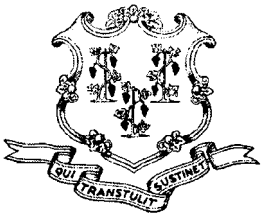
103-06A – NMC10 – Community Input DCN: 7950
Navy/MC – Submarine Base New London - CT
BRAC COMMISSION – FY 2005
COFF:_____ DISPOSITION: Permanent

The Submarine Capital of the World

The Case for Naval Submarine Base New London (SUBASE NLON)

State of Connecticut
Final Cost and Savings Analysis

STATE OF CONNECTICUT



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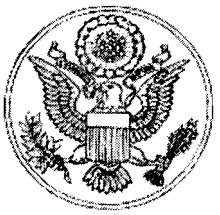

August 11, 2005

The Honorable Anthony J. Principi
Chairman
2005 Base Realignment and Closure Commission
2521 Jefferson Davis Highway
Arlington, VA 22202

Re: Submarine Base New London

Dear Chairman Principi:

We are pleased to forward the attached update of our cost/savings arguments with respect to the Department of Defense (DoD) recommendation to close Submarine Base New London.

This submission is intended as a followup to the meeting of August 2, 2005, by Team Connecticut with the BRAC Commission Navy staff. Further examination has resulted in slight changes to some of the numbers conveyed in that meeting. It also updates the Supplemental Data Submission (SDS) provided to you on July 18, 2005.

The overall conclusion is dramatic: The Navy's analysis indicated that the closure of SUBASE New London would save the country $1.6 billion over 20 years. Our analysis is that the closure would actually cost U.S. taxpayers $641 million over the same period. The stark differences between the Navy's cost/savings analysis and that of Connecticut represent a clear and pervasive substantial deviation from Selection Criteria 4 and 5. What these findings mean is that it will cost U.S. Taxpayers $641 million to permanently shut down this facility and thereby deprive the nation of a critical national security asset.

Should your staff have questions regarding this submission, the points of contact are Phil Dukes in the Governor's office (860-524-7340) and Neal Orringer in Sen. Dodd's office (202-224-2823). Thank you for your consideration.

Sincerely,

M. Jodi Rell
Governor

Christopher J. Dodd
United States Senator

Joseph Lieberman
United States Senator

Rob Simmons
Member of Congress

cc: Hal Tickle

State of Connecticut
Summary of Cost/Savings Analysis
for Proposed Closure of Naval Submarine Base New London

I. Introduction

At the July 6, 2005, base closure hearing in Boston, State of Connecticut analyst Gabe Stern presented the 2005 Defense Base Closure and Realignment Commission with Connecticut's analysis of the costs and savings that would result from the proposed closure of Submarine Base New London.

That analysis was summarized in Connecticut's Supplemental Data Submission (SDS), forwarded to the Commission on July 18, 2005.

In a meeting with the BRAC Commission staff on August 2, 2005, Hank Teskey, Connecticut's COBRA analyst, provided further explanation based on information received from the Navy BRAC staff and other sources subsequent to the hearing. Also at that meeting, Connecticut Department of Environmental Protection (DEP) Commissioner Gina McCarthy provided additional detail on environmental closure and remediation costs.

This paper summarizes Connecticut's numbers and includes a final COBRA alternative for the one used by the Navy to evaluation Scenario DON-0033B. For easy reference by the BRAC Commission and staff, it is done in the same format as our hearing presentation, SDS, and Aug. 2 briefing document.

Our SDS included the Navy's COBRA run in support of DON-0033B, plus three alternatives for that scenario. As indicated to the BRAC staff in our August 2 meeting, our presentation of that date – as summarized in this paper – is meant to substitute for those alternative scenarios.

Summary of the Analysis

The following table summarizes Connecticut's analysis of the Navy's costs and savings as depicted in the Navy COBRA for DON-0033B, comparing the Navy's conclusions with those of Connecticut:

Scenario	(Cost)	Savings	Annual Savings	Payback Period	20 Savings
Navy	$ (679.6)	$ (345.4)	$ 192.8	3 years	$ (1,576.4)
Connecticut	$ (1,121.4)	$ (1,090.6)	$ 34.5	100 years +	$ 640.5

As seen in the table, the Navy's one-time cost to close is $680 million, compared to $1.1 billion for Connecticut. The Navy's annual recurring savings is $192 million, with a payback period of three years. This contrasts dramatically with Connecticut's finding of an annual recurring savings of only $34.5 million, which coupled with the one-time cost of $1.1 billion requires a payback of more than 100 years (the COBRA model does not calculate payback past 100 years). The Navy's net implementation cost is $345 million, compared to $1 billion for Connecticut.

As stated in the SDS, the Department of Defense (DoD) introduced flaws into the COBRA model such as mixed sources of inputs, mixed quality of inputs, omitted costs and overstated recurring savings. It is primarily the overstated savings that drove the Navy cost benefit COBRA results and skewed the comparability and value of the COBRA output. Additionally, one-time and recurring costs that would be incurred by the federal government, but not directly by DoD, were ignored in violation of BRAC Criterion 8. We do not, however, include these in our analysis.

Also overlooked were significant environmental costs and increases in submarine construction costs and quality that will result from the closure of SUBASE New London. These were described in the July 6 testimony of DEP Commissioner McCarthy, Electric Boat (EB) President John Casey, and former Assistant Secretary of the Navy George Sawyer. Commissioner McCarthy reiterated her department's findings in the August 2 meeting.

The following table summarizes the major areas of misstated costs and savings in the Navy's COBRA analysis, as conveyed by Mr. Teskey and Commissioner McCarthy in the August 2 meeting:

COBRA Analysis Overview
One-time military construction costs underestimated: **$269 million**
One-time moving costs understated: **$31 million**
One-time environmental closure costs understated: **$27.5 million**
One-time environmental remediation costs ignored: **$125 million**
Recurring personnel savings overstated: **$84 million/year**
Recurring other unique costs underestimated: **$42 million/year**
Recurring loss of reduced overhead at EB unaccounted for: **$50 million/year**

II. <u>One-Time Military Construction Costs Underestimated</u> ($269 Million)

DoD's analysis underestimated the cost of reconstructing the SUBASE New London Submarine School training facilities. The Navy used a construction cost of $211 per square foot to construct new facility at Kings Bay. This is similar to the cost to build a typical high school.

Recent experience indicates a more accurate figure would be $325 per square foot. This increased cost can be attributed to higher structural and services requirements,

such as Information Technology services, security to a secret level, and the extra static and dynamic loading that the Submarine School building must accommodate to support fire, vessel flooding, machinery, and other operational trainers and simulators. The $114 per square foot increase results in additional cost of $47 million.

To construct an equivalent footprint to match the 10 buildings that exist at SUBASE New London, the cost would increase another $28 million.

Moreover, the Submarine School estimate does not take into account site issues that exist at Kings Bay. According to a Federal Emergency Management Agency (FEMA) report on the soil conditions at Kings Bay[1], construction costs would likely be 20% higher, resulting in an additional $30 million plus in construction costs. This is because the soil conditions at Kings Bay require additional site work, such as piles and foundation reinforcement. The total recommended adjustment for Submarine School construction at Kings Bay is $105 million ($47M + $28M + $30M).

The DoD proposal also showed a shortfall in BEQ military construction funding. Kings Bay BEQ and messing capability improvements were not priced appropriately. The Navy identified 311 available beds at Kings Bay with new construction planned for 1,375 beds, for a total of 1,686 beds.

However, the requirements based on New London's actual BEQ population are much higher. The Submarine School alone requires 1,500 beds, with one third of other requirements at 633 beds, for a total 2,233 required beds. That amounts to a shortfall of 547 beds. When those beds are multiplied by the Navy average of $37,000/bed, it totals $20 million in unaccounted-for funding.

The data calls report between 150 and 200 vacant Navy housing units at Kings Bay. However, we estimate that the proposed transfer of submarine crews and their dependents to Kings Bay will require the provision of at least an additional 800 DoD living units, at a current cost of about $100,000 per unit, or a one time cost of $80 million.

Our view of the Navy's cost treatment has evolved as the Navy has responded to questions about apparent omissions and inconsistencies. For example, in viewing the Navy COBRA direct inputs it appears that the new pier at Kings Bay is priced at half the cost per square foot of the new pier at Norfolk, with the Norfolk price being in accordance with published DoD and industry standards. Upon questioning, however, the Navy offered that the Kings Bay data submission on pier costs is "unbundled," with

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[1] Federal Emergency Management Agency "Design Guidelines for Flood Damage Reduction" December 15, 1981. See Page 66 for reference to Kings Bay. The FEMA report references a study regarding the Kings Bay Naval Base. The referenced document is a Master Plan for development of the base. It was prepared by Zimmerman, Evans and Leopold Inc. and AECK Associates, both from Atlanta, GA. The exact name of the study is not known. We have requested a copy from the Navy (see the DECD document entitled "05. Questions to the Department of the Navy 6-28-05.doc"). The Navy has located a single copy of the study at Kings Bay and informed us that it is not readily duplicated but can be viewed upon request.

portions of the costs included in several less obvious line item COBRA entries. The Norfolk pier number is "bundled" into a single data entry that is easily identifiable.

After further dialog with the Navy, we have determined that the Kings Bay pier costs are understated by $10 million. We agree in part with the Navy that portions of the pier's outfitting costs are included elsewhere in the COBRA model. However, we disagree with the Navy's allocation of various facility services to the pier. For example, the Navy over allocated expenses such as HVAC, water and electrical to the pier. The total pier cost per the COBRA model is $14 million. When the aforementioned services are properly allocated, the cost totals $24 million. Thus, there is a net understatement of $10 million.

We have also determined that the proposed lease termination, refurbishment, and re-location of the floating dry-dock RESOLUTE (ARDM-10) from Seattle to Norfolk, which the Navy had estimated at $39 million, is unlikely due to the age (60 years) and condition of the dock. This information is based on discussions with personnel currently managing the floating dry-dock SHIPPINGPORT (ARDM-4), located at New London. They believe, based on their direct knowledge and discussions with Navy personnel, that the proposal in the DoD COBRA analysis to upgrade a World War-II era dry-dock that cannot currently handle Virginia or Seawolf-class submarines is unrealistic. A much more likely outcome would be construction of a new floating dry-dock for approximately $93 million, as proposed in DoN-0004. This would represent a net increase of $54 million over the Navy assumption. Please note that dry-dock capacity for both Virginia and Seawolf-class submarines already exists at New London and requires no capital investment.

Following is a table summarizing the difference between the Navy's one-time military construction costs and those of Connecticut:

	Navy	Connecticut
DON-0033B	$ 680	$ 680
Submarine School		$ 105
Kings Bay BEQ		$ 20
Kings Bay Housing		$ 80
Kings Bay Pier		$ 10
New Dry-Dock @ Norfolk		$ 54
TOTAL	**$ 680**	**$ 949**

III. One-Time Moving Costs Understated ($31 Million)

As stated at the July 6 hearing and in our SDS, the one-time relocation costs are understated by $31 million. The Navy did not include the cost of installing and testing

equipment at the receiving facility. Based on Electric Boat experience, this is estimated to cost $16 million. In addition, the cost of personnel relocation is understated by about $15 million. The actual cost to relocate 408 additional military personnel would be $1.2 million, and the cost to relocate 370 additional civilians as proposed in Scenario DON-0033B would be $13.8 million. These additional personnel relocations are discussed under recurring costs, below.

IV. One-Time Environmental Closure Costs Understated ($27.5 Million)

The Navy acknowledged $9.5 million in installation environmental closure costs and another $.5 million for a radiological survey of the ARDM-4 floating dry-dock. Resource Conservation and Recovery Act (RCRA) and Underground Storage Tank (UST) closure costs are essentially omitted, and Navy radiological cost estimates are extremely low compared with required protocols for performing radiological assessments and surveys. It should be noted that the RCRA closure costs and the radiological costs would be incurred only if the base closes, and therefore cannot be viewed as the same "non-issue" as the Navy considers the remediation costs.

DEP reviewed only installation costs and not the ARDM-4. It estimated the RCRA costs at $4.3 million, UST closure costs at $1.2 million, and the radiological cleanup cost at $31.5 million, for a total of $37 million. The difference between this amount and the Navy's $9.5 million installation estimate is $27.5 million. Connecticut DEP Commissioner McCarthy provided detailed support for the radiological expenses at the August 2 meeting with BRAC staff.

V. One-Time Environmental Remediation Costs Ignored ($125 Million)

As stated by Connecticut at the July 6 hearing, the Navy has inaccurately excluded remediation from its COBRA analysis. The estimate of $23 million for remediation under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) may be reasonable for the items it covers. However, the reality is that closure would have to address much more than this figure reflects.

In addition to CERCLA, full remediation must comply with RCRA, UST, PCB and Pesticide requirements. Connecticut has identified $125 million worth of work to properly prepare the base for transfer and re-use. Detailed accounting in support of this amount was provided in the SDS and by Commissioner McCarthy at the August 2 meeting with BRAC staff.

Moreover, the Federal Facilities Agreement (FFA) requires cleanup before any transfer of the Navy property. (Please see our SDS, Criterion 8, Attachment 4, for a detailed memo from the Connecticut State Attorney General on this issue.) Therefore, in order for the Navy to transfer the property before the 2011 BRAC implementation cutoff, these costs must be included in the COBRA analysis.

VI. Recurring Personnel Savings Overstated ($84 Million/Year)

Of the 46 functions considered in the Navy's COBRA, recurring personnel reduction savings are overstated in 18 of those functions by a wide range of factors. Over all functions, this overstatement averages about 50%, or $84 million/year. In fact, $169 million of the $192 million net recurring savings was due to the elimination of 1,560 billets. The Navy justifies its recurring savings by assuming the 1,560 unspecified personnel are in excess at Norfolk and Kings Bay. Elimination of these billets is the bulk of the recurring savings.

Clearly, if such excess labor does exist at Norfolk and Kings Bay, the Navy could merely eliminate these billets in place and achieve the same substantial recurring savings claimed from the realignment without incurring the one-time costs of the proposal.

The DON-0033B scenario eliminates:

- ✓ 136 officers @ $124,972 = $17 million per year
- ✓ 681 enlisted @ $82,399 = $56 million per year
- ✓ 743 Civilians @ $59,959 = $53 million per year
- ✓ Basic allowance for housing = Savings of $43 million per year

The expected personnel savings are unrealistic and not likely to materialize. The most significant Navy-documented examples of overstated billet reductions concern medical personnel and personnel funded under Base Operating Support (BOS) lines.

Today, 533 medical billets at SUBASE New London service 8,045 personnel. Only 62 are to be relocated to service 6,485 relocated personnel. This represents an unfathomable 725% increase in the ratio of service personnel to medical providers. Subsequent to its July 1 report to the BRAC Commission, the Government Accountability Office (GAO) found that 214 of the medical billets at New London are being eliminated outside of the BRAC process and, thus, should not have been counted as savings. This reduces the claimed recurring savings by $18 million.

Another item overlooked in DON-0033B is the cost to provide medical services to armed services retirees in the New London area. Once we pointed this item out to the Navy, they agreed and calculated this cost to be $5 million per year.

With respect to BOS, of the 1,188 BOS billets at SUBASE New London, only 283 billets were added at Kings Bay and Norfolk combined, with a plus-up to non-payroll BOS of $3 million -- equivalent to about 50 civilian billets. This would be a relocation equivalent to 333 billets, far below the 594 billets that the standard COBRA algorithm of 50% fixed/ 50% variable would seem to have required. Some economies might be expected, yet these ratios defy common sense.

Viewed differently, SUBASE New London could remain open and outsource its BOS activities. If it were to do so, 452 military billets would be replaced by 372 civilians

(due to military duties, enlisted personnel only produce the equivalent of 33 hours of work per week). The 451 military billets cost $39 million, whereas the cost of 372 civilians is $22 million. This equates to a new recurring savings of $17 million.

Finally, as described generally in the GAO report of July 1, 2005 (GAO-05-785, p. 104), many SUBASE New London billets were already scheduled for elimination. The Chief of Navy Installations (CNI) initiated these eliminations. For example, SUBASE New London has already experienced a reduction of non-medical billets from 1,223 as of September 30, 2003, to 994 today. This billet reduction results in an overstatement in the Navy COBRA model in recurring savings of $19 million. This savings should not be attributed to BRAC. Significant further CNI reductions are planned at New London through 2011. These plans are current, assume continued operation of the SUBASE, and are not related to BRAC.

VII. Recurring Other Unique Costs Underestimated ($42 Million/Year)

Four hundred thirty-eight mission essential contractor billets that exist at SUBASE New London at $57 dollars an hour ($50 million/year) today are to be replaced by only 143 government billets at $29 dollars per hour ($8 million/year). This does not make sense based on experience in New London where just the opposite occurred: contractor billets replaced government billets. The Navy directed (and continues to use in the field) substitution of contractor employees at New London because it saved significant costs, with one contractor employee replacing 1.6 enlisted personnel.

We believe, based on discussion with EB, that Norfolk Naval Shipyard or a contractor will still need skilled labor and that, therefore, Navy claimed savings are overstated by $42 million per year. It is worth noting that in the original data call, Norfolk requested 207 maintenance billets at an average of $87 per hour ($36 million/year) to support two-thirds of the New London submarines. This request was apparently ignored.

VIII. Additional Electric Boat Overhead ($50 Million/Year)

EB currently performs submarine overhaul and repair work at its shipyard in Groton. As EB President Casey testified at the July 6 hearing, this work absorbs $50 million of total EB overhead per year. If this work were lost, this overhead cost necessarily would be applied to new submarine construction.

IX. Summary of Cost and Savings Analysis

The Navy claims a one-time cost of $680 million and a net implementation cost of $345.5 million. By the end of the Navy's study period in 2011, they claim a net present value savings accrual of about $1.5 billion. The Navy analysis predicts a break-even point of 2014 (Attachment 1).

Correcting for one time cost underestimates, improper crediting of transferred personnel billets, ignored environmental remediation costs, and inadequate submarine maintenance costs, eliminates any savings in the study period, and results instead in a one-time cost to the nation of $1.121 billion. Break-even would not be realized for more than 100 years, well beyond the Navy's 2025 study period.

X. Adjusted COBRA Scenario

The one time cost and recurring savings resulting from the Connecticut adjustments are illustrated in the attached COBRA summary run sheets. Details of this run are contained in the electronic .CBR files included with this report. The CBR files allow BRAC staff the opportunity to run COBRA with these changes as well as alternate cases. We note that the Navy is further investigating at our request documentation of specific claimed costs and savings. We have inquiries to the Navy pending on GMH housing, cost impacts to submarine construction, conversion and alteration, and maintenance and repair. The Navy's responses may suggest further adjustments to the COBRA analysis and may make a material difference to the analysis presented here. We will immediately notify the BRAC staff of the implications of any new information on COBRA output.

Here is a summary of the COBRA runs provided today:

Attachment 1: CR DON-0033B -NAVY COBRA Files.

This is the Navy's COBRA run for the SUBASE New London closure Scenario DON-0033B. It is referred to as the Navy Base Case when referenced versus the Connecticut refined scenario detailed below.

Attachment 2: CR DON-0033B - COBRA CT Corrected Scenario.

This is the Navy's COBRA run adjusted to correct for the one-time cost underestimates, improper elimination vs. transfer of personnel billets, ignored environmental remediation costs, and inadequate submarine maintenance costs as identified by our analysis.

XI. Discussion Point: DoD Net Present Value Discount Rate

The attached Connecticut COBRA run uses the DOD discount rate of 2.83% to determine Net Present Value (NPV). While we have not changed this value in our run, we strongly note that for debt financed economic evaluation, the correct discount rate is not the forecasted inflation rate, but rather the cost of money to the borrowing entity. For the federal government, this should be at least the cost of debt financing, such as the ten-year treasury rate, currently at about 4.25%.

Using a higher discount rate lowers the savings or costs in terms of NPV. In other words, the value of a future dollar today depends on the cost of achieving that dollar

savings. If the cost requires the issuance of debt, then the cost of acquiring that money must be included in evaluating that future revenue stream. That cost diminishes the value of that future dollar above the simple cost of inflation.

The difference between 2.83% and a 4.25% discount rate in a cost benefit analysis such as COBRA DON-0033B is that the higher rate diminishes the value by about $300 million in the Navy COBRA run.

XII. Modern Base with Historic Past

SUBASE New London is a modern submarine base with an historic past. The base is a state-of-the-art center of excellence in which the Navy has invested some $200 million over the last decade, and $120 million in the last five years. SUBASE New London has the most modern berthing of any submarine base on the East Coast. In fact, 40% of the utilized facilities at the base were built after 1980. The base has the modern infrastructure in place to support the strategic mission of our attack submarines (see Attachment 3 for detail).

XIII. Summary

The Navy did not identify the full one-time expenses associated with the closure of SUBASE New London and the movement of its core functions and tenant commands to Virginia, Georgia, Maryland, Texas and Florida. At the same time, the Navy claimed recurring savings that cannot be attributed to the closure. The understatement of key military construction costs and overstatement of personnel savings appear to be the result of a well-defined process that was ultimately hampered by rushed data collection, verification, and analysis.

Though time was short, the State of Connecticut has endeavored to present the valid costs associated with the closure of SUBASE New London. The one-time costs of the closure are almost twice what the Navy has suggested. More significant, the recurring savings – the most determinative factor in calculating cost-benefit -- are less than $35 million as opposed to the $193 million a year the Navy asserts. Rather than save the nation's taxpayers $1.6 billion over 20 years as the Navy asserts, the closure of SUBASE New London would actually cost the nation $641 million over the same period (see graph on the next page).

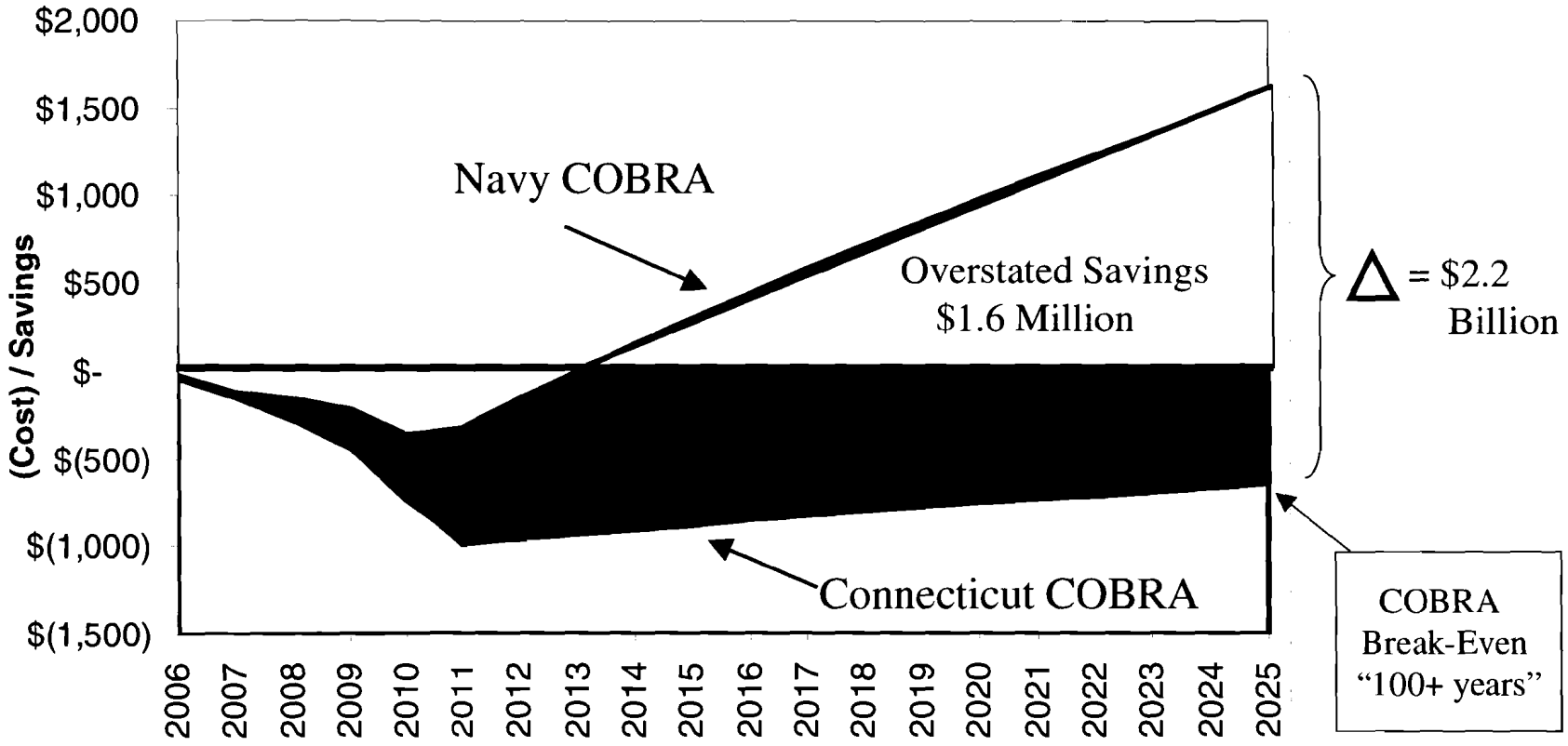
Moreover, as communicated by Connecticut to the BRAC Commission at the July 6 hearing and subsequently, closing SUBASE New London to save money for DoD represents a national security risk. It would be a tragedy to destroy the world's premier center of excellence for submarine warfare and jeopardize America's sub-surface dominance when there are no demonstrable savings to the U.S. taxpayer.

The Connecticut team very much appreciates the BRAC Commission's consideration of the submission.

DCN: 7950

COBRA NPV Comparison

The Navy's COBRA run for Scenario DON-0033B understates one-time costs by $441.8 million and overstates total savings by $2.2 billion through 2025. The Connecticut corrected COBRA run shows that the NPV for DON-0033B is actually a cost of $641 million, not the savings of $1.6 billion proposed by the Navy. Recurring savings are an immaterial $35 million a year rather than the Navy's $193 million. The corrected COBRA run shows that scenario DON-0033B does not break even for "100+ years."



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COBRA REALIGNMENT SUMMARY REPORT (COBRA v6.10) - Page 1/2
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Department : Navy
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Option Pkg Name: DON-0033B Close SUBASE NLON CT; Subs to Norfolk & Kings Bay
Std Fctrs File : \\files\users\Brian\My Documents\BRAC 2005\BRAC2005.SFF

Starting Year : 2006
Final Year : 2011
Payback Year : 2014 (3 Years)

NPV in 2025($K): -1,576,425
1-Time Cost($K): 679,641

Net Costs in 2005 Constant Dollars ($K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
MilCon	33,143	95,515	15,883	64,908	203,619	0	413,069	0
Person	-2,097	-6,777	-19,354	-26,096	-32,744	-69,123	-156,191	-132,068
Overhd	-189	-483	-19,096	-19,858	-33,414	-56,006	-129,047	-62,718
Moving	144	3,821	9,888	639	5,906	24,459	44,858	0
Missio	0	-161	-155	8,081	8,081	-5,617	10,229	-5,617
Other	239	8,197	39,454	43,999	10,311	60,305	162,506	7,623
TOTAL	31,240	100,111	26,620	71,675	161,759	-45,982	345,424	-192,779

	2006	2007	2008	2009	2010	2011	Total
POSITIONS ELIMINATED							
Off	2	8	23	1	23	79	136
Enl	44	23	88	2	88	436	681
Civ	0	37	40	3	40	623	743
TOT	46	68	151	6	151	1,138	1,560
POSITIONS REALIGNED							
Off	2	7	146	5	125	198	483
Enl	1	51	1,065	21	1,247	1,841	4,226
Stu	0	0	71	0	49	1,447	1,567
Civ	1	76	38	12	28	54	209
TOT	4	134	1,320	38	1,449	3,540	6,485

SUMMARY_NAVY

Summary:

Scenario Title: Close SUBASE New London, CT; Relocate submarines to NS Norfolk, VA and SUBASE
Kings Bay, GA
For the purpose of this Scenario Data Call, the following BRAC Actions are being considered for analysis:
Action 1: Close SUBASE New London, CT.
Action 2: Relocate SSNs from SUBASE New London, CT, to SUBASE Kings Bay, GA, to include required
personnel, equipment, and support.
Action 3: Relocate SSNs from SUBASE New London, CT, to Naval Station Norfolk, VA, to include required
personnel, equipment, and support.
Action 4: Relocate COMSUBGRU TWO from SUBASE New London, CT, to Naval Station Norfolk, VA.
Action 5: Disestablish COMNAVREG NE, Groton, CT. Realign Installation Management function to
COMNAVREG MIDLANT Norfolk, VA.
Action 6: Relocate NAVSUBSCOL Groton, CT, to SUBASE Kings Bay, GA.
Action 7: Consolidate NAVSUBSCOL Groton, CT, with SUBTRAFAC Norfolk, VA.
Action 8: Relocate CENSUBLEARNING Groton, CT, to SUBASE Kings Bay, GA.
Action 9: Consolidate NSGA Groton, CT, with NSGA Norfolk, VA.
Action 10: Consolidate the SSN intermediate repair function of Naval Submarine Support Facility New
London, CT, with TRF Kings Bay, GA.
Action 11: Consolidate the SSN intermediate repair function of Naval Submarine Support Facility New
London, CT, with SIMA Norfolk, VA.
Action 12: Consolidate the SSN intermediate repair function of Naval Submarine Support Facility New
London, CT, with NSY Norfolk, VA.
Action 13: Relocate the NAVOPMEDINST Pensacola, FL, function Naval Undersea Medical Institute
Groton, CT, to NAS Pensacola, FL, and Fort Sam Houston, TX.
Action 14: Disestablish NAVHLTHCARE NEW ENGLAND NEWPORT, RI, function Naval Ambulatory
Care Center Groton, CT. Relocate applicable support elements to Branch Medical Clinic Kings Bay GA and
NMC Portsmouth VA.
Action 15: Consolidate Naval Submarine Medical Research Laboratory, Groton, CT, with Naval Medical
Research Center, Walter Reed Army Medical Center - Forest Glenn Annex, Silver Spring, MD.
NOTE: Various Staff Personnel and/or Equipment relocated to NMC PORTSMOUTH VA, NAVSTA
NEWPORT RI, WPNSTA EARLE NJ, NSA CRANE IN, and WESTOVER ARB MA.
COBRA REALIGNMENT SUMMARY REPORT (COBRA v6.10) - Page 2/2
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Costs in 2005 Constant Dollars ($K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
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SUMMARY_NAVY

MilCon	38,343	95,515	15,883	64,908	203,619	0	418,269	0
Person	221	1,173	8,914	9,196	21,360	55,278	96,143	37,247
Overhd	11,246	11,619	14,437	13,820	22,052	31,292	104,467	26,641
Moving	154	3,932	12,202	694	8,422	28,231	53,635	0
Missio	0	0	147	8,383	8,383	8,383	25,296	8,383
Other	239	8,197	39,454	43,999	10,813	60,830	163,533	7,623
TOTAL	50,204	120,437	91,037	141,000	274,651	184,014	861,344	79,895

Savings in 2005 Constant Dollars ($K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
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MilCon	5,200	0	0	0	0	0	5,200	0
Person	2,318	7,950	28,268	35,292	54,104	124,401	252,334	169,315
Overhd	11,436	12,102	33,533	33,678	55,467	87,298	233,514	89,359
Moving	10	111	2,314	54	2,517	3,772	8,777	0
Missio	0	161	302	301	301	14,000	15,067	14,000
Other	0	0	0	0	502	525	1,027	0
TOTAL	18,964	20,325	64,417	69,326	112,891	229,995	515,919	272,674

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SUMMARY
COBRA REALIGNMENT SUMMARY REPORT (COBRA v6.10) - Page 1/2
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4:41:46 PM

Department : Navy
Scenario File : D:\COBRA EXECUTABLE\CR DON-0033B - COBRA CT Corrected Scenario KB House NLON Envir 081005\CR DON-0033B - COBRA CT Corrected Scenario KB House NLON Envir 081005.CBR
Option Pkg Name: DON-0033B Close SUBASE NLON CT; Subs to NFK & KB - CT Scen.
Std Fctrs File : D:\COBRA EXECUTABLE\BRAC2005.SFF

Starting Year : 2006
Final Year : 2011
Payback Year : 100+ Years

NPV in 2025($K): 640,538
1-Time Cost($K): 1,121,387

Net Costs in 2005 Constant Dollars ($K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
MilCon	36,240	88,780	16,163	60,895	210,990	0	413,069	0
Person	-1,160	-3,434	-12,961	-16,864	-22,621	-49,347	-106,386	-77,663
Overhd	-64	-457	14,589	13,755	33,975	47,132	108,930	40,420
Moving	190	3,964	10,363	628	6,405	49,914	71,464	0
Missio	0	-161	-155	8,081	8,081	-5,617	10,229	-5,617
Other	276	21,273	119,625	98,166	114,585	239,342	593,267	8,367
TOTAL	35,482	109,964	147,624	164,661	351,417	281,424	1,090,572	-34,493

	2006	2007	2008	2009	2010	2011	Total
POSITIONS ELIMINATED							
Off	1	4	11	0	11	39	66
Enl	22	12	44	1	44	218	341
Civ	0	18	20	1	20	311	370
TOT	23	34	75	2	75	568	777
POSITIONS REALIGNED							
Off	2	11	158	5	137	238	551
Enl	23	63	1,109	21	1,291	2,059	4,566
Stu	0	0	71	0	49	1,447	1,567
Civ	1	96	58	14	48	366	583
TOT	26	170	1,396	40	1,525	4,110	

SUMMARY

7,267

Summary:

Scenario Title: Close SUBASE New London, CT; Relocate submarines to NS Norfolk, VA and SUBASE
Kings Bay, GA - MODIFIED TO REFLECT CORRECTED CT ASSUMPTIONS
For the purpose of this Scenario Data Call, the following BRAC Actions are being considered for analysis:
Action 1: Close SUBASE New London, CT.
Action 2: Relocate SSNs from SUBASE New London, CT, to SUBASE Kings Bay, GA, to include required
personnel, equipment, and support.
Action 3: Relocate SSNs from SUBASE New London, CT, to Naval Station Norfolk, VA, to include required
personnel, equipment, and support.
Action 4: Relocate COMSUBGRU TWO from SUBASE New London, CT, to Naval Station Norfolk, VA.
Action 5: Disestablish COMNAVREG NE, Groton, CT. Realign Installation Management function to
COMNAVREG MIDLANT Norfolk, VA.
Action 6: Relocate NAVSUBSCOL Groton, CT, to SUBASE Kings Bay, GA.
Action 7: Consolidate NAVSUBSCOL Groton, CT, with SUBTRAFAC Norfolk, VA.
Action 8: Relocate CENSUBLEARNING Groton, CT, to SUBASE Kings Bay, GA.
Action 9: Consolidate NSGA Groton, CT, with NSGA Norfolk, VA.
Action 10: Consolidate the SSN intermediate repair function of Naval Submarine Support Facility New
London, CT, with TRF Kings Bay, GA.
Action 11: Consolidate the SSN intermediate repair function of Naval Submarine Support Facility New
London, CT, with SIMA Norfolk, VA.
Action 12: Consolidate the SSN intermediate repair function of Naval Submarine Support Facility New
London, CT, with NSY Norfolk, VA.
Action 13: Relocate the NAVOPMEDINST Pensacola, FL, function Naval Undersea Medical Institute
Groton, CT, to NAS Pensacola, FL, and Fort Sam Houston, TX.
Action 14: Disestablish NAVHLTHCARE NEW ENGLAND NEWPORT, RI, function Naval Ambulatory
Care Center Groton, CT. Relocate applicable support elements to Branch Medical Clinic Kings Bay GA and
NMC Portsmouth VA.
Action 15: Consolidate Naval Submarine Medical Research Laboratory, Groton, CT, with Naval Medical
Research Center, Walter Reed Army Medical Center - Forest Glenn Annex, Silver Spring, MD.
NOTE: Various Staff Personnel and/or Equipment relocated to NMC PORTSMOUTH VA, NAVSTA
NEWPORT RI, WPNSTA EARLE NJ, NSA CRANE IN, and WESTOVER ARB MA.

CT SCENARIO ADJUSTMENTS

Eliminate Recurring Savings associated with EB Contractors at NLON.
Eliminate additional DOD Civilain Emplyees at KB and NFK associated wi. sub maintenance.
Reduce eliminated positions by 50%.
Increase Movement from NLON to KB & NFK to reflect transfers vs eliminated positions.
Increase One-Time Costs at KB assocated wi. Training, Pier and Relocation of Personnel &
Equip.
Increase one-time costs at Norfolk for new drydock.
Increase one-time costs for closure at New London regarding environmental costs.

SUMMARY

Increase recurring costs for EB overhead.

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Option Pkg Name: DON-0033B Close SUBASE NLON CT; Subs to NFK & KB - CT Scen.
Std Fctrs File : D:\COBRA EXECUTABLE\BRAC2005.SFF

Costs in 2005 Constant Dollars ($K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
MilCon	41,440	88,780	16,163	60,895	210,990	0	418,269	0
Person	189	1,301	7,532	7,198	16,893	35,959	69,072	30,051
Overhd	11,368	11,649	31,551	30,856	56,405	82,957	224,787	78,307
Moving	235	4,111	12,798	682	9,042	54,201	81,070	0
Missio	0	0	147	8,383	8,383	8,383	25,296	8,383
Other	276	21,273	119,625	98,166	115,087	239,867	594,294	8,367
TOTAL	53,509	127,114	187,816	206,179	416,802	421,368	1,412,788	125,107

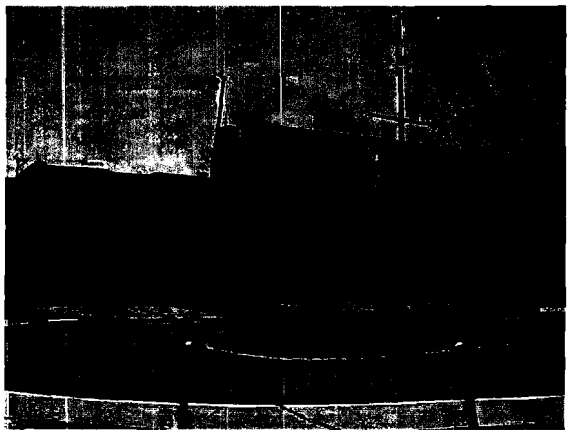
Savings in 2005 Constant Dollars ($K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
MilCon	5,200	0	0	0	0	0	5,200	0
Person	1,349	4,735	20,493	24,061	39,514	85,306	175,459	107,714
Overhd	11,432	12,106	16,962	17,101	22,430	35,825	115,857	37,886
Moving	45	147	2,434	54	2,637	4,288	9,606	0
Missio	0	161	302	301	301	14,000	15,067	14,000
Other	0	0	0	0	502	525	1,027	0
TOTAL	18,027	17,149	40,192	41,518	65,385	139,944	322,216	159,601

Selected Recent Improvements at SUBASE New London

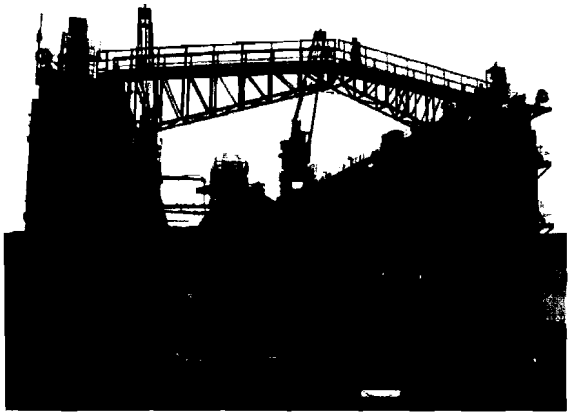
Ongoing — Housing/Family Service Center
$52,000,000

1990-98 — BEQ Renovations
$27,000,000



Ongoing — Naval Ambulatory Care Center
Renovations, $23,000,000

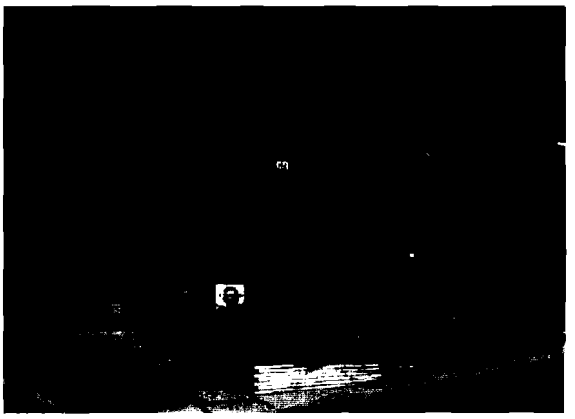
2004 — Dental Clinic
$6,000,000



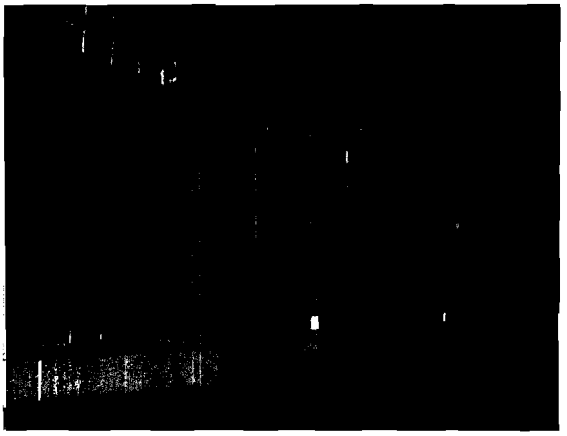
2001 — Drydock Improvements
(USS Dallas inset), $3,300,000

1993 — Basic Enlisted Submarine School
$11,600,000

2002 — Navy Lodge
$7,000,000



1990 — Advanced Engineering Training Facility, $5,889,422



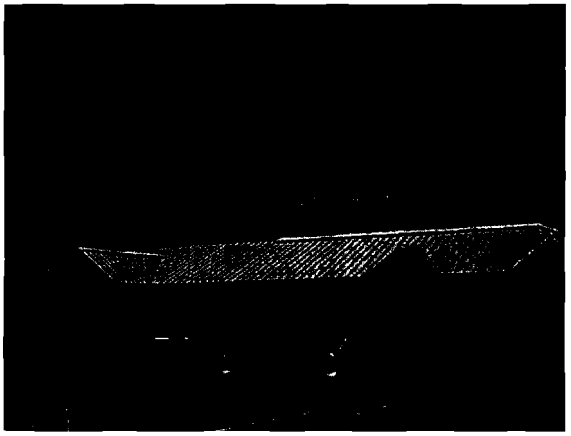
1992 — Submarine Maintenance Facilities Expansion, $5,800,000

2004 — Naval Reserve Center
$4,000,000

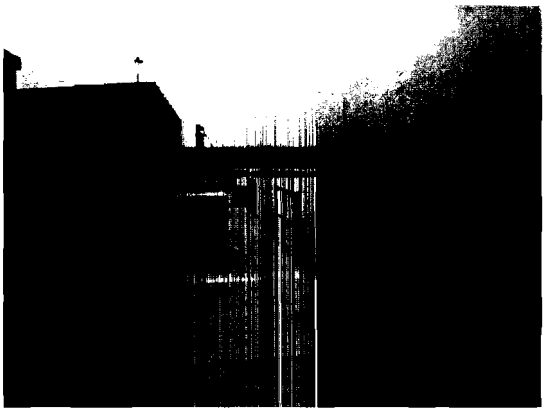
2003 — Security Gate 7
$3,785,000

2003 — Security Gate 1
$4,064,000

1990 — Child Development Center
$3,000,000

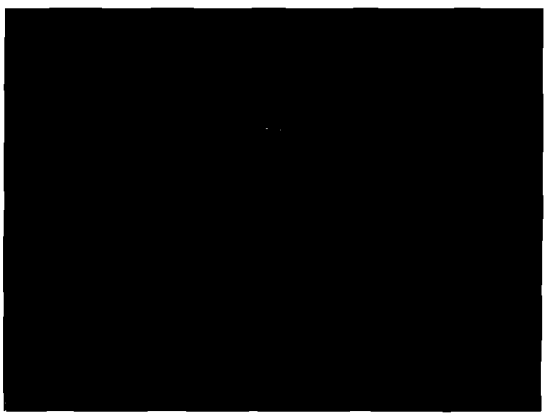


1997 — Navy Youth Center
$3,000,000



2004 — Pier 17 North Submarine Berth
$1,460,000

1994 — Hazardous Waste Transfer Facility
$1,450,000



2003 — IBU-22
$1,500,000

Additional Improvements Not Pictured

1994 — Turbine Generator, $6,600,000

1995 — Hazardous/Flammable Warehouse, $5,000,000

1996 — Ordnance Magazines, $2,850,000

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