



**DEPARTMENT OF THE NAVY**  
OFFICE OF THE SECRETARY  
1000 NAVY PENTAGON  
WASHINGTON DC 20350-1000

04 August 2005

The Honorable Anthony J. Principi  
Chairman  
Base Realignment and Closure Commission  
2521 South Clark Street  
Arlington, VA 22202

Dear Chairman Principi:

This is in response to the July 25, 2005 inquiry from Mr. Frank Cirillo of your staff (JNB #3) regarding Naval Support Activity (NSA) New Orleans, LA and the Marine Corps Reserve Support Command (MCRSC) element of Mobilization command. Your questions are reproduced in italics with our answers below:

*1. Since New Orleans has lower contractor costs than Millington and Norfolk, and NSA New Orleans has substantially higher military value than Millington and Norfolk, and the New Orleans Federal City Project would save much more money than the DOD BRAC proposal and would return property to the city of New Orleans; how does the Navy justify the DOD recommendation as the best alternative?*

Analysis within the JCSG and DON showed there are efficiencies to be gained by co-locating active and reserve personnel functions. As a consequence, we looked for an appropriate site with existing capacity that can offer synergies between these functions. NSA Mid-South, Millington, TN, was selected as the best location for consolidation of Navy personnel functions because of its higher overall military value based on the military personnel center analysis model, the overall condition of administrative buildings on the installation, and the availability of buildable land for incoming functions. Moreover, it is the current location of the Navy Personnel Command, which currently employs approximately 1,930 personnel, or 87 percent of the personnel involved in the Navy military personnel function, assigned to activities such as the Bureau of Naval Personnel, Navy Manpower Analysis Center and Navy Personnel Research and Development Center. This concentration of manpower at Millington will enable retention of larger numbers of experienced personnel and lead to minimization of overall relocation costs.

In evaluating the recruiting function, we also considered the synergies and other benefits arising from the consolidation of administrative headquarters. Although NSA New Orleans scored higher than NSA Mid-South in ranking qualitative military value, we determined that the synergies of co-locating military personnel and recruiting functions with the concentration of personnel currently located at NSA Mid-South outweighed the raw rankings, and provided the greatest overall military value to the Department.

Relocating these functions removes the primary missions from Naval Support Activity New Orleans, and eliminates or moves all of its workforce, with the exception of personnel associated with the base operations support (BOS) function and a number of smaller tenant activities. As a consequence, there is no longer a requirement for retention of Naval Support Activity New Orleans. Accordingly, this recommendation closes the installation and eliminates or relocates the remaining base operations support personnel and tenant activities. Base operations support organizations and tenant activity services currently shared between Naval Support Activity New Orleans and Naval Air Station Joint Reserve Base New Orleans would consolidate at Naval Air Station Joint Reserve Base New Orleans to support the remaining area population.

Finally, the results of this recommendation do not preclude the future use of the NSA property for federal, state, or city re-use as prescribed in the BRAC Law.

2. *DON-19 [DON-0157R] states a MILCON of \$16.4M to relocate to NAS New Orleans. DON-15 [DON-0158AR] COBRA states a MILCON of \$89.8M to relocate HQ Marine Forces Reserves and other tenants to NAS New Orleans. Question:*

*-Is the \$16.4M MILCON in the DON-19 [DON-0157R] separate from DON-15 [DON-0158AR] MILCON and is it an additional MILCON cost to relocate to NAS New Orleans?*

*-What is the total MILCON costs attributed to the Marine Corps in the DON-15 [DON-0158AR]?*

The functions relocating from NSA New Orleans also include smaller tenants and BOS functions that will remain in the local area, and the costs for MILCON reflect these additional elements. The MILCON costs are broken out as \$16.4M attributable to housing the functions that are relocating from Marine Corps Support Activity Kansas City, MO (the MCRSC element of Mobilization Command), and \$89.8M attributable to housing functions relocating from NSA New Orleans, LA (Marine Forces Reserve (MARFORRES) plus BOS functions and smaller tenant activities). Personnel relocating from Kansas City (MCRSC) will be consolidated with the (MARFORRES) Headquarters staff relocating from NSA New Orleans. These two figures total \$106.3M.

I trust this information satisfactorily addresses your concerns. If we can be of further assistance, please let me know.

Sincerely,



Anne Rathmell Davis  
Special Assistant to the Secretary of the Navy  
For Base Realignment and Closure