

Recd.
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Minutes of Meeting
Naval Air Systems Command, Washington, D.C.
Thursday, 19 April 1973

Subj: Review Shore Establishment Realignment (SER) decisions with respect to PMR, and determine how these decisions bear on the current reorganization study

Encl: (1) List of attendees

(Note: These minutes are not a verbatim transcript, but are a paraphrase made from longhand notes taken at the meeting. Therefore, there may be errors and omissions.)

1. The meeting was Chaired by RADM McClellan, NAVAIR (AIR-00). RADM Wittmann was moderator and Acting Chairman in the absence of RADM McClellan.

RADM McClellan: SER decisions which have been approved by the Navy, DOD, and the President, and announced publicly, are considered irreversible. These decisions include the facts that PMR will be Government Owned/Contractor Operated (GOCO), that 1,448 Civil Service billets will be reduced, and that 225 military billets will be reduced. Apparently the analyses which led to these SER decisions were completely unconfused by facts. We are here for a brain-storming session to inquire into the analyses and to try to apply facts to this situation.

RADM Wittmann: We are here to try to determine the top-on-down objectives of the SER decisions. We want to try to find out what they want to get out of this action. In other words, what they are trying to do.

RADM Thomas: ADM McClellan, I like your personal letter to the Director of Naval Laboratories.

RADM Wittmann: I would like to call on the DDR&E representative first.

J. A. Webster: I have come to this meeting as an observer. I have no orders as to what to say, and I am unprepared from that point of view. We have been watching the PMR situation for some time, and the only serious problem we have encountered was in trying to explain to Senator McIntyre the funding flow between commands at Point Mugu. We in DOD believe a single Commanding Officer would be good; however, it is the Navy's business how they want to organize. We would look with great concern over any lack of support to NMC and would be interested in whether the new organization would continue to support the Army and the Air Force, and whether downrange support would be continued.

(At this point, the meeting was interrupted while RADM McClellan took a message requiring him to be at the office of CNO in about five minutes. He then departed.)

J. A. Webster: What kind of control at Point Mugu does the Navy want? Perhaps in your organization study, you consider us part of the problem. However, GEN Starbird does not want to manage someone else's business. There are only three of us in his office to oversee Ranges, and there are no plans to augment this office. Therefore, I see no chance that any kind of "Range Czar" would be established in DDR&E.

CAPT Dunning: I understand everything out at Mugu is going to change shortly, and all the projects are going to have to pay for services.

CDR Belk: That is not entirely correct. Beginning in 1975, projects will be required to pay direct costs only. We in OP-983 have a major interest in PMR, as well as AUTEC. We had no idea that this "SER Action" was coming about. We had no questions asked of us at all. As far as we know, GEN Starbird deferred to us with respect to SER at PMR. We have a great interest in what we maintain at PMR from a development and test point of view. PMR has the greatest capabilities of any Navy range for development tests, and we are concerned that that capability be maintained, particularly the capability to support OT&E. We have no intent to interfere on how, but we have a great interest on the outcome.

RADM Wittmann: OP-983, as sponsor for PMR, you should be vitally involved in the dollars required. In the past, NAVAIR and NAVMAT, and the Fleet, got a free ride. Now, we are going to have to pay.

CDR Belk: The projects are only going to have to pay for the direct funding. The intent of GEN Starbird's policies are that if the projects cannot get the services they need at PMR, they can go elsewhere for the same price. We are concerned with monitoring DT&E, and OPTEVFOR is monitoring IT&E.

RADM Wittman: What do you in OP-983 need and want to do? Do you back the development work? Aren't you interested in 6.2, 6.3, and 6.4 money?

CDR Belk: Our real interest is development tests and IOT&E. NMC is in NAVAIR. We are interested in what they do, but we are primarily concerned about the range support.

RADM Wittman: You are not interested in NMC?

CDR Belk: Well, we have the line item for PMR.

RADM Wittman: MAT-04 is also concerned about PMR funding. I would like to call on RADM Thomas.

RADM Thomas: PMR is not a MAT-04 function, it is a MAT-09 function. Apparently, we have been given the responsibility in NAVMAT because we can tiptoe barefoot across the lawn on all of NAVMAT and SYSCOM functions. Perhaps this SER action has been a result of the fact that the Fleet has been cheated at PMR. By that I mean, having to do their work on weekends.

V. J. Prestipino: We have a great interest in PMR. I would like to correct an impression given earlier in this meeting. That is, for most development test functions, there is simply no other place to go. Therefore, we have to maintain our range capability at Point Mugu.

P. G. Andricos: I am here as an observer and not as a GOCO expert.

RADM McClellan: (Who had returned to the meeting sometime earlier with the announcement that a meeting in CNO had been delayed, and that he could continue in this meeting for awhile.) Who is here from NAVMAT who knows how this SER study was made?

R. G. Iverson: I am the one who made the study, and I was given the following boundary conditions: First, there had to be absolute secrecy; second, that the Range was required to convert to GOCO; third, that conversion had to be complete by the end of Calendar Year 1974; and fourth, that the study had to show net savings in about five years. I have never been to PMR and I had no listing of workload or the people there. If I was uncertain about anything, I could not ask any questions because of the secrecy requirement.

RADM McClellan: Who established the boundaries?

R. G. Iverson: Who established the boundaries? I don't know.

RADM McClellan: Did Dr. Lawson's staff give you the boundaries?

RADM Thomas: How does Lawson get into the chain?

V. J. Prestipino: He has a direct channel to the Assistant Secretary of the Navy for R&D.

RADM McClellan: If we requested a presentation on all the aspects of this study, who would make it?

R. G. Iverson: I wrote the paper.

RADM McClellan: Then I request of you that you tell me all the factors that were involved in the study.

R. G. Iverson: I was directed to go GOCO and show a savings. GOCO is more flexible. You have the ability to increase or decrease more rapidly.

J. A. Rexroth: Our experience has been that GOCO costs more money. In the papers called, "The Case Study", you show contractor monitoring being accomplished by 100 civilians, 5 officers, and 1 enlisted man. How did you arrive at this?

R. G. Iverson: To do a study like this, you are forced to work backward. I had the logistic support background information from FY 1969, primarily

to find out about cross-servicing. I scaled the information from FY-69 to the current total population.

RADM McClellan: How can you assume that the Range can be reduced? It appears that someone decided to reduce the Range and you made a study to make it palatable.

R. G. Iverson: Yes sir.

CDR Belk: Just the opposite is the case. Our studies show that there has been a 40% increase in workload at the Range, and our projections are that with the implementation of IOT&E, there will be a further increase required of approximately 25%.

RADM Harnish: What about SAMTEC? In the Congressional Report draft that we have a copy of, it states that we are to convert to a GOCO portion of the SAMTEC. I have talked to the Vice Commander of SAMTEC and he is of the opinion that the Commanding General of SAMTEC is not interested in a joint contract, nor am I. If the objective of the SER action is to decrease cost and to reduce Civil Service personnel, we can accomplish that.

RADM McClellan: Now that the President has put his stamp on this ill-considered action, we must carry it out.

RADM Harnish: We can carry it out providing we have a clear understanding of what is intended.

RADM McClellan: That is what we have to thrash out. What will be the parameters? What flexibility have we, and what can we do?

RADM Harnish: Those of us at Point Mugu are concerned about what is meant by GOCO.

RADM McClellan: GOCO has been around for some time.

RADM Wittmann: Is SAMTEC operated by GOCO; is that illustrative of what is wanted?

R. G. Iverson: We had no desire to make a single range and I don't believe SAMTEC is in the final version.

RADM Wittmann: Is NAS intended to be host to the Range?

R. G. Iverson: The Range is currently serviced by NAS.

RADM Harnish: NAS is part of the Range.

RADM Wittmann: Do we have latitude?

R. G. Iverson: From my study, I understood there were wage board personnel in the Air Station that provided service to both PMR and NMC, such as communications and calibration, that would have to be continued. Therefore, they should be retained with NAS to provide that service to the future GOCO.

RADM Harnish: Did you understand that the Range is presently a host or a tenant?

R. G. Iverson: Presently a tenant, but does support the host.

V. J. Prestipino: We have got a problem. This study was made on a crash basis. No request for information outside of the working room was permitted, and Bob Iverson could not unravel it all.

R. G. Iverson: I don't think you have to follow the detailed directions.

RADM Wittmann: You mean we can set up a GOCO and have some latitude as to where the people are coming from, such as NMC, NAS and the Range? Obviously, DDR&E has nailed down the GOCO. How much to T&E?

J. A. Webster: DDR&E did not recommend GOCO.

RADM Wittmann: If we change the support function, we have a problem. No change in a line item is permitted unless you go to SECNAV.

J. A. Webster: GEN Starbird is not concerned. He is merely performing a staff function for DDR&E.

CDR Belk: GEN Starbird wants the Navy to run the Range.

RADM Harnish: But the policy comes from Starbird's office. I would like to get someone to retract the words GOCO. If the intent of GOCO is complete contractor operation as it has been employed, for example, in ordnance production facilities, it would be contrary to past experience. I do not think GEN Starbird or the Navy would back it. We should get that restriction out. We can achieve the required savings without it.

RADM Wittmann: The word GOCO cannot be reversed.

RADM Harnish: GOCO is not simple at Mugu.

RADM Wittmann: Can we agree that we have to keep GOCO, but that we have flexibility on how we do it? I notice that the end requirement provides about 1400 Civil Service and about 1400 contractor personnel. What we contract for and how we run the Range is flexible. We will reduce 1,448 civilians and 225 military. Having accomplished those things, we have complied with SER. I hope you are not going to hold our feet to the fire on the exact savings.

F. Paul: How about the eight million dollars required to implement SER? Someone has to come up with that.

RADM Harnish: We would need some of those funds in FY 74 and some in FY 75. If our present plans are approved, photo would be contracted out, which is now part of NMC. Therefore, there are many problems that need to be resolved, and we cannot take the over-simplistic approach used in SER.

RADM Wittmann: How do we do the savings? Who is in charge of operating the Range? Is the contractor in charge of range operations?

CDR Belk: I believe AUTEC is an example of GOCO.

RADM Harnish: In my judgement, Barking Sands is not strictly GOCO. We have Civil Service personnel to evaluate the contractor, and military personnel to operate and maintain the aircraft.

RADM Wittmann: We must meet GOCO and reductions specified, but it appears that how much mixing between Range and NMC is our business.

J. A. Webster: The Navy is going to be the prime user of PMR. However the Navy plans to manage it, we would just like them to be able to explain it to us.

(At this point, the meeting was adjourned at 1200 noon, with NAVAIR and PMR personnel to reconvene in RADM Wittmann's office at 1400.)

Attendees
SER/Reorganization Study Meeting
NASC, Thursday, 19 April 1973

<u>Attendees</u>	<u>Code</u>
RADM McClellan	AIR-00
P. G. Andricos	MAT-044
W. J. Widmayer	AIR-5018
E. Taylor	AIR-50124
CAPT J. E. Puccini	AIR-520
CAPT Ira N. Schwarz	AIR-530
R. G. Iverson	MAT-03T-1
CDR A. J. Hedberg	OP-983D2
Mr. V. J. Prestipino	MAT-09T
Mr. J. A. Rexroth	AIR-510B
RADM J. M. Thomas	MAT-09T
RADM W. M. Harnish	COMP MR
CAPT E. E. Irish	CONMC
CAPT C. Lewis	CONAS, Point Mugu
CAPT A. R. Seiler	AIR-535
RADM Wittmann	AIR-05
Mr. J. A. Webster	OSD/DDR&E
CAPT F. S. Dunning	OP-982B
CDR R. G. Belk, Jr.	OP-983B
Mr. W. L. Miller	PMR
Mr. T. Perry	NMC
F. Paul	AIR-535A