                               | 0      |           |
| One-Time Moving Costs                 | 0      |           |
| Total - Moving                        |        | 0         |
| Other                                 |        |           |
| HAP / RSE                             | 0      |           |
| Environmental Mitigation Costs        | 0      |           |
| One-Time Unique Costs                 | 0      |           |
| Total - Other                         |        | 0         |
| -----                                 |        |           |
| Total One-Time Costs                  |        | 56,000    |
| -----                                 |        |           |
| One-Time Savings                      |        |           |
| Military Construction Cost Avoidances | 0      |           |
| Family Housing Cost Avoidances        | 0      |           |
| Military Moving                       | 0      |           |
| Land Sales                            | 0      |           |
| One-Time Moving Savings               | 0      |           |
| Environmental Mitigation Savings      | 0      |           |
| One-Time Unique Savings               | 0      |           |
| -----                                 |        |           |
| Total One-Time Savings                |        | 0         |
| -----                                 |        |           |
| Total Net One-Time Costs              |        | 56,000    |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

Base: Robins, GA  
 (All values in Dollars)

| Category                              | Cost    | Sub-Total      |
|---------------------------------------|---------|----------------|
| -----                                 | ----    | -----          |
| <b>Construction</b>                   |         |                |
| Military Construction                 | 0       |                |
| Family Housing Construction           | 0       |                |
| Information Management Account        | 0       |                |
| Land Purchases                        | 0       |                |
| <b>Total - Construction</b>           |         | 0              |
| <b>Personnel</b>                      |         |                |
| Civilian RIF                          | 0       |                |
| Civilian Early Retirement             | 0       |                |
| Civilian New Hires                    | 280,000 |                |
| Eliminated Military PCS               | 0       |                |
| Unemployment                          | 0       |                |
| <b>Total - Personnel</b>              |         | 280,000        |
| <b>Overhead</b>                       |         |                |
| Program Planning Support              | 0       |                |
| Mothball / Shutdown                   | 0       |                |
| <b>Total - Overhead</b>               |         | 0              |
| <b>Moving</b>                         |         |                |
| Civilian Moving                       | 0       |                |
| Civilian PPS                          | 0       |                |
| Military Moving                       | 0       |                |
| Freight                               | 0       |                |
| One-Time Moving Costs                 | 0       |                |
| <b>Total - Moving</b>                 |         | 0              |
| <b>Other</b>                          |         |                |
| HAP / RSE                             | 0       |                |
| Environmental Mitigation Costs        | 0       |                |
| One-Time Unique Costs                 | 0       |                |
| <b>Total - Other</b>                  |         | 0              |
| <b>Total One-Time Costs</b>           |         | <b>280,000</b> |
| <b>One-Time Savings</b>               |         |                |
| Military Construction Cost Avoidances | 0       |                |
| Family Housing Cost Avoidances        | 0       |                |
| Military Moving                       | 0       |                |
| Land Sales                            | 0       |                |
| One-Time Moving Savings               | 0       |                |
| Environmental Mitigation Savings      | 0       |                |
| One-Time Unique Savings               | 0       |                |
| <b>Total One-Time Savings</b>         |         | 0              |
| <b>Total Net One-Time Costs</b>       |         | <b>280,000</b> |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

Base: Base X  
 (All values in Dollars)

| Category                              | Cost | Sub-Total |
|---------------------------------------|------|-----------|
| -----                                 | ---- | -----     |
| Construction                          |      |           |
| Military Construction                 | 0    |           |
| Family Housing Construction           | 0    |           |
| Information Management Account        | 0    |           |
| Land Purchases                        | 0    |           |
| Total - Construction                  |      | 0         |
| Personnel                             |      |           |
| Civilian RIF                          | 0    |           |
| Civilian Early Retirement             | 0    |           |
| Civilian New Hires                    | 0    |           |
| Eliminated Military PCS               | 0    |           |
| Unemployment                          | 0    |           |
| Total - Personnel                     |      | 0         |
| Overhead                              |      |           |
| Program Planning Support              | 0    |           |
| Mothball / Shutdown                   | 0    |           |
| Total - Overhead                      |      | 0         |
| Moving                                |      |           |
| Civilian Moving                       | 0    |           |
| Civilian PPS                          | 0    |           |
| Military Moving                       | 0    |           |
| Freight                               | 0    |           |
| One-Time Moving Costs                 | 0    |           |
| Total - Moving                        |      | 0         |
| Other                                 |      |           |
| HAP / RSE                             | 0    |           |
| Environmental Mitigation Costs        | 0    |           |
| One-Time Unique Costs                 | 0    |           |
| Total - Other                         |      | 0         |
| -----                                 |      | 0         |
| Total One-Time Costs                  |      | 0         |
| -----                                 |      |           |
| One-Time Savings                      |      |           |
| Military Construction Cost Avoidances | 0    |           |
| Family Housing Cost Avoidances        | 0    |           |
| Military Moving                       | 0    |           |
| Land Sales                            | 0    |           |
| One-Time Moving Savings               | 0    |           |
| Environmental Mitigation Savings      | 0    |           |
| One-Time Unique Savings               | 0    |           |
| -----                                 |      |           |
| Total One-Time Savings                |      | 0         |
| -----                                 |      |           |
| Total Net One-Time Costs              |      | 0         |

Department : USAF  
Option Package : Newark  
Scenario File : A:\NEWARK.CBR  
Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

All Costs in \$K

| Base Name | Total<br>MilCon | IMA<br>Cost | Land<br>Purch | Cost<br>Avoid | Total<br>Cost |
|-----------|-----------------|-------------|---------------|---------------|---------------|
| Newark    | 0               | 0           | 0             | -4,500        | -4,500        |
| Hill      | 0               | 0           | 0             | 0             | 0             |
| Kelly     | 0               | 0           | 0             | 0             | 0             |
| Robins    | 0               | 0           | 0             | 0             | 0             |
| Base X    | 0               | 0           | 0             | 0             | 0             |
| Totals:   | 0               | 0           | 0             | -4,500        | -4,500        |

Department : USAF  
Option Package : Newark  
Scenario File : A:\NEWARK.CBR  
Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

MilCon for Base: Newark, OH

All Costs in \$K

| Description:               | MilCon<br>Categ | Using<br>Rehab | Rehab<br>Cost* | New<br>MilCon | New<br>Cost* | Total<br>Cost* |
|----------------------------|-----------------|----------------|----------------|---------------|--------------|----------------|
| -----                      |                 |                |                |               |              | -----          |
| Total Construction Cost:   |                 |                |                |               |              | 0              |
| + Info Management Account: |                 |                |                |               |              | 0              |
| + Land Purchases:          |                 |                |                |               |              | 0              |
| - Construction Cost Avoid: |                 |                |                |               |              | 4,500          |
| -----                      |                 |                |                |               |              | -----          |
| TOTAL:                     |                 |                |                |               |              | -4,500         |

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

PERSONNEL SUMMARY REPORT (COBRA v5.08)  
 Data As Of 13:58 02/20/1993, Report Created 12:57 04/28/1995

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

PERSONNEL SUMMARY FOR: Newark, OH

BASE POPULATION (FY 1994, Prior to BRAC Action):

| Officers | Enlisted | Students | Civilians |
|----------|----------|----------|-----------|
| 32       | 60       | 0        | 1,679     |

PERSONNEL REALIGNMENTS:

To Base: Hill, UT

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Enlisted  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 9    | 0    | 0    | 0    | 9     |
| TOTAL     | 0    | 0    | 9    | 0    | 0    | 0    | 9     |

To Base: Kelly, TX

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Enlisted  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 15   | 0    | 0    | 0    | 15    |
| TOTAL     | 0    | 0    | 15   | 0    | 0    | 0    | 15    |

To Base: Robins, GA

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Enlisted  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 77   | 0    | 0    | 0    | 77    |
| TOTAL     | 0    | 0    | 77   | 0    | 0    | 0    | 77    |

To Base: Base X

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 32   | 0    | 0    | 0    | 32    |
| Enlisted  | 0    | 0    | 60   | 0    | 0    | 0    | 60    |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL     | 0    | 0    | 92   | 0    | 0    | 0    | 92    |

TOTAL PERSONNEL REALIGNMENTS (Out of Newark, OH):

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 32   | 0    | 0    | 0    | 32    |
| Enlisted  | 0    | 0    | 60   | 0    | 0    | 0    | 60    |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 101  | 0    | 0    | 0    | 101   |
| TOTAL     | 0    | 0    | 193  | 0    | 0    | 0    | 193   |

SCENARIO POSITION CHANGES:

|           | 1994 | 1995 | 1996   | 1997 | 1998 | 1999 | Total  |
|-----------|------|------|--------|------|------|------|--------|
| Officers  | 0    | 0    | 0      | 0    | 0    | 0    | 0      |
| Enlisted  | 0    | 0    | 0      | 0    | 0    | 0    | 0      |
| Civilians | 0    | 0    | -1,578 | 0    | 0    | 0    | -1,578 |
| TOTAL     | 0    | 0    | -1,578 | 0    | 0    | 0    | -1,578 |

BASE POPULATION (After BRAC Action):

| Officers | Enlisted | Students | Civilians |
|----------|----------|----------|-----------|
| 0        | 0        | 0        | 0         |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

PERSONNEL SUMMARY FOR: Hill, UT

BASE POPULATION (FY 1994, Prior to BRAC Action):

| Officers | Enlisted | Students | Civilians |
|----------|----------|----------|-----------|
| 582      | 3,558    | 0        | 9,045     |

PERSONNEL REALIGNMENTS:

From Base: Newark, OH

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Enlisted  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 9    | 0    | 0    | 0    | 9     |
| TOTAL     | 0    | 0    | 9    | 0    | 0    | 0    | 9     |

TOTAL PERSONNEL REALIGNMENTS (Into Hill, UT):

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Enlisted  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 9    | 0    | 0    | 0    | 9     |
| TOTAL     | 0    | 0    | 9    | 0    | 0    | 0    | 9     |

BASE POPULATION (After BRAC Action):

| Officers | Enlisted | Students | Civilians |
|----------|----------|----------|-----------|
| 582      | 3,558    | 0        | 9,054     |

PERSONNEL SUMMARY FOR: Kelly, TX

BASE POPULATION (FY 1994, Prior to BRAC Action):

| Officers | Enlisted | Students | Civilians |
|----------|----------|----------|-----------|
| 828      | 3,771    | 0        | 14,251    |

PERSONNEL REALIGNMENTS:

From Base: Newark, OH

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Enlisted  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 15   | 0    | 0    | 0    | 15    |
| TOTAL     | 0    | 0    | 15   | 0    | 0    | 0    | 15    |

TOTAL PERSONNEL REALIGNMENTS (Into Kelly, TX):

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Enlisted  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 15   | 0    | 0    | 0    | 15    |
| TOTAL     | 0    | 0    | 15   | 0    | 0    | 0    | 15    |

BASE POPULATION (After BRAC Action):

| Officers | Enlisted | Students | Civilians |
|----------|----------|----------|-----------|
| 828      | 3,771    | 0        | 14,266    |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

PERSONNEL SUMMARY FOR: Robins, GA

BASE POPULATION (FY 1994, Prior to BRAC Action):

| Officers | Enlisted | Students | Civilians |
|----------|----------|----------|-----------|
| 725      | 3,025    | 0        | 11,313    |

PERSONNEL REALIGNMENTS:

From Base: Newark, OH

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Enlisted  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 77   | 0    | 0    | 0    | 77    |
| TOTAL     | 0    | 0    | 77   | 0    | 0    | 0    | 77    |

TOTAL PERSONNEL REALIGNMENTS (Into Robins, GA):

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Enlisted  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 77   | 0    | 0    | 0    | 77    |
| TOTAL     | 0    | 0    | 77   | 0    | 0    | 0    | 77    |

BASE POPULATION (After BRAC Action):

| Officers | Enlisted | Students | Civilians |
|----------|----------|----------|-----------|
| 725      | 3,025    | 0        | 11,390    |

PERSONNEL SUMMARY FOR: Base X

BASE POPULATION (FY 1994, Prior to BRAC Action):

| Officers | Enlisted | Students | Civilians |
|----------|----------|----------|-----------|
| 569      | 2,475    | 0        | 7,843     |

PERSONNEL REALIGNMENTS:

From Base: Newark, OH

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 32   | 0    | 0    | 0    | 32    |
| Enlisted  | 0    | 0    | 60   | 0    | 0    | 0    | 60    |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL     | 0    | 0    | 92   | 0    | 0    | 0    | 92    |

TOTAL PERSONNEL REALIGNMENTS (Into Base X):

|           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------|------|------|------|------|------|------|-------|
| Officers  | 0    | 0    | 32   | 0    | 0    | 0    | 32    |
| Enlisted  | 0    | 0    | 60   | 0    | 0    | 0    | 60    |
| Students  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL     | 0    | 0    | 92   | 0    | 0    | 0    | 92    |

BASE POPULATION (After BRAC Action):

| Officers | Enlisted | Students | Civilians |
|----------|----------|----------|-----------|
| 601      | 2,535    | 0        | 7,843     |

TOTAL PERSONNEL IMPACT REPORT (COBRA v5.08) - Page 1/6  
 Data As Of 13:58 02/20/1993, Report Created 12:57 04/28/1995

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

|                                     | Rate   | 1994 | 1995 | 1996  | 1997 | 1998 | 1999 | Total |
|-------------------------------------|--------|------|------|-------|------|------|------|-------|
| CIVILIAN POSITIONS REALIGNING OUT   |        | 0    | 0    | 101   | 0    | 0    | 0    | 101   |
| Early Retirement*                   | 10.00% | 0    | 0    | 11    | 0    | 0    | 0    | 11    |
| Regular Retirement*                 | 5.00%  | 0    | 0    | 5     | 0    | 0    | 0    | 5     |
| Civilian Turnover*                  | 15.00% | 0    | 0    | 15    | 0    | 0    | 0    | 15    |
| Civs Not Moving (RIFs)*+            |        | 0    | 0    | 60    | 0    | 0    | 0    | 60    |
| Civilians Moving (the remainder)    |        | 0    | 0    | 10    | 0    | 0    | 0    | 10    |
| Civilian Positions Available        |        | 0    | 0    | 91    | 0    | 0    | 0    | 91    |
| CIVILIAN POSITIONS ELIMINATED       |        | 0    | 0    | 1,578 | 0    | 0    | 0    | 1578  |
| Early Retirement                    | 10.00% | 0    | 0    | 158   | 0    | 0    | 0    | 158   |
| Regular Retirement                  | 5.00%  | 0    | 0    | 79    | 0    | 0    | 0    | 79    |
| Civilian Turnover                   | 15.00% | 0    | 0    | 237   | 0    | 0    | 0    | 237   |
| Civs Not Moving (RIFs)*+            |        | 0    | 0    | 947   | 0    | 0    | 0    | 947   |
| Priority Placement#                 | 60.00% | 0    | 0    | 157   | 0    | 0    | 0    | 157   |
| Civilians Available to Move         |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Civilians Moving                    |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Civilian RIFs (the remainder)       |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| CIVILIAN POSITIONS REALIGNING IN    |        | 0    | 0    | 101   | 0    | 0    | 0    | 101   |
| Civilians Moving                    |        | 0    | 0    | 10    | 0    | 0    | 0    | 10    |
| New Civilians Hired                 |        | 0    | 0    | 91    | 0    | 0    | 0    | 91    |
| Other Civilian Additions            |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN EARLY RETIRMENTS     |        | 0    | 0    | 169   | 0    | 0    | 0    | 169   |
| TOTAL CIVILIAN RIFS                 |        | 0    | 0    | 1,007 | 0    | 0    | 0    | 1007  |
| TOTAL CIVILIAN PRIORITY PLACEMENTS# |        | 0    | 0    | 157   | 0    | 0    | 0    | 157   |
| TOTAL CIVILIAN NEW HIRES            |        | 0    | 0    | 91    | 0    | 0    | 0    | 91    |

\* Early Retirements, Regular Retirements, Civilian Turnover, and Civilians Not Willing to Move are not applicable for moves under fifty miles.

+ The Percentage of Civilians Not Willing to Move (Voluntary RIFs) varies from base to base.

# Not all Priority Placements involve a Permanent Change of Station. The rate of PPS placements involving a PCS is 50.00%

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

| Base: Newark, OH                    | Rate   | 1994 | 1995 | 1996  | 1997 | 1998 | 1999 | Total |
|-------------------------------------|--------|------|------|-------|------|------|------|-------|
| CIVILIAN POSITIONS REALIGNING OUT   |        | 0    | 0    | 101   | 0    | 0    | 0    | 101   |
| Early Retirement*                   | 10.00% | 0    | 0    | 11    | 0    | 0    | 0    | 11    |
| Regular Retirement*                 | 5.00%  | 0    | 0    | 5     | 0    | 0    | 0    | 5     |
| Civilian Turnover*                  | 15.00% | 0    | 0    | 15    | 0    | 0    | 0    | 15    |
| Civs Not Moving (RIFs)*             | 60.00% | 0    | 0    | 60    | 0    | 0    | 0    | 60    |
| Civilians Moving (the remainder)    |        | 0    | 0    | 10    | 0    | 0    | 0    | 10    |
| Civilian Positions Available        |        | 0    | 0    | 91    | 0    | 0    | 0    | 91    |
| CIVILIAN POSITIONS ELIMINATED       |        | 0    | 0    | 1,578 | 0    | 0    | 0    | 1578  |
| Early Retirement                    | 10.00% | 0    | 0    | 158   | 0    | 0    | 0    | 158   |
| Regular Retirement                  | 5.00%  | 0    | 0    | 79    | 0    | 0    | 0    | 79    |
| Civilian Turnover                   | 15.00% | 0    | 0    | 237   | 0    | 0    | 0    | 237   |
| Civs Not Moving (RIFs)*             | 60.00% | 0    | 0    | 947   | 0    | 0    | 0    | 947   |
| Priority Placement#                 | 60.00% | 0    | 0    | 157   | 0    | 0    | 0    | 157   |
| Civilians Available to Move         |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Civilians Moving                    |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Civilian RIFs (the remainder)       |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| CIVILIAN POSITIONS REALIGNING IN    |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Civilians Moving                    |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| New Civilians Hired                 |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Other Civilian Additions            |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN EARLY RETIRMENTS     |        | 0    | 0    | 169   | 0    | 0    | 0    | 169   |
| TOTAL CIVILIAN RIFs                 |        | 0    | 0    | 1,007 | 0    | 0    | 0    | 1007  |
| TOTAL CIVILIAN PRIORITY PLACEMENTS# |        | 0    | 0    | 157   | 0    | 0    | 0    | 157   |
| TOTAL CIVILIAN NEW HIRES            |        | 0    | 0    | 0     | 0    | 0    | 0    | 0     |

\* Early Retirements, Regular Retirements, Civilian Turnover, and Civilians Not Willing to Move are not applicable for moves under fifty miles.

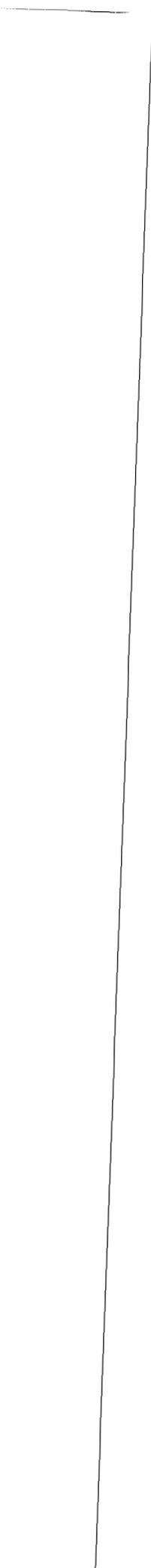
# Not all Priority Placements involve a Permanent Change of Station. The rate of PPS placements involving a PCS is 50.00%

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

| Base: Hill, UT                      | Rate   | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-------------------------------------|--------|------|------|------|------|------|------|-------|
| CIVILIAN POSITIONS REALIGNING OUT   |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Early Retirement*                   | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Regular Retirement*                 | 5.00%  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Turnover*                  | 15.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civs Not Moving (RIFs)*             | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Moving (the remainder)    |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Positions Available        |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| CIVILIAN POSITIONS ELIMINATED       |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Early Retirement                    | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Regular Retirement                  | 5.00%  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Turnover                   | 15.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civs Not Moving (RIFs)*             | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Priority Placement#                 | 60.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Available to Move         |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Moving                    |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian RIFs (the remainder)       |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| CIVILIAN POSITIONS REALIGNING IN    |        | 0    | 0    | 9    | 0    | 0    | 0    | 9     |
| Civilians Moving                    |        | 0    | 0    | 2    | 0    | 0    | 0    | 2     |
| New Civilians Hired                 |        | 0    | 0    | 7    | 0    | 0    | 0    | 7     |
| Other Civilian Additions            |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN EARLY RETIRMENTS     |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN RIFS                 |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN PRIORITY PLACEMENTS# |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN NEW HIRES            |        | 0    | 0    | 7    | 0    | 0    | 0    | 7     |

\* Early Retirements, Regular Retirements, Civilian Turnover, and Civilians Not Willing to Move are not applicable for moves under fifty miles.

# Not all Priority Placements involve a Permanent Change of Station. The rate of PPS placements involving a PCS is 50.00%



Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

| Base: Kelly, TX                     | Rate   | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-------------------------------------|--------|------|------|------|------|------|------|-------|
| CIVILIAN POSITIONS REALIGNING OUT   |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Early Retirement*                   | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Regular Retirement*                 | 5.00%  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Turnover*                  | 15.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civs Not Moving (RIFs)*             | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Moving (the remainder)    |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Positions Available        |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| CIVILIAN POSITIONS ELIMINATED       |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Early Retirement                    | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Regular Retirement                  | 5.00%  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Turnover                   | 15.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civs Not Moving (RIFs)*             | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Priority Placement#                 | 60.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Available to Move         |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Moving                    |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian RIFs (the remainder)       |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| CIVILIAN POSITIONS REALIGNING IN    |        | 0    | 0    | 15   | 0    | 0    | 0    | 15    |
| Civilians Moving                    |        | 0    | 0    | 1    | 0    | 0    | 0    | 1     |
| New Civilians Hired                 |        | 0    | 0    | 14   | 0    | 0    | 0    | 14    |
| Other Civilian Additions            |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN EARLY RETIRMENTS     |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN RIFs                 |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN PRIORITY PLACEMENTS# |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN NEW HIRES            |        | 0    | 0    | 14   | 0    | 0    | 0    | 14    |

\* Early Retirements, Regular Retirements, Civilian Turnover, and Civilians Not Willing to Move are not applicable for moves under fifty miles.

# Not all Priority Placements involve a Permanent Change of Station. The rate of PPS placements involving a PCS is 50.00%

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

| Base: Robins, GA                    | Rate   | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-------------------------------------|--------|------|------|------|------|------|------|-------|
| CIVILIAN POSITIONS REALIGNING OUT   |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Early Retirement*                   | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Regular Retirement*                 | 5.00%  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Turnover*                  | 15.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civs Not Moving (RIFs)*             | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Moving (the remainder)    |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Positions Available        |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| CIVILIAN POSITIONS ELIMINATED       |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Early Retirement                    | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Regular Retirement                  | 5.00%  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Turnover                   | 15.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civs Not Moving (RIFs)*             | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Priority Placement#                 | 60.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Available to Move         |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Moving                    |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian RIFs (the remainder)       |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| CIVILIAN POSITIONS REALIGNING IN    |        | 0    | 0    | 77   | 0    | 0    | 0    | 77    |
| Civilians Moving                    |        | 0    | 0    | 7    | 0    | 0    | 0    | 7     |
| New Civilians Hired                 |        | 0    | 0    | 70   | 0    | 0    | 0    | 70    |
| Other Civilian Additions            |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN EARLY RETIRMENTS     |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN RIFS                 |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN PRIORITY PLACEMENTS# |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN NEW HIRES            |        | 0    | 0    | 70   | 0    | 0    | 0    | 70    |

\* Early Retirements, Regular Retirements, Civilian Turnover, and Civilians Not Willing to Move are not applicable for moves under fifty miles.

# Not all Priority Placements involve a Permanent Change of Station. The rate of PPS placements involving a PCS is 50.00%

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| Base: Base X                        | Rate   | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-------------------------------------|--------|------|------|------|------|------|------|-------|
| CIVILIAN POSITIONS REALIGNING OUT   |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Early Retirement*                   | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Regular Retirement*                 | 5.00%  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Turnover*                  | 15.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civs Not Moving (RIFs)*             | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Moving (the remainder)    |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Positions Available        |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| CIVILIAN POSITIONS ELIMINATED       |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Early Retirement                    | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Regular Retirement                  | 5.00%  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian Turnover                   | 15.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civs Not Moving (RIFs)*             | 10.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Priority Placement#                 | 60.00% | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Available to Move         |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Moving                    |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilian RIFs (the remainder)       |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| CIVILIAN POSITIONS REALIGNING IN    |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civilians Moving                    |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| New Civilians Hired                 |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Other Civilian Additions            |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN EARLY RETIRMENTS     |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN RIFs                 |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN PRIORITY PLACEMENTS# |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL CIVILIAN NEW HIRES            |        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |

\* Early Retirements, Regular Retirements, Civilian Turnover, and Civilians Not Willing to Move are not applicable for moves under fifty miles.

# Not all Priority Placements involve a Permanent Change of Station. The rate of PPS placements involving a PCS is 50.00%

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| ONE-TIME COSTS<br>-----(\$K)----- | 1994       | 1995         | 1996          | 1997      | 1998      | 1999      | Total         |
|-----------------------------------|------------|--------------|---------------|-----------|-----------|-----------|---------------|
| <b>CONSTRUCTION</b>               |            |              |               |           |           |           |               |
| MILCON                            | 0          | 0            | 0             | 0         | 0         | 0         | 0             |
| Fam Housing                       | 0          | 0            | 0             | 0         | 0         | 0         | 0             |
| Land Purch                        | 0          | 0            | 0             | 0         | 0         | 0         | 0             |
| <b>O&amp;M</b>                    |            |              |               |           |           |           |               |
| <b>CIV SALARY</b>                 |            |              |               |           |           |           |               |
| Civ RIF                           | 0          | 0            | 18,318        | 0         | 0         | 0         | 18,318        |
| Civ Retire                        | 0          | 0            | 709           | 0         | 0         | 0         | 709           |
| <b>CIV MOVING</b>                 |            |              |               |           |           |           |               |
| Per Diem                          | 0          | 0            | 25            | 0         | 0         | 0         | 25            |
| POV Miles                         | 0          | 0            | 2             | 0         | 0         | 0         | 2             |
| Home Purch                        | 0          | 0            | 103           | 0         | 0         | 0         | 103           |
| HHG                               | 0          | 0            | 72            | 0         | 0         | 0         | 72            |
| Misc                              | 0          | 0            | 7             | 0         | 0         | 0         | 7             |
| House Hunt                        | 0          | 0            | 21            | 0         | 0         | 0         | 21            |
| PPS                               | 0          | 0            | 2,275         | 0         | 0         | 0         | 2,275         |
| RITA                              | 0          | 0            | 44            | 0         | 0         | 0         | 44            |
| <b>FREIGHT</b>                    |            |              |               |           |           |           |               |
| Packing                           | 0          | 0            | 25            | 0         | 0         | 0         | 25            |
| Freight                           | 0          | 0            | 4             | 0         | 0         | 0         | 4             |
| Vehicles                          | 0          | 0            | 0             | 0         | 0         | 0         | 0             |
| Driving                           | 0          | 0            | 0             | 0         | 0         | 0         | 0             |
| Unemployment                      | 0          | 0            | 3,154         | 0         | 0         | 0         | 3,154         |
| <b>OTHER</b>                      |            |              |               |           |           |           |               |
| Program Plan                      | 60         | 45           | 34            | 25        | 19        | 14        | 197           |
| Shutdown                          | 0          | 0            | 930           | 0         | 0         | 0         | 930           |
| New Hire                          | 0          | 0            | 364           | 0         | 0         | 0         | 364           |
| 1-Time Move                       | 0          | 3,100        | 3,100         | 0         | 0         | 0         | 6,200         |
| <b>MIL PERSONNEL</b>              |            |              |               |           |           |           |               |
| <b>MIL MOVING</b>                 |            |              |               |           |           |           |               |
| Per Diem                          | 0          | 0            | 21            | 0         | 0         | 0         | 21            |
| POV Miles                         | 0          | 0            | 16            | 0         | 0         | 0         | 16            |
| HHG                               | 0          | 0            | 357           | 0         | 0         | 0         | 357           |
| Misc                              | 0          | 0            | 64            | 0         | 0         | 0         | 64            |
| <b>OTHER</b>                      |            |              |               |           |           |           |               |
| Elim PCS                          | 0          | 0            | 0             | 0         | 0         | 0         | 0             |
| <b>OTHER</b>                      |            |              |               |           |           |           |               |
| HAP / RSE                         | 0          | 0            | 0             | 0         | 0         | 0         | 0             |
| Environmental                     | 0          | 0            | 0             | 0         | 0         | 0         | 0             |
| Info Manage                       | 0          | 0            | 0             | 0         | 0         | 0         | 0             |
| 1-Time Other                      | 100        | 245          | 245           | 0         | 0         | 0         | 590           |
| <b>TOTAL ONE-TIME</b>             | <b>160</b> | <b>3,390</b> | <b>29,891</b> | <b>25</b> | <b>19</b> | <b>14</b> | <b>33,499</b> |

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| RECURRINGCOSTS | 1994 | 1995  | 1996   | 1997   | 1998   | 1999   | Total   | Beyond |
|----------------|------|-------|--------|--------|--------|--------|---------|--------|
| ----(\$K)----  | ---- | ----  | ----   | ----   | ----   | ----   | ----    | ----   |
| FAM HOUSE OPS  | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| O&M            |      |       |        |        |        |        |         |        |
| RPMA           | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| BOS            | 0    | 0     | 73     | 73     | 73     | 73     | 291     | 73     |
| Unique Operat  | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Civ Salary     | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| CHAMPUS        | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Caretaker      | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| MIL PERSONNEL  |      |       |        |        |        |        |         |        |
| Off Salary     | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Enl Salary     | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| House Allow    | 0    | 0     | 408    | 408    | 408    | 408    | 1,630   | 408    |
| OTHER          |      |       |        |        |        |        |         |        |
| Mission        | 0    | 0     | 34,044 | 68,088 | 68,088 | 68,088 | 238,308 | 68,088 |
| Misc Recur     | 0    | 0     | 217    | 433    | 433    | 433    | 1,516   | 433    |
| Unique Other   | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| TOTAL RECUR    | 0    | 0     | 34,741 | 69,001 | 69,001 | 69,001 | 241,746 | 69,001 |
| TOTAL COST     | 160  | 3,390 | 64,632 | 69,027 | 69,020 | 69,016 | 275,245 | 69,001 |
| ONE-TIME SAVES | 1994 | 1995  | 1996   | 1997   | 1998   | 1999   | Total   |        |
| ----(\$K)----  | ---- | ----  | ----   | ----   | ----   | ----   | ----    |        |
| CONSTRUCTION   |      |       |        |        |        |        |         |        |
| MILCON         | 0    | 0     | 0      | 4,500  | 0      | 0      | 4,500   |        |
| Fam Housing    | 0    | 0     | 0      | 0      | 0      | 0      | 0       |        |
| O&M            |      |       |        |        |        |        |         |        |
| 1-Time Move    | 0    | 0     | 0      | 0      | 0      | 0      | 0       |        |
| MIL PERSONNEL  |      |       |        |        |        |        |         |        |
| Mil Moving     | 0    | 0     | 144    | 0      | 0      | 0      | 144     |        |
| OTHER          |      |       |        |        |        |        |         |        |
| Land Sales     | 0    | 0     | 0      | 0      | 0      | 0      | 0       |        |
| Environmental  | 0    | 0     | 0      | 0      | 0      | 0      | 0       |        |
| 1-Time Other   | 0    | 0     | 0      | 0      | 0      | 0      | 0       |        |
| TOTAL ONE-TIME | 0    | 0     | 144    | 4,500  | 0      | 0      | 4,644   |        |
| RECURRINGSAVES | 1994 | 1995  | 1996   | 1997   | 1998   | 1999   | Total   | Beyond |
| ----(\$K)----  | ---- | ----  | ----   | ----   | ----   | ----   | ----    | ----   |
| FAM HOUSE OPS  | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| O&M            |      |       |        |        |        |        |         |        |
| RPMA           | 0    | 0     | 1,805  | 3,800  | 3,800  | 3,800  | 13,205  | 3,800  |
| BOS            | 0    | 0     | 558    | 800    | 800    | 800    | 2,958   | 800    |
| Unique Operat  | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Civ Salary     | 0    | 0     | 36,800 | 73,601 | 73,601 | 73,601 | 257,604 | 73,601 |
| CHAMPUS        | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| MIL PERSONNEL  |      |       |        |        |        |        |         |        |
| Off Salary     | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Enl Salary     | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| House Allow    | 0    | 0     | 385    | 385    | 385    | 385    | 1,540   | 385    |
| OTHER          |      |       |        |        |        |        |         |        |
| Procurement    | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Mission        | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Misc Recur     | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Unique Other   | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| TOTAL RECUR    | 0    | 0     | 39,549 | 78,586 | 78,586 | 78,586 | 275,308 | 78,586 |
| TOTAL SAVINGS  | 0    | 0     | 39,694 | 83,086 | 78,586 | 78,586 | 279,952 | 78,586 |

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| ONE-TIME NET          | 1994       | 1995         | 1996          | 1997           | 1998          | 1999          | Total          |               |
|-----------------------|------------|--------------|---------------|----------------|---------------|---------------|----------------|---------------|
| -----(\$K)-----       | ----       | ----         | ----          | ----           | ----          | ----          | -----          | -----         |
| <b>CONSTRUCTION</b>   |            |              |               |                |               |               |                |               |
| MILCON                | 0          | 0            | 0             | -4,500         | 0             | 0             | -4,500         |               |
| Fam Housing           | 0          | 0            | 0             | 0              | 0             | 0             | 0              |               |
| <b>O&amp;M</b>        |            |              |               |                |               |               |                |               |
| Civ Retir/RIF         | 0          | 0            | 19,027        | 0              | 0             | 0             | 19,027         |               |
| Civ Moving            | 0          | 0            | 2,578         | 0              | 0             | 0             | 2,578          |               |
| Other                 | 60         | 3,145        | 7,582         | 25             | 19            | 14            | 10,845         |               |
| <b>MIL PERSONNEL</b>  |            |              |               |                |               |               |                |               |
| Mil Moving            | 0          | 0            | 315           | 0              | 0             | 0             | 315            |               |
| <b>OTHER</b>          |            |              |               |                |               |               |                |               |
| HAP / RSE             | 0          | 0            | 0             | 0              | 0             | 0             | 0              |               |
| Environmental         | 0          | 0            | 0             | 0              | 0             | 0             | 0              |               |
| Info Manage           | 0          | 0            | 0             | 0              | 0             | 0             | 0              |               |
| 1-Time Other          | 100        | 245          | 245           | 0              | 0             | 0             | 590            |               |
| Land                  | 0          | 0            | 0             | 0              | 0             | 0             | 0              |               |
| <b>TOTAL ONE-TIME</b> | <b>160</b> | <b>3,390</b> | <b>29,746</b> | <b>-4,475</b>  | <b>19</b>     | <b>14</b>     | <b>28,855</b>  |               |
| <b>RECURRING NET</b>  |            |              |               |                |               |               |                |               |
| -----(\$K)-----       | 1994       | 1995         | 1996          | 1997           | 1998          | 1999          | Total          | Beyond        |
| -----(\$K)-----       | ----       | ----         | ----          | ----           | ----          | ----          | -----          | -----         |
| <b>FAM HOUSE OPS</b>  |            |              |               |                |               |               |                |               |
| FAM HOUSE OPS         | 0          | 0            | 0             | 0              | 0             | 0             | 0              | 0             |
| <b>O&amp;M</b>        |            |              |               |                |               |               |                |               |
| RPMA                  | 0          | 0            | -1,805        | -3,800         | -3,800        | -3,800        | -13,205        | -3,800        |
| BOS                   | 0          | 0            | -485          | -727           | -727          | -727          | -2,667         | -727          |
| Unique Operat         | 0          | 0            | 0             | 0              | 0             | 0             | 0              | 0             |
| Caretaker             | 0          | 0            | 0             | 0              | 0             | 0             | 0              | 0             |
| Civ Salary            | 0          | 0            | -36,800       | -73,601        | -73,601       | -73,601       | -257,604       | -73,601       |
| CHAMPUS               | 0          | 0            | 0             | 0              | 0             | 0             | 0              | 0             |
| <b>MIL PERSONNEL</b>  |            |              |               |                |               |               |                |               |
| Mil Salary            | 0          | 0            | 0             | 0              | 0             | 0             | 0              | 0             |
| House Allow           | 0          | 0            | 22            | 22             | 22            | 22            | 90             | 22            |
| <b>OTHER</b>          |            |              |               |                |               |               |                |               |
| Procurement           | 0          | 0            | 0             | 0              | 0             | 0             | 0              | 0             |
| Mission               | 0          | 0            | 34,044        | 68,088         | 68,088        | 68,088        | 238,308        | 68,088        |
| Misc Recur            | 0          | 0            | 217           | 433            | 433           | 433           | 1,516          | 433           |
| Unique Other          | 0          | 0            | 0             | 0              | 0             | 0             | 0              | 0             |
| <b>TOTAL RECUR</b>    | <b>0</b>   | <b>0</b>     | <b>-4,808</b> | <b>-9,585</b>  | <b>-9,585</b> | <b>-9,585</b> | <b>-33,562</b> | <b>-9,585</b> |
| <b>TOTAL NET COST</b> | <b>160</b> | <b>3,390</b> | <b>24,938</b> | <b>-14,059</b> | <b>-9,566</b> | <b>-9,570</b> | <b>-4,707</b>  | <b>-9,585</b> |

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| ONE-TIME COSTS<br>-----(\$K)----- | 1994 | 1995  | 1996   | 1997 | 1998 | 1999 | Total  |
|-----------------------------------|------|-------|--------|------|------|------|--------|
| CONSTRUCTION                      |      |       |        |      |      |      |        |
| MILCON                            | 0    | 0     | 0      | 0    | 0    | 0    | 0      |
| Fam Housing                       | 0    | 0     | 0      | 0    | 0    | 0    | 0      |
| Land Purch                        | 0    | 0     | 0      | 0    | 0    | 0    | 0      |
| O&M                               |      |       |        |      |      |      |        |
| CIV SALARY                        |      |       |        |      |      |      |        |
| Civ RIFs                          | 0    | 0     | 18,318 | 0    | 0    | 0    | 18,318 |
| Civ Retire                        | 0    | 0     | 709    | 0    | 0    | 0    | 709    |
| CIV MOVING                        |      |       |        |      |      |      |        |
| Per Diem                          | 0    | 0     | 25     | 0    | 0    | 0    | 25     |
| POV Miles                         | 0    | 0     | 2      | 0    | 0    | 0    | 2      |
| Home Purch                        | 0    | 0     | 103    | 0    | 0    | 0    | 103    |
| HHG                               | 0    | 0     | 72     | 0    | 0    | 0    | 72     |
| Misc                              | 0    | 0     | 7      | 0    | 0    | 0    | 7      |
| House Hunt                        | 0    | 0     | 21     | 0    | 0    | 0    | 21     |
| PPS                               | 0    | 0     | 2,275  | 0    | 0    | 0    | 2,275  |
| RITA                              | 0    | 0     | 44     | 0    | 0    | 0    | 44     |
| FREIGHT                           |      |       |        |      |      |      |        |
| Packing                           | 0    | 0     | 25     | 0    | 0    | 0    | 25     |
| Freight                           | 0    | 0     | 4      | 0    | 0    | 0    | 4      |
| Vehicles                          | 0    | 0     | 0      | 0    | 0    | 0    | 0      |
| Driving                           | 0    | 0     | 0      | 0    | 0    | 0    | 0      |
| Unemployment                      | 0    | 0     | 3,154  | 0    | 0    | 0    | 3,154  |
| OTHER                             |      |       |        |      |      |      |        |
| Program Plan                      | 60   | 45    | 34     | 25   | 19   | 14   | 197    |
| Shutdown                          | 0    | 0     | 930    | 0    | 0    | 0    | 930    |
| New Hires                         | 0    | 0     | 0      | 0    | 0    | 0    | 0      |
| 1-Time Move                       | 0    | 3,100 | 3,100  | 0    | 0    | 0    | 6,200  |
| MIL PERSONNEL                     |      |       |        |      |      |      |        |
| MIL MOVING                        |      |       |        |      |      |      |        |
| Per Diem                          | 0    | 0     | 21     | 0    | 0    | 0    | 21     |
| POV Miles                         | 0    | 0     | 16     | 0    | 0    | 0    | 16     |
| HHG                               | 0    | 0     | 357    | 0    | 0    | 0    | 357    |
| Misc                              | 0    | 0     | 64     | 0    | 0    | 0    | 64     |
| OTHER                             |      |       |        |      |      |      |        |
| Elim PCS                          | 0    | 0     | 0      | 0    | 0    | 0    | 0      |
| OTHER                             |      |       |        |      |      |      |        |
| HAP / RSE                         | 0    | 0     | 0      | 0    | 0    | 0    | 0      |
| Environmental                     | 0    | 0     | 0      | 0    | 0    | 0    | 0      |
| Info Manage                       | 0    | 0     | 0      | 0    | 0    | 0    | 0      |
| 1-Time Other                      | 100  | 245   | 245    | 0    | 0    | 0    | 590    |
| TOTAL ONE-TIME                    | 160  | 3,390 | 29,527 | 25   | 19   | 14   | 33,135 |

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Base: Newark, OH

| RECURRINGCOSTS<br>-----(\$K)----- | 1994 | 1995  | 1996   | 1997   | 1998   | 1999   | Total   | Beyond |
|-----------------------------------|------|-------|--------|--------|--------|--------|---------|--------|
| FAM HOUSE OPS                     | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| O&M                               |      |       |        |        |        |        |         |        |
| RPMA                              | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| BOS                               | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Unique Operat                     | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Civ Salary                        | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| CHAMPUS                           | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Caretaker                         | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| MIL PERSONNEL                     |      |       |        |        |        |        |         |        |
| Off Salary                        | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Enl Salary                        | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| House Allow                       | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| OTHER                             |      |       |        |        |        |        |         |        |
| Mission                           | 0    | 0     | 34,044 | 68,088 | 68,088 | 68,088 | 238,308 | 68,088 |
| Misc Recur                        | 0    | 0     | 217    | 433    | 433    | 433    | 1,516   | 433    |
| Unique Other                      | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| TOTAL RECUR                       | 0    | 0     | 34,261 | 68,521 | 68,521 | 68,521 | 239,824 | 68,521 |
| TOTAL COSTS                       | 160  | 3,390 | 63,788 | 68,546 | 68,540 | 68,535 | 272,959 | 68,521 |
| ONE-TIME SAVES<br>-----(\$K)----- | 1994 | 1995  | 1996   | 1997   | 1998   | 1999   | Total   |        |
| CONSTRUCTION                      |      |       |        |        |        |        |         |        |
| MILCON                            | 0    | 0     | 0      | 4,500  | 0      | 0      | 4,500   |        |
| Fam Housing                       | 0    | 0     | 0      | 0      | 0      | 0      | 0       |        |
| O&M                               |      |       |        |        |        |        |         |        |
| 1-Time Move                       | 0    | 0     | 0      | 0      | 0      | 0      | 0       |        |
| MIL PERSONNEL                     |      |       |        |        |        |        |         |        |
| Mil Moving                        | 0    | 0     | 144    | 0      | 0      | 0      | 144     |        |
| OTHER                             |      |       |        |        |        |        |         |        |
| Land Sales                        | 0    | 0     | 0      | 0      | 0      | 0      | 0       |        |
| Environmental                     | 0    | 0     | 0      | 0      | 0      | 0      | 0       |        |
| 1-Time Other                      | 0    | 0     | 0      | 0      | 0      | 0      | 0       |        |
| TOTAL ONE-TIME                    | 0    | 0     | 144    | 4,500  | 0      | 0      | 4,644   |        |
| RECURRINGSAVES<br>-----(\$K)----- | 1994 | 1995  | 1996   | 1997   | 1998   | 1999   | Total   | Beyond |
| FAM HOUSE OPS                     | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| O&M                               |      |       |        |        |        |        |         |        |
| RPMA                              | 0    | 0     | 1,805  | 3,800  | 3,800  | 3,800  | 13,205  | 3,800  |
| BOS                               | 0    | 0     | 558    | 800    | 800    | 800    | 2,958   | 800    |
| Unique Operat                     | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Civ Salary                        | 0    | 0     | 36,800 | 73,601 | 73,601 | 73,601 | 257,604 | 73,601 |
| CHAMPUS                           | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| MIL PERSONNEL                     |      |       |        |        |        |        |         |        |
| Off Salary                        | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Enl Salary                        | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| House Allow                       | 0    | 0     | 385    | 385    | 385    | 385    | 1,540   | 385    |
| OTHER                             |      |       |        |        |        |        |         |        |
| Procurement                       | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Mission                           | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Misc Recur                        | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| Unique Other                      | 0    | 0     | 0      | 0      | 0      | 0      | 0       | 0      |
| TOTAL RECUR                       | 0    | 0     | 39,549 | 78,586 | 78,586 | 78,586 | 275,308 | 78,586 |
| TOTAL SAVINGS                     | 0    | 0     | 39,694 | 83,086 | 78,586 | 78,586 | 279,952 | 78,586 |

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 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

Base: Newark, OH

| ONE-TIME NET<br>-----(\$K)-----  | 1994 | 1995  | 1996    | 1997    | 1998    | 1999    | Total    |         |
|----------------------------------|------|-------|---------|---------|---------|---------|----------|---------|
| CONSTRUCTION                     |      |       |         |         |         |         |          |         |
| MILCON                           | 0    | 0     | 0       | -4,500  | 0       | 0       | -4,500   |         |
| Fam Housing                      | 0    | 0     | 0       | 0       | 0       | 0       | 0        |         |
| O&M                              |      |       |         |         |         |         |          |         |
| Civ Retir/RIF                    | 0    | 0     | 19,027  | 0       | 0       | 0       | 19,027   |         |
| Civ Moving                       | 0    | 0     | 2,578   | 0       | 0       | 0       | 2,578    |         |
| Other                            | 60   | 3,145 | 7,218   | 25      | 19      | 14      | 10,481   |         |
| MIL PERSONNEL                    |      |       |         |         |         |         |          |         |
| Mil Moving                       | 0    | 0     | 315     | 0       | 0       | 0       | 315      |         |
| OTHER                            |      |       |         |         |         |         |          |         |
| HAP / RSE                        | 0    | 0     | 0       | 0       | 0       | 0       | 0        |         |
| Environmental                    | 0    | 0     | 0       | 0       | 0       | 0       | 0        |         |
| Info Manage                      | 0    | 0     | 0       | 0       | 0       | 0       | 0        |         |
| 1-Time Other                     | 100  | 245   | 245     | 0       | 0       | 0       | 590      |         |
| Land                             | 0    | 0     | 0       | 0       | 0       | 0       | 0        |         |
| TOTAL ONE-TIME                   | 160  | 3,390 | 29,382  | -4,475  | 19      | 14      | 28,491   |         |
| RECURRING NET<br>-----(\$K)----- | 1994 | 1995  | 1996    | 1997    | 1998    | 1999    | Total    | Beyond  |
| FAM HOUSE OPS                    | 0    | 0     | 0       | 0       | 0       | 0       | 0        | 0       |
| O&M                              |      |       |         |         |         |         |          |         |
| RPMA                             | 0    | 0     | -1,805  | -3,800  | -3,800  | -3,800  | -13,205  | -3,800  |
| BOS                              | 0    | 0     | -558    | -800    | -800    | -800    | -2,958   | -800    |
| Unique Operat                    | 0    | 0     | 0       | 0       | 0       | 0       | 0        | 0       |
| Caretaker                        | 0    | 0     | 0       | 0       | 0       | 0       | 0        | 0       |
| Civ Salary                       | 0    | 0     | -36,800 | -73,601 | -73,601 | -73,601 | -257,604 | -73,601 |
| CHAMPUS                          | 0    | 0     | 0       | 0       | 0       | 0       | 0        | 0       |
| MIL PERSONNEL                    |      |       |         |         |         |         |          |         |
| Mil Salary                       | 0    | 0     | 0       | 0       | 0       | 0       | 0        | 0       |
| House Allow                      | 0    | 0     | -385    | -385    | -385    | -385    | -1,540   | -385    |
| OTHER                            |      |       |         |         |         |         |          |         |
| Procurement                      | 0    | 0     | 0       | 0       | 0       | 0       | 0        | 0       |
| Mission                          | 0    | 0     | 34,044  | 68,088  | 68,088  | 68,088  | 238,308  | 68,088  |
| Misc Recur                       | 0    | 0     | 217     | 433     | 433     | 433     | 1,516    | 433     |
| Unique Other                     | 0    | 0     | 0       | 0       | 0       | 0       | 0        | 0       |
| TOTAL RECUR                      | 0    | 0     | -5,288  | -10,065 | -10,065 | -10,065 | -35,484  | -10,065 |
| TOTAL NET COST                   | 160  | 3,390 | 24,094  | -14,540 | -10,046 | -10,051 | -6,993   | -10,065 |

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Base: Hill, UT

| ONE-TIME COSTS<br>-----(\$K)----- | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------------------------------|------|------|------|------|------|------|-------|
| CONSTRUCTION                      |      |      |      |      |      |      |       |
| MILCON                            | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Fam Housing                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Land Purch                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| O&M                               |      |      |      |      |      |      |       |
| CIV SALARY                        |      |      |      |      |      |      |       |
| Civ RIFs                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civ Retire                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| CIV MOVING                        |      |      |      |      |      |      |       |
| Per Diem                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| POV Miles                         | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Home Purch                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| HHG                               | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Misc                              | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| House Hunt                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| PPS                               | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| RITA                              | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| FREIGHT                           |      |      |      |      |      |      |       |
| Packing                           | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Freight                           | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Vehicles                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Driving                           | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Unemployment                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| OTHER                             |      |      |      |      |      |      |       |
| Program Plan                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Shutdown                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| New Hires                         | 0    | 0    | 28   | 0    | 0    | 0    | 28    |
| 1-Time Move                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| MIL PERSONNEL                     |      |      |      |      |      |      |       |
| MIL MOVING                        |      |      |      |      |      |      |       |
| Per Diem                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| POV Miles                         | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| HHG                               | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Misc                              | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| OTHER                             |      |      |      |      |      |      |       |
| Elim PCS                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| OTHER                             |      |      |      |      |      |      |       |
| HAP / RSE                         | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Environmental                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Info Manage                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| 1-Time Other                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL ONE-TIME                    | 0    | 0    | 28   | 0    | 0    | 0    | 28    |

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Base: Hill, UT

| RECURRINGCOSTS<br>----(\$K)---- | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total | Beyond |
|---------------------------------|------|------|------|------|------|------|-------|--------|
| FAM HOUSE OPS                   | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| O&M                             |      |      |      |      |      |      |       |        |
| RPMA                            | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| BOS                             | 0    | 0    | 5    | 5    | 5    | 5    | 18    | 5      |
| Unique Operat                   | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Civ Salary                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| CHAMPUS                         | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Caretaker                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| MIL PERSONNEL                   |      |      |      |      |      |      |       |        |
| Off Salary                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Enl Salary                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| House Allow                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| OTHER                           |      |      |      |      |      |      |       |        |
| Mission                         | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Misc Recur                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Unique Other                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| TOTAL RECUR                     | 0    | 0    | 5    | 5    | 5    | 5    | 18    | 5      |

TOTAL COSTS                   0           0           33           5           5           5           46           5

| ONE-TIME SAVES<br>----(\$K)---- | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total | Beyond |
|---------------------------------|------|------|------|------|------|------|-------|--------|
| CONSTRUCTION                    |      |      |      |      |      |      |       |        |
| MILCON                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Fam Housing                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| O&M                             |      |      |      |      |      |      |       |        |
| 1-Time Move                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| MIL PERSONNEL                   |      |      |      |      |      |      |       |        |
| Mil Moving                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| OTHER                           |      |      |      |      |      |      |       |        |
| Land Sales                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Environmental                   | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| 1-Time Other                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| TOTAL ONE-TIME                  | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |

| RECURRINGSAVES<br>----(\$K)---- | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total | Beyond |
|---------------------------------|------|------|------|------|------|------|-------|--------|
| FAM HOUSE OPS                   | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| O&M                             |      |      |      |      |      |      |       |        |
| RPMA                            | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| BOS                             | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Unique Operat                   | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Civ Salary                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| CHAMPUS                         | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| MIL PERSONNEL                   |      |      |      |      |      |      |       |        |
| Off Salary                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Enl Salary                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| House Allow                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| OTHER                           |      |      |      |      |      |      |       |        |
| Procurement                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Mission                         | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Misc Recur                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Unique Other                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| TOTAL RECUR                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |

TOTAL SAVINGS                   0           0           0           0           0           0           0           0

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Base: Hill, UT

| ONE-TIME NET<br>-----(\$K)-----  | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |        |
|----------------------------------|------|------|------|------|------|------|-------|--------|
| CONSTRUCTION                     |      |      |      |      |      |      |       |        |
| MILCON                           | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Fam Housing                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| O&M                              |      |      |      |      |      |      |       |        |
| Civ Retir/RIF                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Civ Moving                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Other                            | 0    | 0    | 28   | 0    | 0    | 0    | 28    |        |
| MIL PERSONNEL                    |      |      |      |      |      |      |       |        |
| Mil Moving                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| OTHER                            |      |      |      |      |      |      |       |        |
| HAP / RSE                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Environmental                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Info Manage                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| 1-Time Other                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Land                             | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| TOTAL ONE-TIME                   | 0    | 0    | 28   | 0    | 0    | 0    | 28    |        |
| RECURRING NET<br>-----(\$K)----- | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total | Beyond |
| FAM HOUSE OPS                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| O&M                              |      |      |      |      |      |      |       |        |
| RPMA                             | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| BOS                              | 0    | 0    | 5    | 5    | 5    | 5    | 18    | 5      |
| Unique Operat                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Caretaker                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Civ Salary                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| CHAMPUS                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| MIL PERSONNEL                    |      |      |      |      |      |      |       |        |
| Mil Salary                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| House Allow                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| OTHER                            |      |      |      |      |      |      |       |        |
| Procurement                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Mission                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Misc Recur                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Unique Other                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| TOTAL RECUR                      | 0    | 0    | 5    | 5    | 5    | 5    | 18    | 5      |
| TOTAL NET COST                   | 0    | 0    | 33   | 5    | 5    | 5    | 46    | 5      |

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Department : USAF  
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Base: Kelly, TX

| ONE-TIME COSTS<br>-----(\$K)----- | 1994<br>---- | 1995<br>---- | 1996<br>---- | 1997<br>---- | 1998<br>---- | 1999<br>---- | Total<br>----- |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| CONSTRUCTION                      |              |              |              |              |              |              |                |
| MILCON                            | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Fam Housing                       | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Land Purch                        | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| O&M                               |              |              |              |              |              |              |                |
| CIV SALARY                        |              |              |              |              |              |              |                |
| Civ RIFs                          | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Civ Retire                        | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| CIV MOVING                        |              |              |              |              |              |              |                |
| Per Diem                          | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| POV Miles                         | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Home Purch                        | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| HHG                               | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Misc                              | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| House Hunt                        | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| PPS                               | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| RITA                              | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| FREIGHT                           |              |              |              |              |              |              |                |
| Packing                           | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Freight                           | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Vehicles                          | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Driving                           | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Unemployment                      | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| OTHER                             |              |              |              |              |              |              |                |
| Program Plan                      | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Shutdown                          | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| New Hires                         | 0            | 0            | 56           | 0            | 0            | 0            | 56             |
| 1-Time Move                       | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| MIL PERSONNEL                     |              |              |              |              |              |              |                |
| MIL MOVING                        |              |              |              |              |              |              |                |
| Per Diem                          | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| POV Miles                         | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| HHG                               | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Misc                              | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| OTHER                             |              |              |              |              |              |              |                |
| Elim PCS                          | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| OTHER                             |              |              |              |              |              |              |                |
| HAP / RSE                         | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Environmental                     | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Info Manage                       | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| 1-Time Other                      | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| TOTAL ONE-TIME                    | 0            | 0            | 56           | 0            | 0            | 0            | 56             |



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Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

Base: Kelly, TX

| ONE-TIME NET<br>-----(\$K)-----  | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |        |
|----------------------------------|------|------|------|------|------|------|-------|--------|
| CONSTRUCTION                     |      |      |      |      |      |      |       |        |
| MILCON                           | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Fam Housing                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| O&M                              |      |      |      |      |      |      |       |        |
| Civ Retir/RIF                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Civ Moving                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Other                            | 0    | 0    | 56   | 0    | 0    | 0    | 56    |        |
| MIL PERSONNEL                    |      |      |      |      |      |      |       |        |
| Mil Moving                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| OTHER                            |      |      |      |      |      |      |       |        |
| HAP / RSE                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Environmental                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Info Manage                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| 1-Time Other                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Land                             | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| TOTAL ONE-TIME                   | 0    | 0    | 56   | 0    | 0    | 0    | 56    |        |
| RECURRING NET<br>-----(\$K)----- | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total | Beyond |
| FAM HOUSE OPS                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| O&M                              |      |      |      |      |      |      |       |        |
| RPMA                             | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| BOS                              | 0    | 0    | 4    | 4    | 4    | 4    | 14    | 4      |
| Unique Operat                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Caretaker                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Civ Salary                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| CHAMPUS                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| MIL PERSONNEL                    |      |      |      |      |      |      |       |        |
| Mil Salary                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| House Allow                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| OTHER                            |      |      |      |      |      |      |       |        |
| Procurement                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Mission                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Misc Recur                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Unique Other                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| TOTAL RECUR                      | 0    | 0    | 4    | 4    | 4    | 4    | 14    | 4      |
| TOTAL NET COST                   | 0    | 0    | 60   | 4    | 4    | 4    | 70    | 4      |

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Department : USAF  
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 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

Base: Robins, GA

| ONE-TIME COSTS<br>-----(\$K)----- | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |
|-----------------------------------|------|------|------|------|------|------|-------|
| CONSTRUCTION                      |      |      |      |      |      |      |       |
| MILCON                            | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Fam Housing                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Land Purch                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| O&M                               |      |      |      |      |      |      |       |
| CIV SALARY                        |      |      |      |      |      |      |       |
| Civ RIFs                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Civ Retire                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| CIV MOVING                        |      |      |      |      |      |      |       |
| Per Diem                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| POV Miles                         | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Home Purch                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| HHG                               | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Misc                              | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| House Hunt                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| PPS                               | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| RITA                              | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| FREIGHT                           |      |      |      |      |      |      |       |
| Packing                           | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Freight                           | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Vehicles                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Driving                           | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Unemployment                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| OTHER                             |      |      |      |      |      |      |       |
| Program Plan                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Shutdown                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| New Hires                         | 0    | 0    | 280  | 0    | 0    | 0    | 280   |
| 1-Time Move                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| MIL PERSONNEL                     |      |      |      |      |      |      |       |
| MIL MOVING                        |      |      |      |      |      |      |       |
| Per Diem                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| POV Miles                         | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| HHG                               | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Misc                              | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| OTHER                             |      |      |      |      |      |      |       |
| Elim PCS                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| OTHER                             |      |      |      |      |      |      |       |
| HAP / RSE                         | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Environmental                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| Info Manage                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| 1-Time Other                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
| TOTAL ONE-TIME                    | 0    | 0    | 280  | 0    | 0    | 0    | 280   |



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Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

Base: Robins, GA

| ONE-TIME NET<br>-----(\$K)-----  | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |        |
|----------------------------------|------|------|------|------|------|------|-------|--------|
| CONSTRUCTION                     |      |      |      |      |      |      |       |        |
| MILCON                           | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Fam Housing                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| O&M                              |      |      |      |      |      |      |       |        |
| Civ Retir/RIF                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Civ Moving                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Other                            | 0    | 0    | 280  | 0    | 0    | 0    | 280   |        |
| MIL PERSONNEL                    |      |      |      |      |      |      |       |        |
| Mil Moving                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| OTHER                            |      |      |      |      |      |      |       |        |
| HAP / RSE                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Environmental                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Info Manage                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| 1-Time Other                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Land                             | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| TOTAL ONE-TIME                   | 0    | 0    | 280  | 0    | 0    | 0    | 280   |        |
| RECURRING NET<br>-----(\$K)----- | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total | Beyond |
| FAM HOUSE OPS                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| O&M                              |      |      |      |      |      |      |       |        |
| RPMA                             | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| BOS                              | 0    | 0    | 31   | 31   | 31   | 31   | 125   | 31     |
| Unique Operat                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Caretaker                        | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Civ Salary                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| CHAMPUS                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| MIL PERSONNEL                    |      |      |      |      |      |      |       |        |
| Mil Salary                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| House Allow                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| OTHER                            |      |      |      |      |      |      |       |        |
| Procurement                      | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Mission                          | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Misc Recur                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Unique Other                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| TOTAL RECUR                      | 0    | 0    | 31   | 31   | 31   | 31   | 125   | 31     |
| TOTAL NET COST                   | 0    | 0    | 311  | 31   | 31   | 31   | 405   | 31     |

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| Base: Base X<br>ONE-TIME COSTS<br>----(\$K)---- | 1994<br>---- | 1995<br>---- | 1996<br>---- | 1997<br>---- | 1998<br>---- | 1999<br>---- | Total<br>----- |
|---|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| CONSTRUCTION                                    |              |              |              |              |              |              |                |
| MILCON  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Fam Housing                                     | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Land Purch                                      | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| O&M   |              |              |              |              |              |              |                |
| CIV SALARY                                      |              |              |              |              |              |              |                |
| Civ RIFs  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Civ Retire                                      | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| CIV MOVING                                      |              |              |              |              |              |              |                |
| Per Diem  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| POV Miles                                       | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Home Purch                                      | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| HHG   | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Misc  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| House Hunt                                      | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| PPS   | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| RITA  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| FREIGHT   |              |              |              |              |              |              |                |
| Packing   | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Freight   | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Vehicles  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Driving   | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Unemployment                                    | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| OTHER   |              |              |              |              |              |              |                |
| Program Plan                                    | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Shutdown  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| New Hires                                       | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| 1-Time Move                                     | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| MIL PERSONNEL                                   |              |              |              |              |              |              |                |
| MIL MOVING                                      |              |              |              |              |              |              |                |
| Per Diem  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| POV Miles                                       | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| HHG   | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Misc  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| OTHER   |              |              |              |              |              |              |                |
| Elim PCS  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| OTHER   |              |              |              |              |              |              |                |
| HAP / RSE                                       | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Environmental                                   | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| Info Manage                                     | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| 1-Time Other                                    | 0            | 0            | 0            | 0            | 0            | 0            | 0              |
| TOTAL ONE-TIME                                  | 0            | 0            | 0            | 0            | 0            | 0            | 0              |



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| Base: Base X<br>ONE-TIME NET<br>----(\$K)---- | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total |        |
|---|------|------|------|------|------|------|-------|--------|
| CONSTRUCTION                                  |      |      |      |      |      |      |       |        |
| MILCON  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Fam Housing                                   | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| O&M   |      |      |      |      |      |      |       |        |
| Civ Retir/RIF                                 | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Civ Moving                                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Other   | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| MIL PERSONNEL                                 |      |      |      |      |      |      |       |        |
| Mil Moving                                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| OTHER   |      |      |      |      |      |      |       |        |
| HAP / RSE                                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Environmental                                 | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Info Manage                                   | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| 1-Time Other                                  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| Land  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| TOTAL ONE-TIME                                | 0    | 0    | 0    | 0    | 0    | 0    | 0     |        |
| RECURRING NET<br>----(\$K)----                | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Total | Beyond |
| FAM HOUSE OPS                                 | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| O&M   |      |      |      |      |      |      |       |        |
| RPMA  | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| BOS   | 0    | 0    | 33   | 33   | 33   | 33   | 134   | 33     |
| Unique Operat                                 | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Caretaker                                     | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Civ Salary                                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| CHAMPUS                                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| MIL PERSONNEL                                 |      |      |      |      |      |      |       |        |
| Mil Salary                                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| House Allow                                   | 0    | 0    | 408  | 408  | 408  | 408  | 1,630 | 408    |
| OTHER   |      |      |      |      |      |      |       |        |
| Procurement                                   | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Mission                                       | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Misc Recur                                    | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| Unique Other                                  | 0    | 0    | 0    | 0    | 0    | 0    | 0     | 0      |
| TOTAL RECUR                                   | 0    | 0    | 441  | 441  | 441  | 441  | 1,764 | 441    |
| TOTAL NET COST                                | 0    | 0    | 441  | 441  | 441  | 441  | 1,764 | 441    |

PERSONNEL, SF, RPMA, AND BOS DELTAS (COBRA v5.08)  
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Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

| Base   | Personnel |         | SF       |         |         |
|--------|-----------|---------|----------|---------|---------|
|        | Change    | %Change | Change   | %Change | Chg/Per |
| Newark | -1,771    | -100%   | -744,000 | -100%   | 420     |
| Hill   | 9         | 0%      | 0        | 0%      | 0       |
| Kelly  | 15        | 0%      | 0        | 0%      | 0       |
| Robins | 77        | 1%      | 0        | 0%      | 0       |
| Base X | 92        | 1%      | 0        | 0%      | 0       |

| Base   | RPMA(\$)   |         |         | BOS(\$)  |         |         |
|--------|------------|---------|---------|----------|---------|---------|
|        | Change     | %Change | Chg/Per | Change   | %Change | Chg/Per |
| Newark | -3,800,000 | -100%   | 2,146   | -800,000 | -100%   | 452     |
| Hill   | 0          | 0%      | 0       | 4,644    | 0%      | 516     |
| Kelly  | 0          | 0%      | 0       | 3,609    | 0%      | 240     |
| Robins | 0          | 0%      | 0       | 31,156   | 0%      | 405     |
| Base X | 0          | 0%      | 0       | 33,461   | 0%      | 364     |

| Base   | RPMABOS(\$) |         |         |
|--------|-------------|---------|---------|
|        | Change      | %Change | Chg/Per |
| Newark | -4,600,000  | -100%   | 2,597   |
| Hill   | 4,644       | 0%      | 516     |
| Kelly  | 3,609       | 0%      | 240     |
| Robins | 31,156      | 0%      | 405     |
| Base X | 33,461      | 0%      | 364     |

RPMA/BOS CHANGE REPORT (COBRA v5.08)  
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Department : USAF  
Option Package : Newark  
Scenario File : A:\NEWARK.CBR  
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| Net Change(\$K) | 1994 | 1995 | 1996   | 1997   | 1998   | 1999   | Total   | Beyond |
|-----------------|------|------|--------|--------|--------|--------|---------|--------|
| RPMA Change     | 0    | 0    | -1,805 | -3,800 | -3,800 | -3,800 | -13,205 | -3,800 |
| BOS Change      | 0    | 0    | -485   | -727   | -727   | -727   | -2,667  | -727   |
| Housing Change  | 0    | 0    | 0      | 0      | 0      | 0      | 0       | 0      |
| TOTAL CHANGES   | 0    | 0    | -2,291 | -4,527 | -4,527 | -4,527 | -15,872 | -4,527 |

INPUT DATA REPORT (COBRA v5.08)  
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Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

INPUT SCREEN ONE - GENERAL SCENARIO INFORMATION

Model Year One : FY 1994

Model does Time-Phasing of Construction/Shutdown: Yes

|            |                   |
|------------|-------------------|
| Base Name  | Strategy:         |
| -----      | -----             |
| Newark, OH | Closes in FY 1999 |
| Hill, UT   | Realignment       |
| Kelly, TX  | Realignment       |
| Robins, GA | Realignment       |
| Base X     | Realignment       |

Summary:  
 -----

NEWARK.CBR

INPUT SCREEN TWO - DISTANCE TABLE

| From Base: | To Base:   | Distance: |
|------------|------------|-----------|
| -----      | -----      | -----     |
| Newark, OH | Hill, UT   | 1,724 mi  |
| Newark, OH | Kelly, TX  | 1,338 mi  |
| Newark, OH | Robins, GA | 717 mi    |
| Newark, OH | Base X     | 1,000 mi  |
| Hill, UT   | Kelly, TX  | 1,356 mi  |
| Hill, UT   | Robins, GA | 2,006 mi  |
| Hill, UT   | Base X     | 1,000 mi  |
| Kelly, TX  | Robins, GA | 1,038 mi  |
| Kelly, TX  | Base X     | 1,000 mi  |
| Robins, GA | Base X     | 1,000 mi  |

INPUT SCREEN THREE - MOVEMENT TABLE

Transfers from Newark, OH to Hill, UT

|                          | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 |
|--------------------------|------|------|------|------|------|------|
|                          | ---- | ---- | ---- | ---- | ---- | ---- |
| Officer Positions:       | 0    | 0    | 0    | 0    | 0    | 0    |
| Enlisted Positions:      | 0    | 0    | 0    | 0    | 0    | 0    |
| Civilian Positions:      | 0    | 0    | 9    | 0    | 0    | 0    |
| Student Positions:       | 0    | 0    | 0    | 0    | 0    | 0    |
| Missn Eqpt (tons):       | 0    | 0    | 0    | 0    | 0    | 0    |
| Suppt Eqpt (tons):       | 0    | 0    | 0    | 0    | 0    | 0    |
| Military Light Vehicles: | 0    | 0    | 0    | 0    | 0    | 0    |
| Heavy/Special Vehicles:  | 0    | 0    | 0    | 0    | 0    | 0    |

Transfers from Newark, OH to Kelly, TX

|                          | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 |
|--------------------------|------|------|------|------|------|------|
|                          | ---- | ---- | ---- | ---- | ---- | ---- |
| Officer Positions:       | 0    | 0    | 0    | 0    | 0    | 0    |
| Enlisted Positions:      | 0    | 0    | 0    | 0    | 0    | 0    |
| Civilian Positions:      | 0    | 0    | 15   | 0    | 0    | 0    |
| Student Positions:       | 0    | 0    | 0    | 0    | 0    | 0    |
| Missn Eqpt (tons):       | 0    | 0    | 0    | 0    | 0    | 0    |
| Suppt Eqpt (tons):       | 0    | 0    | 0    | 0    | 0    | 0    |
| Military Light Vehicles: | 0    | 0    | 0    | 0    | 0    | 0    |
| Heavy/Special Vehicles:  | 0    | 0    | 0    | 0    | 0    | 0    |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

INPUT SCREEN THREE - MOVEMENT TABLE

Transfers from Newark, OH to Robins, GA

|                          | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 |
|--------------------------|------|------|------|------|------|------|
| Officer Positions:       | 0    | 0    | 0    | 0    | 0    | 0    |
| Enlisted Positions:      | 0    | 0    | 0    | 0    | 0    | 0    |
| Civilian Positions:      | 0    | 0    | 77   | 0    | 0    | 0    |
| Student Positions:       | 0    | 0    | 0    | 0    | 0    | 0    |
| Missn Eqpt (tons):       | 0    | 0    | 0    | 0    | 0    | 0    |
| Suppt Eqpt (tons):       | 0    | 0    | 0    | 0    | 0    | 0    |
| Military Light Vehicles: | 0    | 0    | 0    | 0    | 0    | 0    |
| Heavy/Special Vehicles:  | 0    | 0    | 0    | 0    | 0    | 0    |

Transfers from Newark, OH to Base X

|                          | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 |
|--------------------------|------|------|------|------|------|------|
| Officer Positions:       | 0    | 0    | 32   | 0    | 0    | 0    |
| Enlisted Positions:      | 0    | 0    | 60   | 0    | 0    | 0    |
| Civilian Positions:      | 0    | 0    | 0    | 0    | 0    | 0    |
| Student Positions:       | 0    | 0    | 0    | 0    | 0    | 0    |
| Missn Eqpt (tons):       | 0    | 0    | 0    | 0    | 0    | 0    |
| Suppt Eqpt (tons):       | 0    | 0    | 0    | 0    | 0    | 0    |
| Military Light Vehicles: | 0    | 0    | 0    | 0    | 0    | 0    |
| Heavy/Special Vehicles:  | 0    | 0    | 0    | 0    | 0    | 0    |

INPUT SCREEN FOUR - STATIC BASE INFORMATION

Name: Newark, OH

|                                |       |                               |       |
|--------------------------------|-------|-------------------------------|-------|
| Total Officer Employees:       | 32    | RPMA Non-Payroll (\$K/Year):  | 3,800 |
| Total Enlisted Employees:      | 60    | Communications (\$K/Year):    | 200   |
| Total Student Employees:       | 0     | BOS Non-Payroll (\$K/Year):   | 600   |
| Total Civilian Employees:      | 1,679 | BOS Payroll (\$K/Year):       | 0     |
| Mil Families Living On Base:   | 0.0%  | Family Housing (\$K/Year):    | 0     |
| Civilians Not Willing To Move: | 60.0% | Area Cost Factor:             | 0.99  |
| Officer Housing Units Avail:   | 0     | CHAMPUS In-Pat (\$/Visit):    | 1,000 |
| Enlisted Housing Units Avail:  | 0     | CHAMPUS Out-Pat (\$/Visit):   | 100   |
| Total Base Facilities(KSF):    | 744   | CHAMPUS Shift to Medicare:    | 0.0%  |
| Officer VHA (\$/Month):        | 6     | Activity Code:                |       |
| Enlisted VHA (\$/Month):       | 0     | Homeowner Assistance Program: | No    |
| Per Diem Rate (\$/Day):        | 74    | Unique Activity Information:  | No    |
| Freight Cost (\$/Ton/Mile):    | 0.10  |                               |       |

Name: Hill, UT

|                                |        |                               |        |
|--------------------------------|--------|-------------------------------|--------|
| Total Officer Employees:       | 582    | RPMA Non-Payroll (\$K/Year):  | 23,300 |
| Total Enlisted Employees:      | 3,558  | Communications (\$K/Year):    | 2,800  |
| Total Student Employees:       | 0      | BOS Non-Payroll (\$K/Year):   | 9,800  |
| Total Civilian Employees:      | 9,045  | BOS Payroll (\$K/Year):       | 0      |
| Mil Families Living On Base:   | 31.0%  | Family Housing (\$K/Year):    | 4,000  |
| Civilians Not Willing To Move: | 10.0%  | Area Cost Factor:             | 0.98   |
| Officer Housing Units Avail:   | 0      | CHAMPUS In-Pat (\$/Visit):    | 1,000  |
| Enlisted Housing Units Avail:  | 0      | CHAMPUS Out-Pat (\$/Visit):   | 100    |
| Total Base Facilities(KSF):    | 11,538 | CHAMPUS Shift to Medicare:    | 0.0%   |
| Officer VHA (\$/Month):        | 0      | Activity Code:                |        |
| Enlisted VHA (\$/Month):       | 9      | Homeowner Assistance Program: | Yes    |
| Per Diem Rate (\$/Day):        | 96     | Unique Activity Information:  | No     |
| Freight Cost (\$/Ton/Mile):    | 0.10   |                               |        |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

INPUT SCREEN FOUR - STATIC BASE INFORMATION

Name: Kelly, TX

|                                |        |                               |        |
|--------------------------------|--------|-------------------------------|--------|
| Total Officer Employees:       | 828    | RPMA Non-Payroll (\$K/Year):  | 47,700 |
| Total Enlisted Employees:      | 3,771  | Communications (\$K/Year):    | 1,400  |
| Total Student Employees:       | 0      | BOS Non-Payroll (\$K/Year):   | 7,000  |
| Total Civilian Employees:      | 14,251 | BOS Payroll (\$K/Year):       | 0      |
| Mil Families Living On Base:   | 7.0%   | Family Housing (\$K/Year):    | 2,300  |
| Civilians Not Willing To Move: | 10.0%  | Area Cost Factor:             | 0.88   |
| Officer Housing Units Avail:   | 0      | CHAMPUS In-Pat (\$/Visit):    | 1,000  |
| Enlisted Housing Units Avail:  | 0      | CHAMPUS Out-Pat (\$/Visit):   | 100    |
| Total Base Facilities(KSF):    | 14,863 | CHAMPUS Shift to Medicare:    | 0.0%   |
| Officer VHA (\$/Month):        | 0      | Activity Code:                |        |
| Enlisted VHA (\$/Month):       | 15     |                               |        |
| Per Diem Rate (\$/Day):        | 75     | Homeowner Assistance Program: | Yes    |
| Freight Cost (\$/Ton/Mile):    | 0.10   | Unique Activity Information:  | No     |

Name: Robins, GA

|                                |        |                               |        |
|--------------------------------|--------|-------------------------------|--------|
| Total Officer Employees:       | 725    | RPMA Non-Payroll (\$K/Year):  | 21,900 |
| Total Enlisted Employees:      | 3,025  | Communications (\$K/Year):    | 4,400  |
| Total Student Employees:       | 0      | BOS Non-Payroll (\$K/Year):   | 6,900  |
| Total Civilian Employees:      | 11,313 | BOS Payroll (\$K/Year):       | 0      |
| Mil Families Living On Base:   | 51.0%  | Family Housing (\$K/Year):    | 5,600  |
| Civilians Not Willing To Move: | 10.0%  | Area Cost Factor:             | 0.77   |
| Officer Housing Units Avail:   | 0      | CHAMPUS In-Pat (\$/Visit):    | 1,000  |
| Enlisted Housing Units Avail:  | 0      | CHAMPUS Out-Pat (\$/Visit):   | 100    |
| Total Base Facilities(KSF):    | 11,795 | CHAMPUS Shift to Medicare:    | 0.0%   |
| Officer VHA (\$/Month):        | 0      | Activity Code:                |        |
| Enlisted VHA (\$/Month):       | 13     |                               |        |
| Per Diem Rate (\$/Day):        | 70     | Homeowner Assistance Program: | Yes    |
| Freight Cost (\$/Ton/Mile):    | 0.10   | Unique Activity Information:  | No     |

Name: Base X

|                                |       |                               |        |
|--------------------------------|-------|-------------------------------|--------|
| Total Officer Employees:       | 569   | RPMA Non-Payroll (\$K/Year):  | 29,618 |
| Total Enlisted Employees:      | 2,475 | Communications (\$K/Year):    | 2,487  |
| Total Student Employees:       | 0     | BOS Non-Payroll (\$K/Year):   | 4,860  |
| Total Civilian Employees:      | 7,843 | BOS Payroll (\$K/Year):       | 0      |
| Mil Families Living On Base:   | 18.0% | Family Housing (\$K/Year):    | 2,448  |
| Civilians Not Willing To Move: | 10.0% | Area Cost Factor:             | 1.00   |
| Officer Housing Units Avail:   | 0     | CHAMPUS In-Pat (\$/Visit):    | 1,000  |
| Enlisted Housing Units Avail:  | 0     | CHAMPUS Out-Pat (\$/Visit):   | 100    |
| Total Base Facilities(KSF):    | 8,630 | CHAMPUS Shift to Medicare:    | 0.0%   |
| Officer VHA (\$/Month):        | 33    | Activity Code:                |        |
| Enlisted VHA (\$/Month):       | 30    |                               |        |
| Per Diem Rate (\$/Day):        | 82    | Homeowner Assistance Program: | Yes    |
| Freight Cost (\$/Ton/Mile):    | 0.10  | Unique Activity Information:  | No     |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

INPUT SCREEN FIVE - DYNAMIC BASE INFORMATION

Name: Newark, OH

|                           | 1994 | 1995  | 1996   | 1997   | 1998   | 1999                          |
|---------------------------|------|-------|--------|--------|--------|-------------------------------|
| 1-Time Unique Cost (\$K): | 100  | 245   | 245    | 0      | 0      | 0                             |
| 1-Time Unique Save (\$K): | 0    | 0     | 0      | 0      | 0      | 0                             |
| 1-Time Moving Cost (\$K): | 0    | 3,100 | 3,100  | 0      | 0      | 0                             |
| 1-Time Moving Save (\$K): | 0    | 0     | 0      | 0      | 0      | 0                             |
| Env Non-MilCon Reqd(\$K): | 0    | 0     | 0      | 0      | 0      | 0                             |
| Activ Mission Cost (\$K): | 0    | 0     | 34,044 | 68,088 | 68,088 | 68,088                        |
| Activ Mission Save (\$K): | 0    | 0     | 0      | 0      | 0      | 0                             |
| Misc Recurring Cost(\$K): | 0    | 0     | 217    | 433    | 433    | 433                           |
| Misc Recurring Save(\$K): | 0    | 0     | 0      | 0      | 0      | 0                             |
| Land (+Buy/-Sales) (\$K): | 0    | 0     | 0      | 0      | 0      | 0                             |
| Construction Schedule(%): | 0%   | 0%    | 0%     | 0%     | 0%     | 0%                            |
| Shutdown Schedule (%):    | 0%   | 0%    | 0%     | 100%   | 0%     | 0%                            |
| MilCon Cost Avoidnc(\$K): | 0    | 0     | 0      | 4,500  | 0      | 0                             |
| Fam Housing Avoidnc(\$K): | 0    | 0     | 0      | 0      | 0      | 0                             |
| Procurement Avoidnc(\$K): | 0    | 0     | 0      | 0      | 0      | 0                             |
| CHAMPUS In-Patients/Yr:   | 0    | 0     | 0      | 0      | 0      | 0                             |
| CHAMPUS Out-Patients/Yr:  | 0    | 0     | 0      | 0      | 0      | 0                             |
| Facil ShutDown(KSF):      | 744  |       |        |        |        | 100.0%                        |
|                           |      |       |        |        |        | Perc Family Housing ShutDown: |

Name: Hill, UT

|                           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999                          |
|---------------------------|------|------|------|------|------|-------------------------------|
| 1-Time Unique Cost (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| 1-Time Unique Save (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| 1-Time Moving Cost (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| 1-Time Moving Save (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Env Non-MilCon Reqd(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Activ Mission Cost (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Activ Mission Save (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Misc Recurring Cost(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Misc Recurring Save(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Land (+Buy/-Sales) (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Construction Schedule(%): | 0%   | 0%   | 0%   | 0%   | 0%   | 0%                            |
| Shutdown Schedule (%):    | 0%   | 0%   | 0%   | 0%   | 0%   | 0%                            |
| MilCon Cost Avoidnc(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Fam Housing Avoidnc(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Procurement Avoidnc(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| CHAMPUS In-Patients/Yr:   | 0    | 0    | 0    | 0    | 0    | 0                             |
| CHAMPUS Out-Patients/Yr:  | 0    | 0    | 0    | 0    | 0    | 0                             |
| Facil ShutDown(KSF):      | 0    |      |      |      |      | 0.0%                          |
|                           |      |      |      |      |      | Perc Family Housing ShutDown: |

Name: Kelly, TX

|                           | 1994 | 1995 | 1996 | 1997 | 1998 | 1999                          |
|---------------------------|------|------|------|------|------|-------------------------------|
| 1-Time Unique Cost (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| 1-Time Unique Save (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| 1-Time Moving Cost (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| 1-Time Moving Save (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Env Non-MilCon Reqd(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Activ Mission Cost (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Activ Mission Save (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Misc Recurring Cost(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Misc Recurring Save(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Land (+Buy/-Sales) (\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Construction Schedule(%): | 0%   | 0%   | 0%   | 0%   | 0%   | 0%                            |
| Shutdown Schedule (%):    | 0%   | 0%   | 0%   | 0%   | 0%   | 0%                            |
| MilCon Cost Avoidnc(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Fam Housing Avoidnc(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| Procurement Avoidnc(\$K): | 0    | 0    | 0    | 0    | 0    | 0                             |
| CHAMPUS In-Patients/Yr:   | 0    | 0    | 0    | 0    | 0    | 0                             |
| CHAMPUS Out-Patients/Yr:  | 0    | 0    | 0    | 0    | 0    | 0                             |
| Facil ShutDown(KSF):      | 0    |      |      |      |      | 0.0%                          |
|                           |      |      |      |      |      | Perc Family Housing ShutDown: |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

INPUT SCREEN FIVE - DYNAMIC BASE INFORMATION

| Name: Robins, GA          | 1994 | 1995                          | 1996 | 1997 | 1998 | 1999 |
|---------------------------|------|-------------------------------|------|------|------|------|
| 1-Time Unique Cost (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| 1-Time Unique Save (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| 1-Time Moving Cost (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| 1-Time Moving Save (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Env Non-MilCon Reqd(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Activ Mission Cost (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Activ Mission Save (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Misc Recurring Cost(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Misc Recurring Save(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Land (+Buy/-Sales) (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Construction Schedule(%): | 0%   | 0%                            | 0%   | 0%   | 0%   | 0%   |
| Shutdown Schedule (%):    | 0%   | 0%                            | 0%   | 0%   | 0%   | 0%   |
| MilCon Cost Avoidnc(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Fam Housing Avoidnc(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Procurement Avoidnc(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| CHAMPUS In-Patients/Yr:   | 0    | 0                             | 0    | 0    | 0    | 0    |
| CHAMPUS Out-Patients/Yr:  | 0    | 0                             | 0    | 0    | 0    | 0    |
| Facil ShutDown(KSF):      | 0    | Perc Family Housing ShutDown: |      |      |      | 0.0% |

| Name: Base X              | 1994 | 1995                          | 1996 | 1997 | 1998 | 1999 |
|---------------------------|------|-------------------------------|------|------|------|------|
| 1-Time Unique Cost (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| 1-Time Unique Save (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| 1-Time Moving Cost (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| 1-Time Moving Save (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Env Non-MilCon Reqd(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Activ Mission Cost (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Activ Mission Save (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Misc Recurring Cost(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Misc Recurring Save(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Land (+Buy/-Sales) (\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Construction Schedule(%): | 0%   | 0%                            | 0%   | 0%   | 0%   | 0%   |
| Shutdown Schedule (%):    | 0%   | 0%                            | 0%   | 0%   | 0%   | 0%   |
| MilCon Cost Avoidnc(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Fam Housing Avoidnc(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| Procurement Avoidnc(\$K): | 0    | 0                             | 0    | 0    | 0    | 0    |
| CHAMPUS In-Patients/Yr:   | 0    | 0                             | 0    | 0    | 0    | 0    |
| CHAMPUS Out-Patients/Yr:  | 0    | 0                             | 0    | 0    | 0    | 0    |
| Facil ShutDown(KSF):      | 0    | Perc Family Housing ShutDown: |      |      |      | 0.0% |

INPUT SCREEN SIX - BASE PERSONNEL INFORMATION

| Name: Newark, OH         | 1994 | 1995 | 1996   | 1997 | 1998 | 1999 |
|--------------------------|------|------|--------|------|------|------|
| Off Force Struc Change:  | 0    | 0    | 0      | 0    | 0    | 0    |
| Enl Force Struc Change:  | 0    | 0    | 0      | 0    | 0    | 0    |
| Civ Force Struc Change:  | 0    | 0    | 0      | 0    | 0    | 0    |
| Stu Force Struc Change:  | 0    | 0    | 0      | 0    | 0    | 0    |
| Off Scenario Change:     | 0    | 0    | 0      | 0    | 0    | 0    |
| Enl Scenario Change:     | 0    | 0    | 0      | 0    | 0    | 0    |
| Civ Scenario Change:     | 0    | 0    | -1,578 | 0    | 0    | 0    |
| Off Change(No Sal Save): | 0    | 0    | 0      | 0    | 0    | 0    |
| Enl Change(No Sal Save): | 0    | 0    | 0      | 0    | 0    | 0    |
| Civ Change(No Sal Save): | 0    | 0    | 0      | 0    | 0    | 0    |
| Caretakers - Military:   | 0    | 0    | 0      | 0    | 0    | 0    |
| Caretakers - Civilian:   | 0    | 0    | 0      | 0    | 0    | 0    |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : C:\COBRA95\AF\DOD\DEPOT.SFF

STANDARD FACTORS SCREEN ONE - PERSONNEL

|                                  |               |                                |            |
|----------------------------------|---------------|--------------------------------|------------|
| Percent Officers Married:        | 76.80%        | Civ Early Retire Pay Factor:   | 9.00%      |
| Percent Enlisted Married:        | 66.90%        | Priority Placement Service:    | 60.00%     |
| Enlisted Housing MilCon:         | 80.00%        | PPS Actions Involving PCS:     | 50.00%     |
| Officer Salary(\$/Year):         | 78,668.00     | Civilian PCS Costs (\$):       | 28,800.00  |
| Off BAQ with Dependents(\$):     | 7,073.00      | Civilian New Hire Cost(\$):    | 4,000.00   |
| Enlisted Salary(\$/Year):        | 36,148.00     | Nat Median Home Price(\$):     | 114,600.00 |
| Enl BAQ with Dependents(\$):     | 5,162.00      | Home Sale Reimburse Rate:      | 10.00%     |
| Avg Unemploy Cost(\$/Week):      | 174.00        | Max Home Sale Reimburs(\$):    | 22,385.00  |
| Unemployment Eligibility(Weeks): | 18            | Home Purch Reimburse Rate:     | 5.00%      |
| Civilian Salary(\$/Year):        | 46,642.00     | Max Home Purch Reimburs(\$):   | 11,191.00  |
| Civilian Turnover Rate:          | 15.00%        | Civilian Homeowning Rate:      | 64.00%     |
| Civilian Early Retire Rate:      | 10.00%        | HAP Home Value Reimburse Rate: | 22.90%     |
| Civilian Regular Retire Rate:    | 5.00%         | HAP Homeowner Receiving Rate:  | 5.00%      |
| Civilian RIF Pay Factor:         | 39.00%        | RSE Home Value Reimburse Rate: | 0.00%      |
| SF File Desc:                    | Depot Factors | RSE Homeowner Receiving Rate:  | 0.00%      |

STANDARD FACTORS SCREEN TWO - FACILITIES

|                                     |          |                                     |       |
|-------------------------------------|----------|-------------------------------------|-------|
| RPMA Building SF Cost Index:        | 0.93     | Rehab vs. New MilCon Cost:          | 0.00% |
| BOS Index (RPMA vs population):     | 0.54     | Info Management Account:            | 0.00% |
| (Indices are used as exponents)     |          | MilCon Design Rate:                 | 0.00% |
| Program Management Factor:          | 10.00%   | MilCon SIOH Rate:                   | 0.00% |
| Caretaker Admin(SF/Care):           | 162.00   | MilCon Contingency Plan Rate:       | 0.00% |
| Mothball Cost (\$/SF):              | 1.25     | MilCon Site Preparation Rate:       | 0.00% |
| Avg Bachelor Quarters(SF):          | 256.00   | Discount Rate for NPV.RPT/ROI:      | 2.75% |
| Avg Family Quarters(SF):            | 1,320.00 | Inflation Rate for NPV.RPT/ROI:     | 0.00% |
| APPDET.RPT Inflation Rates:         |          |                                     |       |
| 1994: 0.00% 1995: 2.90% 1996: 3.00% |          | 1997: 3.00% 1998: 3.00% 1999: 3.00% |       |

STANDARD FACTORS SCREEN THREE - TRANSPORTATION

|                               |           |                              |          |
|-------------------------------|-----------|------------------------------|----------|
| Material/Assigned Person(Lb): | 710       | Equip Pack & Crate(\$/Ton):  | 284.00   |
| HHG Per Off Family (Lb):      | 14,500.00 | Mil Light Vehicle(\$/Mile):  | 0.43     |
| HHG Per Enl Family (Lb):      | 9,000.00  | Heavy/Spec Vehicle(\$/Mile): | 1.40     |
| HHG Per Mil Single (Lb):      | 6,400.00  | POV Reimbursement(\$/Mile):  | 0.18     |
| HHG Per Civilian (Lb):        | 18,000.00 | Avg Mil Tour Length (Years): | 4.10     |
| Total HHG Cost (\$/100Lb):    | 35.00     | Routine PCS(\$/Pers/Tour):   | 6,437.00 |
| Air Transport (\$/Pass Mile): | 0.20      | One-Time Off PCS Cost(\$):   | 9,142.00 |
| Misc Exp (\$/Direct Employ):  | 700.00    | One-Time Enl PCS Cost(\$):   | 5,761.00 |

STANDARD FACTORS SCREEN FOUR - MILITARY CONSTRUCTION

| Category              | UM   | \$/UM | Category            | UM   | \$/UM |
|-----------------------|------|-------|---------------------|------|-------|
| -----                 | --   | ----  | -----               | --   | ----  |
| Horizontal            | (SY) | 0     | OTHER               | (SF) | 0     |
| Waterfront            | (LF) | 0     | Optional Category B | ( )  | 0     |
| Air Operations        | (SF) | 0     | Optional Category C | ( )  | 0     |
| Operational           | (SF) | 0     | Optional Category D | ( )  | 0     |
| Administrative        | (SF) | 0     | Optional Category E | ( )  | 0     |
| School Buildings      | (SF) | 0     | Optional Category F | ( )  | 0     |
| Maintenance Shops     | (SF) | 0     | Optional Category G | ( )  | 0     |
| Bachelor Quarters     | (SF) | 0     | Optional Category H | ( )  | 0     |
| Family Quarters       | (EA) | 0     | Optional Category I | ( )  | 0     |
| Covered Storage       | (SF) | 0     | Optional Category J | ( )  | 0     |
| Dining Facilities     | (SF) | 0     | Optional Category K | ( )  | 0     |
| Recreation Facilities | (SF) | 0     | Optional Category L | ( )  | 0     |
| Communications Facil  | (SF) | 0     | Optional Category M | ( )  | 0     |
| Shipyards Maintenance | (SF) | 0     | Optional Category N | ( )  | 0     |
| RDT & E Facilities    | (SF) | 0     | Optional Category O | ( )  | 0     |
| POL Storage           | (BL) | 0     | Optional Category P | ( )  | 0     |
| Ammunition Storage    | (SF) | 0     | Optional Category Q | ( )  | 0     |
| Medical Facilities    | (SF) | 0     | Optional Category R | ( )  | 0     |
| Environmental         | ( )  | 0     |                     |      |       |

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : A:\NEWAKFAC.SFF

*1993 Newark  
 with 1993  
 Standard Factors*

Starting Year : 1994  
 Final Year : 1999  
 ROI Year : 2008 (9 Years)

NPV in 2013(\$K): -7,140  
 1-Time Cost(\$K): 30,759

|              | Constant Dollars |              | 1996          | 1997          | 1998          | 1999          | Total         | Beyond        |
|--------------|------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
|              | 1994             | 1995         |               |               |               |               |               |               |
| MilCon       | 0                | 0            | 0             | -4,500        | 0             | 0             | -4,500        | 0             |
| Person       | 0                | 0            | -13,340       | -67,810       | -67,810       | -67,810       | -216,770      | -67,810       |
| Overhd       | 60               | 45           | -327          | -2,106        | -4,013        | -4,018        | -10,359       | -4,032        |
| Moving       | 0                | 3,100        | 6,137         | 0             | 0             | 0             | 9,237         | 0             |
| Missio       | 0                | 0            | 34,044        | 68,088        | 68,088        | 68,088        | 238,308       | 68,088        |
| Other        | 100              | 245          | 245           | 0             | 0             | 0             | 590           | 0             |
| <b>TOTAL</b> | <b>160</b>       | <b>3,390</b> | <b>26,758</b> | <b>-6,328</b> | <b>-3,735</b> | <b>-3,739</b> | <b>16,506</b> | <b>-3,753</b> |

|                             | 1994 | 1995 | 1996  | 1997 | 1998 | 1999 | Total |
|-----------------------------|------|------|-------|------|------|------|-------|
| <b>POSITIONS ELIMINATED</b> |      |      |       |      |      |      |       |
| Off                         | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Enl                         | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Civ                         | 0    | 0    | 1,578 | 0    | 0    | 0    | 1,578 |
| TOT                         | 0    | 0    | 1,578 | 0    | 0    | 0    | 1,578 |
| <b>POSITIONS REALIGNED</b>  |      |      |       |      |      |      |       |
| Off                         | 0    | 0    | 32    | 0    | 0    | 0    | 32    |
| Enl                         | 0    | 0    | 60    | 0    | 0    | 0    | 60    |
| Stu                         | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Civ                         | 0    | 0    | 101   | 0    | 0    | 0    | 101   |
| TOT                         | 0    | 0    | 193   | 0    | 0    | 0    | 193   |

Summary:  
 -----

NEWARK.CBR

COBRA REALIGNMENT SUMMARY (COBRA v5.08) - Page 2/2  
 Data As Of 13:58 02/20/1993, Report Created 13:13 04/28/1995

Department : USAF  
 Option Package : Newark  
 Scenario File : A:\NEWARK.CBR  
 Std Fctrs File : A:\NEWAKFAC.SFF

| Costs (\$K) Constant Dollars |            |              |               |               |               |               |                |               |
|------------------------------|------------|--------------|---------------|---------------|---------------|---------------|----------------|---------------|
|                              | 1994       | 1995         | 1996          | 1997          | 1998          | 1999          | Total          | Beyond        |
|                              | ----       | ----         | ----          | ----          | ----          | ----          | ----           | ----          |
| MilCon                       | 0          | 0            | 0             | 0             | 0             | 0             | 0              | 0             |
| Person                       | 0          | 0            | 20,951        | 398           | 398           | 398           | 22,145         | 398           |
| Overhd                       | 60         | 45           | 386           | 593           | 587           | 582           | 2,254          | 568           |
| Moving                       | 0          | 3,100        | 6,318         | 0             | 0             | 0             | 9,418          | 0             |
| Missio                       | 0          | 0            | 34,044        | 68,088        | 68,088        | 68,088        | 238,308        | 68,088        |
| Other                        | 100        | 245          | 245           | 0             | 0             | 0             | 590            | 0             |
| <b>TOTAL</b>                 | <b>160</b> | <b>3,390</b> | <b>61,944</b> | <b>69,079</b> | <b>69,073</b> | <b>69,068</b> | <b>272,715</b> | <b>69,054</b> |

| Savings (\$K) Constant Dollars |          |          |               |               |               |               |                |               |
|--------------------------------|----------|----------|---------------|---------------|---------------|---------------|----------------|---------------|
|                                | 1994     | 1995     | 1996          | 1997          | 1998          | 1999          | Total          | Beyond        |
|                                | ----     | ----     | ----          | ----          | ----          | ----          | ----           | ----          |
| MilCon                         | 0        | 0        | 0             | 4,500         | 0             | 0             | 4,500          | 0             |
| Person                         | 0        | 0        | 34,292        | 68,208        | 68,208        | 68,208        | 238,915        | 68,208        |
| Overhd                         | 0        | 0        | 713           | 2,700         | 4,600         | 4,600         | 12,613         | 4,600         |
| Moving                         | 0        | 0        | 182           | 0             | 0             | 0             | 182            | 0             |
| Missio                         | 0        | 0        | 0             | 0             | 0             | 0             | 0              | 0             |
| Other                          | 0        | 0        | 0             | 0             | 0             | 0             | 0              | 0             |
| <b>TOTAL</b>                   | <b>0</b> | <b>0</b> | <b>35,186</b> | <b>75,408</b> | <b>72,808</b> | <b>72,808</b> | <b>256,209</b> | <b>72,808</b> |

# Document Separator

BRIEFED AT INDUSTRY MEETING  
4/27/95

AGMC  
PRIVATIZATION IN PLACE  
\*\*\*\*\*  
INDUSTRY CONFERENCE

Mr. Ira Kemp, SAF/AQC  
LtCol Paul Stipe, OO-ALC/CCT  
Mr. Brent Parrish, OO-ALC/CCT

\*\*\*\*\* End of Slide \*\*\*\*\*

INDUSTRY CONFERENCE  
AIR FORCE PIP STRATEGY

- PRIVATIZATION IS THE CHOSEN METHOD FOR CLOSING AGMC
- SECAF WILL RETAIN FINAL APPROVAL TO AWARD CONTRACT
- NOTICE INCLUDED IN SOLICITATION
- PLAN B STUDY HAS BEEN COMPLETED

move to order DEPT

\*\*\*\*\* End of Slide \*\*\*\*\*

INDUSTRY CONFERENCE  
POLICY DECISION ON PIP

- PROPOSAL PREPARATION TIME WILL BE 45 DAYS
- NEED TO MAINTAIN BASE CLOSURE DATE, END OF SEP 96
- EROSION OF TRANSITION TIME
- ONGOING EROSION OF AGMC SKILLS BASE

CHANGED; WAS 60 DAYS

\*\*\*\*\* End of Slide \*\*\*\*\*

### INDUSTRY CONFERENCE PROPRIETARY DATA RIGHTS

- AIR FORCE NEVER INTENDED TO CONTRACT THIS WORK ON A COMPETITIVE BASIS
- WE HAVE DEVELOPED A REASONABLE BUSINESS APPROACH
  - AF TO PROVIDE ALL UNRESTRICTED DATA
  - AF HAS SOUGHT & IS GAINING AGREEMENTS FOR USE OF ADDITIONAL DATA WITH RESTRICTIVE MARKINGS
  - OFFERORS WILL THEN NEGOTIATE AS REQUIRED FOR REMAINING DATA
- WE HAVE AN UNDERSTANDING THAT ALL OEMs WILL COOPERATE WITH THIS BUSINESS APPROACH
- AIR FORCE WILL ONLY GET INVOLVED IN THE EVENT OF UNFAIR OR NON-EQUITABLE DEALINGS

\*\*\*\*\* End of Slide \*\*\*\*\*

### DATA ISSUE

*BRIEFED BY STIPE*

- IDENTIFIED APPROX 7000 PCS DATA
  - INPUT FROM
    - » AGMC
    - » SINGLE MANAGERS
    - » OEMS
  - 84% unrestricted
  - 16% restricted
- PROGRAM OFFICE DOES NOT INTEND TO PURCHASE DATA
- WE ARE PROVIDING INSTRUCTIONS IN RFP FOR OBTAINING REQUIRED DATA
- THIS APPROACH IS FAIR & REASONABLE AND SUPPORTS COMPETITION

\*\*\*\*\* End of Slide \*\*\*\*\*

*(Insert Page 1 of 00DATA.XLS)*

\*\*\*\*\* End of Slide \*\*\*\*\*

**DATA ISSUE**

(CONTINUED)

**- 12 OEMS**

**6 Will Grant GPLR'S (Govt Purpose License Rights)**

- ALLIED SIGNAL
- HONEYWELL SPACE SYSTEMS
- PARKER HANNIFIN
- ROCKWELL INTERNATIONAL
- ROCKWELL COLLINS
- SMITH INDUSTRIES

**4 Will Negotiate Data Use Agreements**

- DELCO
- HONEYWELL MILITARY AVIONICS
- KEARFOTT
- LITTON

\*\*\*\*\* End of Slide \*\*\*\*\*

**DATA ISSUE**

(CONTINUED)

**2 Will Support Work At AGMC As Sub Contractors**

- NORTHROP
- HUGHES (ADVANCED CRUISE MISSILE NO DATA AVAILABLE)

\*\*\*\*\* End of Slide \*\*\*\*\*

**DATA ISSUE**

(CONTINUED)

**• SPECIFIC INSTRUCTIONS FOR OBTAINING DATA ARE IN PROPOSAL PREPARATION INSTRUCTIONS SEC. - 1.1.2**

- COMPANY NAME
- ADDRESS
- POC
- TELEPHONE/FAX

**• DATA LIST WILL BE ON HANSCOM BULLETIN BOARD AND IN THE TECHNICAL LIBRARY AT AGMC**

**• WE WILL REQUIRE CERTIFICATION THAT OFFERORS HAVE ACCESS TO NEEDED DATA**

**• WE WILL REQUIRE SEPARATE SUPPORT COST DATA FOR GAINING ACCESS TO NEEDED DATA**

\*\*\*\*\* End of Slide \*\*\*\*\*

INDUSTRY CONFERENCE  
RFP CHANGES - TWO CONTRACTS

*BRIEFED  
BY  
PCO  
(PARISH)*

- REPAIR AND METROLOGY ARE REALLY SEPARATE IN NATURE
- DO NOT USE COMMON WORKFORCE
- POTENTIAL COST SAVINGS ARE ASSESSED TO BE MARGINAL
- EVALUATING AND AWARDING SEPARATELY WILL STREAMLINE PROCESS, SAVE TIME

\*\*\*\*\* End of Slide \*\*\*\*\*

INDUSTRY CONFERENCE  
RFP CHANGES - WORK SPECS

- COMBINED WORK SPECS
  - AIRCRAFT NOW INCLUDES ALL AIRCRAFT NAV SYTEMS, INTERSERVICE, SAN ANTONIO TEST EQUIP
  - ICBM INCLUDES MM & PK, DEMILITARIZATION, RSLP
  - METROLOGY

\*\*\*\*\* End of Slide \*\*\*\*\*

INDUSTRY CONFERENCE  
RFP CHANGES - WORK CHANGES

- NAVY ESGN TO BE MOVED — *NAVY WORK*
- ARMY PADS TO BE MOVED — *ARMY WORK*
- AIR FORCE F-111 TO BE RETIRED
  - NO REPAIR IN CONTRACT
- MINUTEMAN GRP REPAIR LOCATION TBD — *TO BE FIELDED STARTING LATE 1990s*
  - NO REPAIR IN CONTRACT
  - LIMITED SUPPORT OF EMD WORK IS INCLUDED

\*\*\*\*\* End of Slide \*\*\*\*\*

### INDUSTRY CONFERENCE RFP CHANGES - CONTRACT LENGTH

- BASIC CONTRACT WITH TRANSITION AND FY96 REPAIR REQTS
  - ALLOWS FOR TRANSITION ACTIVITIES
  - HELPS ASSURE PERFORMANCE ON A WIN-WIN BASIS
- 4 OPTION YEARS
  - PROVIDES ENOUGH TIME TO GAIN GOOD BASELINE OF COSTS & QUANTITY VARIATION
  - THEN ALLOWS FOR FIXED-PRICE FOLLOW-ON

\*\*\*\*\* End of Slide \*\*\*\*\*

### INDUSTRY CONFERENCE RFP CHANGES - CONTRACT TYPE

- BASIC CONTRACT AND OPTIONS ARE CPAF
  - APPROPRIATE BASED ON RISK TO AIR FORCE AND INDUSTRY
  - TRANSITION MUST BE COMPLETED WITHOUT IMPACT TO REPAIR LINE AND EARLY ENOUGH TO MEET BASE CLOSURE
- INDEFINITE DELIVERY / INDEFINITE QUANTITY
  - PROVIDE DOLLAR MINIMUM AND MAXIMUM BASED ON OVERALL WORKLOAD
  - WILL PROVIDE BEQ FOR EACH CLIN

\*\*\*\*\* End of Slide \*\*\*\*\*

### INDUSTRY CONFERENCE RFP CHANGES - AWARD FEES

- 2 CONTRACTS, 2 AWARD FEE PLANS, 2 FDOs
- NO BASE FEE
- AWARD FEES WILL HAVE 5% FLOOR, 10% CEILING
  - AMOUNT OF FEE TO BE PROPOSED

\*\*\*\*\* End of Slide \*\*\*\*\*

✖

### INDUSTRY CONFERENCE RFP CHANGES - LOCATION

- LOCATION OF WORK IS NOT SPECIFIED
- NO SPECIFIC CRITERIA TO EVALUATE LOCATION
- LOCATIONS OTHER THAN NEWARK AFB WILL BE EVALUATED ON SAME CRITERIA FOR COST, TECHNICAL, SCHEDULE RISK
  - AIR FORCE WILL COMPLETE A MOST PROBABLE COST EVALUATION FOR EACH PROPOSAL, TO INCLUDE COSTS ASSOCIATED WITH WORK LOCATION

\*\*\*\*\* End of Slide \*\*\*\*\*

### INDUSTRY CONFERENCE RFP CHANGES - NEW WORK

- THE AIR FORCE IS INTERESTED IN ALLOWING NEW WORK TO HELP LOWER OVERHEAD RATES
- THE COMMUNITY IS INTERESTED IN ALLOWING NEW WORK TO HELP BRING IN MORE JOBS
- ANY NEW WORK WILL BE EVALUATED FOR:
  - NON-INTERFERENCE WITH PIP CONTRACTS
  - NON-IMPACT TO SEISMIC LIMITS OF ONGOING WORK
  - USE OF GFE
- NEW WORK WILL NOT BE EVALUATED IN SOURCE SELECTION

\*\*\*\*\* End of Slide \*\*\*\*\*

### INDUSTRY CONFERENCE RFP CHANGES - LEASE

*~10M PER YEAR*

- WE WILL NOT ASK FOR LEASE COSTS IN PROPOSAL
- COMMUNITY WILL PROVIDE AIR FORCE WITH EXPECTED LEASE EXPENSE FOR USE IN GOVERNMENT'S MOST PROBABLE COST
- PROPOSAL WILL INCLUDE A LETTER OF INTENT FROM OFFEROR AND COMMUNITY
  - UNDERSTAND COMMUNITY'S TERMS/CONDITIONS
  - WILL ENTER IN NEGOTIATIONS AFTER CONTRACT AWARD

\*\*\*\*\* End of Slide \*\*\*\*\*

**INDUSTRY CONFERENCE  
RFP CHANGES - TRANSITION**

- TRANSITION PERIOD STARTS WITH CONTRACT AWARD - DEC 95
- TRANSITION PERIOD (BASIC CONTRACT) WILL COMPLETE AT END OF SEP 96 (10 MONTHS)
- CONTRACTOR TRANSITION ACTIVITIES MUST BE COMPLETE AT END OF AUG 96 (9 MONTHS)

\*\*\*\*\* End of Slide \*\*\*\*\*

**INDUSTRY CONFERENCE  
RFP CHANGES - GFM/CFM**

- GOVERNMENT FURNISHED MATERIALS FOR TRANSITION PERIOD AND INITIAL OPTION
  - NO GFM FOR NAVY DMINS AND SAN ANTONIO TEST EQUIP
- MIX OF GFM AND CFM AFTER INITIAL TWO YEARS
  - AIRCRAFT WORKLOADS TO SWITCH TO CFM
  - ICBM WORKLOADS TO REMAIN GFM

\*\*\*\*\* End of Slide \*\*\*\*\*

**OVERALL PROGRAM  
SCHEDULE**

|                     |           |
|---------------------|-----------|
| ⇒ RFP Release       | 3 May 95  |
| ⇒ Pre-Proposal Conf | 17 May 95 |
| • Proposal Receipt  | 17 Jun 95 |
| • Release CRs/DRs   | 10 Aug 95 |
| • Request BAFO      | 20 Sep 95 |
| • Decision Briefing | 19 Nov 95 |
| • Award Contracts   | 5 Dec 95  |
| • Base Closure      | 30 Sep 96 |

\*\*\*\*\* End of Slide \*\*\*\*\*

### RFP OVERVIEW

- EXECUTIVE SUMMARY HIGHLIGHTS
- APPROXIMATELY 7000 PAGES
- 350 CLINS (SECTION B)
- COMMON USE APPENDIX B - 2600 PAGES
- DATA LIST - 400 PAGES

\*\*\*\*\* End of Slide \*\*\*\*\*

### RFP ACCESS

- REPRO FULL TEXT BASIC RFP EXCEPT COMMON USE APPENDIX B & DATA LISTS
- COMMON USE APPENDIX B & DATA LIST ACCESS THRU
  - HANSCOM BULLETIN BOARD
  - TECHNICAL LIBRARY
- RFP DISTRIBUTION (ONE COPY ONLY)
  - HARD COPY AVAILABLE 2:00 PM BLDG 1289- 5/3/95
  - SPECIAL WRITTEN REQUEST THRU PCO
    - FED-EX
    - SPECIAL MAILING
- WE WILL BEGIN LOADING RFP ON B/B ASAP

\*\*\*\*\* End of Slide \*\*\*\*\*

M S W

Autonetics Electronic Systems Division  
Rockwell International Corporation  
3370 Miraloma Ave  
P.O. Box 3105  
Anaheim, California 92803-3105



Building 235  
1st Floor

COMNET 252  
(714) 762-1200

## FACSIMILE MESSAGE

CHECK ONE:  HOLD FOR PICK-UP or,  RETURN TO M/C \_\_\_\_\_  
MATERIAL CONTAINED IN THIS TRANSMITTAL IS NOT CLASSIFIED.

TO: DAVE OLSON                      PHONE NUMBER: 703-696-0504  
LOCATION: BRAC STAFF              FAX NUMBER: 703-696-0550

FROM: RICK SCHANKEL              PHONE NUMBER: 714-762-0173  
MAIL CODE:                          NUMBER OF PAGES: + LEAD

MESSAGE: DAVE -  
  
NEWARK COST ANALYSIS  
INFO WE TALKED ABOUT. IT  
HAS BEEN PROVIDED TO COOPERS  
& LYBRAND AND TO THE AIR  
FORCE (OGDEN ALC'S NEWARK  
TRANSITION TEAM).  
  
Rick

**OEM REPAIR**  
**\$255M**

---

**NON-RECURRING**

**\$ 20M**

- MOVE & SET-UP TEST EQUIPMENT FROM AGMC TO OEM FACILITIES (80% MINUTEMAN RELATED)

**RECURRING**

**\$ 235M**

- ASSUMES CONTINUANCE OF CURRENT RELATED GOVERNMENT CONTRACTS AT OEM FACILITIES
- REPAIR ACTIVITIES CONTINUE AT SAME RATE FOR 5 YEARS
- ESTIMATE ASSUMES EFFORT BEING PERFORMED USING OEM FACILITIES, PROCESSES, MANAGEMENT SYSTEMS AND RATE STRUCTURE

**NEWARK AFB REPAIR**  
**\$350M**

---

**MANUFACTURING DIRECT LABOR HOURS (700K)** 350 DIRECT HEADS  
 • NAFB INFORMATION PUBLISHED 1994

**SUPPORT PERSONNEL INCLUDING METROLOGY SUPPORT TO REPAIR** 420 INDIRECT HEADS  
 • AUGUST 1994 ORG. CHART

**MANUFACTURING INDIRECT** 450 INDIRECT HEADS  
 • AUGUST 1994 ORG. CHART MINUS DIRECT LABOR

|                                     | <u>HEADS</u> | <u>HR/YR</u> | <u>RATE</u>  | <u>TOTAL \$</u> |
|-------------------------------------|--------------|--------------|--------------|-----------------|
| DIRECT                              | 350          | 1982         | \$ 18        | \$ 12.5M        |
| INDIRECT                            | 870          | 1982         | 18           | 31.0M           |
| BENEFITS/EXPENSES                   | 1220         |              | 13K/YR       | 16.5M           |
| FACILITY EXPENSE INCLUDING 77 HEADS |              |              |              | <u>10.0M</u>    |
|                                     |              |              | <b>TOTAL</b> | <b>\$ 70.0M</b> |

70.0M X 5 YRS. = \$350M

## NEWARK AFB VS. OEM REPAIRS

COMPARES LABOR COST OF GOVERNMENT REPAIR AT NAFB VERSUS CONTRACTOR REPAIR AT OEM FACILITIES FOR FIVE YEARS

|  |               |
|--|---------------|
| CURRENT NEWARK REPAIR EFFORT                               | \$350M        |
| MOVE REPAIR WORKLOAD TO PRESENTLY AVAILABLE OEM FACILITIES | <u>\$255M</u> |
| - INCLUDES NON-RECURRING COSTS                             |               |
| DIFFERENCE   | \$ 95M        |

### PRICING ASSUMPTIONS

- PRICED IN 1995 DOLLARS
- OEM \$'s INCLUDES 10% PROFIT
- INCLUDES REPAIR & METROLOGY SUPPORT TO REPAIR FOR FIVE (5) YEARS
- DOES NOT INCLUDE MATERIAL DOLLARS

*I.E. THIS DOES NOT INCLUDE THE BULK OF METROLOGY, ONLY ABOUT 10% THAT SUPPORTS REPAIR*

# United States Senate

WASHINGTON, DC 20510

March 7, 1995

The Honorable Sheila E. Widnall  
Secretary  
Department of the Air Force  
The Pentagon  
Washington, DC 20301

Dear Secretary Widnall:

As you are aware, the General Accounting Office recently recommended that the 1993 decision to close Newark be reconsidered in the current round of base closures. While the Air Force chose not to reconsider that decision, we intend to pursue the matter further with the Base Realignment and Closure Commission.

Notwithstanding the fact that in our view the closure recommendation remains unresolved, we recognize that the Air Force intends to proceed with its privatization efforts. We are writing to express our grave concern over the Air Force's actions to date.

We repeatedly have been assured that privatization in place is the Air Force's preference. Yet, we understand the recently released draft request for proposals (RFP) does not appear aimed to achieve that result. Further, we understand the Air Force has taken action to contract out workload from Newark, simply removing it to the private sector. Additionally, we understand that the Air Force is reviewing the possibility of moving Newark's workload to other Air Force depots. None of these actions is consistent with the representations made to us that privatization in place is the Air Force's preferred outcome.

Consequently, we request the opportunity to meet with you as soon as possible to discuss these issues in detail to demonstrate exactly how the Air Force plans to privatize Newark's workload in place should the closure recommendation not be overturned.

Best regards.

Sincerely,

Mike DeWine  
United States Senator

John Glenn  
United States Senator

cc: Secretary William J. Perry

LJB  
16 MAR 95

- GOVERNMENTAL AFFAIRS, CHAIRMAN
- ARMED SERVICES
- SELECT COMMITTEE ON INTELLIGENCE
- SPECIAL COMMITTEE ON AGING

# United States Senate

WASHINGTON, DC 20510-3501

December 16, 1994

The Honorable Sheila Widnall  
Secretary  
Department of the Air Force  
The Pentagon  
Washington, DC 23010

Dear Secretary Widnall:

It is with a growing sense of frustration that I again contact the Air Force to urge the reconsideration of the decision to "privatize" Newark Air Force Base.

From the moment the recommendation was made, I have failed to understand the rationale for the proposal. I argued to the Base Closure Commission that the recommendation did not make sense, particularly since the Air Force could provide no data to demonstrate that the proposed closure would even be cost effective. Unfortunately, the Commission was not swayed and the recommendation was approved as part of the total base closure package.

While efforts to proceed with privatization have begun, my initial concerns about whether the federal taxpayer ultimately would be served by privatization have never subsided. Today, I find that my concerns were not unfounded.

The General Accounting Office (GAO) released a final report today recommending that you and Secretary Perry reevaluate the closure decision. GAO made its recommendation notwithstanding its reluctance to revisit a base closure decision that has been approved by the Commission, by the President and by the Congress. GAO overcame its reluctance because of its misgivings over the growing costs to implement privatization and its misgivings over whether the Air Force even can accomplish a privatization.

These misgivings are exacerbated by the fact that 100% of the workload at Newark is described by the Air Force as being "core" workload, i.e. workload that needs to be maintained in an organic depot in order to ensure the readiness and sustainability of weapon systems. Newark is the only Air Force depot in which the workload is 100% core workload. Privatizing this particular depot calls into question the very need to retain any workload organically.

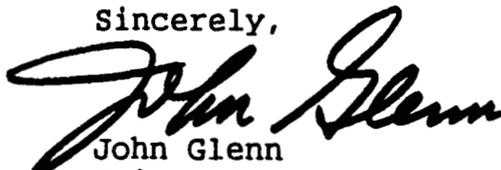
JAG  
SAF/OS  
28 DEC 94

The Honorable Sheila Widnall  
December 16, 1994  
Page Two

The decision to privatize Newark does not make sense operationally or from a cost perspective. I agree wholeheartedly with GAO's recommendation and strongly urge you to revisit the Newark base closure decision. I look forward to discussing this issue with you.

Best regards.

Sincerely,

  
John Glenn  
United States Senator

JHG/sm

*After you have had a chance to look at the GAO report, I'd like to discuss this further. I have enclosed a copy of the report.*

*Best regards*  


JOHN GLENN

OHIO

COMMITTEES:

- GOVERNMENTAL AFFAIRS, CHAIRMAN
- ARMED SERVICES
- SELECT COMMITTEE ON INTELLIGENCE
- SPECIAL COMMITTEE ON AGING

# United States Senate

WASHINGTON, DC 20510-3501

December 16, 1994

The Honorable Sheila Widnall  
Secretary  
Department of the Air Force  
The Pentagon  
Washington, DC 23010

Dear Secretary Widnall:

It is with a growing sense of frustration that I again contact the Air Force to urge the reconsideration of the decision to "privatize" Newark Air Force Base.

From the moment the recommendation was made, I have failed to understand the rationale for the proposal. I argued to the Base Closure Commission that the recommendation did not make sense, particularly since the Air Force could provide no data to demonstrate that the proposed closure would even be cost effective. Unfortunately, the Commission was not swayed and the recommendation was approved as part of the total base closure package.

While efforts to proceed with privatization have begun, my initial concerns about whether the federal taxpayer ultimately would be served by privatization have never subsided. Today, I find that my concerns were not unfounded.

The General Accounting Office (GAO) released a final report today recommending that you and Secretary Perry reevaluate the closure decision. GAO made its recommendation notwithstanding its reluctance to revisit a base closure decision that has been approved by the Commission, by the President and by the Congress. GAO overcame its reluctance because of its misgivings over the growing costs to implement privatization and its misgivings over whether the Air Force even can accomplish a privatization.

These misgivings are exacerbated by the fact that 100% of the workload at Newark is described by the Air Force as being "core" workload, i.e. workload that needs to be maintained in an organic depot in order to ensure the readiness and sustainability of weapon systems. Newark is the only Air Force depot in which the workload is 100% core workload. Privatizing this particular depot calls into question the very need to retain any workload organically.

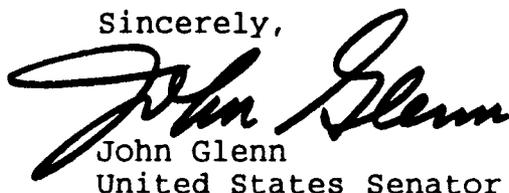
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28 DEC 94

The Honorable Sheila Widnall  
December 16, 1994  
Page Two

The decision to privatize Newark does not make sense operationally or from a cost perspective. I agree wholeheartedly with GAO's recommendation and strongly urge you to revisit the Newark base closure decision. I look forward to discussing this issue with you.

Best regards.

Sincerely,

  
John Glenn  
United States Senator

JHG/sm

*After you have had a chance to look at the GAO report, I'd like to discuss this further. I have enclosed a copy of the report.*

*Best regards*  


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

OFFICE OF THE  
SECRETARY OF DEFENSE

96 MAR -7 PM 12:46

March 6, 1995

The Honorable William J. Perry  
Secretary of Defense  
The Pentagon  
Washington, D.C. 20301

Dear Mr. Secretary:

As Members of the Ohio Congressional Delegation, we are writing to you regarding a situation we believe demands your immediate attention, the closure of Newark Air Force Base and the ongoing "Privatization-in-Place" process. We have been following this issue from the beginning of the 1993 BRAC decision process and are seriously concerned that the Air Force is renegeing on its commitment to privatize-in-place the work at Newark AFB.

As you know, the GAO has found the decision process regarding closure of Newark AFB to be seriously flawed. In an unprecedented move, the GAO recommended reconsidering the decision to close this facility. In light of the GAO report, we believe the BRAC should remove Newark AFB from the list of those bases slated for closure. Should the BRAC choose to ignore the GAO recommendation, we would continue to support the Air Force's commitment to privatize-in-place.

It has come to our attention that actions taken by the Air Force are undermining this effort. Specifically, the Air Force has issued a Draft Request for Proposal (DRFP) that would lead to a single source of supply, thus escalating costs and obstructing competition. While we are concerned with this aspect of the draft, we have additional concerns which are outlined in the enclosure which accompanies this letter. These concerns illustrate why we believe the DRFP is not consistent with the Air Force's commitment to privatize-in-place.

Since the Request for Proposal (RFP) will be issued on April 11th of this year, we would greatly appreciate hearing your plan on how the Air Force intends to fulfill its commitment to privatize-in-place the workload at Newark AFB by March 17, 1995. In the meantime, we strongly urge you to keep all current workloads at Newark AFB until this process is concluded.

We look forward to working with you and the Air Force on this vital issue.

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Secretary of Defense William J. Perry  
March 1, 1995  
Page Two

John Kaul

Frank Canam

Bob Ney

Dave Hobson

### Actions that undermine the long-term viability of privatization-in-place

- Current workloads are systematically being moved from Newark and in some cases given to the companies on a sole source basis.
- The DRFP permits bidders to perform the work at Newark or at another location.

These actions directly affect DoD's core capability and have long-term implications on costs to the government if sole source suppliers are fostered. This is particularly troubling in light of the Peacekeeper Inertial Guidance System example. It is my understanding that it costs the government \$169,648 to perform this work at Newark AGMC and it costs \$623,000 with the manufacturer. Another example is the ESGN workload for which the manufacturer now charges \$80,000, while last year AGMC charged \$24,373 to perform the identical procedures.

### Actions that restrict and undermine fair competition

- Bidders are required to negotiate for the use of manufacturers' proprietary data for the repair of government equipment under a government contract.
- Bidders are required to acquire parts from sole source providers in different ways depending on the type of system (i.e., missile, aircraft or support equipment). This will add new risks and necessitate the need for creation of costly logistics plans.

These actions seem to drive the workloads again toward the sole source suppliers which violate every standard of fair and open competition. More importantly, it means that the taxpayer will be forced to spend more and more over the years for this work.

The proprietary data rights issue is especially troubling because it appears to violate current policy directions under Title 10 U.S.C. 2320, Rights in Technical Data. This was prepared by the section 807 Technical Data Advisory Committee, underwent public comment, and is now undergoing final review by DoD prior to implementation.

### Actions that arbitrarily and unnecessarily drive up costs to the government

- The maintenance and metrology workloads may potentially be split between bidders requiring additional contract administration and management oversight.
- Bidders have been directed to incorporate two separate wage scales creating workforce confusion and disruption.
- The Air Force has not stipulated the level or amount of workloads despite thirty years of historical experience.

JOHN GLENN

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COMMITTEES:

- GOVERNMENTAL AFFAIRS, CHAIRMAN
- ARMED SERVICES
- SELECT COMMITTEE ON INTELLIGENCE
- SPECIAL COMMITTEE ON AGING

OFFICE OF  
**United States Senate**

WASHINGTON, DC 20510-3501

95 FEB 21 AM 8:26

February 17, 1995

The Honorable John Deutch  
Deputy Secretary  
Department of Defense  
The Pentagon  
Washington, DC 20301

Dear Secretary Deutch:

In March 1993, the Air Force recommended closing Newark Air Force Base in Heath, Ohio. Newark is the home of the Aerospace Guidance and Metrology Center (AGMC) which serves as a depot for the repair of Air Force and some Navy inertial guidance and inertial navigation systems and components. Newark also performs Air Force metrology and calibration and operates the Air Force Measurement Standards Laboratory.

In its recommendation to close Newark, the Air Force indicated that "some workload will move to other depot maintenance activities including the private sector" but anticipated "that most will be privatized in place."

Citing its excess depot capacity, the Air Force justified its recommendation stating only that when applying the eight criteria in the depot subcategory, "Newark AFB ranked low in comparison to the other five depot bases." The Air Force further justified closure by stating that the "military value of the base is low because it does not have an airfield and it is not a traditional Air Force base in any respect."

Closure was viewed as consistent with OSD guidance to reduce excess depot capacity, economize depot management, and increase competition and privatization in DoD." Closure of Newark was estimated to reduce excess depot capacity by 1.7 million "direct product actual hours." Further, because Newark is a "a stand alone, highly technical, industrial plant . . . operated predominantly by a civilian work force" it was considered "conducive to conversion to the private sector."

The Air Force estimated that the one-time closure cost would be \$31.3 million and that the annual savings after closure would be \$3.8 million. Achieving the return on investment would take eight years.

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The Honorable John Deutch  
February 17, 1995  
Page Two

The Base Closure Commission found that the Air Force recommendation to close Newark "did not deviate substantially from the force structure plan and final criteria" and approved the recommendation. The Commission specifically rejected the community's arguments that the workload at Newark is unique and instead stated that "contractor facilities presently have the repair capability and have been doing it for years." The Commission also determined that Newark had not been penalized because it did not have a runway.

At the time of the recommendation, GAO concluded that cost of closing the base had been underestimated by about \$7 million. GAO also found that after a period of 20 years, the net present value of closing Newark would be only \$599,000.

GAO has since conducted another review of the closure recommendation and determined that the closure recommendation should be reconsidered.

Contrary to the Air Force's original justification for the closure, GAO found that privatization will not eliminate excess depot capacity because the work performed at Newark is unique and the Air Force continues to have a requirement for it. GAO further found that the 100% of the workload at Newark is considered to be "core" Air Force workload, which suggests the base has a significant military value, the primary criteria for evaluating whether to close a base.

GAO also found that the closure does not make sense from an economic standpoint. The one time closure costs have doubled in one year from \$31 million to \$62.2 million. This figure does not take into account non-BRAC funded costs, such as \$4.86 million for interim health care benefits for separated government employees and other costs such as the potential costs associated with purchasing proprietary data. In GAO's view, the projected annual savings are unlikely to occur.

GAO further indicates that projected increased costs for contractor operation of Newark were confirmed by the Air Force Acquisition Strategy Panel and that over the 5 year period between 1996 and 2000 the Air Force will pay \$456 million more than the estimated costs of government operations over the same time period. An Air Force Space Command message to Air Force Materiel Command confirms that Space Command alone expects to experience a \$50-60 million annual shortfall under privatization in place. The value of the total workload at Newark is approximately \$80-90 million.

The Honorable John Deutch  
February 17, 1995  
Page Three

The Air Force does not appear to dispute GAO's report, but instead maintains that privatization in place "may provide the greatest potential savings with least impact on mission support." The Air Force states that there is "not enough hard data to conclude otherwise." The Air Force takes this position despite the fact that the using commands have indicated that the cost for their requirements will be substantially increased after privatization in place.

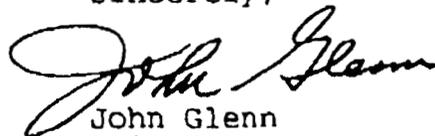
The Air Force also indicates that it is pursuing "alternatives" to privatization in place, including moving Newark's workload to other Air Force depots. Internal documents show that the Air Force knows that this option will result in a \$200 million military construction cost to re-create the facilities already existing at Newark.

John, I believe the Air Force is making a serious mistake with respect to Newark. I don't say this simply because Newark is in Ohio. Rather, I say it because I believe the functions performed at Newark are vital to our national security and because I believe the decision to close Newark will waste taxpayer money.

Consequently, I urge you to reverse the decision to close Newark. Barring that, at the very least, I urge you to include language in the 1995 base closure recommendation to keep the base open as an Air Force asset should privatization fail to produce the cost savings the Air Force hopes to achieve.

Best regards.

Sincerely,



John Glenn  
United States Senator

JHG/sm

*John -  
I have discussed this matter with  
Secretary Wickard.  
As I understand it, the Air Force*

*(cont.)*

attitude can be summarized by saying that "we're not going to change the original privatization decision, no matter what", new information and more accurate data showing increased costs notwithstanding.

If the original objective was to get a designated "AF Base" off the roster, then it seems to me we could redesignate Newark as an Auxiliary Facility or whatever, and save money.

There may be occasional errors made in the BRAC process, errors that should be corrected when new information does not substantiate the original decision. I believe this to be such a case.

It is of major note that this is the only time that the GAO has recommended reconsideration of a BRAC decision.

I would like to discuss this with you  
next week

Sincerely,  
John

THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

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SAF



12 APR 1996

The Honorable John Glenn  
United States Senate  
Washington D.C. 20510-3601

Dear Senator Glenn:

Thank you for your letter of February 17, 1995, concerning the closure and privatization of Newark Air Force Base (AFB), Ohio. I regret the delay in responding to your letter.

I will continue reviewing both the points made in your letter as well as the Air Force's current approach to implementing this BRAC 93 directed closure. Later this month, Coopers and Lybrand will report on their own review of the Newark privatization initiative. Like you, I want to carefully review their analysis, before making a final judgment.

I must tell you that I had provided guidance to the Services early in the BRAC process that there would be a heavy burden of evidence required to reopen any already approved closure decision, in light of the obvious pressure that the Services would be under to readdress difficult decisions that had survived the scrutiny of past commissions. Additionally, while we have requested "redirects" to change a relatively small number of recommendations made by previous Commissions, we have never reversed a closure decision. For that to happen, we would need an exceedingly clear and compelling set of circumstances that would require us to do so.

In the case of depots, in particular, even if our BRAC 95 recommendations are approved, we will continue to have more capability than is needed to support our forces. There is excess capacity in the types of workload performed by Newark. Further, Newark's workload is not unique to the Air Force. For instance, the Navy routinely contracts out some of its inertial guidance system workload.

The Air Force is now embarked on an implementation approach that will evaluate privatization in place (PIP) at Newark as well as other implementation alternatives. We are aggressively pursuing the privatization alternative and I am confident that our approach will determine the most effective course of action to implement this closure. I am assured that no Air Force workload other than the five percent currently projected will

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workload incrementally as the workload at Newark declined or transfer it to other depots. The Commission's specific recommendation regarding Newark was:

"Newark AFB, Ohio is recommended for closure. The Aerospace Guidance and Metrology Center (AGMC) depot will be closed; some workload will move to other depot maintenance activities including the private sector."

The Air Force determined that privatization in place could be a viable strategy for closure of Newark AFB. The Air Force continues to believe, as it did in 1993, that privatization in place may provide a cost effective approach to closure while minimizing impact on mission support. Recognizing that this challenging concept (with little precedent) carries some risks, the Air Force has embarked upon an implementation strategy that should lessen those risks. As Secretary Widnall explained in her letter to you of February 7, 1995, we expect the actual cost associated with privatization in place to be known upon review of contractor cost proposals in late July 1995. The draft request for proposals (RFP) was issued on January 18, 1995, with the final RFP due for release very soon. We expect industry results by late July.

As the Air Force aggressively pursues the privatization in place option, they are also reassessing the costs and savings associated with alternatives which move AGMC workload to other organic depots. We have engaged a contractor to provide an independent cost assessment of these alternatives. These estimates will be used in determining the best direction for the disposition of the workload of Newark. The Air Force is pursuing this strategy to ensure that the most appropriate alternative for closing Newark is implemented. Please be assured that the Department is committed to ensuring that privatization in place, as well as our other alternatives, are given a full and fair evaluation.

The General Accounting Office (GAO), as you point out, did recommend a reevaluation of both the closure recommendation and the Air Force approach to implementing the decision through privatization in place. The report noted that since the closure of the Newark AFB/AGMC depot is the only instance where almost all of the work may be privatized in place, it merits careful consideration before implementation begins. The report further noted that the implementation of the Newark AFB/AGMC closure through privatization is still in the early phases, with many details yet to be worked out.

The concerns raised by the GAO were addressed by the Air Force in a fact paper which was provided to you on February 7, 1995. This critique was considered by the Air Force in its BRAC 95 deliberations. Additionally, the Deputy Under Secretary of

Defense for Logistics provided a formal response to this GAO report on March 8, 1995. As the GAO reported, the cost estimates to implement this closure through conversion to a contractor operation have grown from an estimated \$31 million to \$62 million. However, these additional funds should minimize operational risk during the transition period. Furthermore, if privatization in place is determined to be the best course of action, the competitive nature of the acquisition should drive down the one-time and recurring costs, possibly lower than the current budget estimate. The risk associated with transferring core workload to the private sector can also be mitigated if the facilities, people and equipment remain through privatization in place. I have enclosed a copy of the formal response to the GAO for your information.

I believe the Air Force strategy to examine both privatization in place and transfer of the workload to either other depots or contractors is sound. However, I appreciate the concerns expressed in your letter with respect to the costs associated with privatizing in place and other alternatives to close Newark. I recognize that every closure is controversial and warrants the most careful scrutiny possible. I also believe that the continuing oversight provided by the senior leadership of both the Air Force and the Office of the Secretary of Defense will provide for a sound decision for disposition of the workload at Newark.



Enclosure

Senator Glenn,  
Here is the promised detailed response. If you have any questions or comments, please call me directly.



OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON DC 20301-3000



8 MAR 1995

Ms. Donna M. Heivilin  
Director, Defense Management and NASA Issues  
National Security and International Affairs Division  
U.S. General Accounting Office  
Washington, DC 20548

Dear Ms. Heivilin:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) final report GAO/NSIAD-95-60, "AEROSPACE GUIDANCE AND METROLOGY CENTER: Cost Growth and Other Factors Affect Closure and Privatization" (GAO CODE 709110), OSD Case 9333-F. The DoD generally concurs with the report.

There is currently not enough data available to conclude that privatizing the Aerospace Guidance and Metrology Center (AGMC) workload in place is not a cost effective and viable alternative. The current Air Force strategy is to continue privatization-in-place to mitigate implementation and operational risks and reduce costs. Concurrently, the Air Force is reassessing organic alternatives (i.e., moving all the AGMC workloads to other Air Force and interservice depots) to determine the most cost and operationally effective approach to closing the Newark Air Force Base. The Air Force has engaged an independent contractor to provide an independent certification of the source selection board methodology/conclusions and an independent cost assessment of alternative approaches to privatization-in-place. The assessment of alternatives will be complete March 31, 1995. The true costs for privatization-in-place will be known upon review of contractor cost proposals in June, 1995. At that time, the Air Force will make a final determination of the disposition of the AGMC workload.

The detailed DoD comments on the report findings and recommendation are provided in the enclosure.

Sincerely,

  
James R. Klugh  
Deputy Under Secretary  
of Defense (Logistics)

Enclosure



GAO FINAL REPORT GAO/NSIAD-95-60  
(GAO CODE 709110) OSD CASE 9333-F

"AEROSPACE GUIDANCE AND METROLOGY CENTER: COST GROWTH  
AND OTHER FACTORS AFFECT CLOSURE AND PRIVATIZATION"

DEPARTMENT OF DEFENSE COMMENTS

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FINDINGS

- **FINDING A: Closure of the Aerospace Guidance and Metrology Center.** The GAO observed that, unlike other maintenance depot closures, the Newark Air Force Base Aerospace Guidance and Metrology Center (AFB/AGMC) closure implementation plan provides for continuing to perform the same missions at the facility after closure -- primarily as a privatized operation, although the Air Force would retain ownership of mission-related equipment valued at about \$326 million.

The GAO also observed that the DoD estimated that implementing the closure would cost \$31.3 million, would result in an annual savings of \$3.8 million, and have an 8-year payback period for closure and relocation expenses. The GAO estimated that the AFB/AGMC closure costs would be \$38.29 million, with a 13-year payback period. The GAO reported that the Defense Base Realignment and Closure Commission (BRAC) determined that the AGMC workload could either be contracted out or privatized-in-place -- although the BRAC noted that industry interest in privatization-in-place was limited. The GAO further reported that the Air Force has begun the implementation of the closure and privatization of the Newark AFB/AGMC. (pp. 1-4/GAO Final Report)

**DoD RESPONSE:** Concur. Closure of the Newark AFB and the privatization-in-place of the AGMC workload is under way. A draft request for proposal was released on January 18, 1995, with a high level of interest for this workload being shown by prospective industry bidders.

- **FINDING B: Air Force Implementation of Newark Air Force Base/Aerospace Guidance and Metrology Center Closure.** The GAO reported that implementation of the Newark AFB/AGMC closure through privatization is still in the early phases. The GAO found, however, that the Air Force has a three-pronged approach to implementing the BRAC decision, as follows:

- four systems -- representing about 3 percent of the AGMC existing depot maintenance workload -- will be transferred to other Air Force depots;

Enclosure

- ownership of the Newark AFB/AGMC property and facilities will be transferred to a local reuse commission; and

- the metrology and calibration mission will be continued at the AGMC -- with some functions privatized and another continued as an Air Force activity reporting to the AGMC Headquarters or one of the Air Logistics Centers.

The GAO reported that the Air Force originally planned to privatize all activities related to the metrology and calibration mission, but later determined that the materiel group manager function could not be privatized because the function is considered to be "inherently governmental" under a 1992 Office of Management and Budget policy letter. The GAO also reported that current plans call for retaining about 130 Government employees to provide the management function and contracting out the primary standards laboratory and technical order preparation. The GAO noted that the Air Force plans to retain ownership of mission-related maintenance and metrology and calibration equipment and provide those items as Government-furnished equipment to the winning contractor. Finally, the GAO reported that the Air Force has established a program management office at Hill Air Force Base, with contract award scheduled for late September 1995. (pp. 4-6/GAO Final Report)

**DoD RESPONSE:** Concur. The metrology and calibration mission are planned to remain in-place, but not as an entity of AGMC, since the base will be closed and the property transferred to the local community. The program management office at Hill AFB is on track, with the contract award planned for November 28, 1995.

- **FINDING C: Analysis of Cost and Savings Raises Concerns.** The GAO identified several concerns regarding the cost, savings, and payback period for the Air Force implementation of the AGMC BRAC decision, as follows:

- the projected cost of closing the AGMC has doubled and may increase further;

- the \$3.8 million annual savings projected to result from the AGMC closure is not likely to be realized because of potentially higher costs for contract administration, contractor profit, and possible recurring proprietary data costs; and

- the payback period could be extended to over 100 years, or never, depending upon the Air Force ability to contain one-time closure costs and recurring costs of performing the AGMC mission after privatization.

The GAO explained that in August 1994, the Air Force base closure group validated a Newark AFB/AGMC closure budget of \$62.2 million, or \$30.9 million more than

the original budget. The GAO pointed out that almost all of the increase is attributable to transition costs associated with transferring and separating personnel under the base closure process and for transferring a limited amount of workload to other Air Force depots.

The GAO reported that applying the DoD 1993 Cost of Base Realignment Actions (COBRA) model indicated that the payback period would be over 100 years. The GAO reported, however, that the DoD approved discount rate used in the COBRA has been reduced. Therefore, the GAO adjusted the model and recalculated the payback period, which showed the revised payback period to be 17 years. The GAO pointed out, however, that achieving a 17-year payback is dependent on no further increases in one-time closure costs and achieving the \$3.8 million annual post-closure operational cost savings originally projected by the DoD -- neither of which is likely because of cost uncertainties.

The GAO also discussed other potential closure costs not included in the Air Force estimate. The GAO reported one cost is the cost to acquire the right to provide data some equipment manufacturers consider proprietary to contractors expected to bid on the AGMC maintenance workload. In addition, the GAO reported that some Air Force officials estimated that, rather than achieving savings, annual recurring costs could actually exceed current costs of operations. The GAO also noted that a December 1994, meeting of the Acquisition Strategy Panel confirmed projected increased funding requirements. (pp. 6-8/GAO Final Report)

**DoD RESPONSE:** Concur. The Air Force has budgeted an additional \$31 million to close the Newark AFB. That additional budget for workload transition should minimize operational risk during the transition period by allowing the incoming contractor to train alongside the organic workforce and to demonstrate critical processes prior to assuming support for operational systems. Transition and recurring costs are currently unknown, since firm cost proposals are not due until mid-June 1995. Because of the competitive nature of the acquisition, one-time and recurring costs should be driven down and could possibly be lower than the current budget estimates.

- **FINDING D: Other Closure and Privatization Issues.** The GAO reported that other privatization issues relate to (1) proprietary data claims, (2) the effect of the closure on excess depot maintenance capacity, (3) the impact of privatizing core workload, (4) the segmentation of the metrology and calibration mission, and (5) the transfer of AGMC property and facilities to the local reuse commission. The GAO explained that the proprietary rights to technical data are unresolved for some workloads to be contracted out and could greatly increase the costs of privatization. The GAO asserted that proprietary data problems have already contributed to the delay of several key program milestones, including preparation of the statement of

work and acquisition and source selection plans, and are a potential barrier to the AGMC privatization.

The GAO observed that the privatization of the AGMC will not reduce excess capacity by the 1.7 million hours previously estimated if privatization-in-place is completed as currently planned. The GAO explained that, since many of the systems and components currently repaired at the AGMC are not repaired elsewhere, the AGMC depot maintenance capability does not generally duplicate repair capability found elsewhere. According to the GAO, it is planned that almost all the AGMC capability will be retained in place for use by private contractors, and the Air Force will retain ownership of depot plant and standards laboratory equipment. Under that arrangement, the GAO concluded it is difficult to understand how the DoD projects the elimination of 1.7 million hours of excess capacity.

With regard to privatization of core workload, the GAO observed that all of the AGMC maintenance workload has been identified as core work -- the capability maintained within organic Defense depots to meet readiness and sustainability requirements of the weapon systems that support the Joint Chiefs of Staff contingency scenarios. According to the GAO, the Air Force determined that 100 percent of the AGMC depot maintenance workload is core. The GAO noted that the AGMC is the only Air Force depot activity having all repair workload defined as core, with core capability at other air logistic center depots ranging from 59 percent at Sacramento to 84 percent at Warner Robins.

The GAO concluded that the current plan to retain part of the metrology and calibration mission to be performed by Air Force personnel, while privatizing the standards laboratory function, may be neither practicable, nor cost-effective. The GAO explained that the standards laboratory function is generally the training ground where Air Force civilian personnel develop the skills they need to perform the other metrology and calibration functions that will be continued at the AGMC as a Government operation. The GAO questioned the viability of having the Air Force interservice its metrology and calibration activities to the Army and/or the Navy, which have similar activities. The GAO added that a current memorandum of agreement among the three Military Departments provides that if one of the primary standards laboratories loses its capability, the remaining laboratories would assist in meeting calibration requirements.

Finally, the GAO discussed the transfer of property and facilities to the local reuse commission. The GAO explained that the AGMC privatization-in-place approach is based on transferring ownership of the Newark AFB/AGMC property and facilities -- which the Air Force estimates to be worth about \$331 million -- to the local reuse commission. According to the GAO, to make that approach work, the Air Force must transfer ownership of the property and facilities at no cost or less than fair market value. The GAO pointed out that to effect property transfer at

below estimated fair market value, the Air Force must explain the cost and approve the transfer. The GAO noted that a local reuse commission official believed the Newark AFB/AGMC property would be transferred to the commission at no cost and that it is questionable whether the commission would be interested in acquiring the property under other conditions. (pp. 8-11/GAO Final Report)

**DoD RESPONSE:** Concur. The AFMC is working the proprietary data issue through the source selection process. All manufacturers with proprietary data rights have agreed to allow, or will negotiate for, use of proprietary data under a privatization-in-place arrangement. While current budgets do not include costs associated with buying data rights, data costs could be minimal if the team of manufacturers holding rights is selected through the planned competitive bid process. However, through this competitive process, the Air Force is interested in reducing overall cost for that effort as opposed to any segment cost.

Privatization-in-place does not affect excess depot capacity; however, in divesting itself of the facilities and personnel through privatization-in-place at the AGMC, the Air Force could reduce its organic depot capacity by 1.7 million hours. The Air Force evaluated the risk associated with moving some of the core capability at the AGMC to non-core status by shifting it to the private sector. It was determined that the privatization-in-place option could mitigate the risk of transferring the workload out of core if the facilities, people, and equipment remained in place. The Air Force logistics mission is best served by the privatization-in-place option in this closure action. Such a strategy should preserve all the elements of an essential wartime capability at the least cost.

In an effort to maximize privatization at the AGMC, the Air Force chose to contract those functions that were not considered 'inherently governmental.' The Air Force Metrology and Calibration Materiel Group Management function is considered inherently governmental, due to the discretionary budget allocation authority and determinations of contractor conformance within its purview. However, the standards laboratory calibration workload and technical order generation remain viable candidates for privatization. Furthermore, all the AGMC workloads (maintenance, metrology, calibration, etc.) are being evaluated for their interservicing potential as an alternative to privatization-in-place. Uncertainties associated with the transfer of property and facilities to the local community are not considered impediments to privatization, since the AGMC facilities and property can be made available at any time with a lease in order to implement privatization-in-place. The Air Force is developing a property responsibility agreement with the local commission pending the outcome of the environmental assessment in March 1995. The Air Force is expecting to convey the property to the local commission under very favorable terms.

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## RECOMMENDATION

- **RECOMMENDATION:** The GAO recommended that the Secretary of Defense and the Secretary of the Air Force re-evaluate, as part of the ongoing Base Realignment and Closure 1995 process, both the DoD 1993 recommendation to close the Newark AFB/AGMC, and the Air Force approach to implementing the closure decision through privatization-in-place. (p. 11/GAO Final Report)

**DoD RESPONSE:** Partially concur. The Department agrees with the 1993 Defense Base Closure and Realignment Commission decision to close the Newark AFB/AGMC. The Department continues to have more depot maintenance capability than is needed to support the forces. The DoD must size depot maintenance infrastructure commensurate with the force structure that it supports.

The DoD agrees that the approach to implement the decision should not be limited to privatization-in-place. However, the Air Force maintains that closing the Newark AFB and privatizing the workload in place remains the best approach. The Air Force will continue privatization-in-place to reduce operational and implementation risks, and will evaluate the actual costs of the initiative. As the Air Force pursues the privatization-in-place option, it is also reassessing organic alternatives (i.e., moving all the AGMC workloads to other organic depots) to determine the most cost and operationally effective approach for closing the Newark AFB. In order to thoroughly evaluate the merits of those options, the Air Force has engaged an outside contractor to provide an independent certification of the source selection conclusions, as well as an independent cost assessment of organic alternatives. The assessment of organic alternatives should be complete in late March 1995, and actual costs for privatization-in-place will be known upon our review of the contractor cost proposals in late June 1995. At that time, the Air Force will make a determination of the best direction regarding the disposition of the workload at the Newark AFB.



SECRETARY OF THE AIR FORCE  
WASHINGTON

FEB 07 1995

The Honorable John Glenn  
United States Senate  
Washington, DC 20510-3601

Dear Senator Glenn:

This is in response to your letter of December 16, 1994, concerning the closure and privatization of Newark Air Force Base (AFB), Ohio.

During the 1993 BRAC process, the Air Force determined that privatization in place (PIP) could be a viable option for closure of Newark AFB. We believed then, as we do now, that PIP may provide the greatest potential for savings with least impact on mission support. While we recognize PIP is a challenging concept with little precedence and one which carries some acquisition and implementation risks, we believe we have initiated an acquisition strategy which should lessen these risks, while retaining access to the valuable personnel and capital assets available at Newark.

Your point about the workload at Newark being considered 100 percent "core" is correct. During the 1993 BRAC deliberations, the Air Force evaluated the risk associated with moving this capability to non-core status by shifting it to the private sector. Our assessment was that the PIP option could mitigate the risk of transferring the workload out of core if the facilities, people and equipment remained in place.

We have reviewed the GAO report and understand their findings; however, we believe that closing Newark AFB and privatizing the workload in place remains the best direction for the Air Force. At this time, there is simply not enough hard data to conclude otherwise. The current Air Force strategy is to continue to work PIP to reduce operational and implementation risks, and to evaluate the actual costs of this initiative. As we pursue the PIP option, we are also reassessing organic alternatives (i.e., moving all AGMC workloads to other organic depots) to determine the most cost and operationally effective approach for closing Newark AFB. In order to thoroughly evaluate the merits of these options, we have engaged an outside contractor to provide an independent certification of the source selection conclusions as well as an independent cost assessment of organic alternatives.

I anticipate that our assessments of these alternatives will be complete in late March 1995 and actual costs for PIP will be known upon our review of contractor cost proposals in late June 1995. At that time, the Commander of the Air Force Materiel Command will make a determination of the best direction for the Air Force regarding the disposition of the workload at Newark.

The attached fact paper provides a summary analysis of the Air Force's position on the GAO findings and recommendation.

Sincerely,

A handwritten signature in black ink, appearing to read "Sheila E. Widnall", written in a cursive style.

Sheila E. Widnall  
Secretary of the Air Force

Attachment:  
Fact Paper

# **Fact Paper**

## **on**

### **The GAO and Newark AFB**

#### **Background:**

- At the direction of the HASC the GAO conducted a study on the closure of DOD depots due to BRAC 88, 91, and 93 decisions.
- As a part of this study, the GAO took a look at the closure of Newark AFB and the privatization in place (PIP) of the Aerospace Guidance and Metrology Center (AGMC).

#### **Discussion:**

- In their report, GAO identified concerns regarding this closure and the PIP concept:
  - **Costs, savings, and payback period**
    - GAO points out that one time costs have doubled, recurring costs could exceed the cost of current AF operations, and payback period could range between 17 - 100 years
    - **AF comments:** The Air Force has budgeted an additional \$31 million to close Newark AFB above the original \$31 million cited in the 93 BRAC Report
      - This additional budget for workload transition minimizes operational risk
      - Transition and recurring costs are currently unknown
        - Competition should drive costs down
        - Firm cost proposals due mid June 95
  - **Proprietary data claims**
    - GAO identified a potential barrier to PIP if proprietary data rights are not secured for use under PIP arrangement
    - **AF comments:** AFMC is working the proprietary data issue
      - All manufacturers with proprietary data rights have agreed to allow, or will negotiate for, use of proprietary data under PIP
      - Current budgets do not include costs associated with buying data rights
        - Data costs could be minimal if team of manufacturers holding rights is selected
  - **Segmentation of metrology and calibration mission**
    - GAO identified an inconsistency with contracting the standards laboratory while keeping the metrology/calibration management function organic
    - GAO also pointed out the interservice potential of these functions
    - **AF comments:** In an effort to maximize privatization at AGMC, the AF chose to contract those functions that were not considered 'inherently governmental'
      - The standards lab remains a viable candidate for privatization
    - Interservicing all AGMC workloads is being evaluated as an alternative to PIP

- Effect on excess capacity
  - GAO states the closure will not reduce excess depot maintenance capacity by the amount previously estimated
  - AF comments: PIP does not affect *excess* depot capacity, however, in divesting itself of the facilities and personnel through PIP at AGMC, the AF will reduce its organic depot capacity by 1.7 million hours
- Privatization of core workload
  - GAO identified an inconsistency with contracting out 'core' workload
  - AF comments: AF logistics mission best served by PIP option
  - GAO point about the capability at Newark being considered 100% 'core' is correct
  - AF evaluated the risk associated with moving some of this capability to above-core status by shifting it to the private sector
    - PIP option could mitigate the risk of transferring the workload out of core if the facilities, people, and equipment remained in place
    - Strategy preserves all elements of an essential wartime capability
  - Moving workload to other organic depots potentially more costly than PIP
    - Replication of specialized facilities expensive and uncertain under budgetary reductions associated with the drawdown in defense
    - Keeps unique capability on line to support potential contingencies; avoids periods of degraded capability incumbent in workload moves
    - Potential loss of seasoned technicians not moving with the workload
- Transfer of property/facilities to local reuse commission
  - GAO identified uncertainties associated with this transfer due to fair market value determination and lack of agreements between AF and local reuse commission on assuming responsibility for property/facilities
  - AF comments: Not a show-stopper as the property can be made available at any time with a lease in order to implement PIP
    - AF is working a property responsibility agreement with the local commission pending the outcome of the environmental assessment-Mar 95
    - Expecting to convey the property to the local commission under very favorable terms

**GAO Recommendations:**

- **SECAF and SECDEF reevaluate as a part of the 95 BRAC process:**
  - **DOD's 1993 recommendation to close Newark/AGMC**
  - **AF approach to implementing the closure decision through PIP**

**AF Response:**

- **In our view, there is not enough data at this time to conclude that closing the base and privatizing in place is NOT the direction the AF should go**
  
- **Current strategy**
  - **Continue to work PIP to reduce cost and risk**
  - **Continue to assess alternatives to PIP**
    - **Moving all AGMC workloads to other AF and interservice depots**
    - **Due late March 95**
  - **Determine actual PIP costs through source selection**
    - **Should be known late June 95**
  - **Use independent contractor in source selection activities and alternatives analysis to provide**
    - **Independent certification expressing agreement with source selection methodology and conclusions**
    - **Independent cost assessment of alternative approaches to PIP**
  - **AFMC/CC determine best alternative for disposition of workload**

# Fact Paper

## on

### The GAO and Newark AFB

#### Background:

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- As a part of this study, the GAO took a look at the closure of Newark AFB and the privatization in place (PIP) of the Aerospace Guidance and Metrology Center (AGMC).

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  - AFMC/CC determine best alternative for disposition of workload

- GOVERNMENTAL AFFAIRS
- ARMED SERVICES
- SELECT COMMITTEE ON INTELLIGENCE
- SPECIAL COMMITTEE ON AGING

# United States Senate

WASHINGTON, DC 20510-3501

March 30, 1995

Please refer to this number  
when responding 950404-12

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

Dear Mr. ~~Chairman~~: —

In March 1993, the Air Force recommended closing Newark Air Force Base in Heath, Ohio. Newark is the home of the Aerospace Guidance and Metrology Center (AGMC) which serves as a depot for the repair of Air Force and some Navy inertial guidance and inertial navigation systems and components. Newark also performs Air Force metrology and calibration and operates the Air Force Measurement Standards Laboratory.

In its recommendation to close Newark, the Air Force indicated that "some workload will move to other depot maintenance activities including the private sector" but anticipated "that most will be privatized in place." (Defense Base Closure and Realignment Commission 1993 Report to the President, page 1-82).

**THE ORIGINAL JUSTIFICATION AND COMMISSION REVIEW:** Citing its excess depot capacity, the Air Force justified its recommendation stating only that when applying the eight criteria in the depot subcategory, "Newark AFB ranked low in comparison to the other five depot bases." (1993 Report to the President). The Air Force further justified closure by stating that the "military value of the base is low because it does not have an airfield and it is not a traditional Air Force base in any respect." (1993 Report to the President).

Closure was viewed as "consistent with OSD guidance to reduce excess depot capacity, economize depot management, and increase competition and privatization in DoD." (1993 Report to the President). Closure of Newark was estimated to reduce excess depot capacity by 1.7 million "direct product actual hours." (1993 Report to the President). Further, because Newark is "a stand alone, highly technical, industrial plant . . . operated predominantly by a civilian work force" it was considered "conducive to conversion to the private sector." (1993 Report to the President).

The Honorable Alan J. Dixon  
March 30, 1995  
Page Two

The Air Force estimated that the one-time closure cost would be \$31.3 million and that the annual savings after closure would be \$3.8 million. Achieving the return on investment would take eight years.

The 1993 Base Closure Commission found that the Air Force recommendation to close Newark "did not deviate substantially from the force structure plan and final criteria" and approved the recommendation. (1993 Report to the President). The Commission specifically rejected the community's arguments that the workload at Newark is unique and instead stated that "contractor facilities presently have the repair capability and have been doing it for years." (1993 Report to the President). The Commission also determined that Newark had not been penalized because it did not have a runway.

At the time of the recommendation, GAO concluded that the cost of closing the base had been underestimated by about \$7 million. GAO also found that after a period of 20 years, the net present value of closing Newark would be only \$599,000.

GAO'S NEW INFORMATION AND RECOMMENDATION: GAO has since conducted another review of the closure recommendation, a copy of which is attached. GAO determined in that report that the closure and privatization decisions should be reconsidered. I note that this is the only recommendation GAO has ever made to overturn a previous base closure decision.

The import of this recommendation is captured by GAO's statement on page 13 of its report:

DOD historically has encountered difficulties in trying to close military bases. This makes us reluctant -- absent very compelling reasons -- to recommend that DOD revisit prior decisions of the Base Realignment and Closure Commission. However, we believe that the problems being faced in implementing this decision are of such an unusual nature to warrant revisiting the planned closure and privatization of AGMC. Therefore, we recommend that the Secretaries of the Air Force and Defense reevaluate, as part of the ongoing BRAC 1995 process, both DOD's 1993 recommendation to close Newark AFB/AGMC and the Air Force's approach to implementing the closure decision through privatization-in-place.

The Honorable Alan J. Dixon  
March 30, 1995  
Page Three

**EXCESS DEPOT CAPACITY:** Contrary to the Air Force's original justification for the closure, GAO found that privatization will not eliminate excess depot capacity because the work performed at Newark is unique and the Air Force continues to have a requirement for it.

The Air Force's "Fact Paper on The GAO and Newark AFB," a copy of which is attached, does not try to defend its original position. Rather, it merely dismisses the contention and states that privatization in place "does not affect **excess** depot capacity, however, in divesting itself of the facilities and personnel through [privatization in place] at AGMC, the AF will reduce its organic depot capacity by 1.7 million hours." (Air Force Fact Paper, page 2, emphasis in original).

At the same time that the Air Force dismisses elimination of excess depot capacity as the motivation for closing Newark, the Air Force recognizes that privatization may not work and that it may be forced to move Newark's workload to other Air Logistics Centers, a plan the Air Force now refers to as "Plan B."

The Air Force may pursue Plan B despite the fact that the Air Force knows that "moving workload to other organic depots [is] potentially more costly than [privatization in place]." (Air Force Fact Paper, page 2). I, myself, have seen Air Force documents stating that when this option was reviewed in preparation for the 1993 round of base closures the Air Force estimated that it would cost \$267 million to move the workload to other depots, i.e. \$267 million just to replicate the facilities at Newark.

More recent Air Force estimates place Plan B's one time cost at \$287 million with an annual recurring cost of \$32 million. This approach certainly would do nothing to reduce excess depot capacity, Air Force or otherwise, and would simply ask the American taxpayer to pay hundreds of millions of dollars for something they already own. (See attached "Plan B" charts).

**100% CORE WORKLOAD:** GAO further found that 100% of the workload at Newark is considered to be "core" Air Force workload, which suggests the base has significant military value, the primary criteria for evaluating whether to close a base. Moreover, DoD guidance provides: "To control risk, the Department's CORE depot maintenance concept provides for identification and quantification of specific capabilities that need to be resident in organic depots. This ability to guarantee delivery of flexible and responsive industrial support represents the essence of DoD's depot maintenance mission." A copy of this guidance is attached.

The Honorable Alan J. Dixon  
March 30, 1995  
Page Four

The Air Force Fact Paper admits that Newark's workload is 100% core but makes no attempt to address the inconsistency presented in recommending that the workload at the only Air Force depot that is 100% core should be privatized.

PRIVATIZATION WILL NOT SAVE MONEY: GAO also found that the closure does not make sense from an economic standpoint. The one time closure costs have doubled in one year from \$31 million to \$62.2 million. This figure does not take into account non-BRAC funded costs such as \$4.86 million for interim health care benefits for separated government employees and other costs like the potential costs associated with purchasing proprietary data. In part because the Air Force has failed to consider these costs, GAO found that the projected annual savings are unlikely to occur.

On this point, the Air Force admits that the closure costs have doubled because "transition and *recurring* costs are currently unknown." (Air Force Fact Paper, page 1, emphasis added).

GAO further indicates that projected increased costs for contractor operation of Newark were confirmed by an "Air Force Acquisition Strategy Panel" and that over the 5 year period between 1996 and 2000 the Air Force will pay \$456 million more than the estimated costs of government operations over the same time period.

An Air Force Space Command message to Air Force Materiel Command, a copy of which is attached, confirms that Space Command, just one of Newark's customers, expects to experience a \$50-60 million annual funding shortfall under privatization in place. The magnitude of this expected increase is revealed when you consider that the value of all the workload at Newark is only approximately \$80-90 million per year.

The Air Force Fact Paper, ostensibly intended to rebut the GAO report, does not even address this central GAO concern that the cost of the work currently performed at Newark is expected to rise by nearly a half a billion dollars over the next five years as a consequence of privatization in place.

Instead, the Air Force concludes, notwithstanding the input cited above from the Space Command, that "there is not enough hard data at this time to conclude that closing the base and privatizing in place is NOT the direction the AF should go." (Air Force Fact Paper, page 3, emphasis in original).

The Honorable Alan J. Dixon  
March 30, 1995  
Page Five

GAO identified another cost that could further "greatly" increase the cost of privatization. The Air Force will have to purchase proprietary rights to technical data in order to privatize the work at Newark. The Air Force indicates that the rights will be available but admits that "current budgets do not include costs associated with buying the data rights."

In the final analysis, the Air Force does not try to dispute GAO's report, but instead maintains only that privatization in place "may provide the greatest potential savings with least impact on mission support."

As I expressed to Deputy Secretary John Deutch, the Air Force's attitude seems to be "we're not going to change the original privatization decision, no matter what," i.e., regardless of the increasing cost estimates and GAO's analysis of the situation.

It appears that the Air Force was simply trying to mark a base off of its rolls. In my view, the operative question shouldn't be whether the Air Force closed a base or a depot. Rather, it should be whether the closure in the end is going to save the taxpayer money. The decision in this case actually costs the taxpayer more money.

The reason why it is so important for the Commission to revisit the 1993 closure decision is because by law the base must close. In order to meet these legal requirements, the Air Force either will have to privatize the workload and potentially incur an additional \$456 million in costs for the work currently performed at Newark or move the workload to other Air Force depots and incur an additional \$342 million to replicate the facilities at Newark. Neither of these outcomes should be allowed to occur. A reversal by the Commission of the 1993 decision is the only way to avoid them.

In summary, the Commission should reexamine the closure decision because the original Air Force cost estimates were inconclusive and the Air Force's cost estimates have greatly increased since 1993, taking away any purported savings or advantage from closure. Finally, I point out again that this is the only time GAO has felt compelled to recommend revisiting a closure decision.

The Honorable Alan J. Dixon  
March 30, 1995  
Page Six

Alan, I believe I am right on this issue. Please review this closely and see if you don't agree.

Best regards.

Sincerely,



John Glenn  
United States Senator

JHG/sm

- Enclosures:
- 1) Excerpt 1993 BRAC Report to the President
  - 2) GAO Report
  - 3) Air Force Fact Paper
  - 4) "Plan B" Charts
  - 5) DoD Guidance on Core Workload
  - 6) Space Command Message

*I would welcome the opportunity  
to discuss this —*

*Best regards —*

DEFENSE  
BASE CLOSURE  
AND  
REALIGNMENT  
COMMISSION

1993  
REPORT  
TO THE  
PRESIDENT

development that would otherwise be eligible for federal financial assistance to serve the needs of civil aviation at the receiving location), environmental impact analyses, moving, and any added costs of environmental cleanup resulting from higher standards or a faster schedule than DoD would be obliged to meet if the base did not close, without any cost whatsoever to the federal government, and further provided that the closure/realignment must begin by July 1995 and be completed by July 1998. Chicago would also have to fund the cost of relocating the Army Reserve activity, or leave it in place. If these conditions are not met, the units should remain at O'Hare International Airport. The Commission finds this recommendation is consistent with the force-structure plan and final criteria.

### **Other Air Force Bases**

#### **Gentile Air Force Station**

##### **Dayton, Ohio**

*Category: Air Force Station*

*Mission: Principal and host organization is the Defense Electronics Supply Center. In addition there are over 20 tenant activities.*

*One-Time Cost: N/A*

*Savings: 1994-99: N/A*

*Annual: N/A*

*Payback: N/A*

#### **SECRETARY OF DEFENSE RECOMMENDATION**

None. The Commission added this military installation to the list of installations recommended for closure or realignment.

#### **COMMUNITY CONCERNS**

The community was primarily interested in retaining the Defense Electronics Supply Center (DESC) as the host on Gentile AFS. It argued keeping DESC at Gentile AFS was more cost effective than relocating the mission to Columbus, Ohio, as recommended by DoD.

#### **COMMISSION FINDINGS**

The Commission found closing the Defense Electronics Supply Center and relocating it at the Defense Construction Supply Center, along

with most of the other Gentile Air Force Station tenants, streamlined operations and cut cost. However, the Defense Switching Network will remain as the sole tenant of Gentile Air Force Station, with the possibility of being phased out within three to four years. The Commission did not ascertain costs associated with closure of Gentile AFS. The closure would be relatively inexpensive because Gentile is a small installation, owned by the Air Force (Wright Patterson AFB), which would be vacant except for the automatic switching center.

#### **COMMISSION RECOMMENDATION**

The Commission finds the Secretary of Defense deviated substantially from final criterion 1. Therefore, the Commission recommends the following: close Gentile Air Force Station, Dayton, Ohio, except for space required to operate the Defense Switching Network. The Commission finds this recommendation is consistent with the force-structure plan and final criteria.

### **Air Force Depots**

#### **Newark Air Force Base, Ohio**

*Category: Depot*

*Mission: Aerospace Guidance and Metrology Center*

*One-time Cost: \$ 31.3 million*

*Savings: 1994-99: \$-17.1 million (cost)*

*Annual: \$ 3.8 million*

*Payback: 8 years*

#### **SECRETARY OF DEFENSE RECOMMENDATION**

Newark AFB, Ohio, is recommended for closure. The Aerospace Guidance and Metrology Center (AGMC) depot will be closed; some workload will move to other depot maintenance activities including the private sector. We anticipate that most will be privatized in place.

#### **SECRETARY OF DEFENSE JUSTIFICATION**

Due to significant reductions in force structure, the Air Force has an excess depot maintenance capacity of at least 8.7 million Direct Product Actual Hours (DPAH). When all eight criteria

are applied to the bases in the depot subcategory, Newark AFB ranked low in comparison to the other five depot bases. The long-term military value of the base is low because it does not have an airfield and it is not a traditional Air Force base in any respect. Instead, it is a stand-alone, highly technical, industrial plant that is operated predominantly by a civilian work force. As a result, it is conducive to conversion to the private sector. The closure of Newark AFB will reduce the Air Force excess depot capacity by 1.7 million DPAH and is consistent with OSD guidance to reduce excess capacity, economize depot management, and increase competition and privatization in DoD.

All six Air Force depots were considered for closure equally in a process that conformed to the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510), as amended, and Office of the Secretary of Defense (OSD) guidance. Each base hosting an Air Force depot was evaluated against the eight DoD selection criteria and a large number of subelements specific to Air Force bases, depots, and missions. Extensive data, gathered to support the evaluation of these bases under each criterion, was reviewed by the Base Closure Executive Group (Executive Group). The Executive Group is a group of seven general officers and six Senior Executive Service career civilians appointed by the Secretary of the Air Force (SECAF). SECAF made the decision to close Newark AFB with the advice of the Air Force Chief of Staff and in consultation with the Executive Group.

#### COMMUNITY CONCERNS

The community argued the facilities at Newark AFB were unique, and replication of the workload elsewhere was not cost-effective. The community believed the facility was the single center for repair of strategic-missile guidance systems and certain aircraft inertial navigation systems and, therefore, should remain open. The community also maintained the seismic stability of the facility was critical to both repair functions, and Newark AFB was the only center available to meet these requirements.

Additionally, the community believed privatization could not be accomplished without significant cost to the USAF, and was not economically feasible. The community also believed the base was unfairly penalized for absence of a runway. Community officials argued a runway was not needed for the Aerospace Guidance and Metrology Center mission; in fact, it would jeopardize seismic stability. Additionally, cross-utilization of personnel capable of repairing both inertial-navigation and inertial-guidance systems was critical during crises as proven during the base's support of Operation Desert Shield/Desert Storm. The community also argued it was inconsistent to retain Minuteman III bases, yet privatize the only guidance system repair capability for this weapon system.

#### COMMISSION FINDINGS

The Commission found the workload at Newark AFB is not unique. Contractor facilities presently have the repair capability and have been doing it for years. The workload can either be contracted out to one or more of several existing manufacturers or privatized in place. It appears industry interest in privatization in place is limited. Thus, if privatization is not a viable option, the Air Force can contract the required workload incrementally as the workload at Newark declines. Additionally, in response to the community's question regarding being penalized for lack of a runway, the Commission found Newark AFB did not receive a negative rating for lack of a runway, thus there was no negative impact to the base's overall performance rating.

#### COMMISSION RECOMMENDATION

The Commission finds the Secretary of Defense did not deviate substantially from the force-structure plan and final criteria. Therefore, the Commission recommends the following: Newark AFB, Ohio is recommended for closure. The Aerospace Guidance and Metrology Center (AGMC) depot will be closed; some workload will move to other depot maintenance activities including the private sector.

United States General Accounting Office  
Report to Congressional Requesters

GAO

Dec--1994

AEROSPACE GUIDANCE/METROLOGY CENTER:

Cost Growth and Other Factors  
Affect Closure and Privatization



Printed copies of this document will be available shortly.

GAO/NSIAD-95-60

GAO Form 171 (12/87)

National Security and  
International Affairs Division  
B-259135

December 9, 1994

The Honorable Earl Hutto  
Chairman  
The Honorable John R. Kasich  
Ranking Minority Member  
Subcommittee on Readiness  
Committee on Armed Services  
House of Representatives

At your request, we reviewed selected issues related to the implementation of maintenance depot closures and realignments resulting from prior Defense Base Closure and Realignment Commission (BRAC) decisions (see app. I for issues being reviewed). The Aerospace Guidance and Metrology Center (AGMC) at Newark Air Force Base (AFB), Ohio, is one of the activities being covered by this review. Unlike other depot closures, the Newark AFB/AGMC implementation plan provides for continuing to perform the same missions at this facility after closure--largely as a privatized operation, although the Air Force would retain ownership of mission-related equipment valued at about \$326 million.

Recently we briefed your office on (1) the cost and savings issue related to the Newark AFB/AGMC facility closure and privatization and (2) other closure and privatization issues. As you asked, we are providing this report on the areas discussed at that briefing and will report later on findings related to the closure of all maintenance depots.

#### BACKGROUND

The sole purpose of Newark AFB is to house and support the large industrial complex comprising the AGMC. Supporting

The following maintenance depots have been identified for closure: Lexington/Bluegrass Army Depot, Sacramento Army Depot, Tooele Army Depot, Pensacola Naval Aviation Depot, Alameda Naval Aviation Depot, Norfolk Naval Aviation Depot, Philadelphia Naval Shipyard, Mare Island Naval Shipyard, and Aerospace Guidance and Metrology Center.

B-259135

In its second Air Force mission, metrology and calibration, AGMC performs overall technical direction and management of the Air Force Metrology and Calibration program and operates the Air Force Measurement Standards Laboratory. About 200 personnel are involved in the metrology and calibration mission--109 in generating technical orders, certification of calibration equipment, and management operations and 89 in the standards laboratory. As the single manager for the Air Force Metrology and Calibration Program, AGMC provides all metrology engineering services for the Air Force. The standards laboratory complex, consisting of 47 laboratories, serves as the primary laboratory for calibrating and certifying measurement standards used worldwide in all Air Force precision measurement equipment laboratories. In fiscal year 1994, the standards laboratory produced about 11,500 calibrated items.

The Department of Defense (DOD) considered AGMC's work conducive to conversion to the private sector and recommended closing Newark AFB/AGMC through privatization and/or transferring the workload to other depots. DOD justified closure by (1) identifying at least 8.7 million hours of excess Air Force depot maintenance capacity, with closure of AGMC expected to reduce this excess by 1.7 million hours;<sup>6</sup> and (2) applying the eight base closure criteria to Air Force bases having depots and ranking Newark AFB low relative to the others (see app. II for base closure criteria). DOD assigned a low military value to Newark AFB primarily because it was a single mission base with no airfield.

DOD estimated that implementing its recommendation on Newark AFB/AGMC would cost \$31.3 million, result in an annual savings of \$3.8 million, and have an 8-year payback period for closure and relocation expenses. In our report on the base closure and realignment recommendations and selection process, we estimated that the Newark AFB/AGMC closure costs would be \$38.29 million, with a 13-year payback period.<sup>7</sup> BRAC determined that the AGMC workload could either be

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<sup>6</sup>The 1.7 million hours come from historical figures for direct product actual hours for the depot maintenance industrial fund activity at AGMC. AGMC downsized in fiscal years 1991 and 1993 to a 1.0 million hour capacity based on changes in the force structure.

<sup>7</sup>Military Bases: Analysis of DOD's Recommendations and Selection Process for Closure and Realignments (GAO/NSIAD-93-173, Apr. 15, 1993).

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contracted out or privatized-in-place at the same location, although the Commission noted that industry interest in privatization-in-place was limited. The Commission recommended closing Newark AFB/AGMC--noting that some workload will move to other depot maintenance activities, including the private sector. The President agreed with the overall BRAC recommendations dealing with maintenance depots, including the closure of AGMC. The Congress did not challenge the overall BRAC recommendations. The Air Force has begun the implementation of the closure and privatization of Newark AFB/AGMC.

#### RESULTS IN BRIEF

The justification of closing Newark AFB/AGMC is not clear. To date, the closure of Newark AFB/AGMC is the only depot closure where almost all of the work may be privatized-in-place. As such, we believe it merits careful consideration before implementation proceeds. There are a number of issues associated with this privatization that are barriers to its implementation. Also, some projected costs are rising, while others are yet to be determined. One-time closure costs have doubled in the past year and may still be underestimated. As a result, the payback period has increased to at least 17 years and as much as over 100 years--depending on the assumptions used. Moreover, projected costs of conducting post-privatization operations could exceed the cost of current Air Force operations and reduce or eliminate projected savings.

Other closure and privatization matters create uncertainty about the viability of the Air Force's planned action:

- (1) the disposition of equipment manufacturers' proprietary data claims, which are a potential barrier to privatization and could significantly increase closure costs and/or post-closure operation costs;
- (2) the failure of the closure/privatization to reduce excess depot maintenance capacity by the 1.7 million hours previously estimated;
- (3) the incongruity of privatizing workload that the Air Force has defined as "core" capability that generally should be retained in the DOD depot system;
- (4) the practicability or cost-effectiveness of privatizing parts of the metrology and calibration mission while retaining the management function as a government activity; and
- (5) the delay in reaching agreement regarding the transfer of property and facilities to the local reuse commission.

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AIR FORCE IMPLEMENTATION OF NEWARK AFB/AGMC CLOSURE

Implementation of the Newark AFB/AGMC closure through privatization is still in the early phases, with many details yet to be worked out. In general, the Air Force has developed a three-pronged approach to implementing BRAC's decision. First, four systems, representing about 3 percent of AGMC's existing depot maintenance workload, will be transferred to other Air Force depots.<sup>4</sup> Second, ownership of the Newark AFB/AGMC property and facilities will be transferred to a local reuse commission. The commission is to lease space to one prime guidance system repair contractor that will provide depot maintenance work, one prime metrology contractor that will perform calibrations and author calibration manuals, and the remaining organic metrology program management contingent. While privatization-in-place is the goal, based on a strategy option announced in the Commerce Business Daily, contractors may elect to move workload to other facilities. Hypothetically, this option could result in all workload moving to other contractor locations--should the winning contractor(s) demonstrate that moving workload to other locations would provide the best value to the government. Third, the metrology and calibration mission will be continued at AGMC, with some functions privatized and another continued as an Air Force activity reporting to AFMC Headquarters or one of the ALCs.

The Air Force originally planned to privatize all activities related to the metrology and calibration mission, but it later determined that the Air Force Metrology and Calibration Program's materiel group manager function could not be privatized because it is a function considered to be "inherently governmental."<sup>5</sup> In performing this function, AGMC civilian and military employees provide policy and direction for all precision measurement equipment

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<sup>4</sup>The Air Force determined that relocation was practicable and cost-effective for sextants, ARC-200 radios, clocks, and some test measurement and diagnostic equipment.

<sup>5</sup>Office of Management and Budget Policy Letter 92-1, Sept. 23, 1992, provides that an inherently governmental function is "...so intimately related to the public interest as to mandate performance by Government employees. These functions include those activities which require either the exercise of discretion in applying Government authority or the making of value judgements in making decisions for the Government."

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laboratories Air Force wide, inspect these laboratories for compliance with required policies and procedures, and procure calibration standards<sup>10</sup> used in calibration laboratories.

Current plans for the metrology and calibration program provide for (1) retaining about 130 government employees to provide the metrology and calibration management function--with the Air Force leasing space at AGMC from the local reuse commission and (2) contracting out the primary standards laboratory and technical order preparation, which will also remain at AGMC, with the contractor leasing space from the reuse commission.

The Air Force plans to retain ownership of mission-related maintenance and metrology and calibration equipment, which will be provided to the winning contractor(s) as government-furnished equipment. AGMC accountable records indicate the value of the depot maintenance equipment is \$297.5 million and the value of the metrology and calibration equipment \$28.5 million. Details such as the cost of the lease arrangement, allocation of utility and support costs between the Air Force and contractor(s), and the determination of whether the government or the contractor will be responsible for maintaining the equipment are not yet known.

To manage the AGMC privatization, the Air Force established a program management office at Hill AFB. This office is responsible for developing the statement of work, request for proposal, acquisition plan, source selection plan, and related documents. The award is scheduled for September 29, 1995. Several key milestones leading up to contract award have slipped, compressing the schedule for the remaining tasks in the pre-contract-award period. Air Force officials describe this schedule as optimistic. After contract award, the Air Force plans to initiate a phased process for transitioning individual maintenance workloads to the contractor. Air Force officials stated that this 12-month transition period reduces the risk of interrupting ongoing operations and allows the contractor(s) an opportunity to build up an infrastructure and trained workforce. However, according to the program management office, a "turn-key" transition where the contractor becomes fully responsible for the AGMC workload at one point in time is the preferred strategy of the ALC system managers and may be adopted.

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<sup>10</sup>The acquisition cost of this equipment is about \$10 million per year.

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ANALYSIS OF COST AND SAVINGS RAISES CONCERNS

Our work has identified several concerns regarding the cost, savings, and payback period for the Air Force's implementation of the AGMC BRAC decision. These include concerns that (1) the projected cost of closing AGMC has doubled and may increase further; (2) the \$3.8 million annual savings projected to result from AGMC's closure is not likely to be realized because of potentially higher costs for contract administration, contractor profit, possible recurring proprietary data costs, and other factors that have not been considered in the cost computation; and (3) the payback period could be extended to over 100 years or never, depending upon the Air Force's ability to contain one-time closure costs and recurring costs of performing the AGMC mission after privatization.

Recognizing that projected closure costs have increased, in August 1994, the Air Force base closure group validated a Newark AFB/AGMC closure budget of \$62.2 million.<sup>11</sup> This amount is \$30.9 million more than the original projection of \$31.3 million. Almost all of the increase is attributable to the estimated \$30.5 million transition cost to convert from Air Force to contractor operation. According to Air Force officials, the original cost estimate only included costs associated with transferring and separating personnel under the base closure process and for transferring a limited amount of workload to other Air Force depots. They noted that DOD has no prior experience with privatizing a large, complex depot maintenance facility. Additionally, since the development of the closure and privatization option for AGMC was done quickly, the time available to identify all the factors and costs associated with this option at the time of the 1993 BRAC was limited. \*

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<sup>11</sup>The Air Force considered a range of closure costs from \$47 million to \$76 million before validating the \$62.2 million estimate.

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We recomputed the payback period using DOD's 1993 Cost of Base Realignment Actions (COBRA) model.<sup>12</sup> We used the estimated nonrecurring costs validated by the Air Force in August 1994 (adjusted for inflation) and assumed that post-closure operations would result in \$3.8 million annual savings as DOD originally projected in 1993. The model indicated that, with these costs and assumptions, the payback period would be over 100 years rather than 8 years as originally projected by the Department. However, the DOD approved discount rate used in the COBRA model has been reduced from 7 percent in the 1993 BRAC process to 2.75 percent in 1995.<sup>13</sup> Consequently, we adjusted the COBRA model to the revised discount factor--holding all other variables constant--and found the revised payback period to be 17 years. Achieving a 17-year payback is dependent on no further increase in one-time closure costs and achieving the \$3.8 million annual post-closure operational cost savings originally projected by the Department. Our work has determined that neither of these assumptions is likely because of significant cost uncertainties.

While the Air Force has recognized that an estimated \$62.2 million will be required as BRAC funded costs of closure, it also recognizes there will be additional one-time closure costs not funded by BRAC. For example, an estimated \$4.86 million will be needed to cover costs such

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<sup>12</sup>DOD uses the COBRA model to estimate the return on investment of its closure and realignment decisions. The cost model consists of a set of formulas or algorithms that use standard factors and base-specific data in its calculations. Each DOD component had its own set of standard cost factors derived from readily available information. Some factors are identical for each component because they are mandated by regulation or law or prescribed by policy.

<sup>13</sup>COBRA algorithms incorporate a discount rate to calculate both the number of years required to obtain a return on investment and a 20-year net present value analysis. The source of identifying the appropriate discount rate is Office of Management and Budget Circular A-94, "Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs." In the 1993 BRAC, a discount rate of 7 percent was used, under the assumption that COBRA analyses were "base-case" benefit-cost analyses as defined by the Circular. DOD determined that the approved discount rate associated with "cost-effectiveness" analyses should be used for the 1995 BRAC.

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estimated \$4.86 million will be needed to cover costs such as interim health benefits for personnel separating from government employment. Also, there will be environmental cleanup costs of some undetermined amount. Thus far, \$3.62 million has been identified for environmental cleanup.

As already indicated, we have also identified other potential closure costs that the Air Force has not included. One is the cost to acquire the right to provide data some equipment manufacturers consider proprietary to contractors expecting to bid on the AGMC maintenance workload. Proprietary rights involve the claim of ownership by equipment manufacturers of some unique information, such as technical data, drawings, and repair processes, to protect the manufacturer's market position by prohibiting disclosure outside the government. An Air Force official said cost estimates were submitted by four equipment manufacturers claiming proprietary rights, and these estimates were "absurdly high." While we cannot identify what these additional one-time costs will be, any unidentified costs push the payback period even further.

At the time AGMC was identified for closure and privatization, DOD estimated \$68.09 million annual cost for contractor operations and \$71.84 million in net annual savings in personnel and overhead costs--resulting in an estimated annual savings of \$3.8 million. Recurring costs after AGMC closure and privatization probably cannot be determined with any degree of assurance until after contract negotiation and award. However, some Air Force officials have estimated that rather than achieving savings, annual recurring costs could actually exceed current costs of operations. For example, an Air Force Materiel Command (AFMC) memorandum noted that prevailing labor rates and private sector charges for similar items<sup>14</sup> suggest that it will be difficult to keep the annual contract value the same as the current annual civilian salary--a key assumption in achieving the originally projected \$3.8 million annual savings.

An AFMC analysis determined that, assuming these costs are comparable, additional costs for profit and contract

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<sup>14</sup>Analysis by the transition program management office determined that for 230 Air Force items currently repaired at AGMC that also have repair history in the private sector, the contractor costs were generally 1.5 to 3 times higher than the AGMC cost.

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\$1.8 million. Additional costs for proprietary data and taxes could increase the post-closure operation costs by \$3.8 million annually.

A November 1994 AFMC memorandum informed system managers of increased funding requirements for AGMC workloads to cover anticipated increases in costs of operation under privatization-in-place. A December 1994 meeting of the Acquisition Strategy Panel confirmed the projected increases. For example, the projected fiscal year 1997 costs after privatization-in-place were about 107 percent higher than projected costs under government operation. Additionally, the projected costs of contractor operations for the 5-year period between fiscal years 1996 and 2000 were estimated to be over \$456 million more than previously estimated costs of government operations over that period.

#### OTHER CLOSURE AND PRIVATIZATION ISSUES

Other privatization issues relate to (1) proprietary data claims, (2) the effect of the closure on excess depot maintenance capacity, (3) the impact of privatizing core workload, (4) the segmentation of the metrology and calibration mission, and (5) the transfer of AGMC property and facilities to the local reuse commission.

#### Proprietary Data Claims

The proprietary rights to technical data is unresolved for some workloads to be contracted out and could greatly increase the costs of privatization. In this case, when contractors have a legitimate claim of ownership, the government cannot make this information available to other private sector firms that compete for the AGMC maintenance workload. The amount of depot maintenance workload at AGMC that involves proprietary data, the extent to which owners of proprietary rights are willing to sell these rights to the government, or the potential cost of this acquisition have not been determined. Air Force officials noted they are investigating possible methods for the prospective bidders to gain the necessary data rights as part of their proposal. However, proprietary data problems have already contributed to the delay of several key program milestones, including preparation of the statement of work and acquisition and source selection plans, and are a potential barrier to the AGMC privatization.

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Effect on Excess Capacity

The privatization of AGMC will not reduce excess capacity by the 1.7 million hours previously estimated if privatization-in-place is completed as currently planned. Since many of the systems and components currently repaired at AGMC are not repaired elsewhere, the AGMC depot maintenance capability does not generally duplicate repair capability found elsewhere. Where duplicate capability exists, consolidating like repair workloads and eliminating redundancies would be expected to generate economies and efficiencies. Currently, it is planned that almost all the AGMC capability will be retained in place for use by private contractors. The Air Force will retain ownership of depot plant equipment and the standards laboratory equipment, which AGMC accountable records indicate are valued at about \$326 million. With this arrangement, it is difficult to understand how DOD projects the elimination of 1.7 million hours of excess capacity.

Privatization of Core Workload

All of AGMC's maintenance workload has been identified as core work to be retained in government facilities. Since 1993, when the Air Force recommended that AGMC be closed and privatized, each of the services identified depot maintenance capability for which it was considered essential that this capability be retained as organic DOD capability--referred to as core capability.<sup>15</sup> According to Office of the Secretary of Defense guidance, core exists to minimize operational risks and to guarantee required readiness for critical weapon systems. The Air Force determined that 100 percent of the AGMC depot maintenance workload is core. AGMC is the only Air Force depot activity having all its repair workload defined as core--with other depots' core capability ranging from 59 percent at Sacramento ALC to 84 percent at Warner Robins ALC. An AFMC memorandum noted some inconsistency in planning to contract out workload defined as 100 percent core, while continuing to support the need for retaining core capability in DOD

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<sup>15</sup>Core is defined by DOD as the capability maintained within organic Defense depots to meet readiness and sustainability requirements of the weapon systems that support the Joint Chiefs of Staff contingency scenario. Core depot maintenance capabilities are intended to comprise only the minimum facilities, equipment and skilled personnel necessary to ensure a ready and controlled source of required technical competence.

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facilities. However, the memorandum noted that the inherent risk of contracting out can be minimized if the workload is retained at AGMC as a result of privatization-in-place. Air Force officials stated that retaining government ownership of the mission-related equipment at AGMC is essential to controlling the risk of privatizing this critical core workload.

Segmentation of the Metrology and Calibration Mission

The current plan to retain part of the metrology and calibration mission to be performed by Air Force personnel while privatizing the standards laboratory function may be neither practicable nor cost-effective. We found that the standards laboratory function is generally the training ground where Air Force civilian personnel develop the skills they need to perform the other metrology and calibration functions that will be continued at AGMC as a government operation. We discussed this issue with personnel from both the Army and the Navy who maintain similar organic capabilities to support service metrology and calibration management functions. They noted that from their perspective, contracting part of this work while maintaining most of it as a government activity would not be desirable. Navy officials noted that 100 percent of their metrology and calibration program management personnel were formerly employed in the primary standards laboratory. Army and Navy officials stated that the experience and training gained from their prior work in laboratories was essential to performance of program management responsibilities.

We questioned the viability of having the Air Force interservice its metrology and calibration activities to the Army and/or Navy, which have similar activities. Army and Navy officials said they believe it would be possible to combine the Air Force metrology and calibration function with that of one or both of the other services. Air Force officials said they considered interservicing but determined that neither the Army nor the Navy facilities meet the tolerances required for calibrating some Air Force equipment or have the capacity to assume the Air Force workload. Army and Navy officials stated that an existing memorandum of agreement among the three military departments provides that if one of the primary standards laboratories loses its capability, the remaining laboratories would assist in meeting calibration requirements. These officials said they believe that interservicing or joint operations should be further considered by the Air Force.

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Transfer of Property and Facilities  
to Local Reuse Commission

The AGMC privatization-in-place approach is based on transferring ownership of the Newark AFB/AGMC property and facilities, which the Air Force estimates to be worth about \$331 million,<sup>16</sup> to the local reuse commission. To make this approach work, the Air Force must transfer ownership of the property and facilities at no cost or less than fair market value. Whether this transfer will take place is unclear since (1) the fair market value has not been determined and (2) agreements as to the cost of the property or means of payment and as to whether the reuse commission is willing to assume responsibility for operating the property and facilities have not been reached. To effect property transfer at below estimated fair market value, the Secretary of the Air Force must explain the cost and approve the transfer. Air Force officials noted that, pending results of the environmental impact analysis, they expect to convey the property through an economic development conveyance with very favorable terms to the local reuse commission.

A local reuse commission official told us that until recently the commission believed the Newark AFB/AGMC property would be transferred to the commission at no cost. The official noted that it is questionable whether the commission will be interested in acquiring the property under other conditions.

RECOMMENDATION

DOD historically has encountered difficulties in trying to close military bases. This makes us reluctant--absent very compelling reasons--to recommend that DOD revisit prior decisions of the Base Realignment and Closure Commission. However, we believe that the problems being faced in implementing this decision are of such an unusual nature to warrant revisiting the planned closure and privatization of AGMC. Therefore, we recommend that the Secretaries of the Air Force and Defense reevaluate, as a part of the ongoing BRAC 1995 process, both DOD's 1993 recommendation to close

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<sup>16</sup>This amount does not include the value of the mission-related depot plant equipment and the standards laboratory equipment, which will be retained as government-owned equipment.

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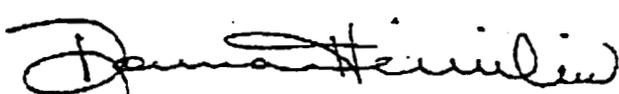
Newark AFB/AGMC and the Air Force's approach to implementing the closure decision through privatization-in-place.

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SCOPE AND METHODOLOGY

Part of the work on this assignment resulted from our ongoing effort to review various depot maintenance issues, including an analysis of the status of DOD's efforts to implement depot closures resulting from prior BRAC decisions. We completed work for this report in November 1994. We discussed a draft of this report with agency officials and have included their comments where appropriate. Our work was performed in accordance with generally accepted government auditing standards. Our scope and methodology are discussed in greater detail in appendix I.

Major contributors were Julia Denman, Assistant Director, and Frank Lawson.



Donna M. Heivilin  
Director, Defense Management  
and NASA Issues

## APPENDIX I

## APPENDIX I

SCOPE AND METHODOLOGY

You asked us to review how the Department of Defense (DOD) is managing various issues related to the closure of depot maintenance activities, including (1) the allocation of workload that is currently being performed at these activities, either to DOD activities or to the commercial sector; (2) policies and procedures for the disposition of equipment at these activities; (3) policies and procedures to provide the existing workforce opportunities for employment; (4) the potential for conversion of these activities into commercial repair activities; and (5) an update of DOD's estimates for closure costs and savings as a result of implementing prior Defense Base Closure and Realignment Commission (BRAC) decisions for depot closures.

We discussed the Newark Air Force Base closure and privatization of the Aerospace Guidance and Metrology Center (AGMC) with Air Force officials responsible for implementing the BRAC decision at AGMC, Air Force Materiel Command (AFMC), and Air Force headquarters. We also (1) discussed estimated closure costs and savings with Air Force officials at various locations, and (2) toured the AGMC facility, conducting interviews with center personnel and reviewing historical and evolving documentation. In addition, we contacted Defense Contract Management Command, Defense Contract Audit Agency, and AFMC contracting personnel for contract-related information and Army and Navy metrology officials responsible for the primary standards laboratories to obtain information on their capability to maintain the AGMC metrology workload and their views on privatizing part of the metrology functions while continuing to keep the management function as a government operation.

We analyzed laws, policies, and regulations governing core capability and Office of Management and Budget Circular A-76 and Policy Letter 92-1 for information on inherently governmental functions. To assess the impact of the increase in the estimated cost of closing Newark AFB/AGMC, we used the 1993 Cost of Base Realignment Actions model to calculate the closure and relocation cost payback period.

In conducting this review, we used the same reports and statistics the Air Force uses to monitor the cost of closure and estimate the recurring costs associated with AGMC privatization. We did not independently determine their reliability.

DOD CRITERIA FOR SELECTING BASES FOR CLOSURE OR REALIGNMENT

| Category             | Criteria  |
|----------------------|---|
| Military value       | The current and future mission requirements and the impact of operational readiness of DOD's total force.   |
|                      | The availability and condition of land, facilities, and associated airspace at both the existing and potential receiving locations.                       |
|                      | The ability to accommodate contingency, mobilization, and future total force requirements at both the existing and potential receiving locations.         |
|                      | The cost and manpower implications.   |
| Return on investment | The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the closure or realignment. |
| Impacts              | The economic impact on communities.   |
|                      | The ability of both the existing and potential receiving communities' infrastructure to support forces, missions and personnel.                           |
|                      | The environmental impact.   |

# Fact Paper

## on

### The GAO and Newark AFB

#### Background:

- At the direction of the HASC the GAO conducted a study on the closure of DOD depots due to BRAC 88, 91, and 93 decisions.
- As a part of this study, the GAO took a look at the closure of Newark AFB and the privatization in place (PIP) of the Aerospace Guidance and Metrology Center (AGMC).

#### Discussion:

- In their report, GAO identified concerns regarding this closure and the PIP concept:
  - Costs, savings, and payback period
    - GAO points out that one time costs have doubled, recurring costs could exceed the cost of current AF operations, and payback period could range between 17 - 100 years
    - AF comments: The Air Force has budgeted an additional \$31 million to close Newark AFB above the original \$31 million cited in the 93 BRAC Report
      - This additional budget for workload transition minimizes operational risk
      - Transition and recurring costs are currently unknown
        - Competition should drive costs down
        - Firm cost proposals due mid June 95
  - Proprietary data claims
    - GAO identified a potential barrier to PIP if proprietary data rights are not secured for use under PIP arrangement
    - AF comments: AFMC is working the proprietary data issue
      - All manufacturers with proprietary data rights have agreed to allow, or will negotiate for, use of proprietary data under PIP
      - Current budgets do not include costs associated with buying data rights
        - Data costs could be minimal if team of manufacturers holding rights is selected
  - Segmentation of metrology and calibration mission
    - GAO identified an inconsistency with contracting the standards laboratory while keeping the metrology/calibration management function organic
    - GAO also pointed out the interservice potential of these functions
    - AF comments: In an effort to maximize privatization at AGMC, the AF chose to contract those functions that were not considered 'inherently governmental'
      - The standards lab remains a viable candidate for privatization
    - Interservicing all AGMC workloads is being evaluated as an alternative to PIP

- Effect on excess capacity
  - GAO states the closure will not reduce excess depot maintenance capacity by the amount previously estimated
  - AF comments: PIP does not affect *excess* depot capacity, however, in divesting itself of the facilities and personnel through PIP at AGMC, the AF will reduce its organic depot capacity by 1.7 million hours
- Privatization of core workload
  - GAO identified an inconsistency with contracting out 'core' workload
  - AF comments: AF logistics mission best served by PIP option
  - GAO point about the capability at Newark being considered 100% 'core' is correct
  - AF evaluated the risk associated with moving some of this capability to above-core status by shifting it to the private sector
    - PIP option could mitigate the risk of transferring the workload out of core if the facilities, people, and equipment remained in place
    - Strategy preserves all elements of an essential wartime capability
  - Moving workload to other organic depots potentially more costly than PIP
    - Replication of specialized facilities expensive and uncertain under budgetary reductions associated with the drawdown in defense
    - Keeps unique capability on line to support potential contingencies; avoids periods of degraded capability incumbent in workload moves
    - Potential loss of seasoned technicians not moving with the workload
- Transfer of property/facilities to local reuse commission
  - GAO identified uncertainties associated with this transfer due to fair market value determination and lack of agreements between AF and local reuse commission on assuming responsibility for property/facilities
  - AF comments: Not a show-stopper as the property can be made available at any time with a lease in order to implement PIP
    - AF is working a property responsibility agreement with the local commission pending the outcome of the environmental assessment-Mar 95
    - Expecting to convey the property to the local commission under very favorable terms

GAO Recommendations:

- SECAF and SECDEF reevaluate as a part of the 95 BRAC process:
  - DOD's 1993 recommendation to close Newark/AGMC
  - AF approach to implementing the closure decision through PIP

AF Response:

- In our view, there is not enough data at this time to conclude that closing the base and privatizing in place is NOT the direction the AF should go
- Current strategy
  - Continue to work PIP to reduce cost and risk
  - Continue to assess alternatives to PIP
    - Moving all AGMC workloads to other AF and interservice depots
    - Due late March 95
  - Determine actual PIP costs through source selection
    - Should be known late June 95
  - Use independent contractor in source selection activities and alternatives analysis to provide
    - Independent certification expressing agreement with source selection methodology and conclusions
    - Independent cost assessment of alternative approaches to PIP
  - AFMC/CC determine best alternative for disposition of workload

# **NEWARK AFB CLOSURE PLAN B**

Col Bill Kohler  
HQ AFMC/LG  
9 Mar 95

# OVERVIEW

- TASKING
- PROCESS
- ASSUMPTIONS
- CRITERIA
- ALTERNATIVES
- COMPARISON OF OPTIONS
- RECOMMENDATION

# TASKING

## AGMC CLOSURE ACQUISITION STRATEGY PANEL ACTION ITEM (13 JAN 95)

ISSUE 20: DEVELOP PLAN B - BACK UP TO  
PRIVATIZATION IN PLACE. WORK OUT THE LOW COST  
ALTERNATIVE SOLUTION. TAKE FULL CONSIDERATION  
OF INTERSERVICING.

ACTION: HQ AFMC/XP TO LEAD THIS TASK AND  
PRESENT TO GEN YATES FOR A DECISION.

# ASSUMPTIONS

- BRAC FUNDING WILL BE AVAILABLE TO IMPLEMENT PLAN B
- AF WILL REPROGRAM MANPOWER AND FUNDING FOR FY 96 AND BEYOND
- INTERIM CONTRACTOR SUPPORT WILL BE REQUIRED
- LOSS OF SKILLED WORKFORCE, TRAINING WILL BE REQUIRED
- MILCON WILL BE REQUIRED AT GAINING SITES
- STARTING DATE WILL BE 1 OCT 95, TARGET END DATE IS 1 OCT 98, MUST FINISH BY 1 JUL 99

# CRITERIA

- RISK
  - TRANSITION
  - TECHNICAL
  - INTERIM SUPPORT
- COST
  - NONRECURRING
  - RECURRING
- SCHEDULE
  - TRANSITION TIME

# ALTERNATIVES

- COMMON TO ALL ALTERNATIVES
  - MOVE METROLOGY TO WR-ALC - \$ 52.7M
  - MOVE RING LASER GYRO TO NAVY - \$ 2.02M
- ALTERNATIVE B1
  - MOVE AIRCRAFT AND MISSILES TO WR-ALC
- ALTERNATIVE B2
  - MOVE AIRCRAFT TO WR-ALC
  - MOVE MISSILES TO OO-ALC
- ALTERNATIVE B3
  - MOVE AIRCRAFT TO OC-ALC
  - MOVE MISSILES TO OO-ALC

# NONRECURRING METROLOGY

## PERSONNEL

|            |     |
|------------|-----|
| Realigned  | 180 |
| Eliminated | 13  |

## MAJOR TRAINING REQTS.

Precision Measurement  
Standards Calibration & Repair

## MAJOR PROJECTS

Microwave Stds. Lab  
Laser Stds. Lab  
Optics Stds. Lab

## COST SUMMARY (M)

|              |              |
|--------------|--------------|
| Construction | \$ 4.4       |
| Personnel    | \$ 1.9       |
| Moving       | \$ 46.3      |
| Other        | <u>\$.12</u> |
| TOTAL        | \$52.7       |

## PHASING

|             |             |             |             |             |             |
|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>FY95</u> | <u>FY96</u> | <u>FY97</u> | <u>FY98</u> | <u>FY99</u> | <u>FY00</u> |
| \$ 0M       | \$7.9M      | \$26.4M     | \$18.4M     | \$0M        | \$0M        |

# NONRECURRING NAVY

## PERSONNEL

|            |   |
|------------|---|
| Realigned  | 6 |
| Eliminated | 0 |

## MAJOR TRAINING REQTS.

RLG Test 800/\$161,950  
(rolled into personnel number)

## MAJOR PROJECTS

Isolation Piers \$0.21M

## COST SUMMARY (M)

|              |              |
|--------------|--------------|
| Construction | \$ .45       |
| Personnel    | \$1.04       |
| Moving       | \$ .29       |
| O/H Other    | <u>\$.24</u> |
| TOTAL        | \$2.02       |

## PHASING

FY95  
\$ 0M

FY96  
\$.985m

FY97  
\$1.04M

FY98  
\$0M

FY99  
\$0M

FY00  
\$0M

# NONRECURRING ALTERNATIVE B1

## PERSONNEL

|            |       |
|------------|-------|
| Realigned  | 1,320 |
| Eliminated | 275   |

## MAJOR TRAINING REQTS.

Gyro Mechanic Training  
Software Eng Training  
(rolled into personnel number)

## MAJOR PROJECTS

Clean Rooms  
Isolation Piers

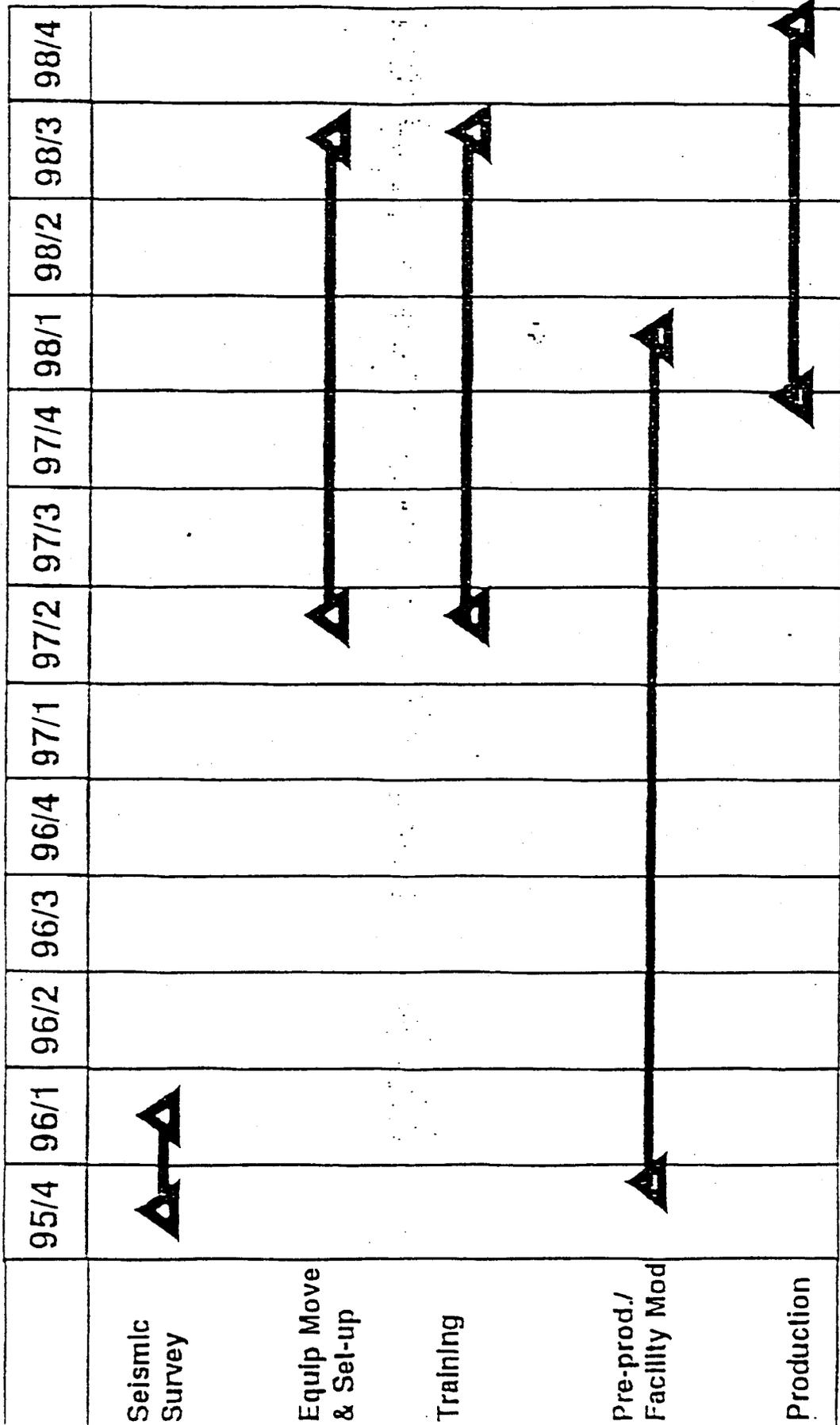
## COST SUMMARY (M)

|              |          |
|--------------|----------|
| Construction | \$ 43.5  |
| Personnel    | \$ 39.9  |
| Moving       | \$ 189.1 |
| O/H Other    | 15.0     |
| TOTAL        | \$287.5  |

## PHASING

|             |             |             |             |             |             |
|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>FY95</u> | <u>FY96</u> | <u>FY97</u> | <u>FY98</u> | <u>FY99</u> | <u>FY00</u> |
| \$ .8M      | \$42.7M     | \$133.0M    | \$110.4M    | \$4.3M      | \$1.5M      |

# IMPLEMENTATION SCHEDULE ALTERNATIVE B1





# NONRECURRING ALTERNATIVE B2

## PERSONNEL

|            |       |
|------------|-------|
| Realigned  | 1,320 |
| Eliminated | 275   |

## MAJOR TRAINING REQTS.

Gyro Mechanic Training  
Software Eng Training  
(rolled into personnel number)

## MAJOR PROJECTS

Clean Rooms  
Isolation Piers

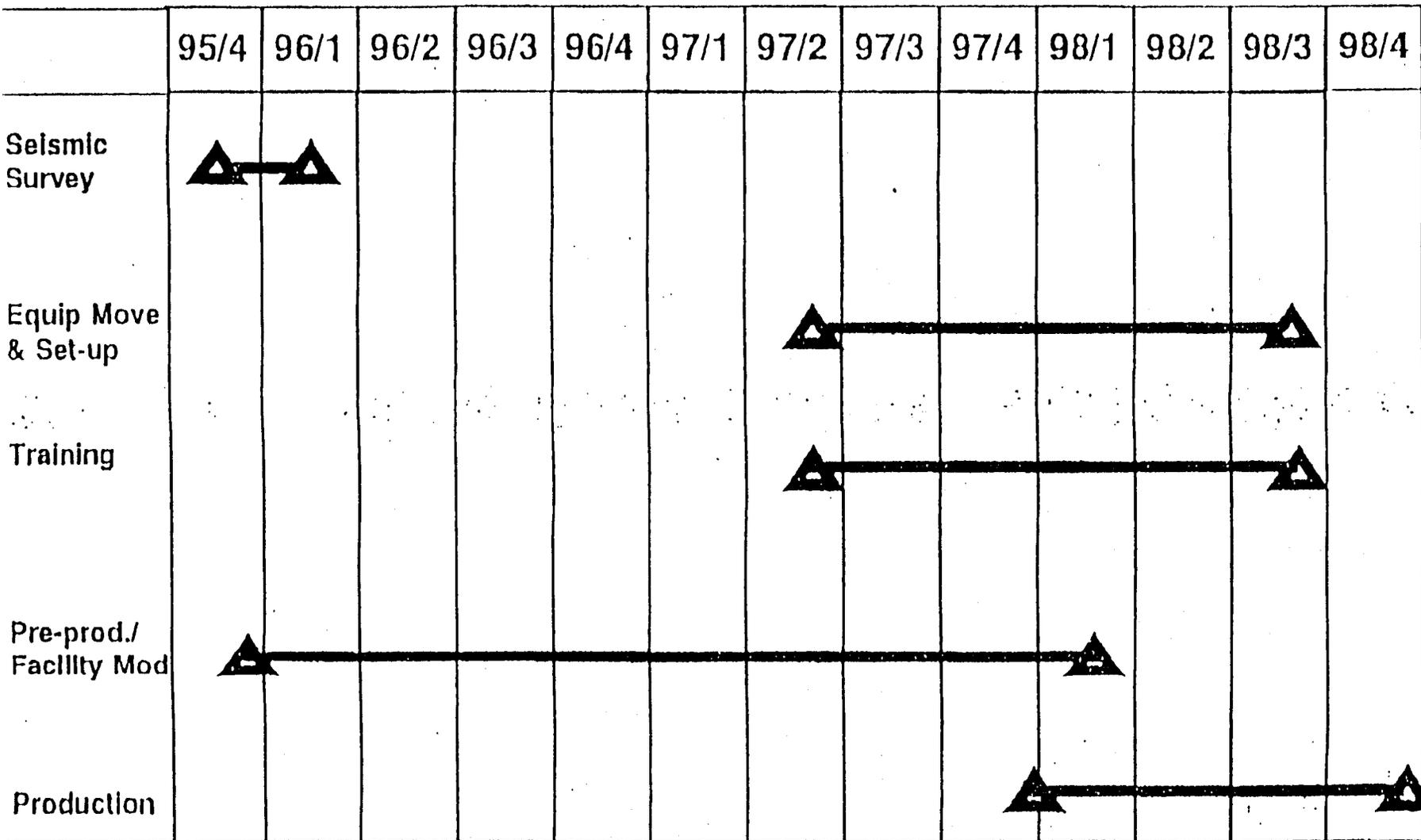
## COST SUMMARY (M)

|              |               |
|--------------|---------------|
| Construction | \$ 49.6       |
| Personnel    | \$ 39.7       |
| Moving       | \$ 190.0      |
| O/H Other    | <u>\$15.3</u> |
| TOTAL        | \$294.6       |

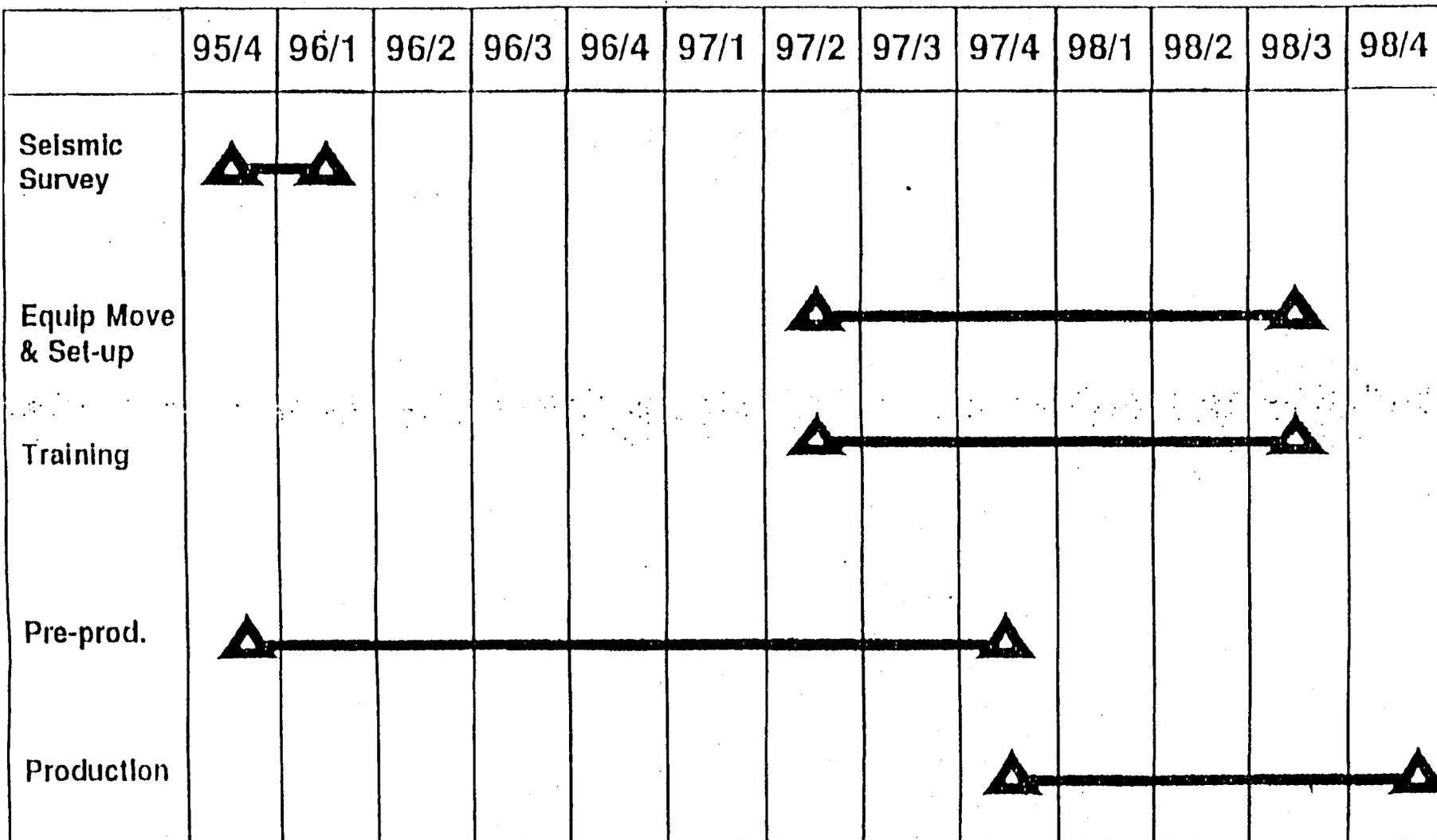
## PHASING

|             |             |             |             |             |             |
|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>FY95</u> | <u>FY96</u> | <u>FY97</u> | <u>FY98</u> | <u>FY99</u> | <u>FY00</u> |
| \$ 1.5M     | \$31.9M     | \$102.0M    | \$124.6M    | \$38.2M     | \$1.5M      |

# IMPLEMENTATION SCHEDULE AIRCRAFT ALTERNATIVE B2



# IMPLEMENTATION SCHEDULE MISSILES ALTERNATIVE B2



# NONRECURRING ALTERNATIVE B3

| <u>PERSONNEL</u> | <u>MAJOR TRAINING REQTS.</u>                            | <u>MAJOR PROJECTS</u> |
|------------------|---|-----------------------|
| Realigned 1,320  | Gyro Mechanic Training                                  | Clean Rooms           |
| Eliminated 275   | Software Eng Training<br>(rolled into personnel number) | Isolation Piers       |

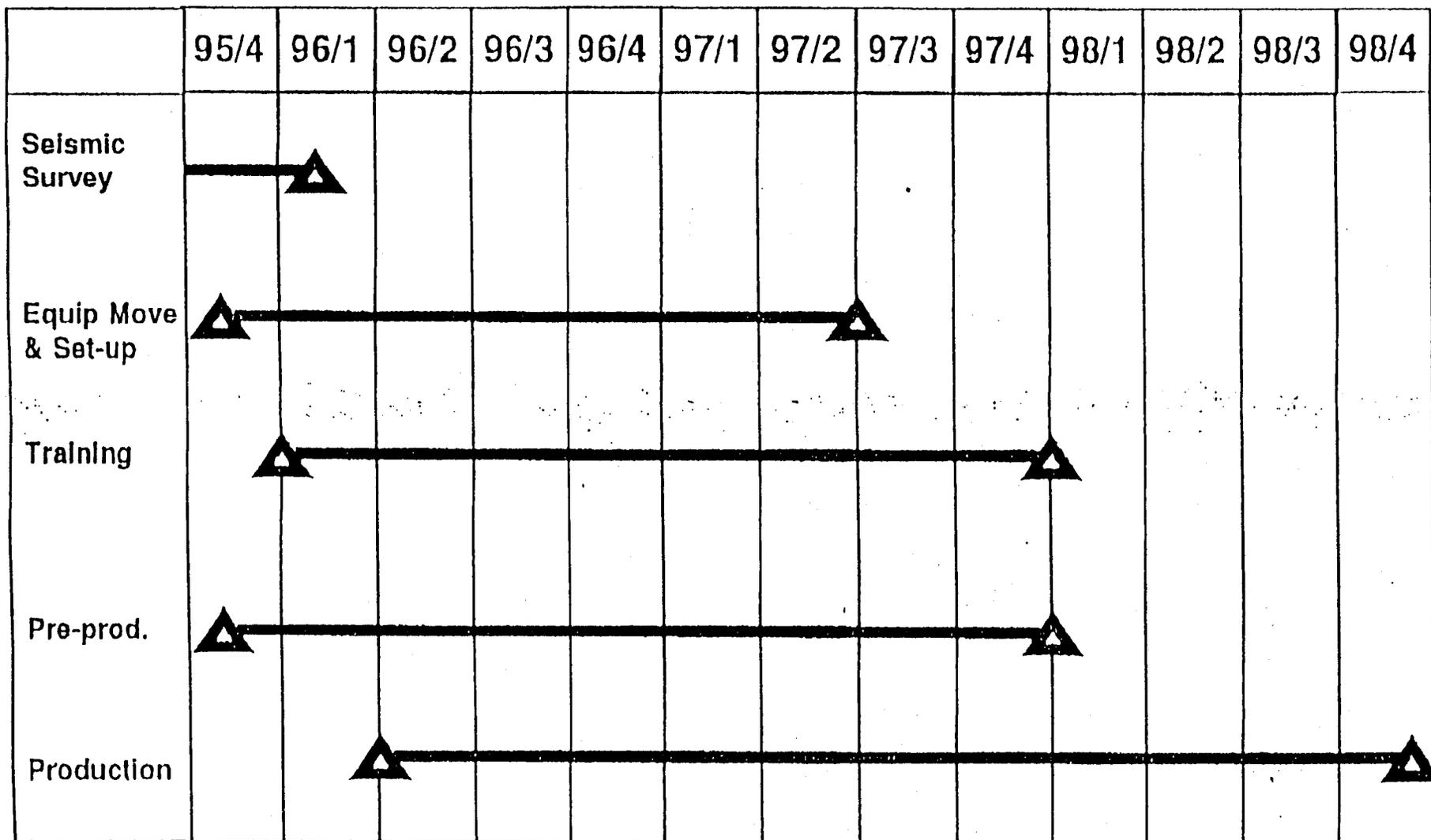
## COST SUMMARY (M)

|              |                |
|--------------|----------------|
| Construction | \$ 43.1        |
| Personnel    | \$ 39.7        |
| Moving       | \$ 190.0       |
| O/H Other    | \$16.0         |
| <b>TOTAL</b> | <b>\$288.8</b> |

## PHASING

|             |             |             |             |             |             |
|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>FY95</u> | <u>FY96</u> | <u>FY97</u> | <u>FY98</u> | <u>FY99</u> | <u>FY00</u> |
| \$ 3.3M     | \$34.1M     | \$99.0M     | \$118.2M    | \$38.5M     | \$1.7M      |

# IMPLEMENTATION SCHEDULE (OC-ALC FOR AIRCRAFT) ALTERNATIVE B3



# ALTERNATIVE COMPARISONS (PEs)

|           | FY95 | FY96  | FY97  | FY98  | FY99  | FY00 |
|-----------|------|-------|-------|-------|-------|------|
| <b>B1</b> |      |       |       |       |       |      |
| PEs Elim. |      |       |       | 275.0 |       |      |
| PEs Real. |      | 249.0 | 547.0 | 328.0 | 196.0 |      |
| <b>B2</b> |      |       |       |       |       |      |
| PEs Elim. |      |       |       | 275.0 |       |      |
| PEs Real. | 0.0  | 134.0 | 433.0 | 557.0 | 196.0 | 0.0  |
| <b>B3</b> |      |       |       |       |       |      |
| PEs Elim. |      |       |       | 275.0 |       |      |
| PEs Real. | 0.0  | 249.0 | 547.0 | 328.0 | 196.0 | 0.0  |

# ALTERNATIVE COMPARISONS

|                    | FY95        | FY96        | FY97         | FY98         | FY99        | FY00        | Total        |
|--------------------|-------------|-------------|--------------|--------------|-------------|-------------|--------------|
| <b>B1</b>          |             |             |              |              |             |             |              |
| Benefits (M)       | 0.0         | 0.2         | 1.3          | 10.1         | 17.9        | 17.9        | 47.4         |
| N/RCosts (M)       | 0.8         | 42.7        | 133.0        | 110.4        | 4.3         | 1.5         | 292.7        |
| Recurring (M)      | 38.2        | 38.2        | 38.2         | 38.2         | 38.2        | 38.2        | 229.2        |
| <b>TOTAL COSTS</b> | <b>39.0</b> | <b>80.9</b> | <b>171.2</b> | <b>148.6</b> | <b>42.5</b> | <b>39.7</b> | <b>521.9</b> |
| <b>B2</b>          |             |             |              |              |             |             |              |
| Benefits (M)       | 0.0         | 0.2         | 1.1          | 9.5          | 17.5        | 30.3        | 58.6         |
| N/RCosts (M)       | 1.5         | 31.9        | 102.0        | 124.6        | 38.2        | 1.5         | 299.7        |
| Recurring (M)      | 38.2        | 38.2        | 38.2         | 38.2         | 38.2        | 38.2        | 229.2        |
| <b>TOTAL COSTS</b> | <b>39.7</b> | <b>70.1</b> | <b>140.2</b> | <b>162.8</b> | <b>76.4</b> | <b>39.7</b> | <b>528.9</b> |
| <b>B3</b>          |             |             |              |              |             |             |              |
| Benefits (M)       | 0.0         | 0.3         | 1.6          | 10.0         | 17.5        | 17.9        | 47.3         |
| N/RCosts (M)       | 3.3         | 34.1        | 99.0         | 118.2        | 38.5        | 1.7         | 294.8        |
| Recurring (M)      | 38.2        | 38.2        | 38.2         | 38.2         | 38.2        | 38.2        | 229.2        |
| <b>TOTAL COSTS</b> | <b>41.5</b> | <b>72.3</b> | <b>137.2</b> | <b>156.4</b> | <b>76.7</b> | <b>39.9</b> | <b>524.0</b> |

# CENTER RATES

| <u>CENTER</u>       | <u>FY96</u> |
|---------------------|-------------|
| • AGMC              | 67.61       |
| • OC-ALC (AIRCRAFT) | 61.17       |
| • OO-ALC (MISSILES) | 58.97       |
| • WR-ALC            | 55.30       |

# COMPARISON

|    | RISK                            | COST     | SM     | SCHEDULE         |
|----|---------------------------------|----------|--------|------------------|
| B1 | HIGH<br>(Transition, Technical) | \$265.3M | NO     | COMPLETE BY 98/4 |
| B2 | HIGH<br>(Transition, Technical) | \$287.9M | YES/NO | COMPLETE BY 98/4 |
| B3 | HIGH<br>(Transition, Technical) | \$286.5M | YES    | COMPLETE BY 98/4 |

# RECOMMENDATION

- COST FOR OPTIONS CONSIDERED ARE ESSENTIALLY EQUAL. NEW TRC CONCEPT SHOULD DECIDE WORKLOAD OUTCOME.
- ADVISE SECAF THE COST OF PLAN B WILL BE AT LEAST \$300M.
- PLAN B WILL DELAY CLOSURE. WILL REQUIRE BRAC 95 COMMENTS FOR IMPLEMENTATION.



## THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

4 May 1994

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
 CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
 UNDER SECRETARIES OF DEFENSE  
 DIRECTOR, DEFENSE RESEARCH AND ENGINEERING  
 ASSISTANT SECRETARIES OF DEFENSE  
 COMPTROLLER  
 GENERAL COUNSEL  
 DIRECTOR, OPERATIONAL TEST AND EVALUATION  
 ASSISTANTS TO THE SECRETARY OF DEFENSE  
 DIRECTOR, ADMINISTRATION AND MANAGEMENT  
 DIRECTORS OF THE DEFENSE AGENCIES

SUBJECT: Depot Maintenance Operations Policy

I have completed my review of the Defense Science Board Depot Maintenance Task Force report. As noted in my forwarding letter to the Congress, the report is a constructive contribution to the challenge of rightsizing the depot infrastructure of the DoD for present and future national defense needs.

The weapon systems and equipment readiness, sustainability and life-cycle support requirements of the Department demand a base of organic depots. To control risk, the Department's CORE depot maintenance concept provides for identification and quantification of specific capabilities that need to be resident in organic depots. The ability to guarantee delivery of flexible and responsive industrial support represents the essence of DoD's depot maintenance mission.

*CORE is the capability maintained within organic Defense depots to meet readiness and sustainability requirements of the weapon systems that support the JCS contingency scenario(s). Core depot maintenance capabilities will comprise only the minimum facilities, equipment and skilled personnel necessary to ensure a ready and controlled source of required technical competence. (DoD Memorandum, Subject: Depot Maintenance Capability, dated November 15, 1993).*

The DoD CORE concept means determining Department wide the CORE capability requirements and identifying requisite workload to maintain these capabilities, based on military service inputs. This determination considers the level of risk and the capabilities of all DoD depots. The Task Force validated the DoD CORE concept but recommended adoption of Service CORE. Our review determined that greater flexibility is achievable by maintaining the current DoD CORE.

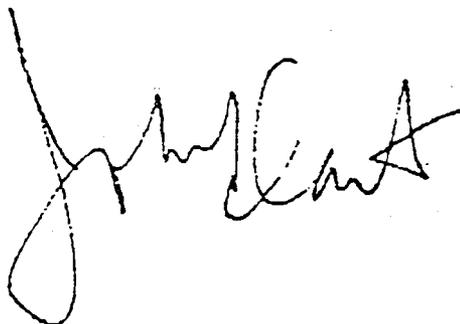
With regard to competition between the public depots and the private sector, the Task Force and other related studies and audits have concluded that: Databases and financial management systems in the Department and the Military Services are not capable of supporting the determination of actual cost of specific workloads. Although, vigorous attempts have been made to execute fair public/private cost competitions through the media of the Cost Comparability Handbook, a level playing field is not achievable in the near term. Based on these findings public/private cost competition will be discontinued at present.

The Task Force concluded that the above findings pertaining to public/private cost competitions also apply to public/public competitions. Additionally, the Task Force observed that there is considerable expense in conducting public/public cost competitions, and that the same efficiencies can be gained by interservicing workloads to Centers of Excellence. I agree with the Task Force conclusion that interservicing of Depot Maintenance work is preferable to direct public/public cost competition. Therefore, public vs. public cost competition will also be discontinued, and interservicing decisions taken on the basis of efficiencies that can be gained. In the future, if accurate and comparable cost data is available, the issue of cost competition should be reopened.

Major modifications and upgrades to increase the performance envelope of systems are not by definition part of depot maintenance CORE. The Government has traditionally obtained development and manufacture of kits for modifications and upgrades from the private sector. The Task Force concluded that major modifications and upgrades should be primarily accomplished in the private sector. This conclusion is sound and will be implemented.

Efficient depot maintenance support of new weapon systems is of utmost importance. However, the paradigm must change; we should no longer assume new weapon systems and equipment will transition to organic depot support. In many cases, there is neither a strong economic case nor risk control requirement for establishing organic depot maintenance support. The depot maintenance strategy is an important element of the acquisition process for new systems. It is clear that in this era of declining force structure, the strategy must be refined periodically throughout the entire acquisition cycle. The Defense Science Board Depot Maintenance Task Force has been given an additional task of determining the process and procedures the Department should use in procuring the depot maintenance support for new weapons systems. Their report will be completed in 30 days.

The Military Services and Defense Agencies will take the actions necessary to implement the above guidance. These policy changes are effective immediately and will be incorporated into DoD Directives.

A handwritten signature in black ink, appearing to be "John A. ...", is located at the bottom right of the page. The signature is written in a cursive style with a large loop at the end.

152 152572

DATE: 323

TIME: 1556

ROUTINE

TOTAL AGENCY COPY COUNT : 1  
TOTAL MESSAGE COPY COUNT: 1

RAAUZYUW RUWTRWF3131 3231555-UUUU-RUYDARA.

ZNR UUUUU

R 290730Z DEC 94

FM AFSPC PETERSON AFB CO//CV//

TO RUVAFHQ/AFMC WRIGHT PATTERSON AFB OH//CV//

INFO RUEAHQA/HQ USAF WASHINGTON DC//LGM/RTT/RTR//

RUCUSTR/USSTRATCOM OFFUTT AFB NE//CV//

RUCUFEV/20AF F E WARREN AFB WY//CC//

RUVHILL/CC-ALC HILL AFB UT//CC/LM//

RUYDARA/CC-ALC TINKER AFB OK//CC//

BT.

UNCLAS

SUBJECT: AGMC CLOSURE

1. AS YOU ARE AWARE, AN ACQUISITION STRATEGY PANEL (ASP) MEETING ON AGMC CLOSURE WAS HELD AT HQ AFMC ON 7 DEC. FROM THAT MEETING, WE UNDERSTAND THAT CONTRACTORS ARE EXPECTED TO REPAIR 50 PERCENT OF AGMC ~~NO~~ LOAD REQUIREMENTS IN FY96 UNDER THE PRIVATIZE-IN-PLACE (PIP) APPROACH. GIVEN THE PIP CONTRACT COST ESTIMATES PRESENTED TO THE ~~AFSPC~~ OUR PRELIMINARY ASSESSMENT INDICATES A \$20M SHORTFALL IN FY96 PROGRAMMED FUNDING FOR 102M GUIDANCE REPAIR. DEFERRING FULL TRANSITION TO CONTRACTOR REPAIR FURTHER INTO FY96 WOULD PROPORTIONALLY MITIGATE THIS \$20M SHORTFALL. USING THE SAME PIP COST

PAGE 02 RUWTRWF3131 UNCLAS

ESTIMATES, WE CALCULATE AN AVERAGE ANNUAL SHORTFALL OF \$50-60M FOR GUIDANCE REPAIR DURING FY97-FY00. BASED UPON THESE STATED ASSUMPTIONS AND CALCULATIONS, THIS COMMAND IS MOST CONCERNED ABOUT OUR ABILITY TO SOURCE REQUIRED COST INCREASES UNDER PIP.

2. OUR LAST OPPORTUNITY TO REQUEST ADDITIONAL FY96 FUNDING FROM HQ USAF COMES WITH THE SUBMISSION OF OUR FY96 FIN PLAN (MARCH-APRIL 95). ADDITIONALLY, WE EXPECT TO PARTICIPATE IN AN AMENDED FY97-01

ROUTINE

PAGE 1

LN 63169

Info:

FM LI

*90.901*

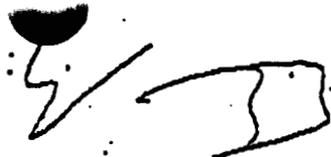
MLN-63169


 ICM DRILL BEGINNING IN JANUARY 1995. THUS, WE MUST ZERO-IN ON OUR  
 PIP BUDGETING REQUIREMENTS IN THE VERY NEAR FUTURE.  
 ST AFSPC HAS ACTIVELY WORKED WITH AFMC SINCE FEB 94 IN ADDRESSING THE  
 ISSUES ASSOCIATED WITH THE AGMC CLOSURE AND WORKLOAD TRANSITION UNDER  
 PIP. WE APPRECIATE THE DIFFICULT CHALLENGES PRESENTED AND APPLAUD  
 THE OUTSTANDING PROGRESS MADE TO DATE. HOWEVER, GIVEN THE EXPECTED  
 INCREASES IN REPAIR COSTS, WE QUESTION THE LOGIC OF CONTINUING THE  
 MOVE TOWARD PIP; AND WE FULLY SUPPORT THE ASP'S RECOMMENDATION TO  
 EXPLORE AND EVALUATE ALTERNATIVE APPROACHES TO PIP, SUCH AS MOVING  
 AGMC WORKLOADS TO OTHER DEPOTS OR CONTRACTOR FACILITIES. FURTHER, IN  
 LIGHT OF THE OVERALL INCREASE IN COST TO THE "TAXPAYERS," IT MAY BE  
 APPROPRIATE TO REQUEST BRAC '95 TO REVISIT THE BRAC '93 DECISION TO  
 CLOSE AGMC.

PAGE 03 RUNTRNFS131 UNCLAS

4. WE WILL CONTINUE TO SUPPORT YOUR EFFORTS IN THIS DIFFICULT  
 UNDERTAKING; BUT NEED YOUR GUIDANCE ON HOW BEST TO PROCEED IN  
 DETERMINING FUTURE BUDGETING FOR ICBM GUIDANCE REPAIR. WE  
 APPRECIATE YOUR SUPPORT AND CONSIDERATION OF OUR CONCERNS.

BT  
 #5131  
 NNNNN



ROUTINE

TLN 63169

PAGE 2



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## Commission on Roles and Missions of the Armed Forces

DATE:

FROM:

TO:

---

\* S:48 Julia Deam  
202-5124390

---

\* Private In-Place in BCRC

\* AFMC -- recommended

\* AF-PIP

\* Don B. To Move All Activities (Hill/OK4 WR)  
270M one-time

\* Newark Work - All Core (100% surge)

\* Metrology ~ calibration measurement - not part  
of

## Commission on Roles and Missions of the Armed Forces

DATE:

FROM:

TO:

31 → 46 → 31M

~~31M~~

① - Mainly Separate civilians

- Moving 5% workload

② equipment ~~1.2B~~ \$1.2B

③ Cost ? IP.

Transition Plan

- multiple contractors

I. - management system

- database

- Repair Processes

- Cost to Train

- 31M for the Transition PLAN

$\frac{31M}{62M}$

[ lack of competition; contractors charge more ]

**Commission on Roles and Missions of the Armed Forces**

DATE:

FROM:

TO:

Lt Col Paul Steip → ~~TS~~  
Bill Kohler →

~~estimate ~ workload.~~

[150M a year]

---

## Commission on Roles and Missions of the Armed Forces

DATE:

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FROM:

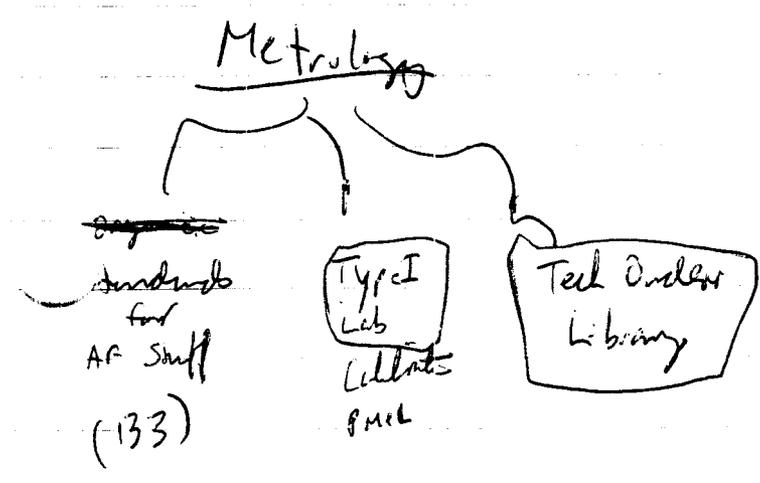
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\* OPTION B is out  
TO: (Moving work elsewhere)  
[Risk - Cost]

---

- \* 100% Core
- \* implication DoD has to do it.
- \* Contract out if Risk is okay
- \* AF does not want to turn over the equipment
- \* Contradicts the Report - as is -
- \* ~ 270M to Relocate
- \* Shellie requested
- \* DoD Metrology & Calibration Center

|                     |                   |                   |
|---------------------|-------------------|-------------------|
| RON ORR             | 697-2933          | AF/LGM            |
| Walt Newell         | 697-7807          | JAF/AQC           |
| BILL KOHLER         | 257-4132<br>(513) | HQ AFMC/LG        |
| Eileen OLIVER       | 918-3617<br>(703) | Coopers & Lybrand |
| Tom GIRE            | 697-3859          | AF/CGMM           |
| Major Sharon Dunbar |                   | SAF/ULP           |
| Col Chuck Fox       |                   | SAF/UL            |



① Metrology

\*Call Roger\*

② Army Lab ??

③ Other companies/industries do in their own facility

④ \$75M annual business

⑤ AF reqmt has decreased from 4 → 3 field

⑥ Mission: Metrology + Inertial Guidance Maintenance

|                 |          |                 |          |
|-----------------|----------|-----------------|----------|
| ⑦ Cost-to-Close | \$ 31.3M | Site Survey     | -\$34.8M |
| Ann Sav         | 3.8M     | Annual Ops Cost | \$ 4.6M  |
| RoI             | 8 years  |                 |          |

⑧ Significance of the "Total Guidance Program"

## **BACKGROUND PAPER ON NEWARK AFB**

### **Background:**

In 1993, the Defense Base Closure and Realignment Commission validated the recommendation of the Department of Defense to close Newark AFB. The Commission recommendation allowed for both the distribution of workload or privatization-in-place options. The One-Time cost to close on this action was determined to be \$31.3M, with a steady-state savings of \$3.8M.

### **Discussion:**

- December 1994, the GAO's report on Newark Air Force Base stated that the Air Force further validated that the closure costs had increased to approximately \$62.2M, and that the subsequent \$3.8M annual savings would not be realized due to higher costs for contract administration, contractor profit, and possible recurring proprietary data costs.
- The GAO recommended the Secretary of Defense and Air Force review the decision to close Newark AFB as part of the 1995 closure process.
- DoD has not forwarded any recommendation to the Commission concerning Newark AFB, it appears that the cost to close and the annual savings have changed dramatically.
  - One Time Cost to Close: \$62.2M (possibly as high as \$270M)
  - Annual Savings could actually result in increased costs to the Air Force.
- The Privatization Source Selection contract proposals are due mid to late June 1995.
- April 1995, independent contractor estimated the recurring costs to privatize-in-place to be in the \$128M - \$180M range. (AF estimate was \$159M)
- The same contractor estimated the workload distribution option range to be \$147M - \$430M.
- Both ranges vary as to the forecast of the workload.
- The Air Force is to brief the Commission staff on May 3rd. Discussion is expected to relay the results of the independent contractor analysis, and the Air Force's intent to make privatization-in-place work.

Frank Cantwell/AF Team/05/02/95

Rick Shankel

\* June 17

\* Remove the Work

\* Unknown

Data Rights Costs - Proprietary  
Intellectual -- their hardware

\* Metrology → Red Stone

---

Callahan

~~\*\*\*\*~~ \* 4:49 Tom Ginz

17:05

RT Newark AFB  
6973859

Tom Ginz

# Document Separator

COBRA REALIGNMENT SUMMARY (COBRA v4.04)

Data As Of 13:58 02/20/1993, Report Created 12:07 03/19/1993

Group : DEPOT  
 Service : USAF  
 Option Package : Newark

Starting Year : 1994  
 Break Even Year: 2008 (Year 15)  
 ROI Year : 2008 (8 Years)

Option NPV in 2013 (\$K) : -6,532  
 Total One-Time Cost (\$K) : 31,264

|      | Net Costs (\$K) Constant Dollars |       |         |         |         |         |         |
|------|----------------------------------|-------|---------|---------|---------|---------|---------|
|      | 1994                             | 1995  | 1996    | 1997    | 1998    | 1999    | Beyond  |
| Misn | 0                                | 0     | 34,044  | 68,088  | 68,088  | 68,088  | 68,088  |
| Pers | 0                                | 0     | -33,891 | -67,807 | -67,807 | -67,807 | -67,807 |
| Ovhd | 60                               | 45    | -327    | -2,132  | -4,032  | -4,032  | -4,032  |
| Cons | 0                                | 0     | 0       | -4,500  | 0       | 0       | 0       |
| Movg | 0                                | 3,100 | 5,989   | 0       | 0       | 0       | 0       |
| Othr | 100                              | 245   | 21,691  | 0       | 0       | 0       | 0       |
| TOT  | 160                              | 3,390 | 27,506  | -6,351  | -3,751  | -3,751  | -3,751  |

|                                   | 1994 | 1995 | 1996  | 1997 | 1998 | 1999 | TOTAL |
|-----------------------------------|------|------|-------|------|------|------|-------|
| <b>FORCE STRUCTURE REDUCTIONS</b> |      |      |       |      |      |      |       |
| Officers                          | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Enlisted                          | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Civilian                          | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| <b>POSITIONS ELIMINATED</b>       |      |      |       |      |      |      |       |
| Officers                          | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Enlisted                          | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| Civilian                          | 0    | 0    | 1,578 | 0    | 0    | 0    | 1,578 |
| <b>PERSONNEL REALIGNMENTS</b>     |      |      |       |      |      |      |       |
| Officers                          | 0    | 0    | 32    | 0    | 0    | 0    | 32    |
| Enlisted                          | 0    | 0    | 60    | 0    | 0    | 0    | 60    |
| Students                          | 0    | 0    | 0     | 0    | 0    | 0    | 0     |
| TOT MIL                           | 0    | 0    | 92    | 0    | 0    | 0    | 92    |
| Civilian                          | 0    | 0    | 101   | 0    | 0    | 0    | 101   |
| TOTAL                             | 0    | 0    | 193   | 0    | 0    | 0    | 193   |

Summary:  
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COBRA REALIGNMENT SUMMARY (COBRA v4.04) - Page 2  
 Data As Of 13:58 02/20/1993, Report Created 12:07 03/19/1993

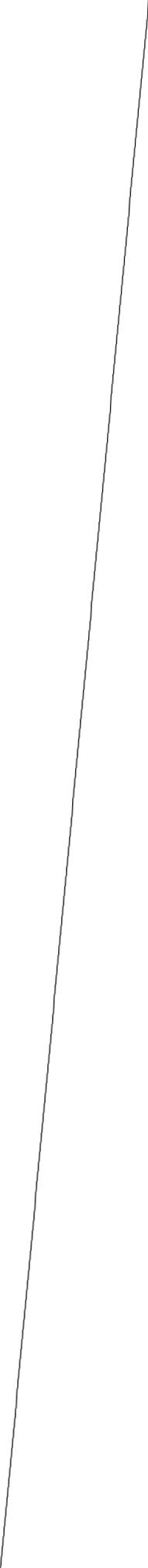
| Costs (\$K) Constant Dollars |       |       |        |        |        |        |        |
|------------------------------|-------|-------|--------|--------|--------|--------|--------|
|                              | 1994  | 1995  | 1996   | 1997   | 1998   | 1999   | Beyond |
|                              | ----- | ----- | -----  | -----  | -----  | -----  | -----  |
| Misn                         | 0     | 0     | 34,044 | 68,088 | 68,088 | 68,088 | 68,088 |
| Pers                         | 0     | 0     | 25     | 25     | 25     | 25     | 25     |
| Ovhd                         | 60    | 45    | -327   | -2,132 | -4,032 | -4,032 | -4,032 |
| Cons                         | 0     | 0     | 0      | 0      | 0      | 0      | 0      |
| Movg                         | 0     | 3,100 | 6,171  | 0      | 0      | 0      | 0      |
| Othr                         | 100   | 245   | 21,691 | 0      | 0      | 0      | 0      |
| TOT                          | 160   | 3,390 | 61,604 | 65,981 | 64,081 | 64,081 | 64,081 |

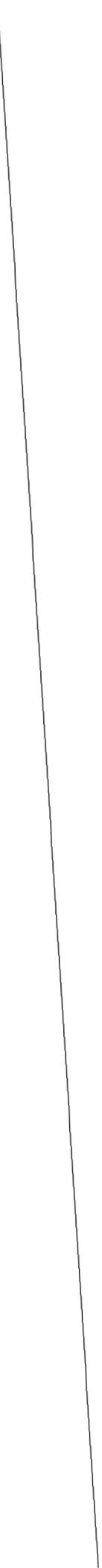
| Savings (\$K) Constant Dollars |       |       |        |        |        |        |        |
|--------------------------------|-------|-------|--------|--------|--------|--------|--------|
|                                | 1994  | 1995  | 1996   | 1997   | 1998   | 1999   | Beyond |
|                                | ----- | ----- | -----  | -----  | -----  | -----  | -----  |
| Misn                           | 0     | 0     | 0      | 0      | 0      | 0      | 0      |
| Pers                           | 0     | 0     | 33,916 | 67,832 | 67,832 | 67,832 | 67,832 |
| Ovhd                           | 0     | 0     | 0      | 0      | 0      | 0      | 0      |
| Cons                           | 0     | 0     | 0      | 4,500  | 0      | 0      | 0      |
| Movg                           | 0     | 0     | 182    | 0      | 0      | 0      | 0      |
| Othr                           | 0     | 0     | 0      | 0      | 0      | 0      | 0      |
| TOT                            | 0     | 0     | 34,097 | 72,332 | 67,832 | 67,832 | 67,832 |

Name: Newark, OH

Homeowner Assistance Program: No  
Unique Activity Information: No

|   |         |
|---|---------|
| Total Officer Employees:                        | 32      |
| Total Enlisted Employees:                       | 60      |
| Total Student Employees:                        | 0       |
| Percent of Military Families Living On Base:    | 0.0%    |
| Total Civilian Employees:                       | 1,679   |
| Percent of Civilians Not Willing To Move:       | 60.0%   |
| Officer Housing Units Available:                | 0       |
| Enlisted Housing Units Available:               | 0       |
| Total Base Facilities (Square Feet):            | 743,951 |
| Total Acreage on Base (Acres):                  | 67      |
| Officer Variable Housing Allowance (\$/Month):  | 6       |
| Enlisted Variable Housing Allowance (\$/Month): | 0       |
| Per Diem Rate (\$/Day):                         | 74      |
| Freight Cost (\$/Ton/Mile):                     | 0.10    |
| Area Cost Factor:                               | 0.99    |
| RPMA Non-Payroll Costs (\$K/Year):              | 3,800   |
| RPMA Payroll Costs (\$K/Year):                  | 0       |
| Communications Costs (\$K/Year):                | 200     |
| Base Ops Non-Payroll Costs (\$K/Year):          | 600     |
| Base Ops Payroll Costs (\$K/Year):              | 0       |
| Family Housing Costs (\$K/Year):                | 0       |
| CHAMPUS On-Base In-Patient Cost/Visit (\$):     | 1,000   |
| CHAMPUS On-Base Out-Patient Cost/Visit (\$):    | 100     |
| CHAMPUS Shift To Medicare                       | 0.0%    |





Cost Comparisons ( Contractor VS In-House Repair) of Inertial Guidance and Inertial Instrument Repair. ATTACHMENT # 8:

I have extracted these figures from Technical Papers I had written and were published by the "Air University Review" in 1969 and from other Papers I prepared during the same time period. Based on these costs and on other un-classified information that has been published over the years; I have tried to project what comparisons probably are at this time.

| Type of Item.        | Contractor            | In-House             | FY-   |
|----------------------|-----------------------|----------------------|-------|
| MM-11 system         | \$ 31,007.            | \$ 10,576.           | 68    |
| LN-12 System         | \$ 11,500.            | \$ 3,847.            | 68    |
| LGM-25 System        | \$ 37,000.            | \$ 17,319.           | 68    |
| AM-1 Accelerometer   | \$ 5,669.             | \$ 1,632.            | 68    |
| LN-14 System         | \$ 11,500.            | \$ 3,398.            | 68    |
| MM-111 Gyro(my est)  | \$28 to 32 Thousand.  | \$13 to 15 thousand. | Fy-90 |
| Peacekeeper (my est) | \$180 to 210 thousand | \$90 to 110 thousand | FY-90 |

GITA-B Accelerometer\$40. to 43. thousand, \$14. to 15. thousand (my estimate).

Peacekeeper Computer\$29. to 32.thousand,\$13 to 15. thousand (my estimate)

The number of Guidance/Navigation systems processed from 1962 to 1989 were in excess of 160,500. The number of Displacement Gyros were in excess of 76,000.

In 1969 the end item value of Inertial Guidance systems and instruments processed per day was in excess of \$2,000,000 or over 7.Billion dollars per year. From this data one can see the amount of savings that exists by in-house repair at NAFB. As a taxpayer I strongly object to paying Contractor prices. Approx. the same number of people will stay employed , either in the Contractor plant or at AGMC. -- no improvement to the work force.

As you will note the Government ( in-house ) can provide repair for an average of around 30% of the Contract cost.

8.

9.

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION  
Summarized DoD Recommendation

NEWARK AFB, OHIO

**INSTALLATION MISSION:** Air Force Materiel Command Base. Site of Aerospace Guidance and Metrology Center, the single center in Air Force for repairing inertial guidance and navigation systems for missiles and aircraft, and certain aircraft displacement gyroscopes. Operates Air Force Measurement Standards Laboratories.

**RECOMMENDATION**

- Close; shift workload to other Air Force depots.
- Most workload, however, will be privatized in place.

**JUSTIFICATION**

- Closure eliminates excess capacity (1.7M Direct Hours)
- Ranked low compared to other 5 depots.
- Low long-term military value; no runway.  
Stand-alone facility conducive for privatization.

**ITEMS OF SPECIAL EMPHASIS**

- Sole USAF facility for missile guidance systems' repair.
- Sole USAF manager of metrology and calibration program.
- Seismic stability critical to center's repair function.

**COST CONSIDERATIONS**

- One-Time Costs: \$31.3M
- Annual Steady-State Savings: \$3.8M
- Break-Even Year: 2008 (Year 15)

**MANPOWER IMPLICATIONS**

|          | BASELINE | NET CHANGE |
|----------|----------|------------|
| MILITARY | 92       | -92        |
| CIVILIAN | 1679     | -1679      |

**ENVIRONMENTAL CONSIDERATIONS**

- Air Quality Non-Attainment Zone for ozone.
- Closure will have positive environmental effect.
- Not on National Priorities List.

**REPRESENTATION**

Senator John Glenn                      Representative Doug Applegate  
Senator Howard M. Metzenbaum      Governor George V. Voinovich

Roger P. Houck/Air Force Team/9 Apr 93

## SIGNIFICANT ISSUES

### MILITARY ISSUES

- Single center for repair of strategic missile guidance systems and certain aircraft inertial navigation systems.
- Single center for precision measurement standardization.
- Seismic stability critical to both repair functions.

### ECONOMIC IMPACT

- Potential employment loss: 2,963 jobs.
- Licking County Metropolitan Statistical Area job base: 64,529.
- Percentage: 4.6 percent.

### COMMUNITY CONCERNS

- Proposed privatization will cost more, not less.
- Inconsistent to retain Minuteman III bases, yet privatize those missiles' only guidance system repair capability.
- Base unfairly penalized for absence of runway; runway is not needed for AGMC mission; in fact, it would jeopardize mission.

## AIR FORCE OPTIONS FOR NEWARK

- Sell property and plant through competitive bid
- State Ohio assumes ownership through "public benefit transfer"
- Employees at Newark incorporate and take over facility
- Convert to a GOCO
- Contractor assumes workload at location other than Newark
- Movement of workload to a DoD organic source.

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# **CONTRACTOR PERSPECTIVE**

## **NEWARK AFB CLOSURE**

**OCT 93**

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OFODCH01



# Newark AFB Closure Status

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- **NEWARK AFB TO CLOSE IN 1996(?)**
- **AFMC AND WEAPON SYSTEM MANAGERS DEVELOPING/ASSESSING OPTIONS FOR WORKLOAD DISPOSITION**
- **WORKLOAD OBSERVATIONS**
  - **MINUTEMAN 35-40 PERCENT OF NON-METROLOGY WORKLOAD**
  - **PEACEKEEPER NOW SPLIT BETWEEN NEWARK AND CONTRACTOR**
  - **NON-ICBM INERTIAL NAVIGATION SYSTEM WORKLOAD DECLINING**
    - **MOST AIRCRAFT TRANSITIONING TO RLG SYSTEMS**
    - **NEWARK NOT FACILITIZED**
    - **NAVY WORKLOAD (ESGN) SOON TO BE TOTALLY CONTRACT**
  - **METROLOGY TO RELOCATE WITHIN DOD**

## Newark AFB Closure Status (cont)

---

- **WORKLOAD DISPOSITION FACTORS**
  - **CONTRACTOR REPAIR LINES CURRENTLY AVAILABLE FOR MOST INERTIAL NAVIGATION SYSTEMS**
  - **NEWARK MINUTEMAN REPAIR CAPABILITY NOT CURRENTLY DUPLICATED; WOULD REQUIRE RELOCATION OR TRANSFER IN PLACE**
    - **23 MONTH ICBM SPO/CONTRACTOR TRANSITION PLAN DEVELOPED**
  
- **WORKLOAD DISPOSITION CONCERNS/ISSUES** *Define?*
  - **AIR FORCE REQUIREMENT TO RETAIN CORE WORKLOADS**
  - **AIRCRAFT INERTIAL NAVIGATION SYSTEM REPAIR SURGE REQUIREMENTS**
  - **TMDE AND OTHER MINOR WORKLOADS (IF MAJOR WORKLOADS RELOCATED)**
  - **LOSS OF LOCAL NEWARK WORKFORCE WHEN COLUMBUS COMPUTER MEGACENTER OPERATIONAL (1995?)**
  - **PRIVATIZATION-IN-PLACE VS RELOCATION OF WORKLOAD**

# ICBM Guidance Repair Issues

---

- REQUIREMENT TO MAINTAIN MINUTEMAN III BEYOND 2010
- IMMINENT 50 PERCENT LOSS OF HILL AFB SPO MANPOWER
- NECESSITY FOR CONTRACTOR TECHNICAL SUPPORT BEYOND 2010
- INCREASING STOCKFUND REIMBURSEMENT COSTS FOR REPAIRED GUIDANCE SYSTEMS

|             | <u>FY93</u> | <u>FY94</u> |
|-------------|-------------|-------------|
| PEACEKEEPER | 1.0M        | 1.3M        |
| MINUTEMAN   | 300K        | 421K        |

# Newark AFB Closure Status Summary

---

- MANY ISSUES
- AIR FORCE DECISIONS PENDING

# NON-ICBM SYSTEMS REPAIRED AT NAFB

| GUIDANCE SYSTEM | WEAPON SYSTEM                                | MANUFACTURER | DOES MANUFACTURER HAVE *<br>CURRENT REPAIR CAPABILITY |
|-----------------|--|--------------|---|
| LN-12           | F4   | LITTON       | UNKNOWN   |
| LN-14           | F111 A & F SERIES                            | LITTON       | UNKNOWN   |
| LN-15           | F14/A6/F18                                   | LITTON       | YES   |
| LN-15J          | MC130E                                       | LITTON       | YES   |
| LN-39           | F16/A10/FB111/EH60                           | LITTON       | YES   |
| SPN/GEANS       | B52/F117                                     | HONEYWELL    | NO  |
| B1B INU         | B1B  | KEARFOTT     | YES   |
| CAROUSEL        | KC135/C141/C5/C130                           | DELCO        | NO  |
| FY SKI 2310 IMU | F4   | KEARFOTT     | UNKNOWN   |
| F16 INU         | F16  | KEARFOTT     | NO  |
| PADS IMU        | ARMY SURVEY                                  | LITTON       | YES   |
| KT-73 IMU       | A7   | KEARFOTT     | UNKNOWN   |
| KT-76 IMU       | SRAM MISSILE                                 | KEARFOTT     | UNKNOWN   |
| ESGN            | NAVY ATTACK SUB                              | ROCKWELL     | YES   |
| DMINS           | AIRCRAFT<br>CARRIERS, SUBS &<br>SURVEY SHIPS | ROCKWELL     | NO  |

\* THOSE SYSTEMS FOR WHICH REPAIR CAPABILITY DOES NOT CURRENTLY EXIST WOULD REQUIRE RELOCATION OF DEPOT TEST EQUIPMENT OR REINSTALLATION OF STORED FACTORY TEST EQUIPMENT

# RING LASER GYRO (RLG) NAVIGATION SYSTEMS

- DEPLOYED RLG SYSTEMS CURRENTLY BEING REPAIRED BY MANUFACTURER - SCHEDULED FOR TRANSITION TO DEPOT STARTING IN FY95

| RLG SYSTEM DESIGNATOR | WEAPON SYSTEM                          | MANUFACTURER |
|-----------------------|--|--------------|
| LN-94                 | F15                                    | LITTON       |
| H-770                 | F15                                    | HONEYWELL    |
| H-423                 | { F16, C130<br>F4, MH60, MH53,<br>F111 | HONEYWELL    |
| LN-93                 |  | LITTON       |

- TRANSITION OF MILITARY AIRCRAFT TO RLG SYSTEMS IS WELL UNDERWAY
  - STILL IN TRANSITION: F117, F16, F4
  - FORECASTED/PLANNED: KC135, C141, C5, B1B, B52, ARMY SURVEY VEHICLE

# ICBM SPO GUIDANCE SUPPORT PLAN

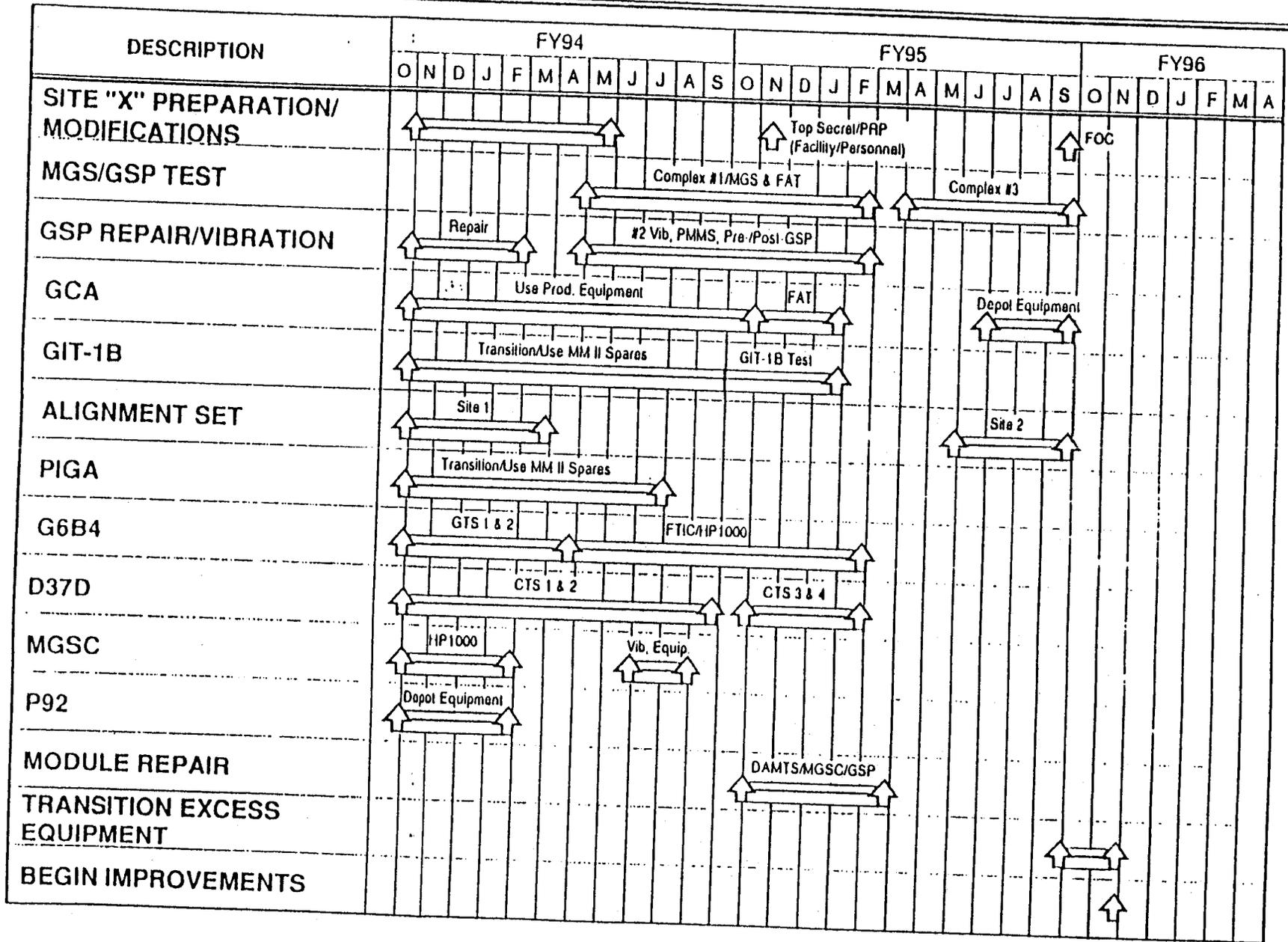
- RATIONALE FOR PLAN
  - FIFTY PERCENT REDUCTION IN ORGANIC MANPOWER AT ICBM SPO, EFFECTIVE END FY93
  - DECLINE IN INDUSTRIAL BASE TO SUPPORT ICBM GUIDANCE
    - AIR FORCE REPORT ON MINUTEMAN III LIFE EXTENSION REVIEW - 19 FEB 1992
    - USSTRATCOM STRATEGIC ADVISORY GROUP SLBM AND ICBM INDUSTRIAL BASE STUDY - APR 93
  - PENDING CLOSURE OF NEWARK AFB
- SPO DIRECTOR'S SOLUTION
  - SINGLE CONTRACT FOR ALL ICBM GUIDANCE SUPPORT FUNCTIONS CURRENTLY ACCOMPLISHED BY GOVERNMENT/CONTRACTOR/SETA
    - REPAIR
    - SPARES MANAGEMENT
    - PARTS PROCUREMENT
    - ITEM MANAGEMENT
    - FIELD OPERATIONS SUPPORT
    - TECHNICAL DATA
    - TRAINERS
    - ENGINEERING
    - ASSESSMENT
    - MODIFICATIONS
    - OPERATIONAL SOFTWARE
    - TEST EQUIPMENT
    - DATA SYSTEMS

# **ICBM SPO GUIDANCE SUPPORT PLAN (CONT.)**

---

- **ROCKWELL/HONEYWELL/NORTHROP ARE WORKING TOGETHER TO SUPPORT THE ICBM SPO PLAN**
- **ICBM "TOTAL GUIDANCE PROGRAM" PLAN DEVELOPED**
  - INCLUDES DETAILED MINUTEMAN REPAIR RELOCATION AND SET-UP PROCEDURES
    - RELOCATION COMPLETED 23 MONTHS AFTER GO-AHEAD
    - OPERATIONAL FORCE FULLY SUPPORTED DURING TRANSITION
  - INCLUDES AN INCREASE OF THE ON-GOING PEACEKEEPER REPAIR ACTIVITY AT ALREADY-FACILITIZED CONTRACTOR REPAIR LINES
- **SYNERGISM/AGGREGATION OF ALL ICBM GUIDANCE SUPPORT ACTIVITIES OFFERS POTENTIAL FOR SIGNIFICANT DECREASE IN TOTAL COSTS TO AIR FORCE**
  - CURRENT REIMBURSEMENT TO AIR FORCE STOCK FUND BY AIR COMBAT COMMAND OPERATIONAL ICBM WINGS FOR REPAIRED SYSTEMS
    - PEACEKEEPER: \$1M PER SYSTEM   • MINUTEMAN III: \$300K PER SYSTEM
    - INCLUDES DIRECT REPAIR COST PLUS ASSOCIATED SUPPORT/OVERHEAD

# MINUTEMAN III GUIDANCE REPAIR FACILITY RELOCATION



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**NEWARK AIR FORCE BASE CLOSURE ISSUES**

**ROCKWELL/HONEYWELL/NORTHROP**

**MAY 93**

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# OBJECTIVE

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- **PROVIDE INFORMATION RELATED TO NEWARK AFB CLOSURE**
- **SHOW ALTERNATIVES EXIST TO CONTINUING MISSION AT NEWARK**
- **PROVIDE OUR POSITION ON ICBM SPO DIRECTOR'S PLAN**
  - TOTAL ICBM GUIDANCE SUPPORT

IT IS NOT OUR OBJECTIVE TO QUESTION  
NEWARK AFB'S CAPABILITIES

# MAIN MESSAGES

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- **MINUTEMAN REPAIR CAN BE MOVED FROM NEWARK AFB TO CONTRACTOR FACILITIES IN 23 MONTHS**
- **PEACEKEEPER REPAIR ALREADY IN PROCESS AT CONTRACTOR FACILITIES**
- **REPAIR IS JUST ONE PART OF THE ICBM SPO'S GUIDANCE PROGRAM**
- **ROCKWELL/NORTHROP/HONEYWELL DEVELOPED, PRODUCED AND HAVE CONTINUOUSLY SUPPORTED ICBM GUIDANCE SYSTEMS**
  - MM I, II, III AND PEACEKEEPER
  - FACILITIZED DEPOT AND TRAINED PERSONNEL
- **SIMILAR CONTRACTOR CAPABILITIES EXIST FOR NON-ICBM GUIDANCE AND METROLOGY**
- **CONTRACTORS CAN DO THE REPAIR TASK IN THEIR FACILITIES**

# ICBM SPO GUIDANCE PROGRAM

---

- **SPO DIRECTOR'S PROGRAM**

- SINGLE CONTRACT FOR ALL ICBM GUIDANCE SUPPORT FUNCTIONS CURRENTLY ACCOMPLISHED BY GOVERNMENT/CONTRACTOR

- REPAIR
- SPARES MANAGEMENT
- PARTS PROCUREMENT
- ITEM MANAGEMENT
- FIELD OPERATIONS SUPPORT
- TECHNICAL DATA
- TRAINERS
- ENGINEERING
- ASSESSMENT
- MODIFICATIONS
- OPERATIONAL SOFTWARE
- TEST EQUIPMENT
- DATA SYSTEMS

- **RATIONALE**

- 50% REDUCTION IN SPO ORGANIC MANPOWER
- RECOGNIZED LOSS OF INDUSTRIAL BASE
  - AIR FORCE AND USSTRATCOM STUDIES
- PENDING NEWARK AFB CLOSURE

## **ICBM SPO GUIDANCE PROGRAM (CONT'D)**

---

- **ROCKWELL/HONEYWELL/NORTHROP WORKING TOGETHER TO SUPPORT ICBM SPO DIRECTOR'S PROGRAM**
  - ICBM "TOTAL GUIDANCE PROGRAM PLAN" DEVELOPED
    - DETAILED MINUTEMAN RELOCATION PLAN INCLUDED
  
- **OPPORTUNITY FOR SIGNIFICANT COST REDUCTION**
  - CURRENT REIMBURSEMENT TO AIR FORCE STOCK FUND BY ACC
    - \$1.0M/PEACEKEEPER AND \$300K/MINUTEMAN PER REPAIR
    - INCLUDES DIRECT AND SUPPORT/OVERHEAD COSTS
  
  - ROCKWELL/HONEYWELL/NORTHROP ROM REFLECTS LOWER COST

# **MONUMENT STABILITY**

---

- **NEEDED FOR GUIDANCE SYSTEM ALIGNMENT STABILITY AND ACCURACY CHECKS**
- **USAF/BMO SPONSORED GEODYNAMICS STUDY ASSESSED CAPABILITY**
  - LOCATIONS INCLUDED NEWARK AFB, CSDL, NORTHROP AND ROCKWELL
  - ROCKWELL MOST STABLE
  - ALL FOUR WITHIN ACCEPTABLE LIMITS
- **MONUMENT STABILITY IS NOT AN ISSUE AS FAR AS REPAIR LOCATION CONCERNED**

# **PEACEKEEPER ICBM IMU REPAIR QUALITY**

---

- **NORTHROP AND NEWARK AFB BOTH REPAIR PEACEKEEPER IMUs**
  
- **COMPARISON OF FIELD RELIABILITY SUBSEQUENT TO REPAIR**
  - **DIFFICULT COMPARISON**
    - **DIFFERENT CONFIGURATION**
    - **SMALL SAMPLE SIZES**
  
  - **NO SIGNIFICANT DIFFERENCE**
    - **UTILIZING ALL DATA SINCE INITIAL DEPLOYMENTS**

# METROLOGY

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- **ALTHOUGH THE AGMC METROLOGY FACILITY IS UNIQUE, ITS MEASUREMENT CAPABILITIES ARE DUPLICATED AT OTHER GOVERNMENT AND COMMERCIAL FACILITIES. IN ADDITION, MOST CAPABILITIES COULD BE MOVED WITHOUT LOSS OF ACCURACY, IF DESIRED**
- **THE NATIONAL CONFERENCE OF STANDARDS LABORATORIES MAINTAINS A DIRECTORATE OF METROLOGY LABORATORIES AND CAPABILITIES WHICH CAN BE USED TO COMPARE AGMC'S METROLOGY ACTIVITY WITH OTHER ORGANIZATIONS**

11

# CONCLUSION

---

- THE CAPABILITY TO ACCOMPLISH THE UNIQUE ASPECTS OF THE NEWARK AFB MISSION EXIST IN PRIVATE INDUSTRY OR OTHER GOVERNMENT FACILITIES

# **NON-ICBM GUIDANCE SYSTEMS**

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- **AIRCRAFT AND NAVY SYSTEMS REPAIRED AT NEWARK ORIGINALLY FACILITIZED BY CONTRACTORS**
  - MANY CONTRACTORS RETAIN REPAIR CAPABILITY
- **AIRCRAFT TRANSITIONING TO RLG GUIDANCE SYSTEMS**
  - CURRENTLY CONTRACTOR-ONLY REPAIR CAPABILITY
  - FACILITIZATION OF NEWARK PLANNED TO START IN 1995

# CONCLUSIONS

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- **ICBM SPECIFIC**

- NO TECHNICAL ISSUES
- ICBM SPO DIRECTOR'S GUIDANCE PROGRAM INCLUDES MINUTEMAN REPAIR
  - MINUTEMAN GUIDANCE REPAIR CAPABILITY CAN BE RELOCATED

- **GENERAL**

- INDUSTRY CAN PERFORM THE NEWARK AFB MISSION AT INDUSTRY'S FACILITIES
  - RETAINS INDUSTRIAL BASE

# METROLOGY

---

- **AGMC METROLOGY CAPABILITY IS NOT UNIQUE**
  - DUPLICATED BY INDUSTRY AND OTHER GOVERNMENT FACILITIES
- **NATIONAL CONFERENCE OF STANDARDS LABORATORIES DIRECTORY**
  - LISTS LAB LOCATIONS/CAPABILITIES AVAILABLE THROUGHOUT U.S.

**DEFENSE BASE CLOSURE  
AND  
REALIGNMENT COMMISSION  
AIR FORCE TEAM BRIEF**

# Air Force Categories

| CATEGORY                                  | NUMBER |
|---|--------|
| Flying/Large Aircraft (missile)           | 21 (5) |
| Flying/Small Aircraft                     | 11     |
| Flying/Pilot Training                     | 4      |
| Flying/Special Operations                 | 1      |
| Depots                                    | 6      |
| Production Centers                        | 3      |
| Test Facilities                           | 1      |
| Technical Training                        | 4      |
| Educational                               | 2      |
| Headquarters                              | 6      |
| Space Operations                          | 3      |
| Cantonments                               | 2      |
| Air National Guard                        | 13     |
| Air Force Reserve                         | 11     |
| Geographical/Mission Essential Exclusions | 16     |

|           |   |
|-----------|---|
| Redirects | 7 |
|-----------|---|

DEPOTS

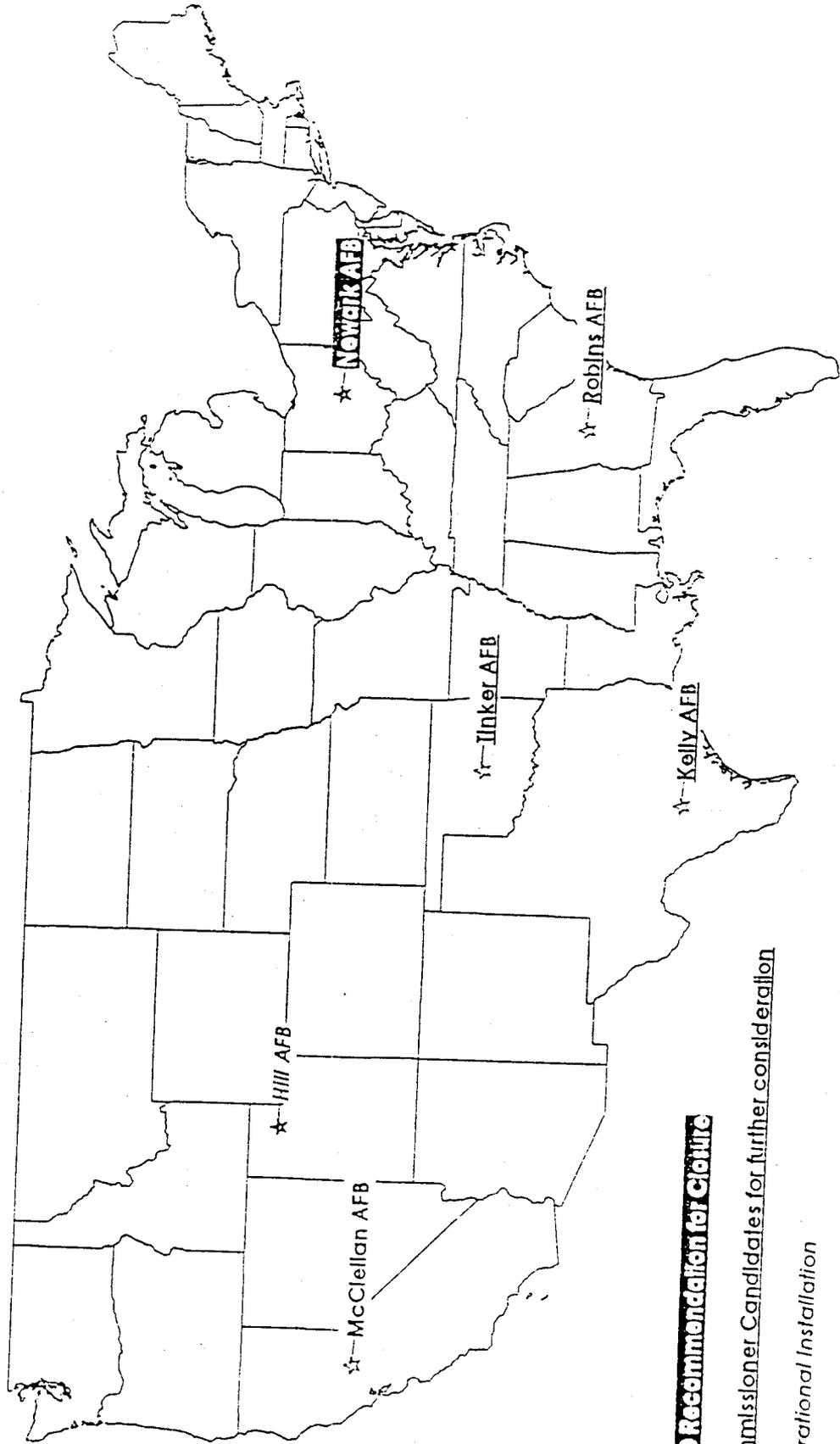
Overview

- CANDIDATE BASES
- CAPACITY
- STATIC BASE INFORMATION AND COST INFORMATION
- MAJOR DEPOT ISSUES
- SUMMARY

COMMENTS MADE TO COMMISSIONERS AT AIR FORCE DEPOT BASES

- "COMMISSIONER, LET ME SHOW YOU OUR UNIQUE FACILITIES!"
- "SEND US MORE WORK; WE CAN HANDLE IT!"
- "WE'RE MORE THAN A DEPOT!"
- "WE HAVE 'GOOD' (AS OPPOSED TO 'BAD') EXCESS CAPACITY!"

AIR FORCE  
Category: Depots



**DD Recommendation for Closure**

Commissioner Candidates for further consideration

Operational Installation

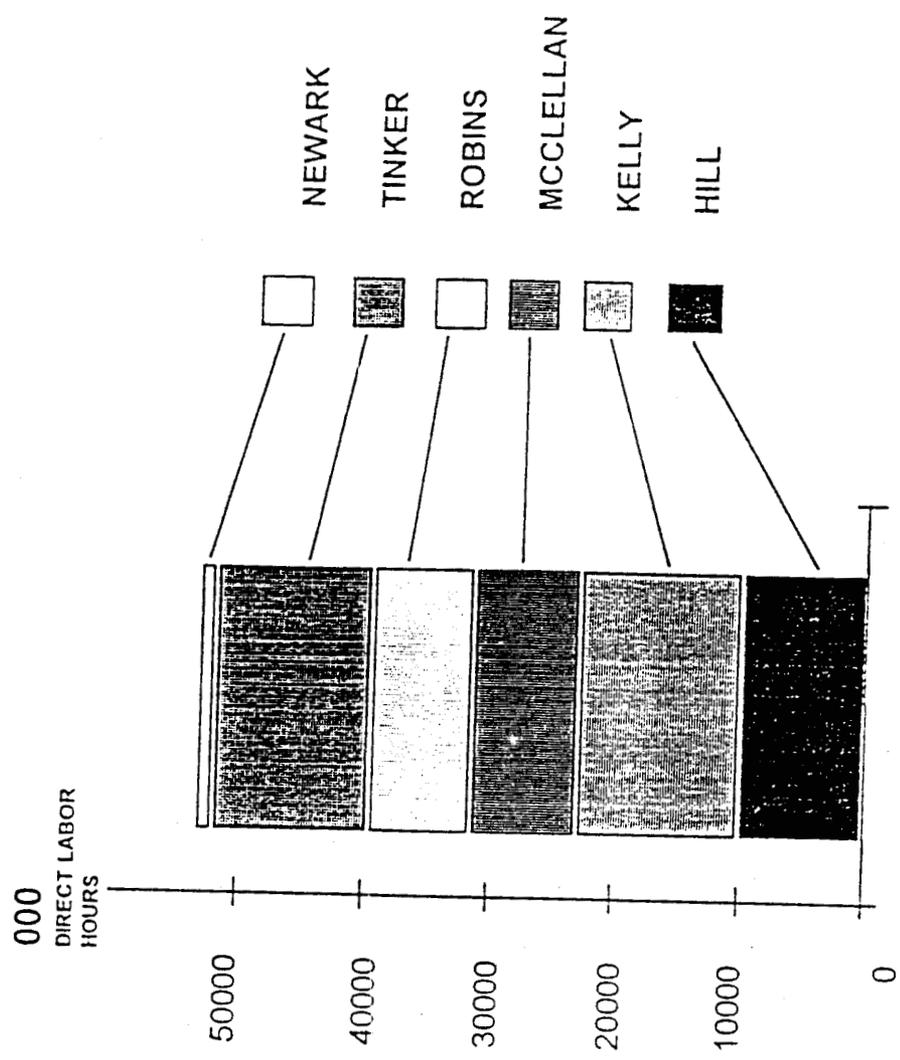
# Air Force Depots

|                |     |                   |     |
|----------------|-----|-------------------|-----|
| Kelly AFB, TX  | (*) | McClellan AFB, CA | (*) |
| Newark AFB, OH | (C) | Robins AFB, GA    | (*) |
| Tinker AFB, OK | (*) |                   |     |

C = DoD recommendation for closure  
R = DoD recommendation for realignment  
\* = Commission additions for further consideration

REVIEW AND ANALYSIS

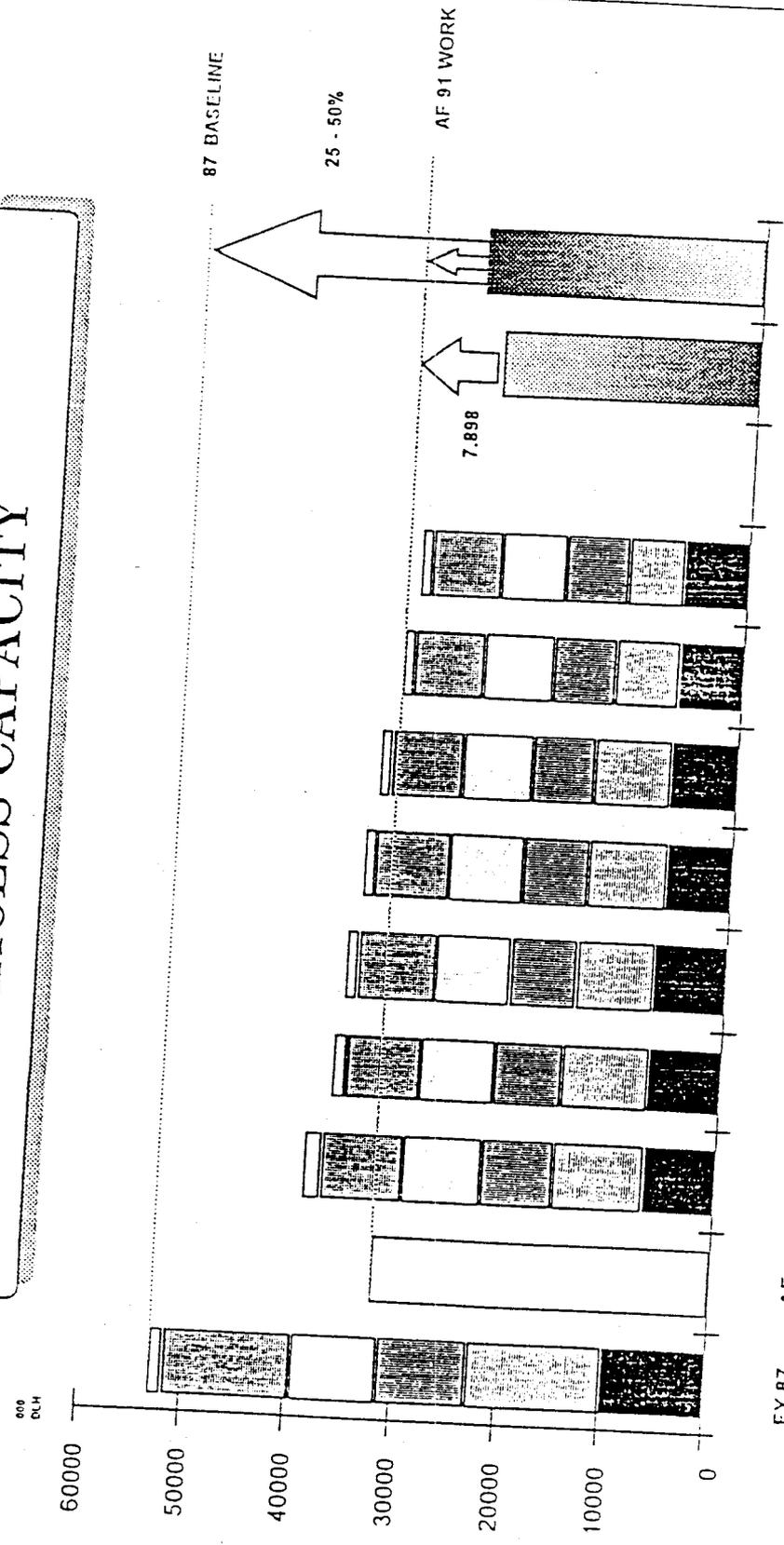
# 1987 CAPACITY INDEX



\* DATA FROM REVENUE DEPOT MAINTENANCE CONCEPT, CORPORATE BUSINESS PLAN, FY 93-97

REVIEW AND ANALYSIS

# EXCESS CAPACITY



- NEWARK
- THIKER
- ROBINS
- MCCLELLAN
- KELLY
- HILL
- AF BASELINE

FY 99 ESTIMATION

AF FY 99 WORK

FY 97

FY 96

FY 95

FY 94

FY 93

FY 92

FY 91

AF FY 91 WORK

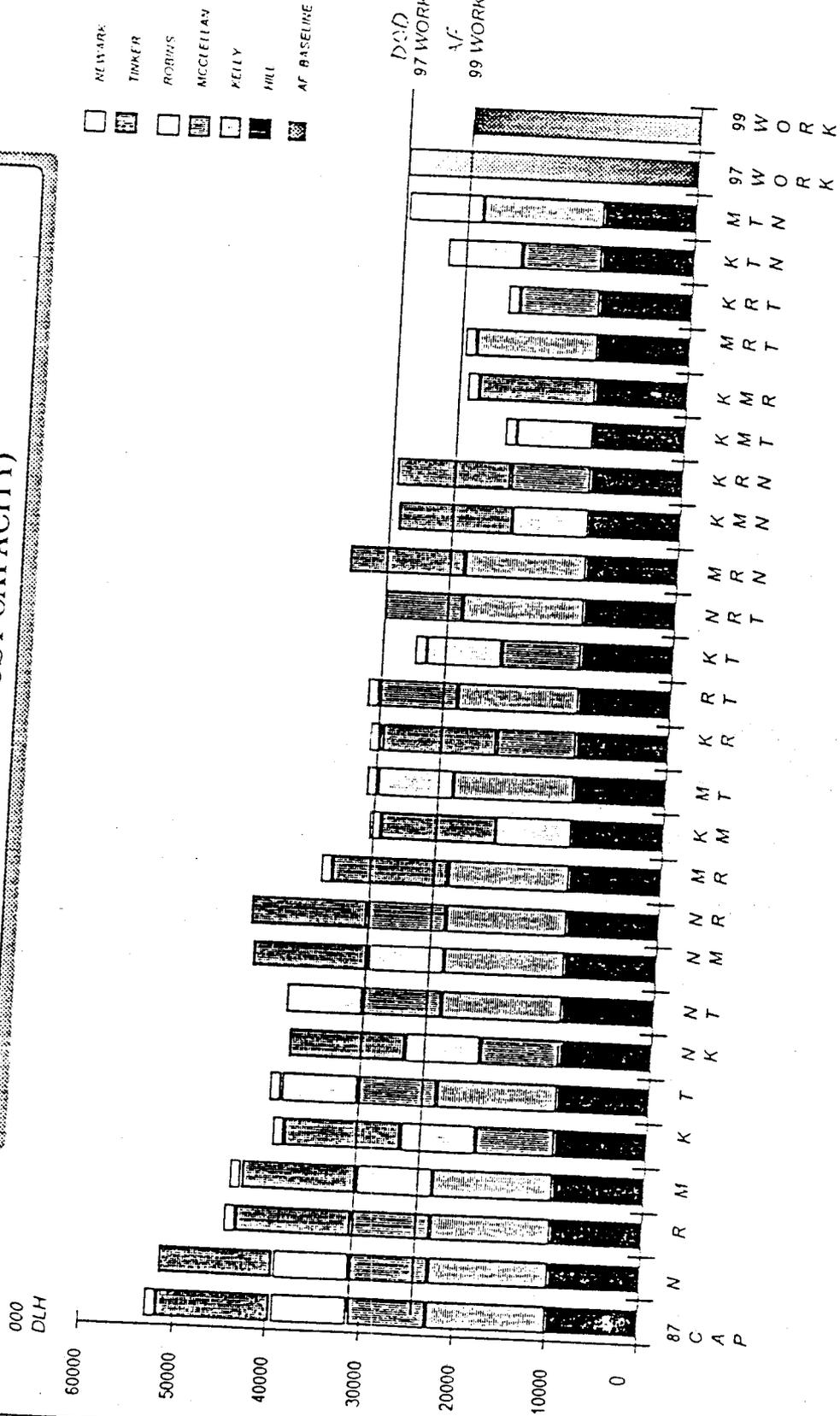
FY 87 CAP

## WORKLOAD

\* DATA FROM DEFENSE REPORT MAINTENANCE EQUIPMENT, CORPORATE BUSINESS PLAN, FY 92-97

REVIEW AND ANALYSIS

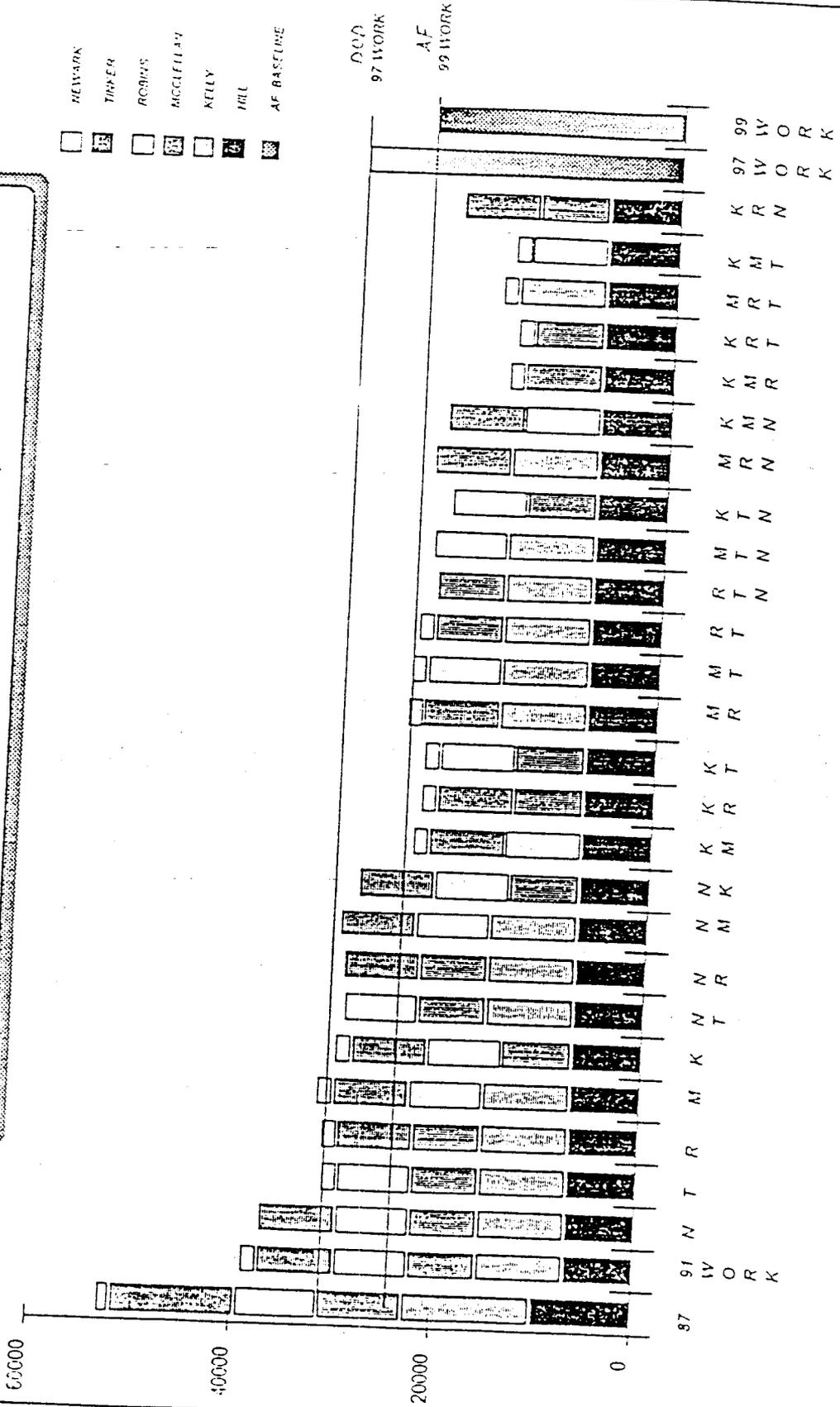
# 1987 CAPACITY SCENARIO COMPARISONS (ASSUMES MOST CAPACITY)



\* DATA FROM DEFENSE DEPOT MAINTENANCE COUNCIL, CORPORATE BUSINESS PLAN, FY 97-99

REVIEW AND ANALYSIS

# 1991 DOD WORKLOAD SCENARIO COMPARISONS (ASSUMES LEAST CAPACITY)



\* NO 3 BASE SCENARIO MAINTAINS REQUIRED CAPACITY

# Depots Static Base Information

| ISSUE   | MCCLELLAN | KELLY  | TINKER | ROBINS | NEWARK |
|---|-----------|--------|--------|--------|--------|
| LAND<br>(Acres)                                       | 3,856     | 3,996  | 3,095  | 8,720  | 67     |
| BUILDINGS<br>(Million Square Feet)                    | 11.1      | 14.9   | 13.3   | 11.8   | .74    |
| AVE AGE OF FACILITIES<br>(AS OF FY92)<br>(Depot only) | 28        | 34     | 36     | 29     | NA     |
| AVE AGE OF EQUIP<br>(AS OF FY92)<br>(Depot only)      | 13        | 13     | 11     | 7      | NA     |
| FAMILY HOUSING<br>(Units)                             | 673       | 428    | 730    | 1,396  | 0      |
| PERSONNEL   |           |        |        |        |        |
| • Military  | 3,010     | 4,599  | 6,989  | 3,890  | 92     |
| • Student   | 0         | 0      | 0      | 0      | 0      |
| • Civilian  | 8,302     | 14,251 | 11,476 | 11,323 | 1679   |
| COST FACTORS  |           |        |        |        |        |
| • Construction Index                                  | 1.14      | .88    | .87    | .77    | .99    |
| • Per Diem  | \$100     | \$75   | \$75   | \$70   | \$74   |

Depots  
Base Cost Information

Check for  
Double Counting

| ISSUE                  | MCCLELLAN      | KELLY            | TINKER            | ROBINS            | NEWARK         |
|------------------------|----------------|------------------|-------------------|-------------------|----------------|
| ANNUAL OPERATING COST  | \$40.3M        | \$58.4M          | \$43.9M           | \$38.8M           | \$4.6M         |
| ONE TIME COST TO CLOSE |                |                  |                   |                   |                |
| • Base                 | \$494.5M       | \$1.2B           | \$1.8B            | \$1.2B            | \$31.3M        |
| • Depot Only           |                | \$1.1B           | \$1.1B            | \$0.94B           |                |
| STEADY STATE SAVINGS   |                |                  |                   |                   |                |
| • Base                 | \$88.6M        | \$60.0M          | \$58.0M           | \$47.7M           | \$3.8M         |
| • Depot Only           |                | \$38.8M          | \$28.5M           | \$27.0M           |                |
| BREAK EVEN YEAR        |                |                  |                   |                   |                |
| • Base                 | 2003 (Year 10) | 2094 (Year 101+) | 2094+ (Year 101+) | 2094+ (Year 101+) | 2008 (Year 15) |
| • Depot Only           |                | 2094 (Year 101+) | 2094+ (Year 101+) | 2094+ (Year 101+) |                |
| ECONOMIC IMPACT (%)    |                |                  |                   |                   |                |
| • 93                   | -4.2           | -5.7             | -7.0              | -22.8             | -4.6           |
| • CUMULATIVE           | -5.6           | -6.0             | -7.4              | -23.9             | -4.6           |

**Air Force Depots  
Issues**

|                   |                    |               |
|-------------------|--------------------|---------------|
| DEPOT OPERATIONS  | DEPOT CAPABILITIES | COST OF LABOR |
| FLYING OPERATIONS | COST TO CLOSE      | PRIVATIZATION |

# Air Force Depots What They Do

*lots of flexibility*

| ISSUE             | MCLELLAN  | KELLY   | TINKER  | ROBINS  | NEWARK  |
|-------------------|---|---|---|---|---|
| AIRCRAFT REPAIRED | <ul style="list-style-type: none"> <li>• F-15</li> <li>• KC-135</li> <li>• F-111</li> <li>• A-10</li> </ul>   | <ul style="list-style-type: none"> <li>• C-5</li> <li>• T-38</li> </ul>   | <ul style="list-style-type: none"> <li>• B-52</li> <li>• E-3</li> <li>• KC-135</li> <li>• B-1</li> </ul>  | <ul style="list-style-type: none"> <li>• C-141</li> <li>• F-15</li> <li>• C-130</li> </ul>  | <ul style="list-style-type: none"> <li>• None (No runway)</li> </ul>  |
| OTHER REPAIR      | <ul style="list-style-type: none"> <li>• Ground comm elect</li> <li>• Retrofit eng</li> <li>• Hydraulics</li> <li>• Flight instr</li> <li>• Generators</li> <li>• Shelters</li> <li>• Software</li> </ul> | <ul style="list-style-type: none"> <li>• Engines</li> <li>• Nuclear Components</li> <li>• Gas Turbine Engines</li> <li>• Elect Support Equip</li> <li>• Software</li> <li>• Elec/Mech Equip</li> <li>• Instrumentation</li> </ul> | <ul style="list-style-type: none"> <li>• Engines</li> <li>• Hydraulics</li> <li>• Auto Flight Control Instruments</li> <li>• Engine Instr</li> <li>• Oxygen/Gas Generating Equip</li> </ul> | <ul style="list-style-type: none"> <li>• Airborne Elect</li> <li>• Gyros</li> <li>• Misc Instr</li> <li>• Manufacturing</li> <li>• Life Spt Equip</li> <li>• Props</li> <li>• Software</li> </ul>                                     | <ul style="list-style-type: none"> <li>• Inertial Nav Systems</li> <li>• Gyros (Displacement)</li> <li>• Metrology</li> <li>• Elect Components</li> <li>• Periscope Sextants</li> </ul> |
| TECHNOLOGIES      | <ul style="list-style-type: none"> <li>• Composites</li> <li>• Reverse Engr</li> <li>• Fiber Optics</li> <li>• Elect connectors</li> </ul>  | <ul style="list-style-type: none"> <li>• Artificial Intel</li> <li>• Non-Destructive Inspection</li> <li>• Advanced Metals</li> <li>• Ceramics</li> <li>• Robotics</li> </ul>   | <ul style="list-style-type: none"> <li>• Advanced Composites Struct</li> <li>• Hardness/Survivability</li> <li>• Mechanical Systems Tech</li> </ul>   | <ul style="list-style-type: none"> <li>• Advanced Elect</li> <li>• Power Supplies</li> <li>• Corrosion Control</li> <li>• Command, Control, Communications, Intelligence</li> <li>• Adv Avionics</li> <li>• Force Mgt Tech</li> </ul> | <ul style="list-style-type: none"> <li>• Calibration</li> <li>• Mgt of Precision Measurement Equip Labs (PMTEL)</li> </ul>  |

**AIR FORCE DEPOTS**  
**DEPOT OPERATIONS--USAF ATTRIBUTES REVIEWED**

| ATTRIBUTE                                  | MCCLELLAN   | KELLY        | TINKER       | ROBINS       | NEWARK     |
|--|-------------|--------------|--------------|--------------|------------|
| # OF CRITICAL SKILL WRKRS/TOTAL WORK FORCE | 3,037/8,589 | 3,474/14,079 | 3,994/14,524 | 5,046/14,417 | 888/1,915  |
| % WPN SYS W/REPAIR LOCATED WITH MGT        | 76%         | 80%          | 23.7%        | 60%          | NA         |
| CURR WKLD (FY 91)                          | 6.305M HRS  | 8.585M HRS   | 7.658M HRS   | 7.454 HRS    | 1.666M HRS |
| PROJ FY 95 WORKLOAD                        | 5.554       | 6.990        | 7.309        | 7.707        | .867       |
| LOST TIME INCIDENTS PER 200K HRS           | .94         | .82          | .64          | .57          | .93        |
| AVG COST WORK COMP (FY88-92)               | \$100.72    | \$74.66      | \$83.61      | \$62.72      | \$36.92    |
| ENVIRO COSTS (Proj FY 92-95)               | \$28.3M     | \$40.0M      | \$32.6M      | \$26.7M      | \$5.9M     |
| % WKLD REQ UNIQUE FAC                      | 20%         | 34.9%        | 23.05%       | 15.44%       | 89.6%      |
| AVG SALARY                                 | \$35,768    | \$28,609     | \$32,775     | \$30,910     | \$34,415   |
| UTILITY RATE (COST P/MBTU)                 | \$10.39     | \$7.82       | \$1.70       | \$7.00       | \$7.98     |

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 why?  
 why?

check

# AIR FORCE DEPOTS DEPOT/OPS CAPABILITIES

| ISSUE                                  | MCCLELLAN   | KELLY  | TINKER  | ROBINS   | NEWARK   |
|--|---|--|---|--|--|
| "TRADEMARK" CAPABILITY                 | COMM-ELECT  | LARGE ACFT/<br>ENGINE TECH   | LARGE ACFT/<br>ENGINE TECH  | AVONICS/<br>EW/AIRBORNE<br>ELECTRONICS   | ICBM MISSILE<br>GUIDANCE/<br>METROLOGY                                       |
| FLEXIBILITY<br>• ACFT MIX<br>• KEY FAC | <ul style="list-style-type: none"> <li>• LG/SMALL</li> <li>• NONE</li> </ul>                            | <ul style="list-style-type: none"> <li>• LG/SMALL</li> <li>• C-5 HANGAR</li> </ul>   | <ul style="list-style-type: none"> <li>• LG/SMALL</li> <li>• BLDG 3001</li> </ul>   | <ul style="list-style-type: none"> <li>• LG/SMALL</li> <li>• NONE</li> </ul>   | <ul style="list-style-type: none"> <li>• NA</li> <li>• NA</li> </ul>         |
| COLLOCATED OPS                         | <ul style="list-style-type: none"> <li>• TANKER SPT</li> <li>• AFTAC LAB</li> <li>• WX RECON</li> </ul> | <ul style="list-style-type: none"> <li>• AIRLIFT COMPLEX</li> <li>• MUNITIONS STOCKPILE</li> <li>• MEDEVAC COMPLEX</li> <li>• SPEC WPNS REPAIR FACILITY</li> <li>• ANG F-16</li> </ul> | <ul style="list-style-type: none"> <li>• AIRBORNE C-3 COMPLEX</li> <li>• 2 RUNWAYS</li> <li>• MUNITIONS</li> <li>• B-2 SPT FAC</li> <li>• AFR F-16</li> </ul> | <ul style="list-style-type: none"> <li>• TANKER SPT</li> <li>• FUTURE JSTARS BEDDOWN</li> <li>• SPECIAL OPS FORCES SPT FACILITY</li> <li>• SPACE WARNING SQ</li> </ul> | <ul style="list-style-type: none"> <li>• NO COLLOCATED OPS FORCES</li> </ul> |
| CONTIN-GENCY CAPABILITY                | <ul style="list-style-type: none"> <li>• 1 C-141 MOG</li> <li>• LIMITED WIDE-BODY</li> </ul>            | <ul style="list-style-type: none"> <li>• 6 C-141 MOG</li> <li>• WIDE-BODY CAPABLE</li> </ul>   | <ul style="list-style-type: none"> <li>• 4 C-141 MOG</li> <li>• WIDE-BODY CAPABLE</li> </ul>  | <ul style="list-style-type: none"> <li>• 4 C-141 MOG</li> <li>• WIDE-BODY CAPABLE</li> </ul>   | <ul style="list-style-type: none"> <li>• NA</li> <li>• NA</li> </ul>         |

## Air Force Depots Cost of Labor

| ISSUE  | MCCLELLAN | KELLY  | TINKER | ROBINS | NEWARK |
|--|-----------|--------|--------|--------|--------|
| INDIRECT COSTS AS % OF TOTAL COST (AVG, FY'87-'92) | 44.12%    | 43.75% | 39.80% | 44.72% | NA     |
| MATERIEL COSTS AS % OF TOTAL COST (FY'92)          | 24%       | 35%    | 31%    | 27%    | NA     |

| ISSUE         |                                 | MCCLELLAN | KELLY    | TINKER   | ROBINS   | NEWARK   |
|---------------|---------------------------------|-----------|----------|----------|----------|----------|
| COST OF LABOR | HOURLY (AVG-11/STEP 3)          | \$16.58   | \$12.72  | \$15.24  | \$13.71  | \$14.45  |
|               | AVERAGE DEPOT SALARY            | \$35,768  | \$28,609 | \$32,775 | \$30,910 | \$34,415 |
|               | TOTAL OPS COST (MINUS MATERIEL) | \$52.70   | \$47.20  | \$50.52  | \$47.78  | \$47.12  |

# Air Force Depot Flying Operations

| ISSUE                   | KELLY AFB   | MCCLELLAN AFB   | ROBINS AFB   | TINKER AFB   |
|-------------------------|---|---|--|--|
| FY 95/4 FORCE STRUCTURE | <ul style="list-style-type: none"> <li>• 14 C-5 (AFRES)</li> <li>• 18 F-16 (ANG)</li> </ul>   | <ul style="list-style-type: none"> <li>• 10 KC-135 (AFRES)</li> <li>• 4 WC-135</li> <li>• 2 T-38</li> <li>• 2 A-10</li> </ul>   | <ul style="list-style-type: none"> <li>• 27 KC-135</li> <li>• 2 EC-135</li> <li>• 1 E-8 (JSTARS)</li> <li>• 2 F-15</li> </ul>  | <ul style="list-style-type: none"> <li>• 23 E-3 (AWACS)</li> <li>• 24 F-16 (AFRES)</li> <li>• 1 EC-135</li> <li>• 15 E-6 (TACAMO)</li> </ul>   |
|                         | AIRLIFT   | Yellow  | Green  | Green  |
|                         | BOMBER  | Green   | Yellow   | Green  |
|                         | FIGHTER   | Yellow  | Yellow   | Green  |
| TANKER                  | Green   | Green   | Green  | Green  |
| EXCESS FLYING CAPACITY  | <ul style="list-style-type: none"> <li>• Robust 10 C-5s</li> <li>• Robust 6 F-16s</li> </ul>  | <ul style="list-style-type: none"> <li>• Air quality constraint</li> </ul>  | <ul style="list-style-type: none"> <li>• JSTARS or 10 KC-135s</li> </ul>   | <ul style="list-style-type: none"> <li>• Yes with MILCON</li> </ul>  |
| PROS                    | <ul style="list-style-type: none"> <li>• Large ramp size</li> <li>• Airlift training support</li> <li>• Fuel hydrants</li> <li>• Bombing ranges</li> <li>• C-141 Maximum on Ground (MOG)</li> </ul>                         | <ul style="list-style-type: none"> <li>• Large scale airdrop</li> <li>• Electronic Combat range</li> <li>• Supersonic airspace</li> <li>• Weather</li> </ul>  | <ul style="list-style-type: none"> <li>• Drop zone nearby</li> <li>• Longest runway</li> </ul>   | <ul style="list-style-type: none"> <li>• Air refueling route close</li> <li>• Fuel hydrants</li> <li>• Bombing ranges</li> <li>• Airlift customer</li> <li>• Radar bomb site</li> </ul>  |
| CONS                    | <ul style="list-style-type: none"> <li>• Weather for low level training limited</li> <li>• Distance to radar bomb site</li> <li>• Distance to electronic combat range</li> <li>• Distance to supersonic airspace</li> </ul> | <ul style="list-style-type: none"> <li>• Bomber mission restrictions</li> <li>• Low C-141 MOG</li> <li>• High number of noise complaints</li> <li>• No fuel hydrants</li> <li>• Low number of low level routes</li> <li>• Low number of night low level routes</li> </ul> | <ul style="list-style-type: none"> <li>• Small ramp size</li> <li>• Air refueling route not close</li> <li>• Weather for low level training limited</li> <li>• Distance to bombing ranges</li> </ul> | <ul style="list-style-type: none"> <li>• No close airborne units</li> <li>• Low number of night low level routes</li> <li>• Distance to Electronic Combat range</li> <li>• Comparatively low POL storage</li> <li>• Distance to supersonic airspace</li> </ul> |

Monthly Noise Complaints, Delays, and Annual Airfield Operations  
Depots

|           | NOISE COMPLAINTS | AIR TRAFFIC DELAYS | TOWER OPERATIONS |
|-----------|------------------|--------------------|------------------|
| KELLY     | 3                | 0                  | 106,171          |
| MCCLELLAN | 19               | 0                  | 52,138           |
| ROBINS    | 3                | 1                  | 51,625           |
| TINKER    | 4                | 0                  | 59,913           |

# Air Force Depots Cost to Close

| BASE       | FULL BASE  | ALC ONLY    |
|------------|------------|-------------|
| MICCLELLAN | \$509.6M * | \$494.5M ** |
| KELLY      | \$1.2B     | \$1.1B      |
| TINKER     | \$1.8B     | \$1.1B      |
| ROBINS     | \$1.2B     | \$0.9B      |
| NEWARK     | \$31.3M    | -----       |

\* Reduced from original \$635M

\*\* Retains depot hydraulic facility (AF Recommendation)

*Wait for  
Frank's intro*

Newark Air Force Base  
Privatization

Corrector - USAF - 50

| Issue   | DoD POSITION  | COMMUNITY POSITION   | R&A STAFF FINDINGS   |
|---|---|--|--|
| COST EFFECTIVENESS                            | Can be accomplished in a cost effective manner through competition. Additionally, a private contractor could bring in other types of workloads. | Privatization will increase per unit repair costs.<br><br><i>No proposal</i>   | A key element for cost effectiveness is the USAF plan to provide uninterrupted depot level support during the transition period. To date, contractor estimates have not been provided for any privatization options, thus DoD cost effectiveness is difficult to assess. |
| IMPACT TO MINUTEMAN ICBM OPERATION CAPABILITY | Transition of workload does not jeopardize the repair capability or logistics posture.  | NAFB is the sole repair for the Minuteman ICBM guidance system - high risk.<br><br><i>- Achievable - transition period</i> | NAFB is presently the only repair site for the Minuteman ICBM guidance system. Conversion to private industry is achievable, but a transition strategy is required. There is adequate time for planning.   |
| CRITICAL PERSONNEL RETENTION                  | Not a problem   | Experts will remain in the Civil Service.<br><br><i>- No Problem -</i>   | Contractors presently have the expertise to accommodate the workload.  |

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# Scenario Summary Newark Air Force Base

| DoD POSITION  | SCENARIO I  |
|---|---|
| <ul style="list-style-type: none"> <li>• Newark AFB, Ohio will close.</li> <li>• The Aerospace Guidance and Metrology Center (AGMC) depot will be closed               <ul style="list-style-type: none"> <li>• Most work will be privatized in place.</li> <li>• Some workload will move to other depot maintenance activities including the private sector.</li> </ul> </li> </ul>  | <ul style="list-style-type: none"> <li>• Close Newark AFB. Contract the total workload out to weapon system contractors or do some combination of contracting and privatization in place. Interservicing opportunities should also be exercised. Select the option which is the most economically sound.</li> </ul>   |
| <p>One Time Costs: \$31.3M<br/>Steady State Savings: \$3.8M<br/>Break Even Year: 2008</p>   | <p>One Time Costs: \$31.3M<br/>Steady State Savings: \$3.8M<br/>Break Even Year: 2008</p> <p style="text-align: right;"><i>UNKNOW N</i></p>   |
| <p style="text-align: center;"><b>PROS</b></p> <ul style="list-style-type: none"> <li>• USAF excess depot capacity (8.7M Dir Prod Actual Hrs)</li> <li>• Ranked low compared to other 5 depots.</li> <li>• Conducive for conversion to private sector.</li> <li>• Closure cuts USAF excess capacity by 1.7M DPAH.</li> <li>• Low cost to close (\$31.3M)</li> <li>• Serves as a model for future privatization efforts.</li> <li>• Diminishing workload requirement</li> </ul> <p><i>A Source/My Upgrades Reliability Have what promised. What promised. The Newark AFB</i></p> | <p style="text-align: center;"><b>CONS</b></p> <ul style="list-style-type: none"> <li>• Stand-alone, highly-technical industrial facility.</li> <li>• Economic Impact               <ul style="list-style-type: none"> <li>• Potential Employment Loss: 2,963 jobs</li> <li>• Licking County MSA job base: 64,529</li> <li>• Percentage: 4.6 percent</li> </ul> </li> <li>• No USAF plan that validates the cost effectiveness or strategy of implementation</li> </ul> |
| <p style="text-align: center;"><b>PROS</b></p> <ul style="list-style-type: none"> <li>• Absorbs critical repair/calibration workload in the event that there is little interest in total privatization in place.</li> <li>• Expertise and most equipment in place at contractor facility.</li> </ul>  | <p style="text-align: center;"><b>CONS</b></p> <ul style="list-style-type: none"> <li>• May not be cost effective</li> <li>• No USAF plan or cost figures in place</li> </ul> <p style="text-align: right;"><i>Economic Impact!</i></p> <p style="text-align: right;"><i>4/19</i></p>   |

Scenario Summary  
Newark Air Force Base

| SCENARIO II  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Do not close Newark AFB</li></ul>  |  |
| PROS   | CONS   |
| <ul style="list-style-type: none"><li>• Contractor facilities presently do not have the capability to absorb the Minuteman ICBM guidance system workload requirements immediately (If contracted out)</li><li>• Avoids unforeseen costs due to lack of contractor proposals.</li><li>• Avoids economic impact to the community</li></ul> | <ul style="list-style-type: none"><li>• Does not promote DoD initiative to privatize</li><li>• May run the risk of keeping a facility open with a diminishing workload requirement</li><li>• Does not reduce depot excess capacity</li></ul> |

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McClellan Air Force Base, California

| ISSUE   | AF POSITION   | COMMUNITY POSITION  | R&A STAFF FINDINGS   |
|---|---|---|--|
| Consideration of depot performance, cost efficiency, and productivity indicators. | Air Force solicited data in base questionnaire, but decided not to use because much of data is subject to manipulation by depots, is dependent upon specific workloads accomplished by depots, and subject to factors beyond a depot's control, such as establishing sales rates. | Air Force selection of attributes which were used in rating depots was flawed. Some indicators used (such as Unit Cost Per Output and DMIF salary) are not appropriate; others, which project cost efficiency, productivity, and performance were not used. | The Air Force process for evaluating depots was not designed to identify the "best" or "worst" depot in terms of efficiency and productivity. GAO and OSD data claim that depots should not be compared for productivity and efficiency. Such attributes were not used in the Commission's independent analysis. |
| Airspace expansion  | Although airspace is available, the Air Force does not see future expansion. Base questionnaire stated that expansion would be difficult.   | McClellan not credited for airspace expansion, both in Mather airspace and over-water airspace.   | Concur with Air Force.   |
| MOA/Ranges  | Ranges were rated "Yellow" because the closest range was Navy owned. NAS Fallon has good access, but Air Force cannot expect unrestricted access; use of Fallon expected to increase, with Navy aircraft having first priority.   | McClellan rated Yellow for MOA/Ranges when there were four ranges listed under Fallon that are within 150 nm.   | Concur with Air Force.   |
| Ability to support fighter mission  | Self-imposed restrictions resulted in McClellan's Yellow rating. Fighters will require formation takeoffs and night operations.   | McClellan's rating should have been higher for ability to support fighter mission.  | Concur with Air Force. Self-imposed restrictions are unlikely to change if fighter mission placed on base.   |

## McClellan Air Force Base, California

| ISSUE                                    | AF POSITION   | COMMUNITY POSITION  | R&A STAFF FINDINGS  |
|--|---|---|---|
| Unique Facilities                        | Unique facilities reviewed, and only one met criteria in terms of providing required capability which could not be met elsewhere and whose cost to replicate is unreasonable based on life span of requirement. | McClellan's unique facilities were not fairly considered in the Air Force's review process. | All bases claimed unique facilities, significantly more than the number ultimately determined by the Air Force.         |
| Space Mission                            | Ability to accept Space mission was not addressed for any base.   | McClellan was not given credit for ability to accept a Space mission.                       | Los Angeles AFB, which has a Space mission, was excluded from consideration by the Air Force for consideration.         |
| Ratings/Fairness of Air Force Evaluation | Sacramento community did not include Newark AFB in analysis.  | Numerous attributes or factors were rated incorrectly.                                      | Newark correctly categorized as a depot. Air Force analysis difficult to follow; required clarification on many issues. |

# Scenario Summary

## McClellan Air Force Base, California

| SCENARIO I  | SCENARIO II  |
|---|--|
| <ul style="list-style-type: none"> <li>• Close McClellan AFB (Air Force Recommendation)</li> <li>• Hydraulics facility remains in-place</li> <li>• Depot workload to other depots/privatize/interserviced</li> <li>• Move 1849 EIS to Hill AFB, UT</li> <li>• Move HQ ARS to Langley AFB, VA</li> <li>• Move AFTAC Special Ops to Offutt AFB, NE</li> <li>• 940th ARS (AFRES) moves to Mather AFB instead of McClellan as recommended by the 1991 Commission</li> </ul> <p>One Time Costs: \$494.5M<br/>Steady State Savings: \$88.6M<br/>Break Even Year: 2003 (Year 10)</p> | <ul style="list-style-type: none"> <li>• Close McClellan AFB</li> <li>• Depot workload, including Hydraulics facility, to other depots/privatize/interserviced</li> <li>• Move 1849 EIS to Hill AFB, UT</li> <li>• Move HQ ARS to Langley AFB, VA</li> <li>• Move AFTAC Special Ops to Offutt AFB, NE</li> <li>• 940th ARS (AFRES) moves to Mather AFB instead of McClellan as recommended by the 1991 Commission</li> </ul> <p>One Time Costs: \$509.6M<br/>Steady State Savings: \$88.6M<br/>Break Even Year: 2003 (Year 10)</p> |
| PROS  | PROS   |
| <ul style="list-style-type: none"> <li>• Excess capacity reduced</li> <li>• Competition/privatization/interservicing opportunities</li> <li>• Environmental plus</li> <li>• Least expensive to close</li> <li>• Higher labor cost depot closed</li> </ul>   | <ul style="list-style-type: none"> <li>• Excess capacity reduced</li> <li>• Competition/privatization/interservicing opportunities</li> <li>• Environmental plus</li> <li>• Least expensive to close</li> <li>• Higher labor cost depot closed</li> </ul>  |
| CONS  | CONS   |
| <ul style="list-style-type: none"> <li>• Economic impact -- three base closures in three rounds</li> <li>• Loss of skilled workers, particularly in ground-communications electronics</li> <li>• <b>Noise Reduction</b></li> </ul>  | <ul style="list-style-type: none"> <li>• Economic impact -- three base closures in three rounds</li> <li>• Loss of skilled workers, particularly in ground-communications electronics</li> </ul>   |

# Scenario Summary

## McClellan Air Force Base, California

| SCENARIO III  |  |
|---|--|
| <ul style="list-style-type: none"> <li>• McClellan Air Force Base remains open.</li> </ul>  |  |
| PROS  | CONS   |
| <ul style="list-style-type: none"> <li>• No economic impact.</li> <li>• Comm-elect skillbase and base's unique capabilities remain intact.</li> </ul> | <ul style="list-style-type: none"> <li>• Air Force excess capacity.</li> <li>• Other closures more costly.</li> <li>• Limited long-term military value because of air quality degradation</li> </ul> |

JES  
Kelly Air Force Base, Texas

| ISSUE                   | DOD POSITION  | COMMUNITY POSITION   | R&A STAFF FINDINGS  |
|-------------------------|---------------|--|---|
| Airlift Support         | Not addressed | Kelly is airlift complex; not taken into account in commission staff analysis.                 | Kelly's military value was taken into consideration; presence of C-5 assets and collocated depot maintenance. |
| Unique facilities       | Not addressed | Multiple unique facilities which were not taken into consideration by commission staff.        | Kelly's unique facilities were considered, particularly the C-5 hangar and the cryogenic spin complex.        |
| Economic Impact         | Not addressed | Severe economic disruption from closure of Kelly, particularly impacting Hispanic-Americans.   | Staff took community's position into consideration.   |
| Large number of tenants | Not addressed | Large number of tenants on base.   | Considered presence of AFIC and other tenants.  |
| Contingency support     | Not addressed | Kelly demonstrated contingency capabilities during Desert Storm airlift and munitions support. | Considered by staff analysts; munitions complex is one of largest in CONUS.                                   |

# Scenario Summary Kelly Air Force Base, Texas

| SCENARIO I  |  | SCENARIO II   |  |
|---|--|---|--|
| <ul style="list-style-type: none"> <li>• Kelly Closes</li> <li>• San Antonio Air Logistic Center Closes</li> </ul> <p>One Time Costs: \$1.2B<br/>Steady State Savings: \$60M<br/>Break Even Year: 2094+ (Year 101+)</p>   |  | <ul style="list-style-type: none"> <li>• San Antonio Air Logistics Center Closes</li> <li>• Kelly Air Force Base Remains open</li> </ul> <p>One Time Costs: \$1.1B<br/>Steady State Savings: \$39M<br/>Break Even Year: 2094+ (Year 101+)</p>                     |  |
| PROS  |  | PROS  |  |
| <ul style="list-style-type: none"> <li>• Reduces depot excess capacity</li> <li>• Reduces overhead costs</li> </ul>   |  | <ul style="list-style-type: none"> <li>• Reduces depot excess capacity</li> <li>• Reduces overhead costs</li> <li>• Maintains operations capacity</li> </ul>  |  |
| CONS  |  | CONS  |  |
| <ul style="list-style-type: none"> <li>• Must move large aircraft workload</li> <li>• Must move engine workload</li> <li>• Must move force structure</li> <li>• Lose lift support to Wilford Hall and Brooks</li> <li>• Lose lift support for weapons storage</li> <li>• Impact AF affirmative action- 50% of AF Hispanics</li> <li>• Relocate tenants</li> <li>• Economic impact- 5.7%</li> <li>• High cost to close</li> <li>• Reduce interservice potential</li> </ul> |  | <ul style="list-style-type: none"> <li>• Must move large aircraft workload</li> <li>• Must move engine workload</li> <li>• Impact to AF affirmative action</li> <li>• Economic impact- 5.7%</li> <li>• Cost to close</li> <li>• Interservice potential</li> </ul> |  |

# Scenario Summary Kelly Air Force Base, Texas

| SCENARIO III   |  |
|--|--|
| <ul style="list-style-type: none"><li>• Kelly remains open</li></ul>   |  |
| PROS   | CONS   |
| <ul style="list-style-type: none"><li>• Depot capabilities and capacities intact</li><li>• Flying units remain</li><li>• Continue support to tenants</li><li>• Avoids large cost to close</li><li>• Air Force affirmative action</li><li>• Experienced labor force</li></ul> | <ul style="list-style-type: none"><li>• Overall depot excess capacity</li><li>• Overhead costs</li></ul> |



# Robins Air Force Base, Georgia

| ISSUE                                 | DOD POSITION  | COMMUNITY POSITION  | R&A STAFF FINDINGS   |
|---------------------------------------|---------------|---|--|
| Unique Facilities                     | Not Addressed | Base has multiple unique facilities, particularly the Avionics, Electronic Warfare, and Airborne Electronics complex. | Considered in Commission's analysis.   |
| Quality, productivity, and efficiency | Not Addressed | Depot is highly efficient, productive, and cost-effective.  | Depot performance indicators were not considered in the Commission's final analysis. |
| Economic impact                       | Bot addressed | Economic impact from closure of Robins would be severe on local community.  | Cumulative economic impact from closure of Robins AFB would be -23.9%                |
| J-Stars Mission                       | Not addressed | Robins has been selected for beddown of J-Stars mission.  | Considered in Commission's analysis.   |
| Excess capacity                       | Not addressed | Differing position on excess capacity determination.  | Took community's position under consideration.                                       |

# Scenario Summary

## Robins Air Force Base, Georgia

| SCENARIO I  | SCENARIO II  |
|---|--|
| <ul style="list-style-type: none"> <li>● Close Robins Air Force Base</li> <li>● Move depot workload to other depots/privatize.</li> <li>● Move force structure to other bases.</li> </ul> <p>One Time Costs: \$1.2B<br/>Steady State Savings: \$48M<br/>Break Even Year: 2094+ (Year 101+)</p>  | <ul style="list-style-type: none"> <li>● Close aviation maintenance depot only.</li> <li>● Move depot workload to other depots.</li> </ul> <p>One Time Costs: \$0.9B<br/>Steady State Savings: \$28M<br/>Break Even Year: 2094+ (Year 101+)</p>                                      |
| <p style="text-align: center;">PROS</p> <ul style="list-style-type: none"> <li>● Air Force excess capacity reduced.</li> <li>● Interservice</li> </ul>  | <p style="text-align: center;">PROS</p> <ul style="list-style-type: none"> <li>● Air Force excess capacity reduced.</li> <li>● Interservice</li> <li>● JSTARS beddown not affected</li> </ul>  |
| <p style="text-align: center;">CONS</p> <ul style="list-style-type: none"> <li>● Force structure</li> <li>● J-STARS beddown</li> <li>● Phased Array Radar</li> <li>● Economic impact- 22.8%</li> <li>● Avionics/electronic warfare/airborne electronics complex.</li> <li>● Large # tenants</li> <li>● Special Operations Forces support</li> </ul> | <p style="text-align: center;">CONS</p> <ul style="list-style-type: none"> <li>● Cost to operate base remains.</li> <li>● Economic impact- 22.8%.</li> <li>● Avionics/electronic warfare/airborne electronics impact.</li> <li>● Special Operations Forces support impact</li> </ul> |

# Scenario Summary

## Robins Air Force Base, Georgia

| SCENARIO III   |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Robins stays open.</li> </ul>   |  |
| <p style="text-align: center;"><b>PROS</b></p> <ul style="list-style-type: none"> <li>• Force structure and depot workload unaffected.</li> <li>• J-STARS unaffected</li> <li>• EW/Abn Elect intact</li> <li>• No economic impact</li> </ul> | <p style="text-align: center;"><b>CONS</b></p> <ul style="list-style-type: none"> <li>• Excess capacity</li> <li>• Other depot options more expensive, except McClellan</li> </ul> |

Tinker Air Force Base, Oklahoma

| ISSUE  | DOD Position  | COMMUNITY POSITION   | R&A STAFF FINDINGS   |
|--|---|--|--|
| Excess Capacity  | Commission projection of excess capacity is overstated. | Commission overstated extent of excess capacity in Air Force Depot system.   | Excess capacity exists in the Air Force depot system.  |
| Flexibility  | Not Addressed   | Oklahoma City Air Logistics Center, Building 3001, is highly flexible, and offers numerous reconfiguration opportunities for increased workload. | Recognizes reconfiguration potential for Building 3001.  |
| Significance of collocated AWACS and US Navy TACAMO missions | Not Addressed   | Base is host to AWACS and U.S. Navy TACAMO mission aircraft. Synergism from collocation.   | Significance of both AWACS and TACAMO missions considered in analysis.                         |
| Economic Impact  | Not addressed   | Severe economic impact to Oklahoma City area.  | Cumulative economic impact is -7.4.  |
| Location   | Not addressed   | Ideally located to support contingency operations and two-level maintenance.   | Premature to determine if location will reduce transportation costs for two-level maintenance. |

# Scenario Summary Tinker Air Force Base, Oklahoma

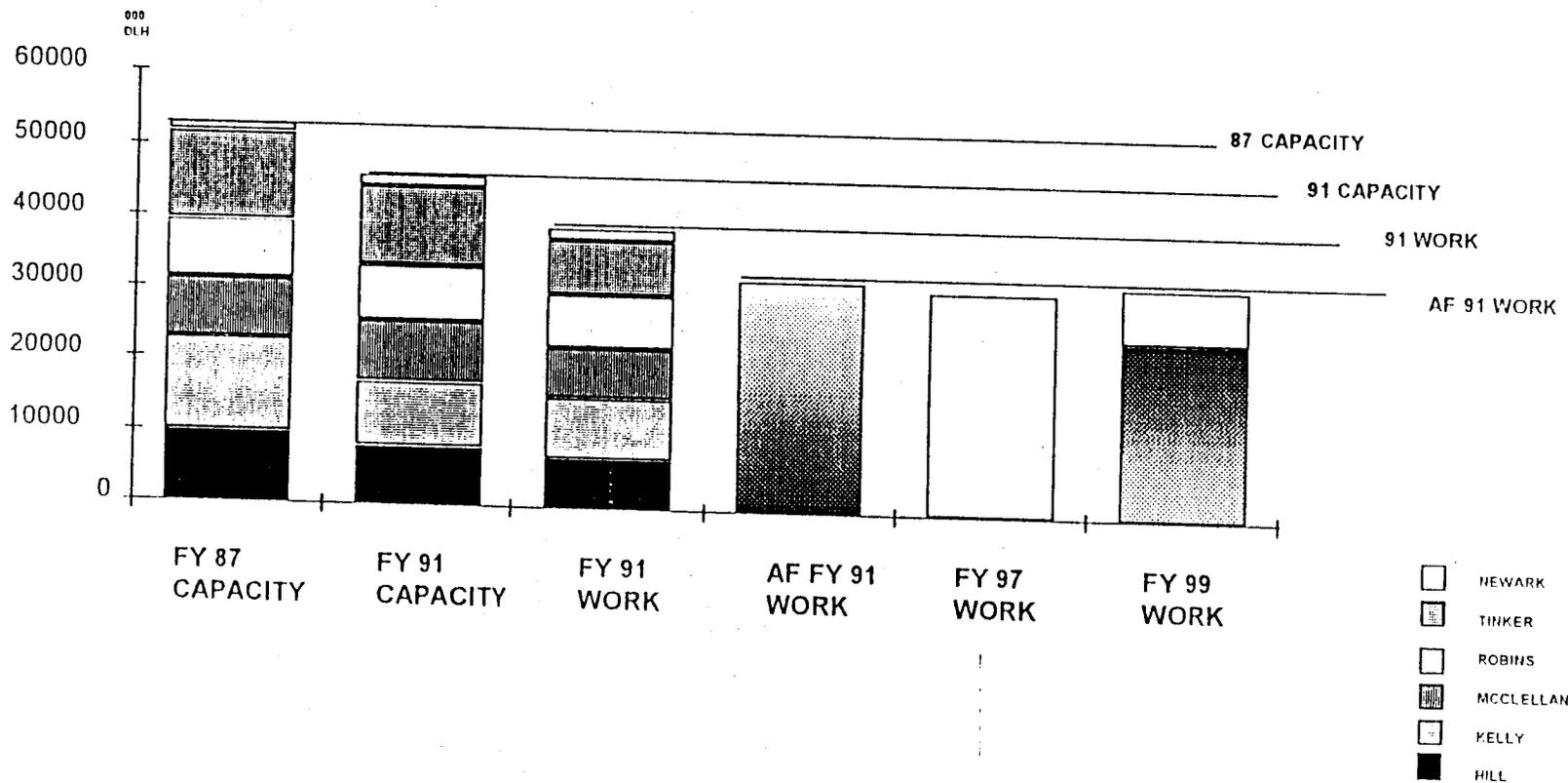
| SCENARIO I   | SCENARIO II   |
|--|---|
| <ul style="list-style-type: none"> <li>• Close Tinker AFB.</li> <li>• Move depot workload to other depots/interservice.</li> <li>• Move force structure to other bases.</li> </ul>   | <ul style="list-style-type: none"> <li>• Close only aviation maintenance depot.</li> <li>• Move depot workload to other depots or privatize.</li> </ul>   |
| <p>One Time Costs: \$1.8B<br/>Steady State Savings: \$58M<br/>Break Even Year: 2094+ (Year 101+)</p>   | <p>One Time Costs: \$1.1B<br/>Steady State Savings: \$28M<br/>Break Even Year: 2094 (Year 101+)</p>   |
| <p style="text-align: center;">PROS</p> <ul style="list-style-type: none"> <li>• Air Force excess capacity reduced.</li> <li>• Promotes interservicing.</li> </ul>   | <p style="text-align: center;">PROS</p> <ul style="list-style-type: none"> <li>• Force structure stays</li> <li>• Air Force excess capacity reduced.</li> <li>• Promotes interservicing.</li> </ul>   |
| <p style="text-align: center;">CONS</p> <ul style="list-style-type: none"> <li>• Large # forces.</li> <li>• AWACS/Navy TACAMO collocation.</li> <li>• Reduces contingency support capability.</li> <li>• Lose B-2 depot facility.</li> <li>• Impact on "system."</li> <li>• Impact on 2-level.</li> <li>• Flexibility of Bldg 3001 lost (62 acres).</li> <li>• Large # of tenants.</li> <li>• Economic impact- 7.0%</li> </ul> | <p style="text-align: center;">CONS</p> <ul style="list-style-type: none"> <li>• Expensive.</li> <li>• Synergism between depot and collocated contingency forces</li> <li>• B-2 depot facility.</li> <li>• Impact on "system."</li> <li>• Flexibility of Bldg 3001 (62 acres)</li> <li>• Large aircraft and engine technology skill recovery time.</li> <li>• Economic impact- 7.0%.</li> </ul> |

Scenario Summary  
Tinker Air Force Base, Oklahoma

| SCENARIO III  |   |
|---|---|
| <ul style="list-style-type: none"><li>• Tinker stays open.</li></ul>  |   |
| PROS  | CONS  |
| <ul style="list-style-type: none"><li>• Large closure cost avoided</li><li>• Contingency capability intact</li><li>• Depot capabilities intact</li><li>• Economic impact avoided.</li></ul> | <ul style="list-style-type: none"><li>• Air Force excess capacity</li></ul> |

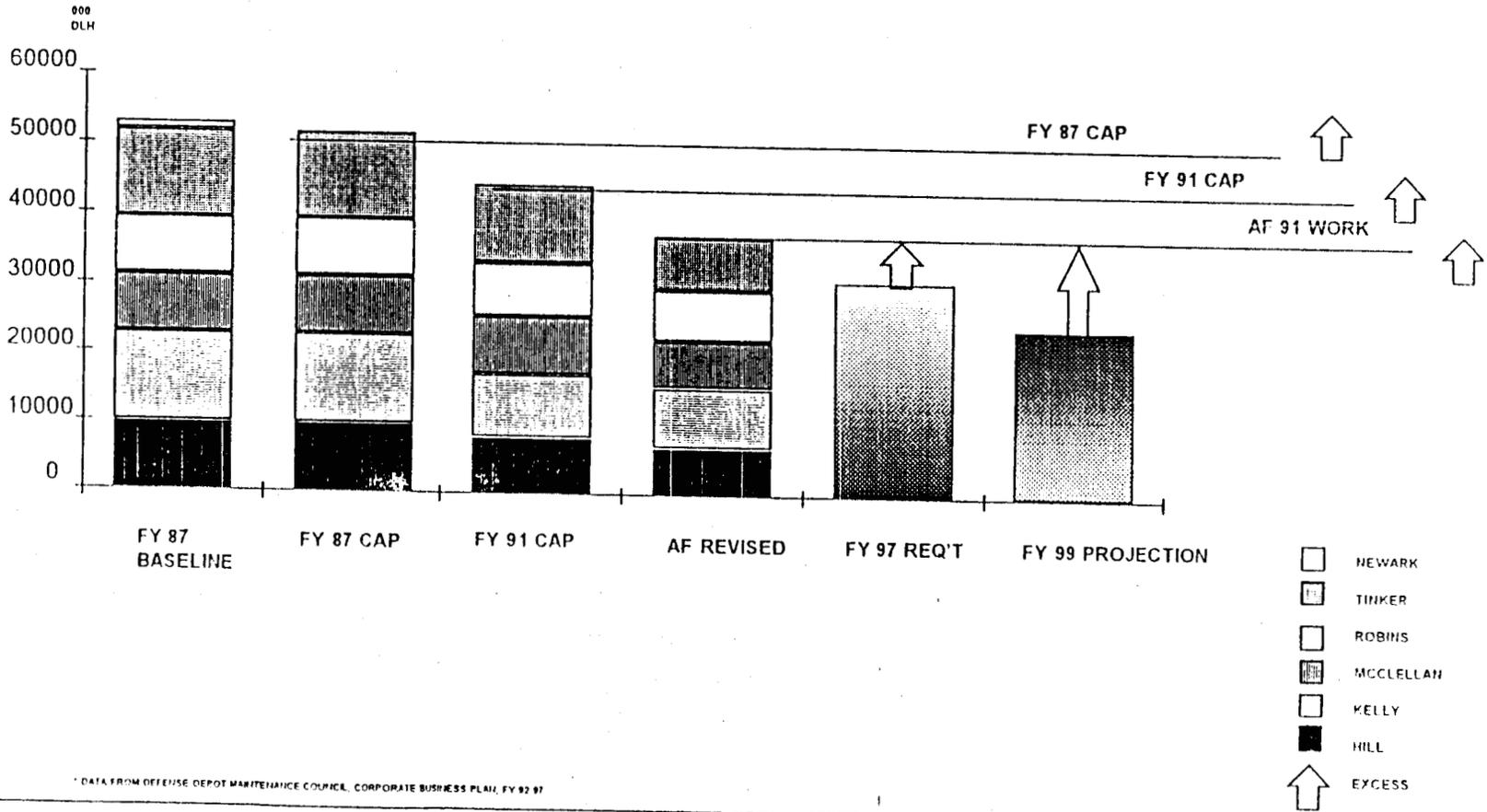
BACKUP SLIDES

# INDEX COMPARISONS



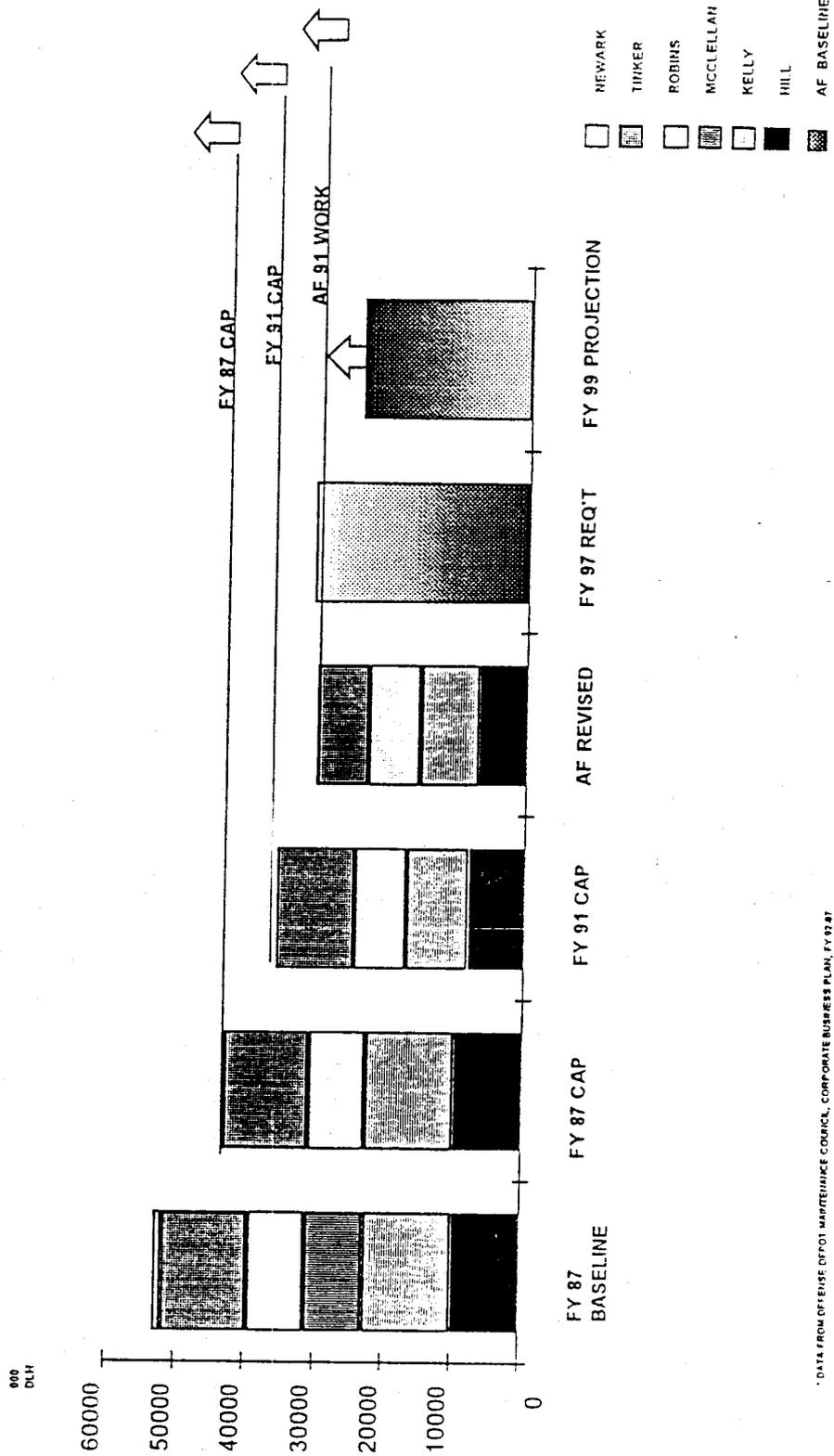
\* DATA FROM DEFENSE DEPOT MAINTENANCE COUNCIL, CORPORATE BUSINESS PLAN, FY 92-97

# NEWARK SCENARIO



REVIEW AND ANALYSIS

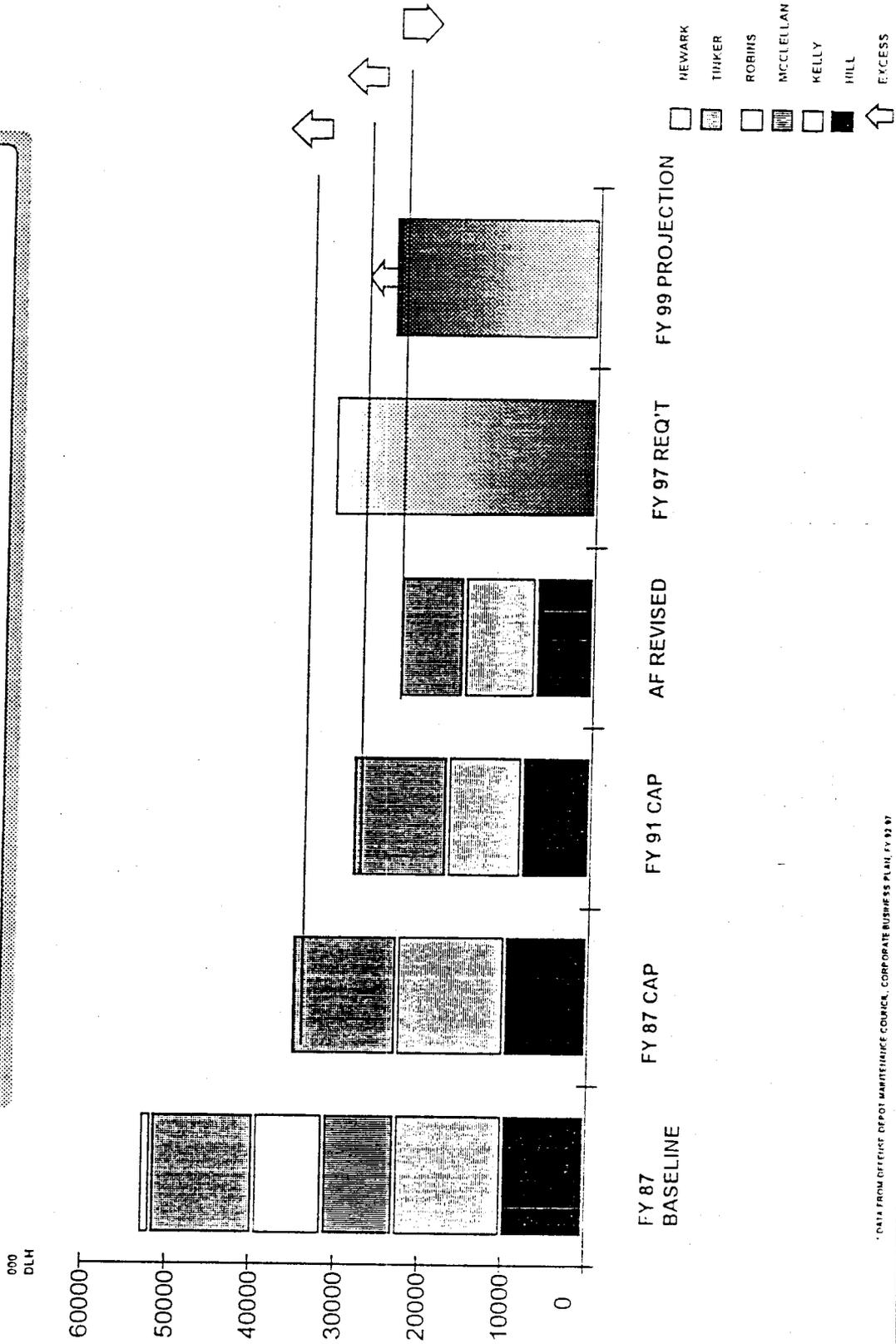
# MCCELLELLAN NEWARK SCENARIO



\* DATA FROM OFFENSE DDPOT MAINTENANCE CODECL, CORPORATE BUSINESS PLAN, FY 97-97

REVIEW AND ANALYSIS

# MCCLELLAN NEWARK ROBINS SCENARIO

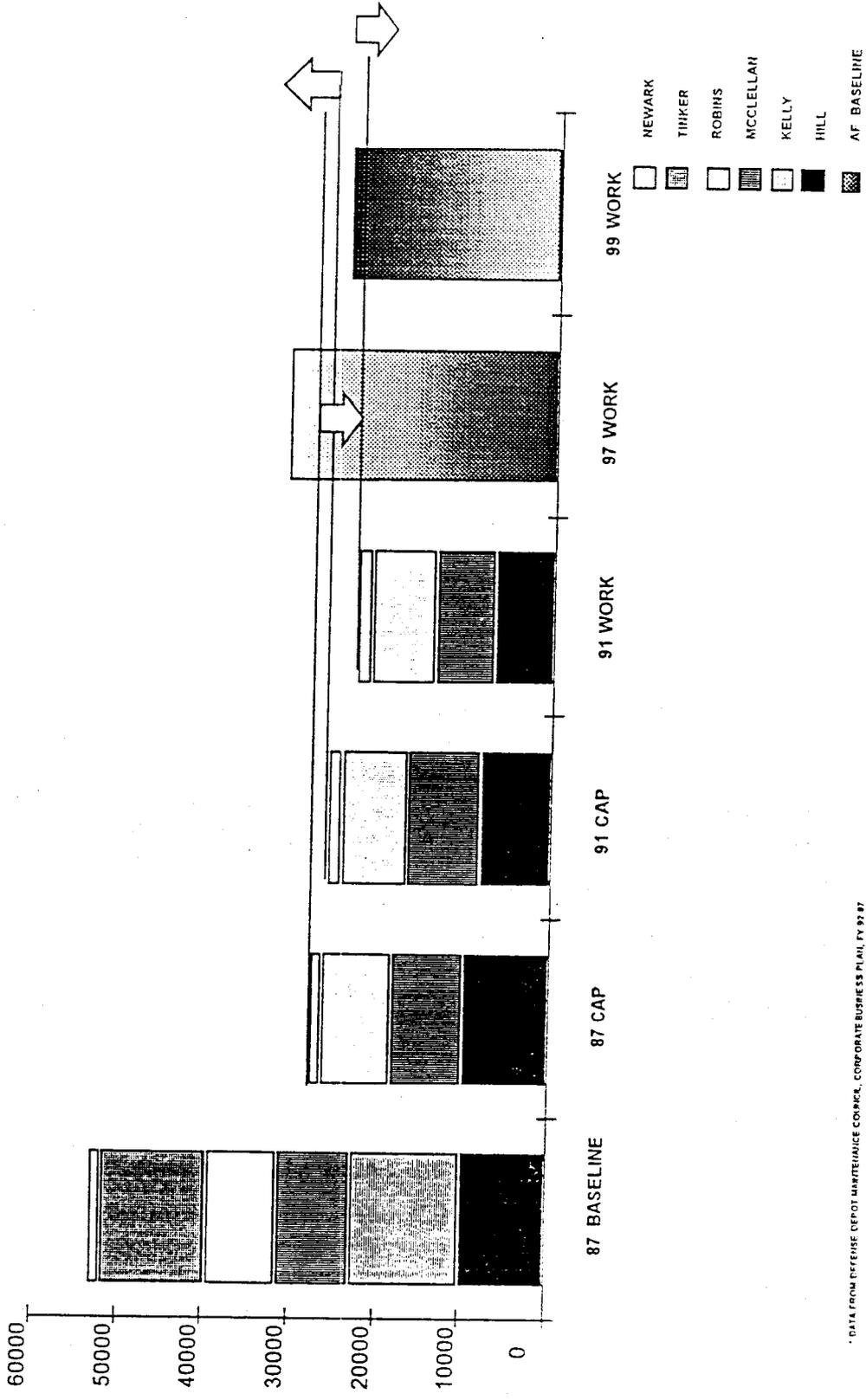


\* DATA FROM OFFICE DEPOT MAINTENANCE COURSE, CORPORATE BUSINESS PLAN, FY 93-97

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REVIEW AND ANALYSIS

# KELLY TINKER SCENARIO



\* DATA FROM DEFENSE DEPOT MAINTENANCE COUNCIL, CORPORATE BUSINESS PLAN, FY 97-97

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## Air Force Depots Economic Impact Summary

| BASE      | BASE<br>IMPACT (%) | CUMULATIVE<br>IMPACT (%) | UNEMPLOYMENT<br>RATE (%) | POTENTIAL<br>RATE | DIR/IND | MSA     |
|-----------|--------------------|--------------------------|--------------------------|-------------------|---------|---------|
| MCCLELLAN | -4.2               | -5.6                     | 8.7                      | 14.3              | 30,761  | 750,823 |
| KELLY     | -5.7               | -6.0                     | 6.6                      | 12.6              | 33,930  | 595,454 |
| TINKER    | -7.0               | -7.4                     | 5.0                      | 12.4              | 33,237  | 479,429 |
| ROBINS    | -22.8              | -23.9                    | 6.3                      | 30.2              | 27,113  | 123,014 |
| NEWARK    | -4.6               | -4.6                     | 7.3                      | 11.9              | 2,963   | 64,529  |

- BASE IMPACT: REP DIRECT/INDIRECT EMPLOYMENT IMPACT ON # EMPLOYED IN COMMUNITY AFFECTED BY CLOSURE
- CEI: REP CUM ECONOMIC IMPACT ACROSS 88/91
- UNEMPLOYMENT RATE: COMMUNITY'S LATEST UNEMPLOYMENT RATE
- POTENTIAL RATE: ASSUMES NO ECONOMIC RECOVERY - POTENTIAL WORST CASE

# Air Force Depots Depot Flying Operations Issues Encroachment

| ISSUE                                | Kelly AFB  | McClellan AFB  | Robins AFB  | Tinker AFB   |
|--------------------------------------|--|--|---|--|
| CLEAR ZONES                          | <ul style="list-style-type: none"> <li>On-base structure</li> </ul>  | <ul style="list-style-type: none"> <li>17 Acres</li> </ul>                                   | <ul style="list-style-type: none"> <li>None</li> </ul>  | <ul style="list-style-type: none"> <li>6% Incompatible</li> </ul>                                    |
| ACCIDENT POTENTIAL ZONES             | <ul style="list-style-type: none"> <li>Incompatible structures in APZ I and II</li> </ul>  | <ul style="list-style-type: none"> <li>Preexisting residential and commercial</li> </ul>     | <ul style="list-style-type: none"> <li>Existing in APZ II</li> </ul>                          | <ul style="list-style-type: none"> <li>Runway 17- 35%</li> <li>Runway 12- 48%</li> </ul>             |
| NOISE                                | <ul style="list-style-type: none"> <li>4 complaints/month</li> <li>C-5 operations</li> <li>No fighter problems</li> </ul>        | <ul style="list-style-type: none"> <li>19 complaints/month</li> </ul>                        | <ul style="list-style-type: none"> <li>5 complaints/month</li> <li>F-15 sonic boom</li> </ul> | <ul style="list-style-type: none"> <li>4 complaints/month</li> </ul>                                 |
| AIR INSTALLATION COMPATIBLE USE ZONE | <ul style="list-style-type: none"> <li>New contours</li> </ul>   | <ul style="list-style-type: none"> <li>New contours</li> </ul>                               | <ul style="list-style-type: none"> <li>Potential developments</li> </ul>                      | <ul style="list-style-type: none"> <li>Increased Contours</li> <li>Potential developments</li> </ul> |
| COMMUNITY SUPPORT                    | <ul style="list-style-type: none"> <li>Superb</li> <li>City has Military Airport Overlay Zones</li> <li>Growth stable</li> </ul> | <ul style="list-style-type: none"> <li>Signed Comprehensive Land Use Plan in 1987</li> </ul> | <ul style="list-style-type: none"> <li>Strong</li> <li>Support AICUZ</li> </ul>               | <ul style="list-style-type: none"> <li>Superb</li> <li>Active AICUZ</li> </ul>                       |
| POTENTIAL                            | <ul style="list-style-type: none"> <li>Increase fighter and airlift operations</li> </ul>  | <ul style="list-style-type: none"> <li>Maintain status quo</li> </ul>                        | <ul style="list-style-type: none"> <li>Increase flight operations</li> </ul>                  | <ul style="list-style-type: none"> <li>Increase flight operations</li> </ul>                         |

# AIR FORCE DEPOTS ENVIRONMENTAL SUMMARY

| ISSUE                       | MCCLELLAN  | KELLY  | TINKER          | ROBINS | NEWARK  |
|-----------------------------|--|--------|-----------------|--------|---------|
| AIR QUALITY ATTAINMENT?     | NO   | YES    | YES             | YES    | NO      |
| IF NOT, WHY                 | <ul style="list-style-type: none"> <li>• OZONE</li> <li>• CARBON MONOXIDE</li> <li>• PARTICULATES</li> </ul> |        |                 |        | • OZONE |
| #AIR PERMITS                | 138  | 9      | 37              | 1      | 107     |
| WETLANDS                    | YES  | YES    | YES             | YES    | YES     |
| NATIONAL PRIORITIES LIST?   | YES  | NO     | YES<br>(1 SITE) | YES    | NO      |
| PROJECTED COST TO REMEDIATE | \$1.1-\$10B  | \$200M | \$330M          | \$350M | \$2.5M  |
| EST. YEAR TO REMEDIATE      | UNKNOWN  | 2000   | 2000-2030       | 1998   | 1995    |
| SOIL CONTAMINATE            | YES  | YES    | YES             | YES    | YES     |

**AIR FORCE DEPOTS  
ENVIRONMENTAL  
MCCLELLAN AFB, CA, ENVIRONMENTAL STATUS**

- SUMMARY
- FOUND CONTAMINATION IN 1979
- PRIME CONTAMINANTS ARE ORGANICS  
(E.G. CHLORINATED CLEANING SOLVENTS)
- ENTIRE BASE ON NATIONAL PRIORITY LIST (NPL)
- EXTENSIVE SOIL AND GROUNDWATER CONTAMINATION
- GROUNDWATER CONTAINMENT SYSTEMS INSTALLED/  
MASSIVE CLEANUP EFFORT UNDERWAY

## Depot Definitions

**Capacity Index-** The amount of workload, expressed in actual direct labor hours, that a facility can effectively produce annually on a single shift, 40 hour week basis while producing the product mix that the facility is designed to accommodate.

$$\text{Capacity Index} = \text{work positions} \times \text{annual production hours} \times \text{availability factor}$$

( production hour = 1615 and availability factor = .95 )

**Work Position-** The designated space of equipment/ process usage that can be occupied consistently by one direct production worker to accomplish the assigned task on a full time basis.

May include more than one location if the worker moves to other locations to accomplish the assigned task.

**Annual Production Hours-** Annual paid hours, 2080 hours minus indirect factors: leave, training, holidays = 1615

**Availability Factor-** Accounts for equipment downtime, power outages = .95

**Utilization Index-** Measures work positions against funded workload-- Utilization Index =  $\frac{\text{Funded Workload}}{\text{Capacity Index}}$

**Excess Capacity-** Capacity for which no requirement exists

\* Source is August 22, 1991 Draft DoD 4151.15H

Table 6-39  
Aerospace Guidance and Metrology Center (AGMC)  
(DLH 000)

|                   | <u>FY91</u> | <u>FY92</u> | <u>FY93</u> | <u>FY94</u> | <u>FY95</u> | <u>FY96</u> | <u>FY97</u> |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Workload          | 1,666       | 1,232       | 1,128       | 1,120       | 1,106       | 1,079       | 1,079       |
| Capacity Index    | 1,597       | 1,643       | 1,468       | 1,435       | 1,379       | 1,330       | 1,330       |
| Utilization Index | 104%        | 75%         | 77%         | 78%         | 80%         | 81%         | 81%         |
| Competition Risk  | --          | --          | --          | -20         | -20         | -20         | -20         |

AGMC provides systems management of 140 Precision Measurement Equipment Laboratories (PMEL) worldwide. AGMC tests and repairs inertial guidance and navigation systems and components for a variety of missile and aircraft weapon systems. Capacity reduction is constrained by required specialized equipment and facilities.

### 6.3.6 Marine Corps

Utilization percentages are higher than normal for both Marine Corps depots during the FY92-FY94 period because of extensive use of overtime and temporary employees to execute the Desert Storm workload.

Table 6-40  
Marine Corps Logistics Base Albany (MCLB Albany)  
(DLH 000)

|                   | <u>FY91</u> | <u>FY92</u> | <u>FY93</u> | <u>FY94</u> | <u>FY95</u> | <u>FY96</u> | <u>FY97</u> |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Workload          | 1,151       | 1,582       | 1,674       | 1,330       | 1,180       | 1,087       | 1,056       |
| Capacity Index    | 1,091       | 1,174       | 1,201       | 1,211       | 1,218       | 1,218       | 1,218       |
| Utilization Index | 105%        | 135%        | 139%        | 110%        | 97%         | 89%         | 87%         |
| Competition Risk  | --          | -145        | -118        | -113        | -93         | -16         | -11         |

For MCLBA no adverse impacts to capacity utilization are currently anticipated.

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9504107-16

### Staff Summary Sheet

| To | Action | Signature (Surname), Grade, Date | To      | Action | Signature (Surname), Grade, Date |
|----|--------|----------------------------------|---------|--------|----------------------------------|
| 1  | AF/LG  | APPR                             | AF/LG   | APPR   | <i>[Signature]</i> 21 Apr 95     |
| 2  | AF/RT  | COORD                            | SAF/MII | COORD  |                                  |
| 3  | SAF/AQ | COORD                            | AF/CC   | APPR   |                                  |
| 4  | SAF/GC | COORD                            | SAF/US  | COORD  |                                  |
| 5  | SAF/LL | COORD                            | SAF/OS  | SIG    |                                  |

|  |                   |                |               |
|--|-------------------|----------------|---------------|
| Grade and Surname of Action Officer<br>Mr Girz | Symbol<br>AF/LGMM | Phone<br>73859 | Suspense Date |
|--|-------------------|----------------|---------------|

|   |                           |
|---|---------------------------|
| Subject<br>Proposed Response to Senators Glenn and Dewine on Newark AFB | SSS Date<br>10 April 1995 |
|---|---------------------------|

**Summary**

1. **Background.** Ohio Senators Glenn and Dewine sent a letter (Tab 3) to SAF/OS stating their concerns regarding the closure of Newark AFB and privatization in place of the AGMC workload. Their concerns include the intent of the Air Force's request for proposal to achieve privatization in place and recent actions to move workload from Newark. The proposed responses at Tab 1 and 2 address these concerns and are consistent with other Air Force and OSD correspondence on this topic.
2. **Recommendation.** SAF/OS sign the proposed identical responses at Tab 1 and 2.

*Maureen J. Harris*  
**MAUREEN J. HARRIS**  
 Brigadier General, USAF  
 Director of Maintenance

- Tabs**
1. Proposed Response to Sen Glenn
  2. Proposed Response to Sen Dewine
  3. Senators Glenn/Dewine Letter to SECAF



SECRETARY OF THE AIR FORCE  
WASHINGTON

The Honorable John Glenn  
United States Senate  
Washington, DC 20510

Dear Senator Glenn:

This is in response to your joint letter of March 7, 1995, with Senator DeWine concerning the closure and privatization in place (PIP) of Newark Air Force Base (AFB), Ohio.

The Air Force supports the 1993 Defense Base Closure and Realignment Commission (BRAC) recommendation to close Newark AFB and is adhering to a viable strategy to achieve that end. This strategy, developed in response to concerns raised by the GAO, includes assessing other alternatives for sustaining mission capability and closing Newark AFB while aggressively pursuing the privatization in place option. Upon a comprehensive review of all alternatives, the Air Force will render a determination as to the best direction for disposition of the workload at Newark.

In order to thoroughly evaluate the merits of the options for closing Newark, the Air Force has engaged Coopers and Lybrand to independently assess the costs of transferring Aerospace Guidance and Metrology Center (AGMC) workloads to other organic depots, the costs for PIP, and the PIP cost proposal evaluation process. Coopers and Lybrand will observe the evaluation process and advise the source selection board members and chairman. In addition, Coopers and Lybrand will submit a written annex to the board's final report regarding cost estimating methodologies and conclusions. On April 19, 1995, Coopers and Lybrand briefed Air Force officials at the Pentagon on the results of their assessment of organic alternatives.

The Air Force received many substantive comments from contractors responding to the draft Request for Proposal (RFP) for PIP. All comments presented through this process were considered and incorporated as deemed appropriate during the acquisition planning and RFP preparation process. As a result of the comments received, we remain confident that the resultant RFP will ensure a fair, best value competition for privatization. In addition, based on the responses received, we believe that the majority of contractors will propose to accomplish the work in place at Newark AFB.

In response to your concern that workload is currently being moved out of Newark, I would like to clarify that the Army and the Navy intend to move a limited amount of workload from Newark prior to the PIP solicitation. This workload represents approximately five percent of the total workhours involved at Newark, at an estimated value of \$3.4 million. The Air Force, however, has not taken action outside the PIP effort to contract current workload from Newark AFB. As required by the Federal Acquisition Regulations, the Air Force did advertise in the Commerce Business Daily for potential sources to contract general workload categories at Newark. This advertisement occurred on May 10, 1994, and was used to identify prospective contractors interested in responding to the draft and final Requests for Proposal on the PIP effort.

I appreciate your interest in Newark AFB and would welcome the opportunity to discuss in more detail the Air Force's strategy to comply with the 1993 BRAC recommendation, as well as those issues which both you and the GAO have raised. A similar letter is being provided to Senator DeWine.

Sincerely,



SECRETARY OF THE AIR FORCE  
WASHINGTON

The Honorable Mike DeWine  
United States Senate  
Washington, DC 20510

Dear Senator DeWine:

This is in response to your joint letter of March 7, 1995, with Senator Glenn concerning the closure and privatization in place (PIP) of Newark Air Force Base (AFB), Ohio.

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In order to thoroughly evaluate the merits of the options for closing Newark, the Air Force has engaged Coopers and Lybrand to independently assess the costs of transferring Aerospace Guidance and Metrology Center (AGMC) workloads to other organic depots, the costs for PIP, and the PIP cost proposal evaluation process. Coopers and Lybrand will observe the evaluation process and advise the source selection board members and chairman. In addition, Coopers and Lybrand will submit a written annex to the board's final report regarding cost estimating methodologies and conclusions. On April 19, 1995, Coopers and Lybrand briefed Air Force officials at the Pentagon on the results of their assessment of organic alternatives.

The Air Force received many substantive comments from contractors responding to the draft Request for Proposal (RFP) for PIP. All comments presented through this process were considered and incorporated as deemed appropriate during the acquisition planning and RFP preparation process. As a result of the comments received, we remain confident that the resultant RFP will ensure a fair, best value competition for privatization. In addition, based on the responses received, we believe that the majority of contractors will propose to accomplish the work in place at Newark AFB.

In response to your concern that workload is currently being moved out of Newark, I would like to clarify that the Army and the Navy intend to move a limited amount of workload from Newark prior to the PIP solicitation. This workload represents approximately five percent of the total workhours involved at Newark, at an estimated value of \$3.4 million. The Air Force, however, has not taken action outside the PIP effort to contract current workload from Newark AFB. As required by the Federal Acquisition Regulations, the Air Force did advertise in the Commerce Business Daily for potential sources to contract general workload categories at Newark. This advertisement occurred on May 10, 1994, and was used to identify prospective contractors interested in responding to the draft and final Requests for Proposal on the PIP effort.

I appreciate your interest in Newark AFB and would welcome the opportunity to discuss in more detail the Air Force's strategy to comply with the 1993 BRAC recommendation, as well as those issues which both you and the GAO have raised. A similar letter is being provided to Senator Glenn.

Sincerely,

# United States Senate

WASHINGTON, DC 20510

March 7, 1995

The Honorable Sheila E. Widnall  
Secretary  
Department of the Air Force  
The Pentagon  
Washington, DC 20301

Dear Secretary Widnall:

As you are aware, the General Accounting Office recently recommended that the 1993 decision to close Newark be reconsidered in the current round of base closures. While the Air Force chose not to reconsider that decision, we intend to pursue the matter further with the Base Realignment and Closure Commission.

Notwithstanding the fact that in our view the closure recommendation remains unresolved, we recognize that the Air Force intends to proceed with its privatization efforts. We are writing to express our grave concern over the Air Force's actions to date.

We repeatedly have been assured that privatization in place is the Air Force's preference. Yet, we understand the recently released draft request for proposals (RFP) does not appear aimed to achieve that result. Further, we understand the Air Force has taken action to contract out workload from Newark, simply removing it to the private sector. Additionally, we understand that the Air Force is reviewing the possibility of moving Newark's workload to other Air Force depots. None of these actions is consistent with the representations made to us that privatization in place is the Air Force's preferred outcome.

Consequently, we request the opportunity to meet with you as soon as possible to discuss these issues in detail to demonstrate exactly how the Air Force plans to privatize Newark's workload in place should the closure recommendation not be overturned.

Best regards.

Sincerely,

  
Mike DeWine  
United States Senator

  
John Glenn  
United States Senator

cc: Secretary William J. Perry

426  
16 MAR 95

NEWARK AFB CLOSURE  
AND  
AGMC PRIVATIZATION IN PLACE  
RESPONSE TO SENATORS GLENN AND DEWINE

| OFFICE      | COORD         | DATE      |
|-------------|---------------|-----------|
| SAF/AQC     | * SEE NOTE    |           |
| SAF/AQX     | KRAUS         | 12 APR 95 |
| SAF/GCQ     | * SEE NOTE    |           |
| SAF/GCN     | NOT AVAILABLE |           |
| AF/RTT      | CALLAGHAN     | 12 APR 95 |
|             |               |           |
| AFMC/LG     | Kohler        | 19/4/95   |
|             |               |           |
| Bryan * RTT |               |           |
|             |               |           |

\* COORDINATED WITH COL NEWELL (AQC) & MS BACHMAN (GCCO)  
WHILE AT SSAC MTG, 13 APR. COMMENTS ATTACHED.

RT#397



SECRETARY OF THE AIR FORCE  
WASHINGTON

SIMILAR LETTER TO GO TO DEWINE

The Honorable John Glenn  
United States Senate  
Washington, DC 20510

Dear Senator Glenn:

This is in response to your joint letter of March 7, 1995, with Senator DeWine concerning the closure and privatization in place (PIP) of Newark Air Force Base (AFB), Ohio.

The Air Force supports the 1993 Defense Base Closure and Realignment Commission (BRAC) recommendation to close Newark AFB and is adhering to a viable strategy to achieve that end. This strategy, developed in response to concerns raised by the GAO, includes assessing other alternatives for sustaining mission capability and closing Newark AFB while aggressively pursuing the privatization in place option. Upon a comprehensive review of other alternatives and the actual PIP proposals, the Commander of the Air Force Materiel Command will render a determination as to the best direction for disposition of the workload at Newark.

In order to thoroughly evaluate the merits of the options for closing Newark, the Air Force has engaged Coopers and Lybrand to independently assess the costs of transferring Aerospace Guidance and Metrology Center (AGMC) workloads to other organic depots, the costs for PIP, and the PIP proposal evaluation process. Coopers and Lybrand will observe the evaluation process and advise the source selection board members and chairman. In addition, Coopers and Lybrand will submit their independent certification expressing the extent of their agreement with methodologies and conclusions of the source selection board. On April 19, 1995, Coopers and Lybrand will brief Air Force officials at the Pentagon on the results of their assessment of organic alternatives. After that point in time, we would welcome the opportunity for Coopers and Lybrand to provide you with their assessment at your earliest convenience.

The Air Force received many substantive comments from contractors responding to the draft Request for Proposal (RFP) for PIP. All comments presented through this process were considered and incorporated as deemed appropriate during the acquisition planning and RFP preparation process. As a result of the comments received, we remain confident that the resultant RFP will ensure a fair, best value competition for privatization. In addition, based on the responses received, we believe that the majority of contractors will propose to accomplish the work in place at Newark AFB.

written  
to the  
d's final  
part regarding  
the  
determination  
and  
conclusions

SAF/ADC  
SAF/GCQ  
COMMENTS

In response to your concern that workload is currently being moved out of Newark, I would like to clarify that the Army and the Navy intend to move a limited amount of workload from Newark prior to the PIP solicitation. This workload represents approximately five percent of the total workhours involved at Newark, at an estimated value of \$3.4 million. The Air Force, however, has not taken action outside the PIP effort to contract current workload from Newark AFB. As required by the Federal Acquisition Regulations, the Air Force did advertise in the Commerce Business Daily for potential sources to contract general workload categories at Newark. This advertisement occurred on May 10, 1994, and was used to identify prospective contractors interested in responding to the draft and final Requests for Proposal on the PIP effort.

We appreciate your interest in Newark AFB and trust the information provided is useful. A similar letter is being provided to Senator DeWine.

Sincerely,

NEWARK AFB CLOSURE  
AND  
AGMC PRIVATIZATION IN PLACE  
RESPONSE TO SENATORS GLENN AND DEWINE

| OFFICE  | COORD      | DATE      |
|---------|------------|-----------|
| SAF/AQC | * see note |           |
| SAF/AQX | KREIBS     | 12 Apr 95 |
| SAF/GCQ | * see note |           |
| SAF/GCN |            |           |
| AF/RTT  | CAULAGHAN  | 12 APR 95 |
|         |            |           |
| AFMC/LG |            |           |
| AFMC/XP |            |           |
| AFMC/PK |            |           |
|         |            |           |

AGXM  
Gordon  
(12)  
T. Talbot  
col (12)

AQ

Tom Girz coordinated changes with Marcia  
Bachman GCQ &  
Col. Newell AQC by phone 14 Apr (9:10)  
on 13 Apr 95  
need to talk with Maj. Dewine  
& change the disc

NEWARK AFB CLOSURE  
AND  
AGMC PRIVATIZATION IN PLACE  
RESPONSE TO SENATORS GLENN AND DEWINE

| OFFICE  | COORD           | DATE          |
|---------|-----------------|---------------|
| SAF/AQC |                 |               |
| SAF/AQX |                 |               |
| SAF/GCQ |                 |               |
| SAF/GCN |                 |               |
| AF/RTT  | <i>Callahan</i> | <i>12 APR</i> |
| AFMC/LG |                 |               |
| AFMC/XP |                 |               |
| AFMC/PK |                 |               |



**DEPARTMENT OF THE AIR FORCE**  
**HEADQUARTERS UNITED STATES AIR FORCE**  
**WASHINGTON, DC**

HQ USAF/RT  
1670 Air Force Pentagon  
Washington DC 20330-1670

02 JUN 1995

Francis A. Cirillo, Jr.  
Air Force Team Leader  
The Defense Base Closure and Realignment Commission  
1700 North Moore Street Suite 1425  
Arlington VA 22209

Dear Mr. Cirillo

This is in response to your April 7, 1995 letter requesting the Air Force comment on Senator Glenn's March 30, 1995 letter to Chairman Dixon concerning the closure of the Aerospace Guidance and Metrology Center and Newark Air Force Base (AFB), Ohio. Many of the issues which Senator Glenn raised in his letter were addressed by General Klugh, the Deputy Undersecretary of Defense for Logistics, in response to the December 1994 General Accounting Office report regarding Newark AFB. A copy of this letter is attached.

Air Force officials met with both Senator Glenn and Senator DeWine on May 1, 1995 to discuss the Air Force's strategy for closing Newark. In addition, Air Force Legislative Liaison sent the attached May 5, 1995, letter to Representatives Kasich, Ney, Hobson and Cremeans in response to their concerns regarding the closure of Newark.

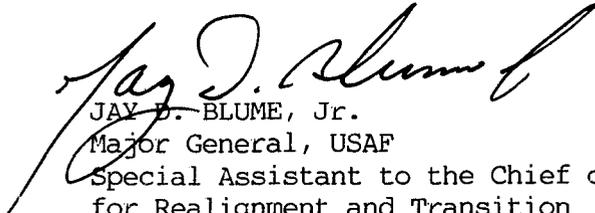
The Air Force is continuing its effort to evaluate several alternatives for closing Newark. As discussed during our May 3, 1995 meeting with the Commission staff, these alternatives include contracting existing workload under the concept of privatization in place (PIP), and possibly moving functions to other organic sources. Initial assessments of these alternatives were recently completed by the Air Force and by Coopers and Lybrand. These assessments indicate that organic options for closing Newark probably would not be cost or operationally effective. The Air Force, therefore continues to pursue PIP as the most viable and cost effective option for closing Newark. Should the contractor proposals submitted on June 17, 1995, indicate the PIP option would not be in the best interest of the Air Force, the Air Force will need to reevaluate an appropriate direction for Newark that satisfies critical Air Force mission requirements in a cost effective manner. Obviously, the Air Force shares Senator Glenn's goals of operational and cost effectiveness.

In summary, the Air Force will continue to diligently pursue the option of PIP at Newark, and will seek your continued support in addressing the unique circumstances associated with the closure of Newark AFB.

Sincerely

Attachments:

1. DUSD (Logistics), 8 Mar 95 Letter
2. SAF/LL, 5 May 95 letter

  
JAY D. BLUME, Jr.  
Major General, USAF  
Special Assistant to the Chief of Staff  
for Realignment and Transition



ACQUISITION AND  
TECHNOLOGY

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON DC 20301-3000



8 MAR 1995

Ms. Donna M. Heivilin  
Director, Defense Management and NASA Issues  
National Security and International Affairs Division  
U.S. General Accounting Office  
Washington, DC 20548

Dear Ms. Heivilin:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) final report GAO/NSIAD-95-60, "AEROSPACE GUIDANCE AND METROLOGY CENTER: Cost Growth and Other Factors Affect Closure and Privatization" (GAO CODE 709110), OSD Case 9333-F. The DoD generally concurs with the report.

There is currently not enough data available to conclude that privatizing the Aerospace Guidance and Metrology Center (AGMC) workload in place is not a cost effective and viable alternative. The current Air Force strategy is to continue privatization-in-place to mitigate implementation and operational risks and reduce costs. Concurrently, the Air Force is reassessing organic alternatives (i.e., moving all the AGMC workloads to other Air Force and interservice depots) to determine the most cost and operationally effective approach to closing the Newark Air Force Base. The Air Force has engaged an independent contractor to provide an independent certification of the source selection board methodology/conclusions and an independent cost assessment of alternative approaches to privatization-in-place. The assessment of alternatives will be complete March 31, 1995. The true costs for privatization-in-place will be known upon review of contractor cost proposals in June, 1995. At that time, the Air Force will make a final determination of the disposition of the AGMC workload.

The detailed DoD comments on the report findings and recommendation are provided in the enclosure.

Sincerely,

James R. Klugh  
Deputy Under Secretary  
of Defense (Logistics)

Enclosure



ATC 1

GAO FINAL REPORT GAO/NSIAD-95-60  
(GAO CODE 709110) OSD CASE 9333-F

"AEROSPACE GUIDANCE AND METROLOGY CENTER: COST GROWTH  
AND OTHER FACTORS AFFECT CLOSURE AND PRIVATIZATION"

DEPARTMENT OF DEFENSE COMMENTS

\* \* \* \* \*

FINDINGS

- **FINDING A: Closure of the Aerospace Guidance and Metrology Center.** The GAO observed that, unlike other maintenance depot closures, the Newark Air Force Base Aerospace Guidance and Metrology Center (AFB/AGMC) closure implementation plan provides for continuing to perform the same missions at the facility after closure -- primarily as a privatized operation, although the Air Force would retain ownership of mission-related equipment valued at about \$326 million.

The GAO also observed that the DoD estimated that implementing the closure would cost \$31.3 million, would result in an annual savings of \$3.8 million, and have an 8-year payback period for closure and relocation expenses. The GAO estimated that the AFB/AGMC closure costs would be \$38.29 million, with a 13-year payback period. The GAO reported that the Defense Base Realignment and Closure Commission (BRAC) determined that the AGMC workload could either be contracted out or privatized-in-place -- although the BRAC noted that industry interest in privatization-in-place was limited. The GAO further reported that the Air Force has begun the implementation of the closure and privatization of the Newark AFB/AGMC. (pp. 1-4/GAO Final Report)

**DoD RESPONSE:** Concur. Closure of the Newark AFB and the privatization-in-place of the AGMC workload is under way. A draft request for proposal was released on January 18, 1995, with a high level of interest for this workload being shown by prospective industry bidders.

- **FINDING B: Air Force Implementation of Newark Air Force Base/Aerospace Guidance and Metrology Center Closure.** The GAO reported that implementation of the Newark AFB/AGMC closure through privatization is still in the early phases. The GAO found, however, that the Air Force has a three-pronged approach to implementing the BRAC decision, as follows:

- four systems -- representing about 3 percent of the AGMC existing depot maintenance workload -- will be transferred to other Air Force depots;

- ownership of the Newark AFB/AGMC property and facilities will be transferred to a local reuse commission; and

- the metrology and calibration mission will be continued at the AGMC -- with some functions privatized and another continued as an Air Force activity reporting to the AGMC Headquarters or one of the Air Logistics Centers.

The GAO reported that the Air Force originally planned to privatize all activities related to the metrology and calibration mission, but later determined that the materiel group manager function could not be privatized because the function is considered to be "inherently governmental" under a 1992 Office of Management and Budget policy letter. The GAO also reported that current plans call for retaining about 130 Government employees to provide the management function and contracting out the primary standards laboratory and technical order preparation. The GAO noted that the Air Force plans to retain ownership of mission-related maintenance and metrology and calibration equipment and provide those items as Government-furnished equipment to the winning contractor. Finally, the GAO reported that the Air Force has established a program management office at Hill Air Force Base, with contract award scheduled for late September 1995. (pp. 4-6/GAO Final Report)

**DoD RESPONSE:** Concur. The metrology and calibration mission are planned to remain in-place, but not as an entity of AGMC, since the base will be closed and the property transferred to the local community. The program management office at Hill AFB is on track, with the contract award planned for November 28, 1995.

- **FINDING C: Analysis of Cost and Savings Raises Concerns.** The GAO identified several concerns regarding the cost, savings, and payback period for the Air Force implementation of the AGMC BRAC decision, as follows:

- the projected cost of closing the AGMC has doubled and may increase further;

- the \$3.8 million annual savings projected to result from the AGMC closure is not likely to be realized because of potentially higher costs for contract administration, contractor profit, and possible recurring proprietary data costs; and

- the payback period could be extended to over 100 years, or never, depending upon the Air Force ability to contain one-time closure costs and recurring costs of performing the AGMC mission after privatization.

The GAO explained that in August 1994, the Air Force base closure group validated a Newark AFB/AGMC closure budget of \$62.2 million, or \$30.9 million more than

the original budget. The GAO pointed out that almost all of the increase is attributable to transition costs associated with transferring and separating personnel under the base closure process and for transferring a limited amount of workload to other Air Force depots.

The GAO reported that applying the DoD 1993 Cost of Base Realignment Actions (COBRA) model indicated that the payback period would be over 100 years. The GAO reported, however, that the DoD approved discount rate used in the COBRA has been reduced. Therefore, the GAO adjusted the model and recalculated the payback period, which showed the revised payback period to be 17 years. The GAO pointed out, however, that achieving a 17-year payback is dependent on no further increases in one-time closure costs and achieving the \$3.8 million annual post-closure operational cost savings originally projected by the DoD -- neither of which is likely because of cost uncertainties.

The GAO also discussed other potential closure costs not included in the Air Force estimate. The GAO reported one cost is the cost to acquire the right to provide data some equipment manufacturers consider proprietary to contractors expected to bid on the AGMC maintenance workload. In addition, the GAO reported that some Air Force officials estimated that, rather than achieving savings, annual recurring costs could actually exceed current costs of operations. The GAO also noted that a December 1994, meeting of the Acquisition Strategy Panel confirmed projected increased funding requirements. (pp. 6-8/GAO Final Report)

**DoD RESPONSE:** Concur. The Air Force has budgeted an additional \$31 million to close the Newark AFB. That additional budget for workload transition should minimize operational risk during the transition period by allowing the incoming contractor to train alongside the organic workforce and to demonstrate critical processes prior to assuming support for operational systems. Transition and recurring costs are currently unknown, since firm cost proposals are not due until mid-June 1995. Because of the competitive nature of the acquisition, one-time and recurring costs should be driven down and could possibly be lower than the current budget estimates.

- **FINDING D: Other Closure and Privatization Issues.** The GAO reported that other privatization issues relate to (1) proprietary data claims, (2) the effect of the closure on excess depot maintenance capacity, (3) the impact of privatizing core workload, (4) the segmentation of the metrology and calibration mission, and (5) the transfer of AGMC property and facilities to the local reuse commission. The GAO explained that the proprietary rights to technical data are unresolved for some workloads to be contracted out and could greatly increase the costs of privatization. The GAO asserted that proprietary data problems have already contributed to the delay of several key program milestones, including preparation of the statement of

work and acquisition and source selection plans, and are a potential barrier to the AGMC privatization.

The GAO observed that the privatization of the AGMC will not reduce excess capacity by the 1.7 million hours previously estimated if privatization-in-place is completed as currently planned. The GAO explained that, since many of the systems and components currently repaired at the AGMC are not repaired elsewhere, the AGMC depot maintenance capability does not generally duplicate repair capability found elsewhere. According to the GAO, it is planned that almost all the AGMC capability will be retained in place for use by private contractors, and the Air Force will retain ownership of depot plant and standards laboratory equipment. Under that arrangement, the GAO concluded it is difficult to understand how the DoD projects the elimination of 1.7 million hours of excess capacity.

With regard to privatization of core workload, the GAO observed that all of the AGMC maintenance workload has been identified as core work -- the capability maintained within organic Defense depots to meet readiness and sustainability requirements of the weapon systems that support the Joint Chiefs of Staff contingency scenarios. According to the GAO, the Air Force determined that 100 percent of the AGMC depot maintenance workload is core. The GAO noted that the AGMC is the only Air Force depot activity having all repair workload defined as core, with core capability at other air logistic center depots ranging from 59 percent at Sacramento to 84 percent at Warner Robins.

The GAO concluded that the current plan to retain part of the metrology and calibration mission to be performed by Air Force personnel, while privatizing the standards laboratory function, may be neither practicable, nor cost-effective. The GAO explained that the standards laboratory function is generally the training ground where Air Force civilian personnel develop the skills they need to perform the other metrology and calibration functions that will be continued at the AGMC as a Government operation. The GAO questioned the viability of having the Air Force interservice its metrology and calibration activities to the Army and/or the Navy, which have similar activities. The GAO added that a current memorandum of agreement among the three Military Departments provides that if one of the primary standards laboratories loses its capability, the remaining laboratories would assist in meeting calibration requirements.

Finally, the GAO discussed the transfer of property and facilities to the local reuse commission. The GAO explained that the AGMC privatization-in-place approach is based on transferring ownership of the Newark AFB/AGMC property and facilities -- which the Air Force estimates to be worth about \$331 million -- to the local reuse commission. According to the GAO, to make that approach work, the Air Force must transfer ownership of the property and facilities at no cost or less than fair market value. The GAO pointed out that to effect property transfer at

below estimated fair market value, the Air Force must explain the cost and approve the transfer. The GAO noted that a local reuse commission official believed the Newark AFB/ AGMC property would be transferred to the commission at no cost and that it is questionable whether the commission would be interested in acquiring the property under other conditions. (pp. 8-11/GAO Final Report)

**DoD RESPONSE:** Concur. The AFMC is working the proprietary data issue through the source selection process. All manufacturers with proprietary data rights have agreed to allow, or will negotiate for, use of proprietary data under a privatization-in-place arrangement. While current budgets do not include costs associated with buying data rights, data costs could be minimal if the team of manufacturers holding rights is selected through the planned competitive bid process. However, through this competitive process, the Air Force is interested in reducing overall cost for that effort as opposed to any segment cost.

Privatization-in-place does not affect excess depot capacity; however, in divesting itself of the facilities and personnel through privatization-in-place at the AGMC, the Air Force could reduce its organic depot capacity by 1.7 million hours. The Air Force evaluated the risk associated with moving some of the core capability at the AGMC to non-core status by shifting it to the private sector. It was determined that the privatization-in-place option could mitigate the risk of transferring the workload out of core if the facilities, people, and equipment remained in place. The Air Force logistics mission is best served by the privatization-in-place option in this closure action. Such a strategy should preserve all the elements of an essential wartime capability at the least cost.

In an effort to maximize privatization at the AGMC, the Air Force chose to contract those functions that were not considered 'inherently governmental.' The Air Force Metrology and Calibration Materiel Group Management function is considered inherently governmental, due to the discretionary budget allocation authority and determinations of contractor conformance within its purview. However, the standards laboratory calibration workload and technical order generation remain viable candidates for privatization. Furthermore, all the AGMC workloads (maintenance, metrology, calibration, etc.) are being evaluated for their interservicing potential as an alternative to privatization-in-place. Uncertainties associated with the transfer of property and facilities to the local community are not considered impediments to privatization, since the AGMC facilities and property can be made available at any time with a lease in order to implement privatization-in-place. The Air Force is developing a property responsibility agreement with the local commission pending the outcome of the environmental assessment in March 1995. The Air Force is expecting to convey the property to the local commission under very favorable terms.

\*\*\*\*\*

## RECOMMENDATION

• **RECOMMENDATION:** The GAO recommended that the Secretary of Defense and the Secretary of the Air Force re-evaluate, as part of the ongoing Base Realignment and Closure 1995 process, both the DoD 1993 recommendation to close the Newark AFB/AGMC, and the Air Force approach to implementing the closure decision through privatization-in-place. (p. 11/GAO Final Report)

**DoD RESPONSE:** Partially concur. The Department agrees with the 1993 Defense Base Closure and Realignment Commission decision to close the Newark AFB/AGMC. The Department continues to have more depot maintenance capability than is needed to support the forces. The DoD must size depot maintenance infrastructure commensurate with the force structure that it supports.

The DoD agrees that the approach to implement the decision should not be limited to privatization-in-place. However, the Air Force maintains that closing the Newark AFB and privatizing the workload in place remains the best approach. The Air Force will continue privatization-in-place to reduce operational and implementation risks, and will evaluate the actual costs of the initiative. As the Air Force pursues the privatization-in-place option, it is also reassessing organic alternatives (i.e., moving all the AGMC workloads to other organic depots) to determine the most cost and operationally effective approach for closing the Newark AFB. In order to thoroughly evaluate the merits of those options, the Air Force has engaged an outside contractor to provide an independent certification of the source selection conclusions, as well as an independent cost assessment of organic alternatives. The assessment of organic alternatives should be complete in late March 1995, and actual costs for privatization-in-place will be known upon our review of the contractor cost proposals in late June 1995. At that time, the Air Force will make a determination of the best direction regarding the disposition of the workload at the Newark AFB.



DEPARTMENT OF THE AIR FORCE  
WASHINGTON DC 20330-3000

MAY 05 1995

The Honorable John R. Kasich  
House of Representatives  
Washington, DC 205105

Dear Mr. Kasich:

This is in response to your joint letter of March 6, 1995, to the Secretary of Defense regarding closure and privatization in place (PIP) of the Newark Air Force Base (AFB), Ohio, Aerospace Guidance and Metrology Center (AGMC) workload.

The Air Force supports the 1993 Defense Base Closure and Realignment Commission (BRAC) recommendation to close Newark AFB and is adhering to a viable strategy to achieve that end. This strategy, developed in response to concerns raised by the GAO, includes assessing other alternatives for sustaining mission capability and closing Newark AFB while aggressively pursuing the privatization in place option. Upon a comprehensive review of other alternatives and the actual PIP proposals, the Air Force will render a determination as to the best direction for disposition of the workload at Newark.

In order to thoroughly evaluate the merits of the options for closing Newark, the Air Force has engaged Coopers and Lybrand to independently assess the costs of transferring AGMC workloads to other organic depots, the costs for PIP, and the PIP proposal evaluation process. Coopers and Lybrand will observe the evaluation process and advise the source selection board members and chairman. In addition, Coopers and Lybrand will submit their independent certification expressing the extent of their agreement with methodologies and conclusions of the source selection board. On April 19, 1995, Coopers and Lybrand briefed Air Force officials at the Pentagon on the results of their assessment of organic alternatives. We would welcome the opportunity to meet with you to discuss the Air Force's approach to the closure of Newark.

The Air Force received many substantive comments from contractors responding to the draft Request for Proposal (RFP) for PIP. All comments presented through this process were considered and incorporated as deemed appropriate during the acquisition planning and RFP preparation process. As a result of the comments received, we remain confident that the resultant RFP will ensure a fair, best value competition for privatization. In addition, based on the responses received, we believe that the majority of contractors will propose to accomplish the work in place at Newark AFB.

In summary, the Air Force closure strategy for Newark AFB is consistent with the BRAC 93 recommendations, and is one which we are confident should not obstruct competition for privatization. We are enclosing a point paper which addresses your specific concerns with respect to the long-term viability, competition and costs of closing Newark AFB. Please be assured that your concerns were considered during the acquisition planning and request for proposal preparation process.

We appreciate your interest in Newark AFB and trust the information provided is useful. A similar letter is being provided to those who joined you in your letter.

Sincerely,



CHARLES L. FOX  
Colonel, USAF  
Deputy Director  
Legislative Liaison

**OHIO CONGRESSIONAL DELEGATION CONCERNS  
ON THE CLOSURE AND PRIVATIZATION IN PLACE  
OF NEWARK AIR FORCE BASE, OHIO**

**LONG-TERM VIABILITY:**

**Ohio Delegation Concern:** Current workloads are systematically being moved from Newark and in some cases given to the companies on a sole source basis.

**Response:** The AF is maintaining as much of the original AGMC workloads for inclusion in this solicitation as possible. The AF workloads moving to other depots have never been considered part of the PIP effort. They were consciously segregated since they are non-guidance related efforts which were moved to AGMC when there was excess work at other depots. The magnitude of these workloads has decreased from 9% of the AGMC total in Mar 94 to under 5% today. In addition, the Army and Navy have decided to remove two of their workloads from AGMC prior to awarding the PIP contracts. The disposition of Army and Navy workloads is controlled via interservice agreements and is beyond the control of the Air Force. This results in the loss of another 5% of the work. There has been no change in the AF commitment to PIP.

**Ohio Delegation Concern:** The draft request for proposal (DRFP) permits bidders to perform the work at Newark or at another location.

**Response:** The future location of the work has generated a constant barrage of questions and comments from industry, some wanting to keep the status quo and others wanting to move work to their home plants. It has been the considered decision of HQ AFMC to allow industry to propose to accomplish the work at the location it deems "best." We expect most work to be proposed at Newark AFB because we are offering to provide significant amounts of specialized test equipment in place, the facility will be provided to the community at little or no cost, and a skilled work force exists at AGMC. There will be some exceptions where good business decisions will demonstrate a benefit to accomplishing specific pieces of the work at other locations. The RFP has been structured to allow industry to propose the "best" arrangement and for us to consider this information as part of our source selection process. No preference will be given to workload location; however, the cost, schedule, and technical risks of conducting repair operations at a new location will be evaluated.

**COMPETITION:**

**Ohio Delegation Concern:** Bidders are required to negotiate for the use of manufacturers' proprietary data for the repair of Government equipment under a Government contract.

**Response:** Proprietary Data Rights have been handled before by the Air Force and by Industry. The AF has determined that some portion of the data is rightfully limited in use by OEMs. Rather than risk inappropriate or illegal disclosure of data, we will only release that data for which the AF clearly has rights. Currently, this amounts to over 80% of the data listed in the RFP. Additionally, the AF is seeking Government Purpose License Rights (GPLR) agreements with 6 of the 12 OEMs who have agreed to allow use of the data. The remaining 6 OEMs are willing to work out other arrangements directly with the potential offerors. When these GPLR agreements are finalized, the additional data will be released for use in preparing proposals and on the repair contract. We believe there is adequate experience among the potential offerors to gain the needed access to the remaining restricted data at reasonable cost. We will ask for the cost associated with proprietary data rights as part of the proposals.

**Ohio Delegation Concern:** Bidders are required to acquire parts from sole source providers in different ways depending on the type of system (i.e., missile, aircraft or support equipment). This will add new risks and necessitate the need for creation of costly logistics plans.

**Response:** The AF has decided to provide GFM for all workloads, except the Navy's DMINS and San Antonio managed test equipment, for the initial 2 years of the contract. After 2 years, the contractor(s) should have gained enough experience to take over the parts supply function for the aircraft workloads. The ICBM parts will continue to be GFM-supplied due to their nuclear hardness requirements.

**COST:**

**Ohio Delegation Concern:** The maintenance and metrology workloads may potentially be split between bidders requiring additional contract administration and management oversight.

**Response:** The AF has already made the major decision to keep all repair work together as a single contract due to the commonality of support areas. The repair workloads represent over 90% of the AGMC effort and this action alone captures the bulk of potential savings through a single management organization. Additionally, there are considerably more interested offerors for the metrology work than for repair. A combined proposal for both efforts may limit the competition for metrology, possibly discouraging a number of small businesses. While there is the potential to realize some efficiencies from a common management structure for all

of AGMC, these savings are assessed to be small. These savings would be balanced by the probability that a combined team would still need to retain technical and management competence in both areas and would then add a layer of management to control the overall contract effort.

**Ohio Delegation Concern:** Bidders have been directed to incorporate two separate wage scales.

**Response:** The Department of Labor has determined the metrology workload to be covered by the Services Contract Act. The Walsh-Healey Act provides wage scales for the repair. The result is the application of separate wage scales. Since the repair and metrology efforts will be awarded separately, this should be workable.

**Ohio Delegation Concerns:** Despite 30 years of historical experience, the Air Force has not stipulated the level or amount of workloads projected.

**Response:** Aggressive Air Force downsizing efforts, system modernization, and the need for wartime surge capability make accurate workload predictions in the out-years difficult. The RFP will provide an estimated amount of work for all workloads, and the Air Force will make historical data available to potential offerors for use in this proposal process.

The Air Force believes these actions will provide for a fair, best value competition.

# Document Separator



**INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
400 ARMY NAVY DRIVE  
ARLINGTON, VIRGINIA 22202-2884**



April 13, 1995

**MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)  
ASSISTANT SECRETARY OF THE AIR FORCE  
(FINANCIAL MANAGEMENT AND COMPTROLLER)**

**SUBJECT: Audit of Defense Base Realignment and Closure Budget Data for Griffiss  
Air Force Base, New York (Report No. 95-172)**

We are providing this report for information and use. This report is one in a series of reports about FY 1995 Defense base realignment and closure military construction costs. Comments on the draft of this report were considered in preparing the final report.

Comments on the draft report conformed to the requirements of DoD Directive 7650.3 and left no unresolved issues. Therefore, no additional comments are required.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Ms. Kimberley Caprio, Audit Program Director, at (703) 604-9248 (DSN 664-9248) or Ms. Carolyn Milbourne, Audit Project Manager, at (703) 604-9241 (DSN 664-9241). The distribution of this report is listed in Appendix E. The audit team members are listed inside the back cover.

*David K. Steensma*

David K. Steensma  
Deputy Assistant Inspector General  
for Auditing

\_\_\_\_\_

## Office of the Inspector General, DoD

Report No. 95-172  
(Project No. 5CG-5017.19)

April 13, 1995

### Defense Base Realignment and Closure Budget Data for Griffiss Air Force Base, New York

#### Executive Summary

**Introduction.** Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, directs the Secretary of Defense to ensure that the amount of the authorization that DoD requested for each military construction project associated with base realignment and closure does not exceed the original estimated cost provided to the Commission on Defense Base Closure and Realignment. If the requested budget amounts exceed the original project cost estimates provided to the Commission on Defense Base Closure and Realignment, the Secretary of Defense is required to explain to Congress the reasons for the differences. The Inspector General, DoD, is required to review each base realignment and closure military construction project for which a significant difference exists from the original cost estimate and to provide the results of the review to the congressional Defense committees. This report is one in a series of reports about FY 1995 base realignment and closure military construction costs.

The 1993 Commission on Defense Base Closure and Realignment stated that the Northeast Air Defense Sector would remain at Griffiss Air Force Base, New York, and a minimum essential airfield would be maintained for mobility, training, and contingency requirements for the 10th Mountain Infantry Division. To support the Northeast Air Defense Sector, a building was to be constructed to house the command and administrative functions. To support the 10th Mountain Infantry Division, existing buildings were to be renovated. During the audit, the Secretary of Defense recommended that the FY 1995 Commission on Defense Base Closure and Realignment redirect the activities related to the 10th Mountain Infantry Division.

**Audit Objectives.** The overall audit objective was to determine the accuracy of Defense base realignment and closure military construction budget data. This report provides the audit results of the Defense base realignment and closure projects at Griffiss Air Force Base, New York. We also reviewed internal controls applicable to the audit objectives.

**Audit Results.** The Air Force identified a cost of \$2 million on the DD Form 1391 to construct a building to house the Northeast Air Defense Sector instead of considering a lower cost alternative (Finding A). The Air Force included a non-base realignment and closure requirement for a stand-alone heating system for project JREZ949512 (Finding B). As a result, project JREZ959501 could be reduced by \$1.3 million and project JREZ949512 could be reduced by \$1 million. The Air Force had not corrected previously identified material internal control weaknesses for base closure and realignment military construction (Appendix A).

Recommendations in this report, if implemented, will allow DoD to put to better use approximately \$2.3 million of the FY 1995 Defense base realignment and closure funds. Appendix C summarizes the potential benefits of the audit.

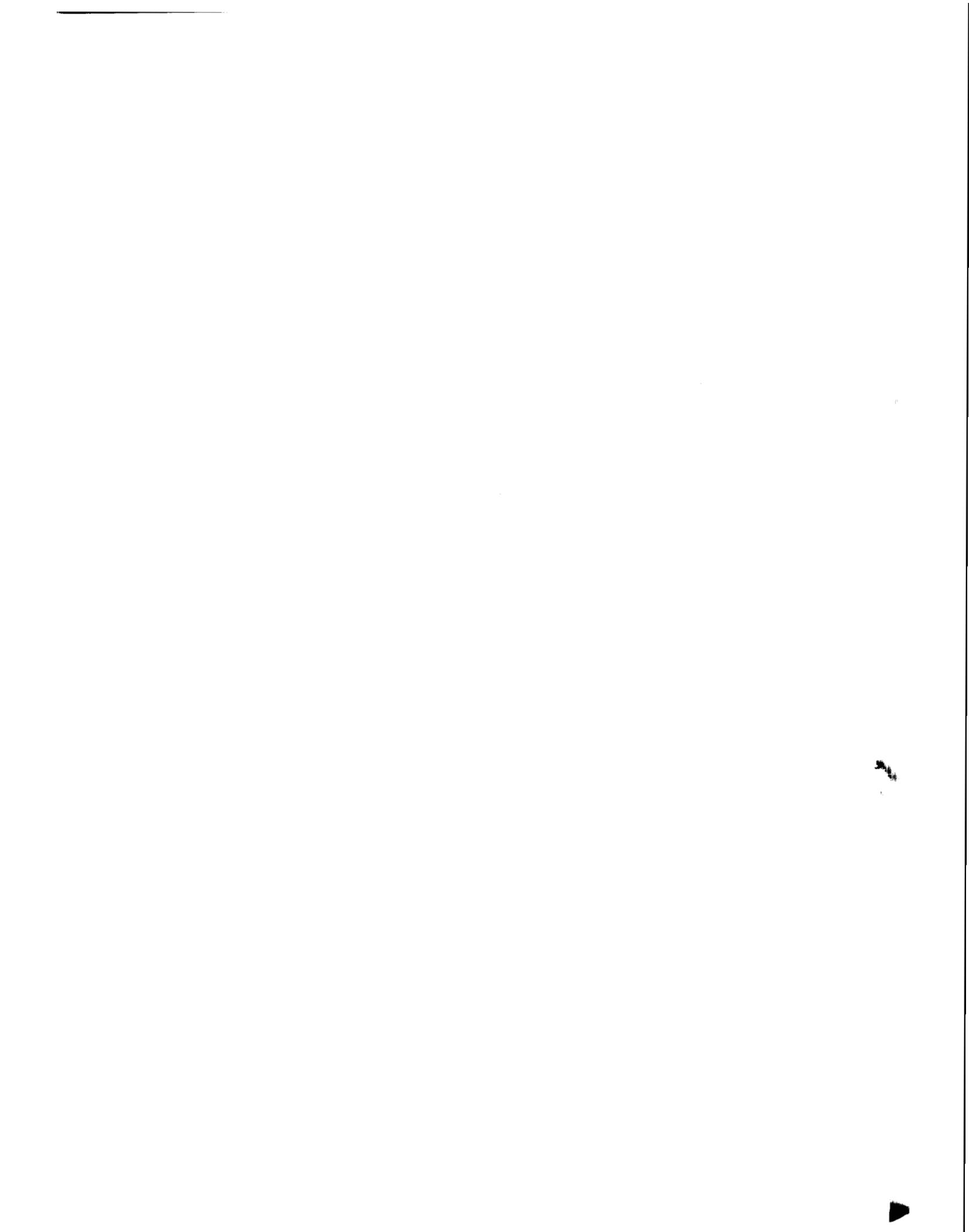
**Summary of Recommendations.** We recommend that the Air Force prepare new DD Forms 1391 and withhold awarding contracts for project JREZ959501 for the Northeast Air Defense Sector and for project JREZ949512 for the 10th Mountain Infantry Division. We recommend that the Under Secretary of Defense (Comptroller) reduce the funding for base realignment and closure of Griffiss Air Force Base, New York, by \$2.3 million.

**Management Comments.** The Air Force agreed to withhold awarding a contract to construct a new building for project JREZ959501 pending action by the 1995 Defense Base Closure and Realignment Commission. The Air Force has placed the entire project JREZ949512 "on hold" pending action by the 1995 Defense Base Closure and Realignment Commission. The Under Secretary of Defense (Comptroller) agreed to reduce the funding for base realignment and closure at Griffiss Air Force Base, New York, by \$2.3 million if funds were appropriated for projects JREZ959501 and JREZ949512 in FY 1996. A summary of managements comments is at the end of the findings in Part I. The complete text of managements comments is in Part III.

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## **Part I - Audit Results**

## **Audit Background**

**Initial Recommendations of the Commission on Defense Base Closure and Realignment.** On May 3, 1988, the Secretary of Defense chartered the Commission on Defense Base Closure and Realignment (the Commission) to recommend military installations for realignment and closure. Using cost estimates provided by the Military Departments, the Commission recommended 59 base realignments and 86 base closures. On October 24, 1988, Congress passed, and the President signed, Public Law 100-526, "Defense Authorization Amendments and Base Closure and Realignment Act," which enacted the Commission's recommendations. Public Law 100-526 also establishes the DoD Base Closure Account to fund any necessary facility renovation or military construction (MILCON) projects associated with base realignment and closure (BRAC).

**Subsequent Commission Requirements and Recommendations.** Public Law 101-510, "Defense Base Closure and Realignment Act of 1990," November 5, 1990, reestablished the Commission. Public Law 101-510 chartered the Commission to meet during 1991, 1993, and 1995 to verify that the process for realigning and closing military installations was timely and independent. The law also stipulated that realignment and closure actions must be completed within 6 years after the President transmits the recommendations to Congress.

The 1993 Commission recommended closing 130 bases and realigning 45 bases, resulting in an estimated net savings of \$3.8 billion during FYs 1994 through 1999, after a one-time cost of \$7.4 billion. Griffiss AFB, New York, was recommended for realignment. The Northeast Air Defense Sector was to remain at Griffiss AFB, and a minimum essential airfield was to be maintained for mobility, training, and contingency requirements for the 10th Mountain Infantry Division. During the audit, the Secretary of Defense recommended that the FY 1995 Commission redirect the activities related to the 10th Mountain Infantry Division from Griffiss AFB.

**Military Department BRAC Cost-Estimating Process.** To develop cost estimates for the Commission, the Military Departments used the Cost of Base Realignment Actions computer model (COBRA). COBRA uses standard cost factors to convert the suggested BRAC options into dollar values to provide a way to compare the different options. After the President and Congress approve the BRAC actions, DoD realigning activity officials prepare DD Forms 1391, "FY 1995 Military Construction Project Data," for individual

MILCON projects required to accomplish the realigning actions. COBRA provides cost estimates as a realignment and closure package for a particular realigning or closing base. The DD Form 1391 provides specific cost estimates for an individual BRAC MILCON project.

**Required Defense Reviews of BRAC Estimates.** Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, states that the Secretary of Defense shall ensure that the authorization amount that DoD requests for each MILCON project associated with BRAC actions does not exceed the original estimated cost provided to the Commission. If the requested budget amounts exceed the original project cost estimates provided to the Commission, the Secretary of Defense is required to explain to Congress the reasons for the differences. Also, Public Law 102-190 prescribes that the Inspector General, DoD, must evaluate significant increases in MILCON project costs over the estimated costs provided to the Commission and send a report to the congressional Defense committees.

## Audit Objectives

**Overall Audit Objectives.** The overall audit objective was to determine the accuracy of Defense BRAC MILCON budget data. The specific objectives were to determine whether the proposed projects were valid BRAC requirements, whether the decision for MILCON was supported with required documentation including an economic analysis, and whether the economic analysis considered existing facilities. The audit also evaluated the adequacy of management's implementation of the DoD Internal Management Control Program and assessed the adequacy of applicable internal controls.

**Specific Report Objectives.** This audit determined the validity of two BRAC MILCON realignment projects at Griffiss Air Force Base, New York (Griffiss AFB). Specifically, we reviewed project JREZ959501, to construct a building for the Northeast Air Defense Sector, and project JREZ949512, to renovate Griffiss AFB to support the 10th Mountain Infantry Division, Fort Drum, New York, including the procurement of a stand-alone heating system. See Appendix A for a discussion of the scope, methodology, and internal management control program; Appendix B for a summary of prior coverage related to the audit objectives; and Appendix C for other matters of interest.

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## **Finding A. Adequacy of Justification for Base Realignment and Closure Project JREZ959501**

The Air Force identified a cost of \$2 million on the DD Form 1391 to construct a building to house the Northeast Air Defense Sector. The Air Force did not consider a previously identified lower cost alternative to renovate an existing building. The lower cost alternative of renovating an existing building will reduce the cost of project JREZ959501 by \$1.3 million.

### **Background**

**Supporting Requirements for BRAC Costs.** Air Force Regulation 86-1, "Programming Civil Engineer and Appropriated Fund Resource," September 26, 1986, describes the detailed documentation needed to support MILCON project requirements and the estimated MILCON costs. The regulation requires major commands to prepare detailed cost estimates on DD Form 1391, "Military Construction Project Data," in sufficient detail to permit cost validation. Further, the regulation requires that, as a part of supporting documentation, the host installation prepare a detailed data sheet listing existing facilities and space requirements for the proposed projects.

In April 1993, the Deputy Assistant Secretary of the Air Force (Installations) and the Chairman of the Air Force Base Closure Executive Group issued instructions for preparing FY 1993 BRAC MILCON estimates. According to the Air Force instructions, major commands are responsible for:

- o preparing cost estimates for BRAC actions,
- o validating all costs and verifying that costs directly result from BRAC actions,
- o validating projects by site survey work, and
- o validating that project estimates can be supported so that someone totally unfamiliar with the area can reconstruct each step of the cost derivation.

**Finding A. Adequacy of Justification for Base Realignment and Closure Project  
JREZ959501**

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**Program Realignment at Griffiss.** The 1993 Commission on Defense Base Closure and Realignment stated that the Northeast Air Defense Sector will remain at Griffiss AFB and will be transferred to the Air National Guard. As part of the realignment of Griffiss AFB, the Air Force identified a cost of \$2 million on the DD Form 1391 to construct a building to house the command and administrative functions of the Northeast Air Defense Sector. Personnel performing these functions are presently located in buildings 102 and 131.

### **Alternative to New Building Construction**

**Renovation Alternative.** Air National Guard and Air Combat Command personnel identified a lower cost alternative for project JREZ959501. Specifically, in October 1993, the Air Combat Command completed a site survey that recommended renovating building 102, a building that the Northeast Air Defense Sector currently occupies. According to the site survey, the renovation of building 102 would cost \$700,000. The alternative of renovating building 102 would result in a potential cost avoidance of \$1.3 million.

**Site Survey.** The Air Force did not adequately consider the renovation of building 102 before deciding to construct a new facility. Building 102, if renovated, could accommodate the personnel currently in buildings 102 and 131. The April 1993 Air Force instruction for preparing BRAC cost estimates states that major commands should survey the site to determine whether proposed costs are valid. Cost validation should include support for all calculations, assumptions, observations, options considered, and other relevant justifications used to develop the requirements and estimates for projects.

For project JREZ959501, the cost validation was not adequate. We requested documentation to support the decision to construct at a higher cost alternative. Air Force personnel were not able to provide adequate support or valid justification for their decision to construct a new facility instead of renovating building 102.

### **Justification for New Building Construction**

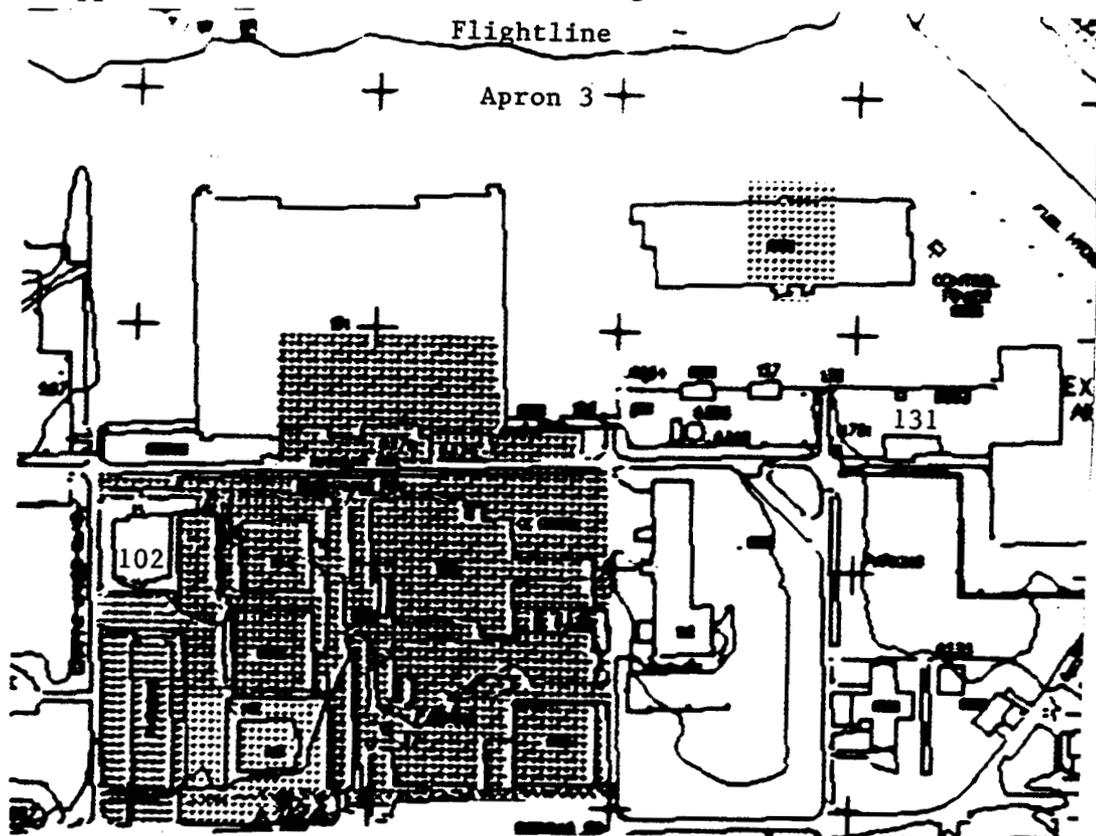
The justification for a new building is not valid. The DD Form 1391 stated that the construction of a new building is justified because the currently used buildings (102 and 131) are on the flightiness and are not within the retained property area. The retained property area is real estate that will be retained

**Finding A. Adequacy of Justification for Base Realignment and Closure Project  
JREZ959501**

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by the Air Force as part of the realignment. We agree that building 131 is on the flightline and outside the areas to be retained; therefore, the justification provided in the DD Form 1391 is valid for building 131.

However, a tour of the currently used buildings at Griffiss AFB showed that building 102 is not on the flightline, and is on the inside edge of the retained property area. The following figure demonstrates the location of the buildings at Griffiss AFB. The flightline is located above Apron 3 and the retained property area is the shaded section of the figure. Building 102 is located at the left upper corner of the shaded section in the figure.



**Location of buildings 102 and 131**

We determined that building 102 could be retained by the Air Force because the finalization of DoD retained property boundaries at Griffiss AFB has not occurred. Therefore, renovation of building 102 should have been considered instead of new construction.

**Finding A. Adequacy of Justification for Base Realignment and Closure Project  
JREZ959501**

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The Air Force was unable to justify why the lower cost alternative of renovating building 102 was not considered. We determined that the lower cost alternative of renovating building 102 is more appropriate. Selection of the lower cost alternative should result in a potential cost avoidance of \$1.3 million, which is the difference between new construction projected to cost \$2 million and renovations projected to cost \$700,000.

### **Status of Planned Construction**

The planned Northeast Air Defense Sector building is at 100 percent design. The Air Force should not award a contract for \$2 million to construct a new building because the renovation of building 102 is a reasonable alternative that would reduce costs by \$1.3 million.

We are aware that further closure or realignment of organizations and missions at Griffiss AFB is being considered in the 1995 Defense base realignment and closure process. We are making the recommendations for corrective action because the new recommendations have not yet been approved by the 1995 Commission on Defense Base Closure and Realignment and could be reversed during the approval process. The recommendations for corrective action comply with the memorandum dated February 22, 1995, from the Assistant Secretary of Defense (Economic Security) on special construction controls for installations, which appear on the Secretary of Defense's list of recommendations for realignment or closure.

### **Recommendations, Management Comments, and Audit Response**

A.1. We recommend the Deputy Assistant Secretary of the Air Force (Installations) direct the Air National Guard to:

a. Prepare a new DD Form 1391, "FYs 1995 and 1996 Military Construction Project Data," to renovate Building 102 for project JREZ959501.

b. Withhold awarding a contract to construct a new building for project JREZ959501.

**Finding A. Adequacy of Justification for Base Realignment and Closure Project  
JREZ959501**

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A.2. We recommend that the Under Secretary of Defense (Comptroller):

a. Reduce the Defense base realignment and closure funding currently allocated for the realignment of Griffiss Air Force Base, New York, by at least \$1.3 million for project JREZ959501.

b. Make future adjustments to the FYs 1995 and 1996 fund allocations, as appropriate, based on the submission of a revised DD Form 1391, "FYs 1995 and 1996 Military Construction Project Data."

**Air Force Comments.** The Air Force agreed to withhold the awarding of a contract to construct a new building for project JREZ959501 pending action by the 1995 Defense Base Closure and Realignment Commission. Design of building 102 renovation will be authorized in August 1995 if the 1995 Commission on Defense Base Closure and Realignment accepts Air Force's recommendations.

**Under Secretary of Defense (Comptroller) Comments.** The Under Secretary of Defense (Comptroller) agreed to reduce the appropriated funding for project JREZ959501 by \$1.3 million in FY 1996, revise the DD Form 1391, and reprogram the savings to support other base realignment and closure requirements.

**Audit Response.** The actions proposed by the Air Force and the Under Secretary of Defense (Comptroller) meet the intent of our recommendations, and no additional comments are required.

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## **Finding B. Adequacy of Justification for Base Realignment and Closure Project JREZ949512**

The Air Force included a non-BRAC requirement for a stand-alone heating system in the DD Form 1391 for project JREZ949512. The Air Force included the requirement because the Air Force did not follow instructions that BRAC requirements be the direct result of BRAC actions and project cost estimates be adequately supported. Therefore, the \$3.2-million-cost of project JREZ949512 could be reduced by \$1 million for the stand-alone heating system.

### **Program Realignment at Griffiss AFB**

The "Defense Base Closure and Realignment Commission 1993 Report to the President" requires that a minimum essential airfield be maintained at Griffiss AFB for the mobility, training, and contingency requirement for the 10th Mountain Infantry Division (10th Infantry). According to Air Force personnel, Griffiss AFB had been providing the same services to the 10th Infantry since 1985. The Air National Guard will maintain and operate facilities necessary to support the 10th Infantry at Griffiss AFB.

### **Project JREZ949512 Items as BRAC Requirements**

Project JREZ949512 lists the renovations needed at Griffiss AFB to support the 10th Infantry. Renovation costs include a \$1 million stand-alone heating system for buildings 782, 783, 784, 785, and 786.

The Air Force did not include support for the DD Form 1391 to demonstrate how the stand-alone heating system is a result of BRAC requirements. Therefore, we believe that these items should be funded under normal MILCON funds, and should not be funded with BRAC MILCON funds.

**Support for the Stand-Alone Heating System.** The DD Form 1391 for project JREZ949512 states that, because of the sporadic and intermittent requirements of the 10th Infantry, the buildings used by the 10th Infantry that are currently on the central steam plant need to be removed from the central steam plant for more economical operation through the construction of a stand-alone system. The Air Force, however, provided insufficient support to show that stand-alone heating is the result of BRAC actions; therefore, BRAC MILCON funds should not be used.

## **Finding B. Adequacy of Justification for Base Realignment and Closure Project JREZ949512**

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**Public Law.** According to Public Law 101-510, "Defense Base Closure and Realignment Act of 1990," November 5, 1990, BRAC MILCON funds are to be used only for facility renovation to accommodate the realignment. BRAC MILCON funds should be used only if the central heating plant ceased to exist. The central heating plant will still be operational after the realignment.

**Realignment Plans.** The Griffiss Local Development Corporation plans on taking over the central steam plant once the realignment occurs and plans on selling back steam heat to facilities that would utilize the central steam plant. Because the buildings remaining as part of the realignment will be able to continue using the central steam plant, the stand-alone heating system is not a BRAC requirement. Therefore, the DD Form 1391 for project JREZ949512 should be reduced by \$1 million.

### **Status of Planned Construction**

The 10th Infantry project, including the construction of the stand-alone heating system, is at 100-percent design. The Air Force should not award a contract that includes the stand-alone heating system because the system is not the result of BRAC actions.

We are aware that further closure or realignment of organizations and missions at Griffiss AFB is being considered in the 1995 Defense base realignment and closure process. We are making recommendations for corrective action because the new recommendations have not yet been approved by the 1995 Commission on Defense Base Closure and Realignment and could be reversed during the approval process. The recommendations for corrective action comply with the memorandum dated February 22, 1995, from the Assistant Secretary of Defense (Economic Security) on special construction controls for installations, which appear on the Secretary of Defense's list of recommendations for realignment or closure.

### **Recommendations, Management Comments, and Audit Response**

B.1. We recommend the Deputy Assistant Secretary of the Air Force (Installations) direct the Air National Guard to:

a. Prepare a new DD Form 1391, "FY 1995 and 1996 Military Construction Project Data," to exclude the stand-alone heating system for project JREZ949512.

b. Withhold awarding a contract for project JREZ949512 that includes a stand-alone heating system.

**Finding B. Adequacy of Justification for Base Realignment and Closure Project  
JREZ949512**

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B.2. We recommend that the Under Secretary of Defense (Comptroller):

a. Reduce the funding currently allocated for the realignment of Griffiss Air Force Base, New York, by at least \$1 million for project JREZ949512 for the 10th Mountain Infantry Division.

b. Make future adjustments to the FYs 1995 and 1996 fund allocations, as appropriate, based on the submission of a revised DD Form 1391, "FYs 1995 and 1996 Military Construction Project Data."

**Air Force Comments.** The Air Force agreed to withhold awarding a contract for project JREZ949512. The entire project will be deleted if the 1995 Defense Base Closure and Realignment Commission accepts the Air Force recommendation to relocate the 10th Mountain Infantry Division support function to Ft. Drum, New York.

**Under Secretary of Defense (Comptroller) Comments.** The Under Secretary of Defense (Comptroller) agreed to reduce the appropriated funding for project JREZ949512 by \$1 million in FY 1996, revise the DD Form 1391, and reprogram the savings to support other base realignment and closure requirements.

**Audit Response.** The actions proposed by the Air Force and the Under Secretary of Defense (Comptroller) meet the intent of our recommendations, and no additional comments are required.

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## **Part II - Additional Information**

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## **Appendix A. Scope, Methodology, and Internal Management Control Program**

### **Scope and Methodology**

**Limitations to Overall Audit Scope.** COBRA develops cost estimates as a BRAC package for a particular realigning or closing base and does not develop estimates by individual BRAC MILCON project. Therefore, we were unable to determine the amount of cost increases for each individual BRAC MILCON project.

**Overall Audit Selection Process.** We reviewed the FY 1996 BRAC MILCON \$1.4 billion budget submitted by the Military Departments and the Defense Logistics Agency. We excluded projects that were previously reviewed by DoD audit organizations. We grouped the remaining BRAC MILCON projects by location and selected groups of projects that totaled at least \$1 million for each group.

**Scope of Audit.** We reviewed two construction and renovation projects, valued at \$5.2 million, required for the realignment of organizations and missions at Griffiss AFB.

**Audit Standards and Locations.** This economy and efficiency audit was made from January through February 1995 in accordance with auditing standards issued by the Comptroller General of the United States as implemented by the Inspector General, DoD. Accordingly, we included tests of controls considered necessary. The audit did not rely on computer-processed data or statistical sampling procedures. Appendix D lists the organizations visited or contacted during the audit.

## **Internal Management Control Program**

DoD Directive 5010.38, "Internal Management Control Program," April 14, 1987, requires DoD organizations to have internal management control procedures in place and to periodically evaluate the adequacy of those internal controls.

**Internal Controls Reviewed.** The audit reviewed internal controls over validating BRAC MILCON budget requirements. Specifically, we reviewed Air Force procedures for planning, programming, budgeting, and documenting BRAC MILCON requirements applicable to projects JREZ949512 and JREZ959501.

**Adequacy of Internal Controls.** Internal controls over MILCON budget estimates and the adequacy of management's implementation of the DoD Internal Management Control Program are discussed in Inspector General, DoD, Report No. 94-107, "Griffiss Air Force Base, New York, Defense Base Realignment and Closure Budget Data for Military Construction At Other Sites," May 19, 1994. The report stated that the Air Force internal controls were not adequate in the areas of planning, programming, budgeting, and documenting the BRAC MILCON requirements related to the realignment projects. As a result of having identified a significant overstatement of requirements during our audit, we believe that the internal control weaknesses have not been corrected, and still exist.

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## Appendix B. Summary of Prior Audits and Other Reviews

Since 1991, numerous Inspector General, DoD, audit reports have addressed DoD BRAC issues. Selected reports are identified here.

| Report No. | Report Title  | Date              |
|------------|---|-------------------|
| 95-051     | Defense Base Realignment and Closure Budget Data for Closing Mare Island Naval Shipyard, California, and Realigning Projects to Various Sites   | December 9, 1994  |
| 95-041     | Defense Base Realignment and Closure Budget Data for the Closure of Marine Corps Air Stations Ell Toro and Tustin, California, and the Realignment to Naval Air Station Miramar, California | November 25, 1994 |
| 95-039     | Defense Base Realignment and Closure Budget Data for Naval Air Station Miramar, California, Realigning to Naval Air Station Fallon, Nevada  | November 25, 1994 |
| 95-037     | Realignment of the Fleet and Mine Warfare Training Center from Naval Station Charleston, South Carolina, to Naval Station Ingleside, Texas  | November 23, 1994 |
| 95-029     | Defense Base Realignment and Closure Budget Data for Naval Air Station Miramar, California, and Realigning Projects to Various Sites  | November 15, 1994 |
| 95-010     | Defense Base Realignment and Closure Budget Data for Marine Corps Air Station Tustin, California, and Realignment to Marine Corps Air Station Camp Pendleton, California                    | October 17, 1994  |

## Appendix C. Summary of Potential Benefits Resulting From Audit

| Recommendation Reference | Description of Benefit  | Amount and/or Type of Benefit  |
|--------------------------|---|--|
| A.1., B.1.               | Internal Control. Requires revised and resubmitted BRAC MILCON estimates to reflect the most cost-effective alternative and requires withholding contract awards. | Undeterminable.*   |
| A.2.                     | Economy and Efficiency. Reduces the FY 1993 BRAC MILCON authorizations for overstated requirements.   | At least \$1.3 million of FY 1995 BRAC MILCON funds put to better use. |
| B.2.                     | Economy and Efficiency. Reduces the FY 1993 BRAC MILCON authorizations for overstated requirements.   | At least \$1 million of FY 1995 BRAC MILCON funds put to better use.   |

\*Exact amount of additional benefits to be realized will be determined by future budget decisions and budget requests.

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## **Appendix D. Organizations Visited or Contacted**

### **Office of the Secretary of Defense**

Under Secretary of Defense for Acquisition and Technology, Washington, DC  
Under Secretary of Defense (Comptroller), Washington, DC  
Assistant Secretary of Defense (Economic Security), Washington, DC  
    Deputy Assistant Secretary of Defense (Economic Reinvestment and Base  
    Realignment and Closure), Washington, DC  
Assistant Secretary of Defense (Force Management and Personnel), Washington, DC

### **Department of the Army**

Forces Command, Fort McPherson, GA  
    10th Mountain Infantry Division, Fort Drum, NY

### **Department of the Navy**

Naval Facilities Engineering Command, Alexandria, VA  
    Atlantic Division, Norfolk, VA

### **Department of the Air Force**

Deputy Assistant Secretary of the Air Force (Installations), Washington, DC  
Office of the Civil Engineer, Director of Plans and Programs, Washington, DC  
Deputy Chief of Staff Plans and Operations, Washington, DC  
    Air Force Operations Support Center, Base Transition Division, Washington, DC  
Air Combat Command, Langley Air Force Base, VA  
    416th Civil Engineer Squadron, Griffiss Air Force Base, NY  
    Northeast Air Defense Sector, Griffiss Air Force Base, NY  
Director, Air National Guard, Washington, DC  
    Air National Guard Readiness Center, Andrews Air Force Base, MD  
Air Force Base Conversion Agency, Rosslyn, VA

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## **Appendix E. Report Distribution**

### **Office of the Secretary of Defense**

Under Secretary of Defense for Acquisition and Technology  
Under Secretary of Defense (Comptroller)  
Under Secretary of Defense for Personnel and Readiness  
Assistant Secretary of Defense (Economic Security)  
    Deputy Assistant Secretary of Defense (Economic Reinvestment and Base  
        Realignment and Closure)  
Assistant Secretary of Defense (Force Management and Personnel)  
Assistant Secretary of Defense (Reserve Affairs)  
Deputy Under Secretary of Defense (Acquisition Reform)  
Assistant to the Secretary of Defense (Public Affairs)

### **Department of the Army**

Auditor General, Department of the Army

### **Department of the Navy**

Assistant Secretary of the Navy (Financial Management)  
Auditor General, Department of the Navy

### **Department of the Air Force**

Secretary of the Air Force  
Assistant Secretary of the Air Force (Financial Management and Comptroller)  
Deputy Assistant Secretary of the Air Force (Installations)  
Auditor General, Department of the Air Force

### **Defense Organizations**

Director, Defense Contract Audit Agency  
Director, Defense Logistics Agency  
Director, National Security Agency  
Inspector General, Central Imagery Office  
Inspector General, National Security Agency  
Director, Defense Logistics Studies Information Exchange

## **Appendix E. Report Distribution**

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### **Non-Defense Federal Organizations and Individuals**

Office of Management and Budget  
Technical Information Center, National Security and International Affairs Division,  
General Accounting Office

Chairman and Ranking Minority Member of Each of the Following Congressional  
Committees and Subcommittees:

Senate Committee on Appropriations  
Senate Subcommittee on Defense, Committee on Appropriations  
Senate Committee on Armed Services  
Senate Committee on Governmental Affairs  
House Committee on Appropriations  
House Subcommittee on National Security, Committee on Appropriations  
House Committee on Government Reform and Oversight  
House Subcommittee on National Security, International Affairs, and Criminal  
Justice, Committee on Government Reform and Oversight  
House Committee on National Security

Honorable Alfonse D'Amato, U.S. Senate  
Honorable D. Patrick Moyihan, U.S. Senate  
Honorable Sherwood Boehlert, U.S. House of Representatives  
Honorable John M. McHugh, U.S. House of Representatives

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## **Part III - Management Comments**

# Under Secretary of Defense (Comptroller) Comments



OFFICE OF THE UNDER SECRETARY OF DEFENSE  
1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100



MAR 31 1995

COMPTROLLER  
(Program/Budget)

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING, DOD IG

SUBJECT: Audit of Defense Base Realignment and Closure Budget  
Data for Griffiss Air Force Base, New York (Project  
No. 5CG-5017.19)

This responds to your March 10, 1995, memorandum requesting  
our comments on the subject report.

The audit recommends funding be reduced by \$2.3 million  
for two projects associated with the closure and realignment  
of Griffiss AFB, New York, on the basis that the projected cost  
is overstated and include items that do not qualify for BRAC.

We agree with the audit recommendations. The funding  
for the two projects is included in the FY 1996 budget request.  
If funds for the projects are appropriated in FY 1996, we will  
reduce the funding allocation, revise the DD 1391 forms, and  
reprogram the savings to support other base realignment and  
closure requirements.

RONALD A. DAVIDSON  
DEPUTY COMPTROLLER  
(PROGRAM/BUDGET)



# Department of the Air Force Comments



DEPARTMENT OF THE AIR FORCE  
HEADQUARTERS UNITED STATES AIR FORCE



28 MAR 1995

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING  
OFFICE OF THE INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE

FROM: HQ USAF/RT  
1670 Air Force Pentagon  
Washington, DC 20330-1670

SUBJECT: Draft Audit Report of Defense Base Realignment and Closure Budget Data  
for Griffiss Air Force Base, New York (Project No. 5CG-5017.19)

This is in reply to your memorandum to the Assistant Secretary of the Air Force (Financial Management and Comptroller) requesting Air Force Comments on the draft report.

The first DoD (IG) recommendation is on BRAC MILCON at Griffiss AFB, NY concerning project JREZ 959501 for construction to house the Northeast Air Defense Sector (ANG)

DoD (IG) COMMENTS: A.1 We recommend the Deputy Assistant Secretary of the Air Force (Installations) direct the Air National Guard to:

a. Prepare a new DD Form 1391, "FYs 1995 and 1996 Military Construction Project Data," to renovate Building 102 for project JREZ 959501.

b. Withhold awarding a contract to construct a new building for project JREZ 959501.

AIR FORCE COMMENTS: Concur. The project for a new building at a programmed amount of \$1.9 Million in FY 1996 has already been placed on hold, pending action by the 1995 Base Closure Commission. Design of Building 102 renovation will be authorized in August 1995 if the commission accepts our recommendations.

The Second DoD (IG) recommendation calls for deleting the stand-alone heating system for project JREZ 949512, 10th Mountain Complex (ANG)

DoD (IG) COMMENTS: B.1 We recommend the Deputy Assistant Secretary of the Air Force (Installations) direct the Air National Guard to:

## Department of the Air Force Comments

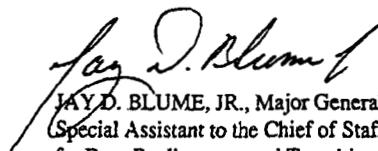
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a. Prepare a new DD Form 1391 "FY 1995 and 1996 Military Construction Project Data": to exclude the stand-alone heating system for project JREZ 949512.

b. Withhold awarding a contract for project JREZ 949512 that includes a stand alone heating system.

**AIR FORCE COMMENTS:** Concur. The Air Force has placed the entire MILCON project "on hold" pending action by the Base Closure Commission. If the commission accepts our recommendation, to relocate the function to Ft. Drum, NY, the entire project will be deleted.

Our Point of Contact for this report is Mr. Lester R. Schauer, HQ USAF/CEC, DSN 227-6559.

  
JAY D. BLUME, JR., Major General, USAF  
Special Assistant to the Chief of Staff  
for Base Realignment and Transition