



DCN: 8841

# Sec. 66: Marine Corps Support Activity Kansas City, MO

## C5. Greater Savings and Less Costs

### DoD Position:

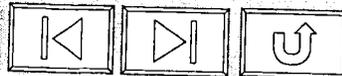
- NAS JRB location consolidates the Marine Corps support Activity with the parent command

### Community Position:

- None

### R&A Staff Assessment:

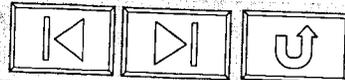
- Sufficient infrastructure and housing available
- Eliminated \$16 M MILCON requirements
- Immediate payback
- NPV of (\$67 M)
- Net Cost/(Savings) (\$7.9 M)
- Recurring (Savings) (\$6.1 M)

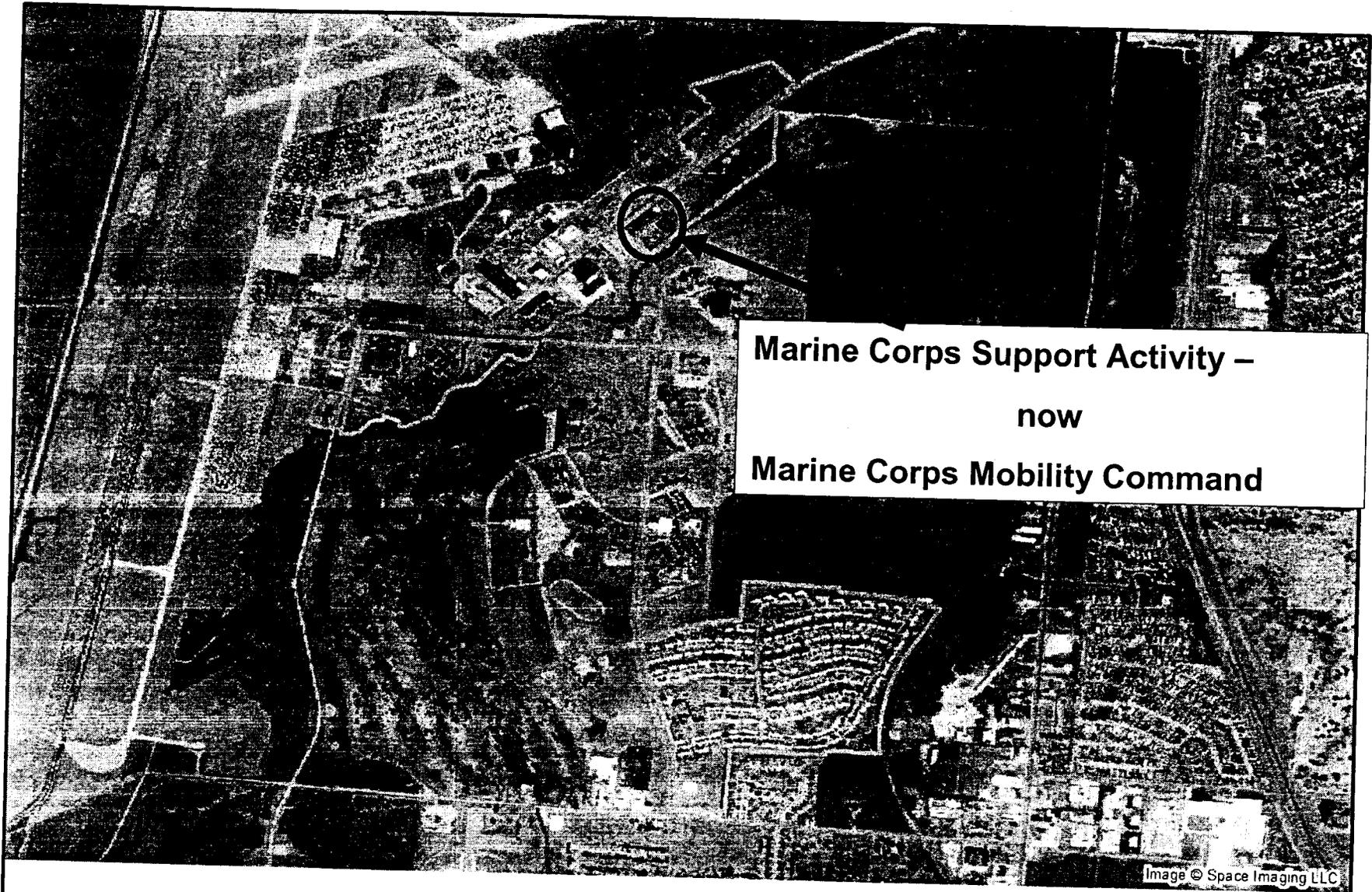




# Sec. 66: Marine Corps Support Activity Kansas City, MO

COBRA DATA			
	DoD Baseline	Staff Excursion	Staff Excursion without Mil Per
One Time Cost	\$23.282 M	\$8.192M	\$8.14
Net Implementation Cost/Savings	\$8.025 M	(\$7,881M)	(\$3.51 M)
Annual Recurring Cost/Savings	(\$5.827 M)	(\$6.089 M)	(\$4.34 M)
Payback Period	3 year	Immediate	Immediate
Net Present Value at 2025 Cost/Savings	(\$49.830 M)	(\$66.998 M)	(\$45.86 M)





**Marine Corps Support Activity –  
now  
Marine Corps Mobility Command**

Image © Space Imaging LLC

# Marine Corps Support Activity Kansas City

0.5 Miles

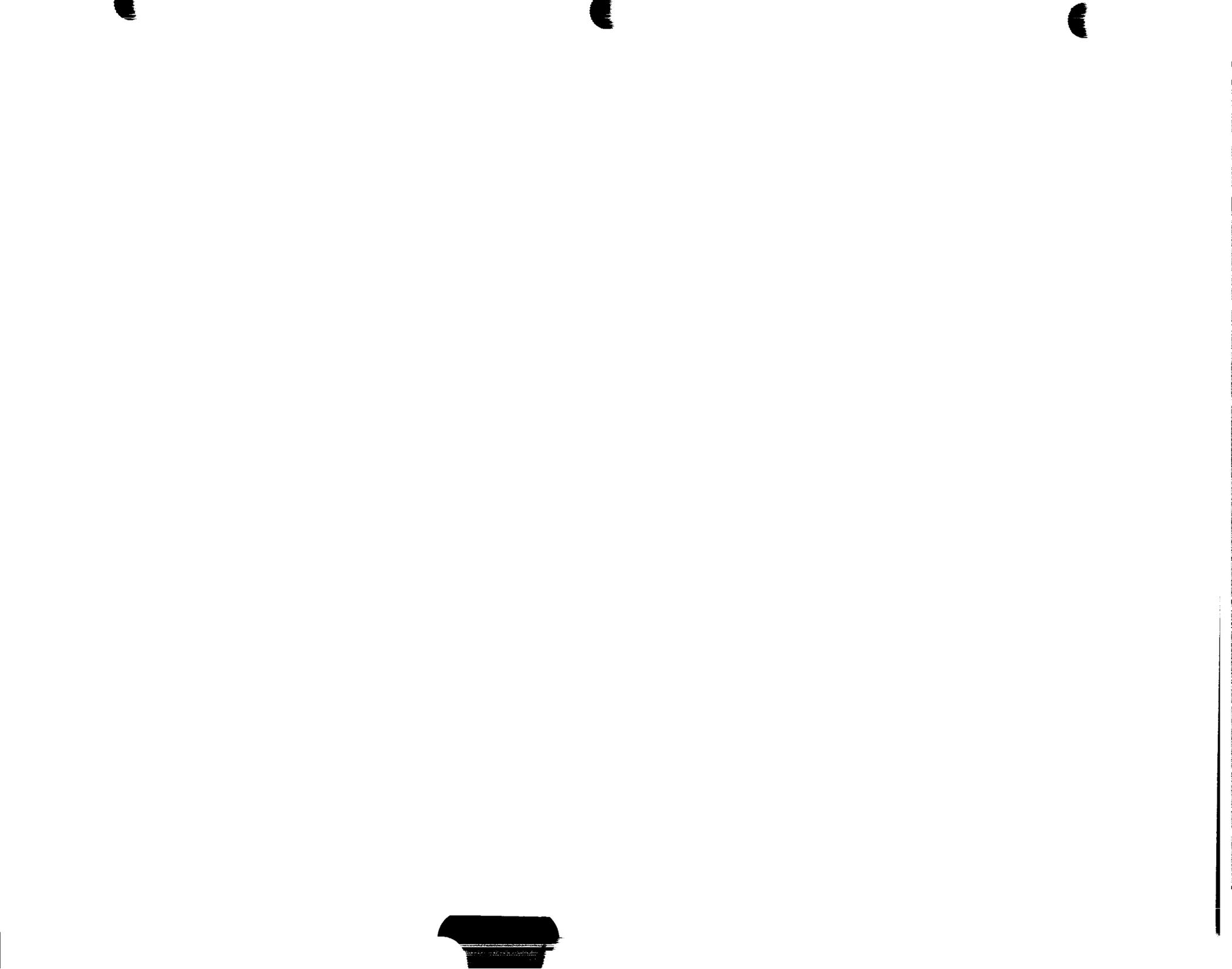
Installation Boundary



# Sec. 66: Marine Corps Kansas City, MO

## All Issues

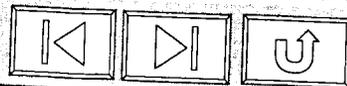
ISSUE	DOD POSITION	COMMUNITY POSITION	R&A STAFF FINDINGS
CURRENT AND FUTURE MISSION CAPABILITIES	NAS JRB IS THE LOCATION FOR CONSOLIDATING RESERVE OPERATIONS	NONE	THERE IS NO CHANGE IN MISSION CAPABILITIES FOR THE MARINES AND OTHER TENANTS TO LOCATE ON NSA WEST BANK PROPERTIES
THE AVAILABILITY AND CONDITION OF LAND, FACILITIES AT EXISTING LOCATIONS TO SUPPORT OPERATIONS	NAS JRB HAS BUILDABLE ACRES TO ACCOMMODATE NEW TENANTS	NONE	THE AVAILABILITY OF FACILITIES WAS NOT CONSIDERED FOR AT NSA WEST BANK NO, LA LOCATION FOR FL WHICH RESULTED IN \$16.41M IN MILCON REQUIREMENTS. NAS JRB HAS NO INFRASTRUTUURE FOR THE MARIMES
THE LOWER COSTS OF OPERATIONS	NAS JRB OFFERS BEST OPERATING COSTS	NONE	COST OF OPERATIONS WERE SIGNIFICANTLY INCREASED BY NOT RELOCATING TO NSA NEW ORLEANS WEST BANK
COSTS AND SAVINGS	COBRA SHOWS SAVINGS	NONE	THERE IS IMMEDIATE PAYBACK AND A NPV SAVINGS OF \$66M
INFRASTRUCTURE	DISAGREE	NONE	NAS JRB HAS NO INFRASTRUCTURE FOR THE MARINES. NEEDS \$16 M MILCON





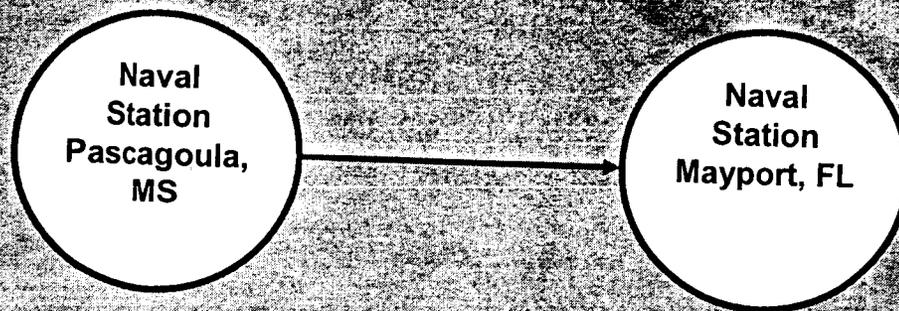
# Sec. 67: Naval Station Pascagoula, MS DoD Recommendation

## a. Close Naval Station Pascagoula, MS





# Sec. 67: Naval Station Pascagoula, MS Associated Installations





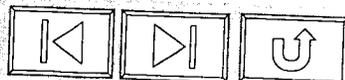
## Sec. 67: Naval Station Pascagoula, MS DoD Justification

- Reduces Excess Ship Berthing Capacity
- Consolidates Ships in Fleet Concentration Area
- Adequate Capacity/Infrastructure at Gaining Installation
- Gulf Coast Presence Achieved When Needed
- Reduces Excess Intermediate Ship Repair Capacity

### COBRA:

- \$17.9M One-time costs
- Immediate Payback
- \$665.7M 20-year Net Present Value
- Realigns 415 Military and 2 Civilian Jobs
- Eliminates 429 Military and 110 Civilian Jobs

Environmental: DoD





## Sec. 67: Naval Station Pascagoula, MS Issues Raised

C1.

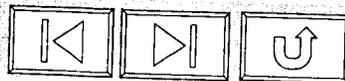
- Community Believes Loss of Navy Ships and Gulf Coast Presence Lessens DOD's Mission Capabilities for Homeland Defense

C2.

- Community Believes Military Value Calculations Introduced Bias For Mega- Bases, and Against Future Missions/Force Structure Ships

C5.

- DOD Savings Primarily Due to Eliminations of Navy Jobs





# Sec. 67: Naval Station Pascagoula, MS DoD Recommendation

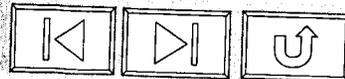
## a. Close Naval Station Pascagoula, MS





# Supporting Slides

For Commission Discussion & Questions  
During Final Deliberation





# Sec. 67: Naval Station Pascagoula, MS

## C5. Cost & Savings

### COBRA DATA

	DoD Baseline	Staff Excursion
One Time Cost	\$26 M	\$26 M
Net Implementation Cost/Savings	(\$56.5M)	(\$56.5M)
Annual Recurring Cost/Savings	(\$18.4 M)	(\$18.4 M)
Payback Period	Immediate	Immediate
Net Present Value at 2025 Cost/Savings	(\$230.6 M)	(\$230.6 M)

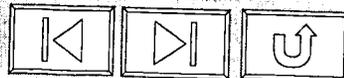




# Sec. 67: Naval Station Pascagoula, MS

## C5. Cost & Savings

<b>COBRA DATA</b>			
	<b>DoD Baseline</b>	<b>Staff Excursion</b>	<b>Staff Excursion Without Mil Pers</b>
<b>One Time Cost</b>	<b>\$26 M</b>	<b>\$17.9 M</b>	<b>\$18.4 M</b>
<b>Net Implementation</b>	<b>(\$56.5M)</b>	<b>(\$220.0M)</b>	<b>(\$15.3 M)</b>
<b>Annual Recurring</b>	<b>(\$18.4 M)</b>	<b>(\$47.4 M)</b>	<b>(\$7.6 M)</b>
<b>Payback Period</b>	<b>Immediate</b>	<b>Immediate</b>	<b>3 Years</b>
<b>Net Present Value at 2025</b>	<b>(\$230.6 M)</b>	<b>(\$665.7)</b>	<b>(\$87.4 M)</b>



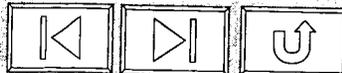


# Staff Assessment

## Deviation from Final Selection Criteria

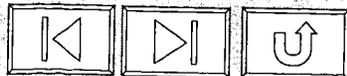
	Military Value				Other			
Criterion	C1	C2	C3	C4	C5	C6	C7	C8
Deviation								

X=Deviation





# Naval Station Pascagoula, MS Aerial View





# Sec. 67: NS Pascagoula, MS

## All Issues

ISSUE	DoD POSITION	COMMUNITY POSITION	R&A STAFF FINDINGS
<b>Current and Future Mission</b>	Single DON Mission homeport no viable given reduction in FSP & excess berthing capacity. Consolidates ships and personnel in fleet concentration area.	Ability to increase DOD and homeland security presence, expand multiple homeland defense/security missions. Potential future home for LCS. Military value based on proximity to Northrop Grumman's Shipyard.	Scored 16 out of 16 on DON's Military value scale for surface ships. Established to homeport 5 Aegis cruisers but only used now to homeport 2 smaller frigates. Consolidates ships and personnel with commands and training facilities located at NS Mayport – ships currently spend 30% of time in Mayport. No Deviation
<b>Impact on homeland defense or security</b>	Physical presence of surface battle force ships can be maintained in Gulf region, when needed, at Navy ports at NAS Key West and Pensacola.	Elimination of battle force ships in Gulf Coast exposes vital civilian energy production infrastructure and commercial shipping to potential threats. Maritime and littoral surveillance or reaction compromised.	Maintaining NS not critical to continued regional maritime protection or force projection. USCG mission and assets likely to stay and perhaps expand at Pascagoula. Minimal strategic or tactical capabilities lost in AOR.



# Sec. 67: NS Pascagoula, MS

## All Issues

ISSUE	DoD POSITION	COMMUNITY POSITION	R&A STAFF FINDINGS
<p>Closes off-station bachelor housing complex (Lakeside) And New off-station 160-unit family housing complex</p>	<p>Fence line closure including off-stations activities makes operational and economic sense. Economy can handle temporary housing for pre-com crews. Management of Family Housing can be shifted to N Gulf Port during implementation</p>	<p>Demand for temporary housing for Pre-con crews will continue and stress local economy. Should be kept open for other Navy and DHS regional demands for affordable housing.</p>	<p>Demand for Lakeside pre-existed NS and will continue Lakeside averages 400 sailors per year but number fluctuates due to ship building activity. Increases DON's annual recurring costs by \$4.7M. Enclave scenarios rejected due to costs. SUPSHIPS Gulf Coast mission is unaffected by closure. Navy has</p>

2



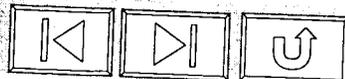
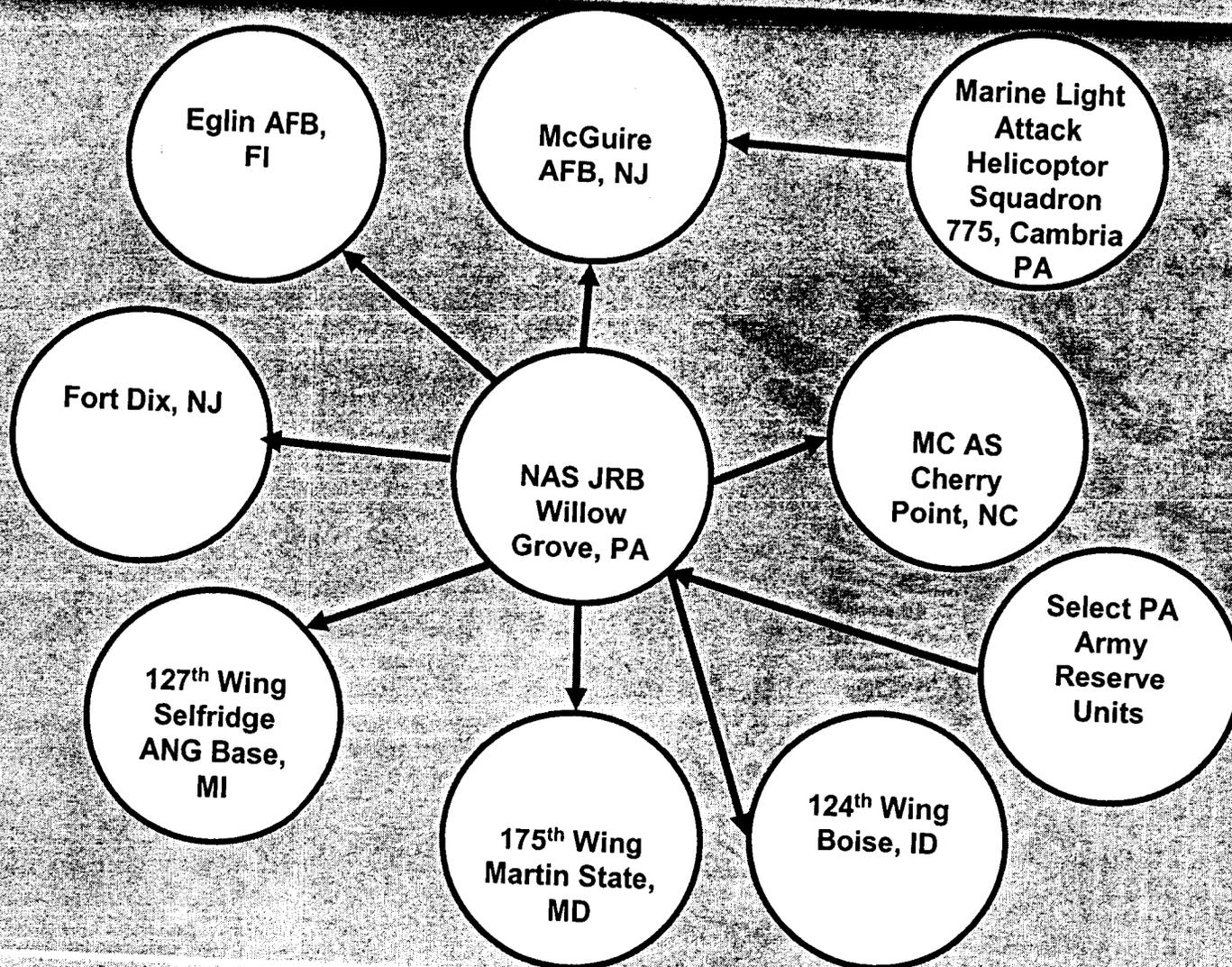
# Sec. 68: NAS JRB Willow Grove DoD Recommendation

a. Close NAS JRB Willow Grove, PA





# Sec. 68: NAS JRB Willow Grove DoD Recommendation



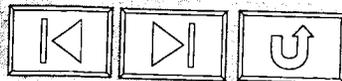


## Sec. 68: NAS JRB Willow Grove DoD Justification

- Reduces excess capacity while creating new joint opportunities at McGuire AFB/Ft Dix/Naval Aviation Engineering Station Lakehurst military concentration area.
- Leverages maintenance and operational efficiencies

### COBRA:

- \$126.3 M one time costs
- \$60.6 M annual recurring savings
- Reduces 1,805 jobs (1,142 direct & 663 indirect)
- Relocates 598 Military and 65 Civilians

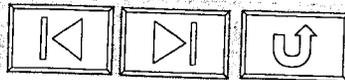




## Sec. 68: NAS JRB Willow Grove Issues Raised

C1.

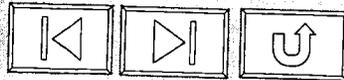
- Deactivation of ANG 111<sup>th</sup> Fighter Wing (A-10)
- Realignment of AFR 913<sup>th</sup> Airlift Wing (C-130E)





# Sec. 68: NAS JRB Willow Grove DoD Recommendation

a. Close NAS JRB Willow Grove, PA

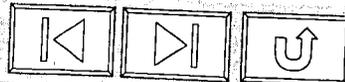




# Staff Assessment

## Deviation from Final Selection Criteria

	Military Value				Other			
Criterion	C1	C2	C3	C4	C5	C6	C7	C8
Deviation								



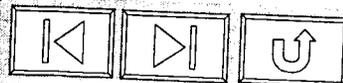


# Sec. 68: NAS JRB Willow Grove

## C5. Cost & Savings

### COBRA DATA

	DoD Baseline	Staff Excursion
One Time Cost	\$126.3 M	\$126.3 M
Net Implementation Cost/Savings	(\$134.7 M)	(\$134.7 M)
Annual Recurring Cost/Savings	(\$60.6 M)	(\$60.6 M)
Payback Period	2 Years	2 Years
Net Present Value at 2025 Cost /Savings	(\$710.5 M)	(\$710.5 M)



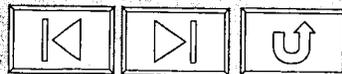


# Sec. 68: NAS JRB Willow Grove

## C5. Cost & Savings

### COBRA DATA

	<b>DoD Baseline</b>	<b>Staff Excursion</b>	<b>Staff Excursion Without Military Personnel</b>
<b>One Time Cost</b>	<b>\$126.3 M</b>	<b>\$126.3 M</b>	<b>\$126.5 M</b>
<b>Net Implementation</b>	<b>(\$134.7 M)</b>	<b>(\$134.7 M)</b>	<b>\$44.795 M</b>
<b>Annual Recurring</b>	<b>(\$60.6 M)</b>	<b>(\$60.6 M)</b>	<b>(\$40.795M)</b>
<b>Payback Period</b>	<b>2 Years</b>	<b>2 Years</b>	<b>4 Years</b>
<b>Net Present Value at 2025</b>	<b>(\$710.5 M)</b>	<b>(\$710.5 M)</b>	<b>(\$433.98 M)</b>

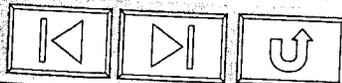






# Sec. 69: Naval Shipyard Portsmouth, Kittery, ME DoD Recommendation

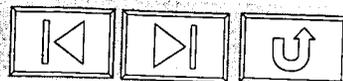
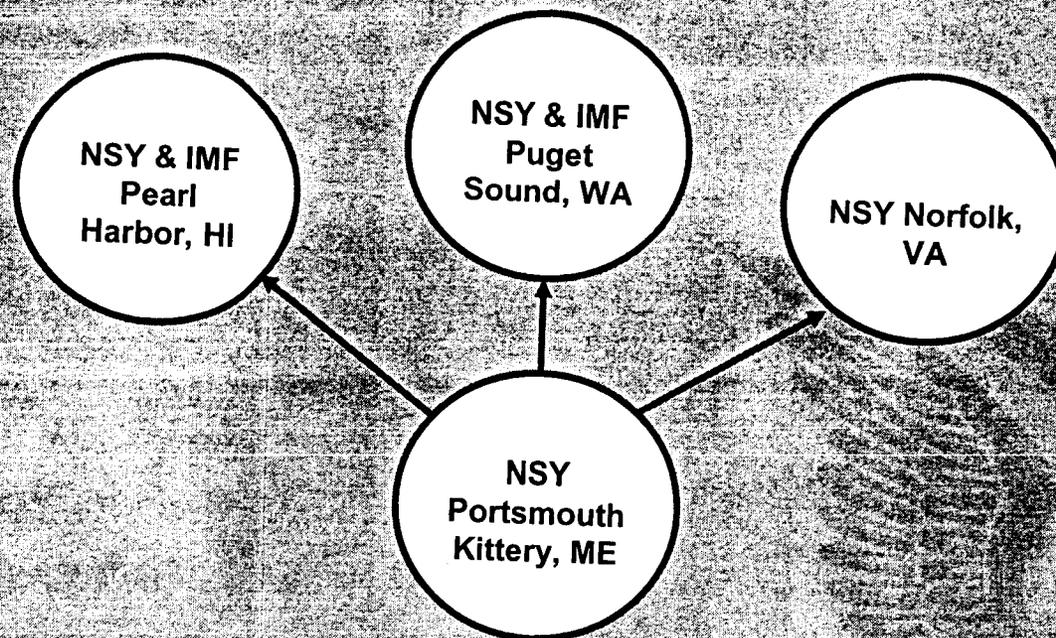
a. Close the Naval Shipyard Portsmouth, Kittery, ME





# Sec. 69: Naval Shipyard Portsmouth, Kittery, ME

## Associated Installations





# Sec. 69: Naval Shipyard Portsmouth, Kittery, ME

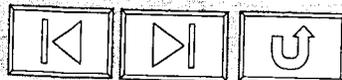
## DoD Justification

- Sufficient excess capacity to close Portsmouth or Pearl Harbor
- Retains one nuclear capable shipyard on each coast
- Portsmouth closure eliminates excess capacity and retains strategically placed shipyard
- Force Structure Plan used to select Portsmouth as the preferred closure
- Portsmouth had low military value compared to operational homeports
- Additional savings anticipated

### COBRA:

- \$448.4M One-time Costs
- \$1,262.4M 20-year Net Present Value
- 4 Year Payback
- Relocates 201 Military and 4032 Civilians

Environmental: DoD estimated remediation cost is \$47.1M





# Sec. 69: Naval Shipyard Portsmouth, Kittery, ME

## Issues Raised

C1.

- **Excess capacity across the shipyards**

- Based on projected workload (FY06 – FY11), there is ~27% excess capacity across the four public shipyards

C3.

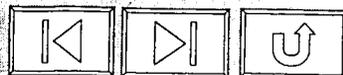
- **No capacity for surge across the remaining three shipyards**

- Based on projected workload (FY06 – FY11), there is ~8% excess capacity across the three remaining public shipyards

C5.

- **Projected savings overstated**

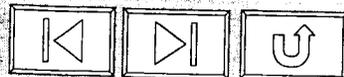
- No significance variance found





# Sec. 69: Naval Shipyard Portsmouth, Kittery, ME DoD Recommendation

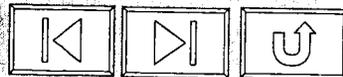
a. Close the Naval Shipyard Portsmouth, Kittery, ME





# Supporting Slides

For Commission Discussion & Questions  
During Final Deliberation





# Sec. 69: Naval Shipyard Portsmouth, Kittery, ME

## C3. Surge Capacity

### DoD Position:

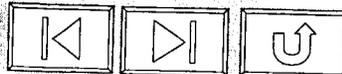
- Sufficient excess capacity to close Portsmouth Naval Shipyard

### Community Position:

- Insufficient capacity to handle surge

### Commission Staff Assessment:

- There is excess capacity of ~27% with Portsmouth and ~8% without Portsmouth
- Closure increases risk to surge capacity



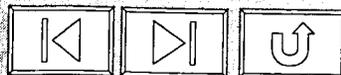


# Staff Assessment

## Deviation from Final Selection Criteria

	Military Value				Other			
Criterion	C1	C2	<u>C3</u>	C4	<u>C5</u>	C6	C7	C8
Deviation			X					

X=Deviation



MC



# Sec. 69: Naval Shipyard Portsmouth, Kittery, ME

## C5. Cost & Savings

<b>COBRA DATA</b>			
	<b>DoD Baseline</b>	<b>Staff Excursion</b>	<b>Staff Excursion without Mil Pers</b>
<b>One Time Cost</b>	<b>\$448.4 M</b>	<b>\$448.4 M</b>	<b>\$448.4 M</b>
<b>Net Implementation Cost/(Savings)</b>	<b>(\$21.4 M)</b>	<b>(\$21.4 M)</b>	<b>\$48.3 M</b>
<b>Annual Recurring Cost/(Savings)</b>	<b>(\$128.6 M)</b>	<b>(\$128.6 M)</b>	<b>(\$108.8 M)</b>
<b>Payback Period</b>	<b>4 years</b>	<b>4 years</b>	<b>4 years</b>
<b>Net Present Value at 2025 Cost/(Savings)</b>	<b>(\$1,262.4 M)</b>	<b>(\$1,262.4 M)</b>	<b>(\$1,005.6 M)</b>

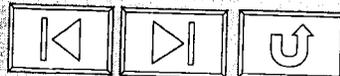




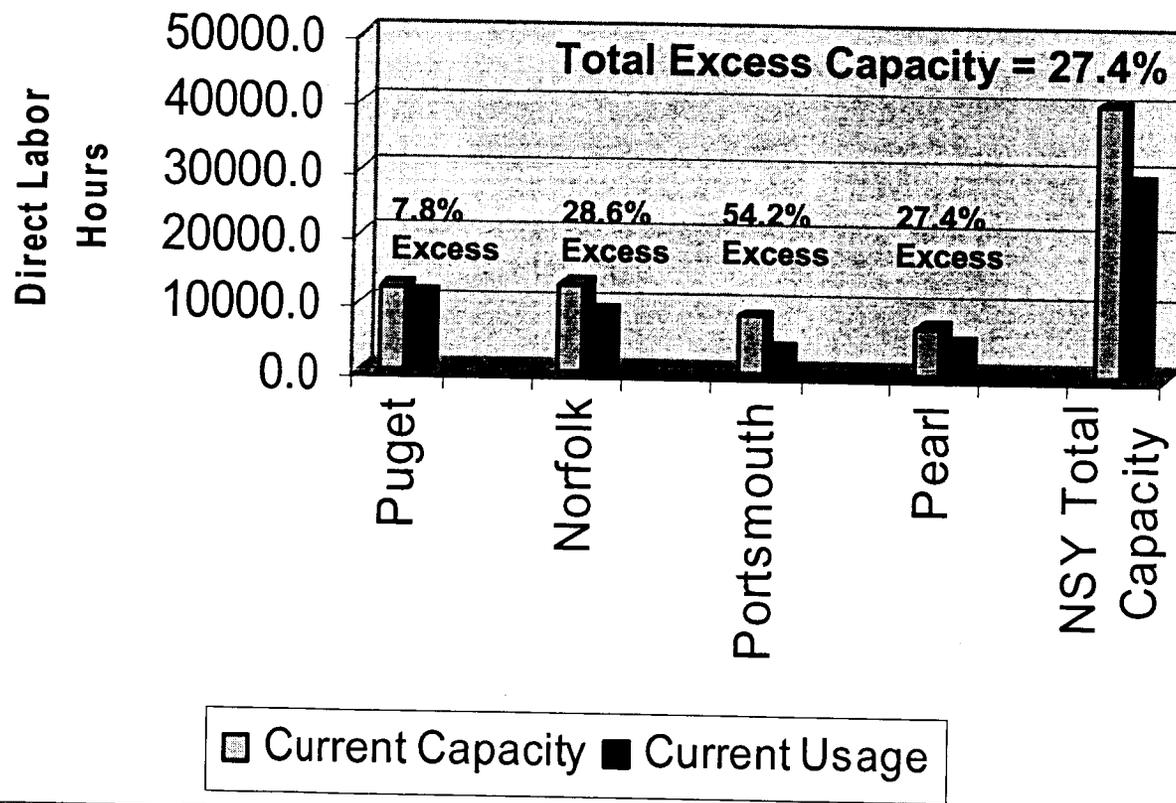
Image © Space Imaging LLC

# Naval Shipyard Portsmouth, ME

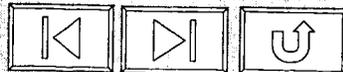
 Installation Boundary



## NSY Capacity (Scenario)

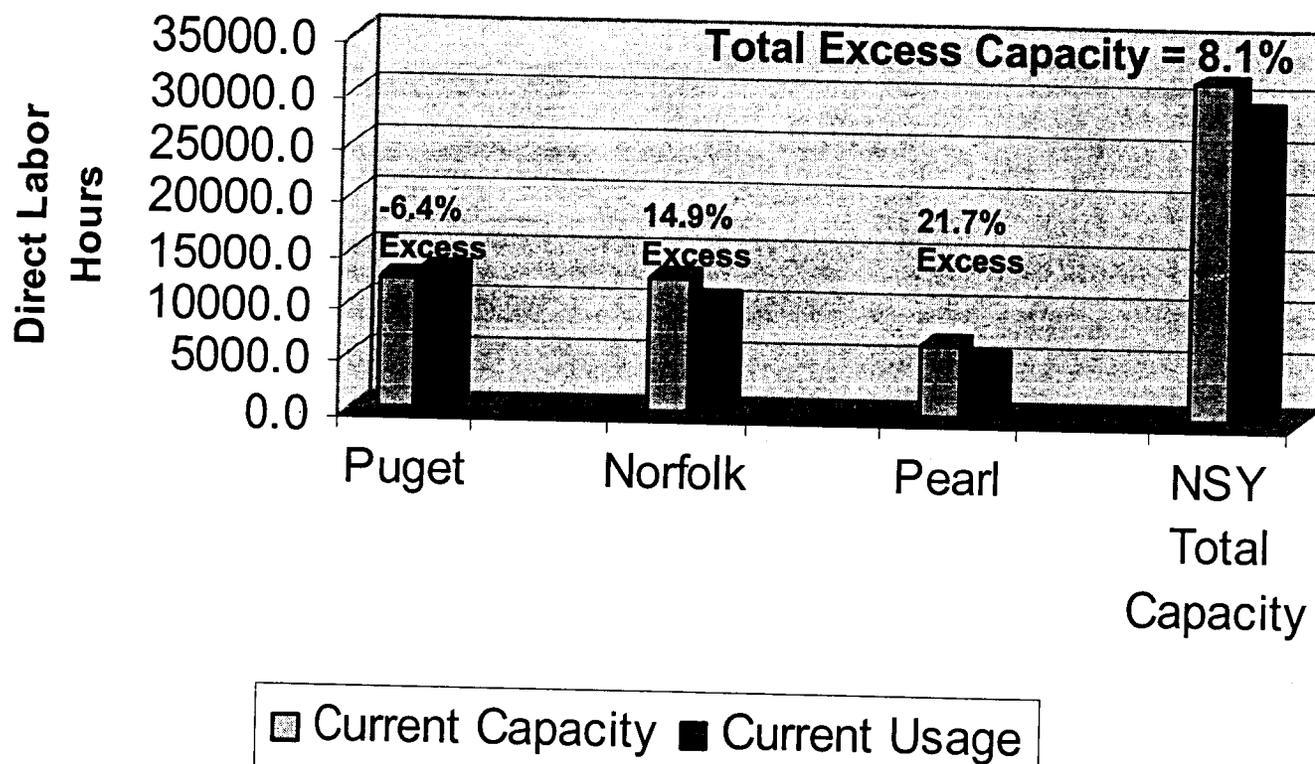


\*Capacity Based on 40-Hour Work Week and NAVSEA POM 06 Rev. 5 NSY Workload Assessment of 9 Jan 04

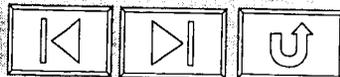




## NSY Capacity w/o Portsmouth (Scenario)



\*Capacity Based on 40-Hour Work Week and NAVSEA POM 06 Rev 5 NSY Workload Assessment of 9 Jan 04





# NSY Portsmouth, Kittery, ME

TABLE OF PERSONNEL CHANGES

OUT		IN		NET GAIN/(LOSS)		NET CONT	TOTAL DIRECT
MIL	CIV	MIL	CIV	MIL	CIV	.	
201	4032			201	4032	277	4510

**Recommendation:** Close the Naval Shipyard Portsmouth, Kittery, ME. Relocate the ship depot repair function to Naval Shipyard Norfolk, VA, Naval Shipyard and Intermediate Maintenance Facility Pearl Harbor, HI and Naval Shipyard Puget Sound, WA. Relocate the Submarine Maintenance, Engineering, Planning and Procurement Command to the Naval Shipyard Norfolk.

**Key Issues Identified:**

- Amount of ship and submarine depot capacity across the remaining shipyards
- Loss of qualified shipyard workers

