

Industrial Joint Cross-Service Group (IJCSG)

Meeting Minutes of February 24, 2005

Mr. Michael Wynne, Acting 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 stated purpose of this meeting was to review further scenarios from each of the subgroups. Mr. Wynne said the IEC fundamentally wants to start briefing SECDEF, briefing the principals first and then down the chain on the decisions rendered. He said the current timeline overview chart was insufficient and the IEC wants a new chart reflecting the timeline from January 2005 through September 2005.

He stated there were IEC concerns about items with negative returns (i.e., no payback in 21 years) based on an argument brought by Admiral Clark. Mr. Wynne said he explained to Admiral Clark that the situation was all about balance, but he understood the admiral's point. Mr. Wynne said he further explained that there are some scenarios that don't have payback, but would still be worthwhile. Also, adding memo entries for savings anticipated, but not part of the COBRA analysis is not captureable in BRAC sense, but it makes sense to identify. For instance, overseas cost savings can't be counted, only the cost of moving from overseas to CONUS (off-shore to on-shore).

Mr. Wynne suggested the IJCSG to turn their attention from offense to defense and form perimeters. Using an analogy, he stated a group can take a hill, but now other groups' also like that same hill. He said the defensive perimeters must be analytical and the IJCSG must have "Plan Bs" if the hill is taken.

Mr. Wynne noted that there was an attendee from the Supply and Storage JCSG because there is a collegial link with the IJCSG and some overlapping responsibilities.

Mr. Motsek presented Munitions and Armaments. For IND-0014 the sub-group is still looking at two pieces of information: (1) The state will offer a lease, and (2) The environmental issue of moving heavy chromium plating to Rock Island in the middle of the Mississippi River. The state EPA frowns on Rock Island doing any more plating because they are currently grandfathered for the small amount of non-heavy plating they are doing.

RADM Klemm presented Shipyards. A Pro and Con chart and backup charts were presented comparing IND-0055 and IND-0056 and giving the reasons for the sub-group's recommendation.

DCN: 11297

Mr. Beckett presented Maintenance. Mr. Wynne asked the sub-group to re-look at IND-0127 which showed a 28-year payback and think about the consolidation piece of the scenario. He asked that the sub-group think about whether a 28-year payback is realistic.

Referring to IND-0127A, Brig Gen Williams said the Marine Corps is concerned that the sub-group may not have captured true military readiness and military value based on a peacetime data capture. Mr. Wynne said the scenario has enormous payback quickly and asked everyone to look hard at the scenario. He said the Navy wants cuts, and perhaps the Marine Corps' and Army's excess capacity may just not be properly aligned.

Referring to IND-0127B, Army Materiel Command has concerns about managing risk with 1.5 shifts. Mr. Wynne said that no one manages capacity at one shift except for the government. The number could just as easily be two or three shifts and weekends would be four. Mr. Motsek said that analytics show that you can manage risk at 1.5 shifts, but the results of GWOT say that the analysis is questionable. Mr. Wynne asked Mr. Motsek to get the arguments on both sides, because this is an argument/discussion that has to be aired, and Mr. Wynne won't feel that the IJCSG has done enough if there is no argument.

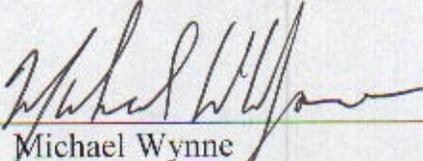
The six FRC scenarios were presented. Each scenario is separate and feeds into one large master scenario. Mr. Wynne said that FRC is now a strategy but the question is are all six scenarios contributors to the strategy or are does doing a single one of the six scenarios result in having to do the other five scenarios. If one of the six scenarios is a stand alone, it would be awful if that stand alone would need to be analyzed separately. He said Admiral Clark was very strident about doing stuff that didn't have payback. Mr. Wynne asked "Is each individual intermediate-level maintenance within each of the six FRCs a good decision?" Mr. Potochney said it would depend on how the recommendation was sent over and whether or not the COBRA data can be separated.

Mr. Wynne said the aggregate scenario looked good, but did the scenarios for each individual piece also look good? Mr Potochney said it depends on how to package the strategy to have recommendations on what the IJCSG is trying to do. Mr Potochney said that it was not necessary to run a COBRA on each individual site, only on the six FRCs, however the IJCSG needs to be prepared if the Navy or BRAC Commission want COBRAs on each individual site.

Mr. Wynne addressed the section of IND-0083 that would never have any payback, saying he had no quarrel with the outcome; however, the IJCSG must be prepared to face people with objective means to achieve the outcome. He said leadership must be able to confidently and credibly defend so that they are not embarrassed. He said the IJCSG must go down the line and know that within the cherries are a couple of lemons.

Mr. Wynne asked within all the FRC moves are there any fence line closures or is it all about realignment. The answer from the attendees was that there are no whole base fence line closures, but there will be closures of major maintenance activities. Mr. Wynne then asked "So, Supply and Storage would have to effectively enable fence line closures. Mr. Beckett replied that the AF is closing and combining wings and not giving all the new wings back their intermediate-level maintenance facilities. The AF is setting up for blended wing maintenance.

Mr. Wynne said that IND-0127A and IND-0127B will continue forward through the ISG because the payback is very good and there doesn't appear to be any impact to military value though resources itself has military value. He wants the Army and Marine Corps to have the correct arguments from the Services at the ISG and will put on hold the IEC to vet out the arguments and adjudicate.

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

Attachments:

1. List of attendees
2. Presentation charts

**Industrial JCSG Meeting
February 24, 2005**

Attendees

Members:

- Michael Wynne, Acting Undersecretary of Defense for Acquisition, Technology and Logistics
- RADM Klemm
- Gray Motsek, Deputy G3, Support Operations, Army Material Command
- Allen Beckett, Deputy Director of Maintenance, Deputy Chief of Staff for Installations and Logistics
- BGen Willie Williams, Director Logistics Plans and Policies, HQMC

Alternates:

- Frank O'Rourke, Defense Logistics Agency

Others:

- Dave Pauling, ADUSD OSD MPP&R
- Pete Potochney, OSD BRAC Office
- Alex Yellin, OSD BRAC Office
- John Desiderio, OSD BRAC Office
- Jay Berry, OSD Maintenance Policy, Programs and Resources
- George Kingsley, Defense Logistics Agency
- Steve Krum, NAVSEA
- Stu Paul, NAVAIR
- COL Sarah Smith, OSD Maintenance Policy, Programs and Resources
- COL Lou Neeley, Supply and Storage JCSG
- Mark VanGilst, HQ USAF/ILMM
- LtCol Jeff Brock, JS/J4
- Maj. S. DuBois, HQMC
- Shanna Poole, HQMC
- LtCol Walt Eady, JCS/J4
- Willie Smith, HQ AFSC
- COL Gerald Bates, AMC
- CAPT Porter, Mr Wynne's MA
- Douglas Ickes, DODIG
- Robert F. Prinzbach, DODIG

Attachment 1



Industrial Joint Cross Service Group

February 24, 2005



Munitions and Armaments

MUNITIONS & ARMAMENTS

DCN: 11297



	SITE	SVC	1-TIME COST (\$M)	NPV (\$M)	REDUCTION		PAY BACK YEAR	PEOPLE REDUCTION
					KSF	%		
IND-0106	Kansas	Army	20.2	-198.5	1,995	100%	IM	8
IND-0108	Hawthorne	Army	101.0	-833.7	9,578	100%	IM	119
IND-0110	Mississippi	Army	45.5	-76.6	1,617	100%	5	4
IND-0111	Red River	Army	110.3	-71.1	1,917	26%	7	124
IND-0112	Riverbank	Army	26.0	-92.5	707	100%	IM	4
IND-0113	Sierra	Army	59.7	-123.5	2,916	54%	6	0
IND-0114	Watervliet	Army	63.7	-3.4	891	43%	18	0
IND-0115	Lima	Army	.7	-20.9	432	27%	1	0
IND-0116	Indian Head	Army/Navy	4.7	+3.9	6	0%	100+	0
IND-0117	Deseret	Army	4.4	-343.1	1,317	100%	IM	48
IND-0118	Pueblo	Army	17.6	-717.5	6,012	100%	IM	411
IND-0119	Newport	Army	7.1	-425.5	881	100%	IM	291
IND-0120	Umatilla	Army	15.5	-655.5	3,583	100%	IM	512
IND-0121	Yorktown	Army/Navy	5.6	-3.9	357	1%	9	5
IND-0122	Lone Star	Army	61.1	-259.9	3,494	100%	IM	20
		TOTAL	543.1	3,821.7	35,703			1,546



Ship Overhaul and Repair

Shipyard Comparison – As Presented 13 Jan



	NAVSHIPYD AND IMF PEARL HARBOR HI IND-0055	NAVSHIPYD PORTSMOUTH NH IND-0056	NAVSHIPYD NORFOLK VA IND-0054	NAVSHIPYD PUGET SOUND WA IND-0057
One-time cost	\$ 618,641K	\$ 463,393K	\$ 827,079K	\$ 1,550,547K
Net cost during implementation	\$ 271,640K	\$ 497,547K	\$ 1,765,176K	\$ 2,298,864K
Annual recurring savings after implementation	\$ 90,704K	\$ 50,949K	\$ -44,626K	\$ -39,984K
Payback time	8 years	16 years	Never	Never
NPV	\$-584,263K (Savings)	\$ 1,777K (Cost)	\$2,066,598K (Cost)	\$2,549,650K (Cost)
Criteria 6	Honolulu, HI MSA	Rockingham County- Stafford County, NH MD	Virginia Beach-Norfolk- Newport News, VA-NC MSA	Bremerton-Silverdale, WA MSA
Maximum potential reduction:	8,322	8,222	19,726	13,988
Direct jobs:	4,171	4,213	8,296	6,816
Indirect jobs:	4,151	4,009	11,430	7,172
Percent economic area employment	1.45%	3.44%	2.02%	11.74%
Criteria 7	No impact on receiving communities	No impact on receiving communities	No impact on receiving communities	No impact on receiving communities
Criteria 8 (Requires DON environmental review)	Potential Impact: Air Quality (NNSY/PNSY), Water Management (NNSY/PSNS)	Potential Impact: Air Quality (NNSY), Waste Management (NNSY/PSNS), Water Resources (NNSY)	None	None
Military Value (Starting value .3588)	Decrease to .3261 4 of 9	Decrease to .3231 3 of 9	Decrease to .3119 2 of 9	Decrease to .3102 1 of 9
Excess Capacity	1,454.3K DLH (21.3%)	3,458.2K DLH (40.9%)	1,998.0K DLH (15.7%)	1,491.4K (12.1%)

Pearl Harbor (IND-0055) / Portsmouth (IND-0056) Comparison (As Presented to IJCSG on 13 Jan 05)

DCN: 11297



NAVSHIPYD AND IMF PEARL HARBOR HI IND-0055	
CON	PRO
■ Long term risks to CVN yards	■ Preserves best performing SSN Depot
■ Removes Depot capability in critical AOR	■ Relocates highest cost/ sked duration work
■ Adds transit time to Mainland Yards and Availabilities	■ Supports short term surge capacity
■ Does not close fence line	■ Accommodates future force structure in PAC AOR
■ Enables facility lay-up but not elimination	■ Retains geographic dispersal of SSN drydocks
■ Requires another BRAC in 2011-2012	■ Financial Impact: <ul style="list-style-type: none"> • Reduces highest cost labor • Greatest short term ROI • Does not require Environmental remediation
■ Additional force structure reductions will drive excess capacity in FYDP	

NAVSHIPYD PORTSMOUTH NH IND-0056	
CON	PRO
■ Closes best performing SSN Depot	■ Supports long term infrastructure requirements
■ Economic impact of other contemplated scenarios on New England	■ Need for future BRAC minimized
■ Frailty of New England Private Sector (BIW, EB)	■ Retains NSY closest to fleet concentrations
■ Short term capacity risk	■ Supports future force structure in PAC AOR
■ Reduces geographic dispersal of SSN drydocks	■ Financial Impact: <ul style="list-style-type: none"> • Closes fence line. • Greatest savings over long term
■ Financial Impact: <ul style="list-style-type: none"> • Environmental remediation required reduces and delays payback 	

Pearl Harbor (IND-0055) / Portsmouth (IND-0056) Comparison (As Presented to IJCSG on 13 Jan 05)

DCN: 11297



Military Judgment Considerations:

- CoCom Recommendation: Need Pearl Harbor Naval Shipyard
- Pearl Harbor is “Forward-Located”
- Pearl Harbor is a Fleet Concentration Area

Recommendation: Close NAVSHIPYD PORTSMOUTH NH



Summary of Corrections to IND-0056 COBRA

- Fixed Double Counting of Personnel Moving Costs
 - COBRA Assumes 75% and Portsmouth Reported 20%
- Balanced Workload Realigned from Portsmouth to the Other Three Receiving Shipyards
- Used a 40% Efficiency Factor for Indirect Personnel Realigning to the Three Other Shipyards
 - The BRAC 1995 Commission Reported 50% is a Reasonable Assumption for Industrial Activities.
- Corrected Transfer and Hiring Costs Accordingly
- Adjusted MilCon Costs at Receiving Shipyards to Reflect the Lower Number of Personnel Realignments
- Deleted One-time Costs that are not BRAC Costs

Candidate # IND-0056

Candidate Recommendation: Realign NAVSHIPYD PORTSMOUTH NH by relocating the ship depot repair function to NAVSHIPYD NORFOLK VA, NAVSHIPYD AND IMF PEARL HARBOR HI, and NAVSHIPYD PUGET SOUND WA, and by relocating the Submarine Maintenance Engineering, Planning and Procurement Command to NAVSHIPYD NORFOLK VA.

Justification

- Reduce excess capacity
- Mission elimination
- Enables DON-0133, closure of Portsmouth

Military Value

- Relative MV Scores
 - Puget Sound, 1st of 9
 - Norfolk, 2nd of 9
 - Portsmouth, 3rd of 9
 - Pearl Harbor, 4th of 9
- Military Judgment: Close Portsmouth because it is the only closure that eliminates excess and satisfies Navy desires to strive to place ship maintenance close to the Fleet

Payback

- One-time cost: \$426M
- Net implementation cost: \$204M
- Annual recurring savings : \$73M
- Payback time: 7 Years
- NPV (savings): \$486M

Impacts

- Criteria 6: -8,420 jobs (4,233 direct, 4,187 indirect); 3.53%
- Criteria 7: No issues
- Criteria 8: Air quality, water resources and water management issues. No impediments



Ship Overhaul and Repair

	SITE	SVC	1-TIME COST (\$M)	NPV (\$M)	REDUCTION (KSF)	PAY BACK	PEOPLE REDUCTION
IND-0019	SIMA PASCAGOULA MS	Navy	\$ 1.906	Savings \$248.435	42	Immediate	191
IND-0024	SIMA NORFOLK VA	Navy	\$ 2.437	Savings \$ 96.626	44	Immediate	95
IND-0030	SIMA NRMF INGLESIDE TX	Navy	\$ 2.878	Savings \$385.5	175	Immediate	339
IND-0037	NAVSUBSUPPFAC NEW LONDON CT	Navy	\$ 40.565	Savings \$ 87.575	239	5 Years	94
IND-0056	NAVSHIPYD PORTSMOUTH NH	Navy	\$426.	Savings \$486.	4,133	7 Years	3,149
IND-0095	NAVSHIPYD PUGET SOUND DET BOSTON MA	Navy	\$ 7.161	Savings \$ 15.827	0	2 Years	32
IND-0096	NNSY DET NAVPEO ANNAPOLIS MD	Navy	\$.541	Cost \$.015	0	18 Years	0
IND-0097	NNSY DET NAVSHIPSO PHIL PA	Navy	\$ 4.121	Savings \$ 4.149	0	7 Years	0
		TOTAL	\$485.609	\$1324.097	4,633		3900



Maintenance Subgroup

Maintenance Subgroup - Summary



Values in 2005 \$M Site	Scenario Number	Savings NPV 2025	TOTAL ONE-TIME COSTS	TOTAL IMPLEMENTATION SAVINGS	PAYBACK YR/TIME	Recommended To ISG	
BARSTOW	IND0127A	\$215	\$43	\$37	1 Year	Yes	
RED RIVER	IND0127B	\$124	\$194	(\$82)	7 Years	Yes	
ROCK ISLAND	IND0083A	\$9	\$29	(\$19)	11 Years	Yes	
SEAL BEACH	IND0083B	\$14	\$5	\$1	2 Years	Yes	
FRC West	IND0103	\$383	\$12	\$146	Immediate	Yes	
FRC Northwest	IND0104	\$244	\$183	\$26	3 Years	Yes	
FRC East	IND0123	\$1,431	\$36	\$588	Immediate	Yes	
FRC Southeast	IND0124	\$910	\$17	\$325	Immediate	Yes	
FRC Southwest	IND0125	\$1,330	\$49	\$472	Immediate	Yes	
FRC Mid-Atlantic	IND0126	\$1,967	\$21	\$800	Immediate	Yes	
LACKLAND - D	IND0086	\$26	\$10	\$0	3 Years	Yes	
Solomon's Island	IND0087	(\$12)	\$10	(\$11)	Never	No	
Pax River	IND0088	(\$23)	\$9	(\$14)	Never	No	
Palmdale (GOCO)	IND0089	\$25	(\$214)	(\$151)	14 Years	No	
KEYPORT - H	IND0090	(\$467)	\$434	(\$460)	Never	No	
CHARLESTON	IND0083	(\$6)	\$6	(\$6)	100+ Years	No	
Crane	IND0083	(\$100)	\$93	(\$104)	Never	No	
LAKEHURST	IND0083	(\$71)	\$104	(\$101)	100+ Years	No	
NORTH ISLAND	IND0127	(\$37)	\$93	(\$103)	28 Years	No	
SAN DIEGO	IND0083	(\$14)	\$21	(\$24)	86 Years	No	
Pine Bluff	*Eliminated - Army Certified as I-level activity						

Maintenance Subgroup Scenario – Updates

- Barstow
- Red River
- Rock Island

Candidate # IND-0127A – MCLB Barstow

Candidate Recommendation (Summary): Eliminates depot maintenance functions from Marine Corps Logistics Base Barstow, CA. Required capacity to support workloads and Core requirements for the Department of Defense are relocated to DoD Centers of Industrial and Technical Excellence.

Justification

- Minimizes sites using maximum capacity at 1.5 shifts.
- Eliminates 1.1M sq ft & 30% of duplicate overhead
- Facilitates interservicing

Military Value

- For all commodities except Starters / Alternators / Generators & Radar, average military value increases. For these two the Military judgment favors movement in order to enable a complete realignment of all depot maintenance commodities
- Recommendation provides the required products to support the customers

Payback

- One-time cost: \$42.669M
- Net implementation savings: \$36.959M
- Annual recurring savings: \$19.675M
- Payback period: 1 year
- 20 Yr. NPV (savings): \$215.257M

Impacts

- Criteria 6: -1,606 Jobs (798 direct, 808 indirect); <1.0%
- Criteria 7: No issues
- Criteria 8: Air, cultural, waste mgmt, water resource, & wetland impacts. No impediments.

Candidate # IND-0127B – Red River AD



Candidate Recommendation (abbreviated): Realign Red River as follows: Armament and Structural Components, Combat Vehicles, Construction Equipment, Depot Fleet/Field Support, Engines and Transmissions, Fabrication and Manufacturing, Fire Control Systems and Components, and Other to Anniston AD, AL; Construction Equipment, Powertrain Components, and Starters/Generators/Alternators to MLCB Albany, NY; Tactical Vehicles to Tobyhanna AD, PA and Letterkenny; and Tactical Missiles to Letterkenny AD, PA.

Justification

- Increases depot maintenance capability and capacity utilization.
- Supports the strategy of minimizing sites using maximum capacity at 1.5 shifts
- Supports further consolidation of workload into the Army's Centers for Industrial and Technical Excellence and future inter-service workload
- Eliminates >900K sq ft excess & 30% of duplicate overhead

Military Value

- For all commodities except Starters / Alternators / Generators, average military value increases
- For Starters / Alternators / Generators, Red River has higher quantitative MilVal but Military judgment favors Albany in order to enable a complete realignment of all depot maintenance commodities.

Payback

- One-time cost: \$194.098M
- Net implementation cost: \$82.409M
- Annual recurring savings: \$21.851M
- Payback period: 7 years
- 20 Yr. NPV (savings): \$124.195M

Impacts

- Criteria 6: -2929 Jobs (1752 Direct; 1177 Indirect); 4.3%
- Criteria 7: No impact
- Criteria 8: Potential impact: Letterkenny is marginal for non-attainment of Ozone, exceeds PB and SO2.



Candidate # IND-0083A – Rock Island Arsenal

Candidate Recommendation: Realign Rock Island Arsenal, IL, by relocating the depot maintenance of Combat Vehicles and Other to Anniston Army Depot, AL, and the depot maintenance of Other Equipment and Tactical Vehicles to Letterkenny Army Depot, PA.

Justification

- Increases depot capability and capacity utilization.
- Supports further consolidation of workload into the Army's Centers for Industrial and Technical Excellence
- Follows the strategy of minimizing sites using maximum capacity at 1.5 shifts
- Reduces costs by eliminating 30% of duplicate overhead structures and 160K sq. ft. of excess

Military Value

- Combat Vehicles: Average increases from 37.81 to 44.28
- Other Equipment: Average increases from 38.25 to 41.44
- Tactical Vehicles: Average increases from 38.72 to 41.92

Payback

- One-time cost: \$29.036M
- Net implementation cost: \$18.895M
- Annual recurring savings: \$2.920M
- Payback period: 11 Years
- 20 Yr NPV (savings): \$8.706M

Impacts

- Criteria 6: -337 Jobs (180 Direct; 157 Indirect); 0.15%
- Criteria 7: No issues
- Criteria 8: Air and Noise issues, No impediments

Maintenance Subgroup Scenario – Recommendations Cost Effective

DCN: 44297



- Seal Beach
- 6 – FRCs
 - FRC West
 - FRC Northwest
 - FRC East
 - FRC Southeast
 - FRC Southwest
 - FRC Mid-Atlantic

Candidate # IND-0083B – Seal Beach, CA



Candidate Recommendation (Summary) Eliminates depot maintenance functions from NAVWPNSTA Seal Beach, CA. Required capacity to support workloads and Core requirements for the Department of Defense are relocated to DoD Centers of Industrial and Technical Excellence.

Justification

- Minimizes sites using maximum capacity at 1.5 shifts.
- Eliminates 243K square feet and 30% of duplicate overhead
- Facilitates interservicing

Military Value

- For all commodities move to a location of higher quantitative military value.

Payback

- One-time cost: \$5.336M
- Net implementation savings: \$0.616M
- Annual recurring savings: \$1.520M
- Payback period: 2 years
- NPV: \$14.485M

Impacts

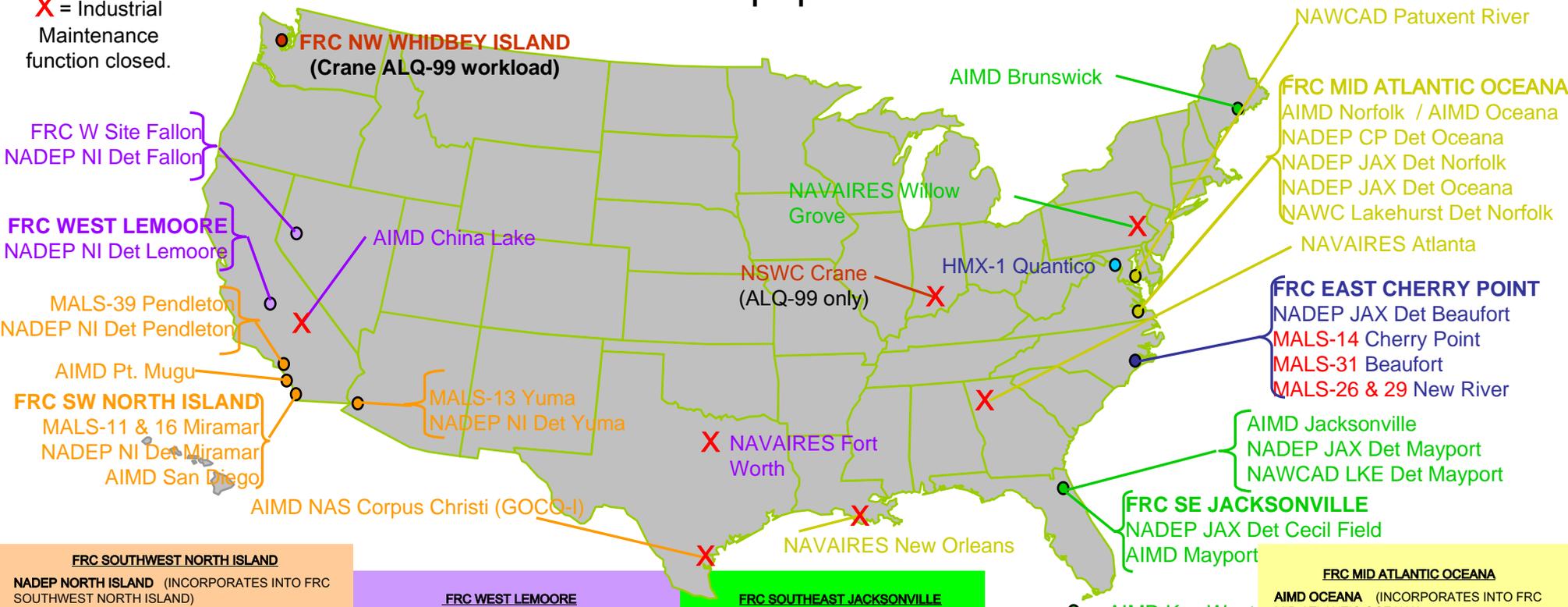
- Criteria 6: - 85 Jobs (47 direct, 38 indirect); < 0.1 %
- Criteria 7: No issues
- Criteria 8: Issues but no impediments



Naval Aviation's Enterprise Off Aircraft/Off Equipment Maintenance

DCN: 11297

X = Industrial Maintenance function closed.



FRC SOUTHWEST NORTH ISLAND

NADEP NORTH ISLAND (INCORPORATES INTO FRC SOUTHWEST NORTH ISLAND)

AIMD SAN DIEGO (INCORPORATES INTO FRC SOUTHWEST NORTH ISLAND)

AIMD CORPUS CHRISTI (CLOSES/MOVES INTO FRC SOUTHWEST NORTH ISLAND)

AIMD POINT MUGU (BECOMES FRC SOUTHWEST SITE POINT MUGU)

MALS-11 MIRIMAR (INCORPORATES FRC SOUTHWEST SITE MIRIMAR)

MALS-16 MIRIMAR (INCORPORATES FRC SOUTHWEST SITE MIRIMAR)

NADEP NI DET MIRIMAR (INCORPORATES FRC SOUTHWEST SITE MIRIMAR)

MALS-39 PENDLETON (INCORPORATES FRC SOUTHWEST SITE PENDLETON)

NADEP NI DET PENDLETON (INCORPORATES INTO FRC SOUTHWEST SITE PENDLETON)

MALS-13 YUMA (INCORPORATES FRC SOUTHWEST SITE YUMA)

NADEP NI DET YUMA (INCORPORATES INTO FRC SOUTHWEST SITE YUMA)

FRC WEST LEMOORE

AIMD LEMOORE (INCORPORATES INTO FRC WEST LEMOORE)

AIMD CHINA LAKE (CLOSES/MOVES INTO FRC WEST LEMOORE)

NADEP NI DET LEMOORE (INCORPORATES INTO FRC WEST LEMOORE)

NAVAIRES FORT WORTH (CLOSES/MOVES INTO FRC WEST SITE LEMOORE)

AIMD FALLON (INCORPORATES INTO FRC WEST SITE FALLON)

NADEP NI DET FALLON (INCORPORATES INTO FRC WEST SITE FALLON)

FRC NORTHWEST WHIDBEY

AIMD WHIDBEY ISLAND (BECOMES FRC NORTHWEST WHIDBEY)

NAVSURFWARREN CRANE (CONSOLIDATES ALQ-99 ONLY WITH FRC NORTHWEST WHIDBEY)

FRC SOUTHEAST JACKSONVILLE

NADEP JACKSONVILLE (INCORPORATES INTO FRC SOUTHEAST JACKSONVILLE)

AIMD JACKSONVILLE (INCORPORATES INTO FRC SOUTHEAST JACKSONVILLE)

NAVAIRES WILLOW GROVE (CLOSES/MOVES INTO FRC SOUTHEAST JACKSONVILLE)

AIMD BRUNSWICK (BECOMES FRC SOUTHEAST SITE BRUNSWICK)

AIMD MAYPORT (INCORPORATES INTO FRC SOUTHEAST SITE MAYPORT)

NADEP JAX DET MAYPORT (INCORPORATES INTO FRC SOUTHEAST SITE MAYPORT)

NAWCAD LAKEHURST DET MAYPORT (INCORPORATES INTO FRC SOUTHEAST SITE MAYPORT)

AIMD KEY WEST (BECOMES FRC SOUTHEAST SITE KEY WEST)

NADEP JAX DET CECIL FIELD (BECOMES FRC SOUTHEAST SITE CECIL FIELD)

FRC EAST CHERRY POINT

NADEP CHERRY POINT (INCORPORATES INTO FRC EAST CHERRY POINT)

MALS-14 CHERRY POINT (INCORPORATES FRC EAST CHERRY POINT)

MALS-31 BEAUFORT (INCORPORATES FRC EAST SITE BEAUFORT)

NADEP JAX DET BEAUFORT (INCORPORATES INTO FRC EAST SITE BEAUFORT)

MALS-26 NEW RIVER (INCORPORATES FRC EAST SITE NEW RIVER)

MALS-29 NEW RIVER (INCORPORATES FRC EAST SITE NEW RIVER)

HMX-1 QUANTICO (BECOMES FRC EAST SITE QUANTICO)

FRC MID ATLANTIC OCEANA

AIMD OCEANA (INCORPORATES INTO FRC MID ATLANTIC OCEANA)

NADEP CHERRY POINT DET OCEANA (INCORPORATES INTO FRC MID ATLANTIC OCEANA)

NADEP JAX DET OCEANA (INCORPORATES INTO FRC MID ATLANTIC OCEANA)

NAVAIRES ATLANTA (CLOSES/MOVES INTO FRC MID ATLANTIC OCEANA)

NAVAIRES NEW ORLEANS (CLOSES/MOVES INTO FRC MID ATLANTIC OCEANA)

AIMD NORFOLK (INCORPORATES INTO FRC MID ATLANTIC SITE NORFOLK)

NADEP JAX DET NORFOLK (INCORPORATES INTO FRC MID ATLANTIC SITE NORFOLK)

NAWCAD LAKEHURST DET NORFOLK (INCORPORATES INTO FRC MID ATLANTIC SITE NORFOLK)

NAWCAD PAX RIVER (BECOMES FRC MID ATLANTIC SITE PAX RIVER)

Candidate # IND-0103 FRC West



Candidate Recommendation (Summary): Establish FRC West Lemoore and realign COMSTRKFIGHTWINGPAC (AIMD) LEMOORE, NAVAIRDEPOT NORTH ISLAND, NADEP NORTH ISLAND DET LEMOORE, COMNAVAIRWARCENWPNDIV (AIMD) CHINA LAKE, NAVAIR FORT WORTH, AIMD FALLON and NADEP NORTH ISLAND DET FALLON by relocating the depot and intermediate maintenance of Avionics/Electronics Components, AC Hydraulic Components, AC Landing Gear Components, AC Other Components, and AC Structural Components.

Justification

- Supports OSD’s goal of transforming to fewer maintenance levels (3 to 2)
- Provides better repair activity alignment with the Fleet
- Reduces total cost, repair turnaround time, manpower, infrastructure, transportation, and spares inventories
- Square footage eliminated, none.
- Provides annual facility sustainment savings of \$1.436M.
- Provides a MILCON cost avoidance of \$.200M.

Military Value AIMD’s

- FRCs merge the D and I levels of maint, and while ‘Military Value’ is not / can not be recalculated for these new composite activities, in the judgment of the I-JCSG, Military Value characteristics will be enhanced and improved in the 4 major Criterion that make up “MV” (1. Current & future mission rqmts + impact on readiness; 2. Condition of land, facilities; 3. Ability for contingency. mobilization & future total force readiness; 4. Cost of ops & manpower implications)

Payback

- One-time cost: \$12.239M
- Net implementation savings: \$146.202M
- Annual recurring savings: \$26.641M
- Payback time: Immediate
- NPV (savings): \$383.120M

Impacts

- Criteria 6: NAVBASE Coronado -309 jobs (149 direct, 160 indirect); Employment effect, <.1% ; Fort Worth -419 (262 direct, 157 indirect) <.1%; China Lake -104 (53 direct, 51 indirect) <.1%
- Criteria 7: No issues
- Criteria 8: No issues

- ✓ Strategy
- ✓ Capacity Analysis / Data Verification
- ✓ JCSG/MilDep Recommended
- ✓ De-conflicted w/JCSGs
- ✓ COBRA
- ✓ Military Value Analysis / Data Verification
- ✓ Criteria 6-8 Analysis
- ✓ De-conflicted w/MilDeps

Candidate # IND-0104 FRC Northwest



Candidate Recommendation (Summary): Establish FRC Northwest Whidbey and realign AIMD WHIDBEY ISLAND, WA, NAVAIRDEPOT NORTH ISLAND, CA and NAVSURFWARCENDIV CRANE, IN by relocating the depot and intermediate maintenance of Avionics/Electronics Components, AC Hydraulic Components, AC Landing Gear Components, AC Other Components, and AC Structural Components.

<p style="text-align: center;"><u>Justification</u></p> <ul style="list-style-type: none"> ■ Supports OSD’s goal of transforming to fewer maintenance levels (3 to 2) ■ Provides better repair activity alignment with the Fleet ■ Reduces total cost, repair turnaround time, manpower, infrastructure, transportation, and spares inventories ■ Provides annual facility sustainment cost of \$.299M. ■ Provides a MILCON cost of \$33.956M. 	<p style="text-align: center;"><u>Military Value AIMD & Depot</u></p> <ul style="list-style-type: none"> ■ FRCs merge the D and I levels of maint, and while ‘Military Value’ is not / can not be recalculated for these new composite activities, in the judgment of the I-JCSG, Military Value characteristics will be enhanced and improved in the 4 major Criterion that make up “MV” (1. Current & future mission rqmts + impact on readiness; 2. Condition of land, facilities; 3. Ability for contingency. mobilization & future total force readiness; 4. Cost of ops & manpower implications)
<p style="text-align: center;"><u>Payback</u></p> <ul style="list-style-type: none"> ■ One-time cost: \$183.085 M ■ Net implementation costs: \$25.543 M ■ Annual recurring savings: \$28.500 M ■ Payback time: 3 Years ■ NPV (savings): \$243.636 M 	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> ■ <u>Criteria 6:</u> Crane -180 jobs (124 direct, 56 indirect); Employment effect, -2.11% Coronado--245 jobs (118 direct, 127 indirect); Employment effect, <.1% ■ <u>Criteria 7:</u> No issues ■ <u>Criteria 8:</u> No issues

- ✓ Strategy
- ✓ Capacity Analysis / Data Verification
- ✓ JCSG/MilDep Recommended
- ✓ De-conflicted w/JCSGs
- ✓ COBRA
- ✓ Military Value Analysis / Data Verification
- ✓ Criteria 6-8 Analysis
- ✓ De-conflicted w/MilDepts

Candidate # IND-0123 FRC East



Candidate Recommendation (Summary): Establish FRC East Cherry Point and realign NAVAIRDEPOT CHERRY POINT, MARINE AVIATION LOGISTICS SQUADRON (MALS)-14, MALS-31, MALS-26 and MALS-29 by relocating the depot and intermediate maintenance of Avionics/Electronics Components, AC Hydraulic Components, AC Landing Gear Components, AC Other Components, and AC Structural Components.

Justification

- Supports OSD’s goal of transforming to fewer maintenance levels (3 to 2)
- Provides better repair activity alignment with the Fleet
- Reduces total cost, repair turnaround time, manpower, infrastructure, transportation, and spares inventories
- Eliminates 82K square footage at losing activities.
- Provides annual facility sustainment savings of \$.041M.
- Provides a MILCON one-time cost of \$21.642M at gaining activities.

Military Value

- FRCs merge the D and I levels of maint, and while ‘Military Value’ is not / can not be recalculated for these new composite activities, in the judgment of the I-JCSG, Military Value characteristics will be enhanced and improved in the 4 major Criterion that make up “MV” (1. Current & future mission rqmts + impact on readiness; 2. Condition of land, facilities; 3. Ability for contingency. mobilization & future total force readiness; 4. Cost of ops & manpower implications)

Payback

- One-time cost: \$35.950M
- Net implementation savings: \$588.445M
- Annual recurring savings: \$98.286M
- Payback time: Immediate
- NPV (savings): \$1,431.227M

Impacts

- Criteria 6: Cherry Point -396 jobs (210 direct, 186 indirect); Employment effect, - 0.6%
- Criteria 7: No issues
- Criteria 8: No issues

- ✓ Strategy
- ✓ Capacity Analysis / Data Verification
- ✓ JCSG/MilDep Recommended
- ✓ De-conflicted w/JCSGs
- ✓ COBRA
- ✓ Military Value Analysis / Data Verification
- ✓ Criteria 6-8 Analysis
- ✓ De-conflicted w/MilDeps

Candidate # IND-0124 FRC Southeast



Candidate Recommendation (Summary): Establish FRC Southeast Jacksonville and realign NAVAIRDEPOT JACKSONVILLE, FL, COMSEACONWINGLANT (AIMD) JACKSONVILLE, FL, NADEP JACKSONVILLE DET JACKSONVILLE, FL, COMHSLWINGLANT (AIMD) MAYPORT, FL, NADEP JACKSONVILLE DET MAYPORT, FL, NADEP JACKSONVILLE DET CECIL FIELD, FL, AIMD KEY WEST, FL, NAWCAD LAKEHURST VRT DET MAYPORT, FL, COMPATRECONWING FIVE (AIMD) BRUNSWICK, ME and NAVAIRES WILLOW GROVE, PA by relocating the depot and intermediate maintenance of Avionics/Electronics Components, AC Hydraulic Components, AC Landing Gear Components, AC Other Components, and AC Structural Components.

Justification

- Supports OSD’s goal of transforming to fewer maintenance levels (3 to 2)
- Provides better repair activity alignment with the Fleet
- Reduces total cost, repair turnaround time, manpower, infrastructure, transportation, and spares inventories
- Eliminates .282M Square footage.
- Provides annual facility sustainment savings of \$.818M.

Military Value

- FRCs merge the D and I levels of maint, and while ‘Military Value’ is not / can not be recalculated for these new composite activities, in the judgment of the I-JCSG, Military Value characteristics will be enhanced and improved in the 4 major Criterion that make up “MV” (1. Current & future mission rqmts + impact on readiness; 2. Condition of land, facilities; 3. Ability for contingency. mobilization & future total force readiness; 4. Cost of ops & manpower implications)

Payback

- One-time cost: \$17.075M
- Net implementation savings: \$324.967M
- Annual recurring savings: \$65.577M
- Payback time: Immediate
- NPV (savings): \$909.859M

Impacts

- Criteria 6: Jacksonville -528 (224 direct, 304 indirect) <0.1%; Mayport -13 (6 direct, 7 indirect) <0.1%; Brunswick -27 (13 direct, 14 indirect) <0.1%; Willow Grove -281 (187 direct, 94 indirect) <0.1%
- Criteria 7: No issues
- Criteria 8: No issues

- ✓ Strategy
- ✓ Capacity Analysis / Data Verification
- ✓ JCSG/MilDep Recommended
- ✓ De-conflicted w/JCSGs
- ✓ COBRA
- ✓ Military Value Analysis / Data Verification
- ✓ Criteria 6-8 Analysis
- ✓ De-conflicted w/MilDeps

Candidate # IND-0125 FRC Southwest



Candidate Recommendation (Summary): Establish FRC Southwest North Island and realign COMSEACONWINGPAC (AIMD) SAN DIEGO, COMAEWWINGPAC (AIMD) POINT MUGU, AIMD CORPUS CHRISTI, MALS-11 MIRAMAR, MALS-16 MIRAMAR, MALS-39 PENDLETON and MALS-13 YUMA by relocating the depot and intermediate maintenance of Avionics/Electronics Components, AC Hydraulic Components, AC Landing Gear Components, AC Other Components, and AC Structural Components.

Justification

- Supports OSD’s goal of transforming to fewer maintenance levels (3 to 2)
- Provides better repair activity alignment with the Fleet
- Reduces total cost, repair turnaround time, manpower, infrastructure, transportation, and spares inventories
- Square footage eliminated, none.
- Provides annual facility sustainment savings of \$.637M
- Provides MILCON one time cost of \$33.027M.

Military Value

- FRCs merge the D and I levels of maint, and while ‘Military Value’ is not / can not be recalculated for these new composite activities, in the judgment of the I-JCSG, Military Value characteristics will be enhanced and improved in the 4 major Criterion that make up “MV” (1. Current & future mission rqmts + impact on readiness; 2. Condition of land, facilities; 3. Ability for contingency. mobilization & future total force readiness; 4. Cost of ops & manpower implications)

Payback

- One-time cost: \$49.108 M
- Net implementation savings: \$471.660 M
- Annual recurring savings: \$96.575 M
- Payback time: Immediate
- NPV (savings): \$1,329.693 M

Impacts

- Criteria 6: Coronado -747 (366 direct, 381 indirect); <0.1% Ventura -23 (12 direct, 11 indirect) <0.1% Corpus Christi -166 (78 direct, 88 indirect) < 0.1%
- Criteria 7: No issues
- Criteria 8: No issues

- ✓ Strategy
- ✓ Capacity Analysis / Data Verification
- ✓ JCSG/MilDep Recommended
- ✓ De-conflicted w/JCSGs
- ✓ COBRA
- ✓ Military Value Analysis / Data Verification
- ✓ Criteria 6-8 Analysis
- ✓ De-conflicted w/MilDeps

Candidate # IND-0126 FRC Mid-Atlantic



Candidate Recommendation (Summary): Establish FRC Mid-Atlantic Oceana and realign COMSTRKFIGHTWINGLANT (AIMD) OCEANA, VA, NAVAIRDEPOT CHERRY POINT, NC, NADEP JACKSONVILLE DET OCEANA, COMAEWWINGLANT (AIMD) NORFOLK, VA, NADEP JACKSONVILLE DET NORFOLK, VA, NAWCAD LAKEHURST DET NORFOLK, VA, NAWCAD PATUXENT RIVER, MD, NAVAIRES NEW ORLEANS, LA, NAVAIRES ATLANTA, GA, NADEP CHERRY POINT DET OCEANA by relocating the depot and intermediate maintenance of Avionics/Electronics Components, AC Hydraulic Components, AC Landing Gear Components, AC Other Components, and AC Structural Components.

<p style="text-align: center;"><u>Justification</u></p> <ul style="list-style-type: none"> ■ Supports OSD’s goal of transforming to fewer maintenance levels (3 to 2) ■ Provides better repair activity alignment with the Fleet ■ Reduces total cost, repair turnaround time, manpower, infrastructure, transportation, and spares inventories ■ Eliminates.386M Square footage ■ Provides annual facility sustainment savings of \$.895M. ■ Provides a MILCON cost avoidance of none. 	<p style="text-align: center;"><u>Military Value</u></p> <ul style="list-style-type: none"> ■ FRCs merge the D and I levels of maint, and while ‘Military Value’ is not / can not be recalculated for these new composite activities, in the judgment of the I-JCSG, Military Value characteristics will be enhanced and improved in the 4 major Criterion that make up “MV” (1. Current & future mission rqmts + impact on readiness; 2. Condition of land, facilities; 3. Ability for contingency. mobilization & future total force readiness; 4. Cost of ops & manpower implications)
<p style="text-align: center;"><u>Payback</u></p> <ul style="list-style-type: none"> ■ One-time cost: \$21.053M ■ Net implementation savings: \$799.989M ■ Annual recurring savings: \$131.595M ■ Payback time: Immediate ■ NPV (savings): \$1,966.971M 	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> ■ Criteria 6: Norfolk -35 (17 direct, 18 indirect) <0.1% New Orleans -404 (241 direct, 163 indirect) <0.1% Cherry Point -782 (415 direct, 367 indirect) -1.18% Atlanta -123 (78 direct, 45 indirect) <0.1% ■ Criteria 7: No issues ■ Criteria 8: No issues

- ✓ Strategy
- ✓ Capacity Analysis / Data Verification
- ✓ JCSG/MilDep Recommended
- ✓ De-conflicted w/JCSGs
- ✓ COBRA
- ✓ Military Value Analysis / Data Verification
- ✓ Criteria 6-8 Analysis
- ✓ De-conflicted w/MilDeps

Maintenance Subgroup Scenario – Recommendations Not Cost Effective



- Charleston
- Crane
- Lakehurst
- North Island
- San Diego



Candidate # IND-0083 – Charleston, SC

DCN: 11297

Candidate Recommendation

Realign SPAWARSCEN Charleston, SC by relocating the depot maintenance of Electronic Components (Non-Airborne) to Tobyhanna Army Depot, PA.

<p style="text-align: center;"><u>Justification</u></p> <ul style="list-style-type: none"> • Supports depot maintenance function elimination at Charleston, SC • Minimizes sites using maximum capacity at 1.5 shifts. • Eliminates 14 K square feet • Eliminates 30% of duplicate overhead • Facilitates inter-servicing 	<p style="text-align: center;"><u>Military Value</u></p> <p>Electronic Components (non-airborne) Commodity</p> <ul style="list-style-type: none"> •Charleston, SC, 39.19 (Realignment Candidate) •Crane, IN, 37.89 (Realignment Candidate) •Lackland AFB, TX, 13.75 (Realignment Candidate) •Marine Corps Logistics Base Albany, GA, 53.50 •Marine Corps Logistics Base Barstow, CA, 43.87 (Realignment Candidate) •Seal Beach, CA, 32.20 (Realignment Candidate) •Tobyhanna Army Depot, PA, 65.13 <p>The overall effect on average Military Value for this commodity is an increase from 40.79 to 59.31.</p>
<p style="text-align: center;"><u>Payback</u></p> <ul style="list-style-type: none"> • One-time cost: \$ 5.272 M • Net <u>cost</u> during implementation: \$ 5.674 M • Annual recurring <u>savings</u> after implementation:\$.069M • Payback time: 100 + years • NPV <u>cost</u>: \$ 4.882 M 	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> • Criteria 6: - 64 Jobs (24 direct, 40 indirect); < 0.1 % • Criteria 7: No issues • Criteria 8: Potential Impacts at Tobyhanna;

Recommendation: Do Not Pursue

- | | | | |
|------------|---|---------------------------|---------------------------|
| ✓ Strategy | ✓ Capacity Analysis / Data Verification | ✓ JCSG/MilDep Recommended | ✓ De-conflicted w/JCSGs |
| ✓ COBRA | ✓ Military Value Analysis / Data Verification | ✓ Criteria 6-8 Analysis | ✓ De-conflicted w/MilDeps |



Candidate #IND-0083–Crane, IN ^{DCN: 11297}

Candidate Recommendation

Realign NAVSURFWARCENDIV Crane, IN. Relocate the depot maintenance of Aircraft Avionics/Electronics Components to Robins Air Force Base, GA . Relocate the depot maintenance of Computers, Electronic Components (Non-Airborne), Electronic Warfare, Electro-Optics/Night Vision/FLIR, Fire Control Systems and Components, Other, and Radar, to Tobyhanna Army Depot, PA . Relocate the depot maintenance of Conventional Weapons to MCLB Albany, GA . Relocate the depot maintenance of Small Arms/Personal Weapons to Anniston Army Depot, AL.

Justification

- Supports depot maintenance function elimination at Crane, IN
- Minimizes sites using maximum capacity at 1.5 shifts.
- Eliminates 14 K square feet
- Eliminates 30% of duplicate overhead
- Facilitates inter-servicing

Military Value

- Aircraft Avionics/Electronics increase from 49.71 to 50.60
- Computers Commodity from 38.68 to 38.73
- Conventional Weapons from 28.40 to 30.70
- Electronic Components (non-airborne) from 40.79 to 59.31
- Electro-Optics/Night Vision/FLIR from 48.12 to 53.80
- Electronic Warfare from 52.68 to 61.38.
- Fire Control Systems and Components from 14.89 to 18.87
- Other Commodity not considered relevant, other is primary miscellaneous/general support to the base and is location specific
- Radar from 40.75 to 38.75
- Small Arms/Personal Weapons from 54.47 to 58.45

Payback

- One-time cost: \$ 93.185 M
- Net cost during implementation: \$103.645M
- Annual recurring cost after implementation: \$0.174 M
- Payback time: Never
- NPV: cost \$ 100.443 M

Impacts

- Criteria 6: 1290 Jobs (889 direct, 401 indirect); 15.13%
- Criteria 7: No issues
- Criteria 8: Potential Impacts at Albany, Robins, Anniston, Tobyhanna

Recommendation: Do Not Pursue

- ✓ Strategy
- ✓ COBRA

- ✓ Capacity Analysis / Data Verification
- ✓ Military Value Analysis / Data Verification

- ✓ JCSG/MilDep Recommended
- ✓ Criteria 6-8 Analysis

- ✓ De-conflicted w/JCSGs
- ✓ De-conflicted w/MilDeps



Candidate # IND-0083 – Lakehurst, NJ

Candidate Recommendation

Realign NAVAIRWARCENACDIV Lakehurst, NJ by relocating the depot maintenance of Depot Fleet/Field Support, Fabrication and Manufacturing, and Other to NAVAIRDEPOT Jacksonville, FL.

<p style="text-align: center;"><u>Justification</u></p> <ul style="list-style-type: none"> • Supports depot maintenance function elimination at Lakehurst, NJ • Minimizes sites using maximum capacity at 1.5 shifts. • Eliminates 292K square feet • Eliminates 30% of duplicate overhead 	<p style="text-align: center;"><u>Military Value</u></p> <ul style="list-style-type: none"> • Depot Fleet/Field Support Commodity. This commodity supports the Aircraft Launch and Recovery Equipment for aircraft carriers. The maintenance performed on this equipment was not assigned a unique commodity designation. Mil judgment was used to select gaining activity (Jax); however, splitting Maint and Tech not advisable for both Cost and Effectiveness reasons. • Fabrication and Manufacturing Commodity. This commodity is determined to be a “Follower commodity capability” to the above commodities group and therefore is realigned respectively to the gaining activities • Other Commodity not considered relevant, other is primary miscellaneous/general support to the base and is location specific
<p style="text-align: center;"><u>Payback</u></p> <ul style="list-style-type: none"> • One-time cost: \$103.551M • Net <u>cost</u> during implementation: \$101.452M • Annual recurring savings after implementation: 2.671M • Payback time: 100+Years • NPV: <u>Cost</u> \$71.202M 	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> • Criteria 6: - 307 Jobs (163 direct, 144 indirect); <0.1% ▪ Criteria 7: No issues ▪ Criteria 8: Potential Impacts at NAS Jacksonville

Recommendation: Do Not Pursue

- ✓ Strategy
- ✓ COBRA

- ✓ Capacity Analysis / Data Verification
- ✓ Military Value Analysis / Data Verification

- ✓ JCSG/MilDep Recommended
- ✓ Criteria 6-8 Analysis

- ✓ De-conflicted w/JCSGs
- ✓ De-conflicted w/MilDeps



Candidate # IND-0127 – North Island, CA

Candidate Recommendation

Realign NAVAIRDEPOT North Island, CA. Relocate the depot maintenance of Aircraft Cargo/Tanker to Robins Air Force Base, GA. Relocate the depot maintenance of Aircraft Fighter/Attack, and Aircraft Instruments Components to Hill Air Force Base, UT. Relocate the depot maintenance of Aircraft Ordnance Equipment Components, and Aircraft Other to FRC Southeast Jacksonville, FL. Relocate the depot maintenance of Other Engines to Tinker Air Force Base, OK. Relocate the depot maintenance of Ground Support Equipment to Tobyhanna Army Depot, PA.

Justification

- Supports depot maintenance function elimination at North Island, CA
- Minimizes sites using maximum capacity at 1.5 shifts.
- Eliminates 127K square feet
- Eliminates 30% of duplicate overhead
- Facilitates inter-servicing

Military Value

- Aircraft Cargo/Tanker Commodity increase 49.18 to 57.91
- Aircraft Fighter/Attack Commodity increase 51.56 to 54.67
- Aircraft Instruments Components increase 48.40 to 48.44
- Aircraft Ordnance Equipment Components increase 36.66 to 37.46
- Aircraft Other Commodity increase 50.07 to 54.91
- Ground Support Equipment Commodity increase 41.43 to 45.98
- Other Engines Commodity decrease from 34.86 to 30.23

Payback

- One-time cost: \$92.555 M
- Net costs during implementation: \$103.147 M
- Annual recurring savings after implementation :\$6.484M
- Payback time: 28 years
- NPV: cost \$36.525M

Impacts

- Criteria 6: -2,333 Jobs (1126 direct, 1207 indirect); -0.13%
- Criteria 7: No issues
- Criteria 8: Potential Impacts at Hill, Robins, Tinker, and Tobyhanna

Recommendation: Do Not Pursue

- ✓ Strategy
- ✓ COBRA

- ✓ Capacity Analysis / Data Verification
- ✓ Military Value Analysis / Data Verification

- ✓ JCSG/MilDep Recommended
- ✓ Criteria 6-8 Analysis

- ✓ De-conflicted w/JCSGs
- ✓ De-conflicted w/MilDeps



Candidate # IND-0083 – San Diego, CA

Candidate Recommendation -

Realign SPAWARSYSCEN San Diego, CA . Relocate the depot maintenance of Calibration and Software Support Equipment to Hill Air Force Base, UT . Relocate the depot maintenance of Computers, Crypto, Depot Fleet/Field Support, Electronic Warfare, Fabrication and Manufacturing, Navigational Aids, Other, and Radio to Tobyhanna Army Depot, PA . Relocate the depot maintenance of Material Handling, Radar, and TMDE, to MCLB Albany, GA..

Justification

- Supports depot maintenance function elimination at San Diego, CA
- Minimizes sites using maximum capacity at 1.5 shifts.
- Eliminates 123K square feet
- Eliminates 30% of duplicate overhead
- Facilitates inter-servicing

Military Value

- Calibration Commodity increase from 49.30 to 54.19
- Computers Commodity increase from 38.68 to 38.73
- Crypto Commodity increase from 55.16 to 78.46
- Electronic Warfare Commodity increase from 52.68 to 61.38.
- Material Handling Commodity increase from 38.77 to 44.71
- Navigational Aids Commodity increase from 57.62 to 63.97
- Radar Commodity decrease from 40.75 to 38.75
- Radio Commodity increase from 41.13 to 57.28
- Software Support Equipment Commodity increase from 47.52 to 52.61

Payback

- One-time cost: \$20.9M
- Net cost during implementation: \$23.8M
- Annual recurring savings after implementation: \$0.9M
- Payback time: 85 years
- NPV cost : \$14.2M

Impacts

- Criteria 6: - 419 Jobs (202 direct, 217 indirect); < 0.1%
- Criteria 7: No issues
- Criteria 8: Potential Impacts at Hill, Tobyhanna, Albany;

Recommendation: Do Not Pursue

- ✓ Strategy
- ✓ COBRA

- ✓ Capacity Analysis / Data Verification
- ✓ Military Value Analysis / Data Verification

- ✓ JCSG/MilDep Recommended
- ✓ Criteria 6-8 Analysis

- ✓ De-conflicted w/JCSGs
- ✓ De-conflicted w/MilDeps



IJCSG Candidate Recommendation Projected Briefings to ISG DCN: 11297 (as of 24 Feb)

Group	Total	7 Jan	14 Jan	21 Jan	28 Jan	4 Feb	11 Feb	25 Feb	04 Mar
Maintenance	11					1		4	6

Outstanding Status	Capacity	Mil/Val	Cost Data	COBRA	IJCSG	OGC	ISG
Maintenance (0)	Complete	Complete	Complete	Complete	2/24/05	Complete	3/04/05



Maintenance Subgroup

DCN: 11297

Values in 2005 \$M			TOTAL	NPV			
Scenario			ONE-TIME	IN	Reduction	PAYBACK	People
Number	Site	SVC	COSTS	2025	KSF	Year	Reduction
IND0127A	BARSTOW	Marines	\$43	-\$215	1,100	1 Year	789
IND0127B	RED RIVER	Army	\$194	-\$124	900	7 Years	1,752
IND0083A	ROCK ISLAND	Army	\$29	-\$9	160	11 Years	180
IND0083B	SEAL BEACH	Navy	\$5	-\$14	243	2 Years	47
IND0103	FRC West	Navy	\$12	-\$383	0	Immediate	464
IND0104	FRC Northwest	Navy	\$183	-\$244	0	3 Years	242
IND0123	FRC East	Navy	\$36	-\$1,431	82	Immediate	210
IND0124	FRC Southeast	Navy	\$17	-\$910	282	Immediate	430
IND0125	FRC Southwest	Navy	\$49	-\$1,330	0	Immediate	456
IND0126	FRC Mid-Atlantic	Navy	\$21	-\$1,967	386	Immediate	751
IND0086	LACKLAND	Air Force	\$10	-\$26	36	3 Years	177
Total			\$599	-\$6,653	3,189		5,498