

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)											A.		
B. Department of the Navy/Depot Maintenance/Aviation Depot						C. FIVE AXIS MILLS (2)					Jacksonville		
						6DE3EL0408PR							
				2003			2004			2005			
Element of Cost				Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	
INVESTMENT COST				1	3,730	3,730							
OPERATIONAL DATE	1-Aug-05												
METRICS:	<u>AVOIDANCE</u>	<u>SAVINGS</u>											<u>TOTAL</u>
PROJECTED ANNUAL SAVINGS	\$103,501	\$300											\$103,801
AVERAGE ANNUAL SAVINGS (Discounted)	\$63,597	\$184											\$63,781
PAYBACK PERIOD	NA	NA											NA
RATE OF RETURN (ROR)	2%	0%											2%
PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)													
<p>1. DESCRIPTION & PURPOSE OF PROJECT. Procure 2 CNC 5-axis Machining Centers as replacements to the 2 old K & T Mod-U-Lines. Procure with a 10,000 rpm spindle, rapid traversal rates and a state of the art micro processors for precision manufacturing of aircraft components. New machines of this type are capable of machining all angles and contours associated with aircraft components. The computer numerical control can generate these complex shapes and repetitive moves with very simple directions, utilizing Dynamic Graphic representation. Advanced probing capability will allow the machine to verify that the machined surface is indeed, at the exact location. The higher spindle rpm will allow faster cutting speeds, thereby allowing faster production rates.</p> <p>2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM? The existing machines are a 5-axis K & T Mod-U-Line. One was manufactured in 1971 and was re-built in 1985. The other, was manufactured in 1972 and re-built in 1987. Both, are now showing signs of way surface wear, bearing failure and electronic component failure. The CNC Controller and the electronic drive components were replaced 10 years ago. Due to the age of these machines, all of the repair/replacement components that will be required, are no longer available. The existing machines are constantly breaking down and circuit boards have to be sent out for repair, instead of simply pulling out the faulty board and plugging in a new one. The latest failure involved the bearings within the spindle. An 8-week lead time was quoted for the replacement bearings. New machines will have state of the art electronics and should be supportable for 10 years.</p> <p>3. WHAT PROJECT ALTERNATIVES HAVE BEEN CONSIDERED? Procure replacement machines or contract the workload to a private manufacturer.</p> <p>4. IMPACT IF NOT ACQUIRED. NADEP will not be able to manufacture components for the EA-6B, F-18 and P-3 aircraft. Also, repairs of J-52 engine components will not be able to be performed.</p> <p>5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT. Not applicable.</p>													

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)										A. FY2005 PRESIDENT'S BUDGET		
B. Department of the Navy/Depot Maintenance/Aviation Depot						C. C-SCAN				6DC5EL0527PR		D. North Island
	2003			2004			2005			2006		
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
INVESTMENT COST	1	1200	1200									
OPERATIONAL DATE	15-Dec-04											
METRICS:	AVOIDANCE	SAVINGS	TOTAL									
PROJECTED ANNUAL SAVINGS	\$500,000	\$84,230	\$584,230									
AVERAGE ANNUAL SAVINGS (Discounted)	\$307,228	\$51,756	\$358,984									
PAYBACK PERIOD	3.1	NA	2.6									
RATE OF RETURN (ROR)	24.1%	4.1%	28.2%									
PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)												
<p>1. DESCRIPTION & PURPOSE OF PROJECT: NADEP requires the use of ultrasonic inspection to repair composite aircraft components. In order to analyze the findings, the readings of the inspection must be in a C-Scan format. NADEP currently has one system that is capable of performing the ultrasonic inspection and providing C-Scan display. Recently, that system has failed repeatedly. These failures cause production delays. Tektrend built this current C-Scan system. Unfortunately, the Tektrend system is one-of-a-kind system and Tektrend is now out of business. R/D Tech bought Tektrend's C-Scan assets but did not keep the personnel required to maintain the NADEP C-Scan system. Recently, NADEP engineering and maintenance people reengineered and rebuilt the gimbals and other parts on the Tektrend system. The Tektrend software is complicated and unique to Tektrend. Outside of the software system, NADEP engineering and maintenance can jury-rig the system to continue to perform. Because of the software uniqueness, complexity and lack of vendor updates for computer industry modernization we expect a C-Scan system failure within two to four years that NADEP will not be able to correct or work around. NADEP maintenance estimates the probability of this failure at greater than 50% in that time frame. Furthermore, NADEP is losing personnel experienced on the Tektrend. This will cause still greater vulnerability. The purpose of this project is to purchase and install a new ultrasonic scanner inspection system that is capable of displaying readings in a C-Scan format to replace the current C-Scan system before it becomes unusable. The new system will not be a one-of-a-kind system.</p> <p>2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM? According to NADEP maintenance personnel, R/D Tech, the current vendor responsible for the C-Scan system maintenance above what NADEP can handle, takes much longer to respond to requests for information than any other vendor NADEP maintenance people have dealt with. R/D Tech may or may not be able to get competent people to sub contract the Tektrend maintenance work. Therefore, even when NADEP acquires a maintenance agreement with RD Tech NADEP will experience uncertain maintenance vendor performance. There is no other source for maintenance agreements for the C-Scan that is any better than RD Tech due to the uniqueness of the system. The vendor for the new system will not likely go out of business. The system will be similar to many other C-Scan systems already in use so there will be more people capable of maintaining and operating the system. Since there are already many such C-Scan systems in use, and the vendor is stable, the vendor will keep the software current as computer industry standards change. Therefore, the proposed new system will provide NADEP with reliable C-Scan ultrasonic inspection capability.</p> <p>3. WHAT ALTERNATIVES HAVE WE CONSIDERED? We have considered four alternatives: a) Continue to rely on our current C-scan system, without acquiring a maintenance agreement from a vendor. b) Continue to rely on our current C-scan system, acquiring a maintenance agreement. c) Acquire a new state of the art C-scan system (This is the chosen alternative) d) Subcontract C-scan system work.</p> <p>4. IMPACT IF NOT ACQUIRED. If NADEP does not acquire a new C-Scan system, NADEP will experience loss of C-Scan capability. This will happen within two to four years. At that time, NADEP will have to spend over \$500,000 per year to sub contract C-Scan work. NADEP will simultaneously have to acquire a new C-Scan system to stay in the F/A-18 Aircraft repair business. Therefore, NADEP will still have to spend the same \$1.200M, plus over \$500,000 per year for two years. In addition, aircraft programs will have to increase the cost of purchasing material to make up for reduced production of composite components. Subcontracting the C-Scan workload will result in increased TAT (Turn Around Time) and complicate the NADEP repair process so that NADEP's quality control will be compromised or at best more difficult. The increased TAT and material cost will threaten NADEP's ability to remain competitive.</p> <p>5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT. Not applicable.</p>												

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)										A. FY 2005 PRESIDENT'S BUDGET			
B. Department of the Navy/Depot Maintenance/Aviation Depot							C. T64&T58 TEST STAND REPLACEMENTS (2)				6DF5EL0178PR		Cherry Point
			2003			2004			2005				
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	
INVESTMENT COST				1	1390	1390	1	1390	1390				
OPERATIONAL DATE	31-Dec-05												
METRICS:	AVOIDANCE	SAVINGS	TOTAL										
PROJECTED ANNUAL SAVINGS	\$638,496	\$69,868	\$708,364										
AVERAGE ANNUAL SAVINGS (Discounted)	\$392,328	\$42,931	\$435,259										
PAYBACK PERIOD	2.6	NA	2.3										
RATE OF RETURN (ROR)	28%	3%	31%										
PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)													
1. DESCRIPTION & PURPOSE OF PROJECT. This project proposes to replace one T-58 test stand (Manual 1, EIN: 65923003682), and one T-64 test stand (Manual 2, EIN: 65888017093) with two generic test stands capable of testing T-64, T58 and T-400 components.													
2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM? There are two T-58 fuel control test stands located in shop 6.2.96335, which have exceeded their original estimated lives of 20 years. There are two T-64 fuel control test stands in the same shop, which are also antiquated. The four test stands experience downtime frequently due to part replacements. Documented problems range from recurring blown disks to erratic temperature control. Maintenance spends costly hours due to unscheduled maintenance problems. Due to the age of the stands, parts replacements become costly. It is rare to find companies that still provide parts for the test stands, which in turn, raises the price of replacement. Many gauges on the stands are deemed out of tolerance by the calibration laboratory. The solution is to replace the four stands over a 2-year period, beginning with one T-58 and one T-64, as outlined in this document. The benefits include newer, more technologically advanced test stands that will have the capabilities of testing various components. The new test stand will eliminate unscheduled maintenance, and costly parts replacement.													
3. WHAT PROJECT ALTERNATIVES HAVE BEEN CONSIDERED? Maintain Status Quo - The depot's infrastructure is concerned with achieving modernization through building and equipment. The productivity of the stands is hindered by the fact that they all are over 30 years old and technologically out of date. The stands do not support infrastructure.													
4. IMPACT IF NOT ACQUIRED. The test stands will continue to be costly, unproductive equipment. Eventually one of the test stands will fail; and critical test stand failure will adversely affect the depot.													
5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT. Not Applicable.													

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)										A. FY 2005 PRESIDENT'S BUDGET		
B. Department of the Navy/Depot Maintenance/Aviation Depot							C. TEST CELL #2 UPGRADE				Cherry Point	
							6DF4EL0212PR					
			2003			2004			2005			
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
INVESTMENT COST			0			0	1	2081	2081	1	1449	1449
OPERATIONAL DATE	1-Dec-05											
METRICS:	VOIDANCE	SAVINGS	TOTAL									
PROJECTED ANNUAL SAVINGS	\$432,675	\$7,820	\$440,495									
AVERAGE ANNUAL SAVINGS (Discounted)	\$265,860	\$4,805	\$270,665									
PAYBACK PERIOD	6.9	NA	6.7									
RATE OF RETURN (ROR)	13%	0%	13%									
PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)												
<p>1. DESCRIPTION & PURPOSE OF PROJECT. The T400 engine is currently the engine used in circulation for the United States Marine Corps' fleet of UH-1N helicopters. This engine has alot of flight hours and could benefit from an engine upgrade giving the aircraft engine greater maintainability and reliability. With the increase in flight hours, it is inevitable that capacity to repair and overhaul the engine will eventually be exceeded with the current resources available. This project will be used to modify the existing engine test cell #2 (00146015084) to obtain newer technology.</p> <p>2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM? Currently, test cell #2 tests T400 engines. For this procurement, hardware and software will be procured and structural revisions will be made to the facility. This modification will improve testing process.</p> <p>3. WHAT PROJECT ALTERNATIVES HAVE BEEN CONSIDERED? Alternative 1: One solution was to obtain a portable test cell. There was concern with the short term preparation for any environmental issues that would arise. Also, test cell availability was a concern. Alternative 2: Another solution was to send engines to an outside source to test. This method proved to be costly not to mention the security issues that would arise.</p> <p>4. IMPACT IF NOT ACQUIRED. If test cell #2 is not modified, the test cell and equipment will continue to age. It will become more difficult to improve the engine performance. This in turn would increase the risk of not having the ability to control turn around time. While the economic payback exceeds 4.5 years and/or the ROR is less than 20%, due to Warfighter mission criticality and capabilities this project supports (and as cited within this Cost Benefit Analysis), justification is warranted.</p> <p>5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT.</p>												

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)	A. FY 2005 PRESIDENT'S BUDGET
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B. Department of the Navy/Depot Maintenance/Aviation Depot	C. HIGH SPEED BLADE TIP GRINDER 6DE4EL0396PR	Jacksonville
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Element of Cost	2003			2004			2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
INVESTMENT COST			0	1	1800	1800			0

OPERATIONAL DATE	1-Apr-05		
METRICS:	<u>AVOIDANCE</u>	<u>SAVINGS</u>	<u>TOTAL</u>
PROJECTED ANNUAL SAVINGS	\$286,444	\$8,413	\$294,857
AVERAGE ANNUAL SAVINGS (Discounted)	\$176,007	\$5,169	\$181,177
PAYBACK PERIOD	10.4	NA	9.9
RATE OF RETURN (ROR)	10%	0%	10%

PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)

1. DESCRIPTION & PURPOSE OF PROJECT. Purchase a new High Speed Blade Tip Grinder to support the F404 and F414 Engine programs.

2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM? The new grinder will provide the capability and capacity to high speed grind the engines compressors and turbins. The new grinding machine will perform the operation in 5 hrs. compared to the time standard now of 20.5 hrs. The time of 5 hrs. is based on the high speed grind of the TF34 engine compressor which has twice the number of stages 14 vs 7 than the F414/F404. The new grinder will be of the CNC type and capable of angular grinding, which is required on the F404 and F414 Compressor and turbine assemblies. The grinder also has built in inspection capability that will reduce the indirect labor inspection time from 6hrs./part to 0.5hrs/part. Total number of parts processed per year is 400 parts for the F404 and 56 parts for the F414.

3. PROJECT ALTERNATIVES HAVE BEEN CONSIDERED?
Continue to utilize the two existing lathes/grinders to produce the parts using low speeding grinding instead of the high speed method which gives a better quality part and is a more efficient process. Inspection will continue to be done manually on a separate piece of equipment.

4. IMPACT IF NOT ACQUIRED.
Extensive turn around time and missed Engine Program schedule.

5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT. Not Applicable.

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)								A. FY 2005 PRESIDENT'S BUDGET			
B. Department of the Navy/Depot Maintenance/Aviation Depot					C. CNC HORIZONTAL BORING MILL			6DE4EL0369PR		Jacksonville	
			2003			2004			2005		
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost		
INVESTMENT COST			0	1	1650	1650			0		
OPERATIONAL DATE	1-Jun-05										
METRICS:	AVOIDANCE	SAVINGS	TOTAL								
PROJECTED ANNUAL SAVINGS	\$16,080	\$7,630	\$23,710								
AVERAGE ANNUAL SAVINGS (Discounted)	\$9,880	\$4,688	\$14,569								
PAYBACK PERIOD	NA	NA	NA								
RATE OF RETURN (ROR)	1%	0%	1%								
PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)											
<p>1. DESCRIPTION & PURPOSE OF PROJECT. Procure a replacement CNC Horizontal Boring Mill for the CNC Machine Shop. This machine performs precision boring and milling of aircraft landing gear and aircraft wing spars. New machines of this type are capable of boring holes within 0.0002 inch of true position. The computer numerical control can generate complex shapes, angles and repetitive moves with very simple directions, utilizing Dynamic Graphic representation. Advanced probing capability will allow the machine to verify that the bore or machined surface is indeed, at the exact location.</p> <p>2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM? The existing CNC Horizontal Boring Mill, built in 1991 will be 13 years old in FY04. It will be impossible to procure electronic replacement parts for the CNC Controller. This machine is also having problems with the precision spindle overheating and the tool change mechanism is no longer functional. Replacing the machine will allow the NADEP to continue to bore precision holes and mill complex angles in aircraft components.</p> <p>3. WHAT PROJECT ALTERNATIVES HAVE BEEN CONSIDERED? There is no alternative to perform precision boring in house.</p> <p>4. IMPACT IF NOT ACQUIRED. NADEP will not be able to process EA-6B, F-14 and F-18 Landing Gear and P-3 Wing Spars.</p> <p>5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT. Not Applicable.</p>											

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)	A. FY 2005 PRESIDENT'S BUDGET
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B. Department of the Navy/Depot Maintenance/Aviation Depot	C. CNC GRINDER	Jacksonville
	6DE4EL0281PR	

Element of Cost	2003			2004			2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
INVESTMENT COST			0	1	1500	1500			0

OPERATIONAL DATE	1-Apr-06		
METRICS:	<u>AVOIDANCE</u>	<u>SAVINGS</u>	<u>TOTAL</u>
PROJECTED ANNUAL SAVINGS	\$190,472	\$8,525	\$198,997
AVERAGE ANNUAL SAVINGS (Discounted)	\$117,037	\$5,238	\$122,275
PAYBACK PERIOD	16.3	NA	14.7
RATE OF RETURN (ROR)	8%	0%	8%

PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)

1. **DESCRIPTION & PURPOSE OF PROJECT.** Replace two vertical grinders that are worn beyond repair. Plant account # 162038 and plant account # 003540 were both manufactured in 1969. Both grinders are used in support of the TF34 Engine program.
2. **WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM?** The grinders are an older design that utilizes a Teflon way surface that is very susceptible to wear. Also, this design requires the grinding operation to be performed at a less than optimum grinding speed. New grinding machines will perform the operation at an estimated 50% decrease in operation time. The new grinder would also be of the CNC type and be capable of angular grinding, which is required on the TF34 Compressor Case. The new machine has built in inspection capability that will reduce the indirect labor inspection time from 6hrs./part to .5hrs/part.
3. **WHAT PROJECT ALTERNATIVES HAVE BEEN CONSIDERED?**
Utilize the two existing grinders until they become inoperable, at which time the NADEP will have a work stoppage and lose program capability.
4. **IMPACT IF NOT ACQUIRED.**
Extensive turn around time and missed Engine Program schedule.
5. **IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT.** Not Applicable.

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)										A. FY 2005 PRESIDENT'S BUDGET		
B. Department of the Navy/Depot Maintenance/Aviation Depot						C. HORIZONTAL BORING MILL REPLACEMENT					Cherry Point	
						6DF4EL0202PR						
			2003			2004			2005			
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
INVESTMENT COST							1	1365	1365			
OPERATIONAL DATE	1-Aug-05											
METRICS:	AVOIDANCE	SAVINGS	TOTAL									
PROJECTED ANNUAL SAVINGS	\$726,969	\$107,000	\$833,969									
AVERAGE ANNUAL SAVINGS (Discounted)	\$446,691	\$65,747	\$512,438									
PAYBACK PERIOD	2.2	NA	1.9									
RATE OF RETURN (ROR)	33%	5%	38%									
PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)												
1. DESCRIPTION & PURPOSE OF PROJECT? Replacement of Wotan Horizontal Boring Mill EIN 65889-408203 in the Machine Repair Power Plant Shop 93667. The new machine will be the latest model and of the highest quality possible that can be procured within the budget and within the government acquisition process that will be used. The existing machine is 30 years old and has been heavily utilized during that time. The machine has undergone at least one controls upgrade/replacement during its lifetime. The machine needs to be either rebuilt or replaced due to maintenance costs and downtime; and the mission of the shop is to produce required products with the efficiency and end user requirements that this machine provides. The current and future condition of this equipment will adversely impact if not prevent the shop from performing its mission.												
2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM? The Machine Repair Power Plant Shop 6.2.93667, is responsible for the machine repair of military aircraft engine parts/components. The subject equipment is used primarily for the repair machining of the H53 transmission main gearbox, swashplate, and rotorhead. As aircraft Programs like the H-46 and H-53 continue on with a longer service life than was even intended by the original aircraft designers, it is essential that we provide reliably maintained aircraft for the warfighter. In order to cost effectively repair the aircraft, it is essential that this Depot support and maintain the machinery and equipment required to support our operations. Without this replacement, Depot capability and in turn, fleet readiness, will be impaired.												
3. WHAT PROJECT ALTERNATIVES HAVE BEEN CONSIDERED? a. Status quo: Keep the machine in operation as is and continue to incur increasingly higher maintenance costs, maintenance downtime, and shop inability to efficiently and cost effectively meet customer demand for products. b. Rebuild: This alternative was explored. However, the cost of a complete rebuild is estimated at least \$700,000.00. With this cost exceeding 60% of the cost of a new machine, and with the advantage afforded by a new machine with all control and programming features "designed in" to the machine versus retrofitted; our economic analysis will show that buying new is the best alternative. c. Replace: Considered to be the most cost effective alternative.												
4. IMPACT IF NOT ACQUIRED. Continue to incur increasingly higher maintenance costs, maintenance downtime, and shop inability to efficiently and cost effectively meet customer demand for products.												
5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT. Not Applicable.												

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)							A. FY2005 PRESIDENT'S BUDGET		
B. Department of the Navy/Depot Maintenance/Aviation Depot				C. 5-AXIS MACHINING CENTERS (4)			6DE5EL0364PR		Jacksonville
	2003			2004			2005		
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
INVESTMENT COST			0			0	4	1250	5000
OPERATIONAL DATE	1-Jun-06								
METRICS:	AVOIDANCE	SAVINGS	TOTAL						
PROJECTED ANNUAL SAVINGS	(\$10,380)	\$2,568	(\$7,812)						
AVERAGE ANNUAL SAVINGS (Discounted)	(\$6,378)	\$1,578	(\$4,800)						
PAYBACK PERIOD	-40.9	NA	-43.8						
RATE OF RETURN (ROR)	0%	0%	0%						
PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)									
<p>1. DESCRIPTION & PURPOSE OF PROJECT. Procure replacement CNC Horizontal Spindle 5-axis Machining Centers for the CNC Machine Shop. Procure with state of the art micro processors for precision manufacturing aircraft components. New machines of this type are capable of boring holes within 0.0002 inch of true position. The computer numerical control can generate complex shapes, angles and repetitive moves with very simple directions, utilizing Dynamic Graphic representation. Advanced probing capability will allow the machine to verify that the bore or machined surface is indeed, at the exact location.</p> <p>2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM? The existing machines are part of a flexible manufacturing cell consisting of four 5-axis machining centers, a robot loader and communicate through a central computer to coordinate the queuing and loading of each machine. The central computer (VAX) is out dated and un-supportable in both software and electronic components. The overall system is too complex for a repair depot. The 5-Axis Machining Centers were built in 1990 and are showing signs of way surface wear. The machines will be 15 years old in FY05. Also, add the time to obtain a contract and manufacture the machines would add another 2 years. It will be impossible to procure electronic replacement parts for the CNC Controller and all of the electronic drive components that position the 5 axes of motion. The new machines, as stand alone will be easier to maintain than as a system. New machines will allow the NADEP to continue to manufacture precision components for aircraft.</p> <p>3. WHAT PROJECT ALTERNATIVES HAVE BEEN CONSIDERED? Replacing the VAX computer and new software at \$56K per year. Cannibalize the machines to keep one or two operational.</p> <p>4. IMPACT IF NOT ACQUIRED. NADEP will not be able to manufacture EA-6B, F-14 and P-3 aircraft components.</p> <p>5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT. Not Applicable.</p>									

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)	A. FY2005 PRESIDENT'S BUDGET
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B. Department of the Navy/Depot Maintenance/Aviation Depot	C. 5-AXIS MACHINING CENTER - TILT HEAD 6DE5EL0381PR	Jacksonville
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Element of Cost	2003			2004			2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
INVESTMENT COST			0			0	1	1650	1650

OPERATIONAL DATE	1-Jun-06		
METRICS:	<u>AVOIDANCE</u>	<u>SAVINGS</u>	<u>TOTAL</u>
PROJECTED ANNUAL SAVINGS	\$70,000	\$9,970	\$79,970
AVERAGE ANNUAL SAVINGS (Discounted)	\$43,012	\$6,126	\$49,138
PAYBACK PERIOD	NA	NA	NA
RATE OF RETURN (ROR)	3%	0%	3%

PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)

1. **DESCRIPTION & PURPOSE OF PROJECT.** Procure a replacement 5-Axis Machining Center with a tilt head for the CNC Machine Shop. This type of machining center can generate the complex angles and curves required on many of the aircraft components. All facilities that are involved with producing aircraft components will have a tilt head machining center.

2. **WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM?** The existing 5-Axis Machining Center with a tilt head, built in 1988 will be 16 years old in FY04. Ten weeks of loss machine time would have to be contracted out to be comparable to a new machine that would not suffer from prolonged down time. It will be impossible to procure electronic replacement parts for the CNC Controller and all of the electronic drive components that position the 5 axes of motion. The current machine was transferred from NADEP Pensacola during BRAC 1993 and has been riddled with electronic and mechanical problems since arriving. This is the only Tilt Head machining Center in house and is used to manufacture aircraft components.

3. **WHAT PROJECT ALTERNATIVES HAVE BEEN CONSIDERED?**
Procure a new 5-axis Machining Center with Tilt head or contract out all workload that requires this type of machine configuration.

4. **IMPACT IF NOT ACQUIRED.**
The CNC Machine Shop will lose the ability to manufacture certain types of aircraft components that require this type of machine configuration.

5. **IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT.** Not Applicable.

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)	A. FY 2005 PRESIDENT'S BUDGET
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B. Department of the Navy/Depot Maintenance/Aviation Depot				C. JIG BORE REPLACEMENT (Shop 93662)					Cherry Point 6DF5EL0190PR			
				2003			2004			2005		
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
INVESTMENT COST									0	1	1190	1190

OPERATIONAL DATE	1-Aug-06		
METRICS:	AVOIDANCE	SAVINGS	TOTAL
PROJECTED ANNUAL SAVINGS	\$631,037	\$27,000	\$658,037
AVERAGE ANNUAL SAVINGS (Discounted)	\$387,745	\$16,590	\$404,335
PAYBACK PERIOD	2.2	NA	2.1
RATE OF RETURN (ROR)	33%	1%	34%

PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)

1. DESCRIPTION & PURPOSE OF PROJECT?
Replacement of Pratt and Whitney Jig Bore EIN USN 801513 in the Machine Repair Shop 93662. The new machine will be the latest model and of the highest quality possible.

The existing machine is 30 years old and has been heavily utilized during that time. The machine needs to be either rebuilt or replaced due to maintenance costs and downtime; and the mission of the shop is to produce required products with the efficiency and end user requirements that this machine provides.
2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM?
The Machine Repair Shop 6.2.93662 is responsible for the machine repair of military aircraft parts/components. As aircraft Programs like the H-46 and H-53 continue on with a longer service life than was even intended by the original aircraft designers, it is essential that we provide reliably maintained aircraft for the warfighter. In order to cost effectively repair the aircraft, it is essential that this Depot support and maintain the machinery and equipment required to support our operations. There has been an increase in H-46 workload in the form of Dynamic Component Upgrade (DCU) of the rotorhead (See workload figures in Methodology for Cost Factors under Director Labor Cost). A few years ago there was an engineering change that replaced the main parts/components of the rotor heads. These new parts/components now have to start coming back in for repair. This workload is adding hours to our equipment due to the shorter flight cycles on the rotorheads each time they are returned to service after repair. With this increased workload we will need another jig bore at maximum capacity to support the workload. This finding is a result of planning and estimated accomplished by the 6.1.534 Industrial Engineering Branch of the Production Mgmt Dept.
3. WHAT PROJECT ALTERNATIVES HAVE BEEN CONSIDERED?
 - a. Status quo: Use the existing machines to support the DCU workload increase. This will result in the Depot not being able to keep up with production requirements, thereby impacting fleet readiness.
 - b. Rebuild/Replace existing machine: This alternative was explored. However, the cost of a rebuild or replacement combined with the fact that we will not be able to meet anticipated production requirements shows that buying a new additional machine is the best alternative.
 - c. Procure additional machine: Considered to be the most cost effective alternative.
4. IMPACT IF NOT ACQUIRED. Continue to put up with high maintenance costs, maintenance downtime, and shop inability to efficiently and cost effectively meet customer demand for products.
5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT. Not Applicable.

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)	A. FY2005 PRESIDENT'S BUDGET
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B. Department of the Navy/Depot Maintenance/Aviation Depot	C. SECURITY UPGRADE 8DC4EL0522GM	D. North Island
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Element of Cost	2003			2004			2005			2006		
	Qty	Unit Cost	Total Cost									
INVESTMENT COST				1	1850	1850						

OPERATIONAL DATE 15-Oct-05

METRICS:	AVOIDANCE	SAVINGS	TOTAL
PROJECTED ANNUAL SAVINGS	\$2,000,000	(\$470,000)	\$1,530,000
AVERAGE ANNUAL SAVINGS (Discounted)	\$1,228,913	(\$288,795)	\$940,119
PAYBACK PERIOD	1.0	-3.5	1.4
RATE OF RETURN (ROR)	66.4%	-15.6%	50.8%

PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)

1. DESCRIPTION & PURPOSE OF PROJECT. This project will provide electronic security upgrades for ten high priority buildings at the NADEP. The upgrades will include intrusion alarms, video monitoring system, and keyless entry systems for each of the following buildings B463, B317, B94, B378, B472, B334, B90, B460, B379, and B250.
2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVE THE DEFICIENCY/PROBLEM? Our current security system is inadequate, and our electronic security is almost non-existent. This has left us vulnerable to terrorist threats and loss of assets. A successful terrorist attack would cause a great deal of damage to our assets, our mission and the lives of our workers. This project will make it far more difficult for a terrorist, or any unauthorized person or vehicle to access our Command.
3. WHAT ALTERNATIVES HAVE BEEN CONSIDERED?
 - a. Do Nothing - Remaining vulnerable is not an option.
 - b. Protect the four highest priority buildings now and the rest of the buildings at a later date - This has the advantage using lessons learned in the implementation of the first four buildings in the follow on projects, but will leave six important buildings exposed, would be just as expensive in the long run, and may introduce compatibility problems if a different equipment manufacturer wins the follow on bid.
 - c. Use more security guards - A very expensive option in the long run. This option could be as high as \$2,000,000 per year for 24 hour security guards and their supervisors.
 - d. Buy New electronic security system – This is the most cost effective alternative.
4. IMPACT IF NOT ACQUIRED. We will be vulnerable to terrorists and loss of assets. A successful terrorist attack would cause a great deal of damage to our assets, our mission and the lives of our workers.
5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT. Not Applicable.

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)							A. FY 2005 PRESIDENT'S BUDGET		
B. Department of the Navy/Depot Maintenance/Aviation Depot				C. EQUIPMENT, OTHER THAN ADPE & TELECOM (<1M) DNEU0000			D. NADEP		
				2003		2004		2005	
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
TOTAL INVESTMENT COST	28	VAR	14,505	30	VAR	11,380	36	VAR	15,980
ITEM LINE #	ITEM DESCRIPTION		FY 2003		FY 2004		FY 2005		
6 DF 3 EM 0175 P R	F402 Test Cell Computer Sys Replacement	1	750						
6 DF 3 EM 0220 P N	Universal HMU Test Stand	2	625						
6 DF 3 EM 0129 P R	Plating Line Control System Upgrade	3	620						
6 DF 4 EM 0179 P R	Fuel Control Test Stand Replacement			1	600				
6 DF 4 EM 0120 P R	Small Vacuum Furnance Replacement			2	515				
6 DF 5 EM 0208 P R	RCA Test Stand Upgrade						1	940	
6 DF 5 EM 0057 P R	Wire Marking System Replacement						2	725	
6 DF 5 EM 0147 P R	AEP Coating System						3	590	
6 DE 4 EM 0399 P R	Coordinate Measuring Machine			1	600				
6 DE 4 EM 0397 P R	TR2 Vertical Grinder Replacement			2	600				
6 DE 4 EM 0385 P R	Flight Control Actuator T/S			3	550				
6 DE 5 EM 0366 P R	CASS AT FLIR Upgrade						1	600	
6 DE 5 EM 0377 P R	Pratt & Whitney CNC Cylindrical Grinder						2	600	
6 DE 5 EM 0368 P R	Deep Bore Grinder Rebuild						3	591	
6 DC 3 EM 0464 P R	Horizontal Boring Mill (2)	1	1,425						
6 DC 3 EM 0530 P R	CNC Vertical Grinder, 48"	2	863						
6 DC 3 EM 0529 P R	Core Carver	3	817						
6 DC 3 EM 0467 P R	4-Axis Horizontal Boring Mill	4	800						
6 DC 3 EM 0468 P R	5-Axis Vertical Machining Center	5	710						
6 DC 3 EM 0509 P R	Generator Drive Stand Replacement	6	600						
6 DC 3 EM 0512 P R	Scanning Electron Microscope	7	500						
6 DC 5 EM 0532 P R	Robotic Plasma Spray System						1	700	
6 DC 5 EM 0524 P R	CSD Drive Stand Replacement						2	571	
DN ES 0000	Equip-other than ADPE & TELECOM (<\$.5M)	18	6,795	25	8,515		28	10,663	
TOTAL NADEP EQUIPMENT, OTHER THAN ADPE & TELECOM (<1M)				28	14,505	30	11,380	36	15,980

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)							A. FY 2005 PRESIDENT'S BUDGET		
B. Department of the Navy/Depot Maintenance/Aviation Depot				C. MINOR CONSTRUCTION DNMC0000			D. NADEP		
Element of Cost	2003			2004			2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
TOTAL INVESTMENT COST	13	VAR	3,170	12	VAR	4,841	12	VAR	6,234
ITEM LINE #	ITEM DESCRIPTION		FY 2003		FY 2004		FY 2005		
6DF3MCC02-02C	Construct Production Shop Addition, B133	1	750						
6DF4MCC04-02C	Construct Engineering Support Addition			1	750				
6DF4MCC02-04C	Construct Foundry Addition B137			2	750				
6DF4MCC27-97C	Construct Reclamation Facility			3	716				
6DF5MCC24-01C	Construct Rotor Shop Addition, B4032					1	750		
6DF5MCC52-96C	Modify X-Ray Facility B188					2	750		
6DF5MCCR25-01C	Alts/Repair HVAC System Prop Shop B137					3	700		
6DE3MC0409C	Parking Lot, Building 6G	1	600						
6DE4MC0384C	Engine Support Equipment Warehouse			1	740				
6DE5MC0345C	Rehab Component Strip Shop					1	750		
6DC5MC0538C	Electrical Service for Hydraulic Test					1	749		
6DC5MC0539C	Chemical Handler Support Facility					2	715		
	Minor Construction (<\$.5M)	11	1,820	8	1,885	6	1,820		
TOTAL NADEP MINOR CONSTRUCTION		13	3,170	12	4,841	12	6,234		

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)							A. FY2005 President's Budget		
B. Department of the Navy/Depot Maintenance/Aviation Depot				C. DM SYSTEMS HARDWARE REPLACEMENT			North Island		
				7DC3KL0484GR					
Element of Cost	2003			2004			2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
INVESTMENT COST	1	7279	7279	1	2480	2480			0
OPERATIONAL DATE	29-Sep-00								
METRICS:	AVOIDANCE	SAVINGS	TOTAL						
PROJECTED ANNUAL SAVINGS	\$1,935,681	\$1,788,583	\$3,724,264						
AVERAGE ANNUAL SAVINGS (Discounted)	\$1,467,551	\$1,356,027	\$2,823,578						
PAYBACK PERIOD	7.4	8.3	3.2						
RATE OF RETURN (ROR)	15%	14%	29%						
PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)									
<p>1. DESCRIPTION & PURPOSE OF PROJECT The Naval Aviation Depot, North Island is implementing Defense Maintenance (DM) system applications, which are crucial to the efficient operation of our Depot-Level maintenance mission. The Depot's requirements for readiness and to produce quality products in a timely manner dictates a great dependency upon our computer systems. This requires our computer systems to be highly available, functional, fast, and redundant. Many of the DM applications have been implemented and are growing or need modifications. Some DM applications are still being implemented. The computer system requirements for the DM applications are growing daily, well beyond the planned bounds that were estimated 5 years ago. Because of this, our current HP Unix-based servers are insufficient and do not meet the requirements of the DM applications. The purpose of this project is to phase the replacement of aging servers systems with modern, high capacity server systems to meet our current and future application requirements.</p> <p>2. WHAT IS THE CURRENT DEFICIENCY/PROBLEM AND HOW WILL THE PROJECT SOLVES THE DEFICIENCY/ PROBLEM. The deficiency is based on three issues: the current and near future computer system requirements of the DM system applications; the lack of expandability of the current equipment to meet the DM system application requirements; and the age of the current computer systems. Four HP computer systems currently house the following applications: a) Manufacturing Resource Planning (MRPII) (production scheduling tool which chooses work based upon resources available – orders parts as required) which primarily supports these personnel: Procurement, Production Control, Production Support, Production Supervisors, Master Scheduler, b) Open Plan- (Interfaces with MRPII) (manages aircraft deck storage based upon engineering requirements for aircraft repair or remanufacture) - 660 (Industrial Engineers), Production Supervisors, Master Scheduler, c) Dekker Tracker- (Interfaces with MRPII) Master Scheduler, Department Heads, Production Division Directors, Production Supervisors, Front Office personnel, d) Facilities and Equipment Maintenance (FEM) - Primarily used by 610, 650, Master Scheduler, Production Control, Productions Supervisors (Interfaces with MRPII), e) Time and Attendance (TAA)- Depot Wide (Interfaces with MRPII), f) Data Warehouse (houses information concurrently from WCS/MRPII/TAA applications; reports from all DM systems and archive of data) - Production Supervisors, Planning and Estimating, Master Scheduler, Production Control, Production. MRPII is the primary application that will be used to schedule and control production activities. In six months, MRPII will have 1500 users with 600 concurrent users. Each concurrent user will use, according to the standards set by the vendor of our MRPII application, 2 MB of Random Access Memory (RAM). According to the application's database managers (DBAs), the Oracle database has to reserve a minimum of 750MB of RAM for minimally acceptable performance for this type of application. However, to operate efficiently for this type of application, Oracle needs to reserve 1.5GB RAM. The computer server system has overhead of about 500MB of RAM. The total RAM minimally required is 2.45GB RAM, while the efficient total is 3.2GB RAM. Because of the mission criticality of MRPII and the other DM applications, these computer server systems need to be replaced because even at their highest capacity, there will not be enough computer resources to run the DM applications with redundancy (HA). A solution to this computer system capacity problem must be found for the depot to efficiently meet it's mission of quality and timely aircraft repair. Another problem with the current hardware is its age. These systems were bought in 1996. HP declared these systems to be at their "end of life" in 1999. This means that no new components are being made for this system. All parts particular to this system can no longer be bought or replaced (when the parts fail) as new parts. Only refurbished and used parts are available for replacement for failed components or for upgrades. This introduces more chance for failure for the system. With greater system demand, the refurbished parts will fail more often. Also, the cost of HP system maintenance contracts will rise significantly over the next few years. According to the industry standard, a typical outage of a business critical system is estimated to cost \$10,000 or more per hour. Additionally, we can anticipate that the current cost for support and maintenance will only increase. Production and production support use this data for all phases of aircraft and engine repair, procurement, delivery of parts, scheduling, as well as for information requests and information reporting. System failure results in the loss of critical data. This data cannot readily be corrected. The data will require handwritten records of all transaction that took place from the first minute of downtime. Additionally, all data must then be manually keyed into the system database in order to correct the data as this system has no "return to paper system".</p>									

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands) CONTINUATION							A. FY2005 President's Budget			
B. Department of the Navy/Depot Maintenance/Aviation Depot				C. DM SYSTEMS HARDWARE REPLACEMENT				7DC3KL0484GR		North Island
	2003			2004			2005			
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	
INVESTMENT COST										
OPERATIONAL DATE										
METRICS:										
PROJECTED ANNUAL SAVINGS										
AVERAGE ANNUAL SAVINGS (Discounted)										
PAYBACK PERIOD										
RATE OF RETURN (ROR)										
PROJECT INFORMATION NARRATIVE: (CONTINUATION)										
<p>3. WHAT PROJECT ALTERNATIVES HAVE BEEN CONSIDERED?</p> <p>Status Quo. Modify the systems as deficiencies dictate. Add as much memory as allowed by the system until the system eventually quits. As stated in 2, memory will be bought for these systems to bring them to 3.75GB. The problem is that even 3.75GB won't be enough and will be refurbished equipment.</p> <p>Alternative 1: Another alternative is to upgrade the already obsolete T520 systems and T600 systems which are also obsolete, but they are 64 bit, 180MHz. With that upgrade, the RAM can be upgraded to 7 GB addressable. The alternative system will run slightly faster; however, it is estimated that we will outgrow it, especially with redundancy issues, within 2 years. This system does not have access to newly manufactured components either; all components obtained for this system are remanufactured. The cost estimate for this alternative is over one million dollars for used and refurbished equipment that may be difficult to support. This alternative is therefore not recommended.</p> <p>Recommended is the phased replacement of our overburdened systems with a newer, more expandable system that would provide expansion capability, a lesser possibility of failure, increased reliability, decreased support cost, and stable, fast DM system applications for the successful achievement of the mission of the Depot.</p> <p>4. IMPACT IF NOT ACQUIRED. Downtime will increase due to higher failure rates of the increasingly overburdened equipment, thus impacting production negatively. Eventually, the overloaded systems will reach critical capacity that will render them unable to handle the volume of data from the MRPII and other DM applications. System crashes will become more likely. Support cost will increase. With the conversion of our business rules to match the MRPII way of doing business, a significant MRPII system crash would significantly damage the timely repair of aircraft as there will be no paper or other methods of doing business while MRPII is down. Expansion of the current system to support ever-evolving requirements will not be possible.</p> <p>5. IDENTIFY LOCAL, STATE, FEDERAL REGULATION IF ENVIRONMENTAL PROJECT. Not Applicable.</p>										

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)							A. FY 2005 PRESIDENT'S BUDGET					
B. Department of the Navy/Depot Maintenance/Aviation Depot				C. ADPE & TELECOMMUNICATIONS (<1M)			DNKU0000	D. NADEP				
				2003			2004			2005		
Element of Cost				Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
TOTAL INVESTMENT COST				2	VAR	850	3	VAR	870	0	VAR	0
				FY 2003			FY 2004			FY 2005		
ITEM	ITEM											
LINE #												
6 DF 3 KS 0059 G N	Electronic Storage/Retreival System			1		500						
DN KS 0000	Equip - ADPE & TELECOM (<\$5M)			1		350	3		870			
TOTAL NADEP ADPE & TELECOMMUNICATIONS (<1M)				2		850	3		870			

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)	A. FY2005 PRESIDENT'S BUDGET
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B. Department of the Navy/Depot Maintenance/Aviation Depot						C. ENTERPRISE RESOURCE PLANNING (ERP) 7DNDL0001GR					D. NADEP	
			2003			2004			2005			
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
CHERRY POINT							1	VAR	3,359			
JACKSONVILLE							1	VAR	3,530			
NORTH ISLAND							1	VAR	3,462			
TOTAL NADEP							3	VAR	10,351			

PROJECT INFORMATION NARRATIVE: (If more space required, continue on separate sheet.)

Budgeted funds for Depot CPP are required to deliver the completed pilot (SIGMA) documentation. These funds will be used to document and identify defects associated with Depot requirements in SIGMA's financial and HR modules, not the MRO functionality.

CAPITAL PURCHASES JUSTIFICATION (Dollars in Thousands)							A. FY 2005 PRESIDENT'S BUDGET		
B. Department of the Navy/Depot Maintenance/Aviation Depot				C. SOFTWARE DEVELOPMENT (<\$1M) DNDU0000			D. NADEP		
	2003			2004			2005		
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
TOTAL INVESTMENT COST	0	VAR	0	1	VAR	235	0	VAR	0
ITEM LINE #	ITEM		FY 2003		FY 2004		FY 2005		
DN DS 0000	Equip - ADPE & TELECOM (<\$.5M)			1	235				
TOTAL NADEP Software Development (<1M)				1	235				