



JOINT CROSS-SERVICE GROUPS (JCSGs):

NAVAL WEAPONS STATION SEAL BEACH, CA

RECOMMENDATION # 150 (IND 4)

ONE-TIME COST:	\$4.0M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$1.8M)
20-YEAR NET PRESENT VALUE:	(\$19.9M)
PAYBACK PERIOD:	1 YEAR

SECRETARY OF DEFENSE RECOMMENDATION

Realign Naval Weapons Station Seal Beach, CA, as follows: relocate the depot maintenance of Electronic Components (Non-Airborne), Fire Control Systems and Components, Radar, and Radio to Tobyhanna Army Depot, PA; relocate the depot maintenance of Material Handling to Marine Corps Logistics Base Albany, GA; relocate the depot maintenance of Other Components to Anniston Army Depot, AL; and relocate the depot maintenance of Tactical Missiles to Letterkenny Army Depot, PA.

SECRETARY OF DEFENSE JUSTIFICATION

This recommendation supports depot maintenance function elimination at Naval Weapons Station Seal Beach and follows the strategy of minimizing sites using maximum capacity at 1.5 shifts. This recommendation eliminates over 243,000 square feet of depot maintenance production space with annual facility sustainment and recapitalization savings of \$1.1M. Required capacity to support workloads and Core requirements for the Department of Defense (DoD) is relocated to other DoD Centers of Industrial and Technical Excellence, thereby increasing the military value of depot maintenance performed at these sites. This recommendation decreases the cost of depot maintenance operations across DoD by consolidation and elimination of 30 percent of duplicate overhead structures required to operate multiple depot maintenance activities. Additionally, this recommendation supports transformation of the Department's depot maintenance operations by increasing the utilization of existing capacity by up to 150 percent while maintaining capability to support future force structure. Another benefit of this recommendation includes utilization of DoD capacity to facilitate performance of interservice workload.

COMMUNITY CONCERNS

The Seal Beach community noted the base would lose positions and work to four different locations. In particular, they said the recommendation to "relocate the depot maintenance of Tactical Missiles to Letterkenny Army Depot, PA," made absolutely no sense. They claimed the Navy mischaracterized this work as depot maintenance, when in reality it consists of about \$500 worth of work polishing, removing dents, tightening screws, etc. on missile containers which are returned to Seal Beach and reunited with missiles sent to the Fleet. They indicated these tasks are more efficiently performed at Seal Beach, rather than spending \$960 per missile container shipping it from Seal Beach to the East Coast and back again. The community also noted that San Diego-based ships would benefit from having West Coast-based support to adjust, install, and trouble-shoot fire-control and aircraft landing radar, rather than shipping it back to the depot at Tobyhanna, PA, and overhauling it there.

COMMISSION FINDINGS

The Commission found no reason to disagree with the recommendation of the Secretary of Defense regarding the first elements of the recommendation. The Commission carefully considered the community concerns relating to the sub-recommendation dealing with West Coast support for Fire Control Systems and Components, Radar, and Radio equipment. However, the Commission determined that this issue did not rise to the level of requiring a revision to the DoD recommendation.

The Commission found that the segment of DoD's recommendation to direct work and personnel to Letterkenny Army Depot to correct work more efficiently performed at Seal Beach, where related work is already performed, deviated substantially from criteria #1 and #4. Rejection of the proposal also avoids holding missiles in inventory awaiting only delivery of their shipping containers from the East Coast. Therefore, the Commission deleted the section of the recommendation referring to the relocation of missile container work to Letterkenny.

COMMISSION RECOMMENDATIONS

The Commission found that the Secretary of Defense deviated substantially from final selection criteria 1 and 4, as well as from the Force Structure Plan. Therefore, the Commission recommends the following:

Realign Naval Weapons Station Seal Beach, CA, as follows: relocate the depot maintenance of Electronic Components (Non-Airborne), Fire Control Systems and Components, Radar, and Radio to Tobyhanna Army Depot, PA; relocate the depot maintenance of Material Handling to Marine Corps Logistics Base Albany, GA; and relocate the depot maintenance of Other Components to Anniston Army Depot, AL.

The Commission found that this change and the recommendation as amended are consistent with the final selection criteria and the Force Structure Plan. The full text of this and all Commission recommendations can be found in Appendix Q.

RIVERBANK ARMY AMMUNITION PLANT, CA

RECOMMENDATION # 151 (IND 5)

ONE-TIME COST:	\$25.2M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$6.5M)
20-YEAR NET PRESENT VALUE:	(\$53.3M)
PAYBACK PERIOD:	3 YEARS

SECRETARY OF DEFENSE RECOMMENDATION

Close Riverbank Army Ammunition Plant, CA. Relocate the artillery cartridge case metal parts functions to Rock Island Arsenal, IL.

SECRETARY OF DEFENSE JUSTIFICATION

There are 4 sites within the Industrial Base producing Metal Parts. To remove excess from the Industrial Base, the closure allows DoD to generate efficiencies and nurture partnership with multiple sources in the private sector.

COMMUNITY CONCERNS

The community believes the recommendation to close the Riverbank Army Ammunition Plant (RBAAP) defied logic and common sense. They pointed out that NI Industries, Inc. has successfully operated the installation since 1951. They noted RBAAP hosts thirteen tenants with more than 200 employees. The community and NI Industries Inc. asserted that RBAAP is the only plant producing the deep-drawn steel cartridge cases needed for the Navy's next generation fleet and the Army's Future Combat System. The City of Riverbank challenged the rationale for, and pointed out risks associated with, closing this high-military-value production plant and asserted that production interruptions could hinder current and future military missions. The City adamantly opposed the closure, saying the closure recommendation was based on invalid criteria and faulty information, and questioned DoD's estimated costs for dismantling, moving, and reassembling the plant's complex

equipment. They contended an unsuccessful relocation of equipment and a lack of highly skilled (artisan level) transferees would have significant repercussions on military access to needed ordnance. The community concluded that the RBAAP should remain a vital entity in the military arsenal.

COMMISSION FINDINGS

The Commission found no reason to disagree with the recommendation of the Secretary of Defense. The commission acknowledges the community's concerns with the challenges of moving the deep-drawn steel cartridge case production line. However, the commission does not find that the uniqueness of this production line reaches the level of substantial deviation from the final selection criteria. The low utilization of this ammunition plant, coupled with the significant excess capacity for munitions manufacturing in the US industrial base, created a very compelling case to rationalize manufacturing capacity.

COMMISSION RECOMMENDATIONS

The Commission found the Secretary's recommendation consistent with the final selection criteria and the Force Structure Plan. Therefore, the Commission approves the recommendation of the Secretary.

SIERRA ARMY DEPOT, CA

RECOMMENDATION # 152 (IND 6)

ONE-TIME COST:	\$33.4M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$7.5M)
20-YEAR NET PRESENT VALUE:	(\$66.7M)
PAYBACK PERIOD:	7 YEARS

SECRETARY OF DEFENSE RECOMMENDATION

Realign Sierra Army Depot, CA. Relocate Storage to Tooele Army Depot, UT and Demilitarization to Crane Army Ammunition Activity, IN and, McAlester Army Ammunition Plant, OK.

SECRETARY OF DEFENSE JUSTIFICATION

Capacity and capability for storage exists at numerous munitions sites. To reduce redundancy and remove excess from the Industrial Base, the realignment allows DoD to create centers of excellence and remove inefficiencies.

COMMUNITY CONCERNS

There were no formal expressions from the community.

COMMISSION FINDINGS

The Commission found no reason to disagree with the recommendation of the Secretary of Defense.

COMMISSION RECOMMENDATIONS

The Commission found the Secretary's recommendation consistent with the final selection criteria and the Force Structure Plan. Therefore, the Commission approves the recommendation of the Secretary.

ROCK ISLAND ARSENAL, IL

RECOMMENDATION # 153 (IND 7)

ONE-TIME COST:	\$27.0M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$3.1M)
20-YEAR NET PRESENT VALUE:	(\$13.8M)
PAYBACK PERIOD:	9 YEARS

SECRETARY OF DEFENSE RECOMMENDATION

Realign Rock Island Arsenal, IL, by relocating the depot maintenance of Combat Vehicles and Other to Anniston Army Depot, AL, and the depot maintenance of Other Equipment and Tactical Vehicles to Letterkenny Army Depot, PA.

SECRETARY OF DEFENSE JUSTIFICATION

This recommendation supports minimizing the number of depot maintenance sites through the consolidation of Rock Island's remaining Combat Vehicle workload and capacity at Anniston Army Depot, the Army's Center for Industrial and Technical Excellence for Combat Vehicles. The recommendation also increases overall depot capability utilization by consolidating Rock Island's remaining Tactical Vehicle workload and capability at Letterkenny, the depot with the highest Military Value for Tactical Vehicle maintenance. This recommendation eliminates over 160,000 square feet of depot maintenance production space with annual facility sustainment and recapitalization savings of \$0.6M. This recommendation also decreases the cost of depot maintenance operations across DoD by consolidation and elimination of 30 percent of duplicate overhead structures required to operate multiple depot maintenance activities. Finally, this recommendation facilitates future interservice utilization of DoD depot maintenance capacity.

COMMUNITY CONCERNS

The Illinois/Rock Island Arsenal community argued DoD greatly deviated from the selection criteria by not basing its decisions regarding the Rock Island Arsenal on military value and cost savings. Rock Island Arsenal Tank Automotive and Armaments Command (TACOM) had a higher military value score than Detroit Arsenal TACOM, yet the lower-ranked facility would gain the management of the Depot Level Repairable mission. The community claimed facilities at Detroit Arsenal had insufficient space to accommodate Rock Island's TACOM mission. The community expressed concerns about discrepancies in the number of positions identified (740 versus 1,129) with the moves and efficiencies at TACOM Rock Island, which in their view underestimated true costs. Similarly, they asserted military construction costs identified in the COBRA data for Detroit Arsenal were grossly understated by either \$42 million or \$85 million, depending on the source of data. They claimed a move to Michigan raised Force Protection and Antiterrorism issues, since Rock Island Arsenal meets and exceeds force protection requirements, while Detroit does not. Moving Rock Island TACOM away from the Engineering support and PEO combat system could also result in the loss of synergy. The community voiced concerns about the recommendation for the Joint Manufacturing & Technology Center (JMTC-RI), questioning the categorization of the JMTC-RI in comparing Depot Maintenance hours. The bulk of JMTC-RI workload is not Depot Maintenance, and therefore this may have been misreported. The Civilian Personnel Operations Center (CPOC) and Defense Finance and Accounting Service (DFAS) center, both located on Rock Island, were rated number one in military value compared to similar facilities. CPOC was recently assigned the highest-priority missions for human resources. The community recommended that the Commission overturn the Pentagon's BRAC recommendation to realign TACOM, CPOC and other activities at Rock Island Arsenal.

COMMISSION FINDINGS

The Commission found that DoD's proposed realignment of Rock Island Arsenal, IL, will decrease the cost of depot maintenance operations while increasing the military value to the warfighter. In response to community concerns, the Commission examined the appropriateness of transferring TACOM from a higher quantitatively ranked installation to a lower ranked installation but found that military value is measured by military judgment as well as by numerical calculation and that military judgment was reasonably exercised in this recommendation. The Commission also found that while cost

projections might vary, they did not vary sufficiently to call into question the logic and financial soundness of the proposal, nor did potential cost variances rise to the level of a substantial deviation from the final selection criteria.

COMMISSION RECOMMENDATIONS

The Commission found the Secretary's recommendation consistent with the final selection criteria and the Force Structure Plan. Therefore, the Commission approves the recommendation of the Secretary.

NEWPORT CHEMICAL DEPOT, IN

RECOMMENDATION # 154 (IND 8)

ONE-TIME COST:	\$2.3M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$10.9M)
20-YEAR NET PRESENT VALUE:	(\$132.6M)
PAYBACK PERIOD:	IMMEDIATE

SECRETARY OF DEFENSE RECOMMENDATION

Close Newport Chemical Depot, IN.

SECRETARY OF DEFENSE JUSTIFICATION

There is no additional chemical demilitarization workload slated to go to Newport Chemical Depot. The projected date for completion of existing workload is 2nd quarter of 2008. There is no further use for Newport Chemical Depot.

COMMUNITY CONCERNS

There were no formal expressions from the community.

COMMISSION FINDINGS

The Commission found that the International Chemical Weapons Convention Treaty requires completion of the chemical demilitarization mission prior to closure of this depot. An examination of status information for this depot's mission completion and subsequent closure revealed that dates may slip beyond the six-year statutory period for completion of BRAC actions. Furthermore, mission completion and closure dates beyond 2011 exceed the BRAC implementation period.

COMMISSION RECOMMENDATIONS

The Commission found that the Secretary of Defense deviated substantially from final selection criteria 1 and 4, as well as from the Force Structure Plan. Therefore, the Commission recommends the following:

On completion of the chemical demilitarization mission in accordance with Treaty obligations, close Newport Chemical Depot, IN.

The Commission found that this change and the recommendation as amended are consistent with the final selection criteria and the Force Structure Plan. The full text of this and all Commission recommendations can be found in Appendix Q.

KANSAS ARMY AMMUNITION PLANT, KS

RECOMMENDATION # 155 (IND 9)

ONE-TIME COST:	\$25.2M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$10.3M)
20-YEAR NET PRESENT VALUE:	(\$101.4M)
PAYBACK PERIOD:	2 YEARS

SECRETARY OF DEFENSE RECOMMENDATION

Close Kansas Army Ammunition Plant (AAP), KS. Relocate Sensor Fuzed Weapon/Cluster Bomb function and Missile warhead production to McAlester AAP, OK; 155MM ICM Artillery and 60MM, 81MM, and 120MM Mortar functions to Milan AAP, TN; 105MM HE, 155MM HE, and Missile Warhead functions to Iowa AAP, IA; and Detonators/relays/delays to Crane Army Ammunition Activity, IN.

SECRETARY OF DEFENSE JUSTIFICATION

Capacity and capability for Artillery, Mortars, Missiles, and Pyro/Demo exists at numerous munitions sites. There are 8 sites producing Artillery, 5 producing Mortars, 9 producing Pyro/Demo, and 13 performing Demilitarization. To reduce redundancy and remove excess from the Industrial Base, the closure allows DoD to create centers of excellence, avoid single point failure, and generate efficiencies.

COMMUNITY CONCERNS

Labette County and the city of Parsons supported the closure of the Kansas Army Ammunition Plant (KSAAP) but had concerns about their ability to redevelop the site's facilities and property. They explained that the plant is located in a rural area with limited transportation access and that the loss of 267 jobs would exacerbate the county's economic hardships. The Community wanted to accelerate the development of uncontaminated portions of the site through the use of leases prior to conveyance of the property. During the transition phase, the community proposed a \$1 per annum lease between the US Government and the Local Reuse Authority (LRA). At the conclusion of the clean-up and transition phase, the community proposed the Government transfer all equipment, facilities and, property to the LRA at no cost. The Community expressed an interest in keeping the existing operating contractor in place as a tenant to compete for future DoD work, thereby retaining jobs in the community. The operating contractor noted potential issues with proprietary processes and recommended privatization in place for the KSAAP.

COMMISSION FINDINGS

The Commission found no reason to disagree with the recommendation of the Secretary of Defense. The Commission examined the community's proposals regarding conveyance, and decided to refer them to the Department for consideration during implementation of the recommendation. The Commission carefully considered the operating contractor's recommendation of privatization-in-place, but rejected it due to the low utilization of the plant and the need to rationalize munitions production capacity in the US industrial base.

COMMISSION RECOMMENDATIONS

The Commission found the Secretary's recommendation consistent with the final selection criteria and the Force Structure Plan. Therefore, the Commission approves the recommendation of the Secretary.

LIMA TANK PLANT, OH

RECOMMENDATION # 156 (IND 10)

ONE-TIME COST:	N/A
ANNUAL RECURRING COSTS/(SAVINGS):	N/A
20-YEAR NET PRESENT VALUE:	N/A
PAYBACK PERIOD:	N/A

SECRETARY OF DEFENSE RECOMMENDATION

Realign Lima Tank Plant, OH. Retain the portion required to support the manufacturing of armored combat vehicles to include Army Future Combat System (FCS) program, Marine Corps Expeditionary Force Vehicle (EFV) chassis, and M1 Tank recapitalization program.

SECRETARY OF DEFENSE JUSTIFICATION

Capacity and capability for armored combat vehicles exists at three sites with little redundancy among the sites. The acquisition strategy for the Army Future Combat System (FCS) and Marine Corps Expeditionary Force Vehicle includes the manufacturing of manned vehicle chassis at Lima Army Tank Plant. The impact of establishing this capability elsewhere would hinder the Department's ability to meet the USA and USMC future production schedule. This recommendation to retain only the portion of Lima Army Tank Plant required to support the FCS, EFV, and M1 tank recap, reduces the footprint. This allows the Department of Defense to remove excess from the Industrial Base, create centers of excellence, avoid single point failure, and generate efficiencies within the manufacture and maintenance of combat vehicles.

COMMUNITY CONCERNS

The community contended that DoD's claims of excess capacity were no longer valid due to program changes since the BRAC data calls. They noted there had been a significant change in capacity requirements and utilization at the plant, citing M1A1 Reset, M1A1 sales to Australia, M1A1 work for Egypt, the USMC Expeditionary Fighting Vehicle, six Stryker-related programs, and the Mobile Gun System. The community cited plant expansion from 450 to 759 employees to meet these requirements and 100 percent utilization of plant facilities as evidence to support their arguments. The community argued that a 27 percent reduction in the manufacturing footprint would require termination or relocation of either all Abrams related workload or Stryker and Expeditionary Fighting Vehicle work.

COMMISSION FINDINGS

The Commission found minimal excess manufacturing space at the Lima Tank Plant. Current utilization of the manufacturing space at the plant is at 95 percent, and expected future workloads are sufficient to maintain this high utilization rate. The Commission concurs with the community's assessment that under existing conditions, implementing this recommendation would require termination or relocation of all Abrams tank-related workload or all Stryker and Expeditionary Force Vehicle workload. Finally, the Commission found that implementing this recommendation and relocating existing production lines would be disruptive to production schedules and would incur significant costs.

COMMISSION RECOMMENDATIONS

The Commission found that the Secretary of Defense deviated substantially from final selection criteria 1 and 3 and the Force Structure Plan. Therefore, the Commission has rejected the recommendation of the Secretary. The Commission found this recommendation is consistent with the Force Structure Plan and final selection criteria.

MISSISSIPPI ARMY AMMUNITION PLANT, MS

RECOMMENDATION # 157 (IND 11)

ONE-TIME COST:	\$32.4M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$5.1M)
20-YEAR NET PRESENT VALUE:	(\$38.6M)
PAYBACK PERIOD:	7 YEARS

SECRETARY OF DEFENSE RECOMMENDATION

Close Mississippi Army Ammunition Plant, MS. Relocate the 155MM ICM artillery metal parts functions to Rock Island Arsenal, IL.

SECRETARY OF DEFENSE JUSTIFICATION

There are 4 sites within the Industrial Base producing Metal Parts. To remove excess from the Industrial Base, the closure allows DoD to generate efficiencies and nurture partnership with multiple sources in the private sector.

COMMUNITY CONCERNS

The state of Mississippi supported the closure of the Army Ammunition Plant at Stennis Space Center, but also requested review and comment on the projected costs for mitigation of the existing environmental and safety concerns. The state contended that these facilities can be more effectively utilized through more aggressive and responsive local control, and that closure would ameliorate the need for the Army to continue to spend millions of dollars annually to hold on to an abandoned facility in growing disrepair.

COMMISSION FINDINGS

The Commission found no reason to disagree with the recommendation of the Secretary of Defense. The low utilization of this ammunition plant, coupled with significant excess capacity for munitions manufacturing in the US industrial base created a compelling argument for rationalizing munitions manufacturing capacity.

COMMISSION RECOMMENDATIONS

The Commission found the Secretary's recommendation consistent with the final selection criteria and the Force Structure Plan. Therefore, the Commission approves the recommendation of the Secretary.

HAWTHORNE ARMY DEPOT, NV

RECOMMENDATION # 158 (IND 12)

ONE-TIME COST:	N/A
ANNUAL RECURRING COSTS/(SAVINGS):	N/A
20-YEAR NET PRESENT VALUE:	N/A
PAYBACK PERIOD:	N/A

SECRETARY OF DEFENSE RECOMMENDATION

Close Hawthorne Army Depot, NV. Relocate Storage and Demilitarization functions to Tooele Army Depot, UT.

Capacity and capability for Storage and Demilitarization exists at numerous munitions sites. To reduce redundancy and remove excess from the Industrial Base, the closure allows DoD to create centers of excellence and establish deployment networks that support readiness. Hawthorne Army Depot has infrastructure problems that severely limit the ability to offload.

COMMUNITY CONCERNS

Community advocates pointed out the slowed rates of munitions demilitarization makes storage capacity a more valuable commodity in the next few years as DoD faces the return of large quantities of ammunition from overseas. Estimates of 600,000 tons to return in 2007, would fill the existing depot system to 98 percent of capacity. Elimination of Hawthorne's storage capacity will require building an additional 1,000 magazines at a cost of \$500 million. Hawthorne's demilitarization facilities are the most environmentally friendly in the Army, and re-creating them at Tooele would cost between \$157 million and \$340 million, and take seven years to complete. On-going joint activities at Hawthorne include Navy Special Forces High Desert Training, Navy Undersea Warfare Center, Marine Corps Sniper Team Training and weapons testing, Army Ranger High Desert Training and processing of Air Force and Navy bombing ranges scrap. The depot's training facilities are particularly well suited to simulating conditions in the Middle East. The community disagreed with DoD's estimates for closure costs and believed that the costs could exceed \$840 million and reach as high as \$1.2 billion. Funds would be needed to retire outdated munitions, create duplicate capability elsewhere, and for environmental remediation. Additionally, the community argued that insufficient weight was given to the fact that the depot faces no encroachment problems, as it is surrounded by Bureau of Land Management and US Forest Services controlled lands. In direct response to DoD's contention of offload problems at Hawthorne due to washouts at its facilities, the community countered that, with an average yearly rainfall of no more than 5 inches no offload problems exist. The community strenuously questioned the application of military judgment in the Hawthorne closure decision.

The community contended that DoD used erroneous data for employment and economic consideration. Based on community input, DoD corrected the Region of Influence to Mineral County, NV. The community contended that closure of Hawthorne Army Depot would result in direct job losses of 30 percent in the town of Hawthorne with indirect effects driving total job losses as high as 50 percent. Community leaders and elected representatives claimed the economic impacts would be so devastating that the local area would never recover and become a ghost town, noting that Mineral County is 98 percent federally managed. They believed detrimental effects included reduced property values and property tax revenue. Effects could include default on a \$6 million school bond and loss of revenues for education, including Community College programs, potential loss of a hospital in Western Central Nevada, loss of a paid fire department, loss of quality of life programs (parks, libraries, museums, youth programs), loss of dental and medical service providers, increased fees for other services (water, sewer and, garbage collection) and downsizing or closure of the only food and pharmacy store in town. The community argued that closure of the depot will result in the loss of about 10 million square feet of storage capacity now filled to almost 70 percent of capacity. In sum, the community contends the DoD recommendation is a massive deviation from Selection Criteria 6.

COMMISSION FINDINGS

The Commission found sufficient discrepancies in the data to reject DoD's recommendation to close Hawthorne Army Depot. Currently unused munitions demilitarization capabilities of about 30,000 tons per year and unused storage capabilities of about 44 percent at Hawthorne Army Depot would be available as significant quantities of munitions return in the near future from Korea, Europe and Southwest Asia. Added to current stockpiles, these munitions will also require demilitarization and /or storage. Past diversions from the conventional munitions demilitarization account have resulted in increasing stockpiles of obsolete munitions that have increasingly filled available storage space. The Commission received information that the Department of Defense plans to increase spending on conventional demilitarization to approximately \$541 million for fiscal years 2006 through 2011 to reduce its current backlog of approximately 390,000 short tons. The degree of success or failure of this planned effort in the face of higher priority wartime needs will consequently have a major effect on conventional munitions demilitarization and storage.

The Commission found none of the problems noted by the Department of Defense that limit loading and offloading of munitions at Hawthorne. DoD undervalued additional services provided by the depot, including range scrap processing for the Navy and Corps of Engineers, testing and loading of explosive charges, ammunition testing, ammunition restoration, and testing for the next generation of robotic security systems. Further, the depot offers training opportunities in 71,287

acres of high altitude desert terrain similar to that found in Iraq and Afghanistan, including high-angle sniper and other firing ranges, high altitude patrol, and desert convoy operations. The depot has also signed an agreement with the Defense Logistics Agency to store the military's entire stockpile of elemental mercury.

The Commission also found that DoD significantly underestimated the economic impact of closing Hawthorne by erroneously using the Reno-Sparks Metropolitan Statistical Area as its baseline location. The depot in fact draws its personnel from the Mineral County, NV, Region of Influence (ROI). Recalculation of economic impact in the appropriate ROI with correct personnel figures yielded a 37 percent negative impact to the county.

Last, the Commission determined that environmental clean-up costs of closure may reach as high as \$708 M. Current estimated restoration costs are \$383.24 M. Additionally, between \$29.2 M and \$324.8 M would be required to clean up 16 operational ranges.

COMMISSION RECOMMENDATIONS

The Commission found that the Secretary of Defense deviated substantially from final selection criteria 1, 2, 3, 6 and 8, and the Force Structure Plan. Therefore, the Commission has rejected the recommendation of the Secretary. The Commission found this recommendation is consistent with the Force Structure Plan and final selection criteria.

WATERVLIET ARSENAL, NY

RECOMMENDATION # 159 (IND 13)

ONE-TIME COST:	\$63.7M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$5.2M)
20-YEAR NET PRESENT VALUE:	(\$5.2M)
PAYBACK PERIOD:	18 YEARS

SECRETARY OF DEFENSE RECOMMENDATION

Realign Watervliet Arsenal, NY, by disestablishing all capabilities for Other Field Artillery Components.

SECRETARY OF DEFENSE JUSTIFICATION

The Department no longer requires the capability for Other Field Artillery Components at Watervliet Arsenal. The Department will require and will retain at Watervliet Arsenal the capability to support core cannon tube, rotary forge, and swage. Disestablishing the Other Field Artillery Components capability will allow the Department to reduce its overall footprint at Watervliet Arsenal. It will also allow the Department to explore partnering with the local community, perhaps through a leaseback arrangement. This type of partnering could allow the government to reduce its footprint while maintaining that portion of Watervliet Arsenal needed to fulfill core capabilities.

COMMUNITY CONCERNS

The community did not oppose the realignment of the Watervliet Arsenal. The workforce at the arsenal has experienced a steady and significant decline over the last ten years, creating economic hardship in the city of Watervliet. While supporting the recommendation, the community desired a clarification of the Secretary's recommendation on the issue of leaseback arrangements. The DoD recommendation addressed the option of partnering with the local community and exploring leaseback options, but did not directly address the issue of conveyance. The community proposed that the entire arsenal site be conveyed to a Local Reuse Authority that will in turn lease it back to the Army for \$1 dollar per year, for as long as DoD needs facilities to continue the core functions detailed in the recommendation. Conveyance to, and leaseback from, a Local Reuse Authority would provide a greater opportunity to establish a high-technology business park that would support the Arsenal's core functions and the technology research and development functions of tenant Benet Laboratory.

COMMISSION FINDINGS

The Commission agrees with the Department's goal of reducing its footprint while maintaining the portion of the arsenal needed to fulfill core capabilities. The Commission encourages continued interaction between the Department and the Local Reuse Authority to develop an industrial development plan.

COMMISSION RECOMMENDATIONS

The Commission found the Secretary's recommendation consistent with the final selection criteria and the Force Structure Plan. Therefore, the Commission approves the recommendation of the Secretary.

UMATILLA CHEMICAL DEPOT, OR

RECOMMENDATION # 160 (IND 14)

ONE-TIME COST:	\$13.6M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$34.7M)
20-YEAR NET PRESENT VALUE:	(\$347.9M)
PAYBACK PERIOD:	IMMEDIATE

SECRETARY OF DEFENSE RECOMMENDATION

Close Umatilla Chemical Depot, OR.

SECRETARY OF DEFENSE JUSTIFICATION

No additional chemical demilitarization workload is slated to go to Umatilla Chemical Depot. The projected date for completion of its existing workload is 2nd quarter of 2011. There is no further use for Umatilla Chemical Depot.

COMMUNITY CONCERNS

The Umatilla Chemical Depot had been planning for closure since the initial 1988 BRAC realignment of the site. The installation wanted to be closed through the BRAC process to obtain funds to assist site personnel and the community with the post closure transition of the depot. The disposal of some existing facilities and land generated by the 1988 BRAC realignment stopped after the 9/11 attacks in response to increased security requirements for chemical weapons storage and disposal. Facilities and land that could have been disposed of became part of the protective buffer around the storage and chemical disposal facilities. The community wanted a final decision and determination on the future of the Umatilla Chemical Depot.

COMMISSION FINDINGS

The Commission found that the International Chemical Weapons Convention Treaty requires completion of the chemical demilitarization mission prior to closure of this depot. An examination of status information for this depot's mission completion and subsequent closure revealed that dates may slip beyond the six-year statutory period for completion of BRAC actions. Furthermore, mission completion and closure dates beyond 2011 exceed the BRAC implementation period.

COMMISSION RECOMMENDATIONS

The Commission found that the Secretary of Defense deviated substantially from final selection criteria 1 and 4, as well as from the Force Structure Plan. Therefore, the Commission recommends the following:

On completion of the chemical demilitarization mission in accordance with Treaty obligations, close Umatilla Chemical Depot, OR.

The Commission found that this change and the recommendation as amended are consistent with the final selection criteria and the Force Structure Plan. The full text of this and all Commission recommendations can be found in Appendix Q.

LACKLAND AIR FORCE BASE, TX

RECOMMENDATION # 161 (IND 15)

ONE-TIME COST:	N/A
ANNUAL RECURRING COSTS/(SAVINGS):	N/A
20-YEAR NET PRESENT VALUE:	N/A
PAYBACK PERIOD:	N/A

SECRETARY OF DEFENSE RECOMMENDATION

Realign Lackland Air Force Base, TX, by relocating the depot maintenance of Computers, Crypto, Electronic Components (Non-Airborne), and Radio to Tobyhanna Army Depot, PA; and disestablishing all depot maintenance capabilities.

SECRETARY OF DEFENSE JUSTIFICATION

This recommendation supports depot maintenance function elimination at Lackland Air Force Base, TX and follows the strategy of minimizing sites using maximum capacity at 1.5 shifts. This recommendation eliminates over 36,200 square feet of depot maintenance production space with annual facility sustainment and recapitalization savings of \$0.1M. Required capacity to support workloads and Core requirements for the Department of Defense (DoD) is relocated to other DoD Centers of Industrial and Technical Excellence, thereby increasing the military value of depot maintenance performed at these sites. This recommendation decreases the cost of depot maintenance operations across DoD by consolidation and elimination of 30 percent of duplicate overhead structures required to operate multiple depot maintenance activities. Additionally, this recommendation supports transformation of the Department's depot maintenance operations by increasing the utilization of existing capacity by 150 percent while maintaining capability to support future force structure. Another benefit of this recommendation includes utilization of DoD capacity to facilitate performance of interservice workload.

COMMUNITY CONCERNS

The community argued the closure of Cryptologic Systems Group at Lackland Air Force Base would negate the efficiencies that resulted from the consolidation and co-location of complimentary intelligence functions. They claimed DoD evaluated the military value of individual functions within the Cryptologic Systems Group rather than conducting a combined value assessment of the missions of the group. The community also pointed out that collectively the three DoD proposals to split up the Cryptologic Systems Group are not cost effective, and several costs to relocate were either not considered or understated. Additionally, the community claimed the DoD mission analysis was flawed because the intelligence community was not sufficiently involved in the decision. For example, the National Security Agency has formally expressed concern about the realignment recommendation. Finally, the community believed the proposed split of the collective functions of the Cryptologic Systems Group at Lackland "has a very real potential to severely damage our national security."

COMMISSION FINDINGS

The Commission found that DoD did not evaluate the collective military value of the Cryptologic Systems Group, but rather evaluated individual elements of the group. Consequently, the collective military value of the Group was not appropriately assessed, creating concerns not only by the community, but also among a number of the national security customers of the Group's work products. The Commission found that DoD substantially deviated from the military value criteria by failing to account for the full scope and classified nature of the Cryptologic Systems Group work or the support it currently provides to a host of military and non-military government agencies. The Commission also found the cost estimates used in this recommendation did not represent fairly the costs associated with the breakup of the Cryptologic Systems Group at Lackland AFB. Additionally, the Commission found potential costs outweighed savings, with no payback of investment, and after taking into consideration recurring transportation costs and other adjustments, the DoD proposed annual recurring

savings of \$2.9 million would change to a recurring cost of \$5.7 million. The payback period changed from three years to “never” and the 20-year net present value savings of \$28 million became a \$53.1 million increased cost.

COMMISSION RECOMMENDATIONS

The Commission found that the Secretary of Defense deviated substantially from final selection criteria 1, 4 and 5, and the Force Structure Plan. Therefore, the Commission has rejected the recommendation of the Secretary. The Commission found this recommendation is consistent with the Force Structure Plan and final selection criteria.

LONE STAR ARMY AMMUNITION PLANT, TX

RECOMMENDATION # 162 (IND 16)

ONE-TIME COST:	\$29.0M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$17.3M)
20-YEAR NET PRESENT VALUE:	(\$164.2M)
PAYBACK PERIOD:	1 YEAR

SECRETARY OF DEFENSE RECOMMENDATION

Close Lone Star Army Ammunition Plant (AAP), TX. Relocate the Storage and Demilitarization functions to McAlester AAP, OK. Relocate the 105MM and 155MM ICM Artillery, MLRS Artillery, Hand Grenades, 60MM and 81MM Mortars functions to Milan AAP, TN. Relocate Mines and Detonators/Relays/Delays functions to Iowa AAP, IA. Relocate Demolition Charges functions to Crane Army Ammunition Activity (AAA), IN.

SECRETARY OF DEFENSE JUSTIFICATION

Capacity and capability for Artillery, Mortars, Missiles, Pyro/Demo, and Storage exists at numerous munitions sites. There are 8 sites producing Artillery, 5 producing Mortars, 9 producing Pyro-Demo, 15 performing storage, and 13 performing Demilitarization. To reduce redundancy and remove excess from the Industrial Base, the closure allows DoD to create centers of excellence, avoid single point failure, and generate efficiencies. Goal is to establish multi-functional sites performing Demilitarization, Production, Maintenance, and Storage. Lone Star primarily performs only one of the 4 functions.

COMMUNITY CONCERNS

The community noted that DoD gave the Lone Star Army Ammunition Plant (LSAAP) credit for only one of the functional areas making up a center of excellence and countered that the plant is a multifunctional site performing the full scope of functions—demilitarization, production, maintenance and, storage. The community asserted that DoD understated the number of personnel by 242, misreported current and maximum capacity as equal, and improperly excluded one-time relocation costs of \$14 million from savings calculations. In addition, the community noted that some production lines were not accounted for in the data call, and that no credit was given for the complexity of producing ammunition. LSAAP also performs open burn and open detonation demilitarization and has 1.23M square feet of storage. The community asserted that directing LSAAP work to other Army ammunition activities would be contrary to DoD’s strategy to increase competitive contracting for ammunition production. They suggested that, if LSAAP is closed, its work could migrate to non-US producers. The operating contractor noted potential issues with proprietary processes and recommended privatization in place for the LSAAP.

The Texarkana community proposed a public-private partnership as an alternative reuse of the installation and proposed the transfer of workload, equipment and, facilities to the private sector or local jurisdiction as appropriate since the private sector can accommodate the workload onsite.

COMMISSION FINDINGS

The Commission found no reason to disagree with the recommendation of the Secretary of Defense. The Commission examined the community's proposals regarding conveyance and decided to refer them to the Department for consideration during implementation of the recommendation. The Commission carefully considered the operating contractor's recommendation of privatization-in-place but rejected it due to the low utilization of the plant and the need to rationalize munitions production capacity in the US industrial base.

COMMISSION RECOMMENDATIONS

The Commission found the Secretary's recommendation consistent with the final selection criteria and the Force Structure Plan. Therefore, the Commission approves the recommendation of the Secretary.

DESERET CHEMICAL DEPOT, UT

RECOMMENDATION # 163 (IND 17)

ONE-TIME COST:	\$18.3M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$38.0M)
20-YEAR NET PRESENT VALUE:	(\$407.5M)
PAYBACK PERIOD:	IMMEDIATE

SECRETARY OF DEFENSE RECOMMENDATION

Close Deseret Chemical Depot, UT. Transfer the storage igloos and magazines to Tooele Army Depot, UT.

SECRETARY OF DEFENSE JUSTIFICATION

There is no additional chemical demilitarization workload slated to go to Deseret Chemical Depot. The projected date for completion of its existing workload is 2nd quarter of 2008. Because of the close proximity of Deseret Chemical Depot to Tooele Army Depot, the sophistication of the security system, the number and conditions of igloos and magazines, this recommendation increases the storage and distribution deployment network capability at Tooele Army Depot at a minimal cost.

COMMUNITY CONCERNS

There were no formal expressions from the community.

COMMISSION FINDINGS

The Commission found that the International Chemical Weapons Convention Treaty requires completion of the chemical demilitarization mission prior to closure of this depot. An examination of status information for this depot's mission completion and subsequent closure revealed that dates may slip beyond the six-year statutory period for completion of BRAC actions. Mission completion and closure dates beyond 2011 exceed the BRAC implementation period. The Commission notes that the community would like the opportunity to convert the chemical demilitarization plant into a conventional munitions demilitarization plant within the BRAC implementation timeframe.

COMMISSION RECOMMENDATIONS

The Commission found that the Secretary of Defense deviated substantially from final selection criteria 1 and 4, as well as from the Force Structure Plan. Therefore, the Commission recommends the following:

On completion of the chemical demilitarization mission in accordance with Treaty obligations and if, after completion of a comprehensive study to evaluate Deseret Chemical Depot, UT, as a site for conventional weapons demilitarization it is

shown that such a use is not feasible, close Deseret Chemical Depot, UT. Transfer the storage igloos and magazines to Tooele Army Depot, UT.

The Commission found that this change and the recommendation as amended are consistent with the final selection criteria and the Force Structure Plan. The full text of this and all Commission recommendations can be found in Appendix Q.

SHIP INTERMEDIATE MAINTENANCE ACTIVITY NORFOLK, VA

RECOMMENDATION # 164 (IND 18)

ONE-TIME COST:	\$10.6M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$8.2M)
20-YEAR NET PRESENT VALUE:	(\$104.3M)
PAYBACK PERIOD:	1 YEAR

SECRETARY OF DEFENSE RECOMMENDATION

Realign Ship Intermediate Maintenance Activity (SIMA) Norfolk, VA, by relocating intermediate ship maintenance function to Naval Shipyard Norfolk, VA.

SECRETARY OF DEFENSE JUSTIFICATION

This recommendation supports capacity reduction at the SIMA Norfolk, VA, and reduces excess ship repair capacity. This consolidation matches the ship maintenance infrastructure at the other major Fleet concentrations where depot and intermediate level activities are collocated. This consolidation will lead to synergy and efficiency in ship maintenance. This recommendation assumes that Norfolk Naval Shipyard becomes a Direct or Mission Funded activity.

COMMUNITY CONCERNS

There were no formal expressions from the community.

COMMISSION FINDINGS

The Commission found no reason to disagree with the recommendation of the Secretary of Defense.

COMMISSION RECOMMENDATIONS

The Commission found the Secretary's recommendation consistent with the final selection criteria and the Force Structure Plan. Therefore, the Commission approves the recommendation of the Secretary.

FLEET READINESS CENTERS

RECOMMENDATION # 165 (IND 19)

ONE-TIME COST:	\$33.5M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$248.4M)
20-YEAR NET PRESENT VALUE:	(\$3,715.0M)
PAYBACK PERIOD:	IMMEDIATE

SECRETARY OF DEFENSE RECOMMENDATION

Realign Naval Air Station Oceana, VA, by disestablishing the Aircraft Intermediate Maintenance Department Oceana, the Naval Air Depot Cherry Point Detachment, and the Naval Air Depot Jacksonville Detachment; establishing Fleet Readiness

Center Mid-Atlantic, Naval Air Station Oceana, VA; and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center Mid-Atlantic, Naval Air Station Oceana, VA.

Realign Naval Air Station Patuxent River, MD, by disestablishing the Aircraft Intermediate Maintenance Department at Naval Air Warfare Center Aircraft Division; establishing Fleet Readiness Center Mid-Atlantic Site Patuxent River, Naval Air Station Patuxent River, MD; and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center Mid-Atlantic Site Patuxent River, Naval Air Station Patuxent River, MD.

Realign Naval Air Station Norfolk, VA, by disestablishing the Aircraft Intermediate Maintenance Department Norfolk VA, the Naval Air Depot Jacksonville Detachment, and Naval Air Warfare Center Aircraft Division Lakehurst Detachment; establishing Fleet Readiness Center Mid-Atlantic Site Norfolk, Naval Air Station Norfolk, VA; and transferring all intermediate and depot maintenance workload and capacity to Fleet Readiness Center Mid-Atlantic Site Norfolk, Naval Air Station Norfolk, VA.

Realign Naval Air Station Joint Reserve Base New Orleans, LA, by disestablishing the Aircraft Intermediate Maintenance Department, establishing Fleet Readiness Center Mid-Atlantic Site New Orleans, Naval Air Station Joint Reserve Base New Orleans, LA; and transfer all intermediate maintenance workload and capacity to Fleet Readiness Center Mid-Atlantic Site New Orleans, Naval Air Station Joint Reserve Base New Orleans, LA.

Realign Marine Corps Air Station Cherry Point, NC, as follows: disestablish Naval Air Depot Cherry Point; establish Fleet Readiness Center East, Marine Corps Air Station Cherry Point, NC; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 39K DLHs), Aircraft Hydraulic Components (approximately 69K DLHs), Aircraft Landing Gear Components (approximately 8K DLHs), Aircraft Other Components (approximately 23K DLHs), and Aircraft Structural Components (approximately 126K DLHs) to Fleet Readiness Center Mid-Atlantic, Naval Air Station Oceana, VA; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 11K DLHs), Aircraft Hydraulic Components (approximately 19K DLHs), Aircraft Landing Gear Components (approximately 2K DLHs), Aircraft Structural Components (approximately 35K DLHs), and Aircraft Other Components (approximately 6K DLHs) to Fleet Readiness Center Mid-Atlantic Site Norfolk, Naval Air Station Norfolk, VA; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 6K DLHs), Aircraft Hydraulic Components (approximately 10K DLHs), Aircraft Landing Gear Components (approximately 1K DLHs), Aircraft Other Components (approximately 3K DLHs), and Aircraft Structural Components (approximately 18K DLHs) to Fleet Readiness Center Mid-Atlantic Site Patuxent River, Naval Air Station Patuxent River, MD; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 2K DLHs), Aircraft Hydraulic Components (approximately 3K DLHs), Aircraft Landing Gear Components (approximately 0.4K DLHs), Aircraft Other Components (approximately 1K DLHs), and Aircraft Structural Components (approximately 6K DLHs) to FRC Mid-Atlantic Site New Orleans, Naval Air Station JRB New Orleans, LA.; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 9K DLHs), Aircraft Hydraulic Components (approximately 16K DLHs), Aircraft Landing Gear Components (approximately 2K DLHs), Aircraft Other Components (approximately 6K DLHs) and Aircraft Structural Components (approximately 30K DLHs) to the Fleet Readiness Center East Site Beaufort, hereby established at Marine Corps Air Station Beaufort, SC; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 11K DLHs), Aircraft Hydraulic Components (approximately 20K DLHs), Aircraft Landing Gear Components (approximately 2K DLHs), Aircraft Other Components (approximately 6K DLHs), Aircraft Structural Components (approximately 36K DLHs), Aircraft Rotary (approximately 1K DLHs), Aircraft VSTOL (approximately 2K DLHs), Aircraft Cargo/Tanker (approximately 0.02K DLHs), Aircraft Other (approximately 18K DLHs), Aircraft Structural Components (approximately 0.001K DLHs), Calibration (approximately 0.15K DLHs) and "Other" Commodity (approximately 0.3K DLHs) to Fleet Readiness Center East Site New River, hereby established at Marine Corps Air Station New River, Camp Lejeune, NC; and transfer all remaining depot maintenance workload and capacity to Fleet Readiness Center East, Marine Corps Air Station Cherry Point, NC.

Realign Marine Corps Air Station Beaufort, SC, by disestablishing Naval Air Depot Jacksonville Detachment Beaufort and transferring all depot maintenance workload and capacity to Fleet Readiness Center East Site Beaufort, Marine Corps Air Station Beaufort, SC.

Realign Naval Air Station Jacksonville, FL, as follows: disestablish Naval Air Depot Jacksonville, Naval Air Depot Jacksonville Detachment Jacksonville, and Aircraft Intermediate Maintenance Department Jacksonville; establish Fleet Readiness Center Southeast, Naval Air Station, Jacksonville, FL; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 8K DLHs), Aircraft Hydraulic Components (approximately 6K DLHs), Aircraft Landing Gear Components (approximately 3K DLHs), Aircraft Other Components (approximately 27K DLHs), and Aircraft Structural Components (approximately 9K DLHs) to Fleet Readiness Center Southeast Site Mayport, hereby

established at Naval Air Station, Mayport, FL; transfer all remaining intermediate and depot maintenance workload and capacity to Fleet Readiness Center Southeast, Naval Air Station Jacksonville, FL.

Realign Naval Air Station Mayport, FL, by disestablishing Aircraft Intermediate Maintenance Department, Naval Air Depot Jacksonville Detachment Mayport, and Naval Air Warfare Center Aircraft Division Lakehurst Voyage Repair Team Detachment Mayport and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center Southeast Site Mayport, Naval Air Station Mayport, FL.

Realign Naval Air Station Lemoore, CA, by disestablishing Aircraft Intermediate Maintenance Department Lemoore and Naval Air Depot North Island Detachment; establishing Fleet Readiness Center West, Naval Air Station Lemoore, CA; and transferring all intermediate and depot maintenance workload and capacity to Fleet Readiness Center West, Naval Air Station Lemoore, CA.

Realign Naval Air Station Fallon, NV, by disestablishing the Aircraft Intermediate Maintenance Department Fallon and the Naval Air Depot North Island Detachment Fallon; establishing Fleet Readiness Center West Site Fallon, Naval Air Station Fallon, NV; and transferring all intermediate and depot maintenance workload and capacity to Fleet Readiness Center West Site Fallon, Naval Air Station Fallon, NV.

Realign Naval Air Warfare Center Weapons Division China Lake, CA, by disestablishing the Aircraft Intermediate Maintenance Department and relocating its maintenance workload and capacity for Aircraft (approximately 3K DLHs), Aircraft Components (approximately 45K DLHs), Fabrication & Manufacturing (approximately 6K DLHs) and Support Equipment (approximately 16K DLHs) to Fleet Readiness Center West, Naval Air Station Lemoore, CA.

Realign Naval Air Station Joint Reserve Base Fort Worth, TX, by disestablishing the Aircraft Intermediate Maintenance Department, establishing Fleet Readiness Center West Site Fort Worth, Naval Air Station Fort Worth, TX, and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center West Site Fort Worth, Naval Air Station Joint Reserve Base Fort Worth, TX.

Realign Naval Air Station Whidbey Island, WA, by disestablishing the Aircraft Intermediate Maintenance Department, establishing Fleet Readiness Center Northwest, Naval Air Station Whidbey Island, WA, and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center Northwest, Naval Air Station Whidbey Island, WA.

Realign Naval Support Activity Crane, IN, by relocating the depot maintenance workload and capacity for ALQ-99 Electronic Warfare to Fleet Readiness Center Northwest, Naval Air Station Whidbey Island, WA.

Realign Naval Air Station North Island, Naval Base Coronado, CA, as follows: disestablish Naval Air Depot North Island, COMSEACONWINGPAC (AIMD), and NADEP North Island Detachment North Island; establish Fleet Readiness Center Southwest, Naval Air Station North Island, Naval Base Coronado, CA; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 6K DLHs), Aircraft Hydraulic Components (approximately 2K DLHs), Aircraft Landing Gear Components (approximately 3K DLHs), Aircraft Other Components (approximately 13K DLHs), and Aircraft Structural Components (approximately 4K DLHs) from Naval Air Depot North Island to Fleet Readiness Center Southwest Site Point Mugu, hereby established at Naval Air Station Point Mugu, Naval Base Ventura, CA; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 26K DLHs), Aircraft Hydraulic Component (approximately 8K DLHs), Aircraft Landing Gear Components (approximately 13K DLHs), Aircraft Other Components (approximately 55K DLHs), Aircraft Structural Components (approximately 16K DLHs) from Naval Air Depot North Island to Fleet Readiness Center Southwest Site Miramar, hereby established at Marine Corps Air Station Miramar, CA; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 8K DLHs), Aircraft Hydraulic Components (approximately 2K DLHs), Aircraft Landing Gear Components (approximately 4K DLHs), Aircraft Other Components (approximately 17K DLHs), and Aircraft Structural Components (approximately 5K DLHs) from Naval Air Depot North Island to Fleet Readiness Center Southwest Site Pendleton, hereby established at Marine Corps Air Station Camp Pendleton, CA; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 6K DLHs), Aircraft Hydraulic Components (approximately 2K DLHs), Aircraft Landing Gear Components (approximately 3K DLHs), Aircraft Other Components (approximately 12K DLHs), Aircraft Structural Components (approximately 3K DLHs) from Naval Air Depot North Island to Fleet Readiness Southwest Site Yuma, hereby established at Marine Corps Air Station Yuma, AZ; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 6K DLHs), Aircraft Hydraulic Components (approximately 2 K DLHs), Aircraft Landing Gear Components (approximately 3K DLHs), Aircraft Other Components (approximately 12K DLHs), and Aircraft Structural Components (approximately 3K DLHs) from Naval Air Depot North Island to Fleet Readiness Center West Site Fort Worth, Fort Worth TX; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 25K DLHs), Aircraft

Hydraulic Components (approximately 8K DLHs), Aircraft Landing Gear Components (approximately 13K DLHs), Aircraft Other Components (approximately 53K DLHs), and Aircraft Structural Components (approximately 15K DLHs), from Naval Air Depot North Island to Fleet Readiness Center Northwest, Naval Air Station Whidbey Island, WA; and transfer all remaining intermediate and depot maintenance workload and capacity to Fleet Readiness Center Southwest, Naval Air Station North Island, Naval Base Coronado, CA.

Realign Naval Air Station Point Mugu, Naval Base Ventura, CA, by disestablishing the Aircraft Intermediate Maintenance Department and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center Southwest Site Point Mugu, Naval Base Ventura, CA.

Realign Marine Corps Air Station Miramar, CA, by transferring depot maintenance workload and capacity for Aircraft Other (approximately 28K DLHs) and Aircraft Fighter/Attack (approximately 39K DLHs) and intermediate maintenance workload and capacity for Aircraft Components, Aircraft Engines, Fabrication & Manufacturing and Support Equipment from Marine Aviation Logistics Squadrons (MALS) 11 and 16 to Fleet Readiness Center Southwest Site Miramar, Marine Corps Air Station Miramar, CA.

Realign Marine Corps Air Station Camp Pendleton, CA, by transferring depot maintenance workload and capacity for Aircraft Other (approximately 22K DLHs) and Aircraft Rotary (approximately 102K DLHs) and intermediate maintenance workload and capacity for Aircraft Components, Aircraft Engines, Fabrication & Manufacturing and Support Equipment from MALS-39 to Fleet Readiness Center Southwest Site Camp Pendleton, Marine Corps Air Station Camp Pendleton, CA.

Realign Marine Corps Air Station Yuma, AZ, by transferring depot maintenance workload and capacity for Aircraft Fighter/Attack, Aircraft Other and Aircraft Rotary and intermediate maintenance workload and capacity for Aircraft Components, Aircraft Engines, Communication/Electronics Equipment, Ordnance Weapons & Missiles, Software and Support Equipment from MALS-13 to Fleet Readiness Center Southwest Site Yuma, Marine Corps Air Station Yuma, AZ.

SECRETARY OF DEFENSE JUSTIFICATION

This recommendation realigns and merges depot and intermediate maintenance activities. It creates 6 Fleet Readiness Centers (FRCs), with 13 affiliated FRC Sites at satellite locations. FRC Mid-Atlantic will be located on NAS Oceana, VA, with affiliated FRC Sites at NAS Patuxent River, MD, NAS Norfolk, VA, and JRB New Orleans, LA. FRC East is located at Cherry Point, NC, with affiliated FRC Sites at MCAS Beaufort, SC, and MCAS New River, NC. The existing intermediate level activity associated with HMX-1 at MCB Quantico, VA, will also be affiliated with FRC East. FRC Southeast will be located on NAS Jacksonville, FL, and will have an affiliated FRC Site at NAS Mayport, FL. FRC West will be located on NAS Lemoore, CA, and will have FRC affiliated sites at NAS JRB Fort Worth, TX, and NAS Fallon, NV. FRC Southwest will be located on Naval Station Coronado, CA, and will have affiliated sites at MCAS Miramar, CA, MCAS Pendleton, CA, MCAS Yuma, AZ, and NAS Point Mugu, CA. FRC Northwest will be located on NAS Whidbey, WA, with no affiliated FRC Sites.

This recommendation supports both DoD and Navy transformation goals by reducing the number of maintenance levels and streamlining the way maintenance is accomplished with associated significant cost reductions. It supports the Naval Aviation Enterprise's (NAE's) goal of transforming to fewer maintenance levels, i.e., from 3 to 2 levels; and it supports the NAE's strategy of positioning maintenance activities closer to fleet concentrations when doing so will result in enhanced effectiveness and efficiency, greater agility, and allows Naval Aviation to achieve the right readiness at the least cost. This transformation to FRCs produces significant reductions in the total cost of maintenance, repair and overhaul plus the associated Supply system PHS&T (Packaging, Handling, Storage and Transportation) as well as repairables inventory stocking levels as a result of reduced total repair turn-around times, reduced transportation, lower spares inventories, less manpower, and more highly utilized infrastructure. It requires integration and collaboration between Depot-level Civil Service personnel and Military Intermediate-level Sailors and Marines. At those FRCs involving Marine Corps MALS (Marine Aviation Logistics Squadrons), because the MALS remain deployable commands, they will affiliate with their FRC organizations, but will remain operationally distinct and severable in all respects. The FRC D-level functions within the MALS fall under the Commanding Officer of each MALS. The FRC Commander is the provider of embedded depot personnel, as well as D-level technical and logistics support within the MALS. For all FRCs, there is a combined annual facility sustainment savings of \$1.1M; elimination of a total of 529,000 square feet of depot/intermediate maintenance production space and military construction cost avoidances of \$0.2M. This recommendation also includes a military construction cost of \$85.7M.

In addition to the actions described in this recommendation, there are four additional actions involved in the comprehensive merger of depot and intermediate maintenance: Naval Air Station Joint Reserve Base Willow Grove, PA, Naval Air Station Corpus Christi, TX, Naval Air Station Brunswick, ME, and Naval Air Station Atlanta, GA. The actions at these installations are described in separate installation closure recommendations in the Department of the Navy section of the BRAC Report.

COMMUNITY CONCERNS

The majority of the communities affected by this recommendation had no formal expressions of concern. A number of community leaders expressed general support for the bases within their community and their support for Navy and Marine Corps missions. Specific comments from community leaders representing the Lakehurst Naval Air Engineering Station suggested that the maintenance of unique Aircraft Launch and Recovery Equipment, and Aviation Support Equipment at Lakehurst should be considered and included with the proposed reorganization of the depot and intermediate maintenance activities into Fleet Readiness Centers.

The community from Naval Support Activity, Crane, Indiana questioned the proposed movement of the ALQ-99 airborne Electronic Warfare Center (EWC) because it fractures a truly joint EWC that supports all services, and moves one system's depot operation from Crane's total depot capability and destroys the synergy of operations at Crane to a single platform within a single service at Whidbey Island. The community was also critical of the proposal because they claimed it was neither cost effective nor logical given that the system being moved will be out of the inventory in 10 - 12 years.

COMMISSION FINDINGS

The Commission found no reason to disagree with the vast majority of this recommendation of the Secretary of Defense. The Commission found that pre-BRAC reorganizations considered the unique maintenance at Lakehurst and planned to address reorganization of Lakehurst during the implementation of this recommendation.

The Commission's assessment of the proposed realignment of Naval Support Activity Crane, IN, portion of this very complex DoD recommendation would require substantial construction at Whidbey Island for a system to support EA-6B aircraft to be phased out of the inventory in 10 to 15 years regardless of BRAC. Additionally, the proposed realignment is not cost effective, with implementation costs of \$143.6 million and a 20-year Net Present Value cost of \$163.9 million. As a result, the Commission amended the recommendation by deleting this portion.

The Commission found construction costs and savings projections were overstated. The Commission found that savings should not be attributed to elimination of unencumbered positions unlikely to be filled. Costs and savings for the final, amended recommendation approved by the Commission have been adjusted to reflect newly estimated military construction costs, the elimination of the Crane realignment to Whidbey Island, and savings that were incorrectly attributed to the elimination of positions already empty as a result of previous efficiency measures. The Commission found that the approved recommendation still enhances military value and generates substantial cost savings.

COMMISSION RECOMMENDATIONS

The Commission found that the Secretary of Defense deviated substantially from final selection criteria 1, 3, 4 and 5, as well as from the Force Structure Plan. Therefore, the Commission recommends the following:

Realign Naval Air Station Oceana, VA, by disestablishing the Aircraft Intermediate Maintenance Department Oceana, the Naval Air Depot Cherry Point Detachment, and the Naval Air Depot Jacksonville Detachment; establishing Fleet Readiness Center Mid-Atlantic, Naval Air Station Oceana, VA; and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center Mid-Atlantic, Naval Air Station Oceana, VA.

Realign Naval Air Station Patuxent River, MD, by disestablishing the Aircraft Intermediate Maintenance Department at Naval Air Warfare Center Aircraft Division; establishing Fleet Readiness Center Mid-Atlantic Site Patuxent River, Naval Air Station Patuxent River, MD; and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center Mid-Atlantic Site Patuxent River, Naval Air Station Patuxent River, MD.

Realign Naval Air Station Norfolk, VA, by disestablishing the Aircraft Intermediate Maintenance Department Norfolk VA, the Naval Air Depot Jacksonville Detachment, and Naval Air Warfare Center Aircraft Division Lakehurst Detachment; establishing Fleet Readiness Center Mid-Atlantic Site Norfolk, Naval Air Station Norfolk, VA; and transferring all

intermediate and depot maintenance workload and capacity to Fleet Readiness Center Mid-Atlantic Site Norfolk, Naval Air Station Norfolk, VA.

Realign Naval Air Station Joint Reserve Base New Orleans, LA, by disestablishing the Aircraft Intermediate Maintenance Department, establishing Fleet Readiness Center Mid-Atlantic Site New Orleans, Naval Air Station Joint Reserve Base New Orleans, LA; and transfer all intermediate maintenance workload and capacity to Fleet Readiness Center Mid-Atlantic Site New Orleans, Naval Air Station Joint Reserve Base New Orleans, LA.

Realign Marine Corps Air Station Cherry Point, NC, as follows: disestablish Naval Air Depot Cherry Point; establish Fleet Readiness Center East, Marine Corps Air Station Cherry Point, NC; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 39K DLHs), Aircraft Hydraulic Components (approximately 69K DLHs), Aircraft Landing Gear Components (approximately 8K DLHs), Aircraft Other Components (approximately 23K DLHs), and Aircraft Structural Components (approximately 126K DLHs) to Fleet Readiness Center Mid-Atlantic, Naval Air Station Oceana, VA; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 11K DLHs), Aircraft Hydraulic Components (approximately 19K DLHs), Aircraft Landing Gear Components (approximately 2K DLHs), Aircraft Structural Components (approximately 35K DLHs), and Aircraft Other Components (approximately 6K DLHs) to Fleet Readiness Center Mid-Atlantic Site Norfolk, Naval Air Station Norfolk, VA; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 6K DLHs), Aircraft Hydraulic Components (approximately 10K DLHs), Aircraft Landing Gear Components (approximately 1K DLHs), Aircraft Other Components (approximately 3K DLHs), and Aircraft Structural Components (approximately 18K DLHs) to Fleet Readiness Center Mid-Atlantic Site Patuxent River, Naval Air Station Patuxent River, MD; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 2K DLHs), Aircraft Hydraulic Components (approximately 3K DLHs), Aircraft Landing Gear Components (approximately 0.4K DLHs), Aircraft Other Components (approximately 1K DLHs), and Aircraft Structural Components (approximately 6K DLHs) to FRC Mid-Atlantic Site New Orleans, Naval Air Station JRB New Orleans, LA.; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 9K DLHs), Aircraft Hydraulic Components (approximately 16K DLHs), Aircraft Landing Gear Components (approximately 2K DLHs), Aircraft Other Components (approximately 6K DLHs) and Aircraft Structural Components (approximately 30K DLHs) to the Fleet Readiness Center East Site Beaufort, hereby established at Marine Corps Air Station Beaufort, SC; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 11K DLHs), Aircraft Hydraulic Components (approximately 20K DLHs), Aircraft Landing Gear Components (approximately 2K DLHs), Aircraft Other Components (approximately 6K DLHs), Aircraft Structural Components (approximately 36K DLHs), Aircraft Rotary (approximately 1K DLHs), Aircraft VSTOL (approximately 2K DLHs), Aircraft Cargo/Tanker (approximately 0.02K DLHs), Aircraft Other (approximately 18K DLHs), Aircraft Structural Components (approximately 0.001K DLHs), Calibration (approximately 0.15K DLHs) and "Other" Commodity (approximately 0.3K DLHs) to Fleet Readiness Center East Site New River, hereby established at Marine Corps Air Station New River, Camp Lejeune, NC; and transfer all remaining depot maintenance workload and capacity to Fleet Readiness Center East, Marine Corps Air Station Cherry Point, NC.

Realign Marine Corps Air Station Beaufort, SC, by disestablishing Naval Air Depot Jacksonville Detachment Beaufort and transferring all depot maintenance workload and capacity to Fleet Readiness Center East Site Beaufort, Marine Corps Air Station Beaufort, SC.

Realign Naval Air Station Jacksonville, FL, as follows: disestablish Naval Air Depot Jacksonville, Naval Air Depot Jacksonville Detachment Jacksonville, and Aircraft Intermediate Maintenance Department Jacksonville; establish Fleet Readiness Center Southeast, Naval Air Station, Jacksonville, FL; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 8K DLHs), Aircraft Hydraulic Components (approximately 6K DLHs), Aircraft Landing Gear Components (approximately 3K DLHs), Aircraft Other Components (approximately 27K DLHs), and Aircraft Structural Components (approximately 9K DLHs) to Fleet Readiness Center Southeast Site Mayport, hereby established at Naval Air Station, Mayport, FL; transfer all remaining intermediate and depot maintenance workload and capacity to Fleet Readiness Center Southeast, Naval Air Station Jacksonville, FL.

Realign Naval Air Station Mayport, FL, by disestablishing Aircraft Intermediate Maintenance Department, Naval Air Depot Jacksonville Detachment Mayport, and Naval Air Warfare Center Aircraft Division Lakehurst Voyage Repair Team Detachment Mayport and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center Southeast Site Mayport, Naval Air Station Mayport, FL.

Realign Naval Air Station Lemoore, CA, by disestablishing Aircraft Intermediate Maintenance Department Lemoore and Naval Air Depot North Island Detachment; establishing Fleet Readiness Center West, Naval Air Station Lemoore, CA; and

transferring all intermediate and depot maintenance workload and capacity to Fleet Readiness Center West, Naval Air Station Lemoore, CA.

Realign Naval Air Station Fallon, NV, by disestablishing the Aircraft Intermediate Maintenance Department Fallon and the Naval Air Depot North Island Detachment Fallon; establishing Fleet Readiness Center West Site Fallon, Naval Air Station Fallon, NV; and transferring all intermediate and depot maintenance workload and capacity to Fleet Readiness Center West Site Fallon, Naval Air Station Fallon, NV.

Realign Naval Air Warfare Center Weapons Division China Lake, CA, by disestablishing the Aircraft Intermediate Maintenance Department and relocating its maintenance workload and capacity for Aircraft (approximately 3K DLHs), Aircraft Components (approximately 45K DLHs), Fabrication & Manufacturing (approximately 6K DLHs) and Support Equipment (approximately 16K DLHs) to Fleet Readiness Center West, Naval Air Station Lemoore, CA.

Realign Naval Air Station Joint Reserve Base Fort Worth, TX, by disestablishing the Aircraft Intermediate Maintenance Department, establishing Fleet Readiness Center West Site Fort Worth, Naval Air Station Fort Worth, TX, and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center West Site Fort Worth, Naval Air Station Joint Reserve Base Fort Worth, TX.

Realign Naval Air Station Whidbey Island, WA, by disestablishing the Aircraft Intermediate Maintenance Department, establishing Fleet Readiness Center Northwest, Naval Air Station Whidbey Island, WA, and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center Northwest, Naval Air Station Whidbey Island, WA.

Realign Naval Air Station North Island, Naval Base Coronado, CA, as follows: disestablish Naval Air Depot North Island, COMSEACONWINGPAC (AIMD), and NADEP North Island Detachment North Island; establish Fleet Readiness Center Southwest, Naval Air Station North Island, Naval Base Coronado, CA; relocate depot maintenance workload and capacity for aircraft Avionics/Electronics Components (approximately 6K DLHs), Aircraft Hydraulic Components (approximately 2K DLHs), Aircraft Landing Gear Components (approximately 3K DLHs), aircraft Other Components (approximately 13K DLHs), and Aircraft Structural Components (approximately 4K DLHs) from Naval Air Depot North Island to Fleet Readiness Center Southwest Site Point Mugu, hereby established at Naval Air Station Point Mugu, Naval Base Ventura, CA; relocate depot maintenance workload and capacity for Aircraft avionics/Electronics Components (approximately 26K DLHs), Aircraft Hydraulic Component (approximately 8K DLHs), Aircraft Landing Gear Components (approximately 13K DLHs), Aircraft Other Components (approximately 55K DLHs), Aircraft Structural Components (approximately 16K DLHs) from Naval Air Depot North Island to Fleet Readiness Center Southwest Site Miramar, hereby established at Marine Corps Air Station Miramar, CA; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 8K DLHs), Aircraft Hydraulic Components (approximately 2K DLHs), Aircraft Landing Gear Components (approximately 4K DLHs), Aircraft Other Components (approximately 17K DLHs), and Aircraft Structural Components (approximately 5K DLHs) from Naval Air Depot North Island to Fleet Readiness Center Southwest Site Pendleton, hereby established at Marine Corps Air Station Camp Pendleton, CA; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 6K DLHs), Aircraft Hydraulic Components (approximately 2K DLHs), Aircraft Landing Gear Components (approximately 3K DLHs), Aircraft Other Components (approximately 12K DLHs), Aircraft Structural Components (approximately 3K DLHs) from Naval Air Depot North Island to Fleet Readiness Southwest Site Yuma, hereby established at Marine Corps Air Station Yuma, AZ; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 6K DLHs), Aircraft Hydraulic Components (approximately 2K DLHs), Aircraft Landing Gear Components (approximately 3K DLHs), Aircraft Other Components (approximately 12K DLHs), and Aircraft Structural Components (approximately 3K DLHs) from Naval Air Depot North Island to Fleet Readiness Center West Site Fort Worth, Fort Worth, TX; relocate depot maintenance workload and capacity for Aircraft Avionics/Electronics Components (approximately 25K DLHs), Aircraft Hydraulic Components (approximately 8K DLHs), Aircraft Landing Gear Components (approximately 13K DLHs), Aircraft Other Components (approximately 53K DLHs), and Aircraft Structural Components (approximately 15K DLHs), from Naval Air Depot North Island to Fleet Readiness Center Northwest, Naval Air Station Whidbey Island, WA; and transfer all remaining intermediate and depot maintenance workload and capacity to Fleet Readiness Center Southwest, Naval Air Station North Island, Naval Base Coronado, CA.

Realign Naval Air Station Point Mugu, Naval Base Ventura, CA, by disestablishing the Aircraft Intermediate Maintenance Department and transferring all intermediate maintenance workload and capacity to Fleet Readiness Center Southwest Site Point Mugu, Naval Base Ventura, CA.

Realign Marine Corps Air Station Miramar, CA, by transferring depot maintenance workload and capacity for Aircraft Other (approximately 28K DLHs) and Aircraft Fighter/Attack (approximately 39K DLHs) and intermediate maintenance workload and capacity for Aircraft Components, Aircraft Engines, Fabrication & Manufacturing and Support Equipment

from Marine Aviation Logistics Squadrons (MALS) 11 and 16 to Fleet Readiness Center Southwest Site Miramar, Marine Corps Air Station Miramar, CA.

Realign Marine Corps Air Station Camp Pendleton, CA, by transferring depot maintenance workload and capacity for Aircraft Other (approximately 22K DLHs) and Aircraft Rotary (approximately 102K DLHs) and intermediate maintenance workload and capacity for Aircraft Components, Aircraft Engines, Fabrication & Manufacturing and Support Equipment from MALS-39 to Fleet Readiness Center Southwest Site Camp Pendleton, Marine Corps Air Station Camp Pendleton, CA.

Realign Marine Corps Air Station Yuma, AZ, by transferring depot maintenance workload and capacity for Aircraft Fighter/Attack, Aircraft Other and Aircraft Rotary and intermediate maintenance workload and capacity for Aircraft Components, Aircraft Engines, Communication/Electronics Equipment, Ordnance Weapons & Missiles, Software and Support Equipment from MALS-13 to Fleet Readiness Center Southwest Site Yuma, Marine Corps Air Station Yuma, AZ.

The Commission found that this change and the recommendation as amended are consistent with the final selection criteria and the Force Structure Plan. The full text of this and all Commission recommendations can be found in Appendix Q.

NAVAL SHIPYARD DETACHMENTS

RECOMMENDATION # 166 (IND 26)

ONE-TIME COST:	\$12.5M
ANNUAL RECURRING COSTS/(SAVINGS):	(\$2.3M)
20-YEAR NET PRESENT VALUE:	(\$20.7M)
PAYBACK PERIOD:	4 YEARS

SECRETARY OF DEFENSE RECOMMENDATION

Realign Puget Sound Naval Shipyard Detachment Boston, MA, by relocating the ship repair function to Puget Sound Naval Shipyard, WA.

Realign Naval Station Annapolis, MD, by relocating the Norfolk Naval Shipyard Detachment, Naval Sea Systems Command Plant Equipment Support Office ship repair function to Norfolk Naval Shipyard, VA.

Realign the Navy Philadelphia Business Center, PA, by relocating the Norfolk Naval Shipyard Detachment, Naval Sea Systems Command Shipbuilding Support Office ship repair function to Norfolk Naval Shipyard, VA.

SECRETARY OF DEFENSE JUSTIFICATION

This recommendation supports mission elimination at Puget Sound Naval Shipyard Detachment Boston, MA, Norfolk Naval Shipyard Detachment, Naval Sea Systems Command Plant Equipment Support Office, Annapolis, MD, and Norfolk Naval Shipyard Detachment, Naval Sea Systems Command Shipbuilding Support Office, Philadelphia, PA, and reduces excess ship repair capacity. This relocation will create synergy among like functions at Puget Sound Naval Shipyard and Norfolk Naval Shipyard. Although this expected synergy is not captured in the payback calculations, experience has shown that it will produce additional long-term savings.

COMMUNITY CONCERNS

Community representatives and employees of the Puget Sound Naval Shipyard (PSNSY) Detachment Boston noted the detachment performs engineering and planning and is not a shipyard or repair facility. Inapplicable ship repair and overhaul facility metrics improperly reduced the detachment's military value score. DoD also improperly projects savings due to elimination of building lease payments. The detachment makes no lease payments and its housing costs are already included in the Detachment's Base Operating Support account, hence the recommendation's projected savings are improperly inflated by double-counted savings for the cost of space.

The NAVSHIPSO union and Congressional representatives believe the proposed realignment would result in the loss of intellectual capital, since most NAVSHIPSO personnel would not relocate to Norfolk. The community recommended

moving the facility to Government-owned spaces at the Naval Foundry & Propeller Center, Philadelphia, rather than Norfolk. It was noted the recommendation would move the facility back onto a shipyard, even though BRAC 1993 moved them out of one.

COMMISSION FINDINGS

The Commission found no reason to disagree with the recommendation of the Secretary of Defense. The issues raised by the community were more properly categorized as implementation issues that could be managed during the six-year implementation period, and did not individually or collectively rise to the level of a substantial deviation.

COMMISSION RECOMMENDATIONS

The Commission found the Secretary's recommendation consistent with the final selection criteria and the Force Structure Plan. Therefore, the Commission approves the recommendation of the Secretary.