BRAC 2005
Community Comments

Presented
To

The Honorable James V. Hansen
Defense Base Realignment and
Closure Commission

By
Anniston/Calhoun County
Alabama

August 3, 2005

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TAB A
Information Paper
Supply and Storage, Joint – Cross Service Group Recommendation

Supply and Storage (S&S) Joint-Cross Service Group (JCSG) Recommendation:
"Consolidate supply, storage, and distribution functions and associated inventories of Defense Distribution Depot Anniston, AL with all other supply, storage, and distribution functions and inventories that exist at Anniston Army Depot to support depot operations, maintenance, and production."

What does this mean?
The S&S JCSG recommends transferring what are currently depot maintenance functions (to include 343 civilians, 178 contract employees, and 1.76 million square feet of space required by maintenance operations) to the Defense Logistics Agency (DLA). The specific recommendation can be found on page 21 of the S&S JCSG's 2005 Base Closure and Realignment Report, Volume XI. The number cited above can be found in a memorandum from the Principal Deputy Under Secretary of Defense (Mr. Michael W. Wynne) dated Jun 22, 2005. Then there will be a Reduction-In-Force (RIF) of 90 personnel (see COBRA data) to account for a so-called 6.5 percent (68 DLA and 22 Maintenance positions) increase in efficiency that lacks any certified data. Opposition to these recommendations is strong across all Army Depots and Air Force Logistics Centers. It is contrary to the intent of BRAC legislation, contrary to Core Logistics statutes, fails to recognize the critical requirements of the depot maintenance functions, violates and restricts a maintenance depot commander's command and control authority, lacks sufficient analysis/justification, places unjustified reliance on unproven business processes, and jeopardizes the maintenance depots' ability to support the War fighter.

Government Accountability Office (GAO) Report:
The General Accountability Office Report, **GAO-5-785** (July 2005), expresses uncertainty with the S&S recommendation (See GAO-05-785, pages 5 and 25-26). The GAO urged the BRAC Commission to review these recommendations in more detail. This information paper also suggests that you investigate the impact of those recommendations on depot maintenance missions ("below installation" retail functions) based on the contents of this paper.

Where is the Military Value and what is the specific criterion on which this recommendation was based?
This recommendation is a substantial deviation from BRAC law because it was not based on **Military Value** and it is highly questionable whether it was based on any of the **Other Considerations** criterion. Vice Admiral Lippert (Director, DLA) chaired the S&S JCSG. Military judgment will most likely be cited but where is the study of potential implications and impacts to missions or certified savings data? This is clearly an attempt to force a business re-engineering initiative utilizing BRAC as an implementation vehicle. The benefactor (DLA) of this initiative is well aware of the extraordinary controversy involved with this recommendation as cited in this paper. It could be an attempt to save what will be left of DLA organizations at depots and other spoke

distribution points from being contracted out using A-76 procedures. Or, is it a means to exponentially increasing the number of jobs to be considered for outsourcing at a later date.

A Thriving Business Practice:

Industrial complexes, such as Anniston Army Depot (ANAD), have a significantly different mission from a wholesale supply and storage operation like DLA. Anniston Army Depot's mission produces 2091 combat vehicles a year, plus all of their secondary items (engines, transmissions, electronics etc.). There are over 50 work processes (disassembly, overhaul, reclaim, test and paint) located in 53 buildings involved in the overhaul of a combat vehicle and its components. The magnitude of the workload requires 5.5 acres of work-in-process lay down space (approximately 14,500 baskets and wood pallets). Each process has it own integrated material management team that ensure new and reclaimed parts are available to meet mission schedules. The team coordinates with depot production personnel, engineers, quality and production controllers to ensure repair parts; components and consumable supplies are available to meet mission requirements.

The industrial material management team at ANAD consists of 107 contractor support personnel (71 of the number reported above actually perform steam cleaning duties) and 343 government personnel as reported in a February 2005 BRAC scenario submission. Current numbers are the same for contractor personnel and 348 for government personnel. The contractors provide common hardware, paint, labor to support the receipt, storage and issue of new and reclaimed repair parts, the storage and movement of secondary repair items (engines, transmissions etc.) and steam cleaning in various work processes. The government personnel functions are integrated into all of the 50+ work processes to ensure on a daily basis that material is ordered, available on the depot, brought into each maintenance process when work begins on each maintenance program and critical shortages are identified, communicated and resolved.

One command and control structure must be in place for communication and coordination between the contractors, material management team and the production organization for the Depot Commander to be successful at executing his mission. Workload changes and surges require an immediate response to provide additional personnel, overtime hours and the implementation of additional work shifts. Transfer of the industrial material management functions will introduce different priorities when it comes to overtime, hiring of personnel, and adding work shifts.

Recommendation:

To ensure that command and control for industrial material management functions at ANAD stays under the Depot Commander, strongly request reconsideration of the JCSG recommendation.

See encl for more Background information.

2 Encl

Additional Background:
The Introduction to the Supply and Storage Joint Cross-Service Group Report calls out guidelines and target areas for group focus and data calls, but quickly follows with a set of recommendations that significantly violates its own organizational philosophy on supply, storage and distribution. The report clearly states an "appropriate level of S&S involvement" must focus on "above installation" activities--essentially wholesale levels of supply, storage and distribution. Yet a significant segment of the group's recommendations insert DLA into the middle of depot maintenance production and clearly interfere with "installation and below" production processes. The S&S JCSG admitted in their report that "later efforts looked at a narrow segment of activities, industrial, in a **differing** manner." They borrowed from synergy that existed between the Industrial Joint Cross-Service Group and industrial installations to gather "installation and below" data very late in the process as a supplemental data call and simply used that data to make recommendations without fully understanding potential impacts. The **military judgment** used to assess potential impacts of those recommendations could **not** have been made by an expert with knowledge of depot maintenance functions and logistics. This information paper would not be necessary if a sound military judgment had been made to reject these recommendations.

Summary Points:

- Defense Logistics Agency (DLA) supply and storage functions versus internal production process functions at depots have essential qualitative differences. Under the S&S recommendation, simple internal movements of equipment and material among the various industrial shops would now involve two separate organizations and two separate chains of command for what is really one single mission/function (i.e. depot maintenance). Once repair parts are requisitioned, either on contract or through the wholesale source of supply, they become integral to maintenance programs.
- The responsibility to ensure weapon systems are repaired and returned to the War fighter on time, within cost allowances, and at the highest level of quality possible requires command authority. Breaking that command and control authority, as the JSCG recommends, would seriously jeopardize mission accomplishment.
- DLA functions use the Distribution Supply System (DSS) for various supply related processing functions such as receipt, storage, issue, inventory, etc. This system is incompatible with systems used for production control functions and the stand alone Automated Storage and Retrieval Systems (ASRS) being used at depots.
- Under the Central Depot Concept (CDC), a redundant receiving function was eliminated and was praised by a U.S. Army Audit Agency Report (AAA97-161), titled "Management of Repair Parts for Maintenance." CDC was implemented as

a National Performance Review (NPR) initiative and resulted in the receipt of the Hammer Award by Vice President Gore. Prior to implementation of the CDC, DLA would receive material, then hand it to the Depot receiving functions where it would become retail stock and redundantly received again. Elimination of these redundancies saved the DLA millions. Eliminating the payment of required DLA transaction fees for receipt, storage and issue of these materials saved the Army millions.

- A more logical recommendation would be to place minimal remaining DLA resources under the Command and Control of the maintenance depot, rather than under DLA. The recommendation as it is being interpreted today would result in degradation to depot maintenance missions creating what would amount to a jobs program resulting in higher costs to depot maintenance customers.
- Performance metrics of maintenance depots and DLA functions have significant differences inviting conflict and delay in delivery of Warfighter equipment.
- Depots focus on specialized limited quantities of high turnover supplies (retail inventory) needed specifically for their maintenance customers whereas DLA focuses on wholesale common commodities used by multiple customers stocking large quantities for extended periods in case the wholesale system requires those commodities. Attempting to combine these focus areas would result in loss of visibility over materials and assets, increase in-shop inventories, and delay delivery of critical weapon systems. Coordinating budget, bid, negotiation and costing with another command would be cumbersome, impractical, and time consuming for any maintenance depot.
- The JCSG applied an arbitrary 6.5 percent reduction of personnel from efficiency gains by combining supply and storage functions with vastly different focuses. The analysis for this figure is lacking certified data and there is no evidence showing how the transfer of such critical, sophisticated missions to an entity with no experience in maintenance missions will result in any value added or gains in efficiencies.
- The definition of depot maintenance (Title 10 USC 2460) implies a requirement to have hundreds of technical skills (core logistics capability) to ensure that missions are accomplished. The DLA recommendation **crosses the line** and violates statutory requirements (Title 10 USC 2464) to maintain these skilled personnel in-house under the command and control of the mission commander. A key function of depot overhaul is reclamation of parts, not just assembly of new parts. Requisitioners, expeditors, parts attendants, production controllers, equipment specialists, production engineers, and shop leaders are all part of a team working together, dedicated to completing production on time, within budget, with customer satisfaction. Each has acquired technical knowledge of end item/reparable performance requirements and all share vital data on work problems and status of parts needed for job completion – on order, back ordered, long lead, support shop fabrication, etc. This kind of expertise is not resident within DLA and is not within its core competencies.
- At depots, parts are ordered and pre-positioned per customer specifications in an Automated Storage and Retrieval System (ASRS) pending decision to execute work in the shops. Prior to construction of ASRS, these parts had to be

maintained in production areas until needed. Command and control of the ASRS is essential for the maintenance depot to provide a lean work area free of all items/assemblages except those currently being worked. Release to the shop floor is by production order and work breakdown structure. Accounting for and tracking of parts is essential to properly identify costs directly to the correct depot maintenance repair program. DLA accounts for wholesale inventory by federal stock number and has no mission to store, account and control by production order. Differences between a supply and maintenance production environment invites disharmony. Parts availability data by job order is critical to decisions on when, where, and how much work can commence.

- Current problems exist with lack of accountability from DLA for timely replacement of non-conforming parts as well as delivery of parts. Private industry manufacturers would not retain suppliers that do not provide timely delivery of quality parts.

This summary of concerns substantiates that the S&S recommendations (especially the combining of wholesale and retail supply functions) must be thoroughly reviewed by the BRAC Commission and its staff. More information and data can be forwarded as needed. This is your opportunity to challenge the soundness and wisdom of these recommendations before they become binding.

PRINCIPAL DEPUTY UNDER SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-3015

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

JUN 2 2 2005

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
DIRECTOR, DEFENSE LOGISTICS AGENCY

SUBJECT: Transfer of Depot and Shipyard Functions and Resources to the Defense Logistics Agency (DLA)

In order to establish a more effective and efficient supply chain, the supply and storage functions and the associated personnel and facilities as indicated on the attached spreadsheet will transfer, in-place, to the Defense Logistics Agency (DLA). This transfer will occur only if the Supply Storage and Distribution management consolidation BRAC recommendation is approved and only to the extent not inconsistent with that recommendation.

Dates for the transfer of functions and resources should be negotiated directly with DLA. In addition, the Director of DLA is authorized to program necessary fiscal resources for costs associated with this transfer.

Michael W. Wynne

Attachment:
As stated

Supply and Storage Functions to be Transferred to DLA

Requisitioning	Issuing
Receiving	Kitting
Storing	Material Handling

Supply and Storage Resources to be Transferred to DLA

Activity	Mil Per	Civ Per	Contr Per	Tot Per	Admin GSF	Cov GSF	Open GSF	Spec GSF
NADEP, Jacksonville	1.5	37	92	130.5	8,657	138,865	48,664	8,576
Norfolk Naval Shipyard	0	76	56	132	283,280	347,054	67,720	66,000
Puget Sound Naval Shipyard	1	57	5	63	13,966	637,535	502,250	24,452
NAS North Island	0	29	60	89	10,171	128,929	0	1,474
Pearl Harbor Naval Shipyard	0	9.24	5.28	14.52	0	152,822	58,167	7,946
Naval Air Warefare Center Lakehurst	1	2	3	5	0	0	0	0
Portsmouth Naval Shipyard	0	40	0	40	21,059	107,178	5,184	13,243
Weapon Station Charleston	0	1	4	5	0	0	0	0
Naval Weapons Station Seal Beach	0	4.5	0	4.5	7,632	9,152	0	0
Naval Undersea Warfare Center Keyport	0	2.5	12	14.5	9,935	66,210	0	3,175
MCAS Cherry Point	0	110	4	114	1,836	94,513	6,300	11,912
MCLB Albany	0	53	0	53	52,121	409,198	586,881	0
MCLB Barstow	1	63	0	64	37,201	322,149	138,065	19,219
Anniston Army Depot	0	343	178	521	27,968	541,401	1,147,895	46,394
Corpus Christi Army Depot	1	263	161	425	202,085	1,200	25,000	2,560
Tobyhanna Army Depot	0	85	28	113	0	253,305	512,365	116,900
Letterkenny Army Depot	5	32	22	59	5,611	457,978	2,062,615	39,600
Rock Island Arsenal	0	157	5	162	138,148	597,442	654,490	57,964
Ogden Air Logistics Center	0	110	30	140	22,680	354,453	0	0
Oklahoma City Air Logistics Center	0	393	0	393	38,083	141,714	5,000	0
Warner Robins Air Logistics Center	0	131	0	131	9,113	95,074	24,700	0
Davis Monthan AFB	0	0	0	0	0	0	0	0
Totals	10.5	1998.24	665.28	2673.02	889,546	4,856,172	5,845,296	419,415

Attachment 1

Legend:

Activity	*Specific depot level maintenance activity to transfer functions and resources to DLA*
Mil Per	*Number of military personnel (expressed as FTEs)*
Civ Per	*Number of government civilian personnel (expressed as FTEs)*
Contr Per	*Number of contractor personnel (expressed as FTEs)*
Tot Per	*Total number of personnel (expressed in FTEs)*
Admin GSF	*Total gross square feet of administrative and kitting spce*
Cov GSF	*Total gross square feet of regular covered storage space*
Open GSF	*Total gross square feet of outside storage space*
Spec GSF	*Total gross square feet of specialized covered storage space (e.g. secure, freeze, chill, etc.)*

TAB B
BRAC Realignment of Supply Support Functions

Anniston Community's Concerns for Army and Specifically Anniston Army Depot

Based on our review of the BRAC documents, it is apparent the Supply and Storage Joint Cross Service Group took advantage of the BRAC process to transfer service related supply operations from the services to DLA without a comprehensive analysis of the impact on the services. The recommendation to move the management of service related consumables along with related depot maintenance internal supply operations, and the transfer of the acquisition of DLRs will significantly impact the services' ability to support the Warfighter.

We recommend the BRAC commission acknowledge that management of service-specific materiel (including depot maintenance related supply operations) and purchasing of Depot Level Reparables (DLRs) are essential core capabilities of the respective services and reject the transfer of that authority to the Defense Logistics Agency (DLA). To accomplish this recommendation the following actions should be taken:

- GAO conduct a detail audit of all data and purported savings used by DoD to make the recommendations in the Supply and Storage sections of the BRAC recommendations.
- Institute "best purchasing and supply management practices" across DOD such that purchasing is not separated from supply management.
- Services retain management of service peculiar consumables and acquisition of DLRs and a policy be developed mandating the use of Strategic Supplier Alliances (DLA/services plan parts procurements together and utilize one another's contracts).
- Depot Commanders retain command and control of all maintenance and supply operations commensurate with their responsibility.

We offer the following facts that support our recommendation and requested actions--first a summation of the issue:

- DLA's leverage does not significantly increase – services still procure end items which represent 75% of contract dollars awarded; true leverage is with the agency buying the end items.
- Many consumables share the same source of supply with the more expensive/technically complex weapon system and reparables; transfer to DLA splits DOD's spending power with many key suppliers. Service retention of weapon system consumables enables leveraging of dollars spent in all phases of the weapon system's life cycle through the use of smart purchasing practices with all providers.

- Since transferring a significant amount of consumables from the services to DLA in the late 1990s, DLA has transferred thousands back to the services, due to technical complexity (design changes, complex repair, critical safety concerns). A key factor not considered in the DoD recommendation is DLA lacks the technical expertise to employ enterprise-wide management.

Facts related to the transfer of service peculiar consumables and supply operations from the services to DLA:

- Depot Commanders are responsible for executing repair and overhaul of major weapon systems and without control of their own supply operations they will lack authority to accomplish that mission.
- Item managers are responsible for long range forecasting of Depot overhaul and repair programs with a parallel responsibility of forecasting and procuring service peculiar parts. Many of these parts are long lead procurements and requirement weapons system expertise in forecasting.
- Forecasting and procuring consumables for weapon systems no longer in production requires item management and engineering skills, along with Depot maintenance skills to procure or fabricate many essential parts. These skills do not reside in DLA
- Managing and procuring consumables along with operating the supply function at a maintenance Depot requires both supply and maintenance skills and many of these skills are interchangeable.
- A large percentage of consumables used in the repair and overhaul process at a Depot come from reclaiming those items after the disassembly of the weapon system and components. Tracking items from disassembly, reclamations, and reuse is an integral part of the maintenance mission.
- Supply functions at a maintenance Depot include determining requirements based on methods such as using Depot overhaul factors rather than demand history and consumptions records that would normally be used by DLA. Also the supply operations at a maintenance Depot includes identifying and managing constantly changing requirements based on asset condition, inspecting both new and reclaimed parts, movement and routing of those parts to the right place at the right time, and organizational management and control of the supplier and maintainer.

Facts related to the transfer of acquisition responsibility for DLRs from the services to DLA:

- Adding DLRs to DLA's spend base will not significantly increase DLA's buying leverage, especially for sole source buys which represent large portion of DOD business. This represented approximately 39% of the Fiscal Year dollars.

- Many DLR procurements are sole source/procurements with only one supply source. DOD buying power remains with the services given original equipment manufactures (OEM) end item relationships/large dollar value of end item purchases; facilitates a close working relationship to address weapon system readiness requirements.
- DLA's expertise is high-volume, common, highly competitive items (approximately 97% of FY03 contracts were less than $25K). Skilled personnel residing at service Inventory Control Points are needed to develop supplier strategies that harmonize total life cycle management for highly engineered, technically complex DLRs.
- Significant cost and schedule impacts will occur to enterprise automation systems in both DLA and the services, delaying much needed, modernized logistics automation capability from getting in the hands of service and DLA logisticians/sustainment personnel. Note: this is also a major factor for the consumable issue.
- DLRs, critical to the readiness of weapons systems, will be purchased by embedded DLA contracting personnel, over whom the service acquisition centers will have no command and control and thereby impacting support to the Warfighter.

Air Force Specific Concerns

The following are specific concerns with the implementation of BRAC recommendations within the Air Force:

- DLA and the USAF have inconsistent support goals and objectives. DLA seeks to achieve an overall 85% supply availability (wholesale issue effectiveness) while the USAF seeks to maintain 100% materiel at point of use.

- Differences in these goals drive significant differences in the amount of inventory held to support depot maintenance.

- Previous initiatives to consolidate USAF and DLA inventories (Air Force Inventory Effectiveness) did result in inventory reductions, but as a result, support to depot maintenance was severely degraded due to insufficient inventory levels.

- Current USAF systems stock inventory to achieve a specified customer wait time; DLA does not.

- -DLA's supply system is designed for wholesale processes, not retail. USAF retail supply systems provide multiple interfaces with depot maintenance accounting systems in order to track costs, consumption, asset position, and delivery performance. Creating these interfaces for DLA systems will prove costly.

- USAF retail systems interface with USAF wholesale systems to manage (replenish, redistribute, and report asset posture) reparable assets. DLA systems are not configured to provide these functions.

- USAF sustainment transformation initiatives have pushed more inventories to the point of use (i.e. the shop floor). This is counter to DLA initiatives which have focused on consolidating or centralizing inventories.

TAB C
OPTIONS FOR UTILIZATION OF 2.6 M DLHs OF CAPACITY FOR COMBAT VEHICLES

Option 1: Accommodation of all 2.6 M DLHs at Anniston Army Depot

The requirement to establish 2.2 M DLHs of Combat Vehicle capacity Anniston Army Depot (ANAD) and another 0.4 M DLHs of Combat Vehicle capacity at Letterkenny Army Depot (LEAD) is contained within BRAC 2005 COBRA data. The amount of capacity designated for ANAD is designed for operations on a single shift (1-8-5) schedule as specified in Scenario IND-0083, Supplemental 3.

In accordance with guidance from Army Materiel Command, the 0.4 M DLHs of capacity at LEAD is not specifically designated for Combat Vehicle workload. The designed construction of new facilities at LEAD will ensure that they have the capability to assume unplanned or unknown future workload if required. It will initially be used for wheeled vehicles.

With the addition of 2.2 M DLHs of capacity at ANAD, an additional 0.4 M DLHs could be accomplished by working a single shift with less than 20 percent overtime (less than the 28 percent currently being worked today). This could be accomplished with no additional construction cost to the Government. This scenario also does not take into account our ability to partner with local private industry to accomplish additional workload if needed.

The amount of space necessary to accomplish 0.4 M DLHs is estimated to be approximately 40K square feet of production space. Approximately this same amount of Combat Vehicle space has been constructed at ANAD since the data calls (providing total capacity) took place almost one year ago. This is further evidence that the additional space at LEAD is not needed for unplanned or unknown Combat Vehicle workload.

OPTION 2: Utilization of 0.4 M DLHs at Letterkenny Army Depot

Presently, FY05 surge workload at ANAD has pushed the overall execution to approximately 5.0 M DLHs. Of the 5.0 M DLHs, approximately 25 percent or 1.25 M DLHs is associated with Combat Vehicle Component repair. Anniston's bottlenecks for execution of present surge workload are within the processes related workload for component repair commodities. Potential impacts to sending component workload to LEAD are the repair cycle time will have to be increased 10-15 workdays to accommodate shipping and repair time, man-hours and material will be in ANAD's budget (LEAD will have to stay within budget) and LEAD priority to complete workload will have to be the same as ANAD. Items identified as bottlenecks include:

- Mechanical Component Repair
- Component Painting
- Component Cleaning
- Component Machining
- Component Welding
- Component Finishing

FY06 anticipated surge workload would require ANAD to execute over 7.2 M DLHs of which approximately 25 percent would be process related or component workload for Combat Vehicles.

Proposed Combat Vehicle workload designated for LEAD would only be the surge related DLHs identified by ANAD and would consist of the component related workload identified above in bottleneck areas. ANAD does not anticipate any unique or one of a kind process type workload would be designated to go to LEAD during a surge scenario. All of the workload would be compatible with existing Tactical Vehicle capabilities that currently exist at LEAD, saving the expenses associated with purchasing/installing equipment or constructing special facilities necessary to support maintenance of combat vehicles.

TAB D
INFORMATION PAPER
Bradley Transmission Overhaul Capability

Purpose: Provide information on Anniston Army Depots (ANAD) capability to perform Combat and Tactical Vehicle work (specifically the HMPT series transmission used on the Bradley Fighting Vehicle) that will be transitioned from Red River Army Depot (RRAD) to ANAD as part of the BRAC recommendation to close RRAD. An issue was identified at the San Antonio, Texas BRAC Commission hearings, 11 July 2005, that work of this technical difficulty was done at RRAD and no where else (See Attachment 1, San Antonio Hearing Transcript Excerpt).

Issue: During the San Antonio Hearing there was a statement made that the Bradley HMPT series transmission "is very exacting, must be calibrated and put together exactly and precisely right, going down to the millionth of an inch, and they do it at RRAD and they do not do it anywhere else". Also, statements have been made that the HMPT series transmissions are the only "true" cross-drive transmissions in the Army's inventory. The fact is, ANAD currently overhauls and test the X1100, X200-2, XT1410, CD850, and XTG411 transmissions, which are all cross-drive transmissions and are equal or more complex to overhaul than the HMPT series transmissions (See Attachment 2, Technical Information Paper on Transmissions Overhauled and ANAD).

Conclusion: During development of the implementation plan for transitioning workload from RRAD it was determined, based on the similarity of the transmission work done at ANAD, there will be no problems in transitioning the workload from RRAD (See Attachment 3 & 4, X1100 & Bradley HMPT Series Process Flow Charts.)

River. All of these are critical to helping the war fighter.

In direct contradiction to the BRAC criteria, the unique capabilities of Red River Army Depot were ignored while other facilities received credit and were exempted from closure consideration. For example, the Rock Island Arsenal is DoD's only forge capability.

Another thing about these three unique capabilities is the work force at Red River, the people that these yellow T-shirts are representing today. The work force there is a key ingredient to all three. Let me run through them very quickly.

In the case of -- of the Bradley transmission, there -- there's a lot of technical details on this, but basically you're talking about something that is very exacting, must be calibrated and put together exactly and precisely right, going down to the millionth of an inch, and they do it at Red River Army Depot and they do not do it anywhere else.

The Patriot missile recertification. Here again, the work force has over 1300 hours of classroom training. It's continually monitored through layers and layers of monitoring organizations

Attachment 2

Anniston Army Depot (ANAD)
HMPT 500 Transmission Overhaul Capability

General:

The requirements to overhaul a HMPT 500 transmission are similar to those of cross-drive transmissions already overhauled at Anniston Army Depot. In many respects the HMPT 500 transmission is less complex to overhaul than the X1100 transmission, used in M1A1/A2 Abrams vehicles, and the X-200, used in the M113 family of vehicles. Both of these transmissions are automatic, electronically controlled and utilize hydrostatic pump and motor assemblies as steer units. Anniston's experience with these and other transmissions will enable transfer of the HMPT-500 mission with relative ease and with little or no impact to readiness.

Experience:

Anniston Army Depot overhauls a wide variety of transmissions. In fact, Anniston is currently overhauling 5 different cross-drive transmissions and 2 in-line transmission models. Two of these are the X1100, used in the M1A1/A2 Abrams, and the X-200 transmission, used in the M113A3. Both are very sophisticated transmissions. They are as complex if not more complex than the HMPT-500, which is used in both the Bradley and MLRS vehicles.

Transmission	Vehicle	Type
X1100	M1A1/M1A2	Cross-Drive
XTG-411	Paladin/FAASV	Cross-Drive
XT-1410	M88A1/A2	Cross-Drive
X-200	M113A3	Cross-Drive
CD-850	AVLB	Cross-Drive
HR-3610	M9 ACE	In-Line
TX-100	M113A2	In-Line

Skills required and availability at ANAD:

Mechanics: Only trained, qualified mechanics are assigned to the transmission overhaul shop. A CO-OP school with applicable training is established and in full operation at ANAD to supply new personnel as needed. The skills required overhauling the X1100 and X-200 are the same skills that will be used to overhaul the HMPT-500 transmission.

Engineering: Anniston has a large and well-trained engineering staff. Mechanical Engineers are assigned to the transmission shop and testing centers. Electrical, Chemical and Industrial Engineers support them for the establishment and control of processes. The skills required to support ANAD's current transmission workload will be the same type required to support the overhaul processes and equipment used for the HMPT 500.

Technicians: Anniston uses qualified & certified technicians to perform processes such as X-ray, Coordinate Measuring, Plating, Metalizing, CNC programming, and fabrication of special test fixtures. These same type skills are required to support the HMPT-500 mission.

Machinist: Several labor grades are established at ANAD to distinguish the capabilities required for various work assignments. Skills available range from simple drill press operation to fabricating the most complex testing fixtures and devices as well as setting up and operating CNC machines. Training of machinists is also performed at the ANAD CO-OP School.

Facilities required:

The same type facilities now in use at ANAD to support current transmission workload will be used to support the HMPT 500 mission. These are clean, climate-controlled rooms. The specialized test equipment currently used at Red River will be moved and installed in these facilities. Transition of the HMPT 500 mission can be accomplished with little or no impact to readiness. Anniston successfully transitioned the overhaul of 5 separate transmissions from Red River and Letterkenny Army Depots as a result of BRAC 95 decisions. This transition included relocation of 5 transmission test stands as well as other special test stands.

Overhaul Processes:

The overhaul processes used on these transmissions are very similar. All of them follow the same basic overhaul process:

Disassembly: The first steps are transmission disassembly and inspection. Special tools and expertise exists for visual examination and measuring of parts for conformance to DMWR or drawing requirements. For extreme exacting measurements, use of coordinate measuring machines is used.

Cleaning & Finishing Processes (cleaning, plating, welding etc.): Steam cleaning, abrasive blast, cleaning solvent (PD 850), compressed air, phosphate coating, cadmium and chrome plating, anodic coating, zinc and nickel plating are all common processes used in overhaul of transmissions. Shrink fit of parts for assembly using heat to expand and freezer or liquid nitrogen or dry ice for contraction is used throughout. Reclamation or repair of parts through welding, metalizing, plating and re-machining are also common in transmission work. Milling, drilling, broaching and other machine shop practices are so common that such work is assigned to a machining center attached to the transmission centers.

Component Measuring: High precision measurement of components is common to overhaul of all transmissions worked at ANAD. Anniston has a measurement lab containing state-of-the-art coordinate measuring machines capable of measuring complex component parameters. Anniston has skilled technicians with many years of experience operating this special equipment.

Assembly and Testing: Use of special fixturing and work assistance devices is common on all transmissions. Component parts are inspected utilizing precision measuring equipment. Acceptance testing of intermediate assemblies such as valve bodies, hydraulic assemblies and

pumps is mandated for all transmissions to insure a high quality, reliable product. Anniston utilizes specialized test equipment (STE) on the X1100 and X-200 transmission programs that are as sophisticated as those used on the HMPT-500.

ANAD STE	Transmission
Valve Body Test Stand	X1100
Internal Valve Test Stand	X1100
Oil Pump Test Stand	X1100
Hydrostatic Steering Unit Test Stand	X1100
Valve Body Test Stand	X-200
Pump Test Stand	X-200
Steering Unit Test Stand	X-200

Final Testing:

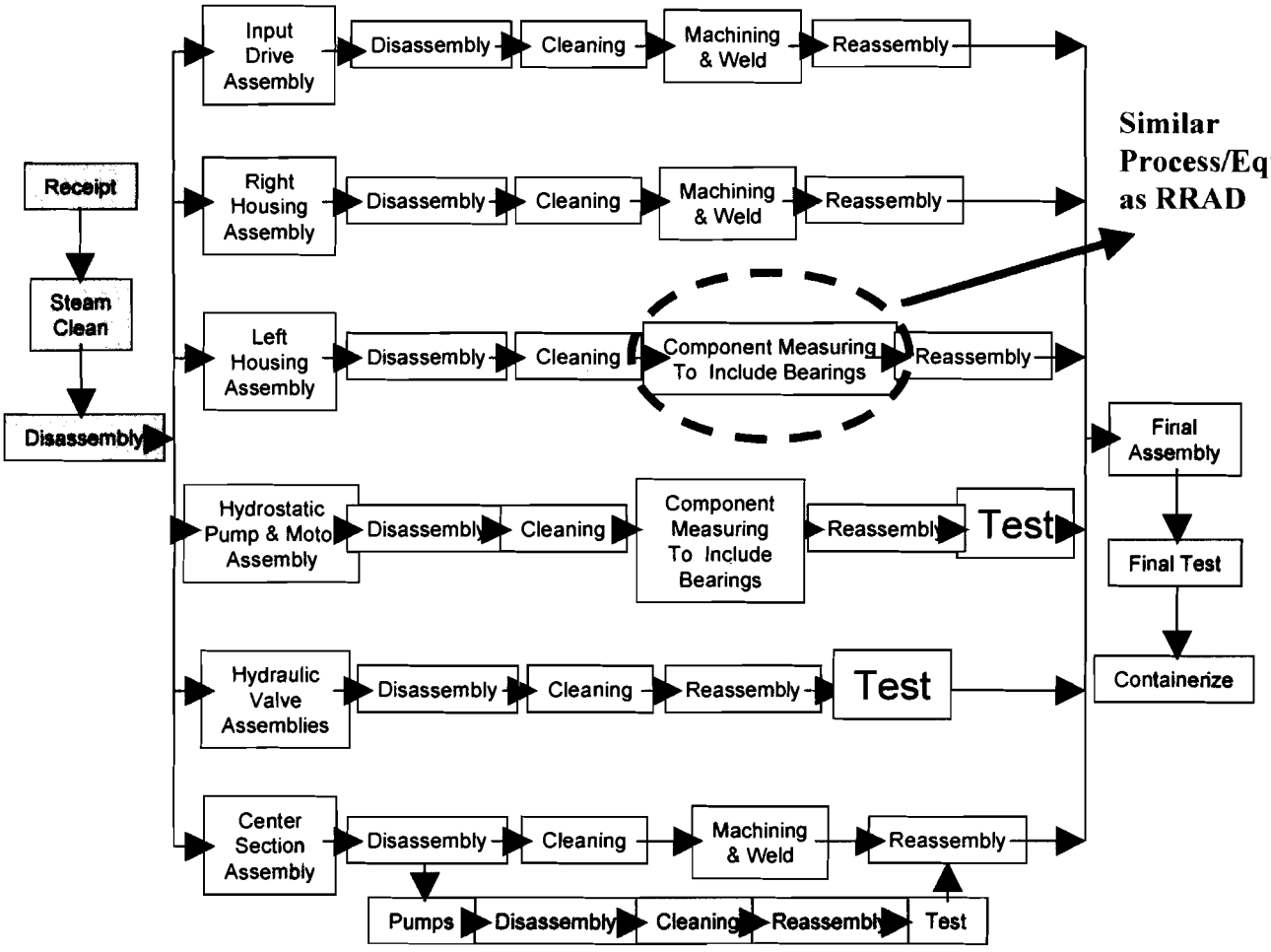
Each finished transmission is submitted to exacting dynamometer testing to specifications that duplicate vehicle demands. ANAD has 11 transmission dyno stands and can test virtually any transmission in the Army inventory. These stands are very similar to the two stands Red River used to test the HPMT-500.

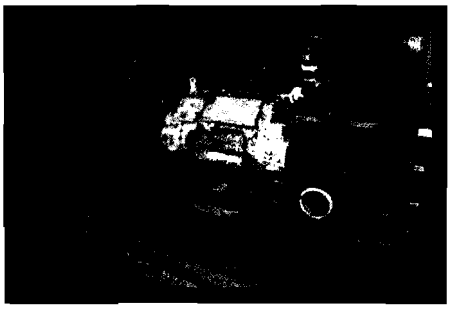
Ball Boring and Matching Process:

Finally, to answer one last concern, the ball boring and matching process will not be any more difficult to relocate than any other process that will have to be moved to ANAD. Anniston has years of experience with working with high precision parts and equipment. The ball bore and matching process is basically a high precision measurement instrument. It is no more complicated than what is currently being done with the four coordinate measuring machines in Anniston's turbine engine and CNC machine shop gage labs.

Attachment 3

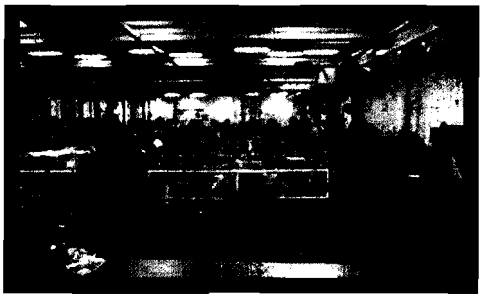
M1 ABRAMS X1100-3B TRANSMISSION



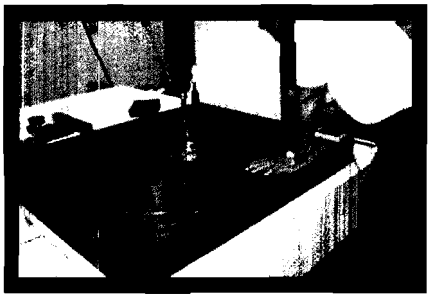


BBC CROSS-DRIVE TRANSMISSION TEST STAND AT ANAD

X1100 TRANSMISSION ROLL-OVER STAND



X1100 TRANSMISSION REPAIR SHOP AT ANAD

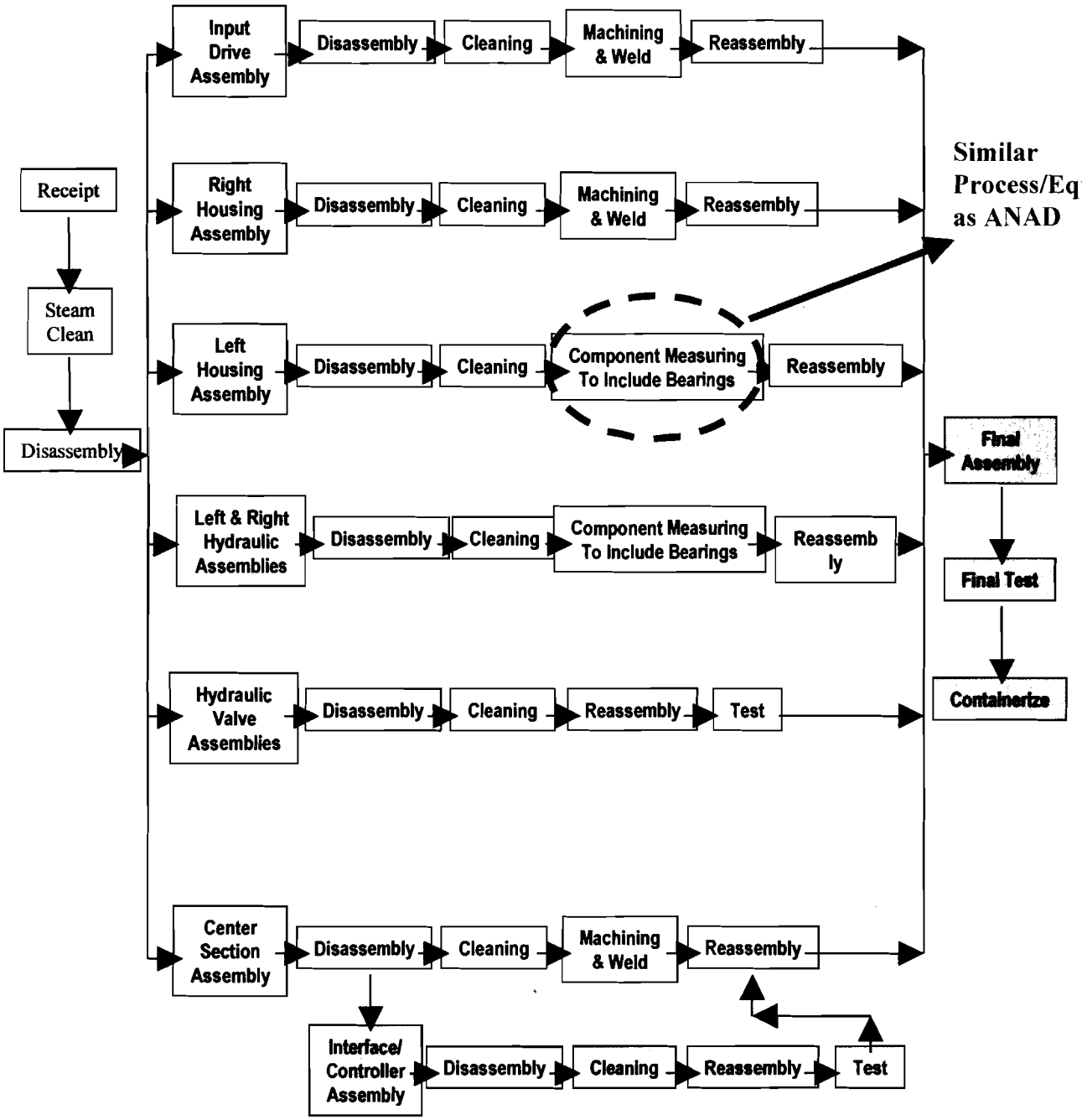


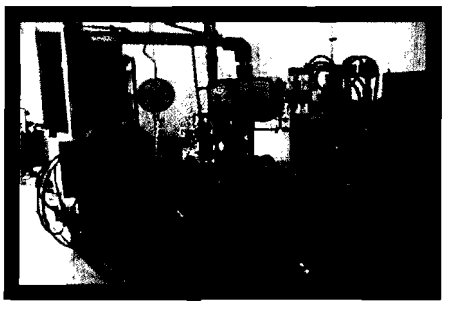
COORDINATE MEASURING MACHINE AT ANAD

BRAC Aug 2005

BRADLEY HMPT 500-3 TRANSMISSION

Attachment 4





BRAC Aug 2005

TAB E
INFORMATION PAPER
Rubber Compound

Purpose: Provide information on Anniston Army Depots (ANAD) capability to perform Rubber Products manufacturing that will be transitioned from Red River Army Depot (RRAD) to ANAD as part of the BRAC recommendation to close RRAD. An issue was identified at the San Antonio, Texas BRAC Commission hearings, 11 July 2005 (See Attachment 1), that RRAD creates the rubber compound used to make track and road wheels.

Issue: Red River claims that they alone create the unique rubber compound for road wheels and track.

Conclusion: The original compound was developed and certified by Klockner Desma and has been provided to ANAD. Currently the rubber compounds are purchased from custom mixing companies in Canada. The primary supplier is Biltrite Industries in Ontario, Canada. Per their email correspondence they will supply ANAD the same compounds as are currently being supplied to RRAD in the event the RRAD closes per the current BRAC recommendation (See Attachment 2). Personnel at ANAD have recently been employed for several years in compound engineering with a custom mixing and custom molding operation for heavy industrial equipment. While the molding of solid rubber components is unique, the industry experience and contacts are in place at ANAD to accomplish the mission. ANAD is fully capable of producing the same quality of product in Anniston as is currently being produced at Red River.

Attachment 1

And I'd like to direct your attention to an important slide that I'd ask the staff to put up on the screen, if possible, and it talks about the Center of Industrial and Technical Excellence; CITE is the acronym. And the slide shows that Red River has all of these six CITE designations. These are very difficult to get. This is a very impressive list. And one thing that's critically important as you'll notice is that for the Patriot missile and the rubber products, they're the only DoD facility that has that capability, and also it's the only qualified source of the M1 roadwheel.

So what they do at -- at Red River is unique. No other installations have these CITE designations, including the sites that are designated to receive the Red River Army Depot workload. These sites, to me it means that if you close Red River and you move its workload to other installations, that doesn't mean that the CITE designation necessarily follows that. It just doesn't work that way. The CITE designation has to be earned, and it should never be taken for granted.

My next slide is about the unique capabilities of Red River. There are three distinct and unique capabilities that are performed at Red

The GAO questioned DoD's methodology for developing the depot maintenance recommendation, and it found that the methodology was not found consistent with operational plans of the war fighter because of, and I quote, "The uncertainty associated with future requirements and the need to provide for additional capacity if a contingency arises."

Similarly, GAO found particular problems with the transfer of the rubber production capabilities. We have said rubber production is only done at Red River Army Depot in the entire Department of Defense. Red River's rubber plant is the source of 100 percent of roadwheels for the Abrams M1 tank and a major source of rubber parts for other ground combat vehicles, track and wheeled vehicles.

The BRAC recommendation calls for disestablishment of this vital production facility. Disestablishment means that DoD would eventually try to recreate this capacity elsewhere at a substantial cost of time and money. The cost to replicate the rubber products capability alone, including facility and equipment, is $49 million. It would take more than three years to accomplish, assuming the proper environmental permits could even be obtained.

This is an unacceptable risk during a

time of war, and, further, the GAO reports questions whether it can be done at all. This is why. It is an artisan process. Red River Army Depot alone creates the unique rubber compound. Three commercial vendors have tried and failed to qualify. Even though three commercial firms--Soltam in Israel, North American Molded Products, and Goodyear--have obtained the compound formula and have attempted to replicate Red River Army Depot's products, none--not one--none have achieved certification. Red River Army Depot remains the sole qualified source for the M1 Abrams roadwheel.

The GAO found other uncertainties, but I just wanted to emphasize the -- the GAO report questioning whether you even could replicate those facilities elsewhere, even if you had the money to do it and you were willing for -- to have a three-year delay when we have troops on the ground in Iraq and Afghanistan.

The other facilities, munitions storage facility, also was issued as a recommendation for closure. We believe the decision to close Red River Army Depot had two other components that would not have even been recommended if you didn't have Red River Army Depot recommended for closure.

TAB F
INFORMATION PAPER
Rubber Plant Transition (Capability & Capacity)

Purpose: Provide information on GAO-05-785 report, dated July 2005, Analysis of DOD's 2005 Selection Process and Recommendations for Base Closure and Realignment, as it relates to the closure of Red River Army Depot (RRAD) and the movement of workload to Anniston Army Depot (ANAD)

Issue: GAO sites (See Attachment 1, page 90-91 of report 05-785) concerns raised by RRAD officials about the complexities associated with replicating its rubber production capacity, which consists of removing and replacing rubber pads for vehicle track and road wheels, at Anniston Army Depot, Alabama and points out RRAD is currently the only source for M1 road wheels.

DOD Response: DOD in their response letter to GAO (See Attachment 2, dated 15 July 2005) on the rubber plant issue stated, " The Industrial Joint Cross-Service Group (IJCSG) did recommend that RRAD rubber products capability be realigned to ANAD. Anniston responded by estimating the costs to transition this capability during several scenario data calls. In addition, the IJCSG did consider the impact of maintaining current rubber production capacity and capability during the transition period in making its recommendation to realign RRAD depot maintenance activities. There are many historical examples where a Service has successfully implemented BRAC decisions to disestablish capability at a losing depot and re-establish capability at a gaining depot during periods of high operational tempo without jeopardizing support to the war fighter. The same approaches and several of the same actions can be applied to maintaining rubber production capacity and inventory levels during the transition process. While the certification of the rubber production capability at ANAD must be qualified through rigorous testing and is expected to be a time consuming process, production capability will remain at RRAD until the certification is complete and transition can occur without negatively impacting the war fighter".

Additional Issue: During the implementation planning for workload movement from RRAD to ANAD, an issue on the availability to ANAD on the rubber compound used in the track and road wheel process has been questioned. Per phone conversation with officials from Biltrite Industries, Ontario Canada, " the rights to the compound belong to the U.S. government and Biltrite will supply the same rubber material to ANAD as currently being supplied to RRAD".

Conclusion: ANAD is in complete agreement with the DOD response. Planning is underway to successfully transition the rubber products operations in the FY2009 timeframe. GAO issue and DOD response is attached.

no substantive transformational changes occurring with the closure of the Red River Army Depot.

Uncertainties on Munitions Storage

The BRAC recommendation to close the Red River Depot also dictates the transfer of its munitions storage mission to another Army depot–McAlester Army Ammunition Plant, Oklahoma. However, officials at Red River told us they were concerned about whether storage capacity at McAlester was sufficient to handle all of Red River's munitions. Specifically, Red River officials told us during a recent visit that available excess storage capacity at McAlester has decreased since BRAC data were gathered, thus raising concerns whether all of Red River's munitions can be stored there. Further, Red River officials asserted that McAlester did not have sufficient storage capacity for special types of munitions without constructing new storage facilities. According to Red River officials, certain munitions (category I and II) require different storage capacity and that McAlester currently does not have enough storage capacity for Red River's entire category I munitions. However our analysis of the closure recommendation supporting documentation does not include any provision for military construction funds. Industrial group officials told us, however, that it expects that the McAlester plant will demilitarize much of its ammunition and thus free up space for the munitions stored at Red River. However, given that some diversion of demilitarization funds for other purposes has occurred in recent years, it raises questions as to the extent of the demilitarization that will occur. Nonetheless, in their opinion, this potential issue is not of concern to them. Time did not permit us to fully resolve the conflicting information regarding the extent to which the munitions may be transferred and McAlester's ability to sufficiently accommodate the storage of any transferred munitions.

Transfer of Rubber Production Capabilities

Red River officials also raised concerns about the complexities associated with replicating its rubber production capability, which consists of removing and replacing rubber pads for vehicle track and road wheels, at Anniston Army Depot, Alabama, and that it is currently the only source for road wheels for the Abrams M1 tank. Specifically, Red River officials told us this capability is not an easy process to reproduce, including obtaining the required certification associated with the rubber production capability and that the processes must be qualified through rigorous testing. The complexities with replicating the rubber production capability was also echoed by officials at Anniston Army Depot, Alabama—the installation which is expected to absorb most of Red River's combat vehicle workload. Officials at Anniston told us they expect a long certification process in order to perform the required rubber repair process and that this

represents the most serious challenge in the workload transfer of Red River's work. As to the Abrams M1 tanks road wheels, Red River officials told us that if the capability to produce road wheels is interrupted, the ability to sustain the warfighter is diminished and overall readiness could be degraded. To mitigate this risk, officials at Red River told us that it is imperative that the Army construct a new rubber production facility at Anniston, establish its processes and qualify its product before ceasing rubber production at Red River. Industrial group officials told us that, should a problem arise in this area, that commercial sources are available to purchase rather than repair these parts. We did not independently verify their assertion.

The Commission may want to review the extent to which these concerns associated with Red River are valid and whether they were adequately considered by DOD.

Attachment 2

THE UNDER SECRETARY OF DEFENSE
3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

JUL 15 2005

Mr. Barry Holman
Defense Capabilities and Management
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Holman,

This is the Department of Defense response to the Government Accountability Office (GAO) final report, GAO-05-785, "Analysis of DoD's 2005 Selection Process and Recommendations for Base Closures and Realignments," dated July 1, 2005.

The Department previously provided technical corrections and oral comments on the draft report during the week of June 20, 2005. The Department appreciates GAO's recognition that "DOD's decision-making process for developing its recommendations was generally logical, well documented, and reasoned." The report also notes that Department was "consistent in adhering to the use of military value criteria, including new considerations introduced for this round, such as surge and homeland defense." Additionally, the Department fully agrees with GAO's finding that audits by the DoD Inspector General and the individual Service Audit Agencies "concluded that the extensive amount of data used as a basis for BRAC decisions was sufficiently valid and accurate for the purposes intended."

The Department generally agrees with GAO's observations on the process, but disagrees with GAO's concerns regarding projected savings. While the report acknowledges that savings would be achieved and that projected savings are large, it expresses concern, however, that much of the savings result from military personnel reductions at BRAC sites. The report states "without recognition that these are not dollar savings that can be readily applied elsewhere, this could create a false sense of savings available for other purposes."

The issue regarding the treatment of military personnel savings represents a longstanding difference of opinion between DoD and GAO. The Department considers military personnel reductions as savings that are just as real as monetary savings. While the Department may not reduce overall end-strength, the reductions in military personnel for each recommendation at a specific location are real. As is the case of monetary savings, personnel reductions allow the Department to apply these military personnel to generate new capabilities and to improve operational efficiencies.

As the Department has indicated in its oral comments, it intends to develop a system for tracking and periodically updating its savings estimates for the BRAC 2005 round as recommended by GAO.

The Department's additional concerns are outlined in the enclosure.

The Department appreciates the work performed by the GAO in this regard and appreciates the opportunity to comment on the final report.

Sincerely,

Michael W. Wynne
Chairman, Infrastructure Steering Group

Enclosure:
As stated

develop and refine common terminology and operating standards. Leveraging this potential leads to efficiencies that benefit operational forces and the taxpayer.

Issue: Under the heading "Bundling Lessens Visibility of Costs," GAO states, "We found that in 7 instances, the more than 10-year payback periods of initially stand-alone proposals tended to be masked after they were combined in such packages," (pg. 162).

Response: Integration of scenarios was a management tool for the large number of recommendations during the latter stages of deliberations, and generally centered on common closure recommendations or groupings of entities with similar functions. The HSA JCSG provided multiple recommendations to the Army that combined to support the closures of Forts Monroe and McPherson. The movement of Headquarters from the Washington, DC, area to Fort Sam Houston, one small element from Rock Island, and the Army Materiel Command (AMC) remained. The HSA JCSG grouped these remaining entities as the "Relocation of Headquarters and Field Operating Agencies from the National Capital Region" recommendation. The relocation of AMC fit cleanly into this "grouping."

Issue: The report indicates that JCSG personnel stated that the Infrastructure Steering Group (ISG) rejected the U.S. Southern Command recommendation because costs associated with the relocation were too high (pg. 164).

Response: For clarity, the reasons why the ISG removed this recommendation from further consideration are as documented in the ISG minutes for March 25, 2005. The ISG agreed that the options presented at that meeting (moving SOUTHCOM to a state-owned leased facility, Patrick AFB, Lackland AFB or Homestead AFB) were not viable because SOUTHCOM can be accommodated locally without a costly relocation. In addition, SOUTHCOM judged Miami to be the best location for its mission for efficiency reasons.

Industrial Joint Cross-Service Group

Issue: The GAO cites the concerns raised by Red River Army Depot officials about the complexities associated with replicating its rubber production capability, which consists of removing and replacing rubber pads for vehicle track and road wheels, at Anniston Army Depot, Alabama, and points out Red River is currently the only source for road wheels for the Abrams M1 tank (pg. 90).

Response: The Industrial JCSG (IJCSG) did recommend that Red River's Rubber Products capability be realigned to Anniston Army Depot. Anniston responded by estimating the costs to transition this capability during several scenario data calls. In addition, the IJCSG did consider the impact of maintaining current rubber production capacity and capability during this transition period in making its recommendation to realign Red River's depot maintenance activities. There are many historical examples where a Service has successfully implemented

BRAC decisions to disestablish capability at a losing depot and re-establish capability at a gaining depot during periods of high operational tempo without jeopardizing support to the war fighter. The same approaches and several of the same actions can be applied to maintaining rubber production capacity and inventory levels during the transition process. While the certification of the rubber production capability at Anniston Army Depot must be qualified through rigorous testing and is expected to be a time consuming process, production capability will remain at Red River until the certification is complete and transition can occur without negatively impacting the war fighter.

Issue: The GAO states, "no recommendations were developed regarding the Air Force's three relatively large air logistics centers and only Navy-centric recommendations were developed regarding the Navy's three naval air depots, despite that the industrial group had registered scenarios consolidating similar types of work from a naval air depot into air logistics centers." The report states the IJCSG "decided not to propose these as recommendations because of the Navy's desire to combine its aircraft depot and intermediate work into fleet readiness centers and because this recommendation offered greater financial benefits" (pg. 177).

Response: The IJCSG did analyze the depot maintenance workloads remaining at the Naval Air Depots after development of the fleet readiness center scenario construct. Based on the optimization model analysis, which included all aviation depots (including Air Force depots), a potential candidate was identified for realignment. However, further analysis revealed it was not an economically sound scenario.

Issue: The GAO discusses the commercial leases at Army ammunition plants entered into under the authority of the Armament Retooling and Manufacturing Support Initiative (ARMS). The GAO speculates that early lease terminations could cause the Department to incur increased costs should these leases be terminated early. GAO cites an example of Indiana Army Ammunition Plant and increased costs of $41 million due to early contract termination. They suggest termination costs should be included in the analysis for any contract that extends past the closure date (pp 182-183).

Response: IJCSG officials confirmed through the Joint Munitions Command that all existing ARMS related contracts expire within the BRAC window. Therefore there are no termination costs to include in the analysis. A list of all of the contracts with expiration dates was forwarded to the GAO on June 29, 2005.

Supply and Storage Joint Cross-Service Group

Issue: GAO reports that the savings projected by the Supply and Storage (S&S) JCSG from the use of performance-based logistics and reductions to duplicate inventories are uncertain. GAO notes that it lacked sufficient time to fully evaluate supporting documentation underpinning the S&S JCSG assumptions for savings. GAO correctly noted, however, that savings would be generated through the increased use of

TAB G
INFORMATION PAPER
Armament & Structure

Purpose: Provide information on Anniston Army Depots (ANAD) capability to perform Armament and Structure work (specifically the M242 25 MM Bushmaster Chain Gun used on the Bradley Fighting Vehicle) that will be transitioned from Red River Army Depot (RRAD) to ANAD as part of the BRAC recommendation to close RRAD. An issue was identified at the San Antonio, Texas BRAC Commission hearings, 11 July 2005, that ANAD did not have the capability to perform Armament and Structure workload (See Attachment 1, San Antonio Hearing Transcript Excerpt).

Issue: During data calls from BRAC scenarios 9600 direct labor hours (approximately 6 personnel) were identified to be transitioned from RRAD to ANAD.ANAD has extensive capability to perform armament and structure workload. The workload is loaded under the commodity group of combat vehicles. ANAD is currently certified to overhaul the M230 Bushmaster 30 MM Chain Gun, used on Apache Helicopter (Attachment 2). The same company, McDonnell Douglas, makes the M230 and M242. Both use an electric motor and have 70% commonality of parts. During ANAD's implementation planning process it has been determined based on the similarity of the guns there will be no problems in transitioning the workload.

Additional Armament and Structure Workload: ANAD has historically overhauled armament and structures that range from the 30 MM Chain Gun to the 105MM/120MM/155MM armaments in the M1, M60 and M109 series combat vehicles. Components include feed chutes, ammo boxes, shell racks, bore evacuators, gun tubes/mounts and thermal shrouds. 60-70 ton and medium girder bridge workload is considered structure workload.

Conclusion: During development of the implementation plan for transitioning workload from RRAD it was determined there will be no problems in transitioning armament, structure workload and ANAD would have been at the top in military value by using the commodity of armament and structure.

with you some of the deviations from the BRAC selection criteria that we believe occurred during the Department of Defense's analysis.

I'd like the second slide. There it is.

The department recommendations to close Red River substantially deviates from Criterion 1 and would adversely impact operational readiness by moving workloads to locations with a lower military value.

For armament and structural components, Red River is ranked number one, but the proposed gaining location at Anniston does not even have that capability.

For construction equipment, once again Red River is ranked number one, but the proposed gaining location at Albany is a distant second.

For starters, alternators, generators, yet again Red River is ranked number one in military value, yet the proposed gaining location is a distant second.

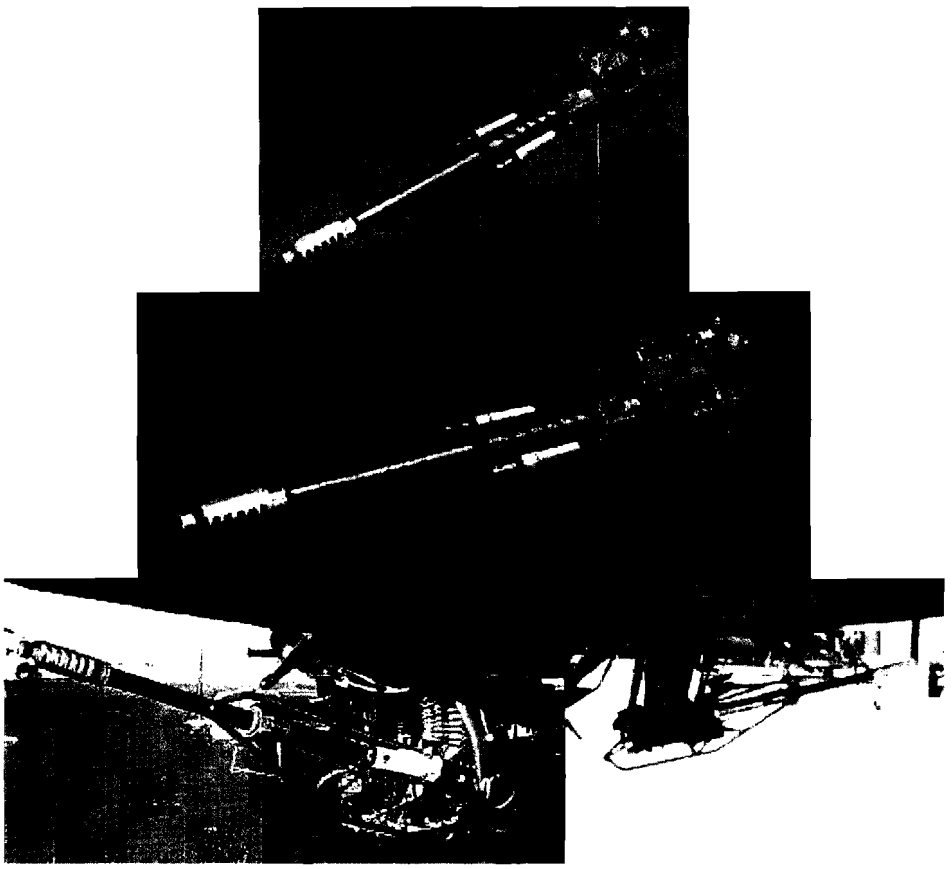
In addition, Red River was not given any military value credit for the jointness and synergy of the Army depot, the Munitions Center, and the Defense Logistics Agency regional distribution

M230 Automatic Gun

The 30mm, M230 Automatic Gun is a component of the Area Weapon System on the AH-64A Apache Helicopter. The M230 is a single barrel, externally powered (3 HP electric motor), electrically fired, chain driven weapon. It is mounted in the lower section of the gun turret on the underside of the Apache Helicopter. It fires 30mm linkless ammunition at a rate of 625 $\pm$ 25 shots per minute (SPM). The M230 Gun has a positive cook-off safety (open bolt clearing) and double ram prevention.
On 20 August 1998 US Army Tank-Automotive and Armaments Command Armament and Chemical and Logistics Activity (TACOM-ACALA) and McDonnell Douglas Helicopter Systems (MDHS) signed a first-of-its kind contract for spare parts for the M230 30mm Gun and Area Weapon System (AWS) for the APACHE attack helicopter. The contract allows for parts to be ordered directly from a catalog instead of through the traditional contracting process. The Government can also order parts based on need when the Army needs them, instead of projecting quantities. This eliminates binding the Government into procuring set numbers in advance and reduces unnecessary inventory. In addition, delivery is directly to the troops in the field instead of to the storage depot, where delays are incurred in shipping to the field. This contracting effort decreases administrative and production lead times, reduces ordering time from nine months to less than a month, reduces administrative costs, and minimizes the strain on manpower resources including those of DCMC and DCAA, as well as TACOM-ACALA and MDHS, while maintaining reasonable prices for spare parts requirements.

Specifications

Rate-of-fire	625 ± 25 spm
Ammo storage capacity	1200 rounds M789
Ammo handling system	linear linkless
Externally powered	6.5 HP
Length	66.0 inches (167.6cm)
Total weight	127 lb. (57.5 kg)



Sources and Resources

- U.S. 30mm Ammunition

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http://www.fas.org/man/dod-101/sys/ac/equip/m230.htm
Maintained by Webmaster

Updated Tuesday, January 05, 1999 8:43:32 AM

TAB H
INFORMATION PAPER
50 Caliber Machine Gun Overhaul

Purpose: Provide information on assertions made about Anniston Army Depot (ANAD) at the Los Angeles, California BRAC Commission hearing on 18 July 2005. Transcript testimony (See Attachment 1) stated that the 11th Armed Calvary at Fort Irwin, California had a requirement for their 50 Caliber Machine Guns (MG) to be overhauled before they deployed to Iraq. Marine Corp Barstow (MCB) said they could turn the guns around within 30 days and that ANAD had said it would take 3 years.

Issue: Assertion has been investigated at ANAD and TACOM Rock Island, who manages small arms workload. No basis for the Barstow assertion has been found. ANAD has been responsive to our war fighter needs. The cycle time for overhaul of a M2 50 Caliber Machine Gun at ANAD is 4 days. Due to surge requirements ANAD is overhauling 1267 machine guns per month and increased the small arms workforce from 42 to 170.

Additional Information: BRAC data call scenarios have identified only 11,200 direct labor hours (approximately 7 personnel) being transitioned from MCB to ANAD.

Conclusion: ANAD has been sensitive to war fighter needs in the past as well as today and have deployed in the theater of operations with them to provide the support needed. As stated we have substantially increased personnel to support surge requirements. The volume of workload performed by ANAD versus MCB is substantial and makes it clear ANAD can transition this workload with no problems.

the effects of these on combat readiness.

The result of leaving out the two factors about depot maintenance that are most important to combat readiness is a substantial deviation from the BRAC selection criteria 1 and 3, with their emphasis on operational readiness, contingency mobilization, surge and future total force requirements.

The recommendation also deviates substantially from the force structure plan.

Barstow representatives on this panel will explain further our concern about that deviation from the force structure plan.

To illustrate the impact of D.O.D.'s recommendations on the combat readiness of the Marine Corps, I want to share an example of how these differences play out in real life.

When the 11th Armed Cavalry regiment was deployed from the national training center Fort Irwin, an Army installation in their deployment to Iraq recently, they needed to have their 50-caliber machine gun rebuilt first.

It may seem surprising at first that this Army installation contracted the work out to the Marine Corps logistics based in

Barstow, but not when you compare the turnaround times.

The M.C.L.B. could guaranty and did achieve a turnaround, or cycle time, of 30 days compared to the three years reportedly offered by Anniston Army depot.

Obviously, the 11th A.C.R. didn't have three years to wait for their guns.

Commissioners, this is what a substantial deviation from BRAC selection criteria 1 and 3 looks like in real life.

And now it's my pleasure to present San Bernardino County Supervisor Bill Postmus who represents the people in the [illegible].

MR. POSTMUS: Thank you very much, Senator, and good afternoon, Mr. Chairman and commissioners.

Thank you for this opportunity to testify for you, before you on behalf of the constituents of San Bernardino county, the Barstow area, with respect to the Marine Corps logistics base in the Barstow community.

My testimony this afternoon concerns the economic impact analysis performed by the D.O.D. on the community of Barstow.

TAB I
INFORMATION PAPER
Fragmented Work

Purpose: Provide information on assertions made about Army Depots at the Los Angeles, California BRAC Commission hearing on 14 July 2005. Transcript testimony (See Attachment 1) stated that Army Depots send their major items (such as combat vehicles) components as far away as 3000 miles while the Marine Corp does all of the overhaul work within their facilities.

Response: ANAD cannot speak for the other ARMY Depots, but ANAD major items such as the M1A1, M88A1, M9ACE, M113, and M109 Paladin combat vehicles are overhauled completely at the installation. Components are removed from vehicles during overhaul, sent to ANAD support shops for overhaul, and returned for vehicle assembly. ANAD performs overhaul on the USMC M1A1 vehicle fleet. M1A1 vehicles are completely overhauled in ANAD overhaul facilities. ANAD is currently overhauling 124 M1A1s for FY 05, with planned quantities in the next two FYs of 91. During FY03-04 136 M1A1 vehicles were overhauled at ANAD.

Additional Information: ANAD does have programs that share workload with our private partners (i.e.; M1 AIM with General Dynamics and M113 with BAE). The workload is shared, not because ANAD cannot do the work, but to keep the industrial base viable.

Conclusion: ANAD has total capability to overhaul combat vehicles in their entirety on the installation. If the USMC has the capability in house, why do they send most of their vehicles to ANAD for overhaul?

focus on how the D.O.D. recommendation regarding Marine Corps ground depot maintenance is a substantial deviation from BRAC selection criteria 1 and 3.

I believe that we've already shown that the purported economic impact analysis is a substantial deviation from criterion 6.

And I would like to mention that you will be able to find additional details about our testimony in the written testimony that we've already submitted to you.

MR. BILBRAY: That would be attached to the record today.

MS. MORRIS: Thank you very much, Commissioner Bilbray.

The D.O.D. recommendation deviates from the selection criteria 1 and 3 by forcing the Marine Corps, which is America's 911 emergency response force and an agile force by necessity into a support paradigm originally designed for a large, mobile and standing Army.

The Marine Corps and the Army's model of ground depot maintenance, which is to say fifth echelon maintenance, are fundamentally and qualitatively different in ways that significantly

impact combat readiness and combat effectiveness of their respective forces.

First of all, Marine Corps depots are multi-commodity depots. This means that a large principal end item, such as an amphibious vehicle, a combat vehicle or a tactical vehicle, figuratively enters the depot by the front door, all of its components are removed and all of them are rebuilt, including even the weapons of the personnel that staff or man the principal end item.

At the same depot, reassembled back onto the principal end item, which itself has been stripped down to the hare metal and rebuilt, and when the P.E.I. exits the depot, we just fully rebuilt functional, and sometimes often, actually, built to better-than-new specifications because they incorporate technological improvements as well.

On the other hand, armed depots rather than being multi-component depots are component depots.

And each of the Army depots specializes in a limited number of components.

What this means is, the principal

end item enters the depot by the front door. Its components are removed, packed, shipped off to various other Army depots located as far away as 3,000 miles, worked on at those Army depots, and then they are shipped back to the original tear-down depot, reassembled onto the P.E.I., the principal end item, and then the principal end item leaves the tear-down depot by the back door.

What this means, historically, we know the only way that this method, the Army model of depot maintenance is feasible is if you accept lower levels of combat readiness and longer turnaround times or longer cycle times.

This means historically that the Army has repaired to and from stop, while the Marine Corps has repaired to and from use.

The reason for this is that the Marine Corps has never been given the kind of budget it would need to be able to have their equipment held in stocks. They have to use the equipment that they have.

Historically, the Army has been able to budget -- has been budgeted such that they could maintain large standing stocks of material and equipment.

TAB J

Local Community Considerations

Anniston Community Infrastructure Can Accommodate:

- Utilities
  - Water – Additional 120,000 People
  - Sewage – Additional 50,000 People
  - Electrical – Additional 5,000 Homes
- Schools
  - Additional 7,506 Students (9 Districts)
- Homes/Realty
  - 1,060 Homes for Sale