

Executive Correspondence

DCN 5656

BRAC Commission

JUL 25 2005

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SENT BY: Debbie L. Lauer

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TO: Tom Pantelides :

Company: BRAC Commission

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MESSAGE:

3 documents we spoke about on the phone.

v/l

Debbie Lauer

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Mr. Pantelides,

I'm sending you a copy of Mr. Black's memorandum to the Charimans of the Joint Cross Service Groups with our concerns on the BRAC recommendation.

18 July, Ron and I traveled down to attend a meeting with Mark Van Gilst, Mike Aimone, Wayne Howard and a cast of eight others. We voiced our concerns again as had been stated in Mr Black's memo, our draft response to Congressman Gonzales. Basically the attendees at this meeting said our concerns were unfounded and provided another response to Congressman Gonzales.

Attached are three documents;

#1 is Mr. Black's memo

#2 Draft from Mr. Doody in response to Congressman Gonzales

#3 Draft response we left the 18 July meeting with in response to Congressman Gonzales.

V/R

Debbie Lauer

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NATIONAL SECURITY AGENCY
CENTRAL SECURITY SERVICE
FORT GEORGE G. MEADE, MARYLAND 20755-6000

30 June 2005

MEMORANDUM FOR CHAIRMAN, SUPPLY & STORAGE JOINT CROSS-SERVICE GROUP
CHAIRMAN, TECHNICAL JOINT CROSS-SERVICE GROUP
CHAIRMAN, INDUSTRIAL JOINT CROSS-SERVICE GROUP
CHAIRMAN, INTELLIGENCE JOINT CROSS-SERVICE GROUP

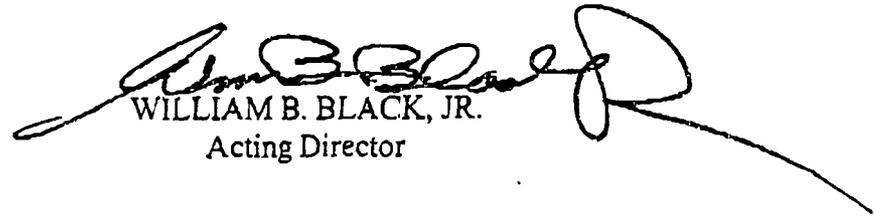
SUBJECT: NSA Consolidated SIGINT Support Activity (CSSA) at Lackland AFB

It has come to our attention that the DOD BRAC recommendation to close the NSA Consolidated SIGINT Support Activity (CSSA) at Lackland Air Force Base in San Antonio, TX will have a major impact on the national intelligence community's worldwide support effort. This consolidated activity, which includes a technical repair center, warehouse, materiel and program management, was established in 1996 as a result of a comprehensive economic and efficiency study conducted by NSA and the military services, which recommended depot, integrated materiel management, and inventory control point consolidation for SIGINT systems. A competition was held among all the services, and a contract was awarded to the Air Force to provide worldwide depot support for SIGINT equipment from a single location. This activity provides a Sensitive Compartmented Information Facility with on-line connectivity to NSA's secure network for worldwide tracking of all parts within our field operations including partner countries. The 98 CSSA personnel are required to have a Top Secret SI clearance with a lifestyle polygraph and full background check. The 1993 Director's Point Paper summarizing the study and a 1996 briefing describing the Depot Consolidation are attached.

The military SIGINT consolidation effort resulted in a \$32M annual savings to NSA and has improved return/repair rates by over 20% over the last 8 years. The CSSA has developed a unique interactive web portal providing real-time status of all repairs. Based on the high level of customer satisfaction within the SIGINT community, the National Reconnaissance Office (NRO) decided to use the CSSA for their SIGINT repairs as well.

The DOD BRAC recommendation breaks up the one-stop depot into four parts graphically dispersed in the U.S. The maintenance portion would go to Tobyhanna in Pennsylvania, and 36 billets would be moved there. Fifty-six billets would be moved to Robins AFB in Georgia for item management services; four additional billets would be moved to Robins for procurement support, but to the Defense Logistics Agency vice the Air Force. The last 2 billets would go to Columbus, Ohio, for consumables. The warehouse appears to be staying in San Antonio.

NSA requests that the decision to disperse the Consolidated SIGINT Support Activity be reversed.


WILLIAM B. BLACK, JR.
Acting Director

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Encls:
a/s

Copy Furnished:
Director National Intelligence

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POINT PAPER
DEPOT CONSOLIDATION

23 March 1993

BACKGROUND:

- SIGINT DEPOT MAINTENANCE IS DONE BY ALL THREE SERVICES AND NSA .
- TRI-SERVICE VERIFIED DATA:

	<u>TRANSACTIONS</u>	<u>FUNDING</u>	<u>SPARES</u>	<u>MANPOWER</u>
AIR FORCE:	2,108	14.4M	\$241.9M	290 (138 ARE COMSEC)
ARMY:	1,917	13.8M	\$111.9M	208
NAVY:	2,435	6.2M	\$ 30.1M	34
NSA:	29,031	14.4M	\$ 5.7M	88

- NSA PROPOSED CONSOLIDATION AT NSA WITH A POTENTIAL SAVINGS OF \$30M/YEAR; SERVICES AGREED WITH CONSOLIDATION, BUT NOT AT NSA.
- SERVICES BRIEFED POTENTIAL \$20M/YEAR SAVINGS THROUGH CONSOLIDATION OF MILITARY DEPOTS.
- THE FY95 APPROPRIATIONS BILL CONTAINED A REQUIREMENT FOR "COMPETITION" IF MORE THAN \$3M IS MOVED FROM A DEPOT. WORK NOT MOVED DOES NOT HAVE TO BE COMPETED.
- NSA (JACK DEVINE) AGREED TO PROCEED WITH A COMPETITION DURING A MEETING WITH THE SERVICES ON 3 NOV AND TOOK UNDER ADVISEMENT WHAT TO COMPETE.
- AT THE 3 NOV MEETING, GEN. CURTIS STATED THAT HE FELT THAT THE COMPETITION COULD BE COMPLETED BY JULY 95; CURRENT OPTIMISTIC ESTIMATES PROJECT APRIL 96 WITH TRANSITION UP TO TWO YEARS BEYOND.

IMPORTANT FACTORS:

- 65% OF THE DEPOT WORK DONE AT NSA IS FOR NSAW
- NSA HAS REDUCED SPARES BASED ON QUICK TURNAROUND
- MANY OF THE ITEMS REPAIRED AT NSA ARE UNIQUE WITH LITTLE OR NO REPAIR DOCUMENTATION VS. WORK DONE BY THE SERVICES WHICH IS WELL DEFINED WITH COMPLETE REPAIR DOCUMENTATION AND SPARES IN PLACE
- TRANSPORTATION WILL INCREASE TURNAROUND TIME AND HANDLING COST AT NSA IF A SERVICE WINS THE COMPETITION.
- SECURITY IS A MAJOR CONCERN FOR REPAIR AND HANDLING OF COVERT ITEMS.
- COMPETITION WAS TO BE STREAMLINED, BUT SERVICE "REQUIREMENTS" SUCH AS THE USE OF THE COST COMPATIBILITY HANDBOOK ARE DIFFICULT TO IMPLEMENT BECAUSE OF NSA'S ACCOUNTING SYSTEM.
- UNDER THE CURRENT CONSOLIDATION PROPOSAL, FUTURE COST OF DOING BUSINESS IS UNCERTAIN BECAUSE THE TOTAL COST OF REPAIR WILL BE NEGOTIATED AFTER AWARD. EACH YEAR, COST WILL BE RENEGOTIATED.

CONCLUSION:

- BECAUSE OF THE ABOVE, IT IS UNWISE AND PROBABLY NOT POSSIBLE FOR NSA OR THE NSA WORK LOAD TO BE INCLUDED IN THE COMPETITION.

COURSE OF ACTION:

- SERVICES WILL COMPETE FOR THE CONSOLIDATION OF MILITARY DEPOTS USING A MERIT BASED EVALUATION AND SELECTION PROCESS.
- NSA DEPOT WORK WILL NOT BE COMPETED
- NSA WILL NOT COMPETE.

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DEPOT CONSOLIDATION

COMBINED SIGINT SUPPORT ACTIVITY

DEPOT CONSOLIDATION - WHAT IS IT?

- * A DEPOT IS THE INVENTORY CONTROL ACTIVITY (PICA) THAT PROVIDES PIPELINE SPARES AND REPAIR AND RETURN SERVICE FOR FIELDDED SYSTEMS**

- * PICA'S HAVE TRADITIONALLY BEEN DETERMINED AT MEILSERS AND SHARED BETWEEN FOUR PARTIES**

- * WITH CONSOLIDATION, ALL FIELD SITES (OVERSEAS AND RSOC'S) WILL BE SUPPORTED BY ONE PROVIDER**

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WHY CONSOLIDATE?

- * **CONSOLIDATION HAS BEEN PROPOSED FOR OVER 25 YEARS.**

- * **TODAY'S FISCAL IMPERATIVES, COMBINED WITH TECHNOLOGY DRIVERS AND THE NEED FOR NEW BUSINESS PRACTICES, HAVE FORCED IT.**

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THE FISCAL IMPERATIVES

- * **FY93 DIRECT FUNDING IN SUPPORT OF FOUR DEPOTS: \$ 48.8M**

- * **SPARES INVESTMENT: \$389.6M**

- * **PROJECTED ANNUAL SAVINGS THRU CONSOLIDATION: \$20 - 30M**

THE TECHNOLOGY DRIVERS

- * **THE COTS REVOLUTION**
- * **HEAVILY SOFTWARE DRIVEN SOLUTIONS**
- * **HIGHER SYSTEM RELIABILITY**
- * **RAPID TURNOVER INHERENT IN MODERN TECHNOLOGY**
- * **MORE ABILITY FOR FIRST ECHELON MAINTENANCE**
- * **DECLINING REPAIR TRANSACTION VOLUMES**
- * **DECLINING BUDGETS**

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NEW BUSINESS PRACTICES

- * **LOWER INVESTMENT - "JUST-IN-TIME" INVENTORY**
- * **MORE OEM AND CONTRACTOR MAINTENANCE**
- * **MORE FIRST ECHELON MAINTENANCE (FRONT END INVESTMENT)**
- * **SIGNIFICANT CHANGES IN THE "BER" DECISION PROCESS**
- * **EXPRESS TURN-AROUND REPAIR AND SHIPPING SERVICES**

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HOW ARE WE CONSOLIDATING?

- * SEP 94 JIB BRIEFED ON TWO OPTIONS:
 CONSOLIDATE AT SIGINT SERVICE CENTER - SAVE \$30M/YEAR
 CONSOLIDATE AT SERVICE DEPOT - SAVE \$20M/YEAR
- * DIRNSA ASKED FOR THIRD OPTION - SIGINT SERVICE CENTER
 WITH INCREASED MILITARY PRESENCE
- * FY95 APPROPRIATIONS BILL DICTATED FORMAL COMPETITION TO
 MOVE WORK
- * DIRNSA WAS ADVISED AND THE FORMAL COMPETITION PROCESS
 COMMENCED
- * NSA/J4 (NOW J5) LED EFFORT TO DEVELOP THE SOW
- * ARMY/IMMC LED EFFORT TO DEFINE THE "MERIT BASED
 COMPETITION PROCESS"

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KEY PARAMETERS OF THE COMPETITION

- * **WORKLOAD INCLUDED AND IS LIMITED TO OVERT FIELD SITES (OVERSEAS AND RSOC'S) AND 2ND. AND 3RD. PARTY PARTNERS**
- * **DIRNSA WAS THE SOURCE SELECTION AUTHORITY - WITH ADVICE FROM A TRI/SERVICE SOURCE SELECTION ADVISORY COUNCIL**
- * **THE THREE SERVICES SUBMITTED PROPOSALS - NSA DID NOT**
- * **ARMY COMMUNICATIONS ELECTRONICS COMMAND, AT FT. MONMOUTH, ADMINISTERED THE COMPETITION ON OUR BEHALF**
- * **SOURCE SELECTION EVALUATION BOARD WAS COMPRISED OF PERSONNEL FROM THE THREE SERVICES AND NSA**

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PROPOSAL EVALUATION SUMMARY

- * ALL SERVICES PROPOSED ACCEPTABLE CONCEPTS OF OPERATIONS, MANAGEMENT PROCESSES AND ORGANIZATIONAL STRUCTURES**
- * ALL SERVICES PROPOSED ACCEPTABLE TECHNICAL APPROACHES AND EQUIPMENT/FACILITY RESOURCES**
- * COST WAS THE DISCRIMINATING FACTOR**

CONCEPT OF OPERATIONS

- * **THE DEPOT WILL WORK DIRECTLY WITH THE OPERATIONAL CUSTOMERS TO PROVIDE SUPPORT**

- * **DEPOT WILL PROVIDE MONTHLY, QUARTERLY AND ANNUAL REPORTS ON WORK COMPLETED, TRANSACTION COST AND COST TO DATE, AND PROBLEMS SURFACED/SOLVED**

- * **NSA/J5 WILL MONITOR, EVALUATE AND FUND THE DEPOT AND MAINTAIN LATERAL INTERFACE WITH THE OPERATIONAL CUSTOMERS**

SCHEDULE

- * **24 JAN 96** **SOURCE DECISION**
- * **12 - 13 FEB 96** **POST-AWARD CONFERENCE**
- * **MAR - APR 96** **SITE SURVEYS - ARMY**
- * **MAY 96** **SITE SURVEYS - NAVY**
- * **AUG 96** **SITE SURVEYS -NSA**
- * **MAY - SEP 96** **MOVE ARMY AND NAVY EQUIP**
- * **SEP - NOV 96** **MOVE NSA EQUIPMENT**
- * **1 JANUARY 97** **TRANSITION COMPLETE**
HOW WILL THE FIELD SITES BE EFFECTED??

- * **ONE PROVIDER FOR REPAIR AND RETURN AND PARTS SUPPORT**

- * **NEW BUSINESS PRACTICES (JUST-IN-TIME INVENTORY AND PRIORITY DRIVEN REPAIR ACTIONS) WILL REDUCE DOWN-TIME AND HAZ-CONS**

- * **THE J5 DEPOT CONSOLIDATION AND FIELD SUPPORT PROGRAM OFFICE WILL BE YOUR BROKER AND ADVOCATE**

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SUMMARY

- * **AFTER MORE THAN 25 YEARS OF TALKING, DEPOT CONSOLIDATION IS HAPPENING**
- * **IT WILL BE ACCOMPLISHED NOT LATER THAN 2QFY97**
- * **YOU ARE THE CUSTOMER AND A CRITICAL PARTICIPANT IN THE PROCESS**

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Question:

Does the NSA have any concerns regarding the DoD's proposed BRAC actions regarding the CPSG, and if so, what are those concerns?

Answer:

The National Security Agency (NSA) does have a number of major concerns with the proposal to close the Cryptologic Systems Group (CPSG) at Lackland AFB and disperse its activities to four locations. The NSA Consolidated SIGINT Support Activity (CSSA) is a subordinate activity of the CPSG. The Acting Director of the NSA believes closure and dispersal of the CSSA would have a major impact on support to intelligence community collection efforts worldwide.

The CSSA provides depot-level signals intelligence (SIGINT) repair and maintenance support to Combatant Commanders and national partners. It includes a repair center, warehouse, and material and program management. This consolidated activity was established in 1996 as a result of a comprehensive economic and efficiency study conducted by the NSA and the military services. A competition was held among the services, and a contract was awarded to the Air Force to provide worldwide depot support for SIGINT equipment from a single location. This military SIGINT support consolidation effort resulted in over \$32 million in annual savings. It also improved repair/return rates by more than 20 percent over the last 8 years. The CSSA has achieved a high level of satisfaction within the SIGINT community.

The dispersal of the CSSA breaks up the one-stop depot into four geographical locations. This will increase the cycle time for critical equipment repairs and jeopardize mission readiness. It will increase the support cost for the NSA as spares will have to be placed on site with the mission systems and in some extremely critical locations redundant systems will have to be in place. In some of our critical locations, adding spares would pose unacceptable additional risk. Many of these locations are sparsely manned and requiring mission personnel to have to deal with four different locations can be confusing and time consuming.

The CSSA is the Intelligence Community's SIGINT Depot-level Repair and Maintenance Center of Excellence, and to break it up dilutes this vital capability in support of mission execution. This dispersal jeopardizes the intellectual capital that has been focused on the SIGINT mission and the INTEL community for the past nine years and puts them at great risk.

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Question: Also, what impact will such a move have on the NSA, and on the NSA's previously announce plans to expand it presence in San Antonio?

Answer:

The dispersal of the Consolidated SIGINT Support Activity from San Antonio would impact cost and mission readiness as stated above. NSA/CSS Texas would face the some of the same challenges to mission readiness as other sites in the worldwide signals intelligence (SIGINT) enterprise. In addition, this could affect some plans for the future development of NSA/CSS Texas.

NSA/CSS Texas is slated to establish the Americas Technical Center (ATC) as a new mission and as part of their build out plan. The ATC will have a similar function to NSA's European Technical Center (ETC) & Pacific Technical Center (PTC): to provide technical and logistic services. NSA/CSS Texas plans for the CSSA to provide the following support to the ATC: technical support, warehouse, receiving, shipping, and logistics support. NSA/CSS Texas will not duplicate functions that currently exist locally. Should the CSSA end up being dispersed this will cause a change of plans for NSA's ATC portion of the build out.

Currently, CSSA provides shipping functions for NSA/CSS Texas. The Activity provides technical troubleshooting onsite at NSA Texas, if required, for critical systems. CSSA sometimes uses NSA/CSS Texas mission systems for final testing of repaired component if the Activity does not have onsite mock-ups. The CSSA has a close relationship with NSA/CSS Texas and loss of the CSSA will directly impact their mission.

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#3

The Honorable Charles A. Gonzalez
U.S. House of Representatives
Washington, DC 20516-4320

Dear Congressman Gonzalez:

Thank you for your recent inquiry concerning the 2005 Base Realignment and Closure (BRAC) recommendation to relocate the Cryptologic Systems Group (CPSG) from Lackland AFB to other Department of Defense installations. In your letter you highlighted four concerns, responses to which are provided below:

1. *Did the Intelligence Joint Service Group participate in the Industrial, Supply and Storage and Technical Joint Cross Service Group recommendations?*

Early in the DoD BRAC process the CPSG function was assigned for analysis to the above mentioned groups with the Intelligence Joint Cross Service Group in a support or advisory capacity. In addition, detailed recommendations were reviewed by the Joint Cross Service Group Executive Secretaries, the Military Department's BRAC Directors, the Infrastructure Steering Group and the Infrastructure Executive Council.

2. *Does NSA have any concerns regarding the DoD proposed BRAC actions and if so, what are those concerns?*

During the deliberative process, the NSA representative of the Intelligence Joint Cross Service Group did not raise any issues with the CPSG recommendation. Subsequent to the Secretary of Defense's BRAC submissions, NSA indicated to the Chairmen of the above joint groups that they had concerns with the recommendation regarding CPSG. Concurrently, the BRAC Commission has asked a series of questions concerning the CPSG. The Department has addressed and responded to those concerns in the attached document.

3. *What impact will the recommendations have on NSA cryptological operations?*

As indicated in response to a similar question from the BRAC Commission, there are no known operational impacts as a result of these recommendations. Furthermore, while a consolidated CPSG at Lackland AFB may be an optimal for NSA, it is at the expense of the Department of Defense because at its current location and it represents a suboptimal operation. During the

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implementation phase it is imperative that the Department will ensure no operational impacts to national security

4. *Will there be an impact on previously announced plans to expand its presence in San Antonio?*

It is too early to determine the impact on previously announced plans to expand the SIGINT analysis capability in San Antonio. However, the Consolidated SIGINT Support Activity has a close working relationship with NSA/Central Security Service Texas and this would be considered during implementation of these BRAC recommendations.

Thank you for the opportunity to address your questions.

Sincerely,

Carol A. Haave
Chair
Intelligence Joint Cross Service Group