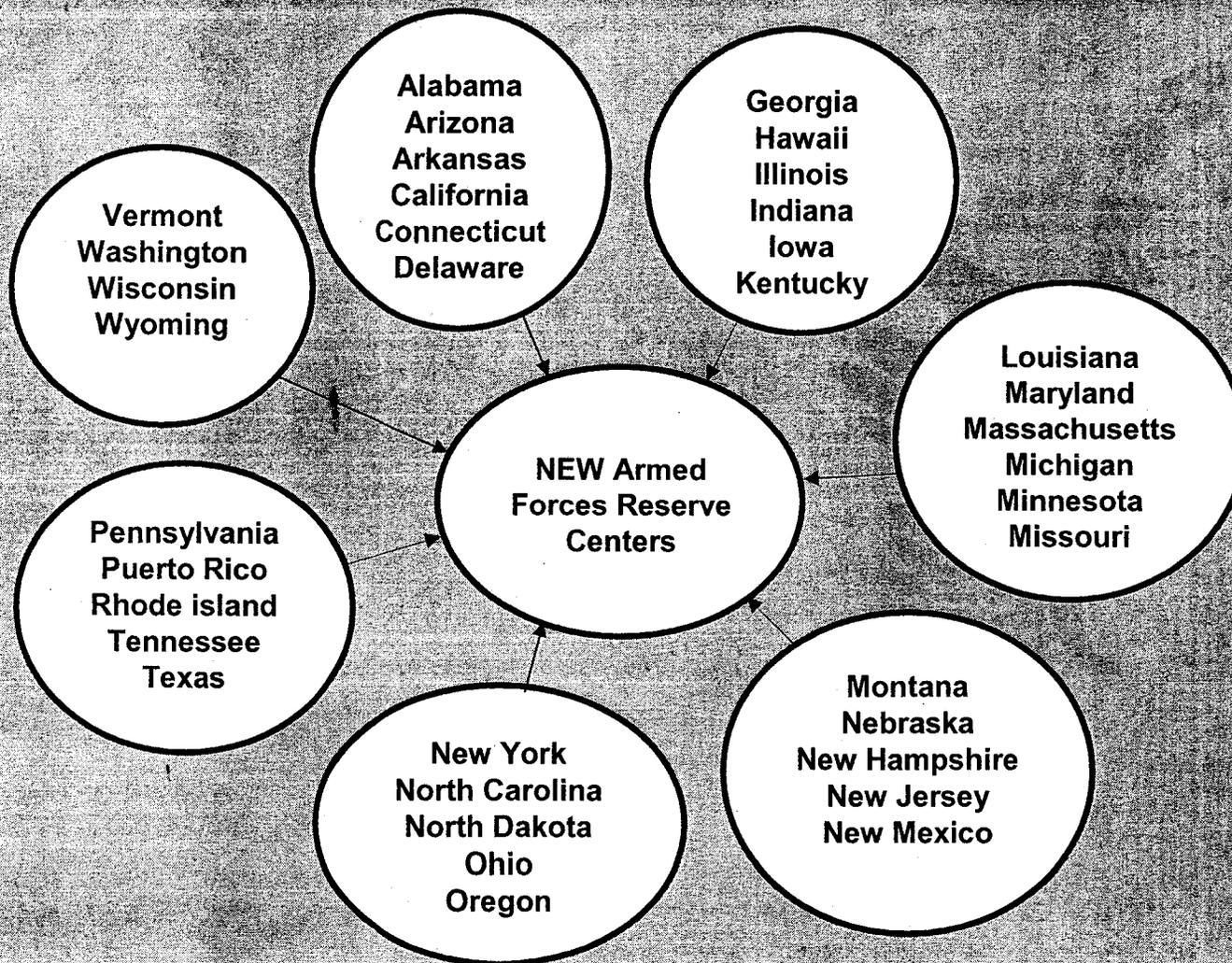


Sec. 11- 49: RC Transformation DoD Recommendation

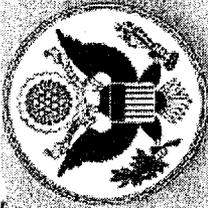
- **Close and realign 176 Army Reserve and 211 National Guard Facilities in 38 States and Puerto Rico.**
Gain: 125 new Armed Forces Reserve Centers



Sec. 11- 49: RC Transformation Associated Installations



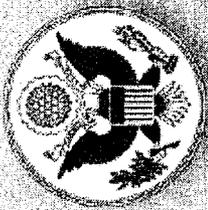
Sec. 11-49: RC Transformation DoD Justification



- Consolidates multiple facilities into one location.
- Creates joint training opportunities
- Improves mobilization and deployment capability
- Improves force protection and security.

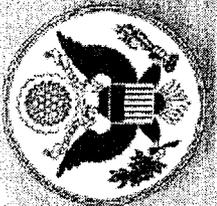
COBRA:

- \$2,424 M One-time cost
- 9 year payback
- \$1,218 M 20-year Net Present Value
- 1,613 Military; 85 Civilians



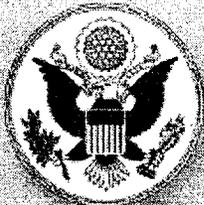
Sec. 11- 49: RC Transformation Issues Summary

No significant issues



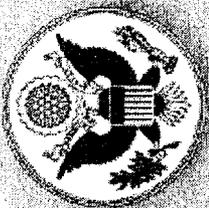
Supporting Slides

For Commission Discussion & Questions
During Final Deliberation



Sec. 11- 49: RC Transformation COBRA DATA

COBRA DATA		
	DoD COBRA Run	R&A COBRA Run (No Mil Per Savings)
One Time Cost	\$2,495 M	\$ 2,495M
Net Implementation Cost	\$1,342 M	\$ 2,422M
Annual Recurring (Savings)	(\$323.7M)	(\$ 28.8M)
Payback Period	9 Years	100 years
Net Present Value at 2025	(\$1,217 M)	(\$2,050M)



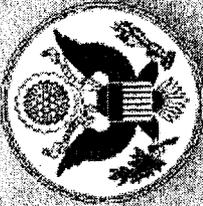
Staff Assessment

Deviation from Final Selection Criteria						
Criterion	Military Value				Other	
	C1	C2	C3	C4	C5	C6
Deviation						

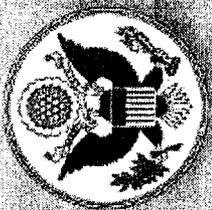
X=Deviation

- Staff determined the Secretary of Defense did not deviate from selection criteria

US ARMY RESERVE COMMAND AND CONTROL GROUP



- CHAPTER 1, SECTION 52 OF THE BILL FOR ARMY RECOMMENDATION NUMBER 107, WHICH REALIGNS USAR COMMAND AND CONTROL - NEW ENGLAND
- CHAPTER 1, SECTION 53 OF THE BILL FOR ARMY RECOMMENDATION NUMBER 109, WHICH REALIGNS USAR COMMAND AND CONTROL - NORTHEAST
- CHAPTER 1, SECTION 54 OF THE BILL FOR ARMY RECOMMENDATION NUMBER 112, WHICH REALIGNS USAR COMMAND AND CONTROL - NORTHWEST
- CHAPTER 1, SECTION 55 OF THE BILL FOR ARMY RECOMMENDATION NUMBER 115, WHICH REALIGNS USAR COMMAND AND CONTROL - SOUTHEAST
- CHAPTER 1, SECTION 56 OF THE BILL FOR ARMY RECOMMENDATION NUMBER 117, WHICH REALIGNS USAR COMMAND AND CONTROL - SOUTHWEST



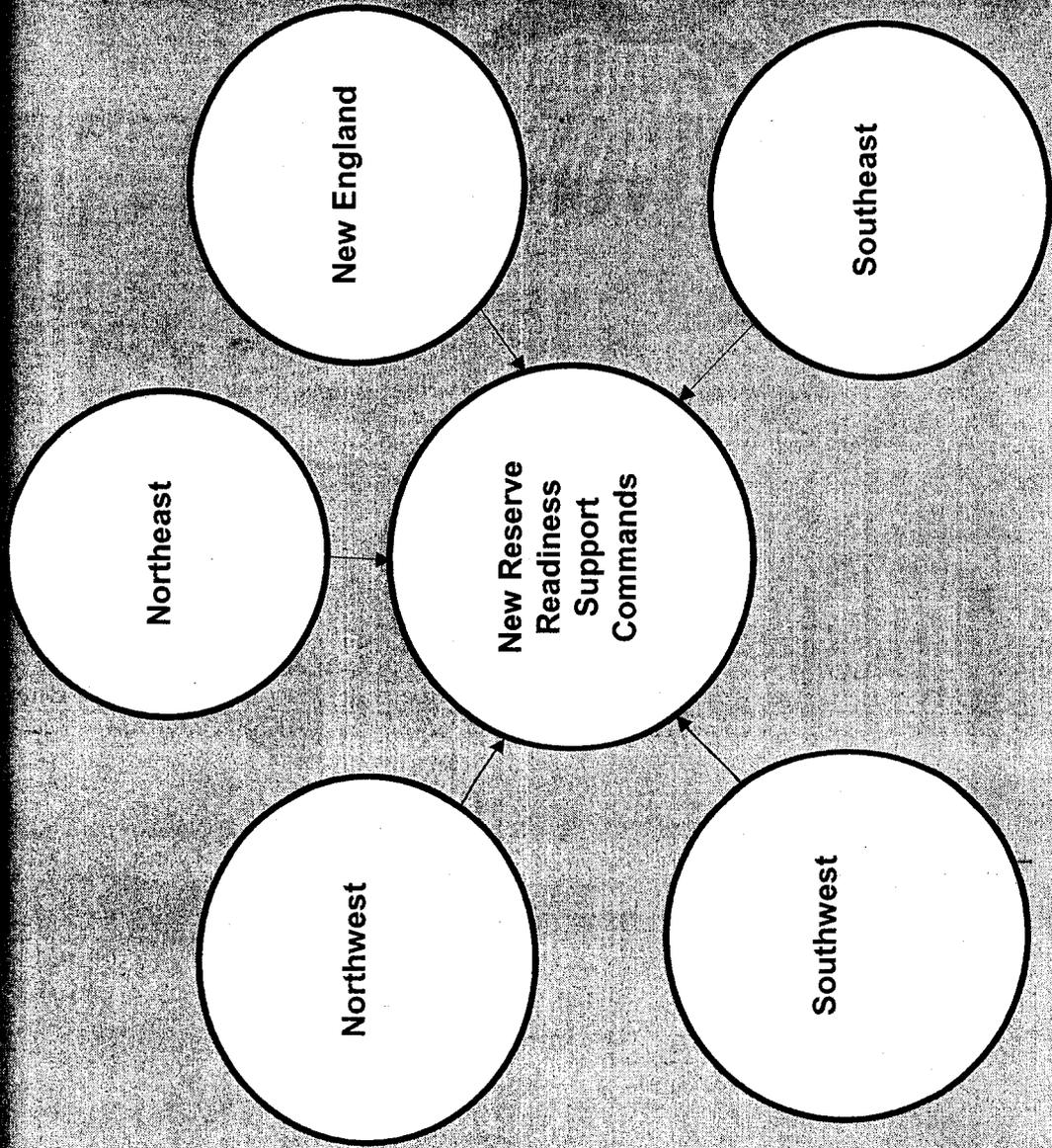
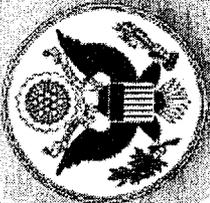
Sec. 52- 56: USAR Command and Control DoD Recommendation

- **Transform Reserve Component Command and Control structure throughout the United States (30 USAR and ARNG facilities).**

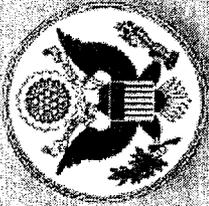
Gain: 14 new Armed Forces Reserve Centers.

- **Disestablish 10 Reserve Readiness Commands**
Gain: 4 Reserve Readiness Support Commands, 4 Sustainment Brigades, Maneuver Enhancement Brigades.

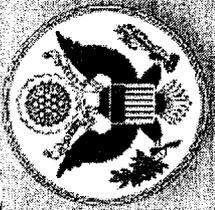
Sec. 52- 56: USAR Command and Control Associated Installations



Sec. 52- 56: USAR Command and Control DoD Justification



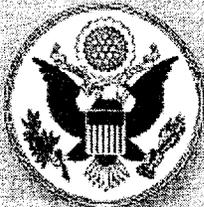
- Transforms command structure for ten Regional Commands (RRC) to four Regional Readiness Commands (RRSC).
- Creates four Sustainment Brigades and two Enhancement Brigades
- Improves mobilization and deployment capability to support Army Transformation
- Improves force protection and security
- COBRA:
- \$433 M One-time cost
- 8 year payback
- \$380 M 20-year Net Present Value (savings)
- 1,188 Military; 1,294 Civilians;



Sec. 52- 56: USAR Command and Control Issues Summary

C6

- Closing of Commissary and PX on Kelly Support Center, Pittsburgh, PA leaves thousands of AC, RC, and retirees without services



Sec. 52- 56: USAR Command and Control All Issues

ISSUE	DoD POSITION	COMMUNITY POSITION	COMMISSION FINDINGS
1. Commissary and PX Closure (C6)	Not addressed in recommendation	Build new facilities at Pitt Reserve Center	BRAC implementation to determine requirement for new facilities



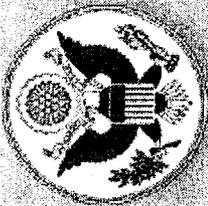
Staff Assessment

Deviation from Final Selection Criteria								
	Military Value				Other			
Criterion	C1	C2	C3	C4	C5	C6	C7	C8
Deviation								

X=Deviation

- Staff determined the Secretary of Defense did not deviate from selection criteria

Sec. 2: Fort Gillem, GA DoD Recommendation



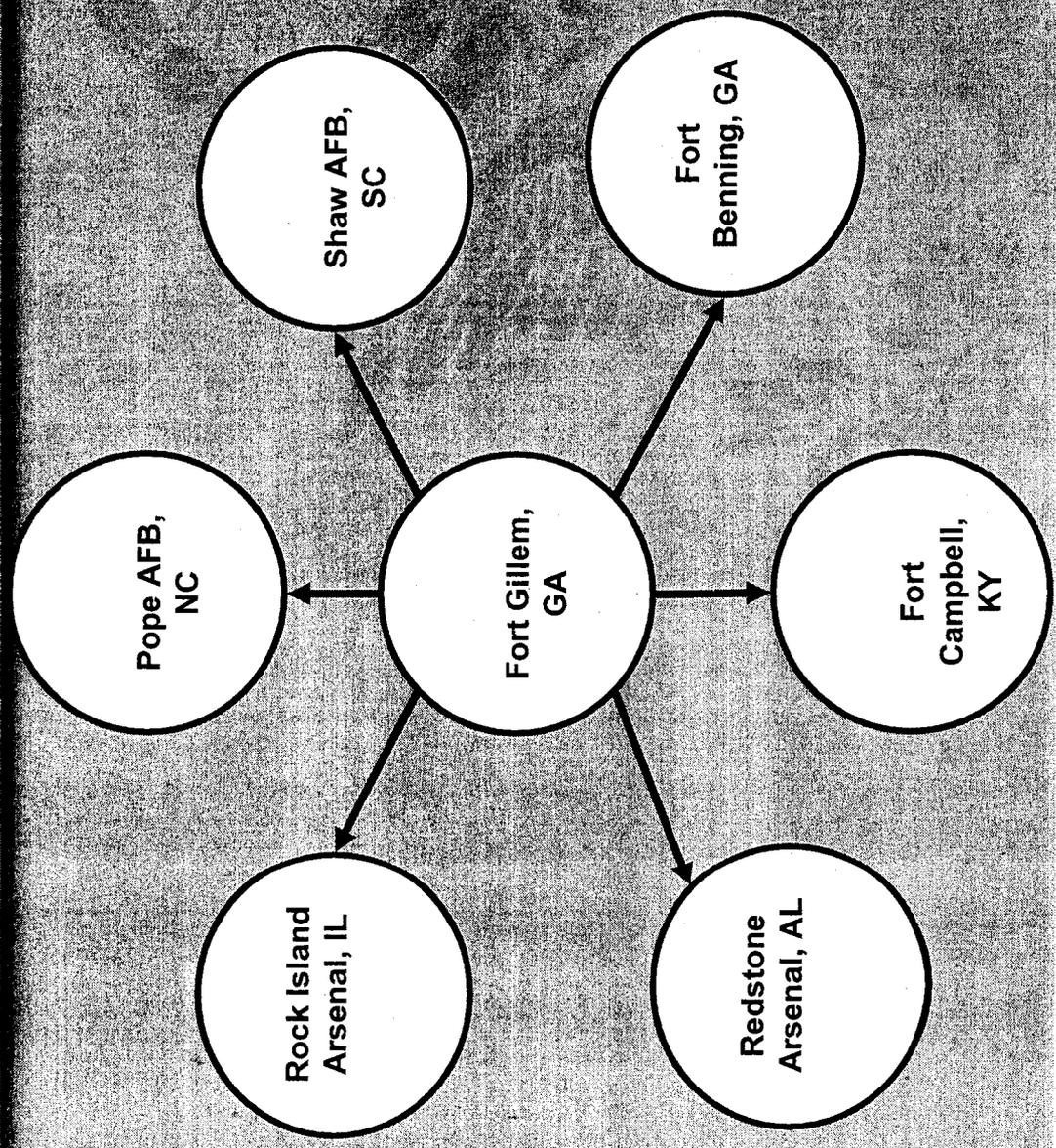
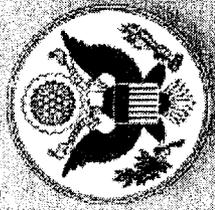
a. Close Fort Gillem, GA

Gain: Relocates units to: Ft. Benning, Ft. Campbell, Pope Air Force Base, Redstone Arsenal, Rock Island Arsenal, Shaw Air Force Base

Close: Army-Air Force Exchange System - Atlanta Distribution Center

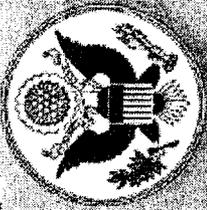
Gain: Establish at Ft. Gillem an enclave for Georgia Army National Guard, remainder of the 81st RRC units and Criminal Investigation Division (CID) Forensics Laboratory

Sec. 2: Fort Gillem, GA Affected Installations



Sec. 2: Fort Gillem, GA

DoD Justification



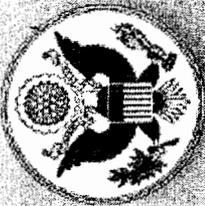
- Closes administrative installation reducing excess capacity
- Relocates activities to installations with a higher military value
- Increases ability of relocating units to associate with like units promoting improved training
- Central U.S. location for 1st Army Headquarters

COBRA

- \$56.8M - one time costs
- (\$421.5)M - 20- Year Net Present Value
- Payback - 1 Year
- Relocates 517 Military and 570 Civilians

Environmental: DoD estimated remediation cost is \$18.0M

Sec. 2: Fort Gillem, GA Issues Raised



- C1.
 - Disperses major headquarters placing limits on command and control synergy

- C7.
 - Definition of DoD's enclave is insufficient

- C8.
 - Difficulties in achieving environmental cleanup

COBRA

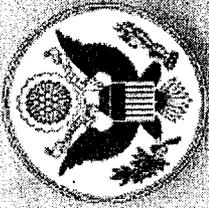
Sec. 2: Fort Gillem, GA DoD Recommendation

A. Close Fort Gillem, GA

Gain: Relocates units to: Ft. Benning, Ft. Campbell, Pope Air Force Base, Redstone Arsenal, Rock Island Arsenal, Shaw Air Force Base

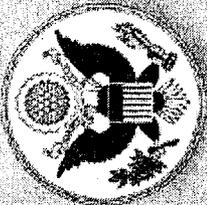
Close: Army-Air Force Exchange System - Atlanta Distribution Center

Gain: Establish at Ft. Gillem an enclave for Georgia Army National Guard, remainder of the 81st RRC units and Criminal Investigation Division (CID) Forensics Laboratory



Supporting Slides

For Commission Discussion & Questions
During Final Deliberation

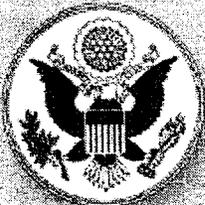




Sec. 2: Fort Gillem, GA

C5. Cost & (Savings)

COBRA DATA			
	DoD Baseline	Staff Excursion	Staff Excursion without Mil Pers
One Time Cost	\$56.8 M	\$56.8 M	\$56.8 M
Net Implementation Cost/(Savings)	(\$85.5 M)	(\$85.5 M)	(\$62.9 M)
Annual Recurring Cost/(Savings)	(\$35.3 M)	(\$35.3 M)	(\$28.9 M)
Payback Period	1 year	1 year	1 year
Net Present Value at 2025 Cost/(Savings)	(\$421.5 M)	(\$421.5 M)	(\$338.2 M)



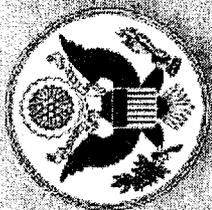
Staff Assessment

Deviation from Final Selection Criteria

	Military Value				Other			
Criterion	<u>C1</u>	C2	C3	C4	<u>C5</u>	C6	<u>C7</u>	<u>C8</u>
Deviation							x	

X=Deviation

MC



Sec. 2: Fort Gillem, GA

C1. Synergy

DoD Position:

- Operational capabilities enhanced by moving 1st Army
- Increases military value by moving from low rank to higher rank

Community Position:

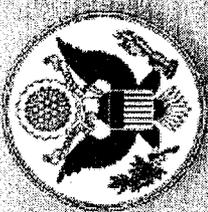
- Movement of three major headquarters (1st Army, 2nd recruiting brigade and 52nd EOD group) disperses and destroys synergy adversely impacting reserve component training readiness, homeland defense, and efficient command and control while increasing cost

Commission Staff Assessment:

- Closure of Ft. Gillem allows the army to pursue several transformational objectives
- Better level of service at a reduced cost and allows the Army to reshape its installations
- Allows Army to implement the train/alert/deploy model.



Sec. 2: Fort Gillem, GA C7. Enclave

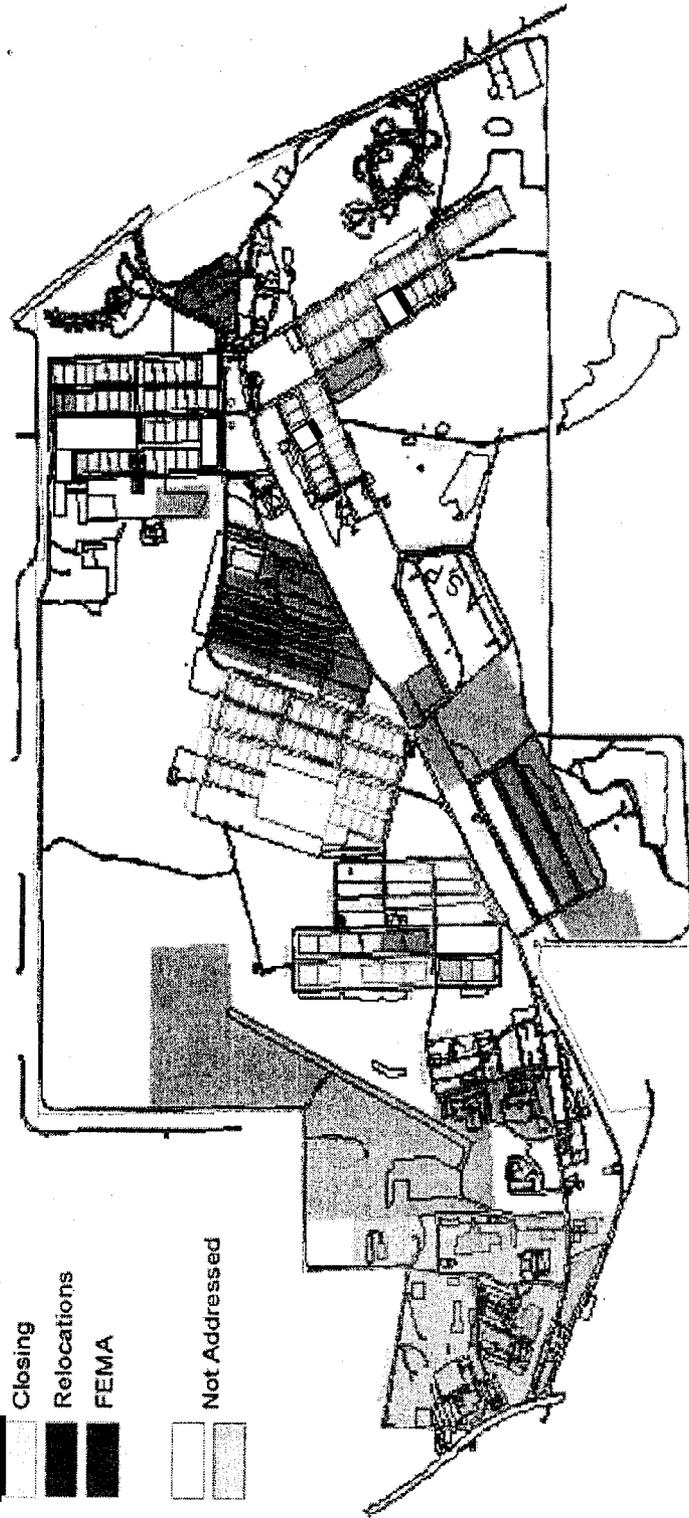


Fort Gillem

BRAC Activities

Legend

-  Staying
-  Closing
-  Relocations
-  FEMA
-  Not Addressed

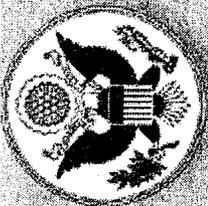


Data



Sec. 2: Fort Gillem, GA

C7. Enclave



DoD Position:

- Leaves definition to implementation

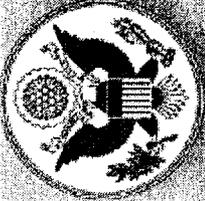
Community Position:

- Enclave should not encumber reuse

Commission Staff Assessment:

- GAO Finding 2003 – DoD need to define for future Commissions
- Criminal Investigation Division (CID) Forensics Laboratory needs space to expand.
- Military Enlistment Processing Station and other activities remaining on Fort Gillem may need to be included in the Enclave.
- Enclave needs to be contiguous and sized to preclude encumbrances





Sec. 2: Fort Gillem, GA

C8. Environmental Cleanup

DoD Position:

- Cleanup to industrial standard is estimated at \$18 million

Community Position:

- Cleanup to a higher "reuse" standard

Commission Staff Assessment:

- Cleanup to industrial is appropriate
- The strategic location of Fort Gillem and its existing warehouse facilities should allow immediate reuse
- The potential value of the property may make cleanup beyond industrial standards economically feasible





Sec. 2: Fort Gillem, GA

C5. Cost & (Savings)

COBRA DATA

	DoD Baseline	Staff Excursion
One Time Cost	\$56.8 M	\$56.8 M
Net Implementation Cost/(Savings)	(\$85.5 M)	(\$85.5 M)
Annual Recurring Cost/(Savings)	(\$35.3 M)	(\$35.3 M)
Payback Period	1 year	1 year
Net Present Value at 2025 Cost/(Savings)	(\$421.5 M)	(\$421.5 M)





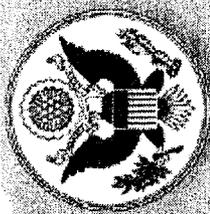
Sec. 2: Fort Gillem, GA

All Issues

ISSUE	DoD POSITION	COMMUNITY POSITION	R&A STAFF ASSESMENT
MISSION	POSTURED TO RESPOND TO ALL REQ'MTS	DISPERSES CRITICAL SYNERGY OF HQS	OPERATIONAL READINESS IMPROVES
HOMELAND DEFENSE	MILITARY VALUE IS ENHANCED FOR RELOCATING UNITS	DECADE OF SYNERGY DESTROYED	1 ST ARMY CENTRALLY LOCATED TO DEFEND HOMELAND
FUTURE REQUIREMENTS	ENHANCES VITAL LINKAGES	DEGRADES COMMAND & CONTROL	MORE CAPABILITY AT RECEIVING BASES
MILITARY VALUE WEIGHT	ONLY 10% OF MILITARY VALUE WEIGHT	USED AS PRIMARY MV DISCRIMINATOR	WEIGHTS CALCULATED - 40 ATTRIBUTES
COST	CERTIFIED DATA AND CERTIFIED REQUIREMENTS MODELS	ACCURACY AND COMPLETENESS QUESTIONED	NO SIGNIFICANT VARIANCE FOUND
JOBS	SMALL IMPACT IN THE REGIONAL ECONOMY	HIGH UNEMPLOYMENT IN COUNTY	HIGH POTENTIAL FOR REUSE JOBS
INFRASTRUCTURE	MILITARY VALUE RANK CONSIDERS INFRASTRUCTURE	NEXT TO AIRPORT ENCLAVE FRAGMENTED	FIX ENCLAVE - INFRASTRUCTURE WILL FACILITATE REUSE
CLEANUP	CLEANUP TO INDUSTRIAL STDS IS ESTIMATED AT \$18M	CLEANUP TO REUSE STANDARD	INDUSTRIAL FACILITY - INDUSTRIAL REUSE IMMEDIATELY

Sec. 5: Fort Monmouth, NJ

DoD Recommendation



a. Close Fort Monmouth, NJ

Gain: Relocate the US Military Academy Preparatory School to West Point, NY.

Gain: Relocate the Joint Network Management System Program Office to Fort Meade, MD

Gain: Relocate Inventory Control Point functions to Defense Supply Center, Columbus, OH.

Gain: Relocate Depot Level Repairable functions to Aberdeen Proving Ground, MD.

Gain: Relocate Information Systems, Sensors, Electronic Warfare, and Electronics Research and Development & Acquisition (RDA) to Aberdeen Proving Ground, MD.

Sec. 5: Fort Monmouth, NJ DoD Recommendation



Gain: Relocate elements of the Program Executive Office for Enterprise Information Systems to Fort Belvoir, VA.

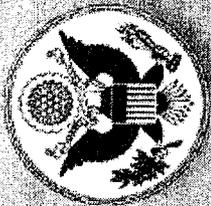
b. Realign Fort Belvoir, VA.

Gain: Relocate and consolidate Sensors, Electronics, and Electronic Warfare Research, Development and Acquisition activities, and some Information Systems Research and Development and Acquisition functions to Aberdeen Proving Ground, MD.

c. Realign Army Research Institute, Fort Knox, KY.

Gain: Relocate Human Systems Research to Aberdeen Proving Ground, MD.

Sec. 5: Close Fort Monmouth, NJ DoD Recommendation



d. Realign Redstone Arsenal, AL.

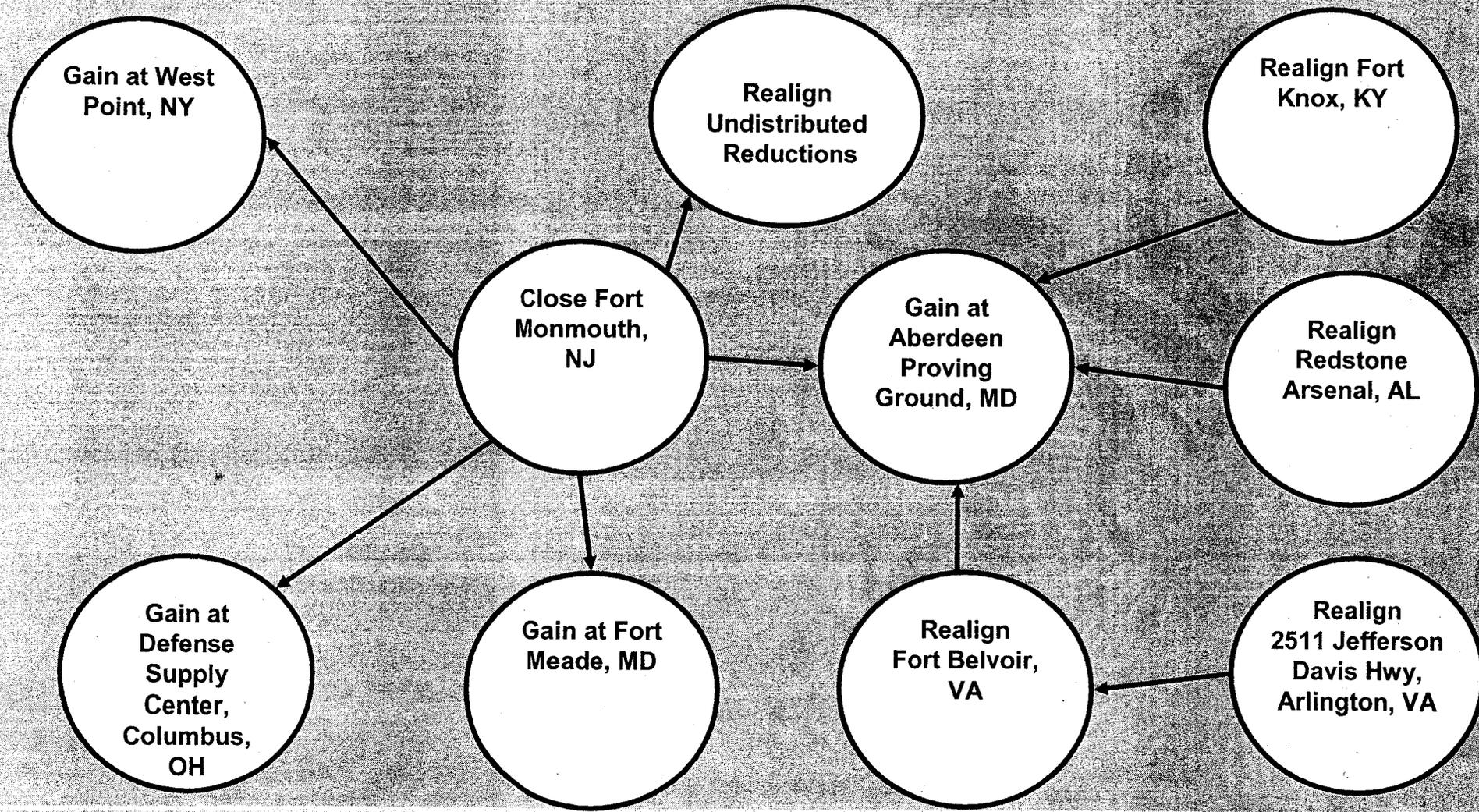
Gain: Relocate and consolidate Information Systems Development and Acquisition to Aberdeen Proving Ground, MD

e. Realign 2511 Jefferson Davis Hwy, Arlington, VA

Gain: Relocate the PM Acquisition, Logistics and Technology Enterprise Systems and Services (ALTESS) and consolidate into the Program Executive Office, Enterprise Information Systems at Fort Belvoir, VA.

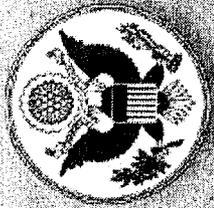


Sec. 5: Fort Monmouth, NJ Affected Installations



Sec. 5: Fort Monmouth, NJ

DoD Justification

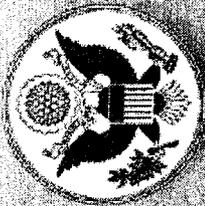


- Consolidates RDA and T&E on fewer installations.
- Enhances coordination, doctrine development, and training effectiveness.
- Improves operational and functional efficiencies.
- Supports several BRAC and transformational objectives.

COBRA:

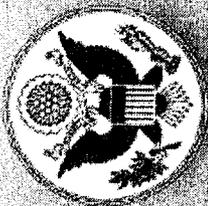
- \$822.3 M - one time costs
- (\$1,025.8 M) – 20-Year Net Present Value
- Payback – 6 Years
- Relocates 643 Military and 5388 Civilians

Environmental: DoD Estimated remediation cost is \$2.9M



Sec. 5: Close Fort Monmouth, NJ Issues Raised

- C1.
 - Loss of intellectual capital at Fort Monmouth and Fort Belvoir
 - Damage to existing programs during relocation
- C2.
 - Adequacy of infrastructure at Aberdeen Proving Ground
- C5.
 - Savings overstated
 - Cost to replicate facilities understated



Sec. 5: Fort Monmouth, NJ DoD Recommendation

a. Close Fort Monmouth, NJ

Gain: Relocate the US Military Academy Preparatory School to West Point, NY.

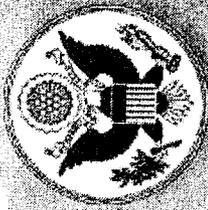
Gain: Relocate the Joint Network Management System Program Office to Fort Meade, MD

Gain: Relocate Inventory Control Point functions to Defense Supply Center, Columbus, OH.

Gain: Relocate Depot Level Repairable functions to Aberdeen Proving Ground, MD.

Gain: Relocate Information Systems, Sensors, Electronic Warfare, and Electronics Research and Development & Acquisition (RDA) to Aberdeen Proving Ground, MD.

Sec. 5: Close Fort Monmouth, NJ DoD Recommendation



d. Realign Redstone Arsenal, AL.

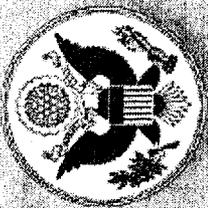
Gain: Relocate and consolidate Information Systems Development and Acquisition to Aberdeen Proving Ground, MD.

e. Realign 2511 Jefferson Davis Hwy, Arlington, VA.

Gain: Relocate the PM Acquisition, Logistics and Technology Enterprise Systems and Services (ALTESS) and consolidate into the Program Executive Office, Enterprise Information Systems at Fort Belvoir, VA.

Supporting Slides

For Commission Discussion & Questions
During Final Deliberation





Sec. 5: Fort Monmouth, NJ

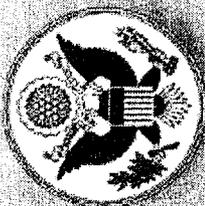
C5 Cost & Savings

COBRA DATA			
	DoD Baseline	Staff Excursion	Staff Excursion without Mil Pers
One Time Cost	\$822.3 M	\$822.3 M	\$821.8 M
Net Implementation Cost/Savings	\$395.6 M	\$395.6 M	\$445.0 M
Annual Recurring Cost/Savings	(\$143.7 M)	(\$143.7 M)	(\$124.1 M)
Payback Period	6 year	6 year	7 year
Net Present Value at 2025 Cost/Savings	(\$1,025.8 M)	(\$1,025.8 M)	(\$789.7 M)



Sec. 5: Close Fort Monmouth, NJ

C1. Operational Impact



Issue:

- Loss of intellectual capital at Fort Monmouth and Fort Belvoir
- Adverse effects to existing programs during relocation

DoD Position:

- Intellectual capital loss is a temporary manageable problem
- Adverse impact will be mitigated by time phasing and temporary redundant capability where necessary
- This issue can be overcome during the implementation period

Community Position:

- Large numbers of technical personnel will elect not to move
- On-going programs will be adversely effected
- The Army cannot afford to close the post or take any of these risks

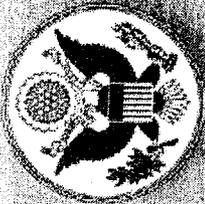
Commission Staff Findings:

- Army implementation plan can adequately resolve the issue
- Fort Monmouth will face this issue in any case due to aging workforce



Sec. 5: Close Fort Monmouth, NJ

C2. Capacity



Issue:

- Adequacy of infrastructure at Aberdeen Proving Ground

DoD Position:

- Adequate infrastructure either exists, will be vacated, or will be constructed

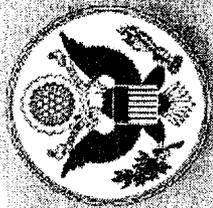
Community Position:

- There is not adequate infrastructure and facilities for the complex technical missions of C4ISR activities at Aberdeen Proving Ground

Commission Staff Findings:

- There is some existing infrastructure available now
- Large amounts of facilities will be vacated by organizations leaving Aberdeen Proving Ground
- MILCON is included in DoD Cobra figures





Sec. 5: Close Fort Monmouth, NJ

C5. Cost and Savings

Issue:

- Savings overstated
- Costs understated

DoD Position:

- Anticipated savings and costs are valid as stated

Community Position:

- DoD has overstated savings because large numbers of people will not move, thereby increasing costs significantly
- Cost of replicating technical facilities are grossly understated

Commission Staff Findings:

- Significant savings do exist, even when discounting military personnel savings numbers
- Cost data for facilities is valid; DoD numbers are "best case", community numbers are "worst case"

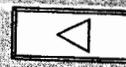
COBRA





Army Information Systems Technology D&A Military Value

Fort Monmouth	0.4845
CECOM San Diego	0.2933
Fort Lewis	0.2933
Redstone Arsenal	0.2330
Fort Belvoir	0.2268
Fort Hood	0.2187
Fort Gordon	0.2158
Fort Huachuca	0.1821
Aberdeen Proving Ground	0.1622
Fort Lee	0.1389
Warner Robbins AFB	0.1301
CECOM Los Angeles	0.1301
USA_4_Arlington	0.0733
Adelphi Laboratory Center	0.0723





Staff Assessment

Deviation from Final Selection Criteria

	Military Value				Other			
Criterion	C1	C2	C3	C4	C5	C6	C7	C8
Deviation	X	X			X			

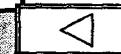
X=Deviation



Section 5: Close Fort Monmouth - NJ

All Issues

ISSUE	DoD POSITION	COMMUNITY POSITION	R&A STAFF FINDINGS
<p>MISSION – A. Loss of Intellectual Capital</p> <p>B. Damage to existing programs.</p>	<p>A. Some personnel may elect not to relocate, losses can be managed and planned for.</p> <p>B. No danger with proper implementation.</p>	<p>A. Qualified personnel will elect not to move & may leave DoD.</p> <p>B. Existing programs will be degraded, thus endangering soldiers at war.</p>	<p>A. Some personnel losses probably, but can be managed during implementation.</p> <p>B. Implementation issue.</p>
INFRASTRUCTURE ON POST	Adequate facilities are either available or will be constructed.	Inadequate facilities available.	Adequate facilities are either available for will be constructed.
FUTURE REQUIREMENTS			
MILITARY VALUE			
<p>COST – A. Savings Overstated.</p> <p>B. Cost to replicate facilities understated.</p>	<p>A. No Overstatement of Savings</p> <p>B. Costs of new facilities accounted for in COBRA.</p>	<p>A. No savings at all, but rather costs associated with replacing workforce.</p> <p>B. Replacing facilities much more costly than DoD estimates.</p>	<p>A. Savings exist.</p> <p>B. DoD estimates lower than activities like. Community estimates higher than required.</p>
JOBS			
COMMUNITY INFRASTRUCTURE			
CLEANUP			



Sec. 5: Fort Monmouth, NJ DoD Recommendation

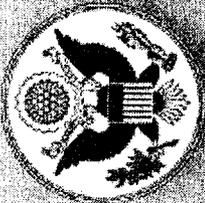
Gain: Relocate elements of the Program Executive Office for Enterprise Information Systems to Fort Belvoir, VA.

b. Realign Fort Belvoir, VA.

Gain: Relocate and consolidate Sensors, Electronics, and Electronic Warfare Research, Development and Acquisition activities, and some Information Systems Research and Development and Acquisition functions to Aberdeen Proving Ground, MD

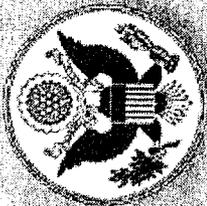
c. Realign Army Research Institute, Fort Knox, KY.

Gain: Relocate Human Systems Research to Aberdeen Proving Ground, MD.





Sec. 7: Red River Army Depot, TX DoD Recommendation

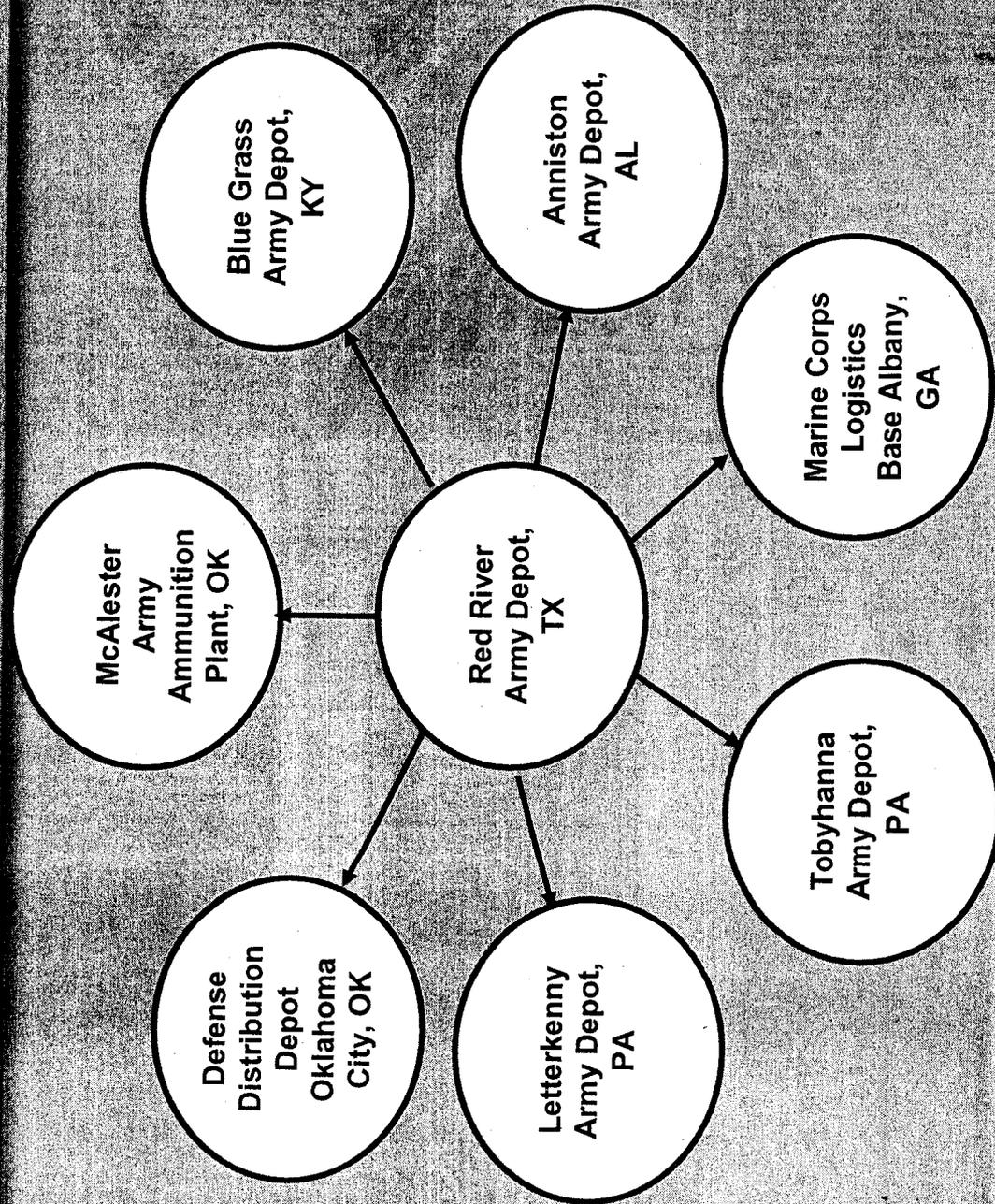
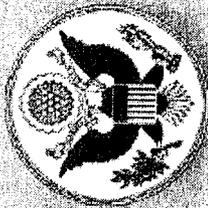


a. Close Red River Army Depot, TX

Gain:

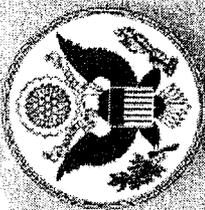
- Depot maintenance missions to Anniston Army Depot, AL, Letterkenny Army Depot, PA, Tobyhanna Army Depot, PA, Marine Corps Logistics Base Albany, GA
- Munitions missions to McAlester Army Ammunition Plant, OK and Blue Grass Army Depot, KY
- Distribution Depot missions to Tinker Air Force Base, OK
- Tenants to Base X

Sec. 7: Red River Army Depot, TX Affected Installations



Sec. 7: Red River Army Depot, TX

DoD Justification

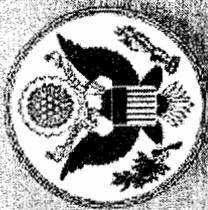


- Minimizes sites performing depot maintenance
- Receiving depots have greater maintenance capability, higher facility utilization and greater opportunities for inter-service work-loading
- Eliminates 30 percent of duplicate overhead structures
- Reduces redundancy and removes excess from Red River Munitions Center and supply and storage processes

COBRA:

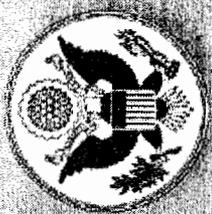
- \$456.2 M one time costs
- 4-year Payback
- (\$539.0) M 20-year Net Present Value Savings
- Relocates 2,041 Civilians, Eliminates 9 Military, 450 Civilians

Environmental: DoD Estimated remediation cost is \$62.56M



Sec. 7: Red River Army Depot, TX Issues Raised

- C1.
 - Interruption to the repair of critical HMMWV, Bradley, construction equipment and rubber facility operations
- C2.
 - 2.6 million direct labor hours of capacity are built at Letterkenny (.4) and Anniston Army Depots (2.4) and MILCON for Defense Distribution Depot move to Tinker
- C3.
 - Usage of 60-hour instead of 40-hour work week for capacity calculations
 - The Army is surging - there is no excess capacity - Red River Army Depot is operating at twice FY03 levels
- C5.
 - Costs greater, savings less, Army will not achieve 30% savings in overhead
- C6.
 - Closure will cause a 14% unemployment rate



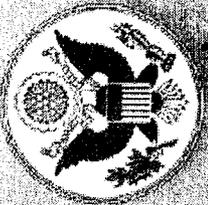
Sec. 7: Red River Army Depot, TX

DoD Recommendation

a. Close Red River Army Depot, TX

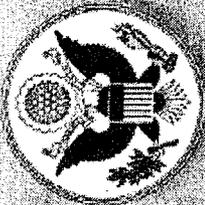
Gain:

- Depot maintenance missions to Anniston Army Depot, AL, Letterkenny Army Depot, PA, Tobyhanna Army Depot, PA, Marine Corps Logistics Base Albany, GA
- Munitions missions to McAlester Army Ammunition Plant, OK and Blue Grass Army Depot, KY
- Distribution Depot missions to Tinker Air Force Base, OK
- Tenants to Base X



Supporting Slides

For Commission Discussion & Questions
During Final Deliberation



Sec. 7: Red River Army Depot, TX

C1. Operational Impact

Issue:

- Interruption to the repair of critical HMMWV, Bradley, construction equipment and rubber facility operations

DoD Position:

- Timing of the movement of lines will be a challenge and critical to success

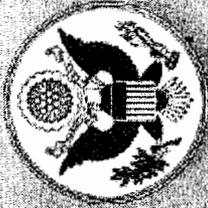
Community Position:

- The Army cannot afford to close the depot or take any of these risks

Commission Staff Findings:

- Since 2003, workload has doubled - FY05 planned execution is 4.1M direct labor hours and FY06 plan is 6.2M direct labor hours
- Implementation will need to be managed very carefully to ensure no interruption of service to the warfighter
- Timing of maintenance move in 2007 is risky with MILCON planned at ANAD and LEAD in 2007(\$9.2M) and 2008(\$149.6M)





Sec. 7: Red River Army Depot, TX

C2. Capacity

Issue:

- 2.6 million direct labor hours of capacity are built at Letterkenny (.4) and Anniston Army Depots (2.4) and MILCON for Defense Distribution Depot move to Tinker
 - Rubber facility must be reconstructed at Anniston
 - MILCON for combat vehicle capability at Anniston and Letterkenny

DoD Position:

- This construction was planned for in COBRA and builds more than enough capacity for current and future requirements

Community Position:

- There cannot be excess capacity if it is being rebuilt at gaining locations

Commission Staff Findings:

- MILCON for Anniston and Letterkenny maintenance transfers were erroneously included in one-time costs - Staff corrected COBRA and moved to FY06 for FY07 mission transfers - maintains 4-year payback
- Receiving installations can build the required facilities and execute the programs

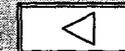


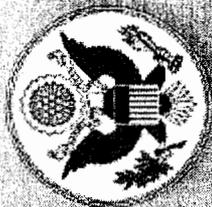


Sec. 7: Red River Army Depot, TX

C5. Cost & (Savings)

COBRA DATA			
	DoD Baseline	Staff Excursion	Staff Excursion Realignment
One Time Cost	\$456.2 M	\$446.0 M	\$150.9 M
Net Implementation Cost/(Savings)	\$216.6 M	\$219.0 M	\$31.5 M
Annual Recurring Cost/(Savings)	(\$76.5 M)	(\$74.4 M)	(\$22.5M)
Payback Period	4 years	4 years	5 years
Net Present Value at 2025 Cost/(Savings)	(\$539.0 M)	(\$508.8 M)	(\$187.7 M)





Sec. 7: Red River Army Depot, TX

C5. Cost and Savings

Issue:

- Costs greater, savings less, Army will not achieve 30% savings in overhead

DoD Position:

- The collocation of like tasks will lead to efficiencies; COBRA standard factors were utilized

Community Position:

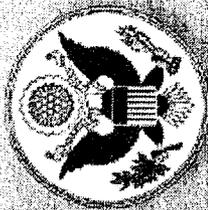
- Costs to move, particularly rubber line, were significantly understated by DoD
- There will be no 30% savings of overhead

Commission Staff Findings:

- There will be efficiencies in overhead with the collocation of like programs and functions
- MILCON for Anniston and Letterkenny was moved to 2006, still 4-year payback

COBRA





Sec. 7: Red River Army Depot, TX

C6. Economic Impact

Issue:

- Closure will cause a 14% unemployment rate

DoD Position:

- Economic impact is a loss of 6.15% of area jobs

Community Position:

- This will be devastating to the local communities

Commission Staff Findings:

- 2003 unemployment was 5.4% in the Texarkana Metropolitan Statistical Area; June 2005 is 5.0%
- Staffing has increased from the 2,500 in the DoD recommendation to 3,379 as of 30 June 2005 (+35%)
- Economic impact is now -8.32% of area jobs with Red River closure
- If the adjacent Lone Star Army Ammunition Plant is closed, net economic impact would be -9.22%; 14.2% unemployment





Staff Assessment

Deviation from Final Selection Criteria								
	Military Value				Other			
Criterion	<u>C1</u>	<u>C2</u>	<u>C3</u>	C4	C5 (1,2)	<u>C6</u>	C7	C8
Deviation	X	X	X			X		

X=Deviation



BRAC CRITERIA

VALUE	ISSUE	DoD POSITION	COMMUNITY POSITION	R&A STAFF FINDINGS
1	potential interruption to the critical repair of HMMWV, Bradley, construction equipment and rubber facility operations; facility is operating at twice FY03 levels	timing of the movement of lines will be the challenge and critical to success	the Army cannot afford to close the depot or take any of these risks	workload has doubled; implementation will need to be managed very carefully to ensure no interruption of service to the warfighter
2	2.6 million DLHs of capacity built at LEAD & ANAD; rubber facility construction at Anniston; MILCON for construction at Tinker	this construction was planned for in COBRA	there cannot be excess capacity if it is being rebuilt at gaining locations	receiving depots can build the required facilities and execute the programs
3	JCSG used 60-hour instead of 40-hour work week; Army is surging - there is no excess capacity; facility is operating at twice FY03 levels	this recommendation eliminates duplication of efforts, not excess capacity	this was a significant deviation	workload is executed on a 40-hour schedule, some functions are 24/7 by exception
4	costs to relocate functions are understated; majority of personnel will not move	certified data was used to determine costs to relocate functions; COBRA standard factor is 75% PCS rate; efficiencies will be gained	the Army cannot afford to close the depot or take any of these risks	there is a savings by closing the installation and relocating all functions to other sites; PCS rate will be < 75%
5	people will not move; costs will be greater, savings will be less, Army will not achieve the expected 30% savings in overhead; maintenance moves in 2007 with MILCON in 2008; DLA move in 2009	the collocation of like tasks will lead to efficiencies; COBRA standard factors were utilized	costs to move, particularly rubber line, were significantly understated by DoD; there will be no 30% savings of overhead	there will be some efficiencies with the collocation of like programs and functions; timing of maintenance move in 2007 is risky; MILCON was moved to 2006 for gaining sites
6	this closure will cause a 14% unemployment rate	economic impact will be a loss of 6.15% of area jobs	this will be devastating to the local communities	staffing has greatly increased since the 2003 datacall, impact will now be greater
7	2.6 million direct labor hours of capacity will be built at Letterkenny and Anniston; MILCON for construction at Tinker	this construction was planned for in COBRA	it is wrong to build facilities that do what RRAD does now at gaining installations	receiving depots can build the required facilities and execute the programs
8	cleanup costs will be great and should have been included - will decrease savings	not included in COBRA for any recommendation	the cost of environmental actions at gaining sites was not considered	clean-up costs will be determined after EIS; EIS will be performed at gaining installations