

Industrial Joint Cross-Service Group (IJCSG)

Meeting Minutes of December 14, 2004

Mr. Michael Wynne, Under Secretary of Defense for Acquisition, Technology and Logistics, chaired the meeting. The list of attendees is at Attachment 1.

The Chairman opened the meeting. The purpose of this meeting was to review further scenarios from each of the subgroups. Mr. Wynne opened the meeting stating that lack of data from the Army is a problem as scenario recommendations must be submitted on/about December 20 and he asked Mr. Motsek for his assistance.

Mr. Motsek briefed the Munitions and Armaments subgroup. He said that he did not think any outstanding data will affect the recommendations based on the existing certified data. He also stated that the recommendations will be refined when any outstanding data is received.

Mr. Wynne said that when the recommendations go up the chain they must have certified, sourced data based on the SOP, etc. The recommendations can be revised based on new certified data. He told the subgroups to construct all candidate recommendations, turn in what recommendations they can, and modify later any recommendations must be modified.

Mr. Orr briefed the Maintenance subgroup. He said the first three depot scenarios are registered. Mr. Orr also said that the data call needed to assess costs went out. Clarifications from the Navy have been requested.

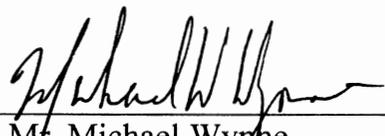
Mr. Wynne tasked Mr. Motsek with drafting the answers to letters stating that he (Mr. Motsek) had forwarded the letters to Mr. Wynne for his consideration. Mr. Wynne stated that all sites are to be treated equally, not on the basis of location, but on the basis of capability.

Mr. Orr said that Scenario 1.4 was still being worked. Mr. Orr said that the subgroup is looking to see if any decisions result in adding risk to core requirements versus workload requirements, but that most strategic decisions are complete and need to be costed out.

Mr. Orr stated that commercial sources for Rotary Aircraft repairs don't really exist and recommended that Rotary Aircraft from consideration be removed because the risk is too high.

The Shipyards subgroup briefed their draft candidate recommendations.

Mr. Wynne said the subgroups should have a holistic plan and then adjust as required.

Approved: 
Mr. Michael Wynne
Chairman, Industrial Joint Cross-Service Group

Attachments:

1. List of attendees
2. Munitions and Armament
3. Maintenance
4. Ship Overhaul and Repair

**Industrial JCSG Meeting
December 14, 2004**

Attendees

Members:

- Michael Wynne, Under Secretary of Defense for Acquisition, Technology and Logistics
- RADM Bill Klemm
- Mr. Ron Orr, Air Force
- Gray Motsek, Deputy G3, Support Operations, Army Material Command
- Maj Gen Mary Saunders, Defense Logistics Agency
- BGen Hank Taylor, JCS/J4
- BGen Willie Williams, Director Logistics Plans and Policies, HQMC

Others:

- Pete Potochney, OSD BRAC Office
- Alex Yellin, OSD BRAC Office
- Jay Berry, OSD Maintenance Policy, Programs and Resources
- George Kingsley, Defense Logistics Agency
- Steve Krum, NAVSEA
- COL Sarah Smith, OSD Maintenance Policy, Programs and Resources
- Catherine Schneider, DoDIG
- Maj. S. DuBois, HQMC
- Brian Shanley, HQMC
- LtCol Walt Eady, JCS/J4
- Willie Smith, HQ AFSC
- CAPT William Porter AT&L MA
- Mark VanGilst, HQ USAF/ILMM
- RDML Mark Hugel, OPNAV
- Mr. Dave Pauling



Industrial Joint Cross Service Group

December 14, 2004



MUNITIONS & ARMAMENTS SCENARIO UPDATE



SCENARIO DATACALL TRACKING

	RELEASED	EXPECTED RESPONSE
BOMBS: MA-1	1 DEC	30 DEC
STORAGE/DIST: MA-2	29 NOV	30 DEC
ARMAMENTS: MA-3	29 NOV	30 DEC
ARTILLERY: MA-4	29 NOV	30 DEC
ENERGETICS: MA-5	29 NOV	30 DEC
MINES: MA-6	29 NOV	30 DEC
MISSILES: MA-7	29 NOV	30 DEC
MORTAR: MA-8	1 DEC	30 DEC



SCENARIO DATACALL TRACKING

DCN: 11292

	RELEASED	EXPECTED RESPONSE
PYRO-DEMO: MA-9	1 DEC	30 DEC
ROCKETS: MA-10	1 DEC	30 DEC
TANK: MA-11	1 DEC	30 DEC
DEMIL: MA-12	1 DEC	30 DEC
MAINTENANCE: MA-13	1 DEC	30 DEC
MAINTENANCE: MA-14	1 DEC	30 DEC
ARMAMENTS: MA-15	1 DEC	30 DEC



Maintenance Subgroup Industrial Joint Cross Service Group



IJCSG – Maintenance Subgroup

Scenarios

70N11793

- **MX-1.0 Minimize Sites**

- Scenarios (4)

- MX-1.1 Min Site using Workload - Total Capacity at 1.5 (60 hr week)
 - MX-1.2 Min Site using Workload – Max Capacity at 1.0 (40 hr week)
 - MX-1.3 Min Site using Workload - Max Capacity at 1.5 (60 hr week)
 - Min Site assessing Core - Max Capacity at 1.5 (60 hr week)
 - MX 1.4 Implement Fleet Readiness Center and min site
 - Implementation - Establish Joint Depot(s) (Based on results from Scenarios)

- **MX-2.0 Consolidate Intermediate Maintenance functions with same commodities**

- Navy Enabling Scenarios IM –E -001 through IM-E005

(56 Scenario Data Calls have been released as of 3 Dec 2004)



JCSG – Maintenance Subgroup

MX 1.4 – Implement Fleet Readiness Center(s) and min sites

<p style="text-align: center;">Scenario MX-1.4</p> <ul style="list-style-type: none"> ▪ Transformation Realignments / Closures ▪ Create Shore-Based Fleet Readiness Centers (FRC); Change Maintenance Concept to “On-Aircraft and Off-Aircraft” (2 Levels fm 3), thus in line w/ emerging DoD philosophy + Navy Leadership direction to Transform to ‘Single, Aligned, Agile Effective and Efficient NAE Maint/Log/Engineering Capability. ▪ Items Removed From Aircraft Sent to Single Repair Point, BCMs Minimized, Costs Lowered, Readiness Max’ed ▪ Currently 51 CONUS Sites – 14 AIMDs, 9 MALs, 11 DETs, 4 Reserve Bases, 9 SEFACs, 4 Depots; Realign into 6 FRCs ▪ Using existing workload, expand commodity group approach to include like and similar commodities. 	<p style="text-align: center;">Drivers/Assumptions</p> <ul style="list-style-type: none"> • Service Doctrine Compliance such as Proximity to Operational Units and Optimized Response to Deployed Units • Supports MALSP 2 and Navy AIRSpeed initiatives • Technology Trends Support Decentralized Maintenance • Existing Single Shared Network/System/Software (NMCI) • Continuation of I2D / IMC Transformation with continued performance/readiness benefits • Compliant with TITLE 10 Requirements <p style="text-align: center;">–Based on Maximum Capacity on 1.0shift/40 hour work week per workstation</p>
<p style="text-align: center;">Justification/Impact</p> <ul style="list-style-type: none"> • Fleet Aligned → Responsive to Operational Commander, w/ NAVAIR Industrial Commander integrated into NAE • Drives Toward “Cost-Wise-Readiness” thru fully integrated Maint, Supply, and supporting Log & Engineering w/ assoc pipeline reductions, manpower reductions, facility reductions. 	<p style="text-align: center;">Potential Conflicts</p> <ul style="list-style-type: none"> • Other JCSG potential impacts – Supply and Storage • Conflicts w/ Other Scenarios In I-JCSG, as Others Services would have to Attain BRAC Achievements Within Their Domains; Not By Cannibalization of USMC & Naval Aviation Work Loads.



Risk Assessment 2011/2025

- Capacity Utilization vs. Core Requirement
- Capacity Utilization vs. Workload
- Not fixing pre-existing risk
- If added risk to core requirement – will “price out” to resolve
- Workload shortfalls identify to Service – future systems used to resolve



Commercial Sources for Rotary Aircraft Maintenance



Background Information

DCN 11292

- **Airframes**
 - H-46 No Longer Produced
 - H-53 No Longer Produced
 - CH-47 Still in Production
 - AH-64 Still in Production
- **Support Requirement**
 - Airframe/Aircraft Repair for Crash and Battle Damage related Commodities
 - Aircraft Rotary
 - Armament and Structural Components
 - Fabrication and Manufacturing
 - Other
- **Available Capability – Defined as:**
 - Trained Maintenance Personnel
 - Facilities/Workspace
 - Equipment/Work Stations
 - Currently On Hand/Available



- **A readily available commercial depot maintenance capability for rotary wing assets does not exist.**
 - **Some limited commercial repair sources, 1 site capable up to 15 per year vice 150 per year DoD requirement.**
- **Present production facilities for specific aircraft do not perform maintenance**
 - **Could be converted to repair with sufficient time and conversion costs, learning curves, etc.; future production would be reduced or halted.**
- **A commercial repair capability is not readily available.**

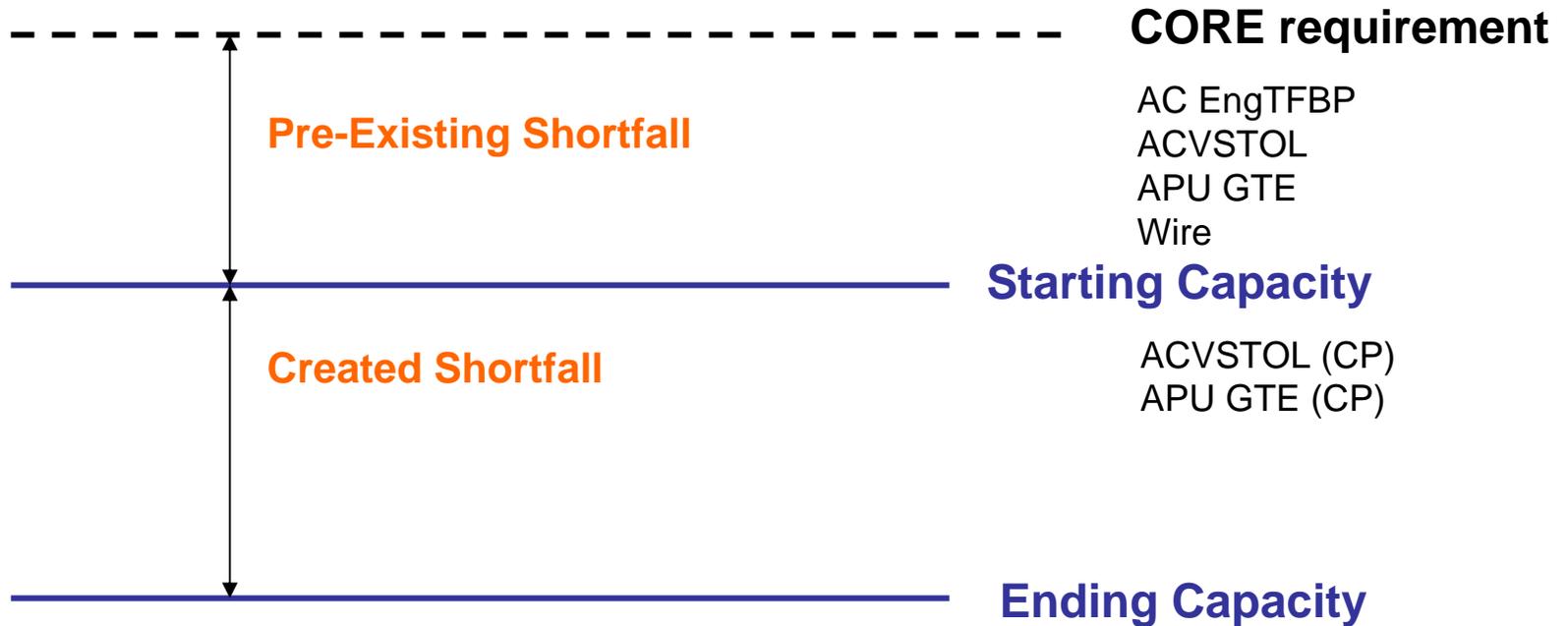
Maintenance Subgroup Backup Charts



IJCSG Maintenance Subgroup

CORE Analysis Based on MX1.3

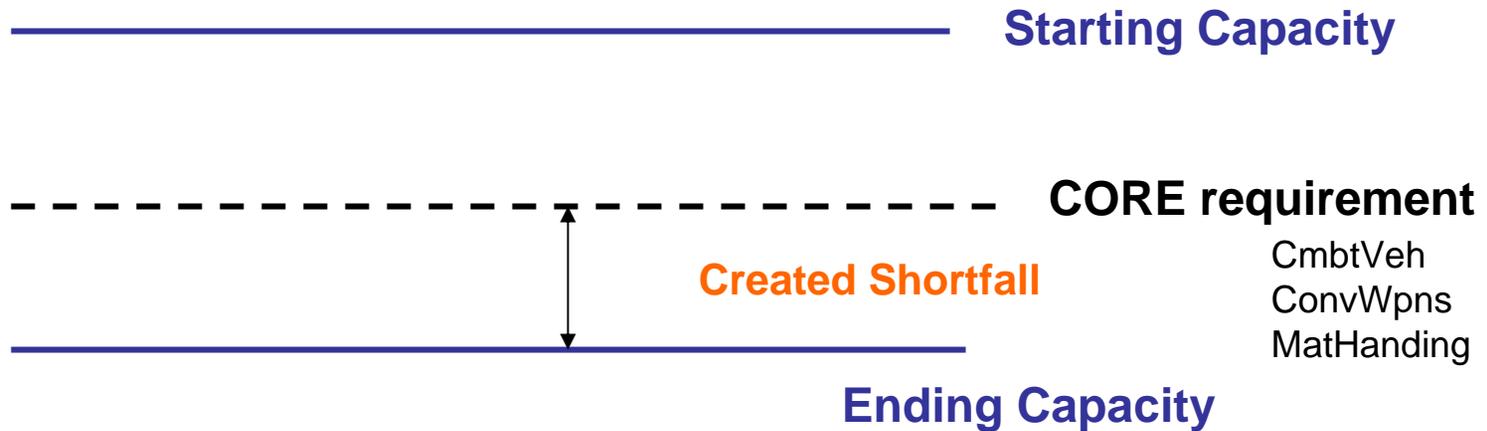
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IJCSG Maintenance Subgroup

CORE Analysis Based on MX1.3





Ship Overhaul and Repair Subgroup



IND-0009; SR-4 Partial Draft Candidate Recommendation

DCN: 11292



Ship Overhaul and Repair SR-4

Scenario

- Close:
 - NAVIMFAC PACNORWEST EVERETT WA
 - NSY AND IMF PUGET SOUND DET PT LOMA CA
 - SIMA NRMF INGLESIDE TX
 - SIMA PASCAGOULA MS
 - NNSY DET NAVPESO ANNAPOLIS MD
 - NNSY DET NAVSHIPSO PHIL PA
 - NAVSUBSUPPFAC NEW LONDON CT
 - NAVSHIPYD PUGET SOUND DET BOSTON MA
 - SUBMEPP PORTSMOUTH NH
- Consolidate CV I-level workload from NAVIMFAC PACNORWEST EVERETT to NAVSHIPYD PUGET SOUND.
- Realign I-level DD/DDG workload from NAVIMFAC PACNORWEST EVERETT to SIMA SAN DIEGO
- Realign I-level MCM/MHC workload from SIMA NRMF INGLESIDE to SIMA SAN DIEGO and SIMA MAYPORT
- Realign FFG I-level workload from SIMA PASCAGOULA to SIMA MAYPORT
- Consolidate I-level SSN workload from NAVSUBSUPPFAC NEW LONDON to SIMA NORFOLK and NAVSHIPYD NORFOLK
- Consolidate I-level SSN workload from NSY AND IMF PUGET SOUND DET PT LOMA to NAVSHIPYD AND IMF PEARL HARBOR
- Consolidate TRIREFFAC KINGS BAY, NAVPESO, NAVSHIPSO with NAVSHIPYD NORFOLK
- Consolidate NAVSHIPYD PUGET SOUND DET BOSTON MA and SUBMEPP PORTSMOUTH NH with NAVSHIPYD PORTSMOUTH NH
- Realign complex/long-term SSN availabilities from NAVSHIPYD PEARL HARBOR

- Strategy Capacity Analysis / Data Verification
- COBRA Military Value Analysis / Data Verification

Drivers/Assumptions

- DON Operational Force basing scenarios could realign shifts in maintenance requirements:
 - Assume DON Scenario closes NAVSTA EVERETT
 - Assume DON Scenario closes SUBASE SAN DIEGO
 - Assume DON Scenario closes NAVSTA PASCAGOULA
 - Assume DON Scenario closes NAVSTA INGLESIDE
 - Assume DON Scenario closes SUBASE NEW LONDON
- Improve efficiency and effectiveness through consolidated maintenance resources in major Fleet concentration regions
- All ship relocations need to be coordinated with DON
 - 1 CVN from NAVSTA EVERETT to NAVSTA BREITENBACH
 - 6 SSN from NAVSTA NORFOLK to SUBASE KINCAID
 - 2 SSN from NAVSTA NORFOLK to SUBASE NEW LONDON
 - 17 SSN from SUBASE NEW LONDON to SUBASE SAN DIEGO
 - 3 DD/DDG from NAVSTA EVERETT to NAVSTA SAN DIEGO
 - 2 FFG from NAVSTA PASCAGOULA to NAVSTA SAN DIEGO
 - 5 MCM / 6 MHC from NAVSTA INGLESIDE to NAVSTA SAN DIEGO
 - 5 MCM / 6 MHC from NAVSTA INGLESIDE to NAVSTA MAYPORT
 - USS ARCO (ARM-5) from SUBASE SAN DIEGO to NAVSTA PEARL HARBOR
 - All LCS will be homeported at NAVSTA SAN DIEGO and NAVSTA NORFOLK

Derivative Scenario

- Consolidate CVN I-level workload from NAVIMFAC PACNORWEST EVERETT WA to NAVSHIPYD PUGET SOUND WA (IND-0015/DON-0005)
- Consolidate DD/DDG I-level workload from NAVIMFAC PACNORWEST EVERETT WA to SIMA SAN DIEGO CA (IND-0016/DON-0005)

Data Received

Cobra Analysis and Candidate Recommendation

Draft Deliberative Document –For Discussion Purposes Only –Do Not Release Under FOIA



Partial Draft Potential Candidate # IND-0009

Doc ID: 4292

Candidate Recommendation

- This Potential Candidate recommendation assumes a DON scenario and recommendation which realigns a CVN from NAVSTA EVERETT WA to NAVSTA BREMERTON WA and 3 DD/DDGs would be consolidated from NAVSTA EVERETT to NAVSTA SAN DIEGO CA.
- NAVIMFAC PACNORWEST EVERETT WA would be closed. Ship intermediate repair function workload and personnel from NAVIMFAC PACNORWEST would be consolidated to NAVSHIPYD PUGET SOUND WA and SIMA SAN DIEGO CA. Any billets not relocated to those two activities would be eliminated.

Justification

- Mission elimination
- Reduce excess capacity

Military Value

- Overall effect on Military Value: Increase from .3475771 to .357785
- Relative military value against its peers: 10 of 13 Ship Intermediate Ship Maintenance Activities
- Military judgment: Removes excess capacity when Fleet units (maintenance requirement) is removed and provides more efficient use of remaining capacity.

Payback

The total estimated one-time cost to the Department of Defense to implement this recommendation is \$3,596K. The net of all costs and savings to the Department during implementation period is a cost of \$-83,533K. Annual recurring savings to the Department after implementation are \$24,367K with payback expected Immediate. The net present value of the costs and savings to the Department over 20 years is a savings of \$ 303,000K.

Impacts

- Criteria 6: Economic Impact on Communities: Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 408 jobs (254 direct jobs and 154 indirect jobs) over the 2006-2011 period in the Seattle-Bellevue-Everett, WA MD economic area, which is .02 percent of economic area employment.
- Criteria 7: No impact on receiving communities
- Criteria 8:
 - If this candidate is selected then IJCSG must send to DON for complete environmental review.
 - Potential issues:
 - NAVSHIPYD PUGET SOUND: Air Quality may require Emission Credit Program and increase Permit Exceedances. Land use constraints could cause increased restoration cost. Water Resources could increase groundwater contamination and exceedances of drinking water standards.
 - SIMA SAN DIEGO: Air Quality may cause area to be in nonattainment for the 8-hour Ozone or the PM2.5 NAAQS. Water Resources potentially increased groundwater contamination.