

**BRAC 2005 Infrastructure Executive Council (IEC)
Meeting Minutes of May 4, 2005**

The Deputy Secretary of Defense chaired this meeting. The list of attendees is attached.

Mr. Michael Wynne, Under Secretary of Defense (AT&L), opened the meeting by reviewing the meeting's agenda, including a discussion of outstanding issues, the consequences of the Council's decisions on May 2, and a final arraying of BRAC costs and savings.

Mr. Wynne proceeded to brief in detail the Outstanding Issues:

Realign NAS Brunswick (DoN-0138R) – Changed from a closure to a realignment to retain an active presence in New England for homeland defense and surge capability. Approved.

Realign Depot Maintenance functions at MCLB Barstow (DON 165R) – Approved.

Close Grand Forks AFB (USAF-0117v2) – To address a strategic presence issue discussed at the IEC, the Air Force presented to the IEC a modified recommendation using supplemental slides (attached). The proposal would change the status of the Grand Forks recommendation from a closure to a realignment to address strategic presence issues. The installation would eventually host an association with the Air National Guard unit at Fargo ND in an emerging mission. Grand Forks rather than Ellsworth was selected as the base to retain to address the strategic presence issue because Ellsworth did not have better reserve component association possibilities. The IEC agreed to change this recommendation from a closure to a realignment.

Close Ellsworth AFB (USAF-0018v3) – Approved. The IEC discussed the impact on the local community in Rapid City, SD.

Close Cannon AFB (USAF-0014v3) – Approved. The IEC discussed the impact on the local community in Clovis, NM.

Defense Research Service Led Laboratories (Realign Rome Laboratory (TECH-0009Rv2) – Changed from a closure to a realignment to address strategic presence and cost concerns. Approved.

Following these decisions, IEC members reviewed the consequences of their deliberations at the May 2 IEC meeting:

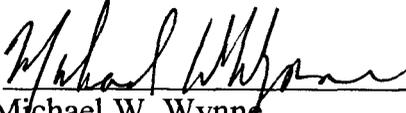
Decision – Retain Air Force Institute of Technology (AFIT) at Wright-Patterson (MED 0057R) – Brooks City Base scenario revised to make Wright Patterson [build new facility] the receiving site for Research, D&A and E&T activities vice AFIT at Wright Patterson.

Decision – Retain Uniformed Services University Health Sciences (USUHS) at Bethesda (H&SA 0115)- find alternative receiving sites for Military Departments and DoD medical activities that were going to USUHS; IEC decided to drop H&SA 115 and leave these activities in their existing spaces because of cost and long payback issues.

Mr. Wynne then briefed a summary of the cost and savings of the current candidate recommendations (slide 19) and provided a financial overview of the net worth of the candidate recommendations that were eliminated from this BRAC round (slide 20).

The Navy indicated that they wanted to retain the recommendation to move the Naval Supply Corps School from Athens to Naval Station, Newport and the IEC agreed. While an education related recommendation, this recommendation was different in character than those that the IEC decided to eliminate last week because it was a simple relocation, not a reliance on the private sector.

The Deputy Secretary mentioned that the National Geospatial Activity (NGA) had provided him with a classified paper asking for reconsideration of the IEC's previous decision to move six NGA sites. The members agreed that nothing in that paper caused them to change their previous decision.

Approved: 
Michael W. Wynne
Executive Secretary
Infrastructure Executive Council

Attachments:

1. List of Attendees
2. Briefing slides entitled “Base Realignment and Closure 2005, Infrastructure Executive Council” dated May 4, 2005
3. USAF briefing slides entitled “Strategic Presence in North-Central US” dated May 4, 2005.

**Infrastructure Executive Council Meeting
May 4, 2005**

Attendees

Members:

- Hon Francis J. Harvey, Secretary of the Army
- Gen Richard B. Myers, Joint Chiefs of Staff
- Gen John P. Jumper, Chief of Staff of the Air Force
- Hon Gordon R. England, Secretary of the Navy
- Mr. Michael W. Wynne, Under Secretary of Defense (AT&L)
- Mr. Michael L. Dominguez, Acting Secretary of the Air Force

Alternates:

- GEN Richard A. Cody, Vice Chief of Staff of the Army for GEN Peter J. Schoomaker, Chief of Staff of the Army
- ADM Robert F. Willard, Vice Chief of Naval Operations for ADM Vern Clark, Chief of Naval Operations
- Gen William Nyland, Assistant Commandant of the Marine Corps for Gen Michael Hagee, Commandant of the Marine Corps

Others:

- Hon William Haynes, DoD General Counsel
- Mr. Raymond DuBois, Director, Administration & Management
- Mr. Philip Grone, Deputy Under Secretary of Defense (Installations & Environment)
- Mr. Pete Potochney, Director, OSD BRAC
- Mrs. Nicole D. Bayert, Associate General Counsel, Environment and Installations
- Mr. Dick McGraw, Special Assistant to the Secretary of the Defense



BRAC 2005

Briefing to the
Infrastructure Executive Council

May 4, 2005



Purpose

- Outstanding Issues
- Consequences of 2 May decisions
- Cost and Savings
- Next Steps



Outstanding Issues

- NAS Brunswick, ME - DoN-0138R
- MCLB Barstow, CA – DoN-0165R
- Grand Forks AFB, ND – USAF-0117
- Ellsworth AFB, SD – USAF-0018
- Cannon AFB, NM – USAF-0114
- Rome Laboratory, NY – TECH-0009R



Candidate Recommendation: Close NAS Brunswick, ME. Relocate all squadrons, their aircraft and necessary personnel, equipment and support to NAS Jacksonville, FL. Relocate NMCB 27 to Westover ARB. Relocate Company "A" 1/25 Marines to Bath, ME. Relocate FASOTRAGRULANT Detachment to MCAS Cherry Point, NC. Consolidate NAR Brunswick, ME, with NRC Bangor, ME. Consolidate Aviation Intermediate Level Maintenance with Fleet Readiness Center Southeast Jacksonville, FL.

Justification

- ✓ Reduces Excess Capacity
- ✓ Saves \$\$ by closing entire installation
- ✓ Single sites east coast Maritime Patrol assets.
- ✓ Maintains Reserve demographics
- ✓ Realigns and merges depot and intermediate maintenance activities

Military Value

- ✓ Increases average military value from 55.73 to 55.95
- ✓ Ranked 18 of 23 Active Bases in the Aviation Operations function.

Payback

- ✓ One Time Cost: \$192.88M
- ✓ Net Implementation Costs: \$73.37M
- ✓ Annual Recurring Savings: \$92.71M
- ✓ Payback: 1 Year
- ✓ NPV Savings: \$840.65M

Impacts

- ✓ Criterion 6: -6,012 jobs; 1.81% job loss
- ✓ Criterion 7: No substantial impact
- ✓ Criterion 8: No substantial impact



Candidate Recommendation: Realign NAS Brunswick, ME. Relocate all squadrons, their aircraft and necessary personnel, equipment and support to NAS Jacksonville, FL. Consolidate Aviation Intermediate Level Maintenance with Fleet Readiness Center Southeast Jacksonville, FL.

Justification

- ✓ Saves \$\$ by shutting down facilities
- ✓ Single sites east coast Maritime Patrol assets.
- ✓ Maintains Reserve demographics
- ✓ Realigns and merges depot and intermediate maintenance activities

Military Value

- ✓ Ranked 18 of 23 Active Bases in the Aviation Operations function.

Payback

- ✓ One Time Cost: \$147.16M
- ✓ Net Implementation Costs: \$112.62M
- ✓ Annual Recurring Savings: \$34.87M
- ✓ Payback: 4 Years
- ✓ NPV Savings: \$238.77M

Impacts

- ✓ Criterion 6: -4,266 jobs; 1.29% job loss
- ✓ Criterion 7: No substantial impact
- ✓ Criterion 8: No substantial impact

Pending Final Data



Recommendation (Summary):

Closes MCLB Barstow. Relocate depot maintenance functions to NAS Jacksonville, Anniston Army Depot, MCLB Albany, Tobyhanna Army Depot, Letterkenny Army Depot, and Hill AFB. Realign Fleet Support Division function to MCLB Albany. Move DRMO function to NAS North Island. Establish railhead enclave at Yermo Annex, MCLB Barstow. Disestablish Defense Distribution Depot and move functions and inventories to San Joaquin CA. Disestablish supply, storage and distribution of tires, packaged POL, and lubricants.

Justification

- Reduces Depot Maintenance Sites and Excess Capacity using 1.5 shifts.
- Facilitates interservicing of Depot maintenance
- Save \$ by closing base.

Military Value

- Military value for the mission assets were evaluated in previously approved IND-0127A and S&S-0051.

Payback

- One-time cost: \$316.64M
- Net implementation savings: \$248.28M
- Annual recurring savings: \$141.9M
- Payback period: 2010 (1 year)
- 20 Yr. NPV (savings): \$1.6 B

Impacts

- Criteria 6: -3,219 (1,635 direct, 1,584 indirect) Jobs; 0.22% job loss
- Criteria 7: No substantial impact
- Criteria 8: No substantial impact.



Recommendation (Summary): Retain multi-commodity west coast depot maintenance site for 7 commodities, increase capacity for amphibious vehicle commodity, realign remainder in accordance with IND-0127A. Realign Defense Distribution Depot to a Forward Distribution Point (S&S-0048), close clinics, and realign Fleet Support Division, Maintenance Center Barstow, and MCLB Barstow operations to increase efficiencies and reduce infrastructure.

<p style="text-align: center;"><u>Justification</u></p> <ul style="list-style-type: none"> • Retains Multi-Commodity West Coast Maintenance Depot. • Facilitates interservicing of Depot maintenance • Save \$ by reducing excess capacity and increasing efficiencies. 	<p style="text-align: center;"><u>Military Value</u></p> <ul style="list-style-type: none"> • Military value for the mission assets were evaluated in previously approved IND-0127A and S&S-0048.
<p style="text-align: center;"><u>Payback</u></p> <ul style="list-style-type: none"> • One-time cost: \$ 30.1 M • Net implementation savings: \$ 115.9 M • Annual recurring savings: \$ 29.7 M • Payback period: Immediate • 20 Yr. NPV (savings): \$ 396.3 M 	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> • Criteria 6:(497direct, 457 indirect) Jobs; 0.06% job loss • Criteria 7: No substantial impact • Criteria 8: TBD <p style="text-align: right; color: red;">Pending Final Data</p>



Candidate #USAF-0117V2 / S420c3

Close Grand Forks AFB, Grand Forks, ND

Candidate Recommendation: Close Grand Forks AFB. The 319th Air Refueling Wing's KC-135R aircraft will be distributed to the 126th Air Refueling Wing (ANG), Scott AFB, IL (12 PAA), the 126th will retire its KC-135Es (8 PAA); the 916th Air Refueling Wing (AFRC), Seymour-Johnson AFB, NC (8 PAA) will host an active duty associate unit; the 6th Air Mobility Wing, MacDill AFB, FL (4 PAA) will associate with AFRC using 927th ARW (AFRC) operations and maintenance with ECS from Selfridge AGS, MI; the 154th Wing (ANG), Hickam AFB, HI (4 PAA) will host an active duty associate unit; the 22d Air Refueling Wing, McConnell AFB, KS (8 PAA) with current programmed 931st ARG (AFRC) associate unit. The 184th Air Refueling Wing's (ANG) KC-135R aircraft will be distributed to the 190th Air Refueling Wing (ANG) at Forbes Field, KS (9 PAA). The 190th will retire its KC-135Es (8 PAA). 184th ARW Operations and Maintenance manpower will relocate to the 190th ARW, Forbes Field, Kansas, and ECS will remain in place.

Justification

- Retires KC-135E's at Scott; robusts with KC-135Rs
- Optimizes squadron size at Seymour Johnson and MacDill; also establishes new active/reserve associations at both locations increasing capability
- Optimizes 3 unit squadron sizes at McConnell for increased effectiveness and capability
- Retains reserve experience at Forbes Field by retiring KC-135Es with robusted KC-135R unit

Military Value

- Grand Forks (40), the lowest ranking AD KC-135 base, distributes force structure to McConnell (15), Seymour Johnson (25), MacDill (36), Scott (38), and Hickam (87)
- Military Judgment: Hickam's strategic location provides a rapid, "first responder" for short notice Pacific and far east air refueling taskings

Payback

- One Time Cost: \$129M
- Net Implementation Savings: \$490M
- Annual Recurring Savings: \$227M
- Payback period: Immediate
- NPV Savings: \$2,656M

Impacts

- Criterion 6: Total Job Change: -5,728 (direct: -3,072, indirect: -2,656) ROI: -8.65%
- Criterion 7: A review of community attributes indicates no issues regarding the ability of the infrastructure of the communities to support missions, forces and personnel
- Criterion 8: Potential minor environmental impacts, but no impediments to implementation of the CR



Candidate #USAF-0018V3/ S200.3

Close Ellsworth AFB, Rapid City, SD and Realign Dyess AFB, TX

Candidate Recommendation: Close Ellsworth AFB. The 28th Bomb Wing's 24 B-1B aircraft are distributed to the 7th Bomb Wing, Dyess AFB, Texas. Realign Dyess AFB, TX. The 317th Airlift Group at Dyess assigned C-130 aircraft are distributed to the 314th Airlift Wing (22 PAA) and 189th Airlift Wing (ANG) (2 PAA), Little Rock AFB, Arkansas; the 176 Wing (ANG), Elmendorf AFB, Alaska (4 PAA); and the 302d Airlift Wing (AFRC), Peterson AFB, Colorado (4 PAA). Peterson will have a C-130 AD/AFRC association. Elmendorf will have a C-130 AD/ANG association.

<p style="text-align: center;"><u>Justification</u></p> <ul style="list-style-type: none"> ■ Eliminates excess bomber infrastructure ■ Realigns B-1B fleet at a single site ■ Facilitates realignment of active duty C-130s at Little Rock ■ Robusts C-130 ARC units at two locations 	<p style="text-align: center;"><u>Military Value</u></p> <ul style="list-style-type: none"> ■ Ellsworth (39) distributes B-1s to Dyess (20) ■ Mil Judgment: Moves C-130s from Dyess to facilitate capacity for B-1B realignment 										
<p style="text-align: center;"><u>Payback</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">■ One-Time Cost:</td> <td style="text-align: right;">\$299M</td> </tr> <tr> <td>■ Net Implementation Savings:</td> <td style="text-align: right;">\$316M</td> </tr> <tr> <td>■ Annual Recurring Savings:</td> <td style="text-align: right;">\$161M</td> </tr> <tr> <td>■ Payback Period:</td> <td style="text-align: right;">1 yr/2009</td> </tr> <tr> <td>■ NPV Savings:</td> <td style="text-align: right;">\$1,853M</td> </tr> </table>	■ One-Time Cost:	\$299M	■ Net Implementation Savings:	\$316M	■ Annual Recurring Savings:	\$161M	■ Payback Period:	1 yr/2009	■ NPV Savings:	\$1,853M	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> ■ Criterion 6: Total Job Change: -6,768 (direct: -3,852, indirect: -2,916); Job Impact: -8.46% ■ Criterion 7: A review of community attributes indicates no issues regarding the ability of the infrastructure of the communities to support missions, forces and personnel ■ Criterion 8: Potential minor environmental impacts but no impediments to implementation of the CR
■ One-Time Cost:	\$299M										
■ Net Implementation Savings:	\$316M										
■ Annual Recurring Savings:	\$161M										
■ Payback Period:	1 yr/2009										
■ NPV Savings:	\$1,853M										



Candidate #USAF-0114V3 / S125.1c2

Close Cannon AFB, Clovis, NM

Candidate Recommendation: Close Cannon AFB. The 27th Fighter Wing’s F-16 aircraft are distributed to the 115th Fighter Wing (ANG), Dane County Regional APT, Truax Field AGS, (3 PAA, Block 30); 114th Fighter Wing (ANG), Joe Foss Field AGS (3 PAA, Block 30); 150th Fighter Wing (ANG), Kirtland AFB, (3 PAA, Blk 30); 113th Wing (ANG), Andrews AFB (9 PAA, Blk 30); 57th Fighter Wing, Nellis AFB (7 PAA, B40) and 388th Wing, Hill AFB (6 PAA, B40) and Basic Aircraft Inventory (29 PAA, Blk 40/50). The Singapore F-16 Block 52 squadron will move to Luke AFB, Arizona.

<p style="text-align: center;"><u>Justification</u></p> <ul style="list-style-type: none"> ■ Eliminates excess infrastructure ■ Realigns F-16 fleet ■ Optimizes squadron size at Andrews AFB ■ Robusts Dane County-Truax AGS, Joe Foss AGS, Kirtland AFB, Andrews AFB and Nellis AFB 	<p style="text-align: center;"><u>Military Value</u></p> <ul style="list-style-type: none"> ■ Cannon (50), the active duty fighter base with lowest military value, distributes F-16s to Nellis (13), Hill (14), Kirtland (16), Andrews (21), Joe Foss (112) and Truax (122) ■ Military Judgment: Truax (122) is a strategic location for homeland defense (air sovereignty); Joe Foss (112) receives force structure to maintain Active/ARC mix 										
<p style="text-align: center;"><u>Payback</u></p> <table border="0"> <tr> <td>■ One Time Cost:</td> <td style="text-align: right;">\$90M</td> </tr> <tr> <td>■ Net Implementation Savings:</td> <td style="text-align: right;">\$816M</td> </tr> <tr> <td>■ Annual Recurring Savings:</td> <td style="text-align: right;">\$201M</td> </tr> <tr> <td>■ Payback period:</td> <td style="text-align: right;">Immediate</td> </tr> <tr> <td>■ NPV Savings:</td> <td style="text-align: right;">\$2707M</td> </tr> </table>	■ One Time Cost:	\$90M	■ Net Implementation Savings:	\$816M	■ Annual Recurring Savings:	\$201M	■ Payback period:	Immediate	■ NPV Savings:	\$2707M	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> ■ Criterion 6: Total Job Change: -4,780 (direct: -2,824, indirect : -1,956) ROI: -20.47% ■ Criterion 7: A review of community attributes indicates no issues regarding the ability of the infrastructure of the communities to support missions, forces and personnel. ■ Criterion 8: A conformity determination may be required to verify that positive conformity can be achieved.
■ One Time Cost:	\$90M										
■ Net Implementation Savings:	\$816M										
■ Annual Recurring Savings:	\$201M										
■ Payback period:	Immediate										
■ NPV Savings:	\$2707M										



Tech-0009R: Defense Research Service Led Laboratories

Candidate Recommendation (abbreviated): Close AFRL Mesa City, AZ and relocate all functions to Wright Patterson AFB. Close Rome Laboratory, NY. Relocate the Sensor Directorate to Wright Patterson AFB and the Information Directorate to Hanscom AFB. Realign AFRL Hanscom by relocating the Sensors Directorate to Wright Patterson AFB and the Space Vehicles Directorate to Kirtland AFB. Realign AFRL Wright Patterson AFB by relocating the Information Systems Directorate to Hanscom AFB. Realign ARL Langley, VA, and ARL Glenn, OH, by relocating the Vehicle Technology Directorates to Aberdeen Proving Ground, MD. Realign ARL White Sands Missile Range, NM, by relocating all Army Research Laboratory activities except the minimum detachment required to maintain the Test and Evaluation functions at White Sands Missile Range, NM, to Aberdeen Proving Ground, MD.

Justification

- Consolidates Army Research and Air Force Laboratories
 - One Army Research Laboratory location
 - Consolidates 6 AFRL locations to 3
 - Closes Rome & Mesa; enables Brooks closure
- Research focused at Aberdeen Proving Ground, NRL, WPAFB, Kirtland AFB, Hanscom AFB

Military Value

- Realigning lower quantitative military value (White Sands, Mesa, Rome & Hanscom Sensors, Hanscom Space, Glenn Ground Vehicles) to higher quantitative military value (Aberdeen, Wright Patterson, Kirtland)
- Military strategy to consolidate to fewer locations brings functions to new locations (Hanscom & Aberdeen)

Payback

- One-time cost: \$366M
- Net implementation cost: \$231M
- Annual recurring savings: \$ 46M
- Payback time: 9 years
- NPV (savings): \$230M

Impacts

- Criterion 6: -92 to -2536 jobs; <0.1 to 1.6%
- Criterion 7: No issues
- Criterion 8: May require building on constrained acreage.



TECH-0009Rv2: Defense Research Service Led Laboratories

Candidate Recommendation (abbreviated): Close AFRL Mesa City, AZ and relocate all functions to Wright Patterson AFB. Realign AFRL Rome by relocating the Sensor Directorate to Wright Patterson AFB. Realign AFRL Hanscom by relocating the Sensors Directorate to Wright Patterson AFB and the Space Vehicles Directorate to Kirtland AFB. Realign AFRL Wright Patterson AFB by relocating the Information Systems Directorate to Hanscom AFB. Realign ARL Langley, VA, and ARL Glenn, OH, by relocating the Vehicle Technology Directorates to Aberdeen Proving Ground, MD. Realign ARL White Sands Missile Range, NM, by relocating all Army Research Laboratory activities except the minimum detachment required to maintain the Test and Evaluation functions at White Sands Missile Range, NM, to Aberdeen Proving Ground,

<p>MD.</p> <p style="text-align: center;"><u>Justification</u></p> <ul style="list-style-type: none"> ■ Consolidates Army Research and Air Force Laboratories <ul style="list-style-type: none"> • One Army Research Laboratory location • Consolidates 6 AFRL locations to 4 • Consolidates AF Sensor work to Wright Patt, Establishes an Information Tech Research Function at Hanscom • Closes Mesa; enables Brooks closure 	<p style="text-align: center;"><u>Military Value</u></p> <ul style="list-style-type: none"> ■ Realigning lower quantitative military value (White Sands, Mesa, Rome & Hanscom Sensors, Hanscom Space, Glenn Ground Vehicles) to higher quantitative military value (Aberdeen, Wright Patterson, Kirtland) ■ Military strategy to consolidate to fewer locations brings functions to new locations (Hanscom & Aberdeen)
<p style="text-align: center;"><u>Payback</u></p> <ul style="list-style-type: none"> ■ One-time cost: \$162M ■ Net implementation cost: \$39M ■ Annual recurring savings: \$43M ■ Payback time: 4 years ■ NPV (savings): \$380M 	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> ■ Criterion 6: -92 to -235 jobs; <0.1 to .08% ■ Criterion 7: No issues ■ Criterion 8: No issues <p style="text-align: right; color: red;">Pending Final Data</p>



Consequences of 2 May Decisions

- Decision – Retain AFIT at Wright-Patterson
 - Consequence: Must revise Brooks City Base, TX – MED-0057R to find alternative receiving sites for Research, D&A and E&T activities that were going to space vacated by AFIT

- Decision – Retain USUHS at Bethesda
 - Consequence: Must revise Co-locate MILDEP and DoD Medical Activities – HSA-0115 to find alternative receiving sites for MilDeps and DoD medical activities that were going to space vacated by USUHS



Candidate #MED-0057R: Brooks City-Base

Candidate Recommendation (summary): Close Brooks City-Base. Relocate Human Systems Research, Human Systems D&A, Aerospace Medicine and Occupational Health Education and Training, and Naval Health Research Center Electro-Magnetic Energy Det to Wright-Patterson AFB; Relocate AF Audit Agency and 341st Recruiting Sq to Randolph AFB; Relocate Army Medical Research Detachment to Fort Sam Houston. Relocate AFCEE to Lackland AFB. Disestablish any remaining organizations.

<u>Justification</u>	<u>Military Value</u>
<ul style="list-style-type: none"> ✓ End state will co-locate at one site: <ul style="list-style-type: none"> Human Systems Research, D&A AF Aerospace Medicine AF Occupational Health E&T Air Platform Research, D&A ✓ Create Center of Excellence at Aberdeen Proving Ground for Chemical Biological Defense 	<ul style="list-style-type: none"> ✓ Relocation and consolidation of Research, D&A and Education & Training activities to at Wright-Patterson AFB <ul style="list-style-type: none"> Wright-Patterson AFB (0.51014) Brooks City Base (0.42400) ✓ Relocation of AFCEE to Lackland <ul style="list-style-type: none"> Lackland (0.8831) AFCEE (0.2747)
<u>Payback</u>	<u>Impacts</u>
<ul style="list-style-type: none"> ✓ One-time cost: \$251.037M ✓ Net implementation savings: \$ 16.706M ✓ Annual recurring savings: \$104.474M ✓ Payback time: 1 year ✓ NPV Savings: \$1,029.580M 	<ul style="list-style-type: none"> ✓ Criteria 6: From -29 to -3,858; less than 0.1% to 0.38% ✓ Criteria 7: No Issues ✓ Criteria 8: No impediments



MED-0057R – Brooks AFB

Summary: Close Brooks City-Base. Relocate Human Systems Research, Human Systems D&A, Aerospace Medicine and Occupational Health Education and Training, and Naval Health Research Center Electro-Magnetic Energy Det to Wright-Patterson AFB; Relocate AF Audit Agency and 341st Recruiting Sq to Randolph AFB; Relocate Army Medical Research Detachment to Fort Sam Houston. Relocate AFCEE to Lackland AFB. Disestablish any remaining organizations.

■ Original

- Cost: \$251M
- NPV: \$1.0B
- Annual Savings: \$104M
- Payback: 1 year

■ Revised

- Cost: \$326M
- NPV: \$948M
- Annual Savings: \$104M
- Payback: 2 years



Candidate #HSA-0115: Co-locate MILDEP and DoD Medical Activities

Candidate Recommendation (abbreviated): Close Skyline 1; relocate TMA to the National Naval Medical Center, Bethesda. Realign Skyline 4 and 5, by relocating TMA to Bethesda. Realign Skyline 6, by relocating TMA and Army Office of the Surgeon General(OTSG) to Bethesda. Realign the Hoffman 2 building, by relocating the OTSG to Bethesda. Realign Bolling AFB, by relocating the AF Medical Support Agency to Bethesda. Realign Potomac Annex, by relocating the BUMED to Bethesda.

Justification

- ✓ Eliminates approximately 166,000 USF of leased space within the NCR.
- ✓ Enables DON-0072, the closure of Potomac Annex.
- ✓ Enabled by MED-0030, provides vacant space.
- ✓ Co-location of organizations with like missions promotes “jointness” and creates opportunities for synergy.
- ✓ Moves TMA and OTSG to an AT/FP compliant location.

Military Value

- ✓ TMA: 312th of 314
- ✓ AF Med Sup Agency: 209th of 314
- ✓ OTSG: 248th of 314
- ✓ Bumed: 191st of 314
- ✓ NNMC: 97th of 314

Payback

- ✓ One Time Cost: \$51.5M
- ✓ Net Implementation Cost: \$29.4M
- ✓ Annual Recurring Savings: \$ 8.0M
- ✓ Payback Period: 6 Years
- ✓ NPV (savings): \$47.4M

Impacts

- ✓ Criterion 6: -3,159 Jobs (1,881 direct, 1,278 indirect); .11%
- ✓ Criterion 7: No issues
- ✓ Criterion 8: Air Quality issues, no impediments



HSA-0115 Excursions “Alternates to USUHS space”

	To Belvoir	To NNMC	To NNMC no DARPA	With MED0002 to Belvoir	With MED0002 to NNMC
One Time Costs	\$94.3M	\$107.3M	\$80.0M	\$1,084.1M	\$1,097.2M
Net Implementation Costs / Savings	\$77.1M (Cost)	\$89.0M (Cost)	\$60.6M (Cost)	\$868.6M (Cost)	\$880.5M (Cost)
Annual Recurring Costs / Savings	\$6.2M	\$6.6M	\$7.0M	\$123.4M	\$123.9M
Payback Period / Year	19 Years (2029)	20 Years (2030)	13 Years (2023)	9 Years (2020)	9 Years (2020)
NPV at 2025	\$10.2M (Cost)	\$17.0M (Cost)	\$12.3M (Savings)	\$427.0M (Savings)	\$420.2M (Savings)

Proforma COBRA runs

- **Rough, uncertified data for NNMC**
- **No Army Allocation data: assumed same costs for NNMC at Fort Belvoir**

Recommend combining with MED0002 to NNMC Bethesda



#TECH 0040Rv2: Co-locate Extramural Research Program Managers to Bethesda

Candidate Recommendation (summary): Close the Office of Naval Research facility, Arlington, VA; the Air Force Office of Scientific Research facility, Arlington, VA; the Army Research Office facilities, Durham, NC, Fort Belvoir, VA, and Arlington, VA; and the Defense Advanced Research Project Agency facility, Arlington, VA. Relocate all functions to Bethesda, MD. Realign the Defense Threat Reduction Agency Telegraph Road facility, Alexandria, VA, by relocating the Extramural Research Program Management function (except conventional armaments and chemical biological defense research) to Bethesda, MD.

<p style="text-align: center;"><u>Justification</u></p> <ul style="list-style-type: none"> ■ Foster coordination among extramural research activities ■ Enhance force protection 	<p style="text-align: center;"><u>Military Value</u></p> <ul style="list-style-type: none"> ■ DARPA and ONR had higher quantitative MV scores than Bethesda. ■ Military judgment said quantitative scores high because of research managers, not location. Bethesda provides highest overall MV because of enhanced force protection, accessibility to Pentagon and Capital Hill by metro.
<p style="text-align: center;"><u>Payback</u></p> <ul style="list-style-type: none"> ■ One-time cost: \$154M ■ Net implementation savings: \$108M ■ Annual recurring savings: \$49M ■ Payback time: 2 years ■ NPV (savings): \$574M 	<p style="text-align: center;"><u>Impacts</u></p> <ul style="list-style-type: none"> ■ Criteria 6: -193 jobs (122 direct, 71 indirect); <0.1% ■ Criteria 7: No issues ■ Criteria 8: No impediments



Candidate Recommendations – Cost and Savings (\$M)

(As of 1 May 05)

	Gross Savings*	One-Time (Costs)	Net Implementation Savings/(Costs)	Annual Recurring Savings/(Costs)	NPV Savings/(Costs)
Army BRAC	7,558.8	(10,136.8)	(8,249.1)	533.0	(2,578.0)
<i>Overseas</i>	15,958.9	(348.5)	4,360.2	1,248.5	15,610.4
<i>BRAC + Overseas</i>	23,517.7	(10,485.4)	(3,888.9)	1,781.5	13,032.3
DoN	13,437.1	(2,502.5)	940.7	1,034.7	10,934.6
Air Force	17,154.9	(1,902.9)	2,792.0	1,305.0	15,252.0
JCSGs	42,042.0	(11,290.0)	249.2	3,150.2	30,752.0
E&T	3,112.4	(1,847.7)	(1,056.8)	236.0	1,264.7
H&SA	12,144.3	(2,558.4)	724.4	919.1	9,585.9
Industrial	9,154.1	(797.9)	1,882.2	679.3	8,356.2
Intelligence	2,035.8	(1,699.3)	(1,271.0)	150.8	336.5
Medical	5,569.8	(2,478.6)	(1,317.2)	445.9	3,091.2
S&S	6,272.2	(282.4)	1,859.1	441.1	5,989.8
Technical	3,753.5	(1,625.7)	(571.6)	277.9	2,127.8
Total	80,192.9	(25,832.3)	(4,267.2)	6,022.8	54,360.5
Total W/Overseas	96,151.8	(26,180.9)	93.1	7,271.3	69,970.9

* Gross savings is the sum of Net Present Value and the 1-time costs



Financials

(As of 3 May 05)

	Gross Savings*	One-Time (Costs)	Net Implementation Savings/(Costs)	Annual Recurring Savings/(Costs)	NPV Savings/(Costs)
AF Institute of Tech	113.3	(72.8)	(38.5)	8.0	40.5
USUHS	323.3	(89.3)	(66.2)	30.1	233.9
Navy PG School	1,190.2	(69.6)	268.8	89.8	1,120.6
Carlisle Barracks	659.7	(127.0)	59.5	49.6	532.8
Navy Supply Corps School	51.4	(23.8)	(12.2)	4.0	27.6
Pueblo Chem-Demil	763.3	(17.6)	106.7	66.0	745.6
NAS Brunswick	1,029.8	(185.8)	(50.9)	94.8	844.0
MCLB Barstow	1,915.7	(316.6)	248.3	142.0	1,599.1
Grand Forks AFB	2,784.9	(128.6)	490.0	226.6	2,656.3
Ellsworth AFB	2,152.4	(299.1)	316.4	161.3	1,853.3
Cannon AFB	2,796.9	(90.1)	815.6	200.5	2,706.8
Rome Lab	596.2	(365.9)	(230.8)	45.8	230.3
Total	14,377.1	(1,786.4)	1,906.7	1,118.4	12,590.6

* Gross savings is the sum of Net Present Value and the 1-time costs



Next Steps

- Knitting COBRAs of candidate recommendation changes
- Draft implementation plan
 - Review of schedule start
- Next IEC meeting – 6 May 05
 - Rollout details, events, participants
 - Post delivery due outs
- Press Conference – 13 May 05

Headquarters U.S. Air Force

Integrity - Service - Excellence



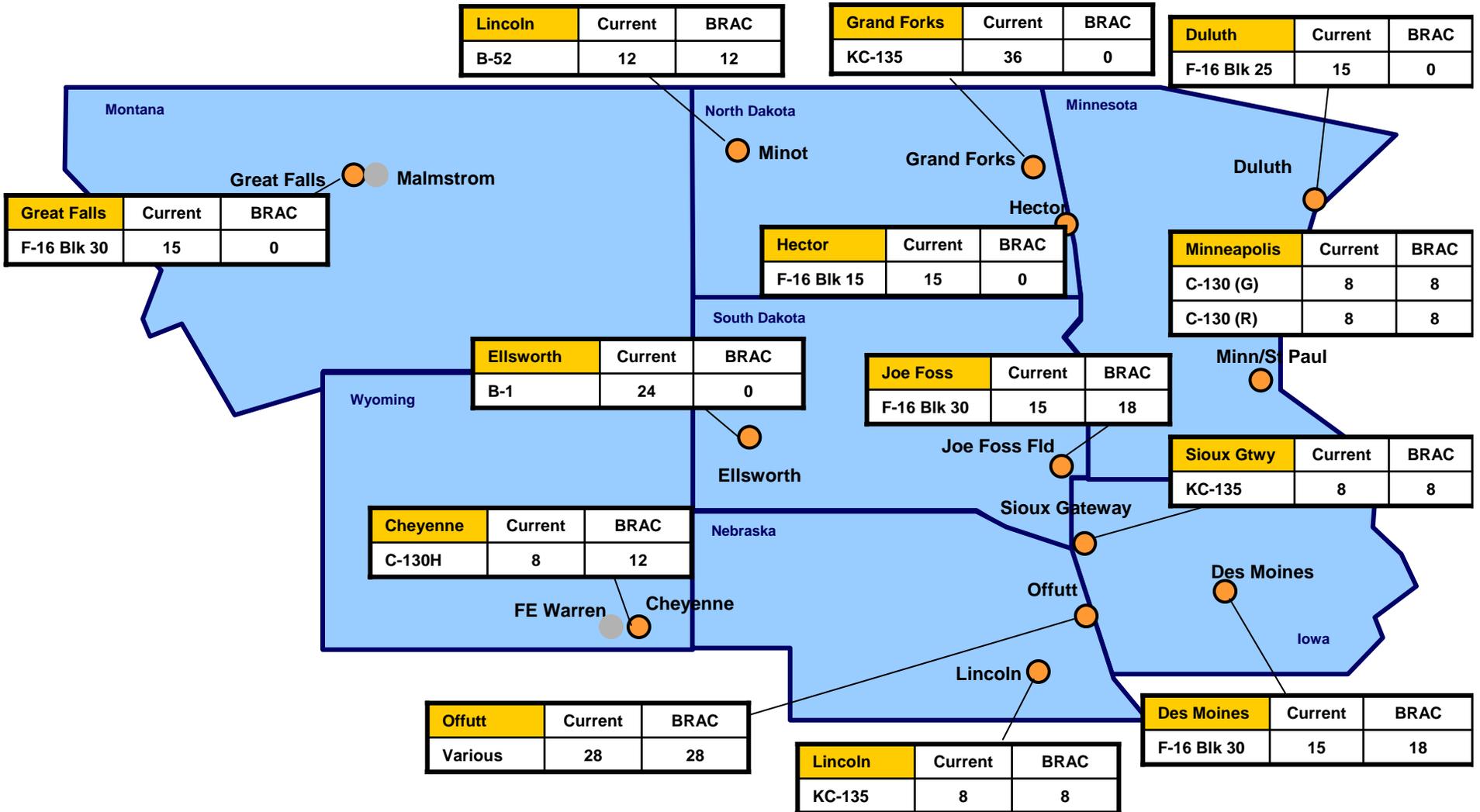
Strategic Presence in North-Central US

4 May 05

U.S. AIR FORCE

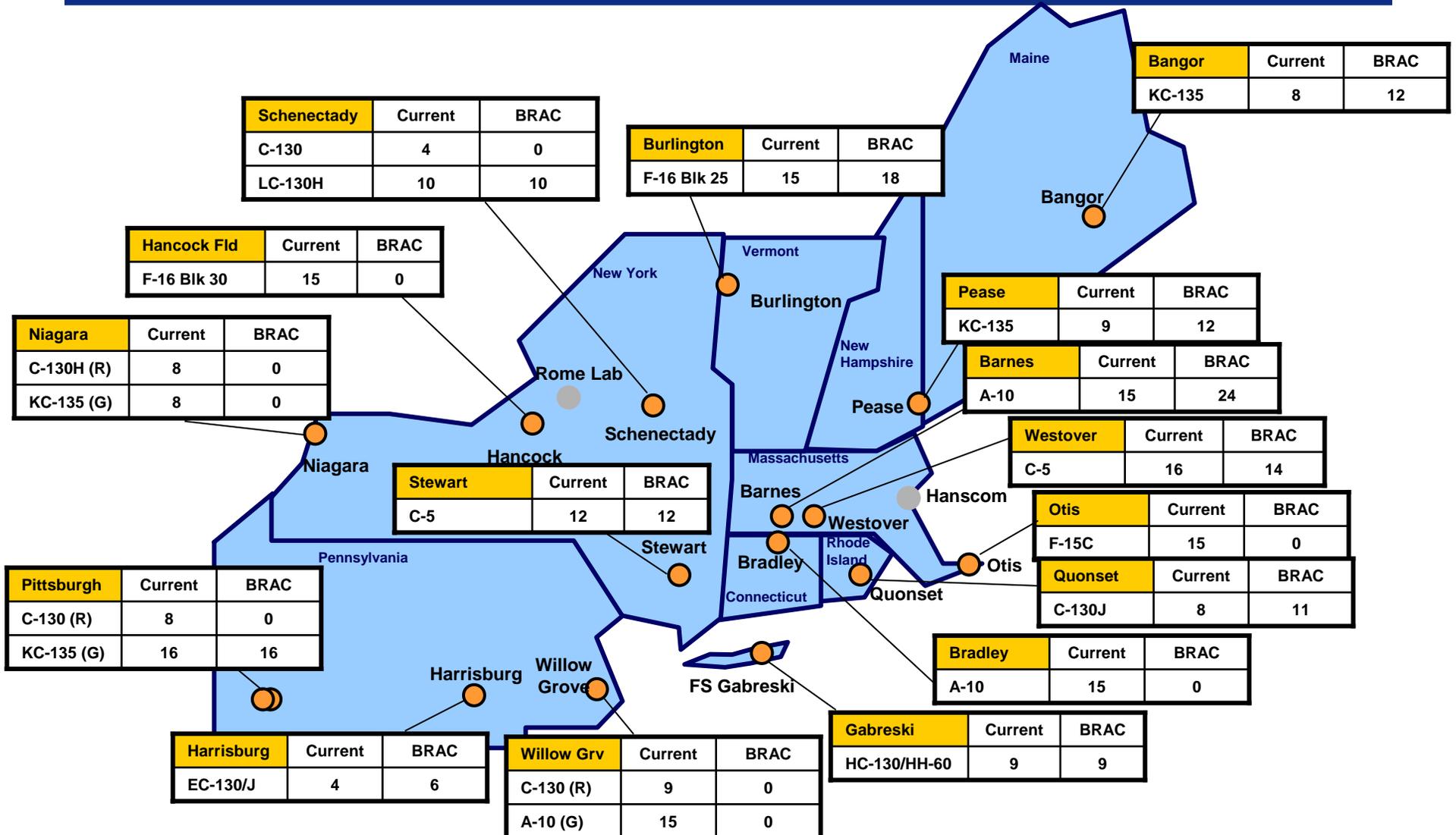


North Central





North East





North-Central US Assumptions

- **Three Levels of Presence**
 - **Closure (Current BRAC Recommendation)**
 - **Inactive (retained) Status**
 - **Realign with UAV mission (50/50 Active Duty/Reserve mission)**

- **Ellsworth AFB or Grand Forks AFB**



Cost Comparison

Ellsworth	Closure	Closure	Inactivate	Closure	UAV
One-Time (Cost)	(\$299,126)	(\$299,126)	(\$295,882)	(\$299,126)	(\$302,981)
Net Implementation Savings (Cost)	\$316,382	\$316,382	\$99,984	\$316,382	(\$9,869)
Annual Savings	\$161,251	\$161,251	\$120,610	\$161,251	\$90,000
Payback Period	1 yr	1 yr	3 yrs	1 yr	4 yrs
NPV Savings	\$1,853,279	\$1,853,279	\$1,256,782	\$1,853,279	\$855,426
Total Jobs	-6,768	-6,768	-6,234	-6,768	-5,751
Direct Jobs	-3,852	-3,852	-3,551	-3,852	-3,278
Indirect Jobs	-2,916	-2,916	-2,683	-2,916	-2,473
ROI	8.46%	8.46%	-7.80%	8.46%	-7.19%

Grand Forks	Closure	Inactivate	Closure	UAV	Closure
One-Time (Cost)	(\$128,620)	(\$126,484)	(\$128,620)	(\$123,136)	(\$128,620)
Net Implementation Savings (Cost)	\$490,007	\$345,479	\$490,007	\$275,162	\$490,007
Annual Savings	\$226,623	\$182,034	\$226,623	\$153,624	\$226,623
Payback Period	Immediate	1 yr	Immediate	1 yr	Immediate
NPV Savings	\$2,656,256	\$2,087,929	\$2,656,256	\$1,746,729	\$2,656,256
Total Jobs	-5,728	-5,116	-5,728	-4,611	-5,728
Direct Jobs	-3,072	-2,742	-3,072	-2,470	-3,072
Indirect Jobs	-2,656	-2,374	-2,656	-2,141	-2,656
ROI	-8.65%	-7.72%	-8.65%	-6.96%	-8.65%