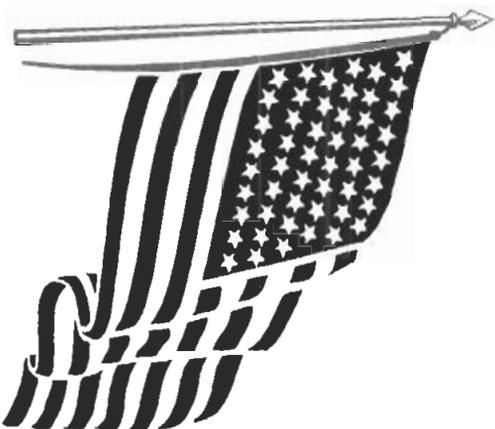




RED RIVER DEFENSE COMPLEX
COMMUNITY BRIEFINGS



2005 BRAC
July 27, 2005

The Honorable James H. Bilbray

Effects on Unemployment:
Closure of the Bowie County Defense Community
 Data supplied by the Texas Workforce Commission.

	Current Unemployment (April 05 numbers)	Projected Unemployment after closure of BCDC
Texarkana M.S.A.	5.0%	7.7%
Bowie County	5.3%	9.2%
Northeast Workforce Development Area	5.7%	8.9%

To put this into perspective, the projected effects of closing the Bowie County Defense Complex would be as follows:

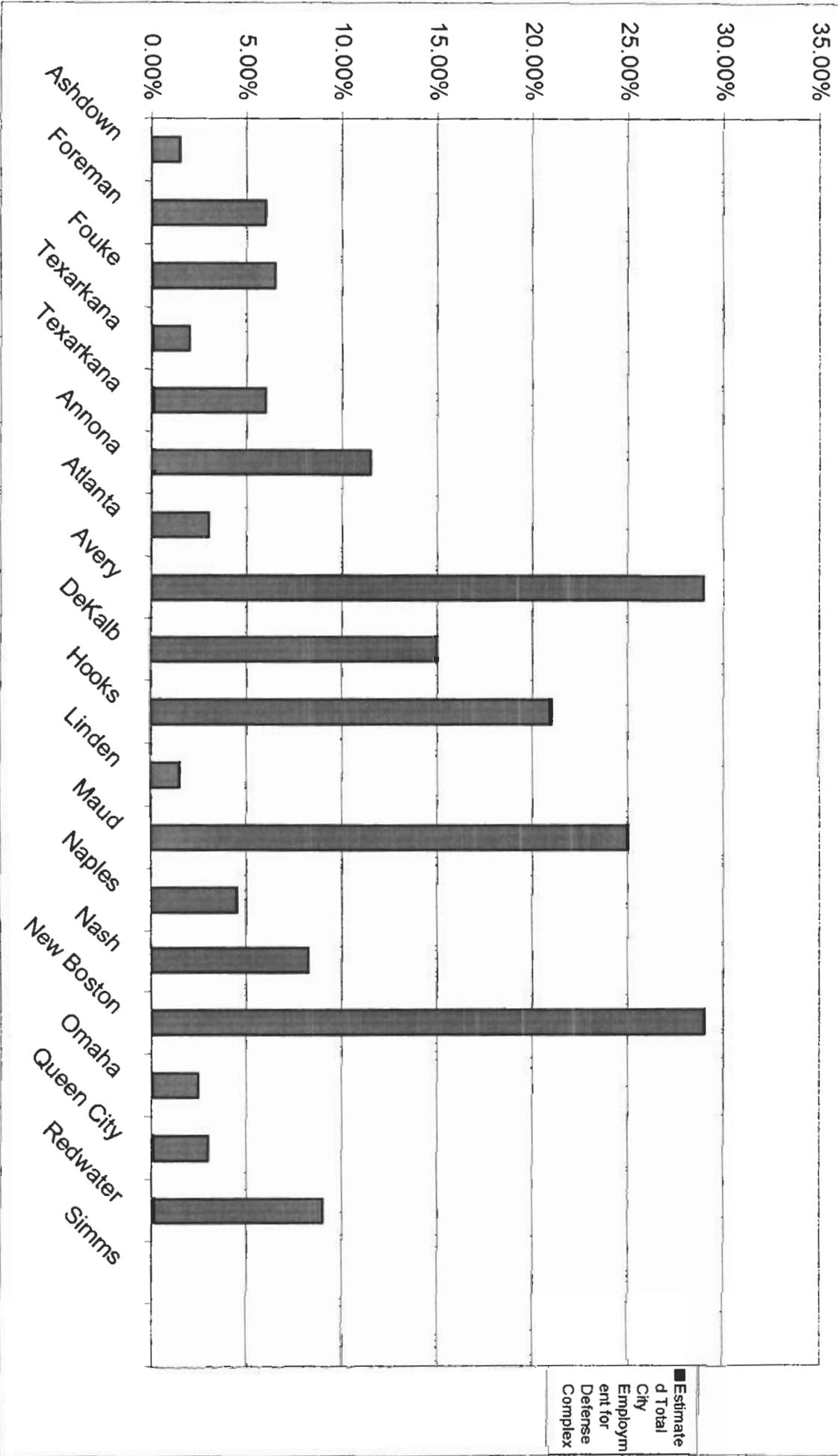
- Unemployment in Texarkana will increase by half (54.0%)
- Unemployment in Bowie County will increase by three-fourths (73.6%)
- Unemployment in the N.E. TX Workforce Development Area will increase by half (56.1%)

EXAMPLE:

Using the potential job loss of 4500 and a conventional job multiplier of 2.42, the job impact to the region would be 10,890 direct and indirect jobs. Taking an average of the “mean wage” and the “average experience wage” and the impact of direct and indirect jobs, the following economic assumptions result:

- The regional economic impact would be \$363,000,000 annually
- With 133,159 employed in a 50-mile radius, over 8% of the total workforce would be impacted
- The number of unemployed could grow to over 12,000

Estimated Total City Employment for Defense Complex





Red River Army Depot

LOCAL

ECONOMIC IMPACT



Salary > \$200M

**Purchase Orders, Contracts,
and Credit Card Purchases** > \$20M

App 1000 Official Visitors Annually

Hotel Nights > \$100K

Meals and Incidentals > \$75K

NOTE: FY 2002 Data
for Defense Complex

Committed to Excellence



Red River Army Depot

RRAD

DEMOGRAPHICS



Average Age 49

Average Length of Service 19.2

% Federal Wage System (WG) 60%

% General Schedule (GS) 40%

As of May 03

Committed to Excellence



Red River Army Depot

UNION/MANAGEMENT

PARTNERSHIP

NFFE
Local #2189
84% Empls Rep

ICWU
Local #735
2.5% Empls Rep

AFGE
Local #1029
3.5% Empls Rep

*• Full Members of Command & Staff
• Meetings w/Cdr & Union Reps Monthly
• Pro-active Labor Management Council*

IGUA
Local #124
2.1% Empls Rep

IBEW
Local #301
1.5% Empls Rep

PPF
Local #237
6.4% Empls Rep



Six Unions Representing a Diversified Workforce



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Army Depot Capacity – Issue 1

**The Army must
retain all Depots to
support War
Fighters**

- DoD handbook uses 1 shift, 8 hours/day or 40 hrs per week for capacity analysis.
- IJCSG used 60 hrs per week which is reserved for surge capacity
- IJCSG chose to modify depot capacity numbers to justify moving 2.1 million direct labor hours (DLH) from Red River.
- This analysis did not consider Red River's workload for FY05 (4.0 million DLH) and for FY06 (5.6 million DLH).
- Their plan eliminates surge capability and adversely impacts readiness.

Army Depot Capacity – Issue 2

Industrial Joint Cross Service Group (IJCSG) deviated from DoD parameters for capacity and “created” 2.6 million direct labor hours in Anniston and Letterkenny to permit closure over Army objections

- The BRAC recommendation is to move the ammunition storage and demilitarization from Red River Army Depot and Lone Star Army Ammunition Plant to McAlester Army Ammunition Plant. Since the BRAC data was gathered, McAlester has shown a significant increase in storage occupancy and is currently over the optimum level set by Joint Munitions Command. Assuming 100% capacity, there is still a shortage of 1.9 million square feet to store the ammunition from Red River and Lone Star. The goal of the Joint Munitions Command is 85% capacity.
- Red River currently has critical sensitive ammunition such as Stinger missiles stored in 88 Category I and II igloos. McAlester has 50 Category I and II igloos and will need additional Category I and II storage, but the Army Plan does not call for any additional facilities to be built or for upgrade of facilities to meet Category I and II requirements.
- Approximately \$8.3M would be required to replicate the Chaparral Missile Facility and move the sophisticated test equipment.
- The BRAC report shows no provision for accomplishing the workload of 107 Red River Munitions Center workforce on McAlester's personnel rolls other than the statement that "it is anticipated that the missions can be accomplished with existing workforce." No positions are shown to transfer to or from McAlester.

Red River Munitions Center

There is insufficient ammunition storage capacity within the Army to accommodate the Red River Munitions Center and Lone Star Ammunition Plant's current stored ammunition

- “Army depots are working beyond capacity and show no signs of slowing down, says **Army Secretary Francis J. Harvey**. With these industrial facilities operating 24/7 to keep up with equipment repair workloads, **the Army is not in a position to close any of them**, even as a round of base closures looms, he asserts. This year, the services eight depots and arsenals will generate 19 million direct labor hours. Next year, the number is going up to 25 million direct labor hours. ‘We have surge capacity within that, and we pay very close attention to having that capability,’ says Harvey. The Base Realignment and Closure Commission will have to take that into account. ‘We are going to maintain the capability to surge—in the 25 to 30 million range” (from National Defense/May 2005).
- DA told IJCSG in 7 Dec 04 (SRG Meeting #23) that they could not close Red River or Letterkenny.
- DA analysis on Depot Maintenance shows no significant excess among 5 depots.

- The DOD analysis rated Defense Distribution Depot Red River (DDRT) #1 for assignment as the Strategic Distribution Platform for the Central Region, a mission they are already performing. DDRT maintained that designation until Red River was recommended for closure. It was then transferred to #2 Oklahoma City. Once again, the mission is moving away from the installation with the higher military value.
- Furthermore, this recommendation includes \$43 Million in construction costs at Oklahoma City which is only enough to construct a facility 65% of the size and capability of the Distribution Center at Red River, not even counting all the outlying warehouses. With no construction, DDRT can take on the Central Region distribution mission.
- With over 80% of its current distribution mission in support of installations outside the depot, the DDRT is functioning as a Strategic Distribution Platform and should be designated as such on its merits and especially considering its proximity to the major land forces in the United States.

Impacts Readiness

- **Closes the DLA distribution depot with the highest military value in the Central Region**
 - **Ignores unique capabilities – Rubber Products, Missile Recertification and Bradley Transmission production**
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