

OFFICE OF THE SECRETARY OF DEFENSE

PUBLIC-PRIVATE PARTNERSHIPS  
FOR  
DEPOT-LEVEL MAINTENANCE



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Prepared by the  
Deputy Under Secretary of Defense (Logistics)

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OFFICE OF THE SECRETARY OF DEFENSE

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EXECUTIVE SUMMARY

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*This report reviews public-private partnerships to support depot-level maintenance requirements of Department of Defense (DoD) weapon systems and equipment. The Military Services operate public-private partnerships at their depot-level maintenance activities (DMAs) to improve capacity utilization, reduce the cost of depot-level maintenance, and increase readiness. Of DoD's 21 major DMAs, 17 are actively pursuing public-private partnerships. The DMAs have implemented 54 public-private partnerships (now operating or recently concluded), and an additional 28 are being planned. The Department estimates that the value of the work performed by its organic DMAs as part of public-private partnerships is more than \$500 million annually.*

*Public-private partnerships for depot-level maintenance take many forms, including formal and informal relationships as well as leases of excess or underutilized DoD facilities or equipment by the private sector. Several statutory or regulatory provisions are the authority for the partnerships; four sections of title 10 of the United States Code provide the authority for about 70 percent of them. Most partnerships have had substantive impacts on DMA capacity utilization and depot-level maintenance rates, but minimal effect on readiness.*

*As depot-level maintenance requirements evolve based on factors, such as force structure changes, product support concepts, and depot-level maintenance process reengineering, public-private partnerships should assist in reshaping DoD's capabilities and increasing efficiency. Further, the partnerships can help DoD maintain required core logistics capabilities at organic DMAs. The Department is committed to carrying out highly responsive, efficient, depot-level maintenance; public-private partnerships contribute to the successful, cost-effective execution of this commitment.*

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## SECTION I

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Depot-level maintenance and repair entails repair, rebuilding, and major overhaul of weapon systems (e.g., ships, tanks, and aircraft), parts, assemblies, and subassemblies. It also includes limited manufacture of parts, technical support, modifications, testing, and reclamation as well as software maintenance. Each Military Service owns and operates an organic depot-level maintenance infrastructure, although a large amount of the workload is performed through interservice agreements.<sup>1</sup> The Department of Defense (DoD) has 21 major depot-level maintenance activities (DMAs).<sup>2</sup> The Department estimates that about \$13.5 billion will be expended in Fiscal Year (FY) 1999 for organic and contract depot-level maintenance, using 66,500 DoD civilian and military personnel as well as several thousand private-sector firms.<sup>3</sup> An estimated \$8.1 billion of the \$13.5 billion will be expended at organic DMAs.

This report reviews public-private partnerships for depot-level maintenance and leases of DoD depot-level facilities. The Services have used a number of authorities to establish these public-private partnerships. Most recently, section 2474 of the title 10 of the United States Code (10 U.S.C.) authorized depot-level maintenance partnering arrangements; however, the General Accounting Office (GAO) indicated that the recent enactment of section 2474 does not expand the Military Services' abilities to enter into such arrangements because no additional authority for sales or leasing authority for partnering was provided.<sup>4</sup> This report on depot-level public-private partnering is based on reporting by the Services on partnerships established under a wide range of statutory and regulatory authorities.

This section of the report provides a general description and presents a high-level analysis of the Department's public-private partnerships for depot-level maintenance. The analysis covers three primary aspects: authority to partner, level of effort, and impacts. Section II provides information about the 82 projects affected by partnerships, including the status; type of workload; partnership members; authority for operating the partnership; value; and effects on capacity utilization, rate structure, and readiness. Section II groups the partnerships in two categories (those implemented and those being planned).

Public-private partnerships take many forms. They range from public-private teaming and workshare arrangements to leases of excess or underutilized DoD facilities or

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<sup>1</sup> Interservicing occurs when one Military Service performs maintenance for another; interservice arrangements perform about 14 percent (nearly \$1 billion annually) of depot-level maintenance work.

<sup>2</sup> Two DMAs, San Antonio and Sacramento Air Logistics Centers (ALCs), are scheduled for closure.

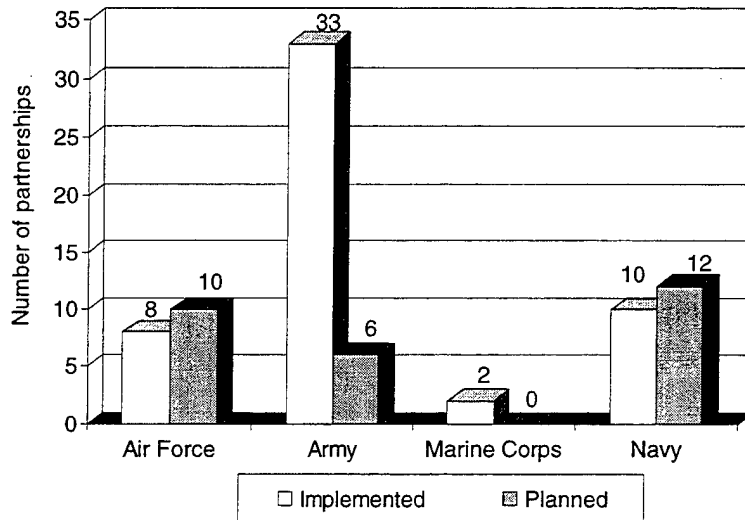
<sup>3</sup> Department of Defense, *Defense Depot Maintenance Council Business Plan*, FY 1998-2003, 2 October 1998.

<sup>4</sup> U.S. General Accounting Office, *Defense Depot Maintenance: Use of Public-Private Partnering Arrangements*, GAO/NSIAD-98-91, May 1998, p. 4.

equipment by the private sector.<sup>5</sup> In some cases, partnerships also educate the private sector about the best way to accomplish future DoD work.

Most partnerships—about 66 percent or 54 projects—have been implemented (i.e., they are ongoing or recently completed). The remaining 28 projects are in various stages of planning. Of the partnerships, 48 percent involve the Army, 27 percent involve the Navy, 22 percent involve the Air Force, and 3 percent involve the Marine Corps. Figure 1 indicates the number of partnerships, by category, for each Service. As indicated in Section II, most DMAs have entered into at least one partnership with the private sector.

Figure 1. Public-Private Partnerships by Service



Most partnerships have been established under statutory authority, although many are workshare arrangements using memorandums of understanding (MOUs) or similar agreements. The Services identified five sections of 10 U.S.C. as the authority for 52 (64 percent) of the 82 partnerships, and three sections (2553, 4553, and 2208) were the predominant references. They also identified several other authorities and arrangements. Table 1 provides a brief description of the principal formal authorities cited by the Services for the 82 public-private partnerships. All of the 10 U.S.C. authorities with the exception of section 2469a were also identified by the GAO as provisions of law providing authority for partnerships by the DMAs. The GAO also identified several additional legislative provisions that were not cited by the Services for their public-private partnerships.<sup>6</sup>

<sup>5</sup> In a teaming arrangement, the public and private partners accomplish DoD work jointly. In a workshare arrangement (a noncontractual relationship), each partner works separately to accomplish a portion of a workload package. In a workshare arrangement, each partner contributes technical, facility, or equipment capabilities to increase efficiency through the complementary use of resources.

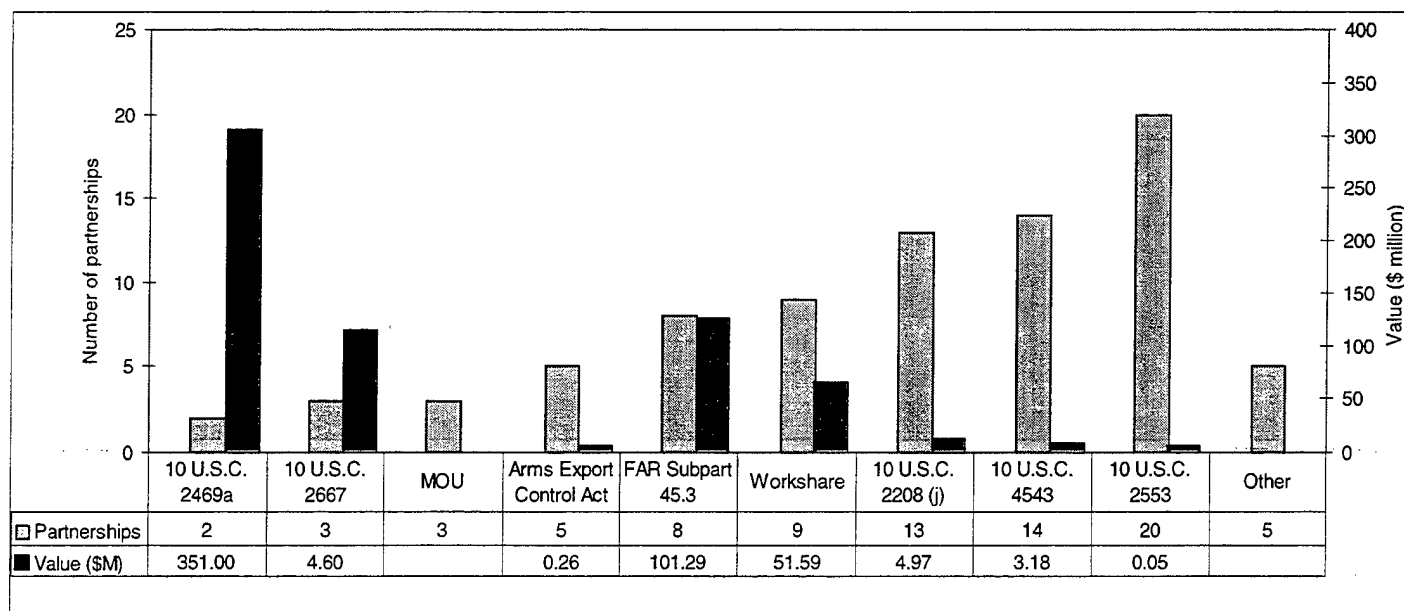
<sup>6</sup> Op. cit., GAO/NSLAD-98-91, p. 5.

*Table 1. Principal Formal Authorities Cited for Public-Private Partnerships*

Authority	Description
Title 10, section 2208(j)	Permits depots to sell articles or services outside DoD if purchaser is fulfilling a DoD contract and a public-private competition is used to award the contract.
Title 10, section 2469a	Requires competitive procedures in contracting for depot-level maintenance and repair workloads formerly performed at DMAs identified for closure or realignment under the Base Closure and Realignment Act. Authorizes competition among private- and public-sector offerors and public-private teaming.
Title 10, section 2553	Permits the Secretary of Defense to designate DoD industrial facilities, other than Army facilities governed by section 4543, to sell articles or services outside DoD under conditions similar to those in section 4543. Proceeds are to be credited to the funds incurring the costs of the manufacture or performance.
Title 10, section 2667	Allows the leasing of nonexcess equipment and facilities of a DoD activity to a person outside DoD. The leasing Military Department may use the proceeds.
Title 10, section 4553	Authorizes Army industrial facilities to sell articles or services outside DoD for specified purposes and under certain conditions, including that the goods or services are not commercially available in the United States and the sale will not interfere with the facility's military mission. The proceeds are to be credited to the funds incurring the costs of the manufacture or performance.
Federal Acquisition Regulation, Subpart 45.3	Establishes the conditions and limitations for providing equipment and facilities to a contractor or subcontractor.

In addition, several informal authorities—workshare agreements, MOUs, and Arms Export Control Act—are the bases for many partnerships. Workshare arrangements were cited as the authority for 9 public-private partnerships. The requiring activity determines the mix of participation and makes separate awards to the public- and private-sector participants. MOUs between the DMA and the private-sector firm facilitate many partnerships. Federal Acquisition Regulation (FAR) provisions are the authority for 8 partnerships, and the Arms Export Control Act (22 U.S.C. Chapter 39) is the authority for an additional 5. Figure 2 indicates the number and value of partnerships for each authority. For many of the partnerships still in the planning phases values were not yet available.

Figure 2. Number and Value of Partnerships by Authority



Note: FAR = Federal Acquisition Regulation.

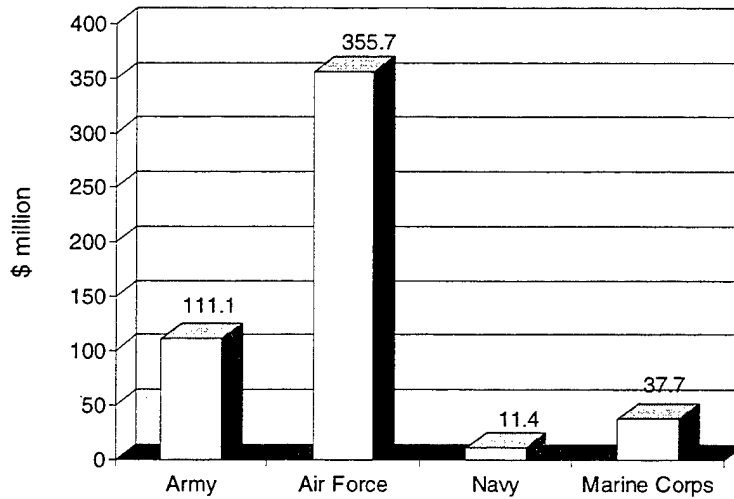
Public-private partnerships are a substantive undertaking for the Department. The value of the work performed by DMAs in partnerships is estimated to be more than \$500 million annually. The Army has the most implemented partnerships (about 65 percent of reported projects), and Air Force partnerships comprise 70 percent of the annual value of implemented projects. Two Air Force Base Realignment and Closure (BRAC)-related partnerships, those of Ogden ALC and Oklahoma City ALC with Boeing and Lockheed Martin, respectively, account for an estimated \$351 million of the estimated annual value.<sup>7</sup>

Partnerships range in value from a few thousand dollars per year to the two large, competitively won, teaming partnerships of the Air Force that have individual values of \$272 million and \$79 million annually. Figure 3 indicates the relative annual value for the public-private partnerships of each Service. The figure reflects values only for partnerships in the implementation category and excludes those in the planning stage.

Four of DoD's DMAs account for over 77 percent of the implemented public-private partnerships implemented. Of the four, Anniston Army Depot with 25 implemented partnerships accounts for nearly 50 percent of the DoD total. The partnerships of these four DMAs, however, amount to only about 10 percent of the annual value of implemented partnerships.

<sup>7</sup> Only the portion of workload to be accomplished by the organic DMA is accounted for in the \$351 million.

Figure 3. *Estimated Annual Value of Implemented Public-Private Partnerships by Service (DoD Depot Maintenance Activity Portion Only)*



Seven commercial firms emerge as the principal private-sector partners for depot-level maintenance public-private partnerships. Table 2 identifies the seven firms and indicates the number of implemented partnerships for each as well as the total estimated annual value (for the public-sector partner) of those partnerships. Over 70 percent of these partnerships are with firms having 2 or more implemented partnerships with DoD DMAs; 16 additional partnerships are with private-sector firms having only one existing partnership (these are not shown in the table). Four firms, as can be also be seen in Table 2, account for over 99 percent of the public-sector partners' value of implemented public-private partnerships.

Table 2. *Principle Private-Sector Partners for Implemented Partnerships*

Contractor	Number of partnerships	Estimated annual value (\$ million)
United Defense Limited Partnership	11	105.42
General Dynamics Land Systems	10	41.28
Raytheon	5	0.98
AlliedSignal	4	0.61
Lockheed Martin	3	276.60
Boeing	3	90.05
Lear Siegler	2	0.06

Depot-level maintenance public-private partnerships appear to have had positive effects in three areas—capacity utilization, depot-level maintenance rates, and readiness. We assessed 51 of the 54 partnerships that have been implemented and characterized them as having no, nominal, moderate, or substantive impact in each area.<sup>8</sup> The results clearly

<sup>8</sup> Informed qualitative assessments for a characterization cannot be made for three partnerships because they are not yet adequately defined.

indicate the benefits of public-private partnerships (Table 3). The positive effects are more evident in capacity utilization and rates than in readiness. This result is caused partially because many partnership workloads were being performed in organic DMAs (e.g., the shift of work to Ogden and Oklahoma ALCs from other Air Force ALCs) or are workloads for allied nations that have no direct impact on DoD readiness.

*Table 3. Impacts by Number and Percent of Partnerships*

Category	None	Nominal	Moderate	Substantive
Capacity utilization	1 (2%)	21 (41%)	9 (18%)	20 (39%)
Rates	4 (8%)	18 (35%)	9 (18%)	20 (39%)
Readiness	9 (18%)	21 (41%)	5 (10%)	16 (31%)

Table 4 identifies the 54 partnerships that have been implemented, and Table 5 identifies the 28 partnerships that are being planned. Table 4 identifies the partnership project, DMA, and estimated annual value of work being accomplished by the public-sector partner if the value is available. Table 5 provides similar project information but does not include estimated values because they have not been reported. (The appendix lists abbreviations used in these tables.) Section II provides descriptive data for each project in Tables 4 and 5.

*Table 4. Implemented Public-Private Partnership Projects*

Reference number	Project title	DMA	Estimated annual value (\$ million)
AF-8	San Antonio ALC Depot Maintenance Public-Private Competition Propulsion Business Area	OC-ALC	272.000
AF-7	Sacramento ALC Depot Maintenance Public-Private Competition Workload	OO-ALC	79.000
A-11	M109 Paladin Enterprise	LEAD	62.800
MC-1	Amphibious Assault Vehicle (Reliability, Availability, and Maintainability/Rebuild to Standard)	MC3-A	37.700
A-8	M1A2 Tank Upgrade	ANAD	25.000
A-19	Abrams Integrated Management XXI	ANAD	11.400
N-1	AV-8B Aircraft Remanufacture Program	NADEP-CP	11.000
AF-5	Low Altitude and Targeting Infrared for Night (LANTIRN)—Phase 1	WR-ALC	4.600
A-1	Fox Vehicle Upgrade—1	ANAD	2.400

Table 4. Implemented Public-Private Partnership Projects (Continued)

Reference number	Project title	DMA	Estimated annual value (\$ million)
A-17	M113 Family of Vehicles Overhaul and Conversion—1	ANAD	1.800
A-23	Heavy Assault Bridge/Wolverine	ANAD	1.600
A-22	M109 Paladin	ANAD	1.050
A-30	Area Common Use System Radio Modernization Program	TYAD	0.951
A-21	Hercules—2	ANAD	0.931
A-29	Firefinder Block II	TYAD	0.745
A-26	Rubberize Abrams Roadwheels	RRAD	0.630
A-40	M113 Family of Vehicles Overhaul and Conversion—2	ANAD	0.517
A-3	Fox Vehicle Upgrade—2	ANAD	0.411
A-9	Service Life Extension Turbine Engine	ANAD	0.300
A-12	Recuperator	ANAD	0.267
A-24	Breacher/Grizzly	ANAD	0.250
N-22	Torpedo Component Refurbishment	NUWC	0.230
A-6	Gunner's Primary Sight	ANAD	0.207
A-7	M113 Family of Vehicles – Test Track	ANAD	0.169
A-5	M113 Family of Vehicles – Grit Blasting	ANAD	0.151
N-20	Portsmouth Naval Shipyard Outleasing Initiative	Portsmouth NSY	0.133
AF-6	C-130 Integrated Weapon System Support Program	WR-ALC	0.106
A-2	Fox Vehicle Maintenance	ANAD	0.098
A-15	M1 Tank Engine Oil Pump	ANAD	0.061
A-4	Hercules—1	ANAD	0.052
A-20	Longbow Missile Launcher	ANAD	0.050
A-10	Base Operations/Base Logistics – General Dynamics Land Systems	ANAD	0.040
N-3	Heavyweight Torpedo Warranty Repair Support	NUWC	0.030
A-25	Partnership for Reduced Operation and Support Cost Engine	ANAD	0.024
N-2	Repair of F-14 Aircraft Fire Control Radar – AN/AWG-9	NADEP-JAX	0.020
AF-1	Radiation Services – Bencyn West	SM-ALC	0.020
A-16	Moroccan Repair Facility	ANAD	0.018
A-14	Base Operations/Base Logistics – AlliedSignal	ANAD	0.018
AF-4	Radiation Services – TRU-Tec Services, Inc.	SM-ALC	0.012
A-13	Paint Shelter	ANAD	0.006
A-27	Pulse Engineering Communications Security Repair	TYAD	0.002
A-28	Houston Associates Communications Security Repair	TYAD	0.001
AF-2	Radiation Services – Sorrento Electronics, Inc.	SM-ALC	N/A
AF-3	Radiation Services – TSOR Ray, Inc.	SM-ALC	N/A
MC-2	Facilities Use Agreement	MC3-A&B	N/A

Table 4. Implemented Public-Private Partnership Projects (Continued)

Reference number	Project title	DMA	Estimated annual value (\$ million)
N-4	Torpedo Exercise Head Refurbishment – Australia	NUWC	N/A
N-5	Torpedo Hardware Upgrade – Canada	NUWC	N/A
N-7	Torpedo Intermediate Maintenance Activity Equipment Refurbishment	NUWC	N/A
N-8	Improve Quality and Efficiency of Nuclear Ship Work	Norfolk NSY	N/A
N-9	Improve Quality and Efficiency of Nuclear Ship Work	Portsmouth NSY	N/A
A-18	Depot Services, Inc.	ANAD	N/A
A-31	Rapid Response – Critical Systems Requirements Program—1	TYAD	N/A
A-32	Rapid Response – Critical Systems Requirements Program—2	TYAD	N/A
A-33	Rapid Response – Critical Systems Requirements Program—3	TYAD	N/A

Note: All acronyms are defined in the appendix.

Table 5. Planned Public-Private Partnership Projects

Reference number	Project title	Location
A-34	Repair Error Detector Circuit Cards	ANAD
A-35	Plastisol Torsion Bars	ANAD
A-36	Abrams Integrated Management XXI (FY99)	ANAD
A-37	Joint Tactical Information Distribution System Mount Fabrication	TYAD
A-38	Communications and Electronics Command Logistics and Readiness Center Field Support Service Program	TYAD
A-39	Navy Space and Naval Warfare Systems Center TriService Sustainment Support	TYAD
N-6	Torpedo Exercise Head Refurbishment – Greece	NUWC
N-10	Improve Quality and Efficiency of Nuclear Ship Work	Puget Sound NSY
N-11	T56-427 Engine Inlet Casing	NADEP-CP
N-12	T56 Engine Wiring Harness	NADEP-CP
N-13	Foreign Military Sales SR61 and AS61 Westland Blades	NADEP-CP
N-14	V-22 Aircraft Depot-Level Repairables	NADEP-CP
N-15	Auxiliary Power Unit Direct Vendor Delivery	NADEP-CP
N-16	F/A-18C/D Aircraft Forward-Looking Infrared Radar for AN/AAS-38	NADEP-JAX
N-17	F414 Engine Government-Industry Logistics Support	NADEP-JAX
N-18	Virtual Prime Vendor Material Support for F-14 and EA-6B Aircraft and J52 Engine	NADEP-JAX

Table 5. Planned Public-Private Partnership Projects (Continued)

Reference number	Project title	Location
N-19	Torpedo Facility Lease	NUWC
N-21	Infrastructure Management Plans	All NSYs
AF-9	B-2 Composite Manufacturing and Repair	OO-ALC
AF-10	Defense Management Systems Tools Software Maintenance	OC-ALC
AF-11	F100-PW-229 Engine	OC-ALC
AF-12	C-17 Landing Gear	OO-ALC
AF-13	Radiation Services – Alyn Corporation	SM-ALC
AF-14	Radiation Services – ICI Tracer Company	SM-ALC
AF-15	Radiation Services – PCC Structural, Inc.	SM-ALC
AF-16	LANTIRN Phase II	WR-ALC
AF-17	C-17 Aircraft Analytical Condition Inspection	WR-ALC
AF-18	Product Support Partnerships	All ALCs

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## SECTION II

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This section provides additional information about each depot-level maintenance public-private partnership project. Section II is divided into two parts. Part A provides data for implemented projects—those that have been completed or are ongoing. Part B provides information on projects in planning or pending implementation.

For implemented projects, the following eight elements of information are provided:

- *Project title:* A brief descriptive name with the Service and a reference number (applicable only for this report).
- *Status:* The approval date, completion date, or fact that project is still ongoing.
- *Location:* Site where the partnership is performing the work. In most cases, the location is a Defense DMA; in a few cases, the work is carried out at both partners' facilities.
- *Partner:* The private-sector firm in the partnership.
- *Value:* The total value of the work, unless a time period, annual amount, or hourly rate is reflected.
- *Authority:* The authority for establishing the partnership as reported by the applicable Service.
- *Objective:* A brief description of the objective of the partnership and work.
- *Effects:* A characterization of the impact of the partnership on three elements—capacity utilization, depot rates, and readiness. Four descriptive qualifiers are used: none, nominal, moderate, and substantive. The qualifiers relate principally to the nature and scope of the work, although other information reported by the Services is used as appropriate.

Similar elements are provided for planned projects, although the effects on capacity utilization, depot rates, and readiness are not reported because sufficient information is not available. In addition, the value for most planned projects has not been determined.

**Part A. Implemented Projects (Ongoing or Complete)**

Project title	Status	Location	Partner	Value	Authority
A-1. Army  Fox Vehicle Upgrade - 1	Approved: Dec 1996 Ongoing	Anniston Army Depot	General Dynamics Land Systems	\$2.4 million (annual)	10 U.S.C. 4543
<b>Objective</b>			<b>Effects</b>		
This project is for asbestos removal; hull structure upgrade; and nuclear, biological and chemical tail upgrade. The project maintains core skills.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
			Substantive	Substantive	Moderate

Project title	Status	Location	Partner	Value	Authority
A-2. Army  Fox Vehicle Maintenance	Approved: Jan 1996 Ongoing	Anniston Army Depot	General Dynamics Land Systems	\$98,000 (annual)	FAR Subpart 45.3 Interservice Support Agreement
<b>Objective</b>			<b>Effects</b>		
This project improves facility utilization of 27,700 square feet, offsets fixed base operations costs, prevents duplication of facilities, and maintains core skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
			Substantive	Moderate	Substantive

Project title	Status	Location	Partner	Value	Authority
A-3. Army  Fox Vehicle Upgrade - 2	Approved: Sep 1996 Ongoing	Anniston Army Depot	General Dynamics Land Systems	\$411,000 (annual)	FAR Subpart 45.3 Interactive Support Agreement
<b>Objective</b>			<b>Effects</b>		
This project improves facility utilization of 20,000 square feet, offsets fixed base operations costs, prevents duplication of facilities, and maintains depot maintenance core skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
			Substantive	Substantive	Substantive

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
A-4. Army Hercules – 1	Approved: Jul 1995 Complete: Nov 1997	Anniston Army Depot	United Defense Limited Partnership	\$52,000	10 U.S.C. 4543		
	<b>Objective</b>			<b>Effects</b>			
	This project provided appurtenance removal and sand blasting. It maintained depot maintenance core skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Project title	Status	Location	Partner	Value	Authority		
A-5. Army M113 Family of Vehicles – Grit Blasting	Approved: Feb 1996 Ongoing	Anniston Army Depot	United Defense Limited Partnership	\$151,000 (annual)	10 U.S.C. 2208(j)		
	<b>Objective</b>			<b>Effects</b>			
	This project is for the grit blasting of 113 hulls. It prevents facility duplication, offsets fixed base operations costs, and maintains core capabilities and skills.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Moderate	Nominal	Nominal	

Project title	Status	Location	Partner	Value	Authority		
A-6. Army Gunner's Primary Sight	Approved: Aug 1996 Ongoing	Anniston Army Depot	General Dynamics Land Systems	\$207,000 (annual)	FAR Subpart 45.3 Interservice Support Agreement		
	<b>Objective</b>			<b>Effects</b>			
	This project improves facility utilization of 17,000 square feet, offsets fixed-base operations costs, prevents duplication of facility and equipment, and improves rates.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Moderate	Moderate	Nominal	

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
A-7. Army M113 Family of Vehicles – Test Track	Approved: Feb 1996 Ongoing	Anniston Army Depot and Lima Army Tank Plant	United Defense Limited Partnership	\$169,000 (annual)	10 U.S.C. 2208(j)		
	<b>Objective</b>			<b>Effects</b>			
	This project permits the use of test track to a private-sector company as a direct sale. The project prevents duplication of facility, offsets fixed base operations costs, and improves depot rates.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Moderate	Moderate	Nominal	

Project title	Status	Location	Partner	Value	Authority		
A-8. Army M1A2 Tank Upgrade	Approved: FY93 Ongoing	Anniston Army Depot and Lima Army Tank Plant	General Dynamics Land Systems	\$152.2 million	Workshare arrangement		
	<b>Objective</b>			<b>Effects</b>			
	This project covers disassembly, hull upgrade, turret demilitarization, and overhaul of subassemblies and components. The project maintains core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Substantive	Substantive	Substantive	

Project title	Status	Location	Partner	Value	Authority		
A-9. Army Service Life Extension Turbine Engine	Approved: Jan 1996; Complete: Jan 1998	Anniston Army Depot	AlliedSignal Engines	\$638,000	10 U.S.C. 4543		
	<b>Objective</b>			<b>Effects</b>			
	This project overhauled turbine engine component parts to accomplish a service life extension. The project also maintained core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Moderate	Moderate	Moderate	

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
A-10. Army Base Operations/ Base Logistics – General Dynamics Land Systems	Approved: Mar 1997 Ongoing	Anniston Army Depot	General Dynamics Land Systems	\$40,000 (annual)	10 U.S.C. 4543		
	<b>Objective</b>			<b>Effects</b>			
	This project provides unscheduled nonrecurring services to General Dynamics Land Systems as needed. The project maintains core depot skills and capabilities and improves rates.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Project title	Status	Location	Partner	Value	Authority		
A-11. Army M109 Paladin Enterprise	Approved: Apr 1993 Complete: Jun 1999	Letterkenny Army Depot and United Defense Limited Partnership	United Defense Limited Partnership	\$377 million	FAR Subpart 45.3 Interservice Support Agreement		
	<b>Objective</b>			<b>Effects</b>			
	This project involved tear down, chassis overhaul, structural conversion, and related work to produce M109A6 howitzers. The project provided a substantial and stable vehicle workload over a 5-year period for the depot.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Substantive	Substantive	Substantive	

Project title	Status	Location	Partner	Value	Authority		
A-12. Army Recuperator	Approved: Jan 1998 Ongoing	Anniston Army Depot	AlliedSignal Engine Recuperator Operations	\$267,000 (annual)	10 U.S.C. 4543		
	<b>Objective</b>			<b>Effects</b>			
	This project improves the facility utilization of 30,000 square feet and offsets fixed-base operations costs.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Moderate	Moderate	Moderate	

*Implemented Projects*

Project title	Status	Location	Partner	Value	Authority		
A-13. Army Paint Shelter	Approved: Feb 1998 Complete: Dec 1998	Anniston Army Depot	International Enterprise, Inc.	\$6,000	10 U.S.C. 4543		
	<b>Objective</b>			<b>Effects</b>			
	This project, which provided a final coat of paint for the shelter's exterior, maintained core paint skills.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Project title	Status	Location	Partner	Value	Authority		
A-14. Army Base Operations/ Base Logistics – AlliedSignal	Approved: May 1998 Ongoing	Anniston Army Depot	AlliedSignal Engine Recuperator Operations	\$18,000 (annual)	10 U.S.C. 4543		
	<b>Objective</b>			<b>Effects</b>			
	This project provides unscheduled nonrecurring services to AlliedSignal Engine Recuperator Operations as needed and maintains core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Project title	Status	Location	Partner	Value	Authority		
A-15. Army M1 Tank Engine Oil Pump	Approved: Mar 1998 Ongoing	Anniston Army Depot	Lear Siegler Services	\$61,000 (annual)	10 U.S.C. 4543		
	<b>Objective</b>			<b>Effects</b>			
	This project is for the repair of engine oil pumps and maintains core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
A-16. Army Moroccan Repair Facility	Approved: Mar 1998	Anniston Army Depot	General Dynamics Land Systems	\$18,000	10 U.S.C. 4543		
	Complete: Jan 1999						
	<b>Objective</b>			<b>Effects</b>			
	This project provided part allocation data and indirect support to General Dynamics Land Systems.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Nominal				Nominal	None		

Project title	Status	Location	Partner	Value	Authority		
A-17. Army M113 Family of Vehicles Overhaul and Conversion - 1	Approved: Mar 1998	Anniston Army Depot	United Defense Limited Partnership	\$1.8 million (FY98)	10 U.S.C. 2208(j)		
	Complete: Feb 1999						
	<b>Objective</b>			<b>Effects</b>			
	This project provided disassembly, hull structure work, and overhaul of subassemblies and components. The project improved facility utilization of 2,000 square feet, maintained core depot capabilities and skills, prevented duplication of equipment and facilities, and improved rates.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Substantive				Substantive	Substantive		

Project title	Status	Location	Partner	Value	Authority		
A-40. Army M113 Family of Vehicles Overhaul and Conversion - 2	Approved: Feb 1999	Anniston Army Depot	United Defense Limited Partnership	\$517,000 (FY99)	10 U.S.C. 2208(j)		
	Ongoing						
	<b>Objective</b>			<b>Effects</b>			
	This project covers disassembly, hull structure work, and overhaul of subassemblies and components. The project improves facility utilization of 2,000 square feet, maintains core depot capabilities and skills, prevents duplication of equipment and facilities, and improves rates.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Substantive				Substantive	Substantive		

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
A-18. Army Depot Services, Inc.	Approved: Mar 1998 Ongoing	Anniston Army Depot	Depot Services, Inc.	N/A	10 U.S.C. 4543		
	<b>Objective</b>			<b>Effects</b>			
	Depot Services, Inc. identifies industry requirements that match excess or underutilized depot capacity. The depot supports industry workload requirements with underutilized depot capacity and maintains core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Project title	Status	Location	Partner	Value	Authority		
A-19. Army Abrams Integrated Management XXI	Approved: Sep 1998 Ongoing	Anniston Army Depot and Lima Army Tank Plant	General Dynamics Land Systems	\$11.4 million (FY98)	Workshare arrangement		
	<b>Objective</b>			<b>Effects</b>			
	This project covers disassembly, hull structure work, overhaul of subassemblies and components, and kitting. The project provides fleet sustainment for the M1A1 Abrams tank and maintains core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Substantive	Substantive	Substantive	

Project title	Status	Location	Partner	Value	Authority		
A-20. Army Longbow Missile Launcher	Approved: Dec 1998 Ongoing	Anniston Army Depot	Boeing North America	\$50,000 (annual)	FAR Subpart 45.3 Interservice Support Agreement		
	<b>Objective</b>			<b>Effects</b>			
	This project improves facility utilization of 10,500 square feet and offsets fixed-base operations costs.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
A-21. Army Hercules – 2	Approved: Mar 1999 Complete: Aug 1999	Anniston Army Depot United Defense Land Systems	United Defense Limited Partnership	\$931,000	Workshare arrangement		
	<b>Objective</b>			<b>Effects</b>			
	This project included the following tasks: disassemble M88A1, modify hull structure, blast grit, and overhaul minor components. The project maintained core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Substantive				Substantive	Substantive		

Project title	Status	Location	Partner	Value	Authority		
A-22. Army M109 Paladin	Approved: Dec 1998 Complete: Aug 1999	Anniston Army Depot and United Defense Land Systems	United Defense Limited Partnership	\$1.05 million	Workshare arrangement		
	<b>Objective</b>			<b>Effects</b>			
	This project was an initial conversion (pilot) and covered tear down, chassis overhaul, and structural conversion. The project maintained core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Substantive				Substantive	Substantive		

Project title	Status	Location	Partner	Value	Authority		
A-23. Army Heavy Assault Bridge/Wolverine	Approved: Jun 1998 Complete: Mar 1999	Anniston Army Depot General Dynamics Land Systems	General Dynamics Land Systems	\$1.6 million	Workshare arrangement		
	<b>Objective</b>			<b>Effects</b>			
	This project covered complete disassembly, hull structure rework, overhaul of components, and turret declassification. The project maintained core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Substantive				Substantive	Substantive		

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
A-24. Army Breacher/Grizzly	Approved: Mar 1998	Anniston Army Depot	United Defense	\$250,000	Workshare arrangement		
	Complete: Dec 1998	United Defense Land Systems	Limited Partnership				
	<b>Objective</b>			<b>Effects</b>			
	This project completed disassembly, modified hull, overhauled components, and declassified turrets. The project maintained core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Moderate				Moderate	Moderate		

Project title	Status	Location	Partner	Value	Authority		
A-25. Army Partnership for Reduced Operation and Support Cost Engine	Approved: Apr 1999	Anniston Army Depot	AlliedSignal Engine Recuperator Operations	\$24,000 (annual)	FAR Subpart 45.3 Interservice Support Agreement		
	Ongoing						
	<b>Objective</b>			<b>Effects</b>			
	The Partnership for Reduced Operation and Support Cost Engine Facility requires utilization of 5,000 square feet. This project offsets fixed-base operating costs as repair parts are received in a timely manner on schedule.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Nominal				Nominal	Nominal		

Project title	Status	Location	Partner	Value	Authority		
A-26. Army Rubberize Abrams Roadwheels	Approved: Jan 1999	Red River Army Depot	B&C Corporation	\$630,000	10 U.S.C. 2208(j)		
	Complete: Jul 1999						
	<b>Objective</b>			<b>Effects</b>			
	The DMA rubberized Abrams road wheels as a subcontractor for B&C Corporation. This project increased capacity utilization and maintained core depot skills and capabilities.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Substantive				Substantive	Substantive		

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
A-27. Army Pulse Engineering Communications Security Repair	Approved: Mar 1998 Complete: Sep 2000	Tobyhanna Army Depot	Pulse Engineering, Inc.	\$2,000 (annual)	10 U.S.C. 2208(j)		
	<b>Objective</b>			<b>Effects</b>			
	This project remanufactures communications security equipment for the contractor.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Project title	Status	Location	Partner	Value	Authority		
A-28. Army Houston Associates Communications Security Repair	Approved: Sep 1998 Complete: Sep 2003	Tobyhanna Army Depot	Houston Associates	\$1,000 (annual)	10 U.S.C. 4543		
	<b>Objective</b>			<b>Effects</b>			
	This project remanufactures communications security equipment for the contractor.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Project title	Status	Location	Partner	Value	Authority		
A-29. Army Firefinder Block II	Approved: Jan 1999 Complete: Dec 1999	Tobyhanna Army Depot	Raytheon Systems Inc.	\$745,000	10 U.S.C. 2208(j)		
	<b>Objective</b>			<b>Effects</b>			
	This project integrates vehicle communications equipment and the prime power group.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Substantive	Substantive	Substantive	

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
A-30. Army Area Common User System Radio Modernization Program	Approved: Oct 1998 Complete: Dec 1999	Tobyhanna Army Depot	Canadian Marconi	\$951,000	10 U.S.C. 2208(j)		
	<b>Objective</b>			<b>Effects</b>			
	This project fabricates radio installation kits.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Substantive	Substantive	Substantive	

Project title	Status	Location	Partner	Value	Authority		
A-31. Army Rapid Response to Critical Systems Requirements Program – 1	Approved: Oct 1998 Complete: Aug 2003	Tobyhanna Army Depot	ARINC	TBD	10 U.S.C. 2208(j)		
	<b>Objective</b>			<b>Effects</b>			
	The depot is providing manufacturing services to the prime contractor on a task order basis.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				TBD	TBD	TBD	

Project title	Status	Location	Partner	Value	Authority		
A-32. Army Rapid Response to Critical Systems Requirements Program – 2	Approved: Oct 1998 Complete: Aug 2003	Tobyhanna Army Depot	Lear Siegler Services	TBD	10 U.S.C. 2208(j)		
	<b>Objective</b>			<b>Effects</b>			
	The depot is providing manufacturing services to the prime contractor on a task order basis.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				TBD	TBD	TBD	

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
A-33. Army Rapid Response to Critical Systems Requirements Program – 3	Approved: Oct 1998 Complete: Aug 2003	Tobyhanna Army Depot	Lockheed Martin	TBD	10 U.S.C. 2208(j)		
	<b>Objective</b>			<b>Effects</b>			
	The depot is providing manufacturing services to the prime contractor on a task order basis.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				TBD	TBD	TBD	

Project title	Status	Location	Partner	Value	Authority		
N-1. Navy AV-8B Aircraft Remanufacture Program	Approved: June 1994 Ongoing	NADEP Cherry Point	Boeing St. Louis	\$65 million	Workshare		
	<b>Objective</b>			<b>Effects</b>			
	A private-public team is remanufacturing AV-8Bs. The NADEP is performing disassembly and reused component modifications. Boeing is performing integration of government-furnished equipment components into the aircraft, final assembly, flight ramp activities, and delivery of aircraft. Timing is critical to match inductions and production process because the fleet needs remanufactured aircraft as other aircraft are released for work.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Substantive	Substantive	Substantive	

Project title	Status	Location	Partner	Value	Authority		
N-2. Navy Repair of F-14 Aircraft Fire Control Radar – AN/AWG-9	Approved: Feb 1999 Ongoing	NADEP Jacksonville	Systems and Electronics, Inc.	\$10,100	10 U.S.C. 2553		
	<b>Objective</b>			<b>Effects</b>			
	Systems and Electronics, Inc., on contract to develop AN/AWG-9 Test Program Sets, was provided AN/AWG-9 assets as government-furnished material and is required to maintain the assets ready for issue. NADEP Jacksonville performs depot-level repair of AN/AWG-9 assets.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
N-3. Navy Heavyweight Torpedo Warranty Repair Support	Approved: Aug 1994 Complete: Mar 1998	Naval Undersea Warfare Center Division, Keyport	Northrup- Grumman Corporation	\$119,600	Warranty clause in Navy production contract		
	<b>Objective</b>			<b>Effects</b>			
	This partnership capitalized on Keyport capabilities to perform maintenance and testing for undersea weapons (primarily torpedoes). Keyport was the only site with facilities, permits, and certifications to perform processes involving high explosives and hazardous materials associated with the weapons. The partnership avoided the need to replicate expensive capabilities, used existing capacity efficiently, and reduced costs.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Nominal	Nominal	Nominal	

Project title	Status	Location	Partner	Value	Authority		
N-22. Navy Torpedo Component Refurbishment	Approved: Jun 1997 Complete: Ongoing	Naval Undersea Warfare Center Division, Keyport	Raytheon Systems Co.	\$1.16 million	Arms Export Control Act		
	<b>Objective</b>			<b>Effects</b>			
	This project provides maintenance and repair in conjunction with a sale to a foreign country by a private company. The partnership capitalizes on Keyport capabilities to perform maintenance and testing for undersea weapons (primarily torpedoes). Keyport is the only site with facilities, permits, and certifications to perform processes involving high explosives and hazardous materials associated with the weapons. The partnership avoids the need to replicate expensive capabilities, uses existing capacity efficiently, and reduces costs.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Substantive	Substantive	N/A	

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
N-4. Navy Torpedo Exercise Head Refurbishment – Australia	Approved: Jun 1998 Ongoing	Naval Undersea Warfare Center Division, Keyport	Raytheon Systems Co.	\$323,000	Arms Export Control Act		
	<b>Objective</b>			<b>Effects</b>			
	This project provides maintenance and repair in conjunction with a sale to a foreign country by a private company. The partnership capitalizes on Keyport capabilities to perform maintenance and testing for undersea weapons (primarily torpedoes). Keyport is the only site with facilities, permits, and certifications to perform processes involving high explosives and hazardous materials associated with the weapons. The partnership avoids the need to replicate expensive capabilities, uses existing capacity efficiently, and reduces costs.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Moderate	Moderate	N/A	

Project title	Status	Location	Partner	Value	Authority		
N-5. Navy Torpedo Hardware Upgrade – Canada	Approved: Jan 1999 Ongoing	Naval Undersea Warfare Center Division, Keyport	Raytheon Systems Co.	\$2.89 million	Arms Export Control Act		
	<b>Objective</b>			<b>Effects</b>			
	This project provides maintenance and repair in conjunction with a sale to a foreign country by a private company. The partnership capitalizes on Keyport capabilities to perform maintenance and testing for undersea weapons (primarily torpedoes). Keyport is the only site with facilities, permits, and certifications to perform processes involving high explosives and hazardous materials associated with the weapons. The partnership avoids the need to replicate expensive capabilities, uses existing capacity efficiently, and reduces costs.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
				Substantive	Substantive	N/A	

Implemented Projects

Project title	Status	Location	Partner	Value	Authority	
N-7. Navy Torpedo Intermediate Maintenance Activity Equipment Refurbishment	Approved: Apr 1997 Ongoing	Naval Undersea Warfare Center Division, Keyport	Raytheon Systems Co.	\$507,300	Arms Export Control Act	
	<b>Objective</b>			<b>Effects</b>		
	This project provides maintenance and repair in conjunction with a sale to a foreign country by a private company. The partnership capitalizes on Keyport capabilities to perform maintenance and testing for undersea weapons (primarily torpedoes). Keyport is the only site with facilities, permits, and certifications to perform processes involving high explosives and hazardous materials associated with the weapons. The partnership avoids the need to replicate expensive capabilities, uses existing capacity efficiently, and reduces costs .			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				Substantive	Substantive	N/A

Project title	Status	Location	Partner	Value	Authority	
N-8. Navy Improve Quality and Efficiency of Nuclear Ship Work	Approved: Dec 1998 Ongoing	Norfolk Naval Shipyard	Newport News Shipbuilding	N/A	Memorandum of agreement	
	<b>Objective</b>			<b>Effects</b>		
	This project supports Navy objectives to reduce infrastructure, improve efficiency in public and private nuclear-capable shipyards, and improve the quality of nuclear ship maintenance.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				Nominal	Nominal	Nominal

Project title	Status	Location	Partner	Value	Authority	
N-9. Navy Improve Quality and Efficiency of Nuclear Ship Work	Approved: Feb 1999 Ongoing	Portsmouth Naval Shipyard	Electric Boat Corporation	N/A	Memorandum of agreement	
	<b>Objective</b>			<b>Effects</b>		
	This project supports Navy objectives to reduce infrastructure, improve efficiency in public and private nuclear-capable shipyards, and improve the quality of nuclear ship maintenance.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				Nominal	Nominal	Nominal

Implemented Projects

Project title	Status	Location	Partner	Value	Authority
N-20. Navy Portsmouth Naval Shipyard Outleasing Initiative	Approved: Jun 1999 Ongoing	Portsmouth Naval Shipyard	Seavey Island LLC	\$133,000	10 U.S.C. 2667
<b>Objective</b>					
This initiative, valued at \$2 million over 15 years, will increase the utilization rate and defray the cost of maintaining underutilized, nonexcess infrastructure. The project will allow retention of assets by compatible and complementary private-sector companies, thereby increasing the prospect of producing more affordable core competency products and services to the fleet.					

Project title	Status	Location	Partner	Value	Authority	
MC-1. Marine Corps  Amphibious Assault Vehicle (Reliability, Availability, and Maintainability/ Rebuild to Standard)	Approved: Jul 1998 Ongoing	Marine Corps Multi- Commodity Maintenance Center— Albany	United Defense Limited Partnership	\$150.8 million (FY99 to FY02)	FAR Subpart 45.3 workshare agreements	
<b>Objective</b>				<b>Effects</b>		
This partnership involves the reliability, availability, and maintainability program and rebuilding to standard of the Amphibious Assault Vehicle. The partnering arrangements were made to obtain the best product at the lowest possible price and use the strengths of the private and public sectors.				<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				Substantive	Substantive	Moderate

Project title	Status	Location	Partner	Value	Authority	
MC-2. Marine Corps  Facilities Use Agreement	Approval: Pending Complete: Dec 2002	Marine Corps Multi- Commodity Maintenance Center—Albany and Barstow	United Defense Limited Partnership (UDLP)	TBD	FAR Subpart 45.3	
<b>Objective</b>				<b>Effects</b>		
A facilities use agreement between UDLP and Marine Corps Logistics Bases will provide space to modify Amphibious Assault Vehicle hulls under an awarded Marine Corps contract. UDLP will use the facility to modify hulls. The repair cycle will be shortened because the vehicles will not have to be shipped to and from the UDLP's facility in York, PA.				<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				None	None	Moderate

Implemented Projects

Project title	Status	Location	Partner	Value	Authority	
AF-1. Air Force Radiation Services – Bencyn West	Approved: Sep 1998 Ongoing	Sacramento Air Logistics Center	Bencyn West	\$20,000	10 U.S.C. 2553	
	<b>Objective</b>			<b>Effects</b>		
	In this project, government personnel use a government facility and equipment to perform neutron radiography on investment castings.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				Nominal	Nominal	None

Project title	Status	Location	Partner	Value	Authority	
AF-2. Air Force Radiation Services – Sorrento Electronics, Inc.	Approved: Mar 1999 Ongoing	Sacramento Air Logistics Center	Sorrento Electronics, Inc.	\$133 (hourly rate)	10 U.S.C. 2553	
	<b>Objective</b>			<b>Effects</b>		
	This project provides irradiation services.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				Nominal	None	None

Project title	Status	Location	Partner	Value	Authority	
AF-3. Air Force Radiation Services – TSOR Ray, Inc.	Approved: Mar 1999 Ongoing	Sacramento Air Logistics Center	TSOR Ray, Inc.	\$133 (hourly rate)	10 U.S.C. 2553	
	<b>Objective</b>			<b>Effects</b>		
	This project produces medical isotopes for Western regional hospitals.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				Nominal	None	None

Implemented Projects

Project title	Status	Location	Partner	Value	Authority	
AF-4. Air Force Radiation Services – TRU-Tec Service, Inc.	Approved: Apr 1999 Ongoing	Sacramento Air Logistics Center	TRU-Tec Service, Inc.	\$12,000 (annual)	10 U.S.C. 2553	
	<b>Objective</b>			<b>Effects</b>		
	This project produces argon gas for industrial nondestructive evaluations.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				Nominal	None	None

Project title	Status	Location	Partner	Value	Authority	
AF-5. Air Force LANTIRN – Phase 1	Approved: Dec 1997 Ongoing	Warner Robins Air Logistics Center	Lockheed-Martin Electronics and Missiles (LMEM)	\$4.1 to \$5.1 million (annual)	10 U.S.C. 2667	
	<b>Objective</b>			<b>Effects</b>		
	This project provides a flexible repair capability for critical LANTIRN items. The project collocates government and commercial repair capabilities and uses approximately 13,000 square feet of underutilized capacity. LMEM invested \$226,000 in leasehold improvements and makes an annual lease payment of \$123,000 to the government. This project reduces repair turnaround times.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				Substantive	Nominal	Substantive

Project title	Status	Location	Partner	Value	Authority	
AF-6. Air Force C-130 Integrated Weapon System Support Program	Approved: Sep 1998 Ongoing	Warner Robins Air Logistics Center	Boeing Company	\$106,000	Workshare	
	<b>Objective</b>			<b>Effects</b>		
	This effort involves WR-ALC technical support for ALR-69 installation into the AC-130U. The agreement provides technical support of the AN/ALR-69 Class IV Radar Warning Receiver integration and high-band transmit antenna reboresight effort.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>
				Nominal	Nominal	Nominal

Implemented Projects

Project title	Status	Location	Partner	Value	Authority		
AF-7. Air Force Sacramento ALC Depot Maintenance Public-Private Competition Workload	Approved: Oct 1998 Ongoing	Ogden Air Logistics Center	Boeing Corporation	\$1.58 billion (over 9 years)	10 U.S.C. 2469a		
	<b>Objective</b>			<b>Effects</b>			
	This project provides depot maintenance for A-10 aircraft, KC-135 aircraft, and assorted hydraulic and electrical accessories and instrument commodity end items. The project consists of depot-level maintenance workloads from the closing SM-ALC won by OO-ALC and Boeing team (55 percent is performed by Boeing; 45 percent by OO-ALC). The project increases OO-ALC capacity utilization by 11 percent and reduces depot rates by up to \$4 per hour.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Substantive				Substantive	Nominal		

Project title	Status	Location	Partner	Value	Authority		
AF-8. Air Force San Antonio ALC Depot Maintenance Public-Private Competition – Propulsion Business Area	Approved: Feb 1999 Ongoing	Oklahoma City Air Logistics Center	Lockheed-Martin Kelly Aircraft Center (LMKAC)	\$10.2 billion	10 U.S.C. 2469a		
	<b>Objective</b>			<b>Effects</b>			
	This project provides depot maintenance for F100, T56, and TF39 engines and fuel accessories and two-level maintenance on T56 and TF39 engines. The project consists of workloads from the closing SA-ALC won by OC-ALC and LMKAC team (60 percent is performed by LMKAC; 40 percent by OC-ALC). OC-ALC capacity was increased to accommodate the added workload. The project reduces depot rates in the propulsion business area by up to \$6.50 per hour.			<b>Capacity utilization</b>	<b>Depot rates</b>	<b>Readiness</b>	
Nominal				Substantive	Nominal		

**Part B. Planned Partnerships**

Project title	Status	Location	Partner	Value	Authority
A-34. Army Repair Error Detector Circuit Cards	Planned	Anniston Army Depot	Kollsman	TBD	10 U.S.C. 4543
<b>Objective</b>					
This project will test, repair, and mate pairs of error detector circuit cards used in telescopic sight unit. The project will improve the use of underutilized test equipment and depot rates.					

Project title	Status	Location	Partner	Value	Authority
A-35. Army Plastisol Torsion Bars	Planned	Anniston Army Depot	United Defense Limited Partnership	TBD	10 U.S.C. 4543
<b>Objective</b>					
This project will apply plastisol to M113 torsion bars. It will improve the use of depot capabilities and rates.					

Project title	Status	Location	Partner	Value	Authority
A-36. Army Abrams Integrated Management XXI (FY99)	Planned	Anniston Army Depot and Lima Army Tank Plant	General Dynamics Land Systems	TBD	Workshare arrangement
<b>Objective</b>					
This project will include disassembly, hull structure work, overhaul of subassemblies and components, and kitting. The project will provide fleet sustainment for the M1A1 Abrams tank, maintain core depot capabilities and skills, and improve rates.					

Planned Projects

Project title	Status	Location	Partner	Value	Authority
A-37. Army Joint Tactical Information Distribution System Mount Fabrication	Planned	Tobyhanna Army Depot	Gencorp Aerojet	TBD	10 U.S.C. 4543
<b>Objective</b>					
This initiative will supply mount and shelf assemblies that are not commercially available. The project will improve the use of depot capabilities and rates.					

Project title	Status	Location	Partner	Value	Authority
A-38. Army Communications and Electronics Command Logistics and Readiness Center Field Support Service Program	Contemplated	Tobyhanna Army Depot	Not identified	TBD	10 U.S.C. 2208(j)
<b>Objective</b>					
This initiative will supply manufacturing services to the prime contractor and improve the use of depot capabilities and rates.					

Project title	Status	Location	Partner	Value	Authority
A-39. Army Navy Space and Naval Warfare Systems Center TriService Sustainment Support	Contemplated	Tobyhanna Army Depot	Not identified	TBD	10 U.S.C. 2208(j)
<b>Objective</b>					
This initiative will supply manufacturing services to the prime contractor and improve the use of depot capabilities and rates.					

Planned Projects

Project title	Status	Location	Partner	Value	Authority
N-6. Navy Torpedo Exercise Head Refurbishment — Greece	Pending approval	Naval Undersea Warfare Center Division, Keyport	Raytheon Systems Co.	\$210,100	Arms Export Control Act
	<b>Objective</b>				
	This project will provide maintenance and repair in conjunction with a sale to a foreign country by a private company. The partnership will capitalize on Keyport capabilities to perform maintenance and testing for undersea weapons (primarily torpedoes). Keyport is the only site with facilities, permits, and certifications to perform processes involving high explosives and hazardous materials associated with the weapons. The partnership will avoid the need to replicate expensive capabilities, use existing capacity efficiently, and reduce costs.				

Project title	Status	Location	Partner	Value	Authority
N-10. Navy Improve Quality and Efficiency of Nuclear Ship Work	In development	Puget Sound Naval Shipyard	Newport News Shipbuilding	TBD	Memorandum of agreement
	<b>Objective</b>				
	This project will assist a private-sector shipyard improve the quality and efficiency of its nuclear ship work and support Navy objectives to reduce infrastructure, improve efficiency in shipyards, and improve the quality of nuclear ship maintenance.				

Project title	Status	Location	Partner	Value	Authority
N-11. Navy T56-427 Engine Inlet Casing	Planned	NADEP Cherry Point	Rolls-Royce Allison	TBD	10 U.S.C. 2553
	<b>Objective</b>				
	This project will reduce engine costs by repairing the inlet casing and improve turnaround time. The NADEP will provide labor and fixture to replace inlet casing studs; Rolls-Royce Allison will provide technical data and carcasses. The scope of effort is a fixed price per unit of \$674 plus a one-time tooling cost of \$750,000. The workload is estimated to be approximately 0.1 workyear of effort per quarter for maximum of 5 years. The total savings are undetermined.				

Planned Projects

Project title	Status	Location	Partner	Value	Authority
N-12. Navy  T56 Engine Wiring Harness	Planned	NADEP Cherry Point	Allison	TBD	10 U.S.C. 2553
	<b>Objective</b>				
	<p>This project will reduce the cost of T56 engine wiring harnesses by repairing instead of purchasing. NADEP Cherry Point will repair the harnesses; Allison will provide carcass and perform acceptance tests of repaired units. The impact will be to reduce the cost of repair and increase the availability of T56 engine wiring harnesses. The scope of this effort is projected at only 3 units. Allison has not identified any further requirements. The total savings are undetermined.</p>				

Project title	Status	Location	Partner	Value	Authority
N-13. Navy  Foreign Military Sales SR61 and AS61 Westland Blades	In development	NADEP Cherry Point	Aviation Blade Services, Inc.	TBD	10 U.S.C. 2553
	<b>Objective</b>				
	<p>NADEP Cherry Point will dynamically balance the SR61 and AS61 Westland blades; Aviation Blade Services will provide the assets. No adverse impact to the fleet is expected as a result of this teaming effort. This effort will increase the availability of SR61 and AS61 Westland blades to foreign military sales customers. The total savings are undetermined. The scope of this agreement is to balance 20 to 40 blades for a 1-year period.</p>				

Project title	Status	Location	Partner	Value	Authority
N-14. Navy  V-22 Aircraft Depot-Level Repairables	Planned	NADEP Cherry Point	Bell-Boeing	TBD	10 U.S.C. 2553
	<b>Objective</b>				
	<p>NADEP Cherry Point will provide maintenance and in-service engineering; Bell-Boeing will provide parts management, partial configuration management, and a reliability improvement program. The impact will be improved material support and contractor involvement that will reduce turnaround time and improve aircraft availability. Savings have not been determined but should be significant because of the reduced turnaround time and fewer spares required. Increased interaction between NADEP Cherry Point and Bell-Boeing will enhance the reliability improvement program. The scope of this effort is unknown because it is in development, but it may include all depot-level spares maintenance of V-22 spares.</p>				

Planned Projects

Project title	Status	Location	Partner	Value	Authority
N-15. Navy Auxiliary Power Unit (APU) Direct Vendor Delivery	Planned	NADEP Cherry Point	AlliedSignal	TBD	10 U.S.C. 2553
<b>Objective</b>					
This project will provide direct vendor delivery of APUs to support F/A-18, P-3, S-3, and C-2 aircraft. NADEP Cherry Point will provide maintenance, field team support, and engineering cognizant field activity responsibility for the APUs. AlliedSignal will provide total parts and asset management. Both parties will share configuration control of assets. Anticipated benefits include increased availability of assets, improved APU availability, reduced turnaround time, and reduced overall cost. The scope is 640 units per year for a 5-year effort.					

Project title	Status	Location	Partner	Value	Authority
N-16. Navy F/A-18C/D Aircraft Forward-Looking Infrared Radar (FLIR) for AN/AAS-38	In development	NADEP Jacksonville	Lockheed-Martin Electronics and Missiles (LMEM)	TBD	10 U.S.C. 2553
<b>Objective</b>					
This project will reduce costs and improve reliability and availability of the AN/AAS-38 FLIR system by using best commercial practices while maintaining core depot capabilities. LMEM will provide all material, obsolete parts management, continental United States transportation, depot repair engineering, and forward-deployed factory representatives and will maintain a 90 percent fill rate. NADEP Jacksonville will provide all depot repair labor and configuration control. The Navy will provide transportation outside the United States. The project will be based on a fixed cost per flight hour for contractor support with actual costs for organic support. The goal is a 15 percent reduction in depot-level repairable costs. Approximately 100,000 workhours are estimated for a 5-year contract with five 1-year options.					

Project title	Status	Location	Partner	Value	Authority
N-17. Navy F414 Engine Government-Industry Logistics Support	Planned	NADEP Jacksonville	General Electric	TBD	No statutory authority required
<b>Objective</b>					
This initiative will lower the life-cycle cost of F414 engines and improve depot material availability through support from the original equipment manufacturer (rather than DoD or Navy support systems).					

Planned Projects

Project title	Status	Location	Partner	Value	Authority
N-18. Navy  Virtual Prime Vendor Material Support for F-14 and EA-6B Aircraft and J52 Engine	Planned	NADEP Jacksonville	Defense Logistics Agency (DLA) and several private-sector firms	TBD	10 U.S.C. 2553
	<b>Objective</b>				
	This initiative will Improve material availability and reduce wholesale and retail material costs. Material will be forecasted, procured, and shipped directly to the users (i.e., NADEP Jacksonville and Naval Air Station Whidbey Island) by the virtual prime vendor. DLA's overhead (i.e., item management, warehousing, and transportation cost) is reduced, and users benefit from the cost reductions.				

Project title	Status	Location	Partner	Value	Authority
N-19. Navy  Torpedo Facility Lease	In development	Naval Undersea Warfare Center Division, Keyport	Qualified Torpedo Vendor	TBD	10 U.S.C. 2667
	<b>Objective</b>				
	If implemented, this lease agreement will take advantage of torpedo vendors' plans for reducing their underutilized industrial infrastructure while preserving the public infrastructure. It will provide for opportune collocation of private and public torpedo manufacturing and life-cycle support personnel into a streamlined infrastructure, lower transportation and other logistics costs, and lead to other reductions in life-cycle costs.				

Project title	Status	Location	Partner	Value	Authority
N-21. Navy  Infrastructure Management Plans	Planned	All Naval Shipyards	TBD	TBD	TBD
	<b>Objective</b>				
	The plans will determine the approach to restructure facilities and equipment in Naval shipyards to perform future workload including Regional Maintenance initiatives. Leasing is one option for nonexcess facilities and equipment to defray the cost of retaining the capability for future requirements. Results of this effort will highlight demolition, consolidation, modernization, and lease potentials at each Naval shipyard. The leasing effort at Portsmouth will be template for future lease arrangements.				

Planned Projects

Project title	Status	Location	Partner	Value	Authority
AF-9. Air Force B-2 Composite Manufacturing and Repair	In development	Ogden Air Logistics Center	Northrop Grumman	TBD	10 U.S.C. 2553
<b>Objective</b>					
This initiative will provide a means to transition essential specialized composite repair to Ogden ALC to provide long-term Air Force support to the B-2 aircraft.					

Project title	Status	Location	Partner	Value	Authority
AF-10. Air Force Defense Management Systems Tools Software Maintenance	Planned	Oklahoma City Air Logistics Center	Northrop Grumman	TBD	Hybrid government-furnished services
<b>Objective</b>					
This initiative will provide support for Defense management systems tools software.					

Project title	Status	Location	Partner	Value	Authority
AF-11. Air Force F100-PW-229 Engine	Planned	Oklahoma City Air Logistics Center	Pratt & Whitney San Antonio	TBD	10 U.S.C. 2553
<b>Objective</b>					
This project will establish a source of repair for engine modules (e.g., fan, core, high and low pressure turbines).					

Project title	Status	Location	Partner	Value	Authority
AF-12. Air Force C-17 Landing Gear	In development	Ogden Air Logistics Center	Boeing Company	TBD	10 U.S.C. 2553
<b>Objective</b>					
This initiative will establish an initial depot repair and/or overhaul capability for C-17 main and nose landing gears, wheels, and brakes.					

Planned Projects

Project title	Status	Location	Partner	Value	Authority
AF-13. Air Force Radiation Services – Alyn Corporation	Planned	Sacramento Air Logistics Center	Alyn Corporation	TBD	10 U.S.C. 2553
<b>Objective</b>					
This initiative will provide radiography of radiation shielding sheets of material.					

Project title	Status	Location	Partner	Value	Authority
AF-14. Air Force Radiation Services – ICI Tracer Company	Planned	Sacramento Air Logistics Center	ICI Tracer Company	TBD	10 U.S.C. 2553
<b>Objective</b>					
This initiative will produce radioactive argon gas for nondestructive evaluations.					

Project title	Status	Location	Partner	Value	Authority
AF-15. Air Force Radiation Services – PCC Structural, Inc.	In development	Sacramento Air Logistics Center	PCC Structural, Inc.	TBD	10 U.S.C. 2553
<b>Objective</b>					
This initiative will provide radiography of investment castings.					

Project title	Status	Location	Partner	Value	Authority
AF-16. Air Force LANTIRN Phase II	Planned	Warner Robins Air Logistics Center	Lockheed- Martin Electronics & Missiles	TBD	10 U.S.C. 2553
<b>Objective</b>					
This project will perform depot-level repair on LANTIRN components (shop replaceable units). The objective will be to improve component turnaround times.					

Planned Projects

Project title	Status	Location	Partner	Value	Authority
AF-17. Air Force C-17 Aircraft Analytical Condition Inspection	Planned	Warner Robins Air Logistics Center	Boeing Corporation	TBD	10 U.S.C. 2553
<b>Objective</b>					
This project will establish a second source of repair to meet C-17 wartime and contingency surge requirements in a timely manner.					

Project title	Status	Location	Partner	Value	Authority
AF-18. Air Force Product Support Partnerships	In development	All Air Force ALCs	TBD through competitive sourcing	TBD	Various
<b>Objective</b>					
This program is Acquisition Lightning Bolt 99-7. This initiative has the objective of using several designated Air Force product support pilot programs (F-117, B-1, F-16, KC-135, Joint Surveillance and Target Attack Radar System, Cheyenne Mountain Complex, Airborne Warning and Control System, C-17, and C-5) to develop plans to implement reengineered product support, including options for public-private partnerships. Planning should be completed by October 1999. Some reengineered aspects of product support may include depot maintenance.					

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APPENDIX — ACRONYMS

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10 U.S.C.	Title 10 of the United States Code
ALC	Air Logistics Center
ANAD	Anniston Army Depot
APU	auxiliary power unit
BRAC	Base Realignment and Closure
CONUS	continental United States
CP	Cherry Point
DLA	Defense Logistics Agency
DMA	depot-level maintenance activity
DoD	Department of Defense
FAR	Federal Acquisition Regulation
FLIR	Forward Looking Infrared Radar
FY	Fiscal Year
GAO	General Accounting Office
JAX	Jacksonville
LANTIRN	Low Altitude and Targeting Infrared for Night
LEAD	Letterkenny Army Depot; United Defense Limited Partnership
LMEM	Lockheed-Martin Electronics and Missiles
LMKAC	Lockheed-Martin Kelly Aircraft Center
MC3-A	Marine Corps Multi-Commodity Maintenance Center—Albany
MC3-B	Marine Corps Multi-Commodity Maintenance Center—Barstow
MOU	memorandum of understanding
N/A	not available
NADEP	Naval Aviation Depot

NADEP-CP	NADEP Cherry Point
NADEP-JAX	NADEP Jacksonville
NSY	Naval Ship Yard
NUWC	Naval Undersea Warfare Center Division, Keyport
OC-ALC	Oklahoma City Air Logistics Center
OO-ALC	Ogden Air Logistics Center
RRAD	Red River Army Depot
SM-ALC	Sacramento Air Logistics Center
TBD	to be determined
TYAD	Tobyhanna Army Depot
UDLP	United Defense Limited Partnership
WR-ALC	Warner Robins Air Logistics Center