

Department of the Navy



INFRASTRUCTURE ANALYSIS TEAM

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RP-0535
IAT/JAN
29 March 2005

MEMORANDUM FOR THE INFRASTRUCTURE EVALUATION GROUP (IEG)

Subj: REPORT OF IEG DELIBERATIONS OF 17 MARCH 2005

Encl: (1) DON Analysis Group Brief to IEG of 17 March 2005

1. The forty-first deliberative session of the Department of the Navy (DON) Infrastructure Evaluation Group (IEG) convened at 1026 on 17 March 2005 in room 4D584 at the Pentagon. The following members of the IEG were present: Ms. Anne R. Davis, Co-Chair; VADM Justin D. McCarthy, USN, Member; VADM Kevin J. Cosgriff, USN, Member; Ms. Carla Liberatore, alternate for LtGen Richard L. Kelly, USMC, Member; BGen Martin Post, USMC, alternate for LtGen Michael A. Hough, Member; Dr. Michael F. McGrath, Member; Mr. Robert T. Cali, Member; Mr. Ronnie J. Booth, Navy Audit Service, Representative; and, Mr. Thomas N. Ledvina, Navy Office of General Counsel (OGC), Representative. The following members of the DON Analysis Group (DAG) were present: RADM Christopher E. Weaver, USN; Mr. Thomas R. Crabtree; Ms. Ariane Whittemore; Mr. Paul Hubbell; and, Mr. Michael F. Jaggard. The following members or representatives of the Functional Advisory Board (FAB) were present: VADM Donald C. Arthur, Jr., MC, USN, VADM Gerald L. Hoewing, USN; RADM Jay Cohen, USN; MajGen (sel) Willie J. Williams, USMC; Mr. Michael Rhodes; Ms. Susan C. Kinney; Mr. George Ryan; Ms. Shanna Poole; Col Jeffrey Bearor, USMC; CAPT David W. Mathias, CEC, USN; CAPT William Wilcox, USN; CAPT Nancy Hight, MSC, USN; CAPT Walter F. Wright, USN; Mr. Stephen G. Krum; and, Mr. Thomas Grewe. RADM James A. Robb, USN and the following members of the IAT were also present: Mr. Dennis Biddick, Chief of Staff; Mr. David W. LaCroix, Senior Counsel; CAPT Jason A. Leaver, USN; Col Walter B. Hamm, USMC; CAPT Gene A. Summerlin, USN; CAPT Christopher T. Nichols, USN; CAPT Jan G. Rivenburg, USN; Mr. Robert G. Graham; LtCol Teri E. Erdag, USMC; CDR Robert E. Vincent II, JAGC, USN; CDR Judith D. Bellas, NC, USN; CDR Robert S. Clarke, CEC, USN; CDR Margaret M. Carlson, JAGC, USN; CDR Brian D. Miller, USNR; LCDR Paul V. Neuzil, USN; and, Capt James A. Noel, USMC. All attendees were provided enclosure (1).

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2. Ms. Davis used slide 9 of enclosure (1) to update the IEG concerning analysis of the DON Munitions Storage and Distribution Function. She informed the IEG that at various deliberative sessions since 17 February 2005, the DAG approved an overall analytical approach based on munitions throughput and storage, issued data calls to refine existing data and ascertain Service requirements and supplemental capacity and military value data, developed the military value scoring plan and conducted capacity analysis. Ms. Davis noted that the DAG's munitions throughput capacity analysis indicated a requirement for all existing sites (i.e., no apparent excess capacity) while munitions storage capacity analysis revealed some apparent excess capacity. She noted that further analysis is required to ensure that munitions storage capacity is examined in light of the storage capacity necessary to support required throughput.

3. Ms. Davis informed the IEG that the DAG will next apply the military value scoring plan to the activities in this function. The DAG will invite the Military Surface Deployment and Distribution Command (SDDC), an element of United States Transportation Command's (TRANSCOM) and appropriate Army representatives to a future deliberative session to ensure a comprehensive deliberative review of the storage requirements and capacity. The DAG will also consider the City of Concord, CA request for closure of Naval Weapons Station (NAVWPNSTA) Seal Beach Detachment Concord, CA. See slide 9 of enclosure (1). Ms. Davis noted that the DAG determined that the tidal portion of NAVWPNSTA Seal Beach Detachment Concord is required to accommodate the munitions throughput requirement. She noted that additional coordination with TRANSCOM and Army is necessary to determine the need for the inland portion. The IEG noted that review of the operational movement and storage of ordnance must be done on an integrated, rather than independent basis.

4. Ms. Davis used slide 11 of enclosure (1) to update the IEG concerning scenarios affecting the Naval Postgraduate School (NPGS), Monterey, CA. DON-0070, a fenceline scenario that closes NPGS is based on JCSG scenarios E&T-0003 (privatize DOD postgraduate education), E&T-0012 (relocate Defense Resource Management Institute programs to Defense Acquisition University at Fort Belvoir, VA) and TECH-0020 (relocate Naval Research Lab (NRL) Detachment to Stennis Space Center, MS). She reminded the IEG that on 1 February 2005 DON requested that the Education and Training (E&T) JCSG amend E&T-0003 to provide for relocation of DON unique military sub-elements (courses) of degree programs to NAVSTA Newport, RI. As a result, the E&T JCSG developed E&T-0003R that permits DON to relocate designated programs/courses

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to NAVSTA Newport. She noted that with the assistance of the Naval Education and Training Command (NETC), the DAG refined the requirement (i.e., 60 DON-unique Post Graduate courses in eight program curricula) and provided this and other input to the E&T JCSG staff on 16 March 2005. Ms. Davis advised the IEG that she would forward a letter to the E&T JCSG suggesting potential rewording for E&T-0003R and providing a formal transmittal of DON requirements for relocating these courses.

5. Ms. Davis noted that at various deliberative sessions in February and March 2005, the DAG reviewed options for the Fleet Numerical Meteorology and Oceanography Center (FNMOC) and NRL Detachment at Monterey. The DAG noted that FNMOC is detached from the main campus and collocated with the NRL Detachment, which the Technical JCSG proposes to relocate to Stennis Space Center under TECH-0020. The DAG determined that there is no operational reason to relocate FNMOC and noted that enclaving both FNMOC and NRL detachment made sense and appeared to be feasible. The IEG noted that the Technical JCSG now appears willing to support maintaining the NRL Detachment at an enclave in Monterey vice relocating it to Stennis Space Center. The IEG reviewed the COBRA data for DON-0070 (incorporates E&T-0003R and enclaves FNMOC and NRL Detachment) and noted that it indicates one-time costs of \$93.28 million, an immediate Payback, and 20-year net present value (NPV) savings of \$798.48 million. Ms. Davis noted that the DAG would bring DON-0070 back to the IEG when the JCSGs have made final decisions regarding E&T-0003, E&T-0003R and TECH-0020.

6. The IEG next reviewed scenarios that affect Navy Supply Corps School (NSCS), Athens, GA. DON-0126 closes the base operations at NSCS and incorporates DON-0126B (relocates NSCS and the Center for Service Support (CSS) from NSCS, Athens to NAVSTA Newport, RI). Ms. Davis noted that the E&T JCSG, which has responsibility for analyzing NSCS, concurred with the DAG's evaluation of DON-0126B and relocation of NSCS. The COBRA results for the combined DON-0126 indicates one-time costs of \$23.02 million, Payback in three years, and NPV savings of \$56.82 million. See slide 12 of enclosure (1). The IEG reviewed the Selection Criteria 6-8 analyses for the combined DON-0126 and noted that it would result in a 0.86 percent decrease in economic area employment in the losing economic region but would have no significant community impacts. No additional Criterion 8 impacts were identified at NAVSTA Newport, however, the rehabilitation of historical buildings at NSCS may require consultation with the Georgia State Historic Preservation Office (SHPO).

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7. The IEG next reviewed the Candidate Recommendation Risk Assessment (CRRA) for the combined DON-0126 that indicates minimal executability and warfighting/readiness risk. See slide 13 of enclosure (1). The IEG directed the DAG to prepare a candidate recommendation package for the combined DON-0126 in coordination with the E&T JCSG. As is the case with other fenceline closures, Ms. Davis noted that it is still not clear whether a single candidate recommendation package (DON or JCSG) or multiple candidate recommendation packages (DON and JCSG) will be prepared. This issue will need to be resolved during the candidate recommendation integration process.

8. Ms. Davis used slide 14 of enclosure (1) to discuss a scenario to relocate Naval Warfare Development Center (NWDC) from NAVSTA Newport, RI to Hampton Roads, VA (DON-0168A). She noted that Commander, Fleet Forces Command (CFFC) had identified potential synergies from relocating NWDC to NAVSTA Norfolk in proximity to the United States Joint Forces Command (JFCOM) and other Service doctrine commands, e.g., wargaming exercises. Ms. Davis noted that this scenario is independent of other actions at NAVSTA Newport, i.e., relocation of NWDC is not necessary to free up capacity for activities relocating to NAVSTA Newport. Additionally, she noted that CFFC has identified adequate capacity (after necessary rehabilitation) to accommodate NWDC in close proximity with JFCOM. The IEG reviewed the COBRA data for DON-0168A that indicates one-time costs of 11.45 million, Payback in 17 years, and NPV savings of \$409 thousand. The IEG reviewed the Selection Criteria 6-8 analyses for DON-0168A and noted that there were no significant economic or community impacts and that a NEPA Environmental Assessment cost of \$75 thousand was the only noteworthy item from the Criterion 8 analysis. See slide 14 of enclosure (1). The IEG also reviewed the CRRA for DON-0168A that indicates minimal executability and warfighting/readiness risk. See slide 15 of enclosure (1). The IEG noted that while the Payback term was relatively long, it was still in the acceptable range (i.e., within 20 years) and that relocation of NWDC offered sufficient benefits for DON to justify the investment. Accordingly, the IEG directed the DAG to prepare a candidate recommendation for DON-0168A.

9. The IEG next reviewed a summary of the candidate recommendations and active scenarios that relocate activities out of (DON-0156, E&T-0014, E&T-0032, TECH-0042A and DON-0168A) and into NAVSTA Newport (DON-0085, USA-0158/DON-0150, E&T-0003R/DON-0070 and the combined DON-0126 and DON-0126B). See slide 16 of enclosure (1). The IEG reviewed the effect of these

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scenarios on the base population and available capacity. See slide 17 of enclosure (1). Ms. Davis noted that the cumulative effect of these scenarios is a net gain of 694 personnel at NAVSTA Newport (a 2.95% increase). She presented a map of NAVSTA Newport depicting the expected laydown of activities as a result of the candidate recommendations and active scenarios. See slide 18 of enclosure (1).

10. Ms. Davis used slide 19 of enclosure (1) to update the IEG concerning scenarios to relocate Marine Forces Reserve (MARFORRES). She informed the IEG that the Infrastructure Steering Group (ISG) approved the consolidation and relocation of Marine Corps Reserve Support Command (MCRSC) and MARFORRES to an appropriate receiver site on 11 March 2005. HSA JCSG scenarios relocate MARFORRES and MCRSC to NSA Norfolk, VA (HSA-0129) or NAS JRB New Orleans, LA (HSA-0120). Ms. Davis noted that either scenario would allow for the closure of Naval Support Activity (NSA) New Orleans, LA and Marine Corps Support Activity (MCSA) Kansas City, MO. She informed the IEG that the HSA JCSG focused strictly on scenario cost comparisons to determine an appropriate receiver site to present to the ISG. HSA-0129 indicates one-time costs of \$61.72 million, Payback in 13 years, and 20-year NPV savings of \$6.56 million. HSA-0120 indicates one-time costs of \$54.12 million, Payback in 17 years, and 20-year NPV costs of \$3.66 million.

11. Ms. Davis noted that at its 15 March 2005 deliberative session, the DAG considered additional factors (i.e., operational location, quality of life, potential MARFORRES and Marine Forces Atlantic (MARFORLANT) synergy, total population increase in the Norfolk area from approved candidate recommendations, and TRICARE costs) in its review of the combined cost of overall fenceline closures using HSA-0120 and HSA-0129. This broader review suggested that NAS JRB New Orleans may be a more viable receiver site for MARFORRES and MCRSC than NSA Norfolk. See slide 19 of enclosure (1). Accordingly, the IEG approved the DAG's recommendation to notify the HSA JCSG that DON prefers HSA-0120. Ms. Davis stated that she would forward a letter to the HSA JCSG indicating DON's preference for HSA-0120 and providing refined COBRA data.

12. The IEG next reviewed scenarios that affect NSA New Orleans, LA. DON-0158A closes NSA New Orleans and relocates remaining BOS personnel and tenants to NAS JRB New Orleans, LA and NAS JRB Fort Worth, TX. Ms. Davis noted that three HSA JCSG scenarios remove functions from NSA New Orleans and enable DON-0158A. HSA-0041 relocates Commander, Naval Reserve Force

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Command (COMNAVRESFORCOM) to NSA Norfolk, VA, HSA-0007 relocates the Enlisted Personnel Management Center and Naval Reserve Personnel Command to NSA Millington, TN, and HSA-0120 relocates MARFORRES to NAS JRB New Orleans as noted above. See slide 20 of enclosure (1). The COBRA data for the combined scenarios (DON-0158A, HSA-0041, HSA-0007 and HSA-0120) indicates one-time costs of \$169.41 million, a one year Payback, and 20-year NPV savings of \$481.32 million. The IEG reviewed the Selection Criteria 6-8 analyses for DON-0158A and noted that there were no significant economic or community impacts and negligible Criterion 8 impacts. See slide 21 of enclosure (1). The IEG also reviewed the CRRA for DON-0158A that indicates minimal executability and warfighting/readiness risk. See slide 22 of enclosure (1). The IEG approved the DAG's recommendation to prepare a candidate recommendation package for DON-0158A.

13. Ms. Davis used slide 23 of enclosure (1) to discuss a fenceline scenario to close MCSA Kansas City, MO and enclave the 9th Marine Corps District (MCD) and 24th Marine Regiment (DON-0157). Ms. Davis noted that DON-0157 is enabled by HSA-0120 as discussed in paragraphs 10-11 above. The IEG reviewed the COBRA data for the combined scenarios (DON-0157 and HSA-0120) that indicates one-time costs of \$55.1 million, Payback in 15 years, and NPV savings of \$1.32 million. The IEG reviewed the Selection Criteria 6-8 analyses for DON-0157 and noted that there were no significant economic, community or environmental impacts associated with this scenario. See slide 24 of enclosure (1). The IEG also reviewed the CRRA for DON-0157 that indicates minor executability and warfighting/readiness risk. See slide 25 of enclosure (1). The IEG approved the DAG's recommendation to prepare a candidate recommendation package for DON-0157.

14. Ms. Davis used slide 26 of enclosure (1) to review the post-BRAC base loading at NAS JRB New Orleans and initiate a discussion concerning appropriate ownership of the installation (i.e., Marine Corps or Navy). The IEG reviewed the airframes, major non-operational tenants and personnel aboard the installation and noted that the Marine Corps will maintain the most significant post-BRAC presence. Ms. Davis noted that DON would need to determine ownership of the installation and should incorporate this determination in the candidate recommendation.

15. Ms. Davis used slide 27 of enclosure (1) to update the IEG concerning scenarios that affect NAS Pt. Mugu, CA. She noted that Technical JCSG scenarios TECH-0018D (relocate Weapons and Armaments RDAT&E to NAVWPNSTA China Lake, CA) and TECH-0054

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(relocate Sensor, Electronics and Electronic Warfare work to NAVWPNSTA China Lake) enable DON-0162, a fenceline scenario that closes all base operations at NAS Pt. Mugu and relocates the remaining Weapons, Sensors and Range Operations work to NAVWPNSTA China Lake, the surface target launch facility to Vandenburg AFB, CA, the aviation assets (E-2s, C-130s) to NAS North Island, CA (NASNI), and the Air National Guard to an undetermined base. Ms. Davis noted that data refinement is necessary to clarify the number of personnel affected by the Technical JCSG scenarios.

16. The IEG reviewed the COBRA data for the combined scenarios (DON-0162, TECH-0018D and TECH-0054) that indicates significant one-time costs of \$574.2 million, Payback in three years, and 20-year NPV savings of \$815.5 million. The IEG noted that the ratio of initial cost to 20-year NPV is less than two to one. See slide 27 of enclosure (1). The IEG reviewed the Selection Criteria 6-8 analyses noting that it indicates an employment decrease of greater than one per cent in Ventura County, CA. No other significant economic, community or Criterion 8 impacts were identified. See slide 28 of enclosure (1). The IEG next reviewed the CRRA for DON-0162 that indicates medium executability (primarily due to the significant initial investment and economic impact) and warfighting/readiness risk. See slide 29 of enclosure (1). The IEG noted that DON-0162 would increase capacity loading at NASNI and involve multiple activity relocations.

17. Ms. Davis noted that the Air Force has expressed a desire to retain the Air National Guard presence at NAS Pt. Mugu and increase the number of aviation assets at NAS Pt. Mugu. The Air Force, however, maintains that it is not positioned to assume ownership of the installation. Ms. Davis noted that at its 8 March 2005 deliberative session, the DAG was informed by VADM Allen, Chief of Staff, U.S. Coast Guard and Commanding Officer, Coast Guard Headquarters, Washington, DC, that the Coast Guard would like to consolidate its west coast aviation (C130s, H65s and maritime patrol), unmanned aerial vehicles (UAV) and response assets at NAS Pt. Mugu. VADM Allen further noted that NAS Pt. Mugu is the only west coast site where UAVs may be flight tested and flown in an approved sea test range, and that the Coast Guard requires 24 hour, seven day a week access to an airfield with required support services. See slide 30 of enclosure (1).

18. Ms. Davis used slide 31 of enclosure (1) to review the DAG's evaluation of closure and realignment options for NAS Pt.

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Mugu. She informed the IEG that the DAG determined that closure of NAS Pt. Mugu would eliminate 31 hangar modules of excess hangar capacity in the Aviation Function, locate operational aircraft closer to the fleet, complete consolidation of technical functions at NAVWPNSTA China Lake, and create \$65 million in additional steady-state savings as compared to realignment. The DAG determined that realignment of NAS Pt. Mugu would consolidate appropriate technical functions at NAVWPNSTA China Lake, retain support for NAVWPNSTA China Lake target launches, possibly provide a lower cost alternative receiving site for Naval Surface Warfare Command (NSWC) Corona, CA assets, expand a joint facility to support homeland security assets and utilize excess capacity, and avoid \$371 million in MILCON and relocation costs. After discussing the benefits of both options, the DAG recommended that the IEG approve the realignment of NAS Pt. Mugu.

19. The IEG noted that the Technical JCSG is considering the benefits of relocating NSWC Corona assets to March AFB, CA, and that the Air Force could possibly relocate the Air National Guard to March AFB in the event of the closure of NAS Pt. Mugu. The IEG noted that closure of NAS Pt. Mugu could create a quality of life issue by increasing the population density at NASNI. The IEG discussed the benefit of creating a joint base at NAS Pt. Mugu by the addition of Coast Guard assets and increasing the number of Air Force assets. The IEG discussed whether the operational benefits (i.e., collocated maritime range operation and a maritime UAV center of excellence) and synergies gained from Navy and Coast Guard joint operations outweighed the economic benefit of closing NAS Pt. Mugu. The IEG noted that proposed relocations by the Air Force and Coast Guard do not result in any BRAC closures and that it was necessary to examine how the creation of a joint base would affect net capacity. The IEG decided to delay a decision concerning DON-0162 pending receipt of guidance from DON senior leadership.

20. The IEG next reviewed scenarios that relocate a carrier (CVN) and carrier air wing (CVW) to Hawaii (DON-0036B from west coast and DON-0036C from east coast) and Guam (DON-0037B from west coast and DON-0037C from east coast), respectively. Ms. Davis reminded the IEG that these scenarios respond to the Integrated Global Presence and Basing Strategy (IGPBS) directive for Navy to forward deploy a CVN and CVW in the U.S. Pacific Command (PACOM) area of responsibility. She noted that Hawaii and Guam meet the IGPBS port requirements and that IGPBS does

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not specify the source of the forces to comprise the CSG (CVN, T-AOE, CVW and escort ships). See slide 33 of enclosure (1).

21. The IEG reviewed the COBRA data for these options, noting that no option indicates a Payback. DON-0036B indicates one-time costs of \$2.66 billion and 20-year NPV costs of \$3.15 billion; DON-0036C indicates one-time costs of \$2.73 billion and 20-year NPV costs of \$3.53 billion; DON-0037B indicates one-time costs of \$4.04 billion and 20-year NPV costs of \$4.56 billion; and, DON-0037C indicates one-time costs of \$4.06 billion and 20-year NPV costs of \$4.73 billion. Ms. Davis noted that the COBRA data for DON-0037B and DON-0037C was derived from data gathered for other scenarios and that a decision to go forward with either scenario will require data certification. See slide 34 of enclosure (1). The IEG also noted that substantial improvements to the Guam (non-DON) infrastructure, e.g., utility system, would be required to support such a move. The IEG reviewed summaries of required MILCON for Hawaii (\$2.18 million for DON-0036B and \$2.22 billion for DON-0036C) and Guam (\$3.41 billion). See slides 35-36 of enclosure (1).

22. Ms. Davis noted that the DAG reviewed a number of challenging issues presented by these scenarios at its 15 March 2005 deliberative session and that these issues are similar to those discussed by the IEG at its 10 February 2005 deliberative session. She noted that these issues include the impact on CVN balance between the east and west coast areas of responsibility and the industrial implications associated with any CVN realignment. Ms. Davis also noted that the lack of viable training areas remains an unresolved issue, particularly for aviation units in Hawaii. Additionally, Ms. Davis noted that adequate force laydown options are not readily apparent since each Service plans to increase its presence in Hawaii and Guam and each option relies upon use of previously closed bases (NAS Barbers Point and NAS Agana). The IEG discussed these issues and noted that these options also raise operational concerns. The IEG decided to delay any decision concerning CVN/CVW basing in the Pacific pending receipt of guidance from DON senior leadership.

23. Ms. Davis used slide 38 of enclosure (1) to discuss a potential scenario to relocate NSWC Philadelphia, PA to NAVSTA Norfolk, VA. She noted that the primary workload at NSWC Philadelphia (consisting of machinery systems RDAT&E, life cycle management and hull, mechanical and electrical systems maintenance) is performed by 1,624 full time equivalent (FTE) personnel in ten major building complexes occupying 1.3 million

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square feet of capacity. Ms. Davis informed the IEG that at its 14 March 2005 deliberative session, the DAG reviewed NSWC Philadelphia Antiterrorism/Force Protection (AT/FP) and efficiency concerns and determined that relocation to NAVSTA Norfolk, VA could improve the AT/FP posture and capitalize on synergies gained by proximity to a fleet concentration area. She noted, however, that there is no certified data for this potentially costly relocation. Ms. Davis noted that NAVSEA concurs that this relocation should be further analyzed. Accordingly, the DAG recommended that DON request that the Technical JCSG issue a realignment scenario to relocate NSWC Philadelphia. The IEG agreed that relocation of NSWC Philadelphia should be analyzed, and suggested the IAT should assist the Technical JCSG in the analysis.

24. Ms. Davis used slide 39 of enclosure (1) to discuss the following Technical JCSG candidate recommendations:

a. TECH-0005 and TECH-0006 (Rotary/Fixed Wing Aviation RDT&E consolidation). Ms. Davis noted that in response to a 9 March 2005 memorandum from the ISG Chair to review certain scenarios and candidate recommendations for opportunities for complete closure or more substantial realignment, the Technical JCSG is conducting additional analysis to examine relocating ground support equipment from NAES Lakehurst, NJ to NAS Patuxent River, MD. Ms. Davis noted that the Technical JCSG currently plans to relocate NSWC Division Corona's aviation function to NAS Patuxent River, and that DON had previously forwarded a letter to the Technical JCSG suggesting alternate receiving sites for NSWC Division Corona assets since the Technical JCSG scenarios distribute NSWC Division Corona assets to multiple sites and DON was concerned that this may negatively impact functionality. Ms. Davis noted that the Technical JCSG is reviewing alternate receiving sites.

b. TECH-0018 (Weapons and Armaments consolidation). Ms. Davis informed the IEG that the JCSG currently plans to relocate NSWC Division Corona weapons functions to NAVWPNSTA China Lake, CA. As stated above, DON has expressed concern with the distribution of NSWC Division Corona assets to multiple sites. Ms. Davis noted that the Technical JCSG is reviewing alternate receiving sites for the NSWC Division Corona weapons functions (e.g., March AFB, CA).

c. TECH-0020 (Battlespace Environments RDT&E consolidation). Ms. Davis noted that the relocation of NRL Detachment Monterey to Stennis Space Center, MS would break

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synergies with FNMOC as mentioned in paragraph 5 above. Additionally, she noted that DON has expressed concern regarding analytical and cost considerations for the NRL Detachment relocation.

d. TECH-0032 (Chemical-Biological consolidation). Ms. Davis noted that DON has expressed concerns regarding the cost considerations for the relocation of the Chemical, Biological, Radiological and Nuclear (CBRN) functions at NSWC Crane, IN and NSWC Dahlgren, VA to Ft Detrick, MD.

e. TECH-0042 (C4ISR consolidation). Ms. Davis noted that DON expressed concern that the relocation of the Naval Undersea Warfare Center (NUWC) Newport, RI Information Systems function to Space and Naval Warfare Systems Center (SPAWAR) San Diego, CA would break synergies. She noted that DON expressed concern regarding the cost considerations for the relocation of NSWC Crane C4ISR function to NSWC Dahlgren. With regard to the relocation of NSWC Division Corona C4ISR relocations, she noted that the Technical JCSG is reviewing alternate receiving sites in response to DON's concern regarding the separation of NSWC Division Corona functions.

Ms. Davis noted that DON needs to ensure proper analysis of alternate sites for NSWC Division Corona assets and stated that she will send a letter to the Technical JCSG regarding specific DON concerns regarding TECH-0020, TECH-0032 and TECH-0042.

25. Ms. Davis used slides 41-42 of enclosure (1) to recap the status of various fenceline closure scenarios. With regard to DON-0152, close NAS Whiting Field, FL, Ms. Davis noted that E&T-0046 uncovers NAS Whiting Field by relocating undergraduate helicopter training to Ft. Rucker, AL and undergraduate fixed wing training to NAS Meridian, MS and Vance AFB, OK. With regard to DON-0165, close MCLB Barstow, CA, Ms. Davis noted that it is enabled by an Industrial JCSG scenario (IND-0127) that removes the depot maintenance function from MCLB Barstow).

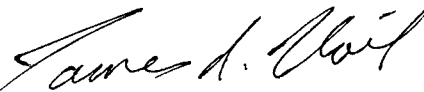
26. The IEG next reviewed the Payback summary for DON Candidate Recommendations that indicates one-time costs of \$1.95 billion and a 20-year NPV savings of \$8.21 billion. Ms. Davis noted that the figures for the fenceline candidate recommendations do not include the costs for the enabling JCSG actions and that the cost to NPV ratio remains one to four. See slide 43 of enclosure (1). She then provided the IEG with a cartographical display of approved DON candidate recommendations to depict the affected geographical areas. See slide 44 of enclosure (1).

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27. Ms. Davis provided the IEG cartographical displays of JCSG candidate recommendations impacting DON, see slide 45 of enclosure (1), and the JCSG candidate recommendations briefed to the ISG on 11 and 15 March 2005. Ms. Davis summarized the DON position (no objection, objection, analytical concerns, or investment concerns) for the JCSG candidate recommendations briefed to the ISG on 11 and 15 March 2005. See slides 47-52 of enclosure (1). Specifically, she noted that DON prefers HSA-0120 (relocate MARFORRES and MCRSC to NAS JRB New Orleans, LA) to HSA-0129 (relocate MARFORRES and MCRSC to NSA Norfolk, VA) as discussed in paragraphs 10-11 above. With respect to HSA-0135 (Joint Regional Correctional Facilities), Ms. Davis noted that while DON continues to have cost consideration concerns because of the significant up front investment, it now reflects a Payback within 20 years.

28. The IEG next reviewed a summary of all current BRAC Candidate Recommendations that indicates one-time costs of \$23.23 billion and 20-year NPV savings of \$46.97 billion. See slide 53 of enclosure (1). Ms. Davis noted that costs and savings data for fenceline scenarios (DON-0070, DON-0126, DON-0158A and DON-0157) and the NWDC relocation (DON-0168A) are not included.

29. The IEG adjourned at 1205.



JAMES A. NOEL
CAPTAIN, USMC
Recorder, IAT

TAB 1



Department of the Navy
DON Analysis Group

DON Analysis Group Brief to Infrastructure Evaluation Group

17 MARCH 2005



Department of the Navy
DON Analysis Group

Agenda

- **Process Status**
- **Munitions Function Update**
- **Fenceline Closure Briefs**
- **CVN Update**
- **Technical JCSG CR/Scenario Issues**
- **Fenceline Recap**
- **DON Candidate Recommendation Recap**
- **JCSG Candidate Recommendations, 11 Mar & 15 Mar**
- **IEG/FAB Open Discussion**



Department of the Navy
DON Analysis Group

BRAC Commission Nominees

- **Anthony J. Principi, Chair**
California (Former Veterans Affairs Secretary)
- **James Bilbray**
D-Nevada (Former Representative, mbr Foreign Affairs, and Armed Svcs and Intelligence Committees)
- **Philip Coyle**
California (Former Asst Sec Def and Dir Operational Test and Eval for DoD; currently senior advisor to Center for Defense Information)
- **ADM Harold Gehman, USN (ret)**
Virginia (Former Commander, NATO Supreme Allied Commander and US Joint Forces Command)
- **James V. Hansen**
R-Utah (Former Representative, mbr Armed Services Committee)
- **GEN James T. Hill, USA (ret)**
Georgia (Asst Secretary for Policy and Planning at the Dept of Veterans Affairs)
- **LTGEN Claude Kicklighter, USA (ret)**
Florida (Former Commander, SOUTHCOM and Veterans Affairs Assistant Secretary)
- **Samuel Knox Skinner**
Illinois (Former COS and SECTRANS for President George H.W. Bush)
- **BGEN Sue Ellen Turner, USAF (ret)**
Texas (Former director of nursing services in the office of the Air Force Surgeon General)



Department of the Navy
DON Analysis Group

Force Structure Plan Update

- **Revised FSP delivered to Hill 15 Mar**
- **Amended Navy/Marine Corps FY 2024 projections**
 - Aircraft carriers: 12 → 11
 - Battle force ships: 378 → 341-370
 - USN personnel: 357K → 345K
 - USMC personnel: 175K → 178K



Department of the Navy
DON Analysis Group

ISG Status

- **Met 11 and 15 March**
 - Reviewed 62 candidate recommendations
 - Forwarded all but one to IEC
- **ISG Chair 10 Mar memo: all JCSG CRs due 11 Mar, data correction direction**
- **Remaining meetings**

–24 Mar	–22 Apr
–1 Apr	–29 Apr
–8 Apr	–13 May
–15 Apr	



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IEC Status

- **Met 10 March**
 - 128 Candidate Recommendations tentatively approved
 - 14 identified for discussion
 - Discussed three, resolved one (MED-0002)
- **Candidate Recommendations to be discussed**
 - IND-0127A*
 - IND-0127B
 - E&T-0003R*
 - E&T-0032*
 - E&T-0046*
 - E&T-0052
 - HSA-0029*
 - TECH-0005*
 - TECH0006*
 - TECH-0009A
 - TECH-0020*
 - TECH-0042A*
 - TECH-0042C
- **Remaining meetings**
 - 21 Mar
 - 28 Mar
 - 4 Apr
 - 11 Apr
 - 16 Apr
 - 18 Apr
 - 25 Apr
 - 2 May
 - 9 May



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Red Team Observations

- **Briefed 2 March**
- **Notes received 8 March**
- **Observations**
 - Need clear explanations on use of military judgment, strategy/optimization rules linkage, total Reserve Center approach, rationale for maintaining excess capacity
 - Additional discussion needed on retaining two MCRDs, USMC participation
- **Expect formal transmittal of input from ISG Chair**



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14

Deliberative Session



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Munitions Storage & Distribution Status Update

- **Progress Since 17 Feb 2005**
 - DAG Approved Overall Analytical Approach Based on Munitions Throughput and Munitions Storage
 - Issued Data Calls (Service Requirements, Supplementary Capacity and Mil Val) and Refined Existing Data As Needed
 - Developed Military Value Scoring Plan
 - Conducted Capacity Analysis
 - Throughput Analysis Demonstrates Requirement for All Existing Sites
 - Storage Analysis Yields Some Excess Capacity – Requires Further Review
- **Next Steps**
 - Apply Mil Val Scoring Plan to Applicable Sites
 - Include TRANSCOM(SDDC) & Army Representatives in Deliberative Review of Storage Requirements and Capacity
 - Consider City of Concord request for closure



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Fenceline Closures Updates/Decisions



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Close Naval PG School Monterey Update

- **CR E&T-0003 Privatize Graduate Education**
 - 1 Feb 05 DON requests amendment, maintain 8 unique programs
 - Refine to maintain militarily unique courses
 - 16 March provided DON requirements to JCSG
- **Fleet Numerical Meteorology and Oceanography Center**
 - Detached from main campus
 - Technical JCSG proposes move of NRL Detachment to Stennis
 - No operational reason to move FNMOC
 - DON plans to Enclave FNMOC, enclave of NRL would also make sense

Scenario	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	Payback Years	20 Year NPV
E&T-0003 (Privatize Grad Ed)	1,155	1,731	49.11	-47.45	1	-561.34
E&T-0003R (Military Unique to Newport)	1,031	1,855	83.00	-34.78	2	-368.9
DON-0070 (Enclave FNMOC & NRL)	984	2,083	93.28	-68.91	Immediate	-798.48

Awaiting JCSG action



NAVSCSCOL Athens, GA

- DAG evaluated relocation of Supply Corps School and Center for Service Support to Newport, RI
- Allows closure of Athens, GA installation
- E&T JCSCG briefed on results - concurs

Relocate NAVSCSCOL	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0126 Combined	75	426	23.016	-6.565	3	-56.821

All Dollars shown in Millions

- DAG reviewed Criteria 6, 7, and 8 issues associated with DON-0126:
 - Economic impact on losing economic region results in job change of .86% (Increase in jobs of 0.11% at receiving region)
 - Minimal community impact at receiving site
 - No additional Criteria 8 impacts at Naval Station Newport. Rehab of historical buildings at Navy Supply Corps School may require consultation with SHPO

IEG Decision:
In coordination with E&T JCSCG, prepare Candidate Recommendation for DON-0126 Combined



DON-0126 Risk Assessment

Executability Risk

Investment Recoupment

- 0: Immediately self financing 0-1 years
- 1: Investment recoverable in 2-4 years
- 2: Investment is not recoverable in less than 4 years

Investment/20 Year NPV to Ratio of Initial Cost

- 0: Initial investment < \$100M and ratio is > 5 to 1
- 1: Initial investment < \$200M and ratio is > 3 to 1
- 2: Initial investment > \$200M or ratio is < 3 to 1 (ratio 1.4 to 1)

Economic Impact

- 0: Low direct/indirect job losses in community (<.1%)
- 1: Some direct/indirect job losses in community (>.1% and < 1%)
- 2: Greater potential economic effect on community due to single action or cumulative effort of all actions (>1%)

Community Infrastructure Impact

- 0: Receiving site community(ies) readily able to absorb forces, missions, personnel
- 1: Some potential impact on receiving site community(ies) but absorption likely over time
- 2: Impact on receiving community likely; uncertainty regarding absorption of forces, missions, personnel

Environmental Impact

- 0: Minimal impact at receiving site or no risk of executability
- 1: Mitigation at receiving site required but possible
- 2: Complex mitigation at receiving site probable; uncertainty about executability

Issues:

Risk Matrix

9-10								
7-8								
5-6								
3-4								
0-2								
	1	2	3	4	5			

Warfighting/Readiness Risk

(0-1) Low Minor impact on mission capability

(2-3) Medium Reduced mission capability

(4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces

COCOM Concerns: None



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NWDC Newport, RI DON-0168A

- CFFC has identified potential synergy in NWDC relocation to Hampton Roads area
- Relocation is independent of other actions at NAVSTA Newport

Relocate NWDC	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0168A	0	111	11,448	0.854	17	-0.409

All Dollars shown in Millions

- **DAG reviewed Criteria 6, 7, and 8 issues associated with DON-0168A:**
 - Economic impact on losing economic region results in job change less than 0.1%
 - No identified community / installation impacts in Criteria 7
 - \$75K NEPA Environmental Assessment only item of note from Criteria 8

IEG Decision:

Prepare Candidate Recommendation for DON-0168A



DON-0168A Risk Assessment

Executability Risk

Investment Recoupment

- 0: Immediately self financing 0-1 years
- 1: Investment recoverable in 2-4 years
- 2: Investment is not recoverable in less than 4 years

Investment/20 Year NPV to Ratio of Initial Cost

- 0: Initial investment < \$100M and ratio is > 5 to 1
- 1: Initial investment < \$200M and ratio is > 3 to 1
- 2: Initial investment > \$200M or ratio is < 3 to 1 (ratio 1 to 81)

Economic Impact

- 0: Low direct/indirect job losses in community (<.1%)
- 1: Some direct/indirect job losses in community (>.1% and < 1%)
- 2: Greater potential economic effect on community due to single action or cumulative effort of all actions (>1%)

Community Infrastructure Impact

- 0: Receiving site community(ies) readily able to absorb forces, missions, personnel
- 1: Some potential impact on receiving site community(ies) but absorption likely over time
- 2: Impact on receiving community likely; uncertainty regarding absorption of forces, missions, personnel

Environmental Impact

- 0: Minimal impact at receiving site or no risk of executability
- 1: Mitigation at receiving site required but possible
- 2: Complex mitigation at receiving site probable; uncertainty about executability

Issues: None.

Risk Matrix

9-10									
7-8									
5-6									
3-4									
0-2									
	1	2	3	4	5				

Warfighting/Readiness Risk

(0-1) Low Minor impact on mission capability

(2-3) Medium Reduced flexibility, but still mission capable

(4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces

COCOM Concerns: None



NAVSTA Newport Active Scenarios

Out of Newport

- *DON-0156: Relocate REDCOM Northeast Newport To COMNAVREG Mid-Atlantic, Norfolk, VA
- *E&T-0014: Consolidate service Chaplain SST/PDE Functions at Ft. Jackson, SC
- *E&T-0032: Consolidate DON/DOD Senior Level Colleges at Fort McNair
- *TECH-0042A: C4ISR RDAT&E consolidation
- *DON-0168A: Relocate NWDC to Hampton Roads Fleet Concentration Area

Into Newport

- *DON-0085: Realign OTC Pensacola, FL to NAVSTA Newport, RI
- *USA-0158/DON-0150: Build Armed Forces Reserve Center Newport, RI
- E&T-0003R/DON-0070D: Realign Naval Postgraduate School; relocate specified degree programs or designated militarily unique graduate courses to NAVSTA Newport, RI
- *DON-0126 Combined: Relocate Navy Supply Corps School & CSS Athens, GA training functions to NAVSTA Newport, RI

* Candidate recommendations



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Scenarios affecting NAVSTA Newport

BASE/INSTALLATION NAME: NAVSTA NEWPORT

	BASE POPULATION				CAPACITY (KSF)				
	START	GAIN	LOSS	END STATE	START	VACATED	REHAB'D	NEW	END
CR/Scenario	24,200				6,334				
DON-0085		266	0	266		0	32	0	0
DON-0156		0	-49	-49		0	0	0	0
DON-0126 Combined		426	0	426		0	106	8	8
DON-0168A		0	-111	-111		-91	0	0	-91
E&T-0014		0	-39	-39		-32	0	0	-32
E&T-0032		0	-400	-400		0	0	0	0
TECH-0042A		215	-73	142		0	0	0	0
USA-0158/DON-0150				0		0	0	4.8 acres	4.8 acres
Totals		907	-672	24,435		-123	138	7.53	6,219
Active Scenario									
E&T-0003R/DON-0070D		459	0	459		0	114	62	62
Totals		459	0	459		0	114	62	62

shaded cells indicate scenario relocates DON function to other service(s)

COBRA BASE NAVSTA NEWPORT includes two fencelines:

NAVSTA Newport fenceline (8,022,000 SF - 1,687,949.5 SF = 6,334,050.5 SF)

NUWC Newport fenceline (1,687,949.5 SF)

Off 485
Enl 778
Civ 3825
Stu 19112

Cumulative effect of all scenarios: + 694 personnel

2.95% increase



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MARFORRES Relocation Update

- 11 March ISG approved MCRSC/MARFORRES consolidation and relocation to appropriate receiver site
 - Allows closure of NSA New Orleans and MCSA Kansas City
 - JCSG to deliberate receiver site and present to ISG (New Orleans or Norfolk?)

- JCSG focused on HSA scenario cost comparison only

	One-time costs (\$M)	Steady-State Savings (\$M)	ROI Years	20 Year NPV (\$M)
HSA-0129 (MFR/MCRSC to NSA Norfolk)	61.72	-5.63	13	-6.56
HSA-0120 (MFR/MCRSC to NAS NO)	54.12	-4.23	17	3.66

- DAG reviewed combined cost of overall fenceline closures and additional factors:
 - operational location, QOL, potential synergy of MARFORRES with MARFORLANT, total population increase in Norfolk, Tricare costs

IEG Decision:

Recommend HSA-0120 as preferred alternative to HSA JCSG



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Fenceline Closure DON-0158A Close NSA New Orleans

NSA New Orleans	Personnel	Facilities (ksf)
Prior to BRAC	2649	2134
Summary of JCSG actions: NAVRES to NSA Norfolk, Milpers to NSA Millington, MarForRes to NAS NO	-1678	-539
After JCSG actions	971	1595

•DON-0158A closes NSA NO, relocates remaining BOS and tenants to NAS JRB NO and NAS JRB Ft Worth

	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
DON-0158A	305	666	76.941	-39.953	-	-400.336
HSA-0007	73	357	13.927	-6.852	2	-63.826
HSA-0041	22	450	24.425	-3.135	5	-20.820
HSA-0120	44	1058	54.122	-4.227	17	3.664
Combined	444	1931	169.415	-54.167	1	-481.318

All Dollars shown in Millions



Criteria 6-8 Considerations Close NSA New Orleans

- **DAG reviewed Criteria 6, 7, and 8 issues associated with DON-0158A:**
 - No significant economic impact on both losing and gaining economic regions (job change for all <0.1%)
 - No significant community impact on both losing and gaining communities
 - Negligible Criterion 8 impacts

IEG Decision:

Prepare Candidate Recommendation for DON-0158A



Candidate Recommendation Risk Assessment - DON-0158A

Executability Risk

Investment Recoupment

- 0: Immediately self financing 0-1 years
- 1: Investment recoverable in 2-4 years
- 2: Investment is not recoverable in less than 4 years

Investment/Ratio of 20 Year NPV to Initial Cost

- 0: Initial investment < \$100M and ratio is > 5 to 1
- 1: Initial investment < \$200M and ratio is > 3 to 1
- 2: Initial investment > \$200M or ratio is < 3 to 1

Economic Impact

- 0: Low direct/indirect job losses in community (<.1%)
- 1: Some direct/indirect job losses in community (>.1% and < 1%)
- 2: Greater potential economic effect on community due to single action or cumulative effort of all actions (>1%)

Community Infrastructure Impact

- 0: Receiving site community readily able to absorb forces, missions, personnel
- 1: Some potential impact on receiving site community but absorption likely over time
- 2: Impact on receiving community likely; uncertainty regarding absorption of forces, missions, personnel

Environmental Impact

- 0: Minimal impact at receiving site or no risk of executability
- 1: Mitigation at receiving site required but possible
- 2: Complex mitigation at receiving site probable; uncertainty about executability

Issues: Risk data based on combined scenarios, criteria 6-8 based on fenceline closure only.

Risk Matrix

9-10							
7-8							
5-6							
3-4							
0-2							
	1	2	3	4	5		

Warfighting/Readiness Risk

(0-1) Low Minor impact on mission capability

(2-3) Medium Reduced flexibility, but still mission capable

(4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces

COCOM Concerns: None.



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Fenceline Closure DON-0157 Close MCSA Kansas City

MCSA Kansas City	Personnel	Facilities (ksf)
Prior to BRAC	470	319
Summary of JCSG actions: MCRSC to NAS NO	-326	-226
After JCSG actions	144	93

•DON-0157 closes MCSA, leaves enclave for 9th MCD and the 24th Marines

	Billets Elim	Billets Moved	One-Time Costs	Steady- State Savings	ROI Years	20 Year NPV
DON-0157	4	0	0.973	-0.086	-	-4.984
HSA-0120	44	1058	54.122	-4.227	17	3.664
Combined	48	1058	55.095	-4.313	15	-1.320

All Dollars shown in Millions



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Criteria 6-8 Considerations Close MCSA Kansas City

- **DAG reviewed Criteria 6, 7, and 8 issues associated with DON-0157:**
 - No significant economic impact on both losing and gaining economic regions (job change for all <0.1%)
 - No significant community impact on both losing and gaining communities
 - Negligible Criterion 8 impacts

IEG Decision:

Prepare Candidate Recommendation for DON-0157



Candidate Recommendation Risk Assessment - DON-0157

Executability Risk

Investment Recoupment

- 0: Immediately self financing 0-1 years
- 1: Investment recoverable in 2-4 years
- 2: Investment is not recoverable in less than 4 years

Investment/Ratio of 20 Year NPV to Initial Cost

- 0: Initial investment < \$100M and ratio is > 5 to 1
- 1: Initial investment < \$200M and ratio is > 3 to 1
- 2: Initial investment > \$200M or ratio is < 3 to 1

Economic Impact

- 0: Low direct/indirect job losses in community (<.1%)
- 1: Some direct/indirect job losses in community (>.1% and < 1%)
- 2: Greater potential economic effect on community due to single action or cumulative effort of all actions (>1%)

Community Infrastructure Impact

- 0: Receiving site community readily able to absorb forces, missions, personnel
- 1: Some potential impact on receiving site community but absorption likely over time
- 2: Impact on receiving community likely; uncertainty regarding absorption of forces, missions, personnel

Environmental Impact

- 0: Minimal impact at receiving site or no risk of executability
- 1: Mitigation at receiving site required but possible
- 2: Complex mitigation at receiving site probable; uncertainty about executability

Issues: Risk data based on combined scenarios, criteria 6-8 based on fenceline closure only. Contamination cleanup at KC required.

Risk Matrix

9-10						
7-8						
5-6						
3-4						
0-2						
	1	2	3	4	5	

Warfighting/Readiness Risk

(0-1) Low Minor impact on mission capability

(2-3) Medium Reduced flexibility, but still mission capable

(4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces

COCOM Concerns: None.



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NAS JRB New Orleans Laydown in 2012

- Ownership of remaining installation in New Orleans (NAS or MCAS)

Service	Airframes	Major (>50 pers) Non-operational Tenants	Personnel
USMC	13	MarForRes	1216
USN	12	NAR, AIMD	598
USAF/LAANG	25	-	470
USCG	5	-	-
Remaining Tenants	-	-	898
BOS	-	-	541
Totals	55	-	3723

Note: Non-certified data from BRAC and non-BRAC changes, personnel numbers include DOD AD + civilians unless noted



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Close Pt. Mugu Update

Current CRs/Scenarios:

- TECH-0018D – Relocate Weapons & Armaments RDAT&E to China Lake (eliminate 287, move 1625)
- TECH-0054 – Relocate Sensors, Electronics & EW work to China Lake (move 379)
- DON-0162 – Relocate remaining Weapons, Sensors & Range OPS work to China Lake (move 158); relocates surface target launch facility to Vandenberg; relocates E-2s, C-130s to North Island; relocates Air National Guard; closes all base operations

Scenario	One-Time Costs	Steady-State Savings	ROI Years	20 Year NPV
TECH-0018 PT 4	130.6	-42.5	3	-409.2
TECH-0054	72.7	-6.6	13	-13.1
DON-0162	370.9	-64.6	4	-393.2
Combined	574.2	-113.6	3	-815.5



Close Pt. Mugu Update

- **DAG reviewed Criteria 6, 7, and 8 Analysis for DON-0162:**
 - Employment decreases by greater than 1% in Ventura County, California. No significant economic impact on gaining economic region
 - No significant community impact on gaining community.
 - No significant Criterion 8 impacts



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Candidate Recommendation Risk Assessment DON-0162 Closure

Executability Risk

Investment Recoupment

- 0: Immediately self financing 0-1 years
- 1: Investment recoverable in 2-4 years
- 2: Investment is not recoverable in less than 4 years

Investment/Ratio of 20 Year NPV to Initial Cost

- 0: Initial investment < \$100M and ratio is > 5 to 1
- 1: Initial investment < \$200M and ratio is > 3 to 1
- 2: Initial investment > \$200M or ratio is < 3 to 1

Economic Impact

- 0: Low direct/indirect job losses in community (<.1%)
- 1: Some direct/indirect job losses in community (>.1% and < 1%)
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Community Infrastructure Impact

- 0: Receiving site community(ies) readily able to absorb forces, missions, personnel
- 1: Some potential impact on receiving site community(ies) but absorption likely over time
- 2: Impact on receiving community likely; uncertainty regarding absorption of forces, missions, personnel

Environmental Impact

- 0: Minimal impact at receiving site or no risk of executability
- 1: Mitigation at receiving site required but possible
- 2: Complex mitigation at receiving site probable; uncertainty about executability

Issues:

Risk Matrix

9-10								
7-8								
5-6		X						
3-4								
0-2								
	1	2	3	4	5			

Warfighting/Readiness Risk

- (0-1) Low Minor impact on mission capability
- (2-3) Medium Reduced flexibility, but still mission capable
- (4-5) High Significant impact, approaching point impact which affects capability to support/deploy forces

COCOM Concerns:



Close Pt. Mugu Update

- **Additional input received from Air Force & Coast Guard**
- **Air Force desires to retain Air National Guard presence**
 - 8 C-130s presently, 4 C-130s relocate in BRAC (USAF-0052), 8 C-130s, H-65s in non-BRAC move (from Moffett)
 - Not positioned to assume ownership of facility
- **DAG met with Coast Guard 8 March 2005**
 - Desires to consolidate West Coast aviation (C-130s, H65s, MPAs), UAV and response assets at Pt. Mugu
 - Estimated 400 personnel, 335K sqft of multi use space
 - Only site on West Coast where VUAVs may be flight tested and flown in approved sea test range
 - Require 24/7 access to airfield with required support services



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Close Pt. Mugu Update

- **DAG evaluated options**
 - Closure
 - Eliminates 31 hangar modules of capacity
 - Locates operational aircraft closer to fleet
 - Completes consolidation of technical functions at China Lake
 - Creates \$65M in additional steady-state savings
 - Realignment (TECH CRs only)
 - Allows consolidation of appropriate technical functions at China Lake
 - Retains support for China Lake target launches
 - Provides lower cost alternative receiving site for NSWC Corona
 - Expands joint (with Air Guard) facility to support homeland security assets (Coast Guard) – utilizes excess capacity
 - Avoids \$371M in milcon and relocation costs

IEG Decision:
Retain NAS Point Mugu



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IGPBS CVN Move to Pacific Update

17 Mar 05

Draft Deliberative Document - For Discussion Purposes Only - Do Not Release Under FOIA



IGPBS CSG Basing

- **DEPSECDEF IGPBS memo requires homeporting an additional CSG forward in the Pacific Theater**
 - Two ports meet specified requirement
 - IGPBS does not specify the source of the forces to comprise the CSG (CVN, T-AOE, CVW, Escorts)

- **4 Options analyzed**
 - CVN/CVW from West Coast to Hawaii (no mvmt of escorts)
 - CVN/CVW from East Coast to Hawaii (2 DDGs to San Diego; 1 CG to Pearl Harbor)
 - CVN/CVW from West Coast to Guam (escorts to Guam)
 - CVN/CVW from East Coast to Guam (escorts to Guam)



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IGPBS ROI Summary

Scenario	One-Time Costs	Steady-State Costs	ROI Years	20 Year NPV
DON-0036B (San Diego to Pearl Harbor)	2,659	+64.65	Never	+3,145
DON-0036C (Norfolk to Pearl Harbor)	2,726	+94.26	Never	+3,533
DON-0037B (derived) (San Diego to Guam)	4,038	+76.11	Never	+4,559
DON-0037C (derived) (Norfolk to Guam)	4,062	+89.35	Never	+4,726

All Dollars shown in Millions

Notes:

- Total MILCON costs – Hawaii \$2.1B, Guam \$3.4B Maintenance Infrastructure and Housing)
- Significant Dredging at both locations (H-\$192M, Guam-\$94M)
- Procurement of new simulators at both locations (\$120M)
- Land lease / acquisition costs at Hawaii and Guam (Kalealoa – \$4.3M; Agana - \$28M, Guam Family Housing - \$101M)



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Hawaii MILCON Summary

Scenario: DON-0036B&C	Location	Issues	Cost
PMRF/PTA		Runway Upgrades	36.1
NAVSTA Pearl Harbor		CVN/T-AOE	813.7
MCBH – Kaneohe Bay		Significant Rehab	144.8
Hickam AFB – (2 VFA)		Displace USAF Assets Joint Use Airfield (with commercial)	163.7
Kalaeloa – Old NAS BP		Significant New MILCON and Rehab	1,025.9
TOTAL – DON-0036B			2,184.1
NAVSTA San Diego		Housing/BEQ	38.4
TOTAL – DON-0036C			2,222.5

All Dollars Shown in Millions



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Guam MILCON Summary

Scenario: DON-0037B&C		Cost
Location	Issues	
NAVSUPACT Marianas, GU Agana Enclave CVN / Support Ships / T-AOE Ship Repair Facility	Move HC-5 from AAFB + CVW assets. Includes common support (BQ, Med, etc). Based on North Island Maintenance Model for CVN.	3096.4
Anderson AFB	No data from USAF	313.4
TOTAL		3409.8

All Dollars Shown in Millions



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CVN to Pacific Issues

- **Overall Pacific laydown impacts CVN/CVW options**
 - Use of Guam by Navy/Marine Corps/Air Force
 - Laydown on Hawaii with Marine Corps/Air Force/Army
 - Use of previously closed bases (Barbers Point/Agana)
- **CVN realignment implications**
 - CVN balance between AORs
 - Industrial realignment implications
- **Options**
 - CVN from San Diego to Hawaii
 - CVN from Norfolk to Hawaii
 - CVN from San Diego to Guam
 - CVN from Norfolk to Guam

Request IEG Guidance



Potential Technical JCSG Scenario

NSWC Philadelphia

- Primary work:
 - Machinery Systems RDAT&E
 - Life Cycle Management
 - Hull, Mechanical and Electrical Systems
- Size/Scope
 - 1624 FTE
 - 1.3 Mil SqFt
 - 10 major building complexes
- BRAC Action Info
 - ATPF and efficiency concerns
 - Move to Norfolk, VA area for proximity to fleet concentration area
 - May be costly but have no certified data

•NAVSEA concurs on performing analysis

IEG Decision:

Request TECH JCSG to issue realignment scenario



TECH 0005/6 – Rotary/Fixed Wing Aviation RDT&E Consolidation

- Lakehurst Ground Support Equipment to PAX – JCSG conducting additional analysis
- Corona Aviation Functions to PAX – Reviewing alternate receiving sites

•TECH 0018 – Weapons and Armaments Consolidation

- Corona weapons functions to China Lake – Reviewing alternate receiving sites

TECH 0020 – Battlespace Environments RDT&E Consolidation

- NRL Monterey to NRL Stennis – Breaks synergies with FNMOOC, analytical/cost consideration

TECH 0032 – Chem-Bio Consolidation

- Crane CBRN to Ft. Detrick – Cost considerations
- Dahlgren CBRN to Ft. Detrick - Cost considerations

•TECH 0042 – C4ISR Consolidation

- NUWC Newport Info Systems to SPAWAR San Diego – Breaks synergies
- Crane C4ISR to Dahlgren – Cost considerations
- Corona C4ISR to SPAWAR San Diego –Reviewing alternate receiving sites
- Corona USW C4ISR to NUWC Newport – Reviewing alternate receiving sites
- Corona SW C4ISR to Dahlgren – Reviewing alternate receiving sites

•DON Action

- Ensure proper analysis of Corona alternate sites
- DASN to send formal letter to TECH JCSG on specific concerns for TECH-0020/0032/0042



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FENCELINES

17 Mar 05

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Fenceline Recap

Approved

- DON-0166 – Close Naval Shipyard Portsmouth

Awaiting JCSG Decision

- DON-0167 – Close NSA Philadelphia
- DON-0169 – Close NSWC Indian Head

Awaiting JCSG Coordination

- DON-0070 – Close NPGS Monterey
- DON-0161 – Close NSWC Div Corona
- DON-0166 – Close NSWC Crane



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Fenceline Recap

Awaiting IEC Decision

- DON-0152 – Close NAS Whiting Field
- DON-0165 – Close MCLB Barstow



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DON Candidate Recommendation Payback Summary

	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	20 Year NPV	Cost/NPV Ratio
Fencelines (3)	384	1,092	100.93	-46.60	-462.14	1:5
NWDC	0	111	11.45	-0.85	-0.41	1:1
TOTAL	384	1,203	112.38	-47.45	-462.55	1:4

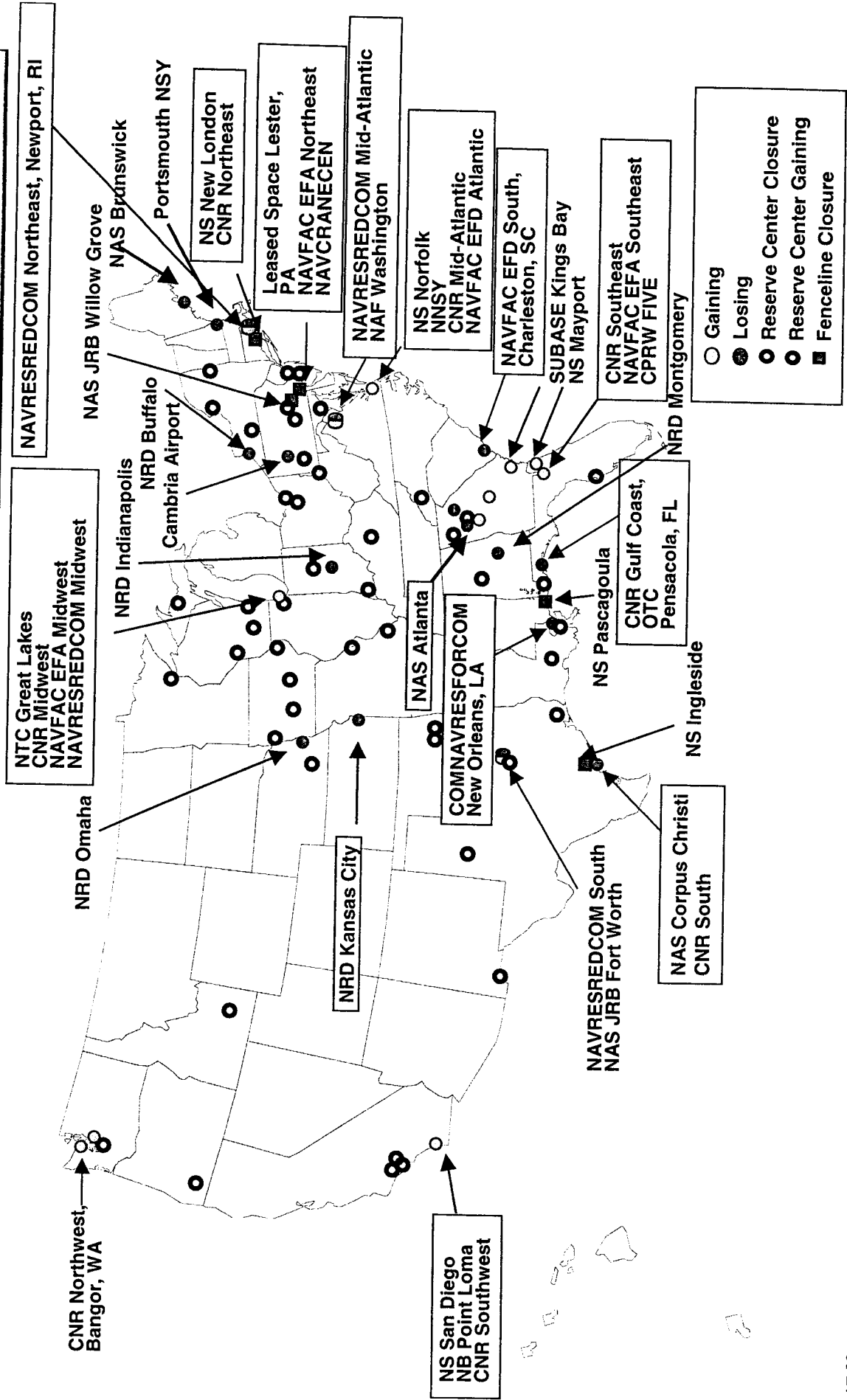
	Billets Elim	Billets Moved	One-Time Costs	Steady-State Savings	20 Year NPV	Cost/NPV Ratio
TOTAL						
Surface/Subsurface (3)	3,114	9,972	867.49	-326.00	-3,112.91	1:4
Aviation (3)	2,139	3,548	314.30	-212.40	-2,337.10	1:7
OTCs (1)	15	266	3.22	-1.67	-21.22	1:7
Reserve Centers (25)	170	142	3.58	-19.03	-270.77	1:76
JAST (10)	60	343	87.17	-10.98	-60.07	1:1
Regional Support Activities (5)	251	815	49.32	-23.04	-258.33	1:5
Recruiting Management (1)	152	0	2.44	-14.53	-207.76	1:85
Fenceline (4)	1,521	4,658	612.33	-212.80	-1,936.84	1:3
Other (1)	0	111	11.45	-0.85	-0.41	1:1
TOTAL	7,422	19,855	1,951.30	-821.31	-8,205.41	1:4

All Dollars shown in Millions



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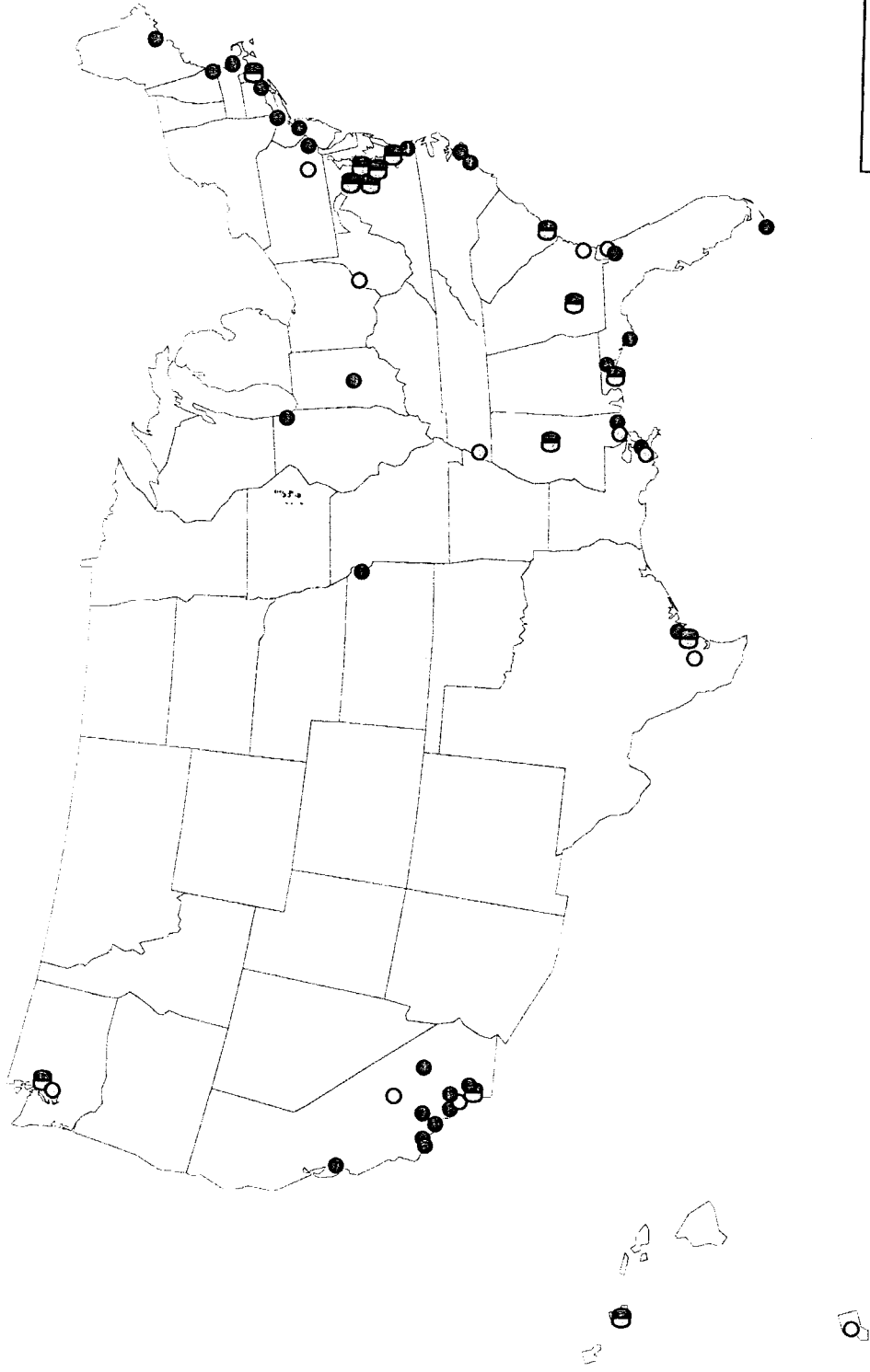
DON Candidate Recommendations





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JCSG Candidate Recommendations

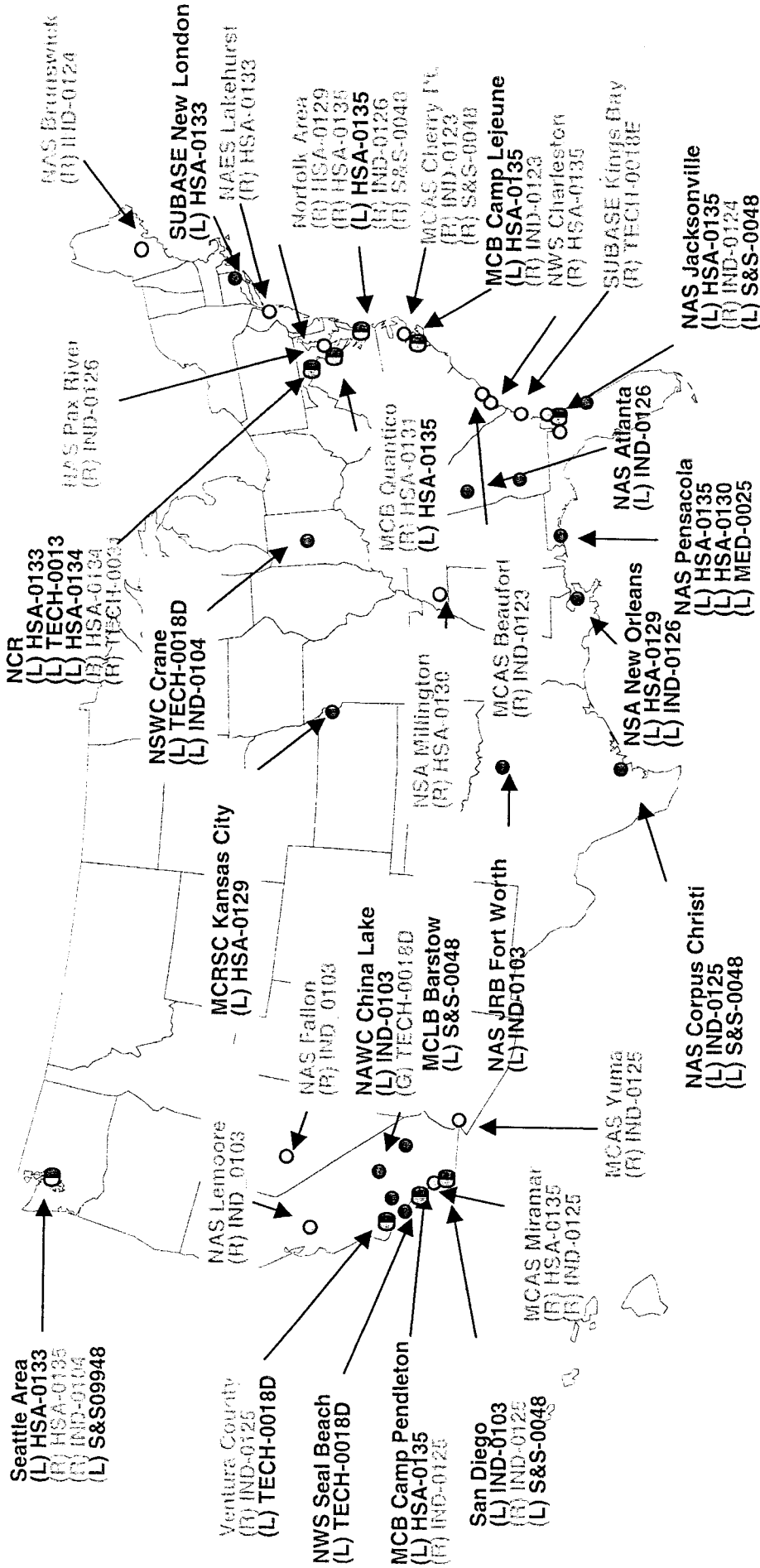


○ Gaining
● Losing



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JCSG Candidate Recommendations



○ Gaining
● Losing

Candidate Recommendation Briefed at the ISG (11 Mar & 15 Mar)



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11 March ISG

JCSG Candidate Recommendations

Headquarters & Support Activities: (6)

- HSA-0109 – Consolidate DECA Eastern and Midwestern Regional Offices with DECA HQ at Ft. Lee, VA
 - DON position: No Objection
- HSA-0128 – Relocate USARC to Pope AFB, NC
 - DON position: No objection
- HSA-0129 – Relocate COMMARFORRES and MCRSC at NSA Norfolk, VA
 - DON position: Request hold to work receiving site
- HSA-0131 – Consolidate CIFA/DSS at MCB Quantico, VA
 - DON position: No objection
- HSA-0133 – Joint Mobilization Sites DIX/McGuire/Lakehurst, Bliss/Holloman, and Bragg/Pope
 - DON position: No objection
- HSA-0135 – Joint Regional Correctional Facilities
 - DON position: Investment concern

Medical Activities: (1)

- MED-0012 – Aerospace Medicine (Brooks City-Base)
 - DON position: No objection



11 Mar ISG

JCSG Candidate Recommendations

Industrial Activities: (6)

- IND-0103 – Establish FRC West (NAS Lemoore)
 - DON position: No objection
- IND-0104 – Establish FRC Northwest (NAS Whidbey Island)
 - DON position: No objection
- IND-0123 – Establish FRC East (MCB Cherry Point)
 - DON position: No objection
- IND-0124 – Establish FRC Southeast (NAS Jacksonville)
 - DON position: No objection
- IND-0125 – Establish FRC Southwest (NAS North Island)
 - DON position: No objection
- IND-0126 – Establish FRC Mid-Atlantic (NAS Oceana)
 - DON position: No objection

Technical Activities: (5)

- TECH-0009B – Defense Research Service Led Laboratories
 - DON position: No objection
- TECH-0013 – Joint Ground Vehicle D&A
 - DON position: No objection
- TECH-0018D – RDAT&E Integrated Center at China Lake
 - DON position: Request hold to evaluate Corona receiving site (IEC discussion item)



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JCSG Candidate Recommendations

TECH (cont)

- TECH-0035 – Army Land C4ISR Center (Fort Monmouth)
 - DON position: No objection
- TECH-0045 – Army Soldier and Biological Chemical Center
 - DON position: No objection

Air Force: (3)

- USAF-0018v2 – Close Ellsworth AFB
 - DON position: No objection
- USAF-0122v2 – Close Pope AFB
 - DON position: No objection
- USAF-0127 – Close Yeager Airport AGS
 - DON position: Investment concern

Army: (1)

- USA-0224 – Realign Fort Hood
- USA-00440v2 – Realign Fort Bragg
 - DON position: Investment concern



15 Mar ISG JCSG Candidate Recommendations

Education & Training Activities: (4)

- E&T-0061 – Consolidate Air Defense Artillery Center & School with Field Artillery Center & School to establish a Net Fires Center
 - DON position: No objection
- E&T-0062 – Relocate Aviation Logistics School to Ft. Rucker
 - DON position: No objection
- E&T-0063 – Relocate the Armor Center and School to Ft. Benning
 - DON position: No objection
- E&T-0064 – Relocate Transportation Center and School to Ft. Lee
 - DON position: No objection

Headquarters & Support Activities: (3)

- HSA-0099 – Co-locate adjudication Activities at Ft. Meade
 - DON position: No objection
- HSA-0130 – Relocate NETC and NETPDTC
 - DON position: No objection
- HSA-0134 – Co-locate miscellaneous USN Leased locations
 - DON position: Request hold to adjust recommendation language



15 Mar ISG JCSG Candidate Recommendations

INTEL Activities: (4)

- INT-0004 – Consolidate all NGA functions at Ft. Belvoir
 - DON position: No objection
- INT-0007 – Relocate NGA St. Louis to Allenton MO
 - DON position: Investment concern
- INT-0010 – Realign DIA
 - DON position: No objection
- INT-0011 – Realign Buckley AFB
 - DON position: Investment concern (ISG Disapproved)

Supply & Storage Activities (1)

- S&S-0048 – Realign wholesale storage and distribution around 4 regional SDPs
 - DON position: Analytical concern

Medical Activities (1)

- MED-0025 – Realign Naval Aeromedical Research Lab to Wright-Patterson AFB
 - DON position: Investment concern



15 Mar ISG JCSG Candidate Recommendations

Technical Activities (3)

- TECH-0018C – W&A RDAT&E Integrated Center at Redstone
 - DON position: No objection
- TECH-0018E – Consolidate Navy Strategic T&E at Kings Bay
 - DON position: No objection
- TECH-0031 – Consolidate Sea Vehicle D&A
 - DON position: No objection

Army (1):

- USA-0046v2 – 40 Drill SGT School Consolidation (Jackson)
 - DON position: Investment concern
- USA-0226 – Realign Ft. Wood by relocating Drill Sergeant School to Ft. Jackson
 - DON position: No objection

USAF (2):

- USAF-0099 – Realign Lackland AFB
 - DON position: No objection
- USAF-0102 – Establish USAF logistic support centers
 - DON position: No objection



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Candidate Recommendation Status

	One Time Costs (\$M)	Net Implementation (Savings/Cost)	Steady State (\$M)	NPV (\$M)	NPV/One-time Ratio	Total CRs	Total CRs affecting DON
Navy	1,302.1	-451.3	-606.4	-6,241.1	5	48	48
Army	5,196.5	2,807.1	-597.5	-2,837.9	1	152	44
(IGPBS) B	3,800.0		300.0	8,000.0	-2	1	0
(IGPBS) NB	300.0		-1,200.0	-15,600.0	52		
Air Force	1,984.9	959.2	-612.9	-5,442.9	3	51	6
E&T	2,978.2	957.6	-532.1	-4,019.2	1	14	8
HSA	3,419.3	152.5	-890.1	-8,155.9	2	54	30
IND	1,578.8	-2,396.2	-944.3	-11,036.3	7	30	14
Ind Enabler	45.3	-143.2	-63.2	-721.5	16	4	4
INTEL	1,543.1	1,174.6	-143.8	-309.9	0	3	0
MED	1,907.8	983.2	-309.7	-1,956.8	1	17	6
S&S	463.4	-520.8	-288.8	-3,237.6	7	5	5
TECH	2,859.7	1,197.2	-524.3	-3,735.7	1	21	14
Total	23,233.7	4,863.1	-5,449.9	-46,973.4	2	400	179

As of 17 Mar 05



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IEG-FAB Open Discussion

17 Mar 05

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