



Lone Star Army Ammunition Plant

BRAC Commission

July 11, 2005



.....
Considerations for the BRAC Commission in evaluating OSD's recommendations concerning the Lone Star AAP...

- There are inconsistencies in the Military Value and Capacity analysis
- Data calls for Lone Star AAP were inaccurately reported – *Lone Star's manpower and capabilities are misrepresented*
- Lone Star does have critical capabilities which if lost will significantly impact current DoD programs

.....
Conclusion: OSD deviated substantially from the BRAC selection criteria.

.....



OSD's analysis does not accurately represent Lone Star AAP Military Value...

- OSD used inappropriate attributes to form recommendations – e.g. *How is soil resiliency relevant to ammunition plants?*
- OSD rated Lone Star AAP and RRAD inconsistently – *How could this be true for adjacent facilities?*

	<u>LSAAP</u>	<u>RRAD</u>
Soil Resiliency (A-11)	0	4.50
Water Quantity (A-12)	.78	2.39
Environmental Elasticity (A-38)	.39	1.49

Military Value is the number one BRAC selection criteria, however, it was inaccurately calculated for LS AAP

Reference: Appendix A - Military Value Reports: LS AAP Military Value summary report; Department of the Army BRAC 2005 Analysis and Recommendations, Volume III, May 2005, Appendix B Military Value Analysis



OSD's analysis grossly underestimated Lone Star's utilization...

- OSD did not account for the size or complexity of the munitions—detonators were given the same weight as MLRS rockets
- OSD did not account for all production lines – LSAAP's production of hand grenades and primers seems to have been completely ignored

Industrial Joint Cross Service Group's analysis of munitions production at the Lone Star AAP

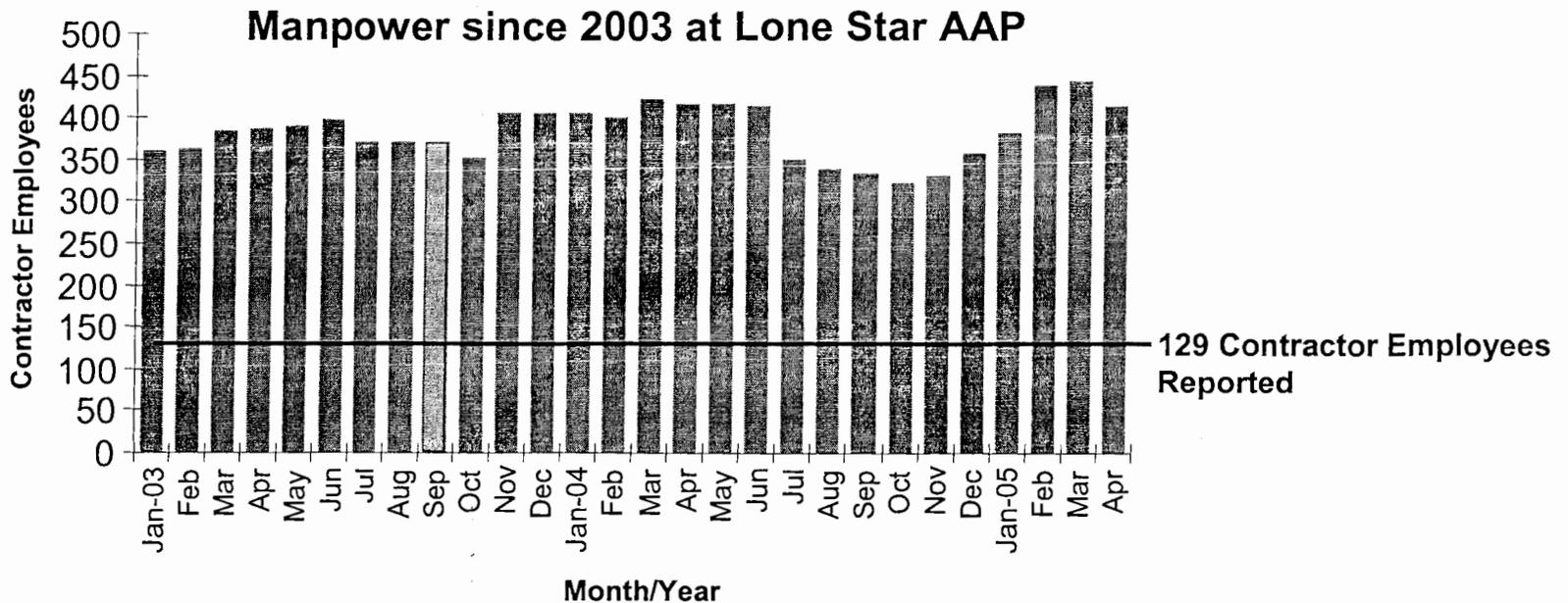
	Current Capacity	Current Usage	Max. Capacity	Excess Capacity	
				In Excess of Current Usage	In Excess of Max. Usage
Artillery	38,569	---	38,569	38,569	38,569
Cluster Bombs	3,912	---	3,912	3,912	3,912
Mines	57,996	---	57,996	57,996	57,996
Mortars	10,000	---	10,000	10,000	10,000
Pyro/Demo	22,752,222	589,901	22,752,222	22,162,321	22,162,321
Rockets	1,281,297	75,000	1,281,297	1,206,297	1,206,297
Site Total	24,143,996	664,901	24,143,996	23,479,095	23,479,095
% capacity not utilized				97.2%	97.2%

Lone Star is very busy today, but OSD's analysis suggests that it is in mothballs



Manpower for Lone Star AAP was inaccurately reported....

- OSD reported LSAAP manpower at only 229 (2 military, 18 civilian, 129 D&Z and 80 indirect)
- Actual manpower at plant in FY2005 is 423 (1 military, 19 civil service, and 403 D&Z)
- Army Stationing and Installation Plan (ASIP) submitted May 23, 2005 also verifies Lone Star AAP current manpower is in excess of 400
- Lone Star's manpower was understated by 242 employees on 30-Sep-03



Data call does not accurately reflect the actual manpower at LSAAP as of 30-Sep-03 and present

Reference: Appendix A - Manpower Reports: LSAAP Data Call Questions 2420, 2426, 2435 & 2442; Army Stationing and Installation Plan (ASIP) 23-May-05



▪ ▪ ▪ ▪ ▪
▪ Lone Star AAP is a multifunctional site performing the full scope of functions

- Production – Lone Star received third highest ranking in the JCSG Summary Military Value Report for Munitions
- Demilitarization – Open Burn/Open Detonation, Defense Reutilization Marketing Service (DRMS)
- Maintenance – MLRS Download and M77 Grenade Retrofit, M864 Recap, M67 Hand Grenade, M101 Grenade, M131 Modular Packed Mine System, Gator Trainer CBU-89 (T-1)
- Storage – 1.23 million sq. ft. in storage capacity

.....
Data call does not accurately reflect the actual capabilities at LSAAP





▪ ▪ ▪ ▪ ▪ ▪ ▪
Current DoD programs to be negatively impacted by BRAC recommendations for LSAAP...

- M915 Program (*MLRS and 155MM also applicable*)
 - Only Source for M234/M235/M236 Self Destruct Fuses
 - Unique engineering expertise with Insensitive Munition (IM) compliant technology
 - Developed prototype capability to cost effectively recapitalize grenades from stockpiled artillery shells

- Defense Reutilization Marketing Service (DRMS) Program
 - Over 10 years of Demil/Mutilation experience
 - LSAAP is the largest Demil/Mutilation Center for DRMS
 - In FY04 proceeds from 7M lbs of property totaled \$4.34M for DRMS

.....
Lone Star has critical capabilities which if lost will significantly impact current DoD programs

Reference: Appendix A - Impact Reports: *Information Paper (M915 Program), 22-Jun-05, Information paper (DRMS), 29-Jun-05*





OSD one-time other cost to relocate functions to gaining installations is understated...

<u>One-Time Other Cost</u>	<u>Cobra (\$k)</u>	<u>DZLS/Cobra (\$k)</u>
Lone Star		
Move ICM Equip	3,875	5,523
Equipment for Grenades	150	2,222
Milan (ICM, Hand Grenades, Mortars)		
Mod bldg & install truck loading dock	700	700
Equip upgrade & installation	3,009	3,009
Crane (Demo Charges)		
Facility upgrade	30	30
Equipment & tooling	40	1,242
Iowa (Mines, Detonators/Relays/Delays)		
Facilitize Iowa for detonators	5,000	9,761
Minor upgrade & bldg repair	525	525
Other Functions not considered (Supp Chrg, Primers and MCCM)	0	3,780
Total One-Time Other Cost	13,329	27,492

OSD underestimated one-time other cost to relocate functions to gaining installations by \$14.16 million







Lone Star Army Ammunition Plant



..
.