

Department of the Navy



INFRASTRUCTURE ANALYSIS TEAM

ODASN (IS&A), 2221 South Clark Street, Suite 900, Arlington, VA 22202

(703)-602-6500

DCN:5322

RP-0592
IAT/JAN
9 May 2005

MEMORANDUM FOR THE INFRASTRUCTURE EVALUATION GROUP (IEG)

Subj: REPORT OF IEG DELIBERATIONS OF 5 MAY 2005

Encl: (1) DON Analysis Group Brief to IEG of 5 May 2005

1. The forty-fourth deliberative session of the Department of the Navy (DON) Infrastructure Evaluation Group (IEG) convened at 1001 on 5 May 2005 in room 4D447 at the Pentagon. The following members of the IEG were present: Ms. Anne R. Davis, Co-Chair; Gen William L. Nyland, USMC, Co-Chair; VADM Justin D. McCarthy, USN, Member; Mr. Thomas R. Crabtree, alternate for VADM Kevin J. Cosgriff, USN, Member; Ms. Carla Liberatore, alternate for LtGen Richard L. Kelly, USMC, Member; LtGen Michael A. Hough, Member; 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. ADM Robert F. Willard, USN, Co-Chair, was absent. The following members of the DON Analysis Group (DAG) were present: RADM Christopher E. Weaver, USN; Ms. Ariane Whittemore; BGen Martin Post, USMC; Ms. Debra Edmond; Mr. Paul Hubbell; and, Mr. Michael F. Jaggard. The following members or representatives of the Functional Advisory Board (FAB) were present: VADM Donald C. Arthur, Jr., MC, USN; RADM Jay Cohen, USN; RADM(sel) Alan S. Thompson, SC, USN; MajGen (sel) Willie J. Williams, USMC; Ms. Karin Dolan; Ms. Susan C. Kinney; RDML Mark Hugel, USN; Ms. Shanna Poole; CAPT William Wilcox, USN; and, CAPT David W. Mathias, CEC, USN. The following members of the IAT were also present: Mr. Dennis Biddick, Chief of Staff; Mr. David W. LaCroix, Senior Counsel; 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; CDR Margaret M. Carlson, JAGC, USN; CDR Robert E. Vincent II, JAGC, USN; CDR Judith D. Bellas, NC, USN; LCDR Paul V. Neuzil, USN; and, Capt James A. Noel, USMC. All attendees were provided enclosure (1).

2. Ms. Davis presented the minutes from the 14 April 2005 IEG meeting for review and they were approved. Ms. Davis informed the IEG that the purpose of this deliberative session was to

Subj: REPORT OF IEG DELIBERATIONS OF 5 MAY 2005

provide the IEG and DAG a synopsis of the DON BRAC strategy and process, review the DON-specific and JCSG Candidate Recommendations affecting DON activities, and discuss the development of the last remaining potential candidate recommendations (CRs). She outlined the DON BRAC strategy and analytical processes. See slides 3 and 4 of enclosure (1). She informed the IEG that DON and the JCSGs analyzed 889 DON activities, developed 445 scenarios and 90 CRs affecting DON activities.

3. Ms. Davis informed the IEG and the DAG that the Infrastructure Executive Council (IEC) had expressed concern that the total closure of NAS Brunswick, ME, would adversely impact DON aviation operations in the Northeast United States. Accordingly, the IEC approved the realignment of NAS Brunswick to a Naval Air Facility (NAF). The IEC concluded that this realignment action would enable DON to consolidate aviation training and maintenance efficiencies and aviation maintenance workload at NAS Jacksonville, FL, while maintaining an operational aviation capability in the Northeast. Ms. Davis explained that the IAT Operations Team revised scenario DON-0138B(R), which realigns NAS Brunswick to NAF Brunswick by relocating NAS Brunswick aviation assets to NAS Jacksonville, maintaining non-aviation tenant commands at NAF Brunswick, and retaining necessary aviation support personnel to maintain the operational capability of the airfield. See slide 6 of enclosure (1). Ms. Davis provided the Candidate Recommendation Risk Assessment (CRRA) that the IEG had previously reviewed at its 17 February 2005 deliberative session. See slide 7 of enclosure (1).

4. Ms. Davis reviewed the initial and final capacity and average military value figures for the three Operations Functions and noted that these figures include DON-0138B(R). She noted that the final capacity figures appear to retain a sufficient amount of the type of capacity necessary for operational missions today and in the future. She also noted that the excess capacity has decreased, while the average military value has increased, for the Surface/Subsurface and Aviation Operations Functions. (The capacity and average military value figures for the Ground Operations Function remain unchanged since the IEG determined that there was not sufficient excess capacity to warrant scenario development). See slide 8 of enclosure (1). Ms. Davis recapped the Operations Function CRs. See slide 9 of enclosure (1). She also reviewed the initial and final capacity and average military value figures for Weapons Stations noting that excess capacity was reduced

Subj: REPORT OF IEG DELIBERATIONS OF 5 MAY 2005

from approximately 24% to 16%. She indicated that the average military value remains unchanged since the CR for Naval Weapons Station (NAVWPNSTA) Seal Beach Detachment, Concord, CA, includes a portion, rather than the entire, installation. See slide 10 of enclosure (1). She also recapped the CR for NAVWPNSTA Seal Beach Detachment Concord. See slide 11 of enclosure (1).

5. Ms. Davis reviewed the initial and final capacity and average military value figures for the three DON-Specific Education and Training (E&T) Functions. She noted that the final capacity figures appear to retain a sufficient amount of the type of capacity necessary for DON-Specific Education and Training missions today and in the future. She also noted that the excess capacity decreased and the average military value increased for the Officer Accessions Training E&T Function. See slides 13 and 14 of enclosure (1). She recapped the CR for DON-0085, which consolidates OTC Pensacola, FL, with OTC Newport at NAVSTA Newport, RI, noting that it is the only remaining DON-Specific E&T CR. See slide 15 of enclosure (1).

6. Ms. Davis informed the IEG and the DAG that the development of DONCR-0138B(R) enables the IEG to reconsider scenario DON-0045, which would close Navy Reserve Center Bangor, ME. The IEG reviewed the military value and COBRA results, Selection Criteria 6 through 8 analyses, and CRRA for scenario DON-0045 and decided to prepare a CR package. See slides 17 through 19 of enclosure (1). Ms. Davis reviewed the initial and final capacity and military value for the three DON-Specific Headquarters and Support (HSA) Functions. She noted that the final capacity figures appear to retain sufficient capacity to conduct reserve, recruiting, and other HSA functions. She also noted that excess capacity for Reserve Centers and Recruiting Districts had decreased and the average military value increased for all three DON-Specific HSA Functions. See slide 20 of enclosure (1). Ms. Davis recapped the DON-Specific HSA CRs by functional area. See slides 21 and 22 of enclosure (1). Ms. Davis also recapped the CR for DONCR-0168A, which is considered an "Other Activities" Function. See slide 23 of enclosure (1).

7. Ms. Davis used slide 25 of enclosure (1) to update the IEG concerning Marine Corps Logistics Base (MCLB) Barstow, CA. She informed the IEG that on 4 May 2005, the IEC decided to recommend to SECDEF that MCLB Barstow be realigned (DON-0165R V3). DON-0165R V3 retains MCLB Barstow as a multi-commodity depot maintenance site for seven commodities, increases capacity for the amphibious vehicle commodity, and realigns the remaining functions in accordance with INDCR-0127A. DON-0165R V3

Subj: REPORT OF IEG DELIBERATIONS OF 5 MAY 2005

indicates one-time costs of \$30.1 million, an immediate Payback, and 20-year NPV savings of \$396.3 million. Ms. Davis noted that the number of base operating support personnel is reduced to that necessary to support maintenance, and Army and Marine Corps personnel. The IEG reviewed a CRRA for DON-0165R V3 that indicates minimal executability and warfighting/readiness risk, see slide 26 of enclosure (1), and noted that the economic, community and environmental impact analyses indicate no substantial impact on losing or gaining communities. See slide 27 of enclosure (1).

8. Ms. Davis used slide 28 of enclosure (1) to recap the DON fenceline CRs. She informed the IEG that the IEC has decided not to recommend the closure of Naval Postgraduate School (DON-0070C) and the realignment of Uniformed Services University of Health Sciences (USHUS) to SECDEF.

9. Ms. Davis next reviewed the JCSG CRs affecting DON that the IEC is recommending to SECDEF. See slides 29 through 31 of enclosure (1). The IEG noted that the descriptive title for JCSG CRs should be modified, where necessary, to accurately reflect the purpose of the recommendation (e.g., IND-0103R from establish Fleet Readiness Centers to establish Aviation Maintenance Centers).

10. Ms. Davis provided the Summary of Cumulative Environmental Impacts (SCEI) documents to the IEG for the DON gaining installations. See slide 32 of enclosure (1). She noted that each SCEI analyzes the cumulative environmental impacts of all CRs associated with a particular DON gaining installation, and that the IAT's analysis of the cumulative impacts has not identified environmental impediments to BRAC implementation. The IEG next reviewed the updated Installation Environmental Profiles. Ms. Davis noted that the Installation Environmental Profiles summarize the baseline environmental condition at each DON installation as reflected in the Capacity Data Call, and that initial drafts of the profiles were provided to the DAG at its 25 October 2004 deliberative session. See slide 32 of enclosure (1).

11. Ms. Davis provided the IEG with a cartographical display of approved DON CRs to depict the affected geographical areas, see slide 33 of enclosure (1), and a cartographical display of DON actions (DON unique and JCSG CRs) impacting DON, see slide 34 of enclosure (1).

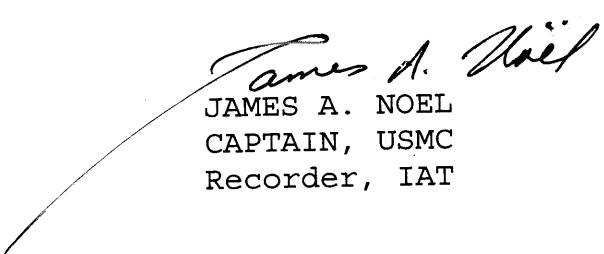
12. Ms. Davis next presented the IEG with summaries of BRAC

Subj: REPORT OF IEG DELIBERATIONS OF 5 MAY 2005

costs and analyses. She noted that, while the figures are subject to continued refinement, the purpose of these summaries was to ensure a comprehensive understanding of the effect of CRs. She reviewed the costs for all BRAC actions (see slide 36 of enclosure (1)), cost and analysis data for all CRs that affect DON activities (see slide 37 of enclosure (1), and cost and analysis data for all CRs that affect DON excluding military personnel and housing costs (see slide 38 of enclosure (1)). Ms. Davis noted that DON net present value (NPV) savings of \$18.24 billion is reduced to \$11.54 billion when savings for military personnel and housing allowances are excluded. The IEG next reviewed the current status of DON CR results quantified by plant replacement value, and military and civilian employment changes. See slide 39 of enclosure (1). Ms. Davis noted that DON BRAC 2005 savings exceed the savings realized during any of the four previous BRAC rounds.

13. Ms. Davis summarized the status of DON BRAC CRs, noting that 18 installations and 37 Reserve Centers are recommended for closure and 41 activities are recommended for realignment (seven by DON and 34 by JSCG CRs). She reviewed the number of impacted DON activities, noting that the final tabulation of impacted activities is pending completion of the integration process. See slide 40 of enclosure (1). Lastly, Ms. Davis reviewed the remaining BRAC 2005 schedule and expressed her appreciation for the hard work of the IEG, DAG, FAB and IAT during the BRAC process.

14. The IEG adjourned at 1125.



JAMES A. NOEL
CAPTAIN, USMC
Recorder, IAT

TAB 1



*Department of the Navy
Infrastructure Analysis Team*

**Infrastructure Analysis Team
Final Brief to
Infrastructure Evaluation Group
&
Department of the Navy
Analysis Group**

5 May 2005

5 May 05



Agenda

- DON Strategy
- DON Candidate Recommendation Recap
 - Operations
 - Education & Training
 - Headquarters & Support Activities
 - Industrial
 - Fencelines
- JCSG Candidate Recommendations Recap
- Cost & Analysis
- Wrap Up
- What's Next
- IEG/FAB Open Discussion

DON BRAC Strategy

Department of the Navy
Infrastructure Analysis Team



DON Strategy

- Continue to rationalize/consolidate infrastructure capabilities to eliminate unnecessary excess
- Balance effectiveness of fleet concentration with AT/FP desire for dispersion/redundancy
- Leverage opportunities for total force laydown and joint basing
- Accommodate changing operational concepts
 - Facilitate evolution of force structure and infrastructure organizational alignment

DOD Principles

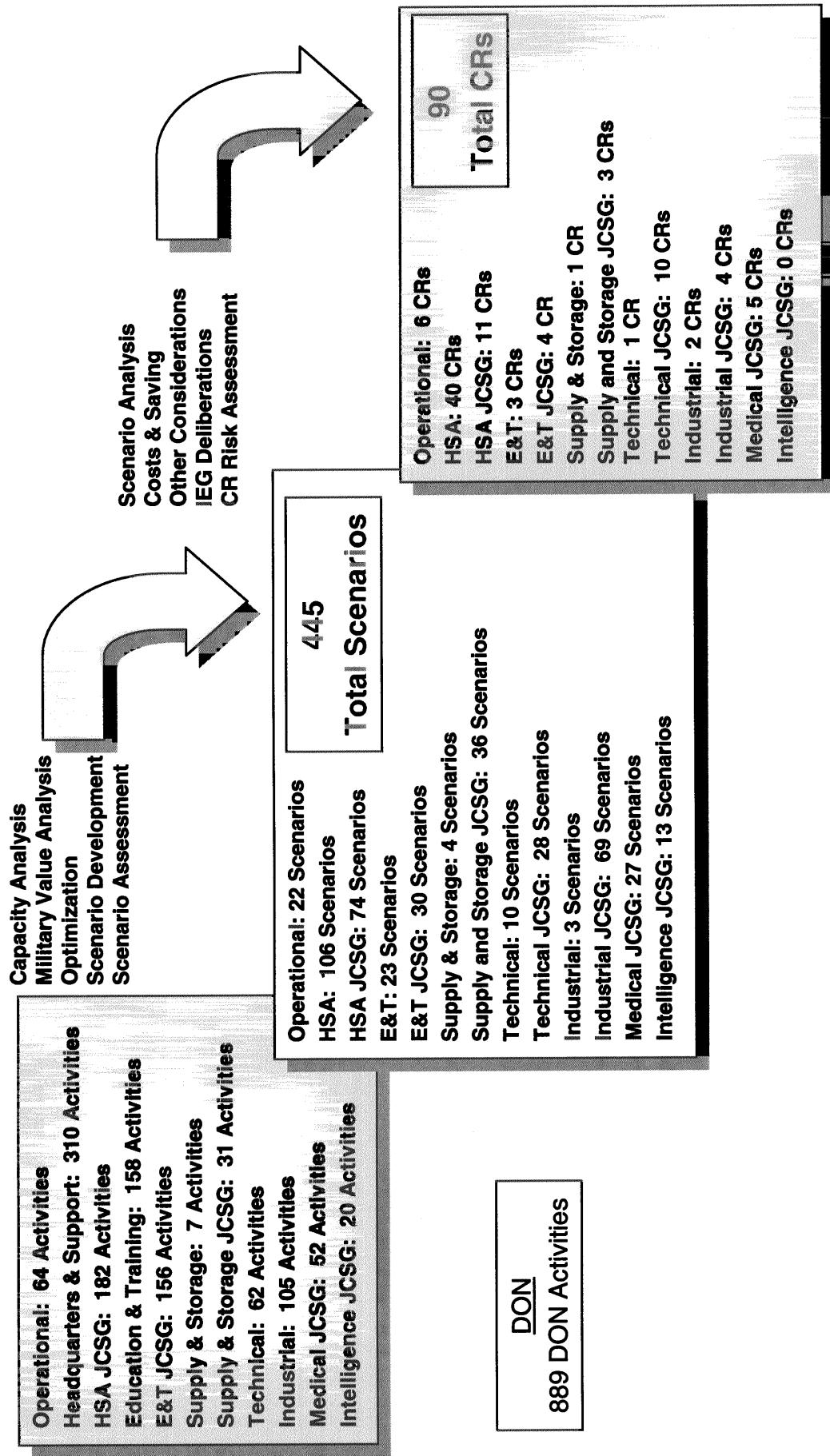
DON Considerations

DON Goals

- Significant savings that can be better applied to the Department's transformation and recapitalization needs.
- Reshaped bases/infrastructure that will optimize military readiness.



Progression of Analysis



Operations

*Department of the Navy
Infrastructure Analysis Team*





Candidate DON-0138B(R)

<p>Candidate Recommendation: Ralign NAS Brunswick, ME. Relocate all squadrons, their aircraft and necessary personnel, equipment and support to NAS Jacksonville, FL. Consolidate Aviation Intermediate Level Maintenance with Fleet Readiness Center Southeast Jacksonville, FL.</p>	<p>Justification</p> <ul style="list-style-type: none"> ✓ Saves \$\$ by shutting down facilities ✓ Single sites east coast Maritime Patrol assets. ✓ Maintains Reserve demographics ✓ Relocates and merges depot and intermediate maintenance activities 	<p>Military Value</p> <ul style="list-style-type: none"> ✓ Ranked 18 of 23 Active Bases in the Aviation Operations function. <p>Impacts</p> <table border="1"> <tbody> <tr> <td>✓ One Time Cost: \$147.16M</td><td>✓ Criterion 6: -4,266 jobs; 1.29% job loss</td></tr> <tr> <td>✓ Net Implementation Costs: \$112.62M</td><td>✓ Criterion 7: No substantial impact</td></tr> <tr> <td>✓ Annual Recurring Savings: \$34.87M</td><td>✓ Criterion 8: No substantial impact</td></tr> <tr> <td>✓ Payback: 4 Years</td><td></td></tr> <tr> <td>✓ NPV Savings: \$238.77M</td><td></td></tr> </tbody> </table>	✓ One Time Cost: \$147.16M	✓ Criterion 6: -4,266 jobs; 1.29% job loss	✓ Net Implementation Costs: \$112.62M	✓ Criterion 7: No substantial impact	✓ Annual Recurring Savings: \$34.87M	✓ Criterion 8: No substantial impact	✓ Payback: 4 Years		✓ NPV Savings: \$238.77M	
✓ One Time Cost: \$147.16M	✓ Criterion 6: -4,266 jobs; 1.29% job loss											
✓ Net Implementation Costs: \$112.62M	✓ Criterion 7: No substantial impact											
✓ Annual Recurring Savings: \$34.87M	✓ Criterion 8: No substantial impact											
✓ Payback: 4 Years												
✓ NPV Savings: \$238.77M												



Candidate Recommendation Risk Assessment DON-0138 B

Executability Risk

Investment Recouppment

- 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 effect 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						
7-8						
X						
5-6						
3-4						
0-2						
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:



Department of the Navy
Infrastructure Analysis Team

Operations Capacity / Milval

Capacity	Initial	Final
– Surface/Subsurface (CGEs)	355.00	319.75
– Aviation* (Modules)	317	312
– Ground		
• Admin BnE	97.5	97.5
• Storage BnE	281.2	281.2
• Maint BnE	413.8	413.8
• Milval		
– Surface/Subsurface	55.64	58.47
– Aviation*	55.73	58.18
– Ground	46.89	46.89

*Aviation Numbers shown include realignment of NAS Brunswick



Operations

Candidate Recommendations

CR ID	Description	Job Chg Military	Job Chg Civilian	One Time Costs (\$M)	Net Impl (\$M)	Steady State (\$M)	ROI (Years)	NPV (\$M)	NPV/One- Time Ratio
DoN-0002 R	Close NS Pascagoula, MS	844	112	17.943	-220.197	-47.465	Immediate	-666.160	37
DoN-0032B R	Close NS Ingleside, TX	2827	290	177.692	-92.840	-73.987	2 Years	-799.658	2
DoN-0033 R	Close Subbase New London, CT	7093	952	679.640	345.440	-192.774	3 Years	-1576.360	2
DoN-0068A R	Close NAS Atlanta, GA	1274	156	43.029	-289.848	-66.047	Immediate	-910.855	21
DoN-0084A R	Close NAS JRB Willow Grove, PA	812	357	125.245	-137.181	-61.207	2 Years	-718.303	6
DoN-0138 R	Realign NAS Brunswick, ME	2317	61	147.156	112.615	-34.872	4 Years	-238.771	4.4
Total		15,167	1,928	1,190.705	-282.011	-476.352		-4,910.107	4.1



Weapon Station Capacity / Milval

- Capacity

Subfunction	Starting	Final
Munitions Storage (ksf) (% excess)	3605 (24%)	3238 (16%)
Munitions Throughput	No excess	No excess

- Average Military Value

- Starting 41.40
- Final 41.40



Department of the Navy
Infrastructure Analysis Team

Weapon Stations Candidate Recommendation

CR ID	Description	Job Chg Military	Job Chg Civilian	One Time Costs (\$M)	Net Impl (\$Av/Cost) (\$M)	Steady State (\$M)	ROI (Years)	NPV (\$M)	NPV/One-Time Ratio
DoN-0172	Realign NAVWPNSTA Seal Beach, Det Concord, CA	0	0	13.950	-43.244	-16.390	1 Year	-199.724	14.3
	Total	0	0	13.950	-43.244	-16.390		-199.724	14.3



*Department of the Navy
Infrastructure Analysis Team*

Education & Training



DON E&T Capacity

<u>Capacity</u>	<u>Initial</u>	<u>Final</u>
Recruit Training		
•Classrooms	0%	0%
•Billeting	13%	13%
•Messing	25%	25%
Officer Accessions		
•Classrooms	34%	30%
•Billeting*	14%	14%
•Messing**	12%	12%
PME		
•Classrooms	44%	44%

*USNA, NAPS only
** USNA only



DON E&T Military Value

Military Value	Initial	Final
Recruit Training (avg)	53.27	53.27
Officer Accessions (avg)	55.91	57.50
PME (avg)	52.12	52.12



Department of the Navy
Infrastructure Analysis Team

Education & Training Candidate Recommendations

CR ID	Description	Job Chg Military	Job Chg Civilian	One Time Costs (\$M)	Net Impl (\$M)	Steady State (\$M)	ROI(Years)	NPV (\$M)	NPV/One-Time Ratio
DoN-0085 V2	Relocate OTC Pensacola, FL to NS Newport, RI	274	21	3.578	-2.776	-1.149	3 Years	-13.592	3.8
	Total	274	21	3.578	-2.776	-1.149		-13.592	3.8



*Department of the Navy
Infrastructure Analysis Team*

Headquarters & Support

5 May 05

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



Candidate DON-0045

Candidate Recommendation: Close Navy Reserve Center Bangor ME.

<u>Justification</u>	<u>Military Value</u>	<u>Impacts</u>
<ul style="list-style-type: none"> ✓ Reduction of excess capacity, in line with force structure planned reductions. 	<ul style="list-style-type: none"> ✓ Increases average military value from 59.96 to 61.75 (cumulative result of Navy Reserve Center closures). ✓ Ranked 114 of 152 NRCs/NMCRCs in the Reserve Centers function. 	<ul style="list-style-type: none"> ✓ Criteria 6: -9 jobs; < 0.1% job loss ✓ Criteria 7: No substantial impact. ✓ Criteria 8: No substantial impact.
<p><u>Payback</u></p> <ul style="list-style-type: none"> ✓ One Time Cost: \$0.04M ✓ Net Implementation Savings: \$3.88M ✓ Annual Recurring Savings: \$0.71M ✓ Payback: Immediate ✓ NPV Savings: \$10.49M 		<ul style="list-style-type: none"> ✓ JCSG/MilDep Recommended ✓ Criteria 6-8 Analysis ✓ Capacity Analysis/Data Verification ✓ Military Value Analysis/Data Verification

✓ Strategy
✓ COBRA

✓ De-conflicted w/JCSGs
✓ De-conflicted w/MilDep

✓ De-conflicted w/JCSGs
✓ Criteria 6-8 Analysis

✓ De-conflicted w/JCSGs
✓ De-conflicted w/MilDep



Risk Assessment

Executability Risk

Investment Recoupm

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

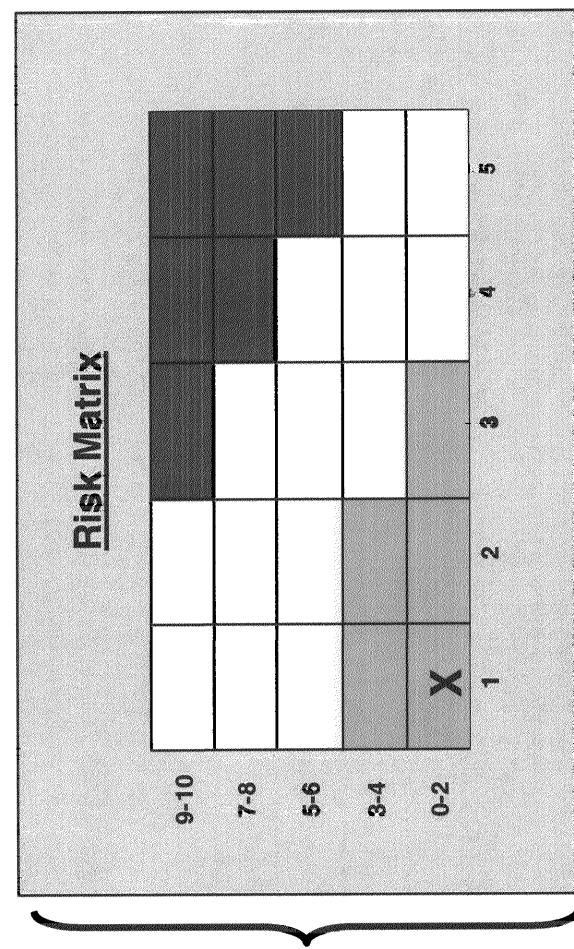
Environmental Impact

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: None.



Wartfighting/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.



Summary

- **Results of Criteria 6, 7, and 8 Analysis show the Reserve Center candidate scenario has:**
 - No economic impact on both losing and gaining economic regions.
 - No community impact on both losing and gaining communities.
 - No Criterion 8 impacts.

IEG Decision Item:
Approve candidate recommendation.



HSA

Capacity/Milval

Capacity	Initial		Final	
	Milval	Reserves	Milval	Reserves
NRC/NMICRC (s.f.)	5,353,207	1,031,811	4,675,810	974,765
I&I (s.f.)	26%	N/A	10%	N/A
Recruiting- NRDs (excess)				
Regional Support				
Capacity	Initial		Final	
	Milval	Reserves	Milval	Reserves
NRC/NMICRC	59.96	50.60	61.75	50.60
I&I	68.90		69.79	
Recruiting- NRDs				
Regional Support				
IM Regions	60.86		63.92	
NAVFAC EFDD/EFAs	65.74		72.61	
REDCOMs	72.03		75.68	



Reserve Centers

DON Candidate Recommendations

	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 Cape 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	NMCRC Reading	10	8	10.193	-0.922	14	-2,543
9	DON-0018	NRC Evansville, IN	4	3	0.059	-0.536	Immediate	-7,986
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	NMCRC 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-0045	NRC Bangor, ME	7	0	0.040	-0.705	Immediate	-10,492
19	DON-0047	NRC Watertown, NY	4	5	0.064	-0.405	Immediate	-6,011
20	DON-0048	NRC Lubbock, TX	5	2	0.075	-0.670	Immediate	-9,986
21	DON-0049	NRC Forest Park, IL	14	1	0.125	-1.374	Immediate	-20,408
22	DON-0050	NRC St. Petersburg, FL	4	8	0.092	-0.810	Immediate	-12,116
23	DON-0052	NRC Orange, TX	10	1	0.316	-1.249	Immediate	-18,261
24	DON-0053	NMCRC, Tacoma, WA	8	12	0.136	-1.022	Immediate	-15,235
25	DON-0054	NMCRC Encino, CA	1	32	0.096	-0.825	Immediate	-12,314
26	DON-0055	NMCRC Grissom ARB, IN	5	2	0.067	-0.569	Immediate	-8,463
27	DON-0056	I&I Rome, GA	0	9	0.045	-0.136	Immediate	-1,919
28	DON-0057	I&I West Trenton, NJ	0	12	1.325	-0.472	3	-5,775
29	DON-0089A	NMCRC Los Angeles, CA	0	48	12.203	-0.852	18	-0.470
30	DON-0113	NMCRC Akron & NRC Cleveland, OH	14	37	11.767	-1.657	7	-11,842
31	DON-0115	NMCRC Madison, WI, NRC LaCrosse, WI, & NRC Dubuque, IA	9	48	10.206	-1.782	6	-13,562
32	DON-0118	NMCRC Baton Rouge, LA	7	11	3.891	-0.973	3	-10,226
33	DON-0129	NMCRC Tulsa, OK	0	32	5.527	-0.488	14	-1,129
34	DON-0130	NMCRC Mobile, AL	5	22	7.972	-0.708	12	-2,369
		Total	182	345	65.415	-25.634	-	-311,647



Headquarters & Support Candidate Recommendation

Regional Support

CR ID	Description	Job Chg Military	Job Chg Civilian	One Time Costs (\$M)	Net Imp (Sav/Cost) (\$M)	Steady State (\$M)	ROI(Years)	NPV (\$M)	NPV/One-Time Ratio
DoN-0041 R	Realign Commander Navy Regions Gulf Coast, South, Northeast	0	83	3.213	-8.876	-2.717	1 Year	-34.549	10.8
DoN-0074R	Consolidate Naval Facilities Engineering Field Division South, with NAVFAC Southeast, NAVFAC Midwest, and NAVFAC Atlantic	11	734	37.848	9.063	-9.328	4 Years	-81.810	2.2
DoN-0078R	Consolidate Navy Reserve Readiness Command South, Fort Worth, TX with Navy Reserve Readiness Command Midwest Great Lakes, IL	114	31	2.564	-30.941	-6.467	Immediate	-91.685	35.8
Sub Total		125	848	43.625	-30.754	-18.512		-208.044	4.8
Recruiting									
CR ID	Description	Job Chg Military	Job Chg Civilian	One Time Costs (\$M)	Net Imp (Sav/Cost) (\$M)	Steady State (\$M)	ROI(Years)	NPV (\$M)	NPV/One-Time Ratio
DoN-0062 V2	Close Navy Recruiting District Indianapolis, IN; Omaha, NE; Buffalo, NY; Montgomery, AL; Kansas City, MO	123	29	2.444	-78.272	-14.529	Immediate	-214.496	87.8
Total		248	877	46.069	-109.026	-33.041		-422.54	9.2



Other Candidate Recommendation

CR ID	Description	Job Chg Military	Job Chg Civilian	One Time Costs (\$M)	Net Imp1 (\$M)	Steady State (\$M)	ROI (Years)	NPV (\$M)	NPV/One-Time Ratio
DoN-0168A RI	Realign NAVSTA Newport, RI; Relocate Naval Warfare Dev Cmd to NAVSTA Norfolk, VA	53	58	11.752	8.326	-1.015	13 Years	-2.055	0.2
	Total	53	58	11.752	8.326	-1.015		-2.055	0.2



*Department of the Navy
Infrastructure Analysis Team*

Fencelines

5 May 05

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



DON 0165R V3 – MCLB Barstow

Recommendation (Summary): Retain multi-commodity west coast depot maintenance site for 7 commodities, increase capacity for amphibious vehicle commodity, realign remainder in accordance with IND-0127A. Realign Defense Distribution Depot to a Forward Distribution Point (S&S-0048), close clinics, and realign Fleet Support Division, Maintenance Center Barstow, and MCLB Barstow operations to increase efficiencies and reduce infrastructure.

Justification

- **Retains Multi-Commodity West Coast Maintenance Depot.**
- **Facilitates interservicing of Depot maintenance**
- **Save \$ by reducing excess capacity and increasing efficiencies.**

Military Value

- **Military value for the mission assets were evaluated in previously approved IND-0127A and S&S-0048.**

Payback

- **One-time cost:** \$ 30.1 M
- **Net implementation savings:** \$ 115.9 M
- **Annual recurring savings:** \$ 29.7 M
- **Payback period:** Immediate
- **20 Yr. NPV (savings):** \$ 396.3 M

Impacts

- **Criteria 6:(497direct, 457 indirect) Jobs; 0.06% job loss**
- **Criteria 7: No substantial impact**
- **Criteria 8: No substantial impact**

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

- ✓ MilDep Recommended

- ✓ Criteria 6-8 Analysis
- ✓ De-conflicted w/MilDep
- ✓ De-conflicted w/JCSGs
- ✓ De-conflicted Under FOIA



Risk Assessment- DON-0165R V3

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 effect 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: None (retains a West Coast ground maintenance depot).

		Risk Matrix				
		9-10	7-8	5-6	3-4	0-2
Cost	9-10	High Impact	Medium Impact	Low Impact	Very Low Impact	None
	7-8	High Impact	Medium Impact	Low Impact	Very Low Impact	None
Impact	5-6	High Impact	Medium Impact	Low Impact	Very Low Impact	None
	3-4	High Impact	Medium Impact	Low Impact	Very Low Impact	None
Economic Impact	0-2	X	Medium Impact	Low Impact	Very Low Impact	None
	1	Medium Impact	Low Impact	Very Low Impact	None	None

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



Summary

- **Results of Criteria 6, 7, and 8 Analysis show DON-0165R V3 has:**
 - No economic impact on both losing and gaining economic regions.
 - No community impact on both losing and gaining communities.
 - No Criterion 8 impacts.



Fenceline Candidate Recommendations

CR ID	Description	Job Chg Military	Job Chg Civilian	One Time Costs (\$M)	Net Temp Sav/Cost (\$M)	Steady State (\$M)	ROI(Years)	NPV (\$M)	NPV/One-Time Ratio
DoN-0126R	Close the Navy Supply Corps Supply School	393	108	23.791	12.108	-4.022	6 Years	-27.845	1.2
DoN-0133 R	Close Portsmouth NS, ME. Relocate workload to Norfolk NS VA and Pearl Harbor NS, HI	201	4032	449.311	-57.924	-138.122	3 Years	-1388.694	3.1
DoN-0157 R	Close Marine Corps Support Activity Kansas City, MO	191	139	22.454	4.618	-7.495	2 Years	-69.223	3.1
DoN-0158A R	Close NSA New Orleans, LA	1997	652	164.744	86.309	-36.488	3 Years	-276.172	1.7
DoN-0161B R	Relocate NSWC Corona to NavBase Ventura	6	886	79.907	65.194	-6.027	15 Years	-0.598	0.0
DoN-0165R V3	Realign MCLB Barstow	150	347	30.126	-115.963	-29.722	Immediate	-396.253	13.2
Total	2,938	6,164	770.333	-5.658	-221.876	-2.158.785		2.8	



JCSG CRs

Affecting DON

- Education & Training (4)
 - E&T-0014: Joint Religious Training at Fort Jackson, SC
 - E&T-0016: Joint Culinary Training at Fort Lee, VA
 - E&T-0046R: Undergraduate Flight Training at NAS Pensacola
 - E&T-0052: JSF Initial Flight Training at Eglin AFB, FL
- Headquarters & Support Activities (11)
 - HSA-0010R: Joint Base Installation Management at Various Locations
 - HSA-0018: DFAS Consolidation to 3 Locations
 - HSA-0031: Consolidate CPOs (Service Centric Solution)
 - HSA-0045: Consolidate DISA at Fort Meade, VA
 - HSA-0071: Agency for Media and Publications at Fort Meade, VA
 - HSA-0078R: Relocate Misc DON Leased Space to Various Locations
 - HSA-0099: Collocate Adjudication Activities at Fort Meade, VA
 - HSA-0108R: Consolidate MilDep Investigation Agencies at Quantico
 - HSA-0130: Relocate NETC and NETPDT to NSA Millington
 - HSA-0133: Establish 4 Joint Mob Sites
 - HSA-0135: Establish 5 Joint Regional Correctional Facilities



JCSG CRs

Affecting DON

- Industrial (4)
 - IND-0024: Realign SINA NS Norfolk to NSY Norfolk
 - IND-0083B: Disestablish Depot Maintenance at NWS Seal Beach
 - IND-0095R: Disestablish 3 Shipyard Detachments
 - IND-0103R: Establish Fleet Readiness Centers
- Medical (5)
 - MED-0002R: Realign Walter Reed to NNMC Bethesda
 - MED-0016R: Consolidate San Antonio Medical Activities
 - MED-0028R: Establish Joint Center for ChemBio and Medical RDA
 - MED-0054R: Convert Inpatient Services to Clinics
 - MED-0057R: Close Brooks City Base
- Supply & Storage (3)
 - S&S-0035R: Consolidate/Transfer Service ICPS to DLA
 - S&S-0043R: Privatize Storage and Distribution of Tires, etc.
 - S&S-0051R: Realign/Consolidate Wholesale Distribution at 4 Sites



JCSG CRs

Affecting DON

- Technical (10)
 - TECH-0005R: Establish Center for Rotary Wing Air Platform RDAT&E
 - TECH-0006R: Establish Center for Fixed Wing Air Platform RDAT&E
 - TECH-0013: Consolidate Joint Ground Vehicle D&A
 - TECH-0018B: Consolidate W&A (Guns/Ammo) at Picatinny Arsenal, NJ
 - TECH-0018DR: Consolidate W&A RDAT&E at 3 Sites
 - TECH-0018E: Relocate Navy Strategic T&E to Kings Bay, GA
 - TECH-0031: Consolidate Sea Vehicle Dev & Acq at Bethesda and WNY
 - TECH-0040R: Co-locate Extramural Research Program Managers
 - TECH-0042AR: Consolidate Maritime C4ISR RDAT&E to 3 Sites
 - TECH-0054: Consolidate Navy C4ISR RDAT&E at NAWC China Lake



Environmental Summary

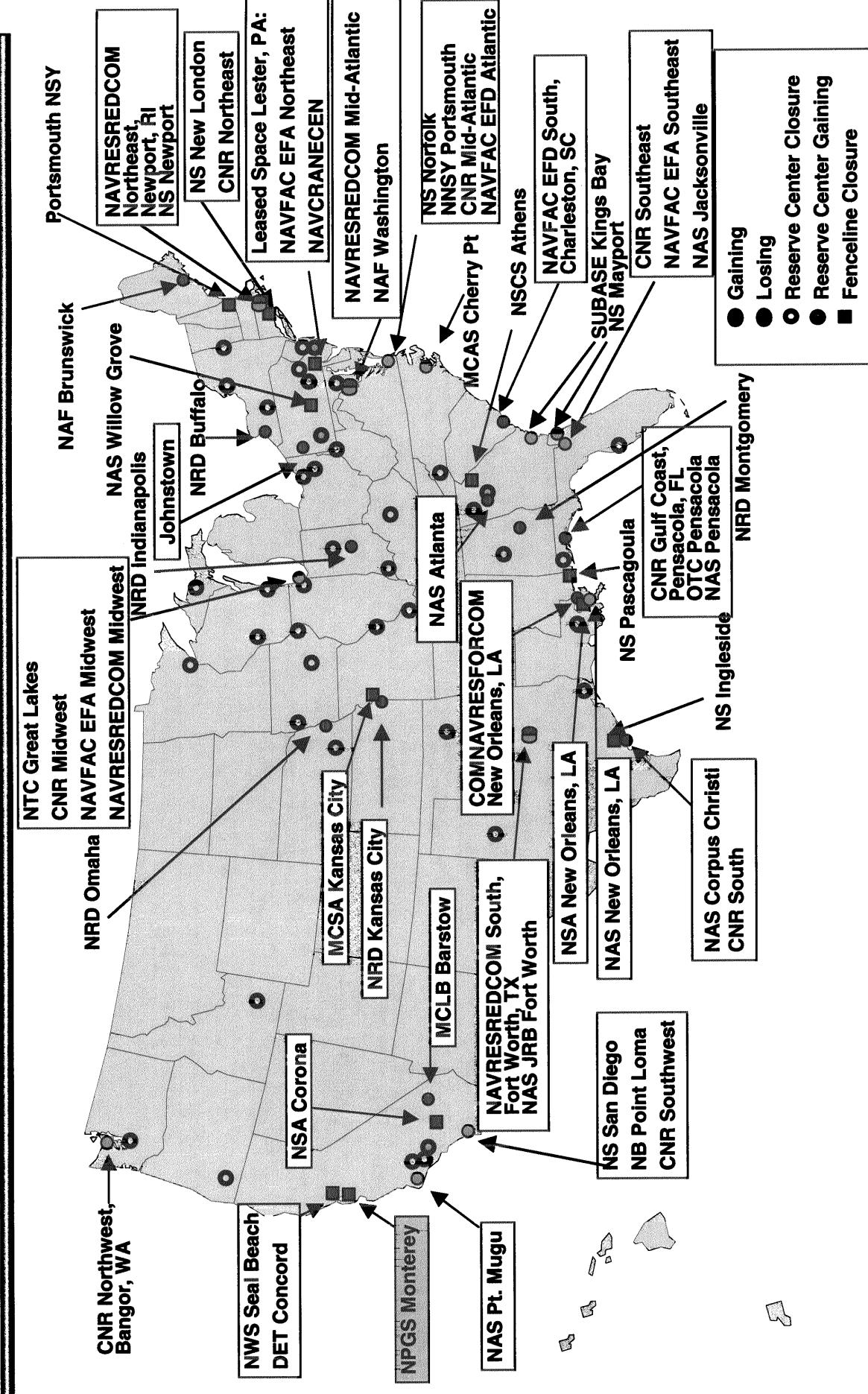
- **Summary of Cumulative Environmental Impacts (SCEI)**
 - Focus on gaining DON installations
 - Based on underlying SSEIs for each recommendation adding functions
 - Provided to OSD 29 APR- to be updated when recommendations final
 - No environmental impediments to implementation
- **Installation Environmental Profiles updated**
 - Based on Capacity Data Call – updated from Oct 04 brief to DAG



Department of the Navy
Infrastructure Analysis Team

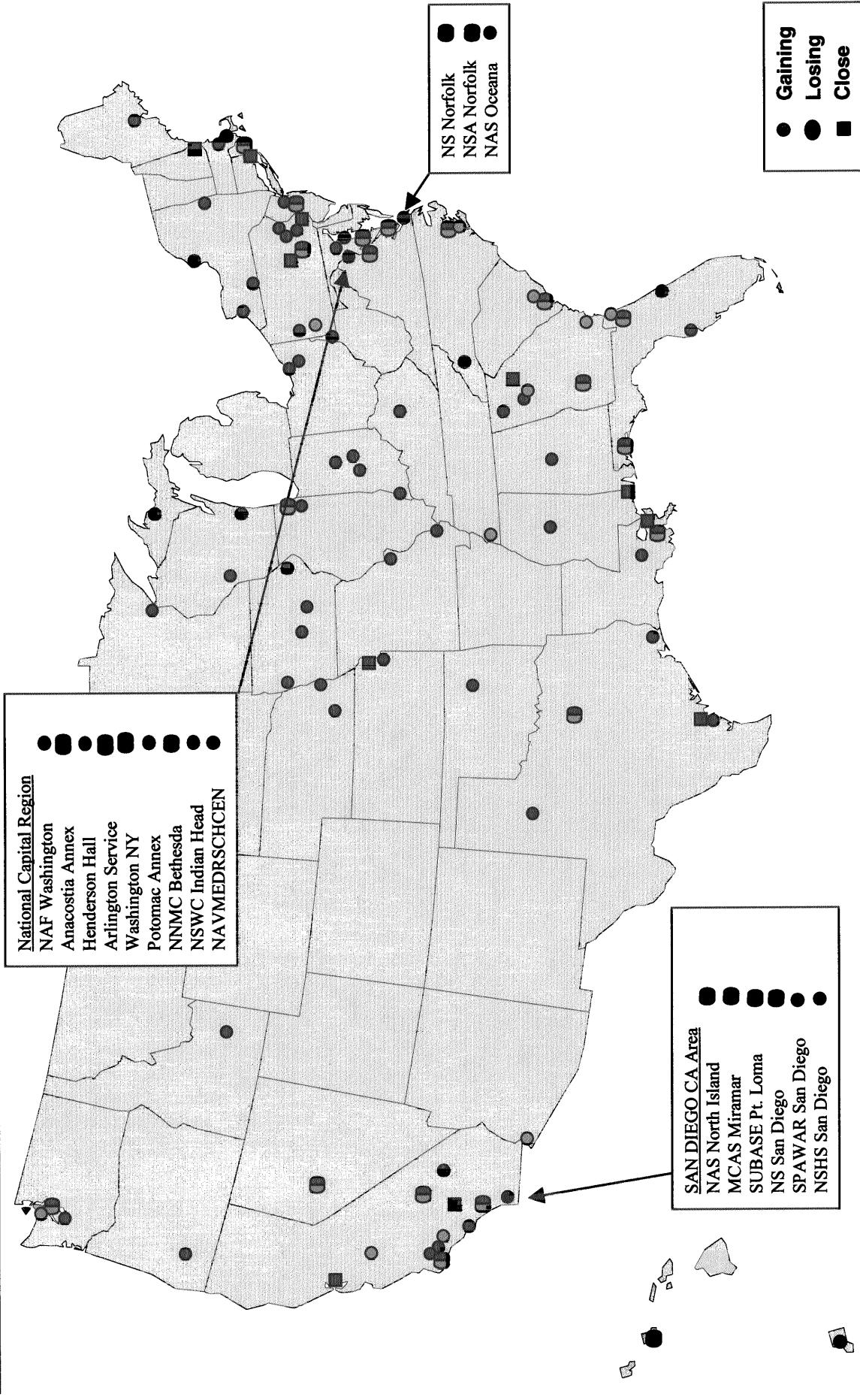
DON

Candidate Recommendations



Overview of DON Actions (DON Unique and JCSG)

Department of the Navy
Infrastructure Analysis Team



5 May 05



*Department of the Navy
Infrastructure Analysis Team*

Cost & Analysis

5 May 05

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



Summary of Costs

	Gross Savings*	One-Time Costs	Net Implementation Savings/(Costs)	Annual Recurring Savings/(Costs)	NPV Savings/(Costs)
Army BRAC	6,628.8	(9,625.7)	(7,978.6)	463.5	(2,996.9)
<i>Overseas</i>	15,958.9	(348.5)	4,360.2	1,248.5	15,610.4
<i>BRAC + Overseas</i>	22,587.7	(9,974.2)	(3,618.3)	1,712.0	12,613.5
Navy	12,195.5	(2,409.1)	684.1	940.9	9,786.4
Air Force	17,114.5	(1,880.1)	2,802.9	1,301.9	15,234.5
JCSGs	40,827.6	(11,163.2)	193.4	3,044.4	29,664.5
E&T	2,999.1	(1,774.9)	(1,018.3)	228.0	1,224.2
H&SA	12,144.3	(2,558.4)	724.4	919.1	9,585.9
Industrial	8,390.8	(780.5)	1,775.3	613.3	7,610.4
Intelligence	2,035.8	(1,699.3)	(1,271.0)	150.8	336.5
Medical	5,246.5	(2,389.3)	(1,250.9)	415.8	2,857.2
S&S	6,257.6	(335.1)	1,805.4	439.3	5,922.5
Technical	3,753.5	(1,625.7)	(571.6)	277.9	2,127.8
Total	76,766.5	(25,078.1)	(4,298.3)	5,750.6	51,688.5
Total W/Overseas	92,725.5	(25,426.6)	62.0	6,999.1	67,298.8

* Gross savings is the sum of Net Present Value and the 1-time costs



Cost & Analysis

All CRS

	2006	2007	2008	2009	2010	2011	6 YR TOTAL	Beyond	NPV
NAVY ONE-TIME COSTS	488,470	892,746	1,102,475	559,453	400,451	134,266	3,577,861	0	8,614,889
NAVY SAVINGS	145,050	463,183	1,174,486	2,075,264	2,180,152	1,919,641	7,957,775	2,003,447	26,852,020
NAVY NET COSTS	384,754	537,480	179,898	(1,143,259)	(1,364,025)	(1,349,757)	(2,754,908)	(1,615,991)	(18,237,131)

	2006	2007	2008	2009	2010	2011	6 YR TOTAL	Beyond	NPV
USMC ONE-TIME COSTS	16,933	7,717	7,360	95,732	17,964	2,214	147,920	0	574,548
USMC SAVINGS	2,884	3,981	4,776	13,747	38,667	49,582	113,636	48,823	580,664
USMC NET COSTS	15,806	9,091	6,822	111,887	20,499	(9,840)	154,264	(15,046)	(6,115)

	2006	2007	2008	2009	2010	2011	6 YR TOTAL	Beyond	NPV
DON ONE-TIME COSTS	505,404	900,463	1,109,835	655,185	418,415	136,480	3,725,781	0	9,189,437
DON SAVINGS	147,933	467,164	1,179,262	2,089,011	2,218,819	1,969,222	8,071,412	2,052,270	27,432,684
DON NET COSTS	400,561	546,571	186,719	(1,031,372)	(1,343,526)	(1,359,597)	(2,600,644)	(1,631,037)	(18,243,247)



Cost & Analysis

All CRs: Exclude mil pers and housing

	2006	2007	2008	2009	2010	2011	6 YR TOTAL	Beyond	NPV
NAVY ONE-TIME COSTS	494,058	892,687	1,113,772	596,846	397,983	134,522	3,629,868	0	8,389,771
NAVY SAVINGS	88,773	309,621	880,991	1,695,126	1,769,044	1,434,771	6,178,326	1,469,160	19,994,243
NAVY NET COSTS	443,802	684,847	473,981	(740,308)	(970,812)	(884,032)	(992,521)	(1,103,143)	(11,604,472)

	2006	2007	2008	2009	2010	2011	6 YR TOTAL	Beyond	NPV
USMC ONE-TIME COSTS	10,452	4,069	4,816	57,821	12,644	1,957	91,759	0	442,116
USMC SAVINGS	1,308	1,542	1,766	10,563	24,688	29,638	69,505	31,906	375,162
USMC NET COSTS	9,844	4,339	4,594	71,520	17,383	1,092	108,772	(3,296)	66,954

	2006	2007	2008	2009	2010	2011	6 YR TOTAL	Beyond	NPV
DON ONE-TIME COSTS	504,510	896,756	1,118,587	654,667	410,627	136,480	3,721,628	0	8,831,887
DON SAVINGS	90,081	311,163	882,757	1,705,689	1,793,732	1,464,409	6,247,830	1,501,066	20,369,405
DON NET COSTS	453,646	689,186	478,575	(668,788)	(953,429)	(882,940)	(883,749)	(1,106,439)	(11,537,518)



Quantifying Results – Current Status

	Plant Replacement Value (\$M)	% change in DoD Plant Replacement Value	Military Job Changes	Civilian Job Changes	Total Job Changes
Army*	(10,973)	2.0%	778	(1,559)	(781)
Navy	(7,666)	1.4%	(4,297)	(3,575)	(7,872)
Air Force	(6,766)	1.3%	(7,074)	(2,641)	(9,715)
JCSGs	(5,105)	1.0%	(7,959)	(9,781)	(17,740)
E&T	854	0.16%	(2,155)	(384)	(2,539)
H&SA	719	0.13%	(2,551)	(3,664)	(6,215)
Industrial	(795)	0.15%	(693)	(853)	(1,546)
Intelligence	42	0.01%			0
Medical	(1,074)	0.20%	(2,180)	(2,146)	(4,326)
S&S	(4,247)	0.79%	(22)	(1,179)	(1,201)
Technical	(604)	0.11%	(358)	(1,555)	(1,913)
Total	(30,509)	5.7%	(18,552)	(17,556)	(36,108)

* Does not include addition of \$2.2 B of PRV for Global Posture actions but does reflect manpower losses from Korea and Germany



Summary

- CRs / Activity numbers
 - Closures (55)
 - 18 Installations
 - 37 Reserve Centers
 - Realignments (41)
 - 7 DON realignments
 - 34 JCSG realignment recommendations
 - Activities Impacted
 - DON Activities
 - Gaining (44)
 - Losing (40)
 - Gaining/Losing (1)
 - Closing (18)
 - JCSG Impact
 - Gaining (16)
 - Losing (14)
 - Gaining/Losing (27)
 - Realign in Place (10)



What's Next

- 6 May – IEC Meeting
 - 9 May – ASN Meeting / IEC Meeting
 - 11 May – CO's Conference
 - 13 May – DoD report delivery to Hill & BCRC
SecDef press conference
 - 16 May – MiIDept / JCSG report available
SecDef testimony to BCRC
 - 17 May – Air Force & DON testimony to BCRC
 - 18 May – Army and JCSG testimony to BCRC
 - 19 May – JCSG testimony to BCRC
- Projected
- 23 May – July BCRC & GAO visit bases
 - Regional Hearings
 - BCRC staff review data & analysis
 - Final hearings
 - BCRC report due to President
- August
- 8 Sept



*Department of the Navy
Infrastructure Analysis Team*

IEG – DAG – FAB

Open Discussion



*Department of the Navy
Infrastructure Analysis Team*

Back-up