



**INFRASTRUCTURE ANALYSIS TEAM**  
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RP-0485  
 IAT/JAN  
 28 February 2005

MEMORANDUM FOR THE INFRASTRUCTURE EVALUATION GROUP (IEG)

Subj: REPORT OF IEG DELIBERATIONS OF 17 FEBRUARY 2005

Encl: (1) DON Analysis Group Brief to IEG of 17 February 2005

1. The thirty-ninth deliberative session of the Department of the Navy (DON) Infrastructure Evaluation Group (IEG) convened at 1011 on 17 February 2005 in room 4D584 at the Pentagon. The following members of the IEG were present: Ms. Anne R. Davis, Co-Chair; Gen William L. Nyland, USMC, Co-Chair; ADM John B. Nathman, USN, Co-Chair; VADM Justin D. McCarthy, USN, Member; Mr. Thomas R. Crabtree, alternate for VADM Kevin J. Cosgriff, USN, Member; LtGen Richard L. Kelly, USMC, Member; LtGen Michael A. Hough, USMC, Member; Mr. Michael F. Jaggard, alternate for Dr. Michael F. McGrath, Member; Mr. Robert T. Cali, Member; Mr. Ronnie J. Booth, Navy Audit Service, Representative; and, Mr. Thomas N. Ledvina, Navy Office of General Counsel (OGC), Representative. The following members of the DON Analysis Group (DAG) were present: Mr. Michael G. Akin, alternate for RADM Christopher E. Weaver, USN; Ms. Ariane Whittemore; Mr. Paul Hubbell; and, CAPT Thomas Mangold, USN, alternate for RDML(sel) Charles Martoglio, USN. The following members or representatives of the Functional Advisory Board (FAB) were present: RADM William R. Klemm, USN; RADM Kathleen L. Martin, NC, USN; RDML Jan C. Gaudio, USN; RDML Mark Hugel, USN; Ms. Shanna Poole; Mr. George Ryan; Col Michael J. Massoth, USMC; CAPT David W. Mathias, CEC, USN; CAPT Walter Wright, USN; CAPT William Wilcox, USN; CAPT Nancy Hight, MSC, USN; and, Mr. Thomas Grewe. The following members of the IAT were also present: Mr. Dennis Biddick, Chief of Staff; Mr. David W. LaCroix, Senior Counsel; CAPT Christopher T. Nichols, USN; CAPT Jan G. Rivenburg, USN; Mr. Andrew S. DeMott; CAPT Matthew A. Beebe, CEC, USN; LtCol Teri E. Erdag, USMC; CDR Judith D. Bellas, NC, USN; CDR Carl W. Deputy, USN; LCDR Paul V. Neuzil, USN; LCDR Maria L. Aguayo, CEC, USN; LCDR Vincent J. Moore, JAGC, USNR; and, Capt James A. Noel, USMC. All attendees were provided enclosure (1).

Subj: REPORT OF IEG DELIBERATIONS OF 17 FEBRUARY 2005

2. Ms. Davis used slide 4 of enclosure (1) to update the IEG concerning scenario analysis for the Aviation Operations Function, reminding the IEG that DON-0068 (realignment of NAS Atlanta, GA) and DON-0084 (close NAS JRB Willow Grove, PA) had been approved as candidate recommendations. She advised the IEG that the DAG is seeking the IEG's decision concerning the closure (DON-0138) or realignment (DON-0138A or DON-0138B) of NAS Brunswick, ME, and will provide updates concerning the realignment of Cambria Airport, Johnstown, PA (assets to NAS JRB Willow Grove (DON-0067) or McGuire AFB (DON-0067A). See slide 5 of enclosure (1).

3. Ms. Davis noted that with the closure of NAS JRB Willow Grove (DON-0084), there is no identified viable receiving site for DON-0067 and that the Marine Corps will gain efficiencies if Cambria Airport assets (HMLA 775 Det A) join units currently aboard NAS JRB Willow Grove. Accordingly, at its 15 February 2005 deliberative session, the DAG developed a new scenario to relocate Cambria Airport assets (HMLA 775 Det A) to McGuire AFB. The DAG noted that by itself DON-0067A is not as cost effective as other candidate recommendations submitted (requirements for new military construction (MILCON) at McGuire AFB negatively impact Payback). However, the DAG's analysis of a combined realignment of Cambria and closure of NAS JRB Willow Grove (DON-0084/DON-0067A) indicated a favorable costs and saving ratio. Additionally, the DAG noted that the combined scenarios create a Joint Center of Excellence in New Jersey, and allow Marine Corps Reserve Aviation to leverage maintenance and operational efficiencies by co-locating with Reserve headquarters from NAS JRB Willow Grove. See slide 6 of enclosure (1).

4. The COBRA data for DON-0084 indicates one-time costs of \$73 million, Payback in one year, and 20-year NPV savings of \$795.8 million. DON-0067A indicates one-time costs of \$5.8 million, Payback in 22 years, and 20-year net present value (NPV) costs of \$500 thousand. The COBRA data for the combined scenarios (DON0084/DON-0067A) indicates one-time costs of \$78.7 million, Payback in one year, and 20-year NPV savings of \$794.4 million. See slide 7 of enclosure (1). Ms. Davis reviewed the Candidate Recommendation Risk Assessments (CRRAs) for these scenarios. See slides 8-10 of enclosure (1). She noted that the CRRAs for each scenario indicates minimal warfighting/readiness risk. She noted that the CRRAs for DON-0084 and the combined DON-0084/DON-0067A indicate minimal executability risk but that the CRRAs for DON-0067A indicates a medium executability risk primarily because of the longer Payback and low ratio of 20-year NPV to initial cost. The IEG reviewed the Selection Criteria 6-8

Subj: REPORT OF IEG DELIBERATIONS OF 17 FEBRUARY 2005

analyses for the combined scenario, noting that the addition of DON-0067A did not significantly change the analyses for DON-0084. See paragraph 9 of the Report of IEG Deliberations of 10 February 2005. The IEG approved the DAG's recommendation to prepare a combined candidate recommendation package to realign Cambria Airport (DON-0067A) and close NAS JRB Willow Grove (DON-0084).

5. Ms. Davis used slide 11 of enclosure (1) to discuss NAS Brunswick, ME. She reminded the IEG that it had approved DON-0138 (close NAS Brunswick) as a candidate recommendation at its 27 January 2005 deliberative session and that pursuant to direction from DON senior leadership, the DAG was exploring alternatives other than total closure of NAS Brunswick. Ms. Davis noted that the DAG has analyzed three scenarios that single site P-3 assets on the east coast at NAS Jacksonville, FL. DON-0138 closes NAS Brunswick. DON-0138A realigns NAS Brunswick into a Naval Support Activity (NSA) and retains all other non-Aviation functions at NAS Brunswick, including base support for remaining functions. DON-0138B realigns NAS Brunswick into a Naval Air Facility (NAF), maintains base support for all remaining functions, and keeps the airfield operational. Ms. Davis noted that Commander, Fleet Forces Command (CFFC) prefers DON-0138B since it maintains an operational airfield and provides for increased operational and strategic flexibility.

6. The IEG reviewed the COBRA data for these scenarios. The refined COBRA data for DON-0138 indicates one-time costs of \$183.8 million, Payback in one year, and 20-year NPV savings of \$843.2 million. DON-0138A indicates one-time costs of \$148.7 million, Payback in three years, and 20-year NPV savings of \$299.4 million. DON-0138B indicates one-time costs of \$146.7 million, Payback in four years, and 20-year NPV savings of \$236.2 million. See slide 12 of enclosure (1). Ms. Davis stated that the primary distinguishing cost factors between DON-0138A and DON-0138B are costs for the additional 81 personnel required to keep the airfield operational. The IEG noted that maintaining the airfield results in a loss of approximately \$600 million in 20-year NPV savings.

7. The IEG next reviewed the CRRAs for the NAS Brunswick scenarios. DON-0138 indicates a low executability risk and a medium warfighting/readiness risk, the latter due to the reduced strategic flexibility associated with the closure action. DON-0138A and DON-0138B indicate a medium executability risk because of the longer Payback and lower ratio of 20-year NPV to initial

Subj: REPORT OF IEG DELIBERATIONS OF 17 FEBRUARY 2005

cost. DON-0138A indicates medium (but lower than DON-0138) warfighting/readiness risk since the airfield is retained, but not in an operational status. DON-0138B indicates minimal warfighting/readiness risk since maintaining an operational airfield provides increased strategic flexibility.

8. The IEG discussed the scenario alternatives, noting that since there were adequate available options to address operational concerns (i.e., potential detachment sites such as McGuire AFB, NJ are available in the Northeast to perform current homeland defense requirements), it appears counterintuitive to forego the significant savings afforded by the closure of NAS Brunswick. Accordingly, the IEG decided to forward a candidate recommendation package for DON-0138 along with its analysis of DON-0138A and DON-0138B to DON senior leadership for their consideration.

9. The IEG reviewed a summary of its current decisions for the Aviation Operations Function that result in two candidate recommendation packages for Aviation activities DON-0084/DON-0067A and DON-0138. These scenarios reduce active and reserve operational capacity from 317 hangar modules to 292 hangar modules (7.9%), and overall Aviation capacity is reduced from 433 hangar modules to 408 hangar modules (5.8%). The average military value score of the remaining operational aviation activities increases from 56.22 to 58.32. See slide 16 of enclosure (1).

10. The IEG reviewed the Payback summary for Candidate Recommendation Package Three (CR3), noting that these scenarios have total one-time costs of \$262.5 million and 20-year NPV savings of \$1.64 billion. Ms. Davis noted that the cost/NPV savings ratio (1:4) remains the same for the combined packages (CR1, CR2 and CR3). See slide 18 of enclosure (1). Ms. Davis provided the IEG an updated cartographical display of approved DON candidate recommendations packages to depict the affected geographical areas. See slide 19 of enclosure (1). She noted that further scenario analysis is required for the IGPBS directed relocation of a CVN and CVW to the Pacific Command Area of Responsibility, Joint Action Scenario Team (JAST) Reserve Centers, fenceline closures resulting from JCSG candidate recommendations, and the DON Specific Industrial Munitions Storage and Distribution Function.

11. Ms. Davis used slides 21-24 of enclosure (1) to discuss the status of fenceline closures being considered based on JCSG scenarios posted in the OSD scenario tracking tool. She

Subj: REPORT OF IEG DELIBERATIONS OF 17 FEBRUARY 2005

highlighted three issues with respect to DON-0070A (close Naval Post Graduate School Monterey, CA). First, DON will work to identify Navy military unique graduate level courses that are not available at civilian institutions and recommend to the Education and Training JCSG that the training function for those courses be relocated to NAVSTA Newport, RI. Second, DON is recommending that Fleet Numerical Meteorology and Oceanography Command and the Naval Research Lab (NRL) detachment remain together at an enclave at Monterey to maximize synergies from co-location of these assets. The Technical JCSG is currently recommending that the NRL detachment be relocated to Stennis Space Center, MS. Third, the Army may plan to relocate its Track Analysis detachment (an office that supports Army students enrolled in Navy military unique courses) to NAVSTA Newport. Concerning DON-0161 (close NSWC Corona Division), Ms. Davis informed that IEG that she has forwarded a letter to the Technical JCSG suggesting alternate receiving sites for NSWC Corona assets since the proposed receiving sites appear to separate functions.

12. With respect to DON-0162 (close NAS Pt Mugu, CA), the IEG discussed the need to locate a suitable receiving site for E-2 Hawkeye assets and the significant cost to replicate the surface launch test facility. The IEG noted that realignment to a NAF may present a better option than closure of NAS Pt. Mugu, and that additional information is required from cognizant DON commanders to inform the analysis. Ms. Davis noted that DON-0163 (closure of NAES Lakehurst) remains an unlikely candidate since no JCSG scenario appears to relocate the primary function. Ms. Davis stated that a letter will be forwarded to advise the Industrial and Technical JCSGs that NAES Lakehurst may present a viable receiving site. The IEG re-emphasized that analysis of DON-0169 (close NSWC Indian Head, MD) requires consideration of COCOM concerns with regard to the Chemical-Biological Incident Response Force (CBIRF). Additionally, Ms. Davis noted that JCSG functional realignments do not remove all assets from NSWC Indian Head, and that splitting the industrial (production) function from the technical (RDT&E) function may negatively impact the energetics function.

12. The IEG next reviewed fenceline scenarios to close Potomac Annex, Arlington, VA (DON-0072A), and Arlington Service Center (ASC), Arlington, VA (DON-0164). Ms. Davis noted that DON-0072A is linked to a Medical JCSG scenario (MED-0030) to disestablish the Uniformed Services University of Health Sciences (USUHS). DON-0164 is enabled by an HSA JCSG scenario (HSA-0046) that relocates Defense Information Systems Agency (DISA) from the

Subj: REPORT OF IEG DELIBERATIONS OF 17 FEBRUARY 2005

ASC. Ms. Davis noted that at its 7 February 2005 deliberative session, the DAG recommended retaining Potomac Annex and ASC for other DON uses. The DAG noted that Naval District Washington desires to retain flag housing at both locations and that retaining these properties provides valuable backfill space. Additionally, the DAG noted the potential to relocate DON assets from leased space into the ASC (i.e., OPNAV, HQMC, SPAWAR and NAVAIR). Accordingly, the IEG approved the DAG's recommendation to continue data refinement for DON-0072A and DON-0164.

14. Ms. Davis used slide 25 of enclosure to discuss analysis of the DON Specific Munitions Storage and Distribution Function. She noted that the Industrial JCSG has determined that the following activities are operational in nature and cannot be considered for wholesale storage: Naval Magazine (NAVMAG) Indian Island, WA; NAVMAG Pearl Harbor, HI; Naval Weapons Station (NAVWPNSTA) Seal Beach, CA; NAVWPNSTA Seal Beach Detachment Concord, CA; NAVWPNSTA Seal Beach Detachment Fallbrook, CA; NAVWPNSTA Charleston, SC; NAVWPNSTA Earle, NJ; and, NAVWPNSTA Yorktown, VA. Ms. Davis noted that, therefore, DON is responsible for BRAC analysis of these activities. She reminded the IEG that the City of Concord has submitted a community request expressing strong support for the closure of the inland and tidal areas of NAVWPNSTA Seal Beach Detachment Concord. Ms. Davis informed the IEG that the IAT will review the Industrial JCSG's deliberations and develop the necessary capacity and military value methodologies for analyzing the DON Specific Munitions Storage and Distribution Function to the DAG.

15. Ms. Davis provided the IEG a cartographical display of known JCSG scenarios approved as candidate recommendations. See slide 26 of enclosure (1). The IEG reviewed JCSG Candidate Recommendations that will be briefed to the Infrastructure Steering Group (ISG) and Infrastructure Executive Council (IEC). The IEG expressed concern that HSA scenarios that create consolidated level two correctional facilities may require significant initial investment. See slides 27-28 of enclosure (1). Ms. Davis provided a status update of of Candidate Recommendations for the Services and JCSGs. She noted that Army costs and savings data for IGPBS directed actions outside of the United States have been factored out. Additionally, costs and savings for Industrial JCSG enabling scenarios (Ingleside, Pascagoula, New London) are shown separately from the JCSG's COBRA data to avoid duplication. Lastly, she stated that 138 of 312 candidate recommendations affect DON. The COBRA data indicates total one-time costs of \$10.25 billion and total 20-

Subj: REPORT OF IEG DELIBERATIONS OF 17 FEBRUARY 2005

year NPV savings of \$25.41 billion. See slide 29 of enclosure (1).

16. The IEG received the following JCSG status updates:

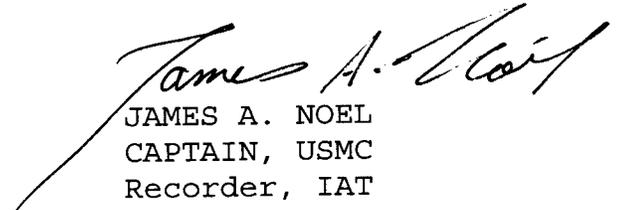
a. Education and Training. CAPT Wilcox informed the JCSG that the COBRA data for approved candidate recommendations to create a joint range structure (E&T-0037 and E&T-0038) never indicate a Payback, primarily because of costs for 300 additional required billets. He noted that the JCSG will discuss a scenario to privatize Naval Post-graduate School, Monterey, CA, today. CAPT Wilcox noted that a scenario to create a Joint Urban Operations Center of Excellence is still pending a determination of an appropriate receiving site, i.e., a base recommended for closure. He noted that no JCSG scenario affects the Defense Language Institute.

b. Medical. RADM Martin informed the IEG that the JCSG is evaluating a scenario to close the Armed Forces Institute of Pathology, Washington, DC (Med-0029).

c. Technical. Mr. Ryan informed the IEG that the JCSG is completing analysis of its ten remaining scenarios, six of which affect DON (e.g., Tech-0020 relocates the NRL detachment from the NPGS to the Naval Oceanographic Command at Stennis Space Center, MS).

d. Supply and Storage. CAPT Wright informed the IEG that the JCSG has approved candidate recommendations concerning Defense Logistics Agency (DLA) and Military Department Inventory Control Points (ICPs) that reduce the number of ICPs from 16 to 10, noting that management of NAVICP Mechanicsburg, PA, and NAVICP Philadelphia, PA, will transfer to DLA.

16. The IEG adjourned at 1120.



JAMES A. NOEL  
CAPTAIN, USMC  
Recorder, IAT

**TAB 1**



*Department of the Navy*

*DON Analysis Group*

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# **DON Analysis Group Brief to Infrastructure Evaluation Group**

**17 February 2005**



- **Operational**
  - NAS Willow Grove update
  - NAS Brunswick
- **DON Candidate Recommendation Summary**
- **Status/Upcoming Analysis**
  - Fenceline Closures update
  - Potomac Annex/Arlington Service Center
  - Naval Weapon Stations
- **JCSG Candidate Recommendations**
- **Candidate Recommendation Status**
- **IEG/FAB Open Discussion**



**Department of the Navy**

**DON Analysis Group**

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# Operational



# Aviation Scenarios Summary

- **DON-0067:** Realign Cambria Airport (Johnstown, PA); assets to NAS JRB Willow Grove
- **DON-0067A:** Realign Cambria Airport (Johnstown, PA); assets to McGuire AFB
- **DON-0068:** Realign NAS Atlanta; assets to other DOD activities
- **DON-0069:** Close NAS JRB Fort Worth; major assets to NAS Atlanta, Ellington Field ANG, NAS Oceana
- **DON-0084:** Close NAS JRB Willow Grove; assets to McGuire AFB, Ft. Dix
- **DON-0138:** Close NAS Brunswick; assets to NAS Jacksonville
- **DON-0138A:** Close NAS Brunswick; assets to NAS Jacksonville (NSA)
- **DON-0138B:** Close NAS Brunswick; assets to NAS Jacksonville (NAF)
- **DON-0139:** Close NAS Oceana; assets to NAS Pensacola
- **DON-0140:** Close NAS Oceana; assets to NAS Whiting Field
- **DON-0141:** Close MCAS Beaufort; assets to MCAS Cherry Point
- **DON-0151:** Close NAS Oceana; assets to MCAS Beaufort
- **DON-0153:** Close NAS Oceana; assets to Moody AFB



- **DON-0084:** Close NAS JRB Willow Grove
  - **DON-0067:** Realign Cambria Airport (Johnstown, PA)
  - **DON-0067A:** Realign Cambria Airport to McGuire AFB
- } **IEG update**
- **DON-0138:** Close NAS Brunswick
  - **DON-0138A:** Realign NAS Brunswick (NSA)
  - **DON-0138B:** Realign NAS Brunswick (NAF)
- } **Seeking IEG decision**



# NAS JRB Willow Grove and Cambria Airport (Johnstown, PA)

- **DON-0067 (Cambria) Concerns**
  - Receiving site (NAS JRB Willow Grove) no longer tenable
  - DON-0084 closes Willow Grove and moves assets to McGuire
  - Marine Corps gains efficiencies if HMLA 775 Det A joins other USMC Reserve units on board Willow Grove
- **New Scenario (DON-0067A)**
  - Realign Cambria Airport; relocate to McGuire AFB
    - Relocates HMLA 775 Det A to McGuire
    - By itself, Milcon costs impact payback
- **Look at combining Cambria Realignment with Willow Grove closure**
  - Creates a Joint Center of Excellence in New Jersey
  - Leverages maintenance and operational efficiencies within Marine Corp Reserve Aviation
  - Costs and savings ratio favorable



# NAS JRB Willow Grove and Cambria Airport (Johnstown, PA)

## Scenario Summaries

<b>Scenario</b>	<b>One-Time Costs</b>	<b>Milcon</b>	<b>Steady-State Savings</b>	<b>ROI Years</b>	<b>20 Year NPV</b>
<b>DON-0084 Willow Grove to McGuire</b>	<b>73.0</b>	<b>53.9</b>	<b>-63.5</b>	<b>1 (2008)</b>	<b>-795.8</b>
<b>DON-0067A Cambria to McGuire</b>	<b>5.8</b>	<b>5.5</b>	<b>-0.4</b>	<b>22 (2028)</b>	<b>0.5</b>
<b>DON-0084/0067A Combined McGuire Scenarios</b>	<b>78.7</b>	<b>59.4</b>	<b>-63.9</b>	<b>1 (2008)</b>	<b>-794.4</b>



# Candidate Recommendation Risk Assessment DON-0084

## Executability Risk

### *Investment Recoupment*

**0: Immediately self financing 0-1 years**

- 1: Investment recoverable in 2-4 years
- 2: Investment is not recoverable in less than 4 years

### *Investment/Ratio of 20 Year NPV to Initial Cost*

**0: Initial investment < \$100M and ratio is > 5 to 1**

- 1: Initial investment < \$200M and ratio is > 3 to 1
- 2: Initial investment > \$200M or ratio is < 3 to 1

### *Economic Impact*

**0: Low direct/indirect job losses in community (<.1%)**

- 1: Some direct/indirect job losses in community (>.1% and < 1%)
- 2: Greater potential economic effect on community due to single action or cumulative effort of all actions (>1%)

### *Community Infrastructure Impact*

**0: Receiving site community readily able to absorb forces, missions, personnel**

- 1: Some potential impact on receiving site community but absorption likely over time
- 2: Impact on receiving community likely; uncertainty regarding absorption of forces, missions, personnel

### *Environmental Impact*

0: Minimal impact at receiving site or no risk of executability

**1: Mitigation at receiving site required but possible**

2: Complex mitigation at receiving site probable; uncertainty about executability

**Issues:**

## Risk Matrix

9-10	Yellow	Yellow	Red	Red	Red
7-8	Yellow	Yellow	Yellow	Red	Red
5-6	Yellow	Yellow	Yellow	Yellow	Red
3-4	Green	Green	Yellow	Yellow	Yellow
0-2	Green X	Green	Green	Yellow	Yellow
	1	2	3	4	5

## Warfighting/Readiness Risk

**(0-1) Low Minor impact on mission capability**

**(2-3) Medium Reduced flexibility, but still mission capable**

**(4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces**

**COCOM Concerns:**



# Candidate Recommendation Risk Assessment DON-0067A

## Executability Risk

### *Investment Recoupment*

- 0: Immediately self financing 0-1 years
- 1: Investment recoverable in 2-4 years

**2: Investment is not recoverable in less than 4 years**

### *Investment/Ratio of 20 Year NPV to Initial Cost*

- 0: Initial investment < \$100M and ratio is > 5 to 1
- 1: Initial investment < \$200M and ratio is > 3 to 1

**2: Initial investment > \$200M or ratio is < 3 to 1**

### *Economic Impact*

- 0: Low direct/indirect job losses in community (<.1%)

**1: Some direct/indirect job losses in community (>.1% and < 1%)**

- 2: Greater potential economic effect on community due to single action or cumulative effort of all actions (>1%)

### *Community Infrastructure Impact*

**0: Receiving site community(ies) readily able to absorb forces, missions, personnel**

- 1: Some potential impact on receiving site community(ies) but absorption likely over time
- 2: Impact on receiving community likely; uncertainty regarding absorption of forces, missions, personnel

### *Environmental Impact*

- 0: Minimal impact at receiving site or no risk of executability

**1: Mitigation at receiving site required but possible**

- 2: Complex mitigation at receiving site probable; uncertainty about executability

**Issues: Environmental impacts uncertain**

## Risk Matrix

9-10	Yellow	Yellow	Red	Red	Red
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5-6	Yellow X	Yellow	Yellow	Yellow	Red
3-4	Green	Green	Yellow	Yellow	Yellow
0-2	Green	Green	Green	Yellow	Yellow
	1	2	3	4	5

## Warfighting/Readiness Risk

(0-1) **Low Minor impact on mission capability**

(2-3) Medium Reduced flexibility, but still mission capable

(4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces

**COCOM Concerns:**



# Candidate Recommendation Risk Assessment Combined

## Executability Risk

### *Investment Recoupment*

**0: Immediately self financing 0-1 years**

- 1: Investment recoverable in 2-4 years
- 2: Investment is not recoverable in less than 4 years

### *Investment/Ratio of 20 Year NPV to Initial Cost*

**0: Initial investment < \$100M and ratio is > 5 to 1**

- 1: Initial investment < \$200M and ratio is > 3 to 1
- 2: Initial investment > \$200M or ratio is < 3 to 1

### *Economic Impact*

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### *Community Infrastructure Impact*

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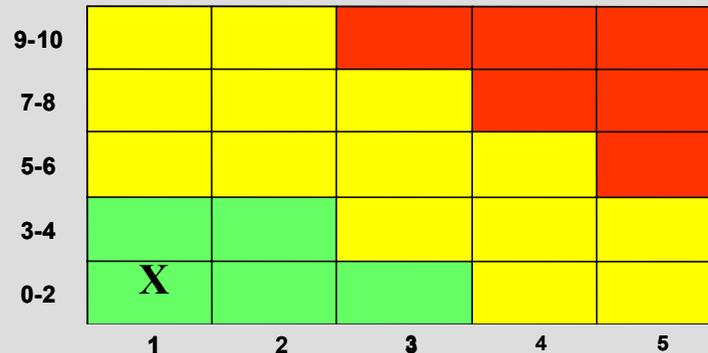
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**Issues: Environmental impacts uncertain**

## Risk Matrix



## Warfighting/Readiness Risk

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(4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces

**COCOM Concerns:**



- **Brunswick Concerns**

- Only Naval aviation footprint in New England
- Strategic implications regarding NORTHCOM's Homeland Defense Strategy

- **Three scenarios analyzed**

- Close: Consolidate Maritime Patrol in Jacksonville; close air station
- Naval Air Facility: Move aviation assets, other functions remain, keep airfield operational (40hrs/wk)
- Naval Support Activity: Move aviation assets, other functions remain

- **CFFC prefers NAF option**



# Scenario Comparison

<b>Scenario</b>	<b>One-Time Costs</b>	<b>Milcon</b>	<b>Steady-State Savings</b>	<b>ROI Years</b>	<b>20 Year NPV</b>
<b>DON-0138 Close NAS Brunswick</b>	<b>183.8</b>	<b>135.6</b>	<b>-94.6</b>	<b>1 (2012)</b>	<b>-843.2</b>
<b>DON-0138A NSA Brunswick</b>	<b>148.7</b>	<b>119.3</b>	<b>-42.3</b>	<b>3 (2014)</b>	<b>-299.4</b>
<b>DON-0138B NAF Brunswick</b>	<b>146.7</b>	<b>119.3</b>	<b>-35.8</b>	<b>4 (2015)</b>	<b>-236.2</b>

All Dollars Shown in Millions



# Candidate Recommendation Risk Assessment DON-0138

## Executability Risk

### *Investment Recoupment*

**0: Immediately self financing 0-1 years**

- 1: Investment recoverable in 2-4 years
- 2: Investment is not recoverable in less than 4 years

### *Investment/Ratio of 20 Year NPV to Initial Cost*

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5-6	Yellow	Yellow	Yellow	Yellow	Red
3-4	Green	Green	Yellow X	Yellow	Yellow
0-2	Green	Green	Green	Yellow	Yellow
	1	2	3	4	5

## Warfighting/Readiness Risk

(0-1) Low Minor impact on mission capability

**(2-3) Medium Reduced flexibility, but still mission capable**

(4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces

**COCOM Concerns:**



# Candidate Recommendation Risk Assessment DON-0138 A

## Executability Risk

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2: Investment is not recoverable in less than 4 years

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### *Economic Impact*

0: Low direct/indirect job losses in community (<.1%)

1: Some direct/indirect job losses in community (>.1% and < 1%)

**2: Greater potential economic effect on community due to single action or cumulative effort of all actions (>1%)**

### *Community Infrastructure Impact*

**0: Receiving site community(ies) readily able to absorb forces, missions, personnel**

1: Some potential impact on receiving site community(ies) but absorption likely over time

2: Impact on receiving community likely; uncertainty regarding absorption of forces, missions, personnel

### *Environmental Impact*

0: Minimal impact at receiving site or no risk of executability

**1: Mitigation at receiving site required but possible**

2: Complex mitigation at receiving site probable; uncertainty about executability

**Issues:**

## Risk Matrix

9-10	Yellow	Yellow	Red	Red	Red
7-8	Yellow	Yellow	Yellow	Red	Red
5-6	Yellow	X	Yellow	Yellow	Red
3-4	Green	Green	Yellow	Yellow	Yellow
0-2	Green	Green	Green	Yellow	Yellow
	1	2	3	4	5

## Warfighting/Readiness Risk

(0-1) Low Minor impact on mission capability

**(2-3) Medium Reduced flexibility, but still mission capable**

(4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces

**COCOM Concerns:**



# Candidate Recommendation Risk Assessment DON-0138 B

## Executability Risk

### *Investment Recoupment*

0: Immediately self financing 0-1 years

**1: Investment recoverable in 2-4 years**

2: Investment is not recoverable in less than 4 years

### *Investment/Ratio of 20 Year NPV to Initial Cost*

0: Initial investment < \$100M and ratio is > 5 to 1

1: Initial investment < \$200M and ratio is > 3 to 1

**2: Initial investment > \$200M or ratio is < 3 to 1**

### *Economic Impact*

0: Low direct/indirect job losses in community (<.1%)

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**2: Greater potential economic effect on community due to single action or cumulative effort of all actions (>1%)**

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## Warfighting/Readiness Risk

(0-1) **Low Minor impact on mission capability**

(2-3) Medium Reduced flexibility, but still mission capable

(4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces

**COCOM Concerns:**



# Aviation Recap Summary

- **DON-0084/0067A:** Close NAS JRB Willow Grove, PA, Realign Cambria; Relocate to McGuire AFB
- **DON-0138:** Close NAS Brunswick, ME; Relocate to NAS Jacksonville, FL
- **DON-0138A:** Realign NAS Brunswick, ME as NSA Brunswick, ME
- **DON-0138B:** Realign NAS Brunswick, ME as NAF Brunswick, ME
- **Overall impact of these scenarios**
  - Active/Reserve Operational Capacity decreases from 317 hangar mods to 292 (-7.9%)
    - A decrease to 312 (-1.6%) if DON-0138B selected
  - Overall capacity decreases from 433 hangar mods to 408 (- 5.8%) for all air stations
    - A decrease to 428 (-1.2%) if DON-0138B selected
  - Average Operational Military Value score increases from 56.22 to 58.32
    - An increase to 57.97 if DON-0138B selected



# Aviation Recap Summary

Scenario	Billets Eliminated	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
Combines Cambria & Willow Grove to McGuire	550	548	78.7	-63.9	1 (2008)	-795.4
DON-0138 Close NAS Brunswick	1,013	2,257	183.8	-94.6	1 (2012)	-843.2
DON-0138A NSA Brunswick	484	1,975	148.7	-42.3	3 (2014)	-299.4
DON-0138B NAF Brunswick	403	1,975	146.7	-35.8	4 (2015)	-236.2

All Dollars shown in Millions

**DAG Recommendation:**

- **Prepare Combined Candidate Recommendation package to Realign Cambria and Close NAS JRB Willow Grove**
- **IEG Decision on Close versus Realign NAS Brunswick**



# DON Candidate Recommendation Payback Summary

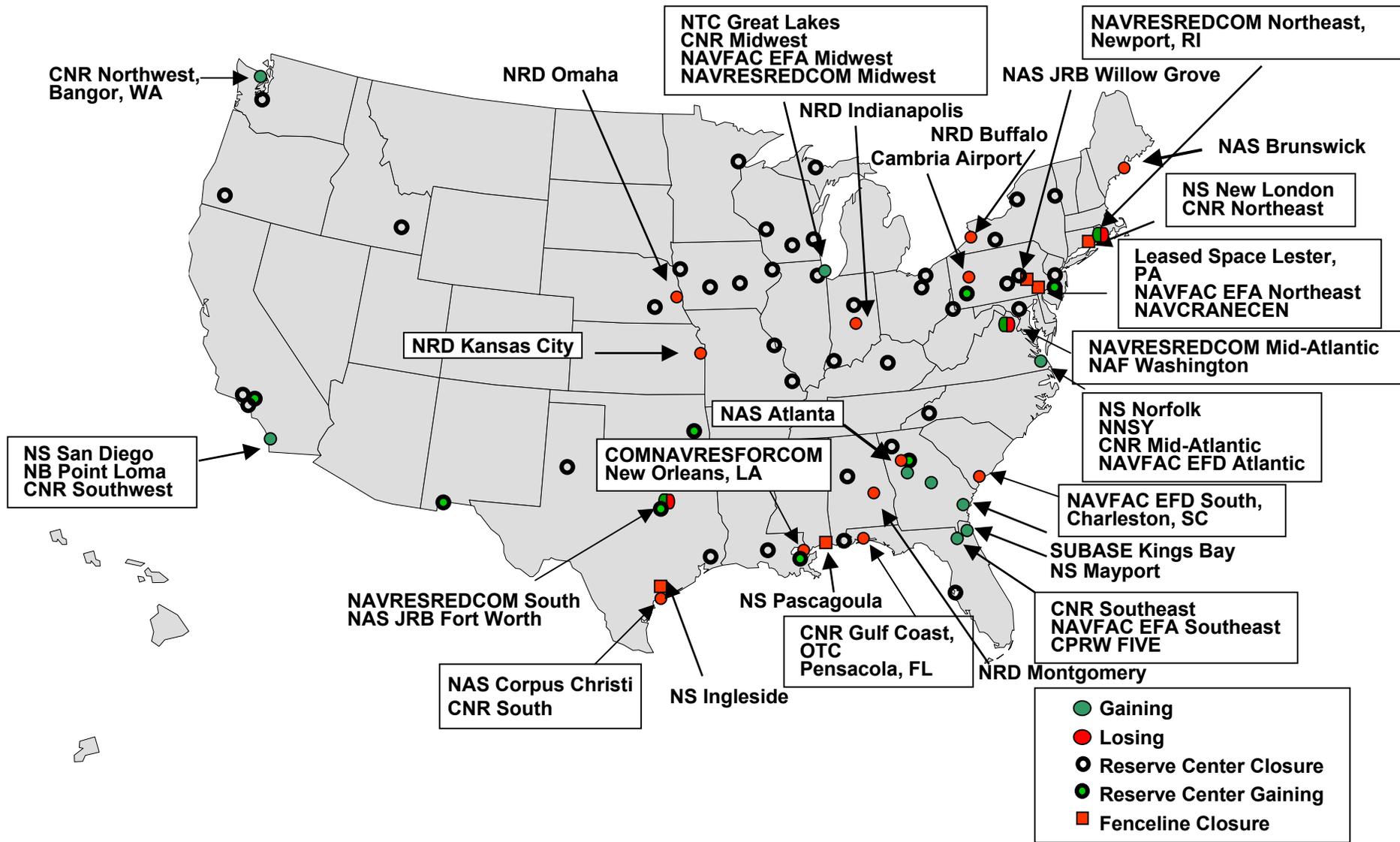
CR3 Package	Billets Elim	Billets Moved	One- Time Costs	Steady-State Savings	20 Year NPV	Cost/NPV Ratio
Aviation (2)	1,563	2,805	262.50	-158.50	-1,638.60	1:6
<b>TOTAL</b>	<b>1,563</b>	<b>2,805</b>	<b>262.50</b>	<b>-158.50</b>	<b>-1,638.60</b>	<b>1:6</b>
<b>TOTAL</b>	<b>Billets Elim</b>	<b>Billets Moved</b>	<b>One- Time Costs</b>	<b>Steady-State Savings</b>	<b>20 Year NPV</b>	<b>Cost/NPV Ratio</b>
Surface/Subsurface (3)	2,962	9,807	921.13	-314.04	-2,863.33	1:3
Aviation (3)	2,139	3,548	311.90	-212.40	-2,340.00	1:8
OTCs (1)	15	266	3.22	-1.67	-21.22	1:7
Reserve Centers (25) *	170	142	3.58	-19.03	-270.77	1:76
JAST (9) *	60	311	86.75	-11.33	-65.64	1:1
Regional Support Activities (5)	251	815	49.32	-23.04	-258.33	1:5
Recruiting Management (1)	152	0	2.44	-14.53	-207.76	1:85
<b>TOTAL</b>	<b>5,749</b>	<b>14,889</b>	<b>1,378.33</b>	<b>-596.05</b>	<b>-6,027.04</b>	<b>1:4</b>

All Dollars shown in Millions

\* Reserve Centers reflects reduction of 4 DON CRs included in JAST CRs. JAST CRs contingent on review of revised Army costs/savings.



# Candidate Recommendations





# Remaining Analysis

- **Carrier move**
- **Reserve Centers (Joint)**
- **Fenceline Closures from JCSG Candidate Recommendations**
- **Weapons Stations**



- **DON-0070A – Close PG School Monterey**
  - Linked to Privatization scenario
  - Working on an enclave for Fleet Numerical Meteorology & Oceanography Command
- **DON-0126A – Close Navy Supply Corps School**
  - Evaluating scenario to move school to NS Newport
- **DON- 0133 – Close Naval Shipyard Portsmouth**
  - Awaiting IJCSG analysis of functional realignment
- **DON-0152 – Close NAS Whiting Field**
  - Awaiting E&T JCSG analysis of functional realignment
- **DON-0157 – Close MCSA Kansas City**
  - Updating data
  - Ensuring closure data only includes related actions



- **DON-0158A/0159 – Close/Realign NSA New Orleans**
  - Updating data
  - Ensuring close/realign data only includes related actions
  - Awaiting HSA JCSG analysis of other alternatives
- **DON-0161 – Close NSWC Div Corona**
  - Concern with receiving sites and splitting of functions
  - DASN IS&A letter to Technical JCSG suggesting receiving sites
- **DON-0162 – Close NAS Pt. Mugu**
  - Need to relocate operational assets
  - Cost to relocate surface launch test facility
- **DON-0163 – Close NAES Lakehurst**
  - Appears unlikely, primary function to remain



- **DON-0165 – Close MCLB Barstow**
  - Awaiting IJSCG analysis of functional realignment
  - Rail Head for Army needs to be retained
- **DON-0166 – Close NSWC Crane**
  - Awaiting TECH JCSG analysis of functional realignment
  - “Closure” will not divest DoD of asset; Army has substantial presence remaining
- **DON-0167 – Close NSA Philadelphia**
  - Awaiting S&S JCSG analysis of functional realignment
- **DON-0169 – Close NSWC Indian Head**
  - JCSG functional realignments do not remove all assets
  - Concern with splitting industrial (production) function from the technical (RDT&E) function for energetics



- **DON-0072A – Close Potomac Annex**
  - DAG recommends to keep property for other DON use
  - Linked to USUHS disestablishment
  - Valuable for backfill flexibility and housing retention
- **DON-0164 – Close Arlington Service Center**
  - DAG recommends to keep property for other DON use
  - Valuable for backfill flexibility and housing retention
  - Potential backfill with OPNAV/HQMC/SPAWAR/NAVAIR from lease space

***DAG Recommendation:  
Continue Data Refinement for DON-0072A and DON-0164***



- **Industrial JCGS Charter**

- “Analysis of the entire life cycle of the ammunition functions, including the supply and storage.” [ISG memo, 16 July 2003]

- **I-JCSG Refinement of Scope**

- “The following are operational in nature and therefore cannot be considered for wholesale storage. But these sites will be considered for wholesale distribution.” [I-JCSG memo, 1 Oct 2004]

- NAVMAG INDIAN ISLAND
    - NAVMAG PEARL HARBOR
    - NAVWPNSTA SEAL BEACH
    - NAVWPNSTA SEAL BEACH DET CONCORD
    - NAVWPNSTA SEAL BEACH DET FALLBROOK
    - WPNSTA CHARLESTON
    - WPNSTA EARLE
    - WPNSTA YORKTOWN

- **NWS Concord Community Request**

- “... the City urges and strongly supports the closure of the Inland Area and Tidal Area of the NWSC.” [City of Concord letter, 13 Jan 2005]

- **I-JCSG has verbally communicated that DON weapons station are operational assets**

- **Therefore DON is responsible for BRAC analysis of all weapons stations**





# JCSG Candidate Recommendations

## Headquarters & Support Activities: (8)

- HSA-0020 – Create a Single Northwestern Regional Correctional Facility
- HSA-0021 – Create a Single Southwestern Regional Correctional Facility
- HSA-0024 – Create a Single Southeastern Regional Correctional Facility
- HSA-0071 – Create New Agency for Media and Publications
- HSA-0078 – Consolidate NAVAIR Leased Locations
- HSA-0082 – Create a Single Mid-Atlantic Joint Regional Correctional Facility
- HSA-0108 – Co-locate MILDEP Investigation Agencies
- HSA-0127 - Realign Anderson AFB Installation Management functions to COMNAVMARIANAS
- Plus two additional CRs affecting Correctional Facilities and USAF

## Industrial Activities: (0)

- Plus one CR affecting USA Munitions Plant

## Medical Activities: (1)

- MED-0005 - Consolidate Initial Enlisted Medical Tech Training at Ft Sam Houston
- Plus two additional CRs affecting medical clinics



# JCSG Candidate Recommendations

## Cont

### Supply and Storage Activities: (3)

- **S&S-0043 – Disestablish the wholesale supply, storage and distribution functions for all tires used by the DOD**
- **S&S-0044 - Disestablish the wholesale supply, storage and distribution functions for all POL products used by the DOD**
- **S&S-0045 - Disestablish the wholesale supply, storage and distribution functions for all compressed gas products used by the DOD**

### Technical Activities: (3)

- **TECH-0020 – Joint Battlespace Environments Center**
- **TECH-0032 – Chemical-Biological Defense RD&A Consolidation**
- **TECH-0054 - Navy C4ISR RDT&E Consolidation @ China Lake**

### USAF Activities: (1)

- **USAF-0052 - Realign NAS Willow Grove (S120)**
- **Plus thirty additional CRs**

**Issues?**



# Candidate Recommendation Status

	One Time Costs (\$M)	Steady State (\$M)	NPV (\$M)	NPV/One-time Ratio	Total CRs	Total CRs affecting DON
Navy	1,009.1	-425.5	-4,354.3	4	40	40
Army	3,950.0	-493.6	-2,598.0	1	148	44
<b>(IGPBS) B</b>	<b>3,800.0</b>	<b>300.0</b>	<b>8,000.0</b>	-2	<b>1</b>	<b>0</b>
<b>(IGPBS) NB</b>	<b>300.0</b>	<b>-1,200.0</b>	<b>-15,600.0</b>	52		
Air Force	1,328.3	-445.7	-4,158.4	3	31	1
E&T	85.0	-38.6	-424.8	5	7	5
HSA	2,474.2	-673.4	-6,410.0	3	43	25
IND	540.6	-379.5	-3,894.9	7	19	8
<b>Ind Enabler</b>	<b>7.2</b>	<b>-55.6</b>	<b>-730.6</b>	<b>101</b>	<b>3</b>	<b>3</b>
INTEL						
MED	368.0	-129.3	-1,219.1	3	12	4
S&S	231.2	-150.1	-1,724.3	7	4	4
TECH	265.8	-67.6	-626.1	2	4	4
<b>Total</b>	<b>10,252.1</b>	<b>-2,803.3</b>	<b>-25,409.9</b>	<b>2</b>	<b>312</b>	<b>138</b>

As of 17 Feb 05



**Department of the Navy**

**DON Analysis Group**

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# **IEG-FAB Open Discussion**