

## **BRAC 2005 Supply and Storage Joint Cross Service Group**

### **Meeting Minutes of August 21, 2003**

Vice Admiral Gordon Holder, Director, Logistics (J4), the Joint Staff, chaired this meeting. The list of attendees is attached. (Attachment 1)

The Chairman informed the group that the Supply and Storage capacity analysis report is due to the ISG members as a read ahead on September 17, 2003, and the group's status briefing for the ISG is scheduled for September 24, 2003, at 1600 hours. The Chairman will give the briefing and he expects to be accompanied by the senior group members. To focus on this ISG briefing, a meeting for the principals is scheduled for September 8, 2003. A schedule for completion of the capacity analysis report was established to meet the September 17, 2003 due date.

The Chairman discussed the role of the Inventory Control Points (ICP's). It was determined that the ICPs are national assets (above the installation level), and are to be included in the analysis.

The Chairman directed each principal to provide him with their subgroup's personnel needs. The Air Force and the Defense Logistics Agency have already staffed their personnel requirements. The Army plans to fill their staffing requirements with contractors. The Navy and Marine Corps continue to evaluate how best to provide these staffing requirements from existing resources and allocate them across the four sub-groups.

Capt England provided the group with an orientation on the various models (COBRA and Optimization) that will be used in the BRAC process. (Attachment 2)

Each sub-group then briefed their portions of the ISG capacity analysis report, with emphasis on the functions to be analyzed, and the attributes and metrics to be used in the analysis. (Attachment 3) When finalized, these sub-group reports will be incorporated into the overall Supply and Storage report and briefing for the ISG. Due to time constraints, the Marine Corps briefing on Clothing and Textile and Troop Support

capacity analysis was not presented; however, the slides were distributed to the group for comment.

The Chairman directed the sub-groups to focus on the following: defining commodity items, i.e. repair parts; considering how to address storage capacity issues related to war reserves and mobility requirements, which vary based on funding; and, preparing for the upcoming ISG briefing.

The meeting concluded at 1430.

Approved:   
VADM Gordon Holder  
Chairman, Supply and Storage  
Joint Cross Service Group

Attachments:

1. List of Attendees
2. Briefing slides on Models
3. Briefing slides from each Supply and Storage Sub Group

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**Supply and Storage JCSG Meeting  
August 21, 2003**

**Attendees**

**Members:**

- ξ VADM Gordon Holder, Director, Logistics (J4), Joint Staff
- ξ VADM Keith Lippert, Commander, Defense Logistics Agency
- ξ RDML Al Thompson, Director, Supply, Ordnance, and Logistics Operations Division, N41

**Others:**

- ξ Mr. Peter Potochney, Director, Housing, ODUSD (I&E)
- ξ CDR John Spicer, OPNAV N41
- ξ Colonel Dave King, AF/ILG
- ξ Colonel Rocky Hills, HQDA
- ξ Captain Dave England, JS J4
- ξ Colonel Bob Destafney, IL HQMC
- ξ Mr. Tilghman Schraden, DODIG
- ξ Ms. Nancee Needham, DODIG
- ξ Captain Tim Ross, DLA HQ
- ξ Ms. Mary Horvath, DLA HQ
- ξ LTC Larvick, AF/IG
- ξ Mr. Bob Meyer, OSD, ODUSD (I&E)
- ξ Mr. John Desiderio, OSD, ODUSD (I&E)

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# BRAC '05

## Models and Data Collection Tools

# Models

- Three models being developed/refined to be used by all Services/JCSGs
  - Cost
  - Optimization
  - Visualization
- Each model being worked by a different Service

# Models

- COBRA (Cost of Base Realignment Actions)
  - Being developed by USA
  - Compares NPV of options
- Optimization Tool
  - Being developed by USN
  - Minimize excess capacity subject to constraints
- Visualization Tool
  - Being developed by USAF
  - Satellite images of installations
  - Limited use to JCSG

# Data Collection Tools

- Services independently developing data collection tools
  - Tools not required to directly feed models...  
but one or more may (still being worked)
- DLA has been directed to select one of the Service developed data collection tools



# Repair Parts and Major End Item Capacity Analysis

*Briefing to the  
Supply and Storage Joint Cross Service Group  
(S&S JCSG)  
21 August 2003*

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# Overview



**Categories of Material Definition**

**Functions to be Analyzed**

**Approach to Capacity Analysis**

**Approach to Data Questions**

**Storage Capacity Data Questions**

**Issues Impacting Analysis**

**Way Ahead**



# Categories of Material

## **Repair Parts -**

**Repair parts are piece parts, sub-components and components used to maintain, repair, rebuild or overhaul equipment/weapon systems.**

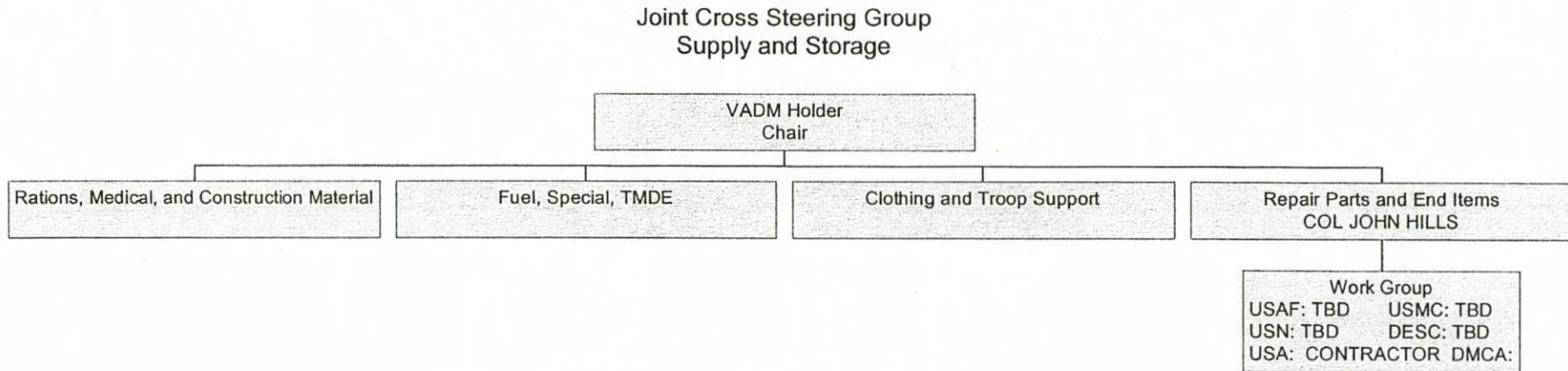
## **Major End Items -**

**Weapons systems ( i.e., trucks, aircraft, boats and ships) Additionally, end items can include weapon systems components defined and managed by each Service as a Major End Item, such as aircraft engines, communications and electronic systems.**



# Organization

## S&S/Repair Parts and Major End Item Workgroup



<i>Military</i>	<i>Civilian</i>	<i>Contractor</i>
<i>TBD</i>	<i>TBD</i>	<i>TBD</i>



# Functions to be Analyzed

## (1 of 2)

### **Class IX – Repair Parts**

**Stored at Installation/base/naval Station  
(Retail/intermediate) and Depot (Wholesale/national)  
Levels.**

**Retail/intermediate Storage Is Fixed Storage,  
Organically Owned Facilities**

**Depot Storage Includes Both Service and DLA  
Managed And/or Owned Stocks in Fixed Storage That  
Is Either Service or DLA Owned.**

**Not Included in Scope of Assessment:**

**Mobile Repair Parts Storage/distribution Capacity  
OCONUS (Korea and USAREUR) Storage and  
Distribution.**



# Functions to be Analyzed

## (2 of 2)

### **Class VII – Major End Item**

#### **Storage capacity**

**Closed, open, special storage by storage requirement.  
Installation/ Base/Naval Station locations, managed at  
National level,**

**Pre-positioned, Operations Project and War Reserve,  
defined by each service**

**Depot, AMARC, DLA temporary and long term storage  
facilities**

**Capacity not assessed - tactical, operational motor  
pools, flight lines and berths**



# Approach to Capacity Analysis

<u>Standard of Measure</u>	<u>METRICS</u>	<u>Certified Data Requirements</u>
<p>Capacity</p> <p>Capacity is defined in different ways. First is <b>Stockage/Line</b> capacity stated in lines for inventory control; Second, <b>Transaction</b> capacity stated in transactions with a given manning level which establishes a transaction-based workload; Third, <b>Tons Per Person Per Day</b> is workload capacity based on personnel strengths. Fourth is <b>Process</b> capacity stated in terms of Supply and Storage performance metrics against transactional task times independent of transaction volume or lines, but are dependent on physical limitations of the facility layout and process. Fifth is <b>Surge Capacity</b>, the capacity to increase some or all of the first four metrics in response to National emergency needs. Sixth is <b>Materiel Handling/Tracking</b> capacity, the capacity to internally handle/move/track materiel based on integrated materiel management/handling/ tracking systems.</p>	<p>Stockage/Line Capacity →</p> <p>Transaction capacity →</p> <p>Tons Per Person Per Day capacity →</p> <p>Process capacity →</p> <p>Surge capacity →</p> <p>Materiel Handling and Tracking →</p> <p>Capacity</p>	<p>Inventory value; Lines Stocked;horizontal/vertical/ outside storage square footage</p> <p>Transaction by type – Receive, Store, Turn-in, Issue, Cyclic Inventory</p> <p>Tons of Inventory Issued/ Received and Manning level/costs</p> <p>Accommodation,satisfaction, Percent fill of inventory; Time required to fill a customer request (RWT); Replenishment lead time; Transaction times</p> <p>Total Line Stockage capacity; Overtime and Second shift/costs</p> <p>Automated inventory tracking and retrieval systems capacity/ Costs; Integrated Distributive systems capacity/costs.</p>



# Approach to Data Questions

## Where Functions Are Located:

**Installation/intermediate Level**

**National/wholesale Level**

## Inventory Assets That Perform Functions/ Throughput:

**Warehouses**

**Inventory Management Centers**

## Performance

**Capacity to Met Customer Requirements**



# Repair Parts and Major Item Storage

## Sub-group Responsibilities

**Perform complete review (bottom-to-top) of supply, storage and distribution roles, missions, functions and services associated with repair parts and major item storage.**

**Assess against critical performance metrics – beyond capacity, capabilities and business costs, into assessment process.**

**Develop recommendations, targeting Military Value and impact on capabilities to ensure responsive national and installation S&S infrastructure and warfight support.**



## Storage Capacity Data Questions

**What is the daily inventory value?**

**What is the daily average of lines stocked?**

**What is the horizontal/vertical/outside storage square footage?**

**What is the average utilization of horizontal/vertical/ outside storage square footage in square feet?**

**What is the daily average receipts processed?**

**What is the maximum volume of receipts that could be processed daily?**



## Storage Capacity Data Questions

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**What is the daily average receipts from “wholesale” that are processed?**

**What is the daily average receipts from Direct Vendors that are processed?**

**What is the daily Average Turn-ins processed from direct customers?**

**What is the maximum daily Turn-ins that could be processed from direct customers?**

**What is the daily Average Issues**



## Storage Capacity Data Questions

**What is the average lines reviewed in a Cyclic Inventory?**

**How many customers does the Storage facility support?**

**What is the Authorized Manning level?**

**What is the Man-year costs?**

**What is the average daily value of Inventory Issued?**

**What is the daily average of Lines issued?**



## Storage Capacity Data Questions

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**What is the maximum volume of issues that could be processed daily?**

**What are the limiting factors to number of receipts and issues that could be transacted?**

**What is the daily average Supply Accommodation rate?**

**What is the daily average Supply Satisfaction rate?**

**What is the daily average percent fill of authorized lines of inventory?**

**What is the Supply Activity Customer Wait time?**



## Storage Capacity Data Questions

**What is the Supply Activity Requisition Wait time?**

**What is the average replenishment lead time of authorized lines of inventory?**

**What is the Supply Activity receipt/issue/cyclic Transaction Time**

**What is the Storage activity Total Stockage/Line Capacity?**

**What are the local Overtime Costs for Direct and Indirect Labor? What is the labor costs to go to Second Shift?**



## Storage Capacity Data Questions

**What are the Automated inventory tracking and retrieval systems that are in place in each supply facility?**

**Capacity**

**Maintenance Costs**

**Expansion Costs**

**What is the supply facility Dock and shipping capacity**

**What is the supply facility Dock and Shipping Costs per receipt/issue?**



# Issues Impacting Analysis

## **Evolving Force Stationing Strategies**

**Not in sync with Data Call timelines**

## **Metrics development**

**Requires Service participation**

## **Data Collection and Modeling**

**Collection tools are not in place**

**Data collected may not be compatible with analysis models**

**Models may not be ready to accept data**



## Way Ahead

**Identify service leads**

**Establish timeline for data call deliverables**

**Work analytical requirements based on established critical performance metrics**

**Capacity**

**Capabilities**

**Business Costs**

**Critical supply chain metrics**

**Begin work on defining Military Value metrics**



# Clothing & Textiles and Troop Support Materiel Capacity Analysis

*Briefing to the  
Supply and Storage Joint Cross Service Group  
(S&S JCSG)  
21 August 2003*

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GROUP 4  
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# Overview



Definitions

Functions

Capacity Analysis Methodology

Approach to Data Questions

Storage Capacity Data Questions

Issues Impacting Analysis



# Categories of Material

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Clothing and Textiles includes individual and organizational clothing and equipment, as well as tentage and bulk cloth.

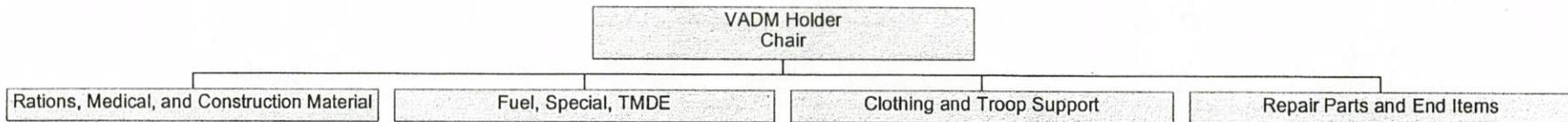
Troop Support Materiel includes water purification sets; laundry, dry cleaning, shower, and bath units; and kitchen and bakery equipment sets. Includes modular, containerized, air transportable “garrison kits.” (Force Provider; Harvest Falcon, et al)



# Organization

## S&S/Clothing & Equipment and Troop Support Materiel Workgroup

Joint Cross Steering Group  
Supply and Storage



<i>Military</i>	<i>Civilian</i>	<i>Contractor</i>
<i>TBD</i>	<i>TBD</i>	<i>TBD</i>



## Functions to be Analyzed

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### Clothing and Textiles

Stored aboard Service Bases and Stations  
(Retail/intermediate) and at DLA Distribution  
Depots (Wholesale)

Wholesale activity (above the installation level)  
includes both Service and DLA inventory  
management, and inventory in depot storage that is  
either Service or DLA owned

Includes individual and organizational C&T  
(including NBCD Clothing)



## Functions to be Analyzed

### Troop Support Materiel

Stored aboard Service Bases and Stations  
(Retail/intermediate) and at Service and DLA  
Distribution Depots (Wholesale)

Includes force sustainment materiel and systems designed  
to accommodate (billet, feed, and maintain) deployed units  
during contingency operations

Water purification and distribution units  
Laundry and dry cleaning units  
Bath and shower units  
Deployable kitchen and bakery sets  
Others ("Garrison Kits")



# Refinements to SecDef Approved Functions

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# Approach to Capacity Analysis

<u>Standard of Measure</u>	<u>METRICS</u>	<u>Certified Data Requirements</u>
<p>Capacity</p> <p>Capacity is defined in different ways. First is <b>Stockage/Line</b> capacity stated in lines for inventory control; Second, <b>Transaction</b> capacity stated in transactions with a given manning level which establishes a transaction-based workload; Third, <b>Tons Per Person Per Day</b> is workload capacity based on personnel strengths. Fourth is <b>Process</b> capacity stated in terms of Supply and Storage performance metrics against transactional task times independent of transaction volume or lines, but are dependent on physical limitations of the facility layout and process. Fifth is <b>Surge Capacity</b>, the capacity to increase some or all of the first four metrics in response to National emergency needs. Sixth is <b>Materiel Handling/Tracking</b> capacity, the capacity to internally handle/move/track materiel based on integrated materiel management/handling/ tracking systems.</p>	<p>Stockage/Line Capacity →</p> <p>Transaction capacity →</p> <p>Tons Per Person Per Day capacity →</p> <p>Process capacity →</p> <p>Surge capacity →</p> <p>Materiel Handling and Tracking Capacity →</p>	<p>Inventory value; Lines Stocked;horizontal/vertical/ outside storage square footage</p> <p>Transaction by type – Receive, Store, Turn-in, Issue, Cyclic Inventory</p> <p>Tons of Inventory Issued/ Received and Manning level/costs</p> <p>Accommodation,satisfaction, Percent fill of inventory; Time required to fill a customer request (RWT); Replenishment lead time; Transaction times</p> <p>Total Line Stockage capacity; Overtime and Second shift/costs</p> <p>Automated inventory tracking and retrieval systems capacity/ Costs; Integrated Distributive systems capacity/costs.</p>

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# Approach to Data Questions

## Where Functions Are Located:

Installation/intermediate Level

National/wholesale Level

Supporting/surrounding community infrastructure: Describe local transportation capabilities and capacities. (Local/regional air and sea ports, rail heads, and major highway network)

## Inventory Assets That Perform Functions/Throughput:

Storage Facilities/Distribution Centers

Inventory Management/Inventory Control Activities (Service and DLA)

## Performance

Capability to Meet Customer Requirements and Expectations

Growth Potential



## Capacity Analysis Methodology

Function: Clothing and Textile Supply Management and Storage

Attributes: Packaged at source (manufacturer); typically stored in bulk facilities; may require unique storage aids; repackaging requirement at depot level; NBCD clothing typically raises environmental concerns and often requires special storage and handling procedures

Metrics of Attributes: Space requirement (ft<sup>2</sup> or ft<sup>3</sup>); Costs

How capacity will be measured:

DoD-wide capacity:



## Capacity Analysis Methodology

Function: Troop Support Materiel Supply Management and Storage

Attributes: Primarily bulk storage required; MHE typically required; often involves HM/HW management requirement; intermodal transportation compatibility considerations

Metrics of Attributes: Storage space requirement (ft<sup>2</sup> or ft<sup>3</sup>) including special storage/handling space; Transactions costs

How capacity will be measured:

DoD-wide capacity:



## Storage Capacity Data Questions

- What is the average daily inventory value?
- What is the average daily # of lines stocked?
- What is the facility's horizontal/vertical/outside storage capacity (ft<sup>2</sup> and ft<sup>3</sup>)? Any climate controlled storage requirement?
- What is the monthly average utilization of available storage? (horizontal/vertical/outside storage)
- What is the maximum volume of transactions that could be processed daily?



## Storage Capacity Data Questions

What is the average daily # returns processed from direct customers?

How do you measure customer satisfaction? How frequently? What metrics are significant?

What percentage of your daily transactions are a result of doing business with an on-base customer? What percentage are a result of business with customers from Services other than that of the host activity?

What is the distance to nearby DoD activities with the capability to perform identical functions?



## Storage Capacity Data Questions

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What is the average lines reviewed in a Cyclic Inventory?

How many customers does the Storage facility support?

What is the Authorized Manning level?

What are the Man-year costs?

What is the average daily dollar value of Inventory Issued?

What is the daily average of lines issued?



## Storage Capacity Data Questions

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What is the maximum number of issue and receipt transactions that could be processed daily?

What are the limiting factors to number of receipts and issues that could be transacted? (Manning/staffing, physical plant, material handling capacity, AIT, et al)



## Storage Capacity Data Questions

What is the Supply Activity Requisition Wait time?

What is the average replenishment lead time of authorized lines of inventory?

What is the supply activity receipt/issue/cyclic Transaction Time?

What is the storage activity Total Stockage/Line Capacity?

What are the local Overtime Costs for Direct and Indirect Labor? What are the labor costs to go to second shift? Costs of other surge manpower requirements?



## Storage Capacity Data Questions

What are the Automated inventory tracking and retrieval systems that are in place in each facility?

Capacity

Maintenance Costs

Expansion Costs

Interoperability?

What is the supply facility dock and shipping capacity? What is the supply facility dock and shipping costs per receipt/issue?

What special handling and storage space requirements exist? At what cost? (Unique MHE, unique storage spaces)



# Issues Impacting Analysis

## Evolving Force Stationing Strategies

### Metrics development

Requires Service participation

### Data Collection and Modeling

Collection tools are not in place

Data collected may not be compatible with analysis models

Models may not be ready to accept data



## Way Ahead

- Identify service leads and sources
- Establish timeline for data call deliverables
- Work analytical requirements based on established critical performance metrics
  - Capacity
  - Capabilities
  - Business/Operating Costs
  - Critical supply chain metrics
- Begin work on defining Military Value metrics