



INFRASTRUCTURE ANALYSIS TEAM

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RP-0587
IAT/VJM
2 May 2005

MEMORANDUM FOR THE INFRASTRUCTURE EVALUATION GROUP (IEG)

Subj: REPORT OF IEG DELIBERATIONS OF 14 APRIL 2005

Encl: (1) DON Analysis Group Brief to IEG of 14 April 2005

1. The forty-third deliberative session of the Department of the Navy (DON) Infrastructure Evaluation Group (IEG) convened at 1015 on 14 April 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; Ms. Ariane Whittemore, alternate for 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, 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 or representatives of the Functional Advisory Board (FAB) were present: VADM Gerald L. Hoewing, USN; VADM Donald C. Arthur, Jr., MC, USN; RADM Jay Cohen, USN; RADM(sel) Alan S. Thompson, SC, USN; Ms. Susan C. Kinney; Mr. George Ryan; RDML Mark Hugel, USN; Col Jeffrey Bearor, USMC; 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 Jason A. Leaver, USN; Col Joseph R. Kennedy, USMCR; CAPT Gene A. Summerlin, USN; CAPT Christopher T. Nichols, USN; CAPT Eric Myhre, SC, USN; CAPT Matthew A. Beebe, CEC, USN; CAPT Jan G. Rivenburg, USN; Mr. Robert G. Graham; LtCol Mark S. Murphy, USMC; CDR Judith D. Bellas, NC, USN; LCDR Paul V. Neuzil, USN; LCDR Vincent J. Moore, JAGC, USNR; and, Capt James A. Noel, USMC. All attendees were provided enclosure (1).

2. Ms. Davis discussed summary COBRA data, Criterion 6, 7, and 8 analyses, and Candidate Recommendation Risk Assessment (CRRA) for fenceline closure scenarios, beginning with DON-0161B (close NSA Corona, CA). Ms. Davis advised the IEG that COBRA data for this scenario has been substantially revised from that presented to the DAG due to an adjustment in the SRM rate, leading to a

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significant reduction in steady-state savings and 20-year NPV savings. The scenario now shows a Payback in 15 years vice six years. See slide 6 of enclosure (1). She further advised the IEG that the IAT is continuing to refine data for this scenario and that based on comparison with data from similar scenarios, it is thought likely that additional billet eliminations can be found, leading to increased savings.

3. Ms. Davis displayed the CRRA for DON-0161B and informed the IEG that the updated COBRA data has resulted in the score for Executability Risk being changed from the score shown to the DAG at its last deliberative session. The score has increased to "6", because the investment that would now be required for this scenario would not be recoverable in less than four years, and because the ratio of 20-year NPV savings to initial cost is now less than three to one. In addition, there would be some job losses caused in the community, and environmental mitigation at the receiving site would be required but possible. Warfighting/readiness risk was scored as "1". The reliance of this scenario on TECH-0018D and TECH-0054 as enabling scenarios is noted in the "Issues" block. See slide 7 of enclosure (1). Ms. Davis stated that Criteria 6, 7, and 8 analyses for DON-0161B shows no significant economic, community, or environmental impacts resulting from this scenario. The IEG determined that this scenario is viable based on the likelihood that additional analysis will result in increased savings, and because of synergies resulting from closure of the fenceline and co-location of NSA Corona activities with NAS Point Mugu technical functions and Fleet operational units, and approved preparation of a final CR package.

4. Ms. Davis next discussed summary COBRA data, Criterion 6, 7, and 8 analyses, and CRRA for DON-0070C (close Naval Postgraduate School (NPS) Monterey, CA, and enclave Fleet Numeric Meteorology and Oceanography Center (FNMOC) and Naval Research Laboratory Detachment (NRL Det) at NPS Annex). She advised the IEG that this scenario and its enabler, E&T-0003R, now provide for full privatization of the graduate education function. The movement of personnel of an Army tenant, the Training and Doctrine Command Analysis Center (TRAC), is covered under the DON scenario, which shows an immediate Payback and 20-year NPV savings of \$1.12 billion with one-time costs of \$69.6 million. See slide 9 of enclosure (1). Ms. Davis displayed the CRRA for this scenario and informed the IEG that the DAG has scored Executability Risk as "2" because of the relatively high job loss at the losing community, and Warfighting/Readiness Risk as "2" because of reduced flexibility inherent in the privatization

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process. She stated that the unknown executability of the DON vision of a partnership with a major university is noted in the "Issues" block. See slide 10 of enclosure (1). She advised the IEG that Criterion 6 analysis shows job loss of greater than two percent at the losing economic region, and that Criterion 7 and 8 analyses show no significant community or environmental impacts. The IEG approved preparation of a final candidate recommendation (CR) package for DON-0070C.

5. Ms. Davis then advised the IEG that OSD has returned E&T-0004R, a CR for relocation of Navy Supply Corps School (NSCS), Athens, GA, to Newport, RI, and closure of the NSCS fenceline, to DON. She reminded the IEG that it previously reviewed summary COBRA data, Criteria 6, 7, and 8 analyses, and the CRRA for DON-0126 (close NSCS fenceline and relocate NSCS and Center for Service Support to NAVSTRA Newport) during its deliberative session on 17 March 2005. She stated that COBRA data has been adjusted from that previously presented because the annual student population at NAVSTA Newport is significantly smaller than had been reflected in past data runs, affecting BOS calculations, and now shows one-time costs of \$23.6 million leading to 20-year NPV savings of \$40.9 million and a five-year Payback. See slide 12 of enclosure (1). The IEG determined that the changes to the COBRA data are not significant enough to affect the viability of this scenario, particularly given the synergies that will be created by co-location with other training activities at NAVSTA Newport, and approved preparation of a CR package for DON-0126R.

6. Ms. Davis next discussed summary COBRA data, Criterion 6, 7, and 8 analyses, and CRRA for DON-0172 (close the Inland area of Naval Weapons Station (NAVWPNSTA) Seal Beach, Concord Detachment, CA). She advised the IEG that the DAG had invited a representative from TRANSCOM's Surface Distribution and Deployment Command (SDDC) to participate in its deliberations and had been informed by their representative that DOD does not require the Inland area to maintain munitions throughput capacity at the Tidal area of NAVWPNSTA Det Concord, even in the event of a contingency requiring maximum usage of available assets. She reminded the IEG that the Inland area had been previously determined to be excess to DON needs and displayed summary COBRA data showing that DON-0172 has a one-year Payback and 20-year NPV savings of \$199.7 million after one-time costs of \$13.95 million. See slide 13 of enclosure (1). Ms. Davis displayed the CRRA for this scenario, noting that the DAG scored Executability Risk as "1" because environmental mitigation is required but possible, and Warfighting/Readiness Risk as "2"

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because of the reduced flexibility caused by loss of the Inland site and its associated magazine field and rail sidings. She reminded the DAG that the City of Concord has requested closure, and this request had been noted in the "Issues" block of the CRRRA. See slide 14 of enclosure (1). Ms. Davis stated the Criteria 6, 7, and 8 analyses show no significant economic, community, or environmental impacts resulting from this scenario. The IEG approved preparation of a CR package for DON-0172.

7. Ms. Davis used slide 16 of enclosure (1) to discuss the status of Joint Action Scenario Team (JAST) CRs for Reserve Centers, noting that COBRA analyses has been updated with revised static data in its newest version. She noted that the Army has withdrawn a number of JAST CRs after legal review by OSD, leaving four JAST scenarios (DON-0102, DON-0096, DON-0114 and DON-0120) that create new Armed Forces Reserve Centers (AFRC) that would now be used only by DON units. The updated COBRA results for these scenarios indicate significant one-time costs, along with Payback terms that range from 19 years to over 100 years. The IEG therefore decided to withdraw these four JAST CRs consistent with the recommendation of the DAG because they do not meet previously determined DON criteria for Reserve Center scenarios.

8. The IEG next reviewed updated COBRA results for the remaining JAST CRs (DON-0089A, DON-0113, DON-0115, DON-0118, DON-0129 and DON-0130) that involve DON participation. Ms. Davis noted that these six JAST CRs remain consistent with the DON approach (i.e., Payback achieved within 20 years for DOD and DON, and closure and replacement of DON Reserve Centers with average or below average military value). The IEG reviewed updated COBRA results that indicate total one-time costs of \$51.59 million, and 20-year NPV savings of \$38.96 million. The IEG noted that these six CRs affect nine DON Reserve Centers and address mission priorities identified by Commander, Naval Reserve Forces Command and Commander, Marine Forces Reserve. Accordingly, the IEG approved the DAG's recommendation to continue DON participation in these six JAST CRs.

9. Ms. Davis stated that the DAG, at its 11 April 2005 deliberative session, had reviewed two DON Reserve Center scenarios as alternates to withdrawn JAST DON CRs: DON-0013 (close NRC Cape Girardeau, MO) as an alternate to DON-0096, and DON-0017A (close NMCRC Reading, PA) as an alternate to DON-0120. See slide 18 of enclosure (1). The IEG reviewed updated COBRA results for these scenarios that showed one-time costs of \$62

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thousand, an immediate Payback, and 20-year NPV savings of \$7.20 million for DON-0013, and one-time costs of \$9.1 million, a Payback in 12 years, and 20-year NPV savings of \$4.14 million for DON-0017A.

10. Ms. Davis reminded the IEG that it had reviewed Selection Criteria 6-8 analyses and a CRRA for DON-0013 at previous deliberative sessions. The IEG reviewed the analyses for DON-0017A and noted that there were no significant economic, community or environmental impacts. See slides 48-52 of enclosure (1). The IEG next reviewed the CRRA for DON-0017A that indicates medium executability risk and low warfighting/readiness risk. See slide 53 of enclosure (1). The IEG approved the DAG's recommendation to resubmit a CR package for DON-0013 and submit a CR package for DON-0017A.

11. The IEG next reviewed updated COBRA results for DON CRs resulting from changes included in the newest version of COBRA, continued data refinement, integration of JCSG CRs, and the internal DON fenceline review of every CR. See slides 20-26 and 28-38 of enclosure (1). The IEG determined that the updated COBRA results did not necessitate any modification to the DON CRs listed below:

DON-0002 (Close NAVSTA Pascagoula, MS)
DON-0032B (Close NAVSTA Ingleside, TX)
DON-0068A (Close NAS Atlanta, GA)
DON-0084A (Close NAS JRB Willow Grove, PA)
DON-0138 (Close NAS Brunswick, ME)
DON-0133 (Close Portsmouth Naval Shipyard, ME)
DON-0085 (Realign NAS Pensacola, FL to consolidate Officer Training Command (OTC) Pensacola with OTC Newport at NAVSTA Newport)
DON-0168A (Realign NAVSTA Newport to relocate NWDC to NAVSTA Norfolk, VA)
DON-0009, DON-0010, DON-0011, DON-0012, DON-0015,
DON-0016, DON-0018, DON-0019, DON-0020, DON-0021,
DON-0022, DON-0023, DON-0024, DON-0025, DON-0043,
DON-0047, DON-0048, DON-0049, DON-0050, DON-0052,
DON-0053, DON-0054, DON-0055, DON-0056, DON-0057,
(Reserve Center Closures)
DON-0158A (Close NSA New Orleans, LA)
DON-0157 (Close MCSA Kansas City, MO)
DON-0062 (Close five Navy Recruiting Districts)
DON-0041 (Consolidation of Regional Installation Management (IM))
DON-0074A (Close NAVFAC Engineering Field Division South,

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15. Ms. Davis used slide 40 of enclosure (1) to discuss the CR integration process. She informed the IEG that the Chairman of the ISG, via memorandum dated 11 April 2005, identified a list of consolidated CRs and directed the repackaging of fenceline closures by the responsible Service to include all actions affecting the fenceline, including relevant actions from JCSG functional CRs, and making each closure action the primary responsibility of the Service controlling the particular fenceline. Ms. Davis informed the IEG that the IAT is preparing new CR packages to comply with this guidance, and noted that the JCSGs will prepare revised CR packages that capture integrated/combined "like" functional realignments into single CR packages. She noted that approximately 300 CRs have been repackaged into 100 combined CR packages under this process.

16. The IEG next discussed remaining DON BRAC issues and approved the DAG's recommendation to delete the following fenceline scenarios from further consideration, primarily because proposed JCSG actions will not remove sufficient personnel and functions to justify closure: DON-0166 (close NSWC Crane, IN), DON-0167 (close NSA Philadelphia, PA) and DON-0169 (close NSWC Indian Head, MD). See slide 41 of enclosure (1). The IEG also approved the DAG's recommendation to delete DON-0170 (close NSWC Philadelphia, PA) because COBRA data indicates the scenario is not viable due to significant 20-year NPV costs and no Payback. In addition, the IEG approved the DAG's recommendation to delete two scenarios that provide for the realignment of Navy undergraduate pilot training (UPT): (DON-0171 (realign Navy UPT) and DON-0152 (close NAS Whiting Field, FL) because of the IEC's decision not to separate DON rotary and fixed wing UPT, which are currently conducted together at NAS Whiting Field. Ms. Davis noted that DON is recommending that no closure action be initiated for Naval Air Engineering Station Lakehurst, NJ, because the Technical JCSG has deactivated the CRs affecting this fenceline. She also advised the IEG that two Technical JCSG CRs (TECH-0018D and TECH-0042D) affecting NSWC Crane are pending IEC approval, but that it does not appear that sufficient workload is being relocated from NSWC Crane under all JCSG scenarios affecting that installation to allow for a fenceline closure.

17. The IEG next reviewed the summary COBRA data for the fifth group of DON CRs (CR5): DON-0161B, DON-0070C, DON-0126R, DON-0172 and DON-0017A. This group shows one-time costs of \$197.26 million, 20-year NPV savings of \$1.36 billion, and a cost to 20-year NPV savings ratio of one to eight. Ms. Davis informed the

TAB 1



Department of the Navy
DON Analysis Group

DON Analysis Group

Brief to

Infrastructure Evaluation Group

14 April 2005

14 Apr 05

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Agenda

- SECDEF Brief
- IEC Update
- New CRS / Fenceline Closures
- COBRA Updates
- Fenceline Integration
- Candidate Recommendation Integration
- DON Final Review
- DON Candidate Recommendation Recap
- JCSG Candidate Recommendations Recap
- IEG/FAB Open Discussion



SECDEF Brief Recap

- SecNav briefed SecDef 7 April
- Major Points
 - Need an approach to deal with inconsistencies in both dollars and scope
 - Potential adverse precedents for future DoD leadership
 - Regional impacts
 - Financing BRAC
- Bottom line: Need to ensure BRAC passage



IEC Status

- Met 4, 11 & 18 April
 - ~315 Candidate Recommendations tentatively approved
 - 6 Candidate Recommendations disapproved
 - HSA-0050, E&T-0039, HSA-0058, E&T-0032, INT-0011, E&T-0038A
- Pending IEC Deliverables
 - IND-0127A* - DON-0165A (Barstow) - TECH-0005* - TECH-0005R
 - IND-0127B - USA-0036 (Red River) - TECH-0018D*
 - E&T-0046* - (UPT) - TECH-0040R
 - HSA-0029* - HSA-0031 (CPO) - TECH-0042A* - TECH-0042AR
- Remaining meetings
 - 18 Apr
 - 25 Apr
 - 2 May
 - 9 May



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New CRS / Fenceline Closures

- **NSA/NSWC Corona, CA**
- **NPGS Monterey, CA**
- **Naval Supply School Athens, GA**
- **NWS Seal Beach DET Concord, CA**
- **NMCRC Reading, PA**

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Close NAVSUPPACT Corona

DON-0161B

- **Closes NSA Corona. Relocate NSWC to Pt Mugu, CA**
- ISG disapproved TECH-0060 Corona to March AFB, but instructed DON to perform Corona to Pt. Mugu, CA
 - Relocate to vacated spaces created by TECH-0018D/TECH-0054
 - Synergy with Pt. Hueneume technical functions and Fleet operational units

SDC#	Closes/Realigns	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV (\$M)
DON-0161B (DAG Brief)	NSA Corona	38	854	79	-14	6	-81
DON-0161B (Revised COBRA)	NSA Corona	38	854	79.9	-6.1	15	.976

All Dollars shown in Millions

IEG Decision:

Prepare Candidate Recommendation package for DON-0161B



Candidate Recommendation Risk Assessment - DON-0161B

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

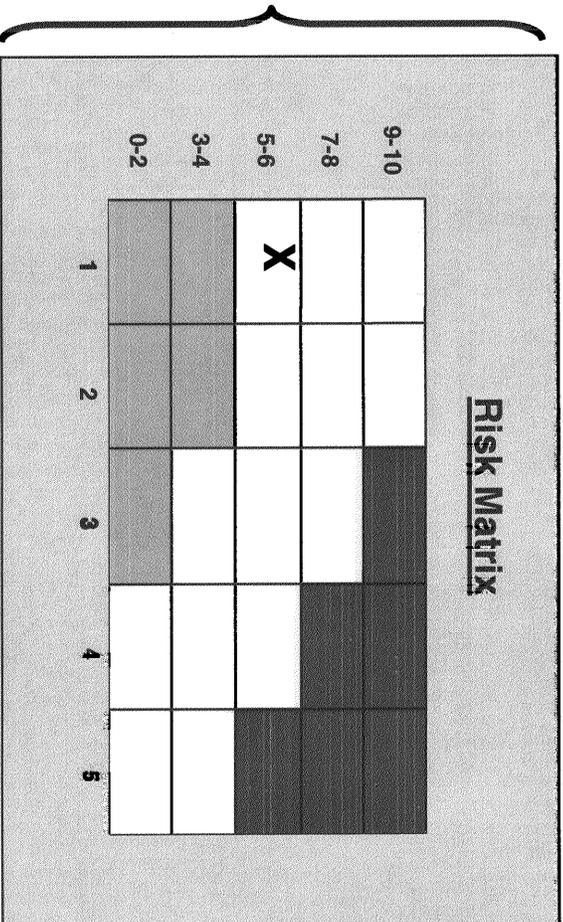
1: Mitigation at receiving site required but possible

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

Issues: Predicated on TECH-0018D and TECH-0054 occurring.

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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: NONE



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DON Analysis Group

Criteria 6-8 Considerations

Close NAVSUPPACT Corona

- **Results of Criteria 6, 7, and 8 Analysis for DON-0161B:**
 - No significant economic impact on either losing or gaining economic regions
 - No significant community impact on either losing or gaining communities
 - No substantial Criterion 8 impacts

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Close Naval PG School Monterey

DON-0070C

- **Close Naval Postgraduate School; Enclave Fleet Numerical Meteorology and Oceanography Center and Naval Research Laboratory Detachment Monterey at PG School Annex**
- CR E&T-0003R accepts our data call input in entirety
 - Use original privatization language and displays a cost per student of \$35K/yr
- Move of Army TRAC personnel covered under DON action

Scenario	Billets		One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
	Elim	Moved				
E&T-0003R (Privatize Grad Ed)	991	2,064	48.97	-41.67	1	-475.59
E&T-0012 (DRMI to Fort Belvoir)	0	70	11.22	-0.11	100+	9.61
DON-0070 (Enclave FNMOC & NRL)	1,088	2,149	69.63	-89.80	Immediate	-1,120.59

All Dollars shown in Millions

IEG Decision:

Prepare Candidate Recommendation package for DON-0070C



Candidate Recommendation Risk Assessment - DON-0070C

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%) and < 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

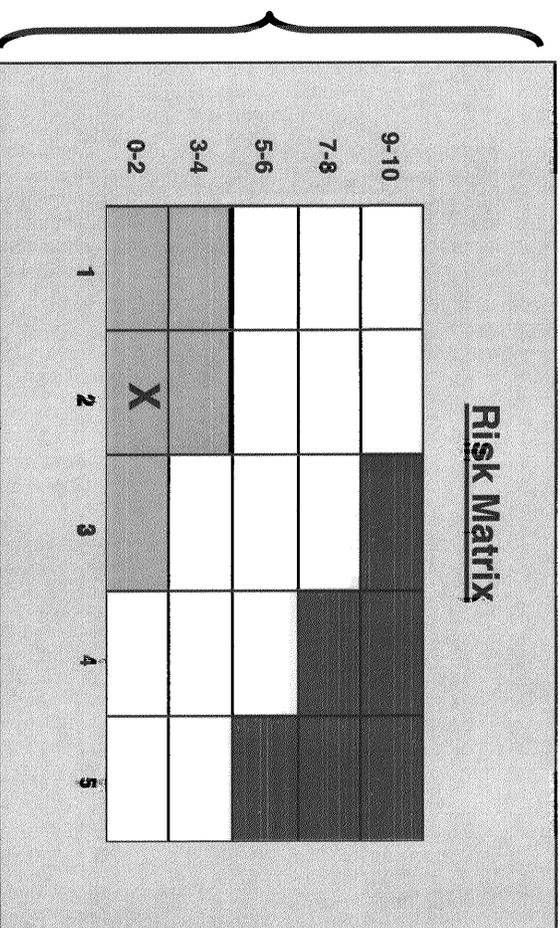
- 1: Some potential impact on receiving site community(ies) but absorption likely over time
- 2: Impact on receiving community likely; uncertainty regarding absorption of forces, missions, personnel

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: Vision of partnership with major university – unknown executability.



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: **NONE**



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Criteria 6-8 Considerations

Close Naval Post Graduate School

- **Results of Criteria 6, 7, and 8 Analysis for DON-0070C:**
 - Significant economic impact at losing economic regions > 2.0%
 - No significant community impact on either losing or gaining communities
 - No substantial Criterion 8 impacts



Close Navy Supply School

DON-0126R

- **Close Navy Supply Corps School and relocate Navy Supply Corps School and Center for Service Support to Newport, Supply Corps Museum relocated to WNY**
- Candidate Recommendation originally submitted to ISG as E&T-0004R. Remanded back to DON as fenceline closure
- Significant decrease in previously reported NAVSTA Newport student population; affects non-payroll BOS calculations in COBRA
- BOS position movement calculated
- Medical billets calculated

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0126R	66	435	23.59	-5.09	5	-40.88

All Dollars shown in Millions

IEG Decision:
Prepare Candidate Recommendation package for DON-0126R



Close Inland Area of Concord

DON-0172

- **Close Inland Area of Concord and retain Tidal Area, plus small portion of Inland Area to support outload operations; transfer to Army**
 - Inland area largely empty magazine field excess to DoD needs
 - City of Concord requested closure of Concord
 - Retains crucial munitions throughput capability
- Army AMC and SDDC were involved in analysis

	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0172	0	0	13.95	-16.39	1	-199.72

All Dollars shown in Millions

IEG Decision:

Prepare Candidate Recommendation package for DON-0172



Candidate Recommendation Risk Assessment - DON-0172

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: **City of Concord requested closure.**

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

Wartighting/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: None



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DON Analysis Group

Criteria 6-8 Considerations

Close NWS Seal Beach DET Concord

- **Results of Criteria 6, 7, and 8 Analysis for DON-0172:**
 - No significant economic impact on either losing or gaining economic regions
 - No significant community impact on either losing or gaining communities
 - No substantial Criterion 8 impacts

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Reserve Centers - JAST ROI Summary

- Update of Reserve scenarios results
 - Updated COBRA analysis with corrected static data
 - Army withdrawal of JAST CRs
 - 4 scenarios now merely replicate Navy & Marine Corps facilities

DON Action					
SDC#	DON Actions	One-Time Costs (&M)	Steady-State Savings (\$M)	ROI Years	20 Year NPV (\$M)
DON-0102 (A030)	NMCRRC Des Moines	4.409	-0.238	27	1.136
DON-0096 (A015)	NMCRRC St. Louis	18.024	-0.758	38	6.957
	NMCRRC Cape Girardeau				
DON-0114 (A033)	NMCRRC Milwaukee	11.002	-0.317	100+	6.484
	NMCRRC Lehigh Valley				
DON-0120 (A065)	NMCRRC Reading	14.575	-0.972	19	0.849
	NMCRRC Reading				

IEG Decision Item: Withdraw 4 JAST CR packages.



Reserve Centers - JAST

Remaining CRS - Criterion 5

- 6 JAST CRS remain consistent with DON approach & have DON participation/cost

- DON & Army building Joint AFRCs with shared cost

SDC#	DON Actions	Billets Elim	Billets Moved	One-Time Costs (&M)	Steady-State Savings (\$M)	ROI Years	20 Year NPV (\$M)
1	DON-0089A (A007) NMCRC Los Angeles	0	48	12.224	-0.852	18	0.367
2	DON-0113 (A060) NMCRC Akron NRC Cleveland NMCRC Madison	14	37	11.767	-1.657	7	-11.842
3	DON-0115 (A042) NRC LaCrosse NRC Dubuque	9	48	10.206	-1.782	6	-13.562
4	DON-0118 (A063) NMCRC Baton Rouge	7	11	3.891	-0.973	3	-10.226
5	DON-0129 (A075) NMCRC Tulsa	0	32	5.527	-0.488	14	-1.129
6	DON-0130 (A077) NMCRC Mobile	5	22	7.972	-0.708	12	-2.569
Total		35	198	51.587	-6.460		-38.961

IEG Decision Item: Continue with 6 JAST Candidate Recommendation packages for 9 Reserve centers



Reserve Centers - JAST Criterion 5 Summary

- Update of Reserve scenarios (Continued)
 - Resulted in
 - Resubmission of DON-0013, Close NRC Cape Girardeau as alternate to JAST DONCR-0096
 - Criteria 6-8 presented previously
 - Submission of DON-0017A, Close NMCRC Reading as alternate to JAST DONCR-0120
 - Criteria 6-8 included in backup slides

SDC#	DON Actions	One-Time Costs (\$M)	Steady-State Savings (\$M)	ROI Years	20 Year NPV (\$M)
DON-0013	NRC Cape Girardeau	0.062	-0.484	Immediate	-7.198
DON-0102 (A030)	NMCRC Des Moines	4.409	-0.238	27	1.136
DON-0096 (A015)	NMCRC St. Louis NRC Cape Girardeau	18.024	-0.758	38	6.957
DON-0114 (A033)	NMCRC Milwaukee	11.002	-0.317	100+	6.484
DON-0120 (A065)	NMCRC Lehigh Valley NMCRC Reading	14.575	-0.972	19	0.849
DON-0017A	NMCRC Reading	9.101	-0.956	12	-4.141

IEG Decision Item:

Resubmit DON-0013 and submit DON-0017A as DON CRS



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DON Analysis Group

COBRA Updates

14 Apr 05

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Surface DON-0002 ROI Summary

- **Close NS Pascagoula**

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady- State Savings	ROI Years	20 Year NPV
DON-0002 (Old)	542	414	18.00	-47.47	2	-648.6
DON-0002	539	417	17.94	-47.47	2	-666.2

All Dollars shown in Millions

- Relocates 2 FFGs to Naval Station Mayport, FL
- Relocates 3 additional personnel from original CR for Medical/Dental support



Surface DON-0032B ROI Summary

• Close NS Ingleside

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0032B (Old)	872	2245	178.39	-74.76	2	-777.03
DON-0032B	862	2255	178.39	-75.63	2	-822.23

All Dollars shown in Millions

- Relocate/consolidate COMINEWARCOM, MINEWARTTRACEN, and COMOMAG to Fleet ASW Center, Point Loma, CA
- Uses updated Force Structure Plan (10 MCMs plus HSV-2)
 - MHCs decommission FY06-08
 - All ships move to NAVSTA San Diego
- HM-15 moves to NAVSTA Norfolk
- Relocates 10 additional personnel from original CR for Medical/Dental support



Subsurface DON-0033B ROI Summary

• Close SUBBASE New London

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0033B (old)	1,621	6,567	653.25	-203.41	2	-1,658.74
DON-0033B	1,560	6,495	679.6	-192.75	3	-1,577.10

All Dollars shown in Millions

- NUMI Groton CT relocates to NAS Pensacola FL and Ft. Sam Houston TX (vice NMC Portsmouth VA) IAW MJCSG MED-0036
- NSMRL Groton CT consolidates with NMRC Walter Reed Army Medical Center, Forest Glenn Annex MD (vice NSA Panama City FL) IAW MJCSG CR MED-0024
- NACC Groton CT health care provider relocation and requirements provided by BUMED (vice total elimination) IAW scenario DON-0033M
- Fair-share MILLCON cost for NNSY added as result of Cumulative Effect review for Industrial CRs
- MILLCON Changes
 - \$14.9M RDT&E Lab for NSA Panama City removed (along with one time cost of \$20M for hyperbaric chamber)
 - \$23.2M Medical Research Lab at Walter Reed added
 - \$4.1M in other additional MILLCON



Aviation DON-0068A ROI Summary

• Close NAS Atlanta

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DONCR-0068 (old)	576	743	49.4	-53.9	Immediate	-701.4
DON-0068A	656	774	65.3	-65.7	Immediate	-883.9

All Dollars shown in Millions

- 111 Medical and Dental billets eliminated.
- BOS increased moves and decreased eliminations
- Ft. Worth and New Orleans updated destinations
- MILCON Changes
 - USAF certified \$32.8 million at Robins AFB, likely to be less in execution.
 - Require one-time moving costs and MILCON reductions from USAF before going final.



Aviation DON-0084A ROI Summary

• Close NAS JRB Willow Grove

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DONCR-0084A (old)	550	548	81.1	-63.9	1	-792.5
DONCR-0084A	538	631	125.2	-61.2	2	-718.3

All Dollars shown in Millions

- IND-0099A calls for moving 72 billets to Cherry Point, and eliminates 144 that originally moved to McGuire. These are noted in COBRA, but create no savings
- Includes one-time costs for preparing spaces at McGuire
- Pays to move Air Force A-10s out of Willow Grove
- Builds an enclave for current Army units. Army wishes to enclave more facilities which (1) are not theirs today, and (2) accommodate incoming people. This analysis includes enclaving only the two buildings they are in, and the associated BOS.
- Require one time moving costs from Army before going final (USA-0167).



Aviation DON-0138 ROI Summary

• Close NAS Brunswick

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DONCR-0138 (old)	1,013	2,257	185.8	-94.8	1	-844.0
DONCR-0138	1,006	2,264	192.8	-92.7	1	-840.6

All Dollars shown in Millions

- NAR consolidates at NRC Bangor
- No MILCON Changes



Industrial Fenceline DON-0133

ROI Summary

• Close Portsmouth NSY

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0133 (old)	3,335	898	419.9	-127.3	3	-1,218.2
DON-0133	2,970	1,263	449.3	-138.1	3	-1,388.7

All Dollars shown in Millions

- Fewer civilians eliminations - more transfers: data resolution/ JCSG deliberation
- \$23.9 M “Efficiency Costs” eliminated due to transfers vice personnel hired at NNSY
- 12,530 tons of equipment added to move to NNSY: data resolution
- Consolidation Impacts of DON-0033, DON-0154, IND-0024, IND-0096, IND-0097 at NNSY causes the following:
 - \$20.8 M to renovate admin space
 - \$12.6 M to construct parking garage at NNSY
 - (\$9.4 M) to construct new admin space for SUBMEPP, incorporated into rehab
 - Three additional BOS personnel moved to NNSY in 2006, 182 vs 179 civilians moved



Industrial Fenceline DON-0165A ROI Summary

- **Closes Marine Corps Logistics Base Barstow. Enclave railhead at Yermo Annex and family housing**
 - Railhead provides critical logistic support for nearby NTC Fort Irwin
 - Family housing supports NTC Fort Irwin
- Incorporates CR IND-0127A (relocation of depot maintenance functions) and SDC S&S-0051 (relocation of DD Barstow to San Joaquin, CA)

Scenario	Billets Elim	Billets Moved	One-time Costs	Steady State Savings	ROI - Years	20 year NPV (\$M)
DON-0165A	749	757	239.85	-143.4	Immed	-1,700

All Dollars shown in Millions

- Continue to object to DON-0165A and enabling scenario IND-0127A based on CMC concerns regarding USMC ability to maintain combat readiness



Officer Training DON-0085 ROI Summary

• Realign OTC to NS Newport

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0085 (old)	15	266	3.22	-1.67	2	-21.22
DON-0085	18	277	3.58	-1.15	3	-13.59

All Dollars shown in Millions

- Significant decrease in previously reported NAVSTA Newport student population
- Navy BOS Calculator
 - Eliminate 14 BOS billets at NAS Pensacola
 - Add 11 BOS billets at NAVSTA Newport
- Fenceline Integration
 - Add 2 enlisted billets at NAVSTA Newport



Other Support DON-168A ROI Summary

- **Realign NWDC to NS Norfolk**

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0168A (Old)	0	111	11.448	-0.854	17	-0.409
DON-0168A	0	111	11.753	-1.015	13	-2.055

All Dollars shown in Millions

- One-time cost increased due to increase in Program Management costs
- Steady state savings increased and ROI improved due to change in BOS
- All changes due to adjustments/corrections within COBRA 6.09



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Reserve Centers - DON

Remaining CRS - ROI Summary

- 27 DON CRS remain consistent with DON approach
- Includes DON-0013 & DON-0017A

	SDC#	Closes	Billets Elim	Billets Moved	One-Time Costs (\$M)	Steady-State Savings (\$M)	ROI Years	20 Year NPV (\$M)
1	DON-0009	NRC Asheville NC	2	5	0.067	-0.537	Immediate	-8.006
2	DON-0010	NRC Cedar Rapids, IA	5	2	0.051	-0.488	Immediate	-7.236
3	DON-0011	NRC Tuscaloosa, AL	7	0	0.046	-0.765	Immediate	-11.408
4	DON-0012	NRC Pocatello, ID	6	1	0.037	-0.603	Immediate	-8.964
5	DON-0013	NRC Pope Girardeau, MO	2	5	0.062	-0.484	Immediate	-7.198
6	DON-0015	NRC Horseheads, NY	2	5	0.050	-0.415	Immediate	-6.159
7	DON-0016	NRC Central Pt. OR	5	2	0.043	-0.516	Immediate	-7.672
8	DON-0017A	NMCRRC Reading	10	8	9.10	-0.12	12	-4.141
9	DON-0018	NRC Evansville, IN	4	3	0.059	-0.536	Immediate	-7.966
10	DON-0019	NRC Adelphi, MD	6	11	0.177	-0.912	Immediate	-13.509
11	DON-0020	NRC Duluth, MN	7	1	0.065	-0.882	Immediate	-13.098
12	DON-0021	NRC Lexington, KY	5	4	0.053	-0.469	Immediate	-6.966
13	DON-0022	NRC Lincoln, NE	5	2	0.181	-0.653	Immediate	-9.625
14	DON-0023	NRF Marquette, MI	4	3	0.052	-0.466	Immediate	-6.937
15	DON-0024	NRC Sioux City, IA	5	2	0.053	-0.573	Immediate	-8.501
16	DON-0025	NMCRRC Moundsville, WV	7	9	0.238	-0.888	Immediate	-13.007
17	DON-0043	NRC Glens Falls, NY	7	0	0.041	-0.828	Immediate	-12.294
18	DON-0047	NRC Watertown, NY	4	5	0.064	-0.405	Immediate	-6.011
19	DON-0048	NRC Lubbock, TX	5	2	0.075	-0.670	Immediate	-9.966
20	DON-0049	NRC Forest Park, IL	14	1	0.125	-1.374	Immediate	-20.408
21	DON-0050	NRC St. Petersburg, FL	4	8	0.092	-0.810	Immediate	-12.116
22	DON-0052	NRC Orange, TX	10	1	0.316	-1.249	Immediate	-18.261
23	DON-0053	NMCRRC, Tacoma, WA	8	12	0.136	-1.022	Immediate	-15.235
24	DON-0054	NMCRRC Encino, CA	1	32	0.096	-0.825	Immediate	-12.314
25	DON-0055	NMCRRC Grissom ARB, IN	5	2	0.067	-0.569	Immediate	-8.463
26	DON-0056	I&I Rome, GA	0	9	0.045	-0.136	Immediate	-1.919
27	DON-0057	I&I West Trenton, NJ	0	12	1.325	-0.472	3	-5.775
	Total		140	147	12.717	-18.503	-	-263.155



HSA Fenceline DON-0158A ROI Summary

• Close NSA New Orleans

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0158A (old)	400	2249	149.706	-50.467	1	-460.706
DON-0158A	253	2396	166.288	-37.682	3	-287.448

All Dollars shown in Millions

- Integration effects
 - Added 100 medical/dental personnel (partially offsets total medical/dental staff savings at NSA previously accounted for)
 - Added 47 BOS security personnel (additional gate, inspection, patrols)
 - Added community support structures – substantial % of security facilities, BEQ, CDC, galley, clinic, parking, furnishings
 - IND scenario vacated maintenance facility for NAVAIRSEFAC, vice build new as was previously projected



HSA Fenceline DON-0157 ROI Summary

• Close MCSA Kansas City

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0157 (old)	48	282	18.811	-4.292	3	-34.500
DON-0157	67	263	22.400	-7.496	2	-69.286

All Dollars shown in Millions

- JCSG increased billet reductions (19 more) in moving MCSA to co-locate with MARFORRES
- Integration effects
 - Community support structures - portion of security facilities, BEQ, CDC, galley, clinic, parking, furnishings



Recruiting DON-0062 ROI Summary

• Close 5 Navy Recruiting Districts

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0062 NRD Indianapolis, Omaha, Buffalo, Montgomery, KC	152	0	2.444	-14.529	Immed	-214.496

All Dollars shown in Millions

- No Change in ROI Years
- Updates to COBRA have resulted in negligible changes in other Criterion 5 numerical statistics



Regional Support DON-0041 ROI Summary

• Regional Consolidation

Scenario	Billets Elim	Billets Moved	One- Time Costs	Steady- State Savings	ROI Years	20 Year NPV
DON-0041 (old)	92	78	6.168	-6.427	1mm	-86.286
DON-0041	45	38	3.214	-2.717	1	-34.549

All Dollars shown in Millions

- COMNAVREG Northeast consolidation with COMNAVREG Mid-Atlantic has been integrated with DON-0033 in accordance with OSD direction



Regional Support DON-0074A ROI Summary

• Close NAVFAC Engineering Field Division South

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0074A (old)	50	448	25.047	-3.673	8	-20.417
DON-0074A	50	448	22.388	-3.779	6	-25.835

All Dollars shown in Millions

- Factors affecting ROI
 - Milcon \$ smaller due to certified data reducing admin space



Regional Support DON-0075R ROI Summary

• Close NAVFACNE and Relocate Navy Crane Center

Scenario	Billets Elim	Billets Moved	One- Time Costs	Steady- State Savings	ROI Years	20 Year NPV
DON-0075/0154 (old)	35	212	15.227	-5.832	3	-57.475
DON-0075R	35	212	15.668	-5.549	3	-55.781

All Dollars shown in Millions

- Integration effects, Milcon \$ changed to add parking and reduce admin
 - Overall cost/benefit impact minor
- This will be repackaged as one CR, DON-0075R



Regional Support DON-0078 ROI Summary

• Close NAVRESREDCOM South

Scenario	Billets Elim	Billets Moved	One- Time Costs	Steady- State Savings	ROI Years	20 Year NPV
DON-0078	41	18	0.644	-3.997	Immed	-58.668

All Dollars shown in Millions

- No Change in ROI Years
- Updates to COBRA have resulted in negligible changes in other Criterion 5 numerical statistics



Regional Support DON-0156 ROI Summary

• Consolidate REDCOM NE & MA, Relocate to Norfolk

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0156 (old)	33	59	1.980	-3.00	1	-38.640
DON-0156	27	59	1.840	-2.412	1	-31.979

All Dollars shown in Millions

- Six billets to remain at NDW as satellite to Norfolk (vice eliminated)
- Overall cost/benefit impact minor



Fenceline Integration

- Looked at installations having multiple JCSG and/or Military Department Candidate Recommendations
- Reconciled available space as required
- Added BOS and medical personnel and community support infrastructure, allocated share of population increase
- Seven Integration memos sent to JCSGs and Military Departments
- All reviews complete



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Candidate Recommendation Integration

- ISG Chair memo of 11 Apr identified list of consolidated candidate recommendations
- Repackaged fence-line closures to include all actions within the fence-line
 - Removes actions from JCSG functional candidate recommendations
- Closure actions primarily the responsibility of the MILDEPs
 - IAT preparing new CR packages to comply with guidance
- Integrated/combined “like” functional realignments into single candidate recommendations
 - JCSGs will prepare revised CR packages

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Remaining Issues

- Recommend the following be deleted
 - Close NSWC Crane, IN (DON-0166)
 - Close NSA Philadelphia, PA (DON-0167)
 - Close NSWC Indian Head, MD (DON-0169)
 - Close NSWC Philadelphia, PA (DON-0170)
 - Realign Navy UPT (DON-0171)
- DON recommending no closure action on NAES Lakehurst
- NSWC Crane active CRs pending approval
 - TECH-0018D
 - TECH-0042A



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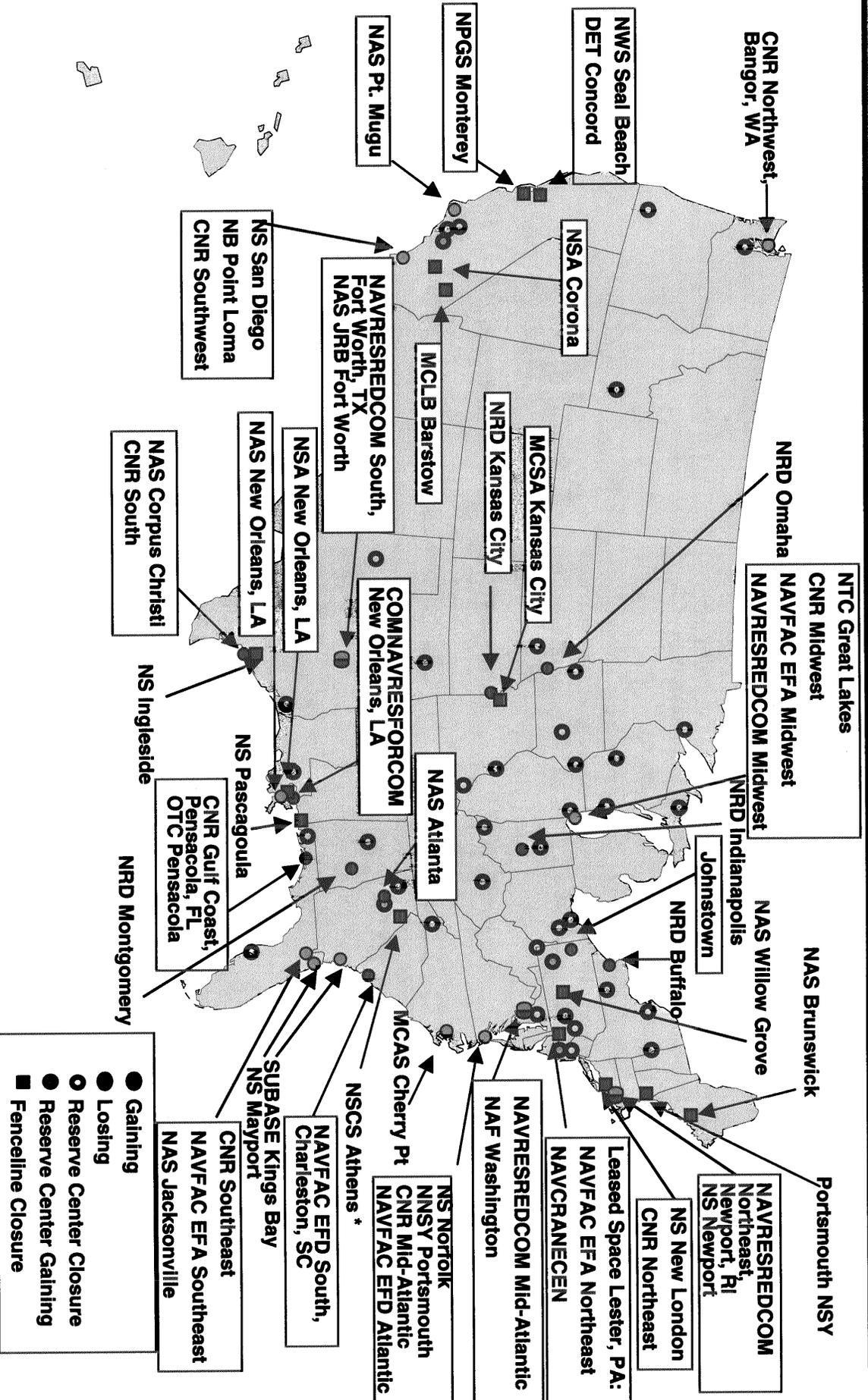
DON Candidate Recommendation Payback Summary

	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	20 Year NPV	Cost/NPV Ratio
CR Package 5						
Fencelines (3)	1,192	3,438	173.12	-100.99	-1,160.49	1:7
Munitions (1)	0	0	13.95	-16.39	-199.72	1:14
Reserve Centers (1)	10	8	10.19	-0.92	-2.54	1:0
TOTAL	1,202	3,446	197.26	-118.30	-1,362.76	1:8
TOTAL						
TOTAL	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	20 Year NPV	Cost/NPV Ratio
Surface/Subsurface (3)	2,961	9,167	877.04	-315.85	-3,065.49	1:3
Avation (3)	2,200	3,669	383.30	-219.60	-2,442.80	1:6
OTCs (1)	18	277	3.58	-1.15	-13.59	1:4
Reserve Centers (27)	140	147	13.81	-18.49	-261.89	1:19
Joint Reserve Ctrs (6)	35	198	51.59	-6.46	-38.96	1:1
Regional Support Activities (5)	198	775	43.75	-18.45	-206.81	1:5
Recruiting Management (1)	152	0	2.44	-14.53	-214.50	1:88
Munitions (1)	0	0	13.95	-16.39	-199.72	1:14
Other Support (1)	0	111	11.75	-1.02	-2.06	1:0
Fenceline (6)	4,482	7,360	811.11	-284.27	-2,905.92	1:4
TOTAL	10,186	21,704	2,212.32	-896.21	-9,351.74	1:4

All Dollars shown in Millions



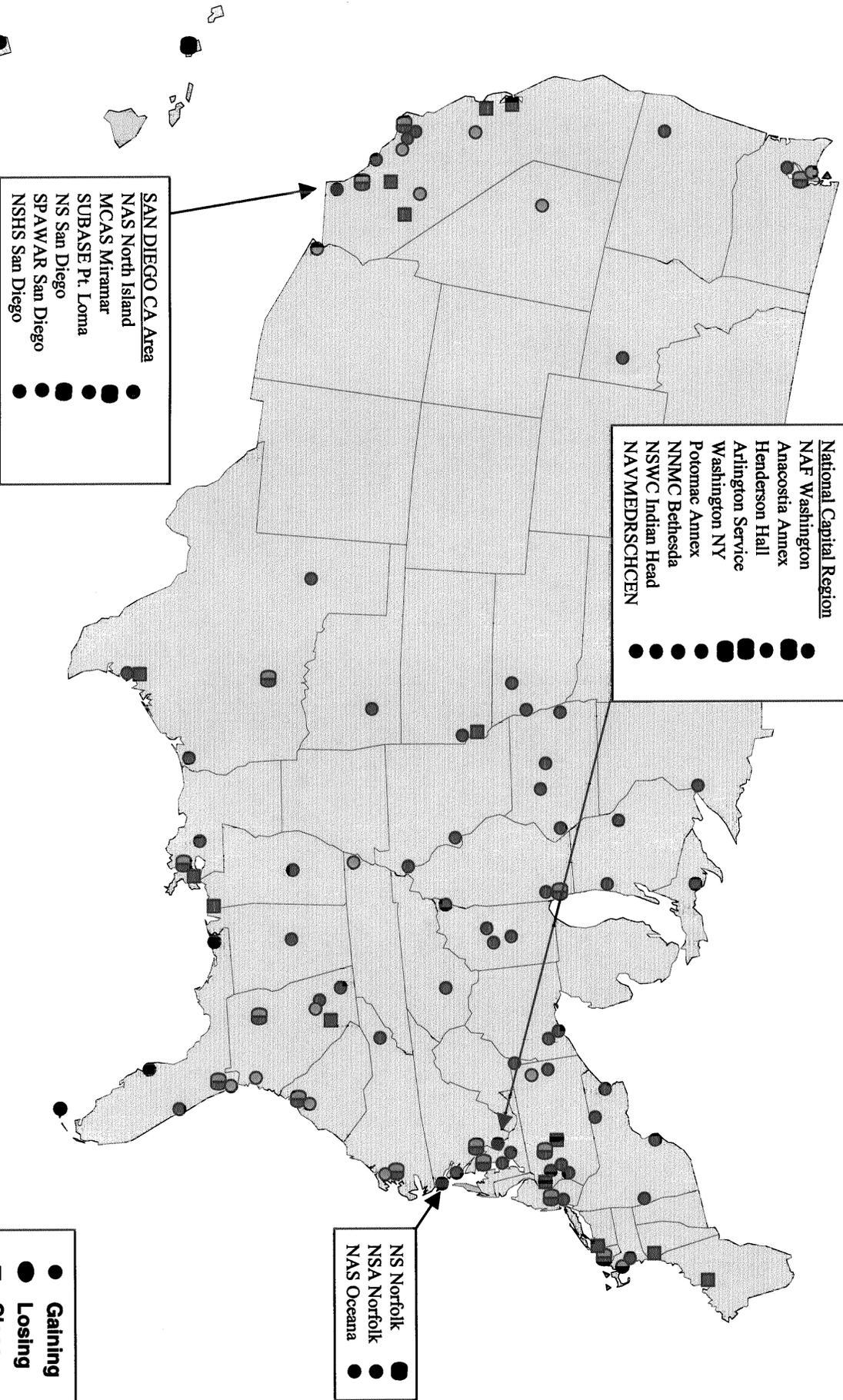
DON Candidate Recommendations





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Overview of DON Actions (DON Unique and JCSG)



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Candidate Recommendation Status

	One Time Costs (\$M)	Net Implementation (Savings/Cost)	Steady State (\$M)	NPV (\$M)	NPV/One-time Ratio	Total CRs	Total CRs affecting DON
Navy	2,015.1	-1,294.6	-777.8	-7,994.0	4	49	49
Army	6,296.0	3,651.2	-689.1	-2,879.1	0	121	44
(IGPBS) B	3,800.0		300.0	8,000.0	-2	1	0
(IGPBS) NB	300.0		-1,200.0	-15,600.0	52		
Air Force	2,242.9	926.2	-751.9	-6,759.9	3	56	7
E&T	2,948.8	937.2	-526.0	-3,946.2	1	15	10
HSA	3,168.1	-539.1	-986.6	-9,683.5	3	49	31
IND	1,070.5	-2,680.9	-870.2	-10,618.5	10	29	18
Ind Enabler	424.4	-143.2	-124.8	-1,134.2	3	5	5
INTEL	2,205.7	1,772.6	-160.2	56.0	0	5	0
MED	2,096.5	1,120.0	-324.7	-1,971.7	1	21	10
S&S	333.2	-1,169.7	-378.0	-4,636.4	14	5	6
TECH	2,960.2	1,343.6	-507.2	-3,441.4	1	21	15
Total	25,336.9	4,066.4	-5,971.7	-51,874.8	2	377	195

As of 14 April 05



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Back-up

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DON-0017A Close NMCRRC Reading Criteria 6, 7, 8 & Risk Assessment

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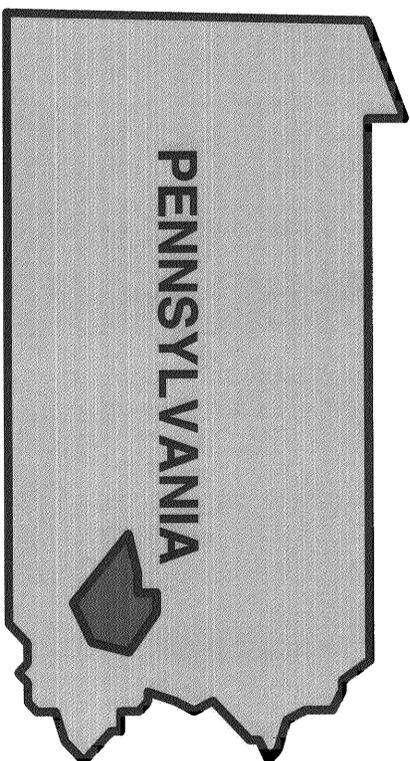
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Criterion Six – Economic Impact DON-0017A NMCRC Reading

Reading, Pennsylvania Metropolitan Statistical Area (39740)

Counties
Berks



Overall Economic Impact of Proposed BRAC-05 Action:

ROI population(02)	381,354
ROI employment (02)	213,550
Authorized Manpower (05)	18
Manpower(05) /employment(02)	0.01%
Total estimated Job Change	-25
Job change/employment (02)	-0.01%

ISSUES:

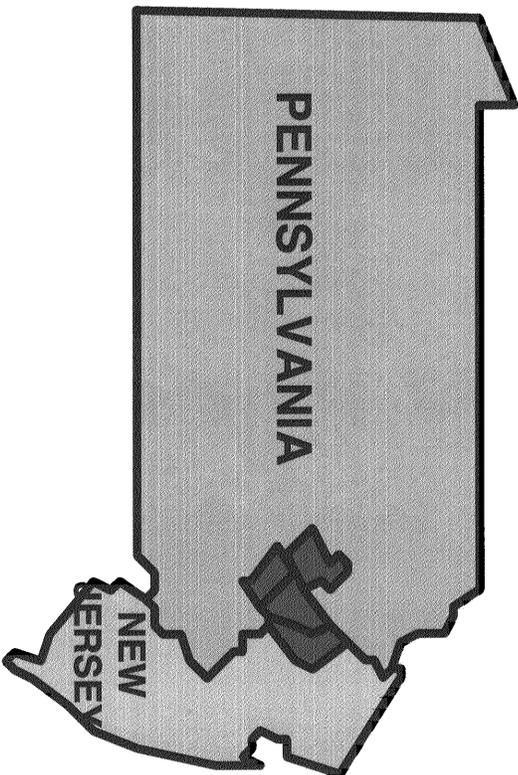
- Minor net loss. Receiver site is in Allentown-Bethlehem MSA.



Criterion Six – Economic Impact DON-0017A NMCRC Lehigh Valley

**Allentown-Bethlehem-
Easton, PA-NJ
Metropolitan Statistical Area
(10900)**

<u>Counties</u>	
Warren	Carbon
Lehigh	Northampton



Overall Economic Impact of Proposed BRAC-05 Action:

ROI population(02)	757,636
ROI employment (02)	396,091
Authorized Manpower (05)	30
Manpower(05) /employment(02)	0.01%
Total estimated Job Change	11
Job change/employment (02)	0%

ISSUES:

- Net gain as receiver site. NMCRC Reading is moving to Allentown-Bethlehem MSA.



**Criterion Seven - Community Infrastructure
DON-0017A NMCRC Lehigh Valley**

“The ability of both the existing and potential receiving communities infrastructure to support forces, missions, personnel”

Attributes Considered:

- **Water System** ✓
- **Sewer system** ✓
- **Cost of Living** ✓
- **Childcare** ✓
- **Education** ✓
- **Housing** ✓
- **Medical** ✓
- **Employment** ✓
- **Safety/Crime** ✓
- **Transportation** ✓
- **Population Center** ✓
- **Data Call Input/Comment** ✓

Data obtained from JPAT SEVEN DETAILED NARRATIVE REPORT OF 13 DECEMBER 2004



Criterion Eight - Environmental DON-0017A NMCRC Lehigh Valley

- General Environmental Issues
 - \$75K environmental Non-MILCON cost for NEPA documentation
 - No Criterion 8 environmental impact in other areas
- Impacts of Costs**

Selection Criterion	Navy Reserve Center Reading, PA (Activity Closed)	Navy Marine Corps Reserve Center Lehigh Valley, PA (Activity Gaining Function)
8 Environmental Points		
Environmental Restoration	No DERA Program	No DERA Program
Waste Management	None	None
Environmental Compliance	None	\$75K Environmental Non-MILCON cost for NEPA documentation.



Candidate Recommendation Risk Assessment – DON-0017A

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

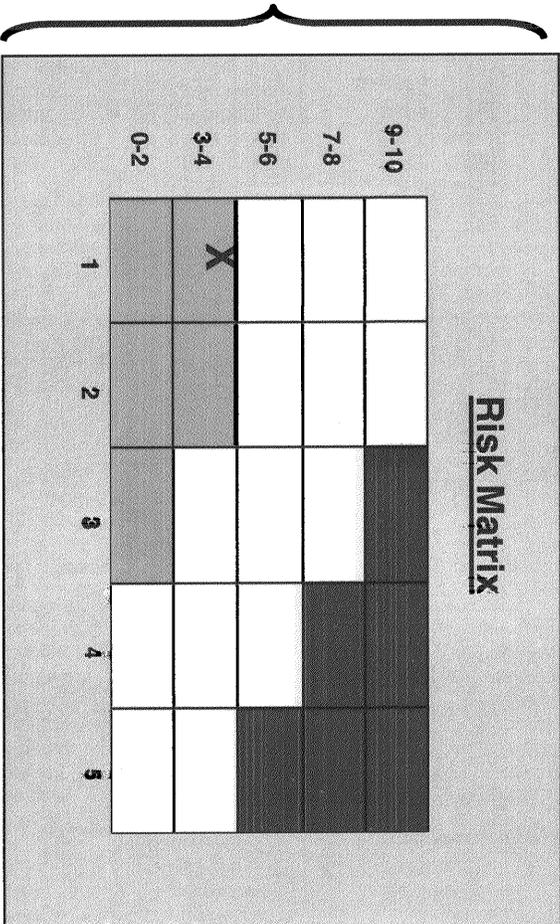
- 0: Low direct/indirect job losses in community (< 1%)
- 1: Some direct/indirect job losses in community (> .1% and < 1%)
- 2: Greater potential economic effect on community due to single action or cumulative effort of all actions (> 1%)

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: Alteration to NMCRC Lehigh Valley requires land purchase and is included in COBRA.



Wartighting/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: None