

MARINE SYSTEMS CORPORATION 68 FARGO STREET, FARGO BUILDING (617) 542-3345, FAX (617) 542-2461 E-MAIL: info@mscorp.net

> DECEIVED DECEIVED

Ser. No. 152-01 1 June 2005 **BOSTON, MA**

02210

2005 BRAC Commission 2521 S. Clark St., Suite 600 Arlington, VA 22202

Dear Commission:

Please allow me to take this opportunity, to present my rationale why Puget Sound Naval Shipyard Detachment Boston (Det Boston), should be removed from the BRAC Realignment list.

I am President of Marine Systems Corporation (MSC) a service-disabled veteran owned small business Naval Engineering company located at 68 Fargo Street, Boston, MA. MSC is the prime contractor in support of Det Boston and would be significantly affected by the proposed realignment. The reasons to reject the realignment recommendation include the following:

OMB Circular No. A-76 establishes Federal Policy and Procedures for determining whether reoccurring commercial activities should be performed by commercial sources (private industry) or government personnel. Det Boston is in their first year as a certified Most Efficient Organization (MEO) having successfully won an A-76 competition in 2004 in open competition with the private sector. No other planning yard in the country has been certified as an MEO. As the MEO they have already demonstrated that no other organization can perform their function as efficiently. Det Boston's unsuccessful competitor in the A-76 competition was Northrop Grumman (NG), the largest shipbuilding conglomerate in the USA. If NG had been awarded this planning yard responsibility and certified as the MEO there would be no realignment. Moreover, the cost savings, which lie at the heart of the A-76 process, will not be realized if the MEO are not allowed to continue intact for the remainder of the 5-year term. If Det Boston's realignment is implemented, this unique A-76 program at Det Boston is immediately killed. This would undermine the integrity of the whole A-76 process, which was mandated by Executive Order and which like BRAC is meant to improve efficiencies. The two programs should be allowed to coexist rather than undermine each other. Det Boston's certified winning MEO reduced their previous baseline by 28 positions, a 20% reduction and they are in their first year of monitored performance. They are certified as the Most Efficient Organization (MEO) to perform their function with their workforce at their location. To realign them now is to break up the MEO, reject the cost savings and undermine the integrity of the A-76 program.

The Ship Repair Sub Group of the DOD Industrial Joint Cross Service Group (IJCSG) made this realignment recommendation based on a flawed analysis of their own data. The justification is to reduce excess ship repair capacity but their data does not show that Det. Boston contributes to excess ship repair capacity. The ship repair maintenance effort was divided into thirty five (35) commodities (functions). Analysis was conducted both by activity and by commodity. Puget Sound Naval Shipyard (PSNS) performs thirty four (34) commodities. Det Boston performs one (1) commodity, Non-Nuclear Engineering and Planning.

Using IJCSG data for Depot Maintenance:

- If you sum up all commodities in all activities there is an excess capacity of 4703 positions.
- If you sum up all commodities at PSNS there is an excess capacity of 839 positions.
- If you consider Non-Nuclear Engineering and Planning alone at PSNS there is a shortage of 165 positions.
- Det Boston has one (1) excess position. This does not constitute justification to realign Det. Boston.
- IJCSG's analysis to determine capacity to accept Non-Nuclear Engineering and Planning realigned work indicates PSNS has no capacity to accept any.
- Considering Planning Yard work only, if PSNS was to accept one half of Det Boston's personnel and approximately one half of Det Boston's workload, the result would be only to kill the cost saving A-76 program, increase costs and reduce efficiency.

There are other issues which we shall forward to the BRAC Commissioners but I submit that the above two issues are conclusive.

Please pass this information to the BRAC Commissioners for their consideration.

Sincerely Yours,

John A. Tirrell, P.E. President

3