

BRAC 2005
Supply and Storage Joint Cross Service Group (S&S JCSG)

Minutes of S&S JCSG Principals' Meeting, December 9, 2004

Principal Attendees: VADM Lippert (S&S Chair; DLA), LTG Christianson (S&S Principal, Army), RDML Thompson (S&S Principal, Navy), CAPT Wright (Alternate, Navy), BGEN Usher (S&S Principal, Marines), Lt Gen Wetekam (S&S Principal, Air Force), Mr. Aimone (S&S Alternate, Air Force), Lt Gen McNabb (S&S Principal, Joint Staff, J4)

Other Attendees: Col Neeley (S&S Exec Sec), CDR Goodwin (S&S XO), CAPT Coderre (S&S JCSG Navy lead), Col King (S&S JCSG Air Force Lead), Col Bockenstedt (S&S JCSG Army Lead), Col Coe (S&S JCSG prospective Army lead), Col Faulkner (S&S JCSG Joint Staff lead), Mr. Meconnahey (S&S JCSG COBRA team lead), LtCol Truba (S&S JCSG Marine lead), Major Champagne (S&S JCSG Data Integration Team Lead), Major Condon (Air Force BRAC team), CAPT Myher (Navy BRAC team), Mr. Williams (S&S JCSG Army team), Mr. Galloway (DoD IG), Mr. Desiderio (OSD), Mr. Meyer (OSD), Capt Rivera (S&S JCSG Marine team)

Chairman's Remarks: VADM Lippert opened this 25th meeting of the S&S JCSG Principals. Col Neeley introduced his new XO for the S&S JCSG, CDR Brian Goodwin.

- (Chart 3) VADM Lippert noted that he intended to maintain the 20 December date for submission of the S&S JCSG recommendations. Mr. Wynne had asked the joint teams if they would meet this goal, at least three will likely not meet it. VADM Lippert stated his intention is to hold the S&S JCSG firm to the 20th of December. VADM Lippert also noted that the IEC will be meeting twice a month through January, February and March 2005. S&S JCSG Principals should note for planning their own schedules. The Flag/General officers noted that an IEC could be held as early as the 20th of December. OSD reps Bob Meyer and John Desiderio noted that preparations were underway, and briefings were being drafted to prepare for the IEC. VADM Lippert noted that COBRA data seemed to be the long pole in the tent, and acknowledged that this would be covered later in the meeting.

RADM Thompson stated that he wanted Principals to be sensitive to how the process was working within the working group. As an example he noted that if a facility were to lose the majority of its mission but not close because of something else inside or near the fence line that keeps the facility open, then the service would be inhibited from closing a facility and miss a savings opportunity. He felt the process needed an update to look at these issues. Services should be given a sense of these "fence line issues" so the service could make a better decision to ultimately save money.

- (Charts 4 – 12) Col Neeley briefly reviewed the calendar, and noted the universe of scenarios provided as an inventory of the teams' work to date.
- (Chart 13) Col Neeley noted the effect of the OGC review and how this and other requirements had the effect of moving the submission timeline to the left for the team. This is a challenge. Col Neeley then indicated what Principals can expect at the offsite. Scenarios would be briefed. Each team will present analysis, show how the analysis was arrived at and have supplemental items/data available. The OGC will receive the required materials on the 14th of December and has advertised a three day turn around. Another review opportunity is available at a Principals meeting on December 16th with a read ahead to the ISG on the 17th. Final delivery is planned on December 20th as discussed in VADM Lippert's opening remarks.
- Charts (14-15) Col Neeley indicated the format that the recommendations would follow including the summary report, supporting information and Quad Chart. Principals achieved a general understanding of how material would be presented at the 13 December offsite. Col Neeley indicated how missing information, such as insufficient payback analysis caused by a lack of COBRA data, would be handled in the process. Col Neeley noted that the team would present the best material available with an "as of" date.
- (Chart 16-17) RADM Thompson asked how much flexibility the group would have during the offsite and other downstream events to make changes to scenario considerations. As example, he noted that if an alternative recommendation would allow a service savings by closing a facility, it should be considered. VADM Lippert concurred and noted that he believed the process could accommodate changes.
- Bob Meyer noted that if the analysis was not complete, OSD did not desire the scenarios but acknowledged that the team would have to go with the best it had for now. VADM Lippert noted that Mr. Wynne has stated that "quality trumps" in the scenarios over a rushed job. But if the data is insufficient to get to the 20th, VADM Lippert would take that brief, but this is not the preferred course.
- RADM Thompson noted that Navy and DLA may be the components likely to slow down the deliverable. VADM Lippert noted that if we are talking a day or two of slip that may be acceptable. He asked that all components work to meet the deadline.
- Col Neeley asked OSD if the quad chart could run to two pages. Bob Meyer and John Desiderio noted that two was acceptable, and that the team should do what it needed to do to communicate the issue. But that only so much could be handled in the format. The candidate recommendation template, with supporting documentation is the key back up.

- John Desiderio noted that teams should pay attention when policy memos are released. Specifically, teams should be considering “surge” issues in their analysis. Col Neeley commented that surge was being incorporated in the efforts of S&S.
- The group understood that the lack of COBRA data and lack of time for related analysis of the data will be a challenge. Col King noted that there are examples of significant back and forth dialogue after data is received to ensure that the data is accurate. Col King provided Navy and Air Force examples of how the back and forth process was working, and the time consumed as a result.
- RADM Thompson asked about Red Team, VADM Lippert recalled previous discussions on the quality checks desired by Mr. Wynne and that Red Team members would review the data and process for integrity, quality, etc.
- Col Faulkner noted that it would be interesting to see if Force Structure plans, a classified document now being routed would have impacts on scenario recommendations. He noted that this factor may impact scenario recommendations at the Offsite and asked if Principals knew now of any impacts.
- LTG McNabb expressed concern about Combatant Commander reviews. VADM Lippert noted that provisions for CoCom read-ahead review had been made and that General Pace acknowledged that the linkage was understood.
- (Chart 18) In response to a previous question about DMRD 902 from RADM Thompson, Col Neeley reviewed OSD and DoD IG conclusions/advice that since the DMRD was a SecDef decision, SecDef could overturn a previous decision based on conclusions drawn in this BRAC round.
- (Chart 19) Col Neeley continued the discussion explaining how the teams were dealing with incomplete data. If a scenario recommendation is supported by less than complete data, the scenario will contain caveats and “as of” indicators. Col Faulkner asked if an unchecked COBRA box (noting lacking COBRA data and analysis) was present, would that halt a recommendation from going forward. ✓ The group decided that yes, lack of COBRA data would prevent finalizing a recommendation.
- (Chart 20) Col Neeley discussed the lack of a cut off date for incoming data and the impact this was having on scenario recommendations. Col Neeley explained that one outcome was potential changes in MilVal rankings which due to the significant role of MilVal criteria in the evaluation process, could have an impact on candidate recommendations.
- **MilVal Discussion.** VADM Lippert also asked the team to discuss recent events with regard to MilVal data and how the team had handled the incoming data. Lt Gen Wetekam noted that he had seen questionable results on at least three

installations and raised questions with the team Air Force representative about the results. BGen Usher indicated he was concerned about the issue and how MilVal data had been handled. He noted he owed his chain of command including General Nyland a report on the issue but that the Marine Corps chain of command had only become aware of this issue a few hours prior to the meeting. Col King described his efforts as an attempt to ensure that data that was **missing, suspected “bad” or mis-matched**, was being addressed. The field was queried and revised data was received/added to MilVal scenarios. This was the case for USAF and Navy/USMC facilities. The revised data was entered and MilVal and Optimization analysis was rerun. This had the effect of changing MilVal rankings when MilVal analysis was re-run. It also created a new scenario # 39. Scenario 33, the original scenario and 39 would now both continue to receive updates. BGen Usher asked if the data that was used had been certified. Col King believed that the data was now certified, although he acknowledged that uncertified data had been placed in the MilVal analysis with the expectation that certification was forthcoming. Col King noted that a fast approaching Timeline and need to complete analysis were driving factors for running MilVal with uncertified data. Following the receipt of revised data, and subsequent MilVal and optimization re-runs, facility closure outcomes did change for select sites. The team discussed the process and was concerned that validity of recommendations could be questioned, especially if the data were not certified. The principals concluded that as long as the data was properly certified, that outcomes should be defensible. Col King noted that he believed that all data was now certified. Mike Galloway, DoD IG noted that some data was in fact still lacking certification. Mr. Galloway noted Col Neeley had upon learning of the data team MilVal actions, requested that the IG review the data to ensure comprehensive certification and to review the process used to ensure that no impropriety or untoward data manipulation was present. VADM Lippert asked how long the IG’s review was expected to take. Mr. Galloway estimated that the IG could be finished as early as Tuesday (Dec 14th). If necessary, the IG offered to send auditors to the field. VADM Lippert also checked with each Flag/General Officer Principal to verify that each was comfortable with the way ahead of ensuring that the IG’s involvement and the response of the S&S team to this matter was satisfactory. Each Flag/General officer concurred that the way ahead with IG review seemed sound. Lt Gen Wetekam added that he felt that a review of the data procedures might assist with ensuring that no more bad data or significant gaps on data remained in the analysis. VADM Lippert directed the teams and the IG to keep the Principals informed.

- LTG Christianson noted that the team needed to understand that the continual flow of data will cause things to change along the way and Principals should be kept aware of changes, and teams should ensure that no scenario falls completely off as a result.
- CAPT Coderre suggested that if the scenarios would be changing, that data runs and new data inputs should be coordinated so that all processes are synchronized

to pull comprehensively and collectively together. This should help with the integrity of the process and data contained within.

- Col Faulkner suggested the team consider stopping data updates until the issue could be resolved effectively. The matter was discussed, Col Neeley reminded the team that using an “as of” date had been the approved methodology. VADM confirmed, continue to use the as of date and allow data updates to proceed.
- BGen Usher suggested that the team get into a battle rhythm and know how to move ahead given that data updates will continue.
- RADM Thompson asked how the data updates and process in general addressed the “fence line” issue mentioned earlier in the meeting. As example, how could the team put forward a scenario which emptied a facility of most missions, but missed a small neighboring mission and resulted in not being able to shut down a facility. Major Champagne noted that the MilVal scenarios did not take into consideration fence line issues. Col King pointed out that even the MilVal values differ by one thousandths (far to the right of the decimal point) and that is why and where Military judgment comes into play.
- (Chart 21) Col Neeley pointed out that VADM Lippert has asked the teams to consider the retrograde process. Specifically, with the services experiencing a significant Reset effort and corresponding wartime retrograde equipment flow, VADM Lippert wanted to make sure that the teams were sensitive to this issue. He noted that this year has been the “cleansing year for retrograde” with impacts felt at CONUS laydown space, transportation surge and storage sites. His concern was that data in support of the scenarios was captured differently and may not have taken this factor into account. Col Neeley affirmed that the teams would look carefully at this issue.
- COBRA Update. Joe Meconnahey reported that the team had received 20 responses in the past 48 hours. This places the team at approximately 60% complete with regard to data responses. The COBRA team is working with the services to ensure data is correct. Errors seen by the COBRA team include lack of vacated storage space data. Preliminary results showed significant savings and significant MilCon impacts as well. VADM Lippert asked the Principals to address specific efforts to get the necessary data to the teams. Each service Principal noted that data would be forthcoming, but likely last minute. Col Neeley noted the team would do the best it could.
- CAPT Coderre noted that data updates will be a challenge. As example weekly community updates would make the process complicated. Col Neeley inquired what could change significantly in community data. Mr. Desiderio noted that of the errors in the data to date, 90% was missing data, and only 10% of the erroneous data was community data. Examples included school capacity and

student teacher ratios. The takeaway was that we should not see significant shifts on the basis of incoming community data.

- CAPT Coderre noted that the economic model requirement was the long pole, but briefed that the training for the Booz Allen analysis tool was set up and should be underway soon. VADM Lippert clarified that all of the Joint teams were impacted by the Booz Allen tool and each team shares the same constraint.
- Mr. Desiderio noted that to get to Criteria six, good COBRA data is required. Bottom line there are delays in addition to establishing the Booz Allen tool and finalizing Criteria six.
- Col Neeley reminded OSD reps that examples of a good and a bad write up from a previous BRAC round for use by the teams as examples were still outstanding. OSD reps (Mr. Meyer) noted they had them and would deliver ASAP.
- Col Neeley wrapped up his brief by summarizing what was discussed, and noting that the teams were prepared to push to meet the December 13 offsite preps, and to meet the 20th December deliverable due date.
- VADM Lippert directed that if a scenario has a second derivative or secondary impacts that the team should make the Principals aware of alternatives. Col Neeley noted the team would bring up secondary impacts wherever they were known. CAPT Myher noted that he believed the Optimization tool did have the ability to run site analysis that would get at the fence line or secondary site impact analysis. RADM Thompson suggested that these should be discussed with the other joint cross service groups as well in order to synch up with counterparts. LTG Christianson noted that the services really should be taking the lead in order to close an installation. RADM Thompson concurred and noted his thoughts were focused on assisting the services to make a decision. Col Neeley noted that the teams had looked at this to a degree with the “de-conflict” tool that is available to the services and Joint teams. Bob Meyer noted that OSD is looking at this as well.

- VADM Lippert went around the table to ensure that each participant was clear on the way ahead and comfortable with the meeting and progress. VADM Lippert closed the meeting by expressing his gratitude for the efforts being made by S&S. He noted that this weekend was obviously a key point in the work up to be ready for the offsite, and ultimately the final recommendations by S&S to OSD due on 20 December.

Approved: 



KEITH W. LIPPERT
Vice Admiral, SC, USN
Director,
Defense Logistics Agency
Chairman, Supply and Storage,
Joint Cross Service Group

Attachments:

1. Briefing Slides

ACTIVITY: S&S JCSG
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Supply and Storage Joint Cross-Service Group (S&S JCSG)

Principals' Meeting

December 9, 2004

Chair: VADM Keith Lippert



Overview

- Opening Remarks VADM Lippert
- Timelines and Suspenses Col Neeley
- Issues Col Neeley
- COBRA Mr. Meconnahey
- Criteria 6-8 CAPT Coderre
- Way Ahead Col Neeley



Chairman's Remarks

- ISG holding firm to 20 Dec 04 suspense for JCSG recommendations
- Need principals help to push completion of COBRA data for S&S JCSG
- 13 Dec 04 Offsite – Proposed Candidate Recommendation Decision Session
- ISG Chairman advised BRAC IEC will meet two times per month: Jan, Feb, Mar 05



Timelines and Issues

Col Neeley



JCSG Way Ahead

	December														
	Week 2							Week 1							
	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Optimization	█	█	█	█	█	█	█	█							
Final Data Call	█	█	█	█	█	█	█	█							
JCSG Meeting				█											
COBRA	█	█	█	█	█	█	█	█							
Criterion 6	█	█	█	█	█	█	█	█							
Criterion 7	█	█	█	█	█	█	█	█							
Criterion 8	█	█	█	█	█	█	█	█							
JCSG Meeting				█											
Offsite				█				█							
JCSG Meeting				█							█				
Format				█					█	█	█	█			
Suspense				█											★
Remaining	14	13	12	11	10	9	8	7	6	5	4	3	2	1	★



Transformational Option 20

20.1.1.1.0.S&S-0003 Regionalization of Strategic Distribution (5 regions)

20.1.2.1.0.S&S-0004 Regionalization of Strategic Distribution (4 regions)

20.11.1.0.0.S&S-0030 Realign Storage and Distribution Functions at Sierra Army Depot

20.12.1.7.0.S&S-0018 Regionalization of Strategic Distribution (4 regions: optimized alternative)

20.12.2.8.0.S&S-0019 Regionalization of Strategic Distribution (5 regions: optimized alternative)

20.12.3.6.0.S&S-0012 Regionalization of Strategic Distribution (3 regions: optimized alternative)

20.13.1.1.0.S&S-0017 Reduce Wholesale Distribution Infrastructure by Closing Excess Distribution Depots

Transformational Option 21



21.2.1.0.0.S&S-0022 Privatize Storage and Distribution on Specific Commodities (Tires)

21.2.2.0.0.S&S-0024 Privatize Storage and Distribution on Specific Commodities (Compressed Gases)

21.2.3.0.0.S&S-0023 Privatize Storage and Distribution on Specific Commodities (Packaged POL Products)



Transformational Option 22

22.1.1.0.0.S&S-0028

Transfer Service Common DLRs to DLA

22.1.5.0.0.S&S-0035

Transfer Service ICPs to DLA and consolidate (include DLRs)

22.1.3.0.0.S&S-0034

Transfer Service ICPs to DLA and realign by mission area



Transformational Option 57

57.1.2.20.0.S&S-0007	Consolidate NAVICP in a single location (Philadelphia)
57.1.3.20.0.S&S-0006	Consolidate Air Force ICPs in a single location
57.1.6.20.0.S&S-0005	Consolidate DLA ICPs in a single location
57.1.8.20.0.S&S-0010	Consolidate NAVICP in a single location (Mechanicsburg)
57.1.9.0.0.S&S-0026	Consolidate Air Force Inventory Control Point (ICP) command and control operations
57.1.10.0.0.S&S-0027	Consolidate Army ICPs in a Single Location (Ft. Monmouth)
57.1.11.0.0.S&S-0031	Consolidate AF National Inventory Control Points (NICPs) in a single location (Hill AFB)
57.1.12.0.0.S&S-0029	Consolidate the Army ICPs to a Single Location (Redstone Arsenal)
57.1.13.20.0.S&S-0033	Consolidate all Service and DLA ICPs (Minimize Excess Capacity)
57.1.14.0.0.S&S-0039	Consolidate all Service and DLA ICPs (Minimize Excess Capacity with Updated Data)
57.11.1.0.0.S&S-0036	Establish a Single Army Inventory Control Point (Select and Related Functions) at Fort Monmouth, NJ



Transformational Option 57 (Continuation)

57.11.2.0.0.S&S-0037 Establish a Single Army Inventory Control Point (Select and Related Functions) at Detroit Arsenal, MI

57.11.3.0.0.S&S-0038 Establish a Single Army Inventory Control Point (Select and Related Functions) at Redstone Arsenal, AL



Transformational Option 62



62.1.1.0.0.0

TMO



Transformational Option 74



74.1.1.0.0.0

Surge



Submittal Actions Process

- Proposed Candidate Recommendations to ISG NLT 20 Dec 04
- Summary report read-ahead for each candidate recommendation to ISG prior to 20 Dec 04
- S&S JCSG response
 - Decision Offsite 13 Dec 04
 - Submit to OSD General Counsel NLT 14 Dec 04
 - GC turn-around time is 3 days
 - Brief Chairman and Principals status 16 Dec 04
 - Submit read-ahead summary report to ISG 17 Dec 04
 - Submit final recommendations to ISG 20 Dec 04



Form and content of Candidate Recommendations

- Summary report
 - Description of closure or realignment
 - Justification
 - Payback
 - Impacts
- Supporting Information
 - Competing recommendations
 - Force Structure Capabilities
 - MV Analysis
 - Capacity Analysis
- Quad Chart



Candidate #__ (Use # from Scenario Tracking Tool)

Candidate Recommendation: Fully describe the candidate closure or realignment.

<p style="text-align: center;"><u>Justification</u></p> <ul style="list-style-type: none"> ✓ Explain the reasons for the candidate recommendation (i.e., force structure reductions; mission consolidation, collocation, or elimination; excess capacity; jointness; etc) 	<p style="text-align: center;"><u>Military Value</u></p> <ul style="list-style-type: none"> ✓ Overall effect on military value ✓ Relative military value against its peers ✓ Military judgment
<p style="text-align: center;"><u>Payback</u></p> <ul style="list-style-type: none"> ✓ Criterion 5 (COBRA) results 	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> ✓ Criteria 6-8 (Economic, Community and Environmental)

- Strategy
- Capacity Analysis / Data Verification
- JCSG/MilDep Recommended
- De-conflicted w/JCSGs
- COBRA
- Military Value Analysis / Data Verification
- Criteria 6-8 Analysis
- De-conflicted w/MilDeps



Post Candidate Recommendation Submittal Actions

- ISG Review (20 Dec – 25 Feb)
 - 20 Dec: receive JCSG candidate recommendations for substantive review, approval, and recommendation to IEC
 - 20 Jan: receive MilDeps candidate recommendations for info and conflict identification/resolution
 - Holidays effectively limit start of review to 3 Jan 05
- Red Team review (1-25 Feb)
- IEC review (25 Feb – 25 Mar)
 - Review substance of all candidate recommendations and resolve any remaining conflicts
- Submit Revised Force Structure Plan (NLT 15 March)
- Nominate Commissioners (NLT 15 March)



Post Candidate Submittal Actions (cont.)

- Commission Setup (Feb-May)
 - Setup office space, equipment & supplies
 - Hire staff director and GC
 - Ethics review, vetting of nominees
- Report Writing (25 Mar-25 Apr)
 - OSD BRAC office compiles all candidate recommendations into a comprehensive report
 - Brief CoComs
 - Brief SecDef on preliminary results
- Formal Report Coordination (25 Apr-6 May)
- SecDef Review and Transmittal (6-16 May)
 - Target 13 May since 16 May is a Monday



Issue #1 (DMRD 902)

■ OSD / IG Opinion...

- Implementation of DMRD 902 was an internal DOD decision
- S&S JCSG advised by OSD and DOD IG that SecDef has authority to reverse decision under BRAC rules



Issue # 2

- How we're dealing with proposals that have incomplete data
 - Complete summaries with “as of” data
 - Submit to OSD with caveats
 - Modify (if necessary) when remaining data becomes available and is analyzed
 - Brief Principals
 - Submit complete to General Counsel and OSD



Issue # 3

■ Data base updating

- Result of continual Military Value response updating, seeing significant changes in the way sites are lining up.
 - Result: change in MV ranking
 - However: OSD hesitant to go out with hard cut-off date for getting/updating data and information
 - Result 1: changes possible
 - Result 2: politically sensitive if impacted installation information not considered
 - Use DOD IG to audit and verify process integrity



Issue # 4

■ Retrograde

- Normal return process
- Wartime surge
 - How processed
 - Where does it go: CONUS location capacity?



COBRA Status (Criterion 5)

Mr. Meconnahey



Criteria 6 – 8 Analysis

CAPT Coderre



Criterion 6 / 7 / 8 Assessments



Criteria	Status	Issues
Economic (6)	<ul style="list-style-type: none"> - FURTHER ANALYSIS PENDING OUTPUT OF COBRA AND BOOZ-ALLEN MODEL 	<ul style="list-style-type: none"> - NO BOOZ-ALLEN MODEL YET
Community (7)	<ul style="list-style-type: none"> - INITIAL REVIEW OF ALL GAINING INSTALLATION PROFILES COMPLETE - INITIAL REVIEW OF ALL LOSING INSTALLATIONS IS 75% COMPLETE - NO MAJOR CONFLICTS IDENTIFIED 	<ul style="list-style-type: none"> - COMMUNITY DATA CONTINUES TO BE UPDATED WEEKLY
Environmental (8)	<ul style="list-style-type: none"> - INITIAL REVIEW OF 34/35 INSTALLATION PROFILES COMPLETE - NO SHOW-STOPPERS IDENTIFIED 	<ul style="list-style-type: none"> - MISSING NSA PHILADELPHIA PROFILE (DUE 10 DEC) - IMPACTS 7 SCENARIOS



Way Ahead

Col Neeley



Way Ahead (2004)

10 Dec – ISG Meeting (1000), VADM Lippert attends, Pentagon (3D1019)

13 Dec – S&S JCSG Offsite at DLA HQ (0830 – 1700); RE: Candidate Recommendation Decisions

16 Dec – JCSG Principals' Meeting (1400 – 1600), J4 Conference Room / 2C836

17 Dec – ISG Meeting (1030), VADM Lippert attends, Pentagon (3D1019)

20 Dec 04 – JCSG candidate recommendations due to the ISG (S&S JCSG internal suspense)

24 Dec – No ISG scheduled

31 Dec – No ISG scheduled



Way Ahead (2005)

20 Jan 05 – *MilDep candidate recommendations due to the ISG for information and conflict identification only, not approval*

25 Feb – *ISG completes review of candidate recommendations*

25 Feb – 25 Mar – *IEC review of candidate recommendations*

25 Mar – 25 Apr – *Report writing*

25 Apr – 6 May – *Report coordination*

16 May – *Secretary transmits recommendations to Commission*