



DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
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DCN 7895

10 August 2005

The Honorable Anthony J. Principi
Chairman
Defense Base Closure and Realignment Commission
2521 South Clark Street, Suite 600
Arlington, VA 22202

Dear Chairman Principi:

This is in response to the July 20, 2005 inquiry (JCS #19) from Mr. Frank Cirillo of your staff regarding Marine Corps Logistics Base (MCLB) Barstow, CA. Below are his questions along with our responses. Our responses were coordinated with the Industrial Joint Cross Service Group.

Question: *MCLB Barstow Maintenance facility is DoD's sole source for repair and overhaul on several of the commodities identified for realignment. Were training costs allocated for each gaining facility; and, if so, how much? How is it more efficient to move sole source functions out when you have to train individuals and risk delaying the overhaul due to lack of specialized skills?*

(1) The Industrial Joint Cross Service Group (JCSG) analyzed depot maintenance for 57 distinct commodity groups. In reviewing the data, MCLB Barstow is not identified as the sole source of repair for any of the 57 commodity groups but may be the sole source for some weapon systems/assemblies within these commodity groups. Of the 28 depots analyzed, none were identified as DoD sole source for any of the commodity groups.

Following a methodology approved in an Industrial JCSG deliberative session and reviewed by the Services, the Industrial JCSG used certified data from the responding activities to calculate the number of direct and indirect manpower authorizations Full-Time Equivalents (FTEs) needed to support each activities' commodity groups. All of the direct FTEs were moved with each realigned commodity group but only 70% of the indirect FTEs were moved. The 30% reduction factor for indirect FTEs was applied to account for elimination of duplicate indirect functions and for indirect efficiencies gained at the receiving locations.

The Industrial JCSG included a factor that increased the FTE numbers for each realigned commodity group by 15%. This FTE increase, in the year prior to realignment, accounts for losses of efficiency and allows the losing activity to complete all planned workload. Additionally, an increase of 7.5% in FTEs for the first two years after the realignment was applied to the receiving activities to account for any training and decreases in production efficiency associated with the movement of each realigned workload. It is expected that after the two years each gaining

facility will be able to equal the production presently being performed at the losing activities for the same amount of realigned workload.

(2) The Industrial JCSG only realigned commodity groups to other DoD depots that performed similar or "like" commodity groups. None of the maintenance being performed in the commodity groups is so unique that, with training, it couldn't be performed by artisans already working within the same commodity groups. Additionally, certified data for the weight and costs to move all support and test equipment for each commodity group was captured and entered into the COBRA cost model. If special equipment is needed for specific maintenance requirements, it will be moved as part of the realignment. Commercial repair sources are also available to assist with the transition, if the need arises.

Question: *The section titled "Summary of Scenario Environmental Impacts" in the COBRA data states in Action 4 and 5 to realign or eliminate NAVHOSP and NAVDENCEN Camp Pendleton function and personnel at Branch Medical and Dental Clinic Barstow. Will the Medical and Dental Clinic realign or close?*

Among the assumptions upon which COBRA and scenario data was based for the realignment of MCLB Barstow was that medical and dental support would be eliminated due to the substantial reduction of military personnel at MCLB Barstow.

Question: *Is it reasonable to measure Barstow local economic impact by comparing the number of jobs estimated to be lost at MCLB Barstow to the total employment base of San Bernardino-Riverside-Ontario, CA Metropolitan Statistical Area which has a combined population of 3 million and covers 27k square miles? Barstow is located in San Bernardino County, which has a population of 21K and occupies 40 square miles.*

DoD policy restricts the Department of the Navy (DoN), and the other Services, from modifying the entering denominator (the Metropolitan Statistical Area/MSA) when calculating the economic impact of a particular realignment or closure action. The MSA's are based on current Office of Management and Budget (OMB) guidelines. DoD consistently applied DoD policy memorandum dated December 20, 2004 entitled "Transformation Through Base Realignment and Closure (BRAC 2005) Policy Memorandum Six-Selection Criterion 6" throughout the BRAC analysis.

I trust this information is responsive to your requirements. If we can be of further assistance, or if you would like to meet with me staff to discuss further, please contact us via e-mail to bracprocess@navy.mil.

Sincerely,



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