

Community Briefing to 2005 BRAC Commission



**Rock Island Arsenal
Quad Cities, USA
Illinois/Iowa**

June 20, 2005

103-06A –RH3 – State Input
Regional Hearing – June 20, 2005 – St. Louis, MO
BRAC COMMISSION – FY 2005
COFF: _____ DISPOSITION: Permanent

COMMUNITY ISSUES

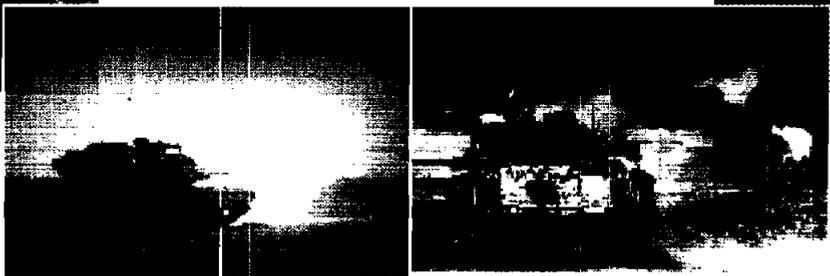
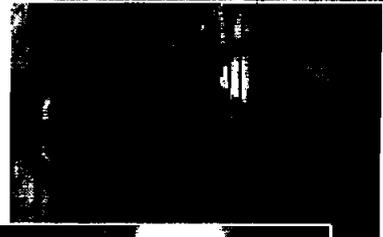
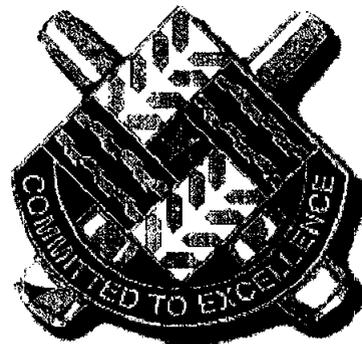
Basis of Decisions

(Closure of Rock Island Arsenal)



Deviation from BRAC Selection Criteria

TACOM - RI Realignment



June 20, 2005

Depot Level Reparable Procurement Management Consolidation Recommendation (Summary):

- Transfer the contracting and various inventory control functions for Consumable Items and the procurement management for Depot Level Reparable items to DLA.
- All other ICP functions remain with the Services.
- Relocates some Army and AF ICP functions to preserve the Army Life Cycle Management Commands and provide for continuation of secure facilities.

Recommendation:

“Realign Rock Island Arsenal, IL, as follows:

- Relocate the Contracting and . . . Inventory Control Point functions for Consumable Items to Defense Supply Center, Columbus, OH and reestablish them as Defense Logistics Agency Inventory Control Point functions;
- Relocate the procurement management and related support functions for Depot Level Reparables to Detroit Arsenal, MI, and designate them as Defense Supply Center Columbus, OH, Inventory Control point functions; and
- Relocate the remaining integrated materiel management user, and related support functions to Detroit Arsenal, MI.”

BRAC 1993 Report to the President on Rock Island Arsenal:

- “The Army believes the armament/chemical materiel management functions can be fully executed from Rock Island Arsenal without relocating. There is a precedence for geographic dispersion of NICP functions.”



Army 2005 BRAC Strategy:

“Leverage BRAC to establish a streamlined portfolio of installations with a significantly reduced cost of ownership.”

BRAC 2005 Selection Criteria:

- #2 Military Value – The ability and condition of land, facilities at the receiving location.
- #3 Military Value – The ability to accommodate contingency, mobilization and future total force requirements
- #4 Military Value – The cost of operations and manpower implication.
- #5 Other Considerations – The extent and timing of potential cost savings

TACOM - RI Issues

PEOPLE

ACQ CTR
SAFETY OFFICE
LEGAL
CHEMICAL SUPPORT
SMALL BUSINESS
CONTRACTORS
WEAPONS SUPPORT



FACILITIES

"NO BUILDABLE SPACE"
BUILDING COST - \$45.8M vs. \$21.2M
PARKING GARAGE - \$15.5M vs. \$3.5M
UNIQUE FACILITIES NOT AVAILABLE
MILITARY VALUE - #74 vs. #53
ENCROACHMENT

PROCESS

VIRTUAL ORGANIZATION
OPERATE SAME AT DETROIT ARSENAL
AS ROCK ISLAND
LOOKED AT IN BRAC 1993
NOTHING IN S & S JCSG THAT
REQUIRES A MOVE

TACOM – RI Analysis of Costs

	<u>BRAC RPT</u>	<u>COMPLETE MOVE</u>	<u>STAY AT R.I.</u>
PEOPLE TO MOVE	636	995	1,035
ONE TIME COSTS	\$47.1M	\$113.1M	- 0 -
ANNUAL RECURRING COSTS	\$72.0M	\$73.1M	\$68.9M
RETURN ON INVESTEMENT	NEVER	<u>NEVER</u>	

COBRA DATA

<u>FACILITIES</u>	<u>FY'06 – FY'11 NET COST</u>	<u>BEYOND (PER YEAR)</u>
DETROIT ARSENAL	\$57.1M	\$5.8M
ROCK ISLAND ARSENAL	\$7.7M	\$-4.9M

TACOM – RI Summary

Decision Looked At Before

- Can operate remotely

Virtual Organization

- Efficiencies already taken
- More than two sites involved
- No operational benefit to realign



Costs Grossly Underestimated

- One time cost over \$100M
- No Return on Investment – **CRITERIA #4 & #5**

Move Counter to Military Value – Overall Guidance

- No Buildable Area – **CRITERIA #2**
- Force Protection Issues
- Encroachment Issues – **CRITERIA #3**

Regional Personnel Office

**Rated #1 Human Resource
Organization in DOD**

**Handles High Priority Missions
for Army**

- Southwest Asia Support
- Military Technician Program
- Logistics Assistance Representatives

Unique Customers / Mission

- Military District of Washington (Arlington Cemetery)
- Medical Centers / Medical Recruitment
- DA Interns



Regional Personnel Office

Early Scenario Justification Statement –

“Enabling Potential to Close Rock Island
Arsenal”



Efficiencies Arbitrarily Applied

- 17.7% for Army
- Translates to Transfer Servicing Ratio of 1:175
- Army Standard is 1:144

Regional Personnel Office

**Predisposed Decisions do not
allow for Rock Island to be
Receiver Site**

**Military Value Disregarded –
Civilian Personnel Offices**

**Savings Unlikely / Degradation of
Service Likely**



Manufacturing Center

Recommendation:

Move Depot Workload to Depots

Anniston	119 Spaces
Letterkenny	27 Spaces
Efficiencies	<u>35 Spaces</u>
	181 Spaces



Work Performed (Reported in COBRA Data):

Combat Vehicles	101 People
Tactical Vehicles	22 People
Other Equipment	<u>12 People</u>
	135 People

Manufacturing Center

GSIE Established . . .

- Oversight of TACOM Depots/Arsenals
- Operate as a Business Unit
- Breakdown Legal & Financial Barriers
10 USC 4544



Actual Workload

- Combat Vehicles
 - HMMWV Armor Kits 80%
 - Gun Mounts & Recoil Mechanisms 18%
(New production order)
 - Tactical Vehicles
 - Flat Racks
 - Other Equipment
 - Demil ofn Ton Containers
- Surge handled with Term/Temp Employees

Manufacturing Center

Summary

- Recommendation Counter to Legislative Intent
- Workload Not Typical Depot Workload
- Equipment Needed for Current Production



CONCLUSIONS

Recommendations Deviated from BRAC Criteria

- Military Value not utilized as basis of decisions
- Lower cost of operations



Extremely Sub-Optimal Decisions made by Cross Service Groups. Eliminated Rock Island Arsenal Organizations from Considerations.