

*Central Files*

HEADQUARTERS, MARINE CORPS BASE  
CAMP LEJEUNE, NORTH CAROLINA 28542

10/WTB/jew

MAY 24 1965

*SPECIAL FOLDER  
IN R12AR 5000/3*

From: Commanding General  
To: Commandant of the Marine Corps (Code COC)  
Subj: Consolidation of Support Services in Camp Lejeune,  
North Carolina Area  
Ref: (a) CMC ltr COC-1-bhb of 25 Mar 1965 (NOTAL)  
(b) BUMED ltr BUMED-4122-snr of 15 Apr 1965 (NOTAL)  
(c) CMC 022153Z Apr 1965 (NOTAL)  
(d) CMC Spdltr COC-1-bjw of 7 May 1965  
Encl: (1) MCB Plan for Consolidation of Support Services  
in Camp Lejeune, North Carolina Area

1. Reference (a) requested an implementation plan for the consolidation of support services in the Camp Lejeune, North Carolina Area be developed in coordination with the U. S. Naval Hospital and the Marine Corps Air Facility, New River.
2. Enclosure (1) is the proposed implementation plan and a status report of areas of possible consolidation which require further study. A second report will be forwarded in June concerning the areas still under study.
3. Areas of support services covered in the development of enclosure (1) were not limited to those covered in the consolidation plan of the Marine Corps Schools and included the following areas:

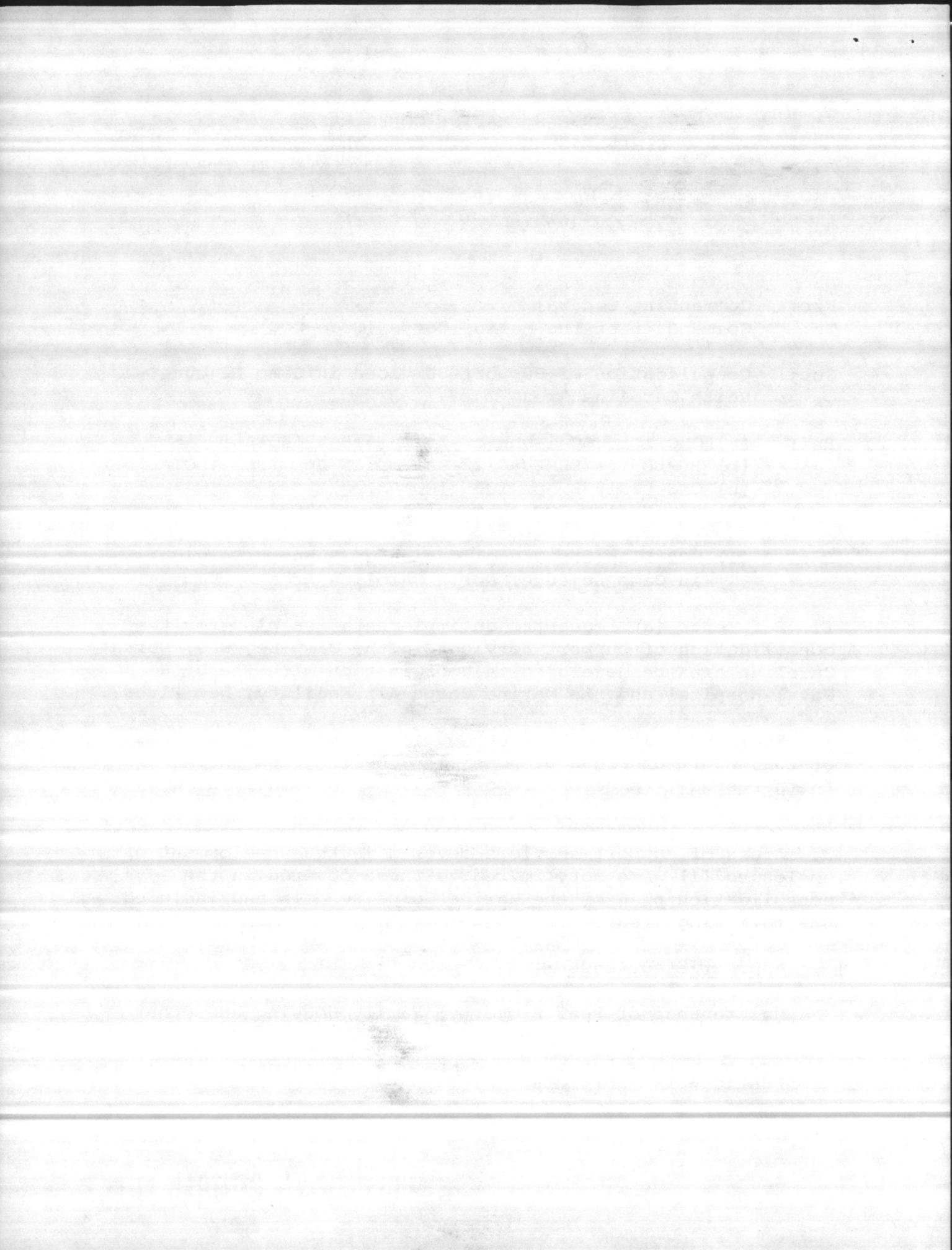
Appropriated funds

Maintenance of Real Property, Family Housing and Other Services including Telephone.

Public Works Services.

Motor Transport Services.

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Medical and Dental support.

All Supply services including laundry, transportation, local procurement, etc.

Supply support.

Financial Management including disbursing and civilian payroll.

Data Processing.

Industrial Relations.

Fire and Police Protection.

Safety.

Area Auditor.

Family Housing and BOQ operations.

Chaplain services.

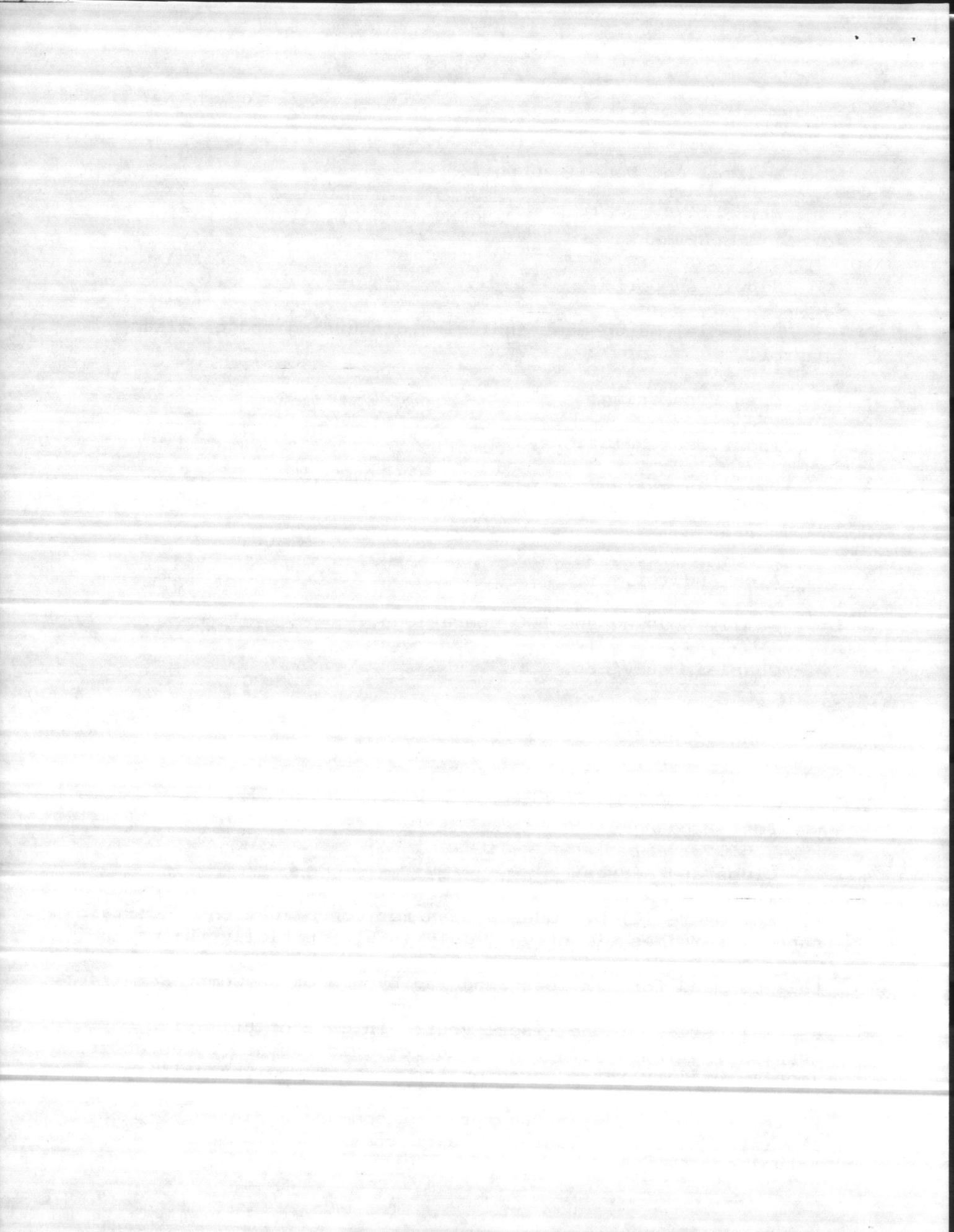
Nonappropriated funds

Special Services.

Post Exchange.

Clubs and Messes.

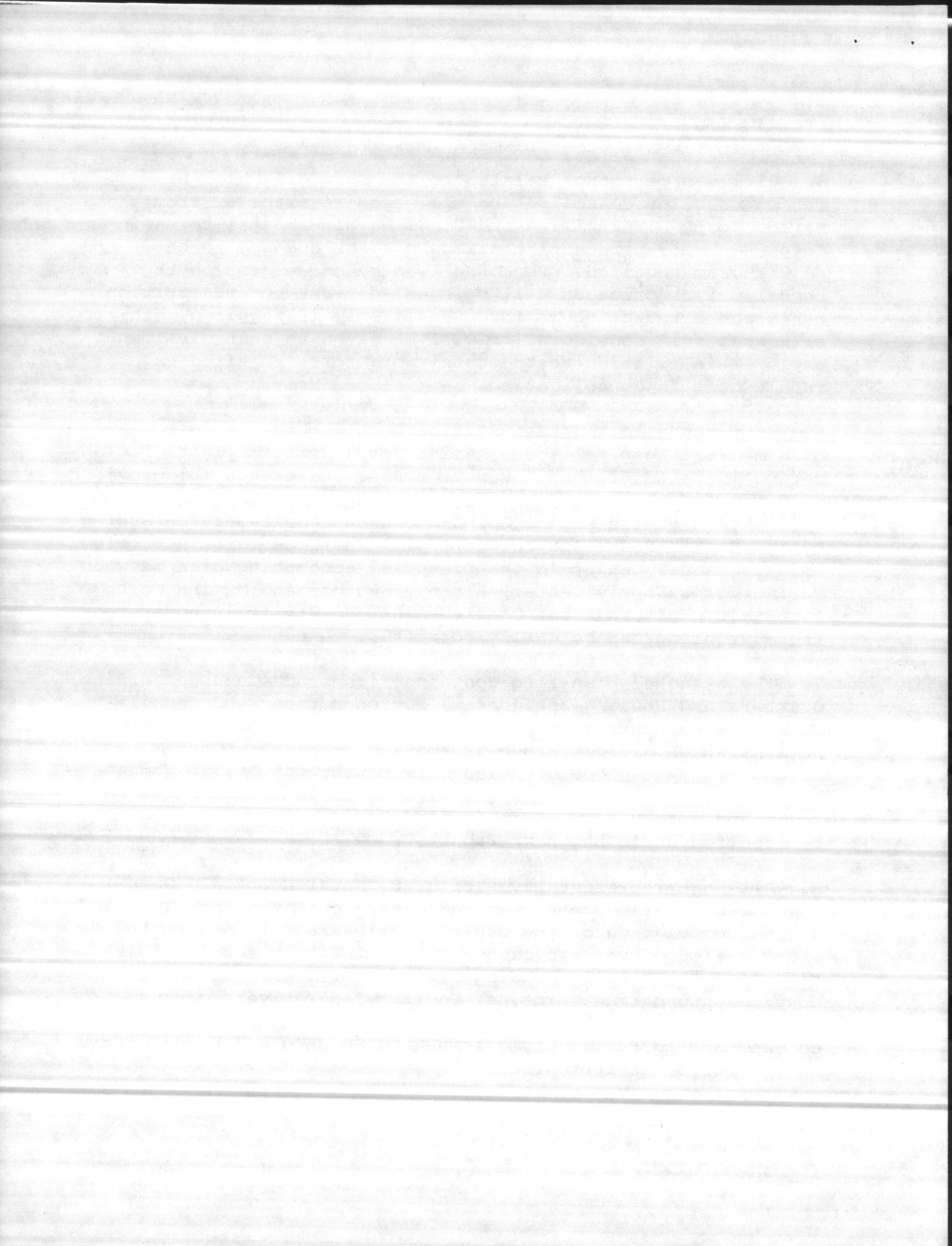
4. Enclosure (1) provides a plan for consolidation of certain support services effective 1 July 1965. Initially the Marine Corps Air Facility and the U. S. Naval Hospital will reimburse this command for services rendered by use of NavCompt Form 140. The need for modifying this procedure will be determined after a trial period of one fiscal year. In case of utilities supplied, authority is requested for this Command to establish locally utility rates based on the cost of a given utility product plus the cost of maintenance of the distribution system as estimated in the resident command's financial plan. The rates will be adjusted on a quarterly basis based on actual cost.



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5. Civilian personnel related to the services which are recommended for consolidation will require transfer from the Marine Corps Air Facility and U. S. Naval Hospital to Marine Corps Base and personnel ceilings of each command to be adjusted as required. Personnel who become excess as the consolidation proceeds will be handled first on an attrition basis and a reduction in force basis only if required. In all cases full consideration will be given to each civilian employee in relation to the total work force required as a result of this consolidation.
6. Services relating to functions peculiar to the operation of a medical hospital and a Marine Corps aviation installation were eliminated from the overall study. Reference (b) provided guidance from Bureau of Medicine and Surgery. Increased utilization of the Marine Corps Stock Fund Self-Service Stores by the Marine Corps Air Facility will increase certain problems which currently exist in the financial accounting area between Marine Corps Supply Center, Albany, Georgia and Marine Corps Air Bases, Eastern Area, Cherry Point, N. C. It is understood these problems can be easily corrected.
7. The attached plan also contains recommendations concerning Quarters and Housing assignment, BOQ operations and consolidation of nonappropriated funded activities. These recommendations which are contained in Annex H, I, J, K, L and M require further study and coordination between the respective commands before a specific plan for any type of implementation can be recommended to Headquarters, Marine Corps. These areas will be reported on in the next report.
8. Although representatives of U. S. Naval Hospital, Camp Lejeune and Marine Corps Air Facility, New River, participated in the formulation of the report, enclosure (1), due to the short period of time involved, by copy of this report it is requested that the Commanding Officers of the U. S. Naval Hospital and Marine Corps Air Facility, New River, concur and/or comment on the proposal set forth therein, to this command and to Bureau of Medicine and Surgery and Headquarters, Marine Corps, as appropriate.

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9. The implementation plan required by reference (a) and included herein was completed before receipt of reference (d). Projects being planned or programmed by the U. S. Naval Hospital and Marine Corps Air Facility will be jointly reviewed pending action on recommendations contained herein. Future reports will provide the information requested.

10. Action on the functions proposed for consolidation on 1 July 1965 is requested prior to 15 June 1965. This information is necessary in order to establish and coordinate local detailed procedures between the commands involved prior to 1 July 1965.

11. In accordance with reference (c), a copy of this report is provided Commander, Marine Corps Air Bases, Eastern Area.

A. L. BOWSER

Copy to:

BUWEPS (1)

BUDOCKS (1)

BUMED (1)

DirLantDocks (1)

Commander, MCAB, Eastern Area,  
MCAS, Cherry Point, N. C. (3)

CO USNH CLNC (2)

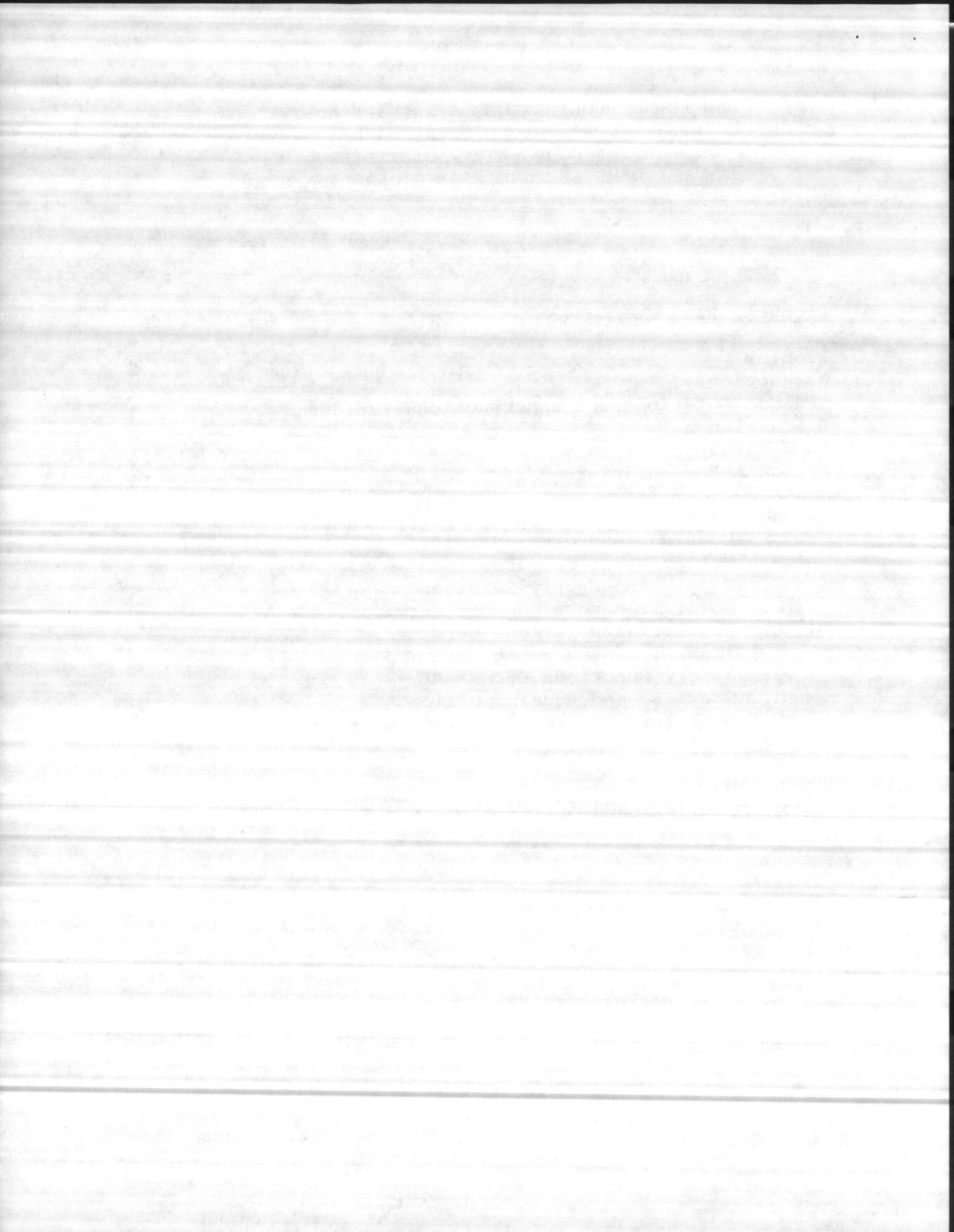
CO MCAF, New River,  
Jacksonville, N. C. (6)



PLAN FOR CONSOLIDATION OF SUPPORT ACTIVITIES  
OF MARINE CORPS BASE, U. S. NAVAL HOSPITAL,  
AND MARINE CORPS AIR FACILITY LOCATED  
IN THE CAMP LEJEUNE, NORTH CAROLINA AREA

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1. Problem: To develop a plan for consolidation of the Common support services at Marine Corps Base, Marine Corps Air Facility and U. S. Naval Hospital in the Camp Lejeune area.

2. Assumptions:

a. The consolidation of common support services will be in accordance with the policies set forth in SecNav Instruction 5450.9 of June 30, 1960, Commandant of the Marine Corps letter COC-1-bhb of 25 March 1965 and the enclosures thereto.

b. The workload at the three commands involved in this consolidation initially will remain at the same level as currently exists or has existed in the past year.

c. Facilities vacated as a result of the consolidation can be effectively utilized by the commands involved with relatively small costs for alterations or improvements or can be deactivated at a reduced cost of operations and/or maintenance.

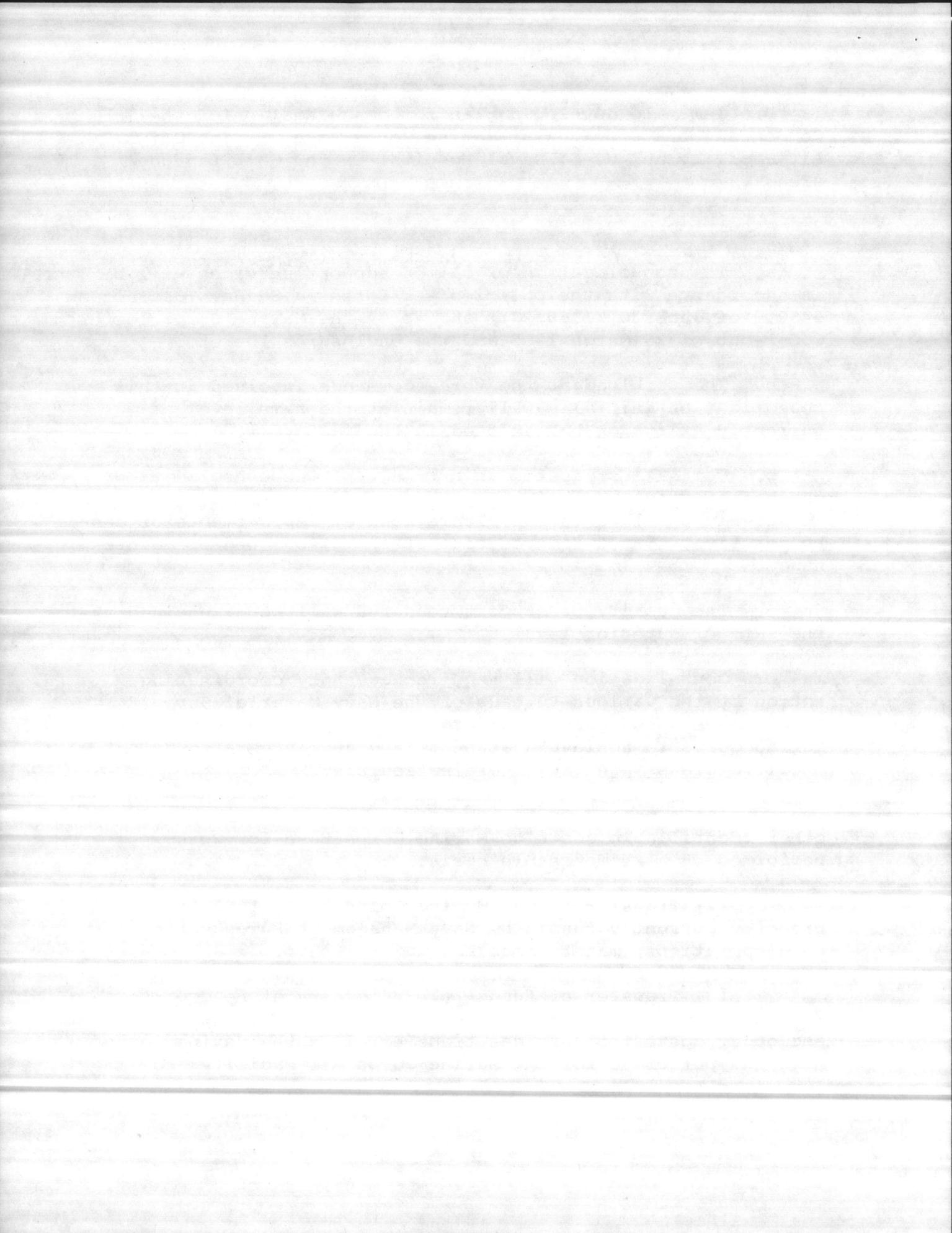
d. The quality of support rendered will be maintained at the same or superior level.

e. Consolidation will require necessary coordinating action by the various Bureaus of the Navy Materiel Support Establishment and Supporting Organizations and Headquarters, Marine Corps to achieve a standardized and integrated effort. Specific areas requiring coordination are:

(1) A method to finance non-recoverable costs and other identifiable costs to Marine Corps Base for work performed on a reimbursable basis.

(2) Transfer to the Marine Corps Base of Class II property currently funded by Navy Management Bureaus for both operations, maintenance and major repair.

(3) Transfer of funds are necessary at Headquarters, Marine Corps/Navy Management Bureau level to cover personnel and other costs for services transferred to the Marine Corps Base and performed for the Marine Corps Air Facility and



U. S. Naval Hospital which will not be charged on a reimbursable basis.

(4) Revision of both civilian and military personnel ceilings and manning levels between respective commands based on assumption of additional functions by the Marine Corps Base.

(5) Conflicts in existing directives issued by higher management headquarters will result from this consolidation. Headquarters, Marine Corps and Management Bureaus of the Navy must revise these directives to permit final consolidation.

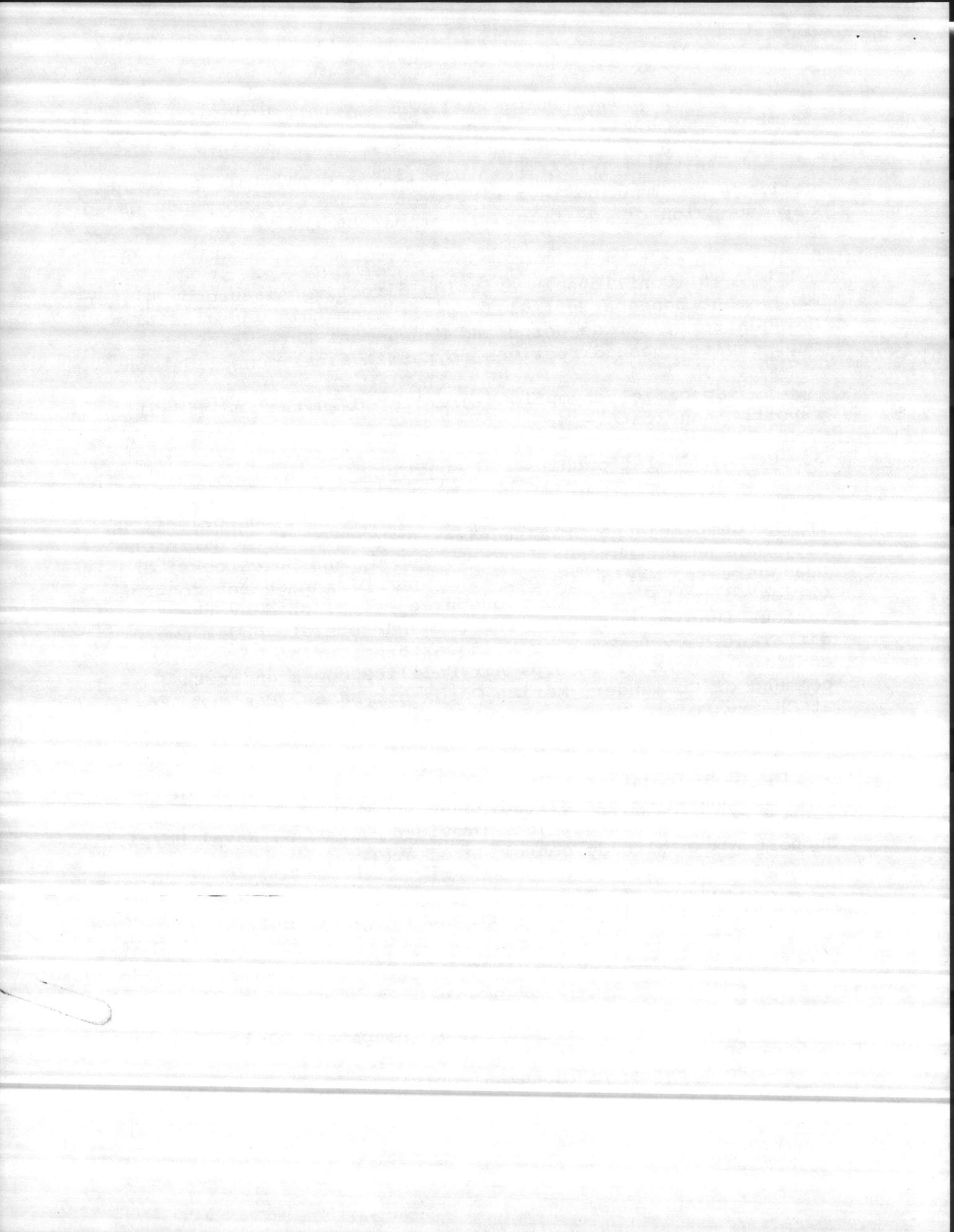
f. Specific assumptions are listed in the individual reports, Annexes A - M.

### 3. Command Relationships and Functions Evaluated

a. The three commands concerned with the consolidation in the Camp Lejeune area receive funds from three different Navy Management Bureaus (BuWeps, BuMed, and BuYd&Docks) and Headquarters, Marine Corps. The span of management control varies with the internal procedures established by the various funding sources. The commands operate under two different Navy Bureaus or Headquarters, Marine Corps. In addition, the Marine Corps Air Facility comes under the command of Commander, Marine Corps Air Bases, Eastern Area at Cherry Point, N. C. and receives certain service support from that command.

b. Consolidation of certain service support within the Camp Lejeune Area has already been accomplished. This is especially true for services provided the U. S. Naval Hospital. Support Areas already consolidated are:

- Certain IRO Services.
- Structural Fire Department (Hospital only).
- Issue Commissary.
- Bakery and Ice Services.
- Sales Commissary.
- Weapons Qualification.
- Officer and Enlisted Clubs (Hospital only).
- Special Services (Hospital only).
- Post Exchange (Hospital only).



Military Police.  
Disbursing.

Quarters and Housing assignment (Hospital on an assist basis).

c. The overall accounting functions in the financial management area for both the U. S. Naval Hospital and Marine Corps Air Facility could be consolidated. However, before such action can be taken, the many problems related to the procedures and required reports established by the funding sources and the command organization governing the Marine Corps Air Facility must be resolved and simplified at the Headquarters, Marine Corps and Management Bureau level. Thus the accounting functions to be assumed by the Base are limited as stated in Annex F.

d. Details concerning all functions evaluated are set forth in Annex A - M.

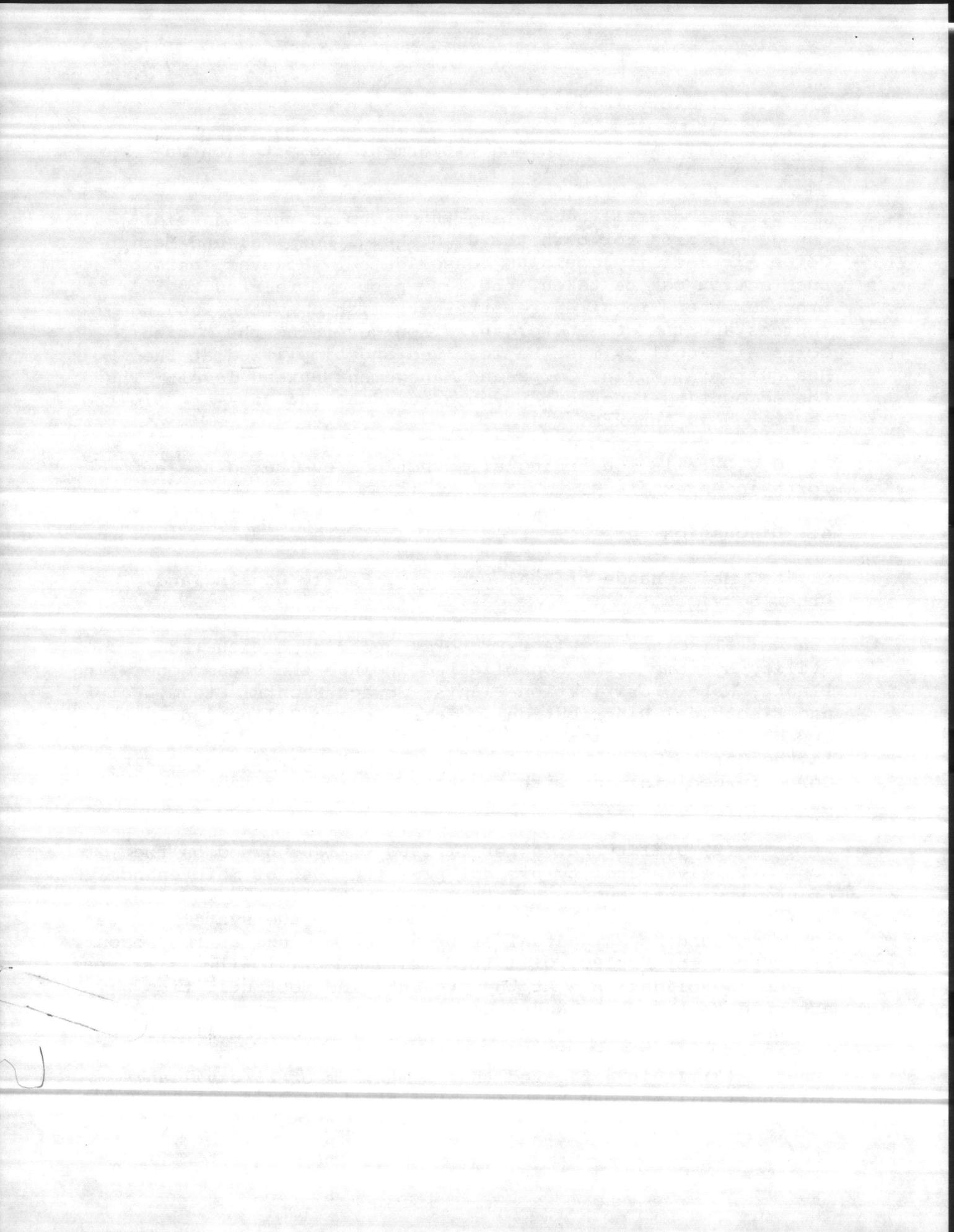
#### 4. Discussion

##### a. Maintenance of Real Property, Family Housing and Other Services.

(1) Class II Plant Property associated with the utility systems to be consolidated include the Steam Generating Plants; Water Purification Plants; Sewage Plants; Steam, Water and Electrical Distribution Systems, Sewage Collection System and Maintenance Buildings. These facilities will be transferred to the Marine Corps Base on approval of Headquarters, Marine Corps in coordination with the appropriate Navy Management Bureau.

(2) Utility rates for FY 1966 will be based on the cost of a given utility product plus the cost of maintenance of utility distribution system as estimated in the resident command's financial plan for maintenance of the system. Rates to be reduced by any actual or predicted savings as they occur. Procedures for FY 1967 will be determined during the first year of the consolidation. At the present time most utilities are sold to the U. S. Naval Hospital while electricity and trash disposal are sold to the Marine Corps Air Facility.

(3) It is estimated that a maximum of 25 civilian personnel billets can be eliminated at the end of the 1st



Quarter in the maintenance area. 20 billets are considered to be excess overhead and five billets will not be required in the utilities operations. Excess funds from these reductions are planned for use in reducing the backlog of essential maintenance which exist at the U. S. Naval Hospital and Marine Corps Air Facility or for return to the funding source.

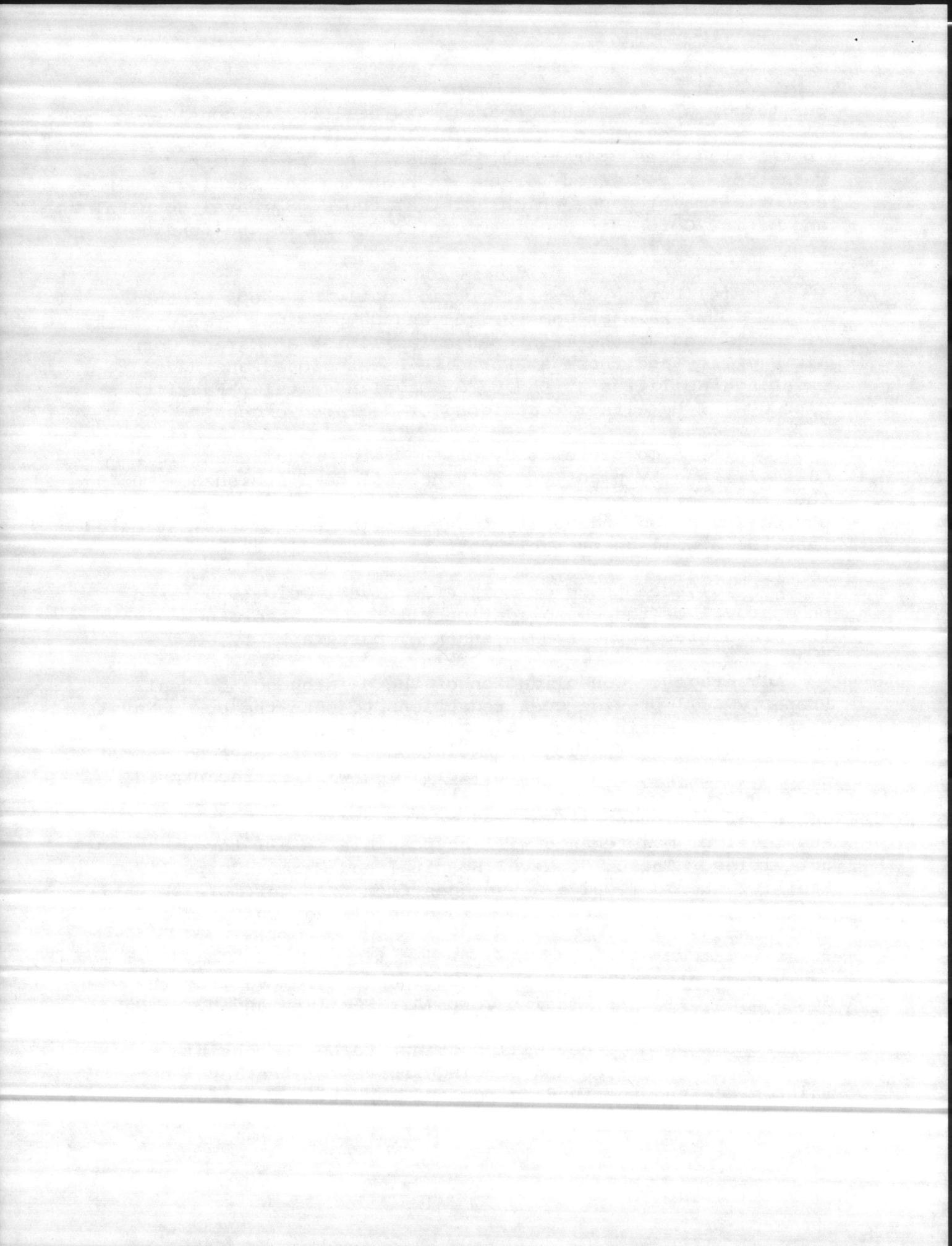
(4) During the trial period outlying shops of the Marine Corps Base at Camp Geiger and Camp Geiger Trailer Park will be moved to the maintenance facilities at Marine Corps Air Facility and those at Paradise Point closed and moved to existing facilities at the U. S. Naval Hospital. Facilities closed will be either reassigned or declared excess.

(5) A complete study of the total requirement for Class III and IV plant property has not been finished. During the trial period of consolidation both types of property will be redistributed and duplications eliminated. It is estimated that there will be probable cost reductions in this area.

(6) Acceptance of work effective 1 July 1965 based on approval of the consolidation will be in accordance with the procedures set forth in Annex A, paragraph IV, G.

Advantages: Consolidation of the Maintenance of Real Property will provide cost reductions to both the U. S. Naval Hospital and Marine Corps Air Facility both from personnel reductions and reductions in maintenance costs on equipment and minor property. Certain facilities will be recaptured for other use or disposal. Supervisory and other overhead costs per employee will be reduced, and a more level workload and level of maintenance will be possible at all three activities. The U. S. Naval Hospital and Marine Corps Air Facility should receive advantages from a larger more versatile maintenance work force with more diversified equipment and craftsmen.

Disadvantages: The consolidation will remove from the Commanding Officers, Marine Corps Air Facility and U. S. Naval Hospital the direct capability for the Maintenance of Real Property, however, they will continue to be responsible to the Management Bureau and funding source for the level of maintenance and the funding for and reporting therefor.



b. Public Works

(1) Consolidation in Public Works is already accomplished between the Marine Corps Base and the U. S. Naval Hospital. Further consolidation can be accomplished with the Marine Corps Air Facility to a lesser degree due to the distance of 20 miles between the activities. The lesser degree of consolidation will still result in the elimination of one military billet that of the Assistant Public Works Officer at Marine Corps Air Facility. A CEC Officer will still be required as Public Works Officer, Marine Corps Air Facility and be responsible for planning, budget preparation, and liaison between the Commanding Officer, Marine Corps Air Facility and Marine Corps Base for maintenance and project submission matters. It is planned to relocate the GS-12 Engineer and the GS-7 Technician at the Marine Corps Air Facility to the Marine Corps Base, Public Works Department. An increase in the Marine Corps Base, Public Works Department may be required based on the consolidation trial period for the additional design work which will result from the consolidation.

Advantages: Consolidation will save one military officer billet and should provide improved service to the Marine Corps Air Facility.

Disadvantages: None are apparent at this time.

c. Supply and Supply Services

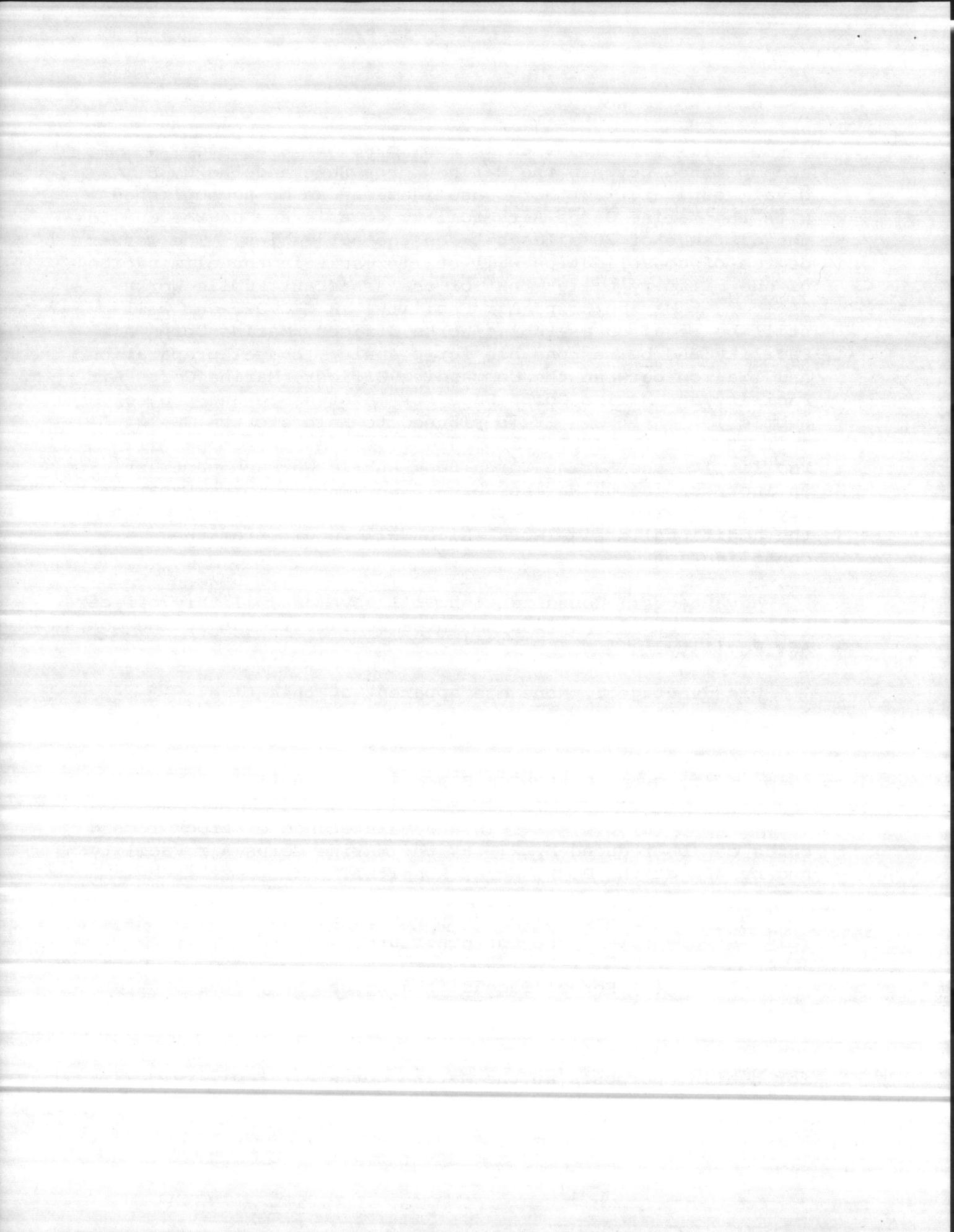
(1) Stock Control and Requisitioning

(a) Stock levels and maintenance of stock record cards can be reduced by 22% at the Marine Corps Air Facility and by 40% at the U. S. Naval Hospital.

(b) Reduction of stocks at both activities will release warehouse space for other use.

(c) Formal requisitioning can be reduced 20% at Marine Corps Air Facility and 15% at the U. S. Naval Hospital.

(d) There will be a reduction in the cost of fuel for heating purposes at the Marine Corps Air Facility.



(e) Three Lance Corporals/PFCs, MOS 3071 at Marine Corps Air Facility will be available for reassignment.

(f) Marine Corps Base MSA-03 will require additional stock fund monies estimated at \$57,000 annually for support of the Marine Corps Air Facility and \$39,000 annually for support of U. S. Naval Hospital.

(g) Supply costs will be reduced as outlined in Annex C.

(h) Inventories will be reduced at the U. S. Naval Hospital and Marine Corps Air Facility as stated in Annex C.

## (2) Local Procurement

(a) Local procurement can be reduced 100% at the Marine Corps Air Facility and 25% at the U. S. Naval Hospital.

(b) Two Corporals, MOS 3071 at the Marine Corps Air Facility will be available for reassignment.

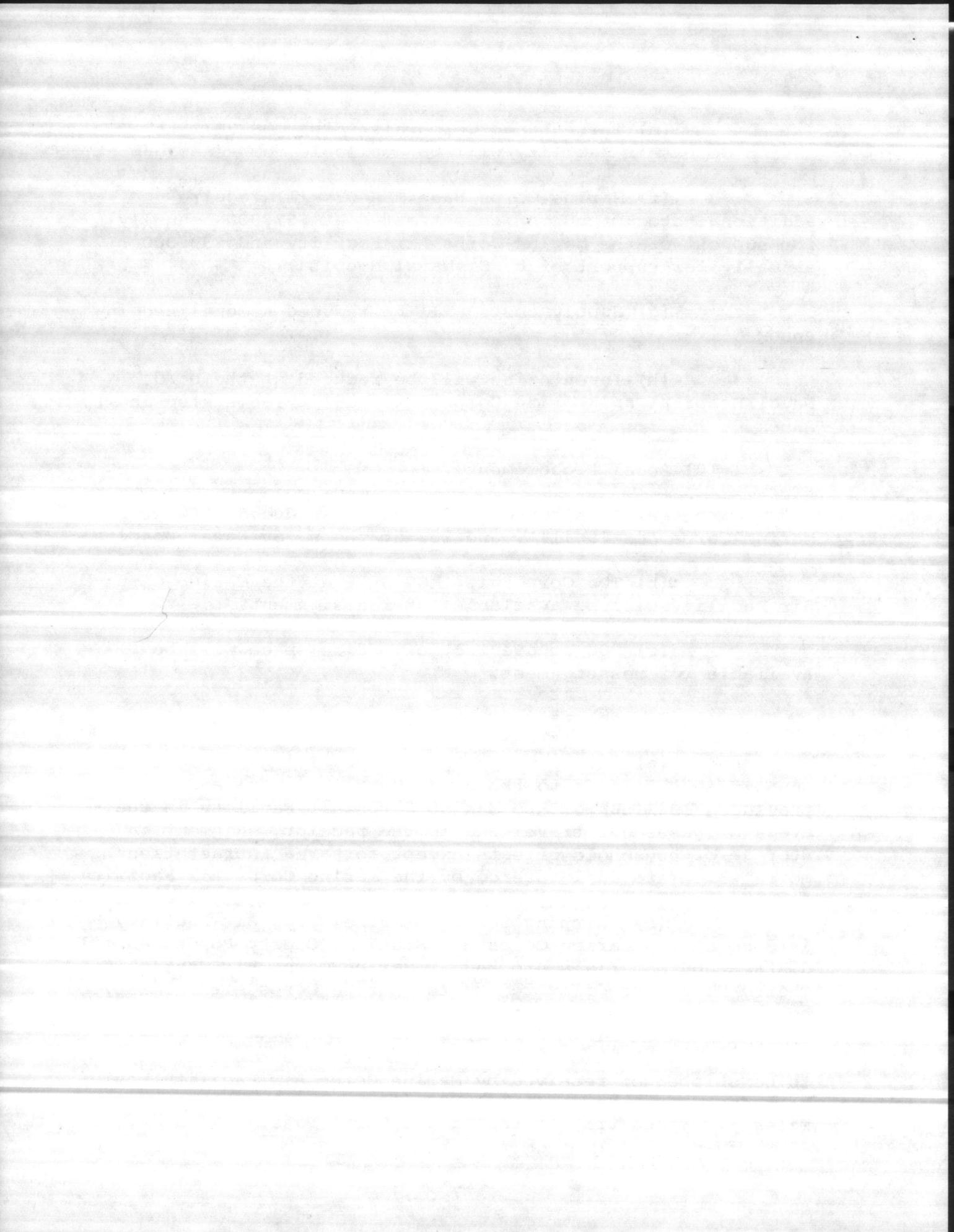
(c) 200 square feet of office space will be available for reassignment.

## (3) Transportation

(a) Marine Corps Base is providing complete support in this area to the U. S. Naval Hospital and is providing 100% support to Marine Corps Air Facility in the areas of passenger travel and in the receipt, shipment and storage of household effects except for area intrastation moves which are administered by the Marine Corps Air Facility.

(b) Shipping for the Marine Corps Air Facility is done at the Marine Corps Air Station, Cherry Point, 45 miles distant and materials stocked at Marine Corps Air Station, Cherry Point are delivered to the Marine Corps Air Facility by government transportation.

(c) Through consolidation the movement of supplies to be shipped or received by Marine Corps Air Facility would be reduced from approximately 90 miles per round trip to 30 miles per round trip to the Marine Corps Base.



#### (4) Preservation and Packaging

(a) Marine Corps Base can provide Preservation and Packaging services required in connection with the shipment of material by providing transportation support to Marine Corps Air Facility.

(b) Marine Corps Base can provide Preservation and Packaging services required to paint vehicles and will assume same by providing motor transport maintenance support which includes vehicle painting.

#### (5) Redistribution and Disposal

(a) Peculiar aeronautical material that requires technical inspection for proper condition coding and/or reporting should be processed by Marine Corps Air Station, Cherry Point where the required skills are available.

(b) The Marine Corps Base is providing complete redistribution and disposal support for the U. S. Naval Hospital and to the Marine Corps Air Facility for some common Marine Corps supply items.

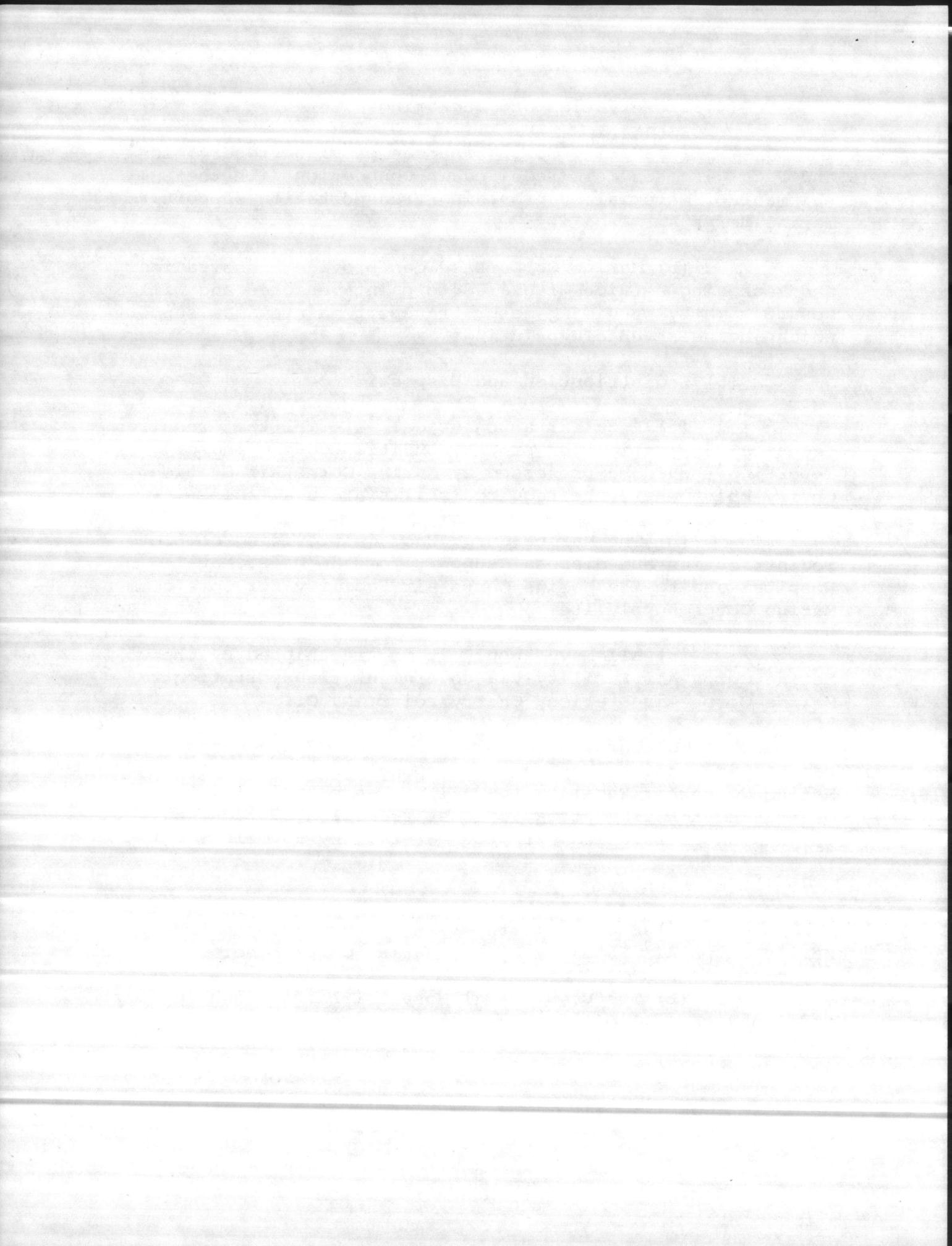
(c) All Navy supply items are shipped by the Marine Corps Air Facility via government transportation to Marine Corps Air Station, Cherry Point, N. C.

(d) Through consolidation the Marine Corps Base can provide redistribution and disposal services to the Marine Corps Air Facility for all non-aeronautical (common) materials at a transportation cost reduction by reducing the distance travelled with the material by 60 miles.

#### (6) Laundry

(a) Support in this area is provided to the Marine Corps Air Facility by the Marine Corps Base.

(b) The U. S. Naval Hospital has its own laundry and processes all of its organizational requirements but does no personal laundry (reimbursable work). Such service is provided by the Marine Corps Base.



(c) Based on the material set forth in Annex C, laundry facilities of the Marine Corps Base and the U. S. Naval Hospital should not be consolidated at this time.

Advantages: Consolidation as stated above will save both military personnel billets and certain inventory and transportation costs.

Disadvantages: None apparent at this time.

d. Motor Transport Services

(1) Annex D provides four different consolidation programs for consideration and includes:

(a) Transfer of common Navy vehicles/equipment to the Marine Corps with the Marine Corps Air Facility and the U. S. Naval Hospital reimbursing the Marine Corps Base for services.

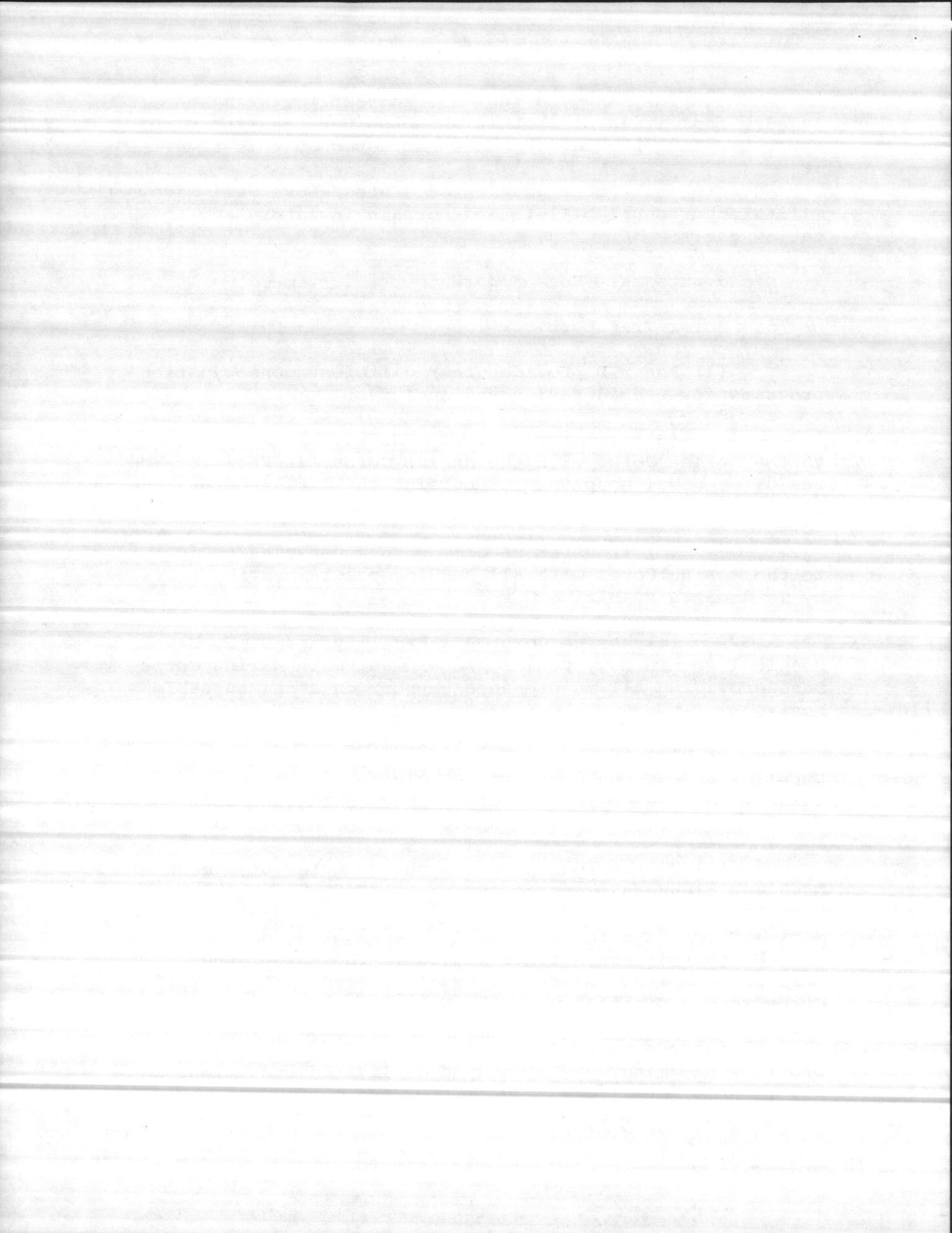
(b) Transfer of common Navy vehicles/equipment to the Marine Corps with all funding programmed and provided by Headquarters, Marine Corps.

(c) Marine Corps Air Facility and U. S. Naval Hospital retain Navy vehicles/equipment with Marine Corps Base providing all maintenance support on a reimbursable basis.

(d) Bureau of Yards and Docks and Bureau of Supplies and Accounts assign vehicles/equipment and provide funds to Marine Corps Base for support of Marine Corps Air Facility and U. S. Naval Hospital.

(2) Of the four programs the transfer of common Navy vehicles/equipment to the Marine Corps with the Marine Corps Air Facility and U. S. Naval Hospital reimbursing the Marine Corps Base for services is considered the best program for the consolidation trial program. The establishment of this program requires the approval of Headquarters, Marine Corps in coordination with the Navy Management Bureaus.

(3) Adoption of either program (c) or (d) would provide only minor savings and no or limited reductions in



personnel and equipment. The committee recommends against adoption of these programs.

Advantages: Adoption of the first program will provide to all three activities reductions in the cost of personnel, equipment, facilities and property to support the three Motor Transport operations as stated in Annex D.

Disadvantages: The Commanding Officers of the Marine Corps Air Facility and U. S. Naval Hospital will lose direct control of the Motor Transport services currently organic to their commands.

e. Medical and Dental Services

(1) Review of the current Medical and Dental operations in the three commands has established that the present set up is effective and providing the required services. Consolidation would not at this time improve the services or produce sufficient cost reduction to be beneficial. The committee recommends against any further consolidation at this time.

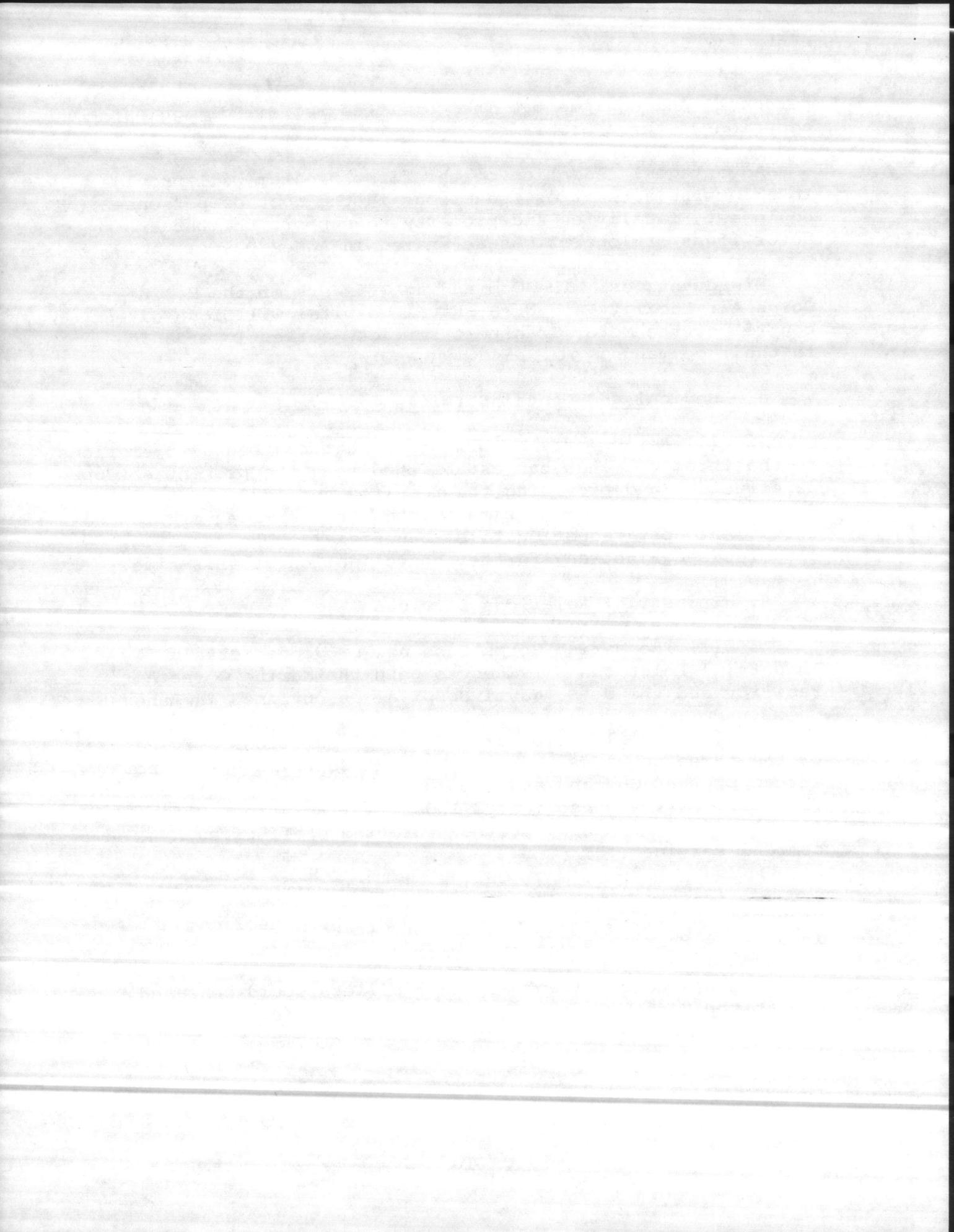
f. Industrial Relations Services

(1) The Marine Corps Base now provides certain Industrial Relations services to both the Marine Corps Air Facility and the U. S. Naval Hospital as outlined in Annex E.

(2) Consolidation of Industrial Relations services of the three commands under the Marine Corps Base will not affect present Command and subordinate line responsibilities. The staff of the Consolidated Industrial Relations Office (CIRO) will function as if they were the staff of each command serviced.

(3) A limited increase in office equipment and Motor Transport services will be required by the Consolidated Industrial Relations Office.

(4) Two civilian personnel billets would be saved, one at the Marine Corps Air Facility and one at the U. S. Naval Hospital.



Advantages: The Marine Corps Air Facility and U. S. Naval Hospital would receive the same or better Industrial Relations services from consolidation and there would be savings in personnel and funds currently required to support this service within each command. All commands would receive more uniform and diversified services without competition as now exists.

Disadvantages: Initially, a lowering of worker morale of all civilian personnel affected by the overall consolidation.

g. Financial Management

(1) In implementation of the proposed consolidation budgeting responsibility will remain essentially the same as currently in effect. Marine Corps Base will require firm budgeting data from the U. S. Naval Hospital and Marine Corps Air Facility covering the planned work in reimbursable areas. Marine Corps Base will furnish U. S. Naval Hospital and Marine Corps Air Facility with estimates as needed for budget purposes.

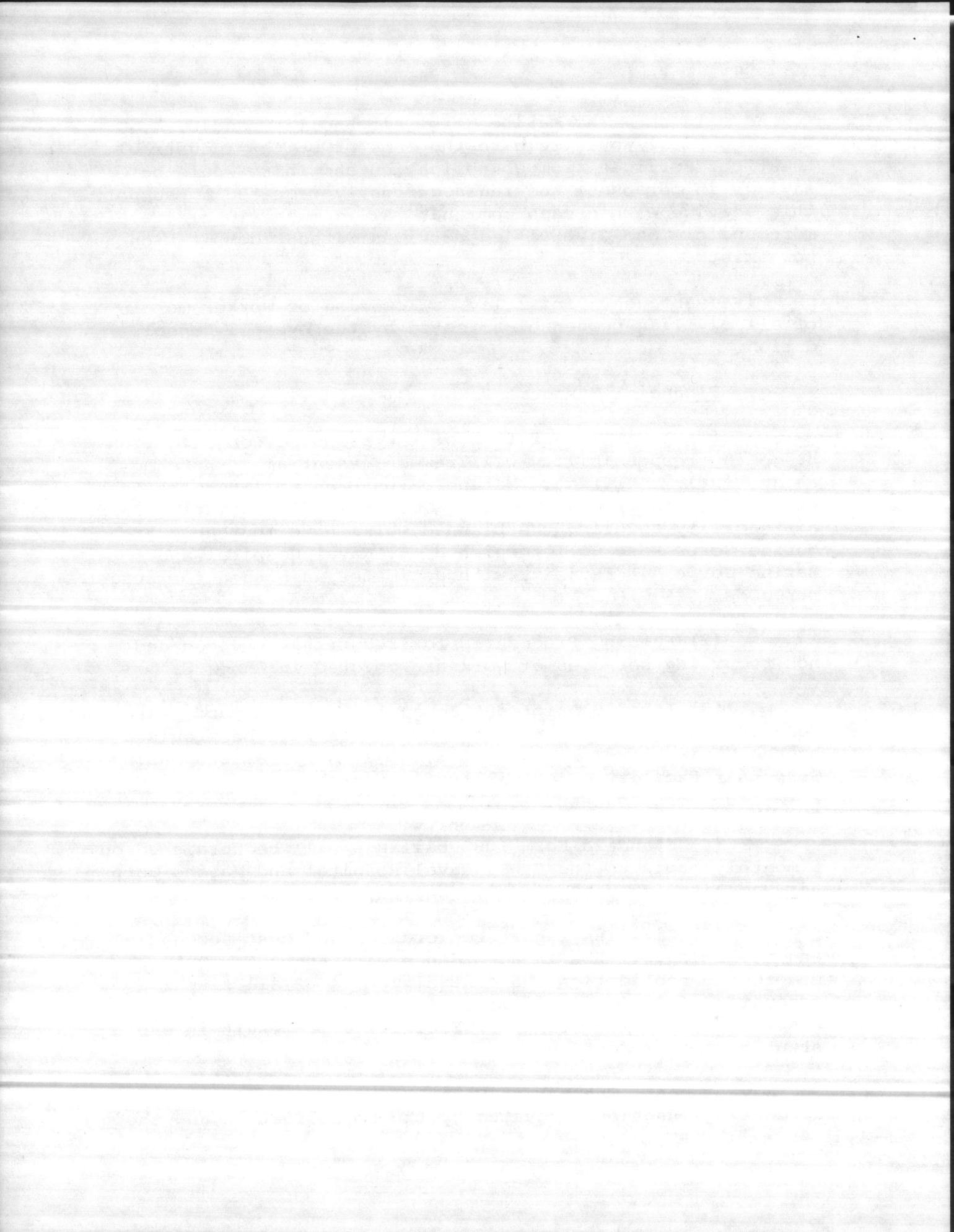
(2) Funding Procedures for recurring services and non-recurring services or work are covered in Annex F.

(3) A Daily Allotment Journal (DAJ) and Funds Resources Ledger (FRL) and/or when a posting occurs will be provided by the Marine Corps Base to U. S. Naval Hospital and Marine Corps Air Facility which will reflect status of each NavCompt Form 140, Work Request.

(4) Standard Form 1080 billings will be furnished on a monthly basis to the U. S. Naval Hospital and Marine Corps Air Facility for certification and payment.

(5) Civilian labor acceleration and cost accounting and reporting will be in accordance with Annex F. Only complete consolidation and centralization of all fiscal accounting functions of Marine Corps Base, U. S. Naval Hospital and Marine Corps Air Facility will result in substantial cost reductions.

Advantages: The Marine Corps Base can provide the accounting functions required by the consolidation and the



services provided will simplify the procedures currently utilized by the Marine Corps Air Facility.

Disadvantages: None apparent at this time.

h. Safety Functions

(1) Although safety services have been provided on request in the past to both the U. S. Naval Hospital and Marine Corps Air Facility, the safety responsibility of the Marine Corps Air Facility is under the Safety Director, Marine Corps Air Station, Cherry Point, N. C.

(2) Although consolidation of the safety functions of the three commands as a whole would benefit these commands, there would be no direct savings in civilian personnel since technical and administrative functions in the area at the Marine Corps Air Facility and U. S. Naval Hospital are now performed on a collateral duty basis by military personnel. For the Marine Corps Base to assume this responsibility would require two additional civilian personnel as stated in Annex G.

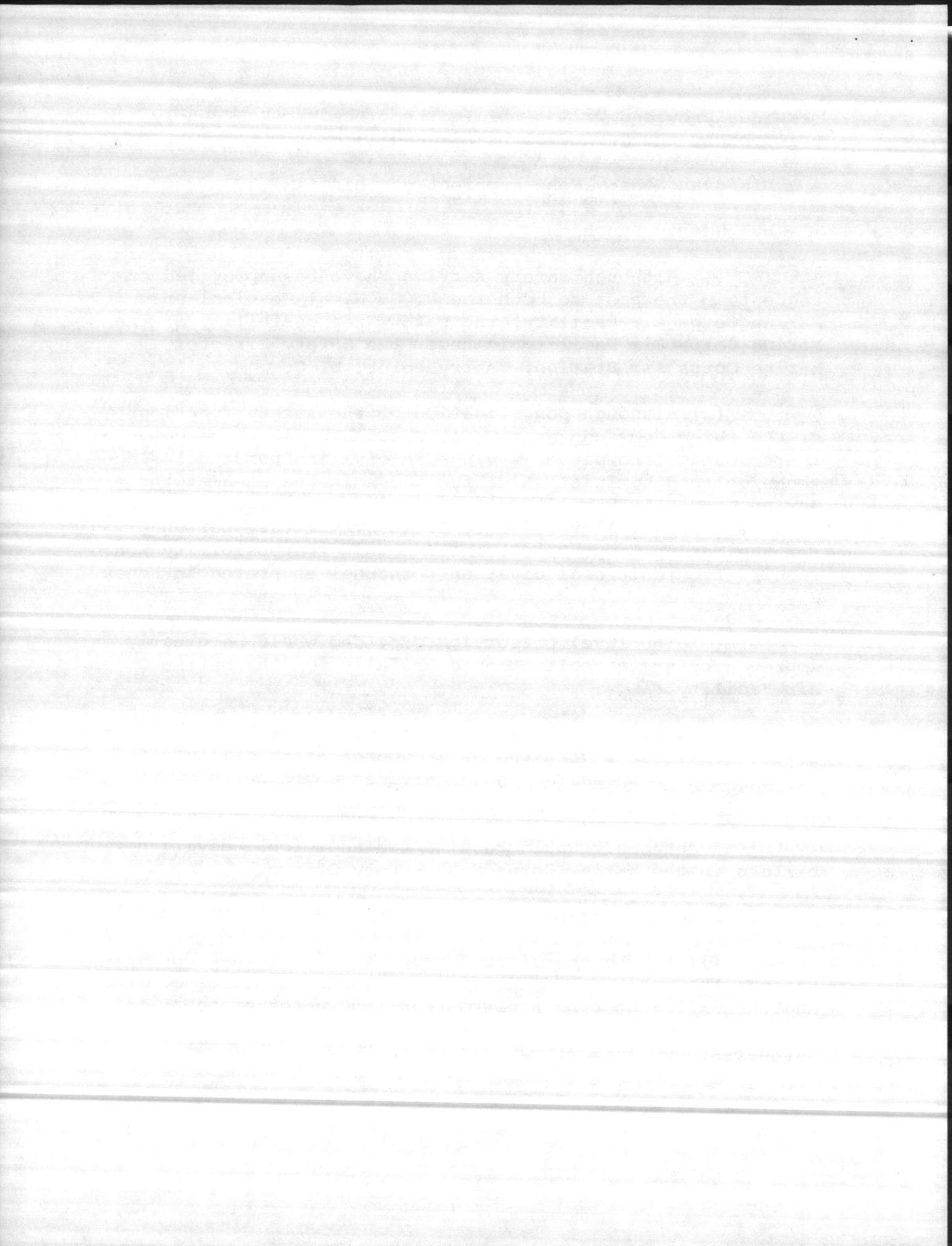
(3) The level of service provided would be greatly improved by the consolidation especially for the Marine Corps Air Facility.

Advantages: Consolidation would provide a high level of safety services to both the Marine Corps Air Facility and U. S. Naval Hospital and such services would be on a regularly scheduled basis.

Disadvantages: Would require two additional civilian billets in the Marine Corps Base Safety Office.

i. Data Processing

(1) Due to the limited scope of the planned consolidation, the various sources of funding for the three commands and the different type reports required, no benefits at this time could be gained by consolidation. This area requires further study.



j. Fire Protection

(1) The Marine Corps Base now provides fire protection for the U. S. Naval Hospital.

(2) Due to the two types of fire protection required by the Marine Corps Air Facility, structural and aviation, the current fire protection organization is capable of furnishing both types of protection as combined trained force for both types of protection. No cost reductions or savings can be gained by consolidation due to the dual role of the force at the Marine Corps Air Facility. The committee recommends no consolidation in this area.

k. Area Auditor

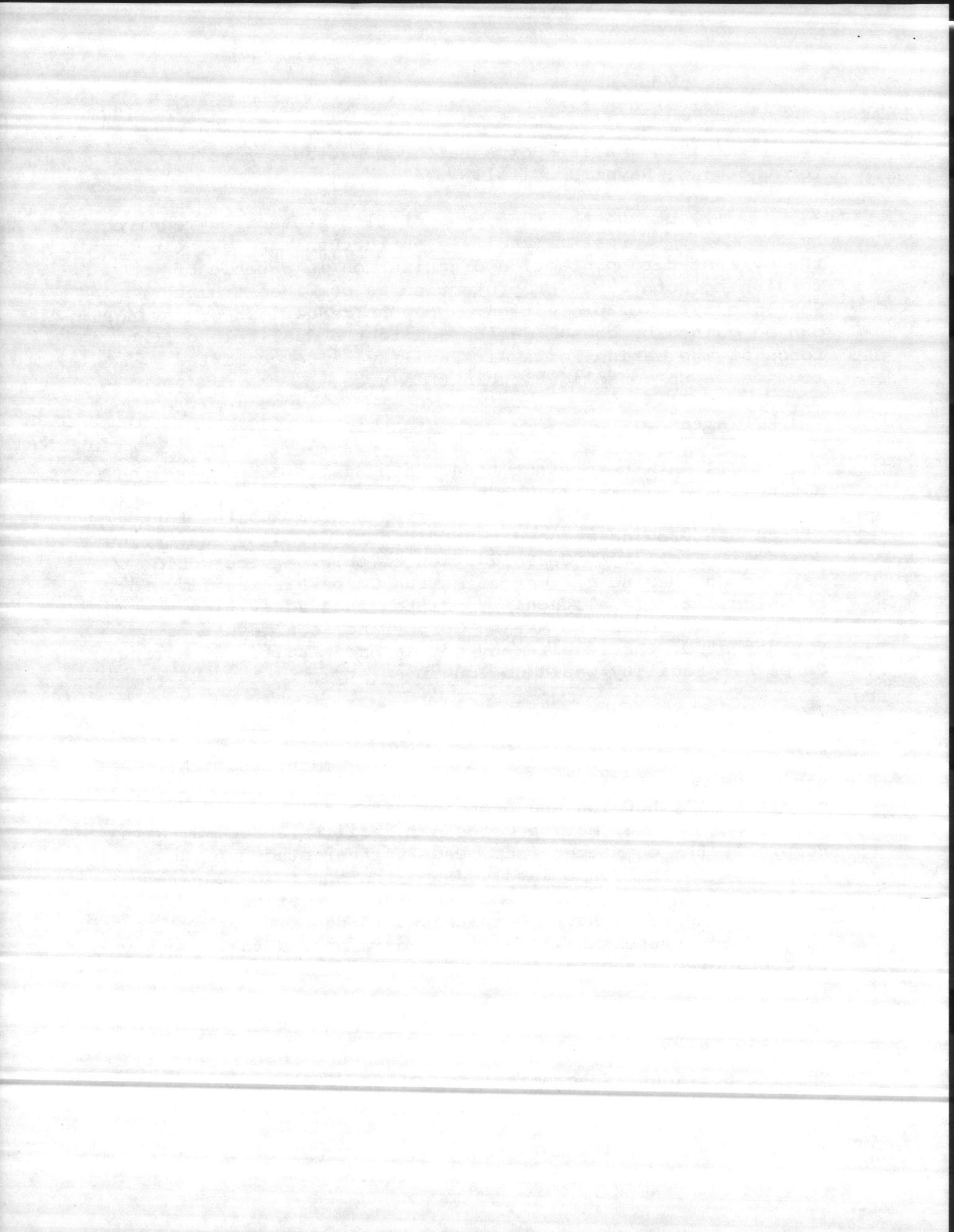
(1) At the present time, both Marine Corps Base and Marine Corps Air Facility have an Area Auditor's Office. It is the opinion of the Marine Corps Base Area Auditor that his office can provide all audit services required by the Marine Corps Air Facility. Consolidation of this service would release one Marine officer at Marine Corps Air Facility for reassignment. If all nonappropriated fund activities are consolidated under the Marine Corps Base as a result of further study the requirement for an Area Auditor at Marine Corps Air Facility would no longer exist.

l. Quarters and Housing and Bachelor Officers' Quarters

(1) Although Annexes H and I recommend that the Marine Corps Base assume responsibility for management control of all family housing and bachelor officers' quarters at Marine Corps Base, Marine Corps Air Facility and U. S. Naval Hospital, the committee recommends further study of these areas due to the funds involved and the specific requirements of each command. In the long run both the Marine Corps Air Facility and U. S. Naval Hospital would benefit but due to the command responsibilities involved a more detailed study is considered essential.

m. Nonappropriated Fund Activities

(1) Annex J, K, L and M concern the Post Exchange, Special Services, Noncommissioned Officers Clubs and



Commissioned Officers' Messes. In case of the U. S. Naval Hospital, these facilities are now consolidated. However, in case of the Marine Corps Air Facility all activities are separately operated. Although Annex J, K, L and M recommend consolidation, it is the recommendation of the committee that these areas receive greater study and future reports will provide definite recommendations. It is suggested that appropriate Divisions at Headquarters, Marine Corps, review these Annexes to determine the overall effect on existing policies.

## 5. Conclusions

### a. Maintenance of Real Property, Family Housing and Other Services

Definite savings in money and personnel will accrue from consolidation of maintenance and utilities functions of the Marine Corps Base, Marine Corps Air Facility and U. S. Naval Hospital. The service provided will be equivalent or superior to the existing service due to the more diversified equipment and work force (Annex A).

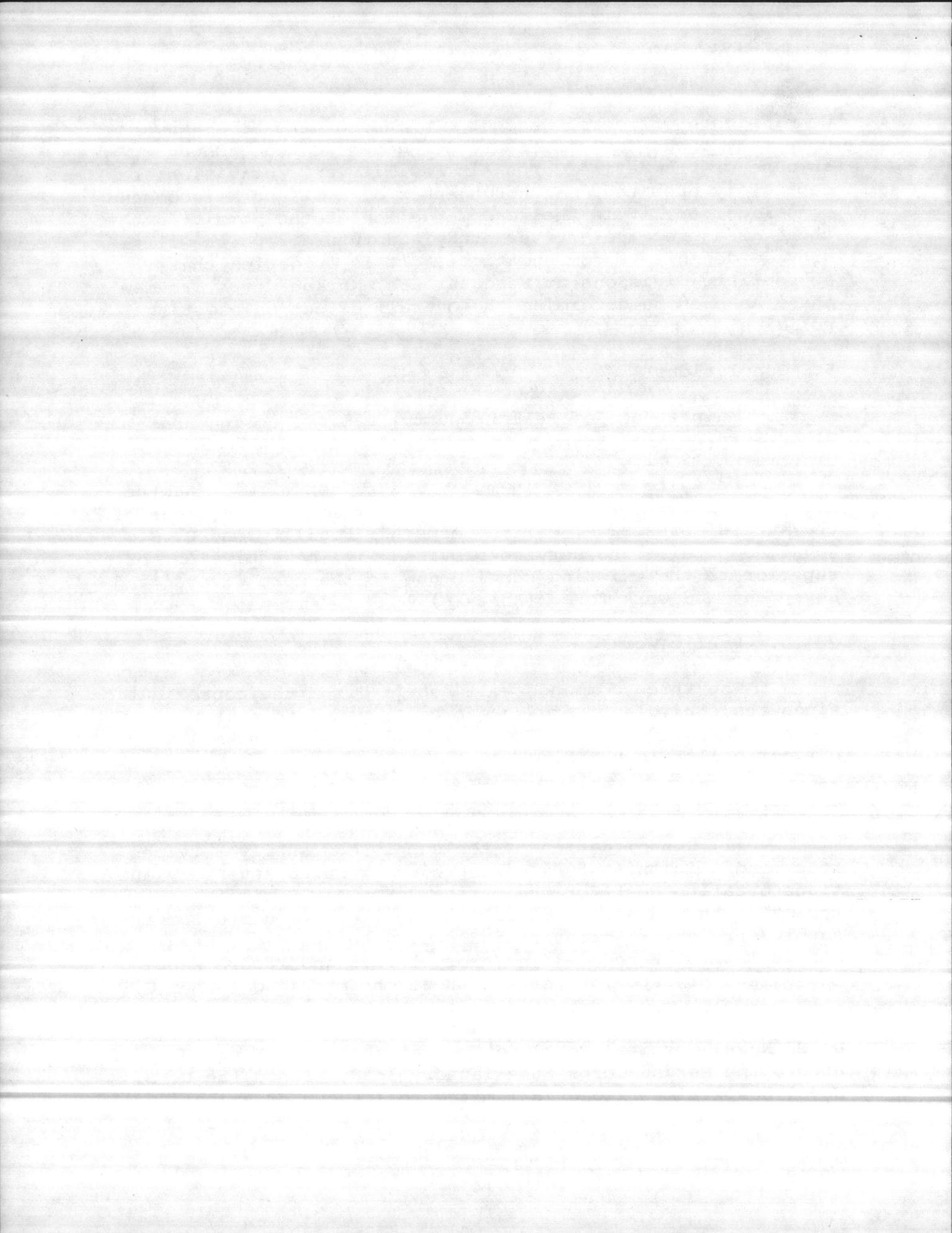
### b. Public Works

The three commands will benefit from the consolidation since the equivalent service can be provided to each command and the Marine Corps Air Facility will abolish one military officer billet (Annex B).

### c. Supply and Supply Services including the Laundry

(1) Consolidation of the supply and supply services recommended in this study will produce reduced inventory and transportation cost for the Marine Corps Air Facility, a reduction in the number of enlisted billets required for the supply service organization and saving to the U. S. Naval Hospital through reduced inventory levels and record keeping. Equivalent or superior service should be provided (Annex C).

(2) The Marine Corps Base Laundry cannot absorb the U. S. Naval Hospital workload nor can the U. S. Naval Hospital absorb the Marine Corps Base laundry load. Since the U. S. Naval Hospital workload is limited to its own organizational



needs and based on guidance received from BuMed, the benefits to be derived from the consolidation of the manager-ship are so intangible, it is considered unwise to consolidate the laundries. The laundry facilities should remain status quo.

d. Motor Transport Services

(1) Adoption of the program whereby the common Navy vehicles/equipment are transferred to the Marine Corps with Marine Corps Air Facility and U. S. Naval Hospital reimbursing the Marine Corps Base for motor transport support will provide means for effecting a substantial savings in funds, personnel, facilities and equipment. This system could become effective 1 July 1965 if approved by Headquarters, Marine Corps, in coordination with the Navy Management Bureaus (Annex D).

(2) Adoption of a consolidation plan for third and fourth echelon maintenance is feasible but offers only slight savings due to the varying directives involved.

e. Medical and Dental Services

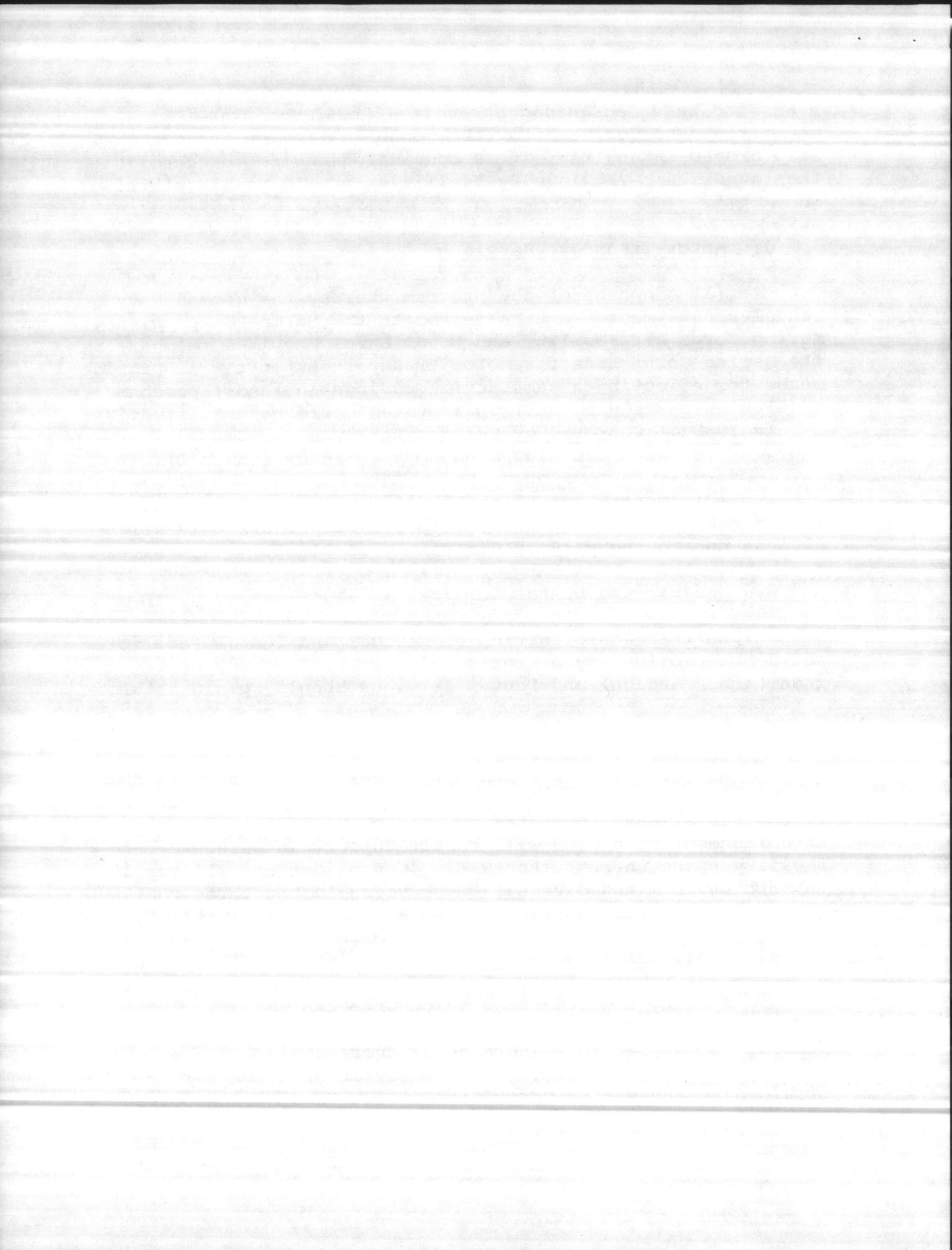
Further consolidation of Medical and Dental facilities would not provide any better service or produce any cost reduction. Medical and Dental services should remain as is.

f. Industrial Relations

Marine Corps Base Industrial Relations Office is capable of providing industrial relations (personnel) services to the U. S. Naval Hospital and Marine Corps Air Facility. Establishment of a CIRO will result in certain personnel and facility space savings (Annex E). Consolidation will result in more uniform and diversified services to the three commands concerned without reduction in overall operational effectiveness.

g. Financial Management

Funding and budgeting procedures can be implemented to meet the requirements of consolidation in the areas recommended. No appreciable increase or decrease in costs is anticipated in this area. More timely information may be provided to the Marine Corps Air Facility and Marine Corps



Air Station, Cherry Point due to the EDP system at the Marine Corps Base (Annex F).

h. Safety Functions

Consolidation of the safety functions under Marine Corps Base although requiring additional personnel would provide a more effective scheduled service to both the Marine Corps Air Facility and U. S. Naval Hospital than now exists (Annex G).

i. Fire Protection

Consolidation of the fire protection organization at the Marine Corps Base and Marine Corps Air Facility will not provide any better service, nor produce savings in personnel, funds or equipment. Consolidation is not proposed.

j. Area Auditor

Consolidation of this function would reduce the requirement of a Marine Officer at Marine Corps Air Facility. If in the future, nonappropriated fund activities are consolidated, the need for a separate office at Marine Corps Air Facility would no longer be required. Headquarters, Marine Corps should evaluate this consolidation based on its requirements.

k. Quarters and Housing and Bachelor Officers' Quarters

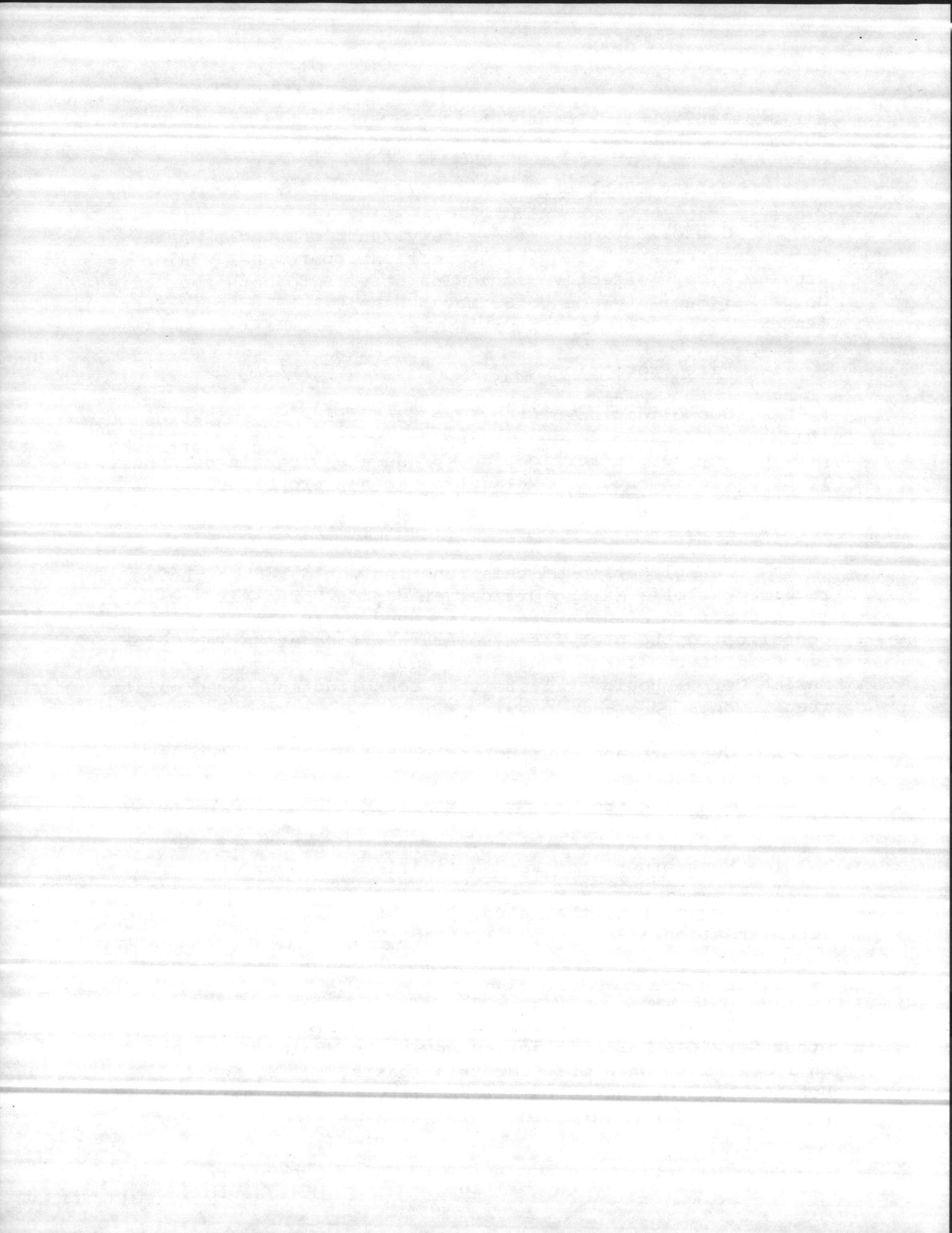
Requires further study prior to submission of valid recommendations (Annexes H and I).

l. Nonappropriated Fund Activities

Requires further study prior to submission of valid recommendations (Annexes J, K, L and M).

6. Actions Recommended

a. Maintenance of Real Property, Family Housing and Other Services be consolidated under the Marine Corps Base on 1 July 1965 on a one year trial basis. U. S. Naval Hospital and Marine Corps Air Facility fund for services provided on a reimbursable basis.



b. Public Works functions be consolidated under the Public Works Officer, Marine Corps Base as proposed in this study.

c. Consolidation of Supply and Supply Services, less the Laundry facilities, necessary to support the consolidation effort is recommended.

d. Based on approval of program one, as stated in Annex D, by Headquarters, Marine Corps, in coordination with the Navy Management Bureaus, consolidation of the Motor Transport services of Marine Corps Base, Marine Corps Air Facility and U. S. Naval Hospital is recommended effective 1 July 1965. Consolidation of only third and fourth echelon maintenance is not recommended.

e. Further consolidation of the Medical and Dental services is not recommended at this time.

f. Consolidation of the Industrial Relations functions under a Consolidated Industrial Relations Office is recommended.

g. Consolidation of the Safety functions is recommended.

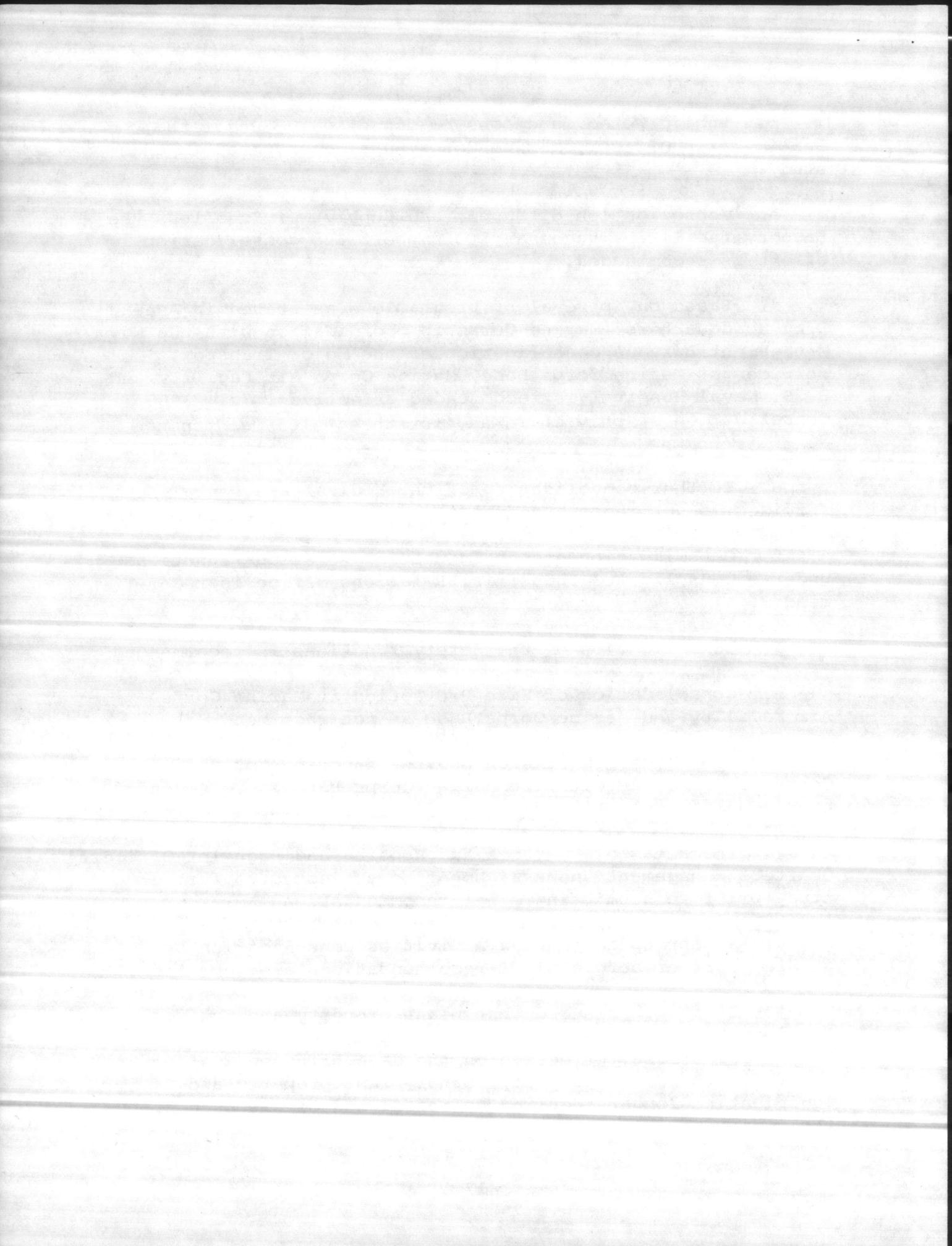
h. Consolidation of Fire Protection at Marine Corps Air Facility and Marine Corps Base is not recommended.

i. Consolidation of Area Auditor functions at Marine Corps Air Facility with the Marine Corps Base is recommended based on approval of Headquarters, Marine Corps.

j. The areas of Quarters and Housing and Bachelor Officers' Quarters management and assignment be subjected to further study prior to submitting final recommendations.

k. Nonappropriated Fund Activities consolidation be studied further before final recommendations are submitted.

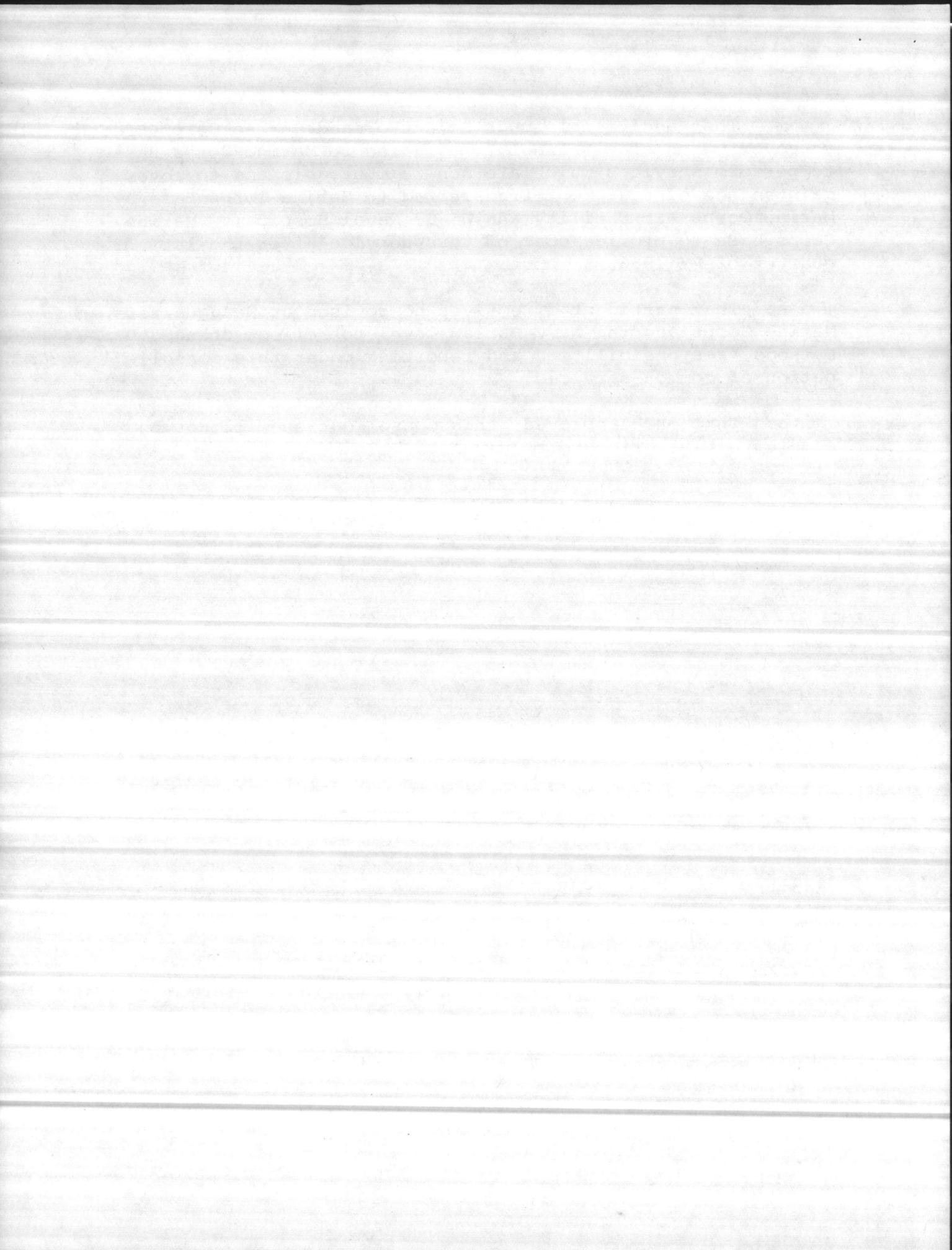
l. It is recommended that plant property and equipment set forth in this study be transferred to the Plant Account, Marine Corps Base, effective on the date of consolidation and that other real property, other plant property and equipment no longer required be reassigned or disposed of by the owning activity.



m. That additional funds be authorized Marine Corps Base to cover wages of personnel transferred to Marine Corps Base to perform services which are non-reimbursable and to cover maintenance of equipment transferred to Marine Corps Base by Marine Corps Air Facility and U. S. Naval Hospital. Marine Corps Base to provide cost of this service after the 1st quarter of FY 1966.

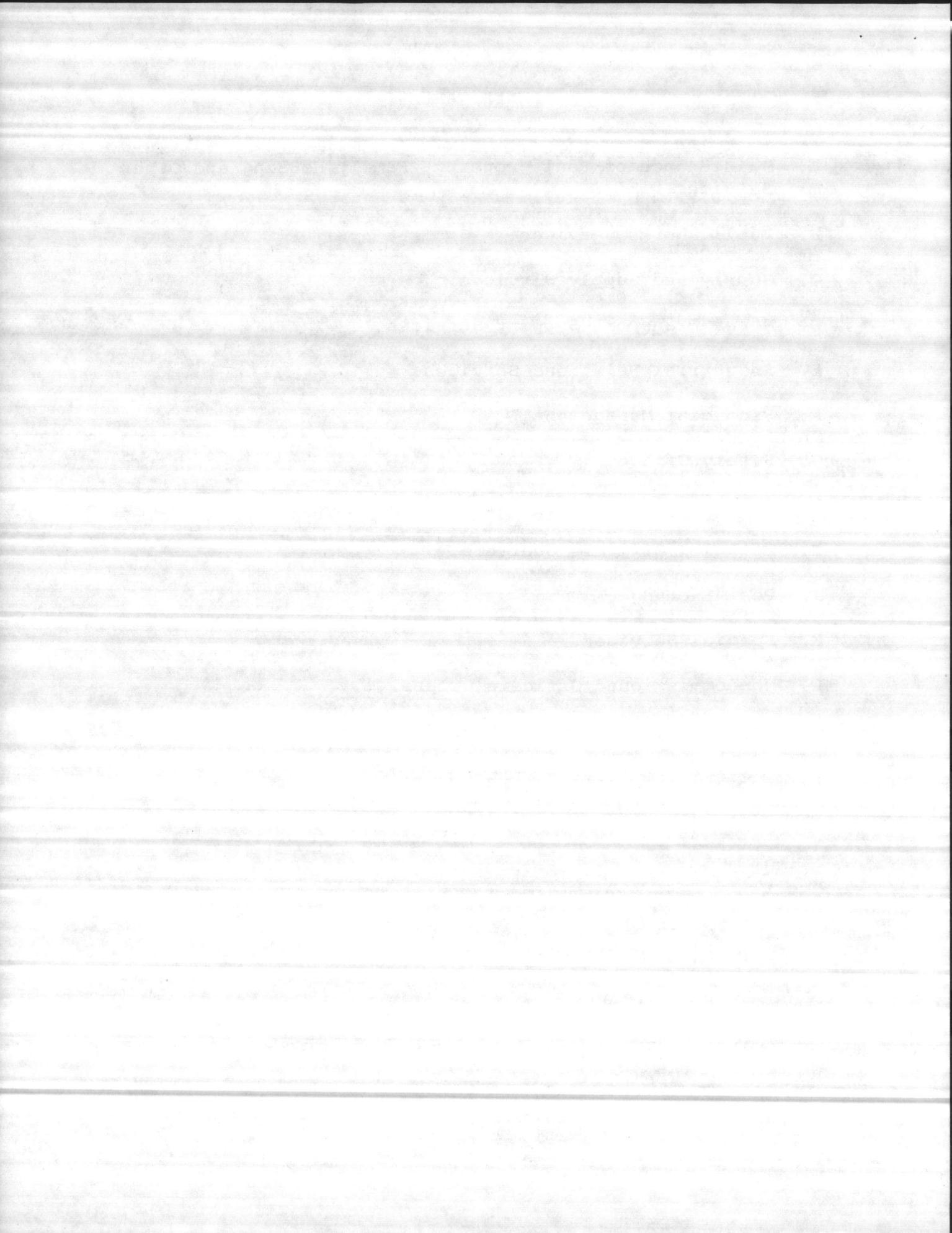
n. That pertinent directives be revised at Headquarters, Marine Corps and the Navy Bureau level to reflect changed methods, responsibilities and reporting under this consolidation of common services.

o. That once approved, this consolidation will not become effective prior to 1 July 1965.



ANNEX TABLE

- A. Maintenance of Real Property, Family Housing and Other Services.
- B. Public Works Services.
- C. Supply and Supply Services.
- D. Motor Transport Support Services.
- E. Industrial Relations Services.
- F. Financial Management.
- G. Safety Office.
- H. Quarters and Housing Office.
- I. Bachelor Officers Quarters.
- J. Post Exchange.
- K. Special Services.
- L. Noncommissioned Officers' Clubs.
- M. Commissioned Officers' Messes.



## ANNEX A

### MAINTENANCE CONSOLIDATION REPORT

I. Problem. To determine the feasibility of consolidating the functions of maintaining real property including family housing at the Marine Corps Base, Camp Lejeune, North Carolina; Marine Corps Air Facility, New River, North Carolina; and U. S. Naval Hospital, Camp Lejeune, North Carolina; and operating the utilities systems of the Marine Corps Base, Camp Lejeune, North Carolina, and Marine Corps Air Facility, New River, North Carolina.

#### II. Assumptions.

A. That the workload in maintenance of real property, plant property, services and utilities operation at the three activities will remain at approximately the same levels as currently.

B. That the standards of maintenance will remain at the current level.

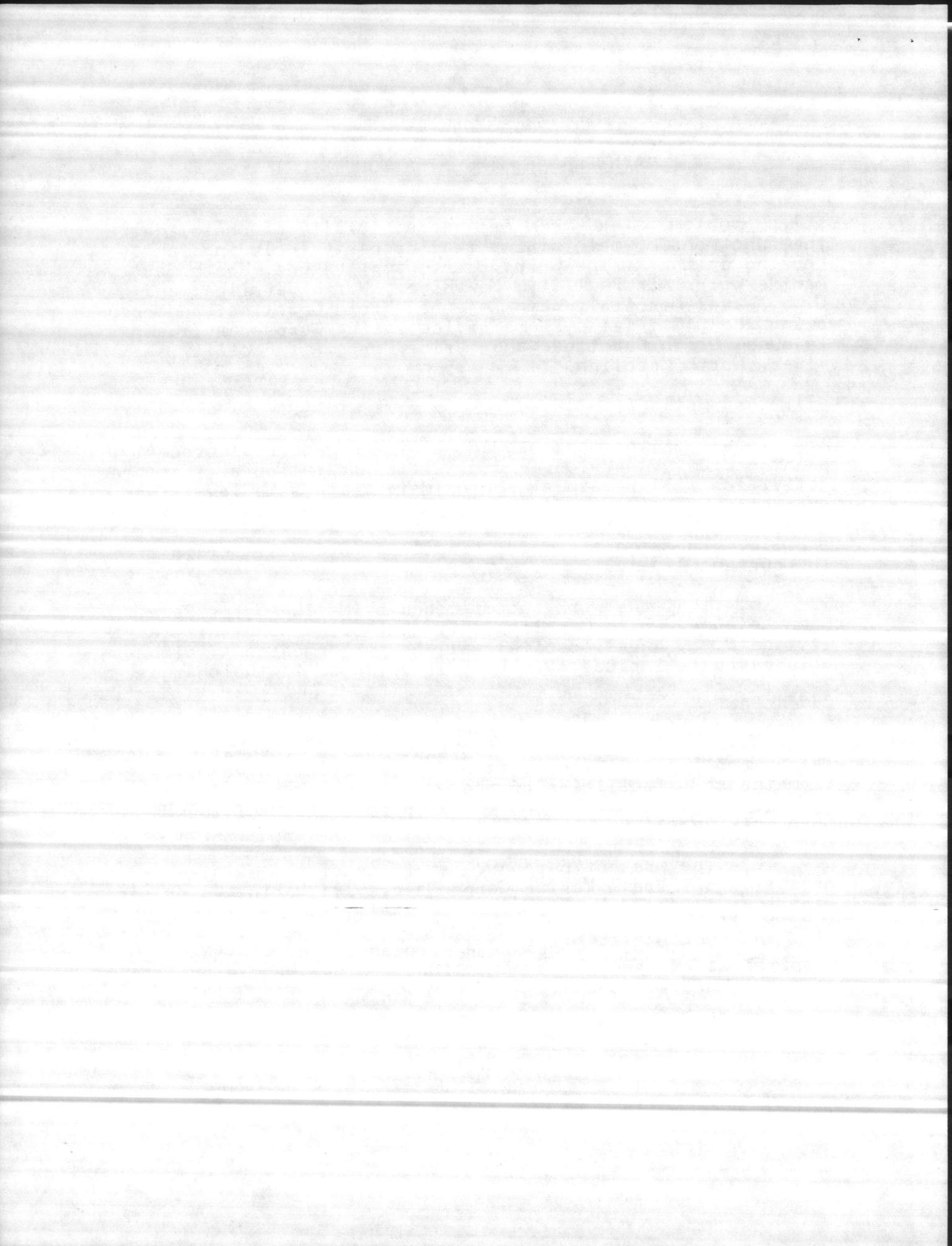
C. That the work accomplished by Marine Corps Base, Camp Lejeune, North Carolina, for the Marine Corps Air Facility and U. S. Naval Hospital will be performed on a reimbursable basis to include overhead, leave, etc. in the charges.

#### III. Facts.

A. The principal maintenance shops of the Marine Corps Base, Camp Lejeune, are located approximately three miles from the shop facilities of the U. S. Naval Hospital, and approximately 14 miles from the shop facilities of the Marine Corps Air Facility.

B. The present personnel staffing of the maintenance organizations are: Marine Corps Base, 918; Marine Corps Air Facility, 116; and U. S. Naval Hospital, 49.

C. The Marine Corps Base furnishes the U. S. Naval Hospital water, sewage, steam, liquefied gas, and electricity on a reimbursable basis.



#### IV. Discussion.

A. On 1 July 1965, the following items of property will be dropped from the Plant Account of resident commands and picked up on the Plant Account of Marine Corps Base:

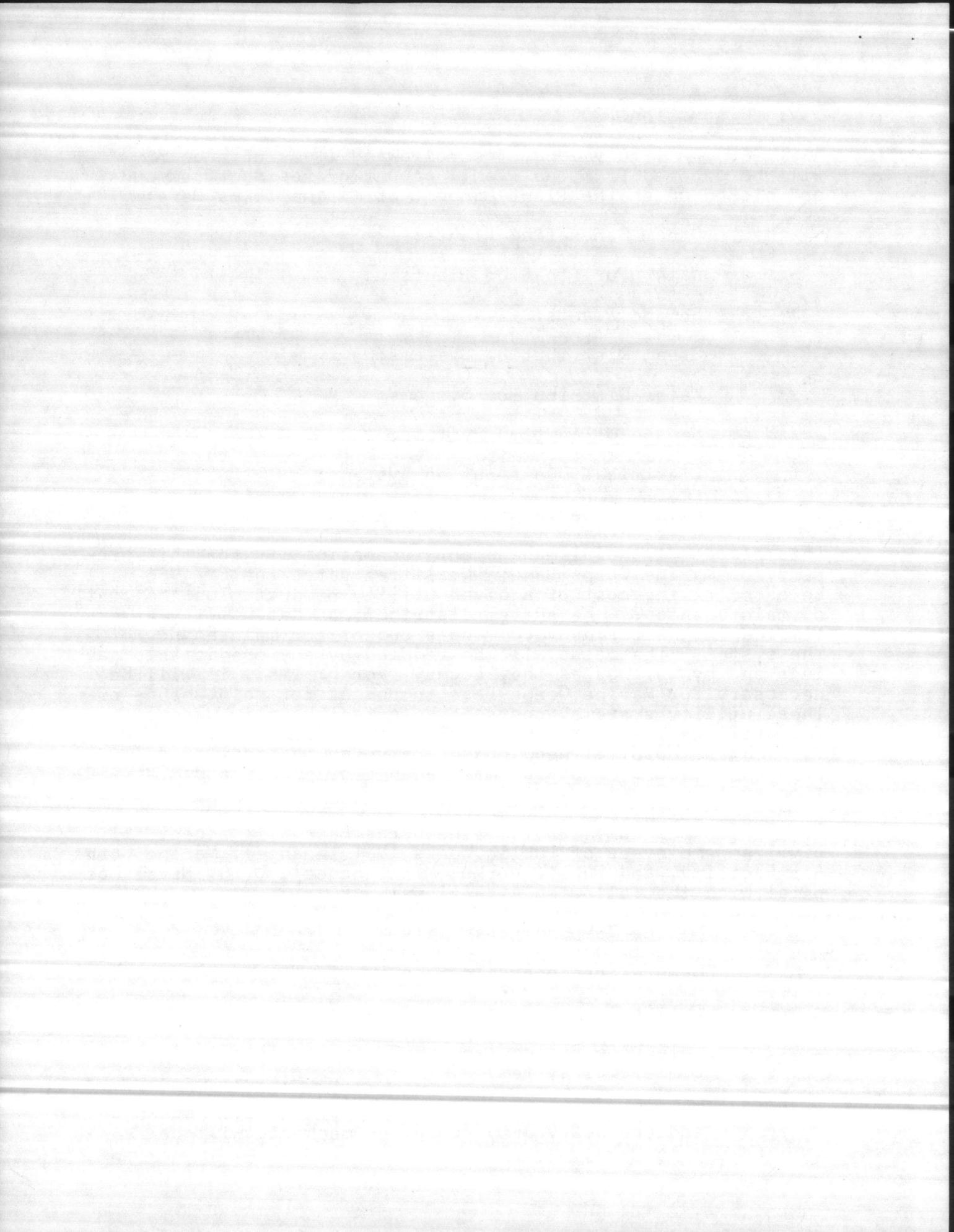
- Steam Generating Plants;
- Water Purification Plants;
- Sewage Plants;
- Steam Distribution Systems;
- Water Distribution Systems;
- Sewage Collection Systems;
- Electrical Distribution Systems;
- Maintenance Shops.

This places financial management responsibility for this property on Marine Corps Base. Utilities rates for FY 1966 will be based on the cost of a given utility product plus the cost of maintenance of the system distributing that utility as estimated in the resident command's budget for maintenance of the system. The rates will be reduced by any predictable savings and by savings as they occur. For FY 1967, it will be necessary for Marine Corps Base to budget for maintenance of these utility systems, costs to be offset by reimbursement for utilities. In FY 1967, Marine Corps Air Facility and U. S. Naval Hospital need budget only for the cost of delivered utilities and not for maintenance of plants and distribution systems.

B. On 1 July 1965, Marine Corps Base will accept all civilian employees of Public Works (Maintenance), Marine Corps Air Facility, and Public Works (Maintenance), U. S. Naval Hospital with the following exceptions:

##### Marine Corps Air Facility

- General Engineer (To Base Public Works)
- Public Works Officer's stenographer (To be retained)
- Telephone Branch (To remain as is since it is commercial system)
- Transportation Division (Two automotive mechanics and one heavy duty equipment mechanic will be



required to transfer to Base Maintenance. See Annex D for further discussion on this Division.)

U. S. Naval Hospital

Telephone employees (To remain as is due to pending plan to convert to a commercial system.)

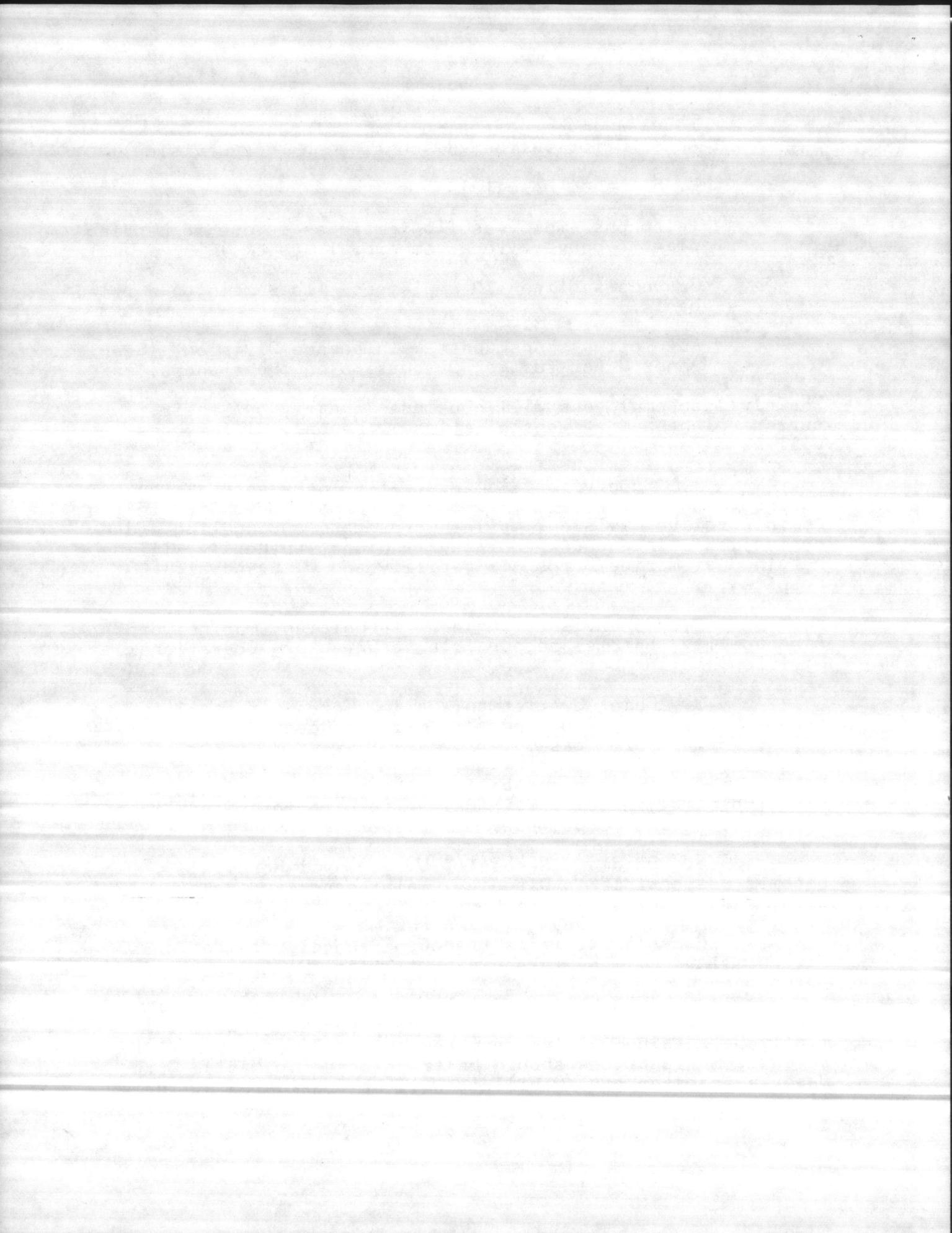
Grounds section (12 employees) (To remain on a trial basis.)

Automotive shops under Maintenance Division (See Annex D for further discussion on these shops)

The civilian employees will continue to carry out their current plans and responsibilities. The only differences will be:

1. Supervisory Administrative Service Assistant, Marine Corps Air Facility, becomes responsible to Director, Administrative Division, Marine Corps Base. Budgeting and controlled maintenance reporting to higher authority will be retained at Marine Corps Air Facility and U. S. Naval Hospital.
2. Supervisory Engineer Technician, Marine Corps Air Facility, becomes responsible to Director, Operations Division, Marine Corps Base.
3. Chief Quarterman, Marine Corps Air Facility, becomes responsible to Director, Maintenance and Repair Division, Marine Corps Base.
4. Planner and Estimator and clerk-typist, U. S. Naval Hospital, becomes responsible to Director, Operations Division, Marine Corps Base.
5. Foreman, Mechanic, U. S. Naval Hospital, becomes responsible to Director, Maintenance and Repair Division, Marine Corps Base.
6. All Utilities Branch personnel, Marine Corps Air Facility, will be taken into Utilities Division, Marine Corps Base.

C. Military personnel and their functions will initially be retained at resident commands. If it becomes apparent some functions should be transferred to Marine Corps Base, a transfer of T/O billets will be considered at that time.



D. At the end of the First Quarter, FY 1966, the civilian T/O will be restructured. Planned saving of personnel is 25 billets of which 20 will be overhead and five will be employees in the Utilities Division. Reduction in overhead costs will result in unexpended funds while at the same time backlogs of essential maintenance exist. When overhead savings can be verified, a request will be generated to maintain present overall personnel ceilings and reduce backlog by hiring an appropriate number of journeymen and maintenancemen.

E. During Second Quarter, FY 1966, Marine Corps Base outlying shops at Camp Geiger and Camp Geiger Trailer Park will be moved to present Marine Corps Air Facility facilities. Marine Corps Base shop at Paradise Point will be moved to present U. S. Naval Hospital facilities freeing present locations for reassignment. All Class III and IV property will be redistributed with a probable saving. Items in excess will be declared as excess.

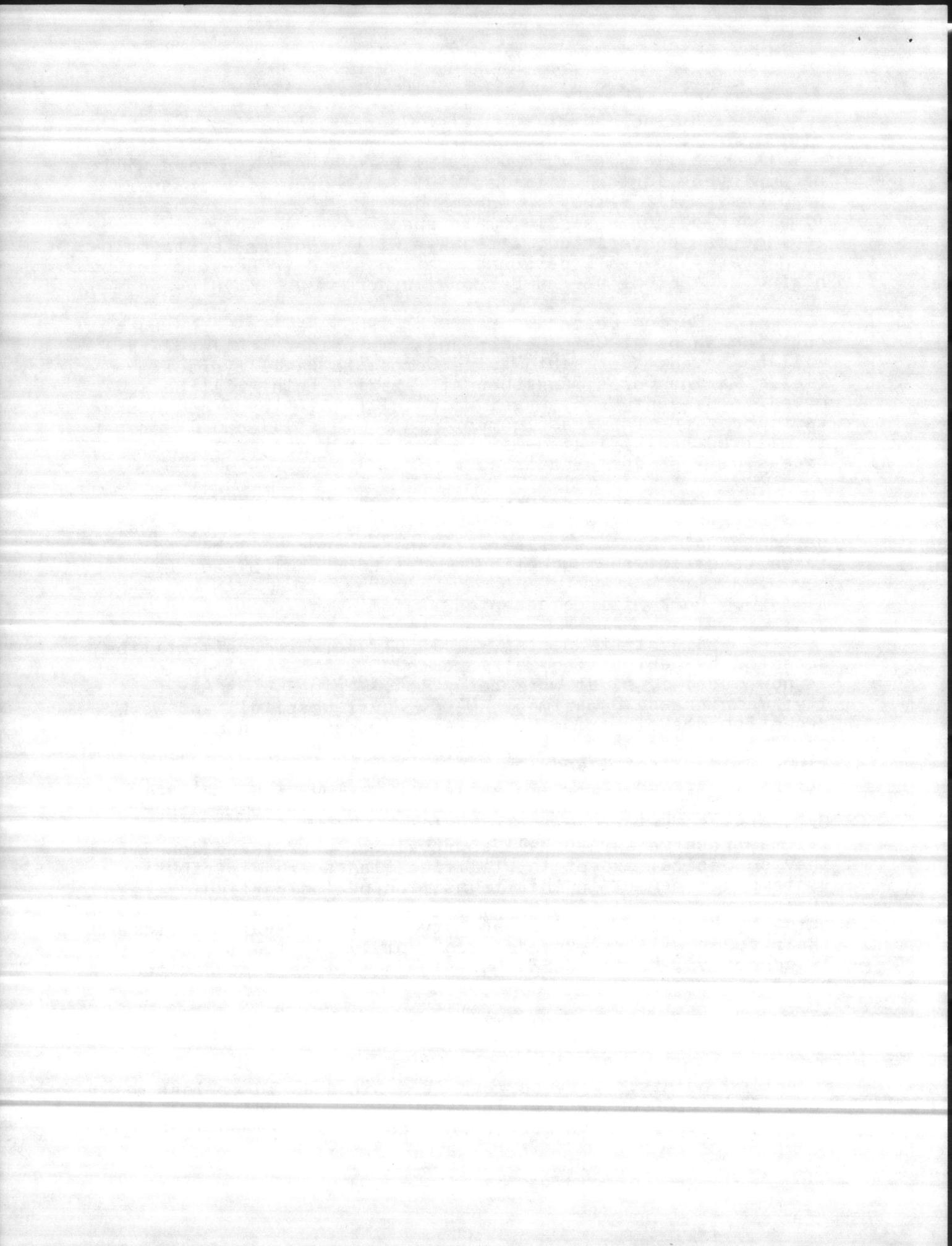
F. On 1 January 1966, Centralized Maintenance will have assumed and tested its consolidated T/O and T/E. Evaluation of all aspects of service and savings will be undertaken to assist the budgeting process for FY 1967 and FY 1968.

G. Work will be accepted as follows:

1. First Quarter, FY 1966: Work requests will be accepted by Centralized Maintenance at all three locations as is now done; i. e. at work reception, Marine Corps Air Facility; Maintenance Department, U. S. Naval Hospital; and work reception desks, Marine Corps Base. However, regardless of practices prior to 1 July 1965, new work requiring more than \$100.00 in material and labor will be referred to Commanding Officer, Marine Corps Air Facility, or Commanding Officer, Officer, U. S. Naval Hospital, for approval. Commanding Officers of Marine Corps Air Facility and U. S. Naval Hospital may reserve any and all approval for work to be done if they so desire, except in Utilities Plants and distribution systems. However, in this transition period particularly, customary work flow is expected. If too much work is generated by Marine Corps Air Facility or U. S. Naval Hospital, their funds will be expended too rapidly; if too little work is generated, Marine Corps Base funds will be expended too rapidly.

2. Thereafter:

a. Service work will be accepted at all work reception points. Service work is defined as 16 or less man hours plus \$100.00 or less in materials. Includes new work up to \$100.00 total of materials and labor. No approval required.



b. Emergency Requests will be accepted at all work reception points regardless of scope or cost. Where applicable, Command approval of Marine Corps Air Facility or U. S. Naval Hospital will be requested after the fact.

c. U. S. Naval Hospital and Marine Corps Air Facility Command work requests will be channeled to Base Maintenance Officer, Marine Corps Base.

d. Specific work generated through inspections at their Commands will go to the Commanding Officer, U. S. Naval Hospital or Marine Corps Air Facility, for approval.

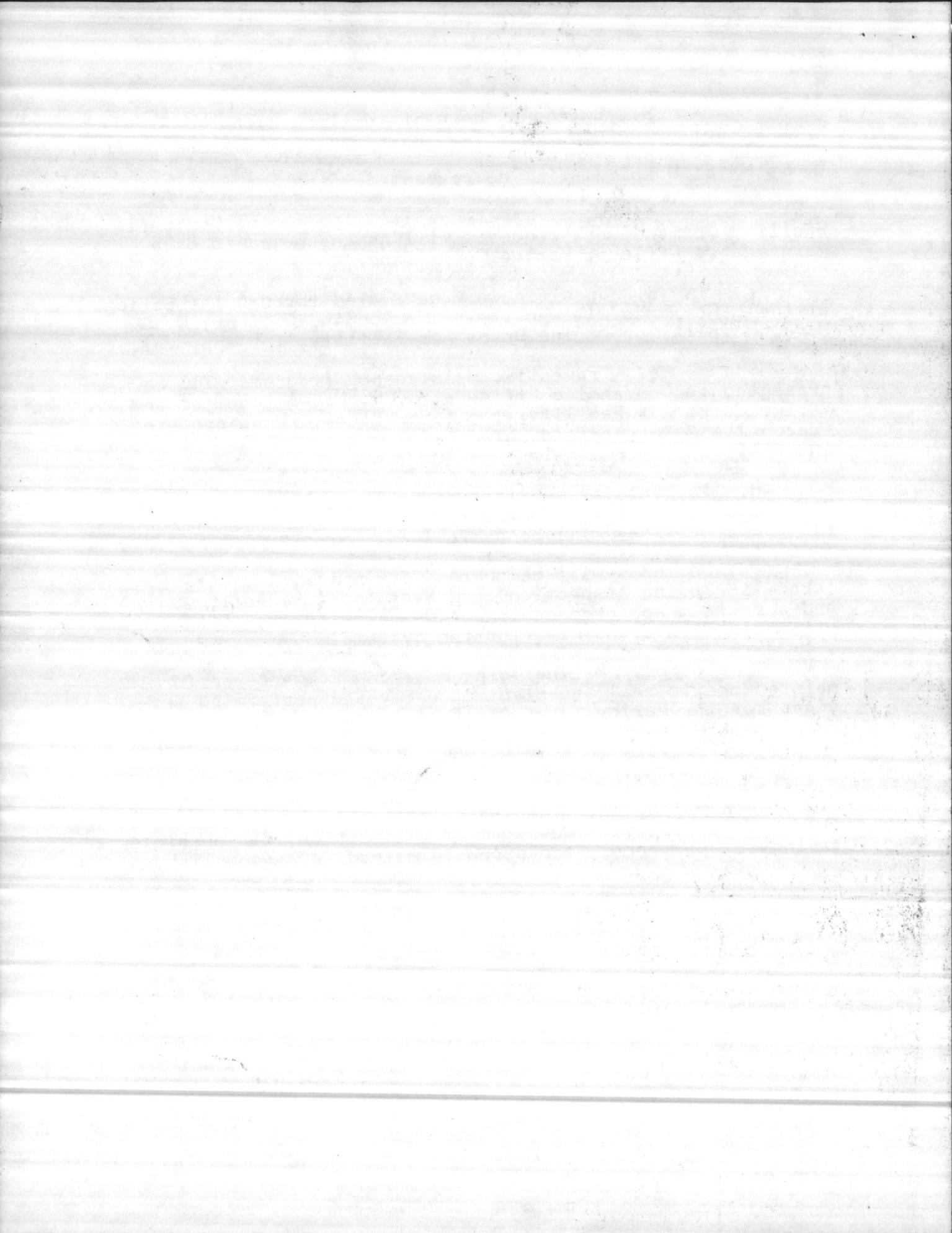
e. Preventive Maintenance Programs will be presented to Commanding Officers, U. S. Naval Hospital and Marine Corps Air Facility, for concurrence. When approved, Preventive Maintenance programs will proceed without approval in detail.

H. Payment for services rendered in the case of Utilities is outlined in paragraph A. above. Payment for all other services will be as follows:

Commands will be charged for materials, direct labor (including inspection) and overhead (presently 29%), and currently approved equipment usage rates except in Utilities Plants and Distribution Systems.

V. Conclusion. Marine Corps Base can commence performing maintenance to real and plant property and performing services for the Marine Corps Air Facility and U. S. Naval Hospital and operation of Utilities Systems for the Marine Corps Air Facility on 1 July 1965, with a resultant savings to the government.

VI. Recommendation. The consolidation is considered feasible and economical. See Item IV. Discussion, for possible savings in personnel, and proposed methods of accomplishment.



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30 June 1961

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To: Commanding General  
 Commandant of the Marine Corps (Code AO4K)  
 Subject: Consolidation of Facility Management Functions

Ref: X (a) CMC ltr AO4K/gd-5 of 24 May 1961

- Encl: (1) Report on Facility Maintenance  
 (2) Report on Automotive Maintenance  
 (3) Report on Marine Corps Air Facility and U. S. Naval Hospital Public Works Engineering Staff

1. Reference (a) requested that a study be made of the facilities management functions being conducted at or adjacent to Camp Lejeune to determine what areas lend themselves to consolidation. Reference (a) also provided guidance for accomplishing this study.

2. At the present time, the Marine Corps Base, Camp Lejeune has one maintenance, one motor transport, and one public works section. It is considered that the operation of these functions on a consolidated basis has already been accomplished.

3. Enclosures (1), (2) and (3) are the results of studies in the indicated areas. These studies were made in accordance with the guidelines established by reference (a). The monies indicated are estimates based on guidance provided in reference (a) and other considerations as set forth in each enclosure.

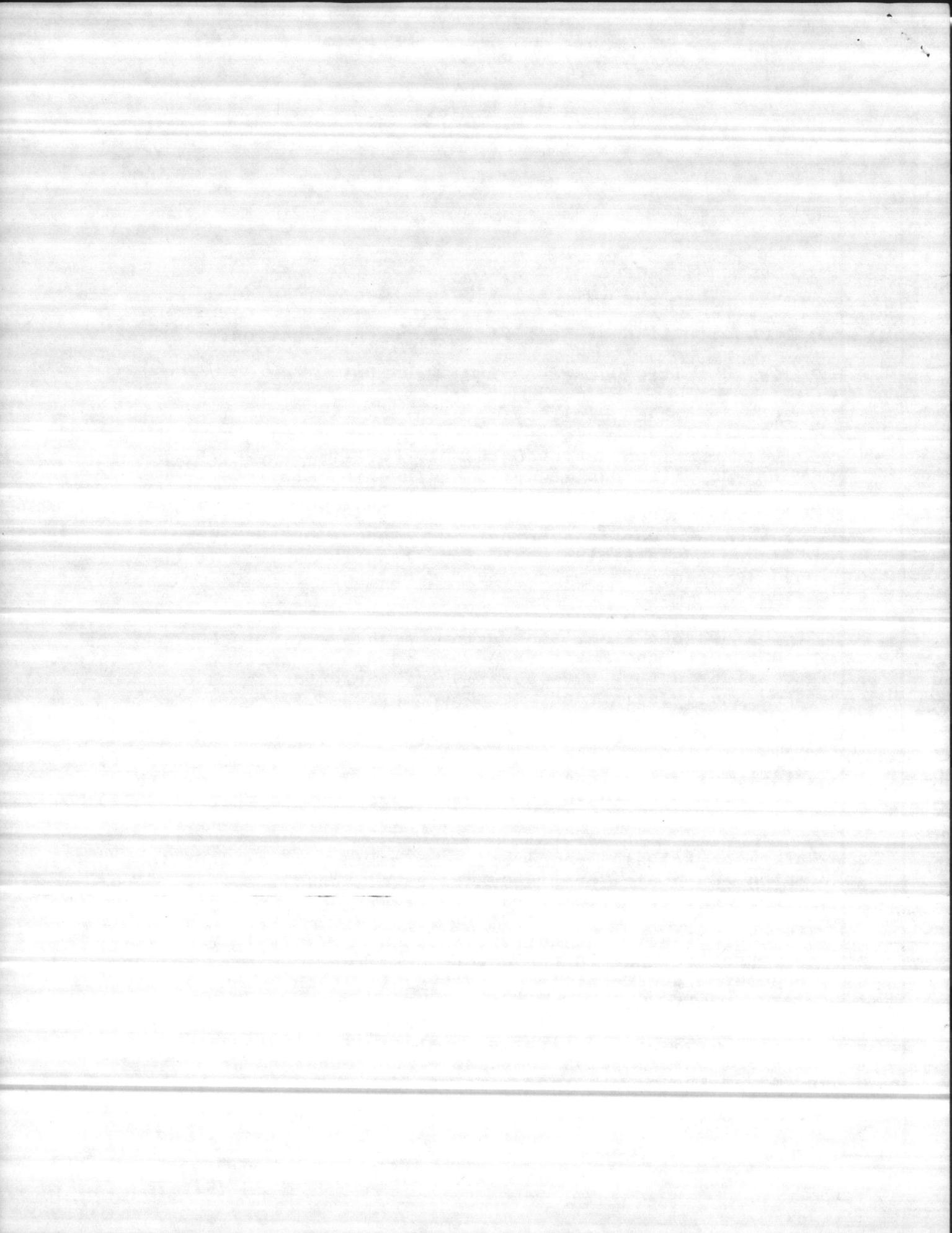
4. Reference (a) also requested comments and recommendations concerning advantages or disadvantages of consolidation. Accordingly, the following items are submitted:

a. Consolidation of activities should result in a monetary and personnel savings to the government; the amount and number will depend on the detailed directives for such a consolidation.

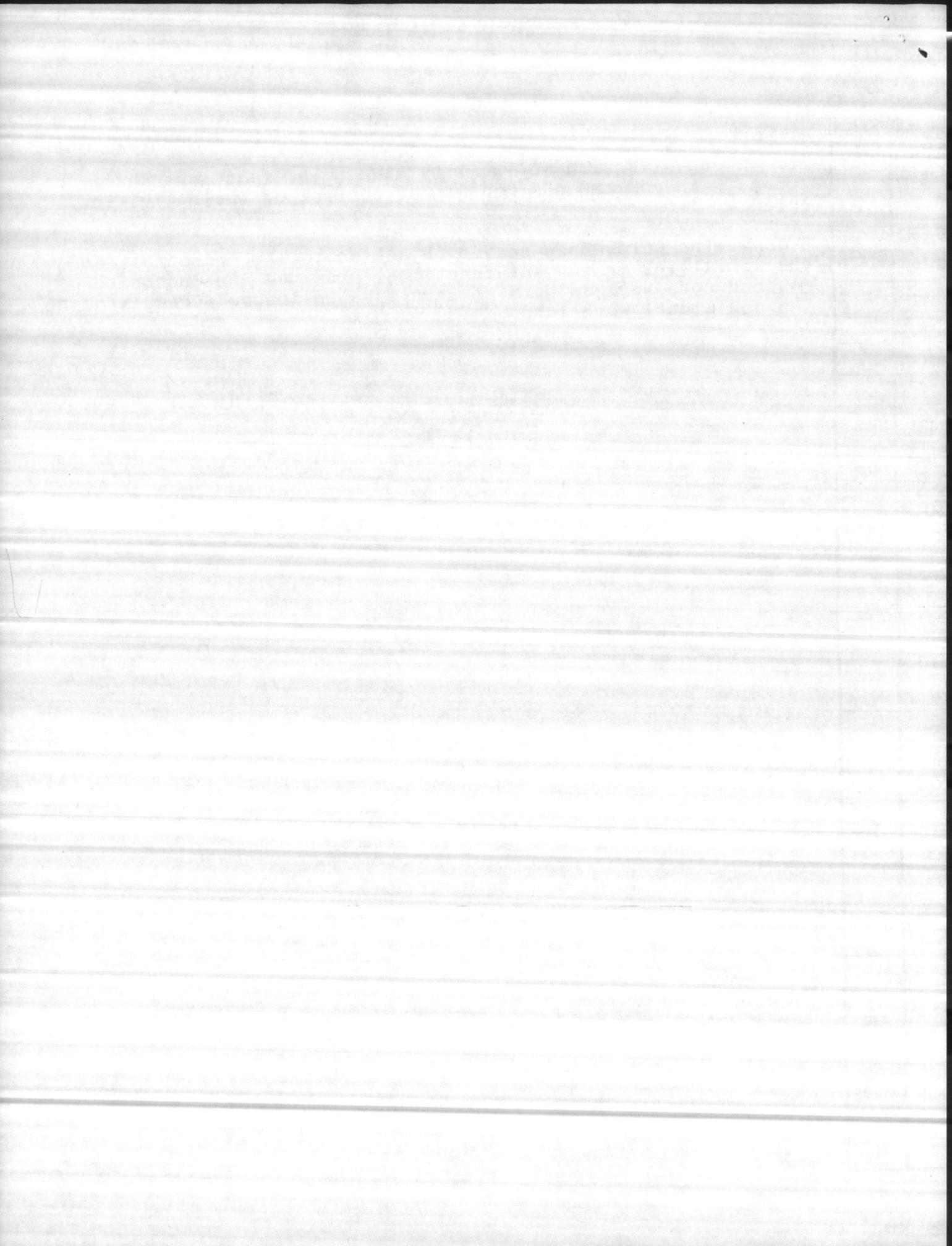
b. If the size and mission of the Base, U. S. Naval Hospital, and Marine Corps Air Facility are materially altered, the effectiveness of consolidation could be either enhanced or negated depending on the nature and scope of such changes.

Number 30 June 61

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REPORT ON FACILITY MAINTENANCE

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1. A study of the facility maintenance functions has been made. Two broad areas were considered; the consolidation of internal maintenance functions, and the consolidation of maintenance activities at the U. S. Naval Hospital and at the Marine Corps Air Facility, New River with Marine Corps Base, Camp Lejeune, N. C. As all of the maintenance activities at the Marine Corps Base are the responsibility of the Base Maintenance Officer, no further internal consolidation is considered practical.

2. Consolidation of the external area maintenance functions with those of the Marine Corps Base was then considered. It is feasible to consolidate these functions under the guidance provided by reference (b). A discussion of the situation at each activity follows:

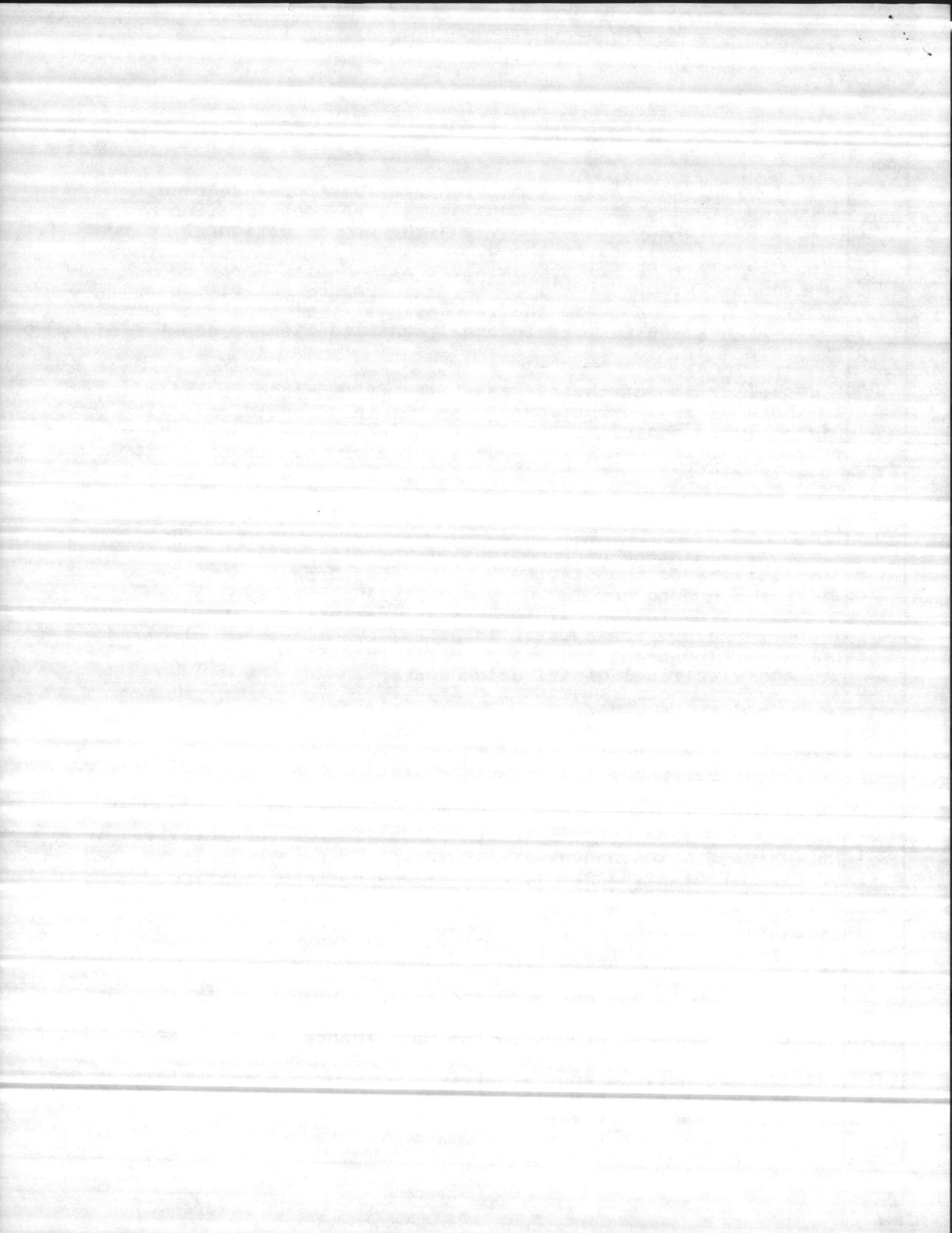
a. Marine Corps Air Facility, New River, N. C.

1. Maintenance functions at the Air Facility are the responsibility of the Station Public Works Department. Two officers, 7 graded and 100 ungraded civil service employees are engaged in station maintenance activities. Included are personnel who operate a water treatment plant, sewage plant, central heating plant and who maintain the water, sewage, steam and electrical distribution systems.

2. There are no common use utility systems at the Air Facility. Therefore, if Marine Corps Base assumes responsibility for operation of these systems they would, under the guidance provided by reference (b), remain on the plant account of Marine Corps Air Facility.

3. Marine Corps Base can assume the responsibility for providing maintenance service to non-transferred plant property, transferred plant property and operate existing utility systems. Personnel required to accomplish this would be: 1 officer, 4 graded and 94 ungraded civil service employees. This would represent a labor saving of approximately \$55,000 a year in civil service payroll.

4. Under the guidance provided in reference (b), Marine Corps Base would acquire plant account title to little other than roads and grounds. The maintenance and operating costs, less purchased utilities and the cost of maintenance of roads and grounds, is approximately \$800,000. It is estimated that Marine Corps Base would lose \$85,000 in unrecoverable cost in providing this service.

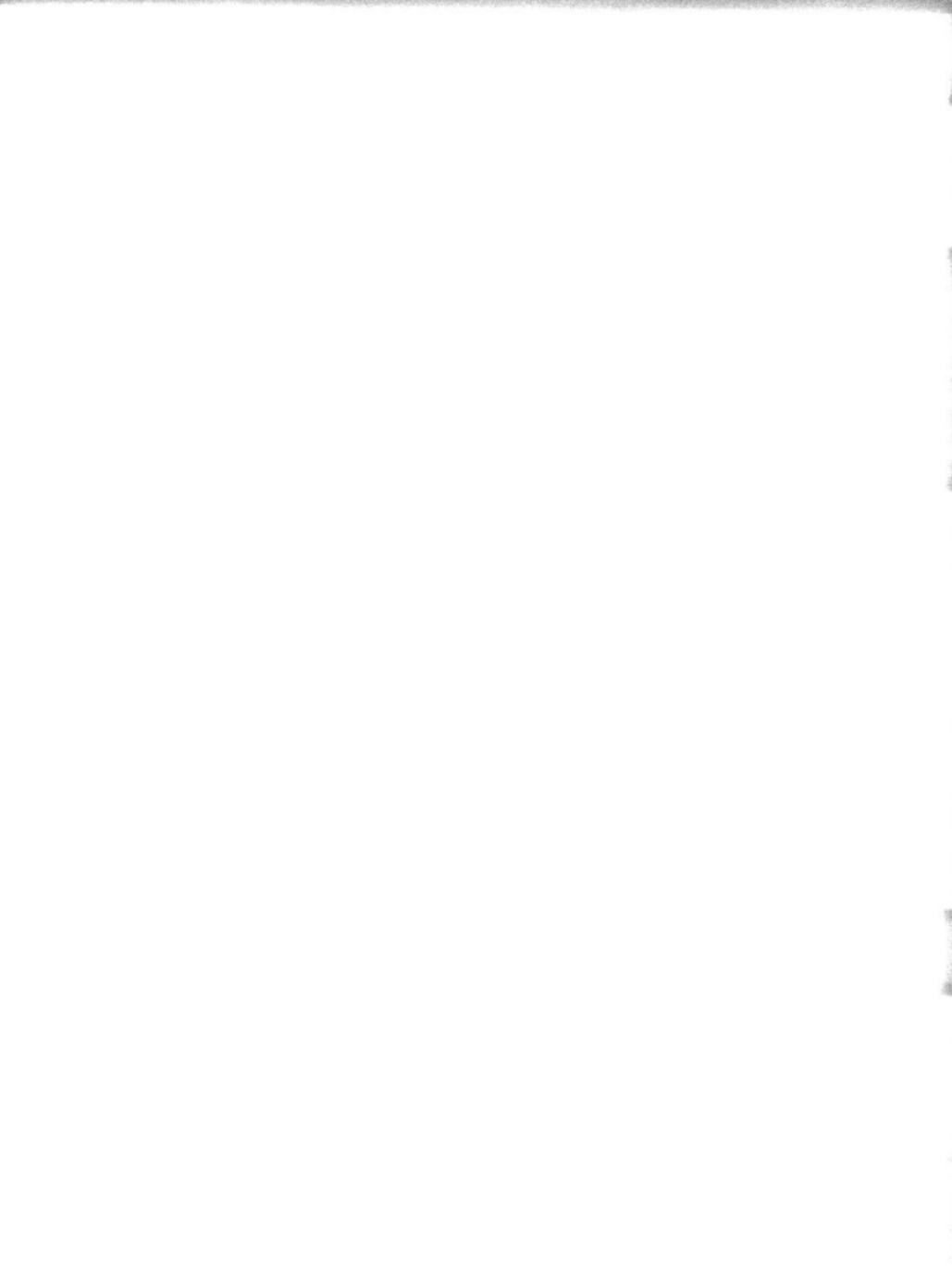






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ASSISTANT CHIEF OF STAFF, FACILITIES  
HEADQUARTERS, MARINE CORPS BASE

TO:

BASE COMPTROLLER

31 Aug 1970  
PUBLIC WORKS O

BASE STAFF JUDGE ADVOCATE

PMO

BASE MAINTENANCE O

FIRE MARSHAL

BASE MOTOR TRANS O

QTRS & HSG

CO BASE MAT BN

BOQ/BSQ

ATTN: \_\_\_\_\_

REMARKS:

1. Attached ltr is forwarded f/<sup>info</sup>action

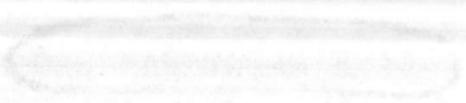
~~2. Please initial, or comment, and  
return all papers to this office.~~

2. ~~3.~~ Your file copy.

3. Additional Info on  
consolidation.

V.R. ~~1778~~

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DEPARTMENT OF THE NAVY  
ATLANTIC DIVISION  
NAVAL FACILITIES ENGINEERING COMMAND  
NORFOLK, VIRGINIA 23511

TELEPHONE NO. 444-7257  
AUTOVON 244-7257

IN REPLY REFER TO:  
09B13:HEW:cm  
5450/2

7 OCT 1966

From: Commander, Atlantic Division, Naval Facilities Engineering Command  
To: Commander, Naval Facilities Engineering Command  
Subj: Consolidation of Common Support Services in the Camp Lejeune, North Carolina Area; comments concerning  
Ref: ✓(a) CG MCB CLNC ltr 9/WWS/jew of 23 Aug 1966  
✓(b) CG MCB CLNC ltr 9/WWS/jew of 19 Oct 1965  
✓(c) LANTDOCKS ltr 60.1:JKW:jm 5450/2 of 29 Apr 1966

1. Reference (a), the revised submission to reference (b), has been thoroughly reviewed and found to be essentially the same as the basic report. Although the changes noted in the assumptions, discussions, conclusions, and recommendations portion of the revised submission, as well as the inclusion of several tabulated reports do somewhat provide more current data on the three activities being considered for consolidation, the revised submission still does not provide this Command sufficient data needed to reach a sound and practicable decision on the potential execution of a plan of this magnitude, especially in the areas related to real property management and public works support. In summary, the plan proposes to (1) consolidate now and determine problems and workload later, and (2) match workload to people instead of people to workload.
2. Specific comments to some of the principal areas in the revised submission follows:
  - a. Page A-1, Assumptions A and E have been added. These assumptions assert, in effect, that the validity of current staffing and performance levels are not pertinent to this study. These are fundamentally unsound and economically extravagant assumptions.
  - b. Page A-2, Section IV, paragraphs A, B, and C have been added. These discussions attempt to rationalize the conclusion that consolidation is feasible without benefit of a detailed study that would provide adequate workload, performance and cost information; in other words, consolidate for consolidation's sake.
  - c. Appendix 2, tabulations A, B, C, D, and E have been added. These are personnel listings for the individual activities and the proposed consolidation. These listings are completely inadequate as they are not oriented to workload, performance or cost. An attempt was made to correlate the information in these tabulations and a simple personnel count could not even be reconciled.

RECEIVED  
BASE MAINTENANCE DIV.  
MARINE CORPS BASE  
CAMP LEJEUNE, N. C.

AUG 31 1 41 PM '70

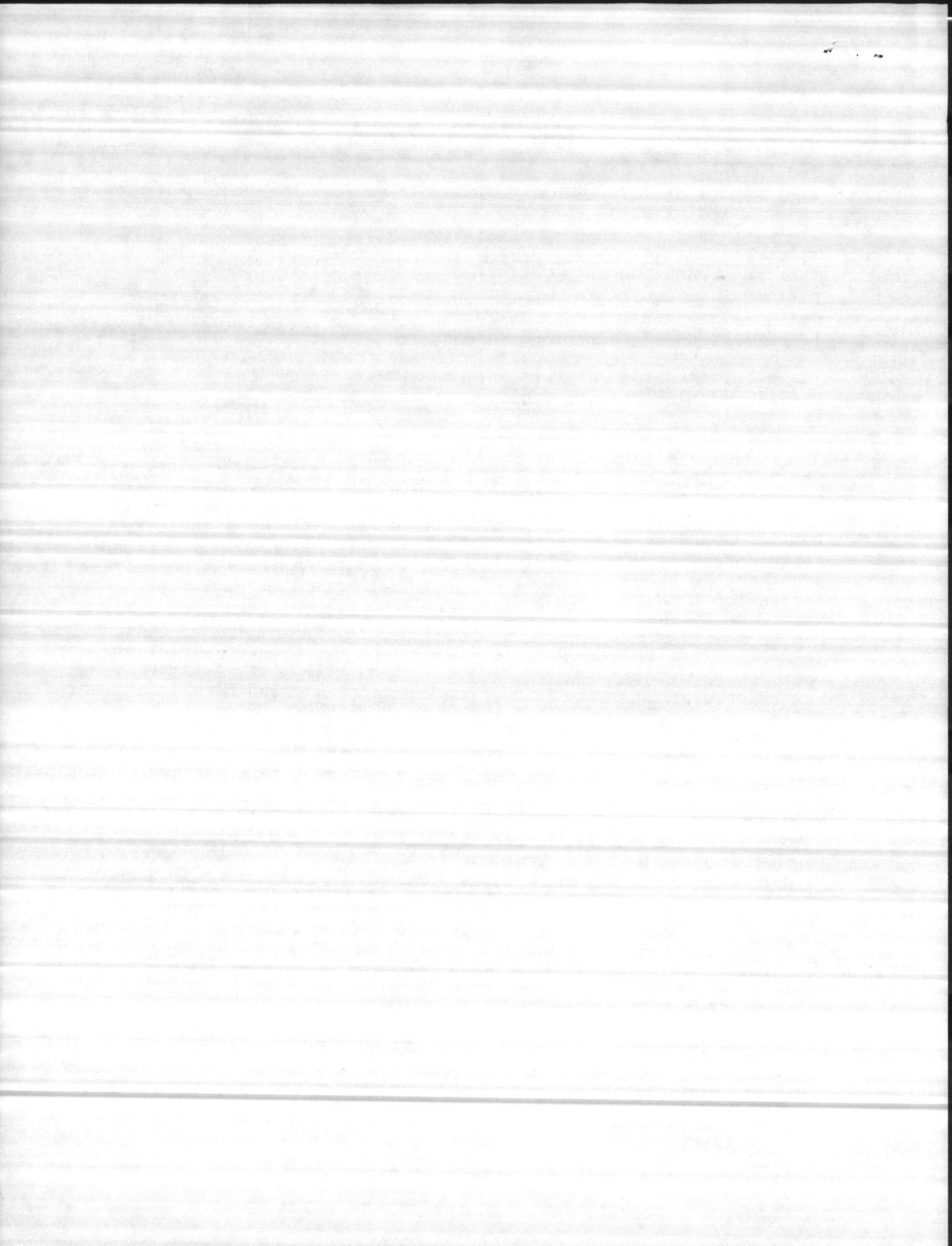
d. Appendix 2, tabulation F has been added. This is a summary indicating a net savings in labor cost of \$56,107. A review indicates that this amount is not valid. First, the proposed changes indicated in this summary could not be reconciled with the personnel listings in tabulations A through E. Second, this summary indicates consolidation savings in the amount of \$28,705 from the reduction of five boiler tenders. The reduction of these personnel is contingent on the installation of automatic equipment estimated to cost approximately \$20,000, and is in no way related to any aspect of this proposed consolidation.

e. The following statement on page A-4 in paragraph E.3. is considered significant: "Speed of response in a consolidated system may be slower".

f. Page B-3, paragraph VI.A. recommends that the billets of the GS-12 Engineer and GS-7 Technician (Draftsman) be transferred from Marine Corps Air Facility to Marine Corps Base Public Works Department. Tabulation B to Appendix 2 indicates that these two positions are to be retained at Marine Corps Air Facility, which is in agreement with the minimum Marine Corps Air Facility staffing requirements shown on page 4 of Annex J. Note 4 on page 3 of tabulation B to Appendix 2 states: "Although not required by MCB Maintenance, these or similar billets would be required by Base Public Works". From the above it could either be concluded that after consolidation the staffing at Marine Corps Air Facility would include a GS-12 Engineer and a GS-7 Technician (Draftsman) and the staffing at Marine Corps Base Public Works Department would include a GS-12 Engineer and a GS-7 Technician (Draftsman) in addition to a new billet, as recommended on page B-3, paragraph VI.B., for a GS-11 Engineer or that the two positions currently assigned to Marine Corps Air Facility would be retained at that activity to support the staff civil engineering organization proposed in Annex J. LANTDIV concurs with the minimum staff proposed in Annex J. This will negate some of the savings referred to in paragraph 2.d. above.

g. Annex D does not provide sufficient supporting data to conclude concurrence or non-concurrence with the recommendation to transfer all common motor transport vehicles/equipment from the Navy to Marine Corps Base with Marine Corps Air Facility and U. S. Naval Hospital reimbursing Marine Corps Base for common vehicle support on an hourly rental basis. The proposal that U. S. Naval Hospital retain Navy vehicles/equipment with Marine Corps Base providing all maintenance support on a reimbursable basis is both feasible and practical.

h. Page F-1, paragraph II.A. states: "Funding will be accomplished on a reimbursable basis at the station level".



References in other parts of this annex that suggest a funds transfer may be forthcoming should be deleted.

i. The only apprehension this Command has in connection with the proposed consolidations, as they affect Family Housing Maintenance and Repair, is that the timeliness of the maintenance and repair not be adversely affected so as to require more time than is presently required between occupancies and thus adversely affect the Family Housing utilization rate. The report states as in paragraph 2.e. above: "Speed of response in a consolidated system may be slower".

\* j. This Command concurs with Marine Corps Air Facility that no functions be transferred from Marine Corps Air Facility to Marine Corps Base until the detailed workload study outlined in Annex J is completed. \*

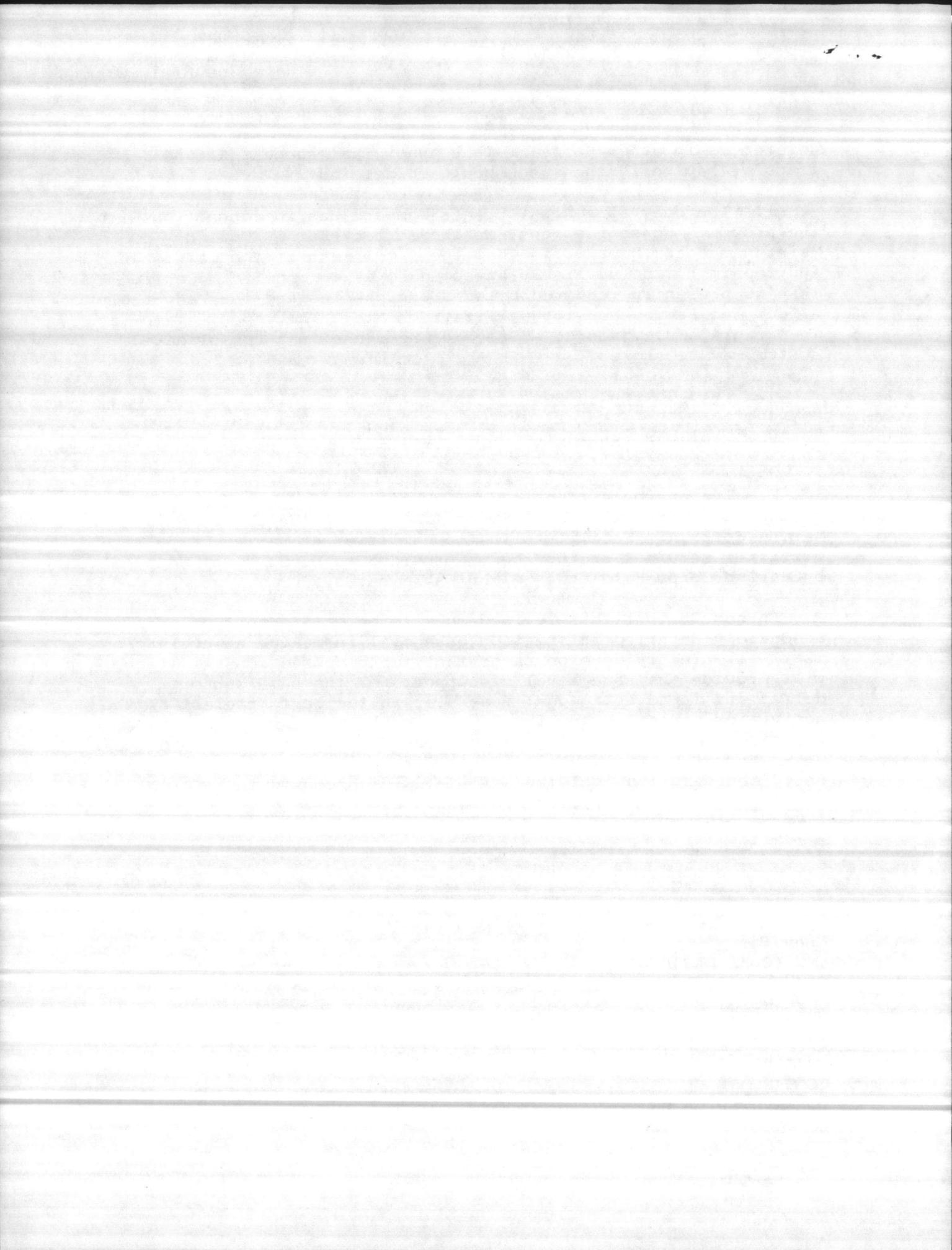
k. Evaluation of the revised submission indicated that no savings will result from the consolidation of the utilities at Marine Corps Air Facility with the utilities at Marine Corps Base. Utilities services are now being provided to U. S. Naval Hospital by Marine Corps Base on a reimbursable basis.

3. In conclusion, this revised submission still does not provide adequately detailed information essential in making an evaluation that will clearly develop facts that the proposed consolidation will provide the same level of support for the same support dollar and is advantageous, feasible, in the best interest of the activities concerned and the Department of the Navy. Therefore, it is recommended that before any consolidation take place between U. S. Naval Hospital, Marine Corps Air Facility, and Marine Corps Base, the detailed implementation studies proposed in reference (c) and Annex J to the revised submission be considered.

N. J. DRUSTRUP

Copy to:  
CMC (Code AAJ)  
CNM  
NAVAIRSYSCOM  
BUMED  
COMFIVE  
COMCABEAST

→ CG MARCORB CAMLEJ  
CO NAVHOSP CAMLEJ  
CO MCAF NEW RIVER



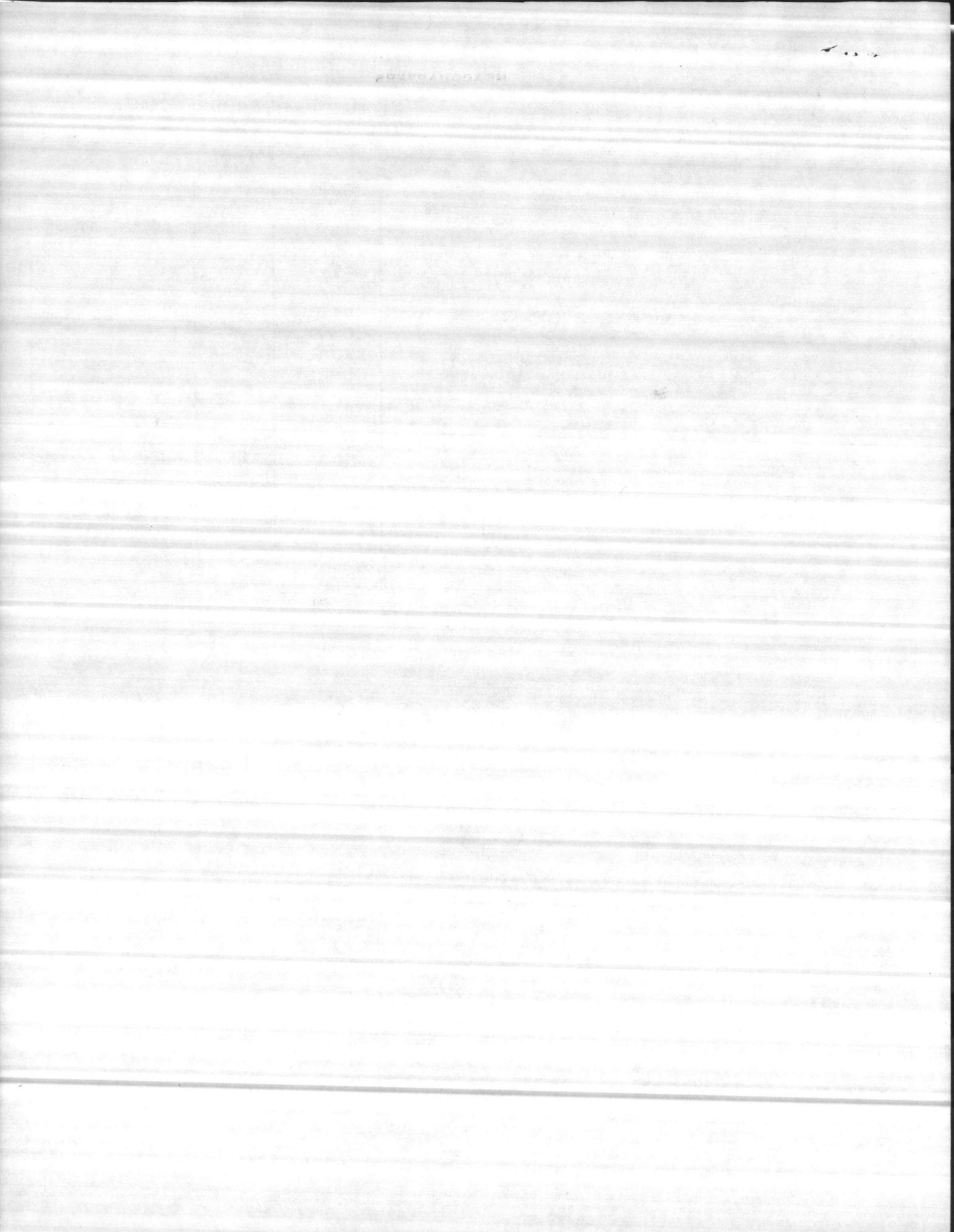
MEMORANDUM

From: Base Adjutant, MCB

To:

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REMARKS:





UNITED STATES MARINE CORPS  
HEADQUARTERS  
MARINE CORPS AIR BASES, EASTERN AREA  
CHERRY POINT, NORTH CAROLINA 28533

110/02/b1m

29 SEP 1966

From: Commander  
To: Commandant of the Marine Corps (CODE AAJ)  
Subj: Consolidation of Support Services, MCAF, New River and MCB,  
Camp Lejeune, North Carolina area

Ref: ✓(a) COMCABEAST ltr 110/02/mkk of 1 Sept 1966  
✓(b) CG MCB, Camp Lejeune ltr 9/WWS/jew of 23 Aug 1966

Encl: (1) Analysis of MCB Consolidation Plan, ANNEX - A, Maintenance of Real Property  
(2) Analysis of MCB Consolidation Plan, ANNEX - B, Public Works (services)  
(3) Analysis of MCB Consolidation Plan, ANNEX - C, Supply Support Services  
(4) Analysis of MCB Consolidation Plan, ANNEX - D, Motor Transport Services

1. Reference (a) cited a series of documents pertinent to the subject and stated this Command's position relative to the proposals of reference (b). Subsequent to reference (a), this Command has developed more detailed position statements in support of its non-concurrence with reference (b). These position statements are contained in enclosures (1) through (4), and are addressed specifically to the information, assumptions and proposals contained in reference (b).

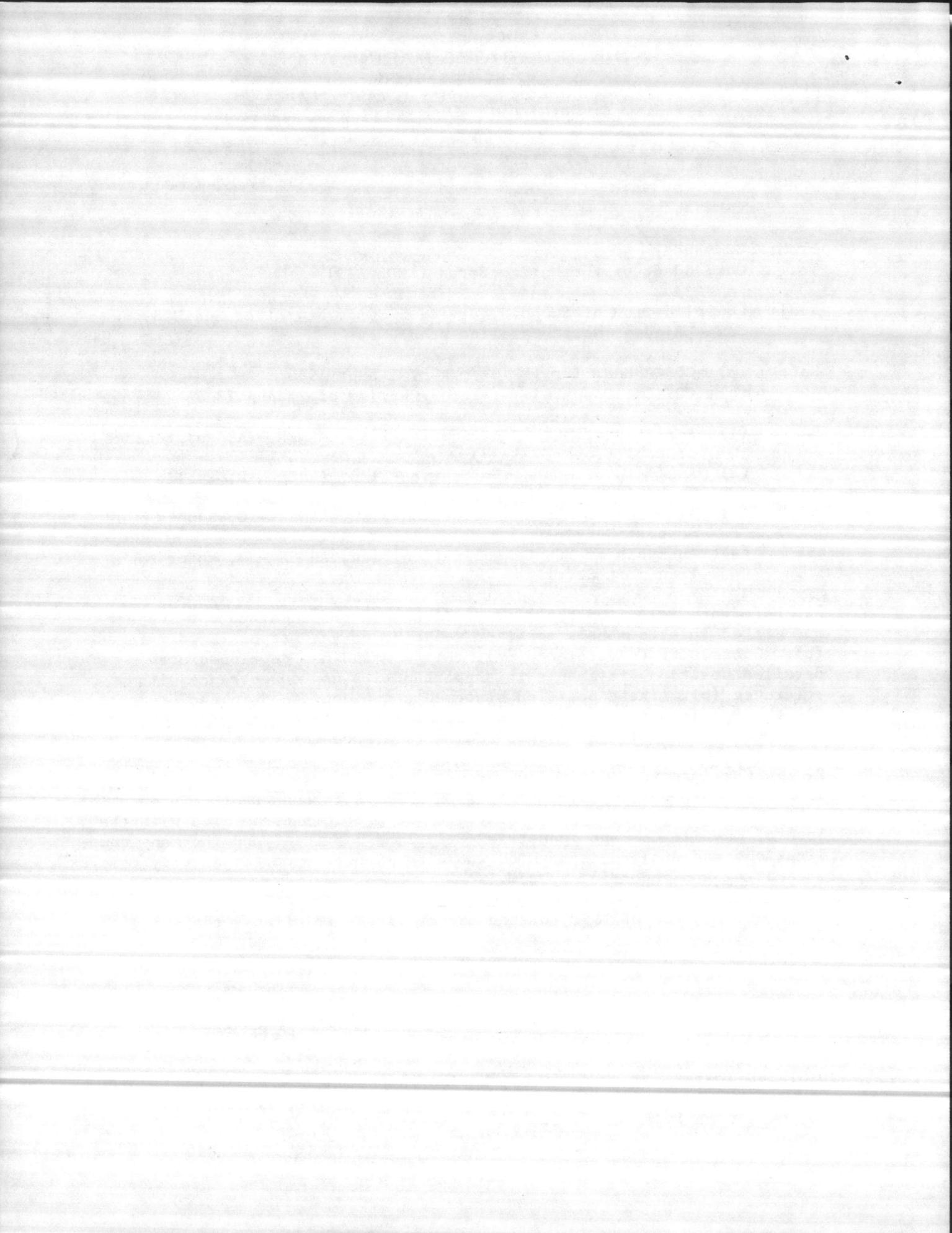
2. In the interest of time and brevity, enclosures (1) through (4) deal with the most obvious discrepancies in ANNEX A through D of reference (b). Matters not discussed specifically are the problems associated with the loss of on-site Command Industrial Relations services, and the many complications and duplications which would be imposed upon the already complex accounting and reporting system.

3. Staff members of this Command are available to discuss the subject further if desired.

*M E Carl*  
M. E. CARL

DISTRIBUTION:  
CNM  
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ANALYSIS OF MARINE CORPS BASE CONSOLIDATION PLAN  
FOR MARINE CORPS AIR FACILITY AND MARINE CORPS BASE

ANNEX-A

Maintenance of real property

II. ASSUMPTIONS

A. The assumption that the staffing of each activity is balanced and directly proportionate to existing workload is inconsistent with TAB F appendix 2 which proposes to save \$39,874 annually by downgrading four (4) billets and eliminating eight (8) others (civilian billets) presently employed by Marine Corps Air Facility.

B. The assumption that standards of maintenance will be maintained at current levels can only be assured for the lead activity. No comparison of standards has been made; therefore, good or bad the transfer of the Marine Corps Air Facility real property maintenance function to Marine Corps Base will mean Marine Corps Air Facility real property will be maintained on Marine Corps Base standards.

C. The assumption that staffing, equipment, and facilities will increase in proportion to increases in workload resulting from existing facilities becoming older and new facilities being added is ill conceived when based on past experience of COMCASEAST. The experience of this Command has been that increases in funds for real property maintenance has not been proportionate to increases in plant facilities or aging of existing facilities.

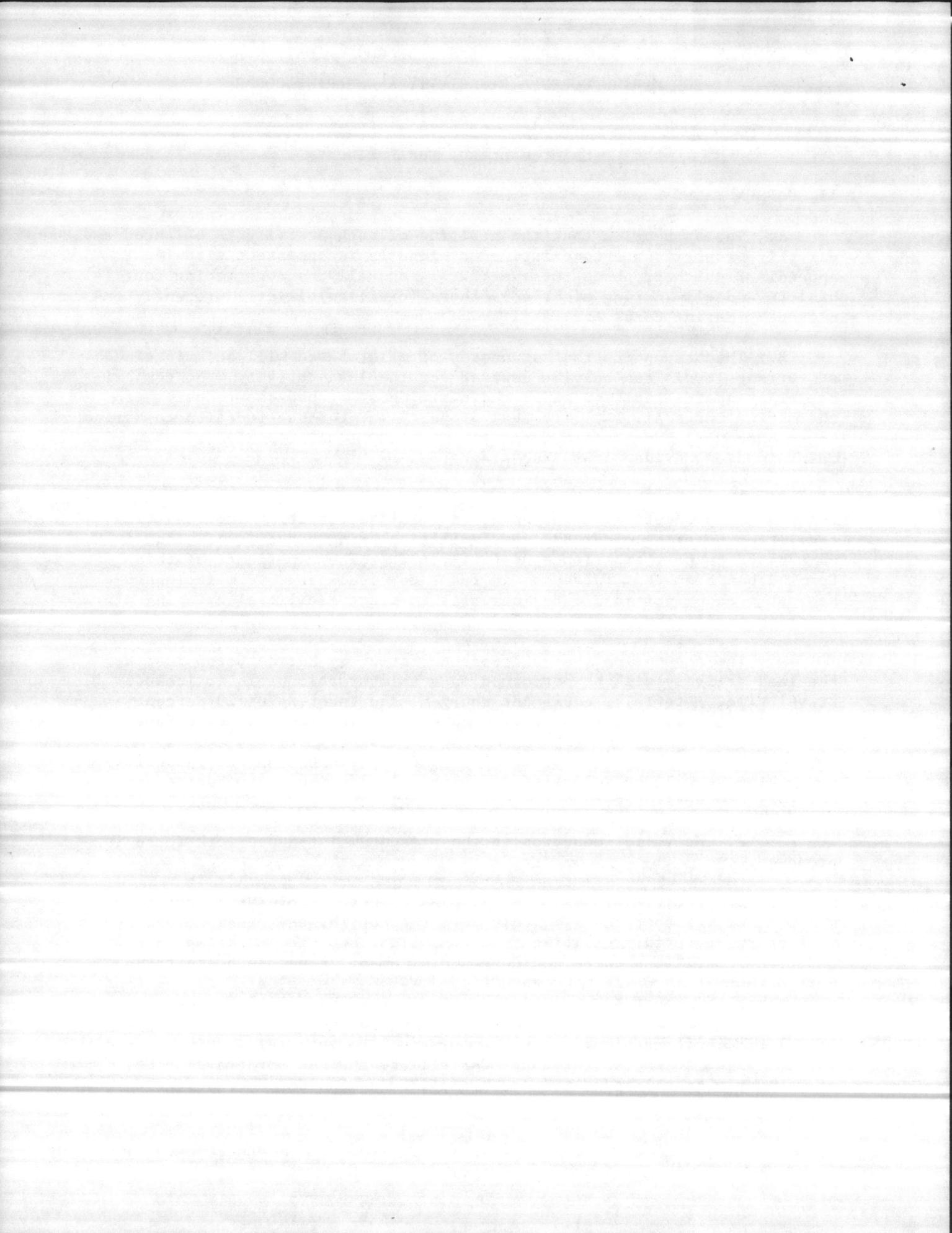
D. The assumption that all work performed by Marine Corps Base as the lead activity will be performed on a reimbursable basis to include travel time, materials, equipment charges, and labor, plus 29 percent does not reflect a dollar savings when considering the following facts:

1. A substantial portion of MCAF's present manpower, materials and equipment will be relocated approximately 17 miles from Marine Corps Air Facility work site.

2. No valid reduction in the present maintenance work force is proposed.

3. Additional travel time, plus 29 percent overhead (for this non-productive labor charge) would more than offset any possible equipment or space saving resulting from consolidation. It is estimated that under any conditions there would be a minimum of 25 people being transported round trip daily between MCAF and MCB. This is based on the fact that personnel records and administration, would be transferred to MCB and that shifts in workload emphasis plus the author's recognition of travel time being a significant factor equal to material, equipment and labor charges to the extent that MCAF will be charged for travel time. If 25 people travel round trip each day (25 is considered conservative),

A-3  
B



this will amount to a loss of 50 productive manhours per day at approximately \$4.10 per hour. This would result in Marine Corps Air Facility paying approximately \$53,000 per year for non-productive travel time.

E. The assumption that the internal organization of consolidated maintenance is immaterial as long as the work is timely, properly performed and appropriately documented cannot be accepted by Marine Corps Air Facility as a customer activity for the following reasons:

1. One of the disadvantages to consolidation readily acknowledged by the author of this plan on page A-4 is that speed of response may be slower.

2. Timeliness, proper performance and appropriate documentation of work under any type of organization does not necessarily mean that the organization is the most economical. It is believed that this would mean an increase in people and equipment above the present requirements. Therefore, in the interest of getting the most for the dollar, Marine Corps Air Facility must have a voice (should consolidation be directed) in the planning and design of any consolidated maintenance organization which would support Marine Corps Air Facility.

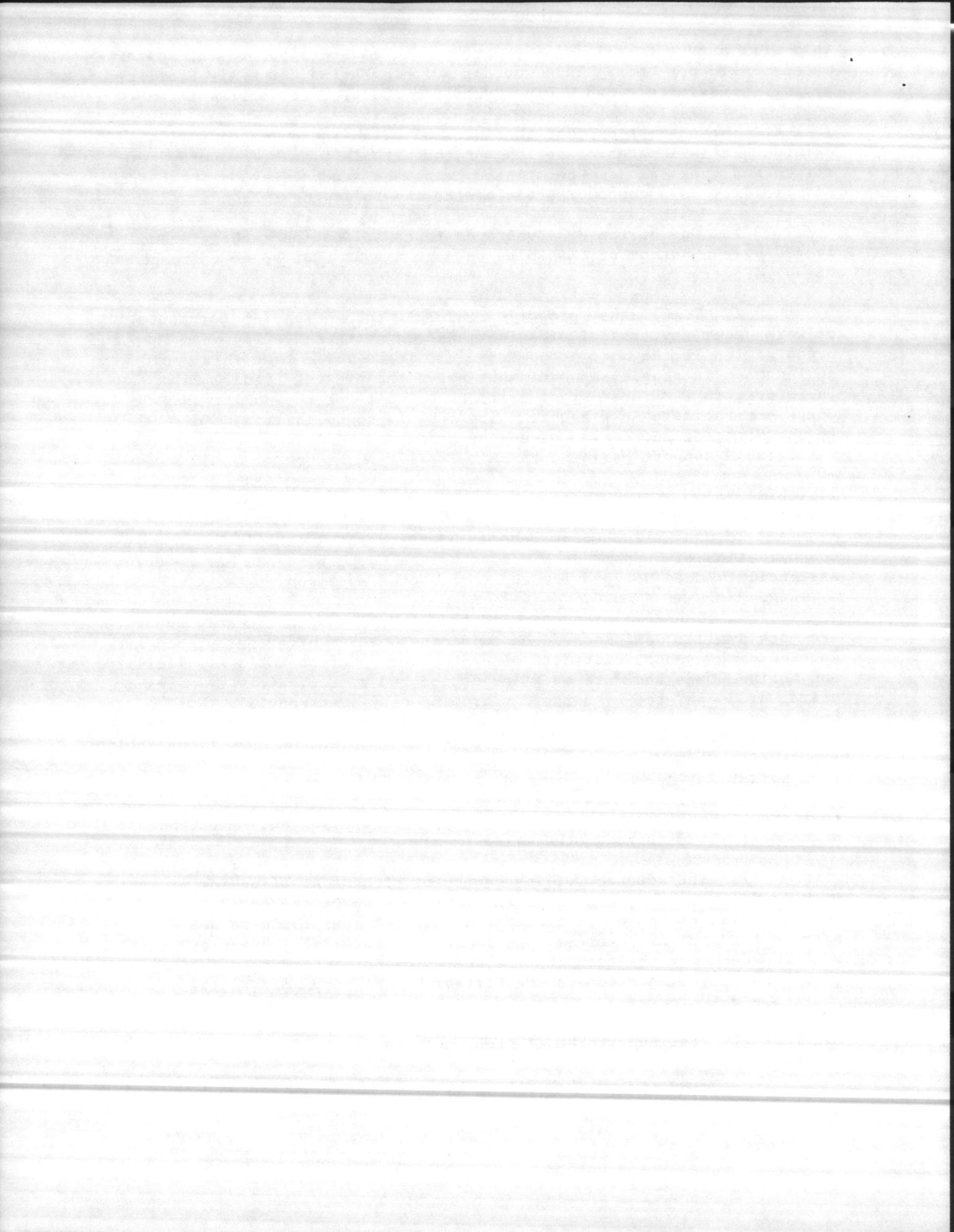
#### IV. DISCUSSION

A. To use Marine Corps School, Quantico as an example to support Consolidation of Support Services at Marine Corps Base and Marine Corps Air Facility does not provide any degree of comparison.

1. The complexes consolidated at Marine Corps School, Quantico are much smaller, all located on adjoining Government property, and are located within short distances of each other. Marine Corps Air Facility and Marine Corps Base are much larger, located approximately 17 miles apart, are separated by a rapidly growing city (Jacksonville, N. C.) and both have entirely different missions to perform namely no operational units are stationed at Quantico while rapidly expanding operational units are stationed at Marine Corps Air Facility. Furthermore, the suggestion that dollar savings have resulted at Marine Corps School, Quantico without any loss of efficiency is questionable. Comments by representatives of that area, contained in Lt. Colonel Little's briefing notes to General Nickerson, would suggest otherwise. ?

2. The adequacy or inadequacy of present staffing for present work load is not the point of greatest criticism of the current plan. The most critical point of concern is the fact that the plan does not provide for a significant savings in people, materials, space or equipment and does not reflect proper concern for, or interest in the Command responsibility of the Commanding Officer Marine Corps Air Facility.

B. The matter of travel time from Marine Corps Base to Marine Corps Air Facility continues to be of great concern.



ANNEX B  
PUBLIC WORKS (SERVICES) CONSOLIDATION REPORT

II. ASSUMPTIONS

B. The assumption that informal contracts under \$2,000 for Marine Corps Air Facility will be handled by the Public Works Officer, Marine Corps Air Facility, while proposing to take away his staff is a misconception of the responsibilities inherent in the performance of this function. Engineers and inspectors would be required for research and development of plans and specifications as well as for consultant and inspection services. Clerks would be required for typing and filing of specifications and reports as well as handling of other related correspondence. In fact, more detailed work is required of the Public Works Officer and his staff for informal contracts than for formal contracts.

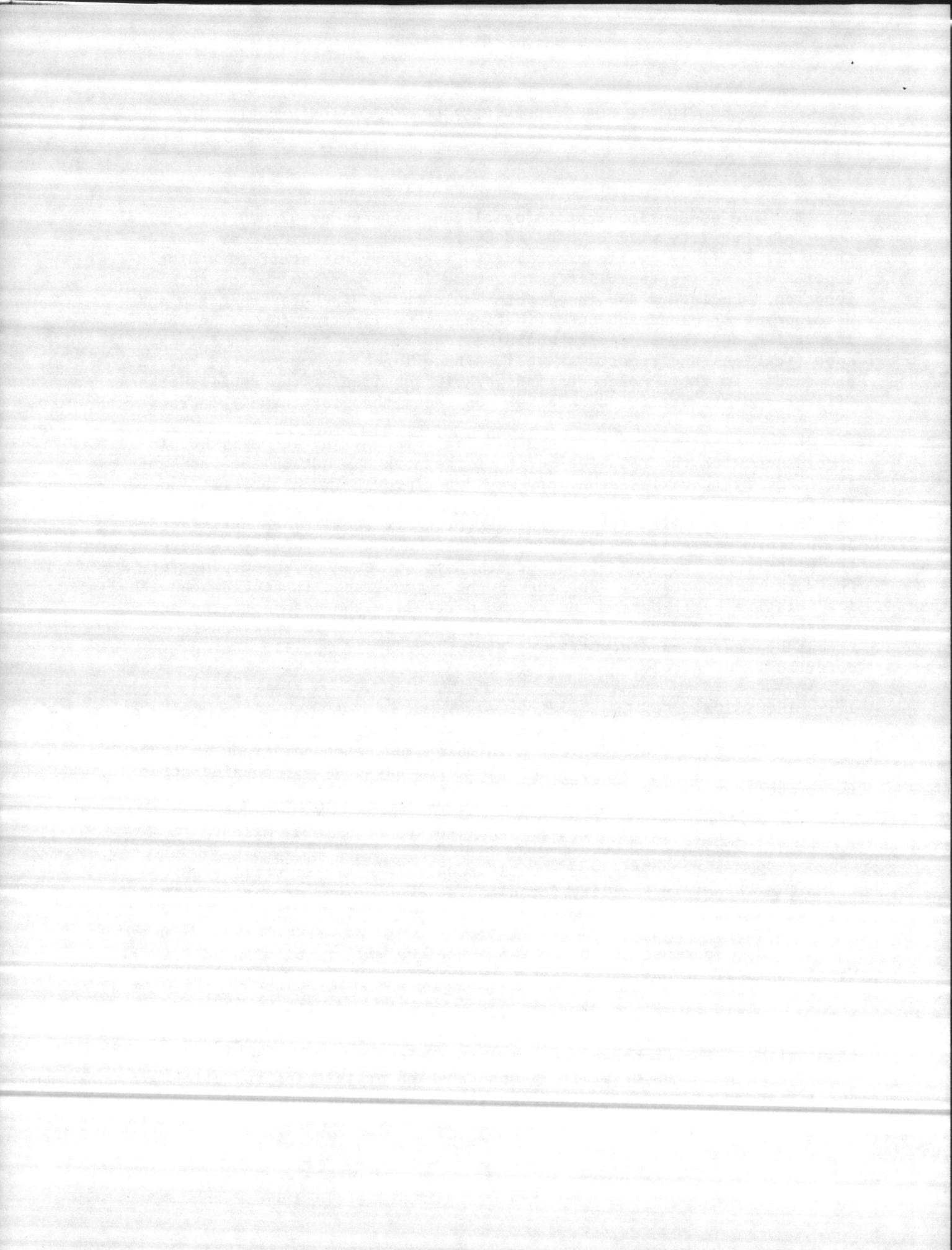
D. The assumption that engineering work will be accomplished in accordance with the relative merit of the work and not on the basis of the activity requiring the work would not provide much satisfaction to the Commanding Officer of the Marine Corps Air Facility. In order for the Commanding Officer of the Marine Corps Air Facility to satisfactorily perform his assigned mission, he must have the authority to determine the priority of work required for his Command based on the urgency of the work as he sees it. For work to be accomplished in accordance with its relative merit determined by, and partial to the lead activity and possibly by an understaffed workforce, could result in work considered urgent by the Commanding Officer, Marine Corps Air Facility being deferred indefinitely.

IV. DISCUSSION

A. The statements contained in this discussion paragraph in themselves dictate the exclusion of this function from any possible consideration for consolidation.

1. The distance between the two stations is 17 miles.
2. A CEC Officer who would require a staff is still required at Marine Corps Air Facility for planning, budgeting, project submission and liaison.
3. To consolidate the two functions will require an additional GS-11 Engineer at Marine Corps Base over and above the combined staff.

C. While paragraph "A" establishes the fact that consolidation of Public Works Services will be more costly, this paragraph underscores the complicity of the proposed consolidation by pointing out the fact that separate submissions of military construction projects of budgeting and justification of requested funding will be required.



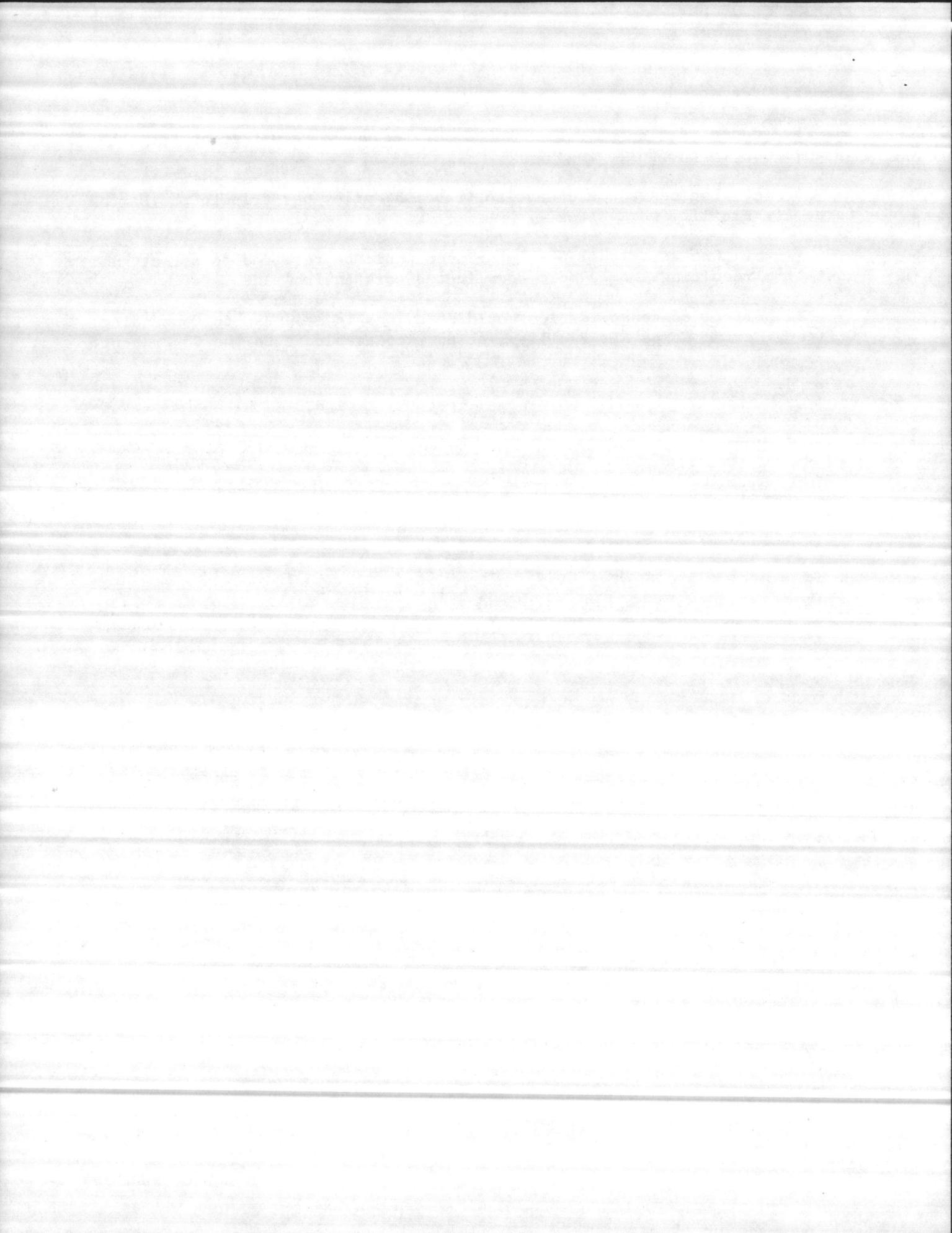
SUMMARY OF ANNEX B

1. Consolidation of Public Works service would result in an increase in cost due to the following:

a. Engineers would have to travel 34 miles per trip to the Marine Corps Air Facility work sites.

b. One additional GS-11 Engineer would be required to offset lost time resulting from a more complicated work environment.

2. Effect of consolidation would be a loss in response to Commanding Officer, Marine Corps Air Facility, at an increased cost to the Government.



ANNEX - C

Consolidation of Supply Support

II. ASSUMPTIONS

The assumption that consolidation of all supply support services, has been accepted is an invalid assumption. The proposals contained in this annex have not been accepted by COMCABSEAST. The position of COMCABSEAST is one of non-concurrence with any supply support consolidation as proposed by the Marine Corps Base plan.

MCABEAST Supply Support Plan for Marine Corps Air Facility New River

The MCABEAST Supply Support Plan for MCAF, New River and its tenant Fleet Aviation Units is "Mission Oriented" rather than commodity oriented. The inventory is tailored to the Weapons Systems and Flight Hour Program for the activity. There really is no such thing as a general support item in support of aircraft operations and maintenance. Each item is technical in that the "End Item" is highly technical. Aircraft allowance lists, tempered with day-to-day operational and maintenance material usage is the basic criteria for the type, range and depth of inventory investment to support Fleet operations.

The Division of Aircraft Operations Support by commodity lines and between services is not conducive to the Weapons System Support Concept or the Naval Air Material Area (NAMA) Logistic Concept under which MCAF, New River operates as a Satellite Activity of a primary Aviation Stock Point.

GENERAL

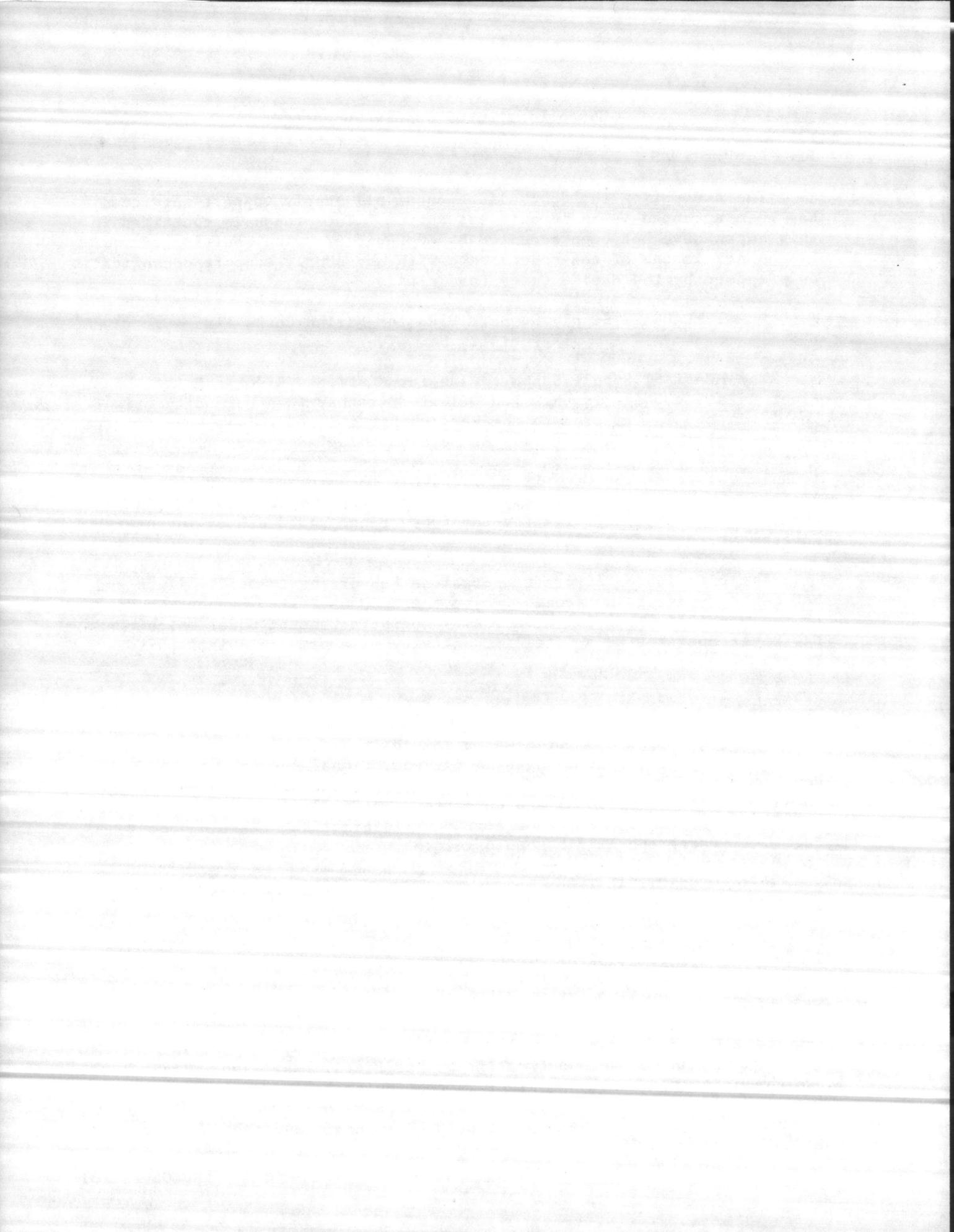
While the plan submitted was premised on data which now approaches an age of 2 years, many changes in the operational support at the MCAF, New River have transpired. The cost and functions presently reflected in Annex C of the proposal are outdated. The following is an update of this Annex together with other pertinent information - Part A, Section 3, Page C-1, Paragraph IIIB1b should read:

NON-AERONAUTICAL TYPE	2,857 @ \$64,705
REAL MAINTENANCE ITEMS	635 @ \$14,379
MOTOR TRANSPORT MAINTENANCE ITEMS	317 @ \$ 7,189
OTHER	3,342 @ \$94,168

Page C2, Paragraph 5 should read 4,644, i.e., 3,500 peculiar aeronautical and 1,144 non-aeronautical items for Fiscal Year 1966. The support assignment at the MCAF, New River is continuing to increase with a like increase in the scope and complexity of support provided. The assignment of new tasks, such as the support of UH1B aircraft and the use of an

ENCLOSURE (3)

*Boyd  
dope  
from  
MCAF*



interservice support agreement with the Army for this aircraft, speaks against any merger or consolidation of Inventory Management functions in this area. Based on available information, the MCB does not have or anticipate having a MSA 03 Store at Camp Geiger which presently is the adjoining section of Camp Lejeune to MCAF New River nor is the scope of items now carried in the MSA Store, which is 17 miles from the customer, satisfactory to the majority of the needs of this Activity for Station and Fleet consumption. At the time that the basic proposal was developed, the MCAF was assigned support responsibility for the Station in all requirements and the tenant Fleet Units in certain aviation peculiar items and open purchase requirements available in the immediate local trade area. Subsequent to the Consolidation Study proposal, the MCAF has been assigned the additional responsibility of providing total support to both the Station and tenant Fleet Units in all Supply requirements. This change in the support assignment has greatly increased the range of items carried at the MCAF resulting in a corresponding increase in all related facets of Supply administration. If consolidation is effected, certain stocks of material would have to be retained by the MCAF, i.e., electronic items for airborne and ground aviation equipment, aerological spares, NSA/DSA consumables for aircraft consumption, etc. The Marine Corps Uniform Material Management System (MUMMS), which is now pending implementation, restricts items carried and allows only a maximum of 30 days backup for items with normal usage. This is not adequate for MAG-26 stock replenishments and therefore would necessitate the stocking of like items by this activity for their support.

Annex C, Part A, Section 3, Page C-11, Paragraph IIIB1 should now read:

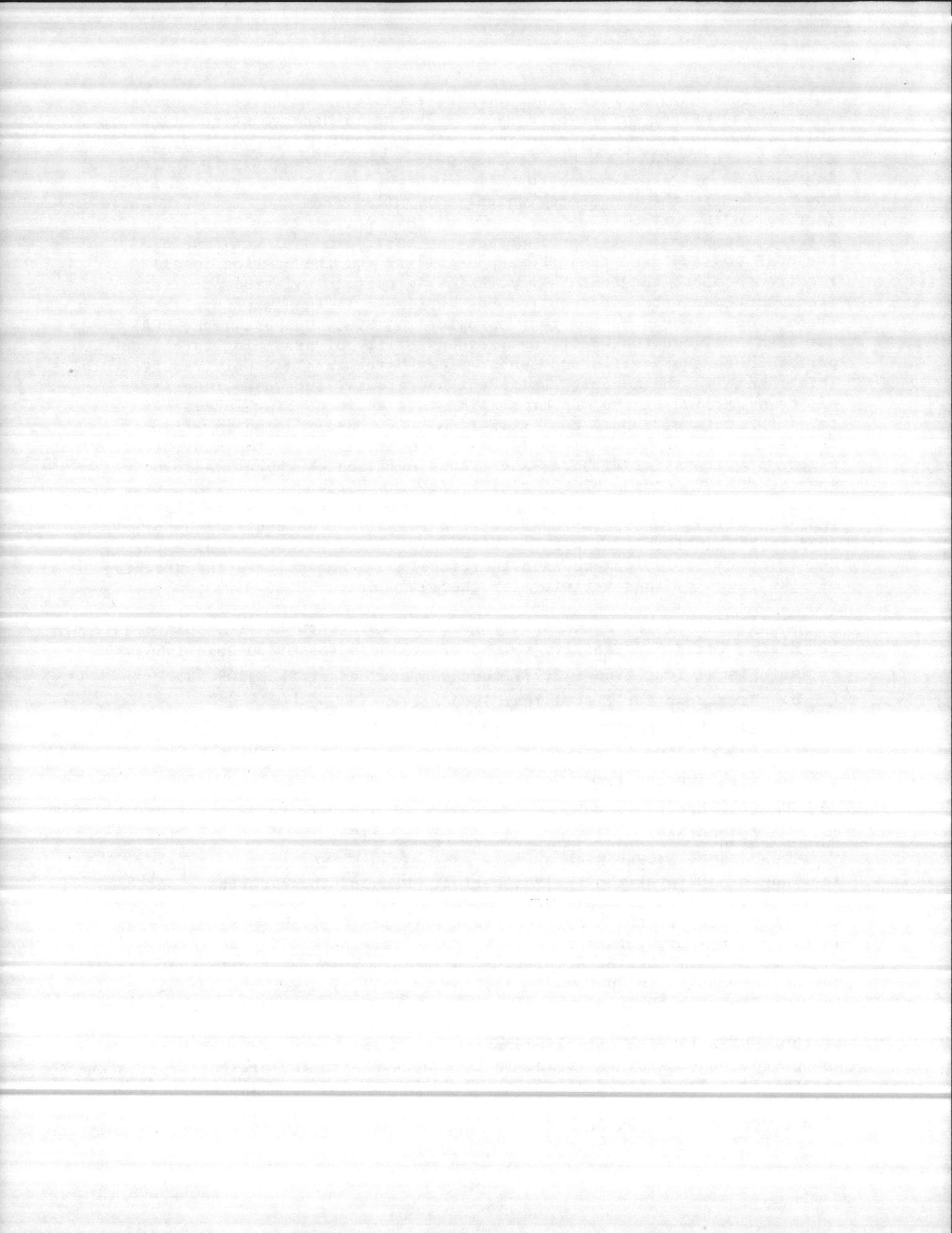
1. Marine Corps Air Facility volume of business (as of 30 June 1966)

a. Fiscal Year 1966 - 2,777 purchase actions at \$538,109.96.

b. Breakdown for Fiscal Year 1966 actions:

(1) Purchase Orders	358
(2) Delivery Orders	267
(3) Imprest Fund	987
(4) BPA's	1,048
(5) Other	117

The number of purchase actions consumated by the MCAF reflects an increase of 16% over the FY 1965 period. Many of these purchase actions relate directly to aircraft being down for parts. The MCAS, Cherry Point currently backs up the MCAF, New River with its Program Management staff in expediting purchase actions on NSA/DSA items as well as aeronautical items to satisfy the top priority requirements associated with the aircraft out of commission for parts. While the overall time for the normal supply response through systems channels is 20+ days, the MCAF/MCAS average is now being held to eight days, Such average is directly attributed to the direct procurement authority maintained at the MCAF and backup support by the MCAS Management Specialist assisting in this area. With the present impetus on aircraft readiness for deployment schedules as well as all other existing flight/training commitments and phasing in of new aircraft, any consideration for consolidation or change in support patterns in this area can only be anti-climatic to chaos.



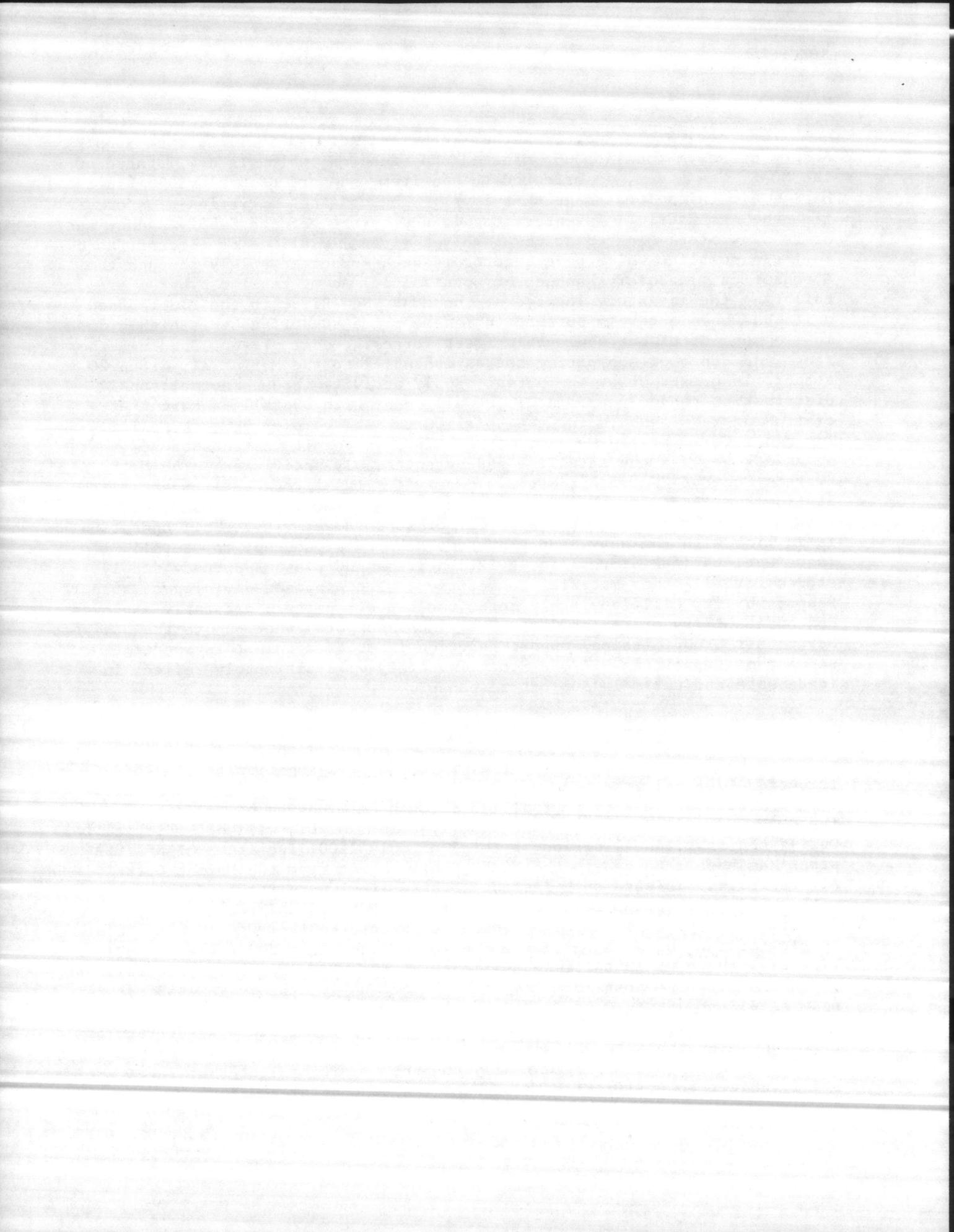
## SPECIFICS

### STOCK MANAGEMENT

The total Stock Range, whether Technical Aeronautical, Defense Supply Agency or Navy Stock Account managed and financed, which is now located at the MCAF, New River, is oriented to end item support of deployable Fleet Marine Air Units located at that level. The constant migration of stocks from the Aeronautical Inventory Cognizance to the Defense Supply Agency and/or to Navy Stock Management now involves virtually all major aircraft accessories/assemblies which have heretofore been supported solely through the Aeronautical Inventory Management Cognizance. An aggressive program of tailoring the inventory located at the MCAF, New River to the Fleet based units has been actively pursued to insure prime support to this highly mobile segment of our deployable Fleet forces. Under present funding, the range and depth of supporting spares essential to the Marine Air Group 26 support is backed up by the parent supply activity through normal supply distribution channels and in direct alignment with overall 2d Marine Aircraft Wing requirements for the total COMCABEAST complex. Stock positioning and inter-activity management relationship permit instantaneous movement of assets between the satellite and parent supply activities. The Naval Air Systems Command "Naval Air Material Activity" (NAMA) concept for satellite Station and Fleet tenant support is operating effectively at MCAF, New River with MCAS, Cherry Point as the parent or support activity. This operation is in line with the Navy Supply Systems Management Concept for Retail Issue Outlets (Aux Stores) for aviation items and class 203 ready supply stores for all other material commodities. The proposed division of support responsibility will inevitably deter the support pattern presently employed. Noncompatibility of Marine Corps Base (MCB) support functions to the assigned Marine Air Group Mission/Support Function inherent within this specific segment of supporting NSA/DSA Stock Inventory will ultimately reflect in inadequate and untimely support response.

### REDISTRIBUTION AND DISPOSAL

Savings computations under the proposal for assumption of the Redistribution Disposal Functions at the MCAF, New River is considered invalid. The purported savings to be realized through elimination of trips between the MCAF, New River and the MCAS, Cherry Point, N. C., will not materialize. During the past annual period, a total of only 1800 line items of NSA/DSA stock has been returned to the MCAS, Cherry Point from the Marine Corps Air Facility. In each such instance, these items were returned concurrent with regular scheduled delivery pick-up runs between the two Stations. A minimal volume of material necessitates return to the MCAS, Cherry Point in view of the 90 day stock level imposed on the Class 203 stores. Additionally, those NSA/DSA items positioned at the MCAF, New River are tailored to the end item support requirements. Naval Supply Systems Command Notice 4440 of 7 June 1966 now requires the review of all low cost items with a monetary value of \$7.00 or less against the supporting stock asset/records which obviates the automatic disposal action. Items carried at the MCAF, New River level which are technically subject to disposal at that level are still subject to utilization throughout the COMCABEAST complex.



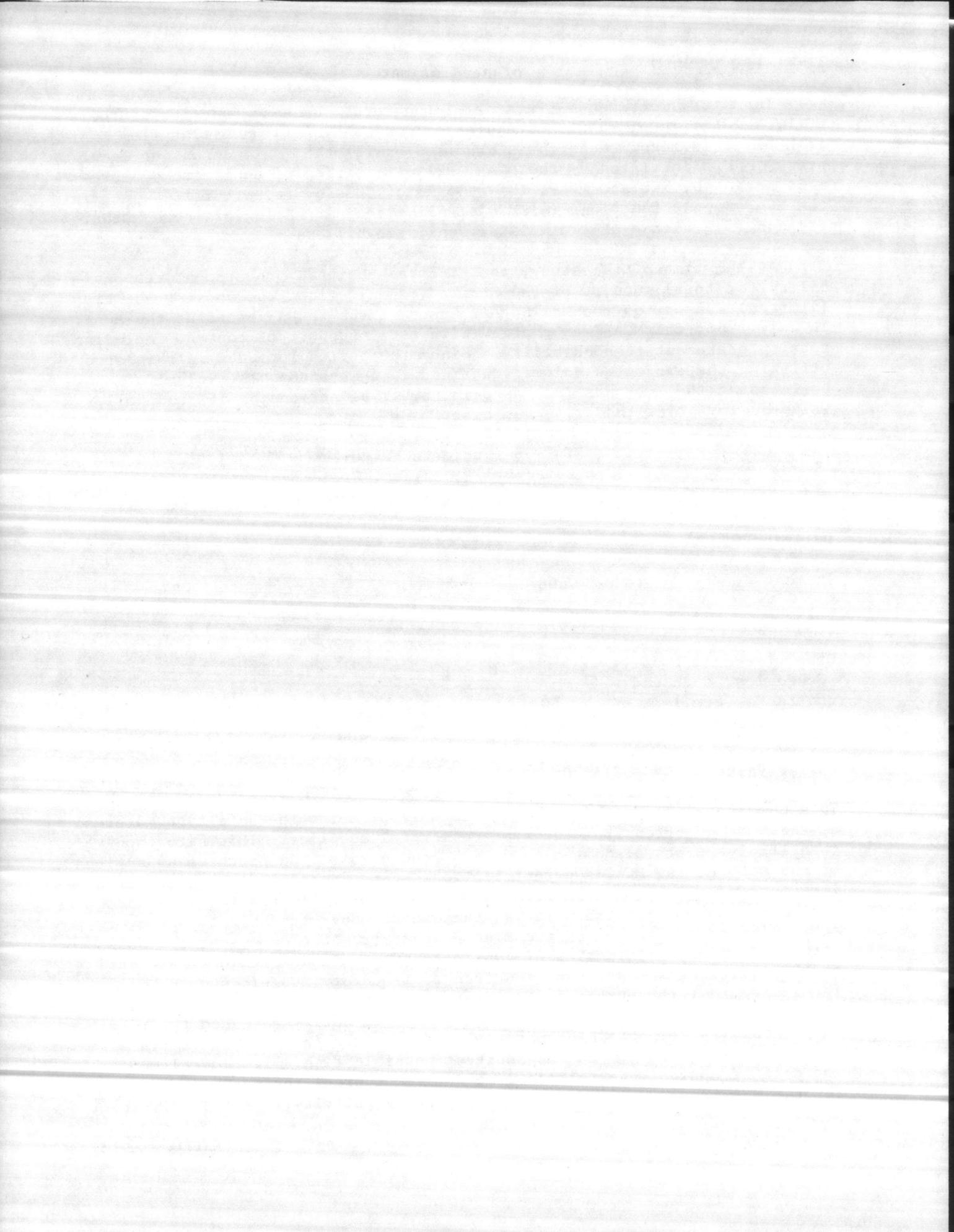
## LOCAL PROCUREMENT

The study recommends transfer of the total purchase function of the MCAF, New River to MCB with transfer of one GS-6 civilian billet from MCAF to MCB. This recommendation is premised on (1) the small amount of local procurements initiated by the MCAF, (2) elimination of duplicate procurement action by MCB and MCAF, (3) release of 200 sq. ft. of office space in the MCAF Supply function, (4) MCB's unlimited contracting officers authority and (5) release of two military enlisted billets.

At the time of the study, the MCAF was assigned procurement responsibility for total support of the Station organizations and local trade area (limited) support of the Marine Air Group of the 2d MAW based at the MCAF. In July 1966, the MCAF was charged with total support of the MAG including total procurement responsibility. Since the period included in this study, utilizing the projected volume contained in this study, the volume of business at the MCAF has increased in number of actions by 16% and dollar value by 169% over the projected base.

	FY 1965 (Projected Study)		FY 1966 (Actual)
	(9 mos. actual)	12 mos. Projected	
Purchase Orders	217		358
Delivery Orders	75		267
Imprest Fund	606		987
BPA's	812		1,048
Other (Federal Supply Schedules, open end contracts, etc.)	50		117
Total	1,760	2,400	2,777
Dollar Value	\$145,000	\$200,000	\$538,110

This Command concedes that the MCAF locally procures the same type material as the MCB and often from the same commercial supplier. This situation more than likely exists also if a study was conducted of the procurement actions of the MCB and the MCAF's parent station, MCAS, Cherry Point. Within the immediate geographical area of MCB, MCAF and MCAS, sources for local procurement are somewhat limited. It is, therefore, understandable that the activities are often buying the same product from the same source. Notwithstanding the elimination of duplicate type purchase actions as a basis for transferring the purchase function from MCAF to MCB, it should be recognized that the purchase function at the MCAF is established for the specific purpose of providing an organizational entity assigned the total responsibility for obtaining material and services for MCAF customers from commercial sources in the shortest possible time. If time element and cost or convenience factors were not considered, the purchase functions for the MCAF could be performed by the parent activity, MCAS, Cherry Point.

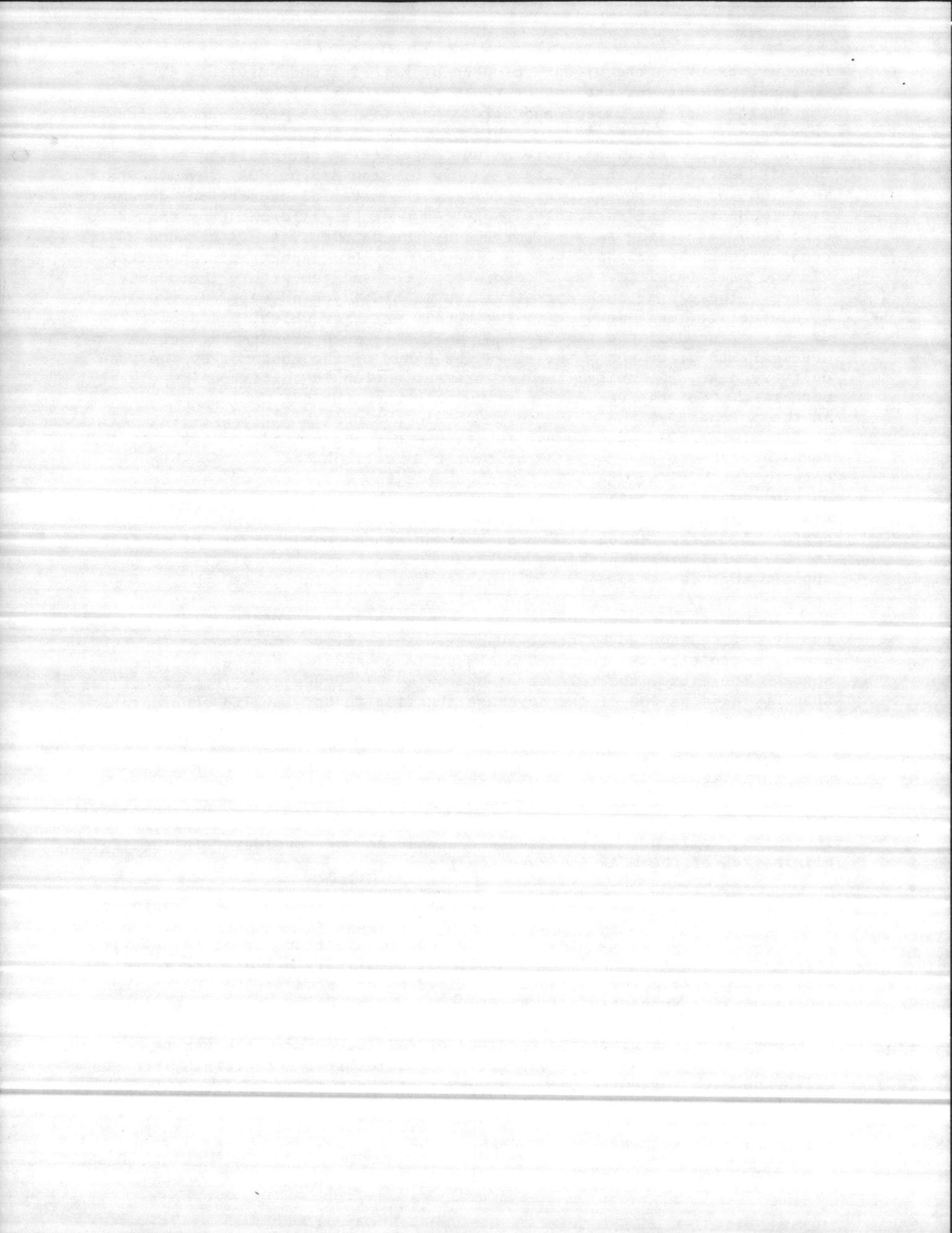


However, based on the urgency of need of material and services, subject to local procurement action, by the MCAF customer, it behooves the Commanding Officers of the parent and Satellite activity to provide the necessary facilities for performing this service. A requirement for material and/or services calling for local purchase action per se is an exception type transaction in the military supply mission at the MCAF level. Starting with the end-use customer requiring the material or service, documentation requesting the material or services must be different from that documentation requesting an item carried by the supply system. Because of its composition, the original request (documentation) cannot be transmitted via the same facilities as a requisition for an item within the supply system. Therefore, such documentation is usually hand-carried or delivered by on-facility mail service to the Supply activity which, based on the urgency of need of the requirement, initiates such procurement action necessary to place the material in the hands of the customer by the required delivery date. Normally, the procurement action is initiated immediately upon receipt of the request, particularly when the BPA or Imprest Fund is the purchase method employed to obtain the desired item/service. Elimination of the MCAF procurement function would necessitate delivery of this documentation to the MCB. Because of the geographical relationship between the MCB and MCAF, it is impossible for customers of the MCAF to obtain timely purchase service required in the performance of their assigned mission. Delivery of request documentation from MCAF to MCB, performance of purchase action by MCB and subsequent delivery of material to MCAF, will create problems and cause undue hardships relative to customer support that far surpasses any benefits set forth in the study.

The purchase function at MCAF, is physically located within the main supply office, shared by other supply administrative functions. The total supply administrative function has what is considered adequate office space. Therefore, the release of approximately 200 square feet of office space by elimination of the purchase function is not a valid consideration in justifying elimination of the purchase function.

As stated in the study, the MCAF has purchase authority up to \$2,500. This authority is adequate. When the MCAF has a purchase requirement that exceeds this authority, procurement action is taken by the MCAS, Cherry Point. The unlimited contracting officer authority at MCB, except in rare instances, would not be required and should not be considered in justifying elimination of the MCAF purchase function.

The MCAF purchase function is staffed by one GS-6 civilian employee and two military enlisted billets. The study has recommended that the MCAF purchase function if eliminated would necessitate transfer of the civilian billet to the MCB and would release the two military billets for reassignment within MCAF. The increased workload experienced by the MCAF purchase function since completion of the study has been absorbed by the MCAF without additional personnel; however, this is believed the minimum number of personnel that can process a workload of this magnitude. Though the study only recommends transfer of one civilian billet from MCAF to MCB, the MCB will undoubtedly require the same number of manhours to perform the procurement function if transferred. In the matter of release of two military billets for reassignment, it should be noted that while two military personnel are assigned to the purchase function, this function does not

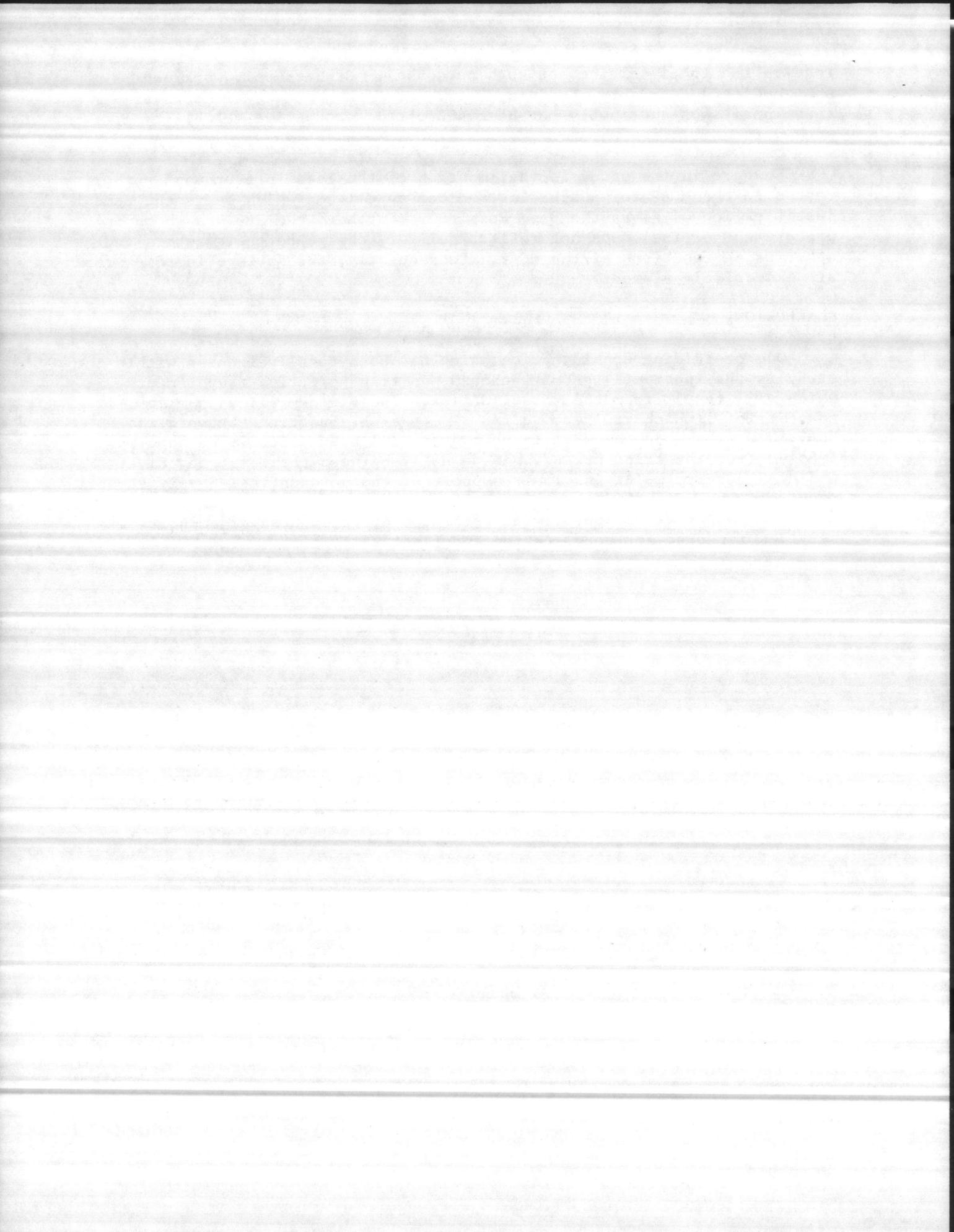


receive the total services of such personnel. Other supply workload assignments and/or duty, training, etc., are inherent requirements of these positions and involve at best 40% of the productive capability of such persons.

Nowhere in the study is there mention of the local procurement authority vested in the MCAF for purchasing medical type items which bears the same justification as given the Base Hospital. Further, the savings shown in procurement of fuel does not reflect delivery charge to the quarters and other using functions of the MCAF. Consequently, the savings in this area are excessively stated.

#### CONCLUSION

One overriding consideration which has been totally ignored within the study is the inherent loss of manhours and transportation requirements which will result from the consolidation. The minimum daily 35-mile round trip(s) which will evolve from a merger of functions between the MCAF, New River and the MCB, Camp Lejeune will automatically be superimposed over the trips now being made daily between the MCAF, New River and MCAS, Cherry Point in direct support of the aeronautical Supply support requirements. Consolidation of any of the supply functions, be it aviation or non-aeronautical support, will deter the effectiveness of support services rendered for both station and fleet activities.



ANNEX D

MOTOR TRANSPORTATION SUPPORT SERVICES

CONSOLIDATION REPORT

2. Assumptions

The assumptions contained in this annex imply that consolidation of Motor Transport Services at MCB and MCAF has been directed with MCB as the lead activity without regard to feasibility. This is evident by the parameter established by the assumptions.

b. The assumption that MCB will provide Motor Transport common support services to MCAF is a parochial approach to consolidation without regard to the support Capability of the MCAF Motor Transport function. It eliminates any consideration of the feasibility of MCAF providing Motor Transport Support Services to Camp Geiger and other MCB functions which are located adjacent to MCAF and are much smaller and less complicated to support than MCAF.

c. The assumption that Motor Transport Support requirements for MCAF will remain at the same level in the immediate future ignores pertinent information relative to planned expansions for MCAF which was available to MCB at the time this plan was written.

3. Facts

h. The fact that Marine Corps Base Motor Transport's preventive maintenance program is established under U. S. Marine Corps directives and that MCAF preventive maintenance programs operate under NAVFACENCOM directives is a major factor bearing on the compatibility of the two functions. These differences must be resolved at higher levels before consolidation can be accepted.

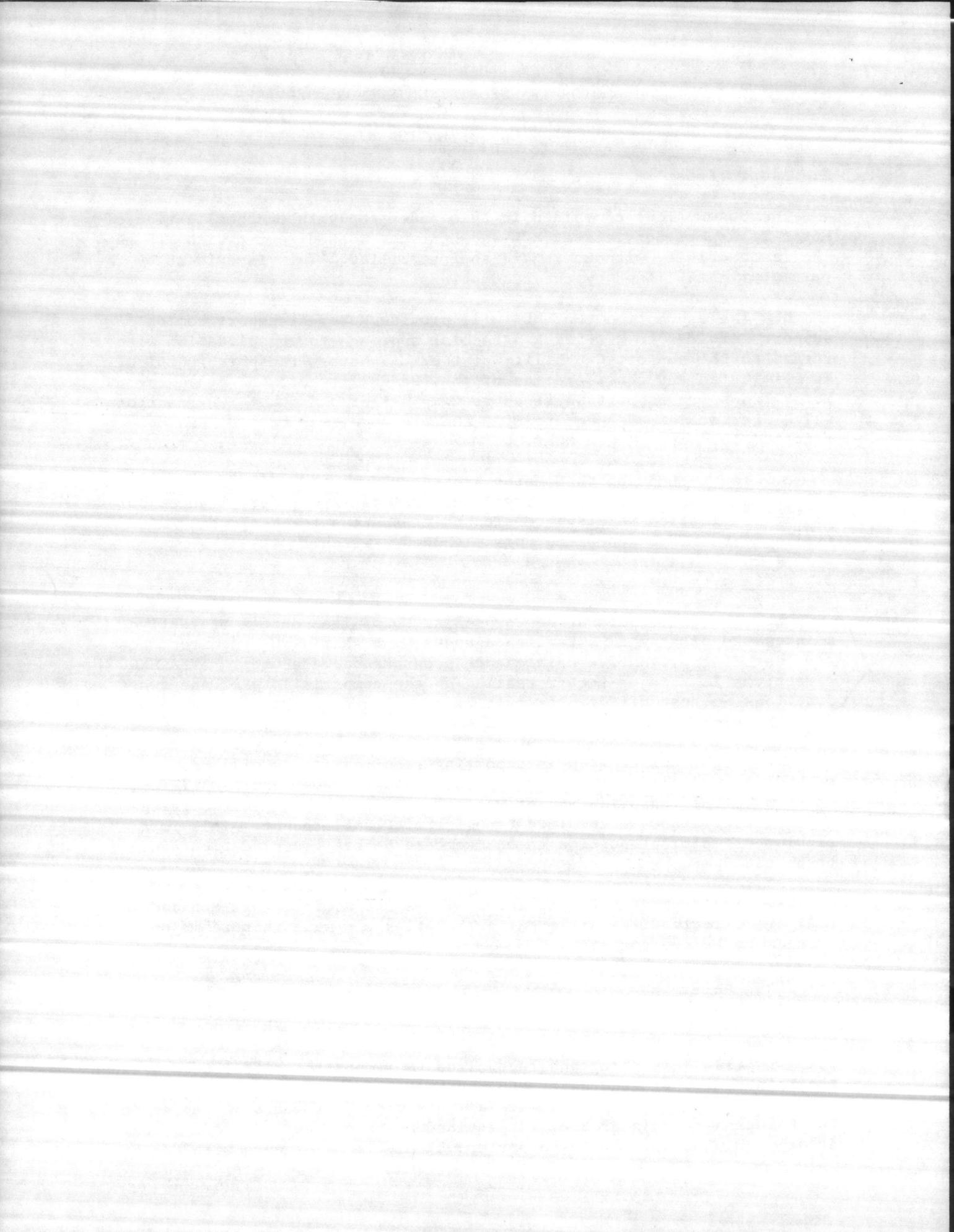
i. Major differences in reporting requirements as well as in methods of collecting cost and utilization data have been identified, which make the consolidation of Motor Transportation Support Services impractical without a complete transfer of Plant account. This is a problem of major proportion to be overcome before consolidation can be agreed upon.

j. Replacement programs for vehicles and equipment at MCB and MCAF are directed from different authorities and will require major changes to become compatible.

4. Discussion

d. Maintenance

(1) This paragraph recognized the important differences between the maintenance procedures at MCB and MCAF and emphasizes the fact that a consolidation which would require different systems would be impractical. The solution to this problem as provided by this plan is partial, in that it says maintenance should be performed only in accordance with Marine



Corps directives regardless of the method of consolidation adopted, while proposing to transfer only that equipment common to MCB which would result in two separate systems.

(2) Marine Corps Air Facility, New River

(a) thru (d) Information outlined in these points of discussion would indicate that MCAF is in a better position to support Camp Geiger than MCB is to support MCAF.

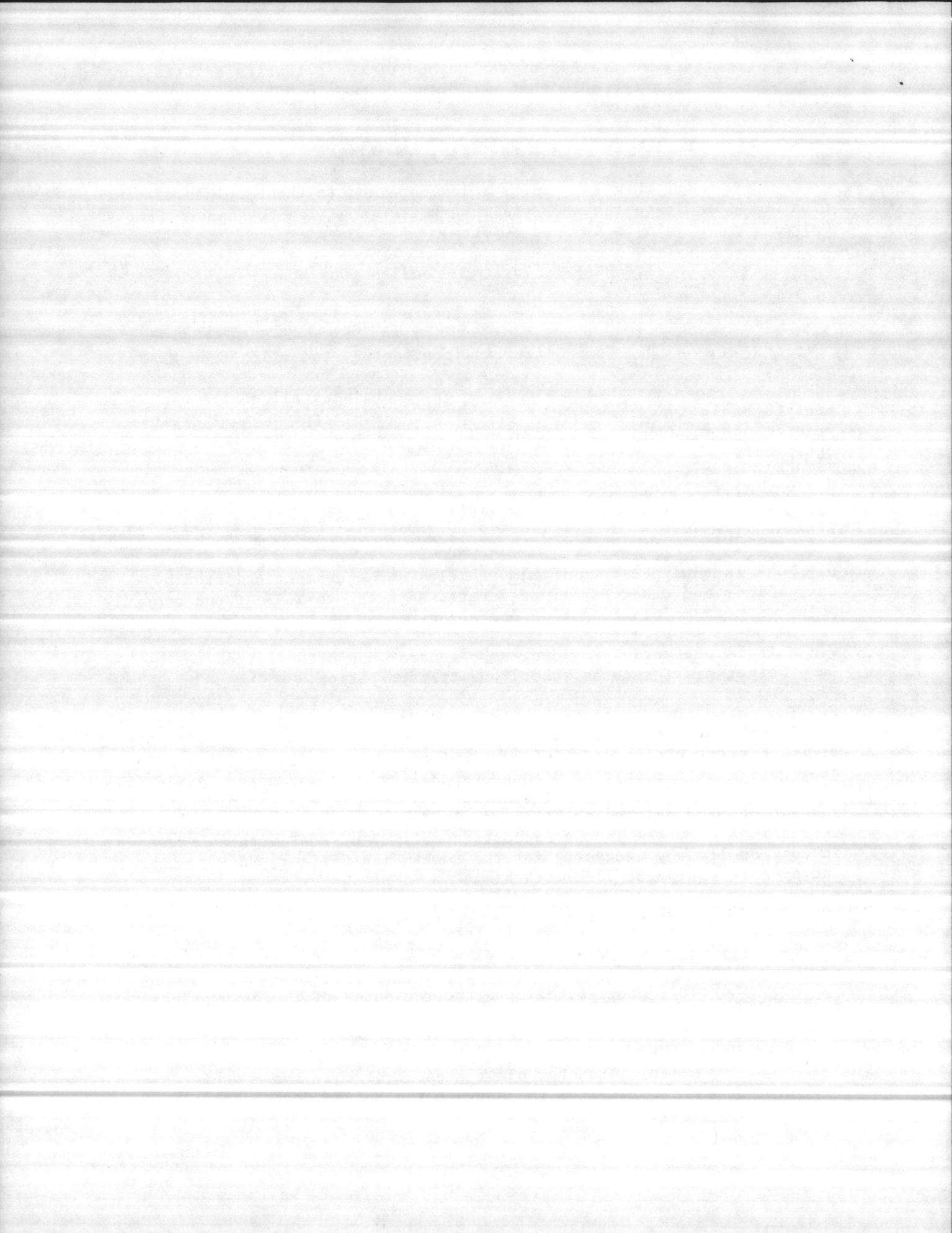
1. MCAF is located 17 miles from MCB.
2. Camp Geiger is located 15 miles from MCB.
3. Camp Geiger is located only two miles from MCAF.
4. MCAF is capable of maintaining all of its own equipment (3 basic types) while MCB proposed to assume responsibility for maintenance of only that part of MCAF equipment which is common to MCB equipment.
5. MCB divides its Motor Transport repair services between base maintenance and Motor Transportation; while MCAF repairs all its equipment at one point.
6. MCAF is equipped to maintain vehicles and equipment utilized by Camp Geiger and other MCB areas located adjacent to MCAF at one central point without major changes in operation.
7. MCAF is presently providing some general support services to the Camp Geiger area, such as school bus transportation.
8. The consolidation of MCB and MCAF Motor Transport support services under the MCB plan would leave MCAF responsible for approximately 15% of its present equipment. This could increase to possibly 30% in the near future as a result of planned expansions. In any case the MCB plan would result in a division of function eliminating all administrative inspection, and maintenance type people from MCAF staff. This will result in a decrease in the support capability of MCAF with an increase in cost due to the necessity for the Commanding Officer, MCAF to manage and operate equipment left with him.

f. Consolidation programs for consideration.

(1) Plan No. (1) page D-9

This program reflects the reasoning of the assumptions, facts and discussions included in the ANNEX previously commented on. Namely it proposes to

(a) Transfer plant account of only those vehicles and equipment common to MCB from the Navy to the Marine Corps resulting in a division of functional responsibility.



-3

(b) Reduce the number of mechanics by (2) while reducing the combined total vehicle fleets of USNH, MCAF, and MCB by only (12) pieces of equipment. The criteria upon which this proposed savings was based is not identifiable especially the ratio of mechanics to equipment. The 12 to 2 ratio is not in agreement with the 27 to 2 ratio used to determine the number of personnel required to maintain 27 items of uncommon equipment to remain with MCAF.

(c) Transfer maintenance of MCAF equipment to Camp Geiger. No detailed information on facilities available at Camp Geiger is provided to evaluate this proposal; however, the practicality of such a proposal is questionable. According to the proposal, 6900 square feet of shop space plus an adjacent Butler building is now required to service the equipment presently assigned to MCAF. Only (10) pieces of the equipment located at MCAF and no equipment at MCB or Camp Geiger is proposed to be decreased. In light of this limited information one can only assume that Camp Geiger's facilities must undergo a major expansion or that the facilities located at Camp Geiger have been greatly under utilized.

(d) Provide services and equipment to MCAF on an hourly rental rate by MCB. The estimated annual rental cost of \$87,000 which must be paid to MCB for operation and maintenance of equipment for which MCAF budgeted \$99,300 and was funded only \$85,000, does not indicate a possible annual savings comparable to those proposed to be saved by the recapitulation statement of this consolidation plan for Motor Transport Support Service on page D-15 which indicates an annual saving of \$62,614.40 for MCAF in civilian labor cost alone.

(2) Plan No. 2

This plan with the exception of a possible reduction in local accounting requirements offers no advantages over plan No. 1. The end results would be a transfer of all vehicles and equipment common to MCB from Navy plant account to the Marine Corps with the Navy reimbursing the Marine Corps at Headquarters level. Under this method of operations the planning and submission of budget requirements as well as justification of requested funding would be made more complicated and require increase administrative attention.

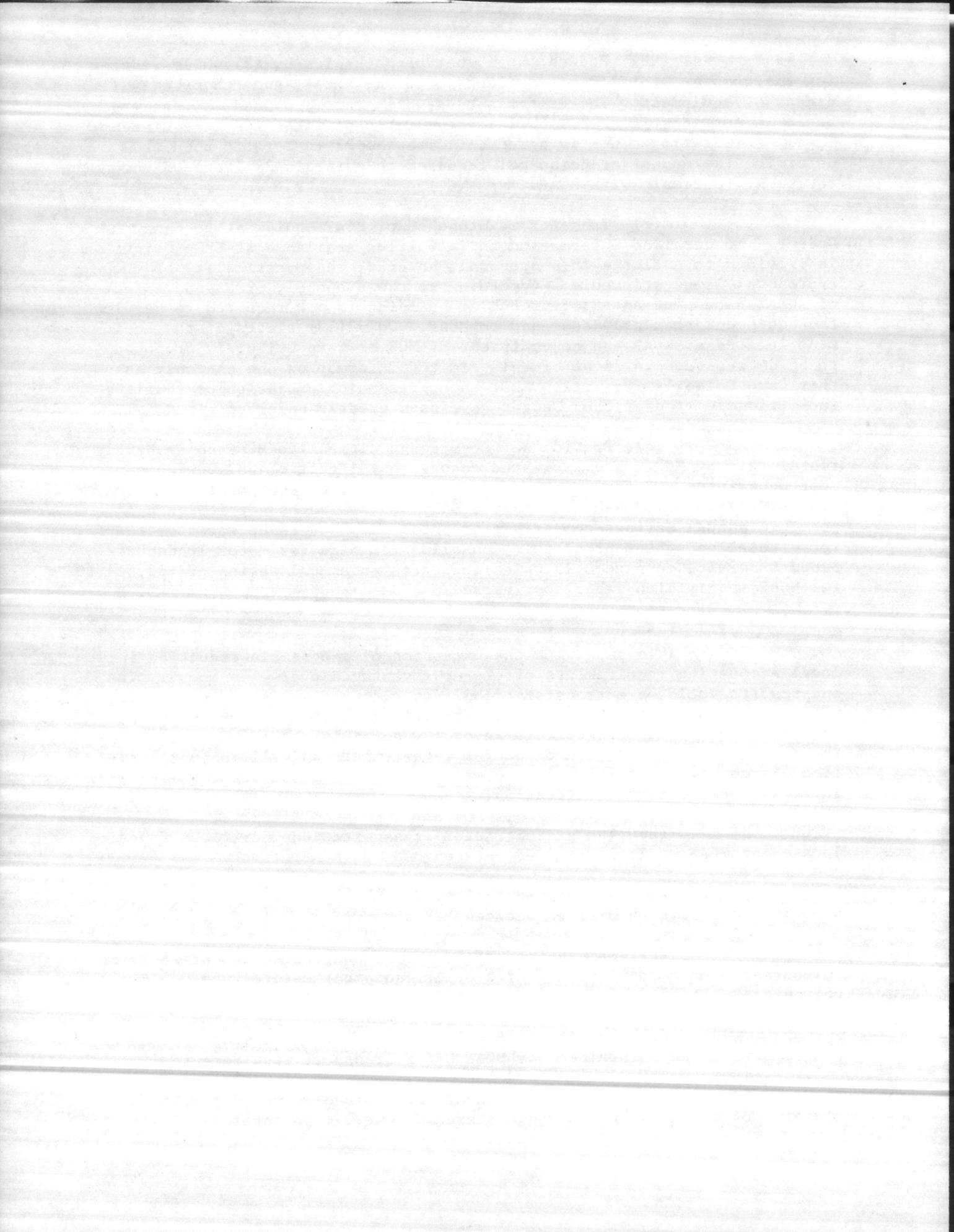
(a) The present Motor Transportation Operations function located at MCAF would be divided between MCB and MCAF.

(b) The responsibility for maintenance of vehicles to support MCAF would be divided between MCB and MCAF.

(c) Maintenance of Bureau of Weapons equipment would be reimbursable on a local basis while other equipment maintenance would be reimbursable at Headquarters level.

(d) Two (2) different vehicles and equipment replacement programs would be maintained for MCAF Motor Transport requirements.

(e) Effect of Plan No. 2: This plan would result in a division of functions which would increase cost by duplications of effort



significantly enough to offset any possible reductions in equipment or people which might be realized by consolidation.

(3) Plan No. 3

This plan would be only a transfer of administration and control which could result in a possible loss in mission response for MCAF with an increase in cost of operation.

RECAPITULATION STATEMENT ANNEX - D

1. Civilian Personnel

The method used to emphasize annual cost decreases reflect a definite lack of coordination as well as detailed analysis in preparing the consolidation plan.

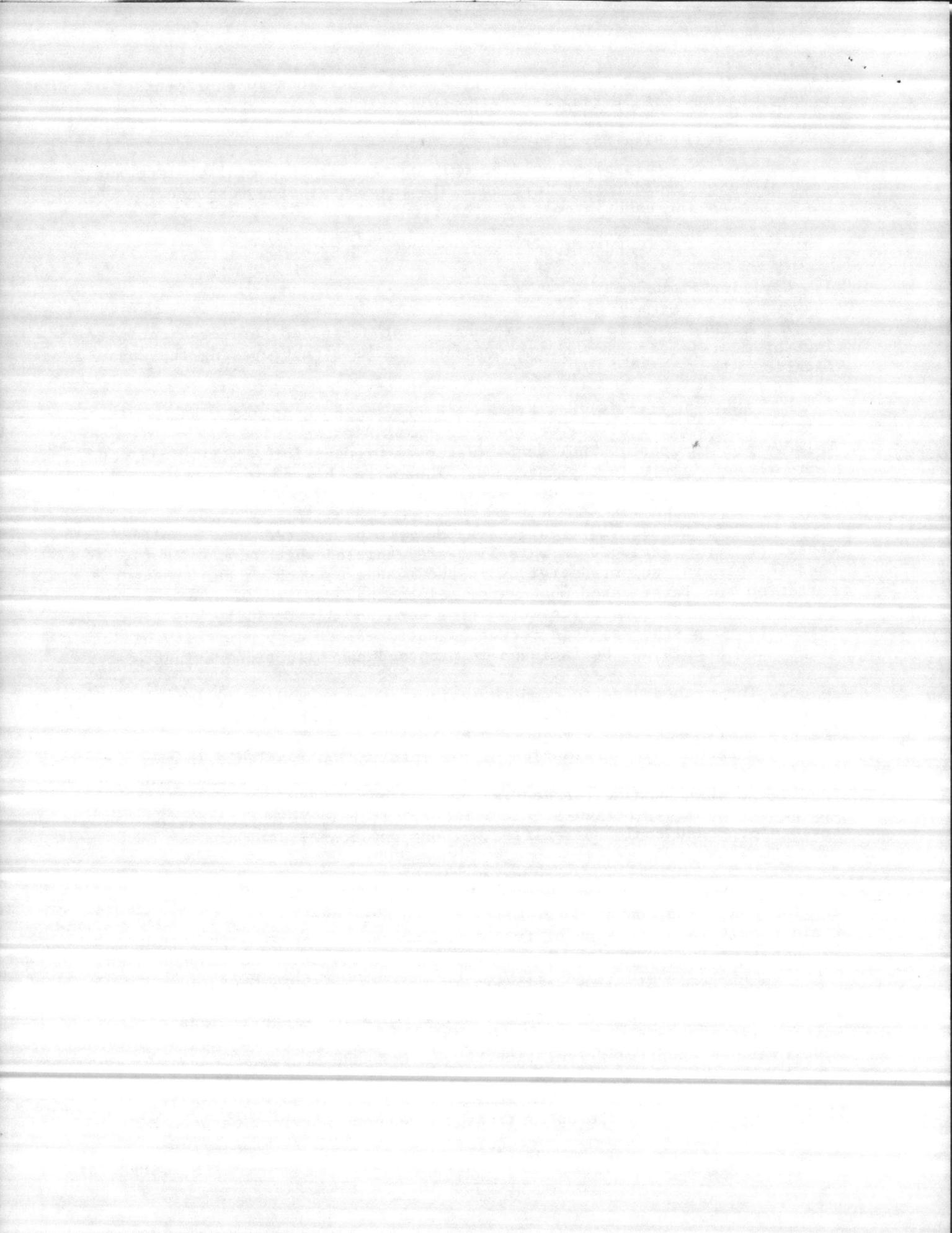
a. ANNEX D list (9) billets as a decrease in annual cost and states that these same billets are carried in ANNEX A as an increased requirement. This is not the case. The recapitulation statement for ANNEX A does not carry these billets in any category. Therefore, 65% of the total proposed decrease in civilian Labor cost is invalid.

b. ANNEX D list (10) vehicles at MCAF to be reduced as a result of consolidation. Included in this list are vehicles which are presently used for general support services in the MCAF area such as bus transportation and large cargo movements. Since the MCAF is now providing bus transportation for school children from both the Air Facility and Camp Geiger to camp schools, this reduction must reflect a surplus of vehicles at MCB and should not be included in proposed consolidation savings.

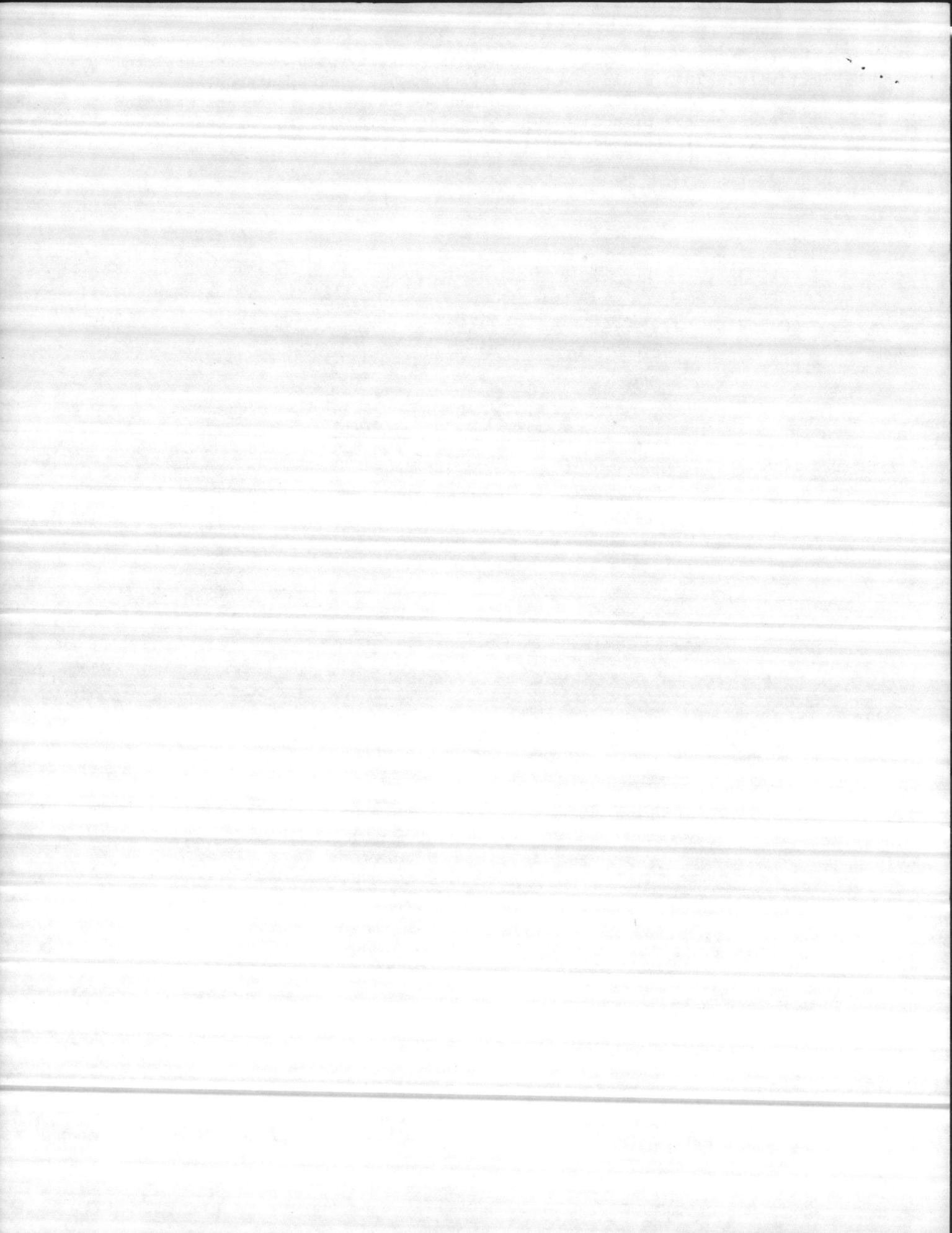
c. The method used to compute savings in space and equipment is not clear. The question of how Camp Geiger can absorb the workload and working staff of MCAF without requiring MCAF working space and shop equipment cannot be answered by evaluation of the information available in the plan. Based on the type and amounts of facilities and equipment listed, the only conclusion which can be reached is that MCB has a surplus of facilities and plant property located at Camp Geiger. If this is the case, the savings proposed could be realized without any consolidation.

SUMMARY OF ANNEX D

1. The consolidation of Motor Transport support services as recommended would result in a division of functions, remove transportation support further from the work site, increase travel costs, decrease response and mission accomplishment capability of Commanding Officer, MCAF.
2. The plan would result in an extensive expansion of operations at Camp Geiger and provide for an undetermined amount of excess cost to the Government in non-productive travel time between MCB and MCAF.
3. One possible solution which would provide for a realistic dollar savings is to consolidate motor transport support services between MCAF



and the MCB areas adjacent to the Air Facility with MCAF as the lead activity. This could be accomplished with a minimum disruption to operations at all Commands concerned and would permit the dismantling or reassignment of possible surplus facilities located at Camp Geiger while greatly reducing the travel problem between MCB and the MCAF.



4

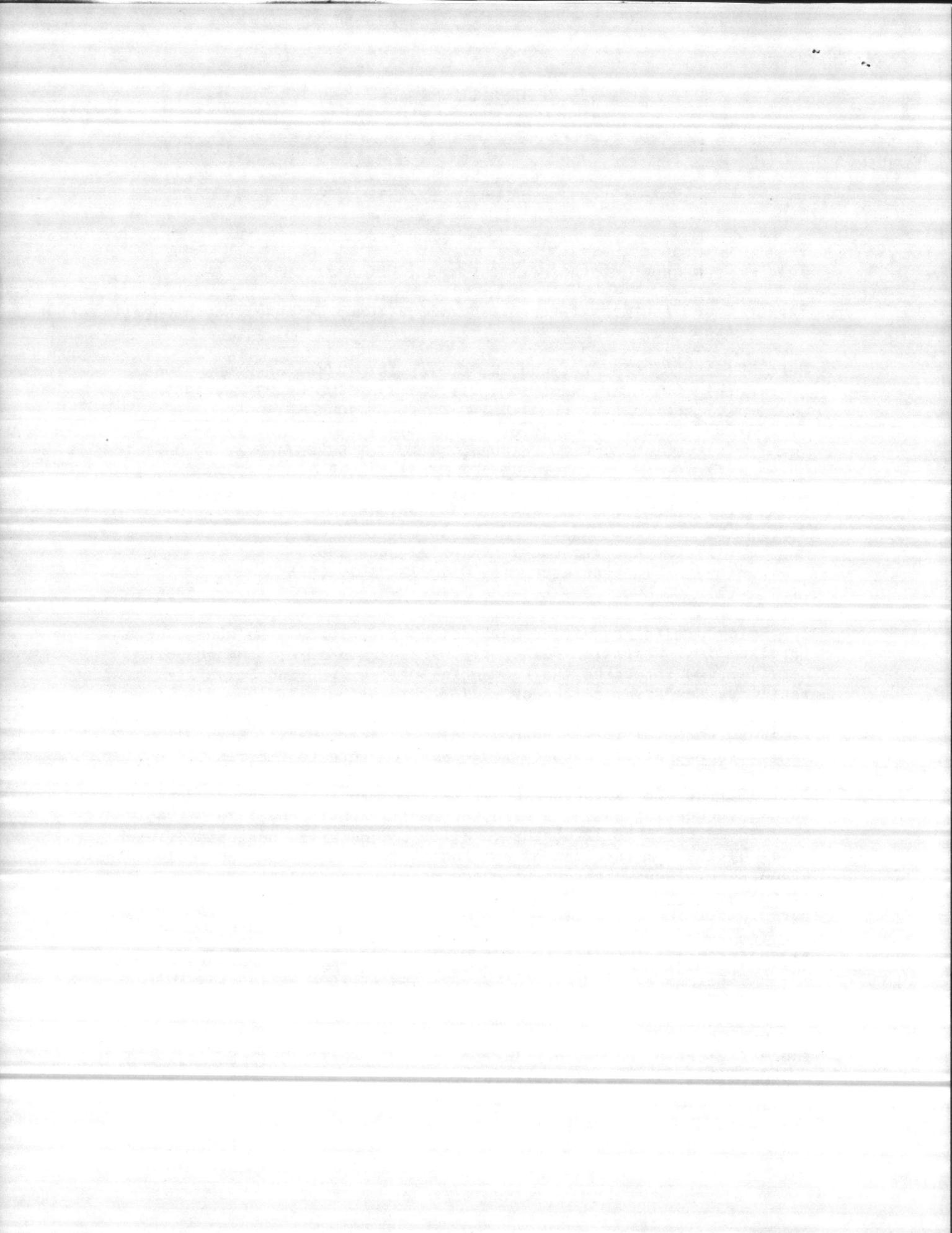
HEADQUARTERS  
Marine Corps Air Base, Eastern Area  
Cherry Point, North Carolina 28533

110/02/mkk  
1 September 1966

From: Commander  
To: Commandant of the Marine Corps (CODE AAJ)  
Subj: Consolidation of Support Services, Camp Lejeune, North Carolina Area

Ref: ✓(a) CG, Camp Lejeune, N. C. ltr 10/WTB/jew of 24 May 1965  
✓(b) CO, MCAF, New River ltr 201:dsp 5400 of 27 May 1965  
X(c) COMCABEAST spd ltr 140:CR:ft of 10 June 1965  
- ✓(d) CMC ltr COC-bjw of 27 July 1965 -  
✓(e) CG, MCB, Camp Lejeune, N. C. ltr 9/WWS/jew of 19 Oct. 1965  
✓(f) COMCABEAST ltr 124/101-NJA-les over 10000 of 23 Nov. 1965  
✓(g) CG MCB, Camp Lejeune ltr 9/WWS/jew of 8 Dec. 1965  
✓(h) CMC ltr COC-1-PAM of 23 May 1966  
✓(i) CNM ltr MAT 242/RHP of 10 May 1966  
X(j) CMC spd ltr COC-1-MCR of 22 June 1966  
✓(k) LANTRAVTACENCOM msg 082037Z July 1966  
✓(l) CG MCB, Camp Lejeune ltr 9/WWS/jew of 23 August 1966

1. Reference (a) submitted Commanding General, Camp Lejeune, North Carolina implementation plan for consolidation of command support services and requested the Commanding Officer, Marine Corps Air Facility, New River to concur and/or comment on said proposal.
2. Reference (b) forwarded Commanding Officer, Marine Corps Air Facility, New River nonconcurrency and comments to CMC via COMCABEAST.
3. Reference (c) forwarded COMCABEAST comments and recommendations to CMC requesting that the plan for implementation by 1 July 1965 be delayed for 6 to 12 months to allow for detailed analysis of each annex by the Commands concerned. He further requested that only those support services which can be unequivocally unchallenged as savings in resources without degradation of mission or morale be actively pursued for implementation.
4. Reference (d) indicated that consolidation had been directed by CMC letter COC-1-bhb of 25 March 1965 and further stated the following actions were approved.
  - a. That a detailed analysis be made of each area that will factually establish savings in resources, specific billets affected, and detailed methods of operations.



b. That the second report mentioned in paragraph 2 of Commanding General, Marine Corps Base, Camp Lejeune, North Carolina letter 10/WTB/jc of 24 May 1965 be held in abeyance pending completion of detailed analysis on all areas included in common support services.

c. That a complete report of all areas investigated with recommendations regarding consolidation by the lead activity and nonconcurrency, if any, by activities to be served together with the rationale for non-concurrency.

d. That the complete report with all details and recommendations be forwarded to the CMC prior to 1 October 1965.

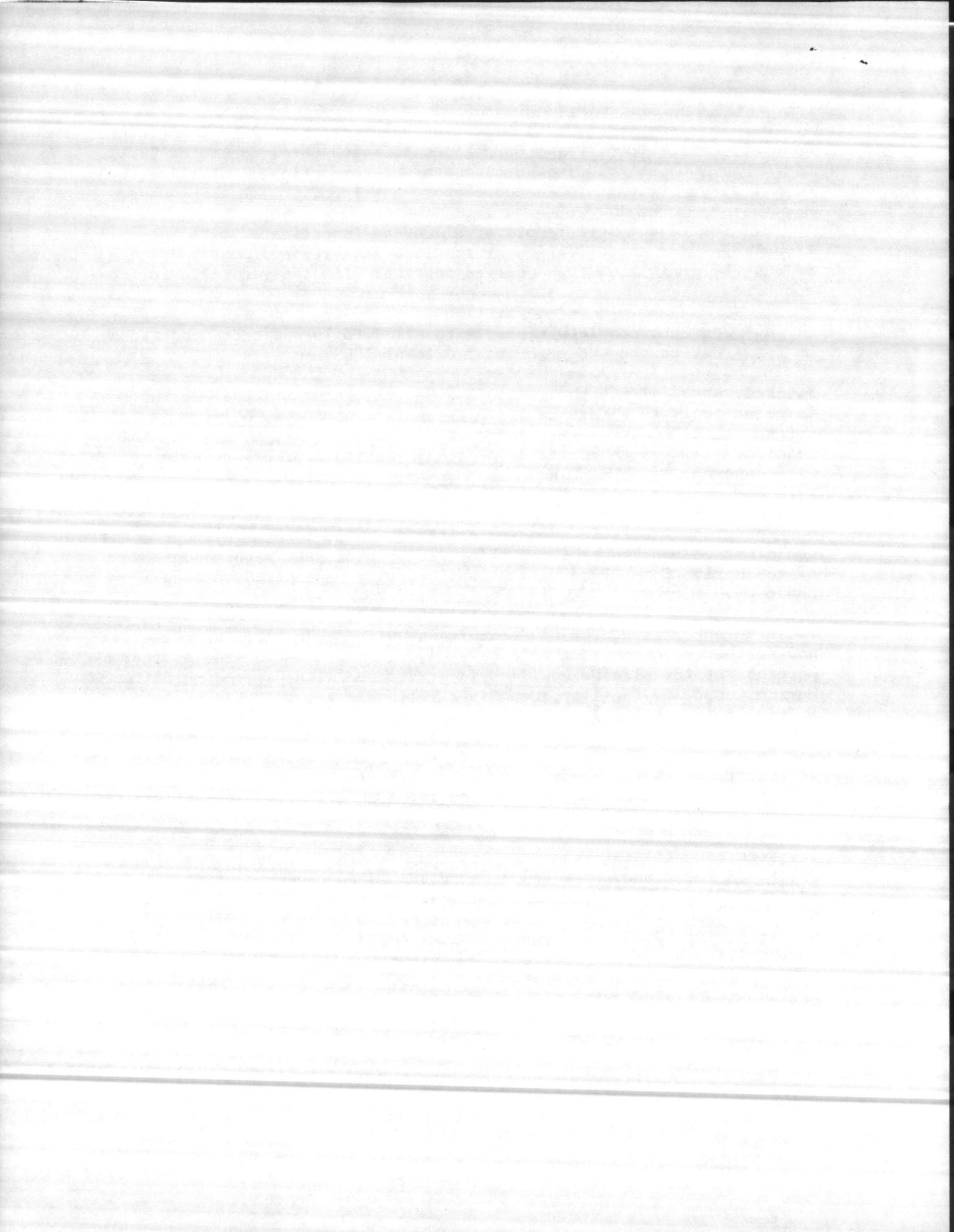
5. Reference (a) was the Commanding General, Camp Lejeune, North Carolina reply to reference (d). Appendix 2 of Annex "O" of this reference (a) concurred without comment with Annex F, G, H, and I of reference (e) and concurred in part, subject to appropriate comments, with Annexes A, C, D, E, and Area Auditor. Annexes B, J, K, L and M were not concurred in.

6. Paragraph 2 of reference (c) states in part, "Where full agreement could not be reached at the working group level, the recommendations of the Marine Corps Base as the lead activity have perforce been adopted".

7. Reference (f) states non-concurrency with Annex F of reference (e) and further recommended that Annexes A, C, D, E and the Area Auditor portions of the plan be modified in accordance with Commanding Officer, Marine Corps Air Facility, New River rationale and that the subject matter of Annexes B, J, K, L and M be excluded from the consolidation.

8. Reference (g) referred to reference (f) and stated in part, "It is reiterated that procedures must be established ultimately for a transfer of funds at the HQMC/Bureau level to effect any consolidation of support service.

9. Reference (h) informed CMC that the Director, Atlantic Division Bureau of Yards and Docks had been requested to conduct a field review of the areas involved in consolidation, and that an invitation had been extended to the Commandant of the Marine Corps to provide participation by Marine Corps personnel. CMC further recommended that the decision as to the merits of consolidation in these areas be deferred pending completion of the field review, and further suggested that if the BUDOCKS field review did not support the consolidations proposed, the CMC reconsider the merits of the proposed consolidation.



10. Paragraph 3 of reference (i) states in part "Headquarters Marine Corps also currently envisions that the responsibility for budgeting and funding for maintenance of real property and transportation equipment should remain with the activities being supported in connection with any consolidations which may be effected".

11. Reference (j) advised that the Secretary of the Navy had been informed that the subject consolidation would be placed in effect on 1 July 1966 and requested expeditious comments regarding the plan proposed by the Commanding General, Marine Corps Base, Camp Lejeune, North Carolina. Reference (j) further stated that the time frame proposed for the submission of studies and comments by the Commander, Atlantic Division, NFEC to Commander NFEC was not considered timely support, and stated that in order for CMC to now inform the Secretary of the Navy of a revised target date for implementation of common support services in the Camp Lejeune, North Carolina area it was requested that a definite commitment be made as to the earliest possible date upon which the CMC can expect to receive final comments from the CMH on the proposed consolidation of common support services.

12. Reference (k) states that by phone call between Marine Corps Base, Camp Lejeune representatives and LANTFACENGCOM representatives it had been determined that no further joint study would be made. Further, that Marine Corps Base, Camp Lejeune would update the original study to reflect subsequent CMC guidelines and intervening data changes.

13. Reference (l) is the most recent revised submission addressing this problem of consolidation. Reference (l) further invites comments if desired by Commanding Officer, Marine Corps Air Facility, New River, and requested the comments be submitted via the appropriate chain of command to the CMC.

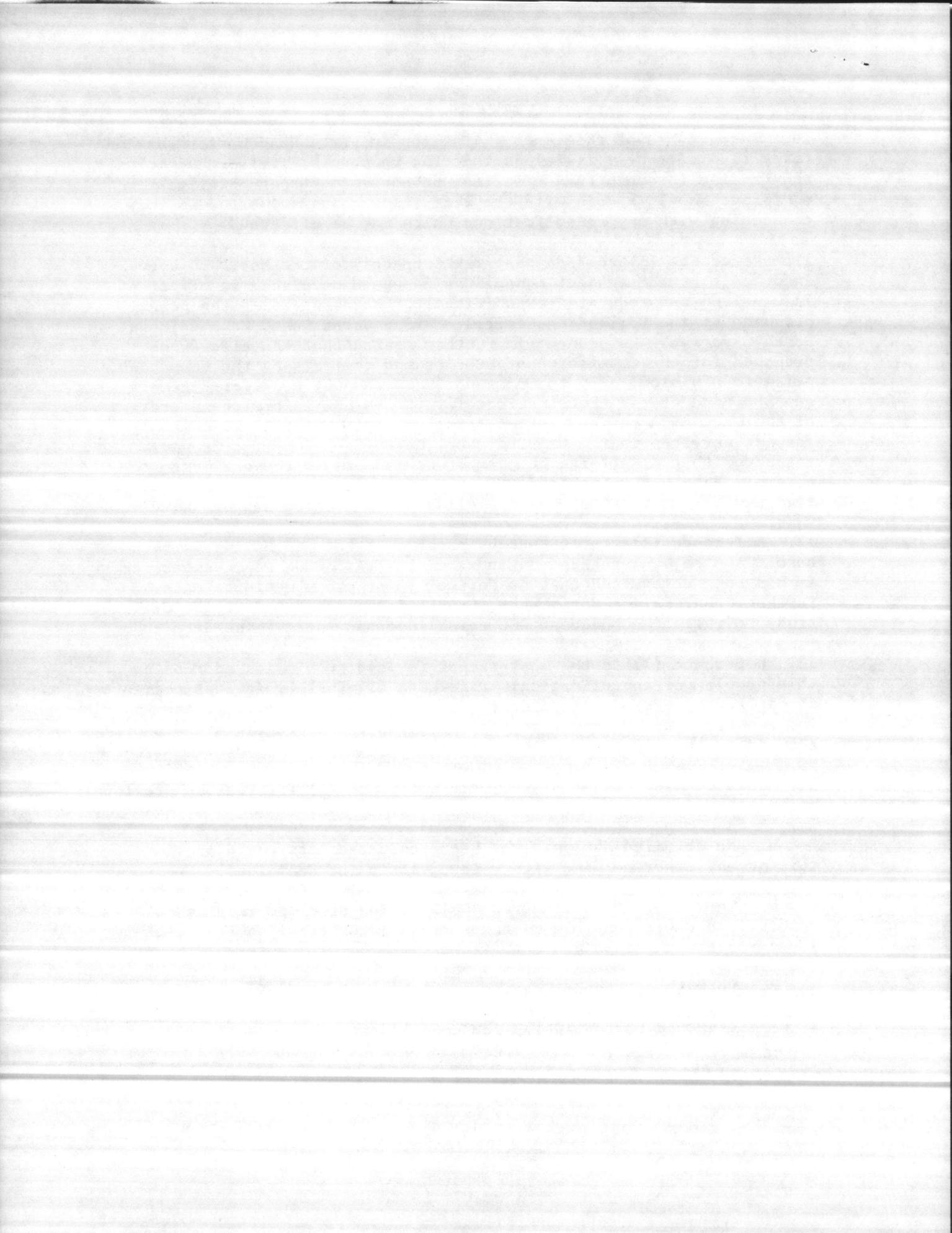
\* 14. This Command cannot concur with reference (l) for reasons previously stated in reference (c) and (f) and below: \*

a. No detailed analysis has been conducted that would provide this or any other command with a sound basis for decisions.

b. The inherent command responsibilities preclude relying on assumptions where possible mistakes could incur grievous financial losses that might take years to recoup.

c. Only those support services which can be unequivocally unchallenged as savings in resources without degradation of mission or morale should be considered for consolidation.

=====  
*this will never happen*



13. This Command has under progression, a complete chronology of data which would dictate exclusion of any consolidation of support services at the Marine Corps Air Facility, New River. This chronology can be provided, if desired.

M. E. CARL

DISTRIBUTION:

CMH

EC, MCB, Camp Lejeune, N. C.

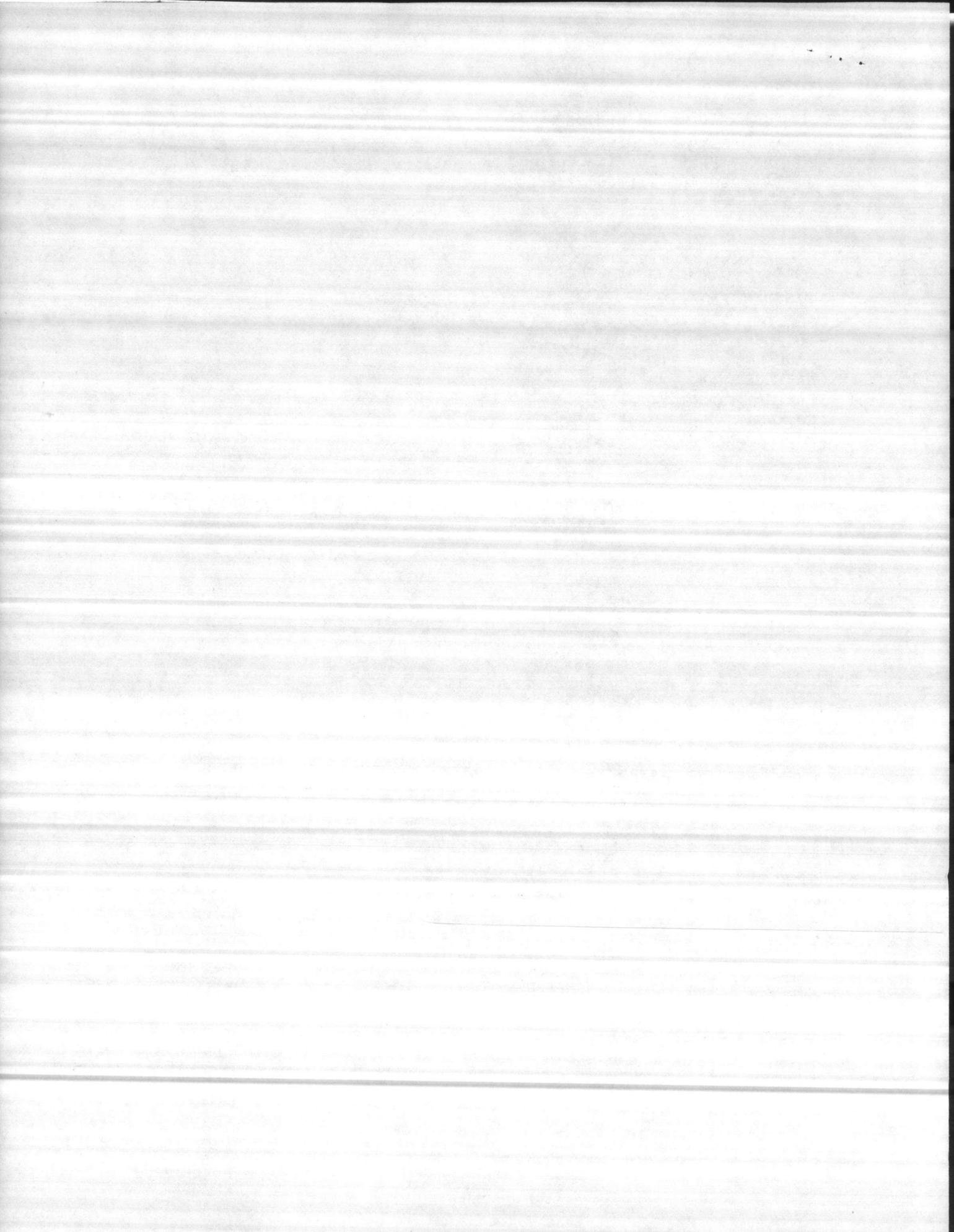
NASC

NAVFACENGCOM

LANTNAVFACENGCOM

CO, MCAF, New River, N. C.

CO, MAG-26

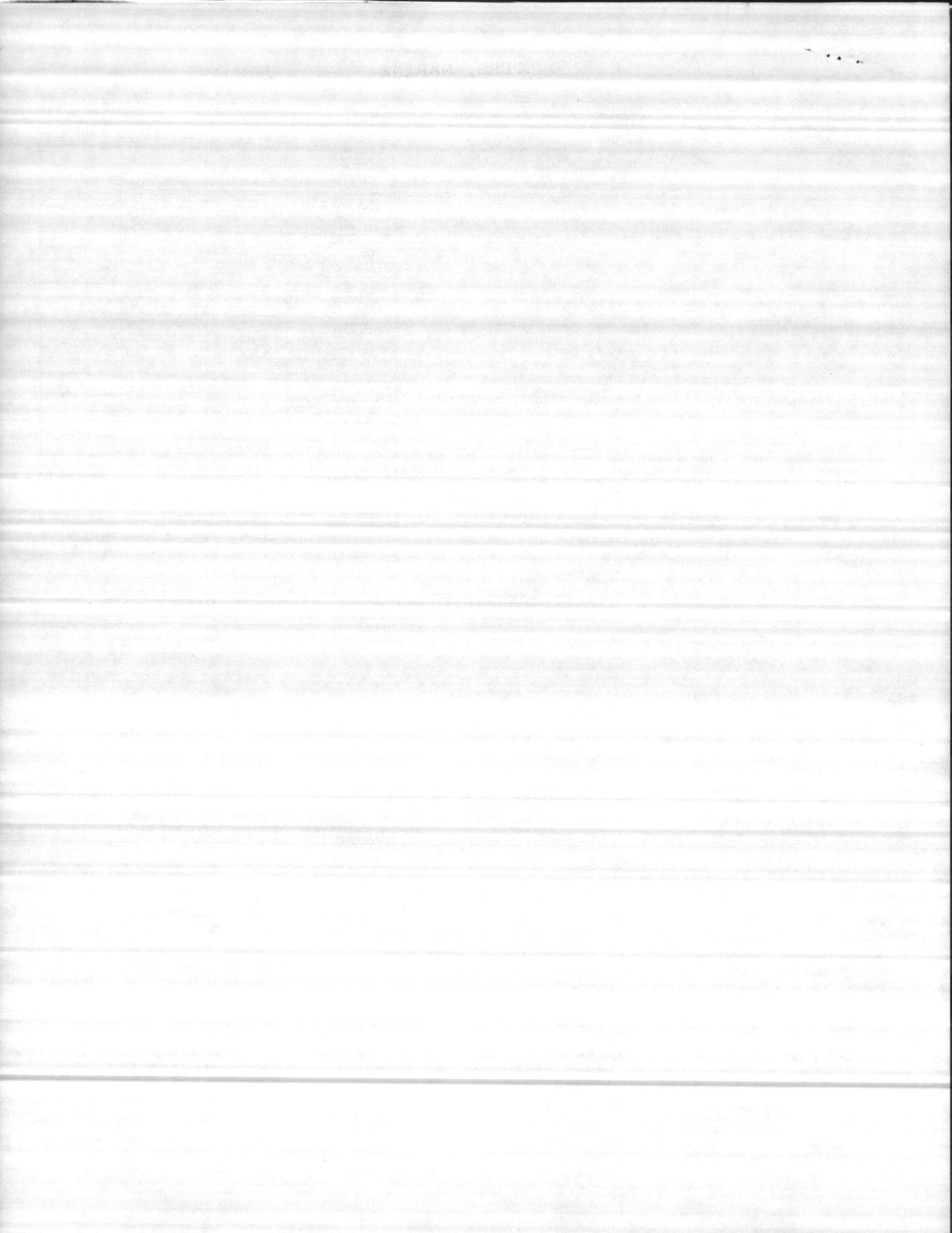


MEMORANDUM

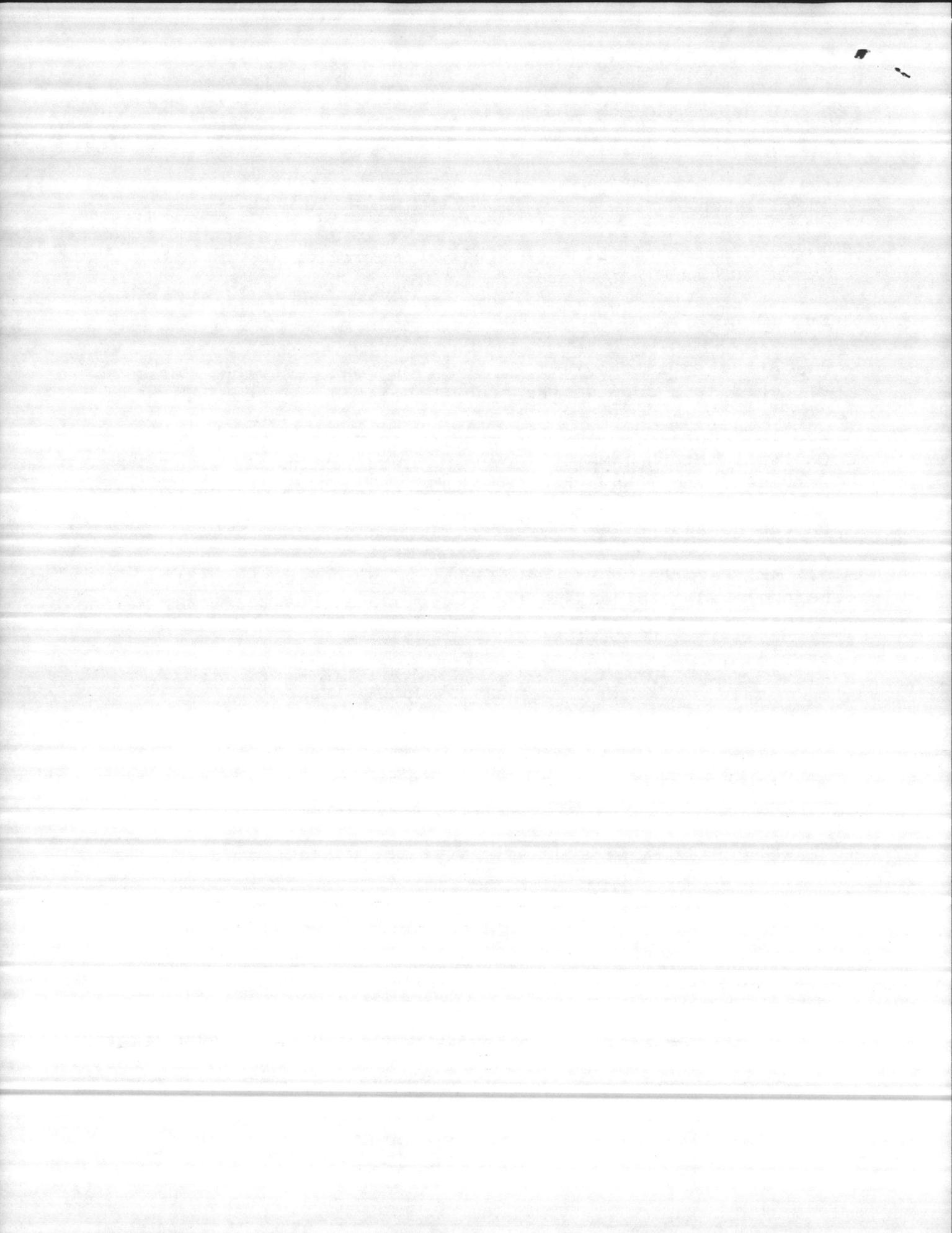
From: Base Adjutant, MCB-  
To:

	ACT	INFO	INIT
CG			
ABC			
C/S			
INSP			
G-1			
G-2/3			
G-4			
COMPT			
LEGAL			
SUPPLY			
ADJ			

REMARKS: *done*  
~~Complete~~  
~~System~~ ~~COMPT~~







e. Preservation and Packaging and Redistribution and Disposal.

MCAF - No  
USNH - Yes

We recommend Yes in both cases, except for aircraft and aeronautical equipment. MCAF agrees to this, and no matter how you slice it, everything points to consolidating these functions.

f. Laundry<sup>R</sup>

USNH - No  
MCAF - Yes

This is the way it is now. We previously recommended status quo and do so now.

g. Motor Transport

USNH - Yes, except ambulances.  
MCAF - Yes

We recommend Yes without exception. If we consolidate all common vehicles, there's no reason for excluding ambulances. The Hospital's are the same as ours, and they will have operational control of the vehicles.

h. IRO

USNH - Yes  
MCAF - Yes

We so recommend.

i. Safety

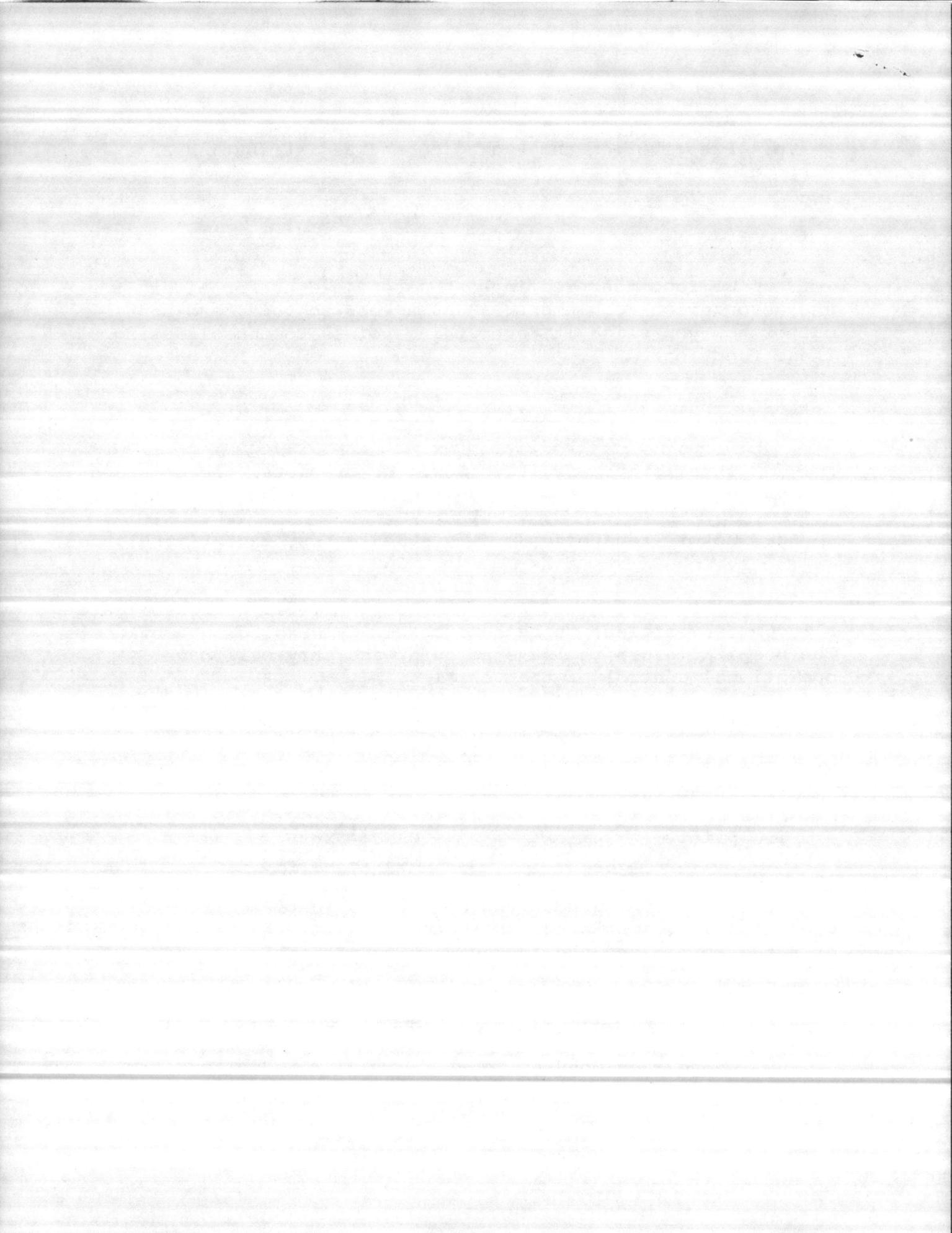
USNH - Yes  
MCAF - No

d? We recommend No. There is valid justification for consolidating. Our study indicates it will require an increase of three people and the improvement resulting is questionable. ✓✓✓

j. Quarters

USNH - No  
MCAF - No

We so recommend.



9/WWS/jew  
22 Aug 1966

I feel that if HQMC does not agree with all our recommendations; they have the authority to disapprove. To go along entirely with the HQMC staff positions in view of what we determined would make it look to be exactly what it is - a predetermined conclusion. Also, Mr. Rever states the above on the staff's position and not CMC's - We can't deal that way.

4. Safety is a change from last submission. In October, we recommended consolidating. Restudy does not support this.

5. We have not obtained formal comments from the U. S. Naval Hospital and Marine Corps Air Facility for this submission.

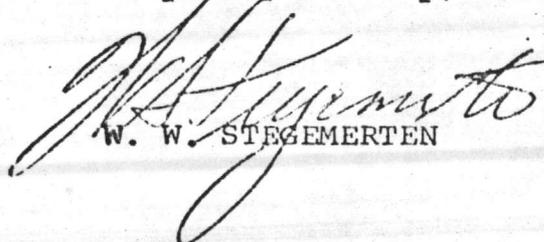
a. The Marine Corps Air Facility's position as stated in ANNEX J is that no consolidation be accomplished until a further detailed study is made. Basically, they don't want consolidation. However, they concur that if it comes, it is as recommended herein except for Public Works. This is so indicated in the study.

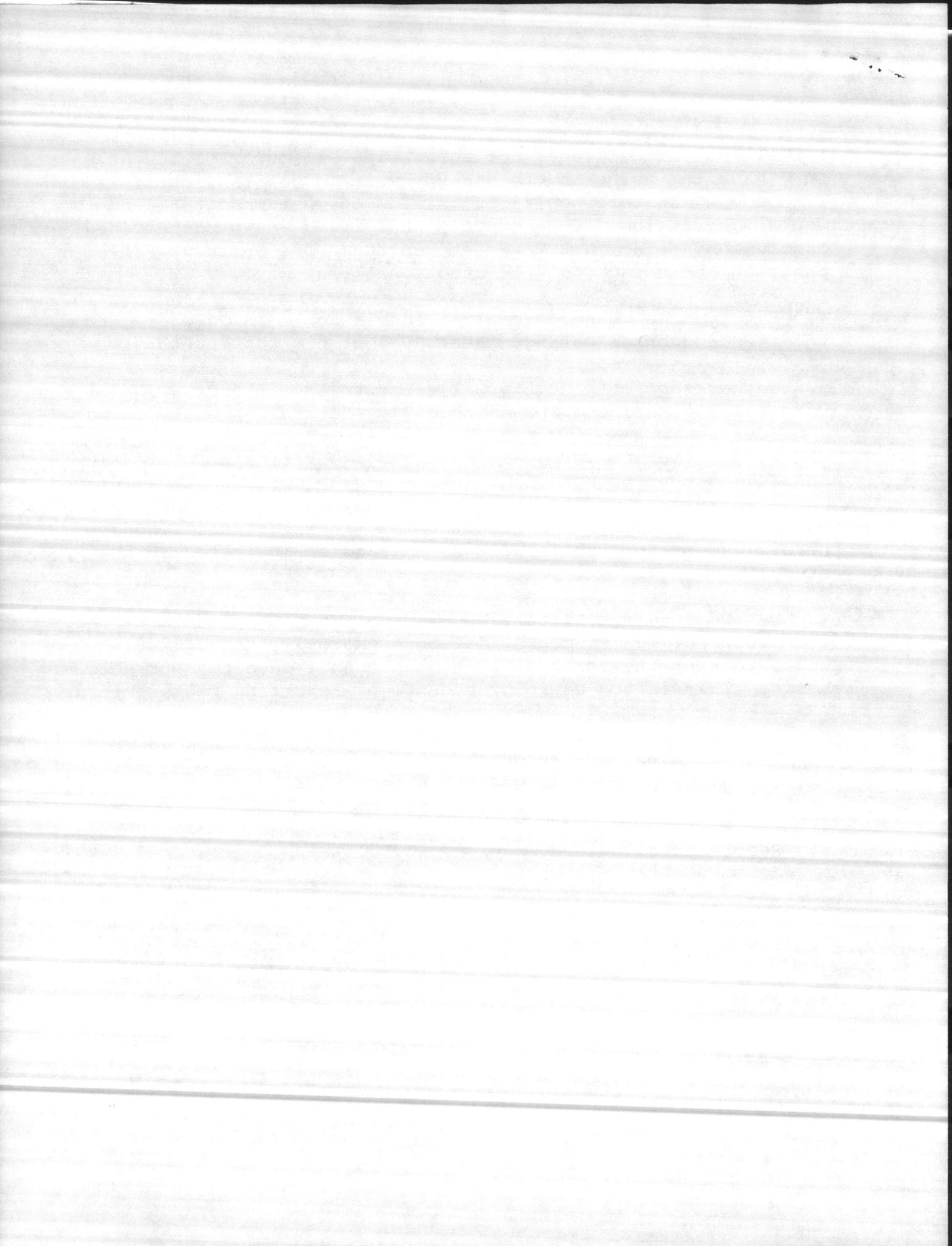
b. Commanding Officer, U. S. Naval Hospital does not concur with our recommended consolidation of Motor Transport. He wants to keep the vehicles with maintenance on a reimbursable basis. This is too unwieldy because of reporting requirements.

c. I feel that as the lead activity, we have stated their non-concurrences, but recommend as we see it. Any further attempt at compromise to get concurrence will make the study worthless.

6. Recommend signature.

Very respectfully,

  
W. W. STEGEMERTEN



R 30110Z Jul 66  
IN LAMINAVACENCOM  
TO RUCKER, MCB CAMLEJ  
RUCKER/NAVHOSP CAMLEJ  
RUCKER/NAF NEW RIVER  
INFO RUECEM/CNC  
RUECH/ANK  
RUECEW/NAVFACECOM

# ACTION

ACTION:  
G-3 COMPT.  
INFO  
HOUSING-PERS  
TRANS O G-1  
SUPPLY C-1  
B MAT MAINT O  
PMO

B.  
UNCLAS  
CONSOLIDATION OF COMMON SUPPORT SERVICES IN THE CAMLEJ N.C. AREA

- ✓ 1. CMCLTR COC-1-PAM OF 23 MAY 1966
- ✓ 2. CG MCB CAMLEJ LTR 9-YVS-JEW OF 19 OCT 1965
- 1. IT IS PROPOSED TO PROCEED WITH THE FIELD REVIEW, CONCURRED WITH BY CMC IN REF A, OF THE CONSOLIDATION OF COMMON SUPPORT SERVICES

IN THE CAMLEJ AREA, THE FOLLOWING PERSONNEL FROM THIS COMMAND WILL VISIT KOUO ACTIVITIES ON 6 AND 7 JULY 1966.  
CDR J.E. PARSONS, JR. ASST. CDR FOR FAC MGMT  
LT W.M. BLL MGMT COORDINATION OFFICER

PAGE TWO UNCLAS

- M.E. WAGNER NGMT COORDINATION OFFICE
- F.J. NANTZ MAINTENANCE DIV
- T.B. YATES UTILITIES DIV.
- J.G. WORRELL TRANSPORTATION DIV.
- A.J. GODFREY TRANSPORTATION DIV.
- E.A. WORDEN HOUSING DIV.

2. UPON ARRIVAL JACKSONVILLE NC AREA ON 6 JULY, IT IS PROPOSED THAT THE TEAM WILL REPORT TO MCB. VISITS TO NAVHOSP AND MCAF WILL BE ARRANGED AFTER ARRIVAL IN AREA.

3. REQUEST COGNIZANT PERSONNEL FROM YOUR COMMANDS IN AREAS OF FAC MGMT, MAINTENANCE, UTILITIES, TRANSPORTATION, HOUSING, ETC. BE AVAIL FOR BRIEFING ON PROCEDURES FOR CONDUCTING THE FIELD REVIEW TO MEET LAMINAVACENCOM TEAM MEMBERS AND FAMILIARIZATION WITH ACTIVITY PUBLIC WORKS LAYOUT.

4. REQUEST FOLLOWING PUBLIC WORKS TYPE DATA BE MADE AVAIL TO TEAM DURING VISIT:

- A. ORGANIZATION CHARTS
- B. FUNCTIONAL STATEMENTS
- C. STAFFING LISTS, INCLUDING LABOR RATES (MILITARY AND CIVILIAN)
- D. COPIES OF FAC MGMT MAINTENANCE AND OPERATIONS BUDGETS FOR



PAGE THREE UNCLAS  
FY 1965, 1966, 1967, 1968.

E. PROCEDURES MANUALS RELATING TO WORK GENERATION, WORK CLASSIFICATION, WORK AUTHORIZATION, WORKSCHEDULING AND MGMT REPORTING.

F. RORDS OF FUEL COSTS AND FUEL QUANTITIES FOR FY 1964, 1965, 1966.

G. RECORDS OF PURCHASED UTILITY COSTS AND PURCHASED UTILITY QUANTITIES FOR FY 1964, 1965, 1966.

H. ITEMIZED LIST OF ALL ALPHA GROUP "Z" EQUIPMENT (UNNUMBERED).

8. ITEMIZED LIST OF ALL MATERIALS HANDLING EQUIPMENT.

J. RECORDS OF NUMBER OF MILES DRIVEN AND HOURS OPERATED FOR ALL TRANSPORTATION EQUIPMENT.

5. REQUEST ADDRESSEES MSG CONCURRENCE OF DATES OF VISIT. VISITOR REQUEST AND CLEARANCE DATA FORM OPNAV 5221-27(3-62) FOLLOWS.

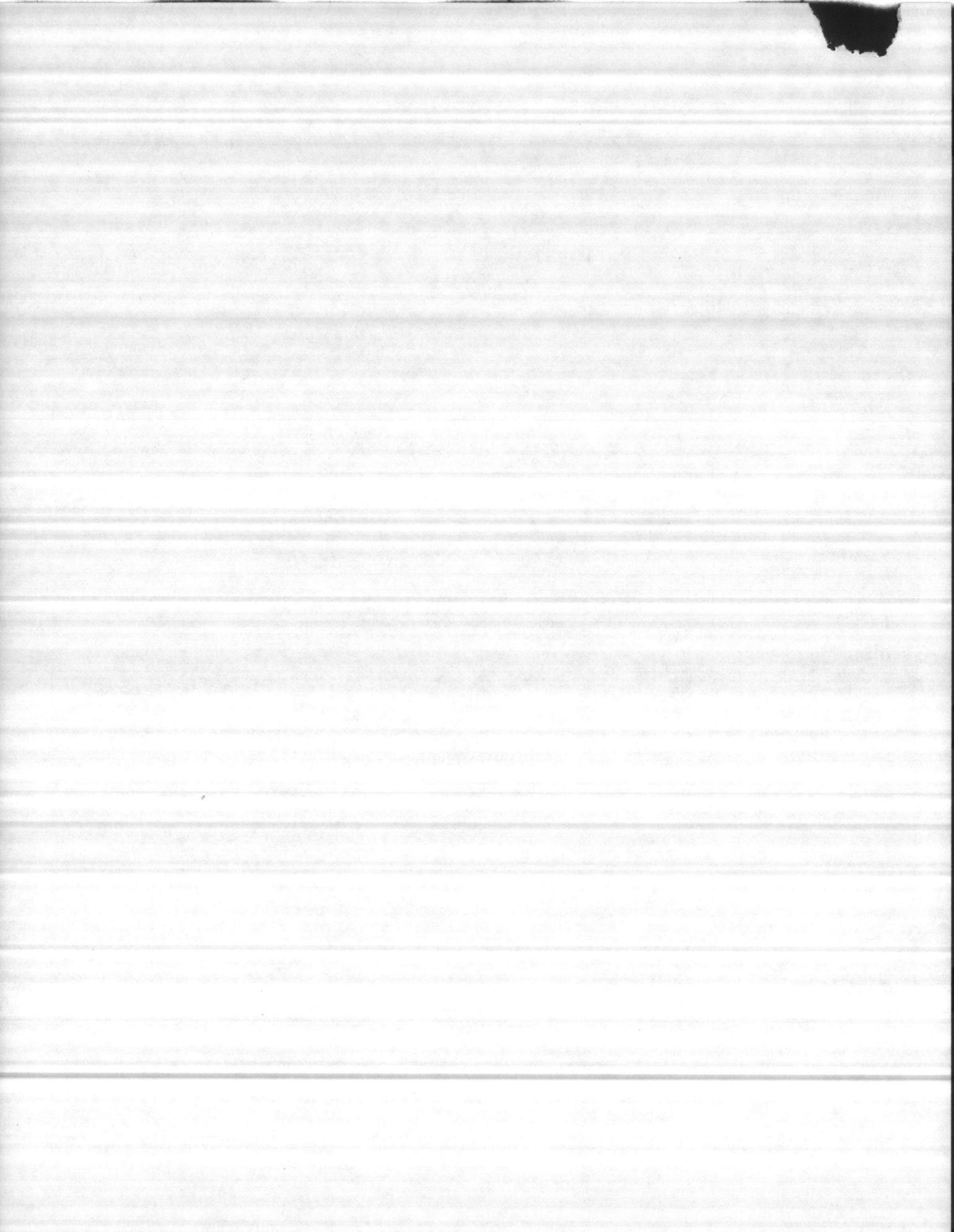
BT

236-181-7656

COMM NOTE: UNDERLINED PORTION CORRECTED  
BY COMM CENTER.

0930  
1 July

RA D. Prus  
301516



18 Jul 66

From: Chief of Naval Material  
 To: Commandant of the Marine Corps

Subj: Proposed Consolidation of Common Support Services in the  
 Camp Lejeune, North Carolina Area

✓ Ref: (a) CMS Speed ltr CMC-1-ser of 22 June 1966 to CMC

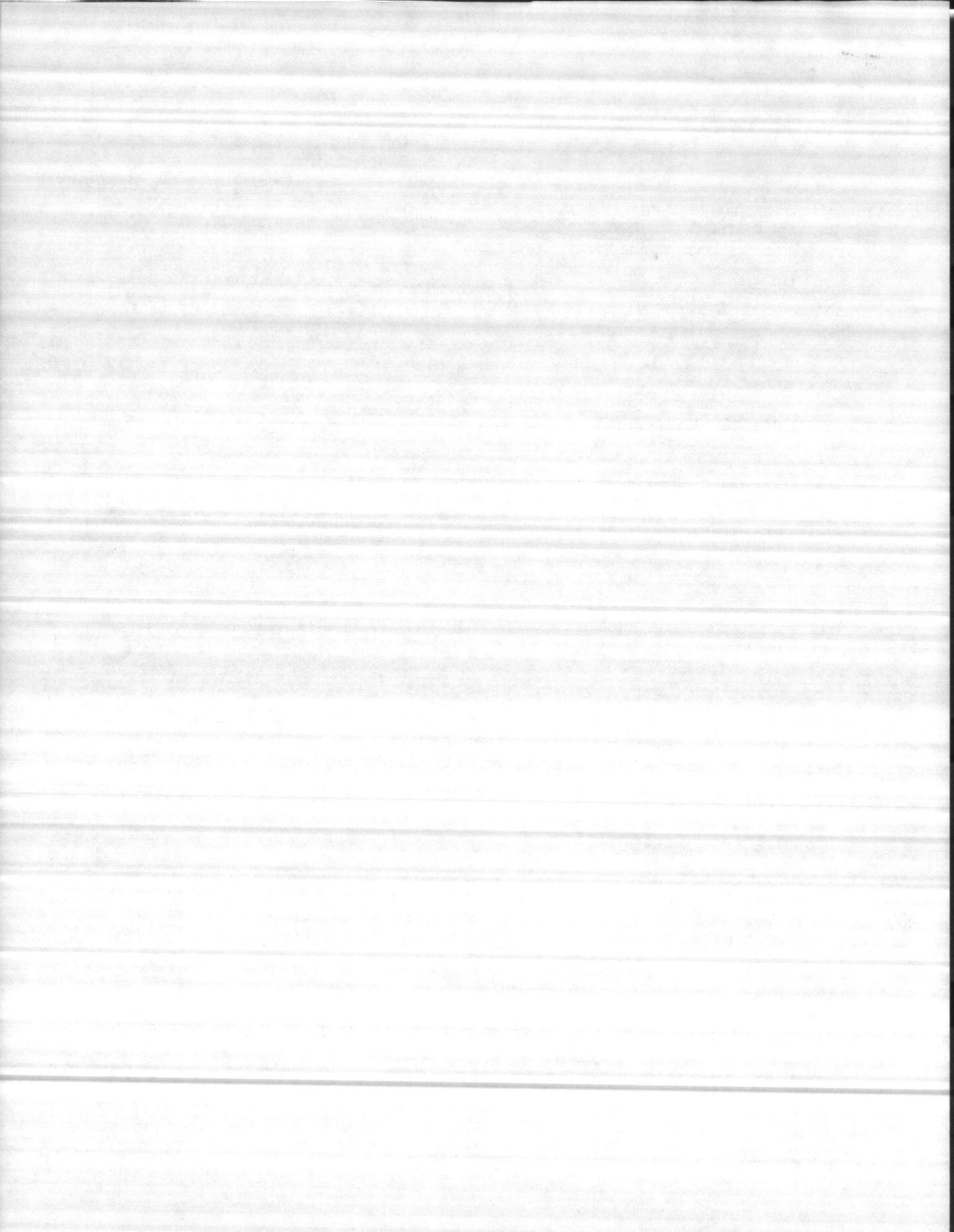
1. By reference (a), the Commandant of the Marine Corps (CMC) expressed concern over delays encountered in meeting a 1 July 1966 target for effecting consolidations of certain common support services in the Marine Corps Base (MCB), Camp Lejeune area. The Chief of Naval Material (CNI) reports that these delays require an extension of the 1 July 1966 implementation date to permit completion of a review by interested elements of the Naval Material Command (NSC) which is essential to development of CMC's position on the proposed consolidation.

2. Representatives of the NSC in conjunction with your representative have completed a review of this situation. This review indicates that field activities under the current aid/or support of the MCB can have their inputs to the Commanding General, Marine Corps Base (CG, MCB), Camp Lejeune by 15 August 1966. Consequently, the CNI has set this as a firm date to as to assist the CG MCB, Camp Lejeune in meeting his current objective to update his original plan for effecting the subject consolidation. In addition, 9 September 1966 has been established as the date by which the final contents of the CNI will be available to the CMC.

Copy to:  
 MCB Camp Lejeune

W. F. FAURELL  
 Assistant Deputy Chief of  
 Naval Material  
 (Logistic Support), Acting

RETURN TO CENTRAL FILE



DATE

12 July 1966

TIME (Began-Completed)

0919-0956

TO: Chief of Staff,

ORIGINATOR  
(Name, Title, Location & Telephone Number Charged)

Mr. John Rever  
HQMC (Code COC)  
Washington, D. C.

PERSON CALLED  
(Name, Title, Location & Telephone Number Charged)

Mr. R. C. Paschall  
Deputy Comptroller  
Marine Corps Base  
Camp Lejeune, North Carolina

SUBJECT

Consolidation of Common Support  
Services in the Camp Lejeune, N. C.  
area

COST OF CALL (MCB Units Only)

CHARGEABLE TO STATION ALLOTMENT

NOT CHARGEABLE TO STATION ALLOTMENT

ROUTING

ACTIVITY OR NAME	ACTION	INFO	INITIAL

COMMENTS

SUMMARY OF CONVERSATION

Have you folks started review of Consolidation or is Colonel Stegemerten handling personally? Mr. Paschall stated that he was familiar with Consolidation and that there was a meeting yesterday.

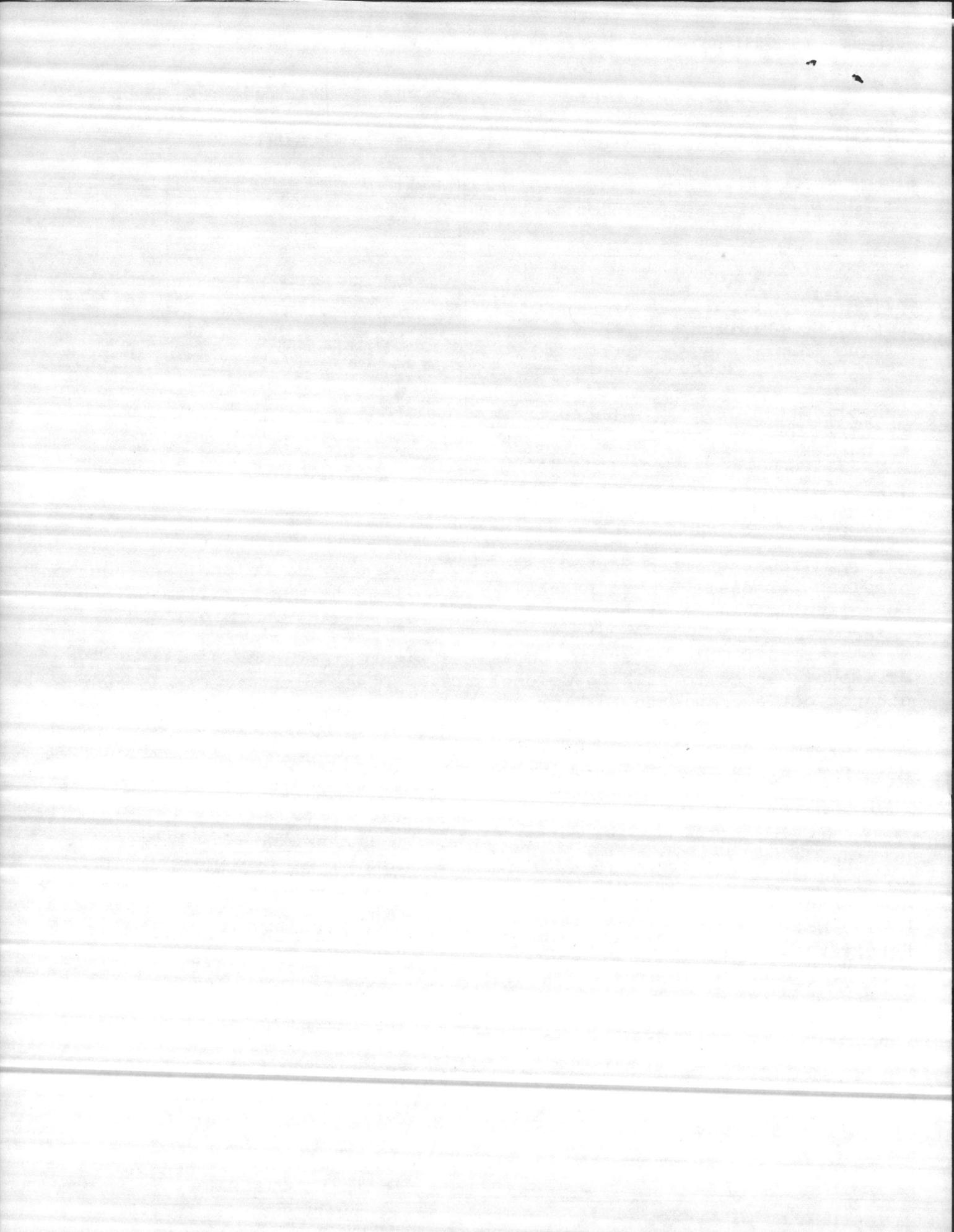
Mr. Rever said Colonel Green had talked with Chief of Staff and that he, Mr. Rever wanted to talk to Colonel Stegemerten. Mr. Rever said that he did not get a change to talk privately while here 6 and 7 July. He inquired if we knew Headquarters position on Consolidation? Do you know about telephone call with Chief of Staff yesterday? Mr. Paschall - "No." Let me give you some information on HQMC position as follows:

<u>Item</u>	<u>Headquarters Position</u>	
	<u>USNH</u>	<u>MCAF</u>
Maintenance	Yes	Yes
Public Works	Yes	Yes
Supply	Yes	Yes
Transportation (Freight & Personnel)	Yes	Yes
P&P	Yes	No
R&D	Yes	No
Laundry	No	Yes
MT	Yes (except ambulances - No)	Yes
IRO	Yes	Yes

COPIES TO:

SIGNATURE

R. C. PASCHALL



<u>Item</u>	<u>Headquarters Position</u>	
	<u>USNH</u>	<u>MCAF</u>
Financial Management - whenever this thing goes into effect funds will be transferred whatever USNH and MCAF budgeted for <u>indirect</u> costs to Base until regular budgeting cycle can be effected by Base. Control of funds except for indirect costs will remain with the two activities <u>forevermore</u> . USNH and MCAF will determine what is to be done and Base will determine method of accomplishment.		
Safety	Yes	No
Quarters (FamHousing) Management only	No	No
PX (less facilities)	Yes	Yes
Special Services (If Base still thinks Special Services should be consolidated say so and include in report.)	No (Tentatively)	No
SNCO Club	No	No
Commissioned Officers' Mess	No	No
Medical and Dental	No	No
DPI	No	No
Fire Protection	Yes	(as MCB desires)
Area Auditor	No	No

These are in conflict in some areas.

This is not the Commandant's position, this is just the Staff's position. Mr. Paschall asked what did he mean? All the correspondence we received on this subject was from CMC and to say it's not CMC policy/position doesn't make sense and causes a lot of problems. Reply - Ha! Ha! - No comment.

In the meeting yesterday, PX consolidation in Area Auditors consolidation discussed. Inspector General does not concur in consolidation of Area Auditors.

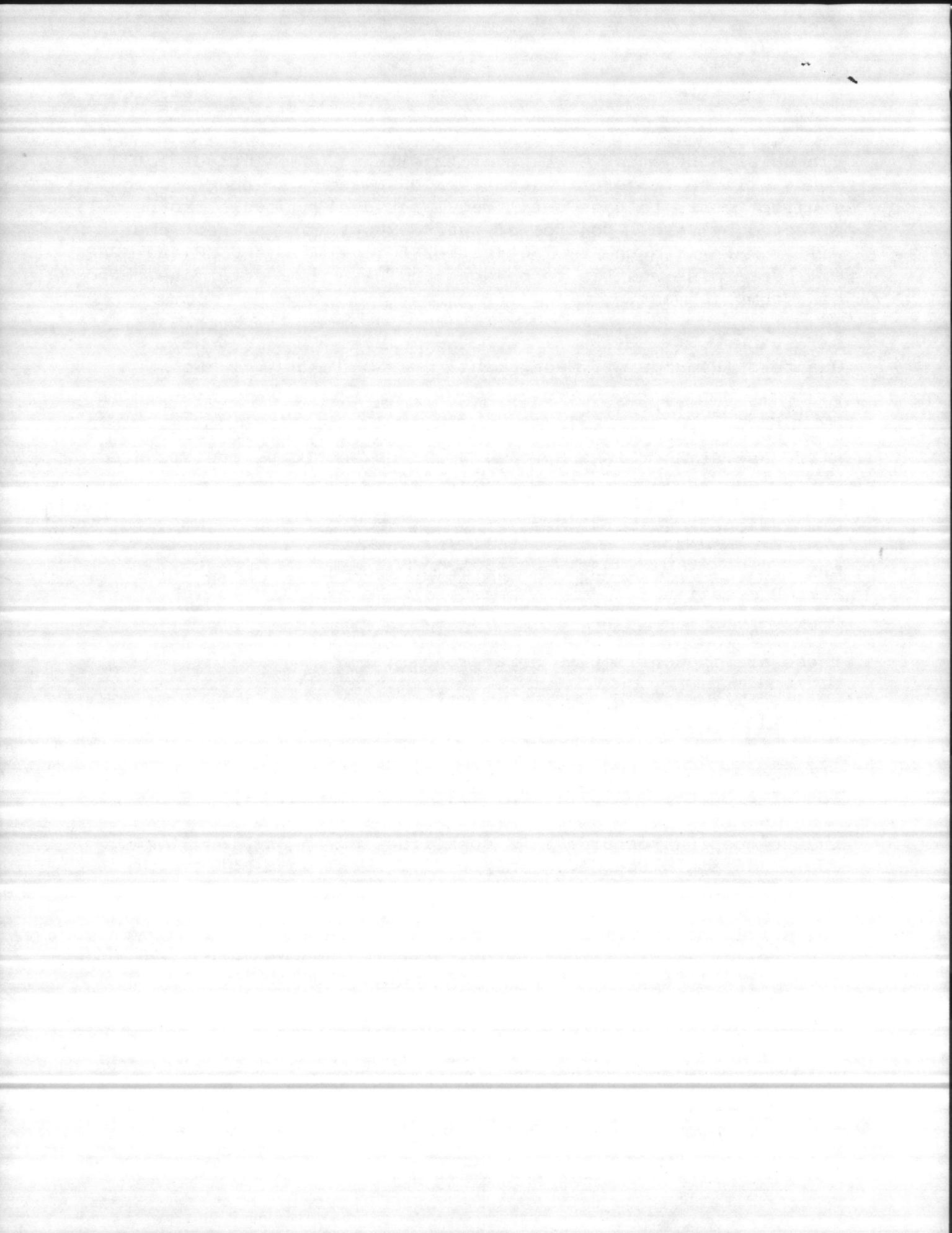
Let's talk about Motor Transport. This seems to be a hairy area. Just talked with Motor Transport up here, sounds like USNH would transfer all vehicles over to you except ambulances. You would provide vehicles on a rental basis. Under the lead activity concept Marine Corps Base cannot include indirect costs in the charges. Obviously military labor, etc. You might get in touch with Regan up here.

*TRD  
1/20*

*whs*

*OT*

*I do NOT believe, These REPRESENT CMC STAFF'S position*



MCAF Ground Support Equipment for Aircraft. MCB had a split in what maintenance we would do.- not all of the work. How do we plan to do all of the maintenance - we should do all maintenance or none. MCAF would have to have same capability. HQMC, BuWeps, no transfer of this equipment. Only problem we had with your recommendation was matter of how you were going to do it. *going to do what*

It further looks like you are going to require two Motor Transport shops, one at Hadnot Point, one at Geiger or MCAF. Base could take over maintenance shop at MCAF, throw up Butler Buildings. CMC would fund addition if within \$25,000. Property can remain on accounts of Marine Corps Air Facility or have the Marine Corps Air Facility declare as excess and transfer Plant Accounts at Base. However, if a suitable facility at Camp Geiger, we could use that in lieu of MCAF.

On each of the areas, particularly Maintenance, Motor Transport and Public Works spell out what kind of organization and where they will wind up. Spell out organization, staff and workload, how work will be requested and accomplished. Spell it out! And, how you are going to charge them. In your report put a summary of all savings of all the things you are recommending and where outlying work centers will be located. *within our capability*

*who said* sure did and will we can identify  
It will take one or two years to realize savings.

You are analyzing, you come to a conclusion. Spell out how they are going to get their work done. Decide when work is to be done. ?

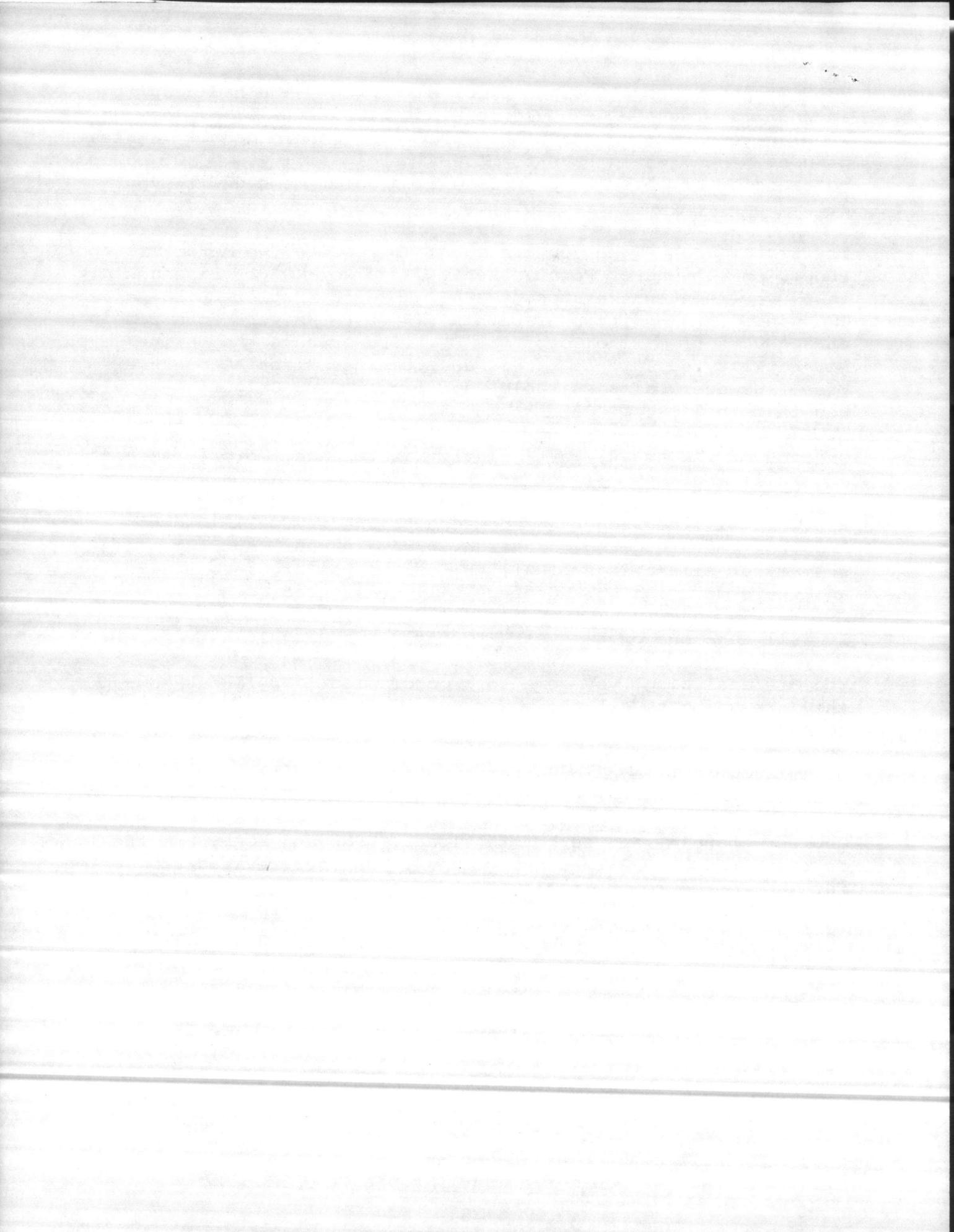
I would further recommend that as a separate attachment of the letter of transmittal that you summarize changes.

Copies - handle same as before, local, USNH and MCAF, ask them to provide COMCABEAST advance copies. On your revised submission, furnish copies to the following:

- NAVORDSYSCOM
- BUMED
- COMFIVE
- NAVFACENCOM LANTDIV
- NAVFACENCOM
- COMCABEAST
- MCAF
- USNH
- CHNAVMAT
- NAVCOMPT

*We agreed to up-date. Will spell out within capability.*

and, HQMC will need about 12 copies. Mr. Paschall informed Mr. Rever that we would furnish 15 copies to HQMC.



Referred to Colonel Stegemerten's call to Lt. Bell and Cdr. Parsons' return call to Colonel Stegemerten. Noted that MCB not on distribution. I stated we got copy from MCAF. Everybody in Washington received copies. Navy Offices claim Base will not let LantDocks people on Base. Mr. Paschall advised this was NOT true and read report of telephone calls with Lt. Bell and Cdr. Parsons.

We would like for you on your final report, since we have staff position at HQMC, to go along with staff positions. ?

Mr. Paschall - People at MCAF want to know who wrote letter of June. They want to know what CMC's position is - This is what I mean by problems referred to earlier. If you decide that BOQs want to change position just drop out of report or make statement. Investigate. ?

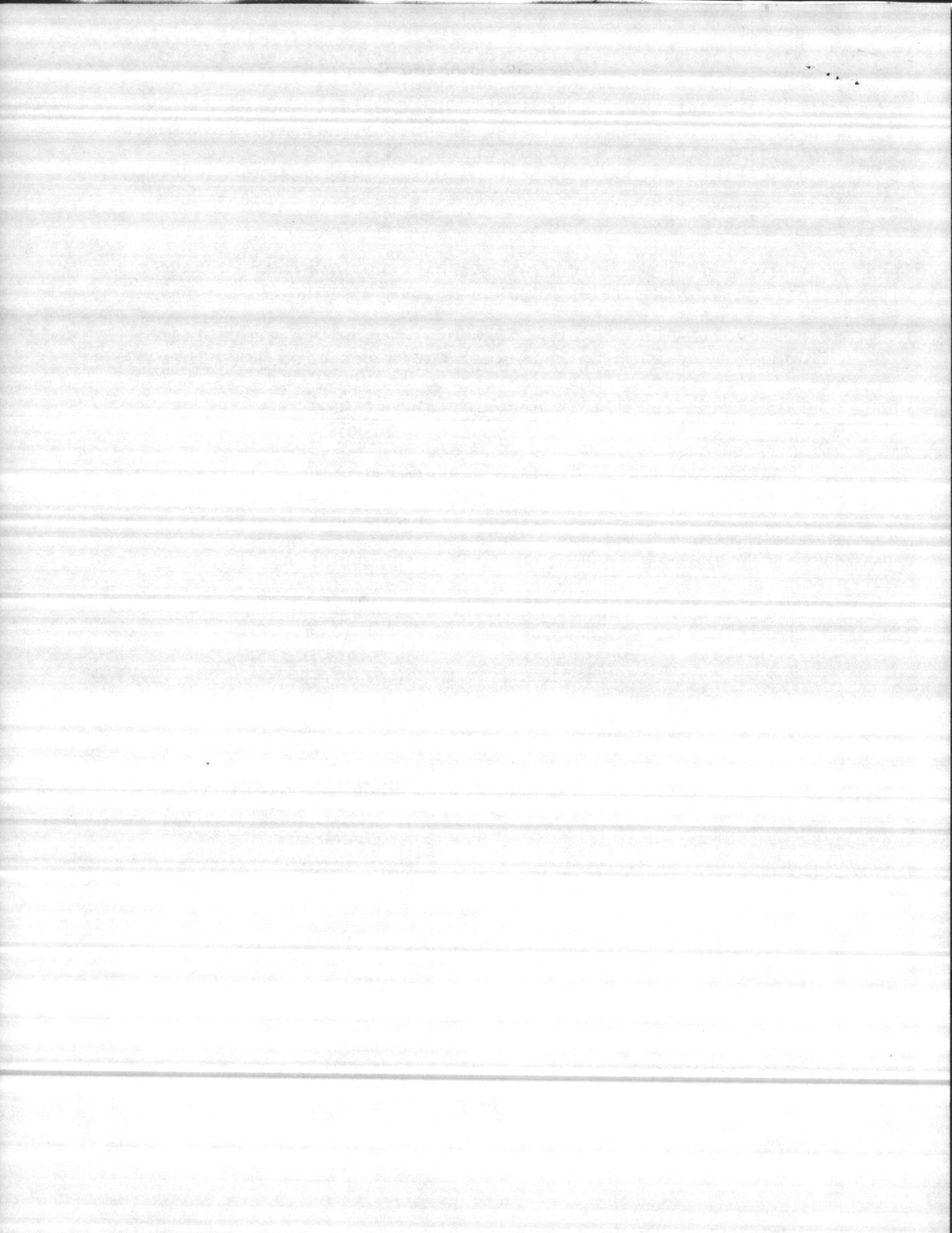
Mr. Paschall inquired if this was coming down in writing to which Mr. Rever replied, "No", it is not coming down in writing.

In the matter of charges - on lead activity concept - consider direct or indirect costs.

If Motor Transport people have questions in the area of facilities, they can talk to us on facilities. How to charge - they can talk to you folks.

Now as I understand it there will be no requirement for BuDocks to make report - spell this out.

? Don't want to take over ground support. Real nice if we could give you a brand new Motor Transport shop. Look into possibility.



HEADQUARTERS, MARINE CORPS BASE  
CAMP LEJEUNE, NORTH CAROLINA 28542

WJ Compt  
9/ELL/jew  
11 Jul 1966

From: Base Commander  
To: Commanding Officer, Marine Corps Air Facility,  
New River, North Carolina  
Commanding Officer, U. S. Naval Hospital, Camp Lejeune,  
North Carolina

Subj: Information requirements for consolidation of maintenance  
of real property, family housing and other services

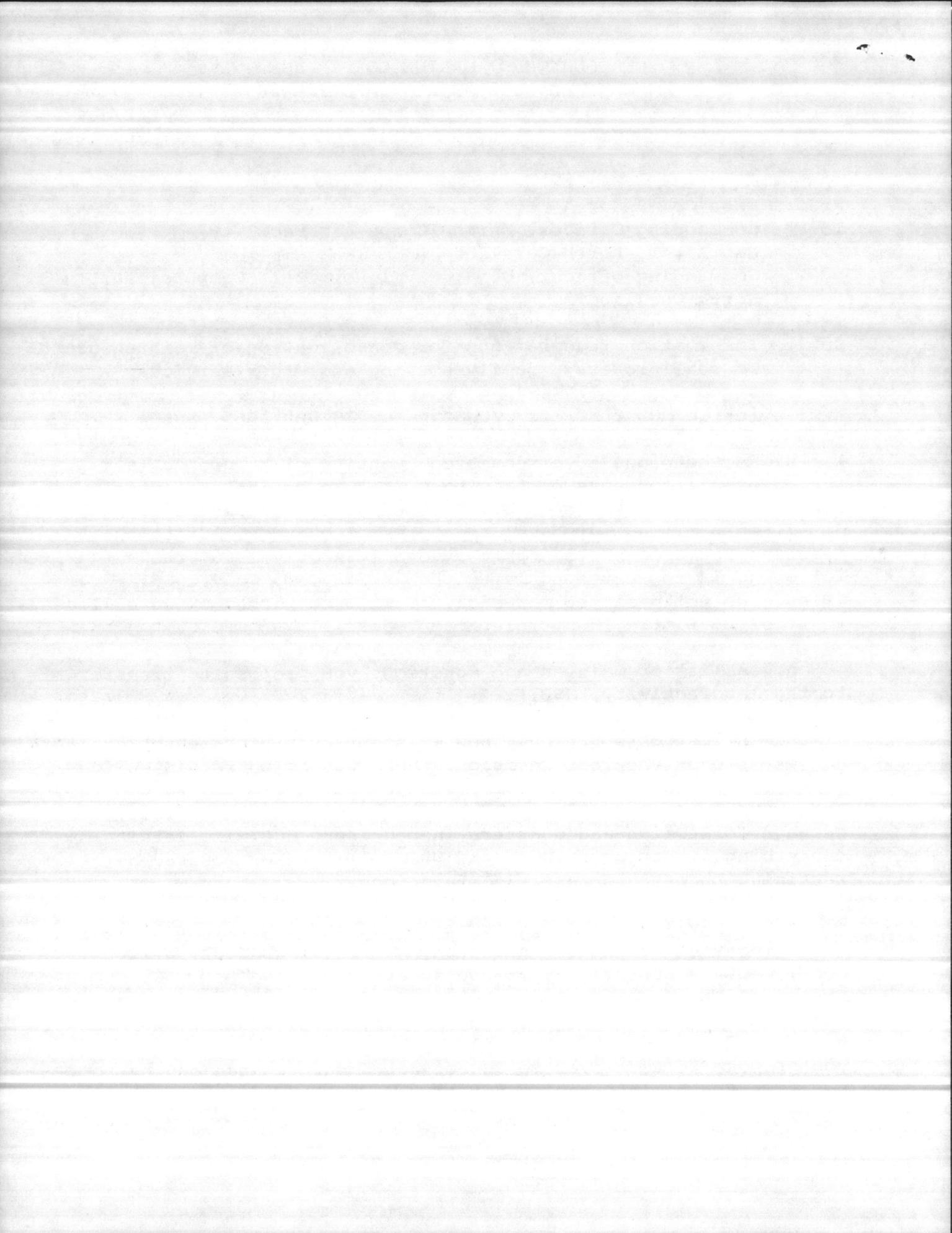
Ref: ✓ (a) CG MCB CLNC ltr 9/WWS/jew of 19 Oct 1965, Annex A

1. Higher echelons have requested updating of reference (a). Review of all comments pertaining to reference (a) indicates a desire for increased input by MCAF and USNH, and insufficient detail in proposed personnel and material changes. Since the deadline for a completed draft study is 21 July 1966, the following is requested no later than Friday, 15 July 1966. (Please do not mail the material, it will be picked up on call to LtCol E. Little, MCB, telephone 7-5101):

a. A list of maintenance functions you propose to transfer to the lead activity, MCB.

b. A list of functions, now existent, you propose to retain. For example on the last revision: USNH wished to retain switch-board operations and operators, inside insect and rodent control, and grounds care. MCAF wished to retain telephone complete, garbage collection and quarters inspection. MCB will retain everything it has now. MCAF and USNH will, be of course, be retaining budget and reporting functions.

c. A civilian table of organization showing billet titles, their location in the organization, grade (if graded), billet code, whether supervisory or non-supervisory, and pay. For groups of the same skill use total pay.. For vacant non-graded billets use step three of the pay scale, for vacant graded billets use step five. On this list indicate by asterisk those billets you propose to turn over to consolidated maintenance and by footnote tie the billets you do not propose to transfer in with one



of the functions in list b., above. Originally no transfer of military billets or functions performed by military people was proposed. If, however, you now propose the lead activity assume a function performed by military people, such as garbage collection at MCAF, prepare a separate list of military billets to be transferred.

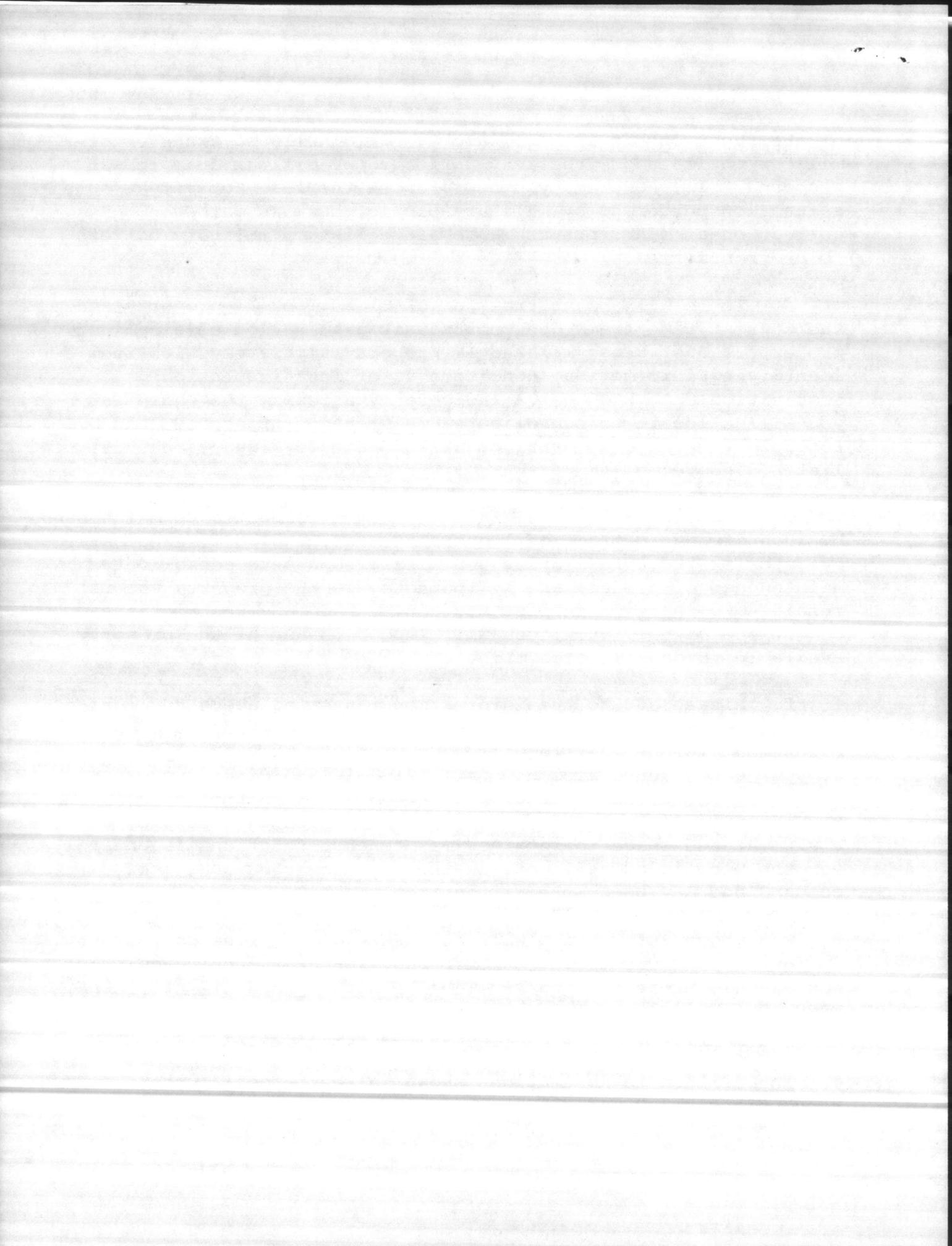
d. There will be no transfer of Class I or II property and the current time frame does not permit examination of all minor property. List Class III and IV property separately with item identifying information, condition as of last inspection, acquisition date and cost. Indicate by asterisk the equipment you will allocate to consolidated maintenance if needed, and by footnote tie the equipment you will retain to a function in list b., above.

e. List Class I and II facilities now allocated to maintenance by identifying information, square footage, and cost. Indicate by asterisk those facilities you will allocate to consolidated maintenance if needed, and by footnote tie the property you will retain to a function in list b., above. Add any restrictions, conditions of use, etc., you will impose on any of the property available to consolidated maintenance.

f. Please add to the information requested above any current comments, suggestions, criticisms and recommendations you may have. Lieutenant Colonel Little will meet with you or your representatives at your convenience from now until 21 July, to discuss them and take account of them in the draft study. All of the information requested in lists c., d., and e., above which ties people, equipment and space to retained maintenance functions is entirely for the benefit of reviewers in the MCAF and USNH chains of command and may be omitted if desired.

3. The above information will be inserted by Marine Corps Base in four appendices to the Annex: Function, Personnel, Equipment, and Space. There will be six Tabs to each Appendix: MCB, MCAF, USNH, Combined, Consolidated, Cost/Saving. It is believed this will meet the requirement of input and specificity.

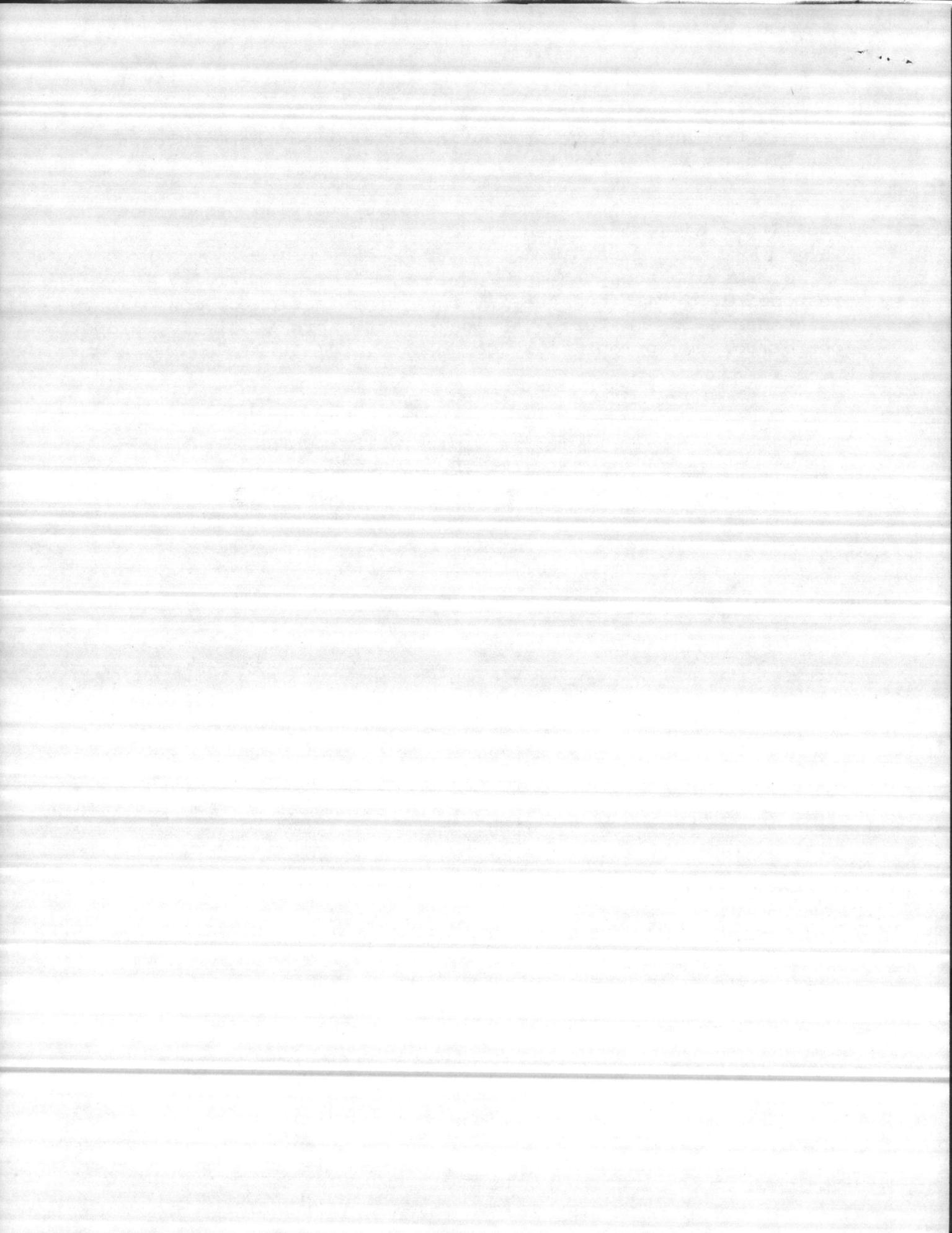
4. In addition to assumptions shown in reference (a) the assumptions below underlie this study:



9/ELL/jew  
11 Jul 1966

- a. Commanders have appropriately staffed the maintenance function as it now exists.
- b. As maintenance functions evolve staffing, equipment and facilities will be changed.
- c. Having accepted any function, the lead activity is responsible for it and the internal organization of consolidated maintenance is immaterial as long as the work is timely, properly performed and appropriately documented.

W. W. STEGEMERTEN  
By direction



*Consolidated*

DATE  
**8 July 1966**

TIME (Began-Completed)  
**1305 - 1312**

(This record is to be used for both incoming and outgoing calls)

TO: Chief of Staff,

ORIGINATOR  
 (Name, Title, Location & Telephone Number Charged)

**Cdr. J. E. Parsons, Jr., USN**  
**LantDiv, NavFacEngCom**  
**Norfolk, Virginia**

PERSON CALLED  
 (Name, Title, Location & Telephone Number Charged)

**Colonel W. W. Stegemerten, USMC**  
**ACofS, Comptroller**  
**Marine Corps Base**  
**Camp Lejeune, North Carolina**

SUBJECT

**Consolidation of Common Support**  
**Services in the CLNC Area**

COST OF CALL (MCB Units Only)

CHARGEABLE TO STATION ALLOTMENT       NOT CHARGEABLE TO STATION ALLOTMENT

ROUTING

ACTIVITY OR NAME	ACTION	INFO	INITIAL

COMMENTS

SUMMARY OF CONVERSATION

Colonel Stegemerten informed Commander Parsons there apparently was a misunderstanding of the positions in the closing conference held in the Chief of Staff's office, 7 July.

Colonel Stegemerten stated that so far as the Marine Corps Base is concerned that there is no requirement for further Joint Study of Consolidation. If the USNH or MCAF desires further assistance from the Atlantic Division, Naval Facilities Engineering Command it will be up to them.

Commander Parsons referred to CMC and BuDocks agreement by phone conversation to do Joint Study. Is the Chief of Staff aware of this? Colonel Stegemerten replied that to his knowledge we were not aware of this telephone conversation.

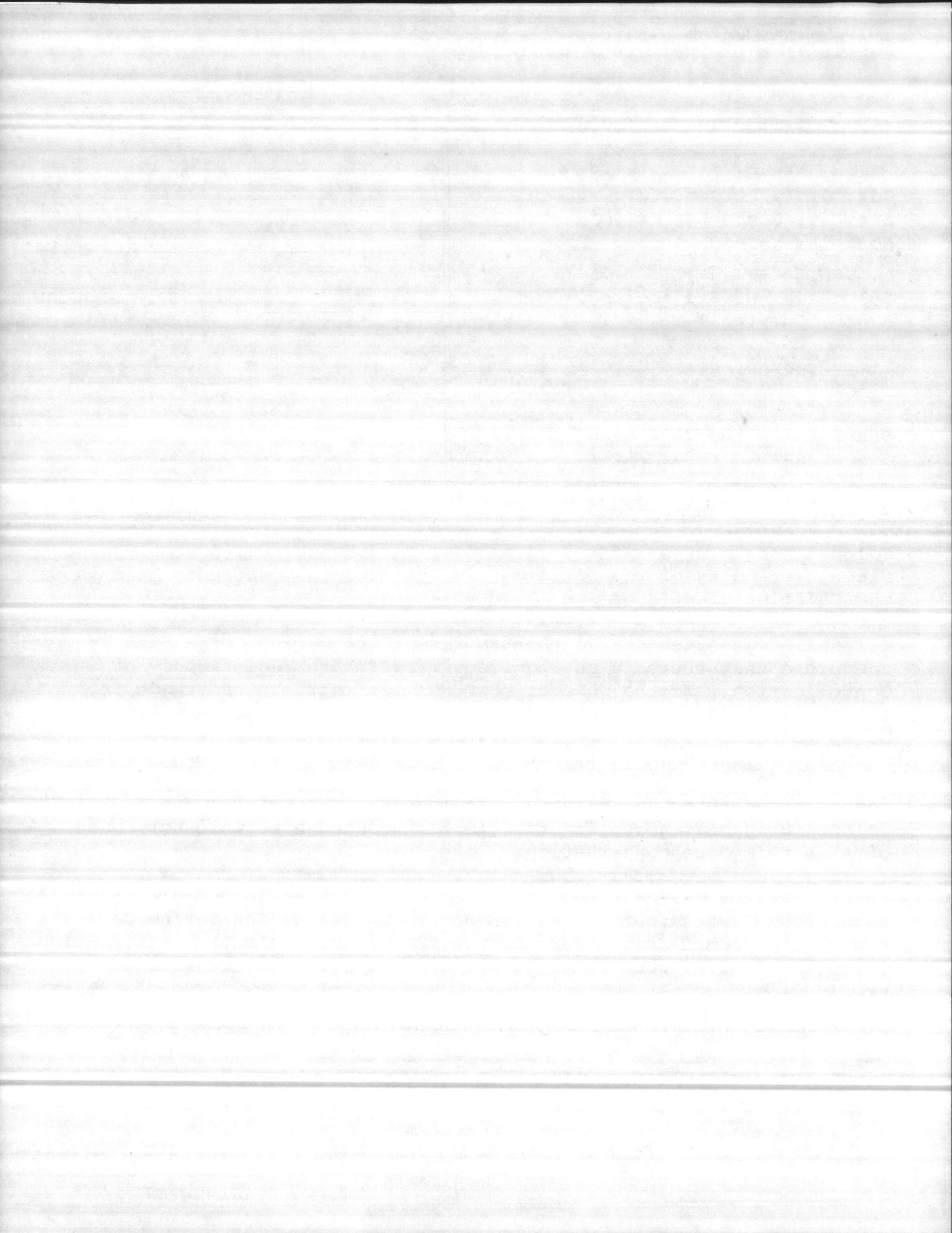
Insofar as the Marine Corps Base is concerned the Field Review has been accomplished in the past two days. So far as the Marine Corps Base is concerned, Joint Study is not necessary, if further information is required after submission of the updated portions, it will be provided.

The updated portions will be Maintenance of Real Property, Motor Transport, and a new portion, Fire Protection.

COPIES TO:

SIGNATURE

**W. W. STEGEMERTEN**



TELEPHONE CONVERSATION RECORD  
 MCRCL 2305 9 (Supersedes MCRCL 51) (REV 7-65)

*Compt*

DATE: 8 July 1966  
 TIME (Begin/End):  
 0836 - 0938

(This report is to be used for both incoming and outgoing calls)

TO: Chief of Staff,

ORIGINATOR  
 (Name, Title, Location & Telephone Number Charged)

Colonel W. W. Stegemerten, USMC  
 ACofS, Comptroller, MCB  
 Camp Lejeune, North Carolina

RECIPIENT  
 (Name, Title, Location & Telephone Number Charged)

Lt. W. M. Bell, USN  
 Management Coordination Office  
 LantDiv, NavFacEngCom  
 Norfolk, Va.

Consolidation of Common Support  
 Services in the CLNC area

COST OF CALL (XOF Units Only)

CHARGEABLE TO STATION ALLOTMENT

NOT CHARGEABLE TO STATION ALLOTMENT

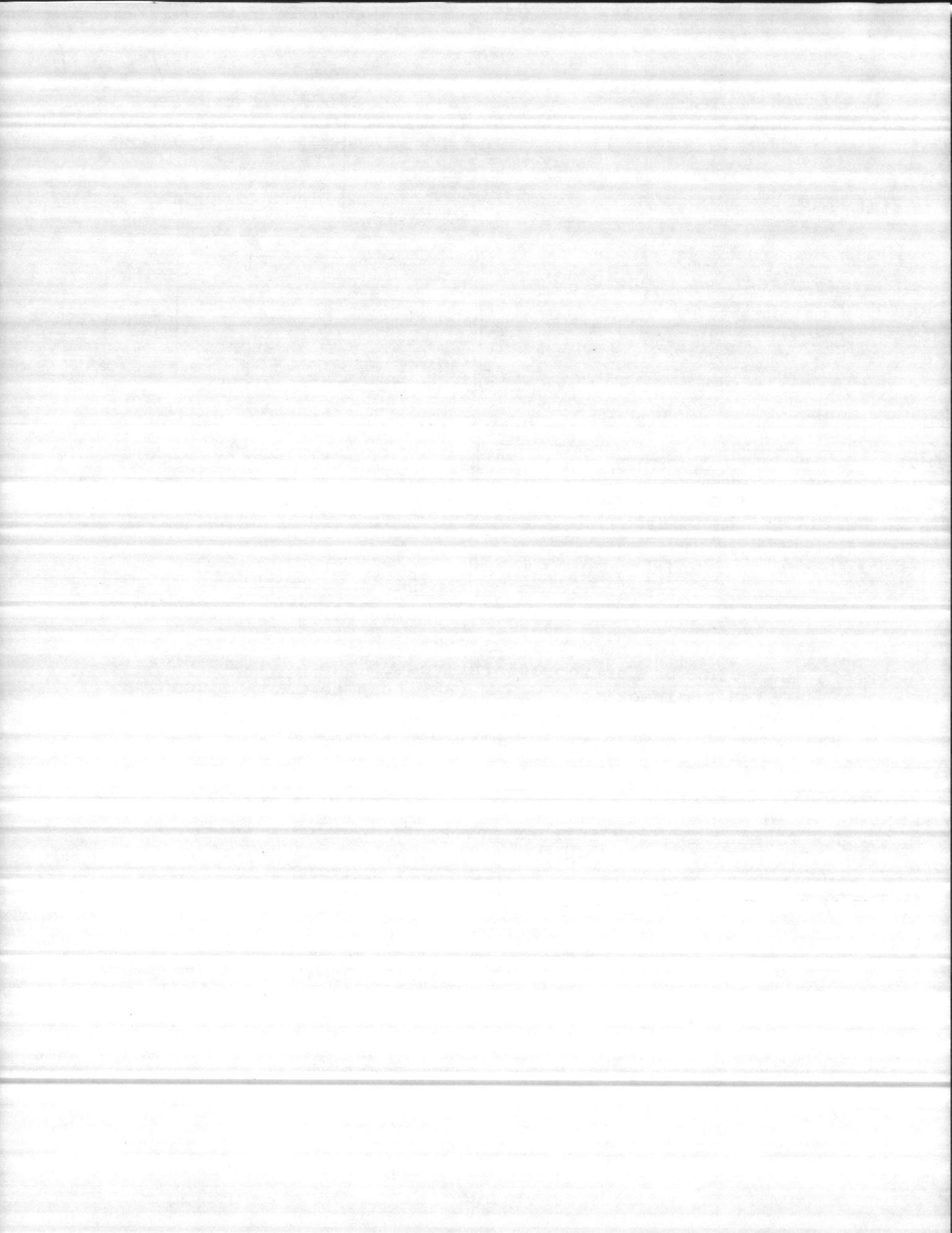
ACTIVITY OR NAME	REGION	INFO	INITIAL

COMMENTS

SUMMARY OF CONVERSATION

Colonel Stegemerten informed Lt. Bell that there was no need for further Field Review or for representatives of the Atlantic Division, Naval Facilities Engineering Command to return to Camp Lejeune on Monday, 11 July. Colonel Stegemerten stated we would update our submissions in Motor Transport, Maintenance and Safety.

Since the call was originally placed to Commander Parsons, and Lt. Bell spoke in the Commander's absence, Colonel Stegemerten said if Commander Parsons desires further information, please call.



Commanding General

8 July 1966

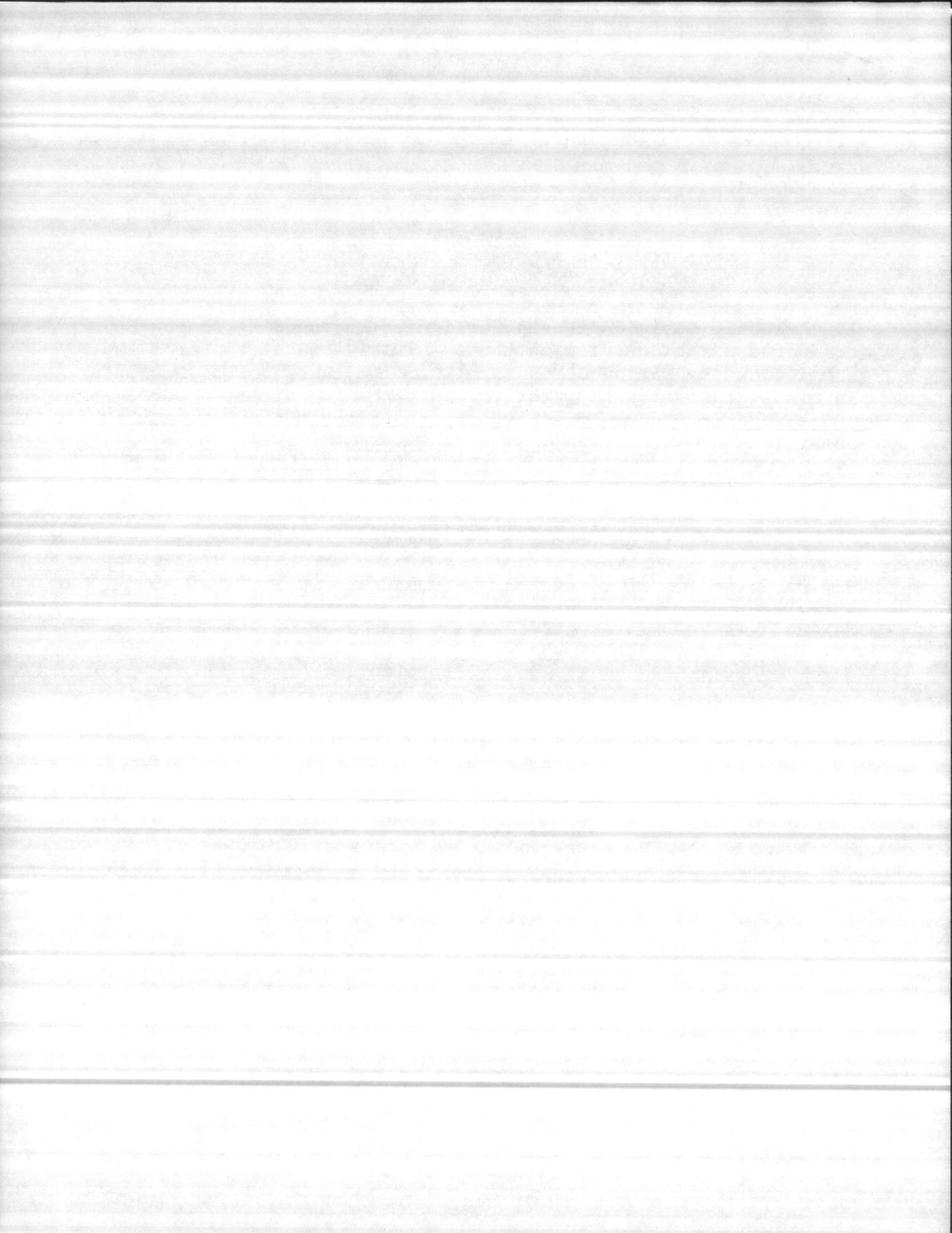
Assistant Chief of Staff, Comptroller

Consolidation of Common Support Services in the  
Camp Lejeune, North Carolina Area

1. Atlantic Division, Naval Facilities Engineering Command conducted a Field Review on the 6 - 7 July and it appeared that submissions by Marine Corps Base, Camp Lejeune, North Carolina, in areas of Maintenance, Motor Transport and Safety, needed updating as circumstances have changed since the submission in October.
2. It was determined that Camp Lejeune would commence an, updating and submit as soon as possible and that there would be no further requirement for Field Review of Marine Corps Base.
3. Representatives of LantDiv NavFacEngCom have been advised that there is no further requirement for Field Review of the Marine Corps Base.

Respectfully,

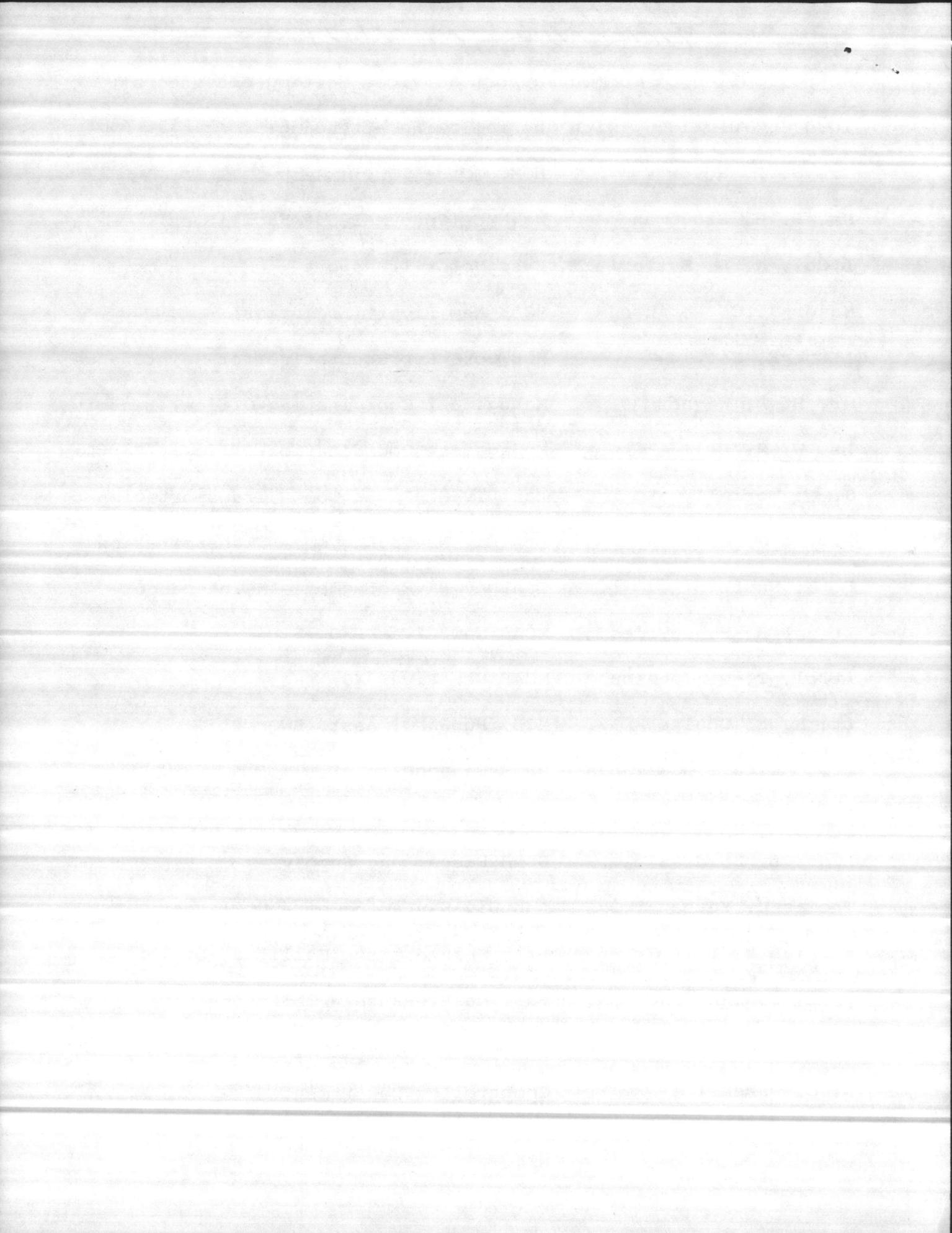
W. W. STEGEMERTEN



# PARTIAL MINUTES

Consolidation of Common Support Services meeting convened at 1030, 6 July 1966, with the following attending:

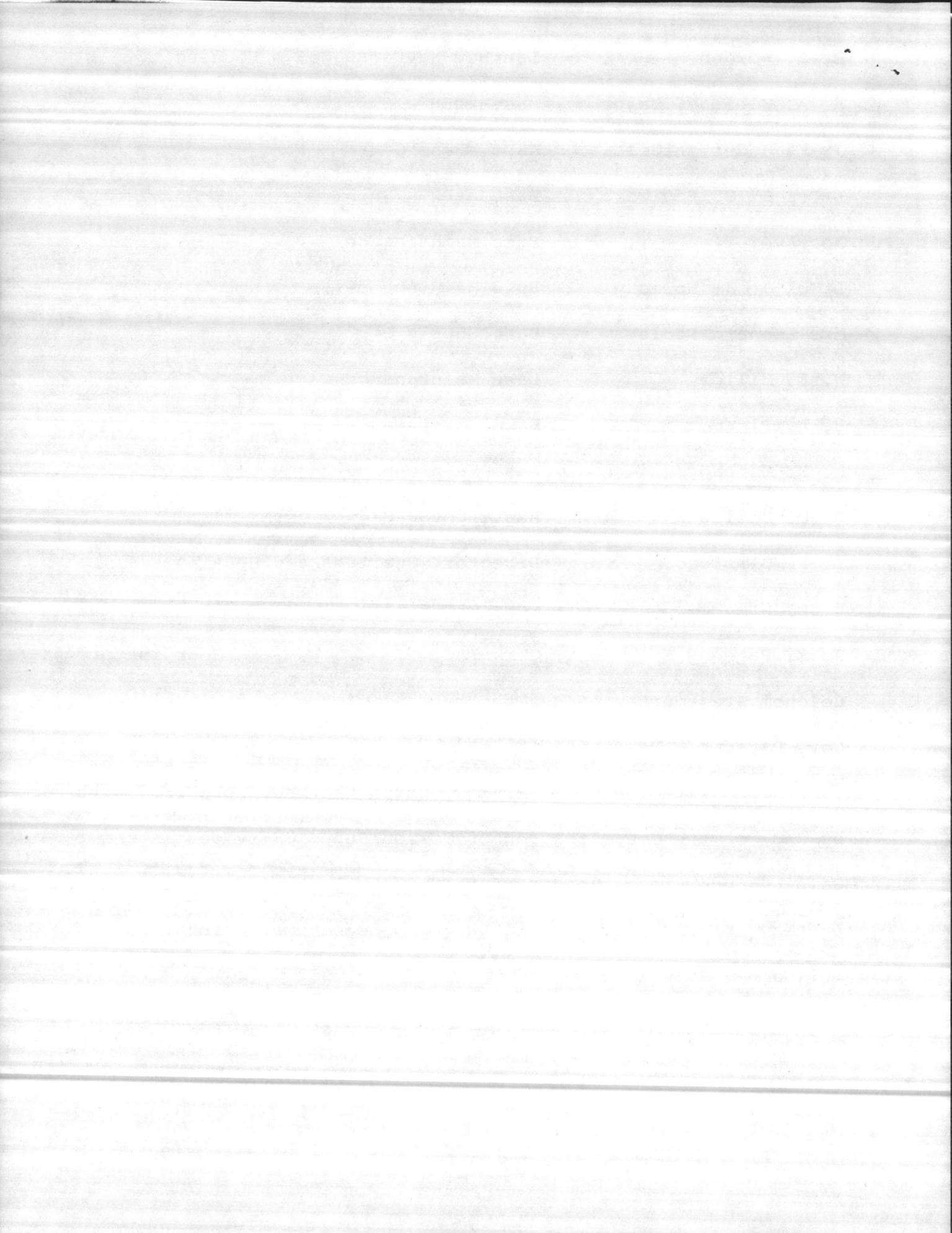
Mr. S. J. Rever	HQMC (Code COC)
Mr. R. H. Proudman	Hq <b>NMC</b> (Code MAT-044-Facilities)
LtCol. N. D. Butler	Base Motor Transport
Major J. C. Robinson	MCAF New River (Logistics)
LtCol E. Little	MCB CofS Representative for Maintenance
Mr. H. E. Wagner	Management Coordinating Office, <b>LantDiv</b>
Lt. W. M. Bell	Management Coordination Officer, LantDiv
J. Q. Worrell	LantDiv NavFacEngCom - Transportation
Albert J. Godfrey	LantDiv NavFacEngCom - Transportation
F. J. Nantz	LantDiv NavFacEngCom - Maintenance
Lt(jg) R. H. DeVries	MCAF New River PWO
LtCol. T. N. Johnson	MCAF New River XO
Lt. H. E. Coulter	MCB, PubWksO, Asst, PWO
Mrs. Anita Y. Callahan	USNH Finance
Cdr. Peppler	USNH
LCdr. L. Bowdren	USNH Fiscal and Supply
Thomas B. Yates	LantDiv NavFacEngCom - Utilities
Fabian E. Tew, Jr.	Base Maintenance - Utilities Div.
O. H. Duncan, CWO	Base Maintenance - Telephone Div.
R. H. Piper	Industrial Relations Office, MCB
✓ R. C. Paschall	Comptroller Department



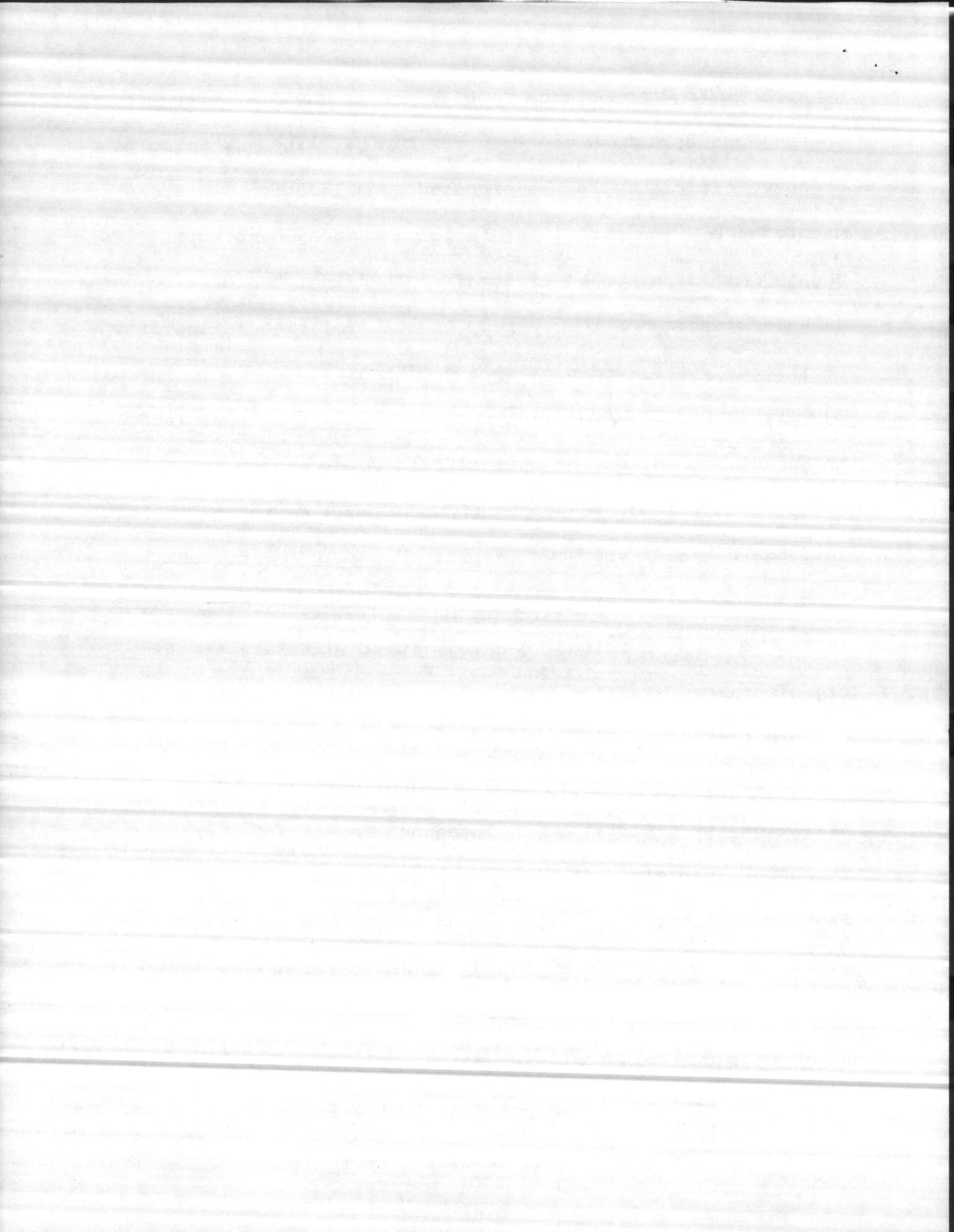
E. A. Worden	LantDiv NavFacEngCom - Housing	
R. A. Wieland, Major	BaseMatBn - Supply	
J. F. Mader, LtCol.	Asst. Base G-4	
LtCol J. C. Boulware	BaseMatBn - Supply	
✓ Joe Everette	Base Maintenance	
LtCol J. J. Holicky	Base Maintenance	
✓ Mr. Leonard Dooley	Base Supply O	
W. F. Miller	Base Maintenance	
H. A. Plowden	Base Maintenance	
A. K. Maready	Base Maintenance	
R. O. Dillow	Asst. CofS, G-4	
✓ A. P. Olmstead	Director, Quarters and Housing	
W. W. Stegemerten	MCB, CLNC	Coordinator
J. E. Parsons, Jr., Cdr.	<span style="border: 1px solid black; padding: 2px;">COMABFAC</span>	Coordinator

Colonel Stegemerten opened the meeting, introduced himself and Cdr. Parsons. He stated the primary purpose of the meeting was to proceed with the Field Review, which had been concurred with by CMC, of the Consolidation of Common Support Services in the Camp Lejeune Area. *Cdr PARSONS would explain ~~the~~ the ~~procedures~~ procedures to be followed. The* LantNavFacEngCom would be in the Camp Lejeune Area for the *group* period 6-7 July 1966.

Commander Parsons. *on a preliminary visit.* - The first two days ~~the dispatch specifies.~~



We are new to Camp Lejeune - we are quite familiar with THE USNH  
We are down here to study whatever can be gained <sup>in terms of</sup> in terms of  
economy, efficiency, in the proposed consolidation, in areas of  
maintenance, transportation, facilities management, utilities,  
housing, maintenance control and engineering. We have to gain  
an understanding of the system, layout, relative layout of  
facilities, etc., and pick up a good deal of material, if available.  
We will be working from today with a Target date of <sup>the</sup> last week  
in August <sup>for the</sup> consolidation analysis, and reporting <sup>on</sup> of the Jacksonville  
area, ~~of the three bases we have discussed~~. We intend to look  
into the basis of your own report. We are going to want to  
look into workload areas, the <sup>areas</sup> balance where they are located,  
intend to study workload; backlog, start with Base staffing,  
organizational staffing that exists and derive alternatives that  
concern themselves with shop environment, travel time, etc.  
We are looking for savings in personnel utilization, increased  
utilities, transportation, maintenance operations, reductions  
in support vehicle, travel time, waiting time, shop equipment.  
The basis of the whole study is workload. In utilities I doubt  
<sup>that</sup> it will be as intensive. I would like to set our team up with  
equitable counterparts.  
~~Begin take-off work next week intensively,~~  
~~With respect to housing, if there are any conflicts in reporting~~  
~~our~~ . If so, are people will have a list of things they



need from their counterparts. We will provide our own transportation and own billeting. We would like to begin to collect data, make rough analysis, come back down here and give you people <sup>the</sup> rough analysis <sup>to</sup> and look it over, (~~it may have perimeters which you folks know about, which we do not~~). Will be back the first or second week of August <sup>with a rough of the</sup> ~~for report, come back the second~~

~~or third week of August.~~ I would appreciate it if some time, we might have <sup>an</sup> orientation tour of maintenance, motor transport, etc.

<sup>CDR PARSONS</sup> <sup>their</sup> <sup>for example</sup> <sup>in the area of</sup> Mr. Rever asked to confirm tasks Maintenance of Real Property.

<sup>W.L.H.</sup> PWO as the Marine Corps staffs Captain Endebrook? <sup>be considered</sup>

PWO staffing - immediate office as the Marine Corps understands it.

Marine Corps Operations - not procurement?

PWO type services - such as garbage collections, under what areas will it fall?

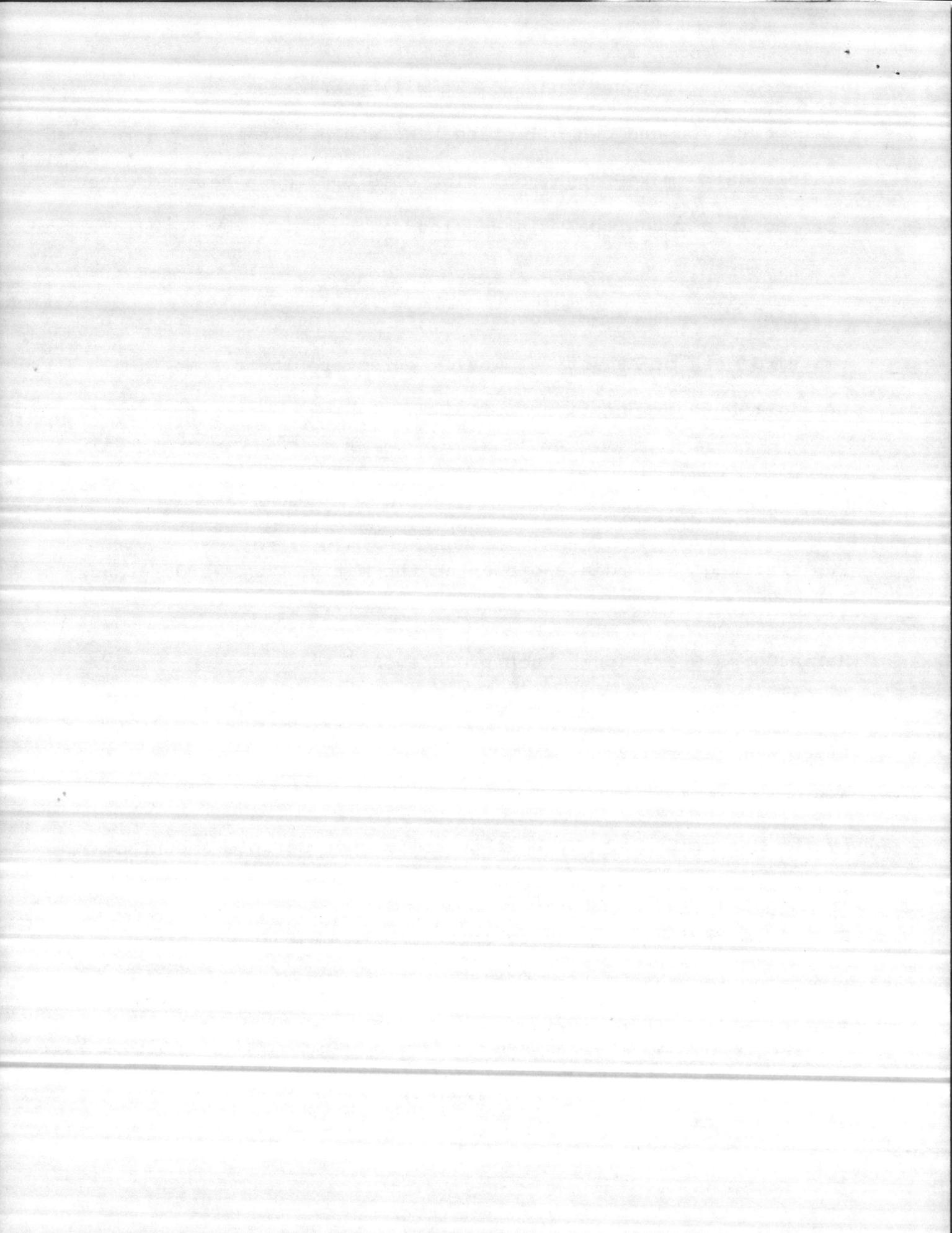
Are you speaking of entire maintenance functions as performed by the Marine Corps? My best guess is considerable amount of self-help performed by actual units.

What I am trying to do is to establish scope that you are proposing to study. <sup>Discussion</sup> <sup>is the</sup> <sup>scope</sup>

Planned maintenance <sup>is the</sup> result of annual inspection. <sup>These</sup>

Service <sup>performance</sup> work includes many other things

<sup>It has</sup> stated that



Facilities and utilities operation.

Auxiliary garbage collection, firewood distribution.

Telephone

Heavy equipment

Special maintenance problems funded by another agency of the Government.

*CDR PARSONS - WE ARE INTERESTED IN*

*^* Establishing workload<sup>s</sup> - so many productive man hours - same thing at MCAF and USNH.

*UNDERSTAND THAT FOR THE*  
Mr. Rever - *^* have completed backup data submitted in this report in the various headings. Are these *the* figures you are going to confirm or deny.

*I*  
Cdr. Parsons - No, *^* don't believe we want to confirm or deny.

These figures may be compared.

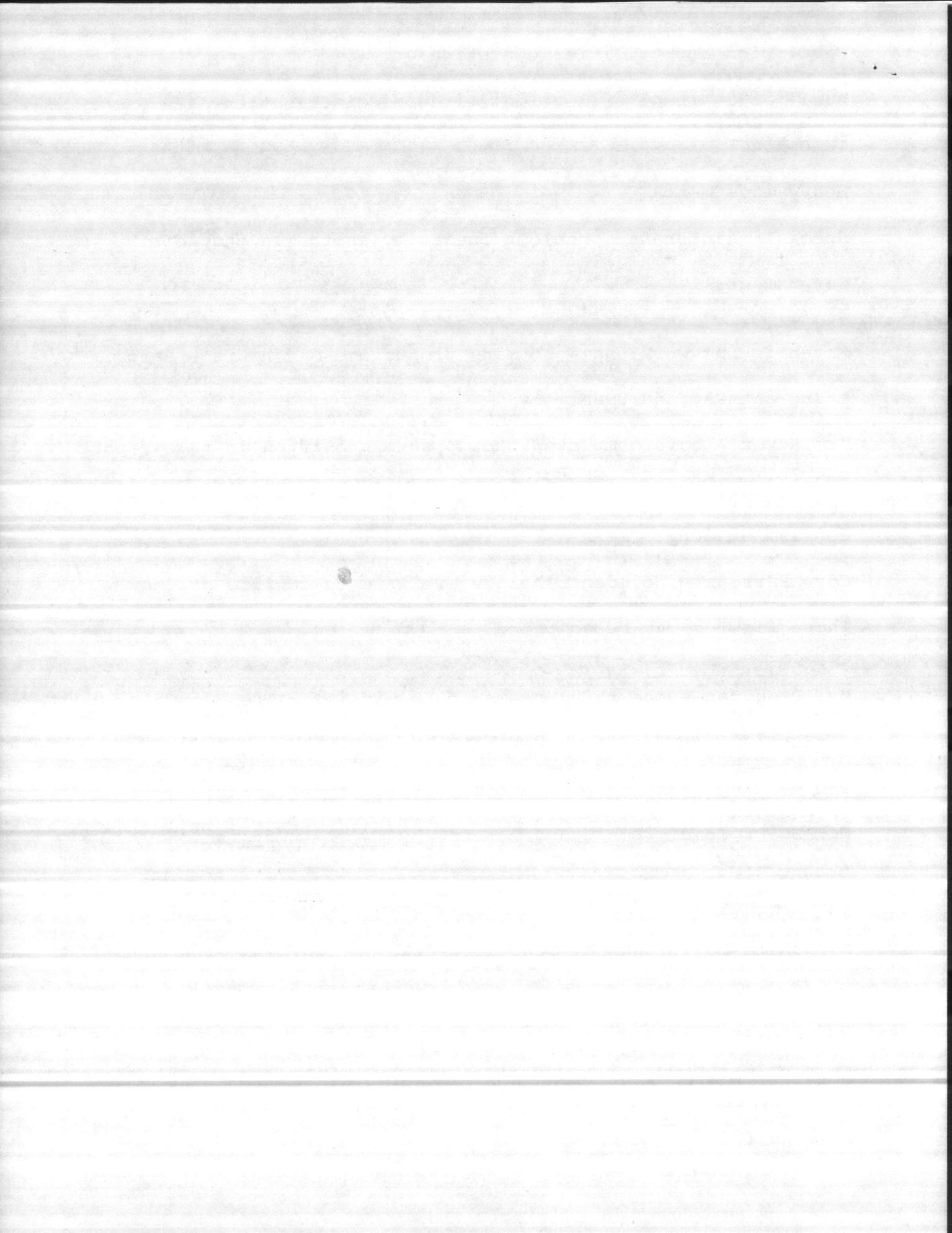
*Load Concept.*

Mr. Proudman - one thing seems to be missing. The Base has conducted a study. Presumably they have put *in from the* Navy study. *in this study*

~~The meeting from group up effect. Established science we start~~  
*Has their been any input from the Navy*  
~~with work load. Don't understand why ~~science?~~~~  
*in this.*

NavMatCmd entered into the plan back in February. There was a plan to be through by June 15. ChNavMat working with NavFac and HQMC. Established certain dates *Comments* from various commands.

We received within the time frame, needed more information, this was accepted by CMC and NavFac. Back in March we should have been at this thing.



Commander Parsons: We have been directed to do a job, agreed with CMC by the ChNavMat and EngCom.

~~Mr. Proudman - Cdr. Parsons regarding issue of the dates 30 Sep and 1 Sep.~~ *A discussion took place concerning information and concurrence with various dates for the field review*  
~~Last paragraph of letter. Cdr. Dalton will not concur with.~~

Mr. Proudman - from your knowledge of the report now, Commander, do you suppose that we could <sup>examine</sup> ~~some~~ and <sup>OBTAIN</sup> ~~change~~ the missing data? *field review?*  
~~XXXXXX~~ Would there be any merits changing the approach to ~~reexamining~~ <sup>re-examine</sup> the report getting the missing information which does not permit us to getting decision *in order to meet the deadline?*

*experience - and*  
Cdr. Parsons: Based on ----- knowledge of these studies we have more than <sup>met</sup> ~~meets~~ the <sup>deadlines in the past</sup> ~~so far as time frame.~~  
*A discussion ensued concerning the*  
~~Now in areas to the Marine Corps try to speed up with all possible efforts, so CMC can take his case to Secretary.~~  
*scope of the WANT DIV FACENG COMMANDS efforts.*  
~~Like to call on your help if there is a possibility of making study of review as printed. Suggest <sup>nothing</sup> with counterparts for the next <sup>hour</sup> ~~week~~ or so. See if there is a way to speed it up.~~

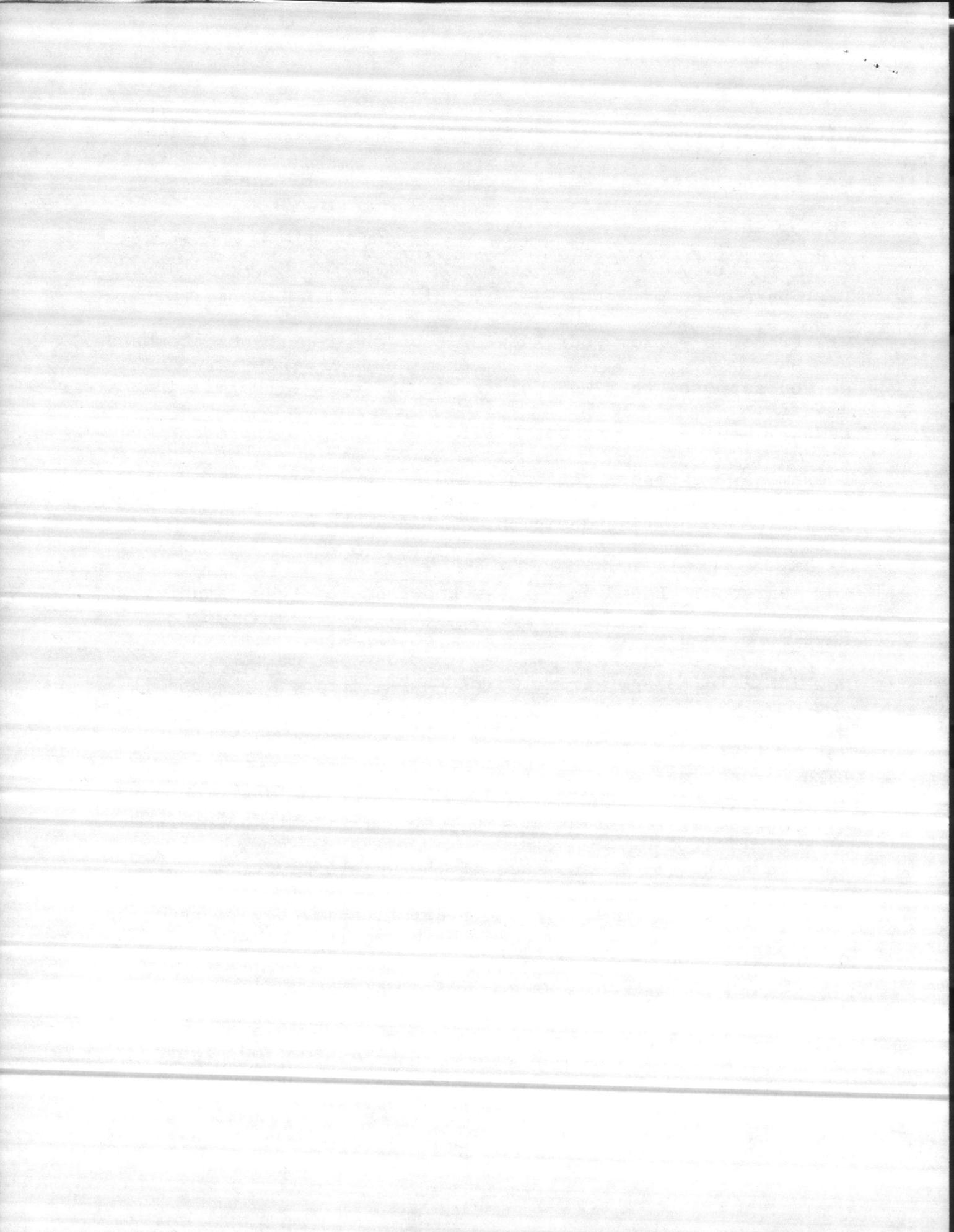
Cdr. Parsons: I would like to start finalizing various groups.

~~Orientation Tour~~

~~Input - ?~~

Cdr. Parsons stated they planned to leave tomorrow night.

Cross-servicing potential that might exist.



Visit to Maintenance and Motor Transport this afternoon on Orientation Tour. LtCol Butler said he would arrange for a small bus to arrive at 1300, back of Bldg. #1, for the tour.

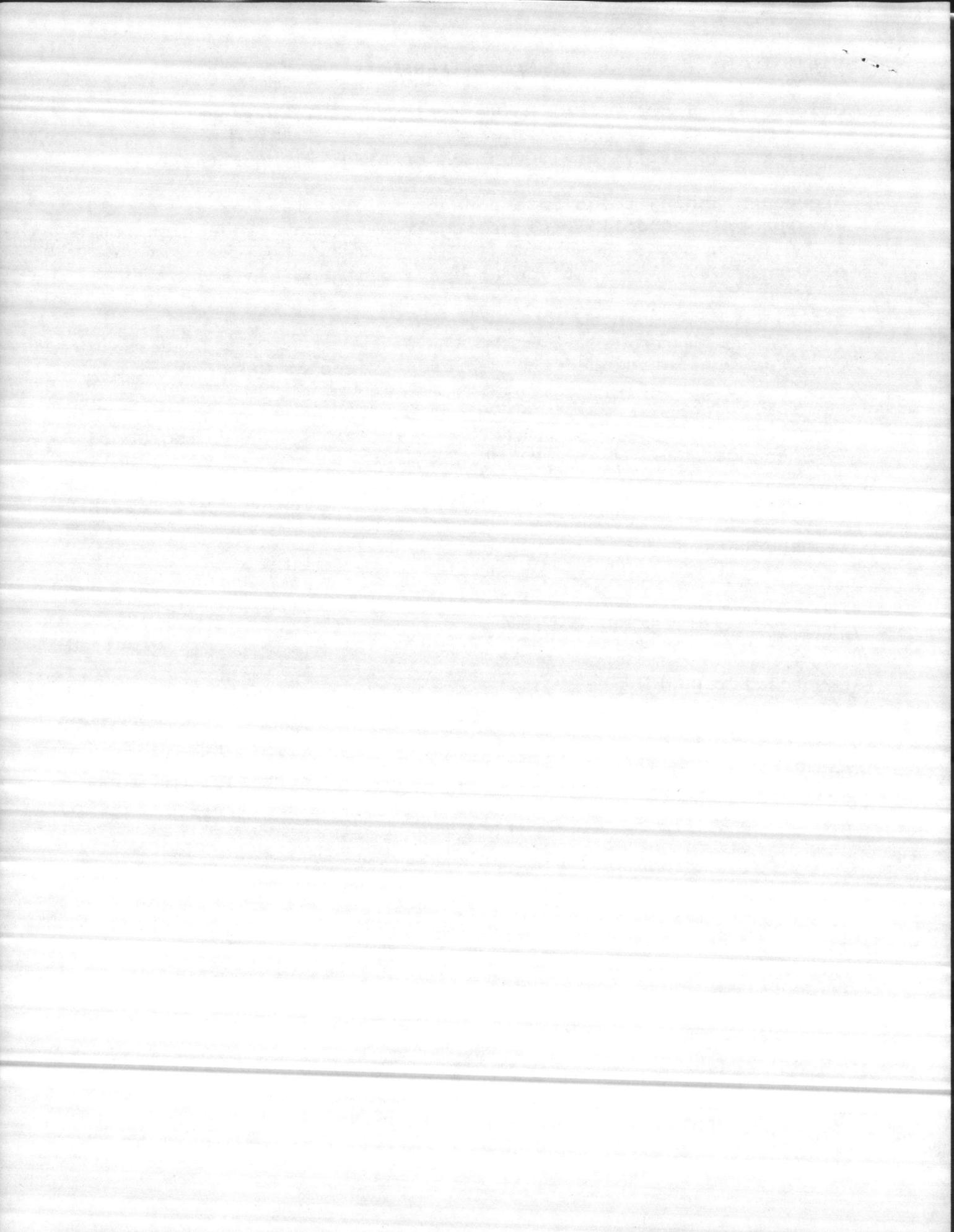
Col STEG -

Are you planning to go into nonappropriated fund areas? <sup>CDR PARSONS</sup>  
1 Nonappropriated dollars signs requires so many production hours of work. <sup>Col STEG</sup> Basically what you are saying is how big a job it places on Maintenance.

Cdr. Parsons introduced the representatives as ~~Coordinators~~ <sup>Team Leaders</sup> with the following:

Maintenance	Mr. Frank Nantz	CLNC Coordinator LtCol Holicky
Utilities	Mr. Yates	Mr. Tew -LtCol H.
Transportation	Mr. Godfrey	LtCol Buckley
PWO	Lt. Bell, Mr. Wagner	Lt. Coulter
Housing	Mr. Worden	Mr. Olmstead
Financial reporting on expenditures	Comptroller (Cost Accounting)	Compt.

Cdr. Parsons stated that they had asked for certain items to be available.



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UNCLASSIFIED

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COC-1-mcr

DATE

JUN 22 1966

TO: Commander  
Naval Material Command  
Washington, D. C. 20360

NAVAL SPEEDLETTER-

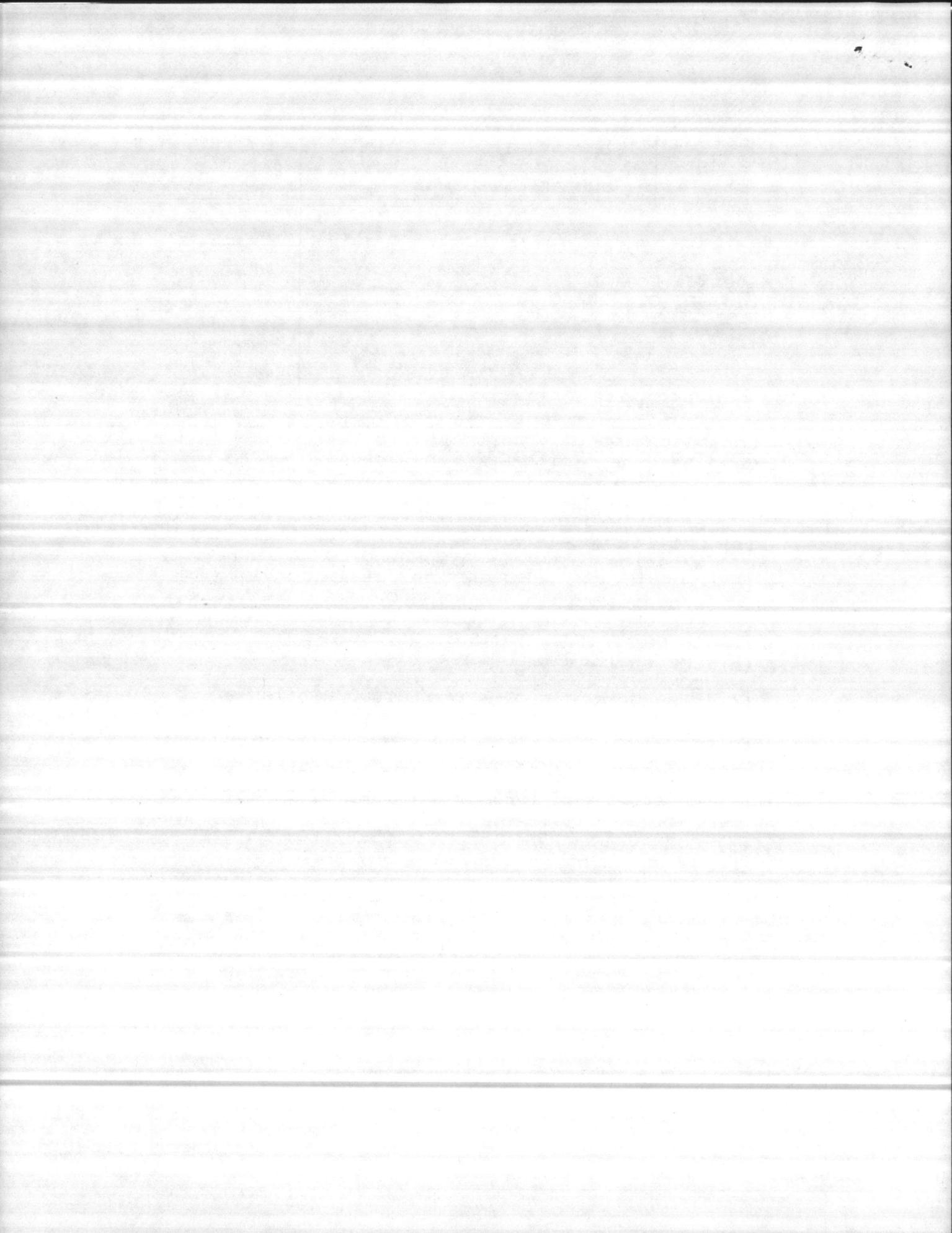
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(Fold)

Subj: Consolidation of Common Support Services in the  
Camp Lejeune, North Carolina, Area

- Ref: X (a) CMC memo COC-1-bhb 4500/2 of 25 Mar 1965 for SecNav w/copies to COMNAVMATCOM and COMNAVFACENGC  
 ✓ (b) CMC ltr COC-1-bhb of 25 Mar 1965 to CG MCB CLNC w/copies to COMNAVMATCOM and COMNAVFACENGC  
 ✓ (c) CG MCB CLNC ltr 9/WWS/jew of 19 Oct 1965 to CMC w/copies to COMNAVFACENGC and COMLANTDIVNAVFACENGC  
 ✓ (d) CMC msg 121901Z Jan 1966 to CG MCB CLNC w/copies to COMNAVMATCOM and COMNAVFACENGC  
 ✓ (e) CMC spdltr COC-1-mcr of 14 Jan 1966 to COMNAVFACENGC  
 X (f) COMNAVFACENGC spdltr 63.600/RGB:lan of 28 Jan 1966 to COMLANTDIVNAVFACENGC  
 X (g) CMC ltr COC-1-mcr of 3 Feb 1966 to COMNAVMATCOM via COMNAVFACENGC  
 X (h) CMC msg 261537Z of Apr 1966 to COMNAVMATCOM  
 X (i) COMNAVMATCOM ltr MAT 0442/RHP of 26 May 1966 to CMC  
 ✓ (j) COMNAVFACENGC ltr FAC 1051B/EEG:lan of 14 Jun 1966 to COMLANTDIVNAVFACENGC



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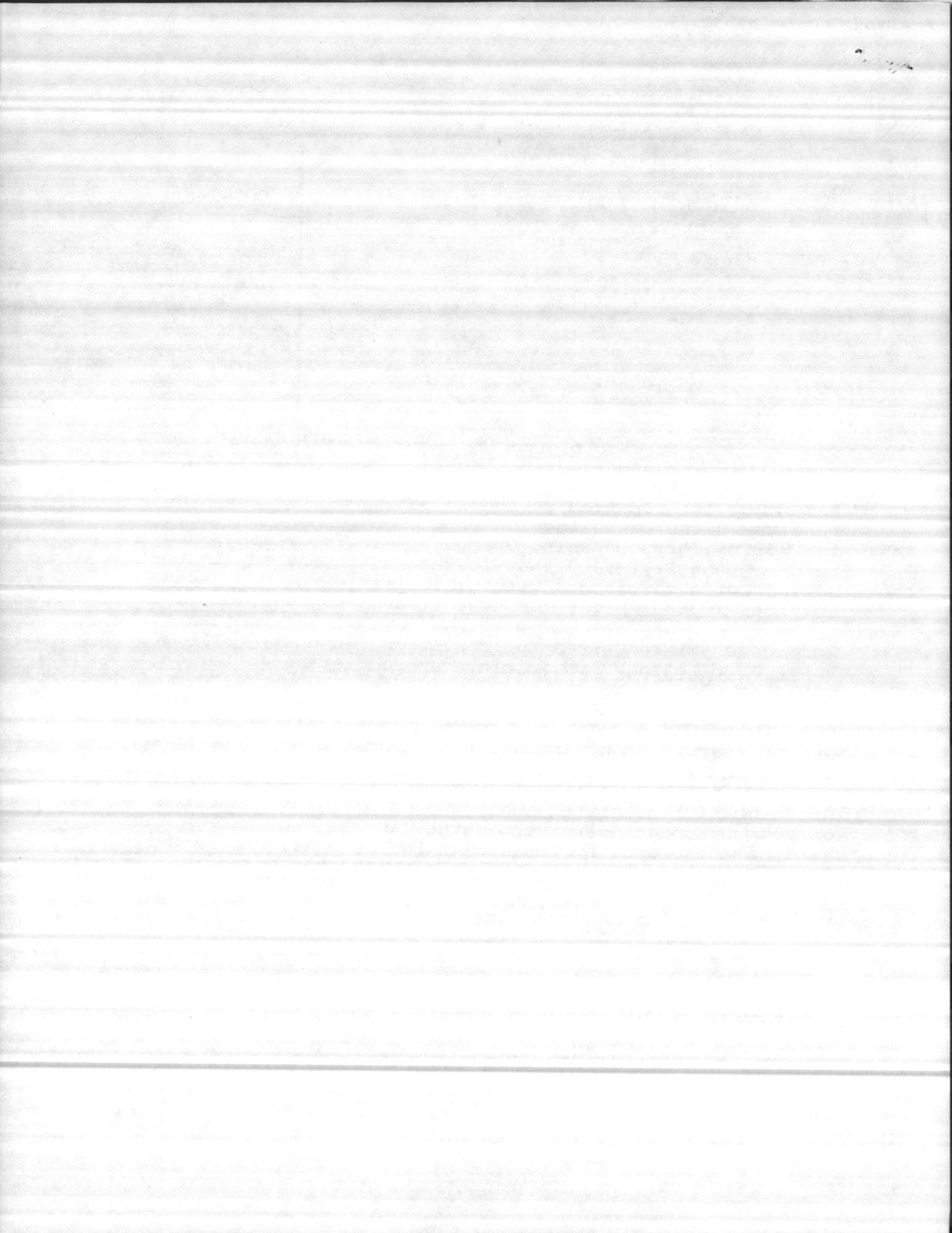
(Fold)

**Subj:** Consolidation of Common Support Services in the  
Camp Lejeune, North Carolina, Area

Reference (a) reported to the Secretary of the Navy the results of the consolidation of common support services in the Marine Corps Schools, Quantico, Virginia, area, and informed the Secretary that it was the intention of the Marine Corps to proceed with consolidation of common support services in the Marine Corps Base, Camp Lejeune, area.

Reference (b) requested the Commanding General, Marine Corps Base, Camp Lejeune, to initiate appropriate negotiations with the Commanding Officer, U. S. Naval Hospital, Camp Lejeune, and the Commanding Officer, Marine Corps Air Facility, New River, and develop a plan for the consolidation of common support services on the concept of the Marine Corps Base, Camp Lejeune, being the lead activity.

Reference (c) submitted the proposed plan for consolidation of common support services in the Camp Lejeune, North Carolina, area, as developed by the Commanding General, Marine Corps Base, Camp Lejeune, in conjunction with the Commanding Officer, U. S. Naval Hospital, Camp Lejeune, and the Commanding Officer, Marine Corps Air Facility, New River.



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TO: [ ]			DATE
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(Fold)			

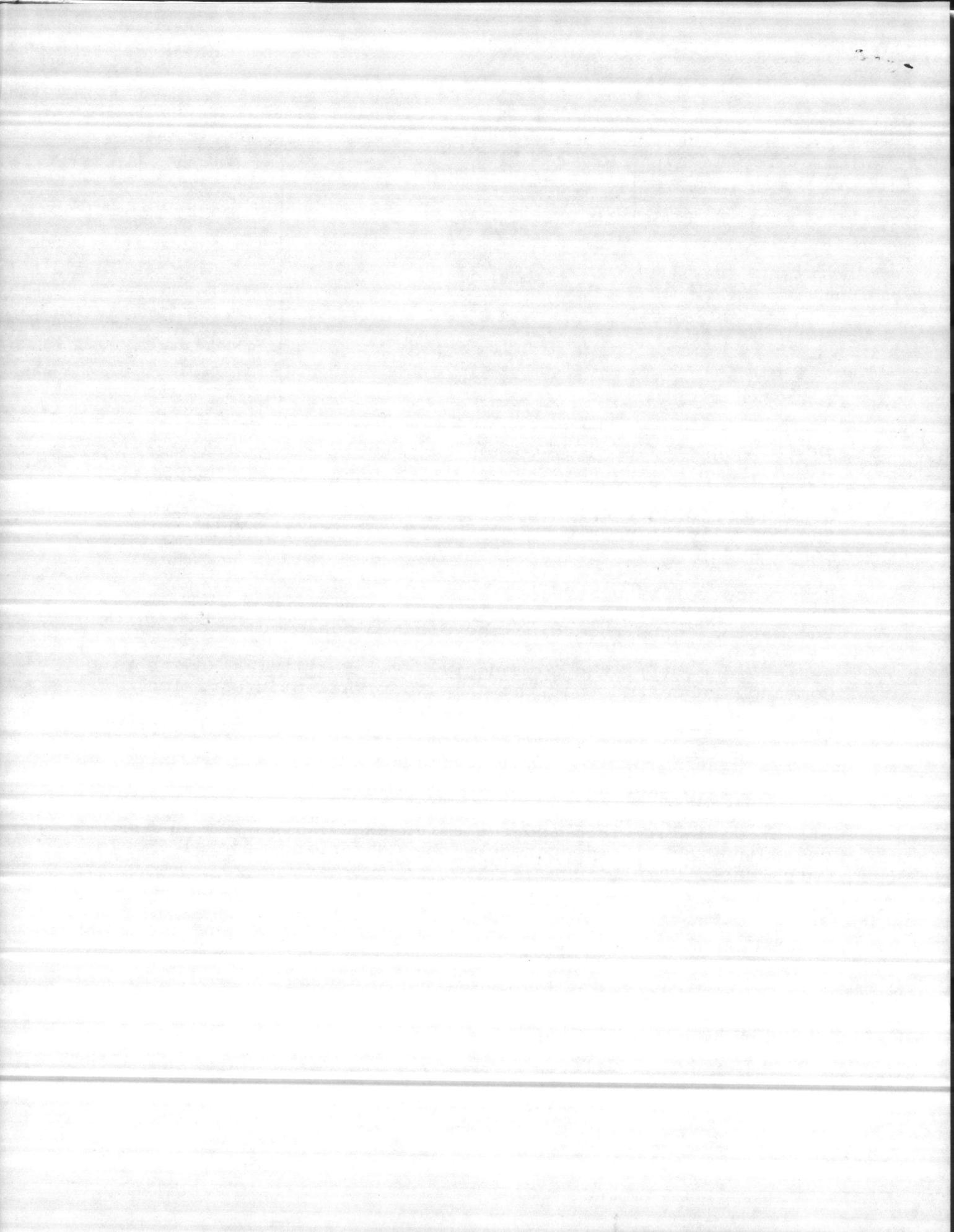
Subj: Consolidation of Common Support Services in the  
Camp Lejeune, North Carolina, Area

Reference (d) established 1 July 1966 as the target date for the consolidation of common support services in the Marine Corps Base, Camp Lejeune, area.

Reference (e) requested the Commander, Naval Facilities Engineering Command, to submit comments to the Commandant of the Marine Corps regarding the planned consolidation.

By reference (f), the Commander, Naval Facilities Engineering Command, requested that the Commander, Atlantic Division; Naval Facilities Engineering Command, forward comments to the Naval Facilities Engineering Command regarding the plan for consolidation of common support services.

Reference (g) advised that the Secretary of the Navy had been informed that the subject consolidation would be placed in effect on 1 July 1966 and requested expeditious comments regarding the plan proposed by the Commanding General, Marine Corps Base, Camp Lejeune.



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(Fold)

Subj: Consolidation of Common Support Services in the  
Camp Lejeune, North Carolina, Area

Reference (h) requested that comments regarding the subject consolidation be expedited in view of the 1 July 1966 target date for consolidation previously given the Secretary of the Navy by the Commandant of the Marine Corps.

Reference (i) transmitted comments of the Commander, Naval Facilities Engineering Command, of 16 May 1966 indicating the requirement for studies prior to making comments regarding the proposed consolidation. Reference (i) further indicated that a revised target date was required and acceptable to the Marine Corps. By copy of reference (i) the Commander, Naval Facilities Engineering Command, was requested to provide timely support to the plan of review of the recommendations contained in the proposed plan.

Reference (j) gave information to the Commander, Atlantic Division, Naval Facilities Engineering Command, upon which to proceed with studies and review and established 30 September 1966— as the deadline for submission of the results of the studies to the Naval Facilities Engineering Command Headquarters.



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TO: [ ]  
[ ]

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Is packaged 500 sheets of white or of one color: yellow, pink, or green.

(Fold)

Subj: Consolidation of Common Support Services in the  
Camp Lejeune, North Carolina, Area

In view of the advance information given the Commander, Atlantic Division, Naval Facilities Engineering Command, and the Commander, Naval Facilities Engineering Command, in references (a) through (h) regarding the consolidation of common support services in the Camp Lejeune area, the date of 30 September 1966 established in reference (j) for submission of studies and comments by the Commander, Atlantic Division, Naval Facilities Engineering Command, to the Commander, Naval Facilities Engineering Command, is not considered "timely" support as requested by reference (i).

In order for the Commandant of the Marine Corps to now inform the Secretary of the Navy of a revised target date for implementation of common support services in the Camp Lejeune, North Carolina, area, it is requested that a definite commitment be made as to the earliest possible date upon which the Commandant of the Marine Corps can expect to receive final comments from the Commander, Naval Material Command, on the proposed consolidation of common support services in the Marine Corps Base, Camp Lejeune, area.

P. R. TYLER  
By direction

5

COPY TO	ASN (I&L)	BUMED	CG FMFLANT	CO MCAF NEW RIVER
	CNO	COMNAVAFACENCOM	CG MCB CLNC	
	NAVCOMPT	COMCABEAST	COMLANTDIVNAVFACENCOM	
	COMNAVAIRSYSOM	COMFIVE	CO USNH CLNC	

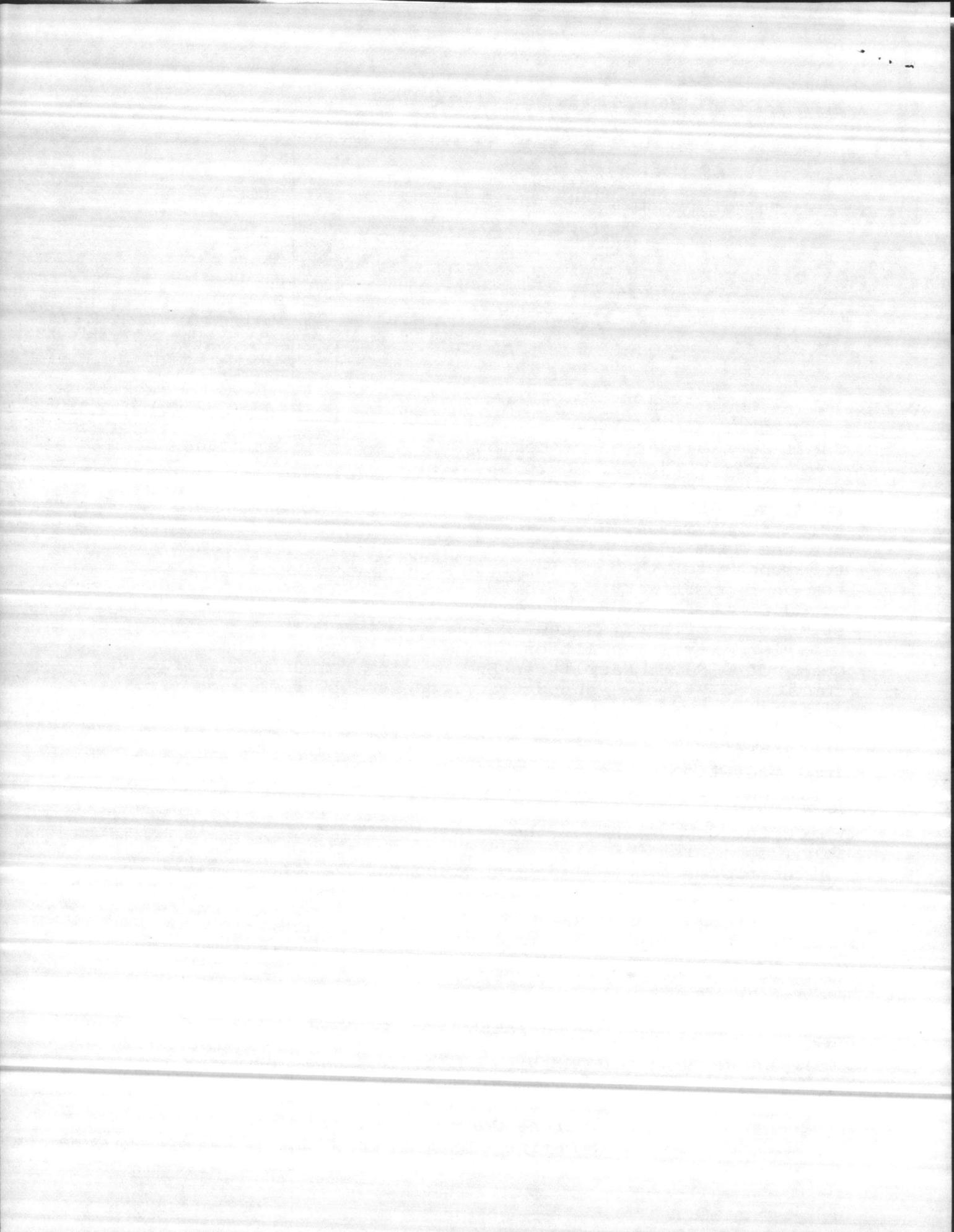
ADDRESS: [ Commandant of the Marine Corps  
Headquarters U. S. Marine Corps  
Washington, D. C. 20380 ]

← SENDER'S MAILING ADDRESS

Address reply as shown at left; or reply hereon and return in window envelope (size 8 1/4" x 3 1/4"), if not classified as confidential or higher.

CLASSIFICATION

UNCLASSIFIED

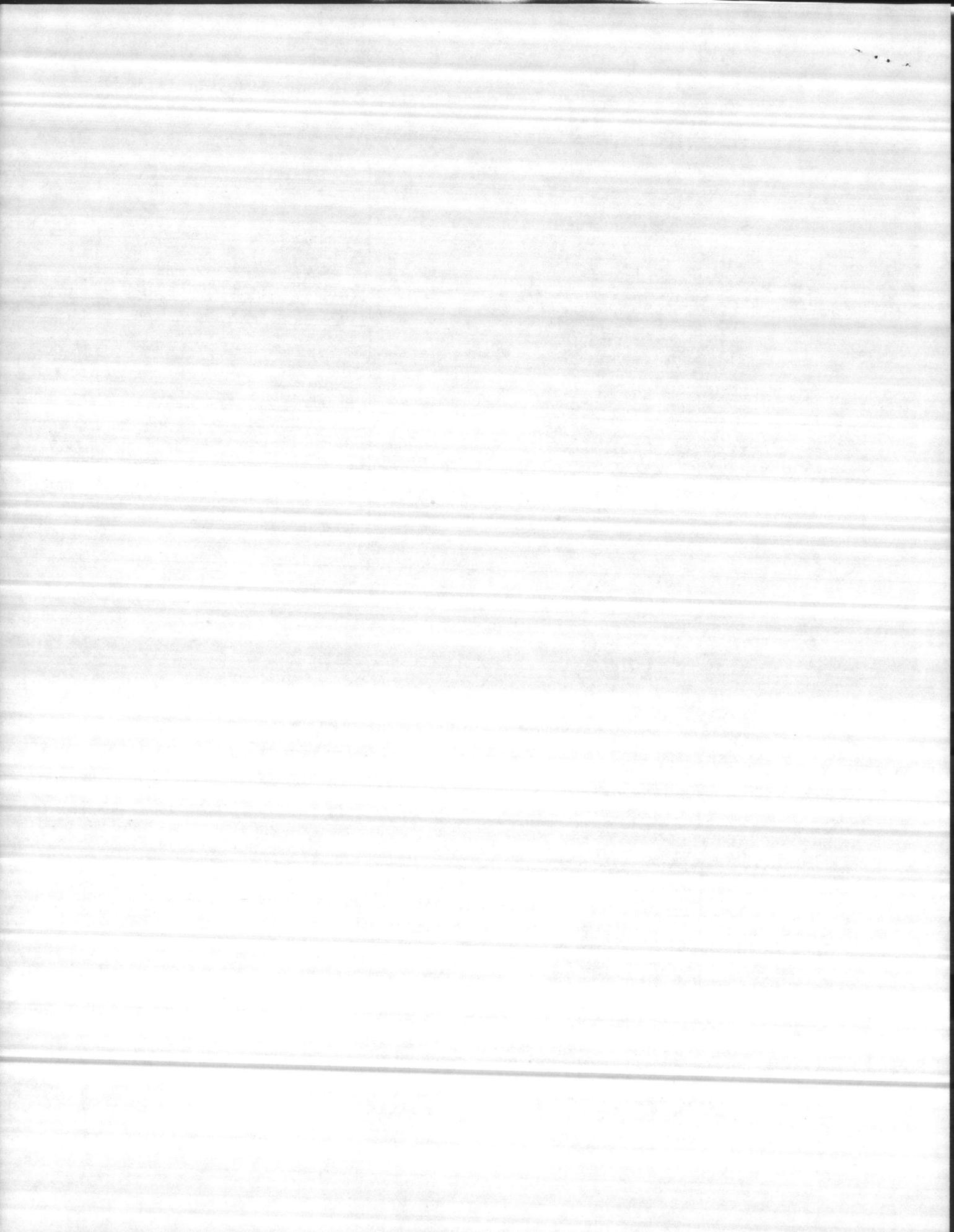


MEMORANDUM

From: Base Adjutant, MCB  
To:

	ACT	INFO	INIT
CG		✓	✓
AEC		✓	957m
C/S		✓	✓
INSP			
G-1			
G-2/3			
G-4	✓	✓	
COMPT			WJ
LEGAL		✓	
SUPPLY			Mick
ADJ		✓	✓

REMARKS: *6*  
*only copy used*



HEADQUARTERS, MARINE CORPS BASE  
CAMP LEJEUNE, NORTH CAROLINA 28542

9/RCP/jew  
1 Jun 1966

MEMORANDUM

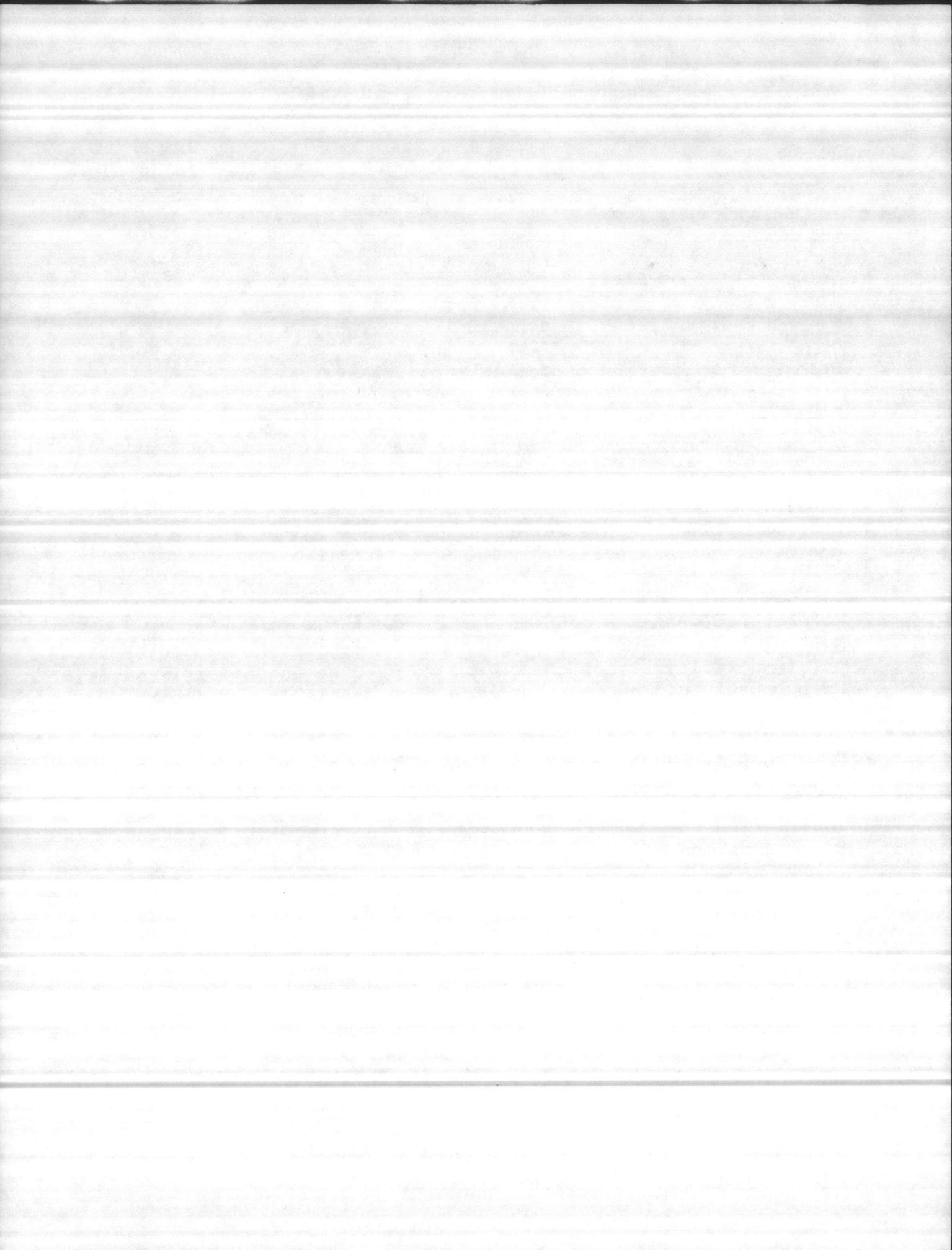
From: Chief of Staff  
To: Chief of Staff, Marine Corps Recruit Depot,  
Parris Island, South Carolina 29905

Subj: Consolidation of Common Support Services

Encl: (1) Report of Consolidation Support Services in  
Camp Lejeune Area  
(2) DirLantDocks Comments

1. Enclosure (1) is a copy of our consolidation report including recommendations. This report is currently being staffed at the departmental level.
2. Critical comments have been in the area of Annex A, Maintenance; Annex B, Public Works; and Annex D, Motor Transport. Most of the complaints have been that these annexes do not spell out in detail just how things are to be done and specific savings. We purposely did not get into too much detail in our report.
3. Enclosure (2) is a copy of DirLantDocks comments on Maintenance, Public Works and Motor Transport. I thought this might be of some benefit since DirLantDocks in your district will probably comment on your report. We have just received information that Chief, Naval Material has requested DirLantDocks to conduct the review recommended in their comments (enclosure (2)).

W. T. BRAY



UNITED STATES GOVERNMENT

*Memorandum*④ Mont  
MT

TO : Chief of Staff

DATE: 6 May 1966

FROM : Lt.Col. E. L. Little, Jr.

SUBJECT: Consolidation

Ref: ✓(a) LANTDOCKS ltr 60.1:JKW:jm over 5450/2 of 29Apr66

1. Reference (a) attacks consolidation as approached in our last plan in the areas of transportation and facilities maintenance. Since I have never been involved with transportation, I reproduced the reference and took it to Motor Transport for evaluation of paragraph 4. This memo refers to facilities maintenance.

2. If LANTDOCKS can field a team with expertise and experience in this specific type of problem, I feel we should welcome them and help as we can. I do not believe that in the foreseeable future we will have the manpower available to conduct the detailed studies outlined in paragraph 5, and these studies would be of considerable value.

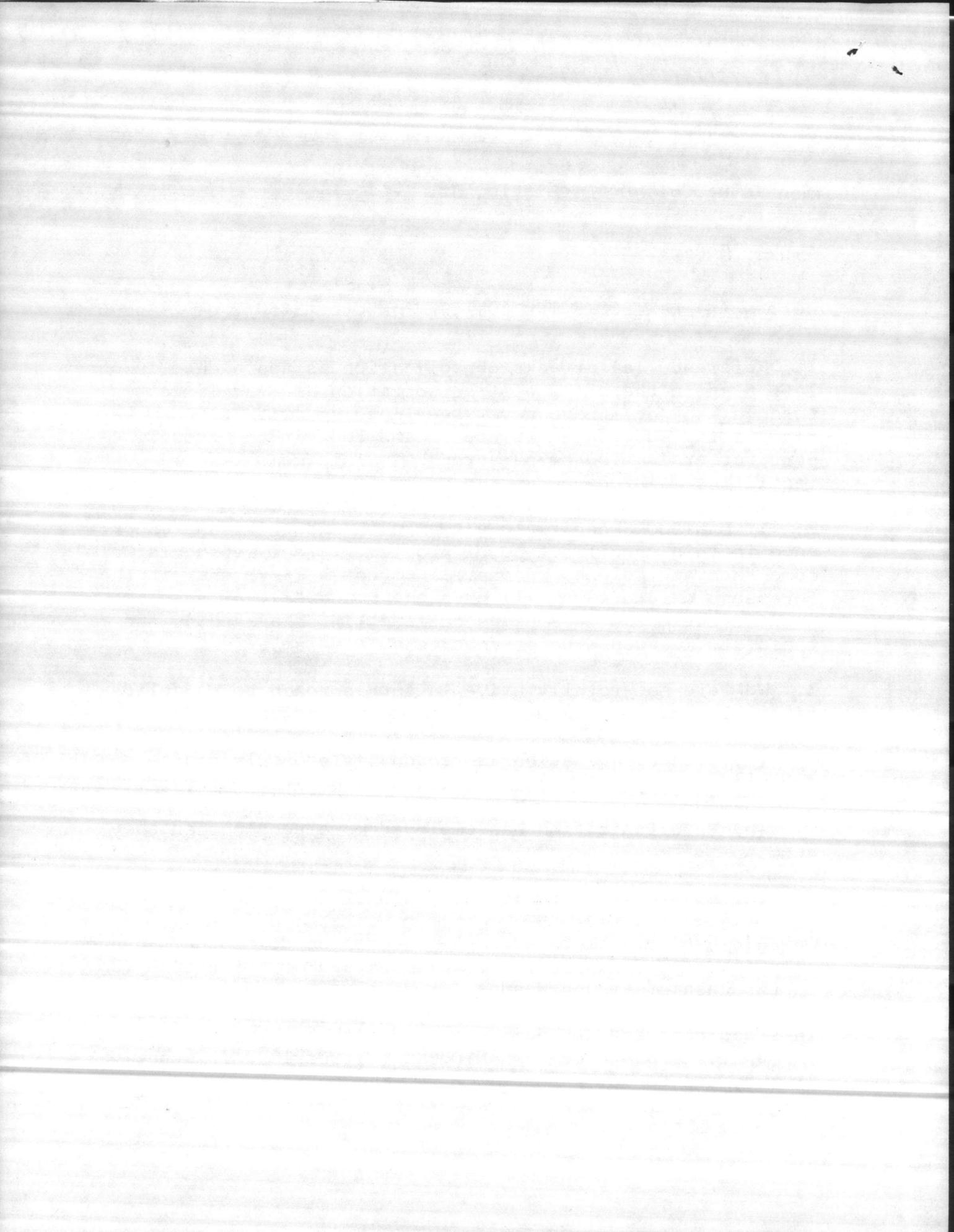
3. We were not totally naive in our approach to consolidation. In workload we made the following assumptions:

(a) Each organization is reasonably properly craft balanced. They have had many years to do it.

(b) No organization has employed more people than they need.

(c) No useless work is being done.

On this basis, billets were proposed to be deleted or changed only in case of duplications, elimination of a function (as in the case of Branch Heads), or upon recommendation of the division head who would be controlling a given function. This was done through combining T/Os of the three commands. The analysis proposed by LANTDOCKS for workload is superior, if they can do it.



6 May 1966

Subj: Consolidation

4. The proposed complete staffing is available as of the time of the study. Functional statements for elements of any or all "organizational components" are rather simple to contrive - "The emergency/service shop at Paradise Point does emergency/service work in facilities at Paradise Point and Berkeley Manor." Space and equipment lists are available and were used.

5. Since the maintenance background alone is over four inches thick, I feel a report in the depth LANTDOCKS is now talking about is somewhat unrealistic. However, I have all of this data and would be happy to work with them.

Very respectfully,

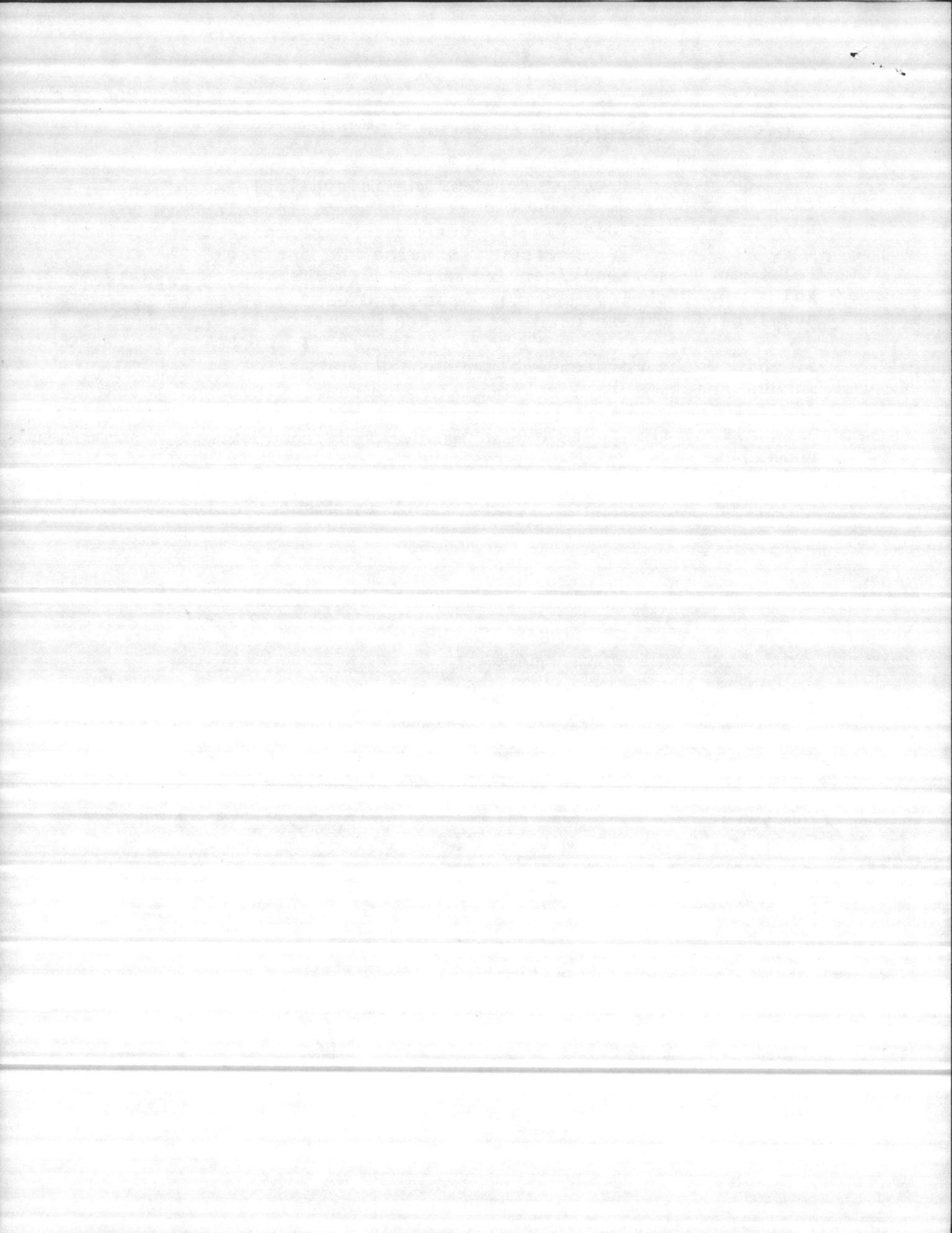
E. L. LITTLE, JR.

*Cal. Site Generation*

*16 May -*

*I have held this pending another meeting which has never been called. I would welcome these birds & furnish them everything I have.*

*✓ copy  
E. Little*



*P*

HEADQUARTERS, MARINE CORPS BASE  
CAMP LEJEUNE, NORTH CAROLINA

ROUTE SLIP/MEMORANDUM

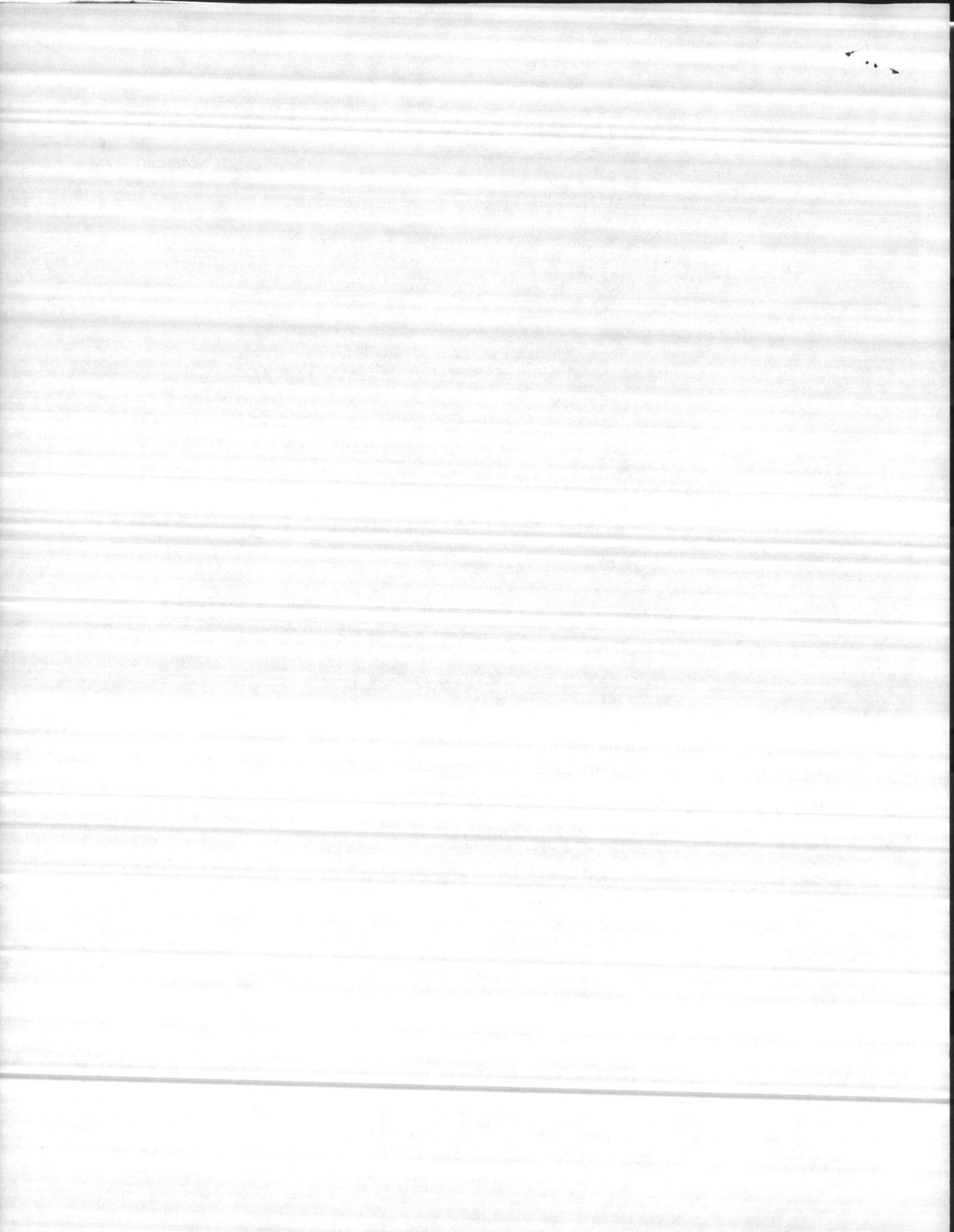
Date 28 June 66

From: Asst. Chief of Staff, Comptroller

To:     "    "    "    C-4

*After you have  
seen please  
Return to Comptroller.*

*R.  
Rep  
By*



444-7257  
AUTOVON # 244-7257

60.1:JKW:jm  
5450/2  
29 APR 1966

From: Director, Atlantic Division, Bureau of Yards and Docks  
To: Chief, Bureau of Yards and Docks

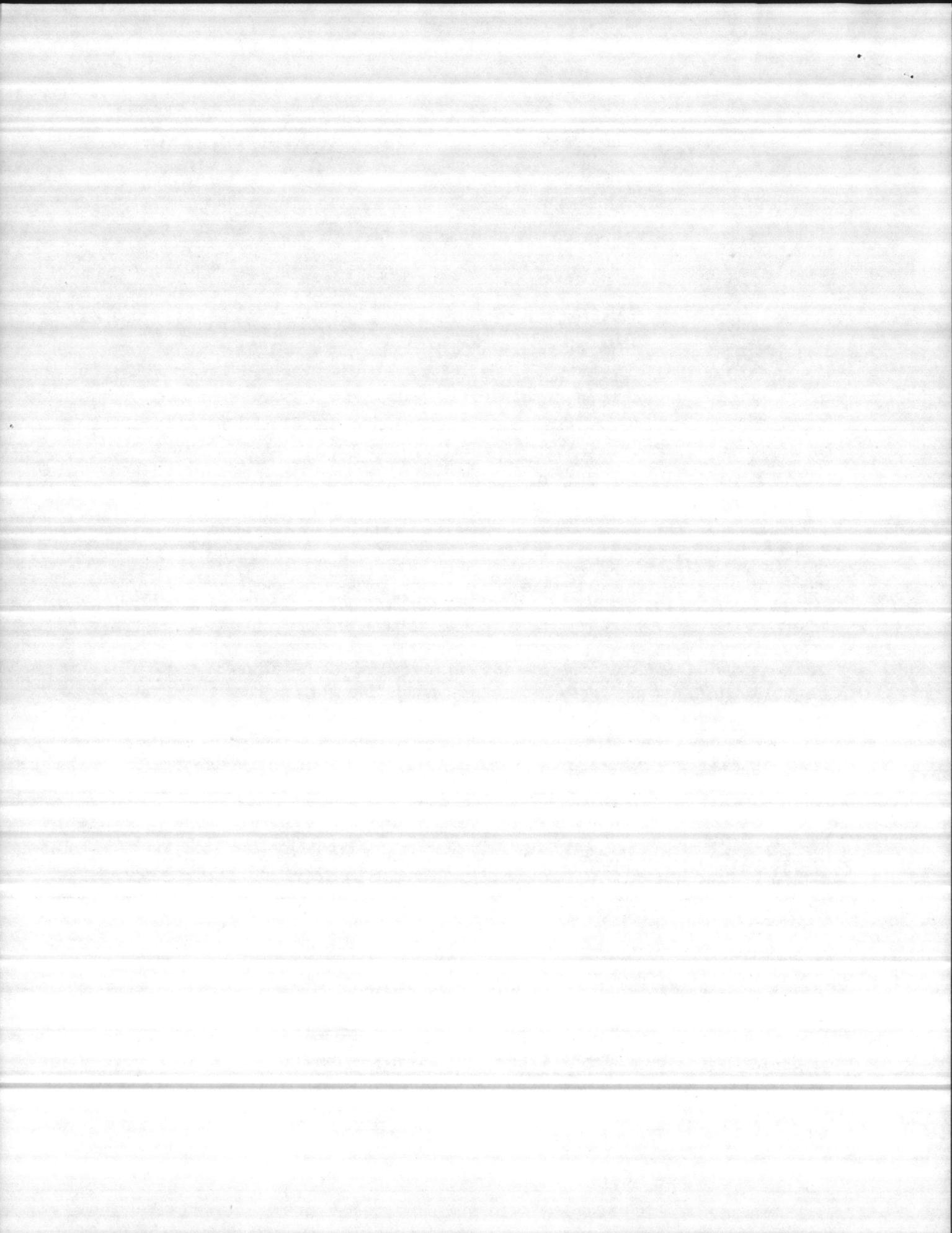
Subj: Consolidation of common support services in the Camp Lejeune,  
North Carolina Area

Ref: X (a) BUDOCKS spdltr 63.090/RBG:lan of 28 Jan 1966  
✓ (b) MARCORM CAMLEJ Plan for consolidation of Support Services  
in Camp Lejeune, North Carolina Area (Revision #1)  
✓ (c) BUDOCKS first end. 63.400/WEK:rad of 16 Feb 1966 on BUMED  
ltr BUMED-4122-snr of 17 Jan 1966  
X (d) Fonecon between LANTDOCKS Code 60 and BUDOCKS Code  
63.612 of 16 Mar 1966

1. Reference (a) requested the Director, Atlantic Division, Bureau of Yards and Docks to review reference (b) and forward comments to the Bureau. Reference (c) requested comments from the Director relative to the basic BUMED letter concerning operation and control of motor transportation support for the Naval Hospital, Camp Lejeune.

2. As discussed during reference (d) a review of the plan for the consolidation, as set forth in reference (b), together with the limited amount of relative correspondence received by DIRLANTDOCKS, indicates that there is an insufficient amount of data available to provide a sound and practicable basis for a decision on the potential execution of a plan of this magnitude, especially in the areas related to real property management and public works support.

3. Reference (b) states that apparent savings alone do not support consolidation but "an evaluation of the ability to provide a better service at the same cost, or to provide the same or better service in the face of ever-increasing requirements and increasing cost for labor and material must be made." This concept is concurred in, but the MARCORM Camp Lejeune report reference (b), did not develop this evaluation concept. Facts required to develop the concept such as the type or scope of real property maintenance requirements, the current method and resources directly or indirectly required to accomplish the requirements, and the proposed methods and resources planned to be used have not been adequately identified and costed for comparative analysis and evaluation.



It is further considered that consolidation should be predicated on the following factors:

- (a) Savings in space
- (b) Reduction in personnel
- (c) Reduction in shop equipment
- (d) Reduction in transportation

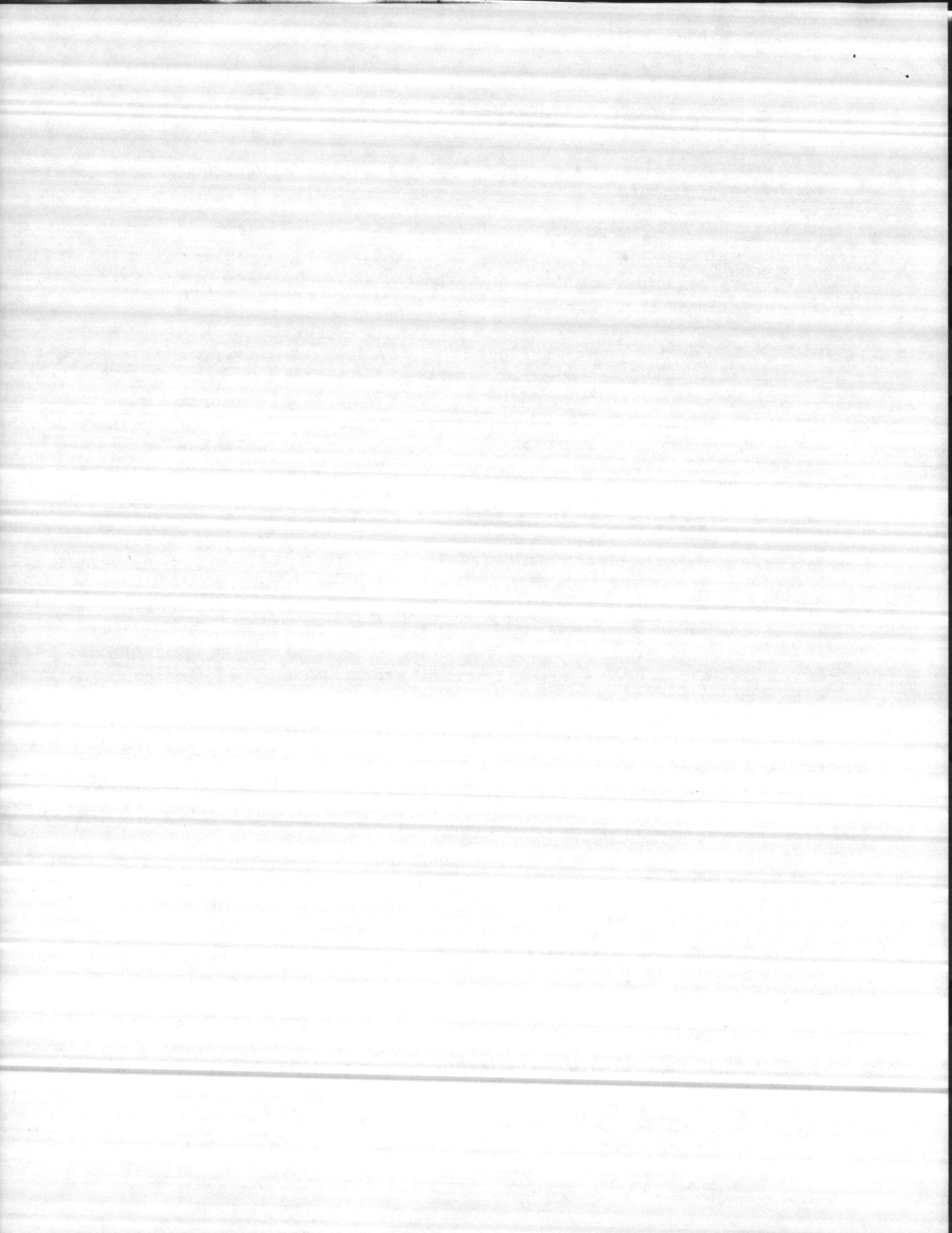
with which there is no related loss in responsiveness in support of the mission. The inference that "problems exist" or that "better methods or techniques are not being utilized", and the implication that there is not proficient and efficient capability to react to future requirements has not been substantiated and is therefore not considered a valid basis for consolidation. The use of the word "better" is a meaningless comparison unless quantified and alternate actions are specified and equated to a valid cost savings or improved performance.

4. Transportation. It is considered that consolidation of the motor transport support services may be feasible for the Naval Hospital, Camp Lejeune, and possibly at the Marine Corps Air Facility, New River. Whether there would be any significant savings from either consolidation is questionable, probably at NAVHOSP Camp Lejeune and only possibly at MCAF New River. There are several areas where the economics of such a consolidation are not covered in the report.

a. The majority of the equipment at both the Air Facility and the Hospital is being adequately utilized. That equipment which is not justified by utilization has been justified for retention because of military necessity. Therefore, it is questionable whether any equipment reductions could be made.

b. If there is not significant reductions in the number of items of equipment utilized by the satellite activities, it would take the same number of mechanical personnel to maintain the equipment by the Marine Corps Base as to maintain the equipment in the activities' present shops. The statement that the overall number of mechanical personnel would be reduced is therefore questionable.

c. If operating organizations are retained by the Air Facility and the Hospital, supervisory operations personnel, dispatchers, etc., would be needed regardless of where maintenance is performed.

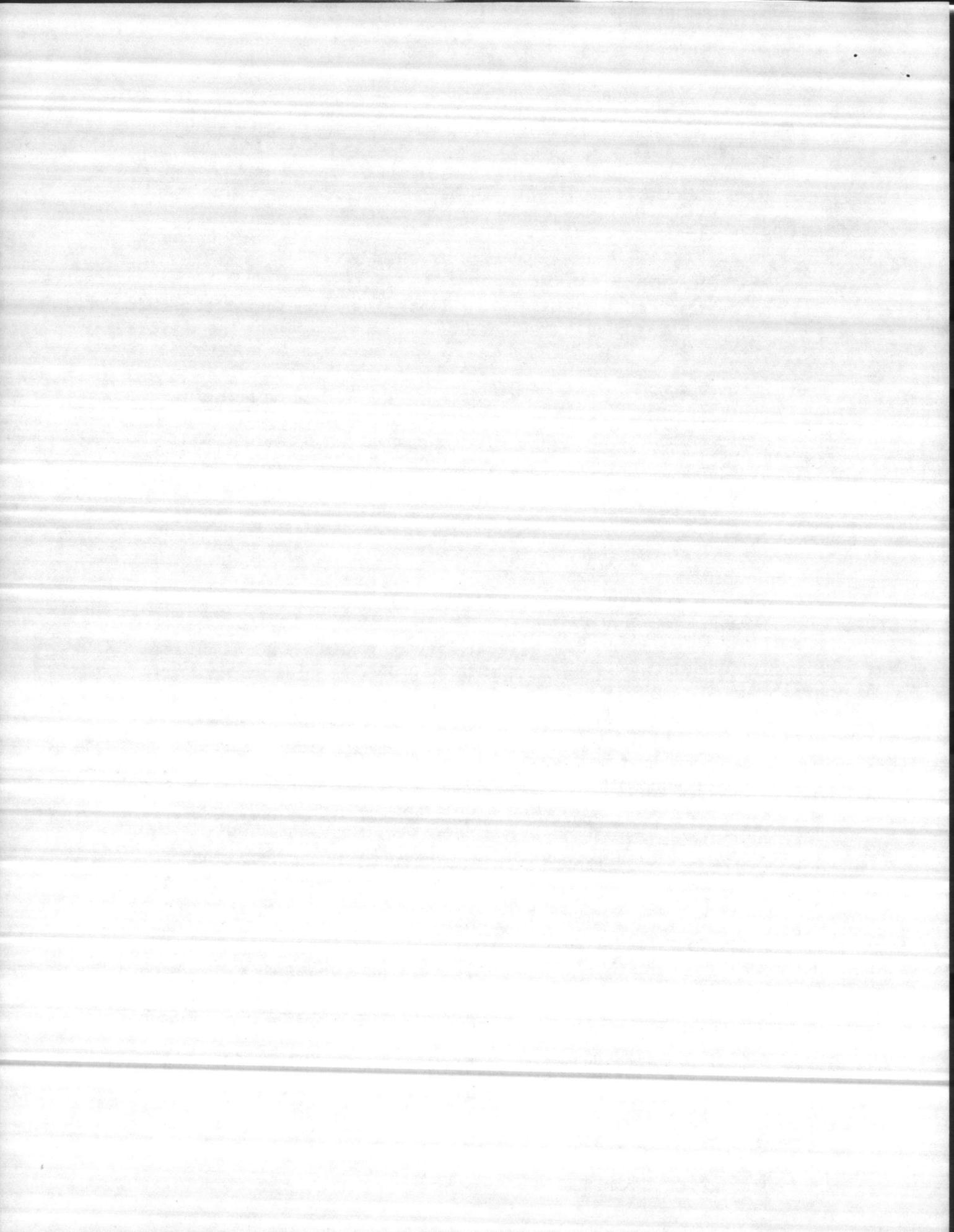


2  
e  
d. Under the plan, the study asserts that 30 of the 46 enlisted personnel could be transferred from the Marine Corps Air Facility to the Marine Corps Base to operate the sub-pool and the increased general support vehicles. No mention is made of the use of the remaining 16. Since no reduction in the amount of driving is anticipated, it is presumed that the remaining 16 would be retained by the Air Facility to perform driving functions which would not be provided by the Marine Corps Base, thereby creating two transportation pools at MCAF New River.

e. If transportation services are to be obtained on a reimbursable basis, it will be necessary for the concerned activities to be funded by DURLANTDOCKS. While the study estimates that costs will be lower, there is no guarantee that this will be the case. If DURLANTDOCKS allows funds to the activities, there will be no appreciable reduction in the amount of reporting requirements that will still be required by those activities. In view of the present level funding policy, it must be recognized that DURLANTDOCKS will be unable to provide any additional funding over the amounts of the present APFs of the concerned activities. This is a risk which "consolidation" must take.

NO  
f. Unquestionably the greatest savings would accrue from complete consolidation. That is to say that there would be no transportation organization or functions, funding, reports or management control of any transportation function whatsoever, at the supported activities. As this plan would very likely affect both concerned activities' responsiveness to their missions, it is believed unacceptable. Therefore, the most practical type of consolidation in the transportation area would be that the serviced activities retain their own plant account and vehicles and have their maintenance performed by the Marine Corps Base on a reimbursable basis. Also, the Marine Corps Base would provide all common transportation services. While this plan would still require the satellite activities to maintain control as well as prepare records and reports, it is believed that the dividends to the Naval Hospital and Air Facility -- responsiveness to garrisoned tenant forces -- would more than justify the retention of this type of control. However, under this plan it is doubtful that economy, increased effectiveness or any improvement could be demonstrated for MCAF New River; perhaps a limited amount of savings at NASHOSP Camp Lejeune.

all the headquaters  
No authority



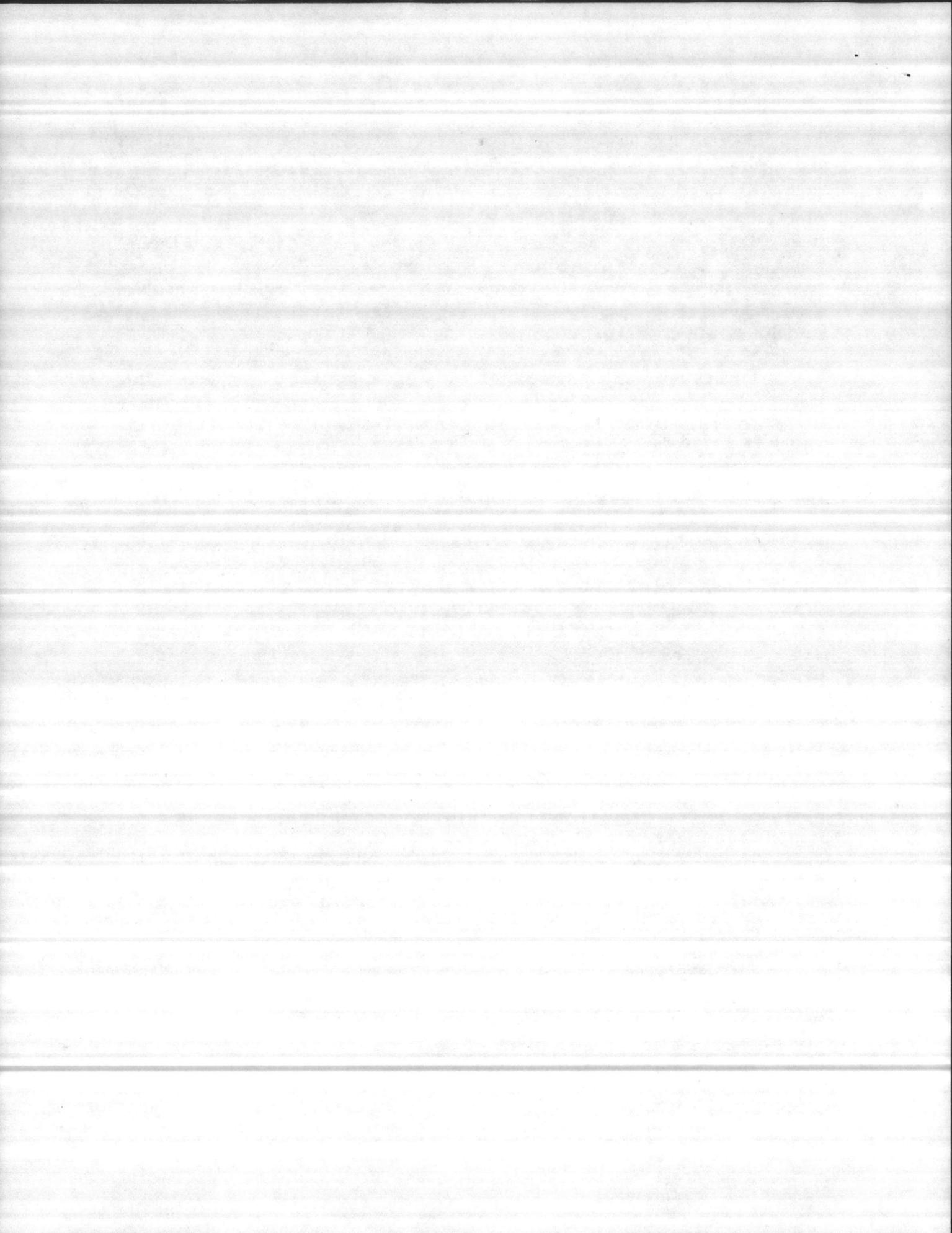
g. The Marine Corps Air Facility has several items of specialized aircraft ground support equipment, such as crash fire trucks and mobile electric power plants which are highly complex and which the average heavy duty mechanic is not qualified to service. In the case of the transfer of personnel, mechanics who are qualified to maintain this type of equipment should be transferred to the Marine Corps Base, as a guarantee that equipment will be properly serviced and maintained in dependable operating condition.

h. Both of the supported activities have on hand certain installed items of equipment such as engine driven generator sets, etc. There is no mention in the study about how it is planned that this equipment will be maintained. Since these items are installed for emergency use in case of power failure, etc., it is essential that provision be made that emergency standby equipment can be kept operational at all times.

5. Maintenance. It is very undesirable to use the proposed approach in reference (b) to "consolidate now and resolve problems later." Public Works maintenance and maintenance management functions and responsibilities are both known and factual. Since the report, reference (b), does not provide a comprehensive identification of these functions and specific proposals and costs for alternate accomplishment, no proper basis for discussion has been developed and the report is therefore considered inadequate and unsatisfactory. Therefore, it is considered that BUDOCKS should not concur with the proposals of reference (b) until such time as sufficient detail data is developed to allow a determination that the better operation exists now for all three activities concerned--and will not deteriorate in the future. Data considered pertinent to determining the feasibility of consolidation which is not included in reference (b) is as follows:

a. Workload. The workload of all activities affected, including MARCORB, should be developed by type of work (labor class) and scope of work in terms of manhours per craft. A comparison with proposed method for accomplishing the work with equal or better performance rates should be developed to relate not only manpower capabilities of the lead activity, but also in terms of space, tools and equipment, and transportation capability of the lead activity. All alterations of space, relocations of equipment and transportation increases should be specifically planned and costed for comparison.

NOT A QUOTATION

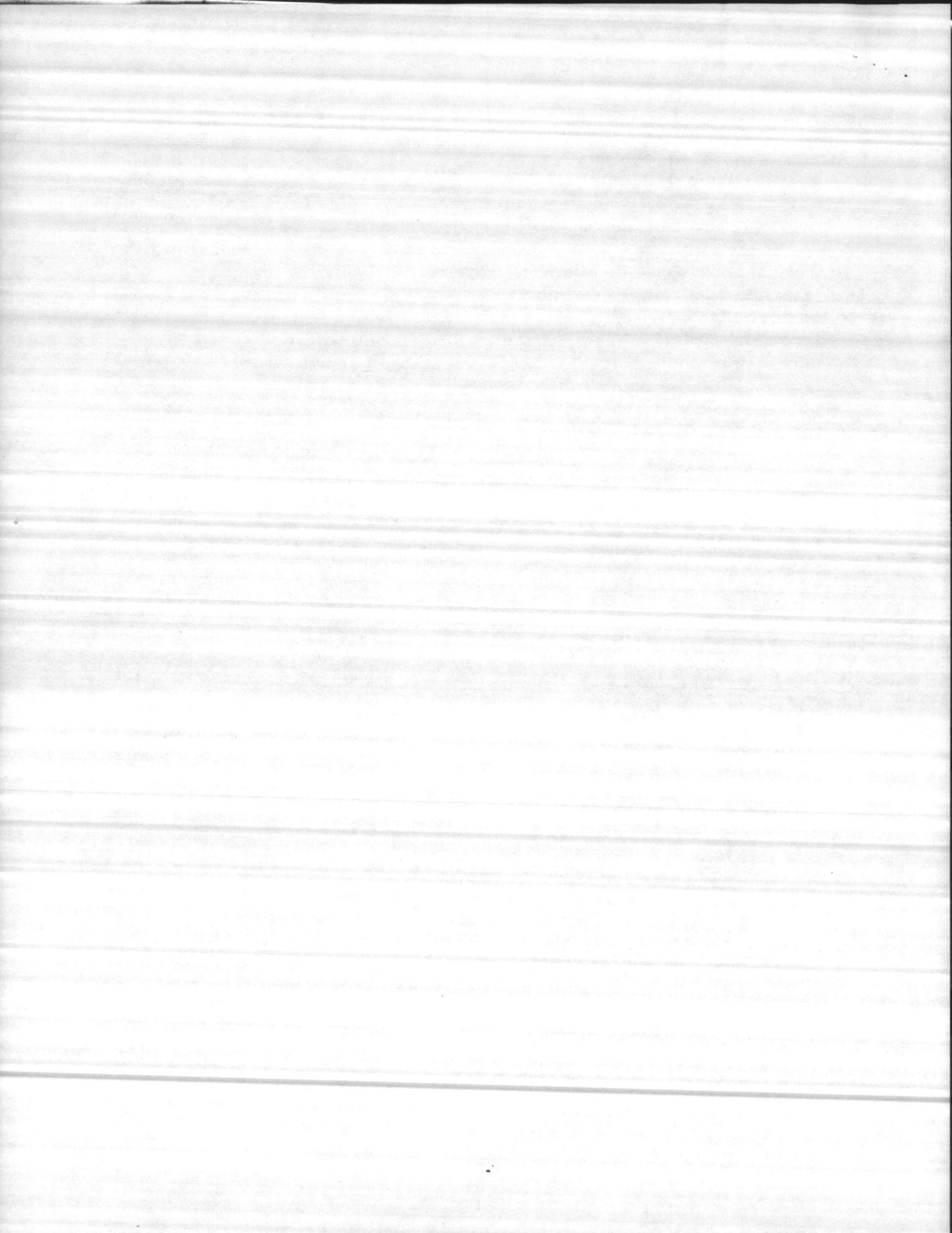


Information available at LANTDOCKS indicates approximately 10,000 mandays of work (specific and minor) will involve travel (approximately \$35,000) between MARCORB Camp Lejeune the lead activity, and U. S. Naval Hospital and Marine Corps Air Facility and thereby lost to the Navy Department. In addition, approximately 11,000 mandays of work (E/S and recurring) will require either the establishment of area work centers that would necessitate administrative, supervision, indirect labor, material, equipment and transportation support; or would necessitate additional travel between activities. The effect of each factor should be identified and costed. Analysis of the workload would also specify benefits which are attainable in a consolidated workforce that are not currently available.

b. Organization and Staffing. Complete staffing list in accordance with existing organizations at each activity, including MARCORB, should be included in the study. Proposed changes in organization and staffing including increases, decreases, and transfers should be related. Complete staffing list in accordance with proposed organization should be available for comparison. It is not available in reference (b).

c. Functional Statements. Existing and proposed functional statements for each organizational component at each activity, including MARCORB, should be developed and included in the study. Reference (b) recommends the retention of the Marine Corps Air Facility Public Works Officer as Staff Civil Engineer with responsibility for budget preparation, work planning, etc. However, no identifiable staffing allowances are made to assist the Staff Civil Engineer in the orientation of his work requirement into budget requirements, nor his work plan into a fund execution plan of BUDOCKS funds of approximately \$950,000, and preparing for the submission of prescribed funds control data to the funding agencies. In addition, MARCORB has not identified its capability to provide prescribed maintenance cost and fund data in a timely manner.

Each variation between current and proposed organization, function and staffing statements should be individually identified and correlated between the three statements. Only then can the proposal be adequately evaluated to assure that provisions have been made and costed for all required functions.



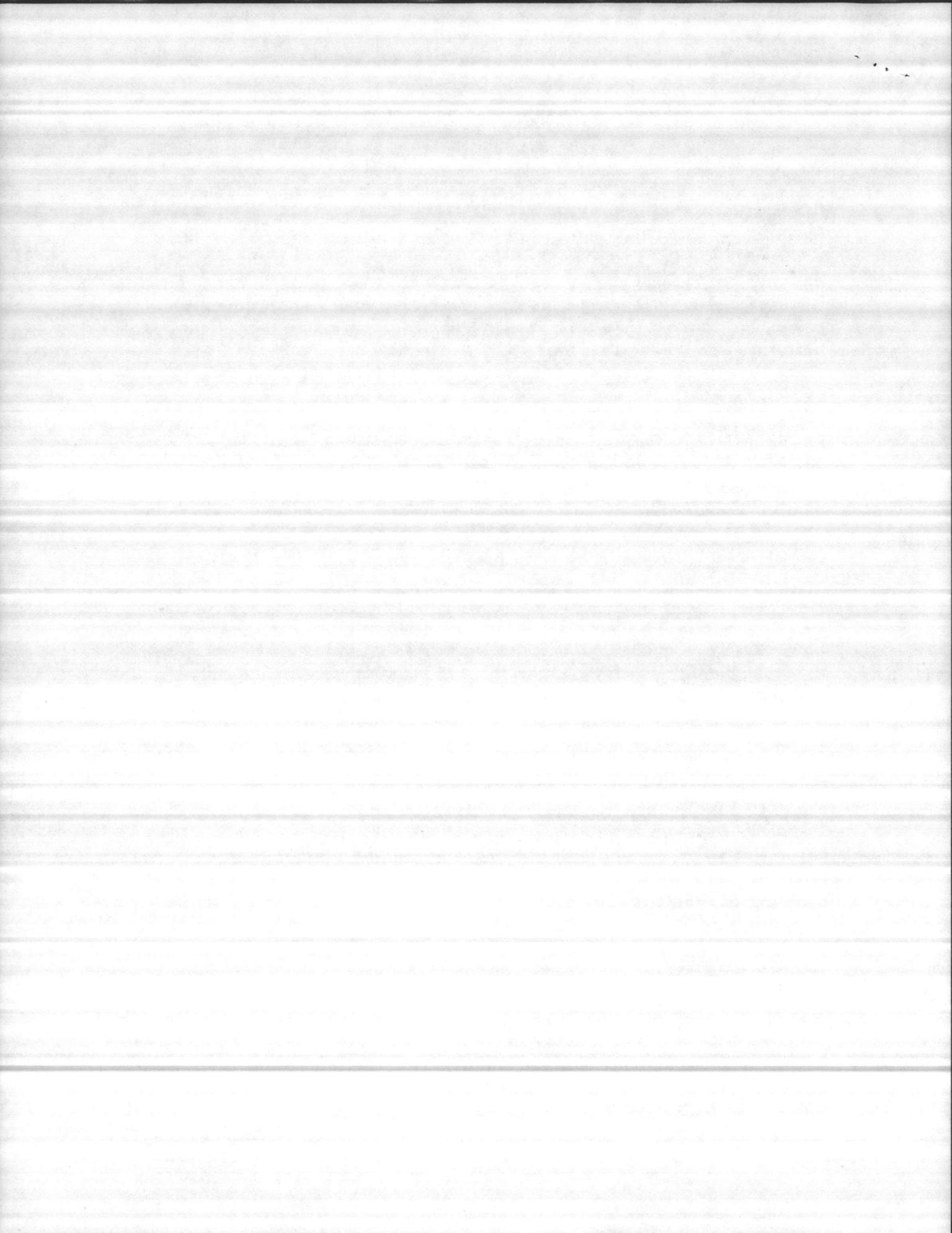
d. Space. A study should be developed to show specifically (charts and schematics) all existing shop space at the activities, including MARCORB; the areas in each building that will not be required; and the proposed use for each of the areas not required; and any changes in space requirements at MARCORB or for area work centers. All alteration and relocation costs should be equated to established savings that result from recommended demolition of buildings and reductions in MCON projects.

e. Shop Tools and Equipment. A study should be developed to show specifically (inventories) all existing shop tools and equipment at each activity including MARCORB and the proposed requirements; and, the excessing plan for tools and equipment not required. Relocation and installation costs are estimable and should be equated against established gains.

6. Utilities. It cannot be seen how the consolidation will eliminate the need for four boiler tender positions. Justification for this cut should be provided. Savings may be possible in the area of major maintenance functions through the elimination of duplicate staffing; however, it is questionable whether any substantial savings can be made in the day-to-day operations and minor maintenance areas since these functions must be staffed essentially as before.

7. It is considered that consolidation of the support services at the Naval Hospital, Camp Lejeune, could possibly be effected at this time. However, by 1 July 1966 perhaps complete analysis should be made to enable both the affected activities and Naval Hospital, Camp Lejeune, to be on firm ground for operations, procedures and funding prior to the actual implementation to avoid any loss of Public Works service that may affect Naval Hospital ability to fulfill its prime mission of medical service.

8. In view of the fact that there is insufficient data to estimate the resulting effectiveness and the economies to be realized by consolidation of the services at the MCAF New River and the MARCORB Camp Lejeune, it is recommended that BUDOCKS withhold approval comments at this time but indicate that a study in the areas of BUDOCKS responsibilities is desirable to further analyze the benefits, define the problem areas and to develop solutions prior to the implementation of a consolidation plan. The following is a suggested course of action to be taken:



a. BUDOCKS recommend to the Commandant of the Marine Corps to have the Commandant, Fifth Naval District appraise the Public Works situation in view of his responsibilities as defined in General Orders 5 and 19 of Navy Regulations and indicate that BUDOCKS under U. S. Navy Regulations and LANTDOCKS, as the area BUDOCKS technical expert, should conduct a formal Public Works consolidation study as a part of that appraisal.

b. BUDOCKS recommend that the implementation date for consolidation of Public Works support services for:

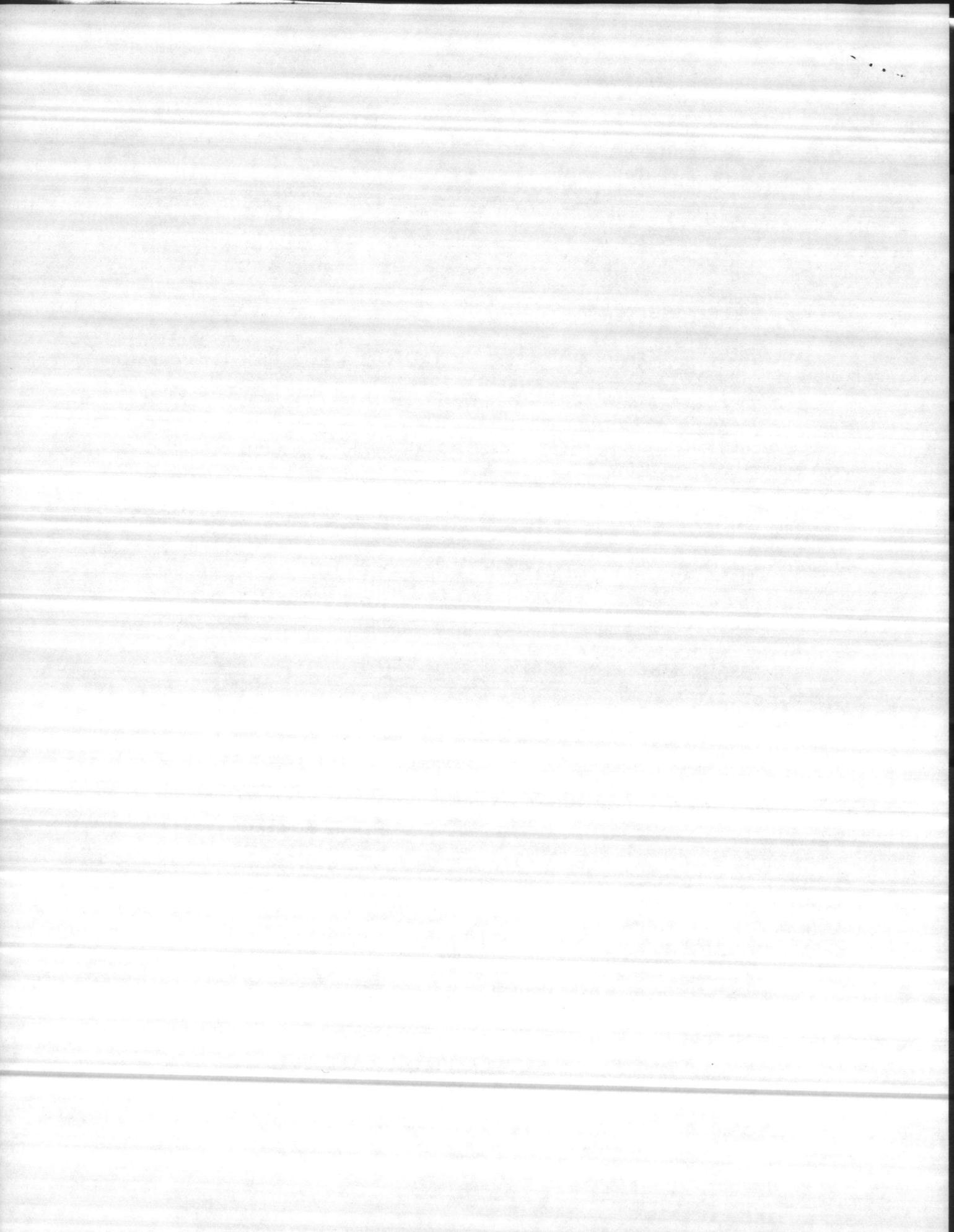
(1) The Naval Hospital, Camp Lejeune be established as 1 July 1966, contingent upon results of LANTDOCKS reviews and if necessary approvals are given, and

(2) For MCAF New River be delayed until 1 July 1967 or later until the time is required to complete the appraisal by COMFIVE, is completed, reviewed and approved.

9. DIRLANTDOCKS has initiated background reviews but will not be able to commence the detailed workload study for NAVHOSP CAMLEJ until mid-May due to the current heavy workload in LANTDOCKS. It is estimated that a minimum of three weeks will be required to conduct a study of NAVHOSP CAMLEJ. A proper study of MCAF New River will take six weeks commencing July 1966.

J. A. Stelger  
Deputy

Copy to:  
CMC  
COMFIVE  
FMFLANT  
COMCAB EAST CHERP  
MARGORB CAMLEJ  
CO NAVHOSP CAMLEJ  
CO MCAF NEW RIVER  
BUVEPS  
BUMED



BASE MAINTENANCE DEPARTMENT  
Marine Corps Base  
Camp Lejeune, North Carolina 28542

(2) Main  
24  
250

21:JE:ba  
7 January 1966

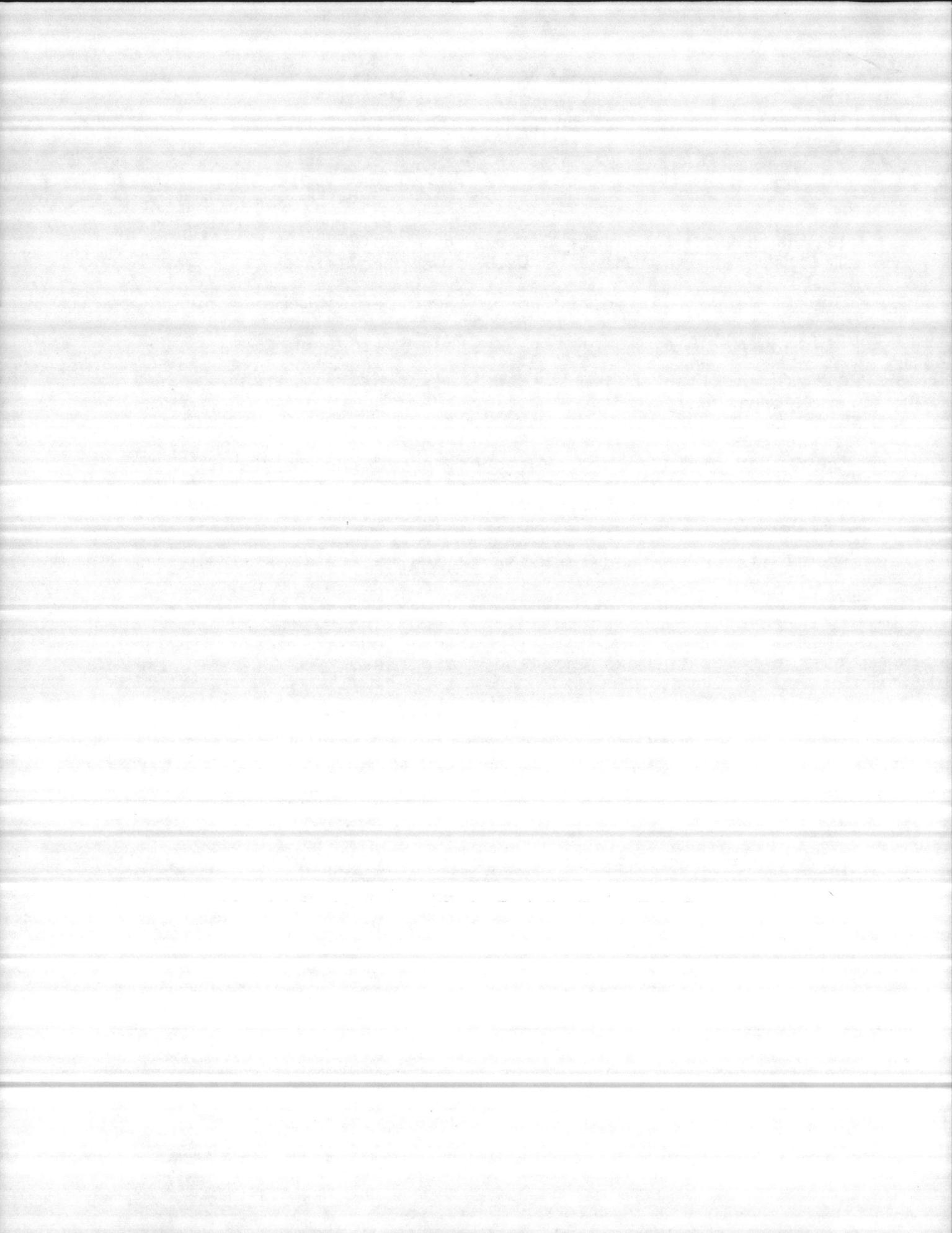
From: Base Maintenance Officer  
To: Assistant Chief of Staff, Comptroller  
Subj: Consolidation of Support Services in Camp Lejeune Area  
Ref: ✓(a) ACofSCompt ltr 9/RCP/jew of 6Jan66

1. In compliance with reference (a) the following comments are furnished:

Paragraph 2a(3) of enclosure (1) to reference (a) states: Operation of telephone exchanges should remain with MCAF New River. Maintenance of the telephone facilities would become the responsibility of the Marine Corps Base, Camp Lejeune.

2. It is understood that the telephone <sup>system</sup> exchange at the Air Facility is owned completely by the Carolina Telephone and Telegraph Company who maintain the system and the cost of maintenance is reflected in the recurring bills. In view of this it is recommended that MCAF continue the responsibility of the telephone exchange and facilities.

T. M. FIELDS



HEADQUARTERS, MARINE CORPS USE  
CAPTAIN LEJEUNE, NORTH CAROLINA

DATE 9/27/65

Maint  
MT  
Supply

From: Chief of Staff

To: Commanding General

Went and Staff did a final  
job on this. I believe it  
will work. 20 areas are soft  
in my opinion - like Supply  
areas and some of the non-  
appropriated funds.

Motor Transport and Maintenance  
are well done.

Recommend your approval

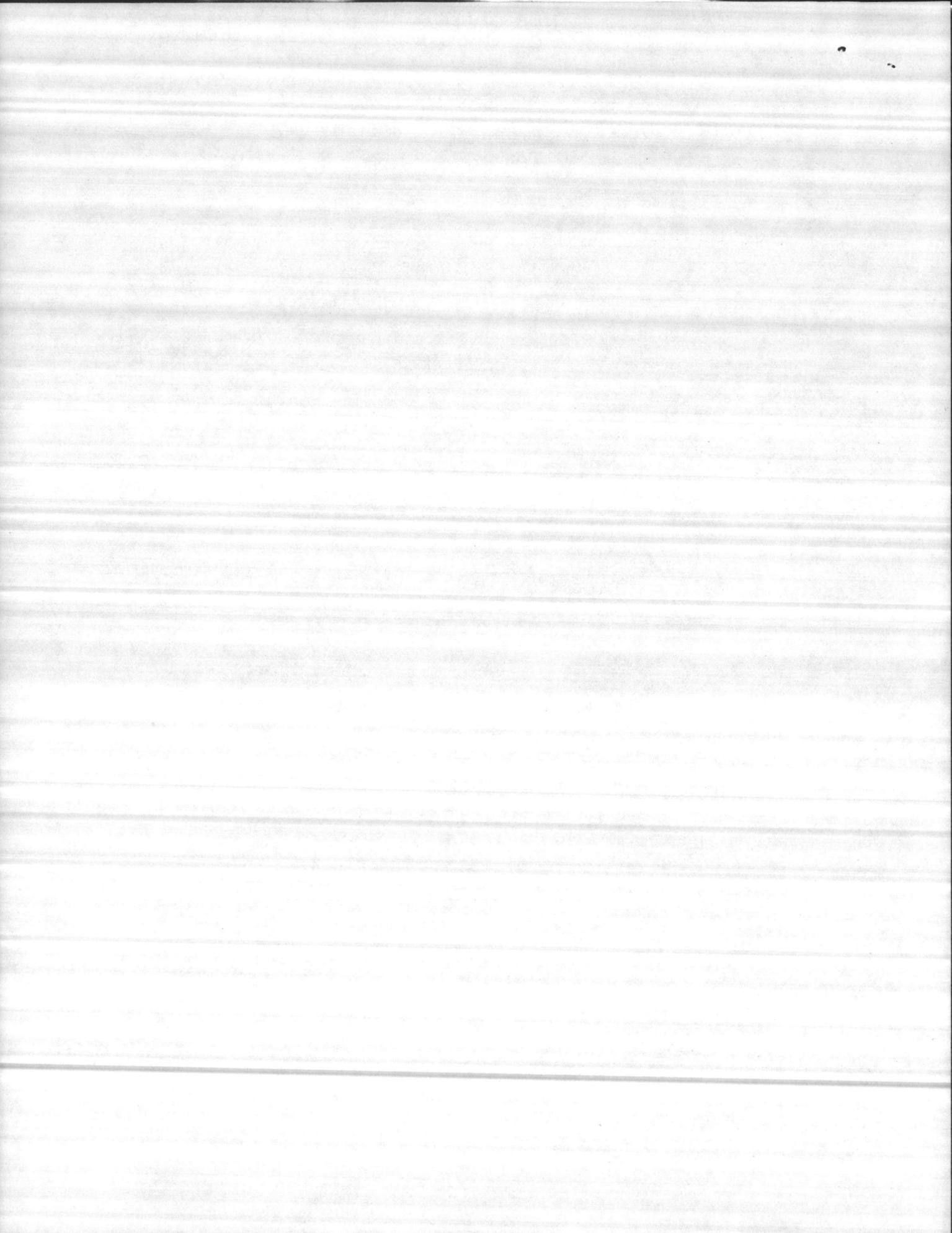
U.R.

W.T.B.

28 Sept. 65  
OK

My

TSI



## Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief of Staff

FROM : Comptroller

DATE: 9/21/65

SUBJECT:

1. Attached is a draft of the Report on Consolidation.

2. Drafts were submitted to USNH and MC AF with requests for non-concurrences to be submitted by 27 Sept. Drafts were mailed to COMCABSEAST for their info. Provision has been made for an annex to contain



## Office Memorandum • UNITED STATES GOVERNMENT

TO :

DATE:

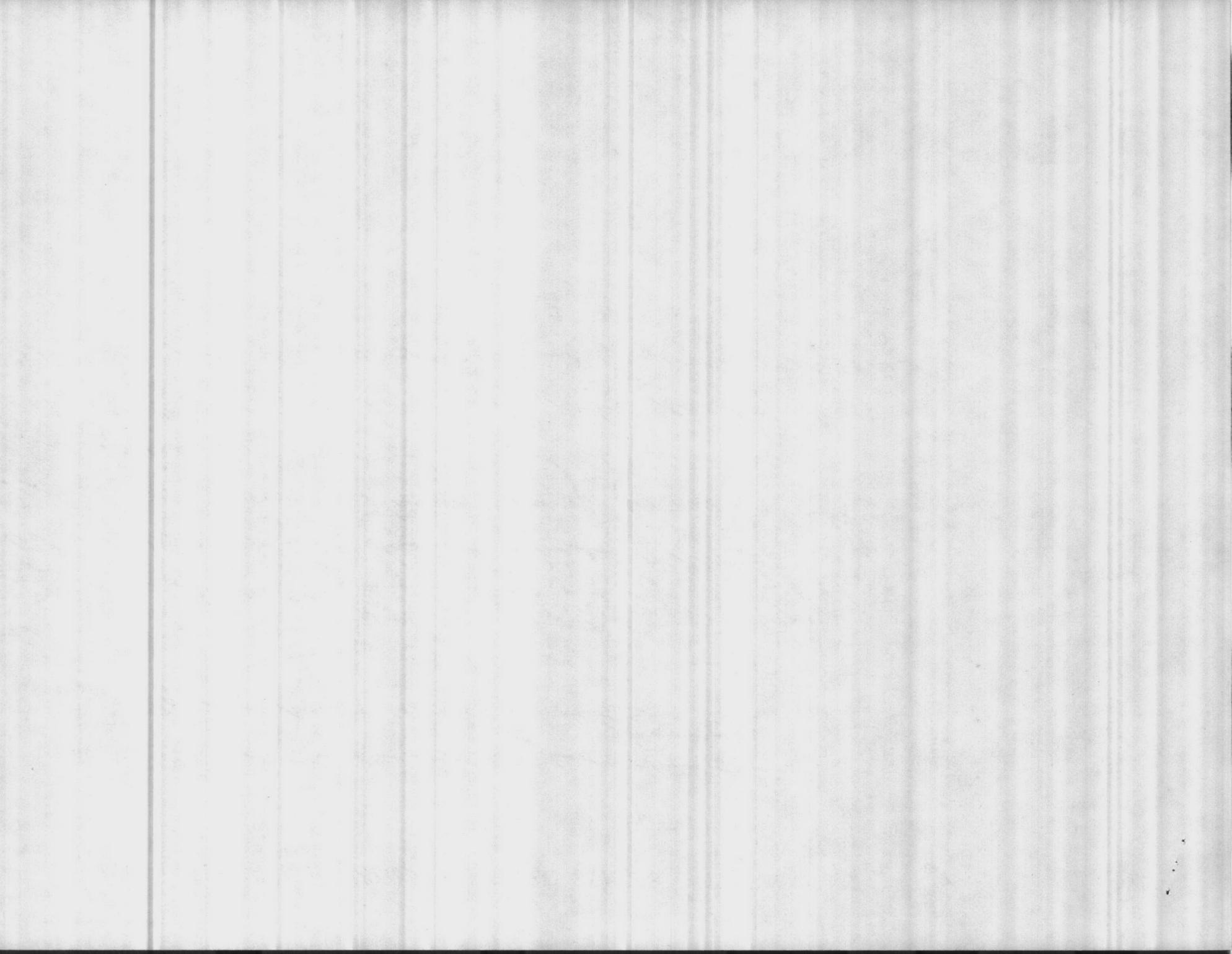
FROM :

SUBJECT:

the non-occurrences,  
if any, with National.

3. Drafts have been sent to  
each copyright activity with  
a request for final review with the  
idea of correcting any errors which  
may have entered in the printing.

4. Upon receipt of all comments  
with non-occurrences <sup>we</sup> will prepare



## Office Memorandum • UNITED STATES GOVERNMENT

TO :

DATE:

FROM :

SUBJECT:

concerning letter and his  
proposal to brief the CG.

Vernon R. Pryor  
vs.

P.S. Mil & files reproduction  
support has been outstanding.



(5) copy  
Maint

HEADQUARTERS  
MARINE CORPS SCHOOLS  
QUANTICO, VIRGINIA

4/mgg  
5 Jun 1963

**From:** Commandant. Marine Corps Schools  
**To:** Commanding Officer, U. S. Naval Hospital  
Commanding Officer, Marine Corps Air Station

**Subj:** Consolidation of the U. S. Naval Hospital and Marine Corps Air Station Maintenance functions with the Marine Corps Schools Maintenance Department; implementation of

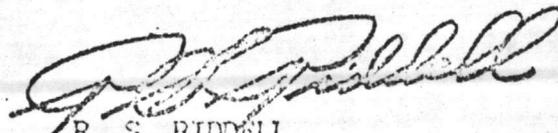
**Ref:** ✓ (a) Implementation Plan for Consolidation of the Support Activities of MCS, USNH, and MCAS, Quantico, Virginia of July 1962  
X (b) CMC ltr COC-1-bjp of 4 Apr 63

**Encl:** (1) Implementation Plan for Consolidation of the USNH and MCAS Maintenance Functions with the MCS Maintenance Department  
(2) HQMC Errata Sheet to reference (a)

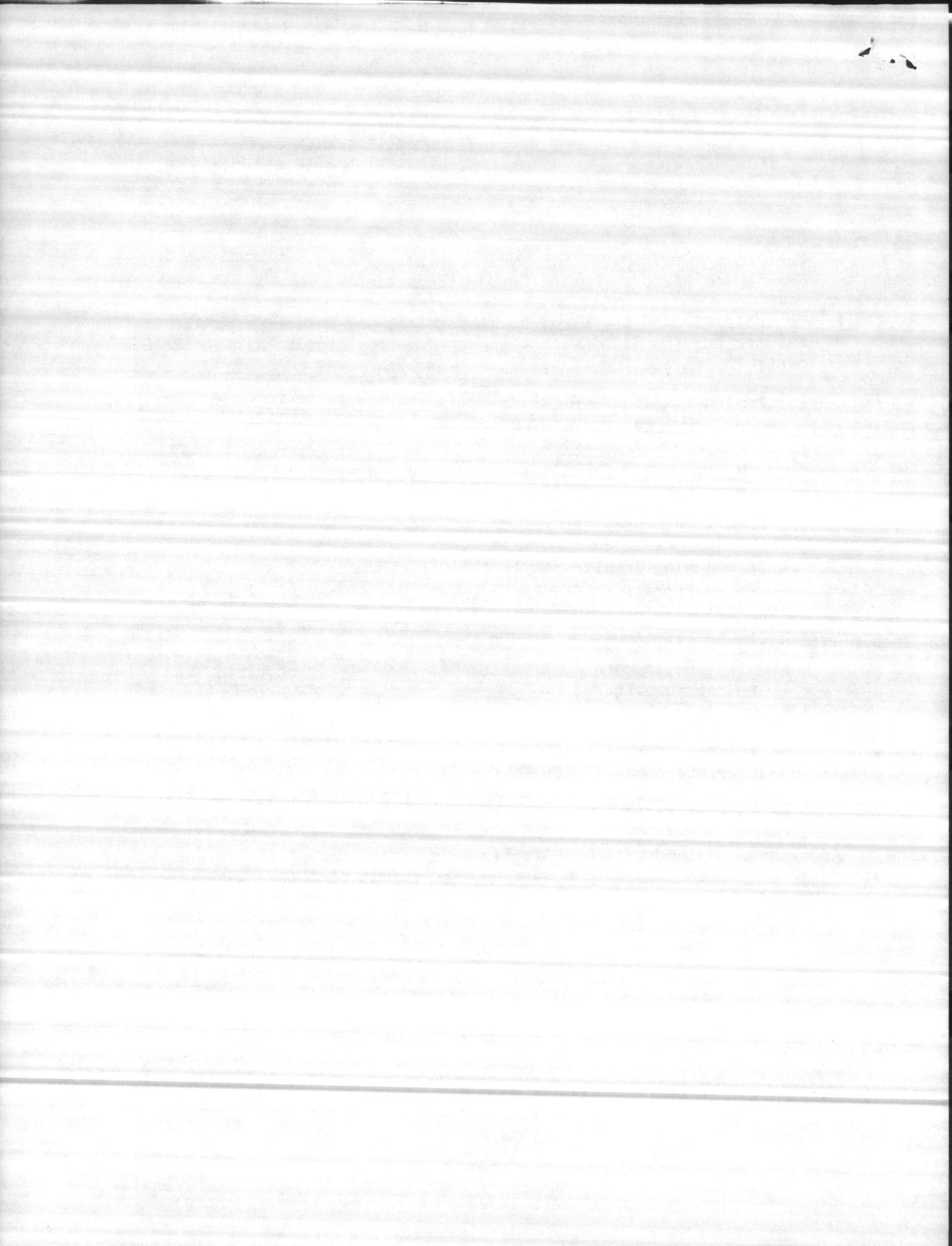
1. The basic planning details set forth in the Marine Corps Schools Implementation Plan of July 1962, reference (a), as corrected by enclosure (2), are approved for execution by reference (b). The Marine Corps Schools Maintenance/Engineer Officer is designated as the responsible officer for coordinating the details of the consolidation of Maintenance functions, and shall promulgate guidance and instructions to supplement enclosure (1) as required, and when approved by this Headquarters.

2. The effective date for consolidation is 1 July 1963. Enclosure (1) provides basic guidance for planning and execution of the subject consolidation. Additional information pertaining to funding and arrangements for transfer of personnel ceiling spaces and end-strength personnel authorizations will be provided as soon as it is available.

3. Addressees will assess the effectiveness of the consolidation one year after implementation has been completed, and submit to this Headquarters, by 15 July 1964, a report of the over-all management effectiveness, responsiveness to maintenance requirements and monetary savings realized.

  
R. S. RIDDELL  
By direction

Copy to: Maint/EngrO (10)  
AC/S, G-1 (10)  
AC/S, G-4 (25)  
Comptroller (5)



IMPLEMENTATION PLAN FOR  
CONSOLIDATION OF THE SUPPORT ACTIVITIES  
OF MARINE CORPS SCHOOLS, MARINE CORPS  
AIR STATION, AND U. S. NAVAL HOSPITAL  
LOCATED AT QUANTICO, VIRGINIA

JULY 1962





COMMANDANT  
MARINE CORPS SCHOOLS  
QUANTICO, VIRGINIA

ROC-3 Copy

42/jam  
5040/1

3 AUG 1962

From: Commandant, Marine Corps Schools, Quantico, Virginia

To: Commandant of the Marine Corps (Code COC)

Subj: Consolidation of Support Services in the Quantico, Virginia Area

Ref: X (a) CMC ltr COC-1-pac of 16 April 1962

Encl: (1) Ten (10) copies "Implementation Plan for Consolidation of the Support Activities of Marine Corps Schools, Marine Corps Air Station, and the U.S. Naval Hospital located at Quantico, Virginia"

1. Reference (a) requested an implementation plan for the consolidation of support activities in the Quantico, Virginia Area be prepared. Upon receipt of reference (a) a Facilities Consolidation Board was established and enclosure (1) was prepared.

2. Particular attention is invited to paragraph 7 of enclosure (1), under "Assumptions" and paragraphs 82 and 83 under "Action Recommended." These paragraphs indicate action which must be initiated at the HQMC/Bureau level to allow operation of the implementation plan. Such action falls into two categories:

a. Action in the fiscal area which will allow Marine Corps Schools, during the initial period of funding on a reimbursable basis, to be paid normally non-recoverable costs and other identifiable costs. These costs include overhead (24% of direct labor) and increased budgeted funds covering wages of personnel transferred to Marine Corps Schools to perform non-reimbursable work and to cover maintenance costs of equipment transferred to Marine Corps Schools.

b. Because of operation under separate Bureaus, the Three Commands are subject to directives which are conflicting in method and placement of responsibility. If operations under an implementation plan are to be standardized, such conflict in all pertinent directives must be resolved.

E. W. SNEDEKER

Copy to: CO: USNH, Quantico, Va.  
CO: MCAS, Quantico, Va.



# IMPLEMENTATION PLAN

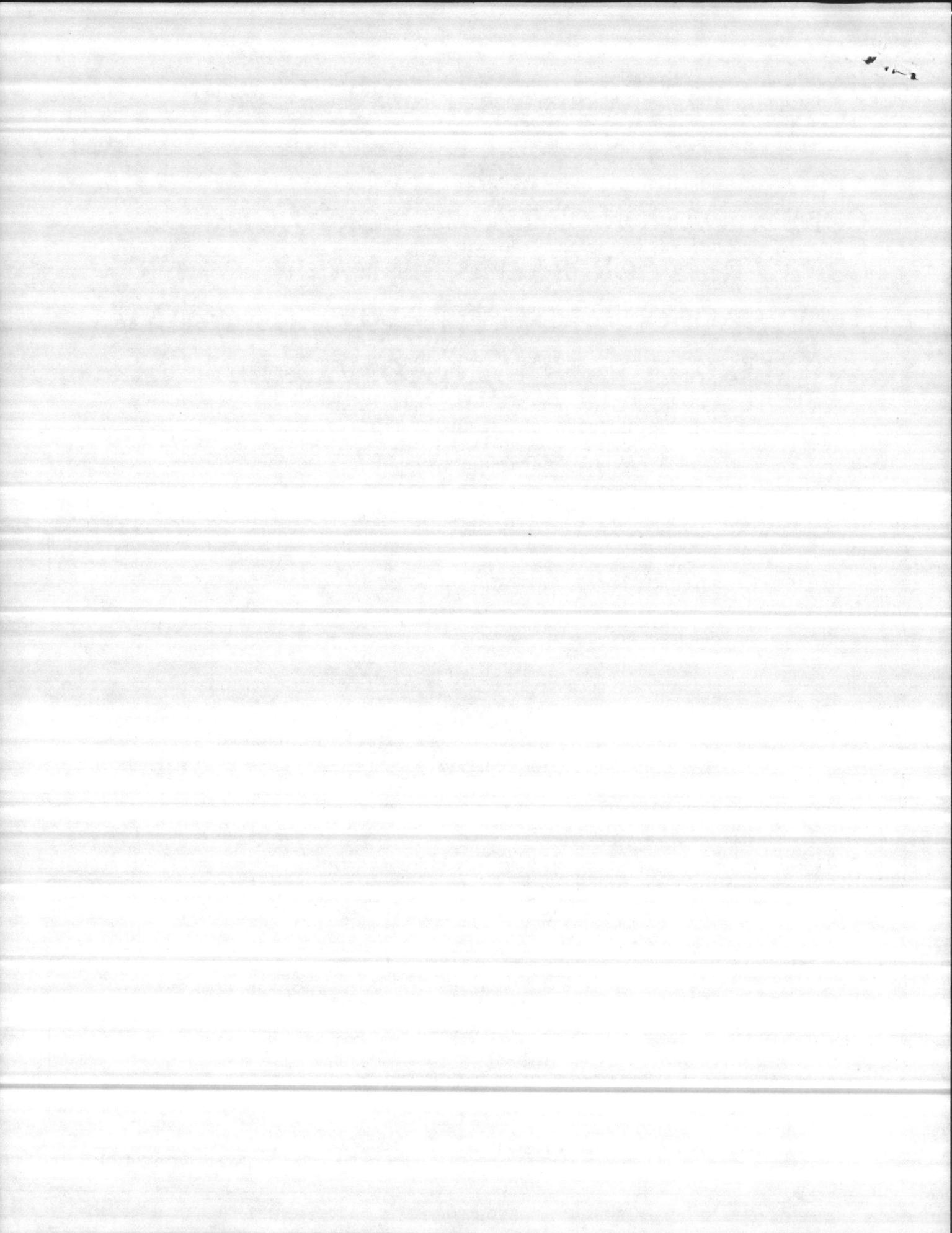
*for*

CONSOLIDATION OF THE SUPPORT ACTIVITIES  
OF MARINE CORPS SCHOOLS, MARINE CORPS  
AIR STATION, AND U. S. NAVAL HOSPITAL  
LOCATED AT QUANTICO, VIRGINIA



July 1962

ENCLOSURE (2)





DEPARTMENT OF THE NAVY  
 HEADQUARTERS UNITED STATES MARINE CORPS  
 WASHINGTON 25, D. C.

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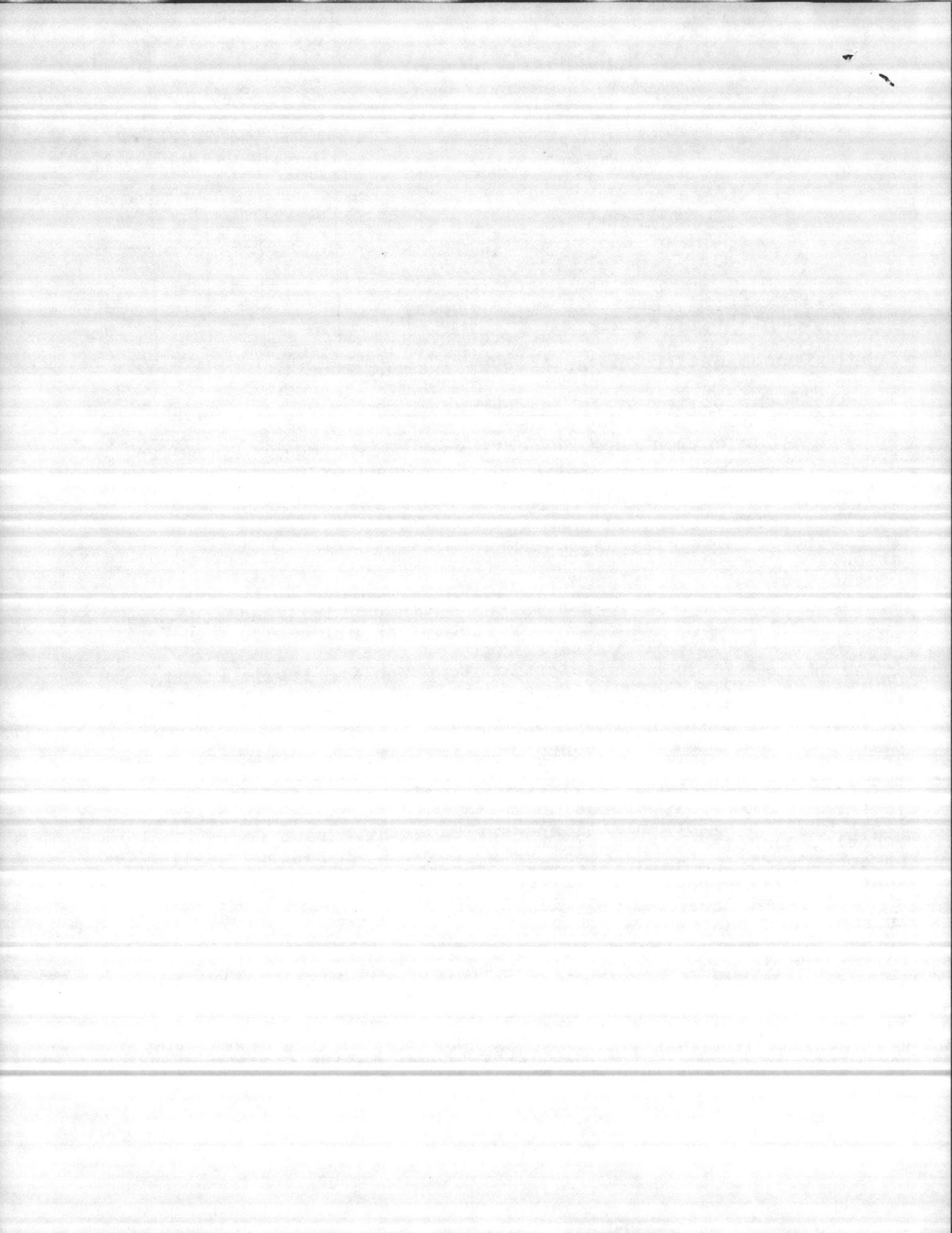
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TVR  
 117

From: Commandant of the Marine Corps  
 To: Commanding General, Marine Corps Base,  
 Camp Lejeune, North Carolina  
 Commandant, Marine Corps Schools,  
 Quantico, Virginia

Subj: Consolidation of Facility Management Functions

1. It is the policy of the Secretary of the Navy that wherever two or more naval shore activities are in close proximity to each other common support services shall be consolidated to the maximum practicable degree and furnished by the major activity.
2. This policy is based upon an effort to effect economies in man-power, materiel and overhead without reducing operational effectiveness. In support of this policy the Secretary of the Navy has established Public Works Centers at those locations susceptible to provisions of industrial fund accounting. These Public Works Centers accomplish all public works type functions for all naval activities in their immediate vicinity. It is not the intention to establish Public Works Centers at Marine Corps managed installations, however, it is the intention to carry out the same concept without the burden of industrial fund accounting and other inherent overhead costs. It is proposed that this concept be furthered by designating the largest of the facility management organizations in an area as the lead activity which will assume leadership and control of all public works type functions. In this instance the facilities management organization established at Marine Corps Schools, Quantico, and Marine Corps Base, Camp Lejeune, will be considered the lead activity. It is therefore essential that the Marine Corps accomplish consolidation of all phases of facilities management whenever economies can be effected. In addition, the Marine Corps must also study the possibility of achieving economies in facilities management through consolidation of public works type effort of all naval activities in the immediate vicinity of Marine Corps managed installations.
3. In order for this Headquarters to determine the extent and desirability for such a program throughout Marine Corps managed activities, general information relative to the impact at the

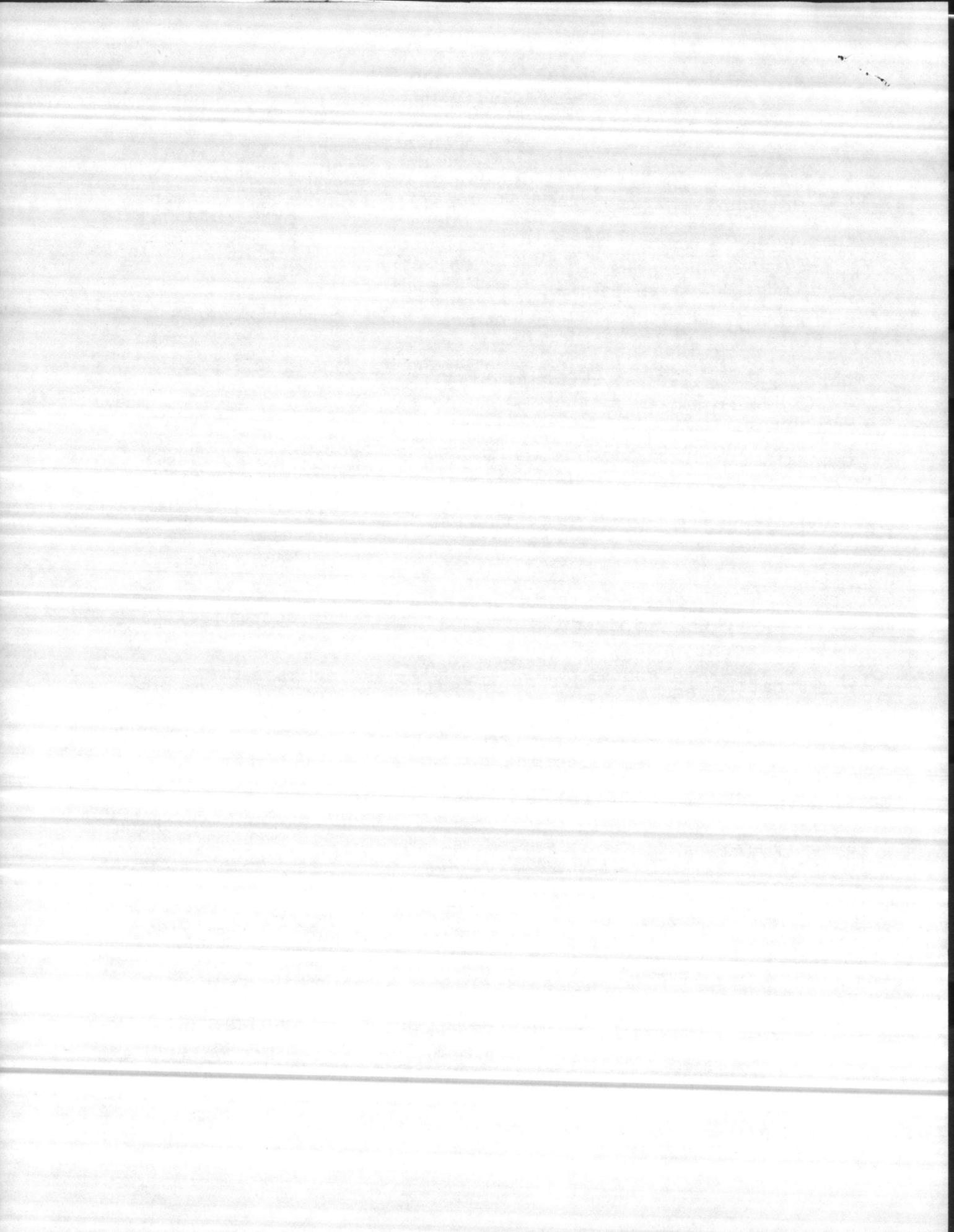


Subj: Consolidation of Facility Management Functions

local level is required. It is therefore requested that you conduct a study of the facilities management functions being conducted at or adjacent to your installation to determine what areas lend themselves to consolidation, both internal and external to current Marine Corps management control. This study should contain a review of the different maintenance and public works functions being conducted. Financial estimates concerning each area of consolidation are required. These estimates should reflect the amount of unrecoverable costs to the Marine Corps that are a direct result of consolidation. Unrecoverable cost estimates should be related to (1) common-use utility systems and facilities to be transferred to the Marine Corps plant account (2) replacement, maintenance and repair of equipment used in maintenance functions and (3) undistributed overhead not authorized for charge on a reimbursable job order. Estimates of unrecoverable costs should be supported by specific data illustrating additional financial burden to the Marine Corps, not required without consolidation. It is further requested that comments and recommendations, relative to the advantages or disadvantages of consolidation, be forwarded to reach this Headquarters by 30 June 1961.

4. The following guidance is provided for the accomplishment of the requested study:

- a. Discontinuance of separate engineering staffs, maintenance activities and major shop facilities primarily concerned with operation and maintenance of real property.
- b. Discontinuance of separate shop facilities for automotive, construction and weight handling equipment.
- c. Transfer of the following to the plant account of the Marine Corps.
  - (1) All common use utility systems.
  - (2) All equipment used in support of major facilities management functions, including construction and weight handling equipment.
  - (3) All common-use facilities not restricted to the exclusive use of a single activity such as roads, walks, improved and unimproved areas, other than recreational, and appurtenant structures.



Subj: Consolidation of Facility Management Functions

d. Transfer of civilian personnel, ceiling and financial support of those engaged in facility management and public works operations.

e. Adjust budgeting and funding on basis of plant account transfer.

f. Retention by the appropriate Commanding Officer of financial responsibility for the maintenance of all facilities not involved in the plant account transfer. However, maintenance of the non-transferred facilities to be performed by the central maintenance organization on a reimbursable basis.

*Wallace M. Greene, Jr.*

WALLACE M. GREENE, JR.  
Chief of Staff

Copy to:  
Ch BuMed  
Ch BuWeps

10

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SECNAV 4000.21  
Op-09B  
Ser 84P09B  
15 October 1960

SECNAV INSTRUCTION 4000.21

From: Secretary of the Navy  
To: Distribution List

Subj: Consolidation of support services among shore activities

1. Purpose. To promulgate the policy of the Secretary of the Navy with respect to consolidating common support services at shore activities.
2. Policy. It is the policy of the Secretary of the Navy that wherever two or more naval shore activities are in close proximity to each other, common support services shall be consolidated to the maximum practicable degree.
3. Action. In every case where consolidation of common support activities may be advantageously effected, commandants of naval districts and appropriate operating force commanders shall recommend consolidation to the Chief of Naval Operations, who, after clearing such consolidation with the Secretary of the Navy, shall issue appropriate instructions. The Comptroller of the Navy shall assist the Chief of Naval Operations in developing the necessary financial procedures required to implement the above policy.

/s/ W. B. FRANKE  
Secretary of the Navy

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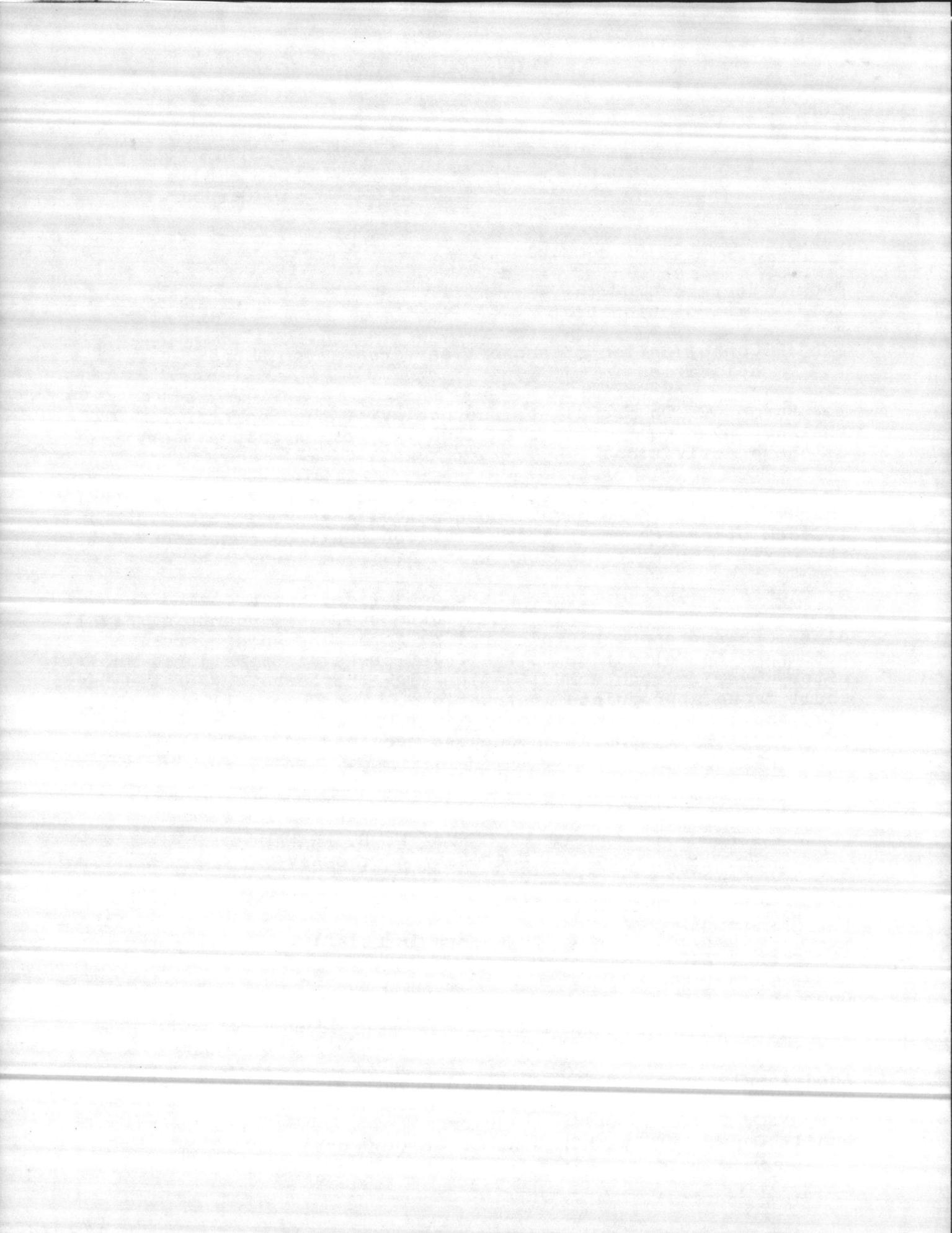
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ENCLOSURE (1)



CLNC



DEPARTMENT OF THE NAVY

OFFICE OF THE COMPTROLLER

WASHINGTON, D. C. 20360

IN REPLY REFER TO

NAVCOMPTINST 7100.43  
NCB-32  
NCB  
15 May 1967

NAVCOMPT INSTRUCTION 7100.43

From: Comptroller of the Navy  
To: Distribution List

Subj: Budgeting and funding for public works maintenance and operating costs at complexes served by public works centers or public works "lead" activities

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- Purpose. To assign budgeting and funding responsibility for facility management maintenance and operating costs at Department of the Navy field activity complexes served by public works centers or by other activities whose missions include public works "lead activity" responsibility.
- Background. Under the principles of the Department of Defense concept for resource management of the Operations, Navy appropriation the Department of the Navy is required to align fund resources with benefiting operating expense budgets and responsibility centers these budgets support. For a variety of reasons through the years the funding pattern for public works center and public works lead activity product output has resulted in a significant allocation of expense type funds to the public works "producer". As a result, many benefiting consumer activities are receiving public works products on a common-service basis. A study team composed of Navy Comptroller and Facilities Engineering Command representatives has reviewed this process from the budget, accounting, management, and engineering standpoint. Included in the review was an on-the-spot study, in depth, of one of the Navy's largest tidewater complexes served by a public works center. Based on this study a rationale was developed which is intended to result in practical funding assignments, define and realign plant account properties, while retaining the management and cost savings advantages of a single public works performing activity at large complexes. The related plant account definitions and responsibility policy will be promulgated in a separate directive.
- Definitions: The following definitions are established for the purpose of this Instruction.

NAVCOMPTINST 7100.43  
15 May 1967

a. Facilities Engineering Command Mission Assignments include:

- (1) Facilities maintenance inspection
- (2) Facilities planning and engineering
- (3) Disaster control and training - at PWCs
- (4) Safety and driver training - at PWCs

b. Public Works Activity, unless otherwise indicated, will include:

- (1) Public Works Centers (Navy industrial funded)
- (2) Public Works Centers (Not funded under NIF)
- (3) Public Works Departments of activities having "lead activity" responsibilities for public works functions.

c. Those facilities which provide access to, or service more than one shore activity are considered common service facilities and include roads, parking lots, walkways and ground including protective drainage structures such as culverts, flumes and ditches.

d. Other roads, parking lots, walkways and grounds which are reserved primarily for the use of a single shore activity are considered non-common facilities.

e. The phrase "the public works activity will initially finance" as used in this instruction refers to the initial cash outlay to accomplish work in the specific areas. Such initial financing from the NIF account of an industrially funded activity, or the expense operating budget of non-NIF activity will be subject to full recovery through reimbursement procedures as specified below.

4. Requirement interfaces and practical resolution. The resources management concept includes as a principle the expensing of all related costs to the benefiting responsibility center. It discourages the prorating of expenses. The Navy follows a policy of establishing field activities, to the extent feasible, in existing complexes and facilities. The individual activities may occupy space ranging from a few rooms up to several buildings. Personnel employed vary from less than ten in number to thousands. In the Norfolk Naval Base complex there are over fifty different activities not including ships. Personnel assigned to these activities plus military personnel assigned to sea units may reach 100,000 in number on any given day. It is not considered feasible to develop a precise method of expensing common bus and taxi service or, common service roads, parking lots and walkways to all the responsibility centers supporting the activities located in the base complex. For example, the Public Works Center, Norfolk being a Navy industrial funded activity must bill out all its costs to its "customers".

Inasmuch as the Public Works Center must plan and project its workload on the basis of economical utilizations of its personnel in keeping with anticipated customer funding, reasonable precautions with regard to assured reimbursement for common services rendered are mandatory. An additional consideration is the fact that planning for street and road maintenance and operation costs by zone is impossible. Snow removal (operations) costs are not always predictable; the age and basic construction of common roads and walkways may vary throughout a complex. Funding for repairs and operations on a zone basis could easily result in a situation where repair requirements in one zone exceed the funding for these requirements while an adjacent zone may have less requirements than the level budgeted for. Public works activity personnel could be on an idle time basis or have to be charged to a suspense fund device pending a realignment of fund resources. The funding assignments that follow are premised on determining practical and feasible factors to aid in cost determination for assignment to a minimum number of activities. The objective is to obtain full benefit of amounts budgeted for public works.

5. Budgeting and funding assignments effective for Fiscal Year 1968 and subsequent Operations, Navy appropriations

a. Common roads, walkways, and parking lots, grounds

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common roads, common walkways, and common parking lots subject to reimbursement from activities identified in subparagraph (2).

(2) Funding and reimbursement. The following activities will budget in their expense operating budget for the total cost of maintenance and operations of common roads, common walkways, and common parking lots in the complex where they are located.

Naval Station, Newport, Rhode Island  
Naval Station, Norfolk, Virginia  
Naval Station, Guantanamo  
Naval Air Station, Pensacola  
Naval Training Center, Great Lakes  
Naval Station, San Diego  
Naval Station, Pearl Harbor  
Naval Station, Guam  
Fleet Activities, Yokosuka  
Naval Station, Subic Bay

Public works "lead" activities will budget for the total cost of common roads, common walkways, and common parking lots in the complex they maintain.

b. Common bus and taxi service

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common bus and taxi service subject to reimbursement.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget in their expense operating budget for the total cost of common bus and taxi service.

c. Electric generating and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of electric generation and distribution systems. System costs will include the maintenance and operation costs of street lights and automotive traffic control systems. The public works activity will develop an electric unit product rate which will recover the costs of the utility system. Street lights and traffic control light costs will be included as a factor in the electric unit rate.

(2) Funding and reimbursement to public works activity. Normally each activity receiving electrical energy from the public works activity will budget and fund for his requirements based on estimated consumption times the rate to be established in accordance with paragraph 5.c.(1). A small activity occupying a relatively minor percentage of space in a host's building will be an exception. In this case the host will fund for the electrical energy provided to the tenant's space. In cases where one or more tenants occupy significant amounts of space and metering is not possible it will be the host's responsibility to arrange with his tenants for the number of electrical energy units (based on engineering estimates) the tenant will fund. It is the host's responsibility to fund for electrical energy not otherwise funded by tenants pursuant to the policy in this paragraph.

d. Steam and high temperature water systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of steam and hot water systems. The public works activity will develop product unit rates which will recover the cost of the systems.

(2) Funding and reimbursement to public works activity. Funding and reimbursement to public works activities for steam and hot water system products will be on the same basis prescribed in subparagraph 5.c.(2).

e. Water systems including potable, nonpotable, fire mains, and treatment plants

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of water systems. The public works activity will develop product unit rates which will recover the costs of the systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for water systems products will be on the same basis prescribed in paragraph 5.c.(2).

f. Sanitary and combined sanitary/storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of sanitary and combined sanitary/storm drainage systems. The public works activity will develop a product unit cost that will recover the combined costs of the sanitary and storm drainage systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for sanitary and combined sanitary/storm drainage unit costs will be on the same basis prescribed in subparagraph 5.c.(2).

g. Separate storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of storm drainage systems not connected to sanitary drainage systems. The public works activity will bill the costs to the customer activities on a job cost basis or fixed price basis.

(2) Funding and reimbursement. The costs of maintenance and operation of separate storm drainage systems which serve a single major shore activity, i.e., a submarine base, an air station, a supply depot or center, will be budgeted for by the activity it serves. The costs of maintenance and operations of separate storm drainage systems which serve more than one activity will be budgeted for by the applicable activity identified in subparagraph 5.a.(2).

h. Natural and manufactured gas storage and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of natural and manufactured gas storage and distribution systems. The public works activity will develop a product rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for natural and manufactured gas system product will be on the basis prescribed in subparagraph 5.c.(2).

i. Compressed air plants and distribution systems

(1) The public works activity will initially finance all maintenance and operation costs of compressed air plants and distribution systems. The public works activity will develop a product unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for compressed air system product will be on the basis prescribed in subparagraph 5.c.(2).

j. Central Base Fire Alarm Systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of fire alarm systems.

(2) Funding and reimbursement. The activity assigned the firefighting mission for the complex will fund for and reimburse the public works activity for fire alarm system costs. If a public works lead activity not funded by the industrial fund has the firefighting mission, the fire alarm system costs will be funded by the expense operating budget of the lead activity.

k. Refuse collection and disposal systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of refuse collection and disposal systems. The public works activity will develop a unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for refuse collection and disposal will be on the basis prescribed in subparagraph 5.c.(2).

l. Railroad systems

(1) Initial costs. The public works activity will initially finance all railroad system maintenance and operating costs including government locomotives and their crews but excluding the costs of commercial railroad switch engines moving railroad cars under switching agreements on the system. The public works activity will establish car spotting rates which will recover the costs of the system. Separate

rates will be established if a system includes commercial switching; one for government locomotives and a second one which excludes the government locomotive and crew factors.

(2) Funding and reimbursement. All activities on a complex will budget for spotting railroad cars containing material consigned to them. Costs of respotting cars required by consignee activities will also be budgeted by the consignees.

m. Automotive transportation rental systems

(1) Initial costs. The public works activity will initially finance the maintenance of all autos and trucks under their accountability. The public works activity will establish user rates which will recover all maintenance costs and when applicable operating costs from user activities.

(2) Funding and reimbursement. All activities utilizing autos and trucks under the accountability of the public works activity will budget for their use on the basis of the public works activity's applicable rate. Note that taxis are covered in subparagraph 5.b.

n. Public works peculiar equipments

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of mobile cranes, stationery cranes, floating cranes, and other equipments peculiar to the public works activity mission and under its accountability. The public works activity will establish user rates by type of equipment to recover the maintenance and operation costs.

(2) Funding and reimbursement. All activities utilizing the services of public works activity peculiar equipments will budget for these services on the public works activity's user rate for the applicable equipments.

o. Telephone systems

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of telephone communication systems (does not include microwave, radio, intercom, hot lines or separate fire alarm systems). The public works activity will establish user telephone instrument rates which will recover the costs of the system.

(2) Funding and reimbursement. All activities having assigned telephone instruments will budget for this service on the basis of the applicable public works activity instrument rate. Additionally, the user activities will budget for commercial toll calls originating from instruments assigned to them.

p. Real property maintenance and repairs funding in activity expense operating budgets

(1) Initial costs. The public works activity will initially finance costs for maintenance and repairs of real property funded in "customer" activities expense operating budgets. The public works activity will bill the customer on a job cost basis, fixed rate, or fixed price basis.

(2) Funding and reimbursement. All activities having assigned real property will budget for routine maintenance and repair costs for such property (see subparagraph 5.t. with regard to major repair projects). Assigned real property as used in this paragraph includes piers, quay walls, non-common road, parking lots, and walkways within, adjacent to, and/or assigned primarily for the use of a specific activity. Piers and quay walls assigned primarily for the use of a specific activity, i.e., a submarine base, a ship repair activity, a naval supply center, or naval supply depot, will be funded by the activity having the primary use. Piers and quay walls assigned to general fleet berthing will be funded by the activities identified in subparagraph 5.a.(2).

q. Insect and rodent control - entomology services

(1) Initial costs. The public works activity will initially finance the costs of rodent control and entomology services. The public works activity will bill the costs to the customer activities on a job cost or fixed price basis.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of exterior rodent and entomology services. The costs of rodent and entomology services provided within buildings and structures will be budgeted for by the activity ordering the services.

r. Intra-station household moves

(1) Initial costs. The public works activity will initially finance costs of intra-station household moves. The public works activity will bill the costs to the customer activity.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of intra-station moves.

s. Janitorial services

(1) Initial costs. The public works activity will initially finance the costs of janitorial services. The public works activity will develop a rate which will recover the costs.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for janitorial services will be on the same basis prescribed in paragraph 5.c.(2).

t. Minor construction, alterations, improvements, and major repair projects

Instructions for funding this area will be promulgated by CNO/CMC.

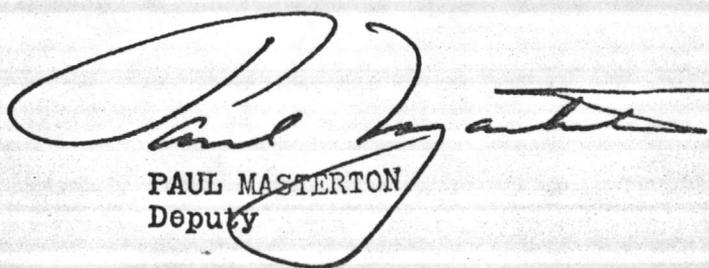
u. Facilities Engineering Command mission responsibilities

(1) Initial costs. The public works activity will initially finance the maintenance and operation costs of Facilities Engineering Command mission responsibility functions. These functions include those specified in subparagraph 3.a.

(2) Funding and reimbursement. The Facility Engineering Field Division directed by the Facilities Engineering Command to support assigned public works activities will budget for the FACENGCOC mission responsibility functions performed by the assigned public works activities.

6. Coordination. It is of utmost importance that a mutual exchange of information is conducted between activities assigned budgeting and funding responsibilities for public works type expenses and the public works activity. The public works activity must have carefully estimated work-load factors to develop rates for the utility products it delivers and for judicious planning of its manning levels to assure economical use of personnel. The budgeting and funding activities on the other hand must have utility rates and cost estimates for work in order to construct their expense operating budgets. Coordination should be a continuous matter but additional emphasis should be made during the expense operating budget formulation stage.

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PAUL MASTERTON  
Deputy

NAVCOMPTINST 7100.43  
15 May 1967

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NAVCOMPTINST 7100.43  
NCB-32  
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15 May 1967

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NAVCOMPT INSTRUCTION 7100.43

From: Comptroller of the Navy  
To: Distribution List

Subj: Budgeting and funding for public works maintenance and operating costs at complexes served by public works centers or public works "lead" activities

- Purpose. To assign budgeting and funding responsibility for facility management maintenance and operating costs at Department of the Navy field activity complexes served by public works centers or by other activities whose missions include public works "lead activity" responsibility.
- Background. Under the principles of the Department of Defense concept for resource management of the Operations, Navy appropriation the Department of the Navy is required to align fund resources with benefiting operating expense budgets and responsibility centers these budgets support. For a variety of reasons through the years the funding pattern for public works center and public works lead activity product output has resulted in a significant allocation of expense type funds to the public works "producer". As a result, many benefiting consumer activities are receiving public works products on a common-service basis. A study team composed of Navy Comptroller and Facilities Engineering Command representatives has reviewed this process from the budget, accounting, management, and engineering standpoint. Included in the review was an on-the-spot study, in depth, of one of the Navy's largest tidewater complexes served by a public works center. Based on this study a rationale was developed which is intended to result in practical funding assignments, define and realign plant account properties, while retaining the management and cost savings advantages of a single public works performing activity at large complexes. The related plant account definitions and responsibility policy will be promulgated in a separate directive.
- Definitions: The following definitions are established for the purpose of this Instruction.

NAVCOMPTINST 7100.43  
15 May 1967

a. Facilities Engineering Command Mission Assignments include:

- (1) Facilities maintenance inspection
- (2) Facilities planning and engineering
- (3) Disaster control and training - at PWCs
- (4) Safety and driver training - at PWCs

b. Public Works Activity, unless otherwise indicated, will include:

- (1) Public Works Centers (Navy industrial funded)
- (2) Public Works Centers (Not funded under NIF)
- (3) Public Works Departments of activities having "lead activity" responsibilities for public works functions.

c. Those facilities which provide access to, or service more than one shore activity are considered common service facilities and include roads, parking lots, walkways and ground including protective drainage structures such as culverts, flumes and ditches.

d. Other roads, parking lots, walkways and grounds which are reserved primarily for the use of a single shore activity are considered non-common facilities.

e. The phrase "the public works activity will initially finance" as used in this instruction refers to the initial cash outlay to accomplish work in the specific areas. Such initial financing from the NIF account of an industrially funded activity, or the expense operating budget of non-NIF activity will be subject to full recovery through reimbursement procedures as specified below.

4. Requirement interfaces and practical resolution. The resources management concept includes as a principle the expensing of all related costs to the benefiting responsibility center. It discourages the prorating of expenses. The Navy follows a policy of establishing field activities, to the extent feasible, in existing complexes and facilities. The individual activities may occupy space ranging from a few rooms up to several buildings. Personnel employed vary from less than ten in number to thousands. In the Norfolk Naval Base complex there are over fifty different activities not including ships. Personnel assigned to these activities plus military personnel assigned to sea units may reach 100,000 in number on any given day. It is not considered feasible to develop a precise method of expensing common bus and taxi service or, common service roads, parking lots and walkways to all the responsibility centers supporting the activities located in the base complex. For example, the Public Works Center, Norfolk being a Navy industrial funded activity must bill out all its costs to its "customers".

Inasmuch as the Public Works Center must plan and project its workload on the basis of economical utilizations of its personnel in keeping with anticipated customer funding, reasonable precautions with regard to assured reimbursement for common services rendered are mandatory. An additional consideration is the fact that planning for street and road maintenance and operation costs by zone is impossible. Snow removal (operations) costs are not always predictable; the age and basic construction of common roads and walkways may vary throughout a complex. Funding for repairs and operations on a zone basis could easily result in a situation where repair requirements in one zone exceed the funding for these requirements while an adjacent zone may have less requirements than the level budgeted for. Public works activity personnel could be on an idle time basis or have to be charged to a suspense fund device pending a realignment of fund resources. The funding assignments that follow are premised on determining practical and feasible factors to aid in cost determination for assignment to a minimum number of activities. The objective is to obtain full benefit of amounts budgeted for public works.

5. Budgeting and funding assignments effective for Fiscal Year 1968 and subsequent Operations, Navy appropriations

a. Common roads, walkways, and parking lots, grounds

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common roads, common walkways, and common parking lots subject to reimbursement from activities identified in subparagraph (2).

(2) Funding and reimbursement. The following activities will budget in their expense operating budget for the total cost of maintenance and operations of common roads, common walkways, and common parking lots in the complex where they are located.

Naval Station, Newport, Rhode Island  
Naval Station, Norfolk, Virginia  
Naval Station, Guantanamo  
Naval Air Station, Pensacola  
Naval Training Center, Great Lakes  
Naval Station, San Diego  
Naval Station, Pearl Harbor  
Naval Station, Guam  
Fleet Activities, Yokosuka  
Naval Station, Subic Bay

Public works "lead" activities will budget for the total cost of common roads, common walkways, and common parking lots in the complex they maintain.

b. Common bus and taxi service

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common bus and taxi service subject to reimbursement.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget in their expense operating budget for the total cost of common bus and taxi service.

c. Electric generating and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of electric generation and distribution systems. System costs will include the maintenance and operation costs of street lights and automotive traffic control systems. The public works activity will develop an electric unit product rate which will recover the costs of the utility system. Street lights and traffic control light costs will be included as a factor in the electric unit rate.

(2) Funding and reimbursement to public works activity. Normally each activity receiving electrical energy from the public works activity will budget and fund for his requirements based on estimated consumption times the rate to be established in accordance with paragraph 5.c.(1). A small activity occupying a relatively minor percentage of space in a host's building will be an exception. In this case the host will fund for the electrical energy provided to the tenant's space. In cases where one or more tenants occupy significant amounts of space and metering is not possible it will be the host's responsibility to arrange with his tenants for the number of electrical energy units (based on engineering estimates) the tenant will fund. It is the host's responsibility to fund for electrical energy not otherwise funded by tenants pursuant to the policy in this paragraph.

d. Steam and high temperature water systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of steam and hot water systems. The public works activity will develop product unit rates which will recover the cost of the systems.

(2) Funding and reimbursement to public works activity. Funding and reimbursement to public works activities for steam and hot water system products will be on the same basis prescribed in subparagraph 5.c.(2).

e. Water systems including potable, nonpotable, fire mains, and treatment plants

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of water systems. The public works activity will develop product unit rates which will recover the costs of the systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for water systems products will be on the same basis prescribed in paragraph 5.c.(2).

f. Sanitary and combined sanitary/storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of sanitary and combined sanitary/storm drainage systems. The public works activity will develop a product unit cost that will recover the combined costs of the sanitary and storm drainage systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for sanitary and combined sanitary/storm drainage unit costs will be on the same basis prescribed in subparagraph 5.c.(2).

g. Separate storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of storm drainage systems not connected to sanitary drainage systems. The public works activity will bill the costs to the customer activities on a job cost basis or fixed price basis.

(2) Funding and reimbursement. The costs of maintenance and operation of separate storm drainage systems which serve a single major shore activity, i.e., a submarine base, an air station, a supply depot or center, will be budgeted for by the activity it serves. The costs of maintenance and operations of separate storm drainage systems which serve more than one activity will be budgeted for by the applicable activity identified in subparagraph 5.a.(2).

h. Natural and manufactured gas storage and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of natural and manufactured gas storage and distribution systems. The public works activity will develop a product rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for natural and manufactured gas system product will be on the basis prescribed in subparagraph 5.c.(2).

i. Compressed air plants and distribution systems

(1) The public works activity will initially finance all maintenance and operation costs of compressed air plants and distribution systems. The public works activity will develop a product unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for compressed air system product will be on the basis prescribed in subparagraph 5.c.(2).

j. Central Base Fire Alarm Systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of fire alarm systems.

(2) Funding and reimbursement. The activity assigned the firefighting mission for the complex will fund for and reimburse the public works activity for fire alarm system costs. If a public works lead activity not funded by the industrial fund has the firefighting mission, the fire alarm system costs will be funded by the expense operating budget of the lead activity.

k. Refuse collection and disposal systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of refuse collection and disposal systems. The public works activity will develop a unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for refuse collection and disposal will be on the basis prescribed in subparagraph 5.c.(2).

l. Railroad systems

(1) Initial costs. The public works activity will initially finance all railroad system maintenance and operating costs including government locomotives and their crews but excluding the costs of commercial railroad switch engines moving railroad cars under switching agreements on the system. The public works activity will establish car spotting rates which will recover the costs of the system. Separate

rates will be established if a system includes commercial switching; one for government locomotives and a second one which excludes the government locomotive and crew factors.

(2) Funding and reimbursement. All activities on a complex will budget for spotting railroad cars containing material consigned to them. Costs of respotting cars required by consignee activities will also be budgeted by the consignees.

m. Automotive transportation rental systems

(1) Initial costs. The public works activity will initially finance the maintenance of all autos and trucks under their accountability. The public works activity will establish user rates which will recover all maintenance costs and when applicable operating costs from user activities.

(2) Funding and reimbursement. All activities utilizing autos and trucks under the accountability of the public works activity will budget for their use on the basis of the public works activity's applicable rate. Note that taxis are covered in subparagraph 5.b.

n. Public works peculiar equipments

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of mobile cranes, stationery cranes, floating cranes, and other equipments peculiar to the public works activity mission and under its accountability. The public works activity will establish user rates by type of equipment to recover the maintenance and operation costs.

(2) Funding and reimbursement. All activities utilizing the services of public works activity peculiar equipments will budget for these services on the public works activity's user rate for the applicable equipments.

o. Telephone systems

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of telephone communication systems (does not include microwave, radio, intercom, hot lines or separate fire alarm systems). The public works activity will establish user telephone instrument rates which will recover the costs of the system.

(2) Funding and reimbursement. All activities having assigned telephone instruments will budget for this service on the basis of the applicable public works activity instrument rate. Additionally, the user activities will budget for commercial toll calls originating from instruments assigned to them.

p. Real property maintenance and repairs funding in activity expense operating budgets

(1) Initial costs. The public works activity will initially finance costs for maintenance and repairs of real property funded in "customer" activities expense operating budgets. The public works activity will bill the customer on a job cost basis, fixed rate, or fixed price basis.

(2) Funding and reimbursement. All activities having assigned real property will budget for routine maintenance and repair costs for such property (see subparagraph 5.t. with regard to major repair projects). Assigned real property as used in this paragraph includes piers, quay walls, non-common road, parking lots, and walkways within, adjacent to, and/or assigned primarily for the use of a specific activity. Piers and quay walls assigned primarily for the use of a specific activity, i.e., a submarine base, a ship repair activity, a naval supply center, or naval supply depot, will be funded by the activity having the primary use. Piers and quay walls assigned to general fleet berthing will be funded by the activities identified in subparagraph 5.a.(2).

q. Insect and rodent control - entomology services

(1) Initial costs. The public works activity will initially finance the costs of rodent control and entomology services. The public works activity will bill the costs to the customer activities on a job cost or fixed price basis.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of exterior rodent and entomology services. The costs of rodent and entomology services provided within buildings and structures will be budgeted for by the activity ordering the services.

r. Intra-station household moves

(1) Initial costs. The public works activity will initially finance costs of intra-station household moves. The public works activity will bill the costs to the customer activity.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of intra-station moves.

s. Janitorial services

(1) Initial costs. The public works activity will initially finance the costs of janitorial services. The public works activity will develop a rate which will recover the costs.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for janitorial services will be on the same basis prescribed in paragraph 5.c.(2).

t. Minor construction, alterations, improvements, and major repair projects

Instructions for funding this area will be promulgated by CNO/CMC.

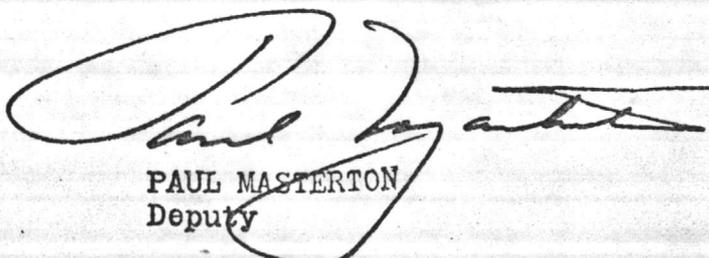
u. Facilities Engineering Command mission responsibilities

(1) Initial costs. The public works activity will initially finance the maintenance and operation costs of Facilities Engineering Command mission responsibility functions. These functions include those specified in subparagraph 3.a.

(2) Funding and reimbursement. The Facility Engineering Field Division directed by the Facilities Engineering Command to support assigned public works activities will budget for the FACENGCOC mission responsibility functions performed by the assigned public works activities.

6. Coordination. It is of utmost importance that a mutual exchange of information is conducted between activities assigned budgeting and funding responsibilities for public works type expenses and the public works activity. The public works activity must have carefully estimated work-load factors to develop rates for the utility products it delivers and for judicious planning of its manning levels to assure economical use of personnel. The budgeting and funding activities on the other hand must have utility rates and cost estimates for work in order to construct their expense operating budgets. Coordination should be a continuous matter but additional emphasis should be made during the expense operating budget formulation stage.

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NAVCOMPTINST 7100.43  
15 May 1967

a. Facilities Engineering Command Mission Assignments include:

- (1) Facilities maintenance inspection
- (2) Facilities planning and engineering
- (3) Disaster control and training - at PWCs
- (4) Safety and driver training - at PWCs

b. Public Works Activity, unless otherwise indicated, will include:

- (1) Public Works Centers (Navy industrial funded)
- (2) Public Works Centers (Not funded under NIF)
- (3) Public Works Departments of activities having "lead activity" responsibilities for public works functions.

c. Those facilities which provide access to, or service more than one shore activity are considered common service facilities and include roads, parking lots, walkways and ground including protective drainage structures such as culverts, flumes and ditches.

d. Other roads, parking lots, walkways and grounds which are reserved primarily for the use of a single shore activity are considered non-common facilities.

e. The phrase "the public works activity will initially finance" as used in this instruction refers to the initial cash outlay to accomplish work in the specific areas. Such initial financing from the NIF account of an industrially funded activity, or the expense operating budget of non-NIF activity will be subject to full recovery through reimbursement procedures as specified below.

4. Requirement interfaces and practical resolution. The resources management concept includes as a principle the expensing of all related costs to the benefiting responsibility center. It discourages the prorating of expenses. The Navy follows a policy of establishing field activities, to the extent feasible, in existing complexes and facilities. The individual activities may occupy space ranging from a few rooms up to several buildings. Personnel employed vary from less than ten in number to thousands. In the Norfolk Naval Base complex there are over fifty different activities not including ships. Personnel assigned to these activities plus military personnel assigned to sea units may reach 100,000 in number on any given day. It is not considered feasible to develop a precise method of expensing common bus and taxi service or, common service roads, parking lots and walkways to all the responsibility centers supporting the activities located in the base complex. For example, the Public Works Center, Norfolk being a Navy industrial funded activity must bill out all its costs to its "customers".

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Inasmuch as the Public Works Center must plan and project its workload on the basis of economical utilizations of its personnel in keeping with anticipated customer funding, reasonable precautions with regard to assured reimbursement for common services rendered are mandatory. An additional consideration is the fact that planning for street and road maintenance and operation costs by zone is impossible. Snow removal (operations) costs are not always predictable; the age and basic construction of common roads and walkways may vary throughout a complex. Funding for repairs and operations on a zone basis could easily result in a situation where repair requirements in one zone exceed the funding for these requirements while an adjacent zone may have less requirements than the level budgeted for. Public works activity personnel could be on an idle time basis or have to be charged to a suspense fund device pending a realignment of fund resources. The funding assignments that follow are premised on determining practical and feasible factors to aid in cost determination for assignment to a minimum number of activities. The objective is to obtain full benefit of amounts budgeted for public works.

5. Budgeting and funding assignments effective for Fiscal Year 1968 and subsequent Operations, Navy appropriations

a. Common roads, walkways, and parking lots, grounds

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common roads, common walkways, and common parking lots subject to reimbursement from activities identified in subparagraph (2).

(2) Funding and reimbursement. The following activities will budget in their expense operating budget for the total cost of maintenance and operations of common roads, common walkways, and common parking lots in the complex where they are located.

Naval Station, Newport, Rhode Island  
Naval Station, Norfolk, Virginia  
Naval Station, Guantanamo  
Naval Air Station, Pensacola  
Naval Training Center, Great Lakes  
Naval Station, San Diego  
Naval Station, Pearl Harbor  
Naval Station, Guam  
Fleet Activities, Yokosuka  
Naval Station, Subic Bay

Public works "lead" activities will budget for the total cost of common roads, common walkways, and common parking lots in the complex they maintain.

b. Common bus and taxi service

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common bus and taxi service subject to reimbursement.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget in their expense operating budget for the total cost of common bus and taxi service.

c. Electric generating and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of electric generation and distribution systems. System costs will include the maintenance and operation costs of street lights and automotive traffic control systems. The public works activity will develop an electric unit product rate which will recover the costs of the utility system. Street lights and traffic control light costs will be included as a factor in the electric unit rate.

(2) Funding and reimbursement to public works activity. Normally each activity receiving electrical energy from the public works activity will budget and fund for his requirements based on estimated consumption times the rate to be established in accordance with paragraph 5.c.(1). A small activity occupying a relatively minor percentage of space in a host's building will be an exception. In this case the host will fund for the electrical energy provided to the tenant's space. In cases where one or more tenants occupy significant amounts of space and metering is not possible it will be the host's responsibility to arrange with his tenants for the number of electrical energy units (based on engineering estimates) the tenant will fund. It is the host's responsibility to fund for electrical energy not otherwise funded by tenants pursuant to the policy in this paragraph.

d. Steam and high temperature water systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of steam and hot water systems. The public works activity will develop product unit rates which will recover the cost of the systems.

(2) Funding and reimbursement to public works activity. Funding and reimbursement to public works activities for steam and hot water system products will be on the same basis prescribed in subparagraph 5.c.(2).

e. Water systems including potable, nonpotable, fire mains, and treatment plants

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of water systems. The public works activity will develop product unit rates which will recover the costs of the systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for water systems products will be on the same basis prescribed in paragraph 5.c.(2).

f. Sanitary and combined sanitary/storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of sanitary and combined sanitary/storm drainage systems. The public works activity will develop a product unit cost that will recover the combined costs of the sanitary and storm drainage systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for sanitary and combined sanitary/storm drainage unit costs will be on the same basis prescribed in subparagraph 5.c.(2).

g. Separate storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of storm drainage systems not connected to sanitary drainage systems. The public works activity will bill the costs to the customer activities on a job cost basis or fixed price basis.

(2) Funding and reimbursement. The costs of maintenance and operation of separate storm drainage systems which serve a single major shore activity, i.e., a submarine base, an air station, a supply depot or center, will be budgeted for by the activity it serves. The costs of maintenance and operations of separate storm drainage systems which serve more than one activity will be budgeted for by the applicable activity identified in subparagraph 5.a.(2).

h. Natural and manufactured gas storage and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of natural and manufactured gas storage and distribution systems. The public works activity will develop a product rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for natural and manufactured gas system product will be on the basis prescribed in subparagraph 5.c.(2).

i. Compressed air plants and distribution systems

(1) The public works activity will initially finance all maintenance and operation costs of compressed air plants and distribution systems. The public works activity will develop a product unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for compressed air system product will be on the basis prescribed in subparagraph 5.c.(2).

j. Central Base Fire Alarm Systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of fire alarm systems.

(2) Funding and reimbursement. The activity assigned the firefighting mission for the complex will fund for and reimburse the public works activity for fire alarm system costs. If a public works lead activity not funded by the industrial fund has the firefighting mission, the fire alarm system costs will be funded by the expense operating budget of the lead activity.

k. Refuse collection and disposal systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of refuse collection and disposal systems. The public works activity will develop a unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for refuse collection and disposal will be on the basis prescribed in subparagraph 5.c.(2).

l. Railroad systems

(1) Initial costs. The public works activity will initially finance all railroad system maintenance and operating costs including government locomotives and their crews but excluding the costs of commercial railroad switch engines moving railroad cars under switching agreements on the system. The public works activity will establish car spotting rates which will recover the costs of the system. Separate

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rates will be established if a system includes commercial switching; one for government locomotives and a second one which excludes the government locomotive and crew factors.

(2) Funding and reimbursement. All activities on a complex will budget for spotting railroad cars containing material consigned to them. Costs of respotting cars required by consignee activities will also be budgeted by the consignees.

m. Automotive transportation rental systems

(1) Initial costs. The public works activity will initially finance the maintenance of all autos and trucks under their accountability. The public works activity will establish user rates which will recover all maintenance costs and when applicable operating costs from user activities.

(2) Funding and reimbursement. All activities utilizing autos and trucks under the accountability of the public works activity will budget for their use on the basis of the public works activity's applicable rate. Note that taxis are covered in subparagraph 5.b.

n. Public works peculiar equipments

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of mobile cranes, stationery cranes, floating cranes, and other equipments peculiar to the public works activity mission and under its accountability. The public works activity will establish user rates by type of equipment to recover the maintenance and operation costs.

(2) Funding and reimbursement. All activities utilizing the services of public works activity peculiar equipments will budget for these services on the public works activity's user rate for the applicable equipments.

o. Telephone systems

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of telephone communication systems (does not include microwave, radio, intercom, hot lines or separate fire alarm systems). The public works activity will establish user telephone instrument rates which will recover the costs of the system.

(2) Funding and reimbursement. All activities having assigned telephone instruments will budget for this service on the basis of the applicable public works activity instrument rate. Additionally, the user activities will budget for commercial toll calls originating from instruments assigned to them.

p. Real property maintenance and repairs funding in activity expense operating budgets

(1) Initial costs. The public works activity will initially finance costs for maintenance and repairs of real property funded in "customer" activities expense operating budgets. The public works activity will bill the customer on a job cost basis, fixed rate, or fixed price basis.

(2) Funding and reimbursement. All activities having assigned real property will budget for routine maintenance and repair costs for such property (see subparagraph 5.t. with regard to major repair projects). Assigned real property as used in this paragraph includes piers, quay walls, non-common road, parking lots, and walkways within, adjacent to, and/or assigned primarily for the use of a specific activity. Piers and quay walls assigned primarily for the use of a specific activity, i.e., a submarine base, a ship repair activity, a naval supply center, or naval supply depot, will be funded by the activity having the primary use. Piers and quay walls assigned to general fleet berthing will be funded by the activities identified in subparagraph 5.a.(2).

q. Insect and rodent control - entomology services

(1) Initial costs. The public works activity will initially finance the costs of rodent control and entomology services. The public works activity will bill the costs to the customer activities on a job cost or fixed price basis.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of exterior rodent and entomology services. The costs of rodent and entomology services provided within buildings and structures will be budgeted for by the activity ordering the services.

r. Intra-station household moves

(1) Initial costs. The public works activity will initially finance costs of intra-station household moves. The public works activity will bill the costs to the customer activity.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of intra-station moves.

s. Janitorial services

(1) Initial costs. The public works activity will initially finance the costs of janitorial services. The public works activity will develop a rate which will recover the costs.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for janitorial services will be on the same basis prescribed in paragraph 5.c.(2).

t. Minor construction, alterations, improvements, and major repair projects

Instructions for funding this area will be promulgated by CNO/CMC.

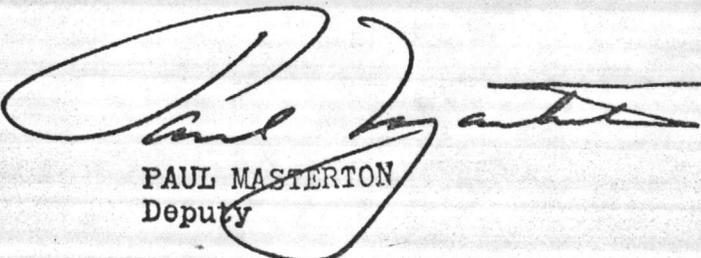
u. Facilities Engineering Command mission responsibilities

(1) Initial costs. The public works activity will initially finance the maintenance and operation costs of Facilities Engineering Command mission responsibility functions. These functions include those specified in subparagraph 3.a.

(2) Funding and reimbursement. The Facility Engineering Field Division directed by the Facilities Engineering Command to support assigned public works activities will budget for the FACENGCOC mission responsibility functions performed by the assigned public works activities.

6. Coordination. It is of utmost importance that a mutual exchange of information is conducted between activities assigned budgeting and funding responsibilities for public works type expenses and the public works activity. The public works activity must have carefully estimated work-load factors to develop rates for the utility products it delivers and for judicious planning of its manning levels to assure economical use of personnel. The budgeting and funding activities on the other hand must have utility rates and cost estimates for work in order to construct their expense operating budgets. Coordination should be a continuous matter but additional emphasis should be made during the expense operating budget formulation stage.

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NAVCOMPT INSTRUCTION 7100.43

From: Comptroller of the Navy  
To: Distribution List

Subj: Budgeting and funding for public works maintenance and operating costs at complexes served by public works centers or public works "lead" activities

- Purpose. To assign budgeting and funding responsibility for facility management maintenance and operating costs at Department of the Navy field activity complexes served by public works centers or by other activities whose missions include public works "lead activity" responsibility.
- Background. Under the principles of the Department of Defense concept for resource management of the Operations, Navy appropriation the Department of the Navy is required to align fund resources with benefiting operating expense budgets and responsibility centers these budgets support. For a variety of reasons through the years the funding pattern for public works center and public works lead activity product output has resulted in a significant allocation of expense type funds to the public works "producer". As a result, many benefiting consumer activities are receiving public works products on a common-service basis. A study team composed of Navy Comptroller and Facilities Engineering Command representatives has reviewed this process from the budget, accounting, management, and engineering standpoint. Included in the review was an on-the-spot study, in depth, of one of the Navy's largest tidewater complexes served by a public works center. Based on this study a rationale was developed which is intended to result in practical funding assignments, define and realign plant account properties, while retaining the management and cost savings advantages of a single public works performing activity at large complexes. The related plant account definitions and responsibility policy will be promulgated in a separate directive.
- Definitions: The following definitions are established for the purpose of this Instruction.

NAVCOMPTINST 7100.43  
15 May 1967

a. Facilities Engineering Command Mission Assignments include:

- (1) Facilities maintenance inspection
- (2) Facilities planning and engineering
- (3) Disaster control and training - at PWCs
- (4) Safety and driver training - at PWCs

b. Public Works Activity, unless otherwise indicated, will include:

- (1) Public Works Centers (Navy industrial funded)
- (2) Public Works Centers (Not funded under NIF)
- (3) Public Works Departments of activities having "lead activity" responsibilities for public works functions.

c. Those facilities which provide access to, or service more than one shore activity are considered common service facilities and include roads, parking lots, walkways and ground including protective drainage structures such as culverts, flumes and ditches.

d. Other roads, parking lots, walkways and grounds which are reserved primarily for the use of a single shore activity are considered non-common facilities.

e. The phrase "the public works activity will initially finance" as used in this instruction refers to the initial cash outlay to accomplish work in the specific areas. Such initial financing from the NIF account of an industrially funded activity, or the expense operating budget of non-NIF activity will be subject to full recovery through reimbursement procedures as specified below.

4. Requirement interfaces and practical resolution. The resources management concept includes as a principle the expensing of all related costs to the benefiting responsibility center. It discourages the prorating of expenses. The Navy follows a policy of establishing field activities, to the extent feasible, in existing complexes and facilities. The individual activities may occupy space ranging from a few rooms up to several buildings. Personnel employed vary from less than ten in number to thousands. In the Norfolk Naval Base complex there are over fifty different activities not including ships. Personnel assigned to these activities plus military personnel assigned to sea units may reach 100,000 in number on any given day. It is not considered feasible to develop a precise method of expensing common bus and taxi service or, common service roads, parking lots and walkways to all the responsibility centers supporting the activities located in the base complex. For example, the Public Works Center, Norfolk being a Navy industrial funded activity must bill out all its costs to its "customers".

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Inasmuch as the Public Works Center must plan and project its workload on the basis of economical utilizations of its personnel in keeping with anticipated customer funding, reasonable precautions with regard to assured reimbursement for common services rendered are mandatory. An additional consideration is the fact that planning for street and road maintenance and operation costs by zone is impossible. Snow removal (operations) costs are not always predictable; the age and basic construction of common roads and walkways may vary throughout a complex. Funding for repairs and operations on a zone basis could easily result in a situation where repair requirements in one zone exceed the funding for these requirements while an adjacent zone may have less requirements than the level budgeted for. Public works activity personnel could be on an idle time basis or have to be charged to a suspense fund device pending a realignment of fund resources. The funding assignments that follow are premised on determining practical and feasible factors to aid in cost determination for assignment to a minimum number of activities. The objective is to obtain full benefit of amounts budgeted for public works.

5. Budgeting and funding assignments effective for Fiscal Year 1968 and subsequent Operations, Navy appropriations

a. Common roads, walkways, and parking lots, grounds

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common roads, common walkways, and common parking lots subject to reimbursement from activities identified in subparagraph (2).

(2) Funding and reimbursement. The following activities will budget in their expense operating budget for the total cost of maintenance and operations of common roads, common walkways, and common parking lots in the complex where they are located.

Naval Station, Newport, Rhode Island  
Naval Station, Norfolk, Virginia  
Naval Station, Guantanamo  
Naval Air Station, Pensacola  
Naval Training Center, Great Lakes  
Naval Station, San Diego  
Naval Station, Pearl Harbor  
Naval Station, Guam  
Fleet Activities, Yokosuka  
Naval Station, Subic Bay

Public works "lead" activities will budget for the total cost of common roads, common walkways, and common parking lots in the complex they maintain.

b. Common bus and taxi service

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common bus and taxi service subject to reimbursement.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget in their expense operating budget for the total cost of common bus and taxi service.

c. Electric generating and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of electric generation and distribution systems. System costs will include the maintenance and operation costs of street lights and automotive traffic control systems. The public works activity will develop an electric unit product rate which will recover the costs of the utility system. Street lights and traffic control light costs will be included as a factor in the electric unit rate.

(2) Funding and reimbursement to public works activity. Normally each activity receiving electrical energy from the public works activity will budget and fund for his requirements based on estimated consumption times the rate to be established in accordance with paragraph 5.c.(1). A small activity occupying a relatively minor percentage of space in a host's building will be an exception. In this case the host will fund for the electrical energy provided to the tenant's space. In cases where one or more tenants occupy significant amounts of space and metering is not possible it will be the host's responsibility to arrange with his tenants for the number of electrical energy units (based on engineering estimates) the tenant will fund. It is the host's responsibility to fund for electrical energy not otherwise funded by tenants pursuant to the policy in this paragraph.

d. Steam and high temperature water systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of steam and hot water systems. The public works activity will develop product unit rates which will recover the cost of the systems.

(2) Funding and reimbursement to public works activity. Funding and reimbursement to public works activities for steam and hot water system products will be on the same basis prescribed in subparagraph 5.c.(2).

e. Water systems including potable, nonpotable, fire mains, and treatment plants

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of water systems. The public works activity will develop product unit rates which will recover the costs of the systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for water systems products will be on the same basis prescribed in paragraph 5.c.(2).

f. Sanitary and combined sanitary/storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of sanitary and combined sanitary/storm drainage systems. The public works activity will develop a product unit cost that will recover the combined costs of the sanitary and storm drainage systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for sanitary and combined sanitary/storm drainage unit costs will be on the same basis prescribed in subparagraph 5.c.(2).

g. Separate storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of storm drainage systems not connected to sanitary drainage systems. The public works activity will bill the costs to the customer activities on a job cost basis or fixed price basis.

(2) Funding and reimbursement. The costs of maintenance and operation of separate storm drainage systems which serve a single major shore activity, i.e., a submarine base, an air station, a supply depot or center, will be budgeted for by the activity it serves. The costs of maintenance and operations of separate storm drainage systems which serve more than one activity will be budgeted for by the applicable activity identified in subparagraph 5.a.(2).

h. Natural and manufactured gas storage and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of natural and manufactured gas storage and distribution systems. The public works activity will develop a product rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for natural and manufactured gas system product will be on the basis prescribed in subparagraph 5.c.(2).

i. Compressed air plants and distribution systems

(1) The public works activity will initially finance all maintenance and operation costs of compressed air plants and distribution systems. The public works activity will develop a product unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for compressed air system product will be on the basis prescribed in subparagraph 5.c.(2).

j. Central Base Fire Alarm Systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of fire alarm systems.

(2) Funding and reimbursement. The activity assigned the firefighting mission for the complex will fund for and reimburse the public works activity for fire alarm system costs. If a public works lead activity not funded by the industrial fund has the firefighting mission, the fire alarm system costs will be funded by the expense operating budget of the lead activity.

k. Refuse collection and disposal systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of refuse collection and disposal systems. The public works activity will develop a unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for refuse collection and disposal will be on the basis prescribed in subparagraph 5.c.(2).

l. Railroad systems

(1) Initial costs. The public works activity will initially finance all railroad system maintenance and operating costs including government locomotives and their crews but excluding the costs of commercial railroad switch engines moving railroad cars under switching agreements on the system. The public works activity will establish car spotting rates which will recover the costs of the system. Separate

rates will be established if a system includes commercial switching; one for government locomotives and a second one which excludes the government locomotive and crew factors.

(2) Funding and reimbursement. All activities on a complex will budget for spotting railroad cars containing material consigned to them. Costs of respotting cars required by consignee activities will also be budgeted by the consignees.

m. Automotive transportation rental systems

(1) Initial costs. The public works activity will initially finance the maintenance of all autos and trucks under their accountability. The public works activity will establish user rates which will recover all maintenance costs and when applicable operating costs from user activities.

(2) Funding and reimbursement. All activities utilizing autos and trucks under the accountability of the public works activity will budget for their use on the basis of the public works activity's applicable rate. Note that taxis are covered in subparagraph 5.b.

n. Public works peculiar equipments

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of mobile cranes, stationery cranes, floating cranes, and other equipments peculiar to the public works activity mission and under its accountability. The public works activity will establish user rates by type of equipment to recover the maintenance and operation costs.

(2) Funding and reimbursement. All activities utilizing the services of public works activity peculiar equipments will budget for these services on the public works activity's user rate for the applicable equipments.

o. Telephone systems

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of telephone communication systems (does not include microwave, radio, intercom, hot lines or separate fire alarm systems). The public works activity will establish user telephone instrument rates which will recover the costs of the system.

(2) Funding and reimbursement. All activities having assigned telephone instruments will budget for this service on the basis of the applicable public works activity instrument rate. Additionally, the user activities will budget for commercial toll calls originating from instruments assigned to them.

p. Real property maintenance and repairs funding in activity expense operating budgets

(1) Initial costs. The public works activity will initially finance costs for maintenance and repairs of real property funded in "customer" activities expense operating budgets. The public works activity will bill the customer on a job cost basis, fixed rate, or fixed price basis.

(2) Funding and reimbursement. All activities having assigned real property will budget for routine maintenance and repair costs for such property (see subparagraph 5.t. with regard to major repair projects). Assigned real property as used in this paragraph includes piers, quay walls, non-common road, parking lots, and walkways within, adjacent to, and/or assigned primarily for the use of a specific activity. Piers and quay walls assigned primarily for the use of a specific activity, i.e., a submarine base, a ship repair activity, a naval supply center, or naval supply depot, will be funded by the activity having the primary use. Piers and quay walls assigned to general fleet berthing will be funded by the activities identified in subparagraph 5.a.(2).

q. Insect and rodent control - entomology services

(1) Initial costs. The public works activity will initially finance the costs of rodent control and entomology services. The public works activity will bill the costs to the customer activities on a job cost or fixed price basis.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of exterior rodent and entomology services. The costs of rodent and entomology services provided within buildings and structures will be budgeted for by the activity ordering the services.

r. Intra-station household moves

(1) Initial costs. The public works activity will initially finance costs of intra-station household moves. The public works activity will bill the costs to the customer activity.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of intra-station moves.

s. Janitorial services

(1) Initial costs. The public works activity will initially finance the costs of janitorial services. The public works activity will develop a rate which will recover the costs.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for janitorial services will be on the same basis prescribed in paragraph 5.c.(2).

t. Minor construction, alterations, improvements, and major repair projects

Instructions for funding this area will be promulgated by CNO/CMC.

u. Facilities Engineering Command mission responsibilities

(1) Initial costs. The public works activity will initially finance the maintenance and operation costs of Facilities Engineering Command mission responsibility functions. These functions include those specified in subparagraph 3.a.

(2) Funding and reimbursement. The Facility Engineering Field Division directed by the Facilities Engineering Command to support assigned public works activities will budget for the FACENGCOC mission responsibility functions performed by the assigned public works activities.

6. Coordination. It is of utmost importance that a mutual exchange of information is conducted between activities assigned budgeting and funding responsibilities for public works type expenses and the public works activity. The public works activity must have carefully estimated work-load factors to develop rates for the utility products it delivers and for judicious planning of its manning levels to assure economical use of personnel. The budgeting and funding activities on the other hand must have utility rates and cost estimates for work in order to construct their expense operating budgets. Coordination should be a continuous matter but additional emphasis should be made during the expense operating budget formulation stage.

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NAVCOMPT INSTRUCTION 7100.43

From: Comptroller of the Navy  
To: Distribution List

Subj: Budgeting and funding for public works maintenance and operating costs at complexes served by public works centers or public works "lead" activities

- Purpose. To assign budgeting and funding responsibility for facility management maintenance and operating costs at Department of the Navy field activity complexes served by public works centers or by other activities whose missions include public works "lead activity" responsibility.
- Background. Under the principles of the Department of Defense concept for resource management of the Operations, Navy appropriation the Department of the Navy is required to align fund resources with benefiting operating expense budgets and responsibility centers these budgets support. For a variety of reasons through the years the funding pattern for public works center and public works lead activity product output has resulted in a significant allocation of expense type funds to the public works "producer". As a result, many benefiting consumer activities are receiving public works products on a common-service basis. A study team composed of Navy Comptroller and Facilities Engineering Command representatives has reviewed this process from the budget, accounting, management, and engineering standpoint. Included in the review was an on-the-spot study, in depth, of one of the Navy's largest tidewater complexes served by a public works center. Based on this study a rationale was developed which is intended to result in practical funding assignments, define and realign plant account properties, while retaining the management and cost savings advantages of a single public works performing activity at large complexes. The related plant account definitions and responsibility policy will be promulgated in a separate directive.
- Definitions: The following definitions are established for the purpose of this Instruction.

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a. Facilities Engineering Command Mission Assignments include:

- (1) Facilities maintenance inspection
- (2) Facilities planning and engineering
- (3) Disaster control and training - at PWCs
- (4) Safety and driver training - at PWCs

b. Public Works Activity, unless otherwise indicated, will include:

- (1) Public Works Centers (Navy industrial funded)
- (2) Public Works Centers (Not funded under NIF)
- (3) Public Works Departments of activities having "lead activity" responsibilities for public works functions.

c. Those facilities which provide access to, or service more than one shore activity are considered common service facilities and include roads, parking lots, walkways and ground including protective drainage structures such as culverts, flumes and ditches.

d. Other roads, parking lots, walkways and grounds which are reserved primarily for the use of a single shore activity are considered non-common facilities.

e. The phrase "the public works activity will initially finance" as used in this instruction refers to the initial cash outlay to accomplish work in the specific areas. Such initial financing from the NIF account of an industrially funded activity, or the expense operating budget of non-NIF activity will be subject to full recovery through reimbursement procedures as specified below.

4. Requirement interfaces and practical resolution. The resources management concept includes as a principle the expensing of all related costs to the benefiting responsibility center. It discourages the prorating of expenses. The Navy follows a policy of establishing field activities, to the extent feasible, in existing complexes and facilities. The individual activities may occupy space ranging from a few rooms up to several buildings. Personnel employed vary from less than ten in number to thousands. In the Norfolk Naval Base complex there are over fifty different activities not including ships. Personnel assigned to these activities plus military personnel assigned to sea units may reach 100,000 in number on any given day. It is not considered feasible to develop a precise method of expensing common bus and taxi service or, common service roads, parking lots and walkways to all the responsibility centers supporting the activities located in the base complex. For example, the Public Works Center, Norfolk being a Navy industrial funded activity must bill out all its costs to its "customers".

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Inasmuch as the Public Works Center must plan and project its workload on the basis of economical utilizations of its personnel in keeping with anticipated customer funding, reasonable precautions with regard to assured reimbursement for common services rendered are mandatory. An additional consideration is the fact that planning for street and road maintenance and operation costs by zone is impossible. Snow removal (operations) costs are not always predictable; the age and basic construction of common roads and walkways may vary throughout a complex. Funding for repairs and operations on a zone basis could easily result in a situation where repair requirements in one zone exceed the funding for these requirements while an adjacent zone may have less requirements than the level budgeted for. Public works activity personnel could be on an idle time basis or have to be charged to a suspense fund device pending a realignment of fund resources. The funding assignments that follow are premised on determining practical and feasible factors to aid in cost determination for assignment to a minimum number of activities. The objective is to obtain full benefit of amounts budgeted for public works.

5. Budgeting and funding assignments effective for Fiscal Year 1968 and subsequent Operations, Navy appropriations

a. Common roads, walkways, and parking lots, grounds

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common roads, common walkways, and common parking lots subject to reimbursement from activities identified in subparagraph (2).

(2) Funding and reimbursement. The following activities will budget in their expense operating budget for the total cost of maintenance and operations of common roads, common walkways, and common parking lots in the complex where they are located.

Naval Station, Newport, Rhode Island  
Naval Station, Norfolk, Virginia  
Naval Station, Guantanamo  
Naval Air Station, Pensacola  
Naval Training Center, Great Lakes  
Naval Station, San Diego  
Naval Station, Pearl Harbor  
Naval Station, Guam  
Fleet Activities, Yokosuka  
Naval Station, Subic Bay

Public works "lead" activities will budget for the total cost of common roads, common walkways, and common parking lots in the complex they maintain.

b. Common bus and taxi service

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common bus and taxi service subject to reimbursement.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget in their expense operating budget for the total cost of common bus and taxi service.

c. Electric generating and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of electric generation and distribution systems. System costs will include the maintenance and operation costs of street lights and automotive traffic control systems. The public works activity will develop an electric unit product rate which will recover the costs of the utility system. Street lights and traffic control light costs will be included as a factor in the electric unit rate.

(2) Funding and reimbursement to public works activity. Normally each activity receiving electrical energy from the public works activity will budget and fund for his requirements based on estimated consumption times the rate to be established in accordance with paragraph 5.c.(1). A small activity occupying a relatively minor percentage of space in a host's building will be an exception. In this case the host will fund for the electrical energy provided to the tenant's space. In cases where one or more tenants occupy significant amounts of space and metering is not possible it will be the host's responsibility to arrange with his tenants for the number of electrical energy units (based on engineering estimates) the tenant will fund. It is the host's responsibility to fund for electrical energy not otherwise funded by tenants pursuant to the policy in this paragraph.

d. Steam and high temperature water systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of steam and hot water systems. The public works activity will develop product unit rates which will recover the cost of the systems.

(2) Funding and reimbursement to public works activity. Funding and reimbursement to public works activities for steam and hot water system products will be on the same basis prescribed in subparagraph 5.c.(2).

e. Water systems including potable, nonpotable, fire mains, and treatment plants

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of water systems. The public works activity will develop product unit rates which will recover the costs of the systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for water systems products will be on the same basis prescribed in paragraph 5.c.(2).

f. Sanitary and combined sanitary/storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of sanitary and combined sanitary/storm drainage systems. The public works activity will develop a product unit cost that will recover the combined costs of the sanitary and storm drainage systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for sanitary and combined sanitary/storm drainage unit costs will be on the same basis prescribed in subparagraph 5.c.(2).

g. Separate storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of storm drainage systems not connected to sanitary drainage systems. The public works activity will bill the costs to the customer activities on a job cost basis or fixed price basis.

(2) Funding and reimbursement. The costs of maintenance and operation of separate storm drainage systems which serve a single major shore activity, i.e., a submarine base, an air station, a supply depot or center, will be budgeted for by the activity it serves. The costs of maintenance and operations of separate storm drainage systems which serve more than one activity will be budgeted for by the applicable activity identified in subparagraph 5.a.(2).

h. Natural and manufactured gas storage and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of natural and manufactured gas storage and distribution systems. The public works activity will develop a product rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for natural and manufactured gas system product will be on the basis prescribed in subparagraph 5.c.(2).

i. Compressed air plants and distribution systems

(1) The public works activity will initially finance all maintenance and operation costs of compressed air plants and distribution systems. The public works activity will develop a product unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for compressed air system product will be on the basis prescribed in subparagraph 5.c.(2).

j. Central Base Fire Alarm Systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of fire alarm systems.

(2) Funding and reimbursement. The activity assigned the firefighting mission for the complex will fund for and reimburse the public works activity for fire alarm system costs. If a public works lead activity not funded by the industrial fund has the firefighting mission, the fire alarm system costs will be funded by the expense operating budget of the lead activity.

k. Refuse collection and disposal systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of refuse collection and disposal systems. The public works activity will develop a unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for refuse collection and disposal will be on the basis prescribed in subparagraph 5.c.(2).

l. Railroad systems

(1) Initial costs. The public works activity will initially finance all railroad system maintenance and operating costs including government locomotives and their crews but excluding the costs of commercial railroad switch engines moving railroad cars under switching agreements on the system. The public works activity will establish car spotting rates which will recover the costs of the system. Separate

rates will be established if a system includes commercial switching; one for government locomotives and a second one which excludes the government locomotive and crew factors.

(2) Funding and reimbursement. All activities on a complex will budget for spotting railroad cars containing material consigned to them. Costs of respotting cars required by consignee activities will also be budgeted by the consignees.

m. Automotive transportation rental systems

(1) Initial costs. The public works activity will initially finance the maintenance of all autos and trucks under their accountability. The public works activity will establish user rates which will recover all maintenance costs and when applicable operating costs from user activities.

(2) Funding and reimbursement. All activities utilizing autos and trucks under the accountability of the public works activity will budget for their use on the basis of the public works activity's applicable rate. Note that taxis are covered in subparagraph 5.b.

n. Public works peculiar equipments

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of mobile cranes, stationery cranes, floating cranes, and other equipments peculiar to the public works activity mission and under its accountability. The public works activity will establish user rates by type of equipment to recover the maintenance and operation costs.

(2) Funding and reimbursement. All activities utilizing the services of public works activity peculiar equipments will budget for these services on the public works activity's user rate for the applicable equipments.

o. Telephone systems

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of telephone communication systems (does not include microwave, radio, intercom, hot lines or separate fire alarm systems). The public works activity will establish user telephone instrument rates which will recover the costs of the system.

(2) Funding and reimbursement. All activities having assigned telephone instruments will budget for this service on the basis of the applicable public works activity instrument rate. Additionally, the user activities will budget for commercial toll calls originating from instruments assigned to them.

p. Real property maintenance and repairs funding in activity expense operating budgets

(1) Initial costs. The public works activity will initially finance costs for maintenance and repairs of real property funded in "customer" activities expense operating budgets. The public works activity will bill the customer on a job cost basis, fixed rate, or fixed price basis.

(2) Funding and reimbursement. All activities having assigned real property will budget for routine maintenance and repair costs for such property (see subparagraph 5.t. with regard to major repair projects). Assigned real property as used in this paragraph includes piers, quay walls, non-common road, parking lots, and walkways within, adjacent to, and/or assigned primarily for the use of a specific activity. Piers and quay walls assigned primarily for the use of a specific activity, i.e., a submarine base, a ship repair activity, a naval supply center, or naval supply depot, will be funded by the activity having the primary use. Piers and quay walls assigned to general fleet berthing will be funded by the activities identified in subparagraph 5.a.(2).

q. Insect and rodent control - entomology services

(1) Initial costs. The public works activity will initially finance the costs of rodent control and entomology services. The public works activity will bill the costs to the customer activities on a job cost or fixed price basis.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of exterior rodent and entomology services. The costs of rodent and entomology services provided within buildings and structures will be budgeted for by the activity ordering the services.

r. Intra-station household moves

(1) Initial costs. The public works activity will initially finance costs of intra-station household moves. The public works activity will bill the costs to the customer activity.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of intra-station moves.

s. Janitorial services

(1) Initial costs. The public works activity will initially finance the costs of janitorial services. The public works activity will develop a rate which will recover the costs.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for janitorial services will be on the same basis prescribed in paragraph 5.c.(2).

t. Minor construction, alterations, improvements, and major repair projects

Instructions for funding this area will be promulgated by CNO/CMC.

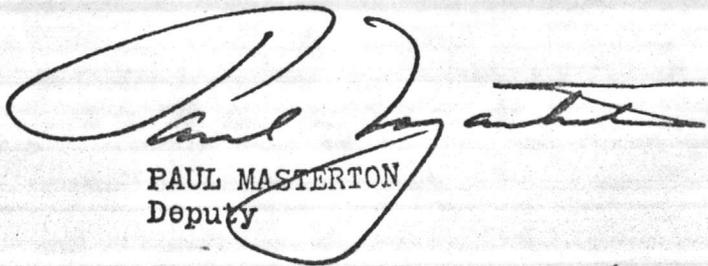
u. Facilities Engineering Command mission responsibilities

(1) Initial costs. The public works activity will initially finance the maintenance and operation costs of Facilities Engineering Command mission responsibility functions. These functions include those specified in subparagraph 3.a.

(2) Funding and reimbursement. The Facility Engineering Field Division directed by the Facilities Engineering Command to support assigned public works activities will budget for the FACENGCOM mission responsibility functions performed by the assigned public works activities.

6. Coordination. It is of utmost importance that a mutual exchange of information is conducted between activities assigned budgeting and funding responsibilities for public works type expenses and the public works activity. The public works activity must have carefully estimated work-load factors to develop rates for the utility products it delivers and for judicious planning of its manning levels to assure economical use of personnel. The budgeting and funding activities on the other hand must have utility rates and cost estimates for work in order to construct their expense operating budgets. Coordination should be a continuous matter but additional emphasis should be made during the expense operating budget formulation stage.

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U. S. Naval Station, Washington, D. C. 20390



NAVCOMPTINST 7100.43  
15 May 1967

a. Facilities Engineering Command Mission Assignments include:

- (1) Facilities maintenance inspection
- (2) Facilities planning and engineering
- (3) Disaster control and training - at PWCs
- (4) Safety and driver training - at PWCs

b. Public Works Activity, unless otherwise indicated, will include:

- (1) Public Works Centers (Navy industrial funded)
- (2) Public Works Centers (Not funded under NIF)
- (3) Public Works Departments of activities having "lead activity" responsibilities for public works functions.

c. Those facilities which provide access to, or service more than one shore activity are considered common service facilities and include roads, parking lots, walkways and ground including protective drainage structures such as culverts, flumes and ditches.

d. Other roads, parking lots, walkways and grounds which are reserved primarily for the use of a single shore activity are considered non-common facilities.

e. The phrase "the public works activity will initially finance" as used in this instruction refers to the initial cash outlay to accomplish work in the specific areas. Such initial financing from the NIF account of an industrially funded activity, or the expense operating budget of non-NIF activity will be subject to full recovery through reimbursement procedures as specified below.

4. Requirement interfaces and practical resolution. The resources management concept includes as a principle the expensing of all related costs to the benefiting responsibility center. It discourages the prorating of expenses. The Navy follows a policy of establishing field activities, to the extent feasible, in existing complexes and facilities. The individual activities may occupy space ranging from a few rooms up to several buildings. Personnel employed vary from less than ten in number to thousands. In the Norfolk Naval Base complex there are over fifty different activities not including ships. Personnel assigned to these activities plus military personnel assigned to sea units may reach 100,000 in number on any given day. It is not considered feasible to develop a precise method of expensing common bus and taxi service or, common service roads, parking lots and walkways to all the responsibility centers supporting the activities located in the base complex. For example, the Public Works Center, Norfolk being a Navy industrial funded activity must bill out all its costs to its "customers".

15 May 1967

Inasmuch as the Public Works Center must plan and project its workload on the basis of economical utilizations of its personnel in keeping with anticipated customer funding, reasonable precautions with regard to assured reimbursement for common services rendered are mandatory. An additional consideration is the fact that planning for street and road maintenance and operation costs by zone is impossible. Snow removal (operations) costs are not always predictable; the age and basic construction of common roads and walkways may vary throughout a complex. Funding for repairs and operations on a zone basis could easily result in a situation where repair requirements in one zone exceed the funding for these requirements while an adjacent zone may have less requirements than the level budgeted for. Public works activity personnel could be on an idle time basis or have to be charged to a suspense fund device pending a realignment of fund resources. The funding assignments that follow are premised on determining practical and feasible factors to aid in cost determination for assignment to a minimum number of activities. The objective is to obtain full benefit of amounts budgeted for public works.

5. Budgeting and funding assignments effective for Fiscal Year 1968 and subsequent Operations, Navy appropriations

a. Common roads, walkways, and parking lots, grounds

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common roads, common walkways, and common parking lots subject to reimbursement from activities identified in subparagraph (2).

(2) Funding and reimbursement. The following activities will budget in their expense operating budget for the total cost of maintenance and operations of common roads, common walkways, and common parking lots in the complex where they are located.

Naval Station, Newport, Rhode Island  
Naval Station, Norfolk, Virginia  
Naval Station, Guantanamo  
Naval Air Station, Pensacola  
Naval Training Center, Great Lakes  
Naval Station, San Diego  
Naval Station, Pearl Harbor  
Naval Station, Guam  
Fleet Activities, Yokosuka  
Naval Station, Subic Bay

Public works "lead" activities will budget for the total cost of common roads, common walkways, and common parking lots in the complex they maintain.

b. Common bus and taxi service

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of common bus and taxi service subject to reimbursement.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget in their expense operating budget for the total cost of common bus and taxi service.

c. Electric generating and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of electric generation and distribution systems. System costs will include the maintenance and operation costs of street lights and automotive traffic control systems. The public works activity will develop an electric unit product rate which will recover the costs of the utility system. Street lights and traffic control light costs will be included as a factor in the electric unit rate.

(2) Funding and reimbursement to public works activity. Normally each activity receiving electrical energy from the public works activity will budget and fund for his requirements based on estimated consumption times the rate to be established in accordance with paragraph 5.c.(1). A small activity occupying a relatively minor percentage of space in a host's building will be an exception. In this case the host will fund for the electrical energy provided to the tenant's space. In cases where one or more tenants occupy significant amounts of space and metering is not possible it will be the host's responsibility to arrange with his tenants for the number of electrical energy units (based on engineering estimates) the tenant will fund. It is the host's responsibility to fund for electrical energy not otherwise funded by tenants pursuant to the policy in this paragraph.

d. Steam and high temperature water systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of steam and hot water systems. The public works activity will develop product unit rates which will recover the cost of the systems.

(2) Funding and reimbursement to public works activity. Funding and reimbursement to public works activities for steam and hot water system products will be on the same basis prescribed in subparagraph 5.c.(2).

e. Water systems including potable, nonpotable, fire mains, and treatment plants

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of water systems. The public works activity will develop product unit rates which will recover the costs of the systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for water systems products will be on the same basis prescribed in paragraph 5.c.(2).

f. Sanitary and combined sanitary/storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of sanitary and combined sanitary/storm drainage systems. The public works activity will develop a product unit cost that will recover the combined costs of the sanitary and storm drainage systems.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for sanitary and combined sanitary/storm drainage unit costs will be on the same basis prescribed in subparagraph 5.c.(2).

g. Separate storm drainage systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of storm drainage systems not connected to sanitary drainage systems. The public works activity will bill the costs to the customer activities on a job cost basis or fixed price basis.

(2) Funding and reimbursement. The costs of maintenance and operation of separate storm drainage systems which serve a single major shore activity, i.e., a submarine base, an air station, a supply depot or center, will be budgeted for by the activity it serves. The costs of maintenance and operations of separate storm drainage systems which serve more than one activity will be budgeted for by the applicable activity identified in subparagraph 5.a.(2).

h. Natural and manufactured gas storage and distribution systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of natural and manufactured gas storage and distribution systems. The public works activity will develop a product rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for natural and manufactured gas system product will be on the basis prescribed in subparagraph 5.c.(2).

i. Compressed air plants and distribution systems

(1) The public works activity will initially finance all maintenance and operation costs of compressed air plants and distribution systems. The public works activity will develop a product unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for compressed air system product will be on the basis prescribed in subparagraph 5.c.(2).

j. Central Base Fire Alarm Systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of fire alarm systems.

(2) Funding and reimbursement. The activity assigned the firefighting mission for the complex will fund for and reimburse the public works activity for fire alarm system costs. If a public works lead activity not funded by the industrial fund has the firefighting mission, the fire alarm system costs will be funded by the expense operating budget of the lead activity.

k. Refuse collection and disposal systems

(1) Initial costs. The public works activity will initially finance all maintenance and operation costs of refuse collection and disposal systems. The public works activity will develop a unit rate which will recover the costs of the system.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for refuse collection and disposal will be on the basis prescribed in subparagraph 5.c.(2).

l. Railroad systems

(1) Initial costs. The public works activity will initially finance all railroad system maintenance and operating costs including government locomotives and their crews but excluding the costs of commercial railroad switch engines moving railroad cars under switching agreements on the system. The public works activity will establish car spotting rates which will recover the costs of the system. Separate

rates will be established if a system includes commercial switching; one for government locomotives and a second one which excludes the government locomotive and crew factors.

(2) Funding and reimbursement. All activities on a complex will budget for spotting railroad cars containing material consigned to them. Costs of respotting cars required by consignee activities will also be budgeted by the consignees.

m. Automotive transportation rental systems

(1) Initial costs. The public works activity will initially finance the maintenance of all autos and trucks under their accountability. The public works activity will establish user rates which will recover all maintenance costs and when applicable operating costs from user activities.

(2) Funding and reimbursement. All activities utilizing autos and trucks under the accountability of the public works activity will budget for their use on the basis of the public works activity's applicable rate. Note that taxis are covered in subparagraph 5.b.

n. Public works peculiar equipments

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of mobile cranes, stationery cranes, floating cranes, and other equipments peculiar to the public works activity mission and under its accountability. The public works activity will establish user rates by type of equipment to recover the maintenance and operation costs.

(2) Funding and reimbursement. All activities utilizing the services of public works activity peculiar equipments will budget for these services on the public works activity's user rate for the applicable equipments.

o. Telephone systems

(1) Initial costs. The public works activity will initially finance the maintenance and operating costs of telephone communication systems (does not include microwave, radio, intercom, hot lines or separate fire alarm systems). The public works activity will establish user telephone instrument rates which will recover the costs of the system.

(2) Funding and reimbursement. All activities having assigned telephone instruments will budget for this service on the basis of the applicable public works activity instrument rate. Additionally, the user activities will budget for commercial toll calls originating from instruments assigned to them.

p. Real property maintenance and repairs funding in activity expense operating budgets

(1) Initial costs. The public works activity will initially finance costs for maintenance and repairs of real property funded in "customer" activities expense operating budgets. The public works activity will bill the customer on a job cost basis, fixed rate, or fixed price basis.

(2) Funding and reimbursement. All activities having assigned real property will budget for routine maintenance and repair costs for such property (see subparagraph 5.t. with regard to major repair projects). Assigned real property as used in this paragraph includes piers, quay walls, non-common road, parking lots, and walkways within, adjacent to, and/or assigned primarily for the use of a specific activity. Piers and quay walls assigned primarily for the use of a specific activity, i.e., a submarine base, a ship repair activity, a naval supply center, or naval supply depot, will be funded by the activity having the primary use. Piers and quay walls assigned to general fleet berthing will be funded by the activities identified in subparagraph 5.a.(2).

q. Insect and rodent control - entomology services

(1) Initial costs. The public works activity will initially finance the costs of rodent control and entomology services. The public works activity will bill the costs to the customer activities on a job cost or fixed price basis.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of exterior rodent and entomology services. The costs of rodent and entomology services provided within buildings and structures will be budgeted for by the activity ordering the services.

r. Intra-station household moves

(1) Initial costs. The public works activity will initially finance costs of intra-station household moves. The public works activity will bill the costs to the customer activity.

(2) Funding and reimbursement. The activities identified in subparagraph 5.a.(2) will budget for the costs of intra-station moves.

s. Janitorial services

(1) Initial costs. The public works activity will initially finance the costs of janitorial services. The public works activity will develop a rate which will recover the costs.

(2) Funding and reimbursement. Funding and reimbursement to public works activities for janitorial services will be on the same basis prescribed in paragraph 5.c.(2).

t. Minor construction, alterations, improvements, and major repair projects

Instructions for funding this area will be promulgated by CNO/CMC.

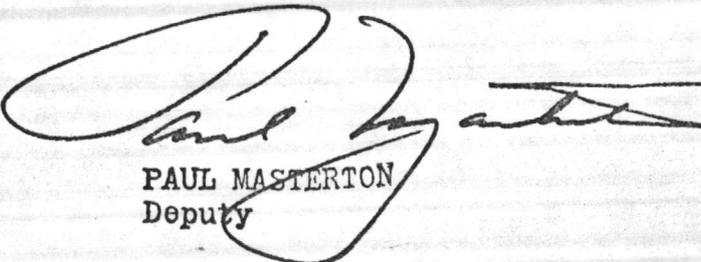
u. Facilities Engineering Command mission responsibilities

(1) Initial costs. The public works activity will initially finance the maintenance and operation costs of Facilities Engineering Command mission responsibility functions. These functions include those specified in subparagraph 3.a.

(2) Funding and reimbursement. The Facility Engineering Field Division directed by the Facilities Engineering Command to support assigned public works activities will budget for the FACENGCOC mission responsibility functions performed by the assigned public works activities.

6. Coordination. It is of utmost importance that a mutual exchange of information is conducted between activities assigned budgeting and funding responsibilities for public works type expenses and the public works activity. The public works activity must have carefully estimated workload factors to develop rates for the utility products it delivers and for judicious planning of its manning levels to assure economical use of personnel. The budgeting and funding activities on the other hand must have utility rates and cost estimates for work in order to construct their expense operating budgets. Coordination should be a continuous matter but additional emphasis should be made during the expense operating budget formulation stage.

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PAUL MASTERTON  
Deputy

NAVCOMPTINST 7100.43  
15 May 1967

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20 SEP 1966

From: Commander, Naval Air Systems Command  
To: Chief of Naval Material

Subj: Proposed consolidation of common support services in the  
Camp Lejeune, North Carolina area

Ref: (a) CHM ltr MAT 0442/RHP of 18 Jul 1966  
(b) BUWEPS ltr NWSA SFM-43/2404:WRP of 11 Feb 1966 to CMC  
(c) MCB Camp Lejeune ltr 9/WWS/jew of 23 Aug 1966  
(d) MCAF New River ltr 201:TMJ:ict of 22 Jul 1966

1. Reference (a) requested that the Commander, Naval Air Systems Command (NASC) review the position set forth in reference (b) with respect to the maintenance of specialized aircraft ground support equipment at Marine Corps Air Facility (MCAF), New River, and to examine the merits of consolidating MCAF fire protection functions with those of the Marine Corps Base (MCB).

2. Comments with respect to the above are as follows:

a. The consolidation of maintenance functions of specialized aircraft ground support equipment (non FMF only) under MCB, Camp Lejeune is not objected to provided requirements determination, priority assignments, and operational control remains with the Commanding Officer, MCAF, New River.

b. The consolidation of the structural fire protection functions under MCB, Camp Lejeune is not objected to provided operational control of crash fire/rescue equipment, as well as other equipment peculiar to aviation, remains under the authority and responsibility of MCAF, New River.

3. Reference (c) submitted a revised study for consolidation of common support services in the Camp Lejeune, North Carolina area. It is difficult to determine from the revised study material if tangible savings will in fact result or if potential savings will be offset by a required increase in coordination and/or possible unnecessary duplications to insure responsiveness. Accordingly, this Command concurs with the recommendations expressed in reference (d), that thorough studies be conducted to insure that savings will be realized and that the operational effectiveness of MCAF, New River is not impaired.

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MCB, Camp Lejeune

MCAF, New River

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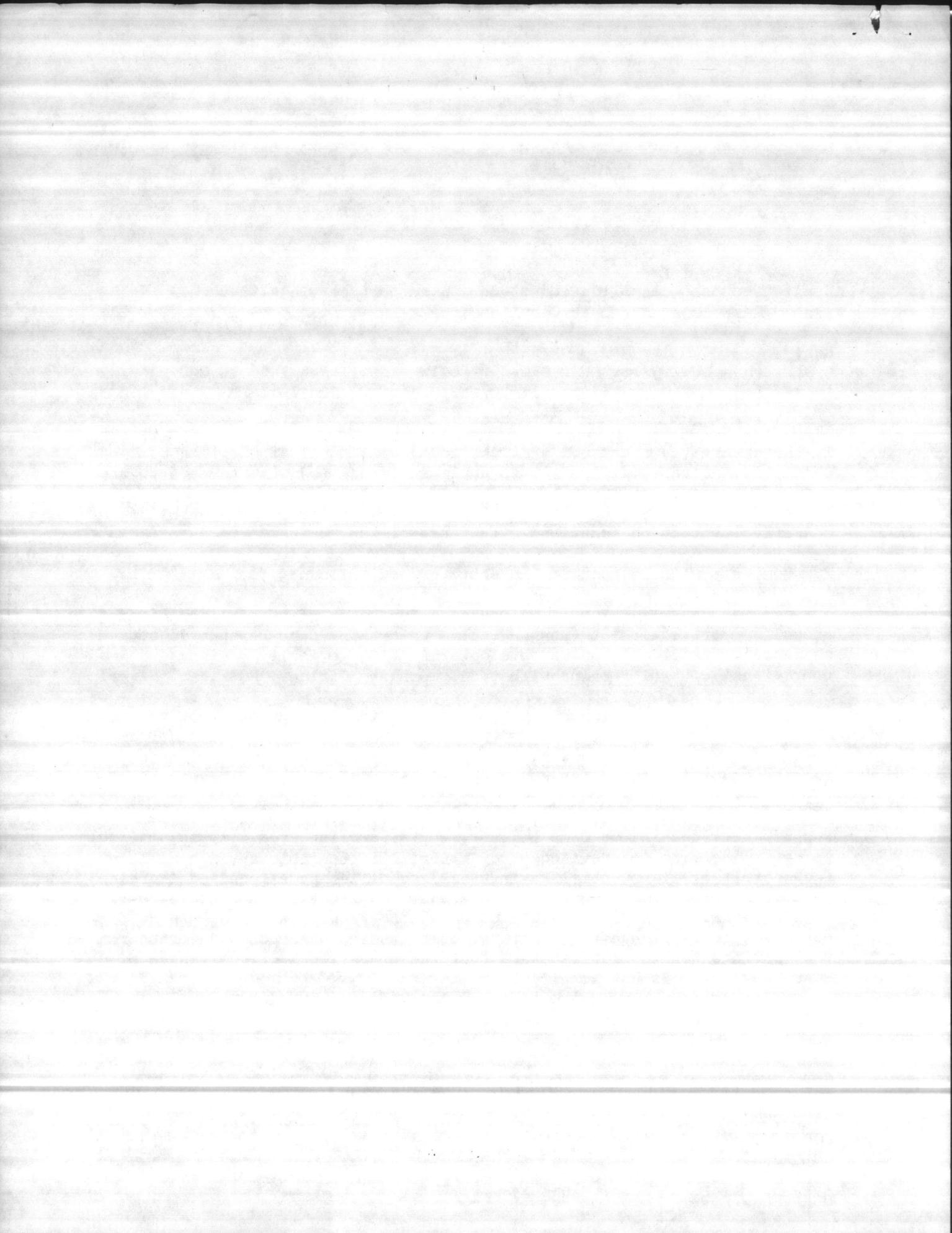
V. G. BARBER

Assistant Commander for  
Logistics/Fleet Support

MAX 28

77

CENTRAL FILES





DEPARTMENT OF THE NAVY  
NAVAL FACILITIES ENGINEERING COMMAND  
WASHINGTON, D. C. 20390

FAC 1051B/EEG:lan

JUN 1966

From: Commander, Naval Facilities Engineering Command  
To : Commander, Atlantic Division, Naval Facilities Engineering  
Command

Subj: Consolidation of Common Support Services in the Camp Lejeune,  
North Carolina, Area

Ref : X (a) CMC ltr COC-1mcr of 3 Feb 66 to CNM via (1) BuWeps and  
(2) BuDocks  
✓ (b) CNM ltr MAT 242/RHP of 10 May 66 to CMC  
✓ (c) ComNavFacEngComHq ltr FAC 1051C/JFA:mgs of 16 May 66 to CNM  
X (d) CNM ltr MAT 0442/RHP of 26 May 66 to CMC  
X (e) Discussion of further review of subject consolidation btw  
LCDR R. D. Gaulden, Jr. (CMC) and CDR J. G. Devlin (NavFac 105)  
and Mr. E. T. Oliver, Jr. (NavFac 1051) on 7 June 66  
X (f) Fonecon btw CDR J. E. Parsons (Code 60, LantDivNavFac)/  
Mr. E. T. Oliver, Jr. (NavFac 1051)

Encl: (1) Rough Draft (NavDocks P-326)

1. By reference (a) the Commandant of the Marine Corps (CMC) requested comments on a proposed plan for consolidation of support services in the Camp Lejeune, North Carolina, area to encompass the Marine Corps Air Facility, the U. S. Naval Hospital, and the Marine Corps Base.

2. Reference (b) interposed no objection to certain consolidations recommended by the CMC. Based upon information received from the Commander, Naval Facilities Engineering Command (ComNavFacEngComHq), the Chief of Naval Material (CNM) recommended that the decision as to the merits of the proposed consolidation plan, as it related to maintenance of real property, public works services, and motor transport services, be deferred pending completion of a field review by LantDivNavFac.

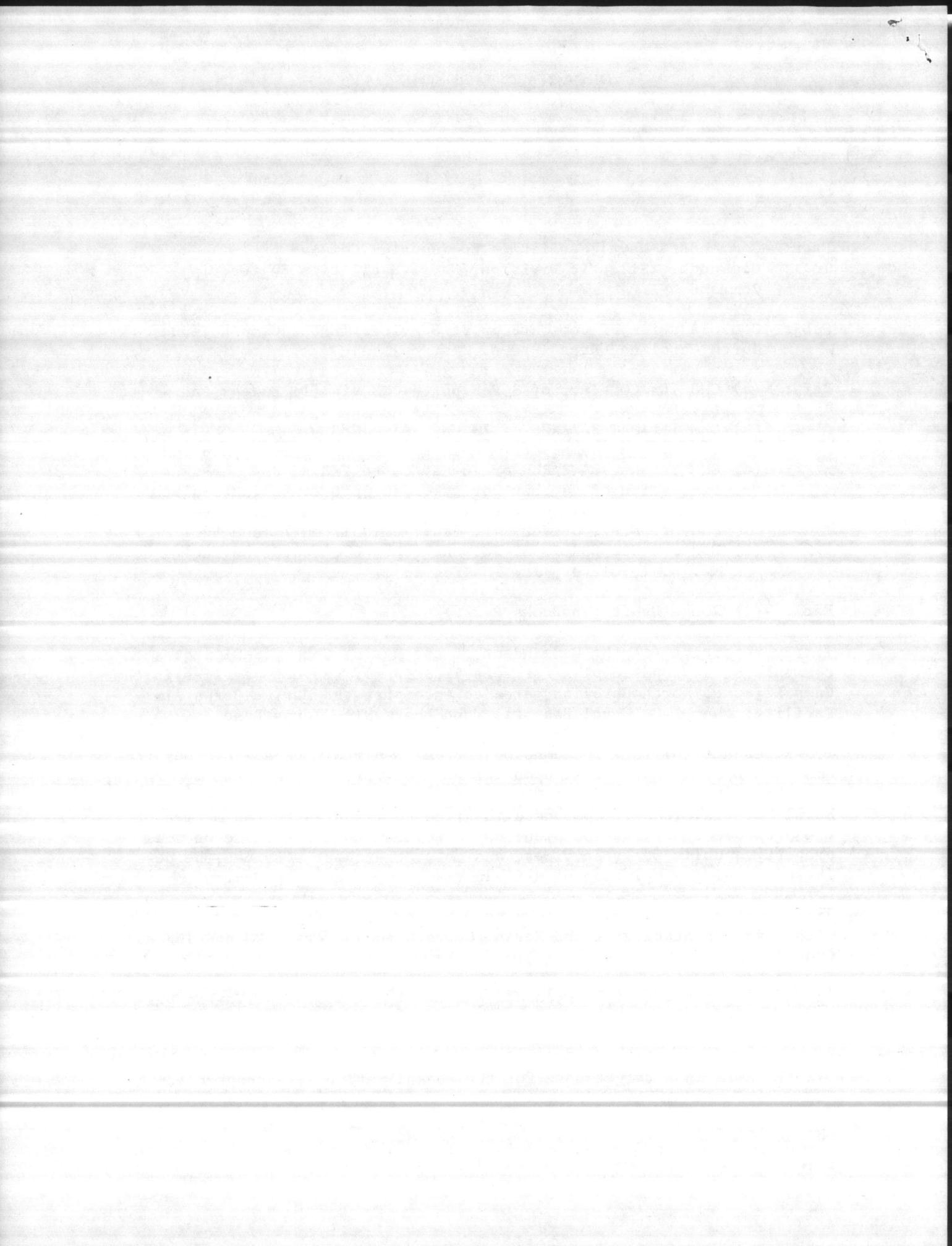
3. Resulting from comments submitted by reference (c) and a discussion with a representative of the Marine Corps Headquarters, CNM concluded that:

a. A joint effort between CMC personnel and ComLantDivNavFac personnel to review the proposed consolidation of common support services was desirable.

b. A revised target date for the consolidation was acceptable.

In addition, ComNavFacEngComHq was requested to provide timely support to the plan of review established by the CMC.

CENTRAL FILES



Subj: Consolidation of Common Support Services in the Camp Lejeune,  
North Carolina, Area

4. Tentative plans, as agreed upon during the course of references (e) and (f), are to commence a two-week study of the U. S. Naval Hospital on 18 July and a four-week study of the MCAF on 15 August. Finalized plans with recommendations are expected to reach NavFacEng-ComHq by 30 September 1966 for endorsement to CNM. Two (2) copies of enclosure (1) are provided for use in conducting the study.

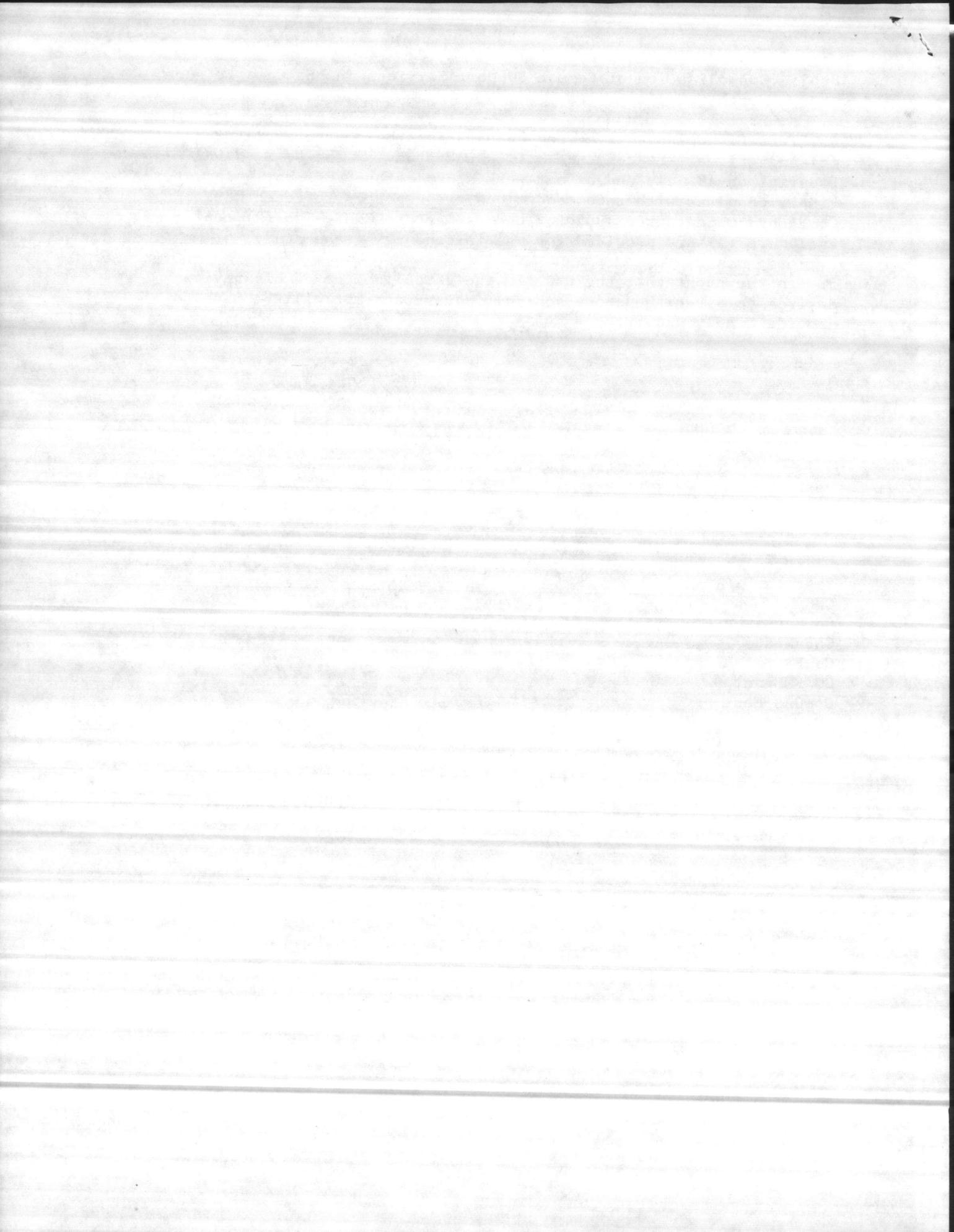
5. In the event that the CMC, in the establishment of his review, desires to alter the above schedule, every attempt will be made to provide timely support.

*J. G. Devlin*

J. G. DEVLIN  
By direction

Copy to: w/o encl  
CMC  
ComNavAirSysCom  
ChBuMed  
ComFive  
CG FMFLant  
ComCAB East  
CG MarCorB CamLej  
CO NavHosp CamLej  
CO MCAF NewRiver





CENTRAL FILES 11014

9/WWS/es

14 JUN 1966

From: Commanding General  
To: Commandant of the Marine Corps (Code COC)  
Subj: Proposed Consolidation of Support Services in the  
Camp Lejeune, North Carolina Area  
Ref: (a) CMC ltr COC-1-pam of 23 May 1966  
(b) CNM ltr MAT 242/RHP of 10 May 1966  
(c) CG MCB CLNC ltr 9/WWS/jew to CMC of 19 Oct 1965

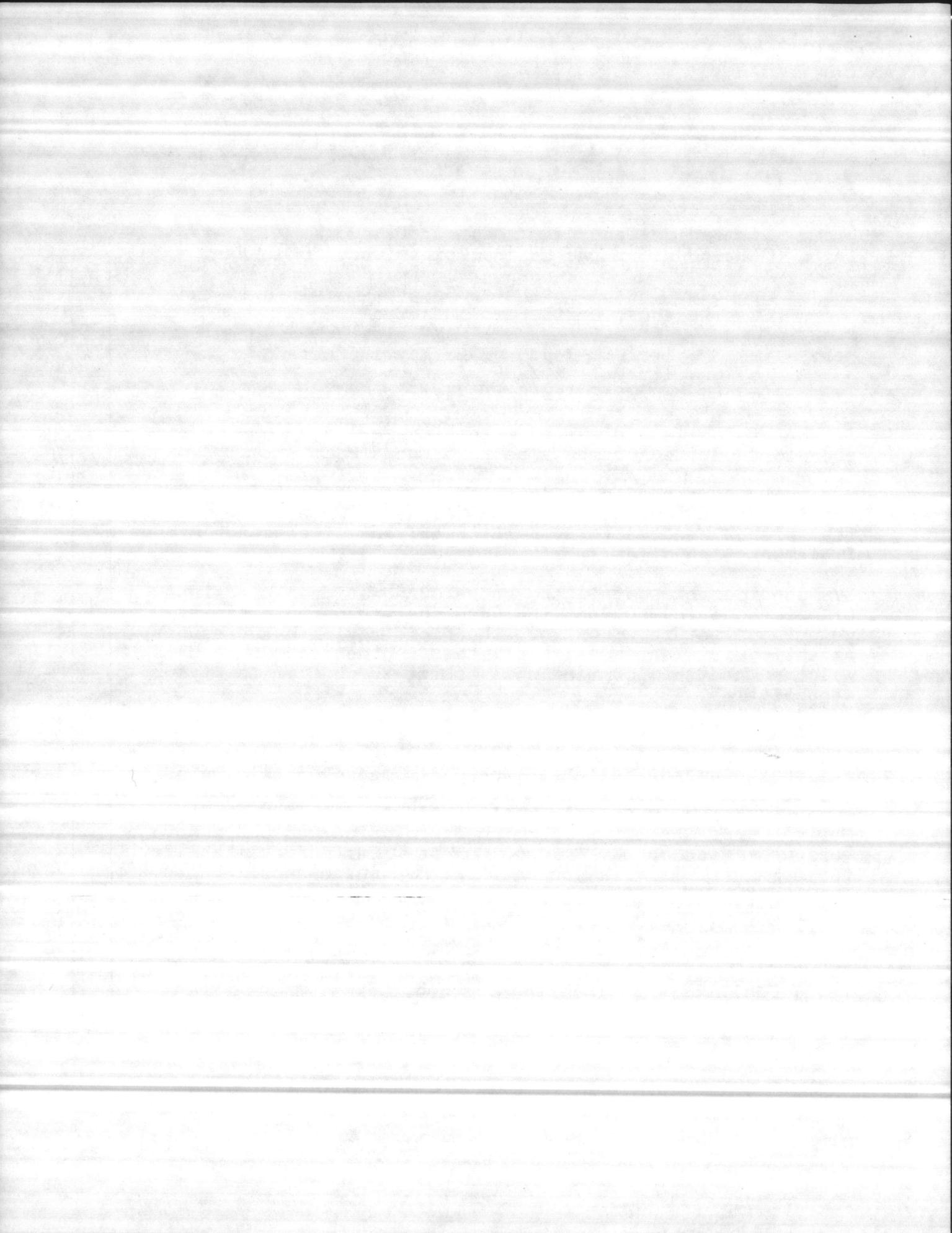
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- Reference (a) forwarded as enclosure (1) a copy of reference (b) and requested comments on reference (b).
- The recommendations contained in reference (c) are adhered to subject to completion of the field review and directives from higher headquarters, particularly as it concerns proposed implementation dates.
- Considerable detail and background was developed in support of reference (c) but not included therein because of its voluminous nature. However, the field review by Commander, Atlantic Division, Naval Facilities Engineering Command is welcomed and this command will assist to the limits of our capabilities.
- Consolidation of Motor Transport and real property maintenance (Annexes A and D) involves a substantial work force and a large volume of dollars. The performance of this work for the U. S. Naval Hospital and the Marine Corps Air Facility on a continuing reimbursable basis could be detrimental to the Marine Corps Base in performing its mission and could have a serious effect on O&MMC funds unless firm fund availability for reimbursable work can be furnished on an annual basis. The limited labor market in the Jacksonville Area and civil service regulations are not conducive to a fluctuating work force.
- Information obtained from Commander, Atlantic Division, Naval Facilities Engineering Command indicates the field review will be initiated during July 1966.

H. NICKERSON, JR.

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DEPARTMENT OF THE NAVY  
HEADQUARTERS UNITED STATES MARINE CORPS  
WASHINGTON, D. C. 20380

IN REPLY REFER TO  
COC-1-pam

MAY 23 1966

From: Commandant of the Marine Corps  
To: Commanding General, Marine Corps Base,  
Camp Lejeune, North Carolina 28542

Subj: Proposed Consolidation of Support Services in the  
Camp Lejeune, North Carolina Area

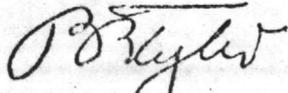
Ref: ✓ (a) CG MCB CLNC ltr 9/WWS/jew of 19 Oct 1965 to CMC

Encl: ✓ (1). CNM ltr MAT 242/RHP of 10 May 1966

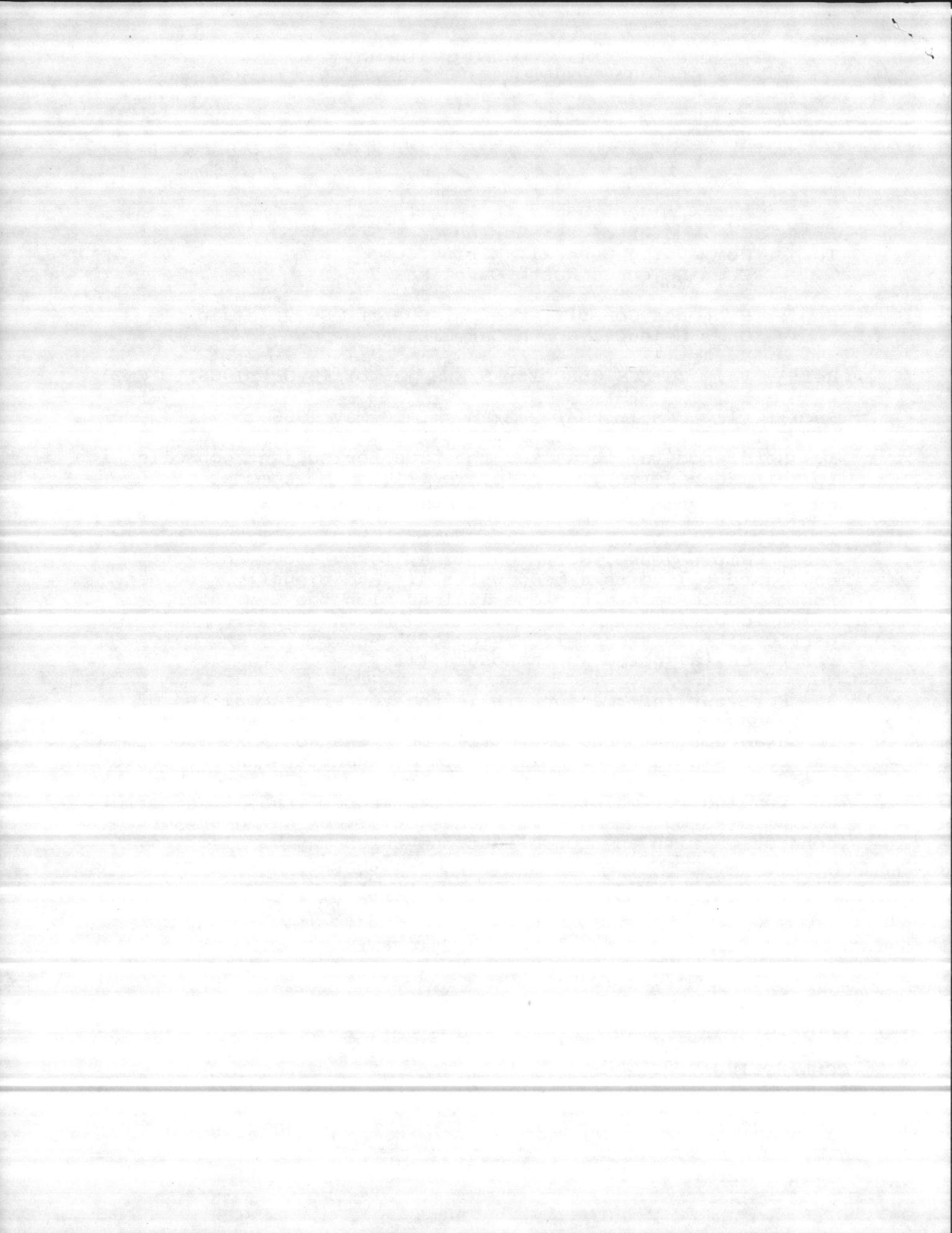
1. Reference (a) forwarded the plan for subject consolidation to this Headquarters. Enclosure (1) is the comment of the Commander, Naval Material Command on this plan.

2. It is requested that the Commanding General, Marine Corps Base, Camp Lejeune, North Carolina, forward comments on enclosure (1) to this Headquarters. Additionally, you are requested to maintain close liaison with the Commander, Atlantic Division, Naval Facilities Engineering Command, and participate in the field review of Annexes A, B and D to reference (a) noted in enclosure (1).

MCY →  
\*  
3. For your information, it is the tentative position of this Headquarters that, of the consolidations recommended in paragraph 2 to enclosure (1), only the Post Exchange Services should be consolidated. Headquarters Marine Corps also currently envisions that the responsibility for budgeting and funding for maintenance of real property and transportation equipment should remain with the activities being supported in connection with any consolidations which may be effected.

  
P. R. TYLER  
By direction

Copy to:  
NFEC HQ  
COMLANTDIVNAVFAC





DEPARTMENT OF THE NAVY  
HEADQUARTERS NAVAL MATERIAL COMMAND  
WASHINGTON, D. C. 20360

IN REPLY REFER TO  
MAT 242/RNIP

MAY 10 1966

From: Chief of Naval Material  
To: Commandant of the Marine Corps

Subj: Proposed Consolidation of Support Services in the Camp  
Lejeune, North Carolina area

Ref: X (a) CMC ltr COC-1-mcr of 3 Feb 1966 to CNM via (1) BUWEPs  
and (2) EUDOCKS

Encl: X (1) Copy of EUDOCKS 2nd End 63.600/REG:mgs of 1 March 1966  
on CMC ltr COC-1-mcr dated 3 Feb 1966

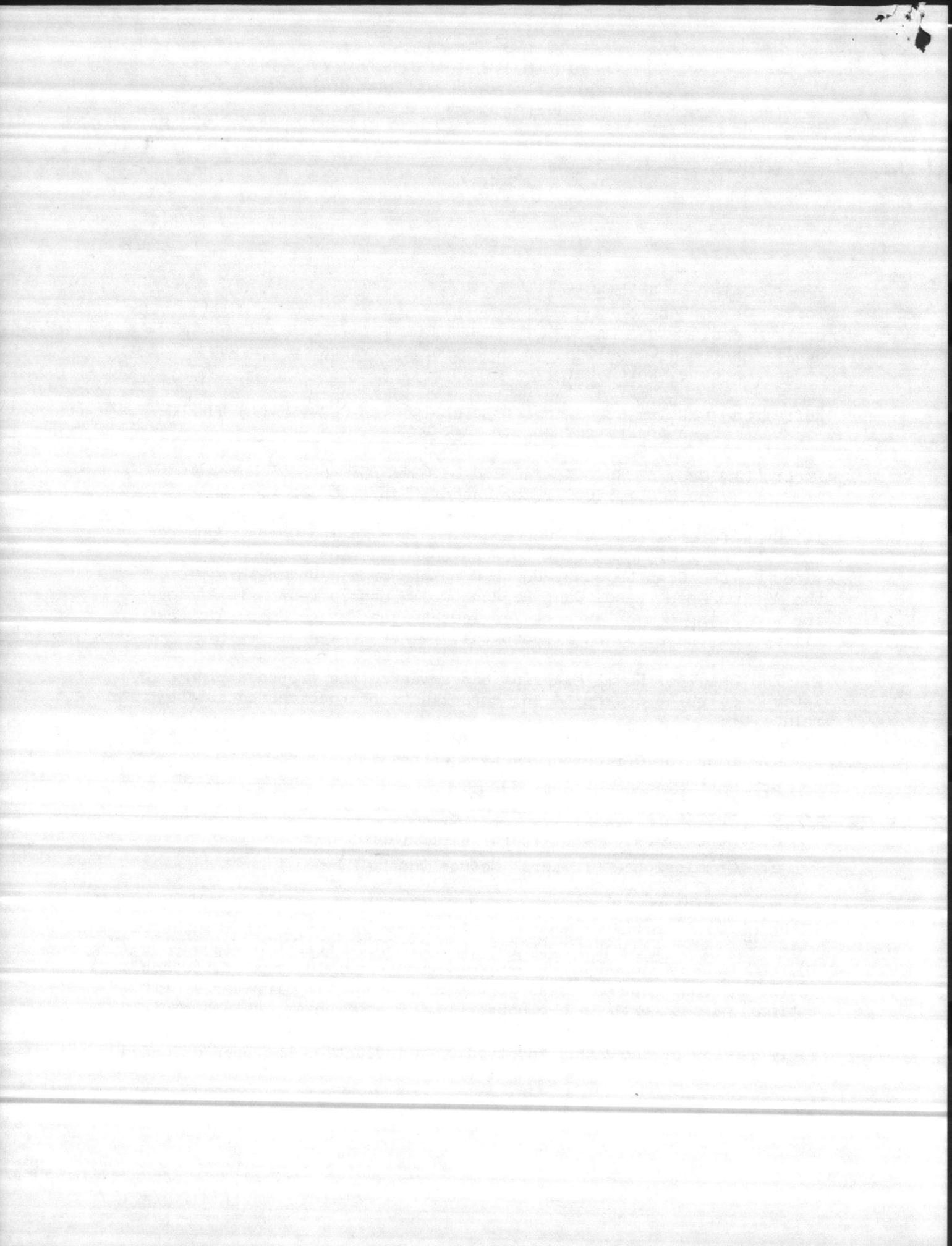
1. By reference (a), the Commandant of the Marine Corps requested comments on a proposed plan for the consolidation of support services in the Camp Lejeune, North Carolina area. Under this plan, the Marine Corps Base, Camp Lejeune would assume responsibilities for providing common support services to the Marine Corps Air Facility and the U. S. Naval Hospital.

2. The Chief of Naval Material has reviewed the proposed plan and interposes no objection to the consolidations recommended as they relate to:

- a. Bachelor Officers' Quarters (Annex I) ✓
- ✓ b. Post Exchange (Annex J) ✓
- c. Special Services (Annex K) ✓
- d. Noncommissioned Officers' Clubs (Annex L) ✓
- e. Commissioned Officers' Messes (Annex M) ✓

3. The Chief, Bureau of Yards and Docks informs the Chief of Naval Material that certain aspects of the proposed plan as it relates to maintenance of real property (Annex A), Public Works Services (Annex B), and motor transport support services (Annex D) require further clarification. Specifics as to the areas requiring further clarification are set forth in enclosure (1). The Director, Atlantic division, Bureau of Yards and Docks has been requested to conduct a field review of the areas involved. An invitation has been extended

ENCLOSURE (1)



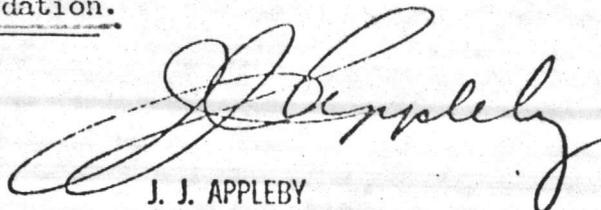
Subj: Proposed Consolidation of Support Services in the Camp Lejeune, North Carolina area

to the addressee to provide for participation by Marine Corps personnel. The Chief of Naval Material (CNM) recommends that the decision as to the merits of consolidation in these areas be deferred pending completion of the field review. The CNM has asked that the June 15 completion date established by the Bureau of Yards and Docks be advanced as much as possible.

4. Review of the proposed consolidations of Supply and Supply Services (Annex C), and Safety Functions (Annex G) discloses opposition to these services by the Bureau of Naval Weapons. The opposition to supply aspects applies only to aeronautical items. Analysis of the rationale given in support of these consolidations discloses no apparent tangible economical advantage to the Department. Accordingly, and barring development of tangible savings, the CNM does not recommend consolidation in the functional areas pertaining to aeronautical supplies, redistribution and disposal, and safety.

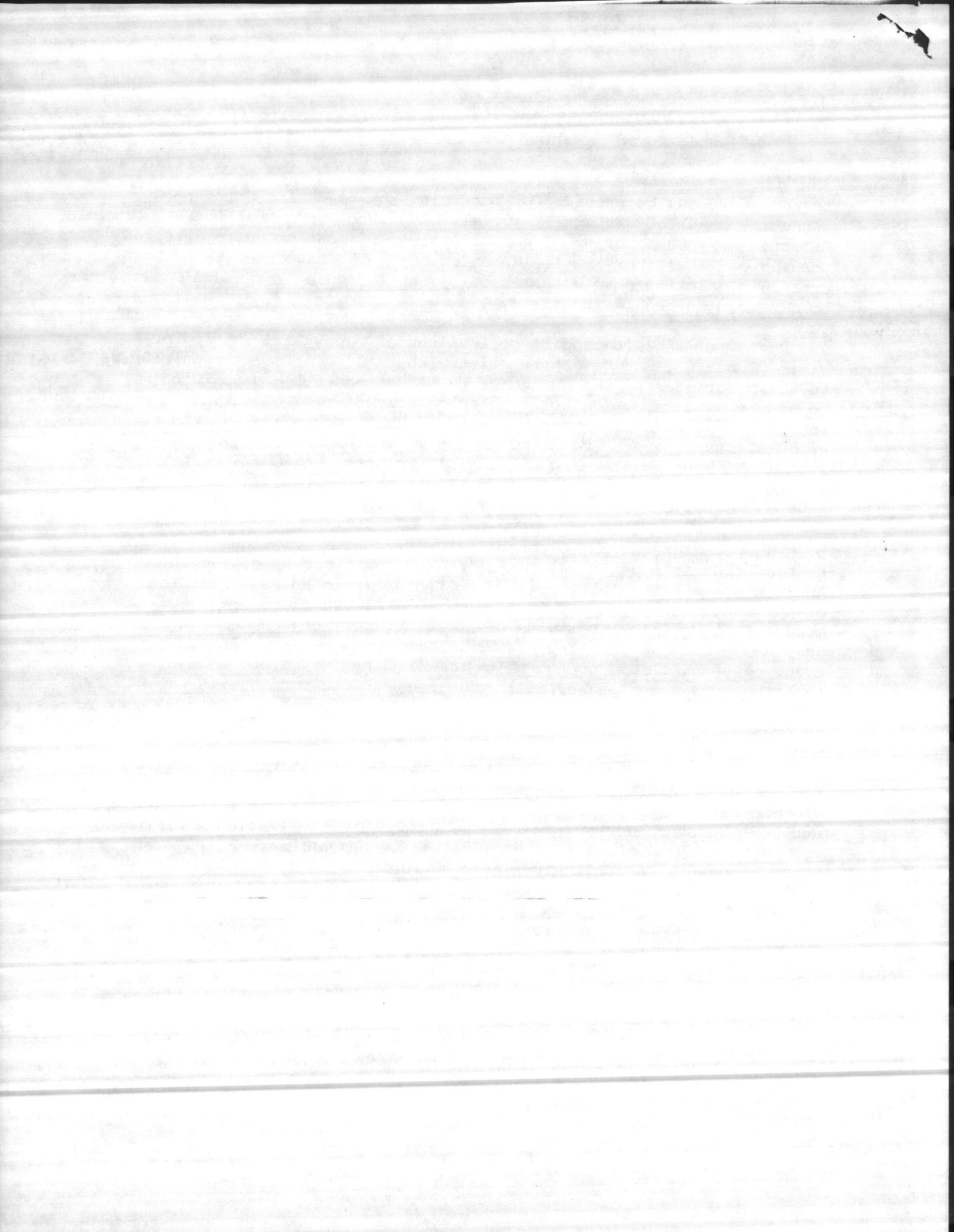
5. The recommendations to consolidate Industrial Relations Services as set forth in Annex E and financial management as specified in Annex F are substantially related to the decision on consolidation of the functions discussed in paragraph 3. It is therefore recommended that decisions relative to these two services be held in abeyance pending completion of the DIRLANTDOCKS review. In any event responsibility for budgeting and funding for maintenance of real property and transportation equipment should remain with the activities being supported rather than be transferred to Camp Lejeune as proposed.

6. CNM experience to date has shown that consolidations such as the one proposed result in substantial savings to the Department as a whole. Generally, these savings stem from reductions in both productive and overhead personnel. The proposed consolidation anticipates reduction in productive personnel without comparable effect on overhead personnel. Accordingly, it is suggested that if the BUDOCKS field review does not support the consolidations proposed in Annexes A, B, and D, the Commandant of the Marine Corps reconsider the merits of the proposed consolidation.



J. J. APPLEBY  
Deputy Chief of Naval Material  
(Material and Facilities)

Copy to:  
FACENCOM  
SUPSYCOM  
AIRSYCOM  
ORDSYCOM



63.600/RBG:mgs

1 MAR 1966

SECOND ENDORSEMENT on CMC ltr COC-1-mcr dtd 3 Feb 66

From: Chief, Bureau of Yards and Docks  
To: Chief of Naval Material

Subj: Consolidation of Support Services in the Camp Lejeune,  
North Carolina, area

1. Forwarded.

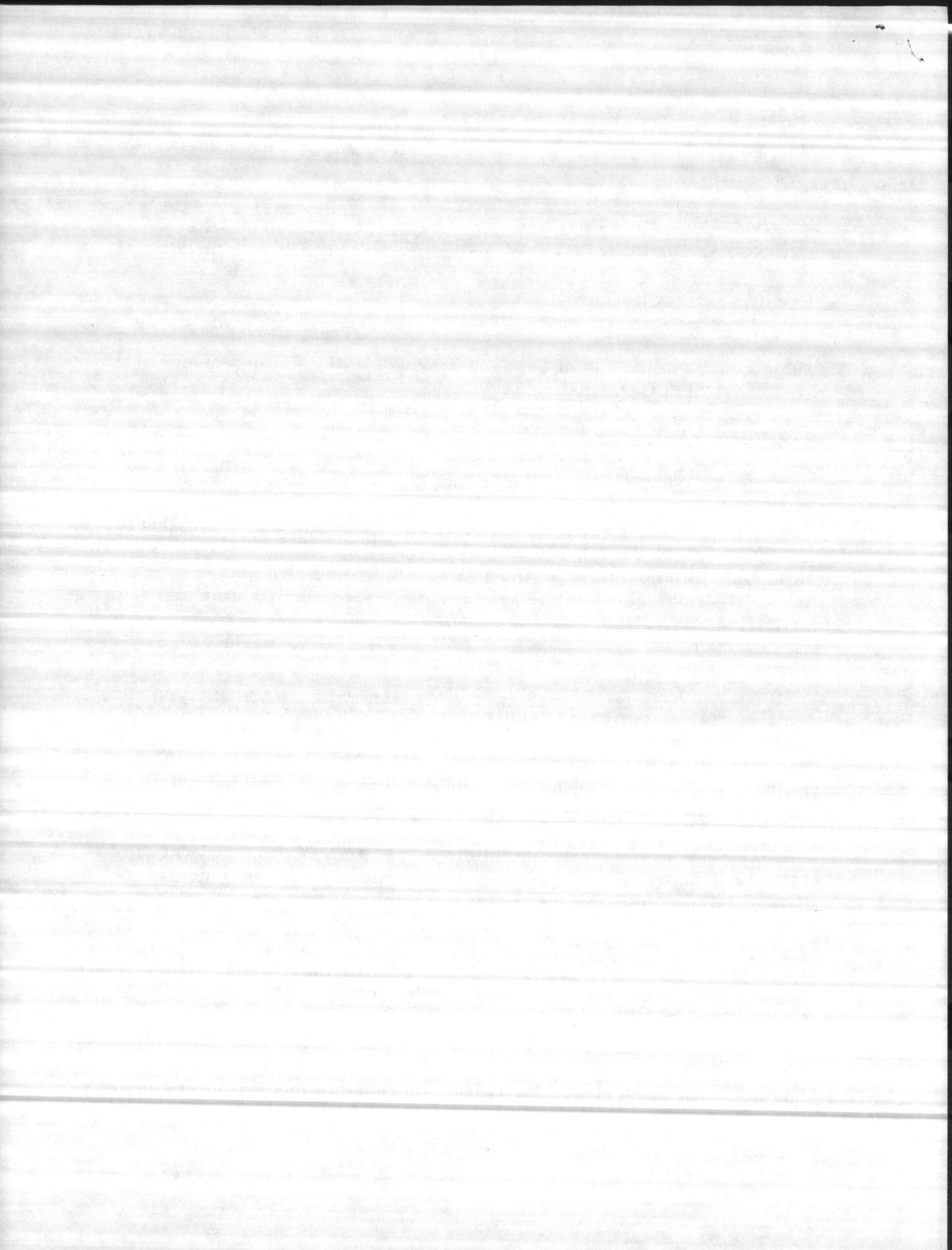
2. The Chief, Bureau of Yards and Docks, concur in principle with the proposal to consolidate common support services. The data contained in enclosure (1) lacks information and details in some areas, however, which does not permit full evaluation of its possibilities. The following comments are limited to consideration of Annexes A, B, and D, and indicate some of the areas that require clarification and a more definitive analysis:

a. Annex A (Maintenance)

(1) A review is required of standing and specific job orders, including Minor Work and Trouble Service Calls, at the Marine Corps Air Facility and the Naval Hospital, to determine staffing at these activities and travel time costs. These travel costs could possibly negate any personnel savings.

(2) Savings attributable to disposition of proposed excess facilities is questionable. Plant account value is no longer considered a valid savings indicator. Estimated savings due to excess facilities should be based on the difference in maintenance funds expended on the facilities before and after consolidation. Maintenance costs will have to be computed if any of the facilities are retained, regardless of their use.

b. Annex B. It is difficult to evaluate the proposed consolidation of engineering services, as a discussion of workload (present or future) has not been presented. An overall increase of one GS-11 engineer is



1 MAR 1966

Subj: Consolidation of Support Services in the Camp Lejeune,  
North Carolina, area

indicated as a requirement, however. Comments requested of BuDocks by enclosure (3), relative to performance of contracting and engineering functions, must be deferred pending completion of the review discussed in paragraph 3 below.

c. Annex D

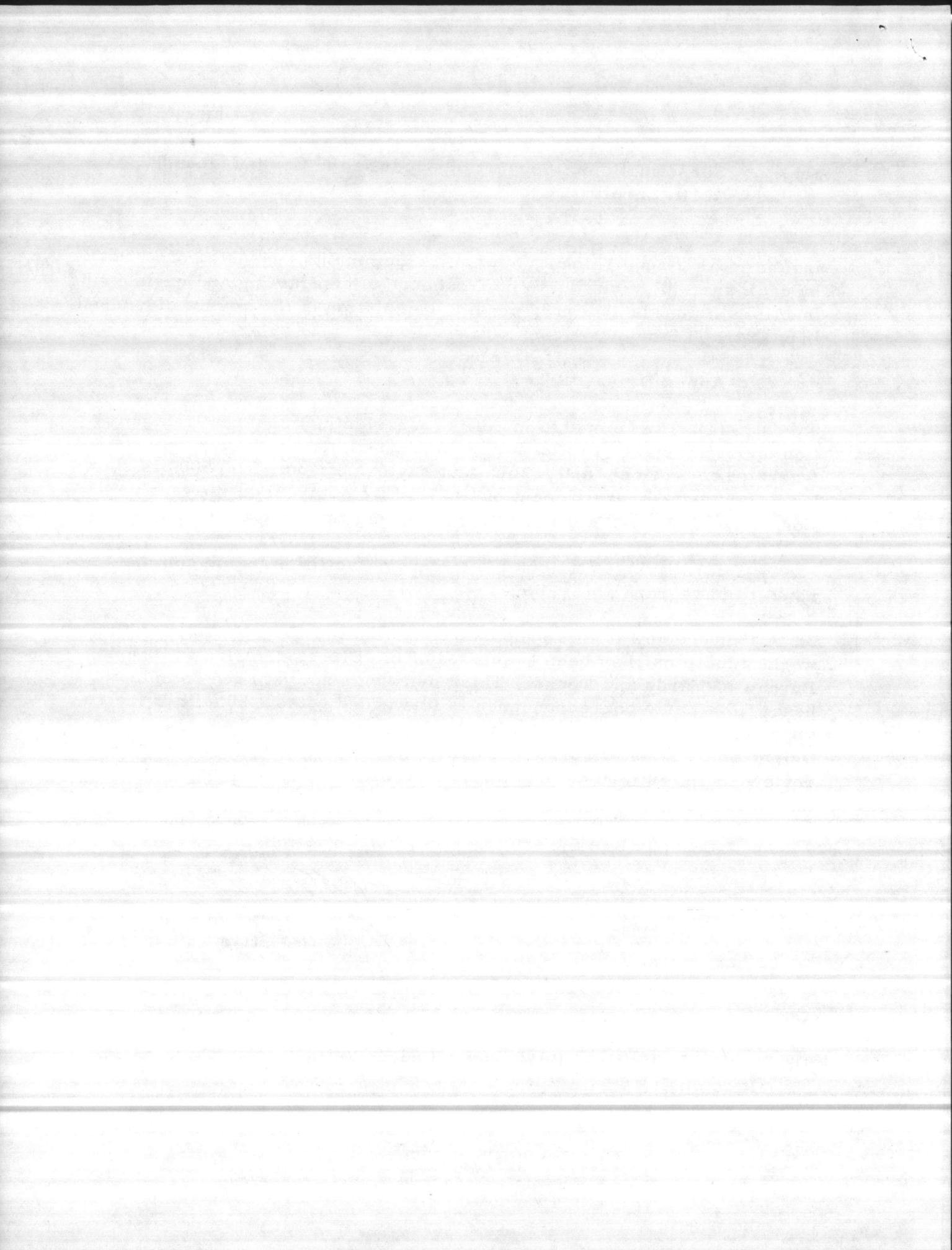
(1) The computations of personnel adjustments in transportation operations are questioned. A decrease of two (2) truck drivers (garbage collection), and a resultant savings of some \$10,500, is shown, but an increased requirement of two (2) truck drivers at the Marine Corps Base does not reflect a corresponding increase in cost. ?

(2) Savings attributable to excess facilities (Same comment as noted in paragraph 2a(2) above).

3. A field review of this proposed consolidation, as related to public works functions, has been requested of the Director, Atlantic Division, Bureau of Yards and Docks. This review has not yet been completed; hence, the basic correspondence is forwarded without benefit of the review results. They will be provided upon completion, however. Participation by Marine Corps personnel, as members of the DirLantDocks review team, is invited should Headquarters, Marine Corps, consider this desirable.

*E. J. Merriam*  
E. J. MERRIAM  
Assistant Chief for Operations & Maintenance

Copy to:  
CMC  
DirLantDocks (w/cy of BuWeps 1st End  
less encls)

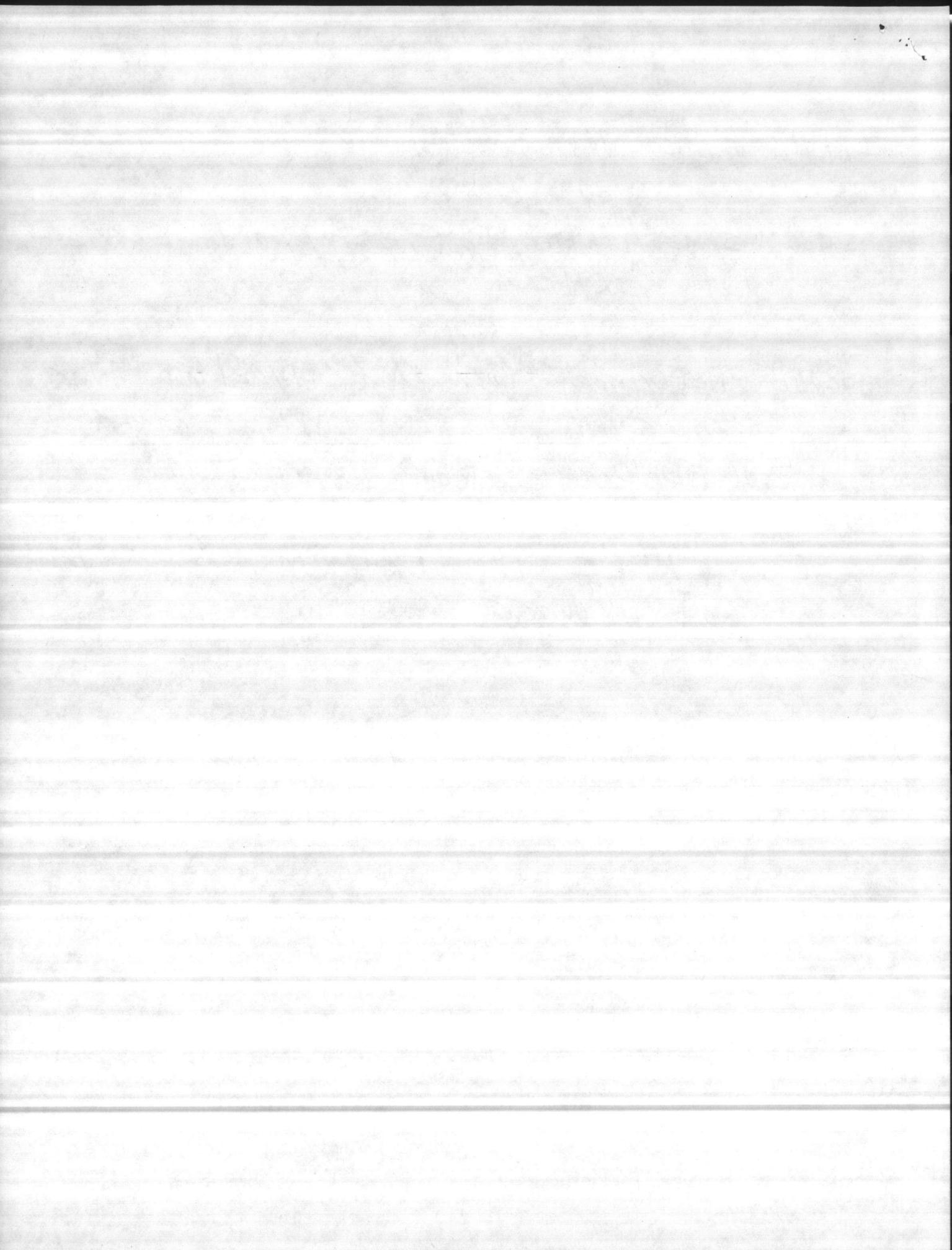


REF: CMC Itr COC-Imcr of 3 Feb 66

SUBJ: Consolidation of Support Services  
at CLNC

SCOPE: Reference Forwarded 19 Oct 65 Plan  
to CNM via (1) BuWeps and  
(2) BuDocks for comment

SEE: CNFEC Itr FAC 1051B/EEG:lan  
of 14 Jun 66



HEADQUARTERS, MARINE CORPS BASE  
CAMP LEJEUNE, NORTH CAROLINA 28542

9/WWS/jew

28 Jan 1966

From: Chairman, Ad Hoc Committee on Consolidation of Common Support Services within the Camp Lejeune Complex

To: Distribution List

Subj: Ad Hoc Committee Meeting on Consolidation of Common Support Services within the Camp Lejeune Complex, held on 18 January 1966; minutes of

1. Minutes of the meeting on Consolidation of Support Services held on Tuesday, 18 January 1966. Tab 1. is a list of attendees.

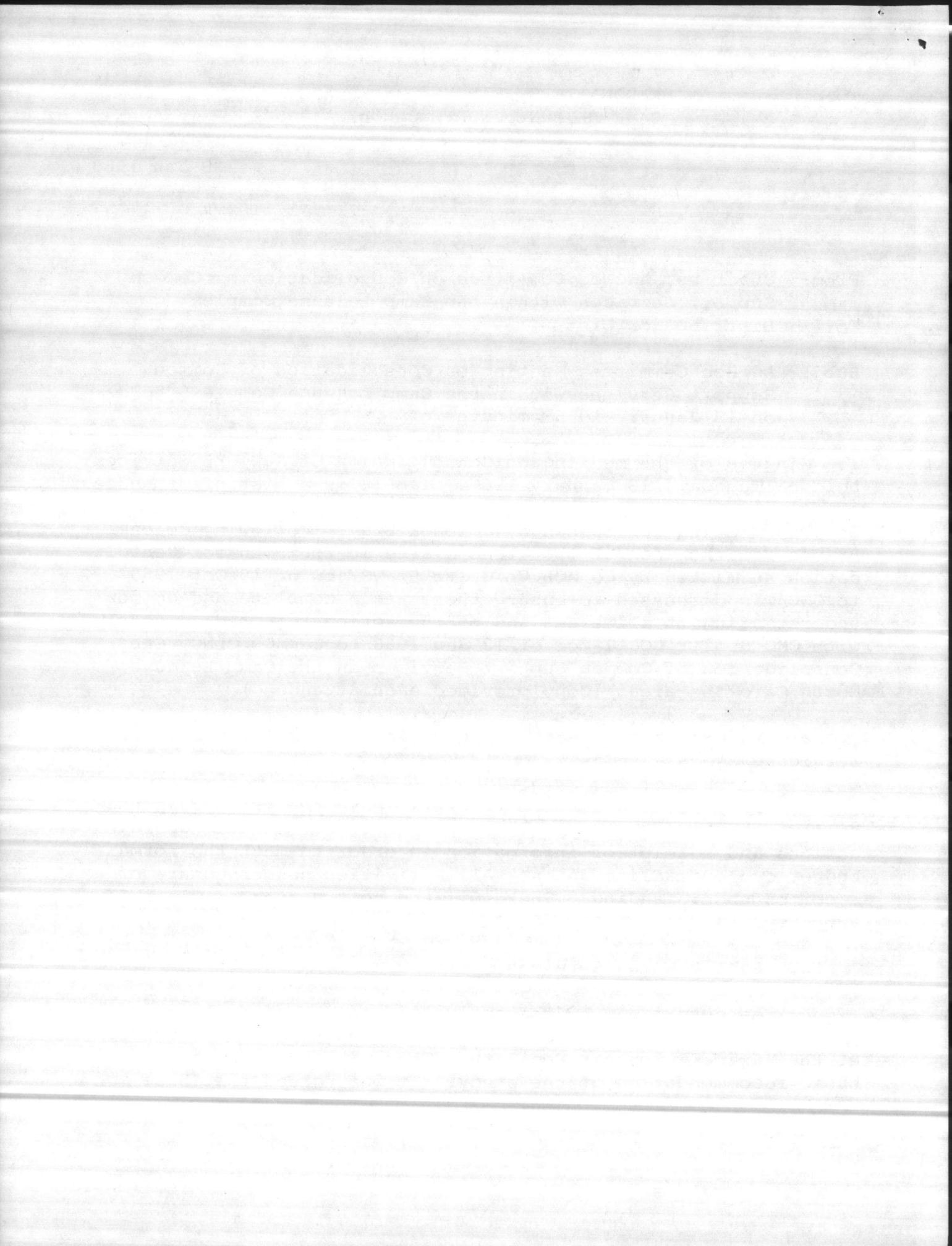
2. The meeting was opened by Colonel Bray. Following Colonel Bray's remarks each of the areas listed in the Plan for Consolidation submitted by CG MCB CLNC ltr 9/WWS/jew of 19 Oct 1965 to CMC was discussed to ensure there was a complete and common understanding on all areas and of the action required to comply with CMC Spdltr COC-1-mcr of 12 Jan 1966 to CG MCB CLNC, Subj: Consolidation of Common Support Services in the Camp Lejeune, North Carolina area. (Copy provided each attendee.)

a. Maintenance of Real Property Family Housing and Other Services.

Lieutenant Colonel Little will have the prime responsibility for the necessary action in this area. He will coordinate actions and receipt of information in order to meet the normal budget cycle deadline dates. All activities concerned are of a common understanding. There will be no transfer of Class II Property.

b. Public Works Services.

As determined by the activities concerned certain personnel of the Public Works staff will be physically located at the Marine Corps Air Facility. This will not change the basic recommendation of the study. It was agreed that Base



9/WWS/jew  
28 Jan 1966

Maintenance will have to be kept informed of the Marine Corps Air Facility's MilCon Plan and Backlog of Essential Maintenance but this does not mean a consolidated MilCon Program.

c. Supply and Supply Services. All attending are in agreement with the proposed consolidation. Supply Officer will obtain budget information required. It was discussed and agreed that in those areas where there is no transfer of personnel, or additional personnel or funds required, action will be initiated to consolidate the services; for example, R&D, and use of the Self-Service Store. Subsequent to the conference, CMC message 182011Z requested that consolidation of all disposal functions to include peculiar aeronautical materials be considered. It has been later determined that consolidation of peculiar aeronautical materials R&D can be handled by Marine Corps Base, but that for other reasons, consolidation of this function was not concurred with by COMCABEAST and Marine Corps Air Facility. Commandant of the Marine Corps has been so advised.

d. Motor Transport Support Services. Consolidation as proposed was concurred with. Identified BUWEPS provided equipment would not be transferred, but maintenance would be performed on a reimbursable basis. USNH Representative pointed out that there have been no comments received from BUDOCKS.

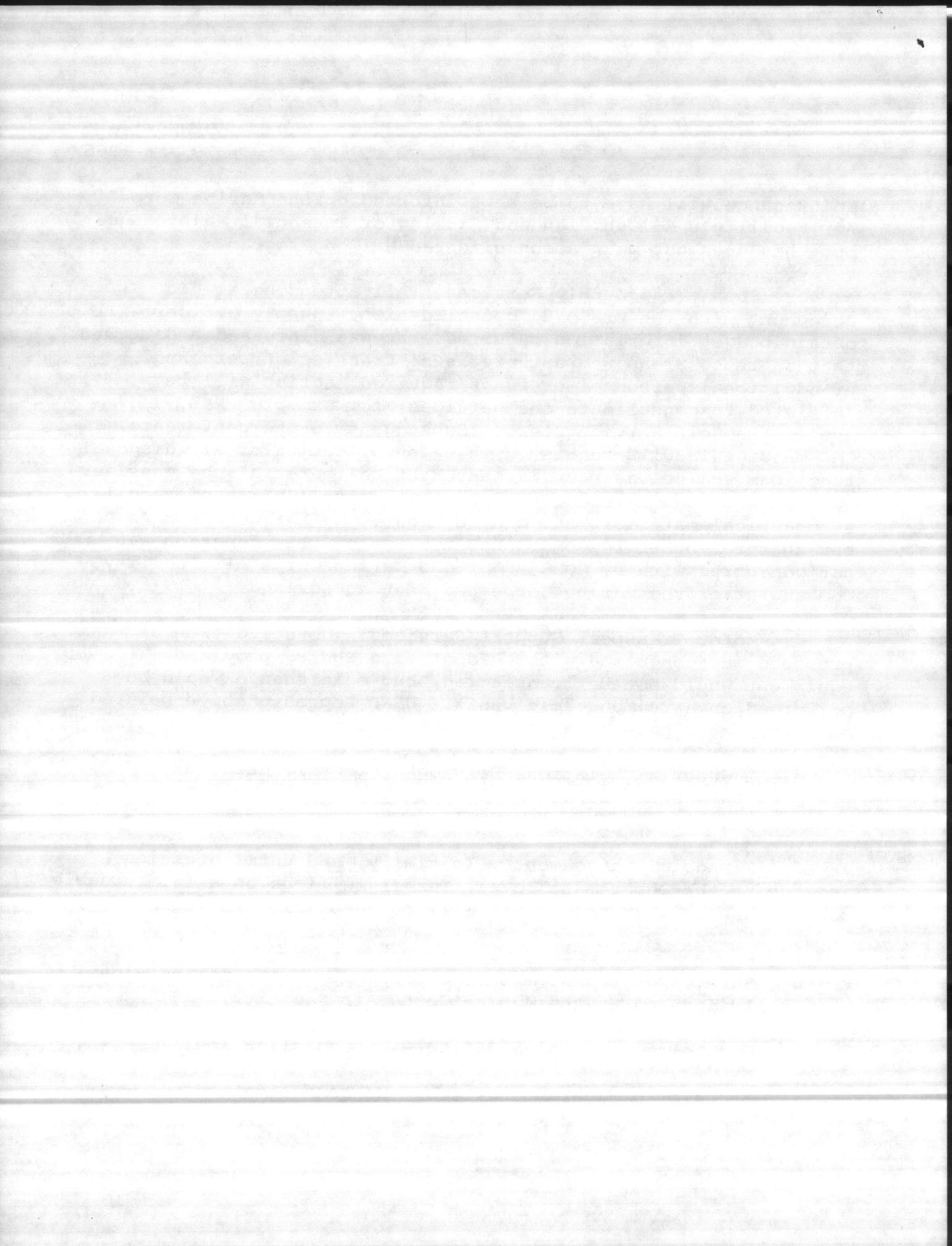
e. Industrial Relations Services. Consolidation as proposed subject to consolidation of the other services utilizing civil service personnel.

f. Financial Management. Initially, and until decision is made at the Department level, funding will be on a reimbursable basis. Non-reimbursable costs will be identified in the FY 68 budget submission.

g. Safety Functions. To be consolidated with an individual physically located at the Marine Corps Air Facility.

h. Quarters and Housing Office - No consolidation.

i. Bachelor Officers' Quarters - No consolidation.



9/WWS/jew

28 Jan 1966

j. Post Exchange, Special Services, Noncommissioned Officers' Clubs, Commissioned Officers' Messes. There is no change in the positions of the Marine Corps Base and MCAF/COMCABEAST as stated in the original submission. This can be resolved only by decision of higher headquarters.

k. Consolidation of Area Auditor is dependent on decision on nonappropriated fund activities.

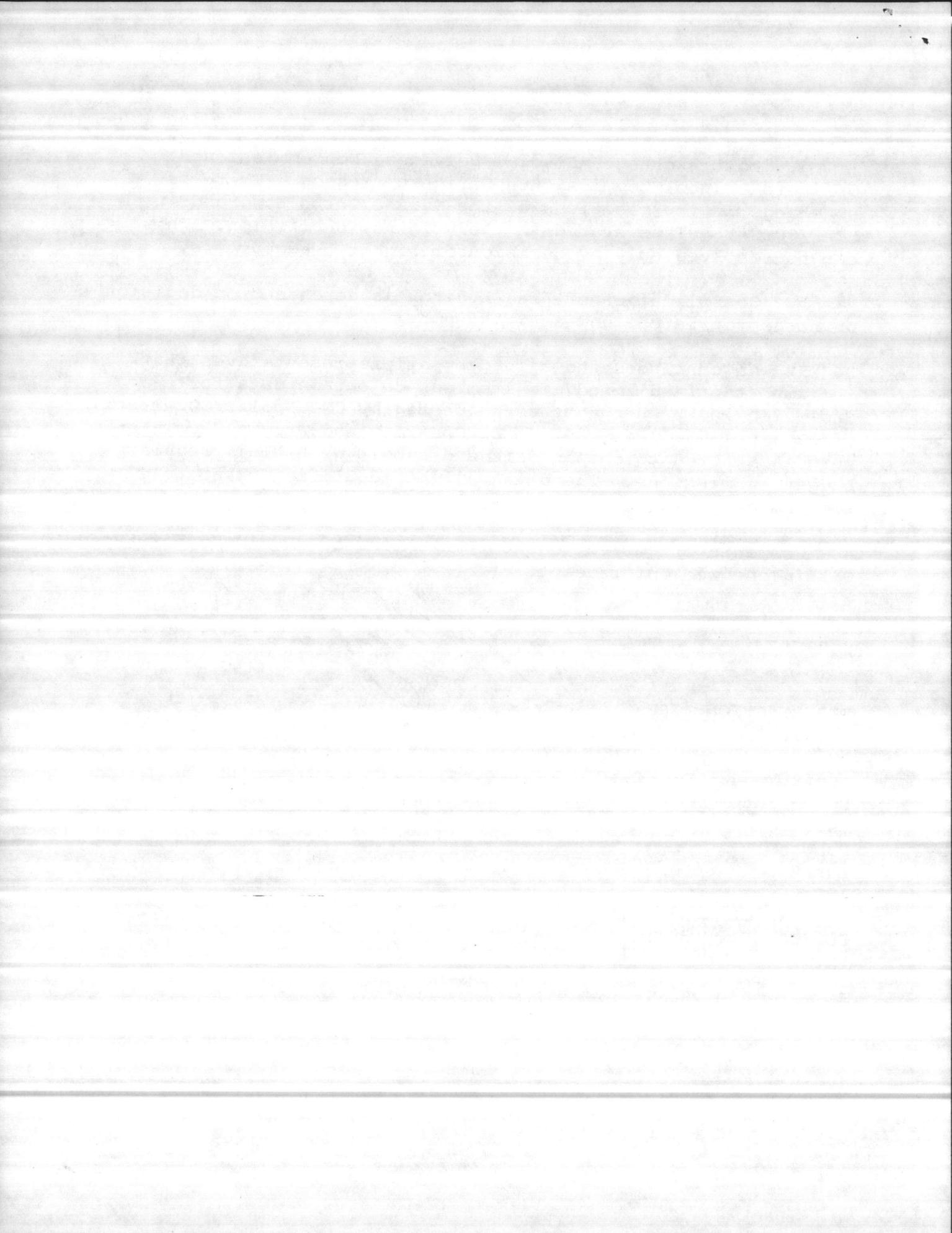
3. It was concluded and agreed by all representatives that the important and immediate item was to obtain data for inclusion in FY 68 budget as requested by CMC Spdltr COC-1-mcr of 12 Jan 1966. Base Committee Chairmen and Program Administrators were instructed to obtain data and submit with their regular budget submissions. The data will be identified separately from PA's regular requirements.

4. Comments or corrections to these minutes should be forwarded within one week of receipt.

  
W. W. STEGEMERTEN

DISTRIBUTION LIST:

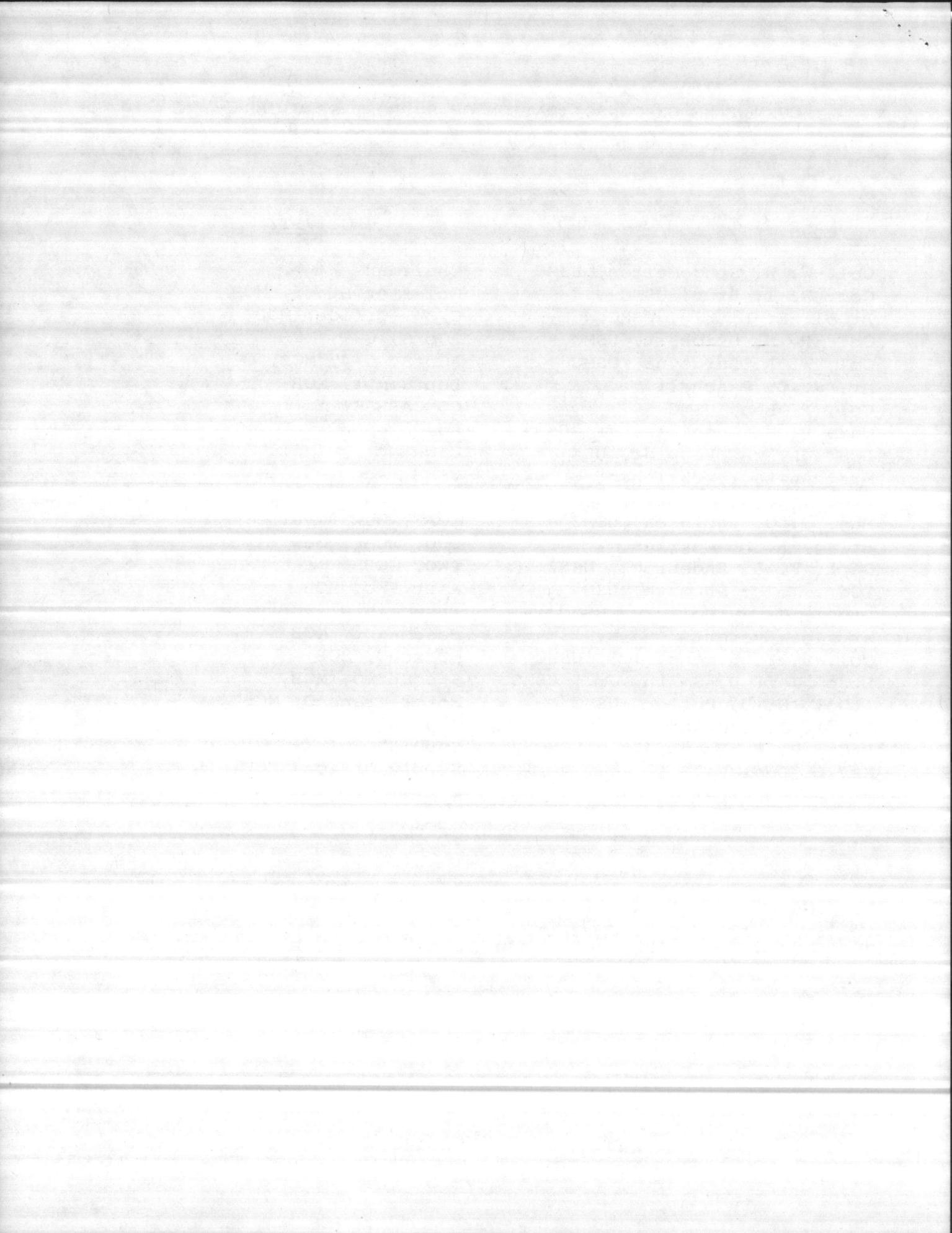
ACofS, G-4 (COMCABEAST)  
ACofS, G-1, MCB, CLNC  
ACofS, G-4, MCB, CLNC  
BaseMaintO  
BaseMTO  
PubWksO  
BaseSupO  
IRO  
CO USNH CLNC  
CO MCAF New River



COMMITTEE ON CONSOLIDATION OF SUPPORT SERVICES

18 Jan 1966

<u>NAME</u>	<u>ACTIVITY</u>
Col. W. W. Stegemerten, USMC	Chairman
Col. W. T. Bray, USMC	Chief of Staff, MCB
LtCol. E. Little, USMC	C/S's Office, MCB
Col. R. W. Glickert, USMC	ACofS, G-1, MCB
Col. W. R. Burgoyne, USMC	ACofS, G-4, MCB
Mr. R. C. Paschall	DeptCompt, MCB
Col. R. Leu, USMC	COMCABEAST
Cdr. R. M. Tennille, Jr, USN	AdmO, USNH
LCdr. L. A. Peppler, USN	USNH
Mrs. Anita Y. Callahan	USNH
LtCol. T. N. Johnson, USMC	MCAF, New River
Maj. J. C. Robinson, USMC	MCAF, New River
Lt(jg) R. H. DeVries	PWO, MCAF, New River
Capt. F. L. Endebrock, USN	PWO, MCB
LCdr. J. W. Shumate, USN	Asst PWO, MCB
LtCol. J. J. Holicky, USMC	BaseMaintO, MCB
Mr. Joe Everett	BaseMaint, MCB
Col. H. L. Givens, Jr., USMC	MCEXCH, MCB
LtCol. Jeff D. Smith, Jr., USMC	SpecServO, MCB
LtCol. N. D. Butler, USMC	Motor Trans O, MCB
LtCol. J. Boulware, USMC	BaseMatBn
LtCol. H. W. Evans, Jr., USMC	SupO, MCB
Mr. L. Dooley	Supply Office, MCB
Mr. R. H. Piper	IRO
GySgt. E. W. Miller	Treasurer, Staff NCO Club





DEPARTMENT OF THE NAVY  
BUREAU OF NAVAL WEAPONS  
WASHINGTON, D.C. 20360

IN REPLY REFER TO  
BWSA  
SPM-43/10/4:VNE

22 DEC 1965

From: Chief, Bureau of Naval Weapons  
To: Commandant of the Marine Corps

Subj: Proposed consolidation of Support Services in Camp Lejeune  
North Carolina area; comments on

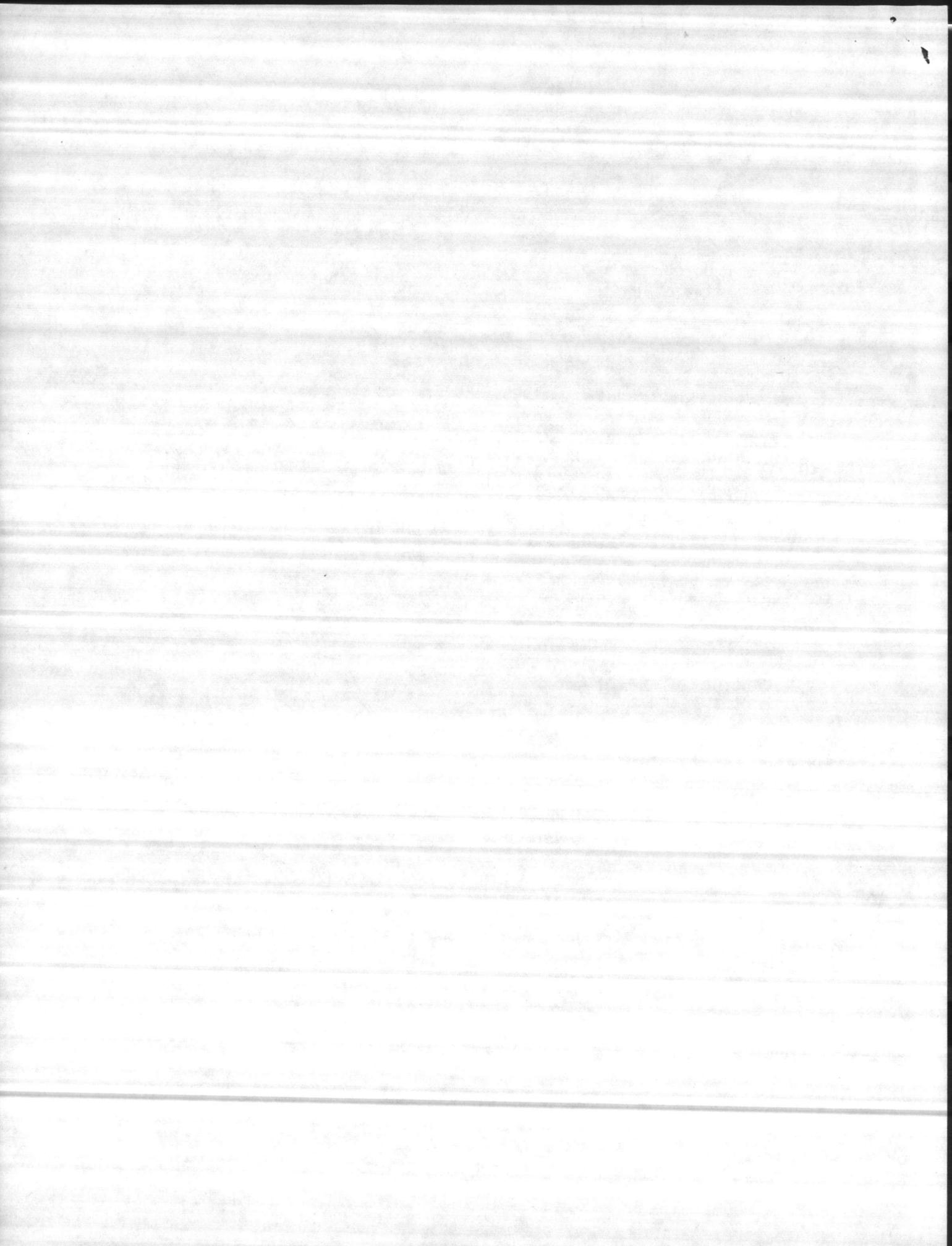
- Ref: (a) MARCORB Camp Lejeune ltr 9/WWS/Jew of 19 Oct 1965 (NOVAL)
- (b) MCAF New River ltr 201:dsp 5400 of 27 May 1965 (NOVAL)
- (c) COMCAREAST ltr 124/101-NJA-les 10000 of 23 Nov 1965 (NOVAL)
- (d) MARCORB Camp Lejeune ltr 9/WWS/Jew of 8 Dec 1965 (NOVAL)

Enclosure (1) to reference (a) has been reviewed and comments on that portion of the proposed consolidation which involves the Marine Corps Air Facility, New River are provided herein.

Comments on pertinent Annexes of enclosure (1) to reference (a) are as follows:

a. Annexes A, B, and D - Concur that these areas could be consolidated. Past experience has proven that operation under the "Lead Shop" concept, even though the activities served were farther apart than the case in the Camp Lejeune area, has resulted in savings in cost of maintenance of real property and transportation equipment while still providing a good or better service. The following points are considered pertinent to planning for such consolidation:

- (1) MCAF New River should retain a technical and administrative staff for planning, budgeting, and work input functions.
- (2) MCAF New River should retain responsibility for budgeting and funding of maintenance of real property and transportation equipment.
- (3) Operation of telephone exchanges should remain with MCAF New River. Maintenance of the telephone facilities would become the responsibility of the Marine Corps Base, Camp Lejeune.
- (4) Maintenance of all common support transportation and general automotive maintenance of BUMEPS equipment should be performed by MARCORB Camp Lejeune. Operation and accountability of BUMEPS equipment should remain with MCAF New River.
- (5) The organization and staffing required for performance of operations in these areas should be planned and documented prior to consolidation.



1951

1951-43/1074

Subj: Proposed consolidation of Support Services in Camp Lejeune  
North Carolina area; comments on

(Supply & Supply Services)

b. Annex C - Do not concur that consolidation should be effected in this area.

(1) The Aeronautical Program support includes material other than aviation, i.e., general supply items, industrial items, electronic items, and textile items. While it is conceivable that some savings might be generated by shifting a portion (non-aviation) of material support from MCAS Cherry Point to MCB Camp Lejeune, from the information available in SURTS it appears to be an insignificant portion of the total. The streamlining of supply channels would probably tend to reduce supply effectiveness, require new requisitioning system and accounting concept, thus offsetting possible savings.

IR0

c. Annex B - Concur that the Industrial Relations function could be consolidated at MCB Camp Lejeune contingent upon consolidation of other areas which would result in transfer of the majority of the civilian personnel from MCB to MCB. (Consolidation as proposed by Annexes A, B, and C would involve approximately four-fifths of the civilian ceiling of MCAS).

d. Annex F (Financial Management)

(1) Intention as responsibility for budgeting and funding for maintenance of real property and transportation equipment (subparagraph 2.a.(1) above) should remain with MCAS New River and Supply Support should not be consolidated (subparagraph 2.b. above), consolidation in general, should not be effected in this area. Reference (c) also indicates that this function should not be consolidated.

(Safety)

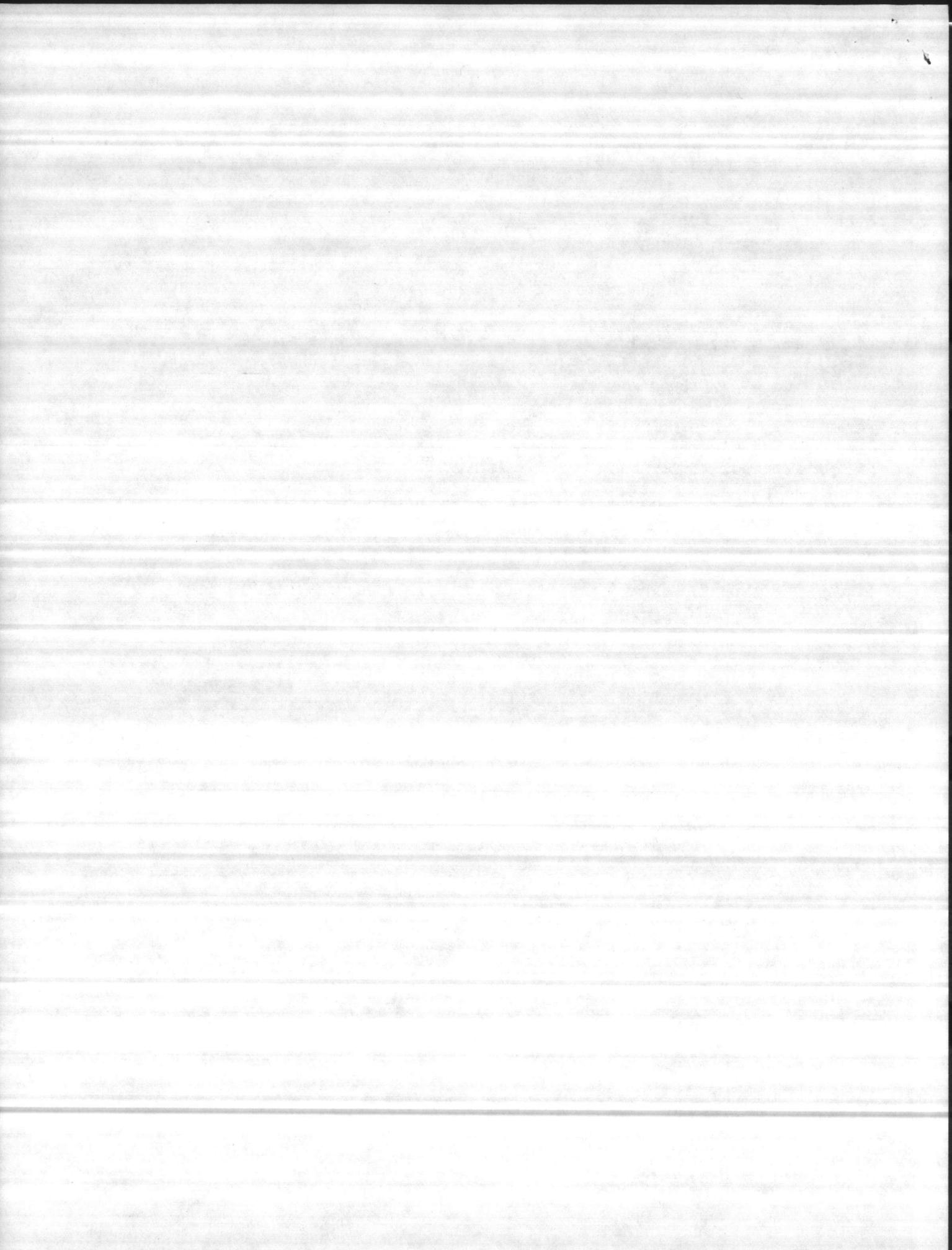
e. Annex G - Consolidation in this area would result in increased cost of operation. Safety is a command function and should not be relegated outside the command. Therefore, do not concur that the Safety function should be consolidated.

(Quarters & BOQ's)

f. Annexes H and I - No specific comments since it was recommended that these areas not be consolidated.

g. The comments made in Appendix 2 to Annex C of enclosure (1) of reference (a), paragraph 3.a. of reference (b) and paragraph 2 of reference (c) regarding Annexes J, K, L and M are concurred in. However, should a decision be made that consolidation should be effected in these areas attention is invited to paragraph 4.d. of Annex L - maintenance should be performed by the activity responsible for performing real property maintenance.

*Agree & Concur*



NWRA  
SP-43/1074:VEP

Subj: Proposed consolidation of Support Services in Camp Lejeune  
North Carolina area; comments on

1. NWRA does not concur with the statements made in reference (d) that the "Lead Activity" must be responsible for budgeting for funds and that the funds provided directly to the "Lead Activity," which will provide the support services when such services are consolidated. Responsibility for the maintenance of an activity, regardless of whether such maintenance is performed by station forces, "lead activity," a Public Works Center, or by contract still rests with the Commanding Officer of the activity. Responsibility for determining the maintenance which would be performed, budgeting for the funds for performance thereof, and the paying of the services performed must remain with the Commanding Officer of the activity. Maintenance management with appropriate planning will preclude fluctuation in labor force and quarterly crises.
2. The proposed date of 1 July 1967 for consolidation of areas approved for consolidation is concurred in.

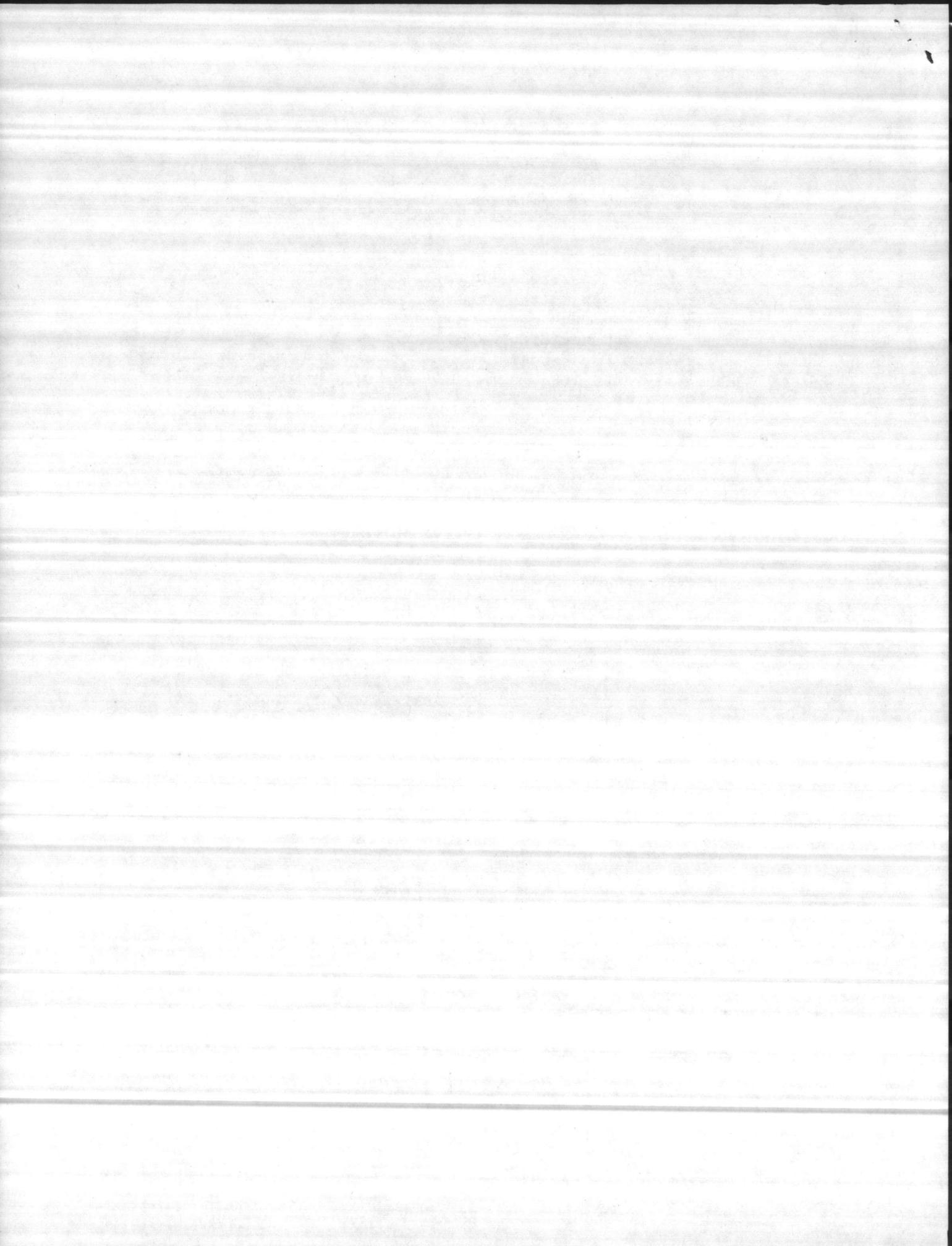
V. G. LAMBERT  
Assistant Chief for Field Support

Copy to:  
 COMNAVST  
 NCAF New River  
 CG MCW Camp Lejeune, N.C.  
 CEO (OP-CA)  
 HUSDOSYB  
 HUSDID  
 DIRLANTRKTS

*Return to  
 Camp after  
 routing is  
 completed  
 1/5/66  
 us*

CG			
ABC		✓	25 Jan
CIS		✓	JLD
INSP			
G-1			
G-2/3			
G-4		✓	
COMPT			123
LEGAL			
SUPPLY			
TRANS		✓	
MID			
MAINT			
TRAINING			
RSB			

ENCLOSURE (1)





UNITED STATES MARINE CORPS  
MARINE CORPS BASE  
CAMP LEJEUNE, NORTH CAROLINA 28542

IN REPLY REFER TO

9/WWS/jew

DEC 8 1965

*Central Files*

*empt 1/10*

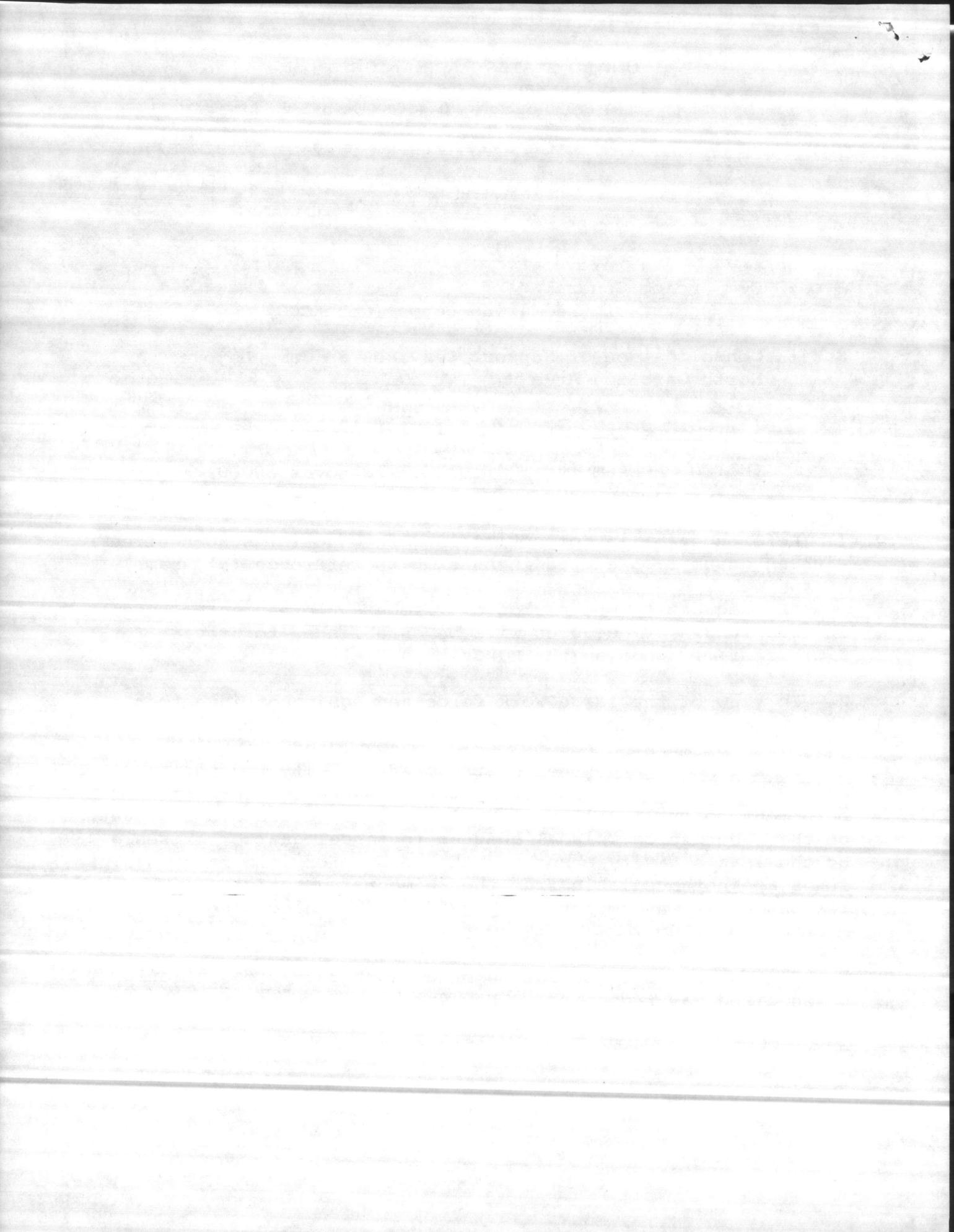
From: Commanding General  
To: Commandant of the Marine Corps (Code COC)  
Subj: Consolidation of Support Services in Camp Lejeune,  
North Carolina Area  
Ref: (a) CG MCB CLNC ltr 9/WWS/jew of 19 Oct 1965,  
same subj  
(b) COMCABEAST ltr 124/101-NJA-les over 10000  
of 23 Nov 1965, same subj

1. Reference (b) in commenting on reference (a) nonconcurred with an assumption stated in Annex F to reference (a), namely:

"Subsequent to the period of reimbursable payments, budgeting and funding procedures will be established to provide for a transfer of funds at the HQMC/Bureau level."

2. In view of the large work force and equipment investment involved in providing the support services, particularly in the area of maintenance of real property, budgeting for the funds must be accomplished by the lead activity and the funds provided the lead activity directly. Any system of reimbursement on the local level will result in excessive fluctuation of the labor force, fiscal quarter to fiscal quarter crises, or the lead activity absorbing the losses for idle labor because funds are not available from the reimbursing activity. The responsibility and means for providing the support services must go together.

3. That a period of operation on a reimbursable basis would be required was recognized. However, it is reiterated that

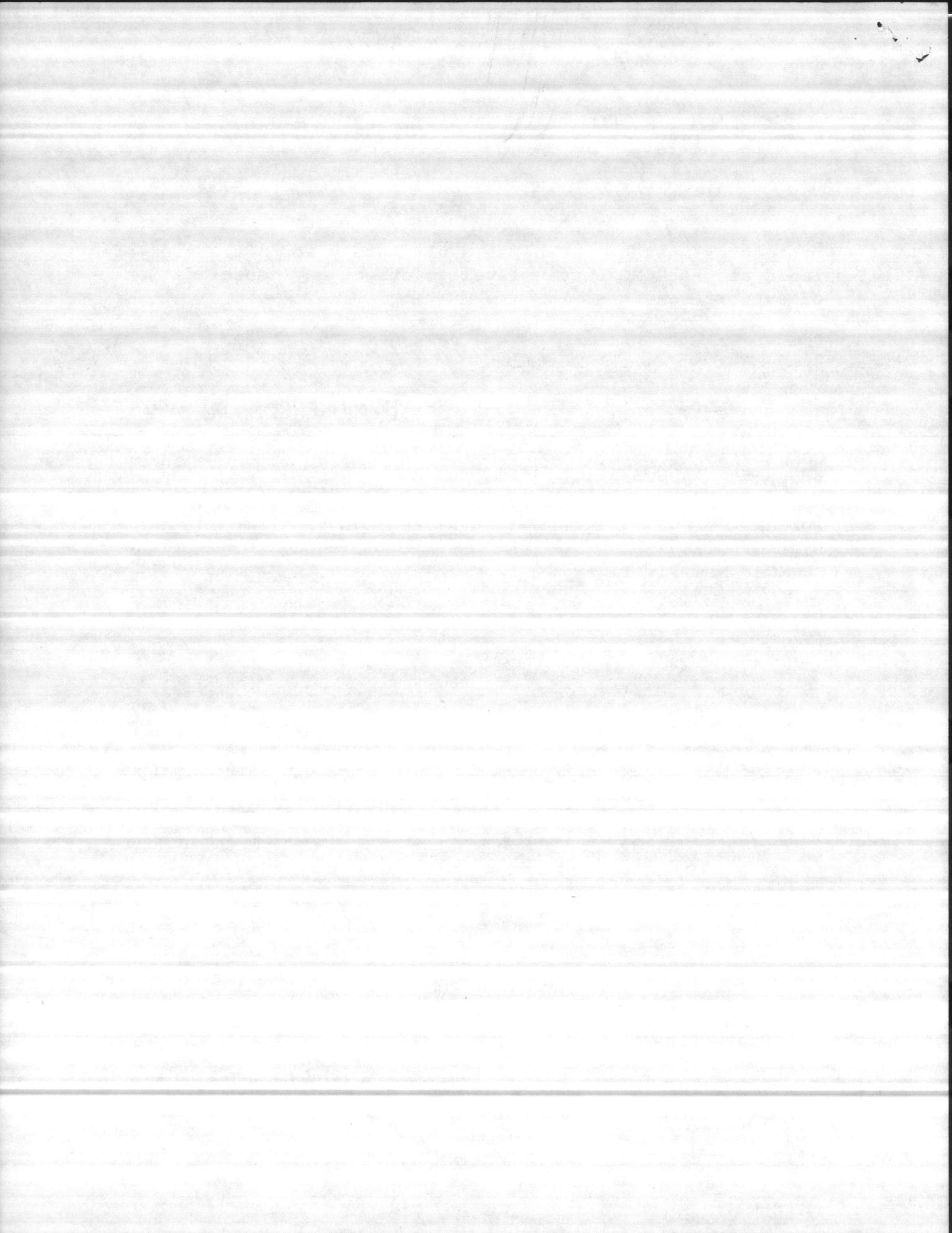


9/WWS/jew

procedures must be established ultimately for a transfer of funds at the HQMC/Bureau level to effect any consolidation of support services.

H. NICKERSON, JR.

Copy to:  
COMCABEAST  
BUWEPS (Code SMF-43)  
BUMED  
BUDOCKS  
DIRLANTDOCKS  
CO MCAF New River



Comp

HEADQUARTERS  
Marine Corps Air Facility  
New River, Jacksonville  
North Carolina 28540

201:dsp  
11000  
27 Sept 1965

From: Commanding Officer  
To: Commanding General, Marine Corps Base, Camp Lejeune,  
North Carolina

Subj: Consolidation of Common Support Services in the Camp  
Lejeune, North Carolina, Area

Ref: (a) ACofS, Comptroller, MCB, CamLej, N. C. ltr 9/WWS/jew  
of 20 Sept 65  
(b) CO, MCAF ltr 201:dsp over 5400 of 27 May 1965 to CMC

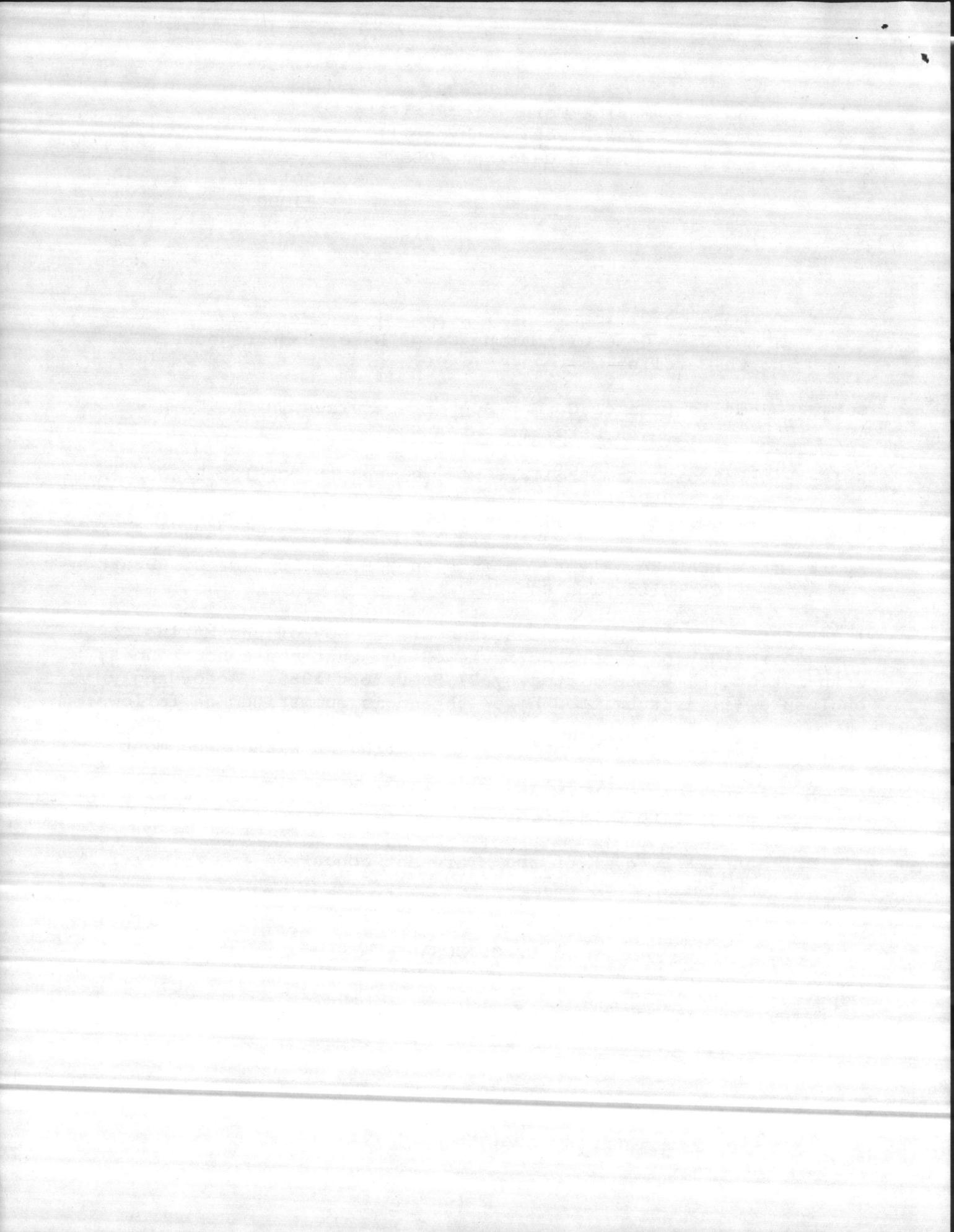
Encl: (1) MCAF New River Comments on MCB, CamLej, N. C., Draft  
Consolidation Report

1. Reference (a) requests that the draft copy of the Marine Corps Base consolidation report be reviewed and that non-concurrences, with rationale, be submitted by 27 September 1965. Accordingly enclosure (1) is submitted herewith and is summarized as follows:

- a. Annexes F, G, H and I are concurred in without comment.
- b. Annexes A, C, D, E and Area Auditor are concurred with in part, subject to comment.
- c. Annexes B, J, K, L and M are not concurred in.

E. C. FUSAN

Copy to:  
COMCABEAST



MCAF NEW RIVER COMMENTS ON ANNEX A

MAINTENANCE CONSOLIDATION REPORT

III. FACTS

B. Do not concur in number of MCAF civilian employees to be transferred to Marine Corps Base in the event of consolidation. Of the 123 civilians involved, the following 23 would continue to be required for Public Works functions at MCAF, New River:

8	Motor Transportation
9	Telephone
<u>6</u>	Public Works Staff
23	

The six Public Works staff billets would be required to fulfill responsibilities in the areas of project, budget and report preparation; evaluation and authorization of work to be accomplished, etc. The six billets would be composed of the following:

1	Design Engineer	GS-12	} p.w.
1	Engineering Technician	GS-7	
1	Clerk Stenographer	GS-4	—
1	Budget Clerk	GS-5	—
1	Accounts Maintenance Clerk	GS-4	} or
<u>1</u>	Plant Account Clerk	GS-3	
6			

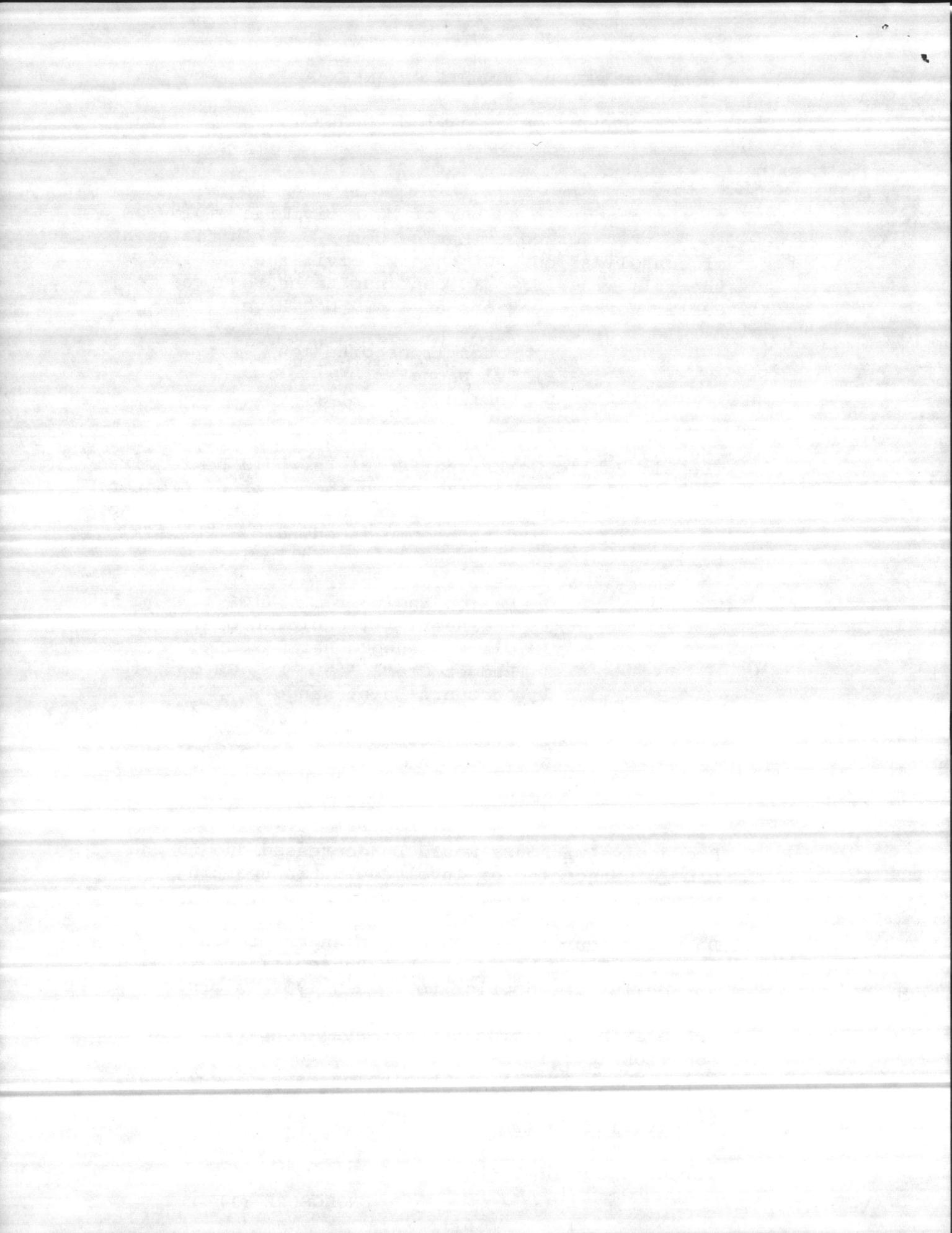
IV. DISCUSSION

B. 3. Productive manhours would be decreased due to the time/distance factor involved in transporting personnel between MCAF and Camp Lejeune.

D. 2. Do not concur in the phasing plan as presently stated. It is believed that Phase III should not be initiated prior to 1 July 1967 in order to afford one complete fiscal year to observe Phase I in operation at the Naval Hospital. Additionally, it is considered essential to commence Phase III at the beginning of a fiscal year.

D.2.c.1. Civilian Personnel

The GS-4 and GS-3 should not be shown as a decrease, or



as their services are required at MCAF, New River, as explained above. There is insufficient rationale for the increase/decrease shown on the recapitulation sheet. For example: What is the basis for the proposed decrease of four boiler tenders and one Leadingman, Utilities? How is it possible if the workload is to continue at the present level? The study should show the organization of the entire force, thereby showing which overhead billets could be saved.

D.2.c.3. Facilities

Disposition of facilities should be an option of the plant account holder (MCAF).

D.2.c.5. Plant Property Class III and IV

The one time cost savings of Plant Property Class III and IV should be estimated at best at 50% of the given figure due to depreciation.

D.2.c.7. Financial Summary

The financial summary should be corrected to reflect the changes in civilian personnel and Class III and IV property as stated above.

V. CONCLUSIONS

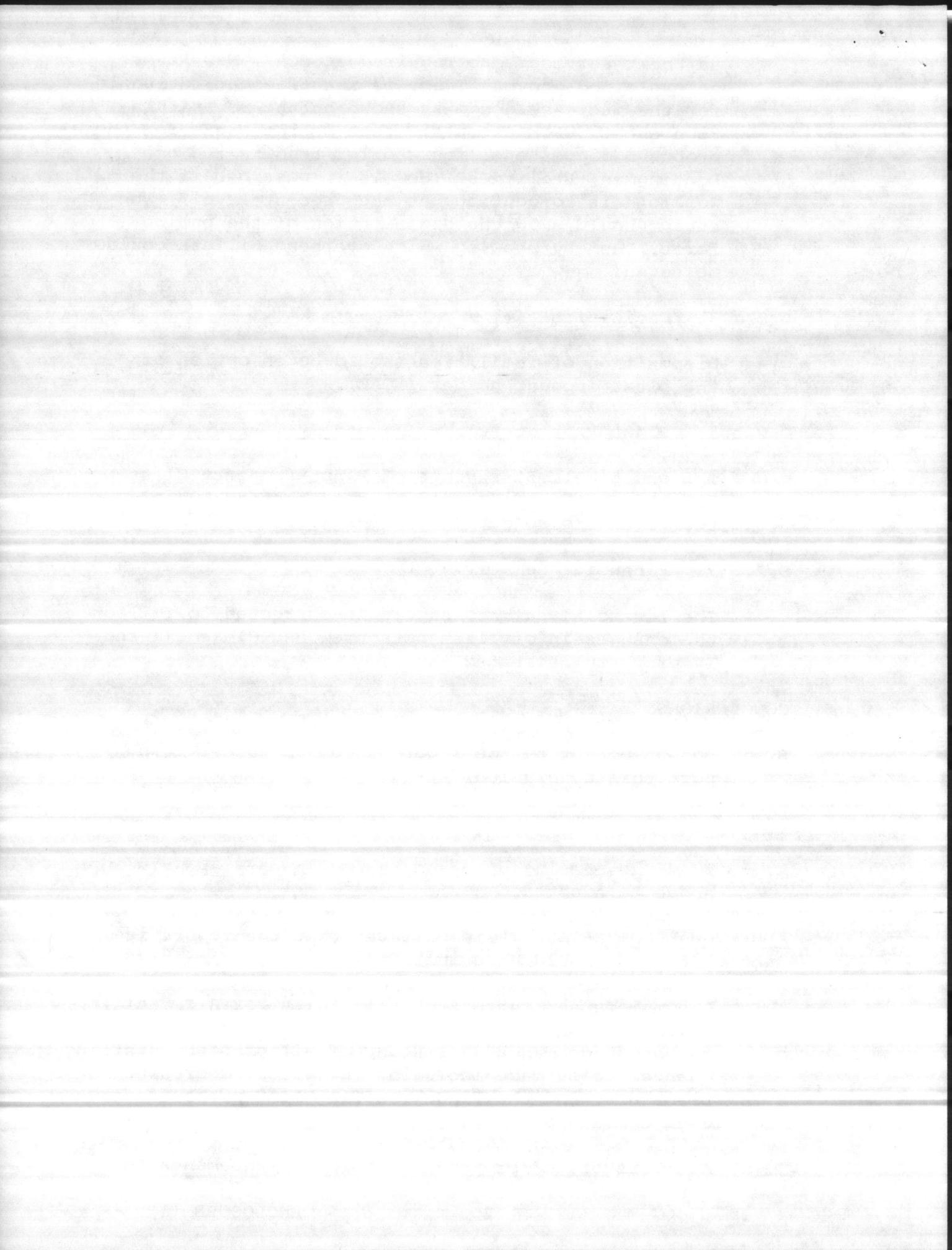
- B. Do not concur as the report does not appear to support this conclusion.

VI. RECOMMENDATIONS

- A. That the phasing dates as stated in paragraph IV. D. above be adopted.

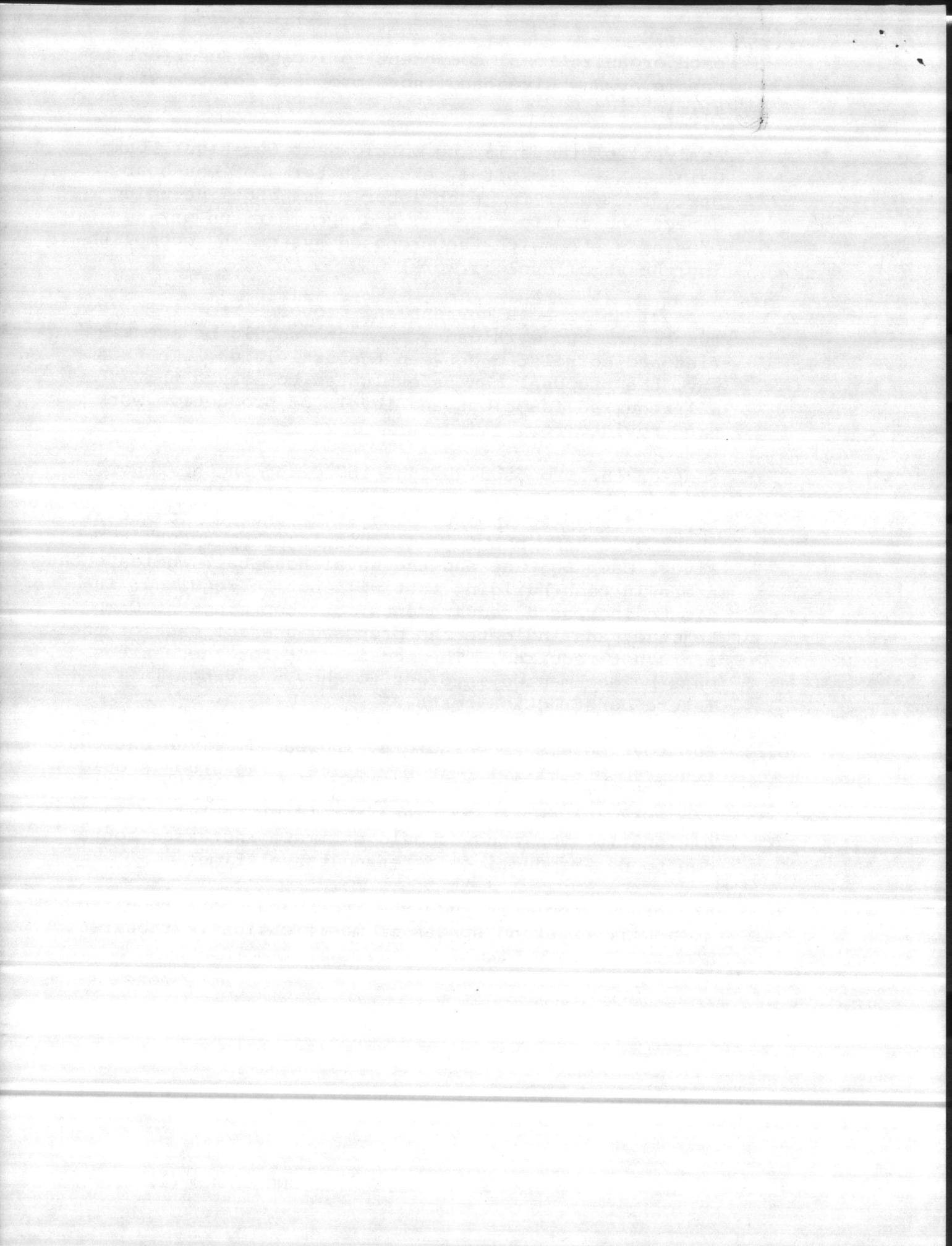
ADDITIONAL COMMENTS. It is believed that the report is incomplete and should have included:

1. A complete and current staffing list for Air Facility, Naval Hospital, and Marine Corps Base including its component commands; a listing of all proposed staffing changes to be made including increases, decreases and transfers; and the final staffing list proposed for each command after consolidation.
2. Analysis of and proposed functional statements for



each organizational component to include functions to remain at New River and those proposed for transfer or elimination.

3. Analysis of the existing workload at New River, Camp Geiger, Naval Hospital, etc., in terms of man hours per work center for each labor class code including direct and indirect hours; and a comparison of the present system with the proposed system in accomplishing the same level of work.
4. Variations between current and proposed staffing, functional and workload statements should be identified and correlated between the activities. In this way, the proposal can be evaluated to assure that all required functions and levels of productive work are provided for.
5. Some of the proposed savings indicated in the report are generated through proposed excessing of shop buildings and shop equipment. The study should provide a chart or scheme showing all existing shop space at New River, Camp Lejeune and the Naval Hospital; indicate the areas in each building that will not be required; indicate increased requirements for shop space at Camp Lejeune; and indicate the proposed use for each of the areas not required. The requirement for these areas must be documented in order to show a savings in future construction costs.
6. Due to time/distance factors, increased communications requirements will inevitably arise. The study should show the effect of this increase. For example, the cost of more telephone lines should be included. Additionally, the study should estimate increased costs due to non-productive increased travel time.
7. The study should include the increased costs required to modify existing spaces if modification is required.



## MAINTENANCE

Real Property <sup>H. A. Plowden 5380</sup>

MCB: \*~~Mr. W. F. MILLER~~ (5855)

MCAS: LtCol. J. R. JACKSON (6141)

USNH: Lt(jg) D. T. JONES (5322)

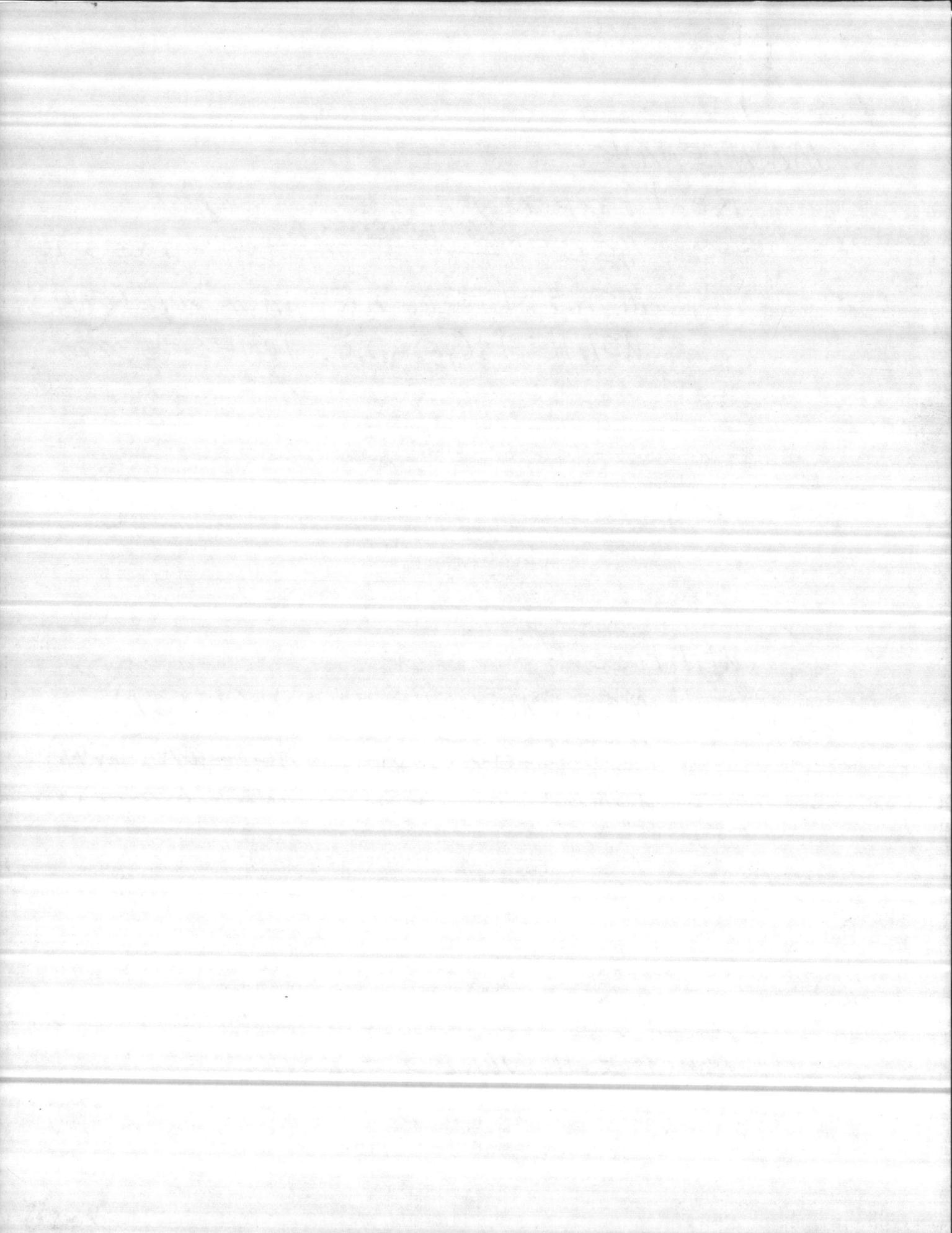
Utilities:

MCB: \*Mr. J. HERNDON (5161)

MCAS: LtCol. J. R. JACKSON (6141)

USNH: Lt(jg) D. T. JONES (5322)

\* Under Cognizant of Base Maintenance Off  
(Colonel E. H. JONES - 2511)



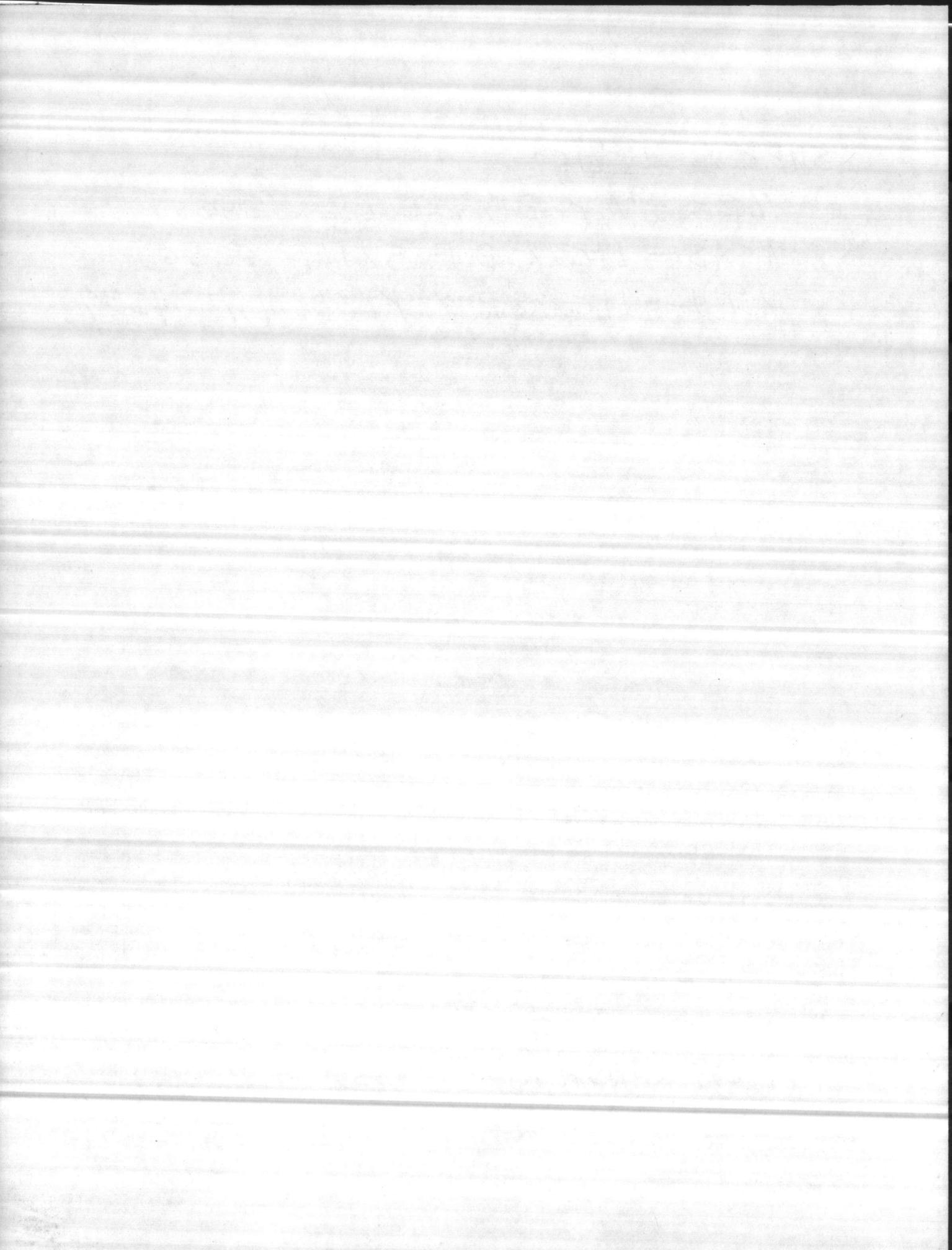
## SUPPLY SERVICES

MCB - \*Mr. B.W. KELLER (2535)

MCAS - LTCdr. D.F. SUTER (6356)

USNH - LTCdr. R.W. KROLLMAN (4339)

\* Under Staff Cognizant of ACoFS, SupServ.  
(LTcol KANSIER - 2535)



## QUARTERS & HOUSING

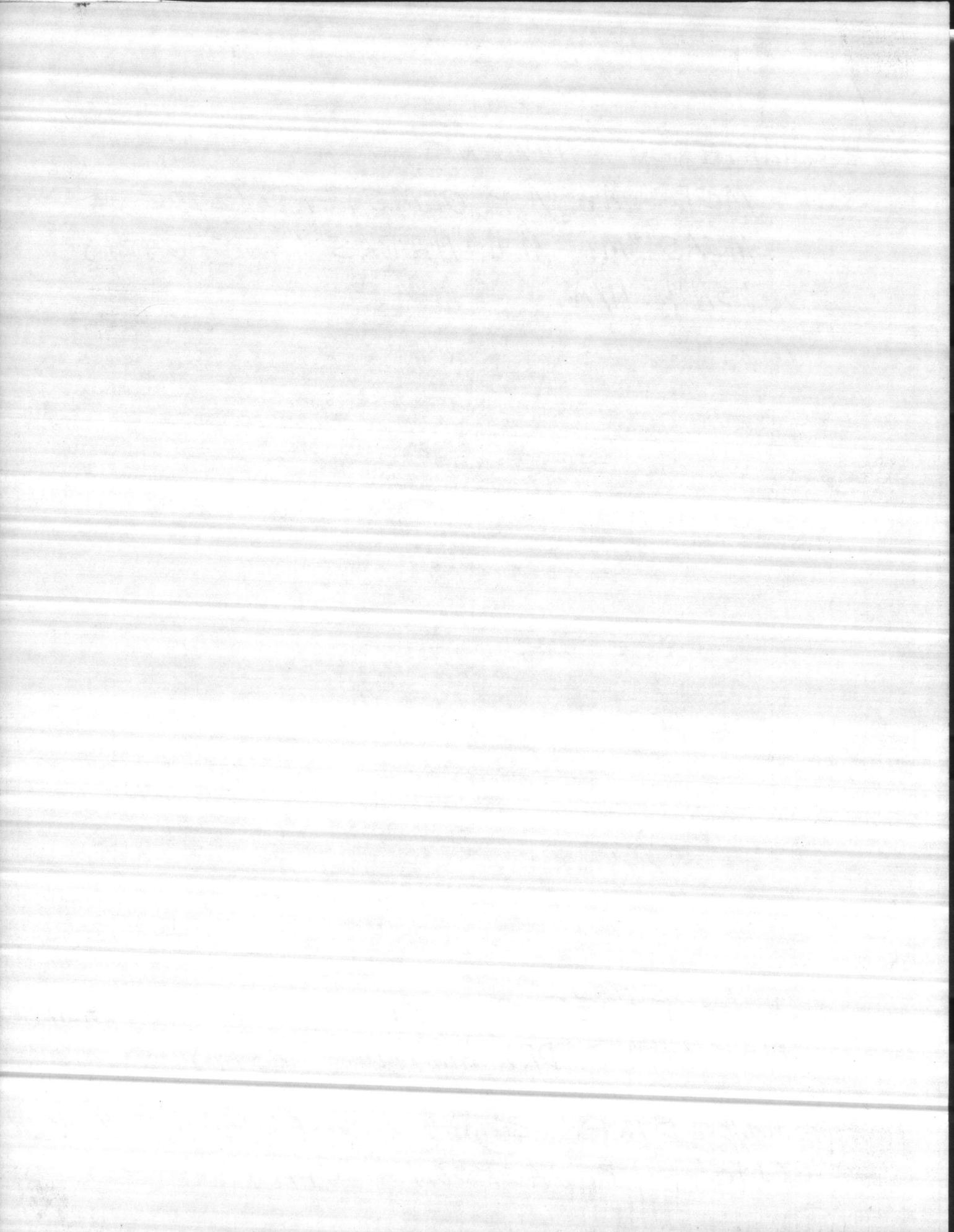
MCB: \*Mr. A. P. OLMSTEAD (5902)

MCAS: #Mr. M. L. HABAS (455-6821)

USNH: N/A

\* Under Staff Cognizant of ACOFS, Facilities  
(LtCol M. D. DRUMMOND - 2544)

# Under Staff Cognizant of Public Works  
(LtCol. J. R. JACKSON - 6141)



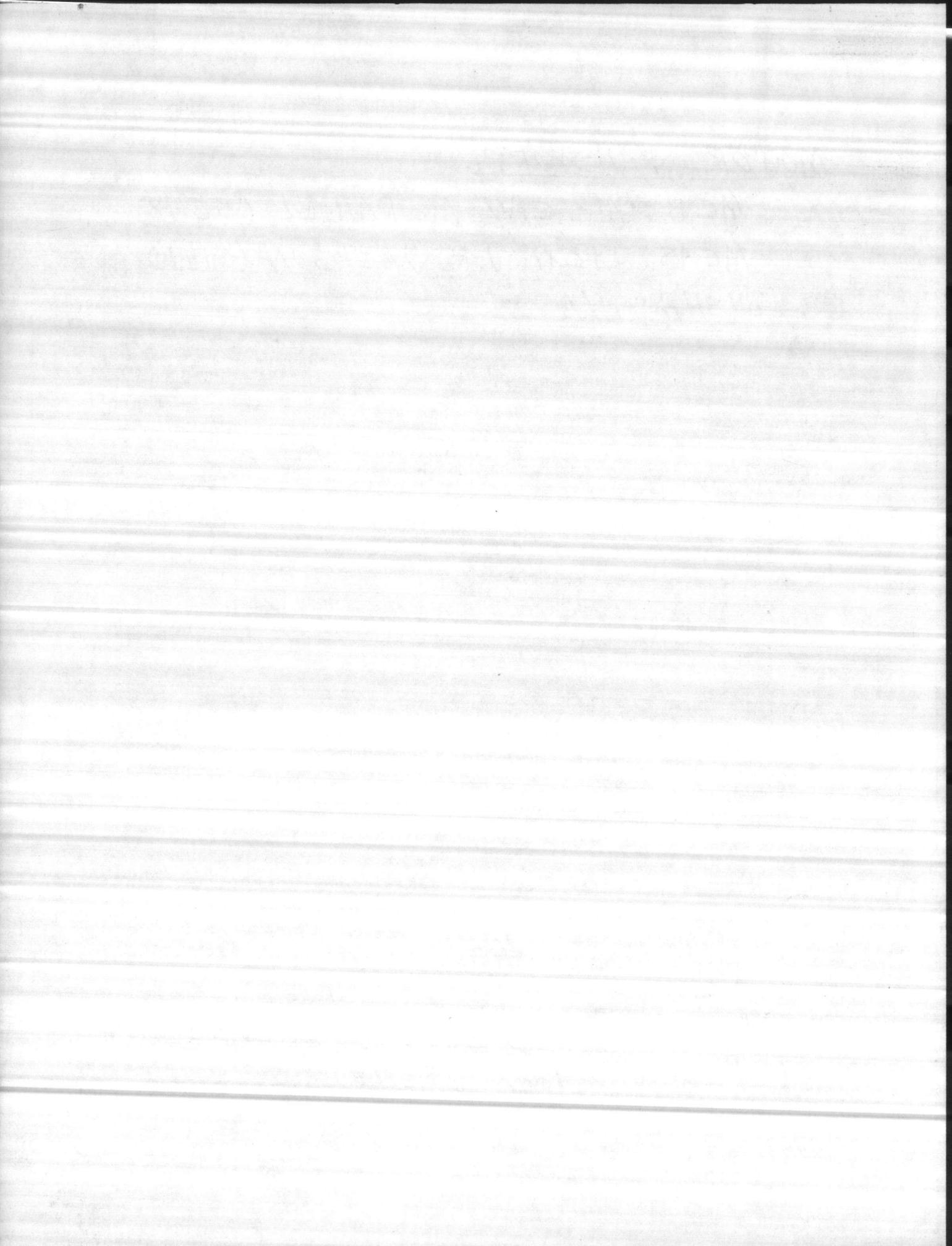
MOTOR TRANSPORT

MCB: \*Mr. C.W. Mc DANIEL (56'98)

MCAS: LTCDR. J.R. JACKSON (6141)

USHH: N/A

\* Under Staff Cognizant of Base MTO  
(LTCol J.R. FOX - 5698)



CIVILIAN PERSONNEL

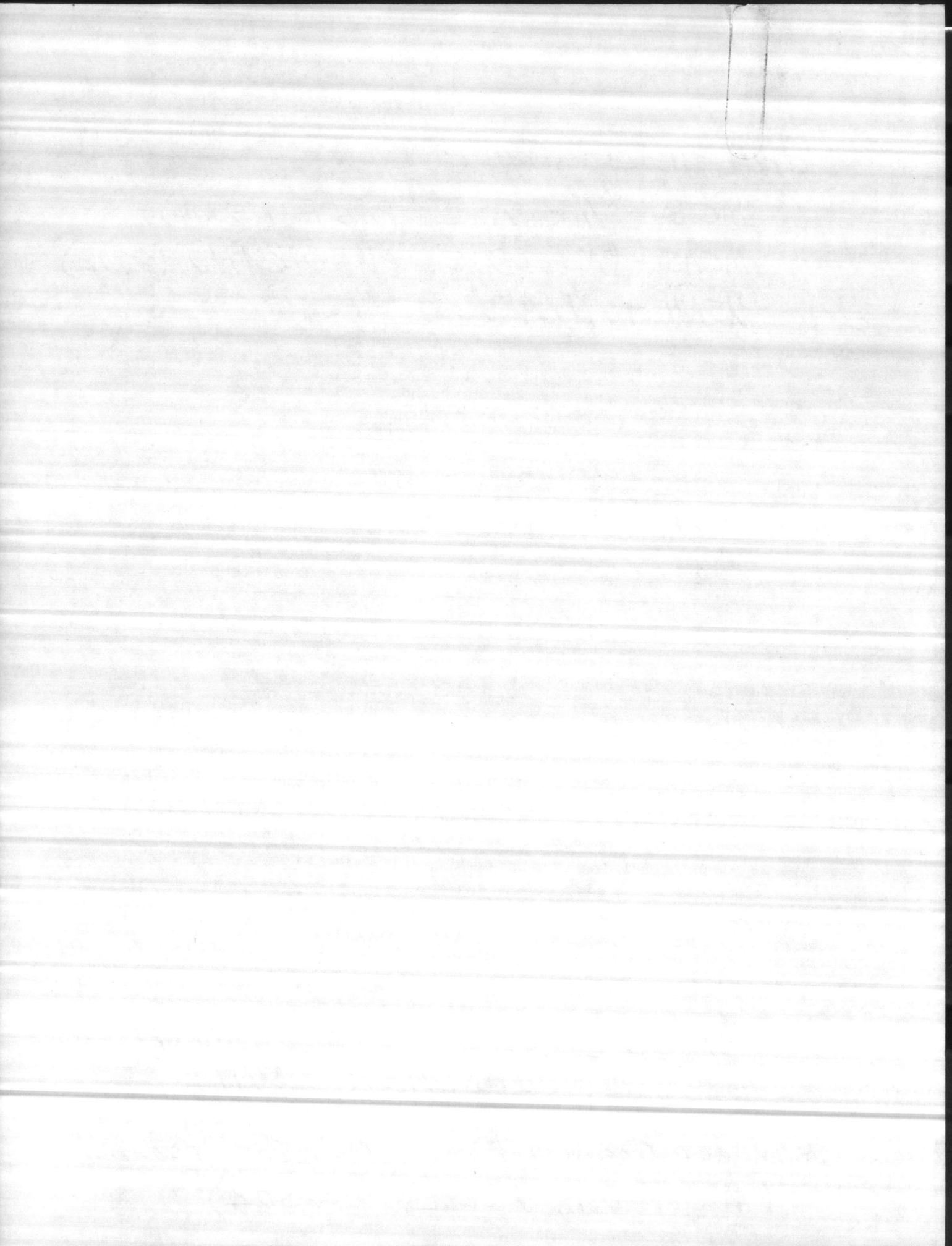
MCB - \*Mr. A. I. PAGE (5904)

MCAS - #Mrs. D. S. PULLICINO (6702)

USNH - N/A

\* Under Cognizant of ACoFS, Manpower  
(LT Col M. D. GARDNER - 5711)

# Under Cognizant of MCAS Personnel  
(Major D. F. KELLEY - 6502)



U. S. NAVAL HOSPITAL

Camp Lejeune, N. C.

28542

In reply refer to:

NH45-31-LAP:dfc

5000

24 September 1965

From: Commanding Officer, U. S. Naval Hospital, Camp Lejeune, N. C.  
To: Commanding General, Marine Corps Base, Camp Lejeune, N. C.

Subj: Consolidation of common support services in the Camp Lejeune,  
North Carolina area

Ref: X(a) Headquarters, MCB ltr 9/AMS/jew of 20 Sept 1965

1. This command poses no objection to the consolidation of common service functions outlined in reference (a).

2. As is pointed out in the consolidation study, there will be considerable difficulty in the areas of Budgeting, Accounting and Reporting. The cost collection system and accounting data transmitted by the Marine Corps Base to this activity will require translation to the Navy cost reporting system. Time lags in obtaining feeder information from the Marine Corps Base will require exceptions to reporting requirements.

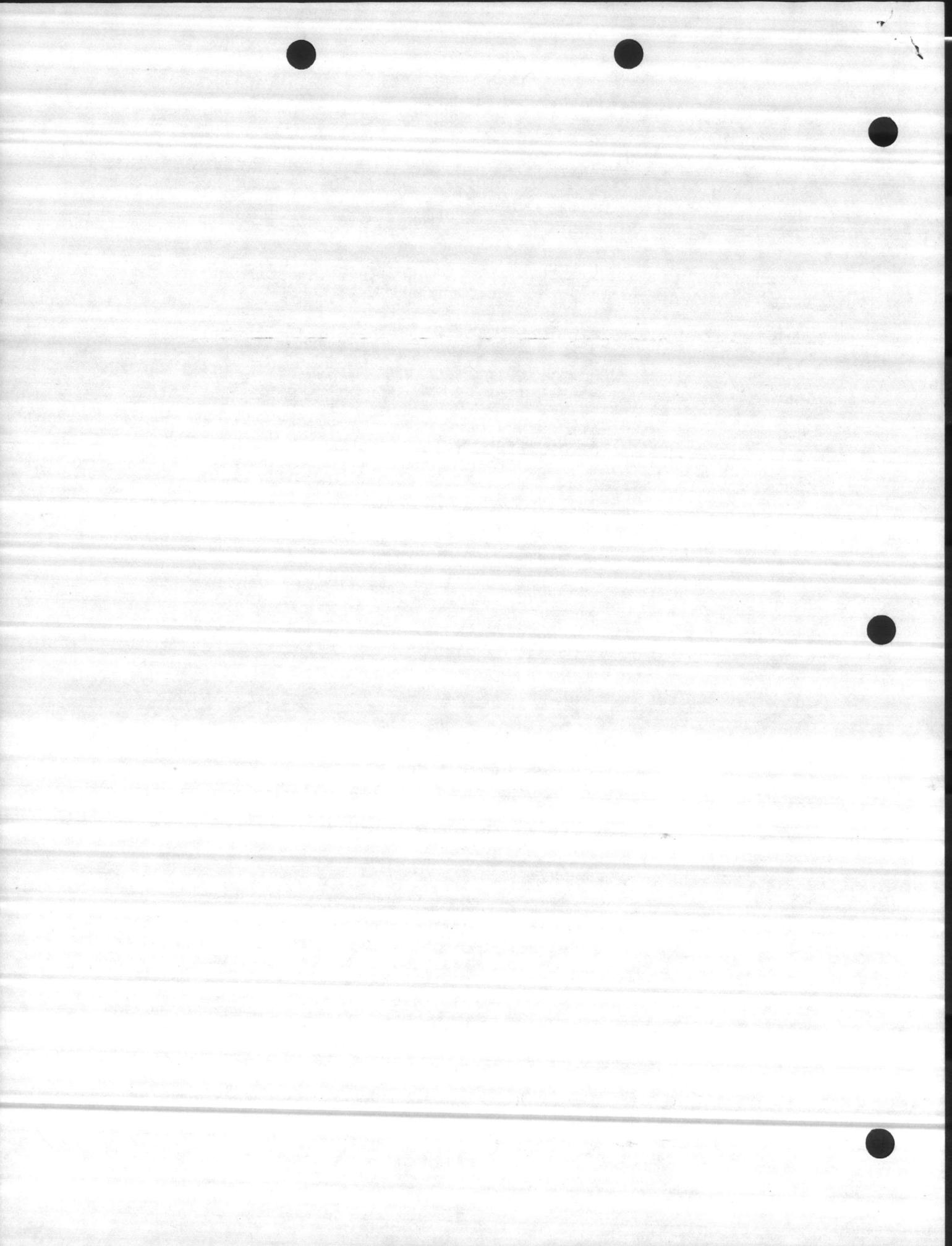
3. Problems in this area can neither be resolved nor even anticipated until consolidation has been implemented and specific situations arise. Increases in fiscal management work load are expected until a satisfactory, efficient and effective system has been developed.

4. In paragraph III B of Annex "A", the total civilian billets for maintenance should be changed to read 46 vice 50, of which 35 would be transferred vice 39.

5. After consideration of the four consolidation programs for Motor Transport Support as outlined in Annex "D", it is concluded that par. 4f(4) will provide more efficient and economical operation for the hospital mission. It is recommended that U. S. Naval Hospital retain operational control of all equipment and that Marine Corps Base provide maintenance on a reimbursable basis. Automotive Mechanic should be transferred to Marine Corps Base and the two truck drivers be retained at this command.

6. Attention is invited to minor discrepancies.

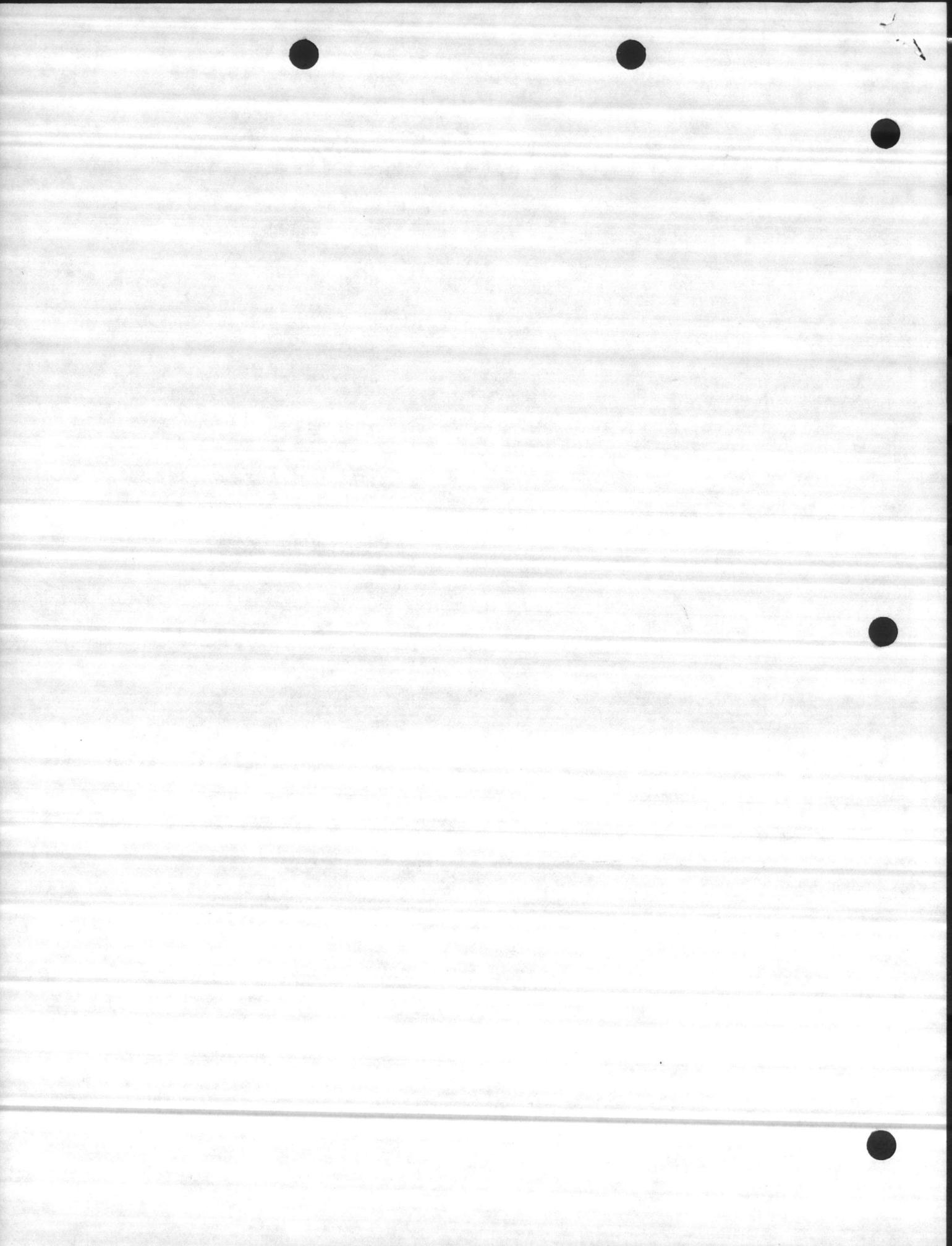
a. ANNEX "D", par. 4d(3) (a) lists distance from U. S. Naval Hospital garage to Marine Corps Base Main Motor Transport Maintenance Shop as 0.7 mile; actual distance estimated to be 2.7 miles.



b. ANNEX "F", par. 3 states that "Accounting at U. S. Naval Hospital is accomplished principally on a Manual System". U. S. Naval Hospital's accounting system is principally mechanized.

*J. H. Suitor*  
J. H. SUITOR

Copy to:  
BUMED  
BUDOCKS  
LANTDOCKS  
COM 5 (DMO)



Int

RETURN TO CENTRAL FILES

9/WWS/jew

2 Feb 1966

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**From:** Chairman, Ad Hoc Committee on Consolidation of Common Support Services within the Camp Lejeune Complex  
**To:** Lieutenant Colonel T. N. JOHNSON, USMC, Marine Corps Air Facility, New River  
 Commander R. M. TENNILLE, Jr., USN, U. S. Naval Hospital, Camp Lejeune, North Carolina

**Subj:** Budget Information for Consolidation of Support Services; request for

**Ref:** (a) CMC Spdltr COC-1-mcr of 12 Jan 1966  
 (b) CG MCB CLNC ltr 9/WWS/jew of 19 Oct 1965

1. In order to comply with reference (a) as concerns Annex A, enclosure (1) to reference (b), it is requested that the following information be provided Lieutenant Colonel E. LITTLE, U. S. Marine Corps.

a. Dollar amount of reimbursement to Marine Corps Base anticipated in FY 68 for maintenance of real property and provision and operations of services. Dollar amount should be broken down by labor and material as feasible. If appropriate, appropriation data should be provided.

b. Nomenclature, acquisition cost and plant account number of equipment to be transferred to the Marine Corps Base.

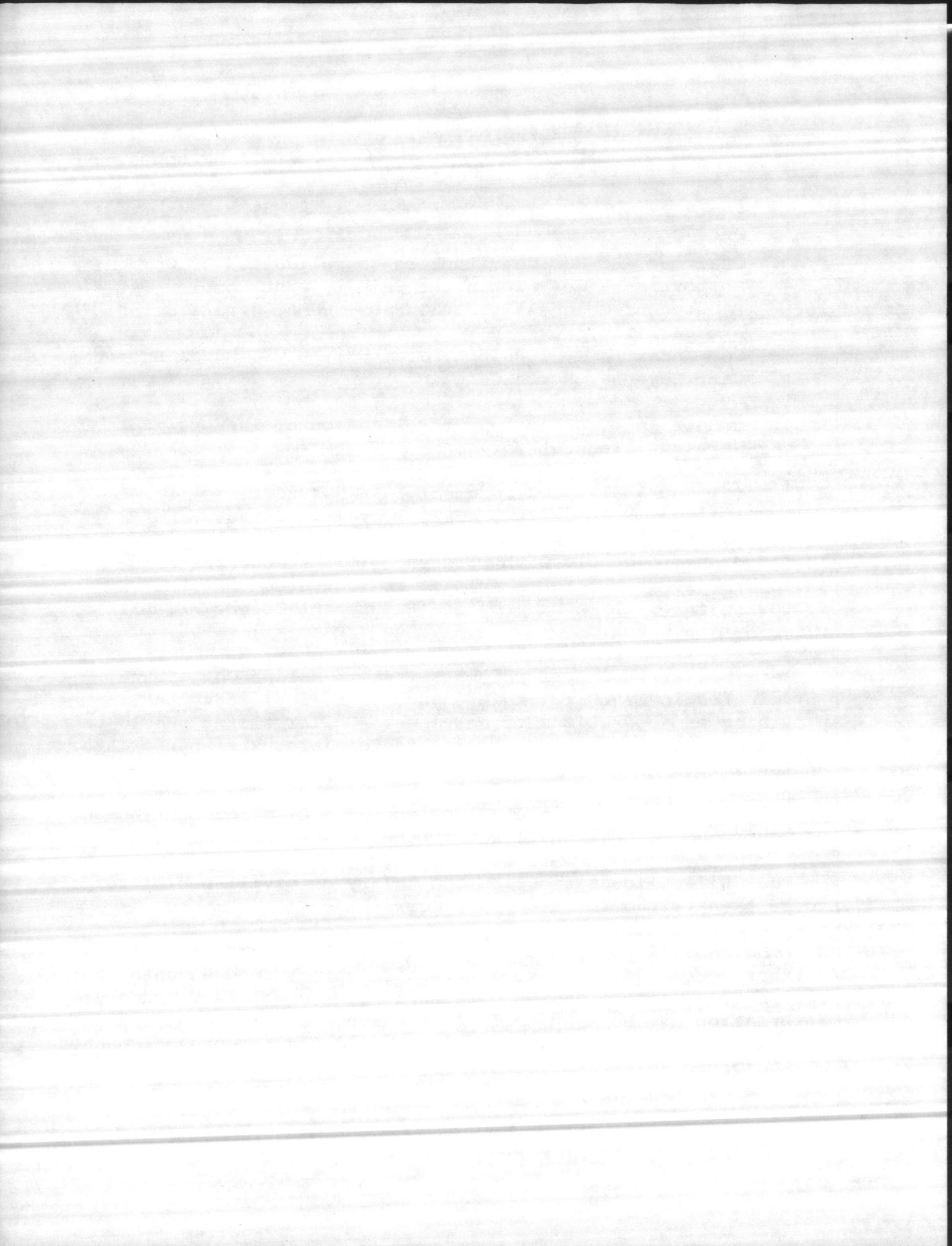
c. Billet identification and salary of civilian billets to be transferred to the Marine Corps Base.

2. The above information is requested by 4 March 1966. It is further requested that the information be provided as obtained rather than waiting and submitting it as a complete package. Information may be sent to me (Attention: LtCol Little). For direct contact with Lieutenant Colonel Little, he may be reached at the Office of the Superintendent, Dependent Schools, telephone 2- 2324.

RETURN TO CENTRAL FILES

W. W. STEGEMERTEN

Copy to:  
 LtCol E. Little, USMC



HEADQUARTERS, MARINE CORPS BASE  
CAMP LEJEUNE, NORTH CAROLINA 28542

*Central  
Files*

9/WWS/jew

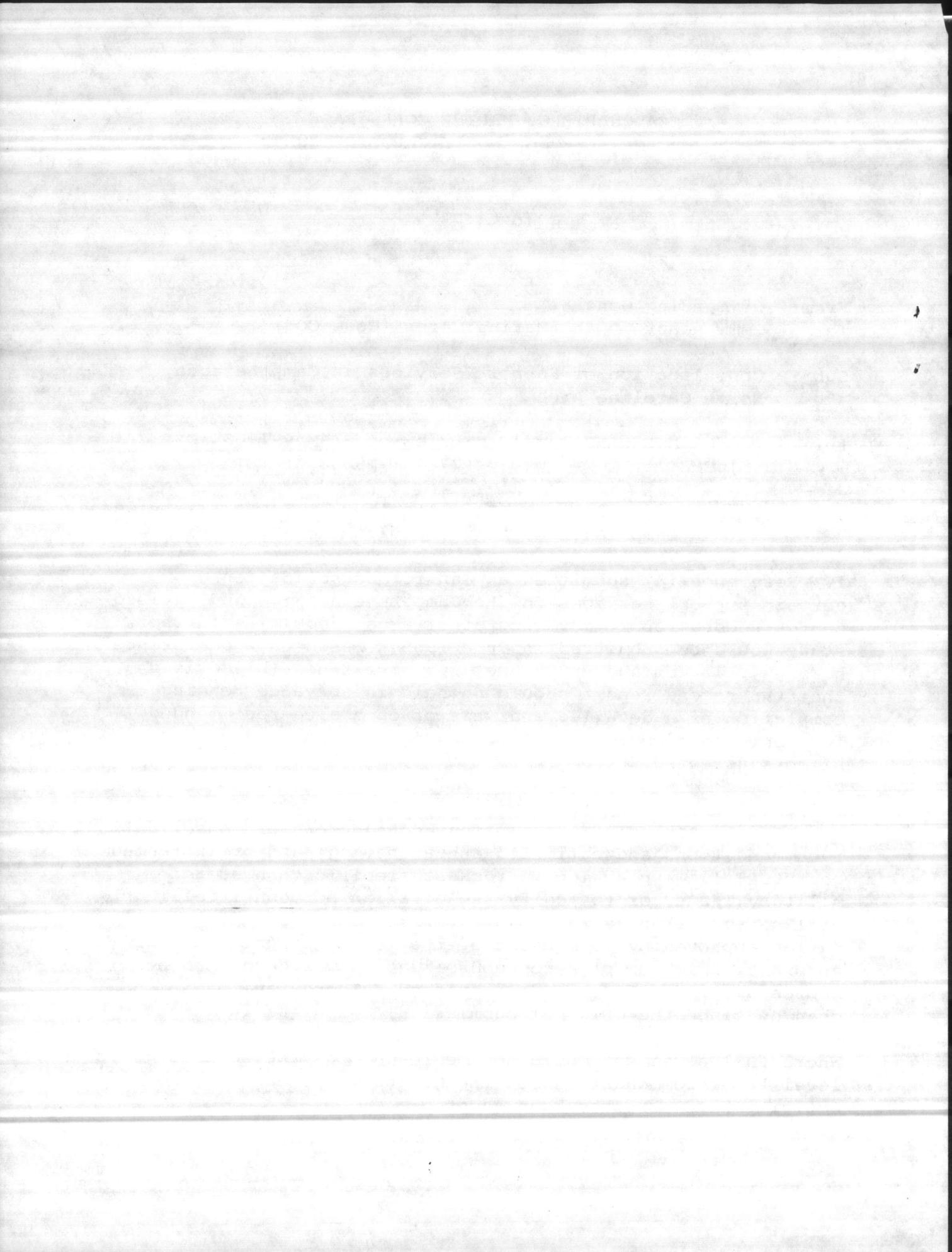
*c/s has seen*  
Return To Central Files

OCT 19 1965

From: Commanding General  
To: Commandant of the Marine Corps (Code COC)  
Subj: Consolidation of Support Services in Camp Lejeune,  
North Carolina Area  
Ref: (a) CG MCB CLNC ltr 10/WTB/jew of 24 May 1965  
(b) CMC ltr COC-1-bjw of 27 Jul 1965  
*not has seen*  
Encl: (1) MCB CLNC Plan for Consolidation of Support Services  
in Camp Lejeune, North Carolina Area (Revision #1)

1. Reference (a) submitted a plan for consolidation of certain support services in the Camp Lejeune area and advised that a second report covering other areas requiring further study would be submitted in June 1965. Based on a conference held at this command on 3 June 1965, reference (b) advised that the second report should be held in abeyance pending completion of a detailed analysis of each area recommended for consolidation to determine savings in resources and billets affected.

2. Enclosure (1) is the revised and updated plan for consolidation, including all areas considered for consolidation, recommendations and estimated annual savings and or increased costs. Follow-up action to request specific changes to military T/O's, or to modify the civilian personnel ceilings will be submitted as required to effect the areas of consolidation approved by Commandant of the Marine Corps. Insofar as practicable the plan for consolidation was developed by representatives of commands concerned. There have been changes since the original submission, and areas in which there previously was concurrence there is now nonconcurrence. Where full agreement could not be reached at the working group level the recommendations of the Marine Corps Base as the lead activity have perforce been adopted.



9/WWS/jew  
OCT 19 1965

3. Annex O contains as Appendixes 1, and 2, the comments and nonconcurrences of the Commanding Officer, U. S. Naval Hospital and the Commanding Officer, Marine Corps Air Facility. The body of Annex O contains the Marine Corps Base comments as appropriate to the appendixes.

4. It is considered that consolidation cannot be based on apparent savings alone. In fact, the savings shown are minimal when the overall investment of the three activities is considered. An evaluation of the ability to provide a better service at the same cost, or to provide the same or better service in the face of ever increasing requirements and increasing costs for labor and material must be made. Whether services are provided by one consolidated activity or by three separate activities, the cost of these services is going to increase year by year. The primary question is which method will provide the services with the least rate of increase.

5. The proposed effective date for consolidation of the support activities of U. S. Naval Hospital is 1 January 1966 and of the Marine Corps Air Facility is 1 July 1966.

6. Attention is invited to the fact that upon consolidation there will be certain costs assumed by Marine Corps Base which are not normally reimbursable. Costs in this category which can be readily identified are estimated to be approximately \$75,000 annually. Specific functions and amounts are set forth in enclosure (1).

7. In accordance with reference (b), the Commander, Marine Corps Air Bases, Eastern Area, is requested to submit comments on enclosure (1) direct to the Commandant of the Marine Corps.

H. NICKERSON, Jr.

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BuMed (1)

BuWeps (1)

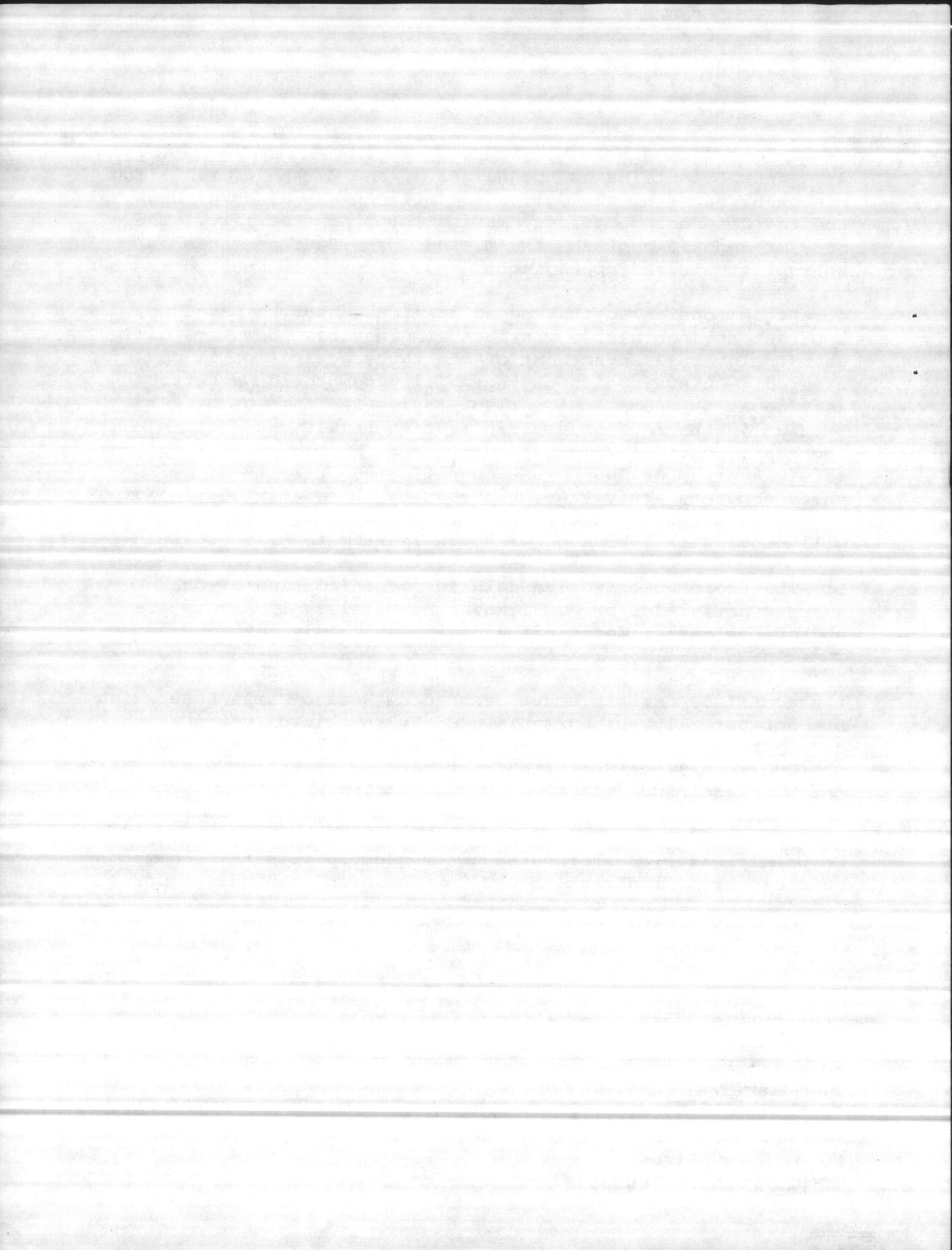
BuDocks (1)

DirLantDocks (1)

COMCABEAST (3)

CO MCAF New River (6)

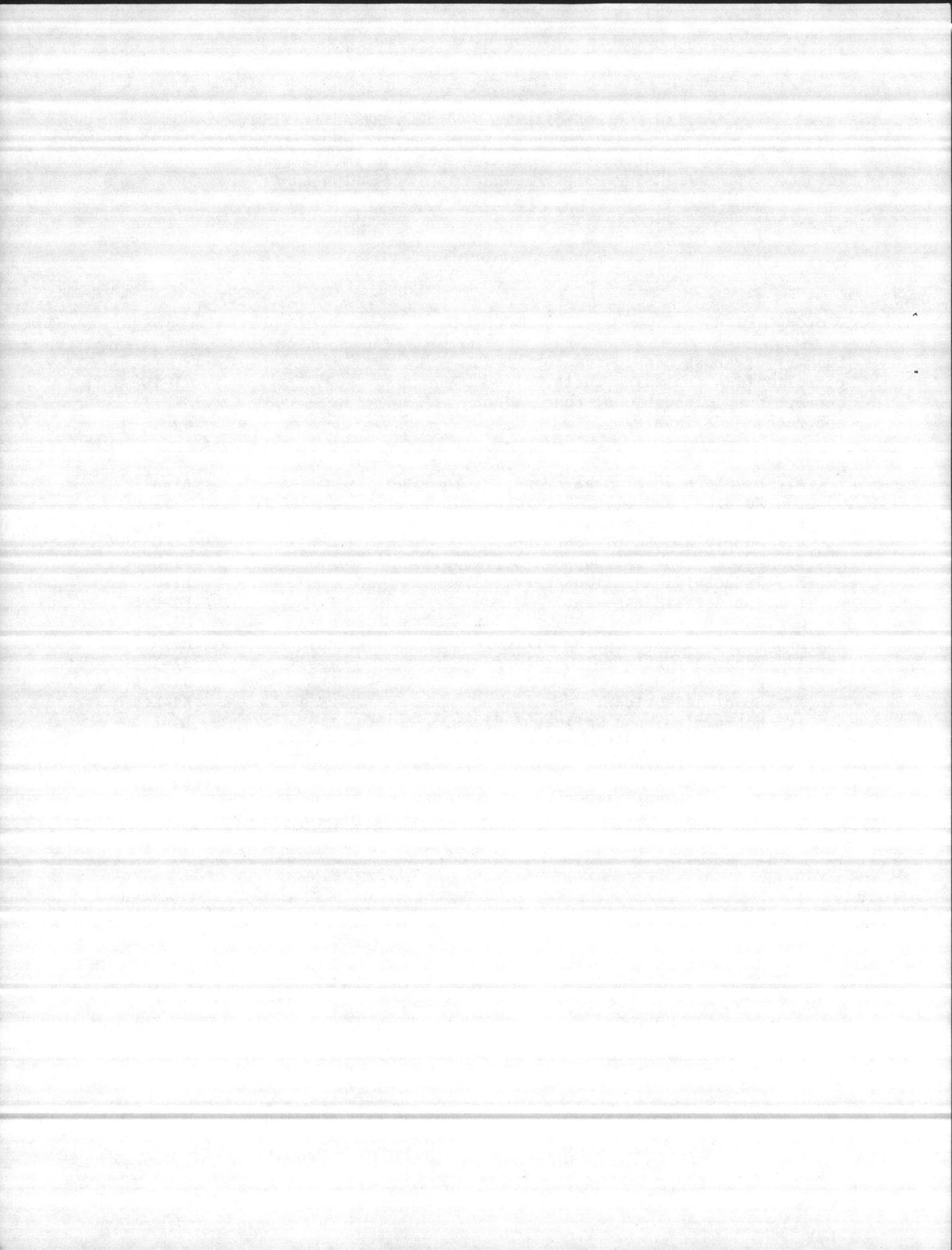
CO USNH Camp Lejeune (2)



PLAN FOR CONSOLIDATION OF SUPPORT ACTIVITIES  
OF MARINE CORPS BASE, U. S. NAVAL HOSPITAL,  
AND MARINE CORPS AIR FACILITY LOCATED  
IN THE CAMP LEJEUNE, NORTH CAROLINA AREA  
REVISION ONE

CONTENTS

<u>Proposed Plan</u>	<u>Page</u>
Summary of areas considered for consolidation including facts, assumptions, discussions, conclusions and recommendations.	1-10
<b>Annexes</b>	
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B. Public Works Services.	B1-B 3
C. Supply and Supply Services.	C1-C33
D. Motor Transport Support Services.	D1-D20
E. Industrial Relations Services.	E1-E 8
F. Financial Management.	F1-F 6
G. Safety Functions.	G1-G 3
H. Quarters and Housing Office.	H1-H 7
I. Bachelor Officers' Quarters.	I1-I 3
J. Post Exchange.	J1-J 4
K. Special Services.	K1-K 5
L. Noncommissioned Officers' Clubs.	L1-L 4
M. Commissioned Officers' Messes.	M1-M 3
N. Recapitulation.	N1-N 2
O. U. S. Naval Hospital and Marine Corps Air Facility Comments.	O1-O18



1. Problem: To develop a plan for consolidation of the Common support services at Marine Corps Base, Marine Corps Air Facility and U. S. Naval Hospital in the Camp Lejeune area.

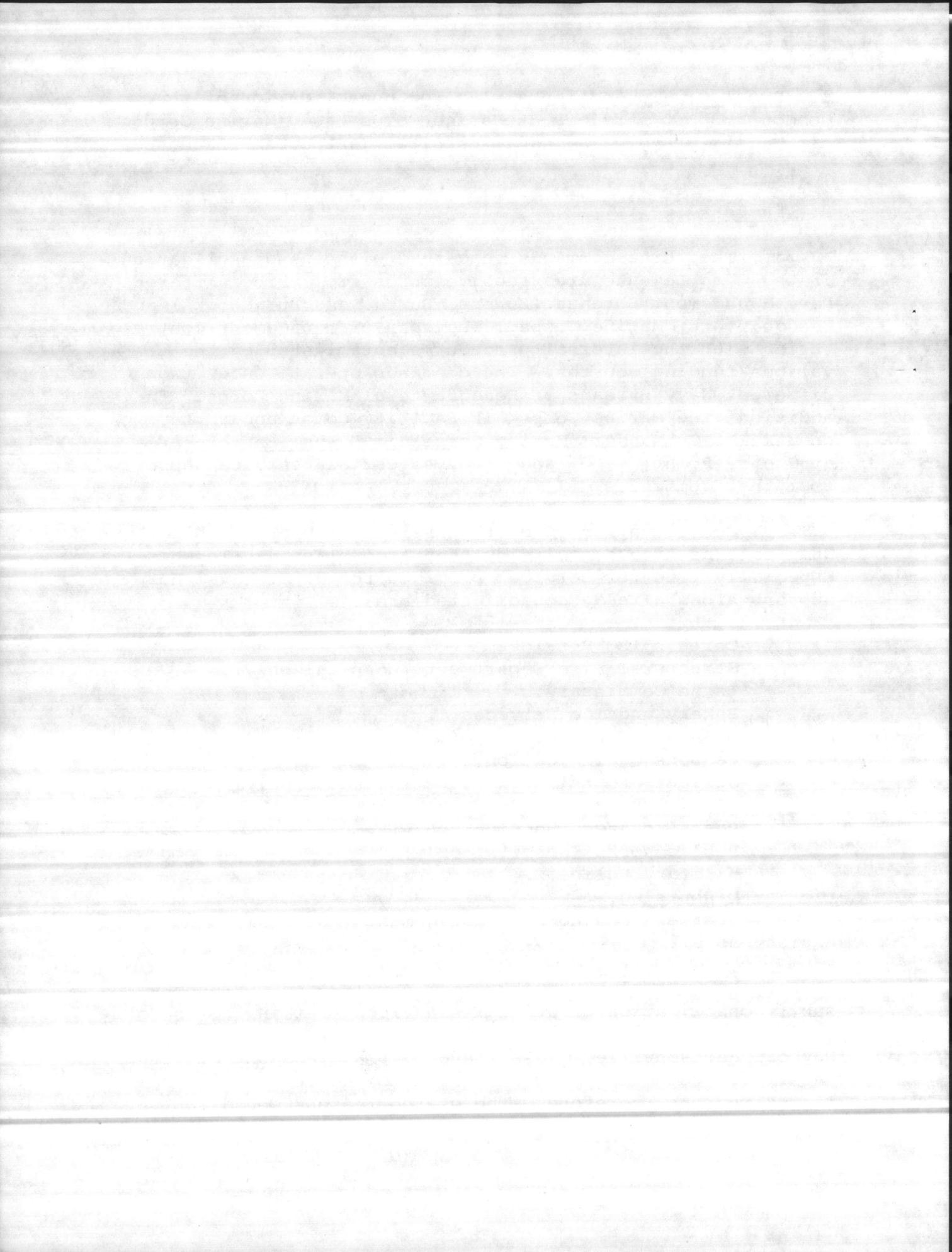
2. Facts:

a. The three commands concerned with the consolidation in the Camp Lejeune area receive funds from three different Navy Management Bureaus (BuWeps, BuMed, and BuYd&Docks) and Headquarters, Marine Corps. The span of management control varies with the internal procedures established by the various funding sources. The commands operate under two different Navy Bureaus or Headquarters, Marine Corps. In addition, the Marine Corps Air Facility comes under the command of Commander, Marine Corps Air Bases, Eastern Area at Cherry Point, N. C. and receives certain service support from that command.

b. Consolidation of certain service support within the Camp Lejeune Area has already been accomplished. This is especially true for services provided the U. S. Naval Hospital. Support Areas already consolidated are:

- Certain IRO Services.
- Structural Fire Department (Hospital only).
- Issue Commissary.
- Bakery and Ice Services.
- Sales Commissary.
- Weapons Qualification.
- Officer and Enlisted Clubs (Hospital only).
- Special Services (Hospital only).
- Post Exchange (Hospital only).
- Public Works (Hospital only).
- Military Police.
- Disbursing.
- Quarters and Housing assignment (Hospital on an assist basis).

c. NAVCOMPT ltr NCFS353 dtd 2 Apr 1965 to ChfBuDocks; subj: Consolidation of Utilities advised that in the consolidation of support services between the NAS Jacksonville and NavHosp Jacksonville, Class I and II plant account utility facilities could not be transferred to the lead activity and stated reasons therefore. The stated reasons would apply to



facilities transfer between Marine Corps Base as the lead activity, the U. S. Naval Hospital and the Marine Corps Air Facility.

d. Nonappropriated fund activities of all commands in the Camp Lejeune area can be and are utilized by personnel of all commands without restriction.

3. Assumptions:

a. The consolidation of common support services will be in accordance with the policies set forth in SecNav Instruction 5450.9 of June 30, 1960, Commandant of the Marine Corps letter COC-1-bhb of 25 March 1965 and the enclosures thereto.

b. The workload at the three commands involved in this consolidation initially will remain at the same level as currently exists or has existed in the past year.

c. Facilities vacated as a result of the consolidation can be effectively utilized by the commands involved with relatively small costs for alterations or improvements or can be deactivated at a reduced cost of operations and/or maintenance.

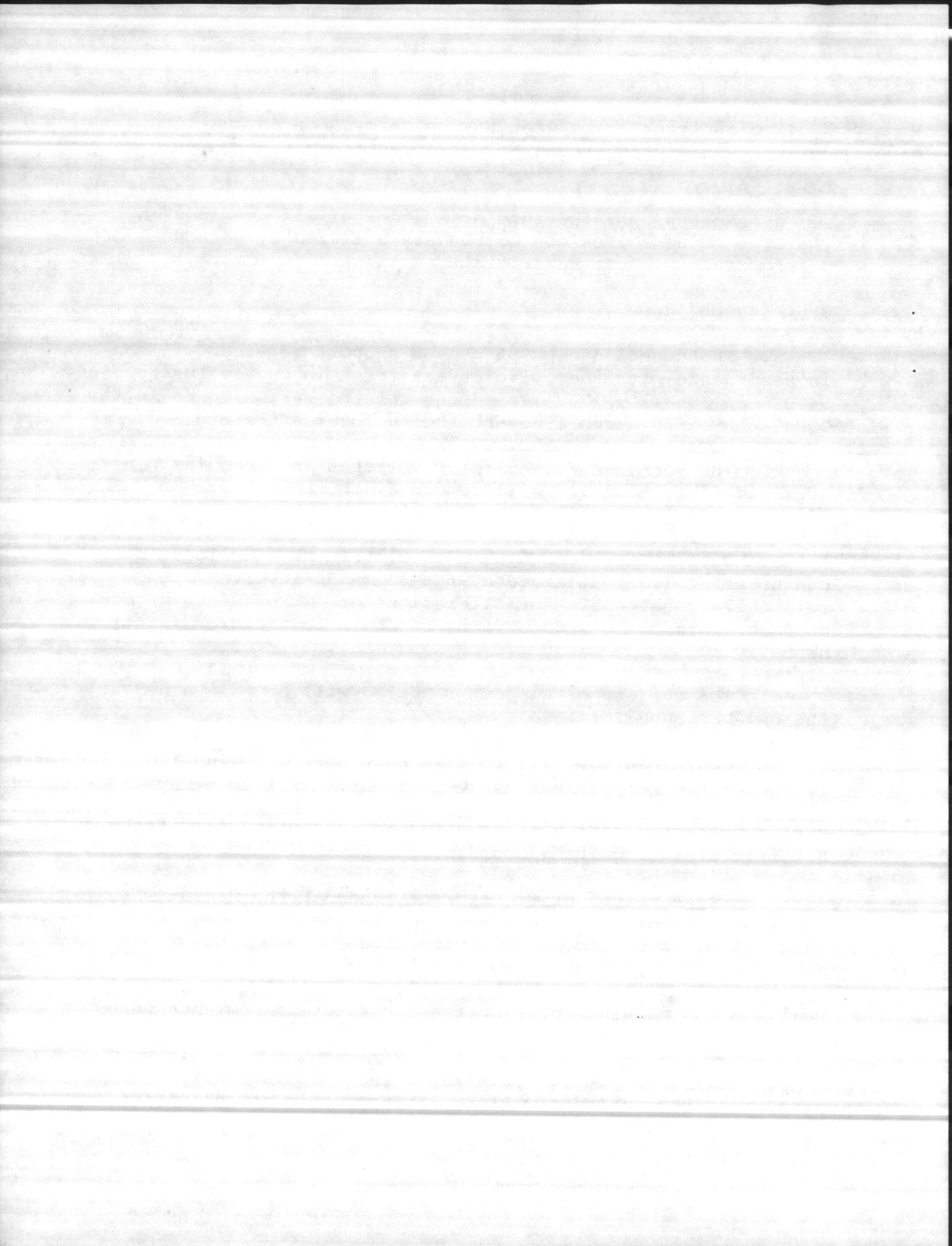
d. The quality of support rendered will be maintained at the same or superior level.

e. Consolidation will require necessary coordinating action by the various Bureaus of the Navy Materiel Support Establishment and Supporting Organizations and Headquarters, Marine Corps to achieve a standardized and integrated effort. Specific areas requiring coordination are:

(1) A method or transfer of funds at the Navy Department level to finance non-recoverable costs and other identifiable costs to Marine Corps Base.

(2) Revision of both civilian and military personnel ceilings and manning levels between respective commands based on assumption of additional functions by the Marine Corps Base.

(3) Conflicts in existing directives issued by higher management headquarters will result from this consolidation. Headquarters, Marine Corps and Management Bureaus of the Navy



must revise these directives to permit final consolidation.

f. Specific assumptions are listed in the individual reports, Annexes A - M.

4. Discussion:

a. See Annexes A through M.

b. Certain areas were considered for which an annex was not developed.

(1) Medical and Dental Services. The current Medical and Dental operations in the three commands are effective and providing the required services. Consolidation would not improve the services or produce sufficient cost reduction to be beneficial.

(2) Data Processing

Due to the scope of the planned consolidation, the various sources of funding for the three commands and the different type reports required, no benefits at this time could be gained by consolidation. Further, Data Processing facilities of the Marine Corps Base support functions or will support functions that are under the cognizance of higher headquarters and no actions can be taken which would reduce the capability to provide this support.

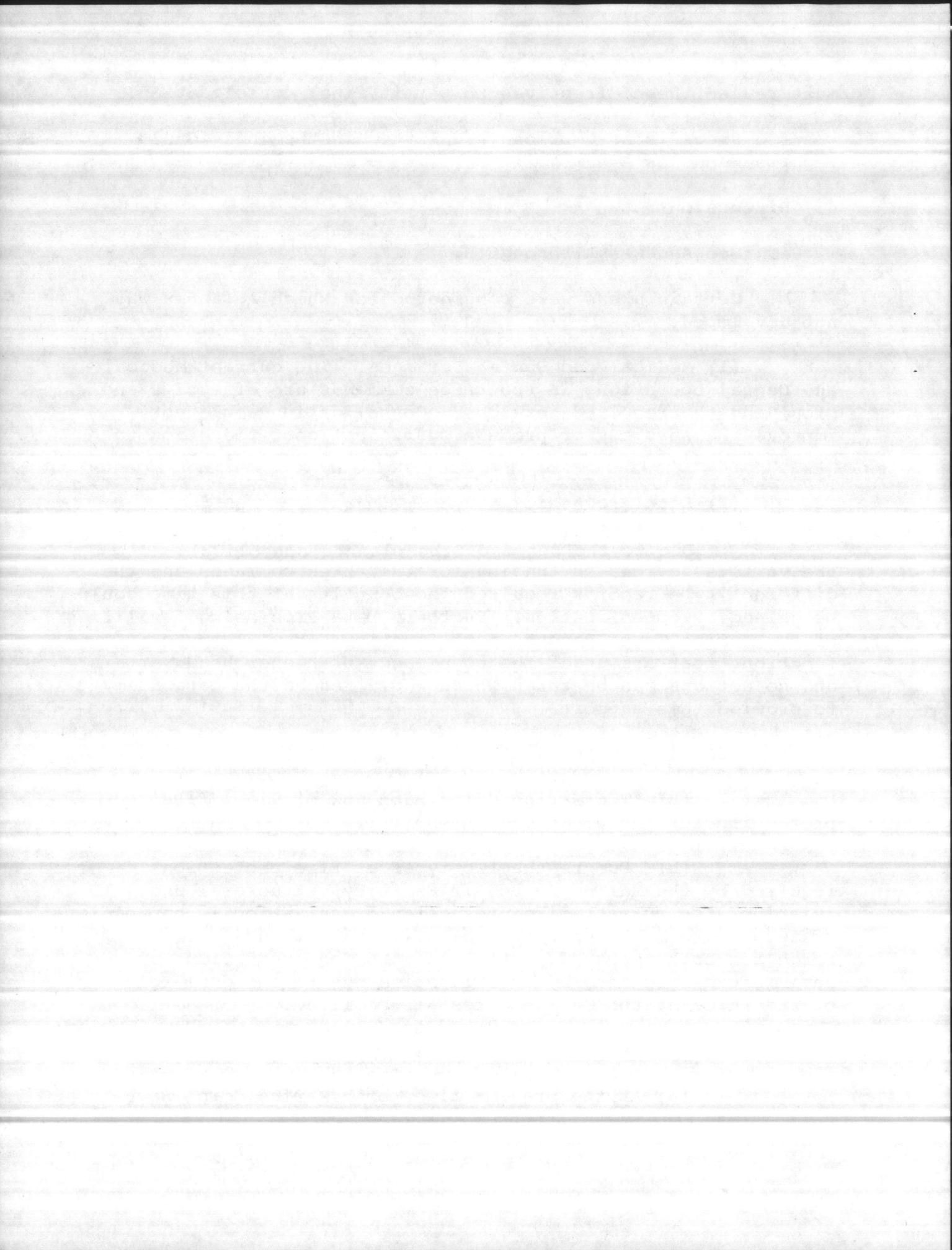
(3) Fire Protection

(a) The Marine Corps Base now provides fire protection for the U. S. Naval Hospital.

(b) Due to the two types of fire protection required by the Marine Corps Air Facility, structural and aviation, the current fire protection organization is capable of furnishing both types of protection as combined trained force for both types of protection. No cost reductions or savings can be gained by consolidation due to the dual role of the force at the Marine Corps Air Facility.

(4) Area Auditor

(a) At the present time, both Marine Corps Base



and Marine Corps Air Facility have an Area Auditor's Office. It is the opinion of the Marine Corps Base Area Auditor that his office can provide all audit services required by the Marine Corps Air Facility. Consolidation of this service would release one Marine Officer at Marine Corps Air Facility for reassignment. If all nonappropriated fund activities are consolidated under the Marine Corps Base the requirement for an Area Auditor at Marine Corps Air Facility would no longer exist from the aspect of the Commands in the Camp Lejeune area.

c. Annex N is a recapitulation of savings or increased costs in all areas resulting in a reallocation of assets to effect consolidation.

d. Representatives of the Commanding General, Marine Corps Base have been the lead activity in developing the plan contained in annexes attached hereto. Coordination with the Marine Corps Air Facility and U. S. Naval Hospital on the working level has been achieved to the greatest extent practicable. There are areas in which the plans proposed are not concurred with. Non-concurrences with rationale are contained in Annex O.

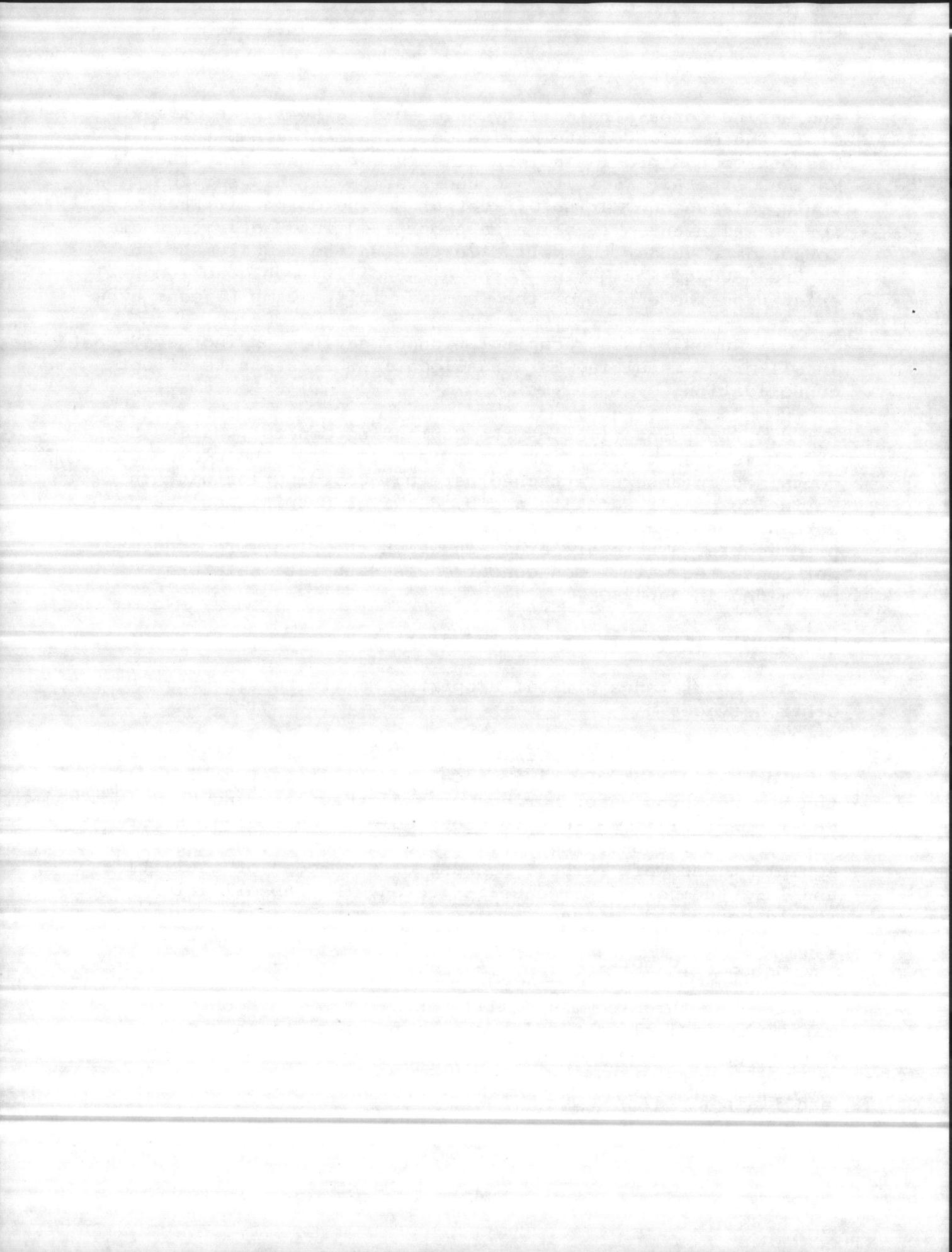
5. Conclusions: It is concluded that:

a. Maintenance of Real Property, Family Housing and Other Services

Definite savings in money and personnel will accrue from consolidation of maintenance and utilities functions of the Marine Corps Base, Marine Corps Air Facility and U. S. Naval Hospital. The service provided will be equivalent or superior to the existing service due to the more diversified equipment and work force. Because of the scope of activities and large number of personnel affected, the consolidation should be phased. (Annex A).

b. Public Works

The three commands will benefit from the consolidation since the equivalent service can be provided to each command. A CEC officer will be required on the Staff of the Commanding Officer, Marine Corps Air Facility, for planning, budgeting and liaison. (Annex B).



c. Supply and Supply Services including Laundry.

Consolidation of selected supply and supply services will result in savings in inventory and personnel while maintaining equivalent or improved service. (Annex C).

(1) Stock Control and Requisitioning

Marine Corps Base, MSA-03 Retail Stores Division could commence providing supply support to Marine Corps Air Facility with a resultant savings to the government. No change should be made in procedures relating to aeronautical peculiar type items, including aviation fuels. Marine Corps Base, MSA-03 can provide the U. S. Naval Hospital better service than is currently provided in across-the-counter informal retail sales of housekeeping, office and general supplies. However, no change should be made in procedures for procurement and stocking of technical or medical supplies. \$39,000 additional stock fund monies will be required annually by Marine Corps Base.

(2) Local procurement

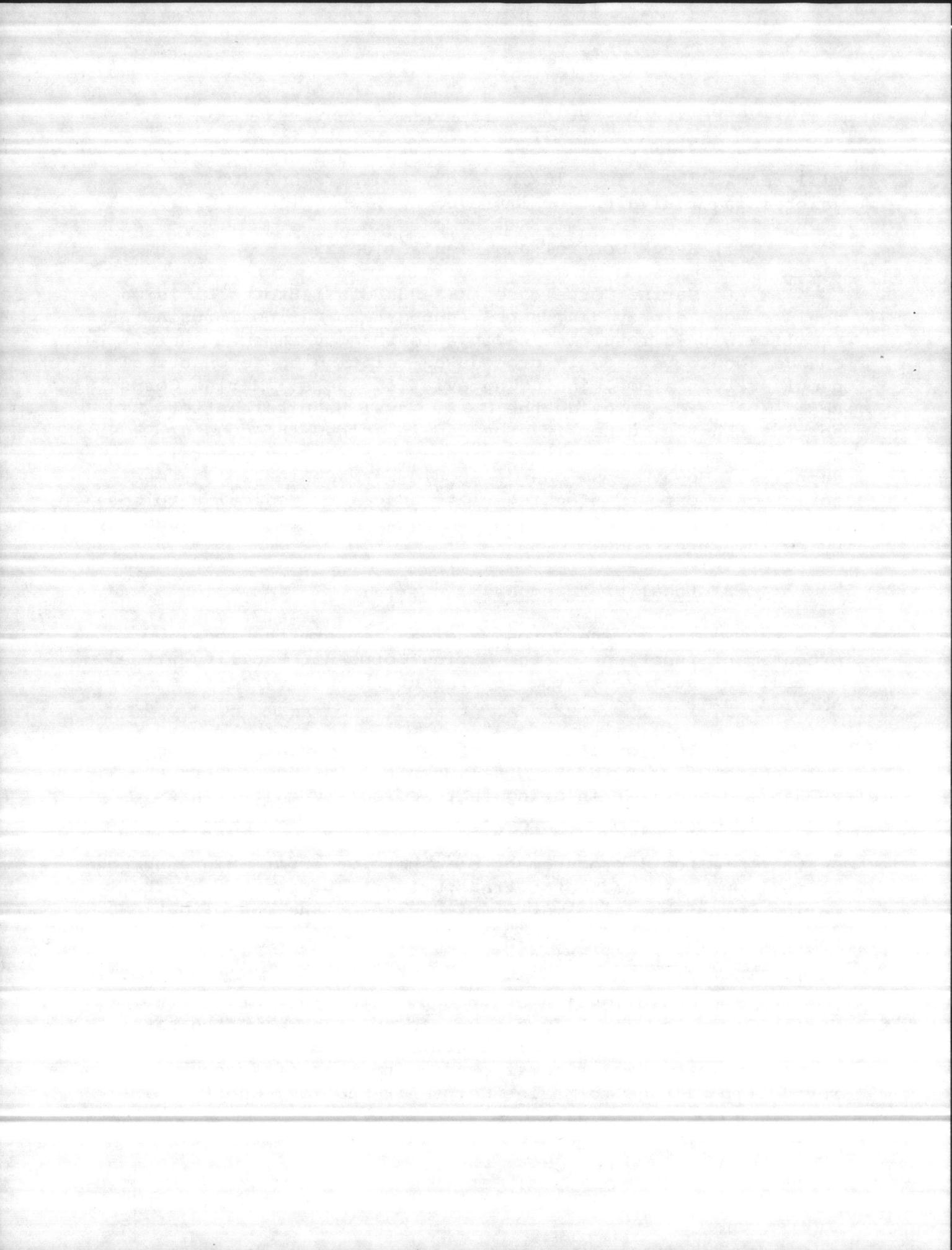
The Marine Corps Base can perform the local procurement function for the Marine Corps Air Facility with a resultant savings to the government and no degradation of service.

The local procurement authority vested in the Commanding Officer, U. S. Naval Hospital is a necessary and valuable device for insuring that medical type items are available.

Local procurement of other items for maintenance of real property and motor transport will be assumed by the Marine Corps Base as a matter of course of the consolidation.

(3) Transportation

Consolidation of transportation support to the Marine Corps Air Facility can be accomplished with the same level of service and with a reduction in cost of operation of government vehicles corresponding to the difference in round trip mileage to Marine Corps Air Station, Cherry Point



and Marine Corps Base, Camp Lejeune, North Carolina (Approximately 60 miles). No overall increase of personnel will result.

(4) Preservation and Packaging

Consolidation of preservation and packaging service to the Marine Corps Air Facility can be accomplished with the same level of service. No increase of personnel is required and a savings in cost of operation of government vehicles will result corresponding to the difference in round trip mileage to the Marine Corps Air Station, Cherry Point and Marine Corps Base, Camp Lejeune, North Carolina (Approximately 60 miles).

(5) Redistribution and Disposal

With the exception of aeronautical peculiar materials which require technical inspection and/or reporting, the Marine Corps Base can provide all redistribution and disposal service to the Marine Corps Air Facility. No increase of personnel is required and a savings in cost of operation of government vehicles will result corresponding to the difference in round trip mileage to Marine Corps Air Station, Cherry Point and Marine Corps Base, Camp Lejeune, North Carolina (Approximately 60 miles).

(6) Laundry

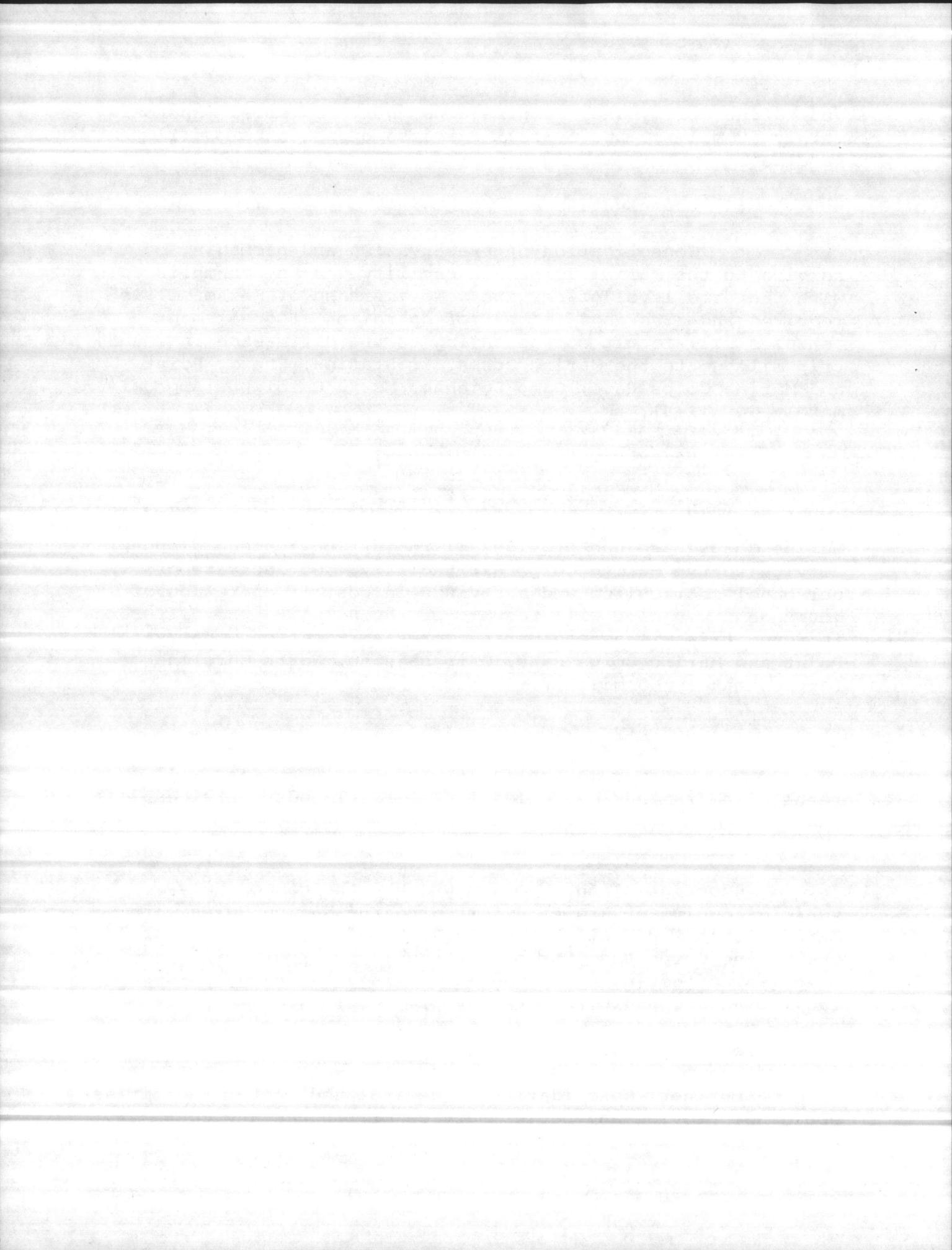
No improvement in services or advantages will result from further consolidation of the laundry services.

d. Motor Transport Services

Adoption of the program whereby the common Navy vehicles/equipment are transferred to the Marine Corps with Marine Corps Air Facility and U. S. Naval Hospital reimbursing the Marine Corps Base for motor transport support will provide means for effecting a substantial savings in funds, personnel, facilities and equipment. (Annex D).

e. Medical and Dental Services

Further consolidation of Medical and Dental facilities would not provide any better service or produce any cost reduction.



f. Industrial Relations

Marine Corps Base Industrial Relations Office is capable of providing industrial relations (personnel) services to the U. S. Naval Hospital and Marine Corps Air Facility. Establishment of a CIRO will result in certain personnel and facility space savings (Annex E). Consolidation will result in more uniform and diversified services to the three commands concerned without reduction in overall operational effectiveness.

g. Financial Management

Funding and budgeting procedures can be implemented to meet the requirements of consolidation in the areas recommended. No appreciable increase or decrease in costs is anticipated in this area. More timely information may be provided to the Marine Corps Air Facility and Marine Corps Air Station, Cherry Point due to the EDP system at the Marine Corps Base (Annex F).

h. Safety Functions

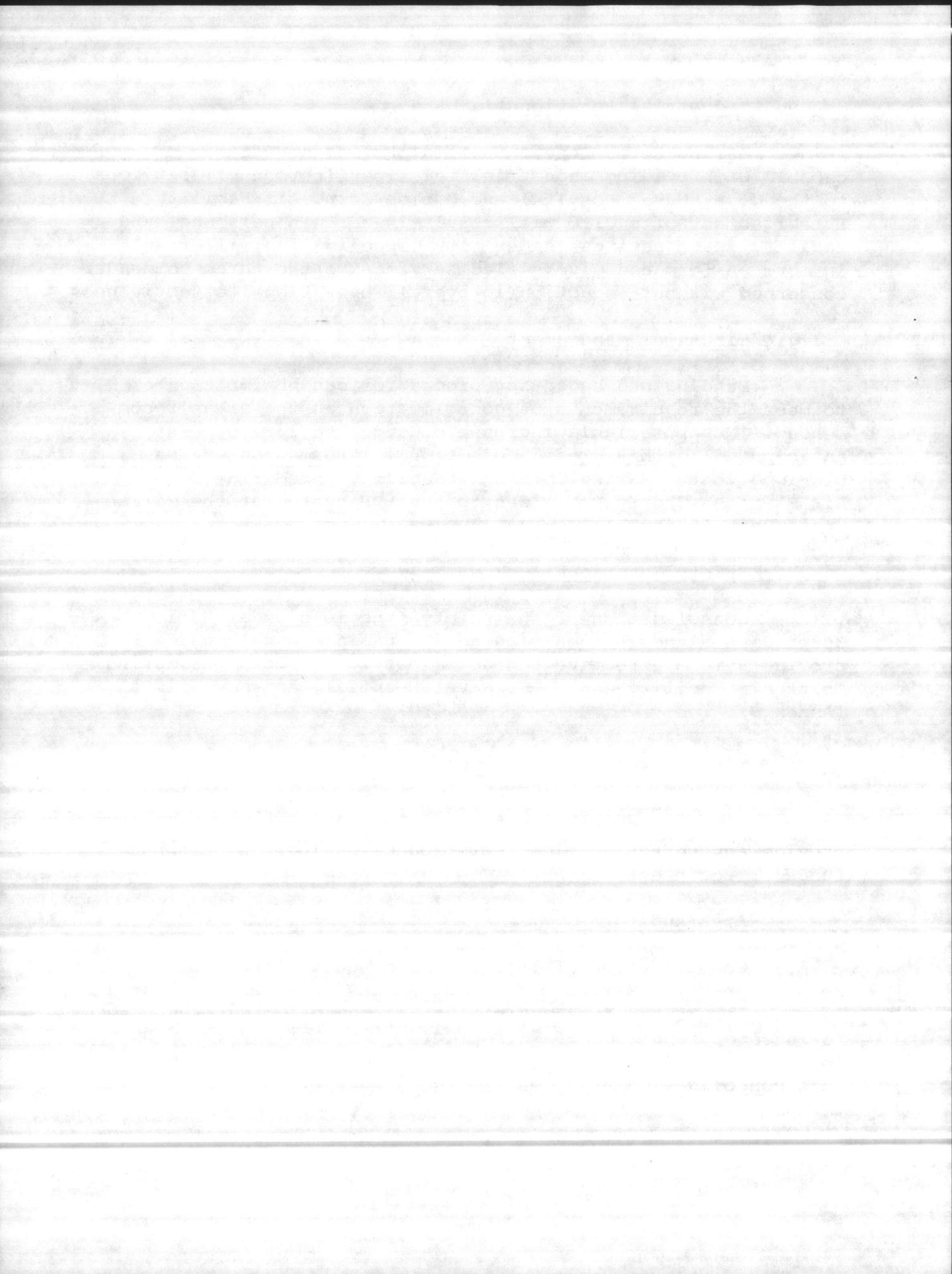
Consolidation of the safety functions under Marine Corps Base although requiring additional personnel would provide a more effective scheduled service to both the Marine Corps Air Facility and U. S. Naval Hospital than now exists (Annex G).

i. Fire Protection

Consolidation of the fire protection organization at the Marine Corps Base and Marine Corps Air Facility will not provide any better service, nor produce savings in personnel, funds or equipment.

j. Area Auditor

Consolidation of this function would reduce the requirement of a Marine Officer at Marine Corps Air Facility. If nonappropriated fund activities are consolidated, the need for a separate office at Marine Corps Air Facility would no longer be required. Headquarters, Marine Corps should evaluate this consolidation based on its requirements.



k. Quarters and Housing and Bachelor Officers' Quarters - (Annex H and Annex I).

No significant advantage nor increase in effectiveness of management would result from consolidation of this activity.

l. Marine Corps Exchange - (Annex J)

Consolidation would result in overall improved service to the Marine Corps Air Facility while resulting in a decrease in cost of operation. The Commanding Officer of the Marine Corps Air Facility will have the same influence over exchange activities as they affect his command as do the commanders of present tenant activities of Marine Corps Base.

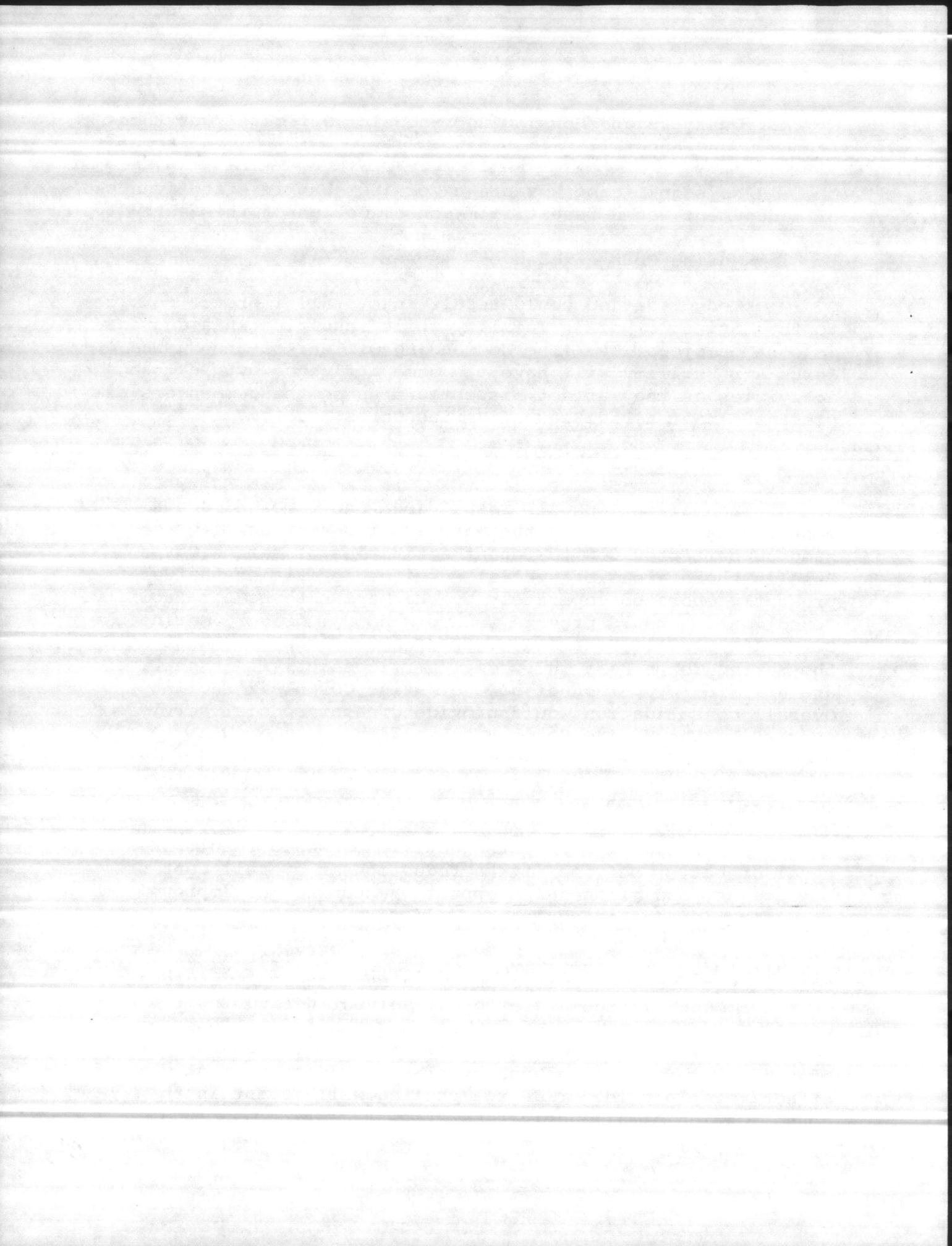
m. Special Services

Consolidation will result in a one time and annual cost increase to provide the Marine Corps Air Facility the same support provided to tenant activities of Marine Corps Base in those areas of special services activities that are presently operated separately by the Marine Corps Air Facility. Consolidation would provide the Commanding Officer, Marine Corps Air Facility the same influence as tenant commands of the Marine Corps Base in special services activities that are utilized by personnel of the Marine Corps Air Facility. Overall consolidation would provide greater special services support to the Marine Corps Air Facility. (Annex K).

n. Staff Noncommissioned Officers' Clubs; Commissioned Officers' Messes (Annexes L and M).

Consolidation of these activities would result in equal or better service with a reduction in overall cost of operations, and planned and approved expansion or improvement at all activities accomplished.

o. The most significant impact of consolidation will be felt in the area of real property maintenance. Regardless of the amount of time and effort involved in studying the problem, certain specific problems and their solutions, can be determined only after actual operation. The consolidation of real property maintenance must be phased to be most effective. To a lesser degree phasing will assist in the consolidation of all activities.



6. Recommendations: Therefore it is recommended that:

a. Consolidation of the following Marine Corps Base and U. S. Naval Hospital activities be effected commencing 1 January 1966 with the Marine Corps Base as the lead activity.

(1) Maintenance of Real Property, Family Housing, and Other Services in accordance with Annex A.

(2) Supply and Supply Services in accordance with Annex C.

(3) Motor Transport Support in accordance with Annex D.

(4) Industrial Relations in accordance with Annex E.

(5) Safety functions in accordance with Annex G.

b. Planning for the consolidation of the following Marine Corps Base and Marine Corps Air Facility activities commence 1 January 1966 with consolidation to be effected 1 July 1966. The Marine Corps Base, Camp Lejeune, North Carolina to be the lead activity.

(1) Maintenance of Real Property, Family Housing, and Other Services in accordance with Annex A.

(2) Public Works in accordance with Annex B.

(3) Supply and Supply Services in accordance with Annex C.

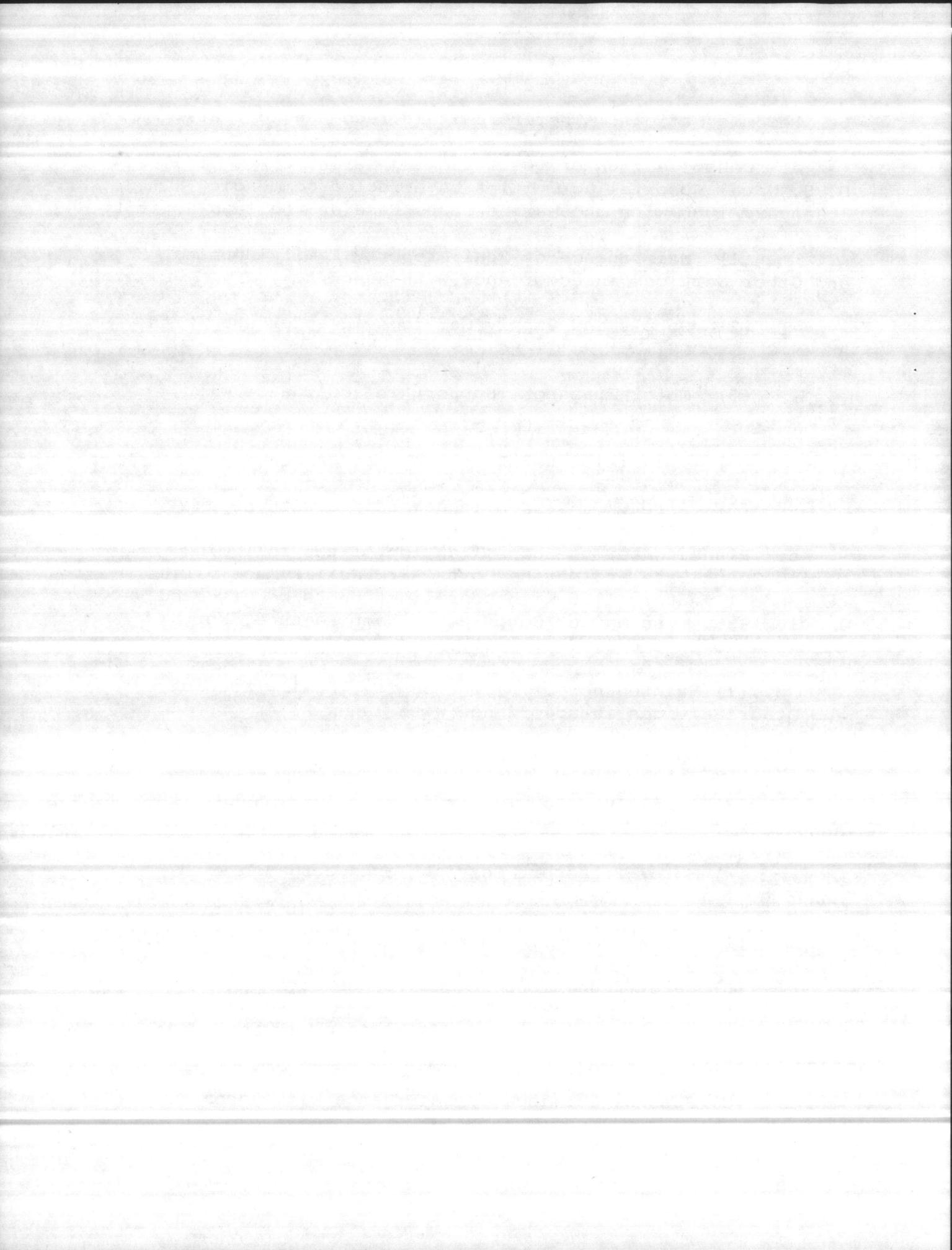
(4) Motor Transport Services in accordance with Annex D.

(5) Industrial Relations in accordance with Annex E.

(6) Safety Functions in accordance with Annex G.

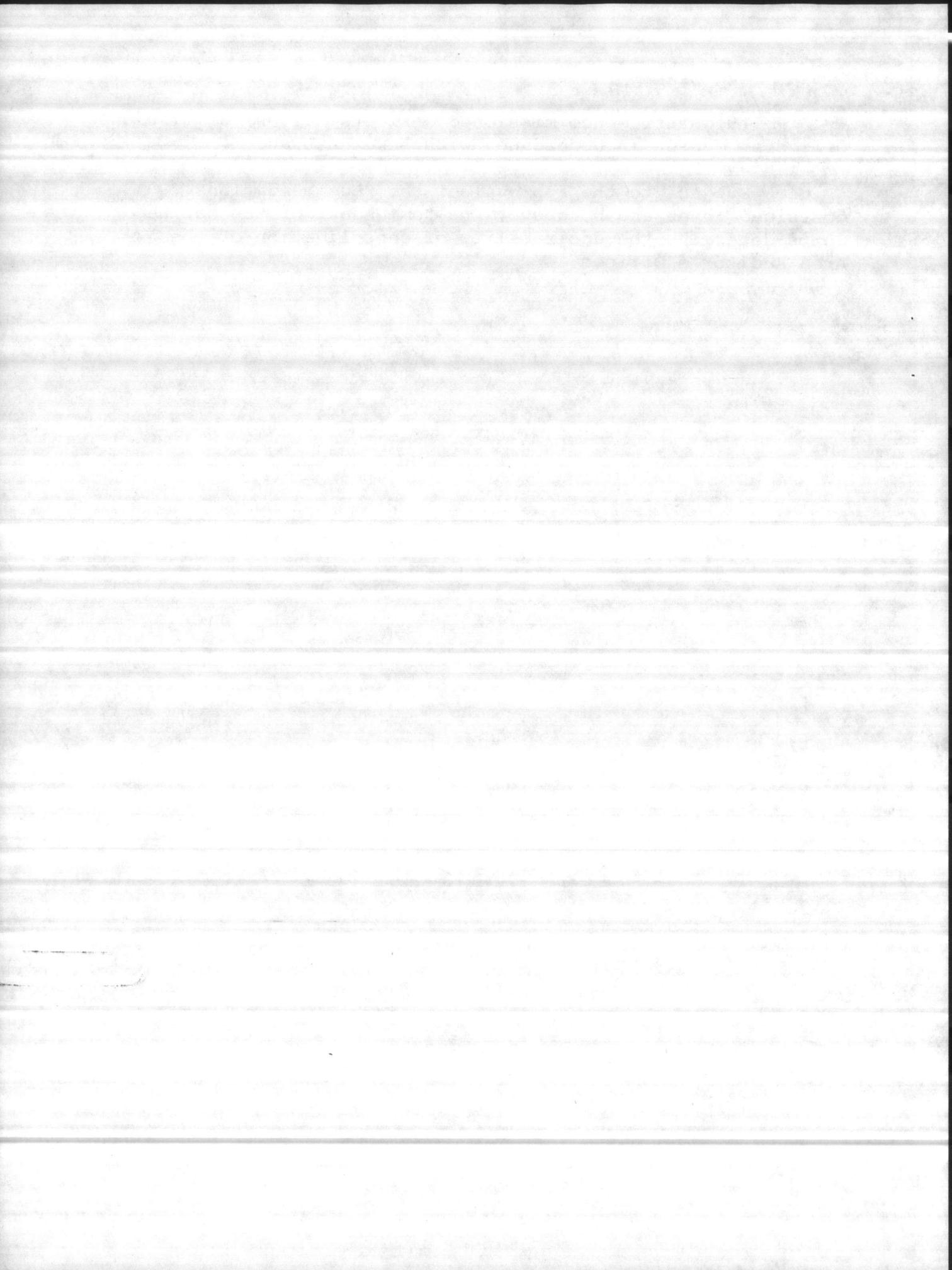
(7) Marine Corps Exchange Activities in accordance with Annex J.

(8) Special Services in accordance with Annex K.



(9) Staff Noncommissioned Officers' Clubs; Commissioned Officers' Messes in accordance with Annexes L and M.

c. Subject to the approval of the recommendations contained in a. and b. above, the Commandant of the Marine Corps determine the desirability of consolidation of the Area Auditor's Offices.



## ANNEX A

### MAINTENANCE CONSOLIDATION REPORT

I. PROBLEM. To determine the feasibility of consolidating the functions of maintaining real property including family housing at the Marine Corps Base, Camp Lejeune, North Carolina; U. S. Naval Hospital, Camp Lejeune, North Carolina; and Marine Corps Air Facility, New River, North Carolina; and operating the utilities systems of the Marine Corps Base, Camp Lejeune, and Marine Corps Air Facility, New River.

### II. ASSUMPTIONS.

A. That the workload in maintenance of real property, plant property, services and utilities operation at the three activities will increase as new facilities are added and existing facilities become older.

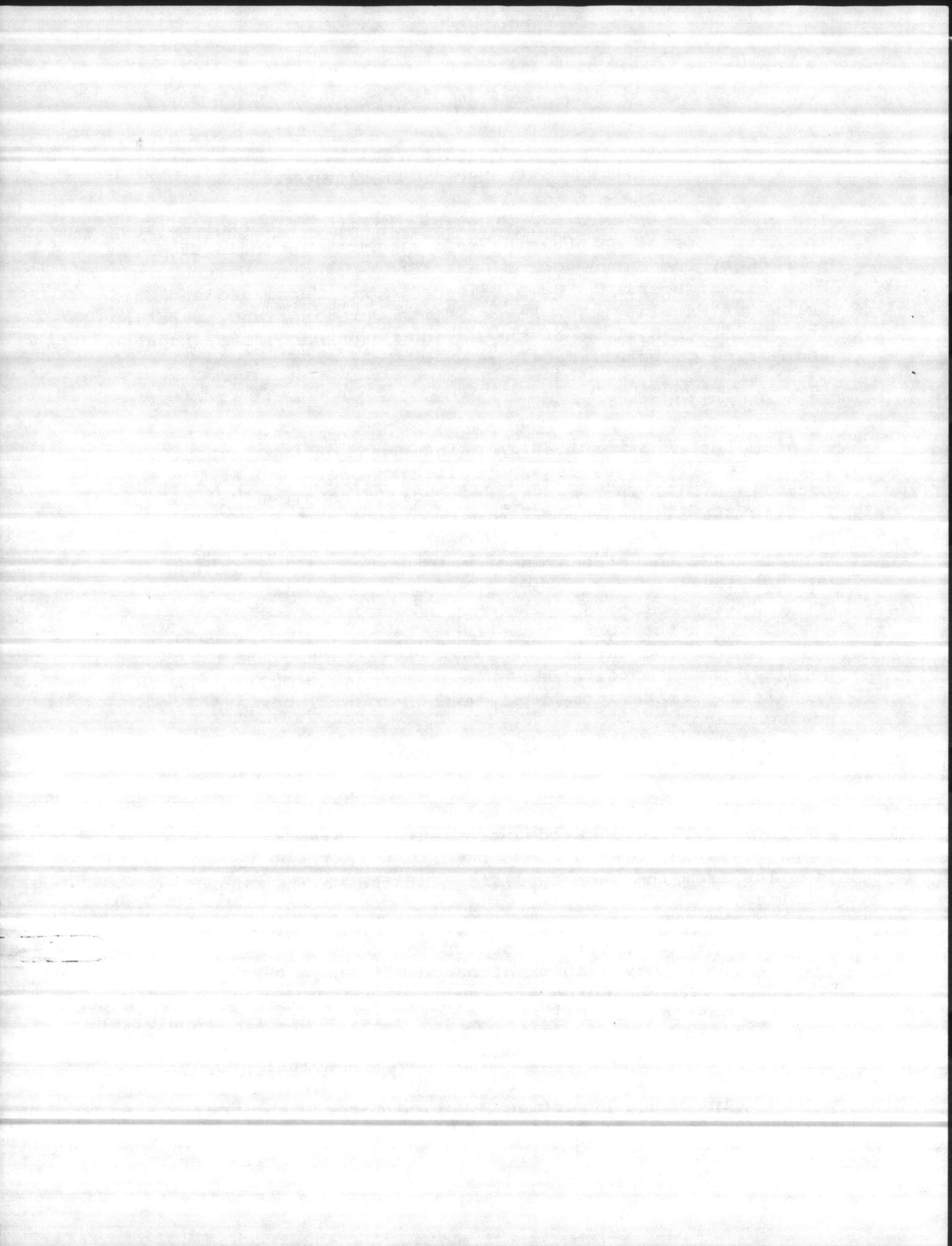
B. That the standards of maintenance will remain at current levels.

C. That the work accomplished by Marine Corps Base, Camp Lejeune, for the Marine Corps Air Facility and the U. S. Naval Hospital will be performed on a reimbursable basis to include travel time, materials, equipment charges, labor and 29% overhead on labor.

### III. FACTS

A. The principal maintenance shops of Marine Corps Base, Camp Lejeune, are located approximately three miles from the shop facilities of the U. S. Naval Hospital and approximately 14 miles from the shop facilities of the Marine Corps Air Facility.

B. Currently, Marine Corps Base, Camp Lejeune, is authorized 911 civilian maintenance billets. Public Works Department, Marine Corps Air Facility, New River has 123 civilian maintenance billets of which 102 would be transferred to the Maintenance Department, Marine Corps Base. The Maintenance Division of the U. S. Naval Hospital has 46 civilian maintenance billets of which 35 would be transferred to the Maintenance Department, Marine Corps Base. Certain of the Marine Corps Air Facility Public Works billets will be



transferred to other activities of the Marine Corps Base, i.e. Motor Transport maintenance. Ten of the U. S. Naval Hospital billets utilized in housekeeping functions will be retained by the Hospital.

C. The Marine Corps Base, Camp Lejeune, now furnishes the U. S. Naval Hospital water, sewage, steam, liquefied gas, and electricity on a reimbursable basis.

D. Maintenance control systems of each of these three activities are different, and the Bureau of Yards and Docks requires more detailed reporting from the Marine Corps Air Facility and the U. S. Naval Hospital than the Commandant of the Marine Corps requires from Marine Corps Base.

E. Telephonic communication is limited to five lines each way between Marine Corps Air Facility and Marine Corps Base.

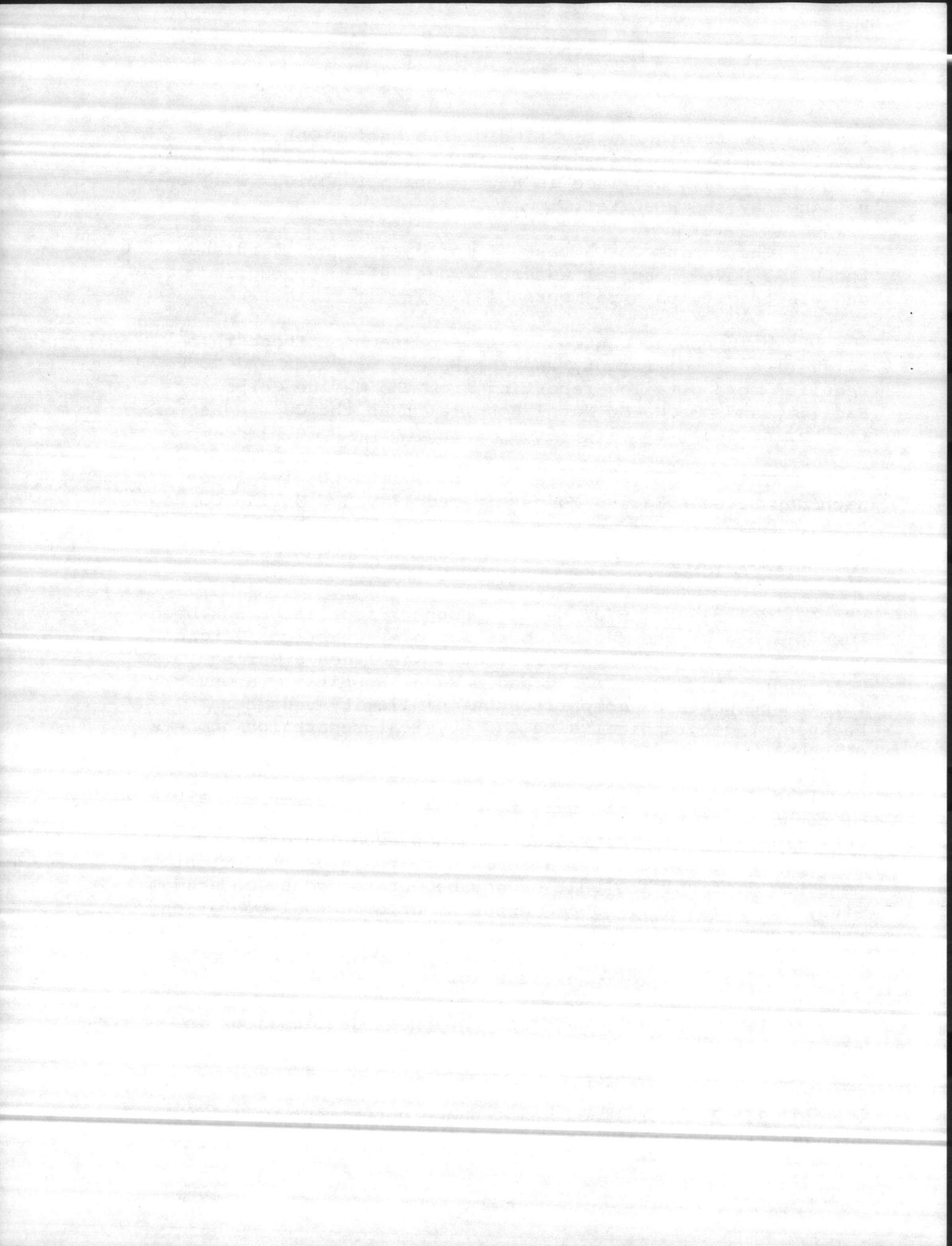
#### IV. DISCUSSION

A. Consolidation of service support facilities has been accomplished at the Marine Corps Schools, Quantico, Virginia which is a similar complex in that it includes a Marine Corps Base, an Air Facility and a Naval Hospital. However, for the purposes of comparison the similarity ends here. Because of geographical size and physical separation, numbers of people affected, number and complexity of facilities and dollar value of real property, the experiences encountered at Quantico cannot be used for comparison purposes in a discussion of consolidation of the Camp Lejeune, New River complex. This consolidation must be treated as a new experience and approached in a manner which will alleviate to the greatest extent possible difficulties that cannot be determined by an academic study but which will become apparent after actual operation under consolidated conditions.

##### B. Advantages of Consolidation

1. There are staff and equipment duplications in separate maintenance that can be eliminated for a saving to the government.

2. A centralized maintenance department will have a broader range of skills than any of the separate departments.



3. Centralized maintenance can put a greater effort into any one project than can any one of the separate departments.

C. Problems of consolidation are easily seen in the areas indicated below. Solutions to these problems are not so clearly seen because of the complexity of the variables in the situation. The capability of solving, or helping to solve, these problems in an orderly progression exists in the Maintenance Department. The capability of solving the problems all at once in a sudden change to complete consolidation will be severely taxed.

1. Personnel. Upgrading, downgrading, or elimination of any civilian billet results in multiple personnel actions within the department. Numerous changes are expected in consolidation and serious disruptions of work are very likely if this takes place in a short period of time. Any monetary savings because of billet reduction will not be fully felt until a two year "saved pay" period has passed.

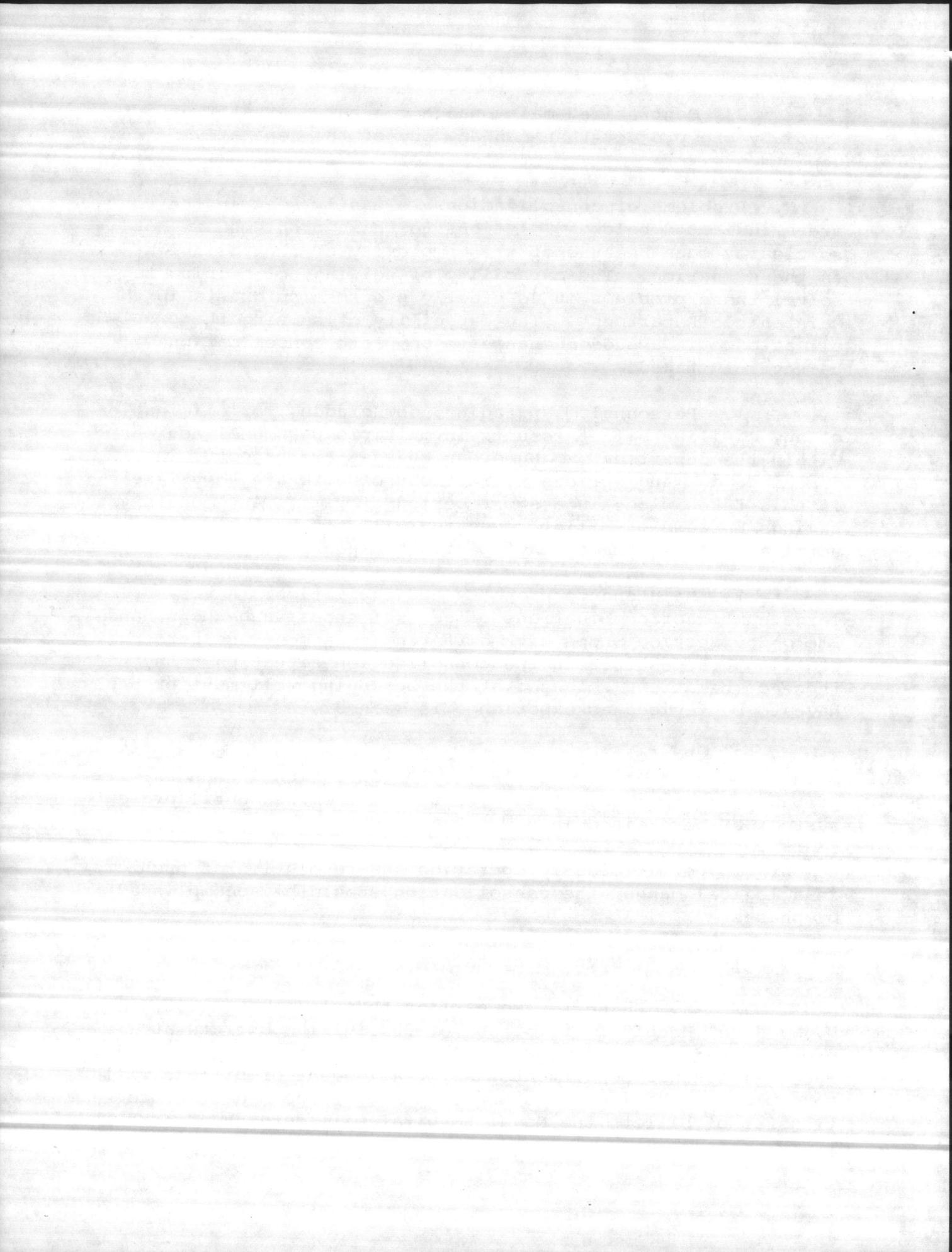
2. Maintenance property and facilities. A very large number of combinations of central shops, sub-shops, and Emergency/Service Shops with differing equipment and personnel staffing are possible in the consolidation situation. Any of these combinations selected at the beginning will most probably have to be revised as experience is gained.

3. Performing work. Speed of response in a centralized maintenance system may be slower. Organizational changes will probably be required. This cannot be determined until present systems are exercised in new situations.

D. To permit orderly operation and resolution of problems in a logical manner the consolidation should be accomplished by phases.

1. U. S. Naval Hospital

a. Phase I. No earlier than 1 January 1966, U. S. Naval Hospital will transfer 35 civilian billets at present grades to Marine Corps Base for employment in the Base Maintenance Department. Any realignment of billets will take place at Marine Corps Base. At least one month before transfer of billets the Naval Hospital will furnish a work



plan, insofar as possible, for the last half of FY 1966. As the lead activity, Marine Corps Base will be responsible for inspection, planning and estimating, scheduling and performance of maintenance work as requested, except for telephone and grounds care. An emergency/service shop will be established at the U. S. Naval Hospital by Central Maintenance. In this pilot consolidation personnel changes will be minimized and every effort will be made to explore and solve problems in the areas of accounting and work processing. Budgeting, reporting, and approval for work to be done will be retained by the U. S. Naval Hospital.

b. Phase II.

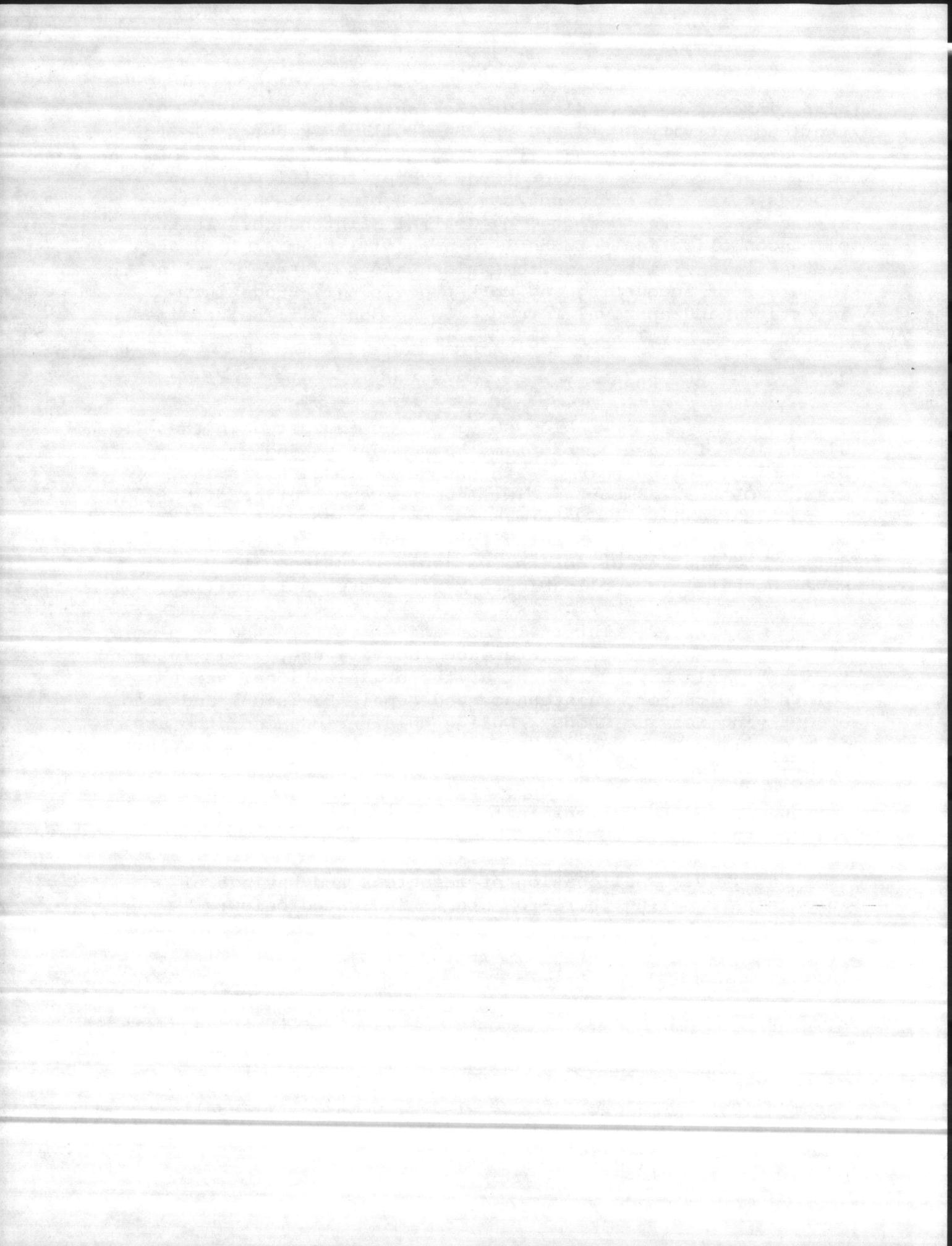
1. Problem solving. As indicated in the discussion of Phase I, problems in accounting and work processing will be solved with the Naval Hospital as they arise. Of equal importance will be the cooperation of Marine Corps Air Facility in determining whether the same problem will come up when that activity is brought into the consolidation and whether or not the workable solution with U. S. Naval Hospital is applicable to Marine Corps Air Facility.

2. Internal reorganization. In the problem areas of personnel and maintenance facility use, it is intended to insert military management at the organizational stress points of Director, Maintenance and Repair Division, and Head of Outlying Service Shops. During this period also, the use of a civilian Maintenance Management Engineer will be explored as well as reductions in the overhead slice. Two promising examples are combining inspectors with planning/estimating personnel, and reductions in the number of outlying shops to release facilities for other use.

c. Reallocation of resources and savings or increases resulting therefrom are as indicated below:

1. Civilian personnel

<u>Grade/Rate</u>	<u>Increase</u>	<u>Decrease</u>	<u>Location</u>	<u>Annual Cost Increase or Decrease</u>
Master Mechanic		1	MCB	(14,685)
Foreman (PW)		1	USNH	(12,834)



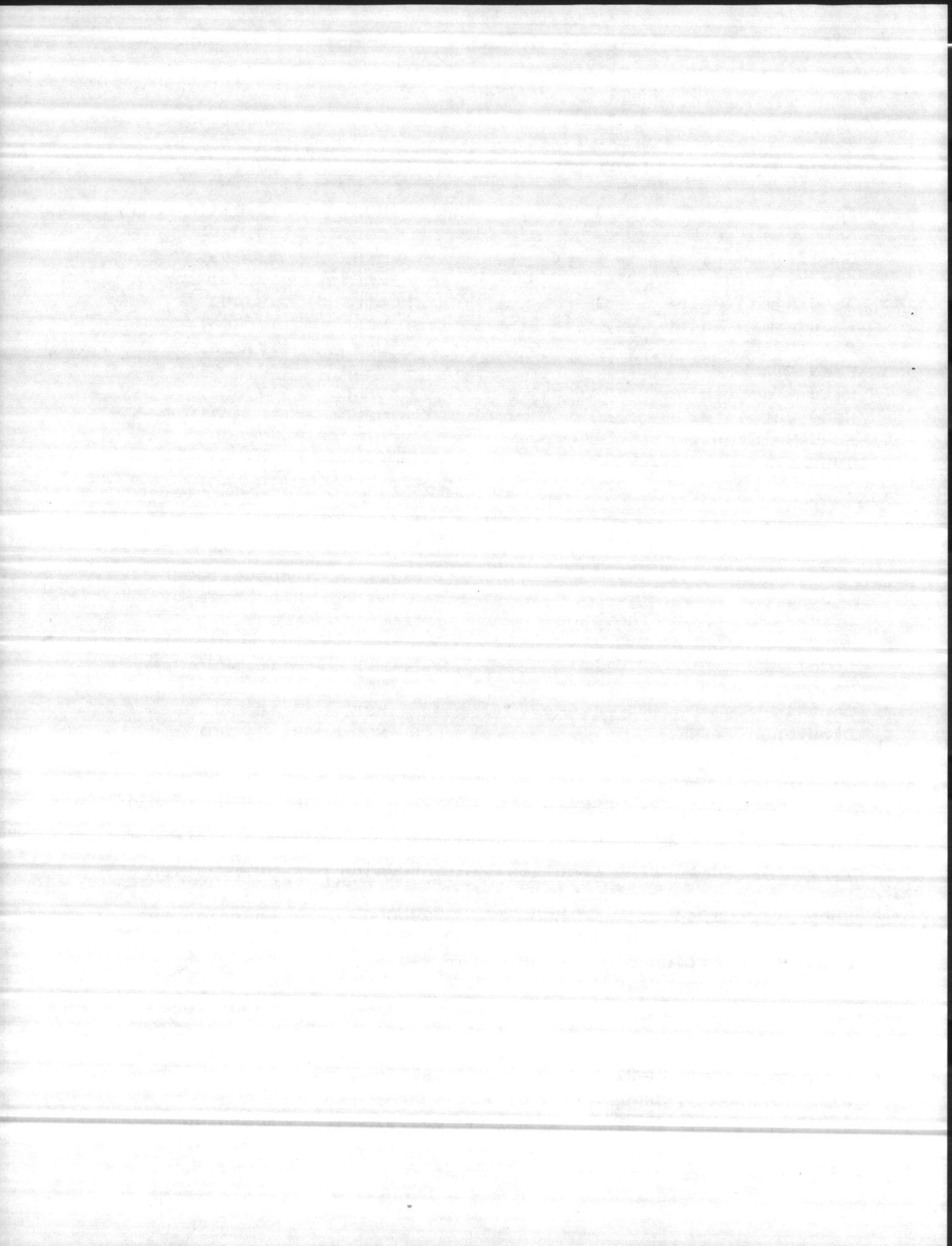
<u>Grade/Rate</u>	<u>Increase</u>	<u>Decrease</u>	<u>Location</u>	<u>Annual Cost Increase or Decrease</u>
Foreman	1		MCB	12,834
Supervisor P&E		1	MCB	( 9,024)
GS-13, MME	1		MCB	13,755
Qtrman Maint	1		MCB	9,381
Leadingman Maint	1		MCB(USNH)	8,403
Leadingman Maint		2	MCB	(16,806)
Head Painter		1	USNH	( 7,218)
Head Plumber		1	USNH	( 7,509)
Head Electrician		1	USNH	( 7,509)
Head Carpenter		1	USNH	( 6,947)
Head Maintenance	1		MCB(USNH)	7,509
Journeymen	<u>3</u>		MCB(USNH)	<u>20,094</u>
TOTAL	8	9		(10,556)

## 2. Military personnel

<u>Grade/Rate</u>	<u>Increase</u>	<u>Decrease</u>	<u>Location</u>	<u>Annual Cost Increase or Decrease</u>
LtCol	1		MCB	13,380
Major		1	MCB	(11,270)
Captain	1		MCB	9,380
Lieutenant		1	MCB	( 7,300)
TOTAL				4,190

## 3. Facilities (For Reassignment or Disposal)

<u>Type</u>	<u>Number</u>	<u>Location</u>	<u>Plant Value</u>	<u>Recommended Utilization</u>
Shop	1944	MCB	\$9,000	Reassign
Shop	Portion of Bldg. H-19	USNH	for 480 sq. ft.	Reassign to MCB Sup. for Shop Stores
Warehouse	Portion of Bldg. H-22	USNH	for 1320 sq. ft. \$7,386	Reassign
Nightcorpsman's Admin	bks. now used for H-39	USNH	\$35,315	Reassign



4. Facilities (Planned or required through MILCON programs)

None planned or required.

5. Plant Property Class III and IV.

One time or annual cost

<u>Item</u>	<u>Number</u>	<u>Location</u>	<u>Unit Value</u>	<u>Increase/Reduction</u>
Mortiser	1	USNH	\$ 848	
Saw	1	USNH	355	
Rodmaster	1	USNH	271	
Saw	1	USNH	1,232	
Bend Brake	1	USNH	500	
Brake, Sheet	1	USNH	300	
Paint Spray	1	USNH	673	
Drive, Coil Wind	1	USNH	388	
Transit	1	USNH	450	
Key machine	1	USNH	228	
Pump	1	USNH	225	
Pump	1	USNH	297	
Lathe	1	USNH	1,571	
Jointer	1	MCB	398	
Refrigerator	1	MCB	206	
Compressor	1	MCB	683	
Compressor	1	MCB	563	
Vacuum Cleaner	1	MCB	267	(\$9,455) one time

6. Minor Property

No predictable saving.

7. Financial Summary

	<u>Annual Increase/Decrease</u>	<u>One time Increase/Decrease</u>
Personnel		
Civilian	(10,556)	
Military	4,190	
Facilities Class II		(51,701)
Plant Property, Class III and IV		( 9,455)
Minor Property	0	0
Total	( 6,366)	(61,156)



## 2. Marine Corps Air Facility

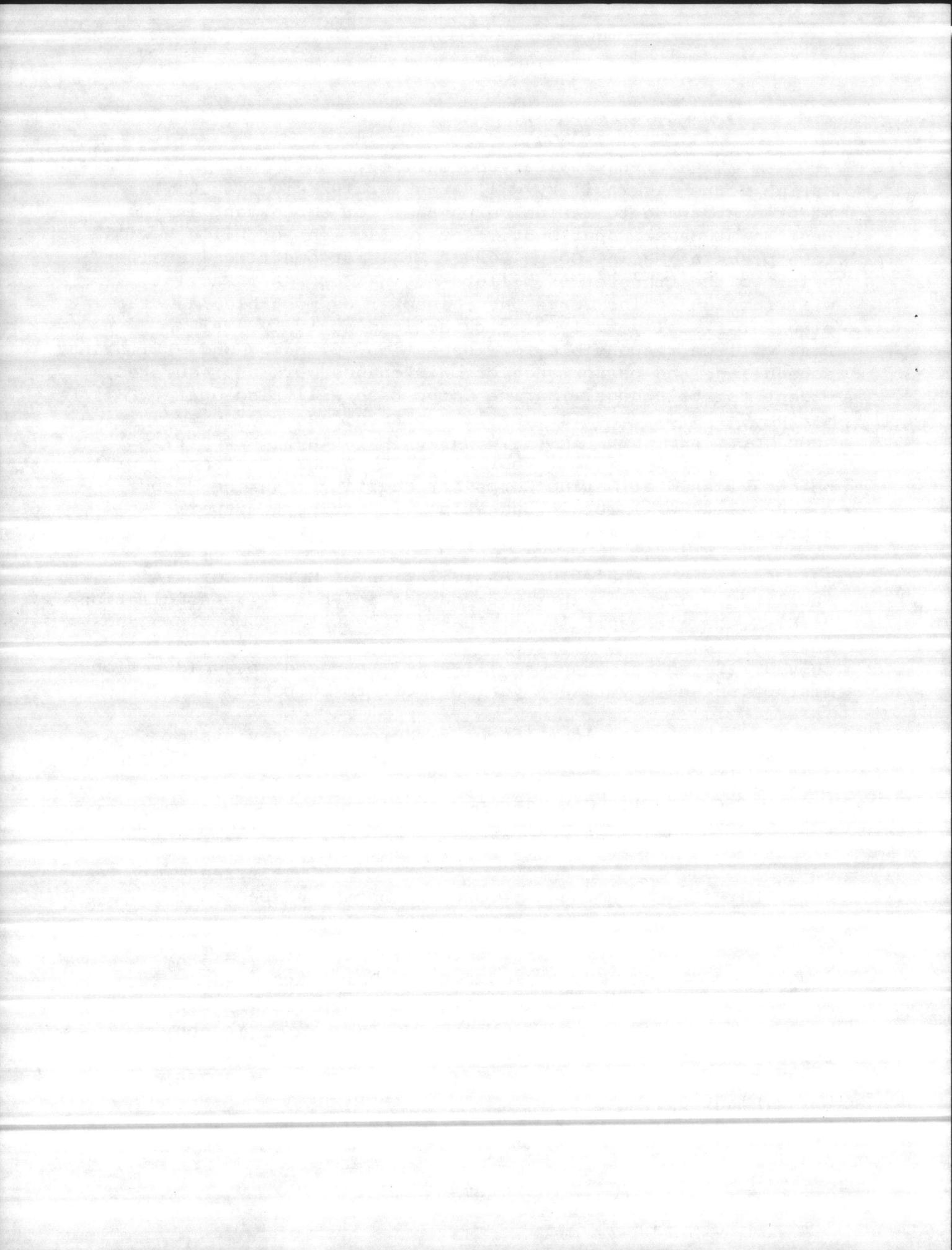
a. Phase III. No earlier than 1 July 1966, Marine Corps Air Facility will transfer 102 civilian billets at present grade to Marine Corps Base for employment in the Base Maintenance Department. Any realignment of billets will take place at Marine Corps Base. At least one fiscal quarter prior to the transfer of billets Marine Corps Air Facility will furnish Marine Corps Base, insofar as possible, a work plan for fiscal year 1967. As the lead activity, Marine Corps Base will be responsible for inspection, planning and estimating, scheduling, and performance of maintenance work as requested, except for telephone. Marine Corps Base will also operate Marine Corps Air Facility utility plants. An emergency/service shop, plus sub-shops in the areas of painting, carpentry, plumbing/heating, insect control, and grounds maintenance will be established at Marine Corps Air Facility. Marine Corps Air Facility will retain budgeting, reporting, and work approval responsibilities.

b. Phase IV. Assimilation of Marine Corps Air Facility. Based on experience gained in Phase II, Assimilation of U. S. Naval Hospital, problems in accounting, work processing, and facilities utilization are expected to be readily solved. Personnel changes will still be paced to avoid serious disruption and may take a year or more to complete.

c. Reallocation of resources and savings or increases resulting therefrom are as indicated.

### 1. Civilian personnel

<u>Grade/Rate</u>	<u>Increase</u>	<u>Decrease</u>	<u>Location</u>	<u>Annual Cost Increase or Decrease</u>
GS-11		1	MCAF	( 9,535)
GS-7		1	MCAF	( 7,250)
GS-4		1	MCAF	( 5,530)
GS-3		1	MCAF	( 4,545)
Chief Qtrman		1	MCAF	(10,400)
Boiler Tender		4	MCAF	(22,216)
Head, W.P. Op.		1	MCAF	( 6,386)
Water Plant Op.	1		MCB(MCAF)	5,845



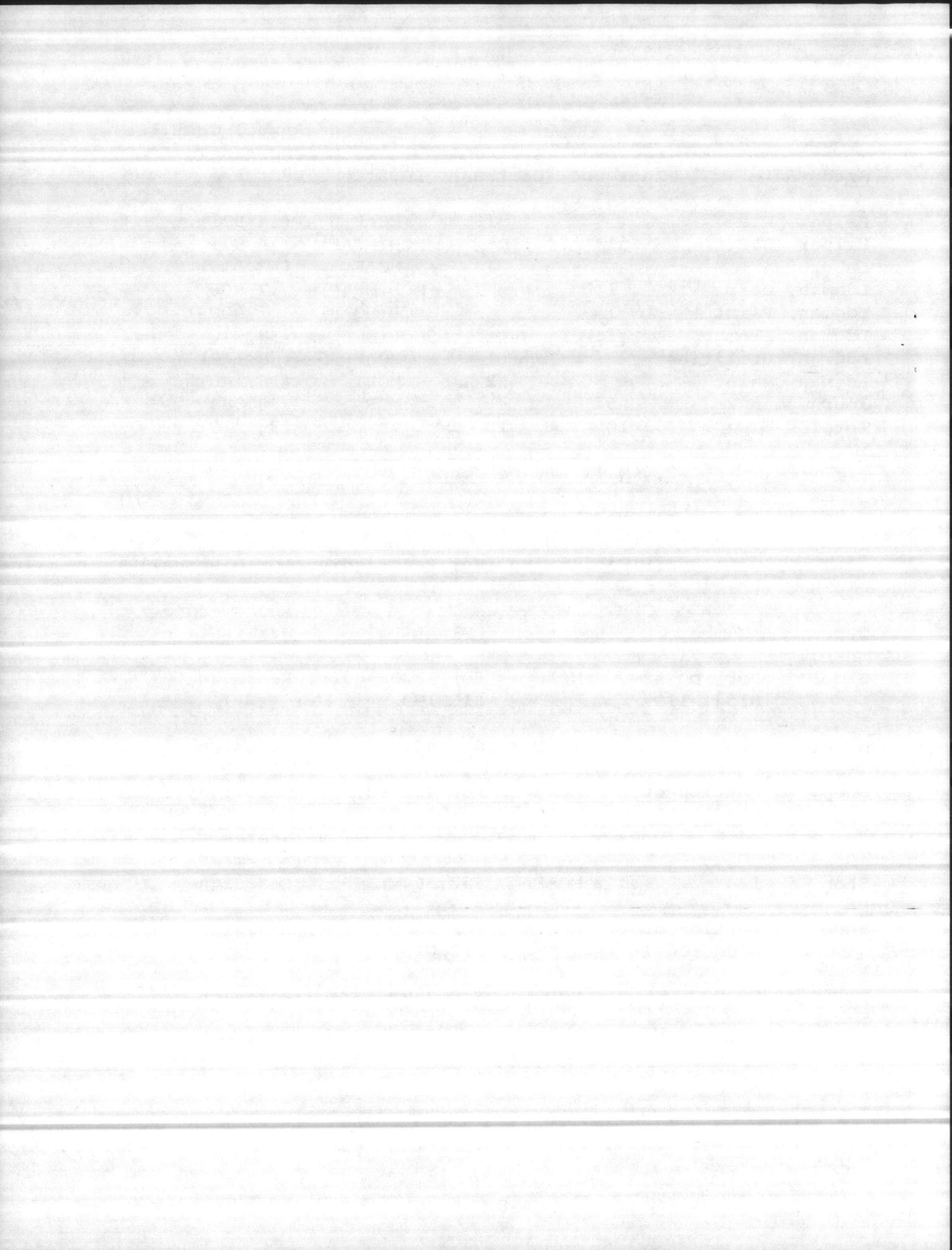
<u>Grade/Rate</u>	<u>Increase</u>	<u>Decrease</u>	<u>Location</u>	<u>Annual Cost Increase or Decrease</u>
Helper, W.P.		1	MCAF	( 4,971)
Helper, S.P.	1		MCB(MCAF)	4,971
Laborer		1	MCAF	( 3,515)
Ldgman, Carp	1		MCB(MCAF)	7,800
Ldgman, Paint	1		MCB(MCAF)	7,800
Ldgman, Plumb	1		MCB(MCAF)	8,070
Ldgman, Utilities		1	MCAF	( 8,112)
Ldgman, Maint		2	MCB	(16,140)
Journeyman	<u>5</u>		MCB	<u>30,888</u>
Total	10	15		(33,226)

2. Military personnel

No change.

3. Facilities (For reassignment or Disposal)

<u>Type</u>	<u>Number</u>	<u>Location</u>	<u>Plant Value</u>	<u>Recommended Utilization</u>
Shop	Portion of Bldg. 119	MCAF	for 1220 sq.ft. \$15,199	Reassign
Whse.	120	MCAF	\$ 1,442	Reassign
Shop	Portion of Bldg. 122	MCAF	for 450 sq.ft.	Reassign to MCB Sup. for Shop Stores
Shop	124	MCAF	\$52,394	Reassign
Shop	Portion of Bldg. CG-1	MCB	for 1520 sq.ft. \$12,023	Reassign
Storage	TC-832	MCB	\$ 9,389	Reassign



4. Facilities (Planned or required through MILCON program)

<u>Type</u>	<u>Number</u>	<u>Location</u>	<u>Estimated Cost</u>	<u>Recommendation</u>
Paint Shop	1	MCAF	\$157,000	Cancel requirement

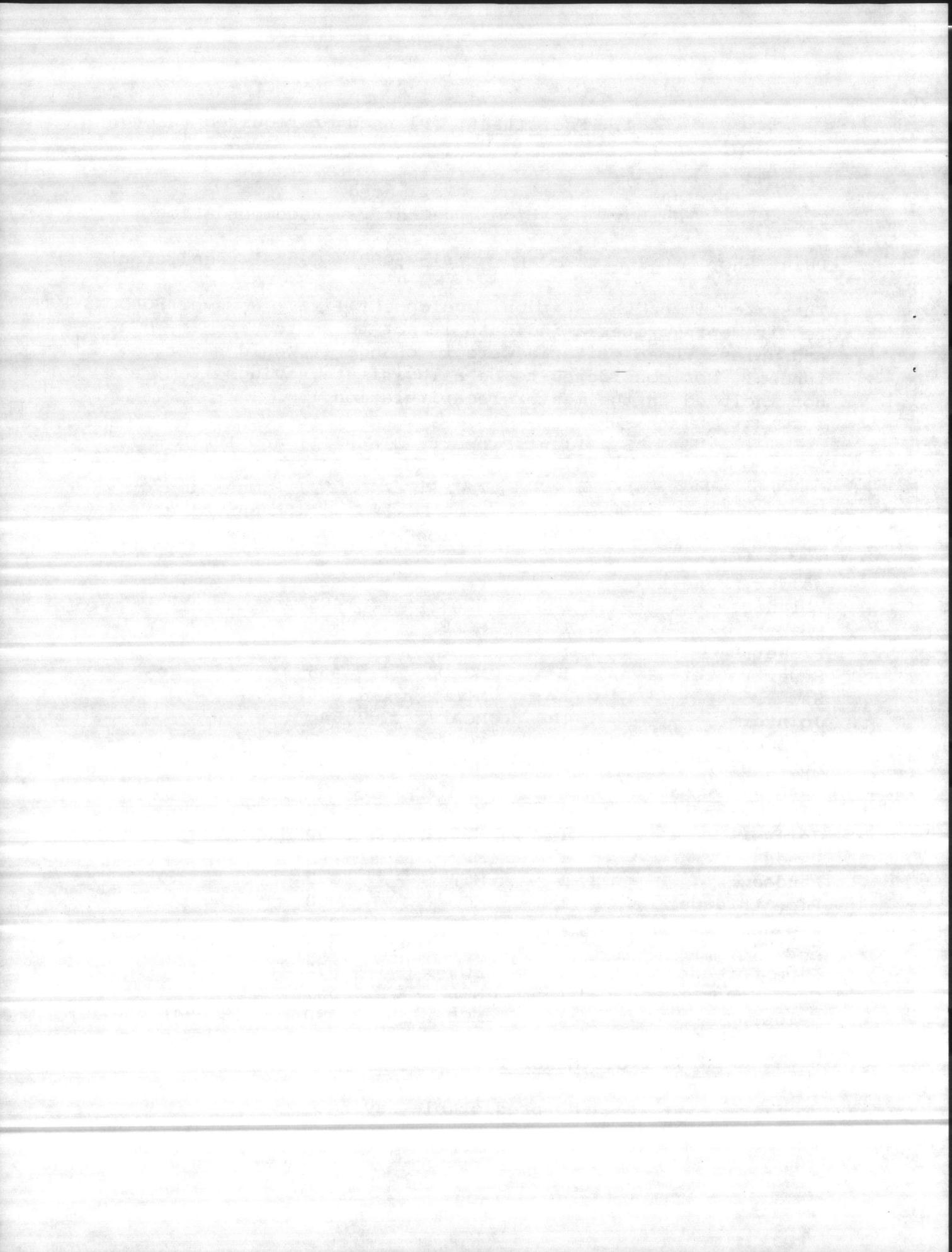
This item is on the station development list. However BUDOCKS requirements criteria indicate it not to be required by MCAF and unless those criteria were to change it would never be funded. Not considered to be a legitimate savings item, and not included in the master recapitulation.

5. Plant Property Class III and IV

<u>Item</u>	<u>Number</u>	<u>Location</u>	<u>Unit Value</u>	<u>One time or annual cost increase/reduction</u>
Welder, band saw blades	1	MCAF	\$ 405	
Shaper	1	MCAF	330	
Planer	1	MCAF	1,031	
Sewer rooter	1	MCAF	435	
Saw	1	MCAF	1,056	
Jointer	1	MCAF	1,645	
Tenoner	1	MCAF	2,517	
Mortiser	1	MCAF	2,256	
Lathe	1	MCAF	1,000	
Pipe Threader	1	MCAF	450	
Jointer	1	MCB	363	
Bandsaw	1	MCB	200	
Bandsaw	1	MCB	239	
Pipe threader	1	MCB	400	
Saw	1	MCB	800	
Saw	1	MCB	1,058	
Pipe threader	1	MCB	972	
Compressor	1	MCB	547	
Welder	1	MCB	3,190	(18,894) one time

6. Minor Property

No predictable saving.



## 7. Financial Summary

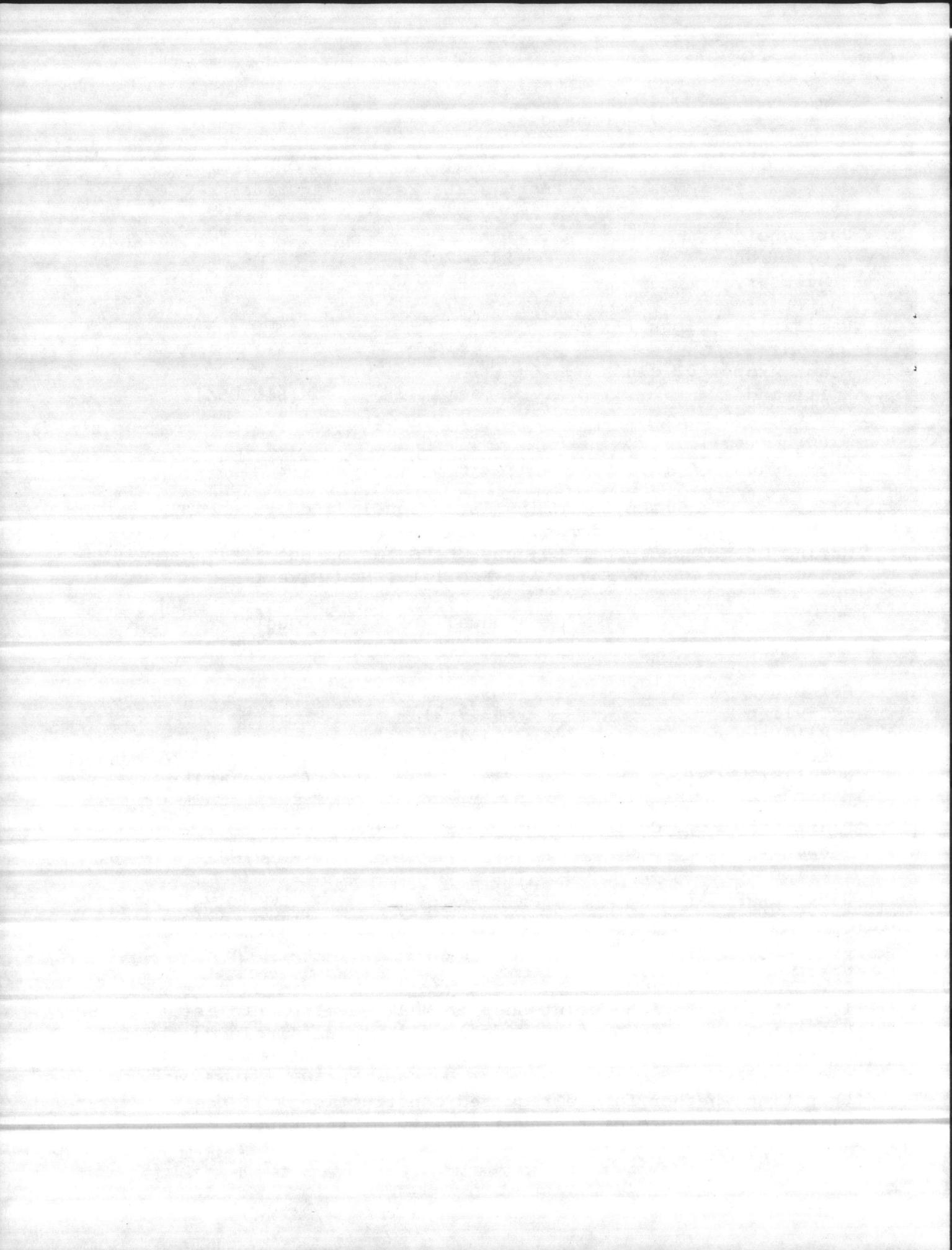
	<u>Annual Increase/Decrease</u>	<u>One Time Increase/Decrease</u>
Personnel		
Civilian	(\$33,226)	
Military	0	
Facilities, Class II		(\$90,447)
Plant Property, Class III and IV		(\$18,894)
Minor Property		0
<b>Total</b>	<u>(\$33,226)</u>	<u>(\$109,341)</u>

d. The following is a consolidated financial summary of Consolidation of Real Property Maintenance at Marine Corps Base, Camp Lejeune; U. S. Naval Hospital, Camp Lejeune; and Marine Corps Air Facility, New River.

	<u>Annual Increase/Decrease</u>	<u>One Time Increase/Decrease</u>
Personnel		
Civilian	(\$43,782)	0
Military	\$ 4,190	0
Facilities, Class II	0	(\$142,148) <sup>1</sup>
Plant Property, Class III and IV	0	(\$ 28,349)
Minor Property	0	0
<b>Total</b>	<u>(\$39,592)</u>	<u>(\$170,497)</u>

**NOTE:**

1. \$157,000 for the paint shop on MCAF development list, but not authorized by BUDOCKS criteria, is not included. Further, this figure represents a value for space that is made available for other use. It cannot be determined at this time whether future required construction will be eliminated because of the availability of this space.



E. The above financial summary represents the best obtainable estimate of savings resulting from the consolidation and reallocation or deletion of personnel and facilities assets to maintain an acceptable level of real property maintenance. However, as base support requirements increase, as new buildings are completed, and as existing buildings age, maintenance requirements and thus costs will increase. Therefore, any savings shown does not mean a reduction of maintenance costs for the next or succeeding years below real property maintenance costs for this year. It simply means that the amount of increase will be less. Increased materiel and labor costs, and "saved pay" requirements are other factors which must be weighed when evaluating the savings indicated. The primary factor for consolidation should not be savings, but more effective use of personnel and facilities while maintaining the same or improving, the level of maintenance.

V. CONCLUSIONS. It is concluded that:

A. It is feasible to consolidate the Maintenance of Real Property including family housing, and operation of the utilities systems at Marine Corps Base, Camp Lejeune; U. S. Naval Hospital, Camp Lejeune; and the Marine Corps Air Facility, New River.

B. A reduction in the increase of costs of Real Property Maintenance and operation of the utilities systems will be achieved while maintaining the same level of effectiveness.

C. Because of the size and complexity of the entire operation, consolidation must be phased to obviate possible serious disruption of vital functions.

VI. RECOMMENDATION. It is recommended that:

A. Consolidation be effected in the four phases discussed above, namely:

1. Phase I and II commencing 1 January 1966, U. S. Naval Hospital and Marine Corps Base.

2. Phase III and IV commencing 1 July 1966, U. S. Naval Hospital/Marine Corps Base and Marine Corps Air Facility.

