Armament Retooling and Manufacturing Support (ARMS) ARMS 101 / Overview 13 Aug 2008

Fritz Larsen
JM&L LCMC (JMC) ARMS Team
(309) 782-3681 fritz.larsen@us.army.mil
Current Views - Time for a Paradigm Shift

The unutilized organic base has no value
What a headache – liability
What will it cost to dispose of it?

The unutilized organic base is valuable
What an opportunity – asset
How much ($$) can I make?

ARMS - Creates Assets and Capitalizes on Their Value
Facility Use Contracting

What Is It?

✓ Contractor markets facilities on behalf of the Army
✓ Encourages commercial applications by allowing:
  ➢ Facility contractor use of facility
  ➢ Subcontracting of unused parts of facility
  ➢ Quick turnaround of facility use requests
  ➢ Providing favorable cost structures
  ➢ Ensuring compliance with commercial regulations and laws
  ➢ Ensuring Environmental and State Historical Preservation Office (SHPO) compliances
✓ Facility contractor maintains buildings and equipment used
Facility Use Contracting

What Is It?

- Army approves proposed facility/equipment use
- Facility contractor and tenants share risk of performance
- These procedures are now operational at 10 Army plants and 1 Army depot
Strategic Locations

The ARMS Program is for commercial use of selected Government-owned, Contractor-operated facilities.

* BRAC’d Sites
What is the ARMS Initiative?

Congressionally established in 1993

Uses Acquisition Reform and ‘seed money’ to entice commercial industry onto Government-owned, Contractor-operated (GOCO) Ammunition Plants and depot

Transforming Army Industrial Installations from Liabilities to Assets!
What is ARMS?

✓ Armament Retooling & Manufacturing Support Initiative:


- Uses Acquisition Reform and “seed money” to entice commercial industry onto Government-owned, Contractor operated (GOCO) Ammunition Plants

- Offsets Army costs for operations and maintenance and maintains manufacturing capability to sustain National Security requirements for the Armed Services

- Accelerates growth of business and jobs in the private sector
What ARMS Is Not

✓ A determination of Army mission-required facilities.
✓ A giveaway program for the private sector.
✓ A competitive business advantage.
✓ A program to provide property to communities.
✓ A guarantee of facility contractor success.
✓ An addition to Army scope of work or contract cost.
✓ ARMS does not purchase equipment.
ARMS Act - Purposes

- Encourage commercial use of Army Ammo Plants
- Incentivize Army facility reuse by small and disadvantaged businesses
- Reduce the adverse effects of defense draw-downs
- Create jobs and reemployment opportunities
- Foster economic stability
- Maintain readiness and a skilled workforce for Army and National security requirements
- Serve as a model defense conversion program
- Promote free market competition
- Relocate offshore production
ARMS Program Goals

- Recognize unused Army facilities as assets, not as liabilities
- Allow the marketplace to work in those facilities
- Make Army facilities self-sustaining
- Reduce Army product/operating costs
- Reduce Army ownership costs
- Develop economical exit strategies for the Army
- Serve as an alternative to base closure/BRAC
Diverse Types of Industries

Administrative Offices
Ammo Demil R3
Business Development Centers
Cardboard Paper Recycling
Clothing Store Products
Coal Receiving & Storage
Commercial Laundry
Computer Applications / Software
Computer Recycling
Explosive Products
Fireworks
Fishing Line
Flares
Flexible Tank
Glycol Recycling
Hardwood Products
Hydraulic Systems
Machine Shops
Pallets
Pet Food
Plastic Containers
Plastic Molding
Plastic Recycling
Rail Car Storage & Modifications
Steel Cabinet
Trailer Storage
Weld Testing
Wood Recycling
HOW DOES IT WORK?

Market Army Idle Capacity

Army Incentive Funds for Infrastructure Improvements

Commercial Agreements with Tenants

Tenant/Private Investments

State & Local Funding

State & Local Economic Dev Agencies

Reduced Army Ownership & Production Costs

Services & Reduced Overhead

Facility Use Agreement

Operating Contractor
New Tenants Proposal

Evaluation Requirements

- Impact upon DoD requirements planning
- Critical skills/capabilities maintained
- Number of jobs created/anticipated
- Anticipated environmental impacts
- Compliance with ARMS Act intent
- Return on investment (ARMS funds)
- Soundness of business decision
Contract Negotiations
with Tenants

☑ Strictly between facility contractors & tenants
☑ Anticipated business returns & technical proposal requirements
☑ Cost proposals include:
  ➢ Engineering requirements
  ➢ Specific site improvements
☑ Completed proposals submitted to ARMS team
☑ Army funds are used to fund technical proposals
☑ Contract improvements are accomplished
☑ Tenant takes possession of location
Government has **No Privity of Contract** with subcontractor / tenants ***BEING RELOOKED***

- Facility Contractor Negotiates with Tenant
  - Rates
  - Improvements
  - Incentives
  - Terms
- Facility Contractor Negotiates with ARMS Team
- Concept Approval – Quick Response
- ARMS Funding through Facility Contractor
Rate Development Determinations

- Size of ARMS investment
- Commercial value of location
- Charge per price produced
- Overall contract value
- Percentage of sales
- Amount of overhead absorbed
- Utilities consumed
Commercial Real Estate Definitions

- Class A office space: Newly constructed in state of the art building
- Class B office space: 10 to 25 years old and renovated to high standard
- Class C office space: Buildings 25 years old or more requires substantial renovation
- Climate Controlled storage space: Temperature and humidity controlled space
- Bulk storage space: Open space unheated, not cooled
- Industrial Property/Buildings: Property constructed for industrial production, new construction normally steel, cranes possible, thick floors and heavy electrical capability. Capable of supporting large production quantities
- Research and Development: Buildings such as Laboratories or small specialized production areas, higher quality than industrial property
Sources of Data

Sources - Individuals and Organizations contacted:
- ???? - Chamber of Commerce
- ???? - Grow Greater Ammo Depots and Plants

- Class A Office Space $8.00 to $9.00
- Class B Office Space $6.00 to $7.00
- Space (as is) $.50 to $1.00
- Climate Controlled Warehouse Space $4.00 to $5.00
- Bulk Warehouse space $1.50 to $2.50
- Industrial Buildings $2.75 to $3.25
- Land in Office Parks $40,000 to $45,000 (purchase price)
- Raw Industrial Land $25,000

NAI Global (Hypothetical Site) - Not directly applicable because different market
- Class A $13.00 to $18.50 ($16.50)
- Class B $10.50 to $16.50 ($14.75)
- Industrial $2.75 to $5.00 ($3.88)
- Warehouse Bulk $2.00 to $4.75 ($3.38)
- R&D Space $6.00 to $10.00 ($9.00)
Do Tenants have a free ride?

✓ BLUF – We have not found a situation where tenants do not pay their fair share of costs that they create. We are investigating this issue with each operating contractor this FY: However – to date we have found tenants to:

- Pay for all utilities
  - Steam
  - Electricity
  - Telephone
  - Water and waste water treatment
  - Gas
- Pay for services (e.g. maintenance, testing, engineering) they desire
- Most tenants are on a triple net lease and – thus pay for all needs outside of the terms of the lease
ARMS Incentives
What Are They?

✓ They are not loans
✓ They are not negotiated settlements
✓ Source of funding for required tenant site improvements
✓ Inducements for tenants to locate to Army facilities
✓ Inducements for facility contractors to use facilities
✓ The Army owns all property improvements
✓ ARMS allows for no fees/profit on these incentives
ARMS Partners with Communities

- Business development centers/regional incubators have been established
- Utility and service partnerships – Army assets supporting local needs in:
  - Water
  - Wastewater
  - Electrical
  - Gas
  - Fire Service
- Leveraging state & regional economic development programs – JOBS
ARMS -- Demonstrated Success

2007 Validated* Benefits and Savings (Non Cumulative)

ARMS Program Savings ........................................ $23.6 Million
ARMS Investment & Incentives ................................. $1.9 Million
ARMS Program Economic Impact .............................. $564.8 Million

Companies on Board .............................................. 93
Jobs Generated .................................................... 2,758

Validated* Benefits & Savings (Cumulative 1993-2007)

ARMS Program Savings ........................................ $375.1 Million
ARMS Investment & Incentives ................................. $272.9 Million
ARMS Program Economic Impact .............................. $6.5 Billion
Average Annual Rate of Return ............................... 9.0%

* Source: Computer Sciences Corporation Consulting Report, July 2008
“ARMS Program FY 2007: Savings and Economic Analysis”
Findings: ARMS Program Savings Analysis, FY 2007

- **ARMS savings to the Army/Government were $23.63 million (M):**
  - Rent from ARMS tenants $9.70M
  - Overhead absorbed $13.13M
  - Third-party sales $0.08M
  - Services in kind $0.72M

- **ARMS investments and incentives disbursed were $1.9M.**
- **The program’s average annual rate of return reached 9 percent in FY 2007.**

Findings: ARMS Program Economic Impact Analysis, FY 2007

- **ARMS total economic impact was $564.8M.**
- **The ARMS Program created or sustained 2,758 jobs, both directly and indirectly.**

Summary Analysis: FYs 1993–2007

- **Total savings of $375.1M have exceeded total investment of $272.9 by $102.2M.**
- **Total economic impact is $6.5B in output since the program’s inception.**

Note: CSC found utilities and service costs resulting by the tenets were paid for directly by the tenants and do not contribute to the contractor's overhead rate structure.
Who determines how to use ARMS Revenue?

The process is adapted/modified based on the installation.
The ARMS Success Story

Boeing @ the Mississippi facility

Grucci @ the Radford facility

US Navy @ the Mississippi facility
Because of ARMS

Links @ Lake City

Siemans @ Holston

FRC/Esterline @ Milan

Med Cal @ Radford
ARMS – A Successful Model

✓ ARMS techniques are used or being considered as models for other Federal Government entities:
  ➢ Army Aviation and Missile Command
  ➢ Army manufacturing arsenals (ASPI)
    • Watervliet
    • Rock Island
    • Pine Bluff
  ➢ Other Government agencies
    • NASA
    • DOE
ARMS Program Goals
Summary

✓ Reduce Ownership Costs
✓ Reduce Product Costs
✓ Maintain Industrial Skill Base
✓ Make Facility Self-sustaining
✓ Develop Economical Exit Strategies
Conclusion

✓ ARMS uses creative contracting techniques to accomplish the goals of the Army

✓ Merges these techniques with a novel incentive program

✓ Partners with community

✓ Markets a diverse set of assets at multiple locations using innovative methods to deliver value to multiple stakeholders

✓ Commander’s support is PARAMOUNT for continued success!!!
BACKUP
# HOLSTON AAP
## ARMS PROGRAM STATUS

(As of 21 Jul 2008)

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
<th>Proposals/RUF's (FY 08)</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Red Cross</td>
<td>7</td>
<td>Legacy Tenant</td>
<td></td>
</tr>
<tr>
<td>Barrier Weather Proofing</td>
<td>26</td>
<td>1-Dec-2009</td>
<td></td>
</tr>
<tr>
<td>Cornerstone Hydraulics</td>
<td>4</td>
<td>31-Dec-2008</td>
<td></td>
</tr>
<tr>
<td>Consolidated Pipe</td>
<td>5</td>
<td>15-Jul-2009</td>
<td></td>
</tr>
<tr>
<td>Dyno-Nobel</td>
<td>0</td>
<td>1-Jan-2009</td>
<td></td>
</tr>
<tr>
<td>Eastman Chemical Company</td>
<td>0</td>
<td>1-Apr-2008</td>
<td></td>
</tr>
<tr>
<td>Accurate Energetics</td>
<td>0</td>
<td>1-Aug-2012</td>
<td></td>
</tr>
<tr>
<td>Holston Business Dev. Ctr.</td>
<td>26</td>
<td>31-Dec-2025</td>
<td></td>
</tr>
<tr>
<td>Holston CentCom</td>
<td>1</td>
<td>31-Aug-2023</td>
<td></td>
</tr>
<tr>
<td>JTH Engineering</td>
<td>11</td>
<td>31-Oct-2006</td>
<td></td>
</tr>
<tr>
<td>Appalachian Railcar Services</td>
<td>56</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
<tr>
<td>Mongoose (BAE subsidiary)</td>
<td>0</td>
<td>31-Dec-2025</td>
<td></td>
</tr>
<tr>
<td>Pendulum Management Co.</td>
<td>1</td>
<td>31-Dec-2025</td>
<td></td>
</tr>
<tr>
<td>Sullivan County EMS</td>
<td>18</td>
<td>Legacy Tenant</td>
<td></td>
</tr>
<tr>
<td>TenGasCo (Pipeline)</td>
<td>1</td>
<td>30-Sep-2023</td>
<td></td>
</tr>
<tr>
<td>TenGasCo (Admin)</td>
<td>1</td>
<td>30-Sep-2010</td>
<td></td>
</tr>
<tr>
<td>Transit Mix Concrete Co.</td>
<td>18</td>
<td>14-May-2022</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Proposals/RUF's (FY 08)
- **Rec'd**
- **Open**
- **Closed**
- **Delinquent**

<table>
<thead>
<tr>
<th>Category</th>
<th>Rec'd</th>
<th>Open</th>
<th>Closed</th>
<th>Delinquent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Conceptual</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Technical</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7</strong></td>
<td><strong>5</strong></td>
<td><strong>2</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

### Specific Delinquencies:
- [Note](#)
- [Note](#)

### Notes:
- [Note](#)

### ARMS Validated Program Investments/Savings
- FY 2006 ARMS Investments and Incentives: 477,157
- Total Economic Impacts: 41,887,612

### Facility Use Contract Term
- 31-Dec-2023

**BU 1**
HAWTHORNE AD
ARMS PROGRAM STATUS
(As of 13 Aug 2008)
To be determined
## ARMS Program Status

### (As of 31 Mar 2008)

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Environmental Tech</td>
<td>1</td>
<td>23-Oct-2010</td>
</tr>
<tr>
<td>RESCAR Industries</td>
<td>0</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td>East Camden &amp; Highland R/R</td>
<td>7</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td>MKM (USACE Subcontractor)</td>
<td>1</td>
<td>Month to Month</td>
</tr>
<tr>
<td>Corporate Med Svrc of SE Iowa</td>
<td>2</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td>General Dynamics-OTS</td>
<td>1</td>
<td>Month to Month</td>
</tr>
<tr>
<td>Allworth Contracting</td>
<td>3</td>
<td>31-Jan-2010</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Proposals/RUF’s (FY08)

<table>
<thead>
<tr>
<th>Category</th>
<th>Rec’d</th>
<th>Open</th>
<th>Closed</th>
<th>Delinquent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party</td>
<td>27</td>
<td>2</td>
<td>25</td>
<td>0</td>
</tr>
<tr>
<td>Concept</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Technical</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30</strong></td>
<td><strong>2</strong></td>
<td><strong>28</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

### Specific Delinquences:

#### ARMS Validated Program

**Investments/Savings**

- 2006 ARMS Investments and Incentive: 190,202
- Total Economic Impacts: 4,797,952

**Facility Use Contract Term:** 31-Dec-2008
# KANSAS AAP

## ARMS PROGRAM STATUS

(As of 31 Mar 2008)

### Tenant # Employees Tenant Contract Term

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dyno Nobel</td>
<td>0</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td>Lindsey &amp; Osborn Partnership</td>
<td>3</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Proposals/RUF's (FY08) Rec'd Open Closed Delinquent

- **Third Party**  
  - Rec'd: 6  
  - Open: 0  
  - Closed: 6  
  - Delinquent: 0  

- **Concept**  
  - Rec'd: 0  
  - Open: 0  
  - Closed: 0  
  - Delinquent: 0  

- **Technical**  
  - Rec'd: 0  
  - Open: 0  
  - Closed: 0  
  - Delinquent: 0  

**Total**  
- Rec'd: 6  
- Open: 0  
- Closed: 6  
- Delinquent: 0  

### Specific Delinquencies: N/A

### ARMS Validated Program Investments/Savings

- **FY 2006 ARMS Investments and Incentives**: 0  
- **Total Economic Impacts**: 433,681  

### Facility Use Contract Term

- **30-Sep-2007**
## LAKE CITY AAP
### ARMS PROGRAM STATUS
(As of 31 Mar 2008)

### Tenant Data

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pride Machinery</td>
<td>4</td>
<td>31-Mar-2010</td>
</tr>
<tr>
<td>Lake City Credit Union</td>
<td>3</td>
<td>31-Oct-2008</td>
</tr>
<tr>
<td>Mast Technology Bldg 139</td>
<td>117</td>
<td>30-Apr-09</td>
</tr>
<tr>
<td>Mast Technology Bldg 142</td>
<td>12</td>
<td>30-Sep-2009</td>
</tr>
<tr>
<td>Mast Technology Bldg 64A</td>
<td>4</td>
<td>31-Oct-2008</td>
</tr>
<tr>
<td>Patriot/Dahmer Power Train</td>
<td>4</td>
<td>31-Dec-2009</td>
</tr>
<tr>
<td>Allied Systems LLC</td>
<td>4</td>
<td>Month to Month</td>
</tr>
<tr>
<td>LaFarge North America</td>
<td>4</td>
<td>31-Oct-08</td>
</tr>
<tr>
<td>ValenteC</td>
<td>124</td>
<td>31-Dec-2010</td>
</tr>
<tr>
<td>Mast Technology Bldg 65</td>
<td>3</td>
<td>31-Jul-2008</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>279</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Proposals/RUF's (FY08)

<table>
<thead>
<tr>
<th></th>
<th>Rec’d</th>
<th>Open</th>
<th>Closed</th>
<th>Delinquent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Concept</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Technical</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

### Specific Delinquencies:

- **ARMS Validated Program Investments/Savings**
  - FY 2006 ARMS Investments and Incentives: 33,536
  - Total Economic Impacts: 143,479,298

- **Facility Use Contract Term**: 31-Jan-2025
## LONE STAR AAP
### ARMS PROGRAM STATUS
(As of 31 Mar 2008)

### Tenant Information

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Dehydrated Foods</td>
<td>52</td>
<td>29-Sep-2008</td>
</tr>
<tr>
<td>Lonestar Railcar Storage</td>
<td>6</td>
<td>16-Apr-2008</td>
</tr>
<tr>
<td>TEC Linens</td>
<td>38</td>
<td>1-Sep-2006</td>
</tr>
<tr>
<td>Munitions Tech Division (MTD)</td>
<td>4</td>
<td>16-Sep-2009</td>
</tr>
<tr>
<td>Area Z Recreation</td>
<td>0</td>
<td>25-May-2008</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Proposals/RUF's (FY08)

<table>
<thead>
<tr>
<th></th>
<th>Rec'd</th>
<th>Open</th>
<th>Closed</th>
<th>Delinquent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Concept</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Technical</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

### Specific Delinquencies:

- ARMS Validated Program
  - Investments/Savings
    - FY 2006 ARMS Investments and Incentives: 0
    - Total Economic Impacts: 11,213,963

- Facility Use Contract Term: 30-Sep-2006
### MILAN AAP
### ARMS PROGRAM STATUS
(As of 31 Mar 2008)

### Tenant Information

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Camden &amp; Highland R/R</td>
<td>6</td>
<td>6-May-2009</td>
</tr>
<tr>
<td>Accurate Energetics Systems LL</td>
<td>10</td>
<td>Month to Month</td>
</tr>
<tr>
<td>Greenway Nursery, Inc.</td>
<td>6</td>
<td>30-Jun-2010</td>
</tr>
<tr>
<td>Esterline Defense Group</td>
<td>87</td>
<td>1-Dec-2012 Lines</td>
</tr>
<tr>
<td></td>
<td></td>
<td>31-Jul-2008 Storage</td>
</tr>
<tr>
<td>DSE</td>
<td>2</td>
<td>30-Apr-2008</td>
</tr>
<tr>
<td>Amtec</td>
<td>2</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>113</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Proposals/RUF's (FY08)

<table>
<thead>
<tr>
<th></th>
<th>Rec’d</th>
<th>Open</th>
<th>Closed</th>
<th>Delinquent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party</td>
<td>10</td>
<td>3</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>Concept</td>
<td>4</td>
<td>0</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Technical</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>16</strong></td>
<td><strong>3</strong></td>
<td><strong>13</strong></td>
<td><strong>1</strong></td>
</tr>
</tbody>
</table>

### Specific Delinquencies:

#### ARMS Validated Program Investments/Savings

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2006 ARMS Investments and Incentives</td>
<td>132,419</td>
</tr>
<tr>
<td>Total Economic Impacts</td>
<td>13,876,402</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Facility Use Contract Term</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>31-Dec-2008</td>
<td></td>
</tr>
</tbody>
</table>
### MISSISSIPPI AAP
#### ARMS PROGRAM STATUS

(As of 31 Mar 2008)

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oologah (OTI)</td>
<td>2</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td>Pratt Witney</td>
<td>38</td>
<td>30-Jun-2010</td>
</tr>
<tr>
<td>Cingular Wireless</td>
<td>0</td>
<td>30-Apr-2012</td>
</tr>
<tr>
<td>Entech Systems Inc.</td>
<td>0</td>
<td>month to month (negotiation)</td>
</tr>
<tr>
<td>Grabel/New Orleans Movers</td>
<td>4</td>
<td>12/31/2008 (Pending)</td>
</tr>
<tr>
<td>Department of Energy</td>
<td>4</td>
<td>31-Jul-2009</td>
</tr>
<tr>
<td>JKS International LLC</td>
<td>6</td>
<td>month to month (negotiation)</td>
</tr>
<tr>
<td>Naval Oceanographic Office</td>
<td>156</td>
<td>30-Sep-2008</td>
</tr>
<tr>
<td>Navy Human Resource Svc Cntr</td>
<td>122</td>
<td>30-Sep-2008</td>
</tr>
<tr>
<td>Planning Systems Inc.</td>
<td>28</td>
<td>31-May-2012</td>
</tr>
<tr>
<td>Power Dynamics</td>
<td>44</td>
<td>31-Mar-2009</td>
</tr>
<tr>
<td>Da Kitchen</td>
<td>5</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td>Navy NAVSCIATTS</td>
<td>0</td>
<td>30-Sep-2008</td>
</tr>
<tr>
<td>Navy SEALS (SBT 22)</td>
<td>0</td>
<td>30-Sep-2008</td>
</tr>
<tr>
<td>Boe-Tel</td>
<td>7</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td>Computer Science Corporation</td>
<td>0</td>
<td>12/31/2008 (Pending)</td>
</tr>
<tr>
<td>Navy 9300 Area</td>
<td>Classified</td>
<td>30-Sep-2008</td>
</tr>
<tr>
<td>Omni Technologies</td>
<td>14</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td>ACT Corporate</td>
<td>1</td>
<td>31-Dec-2000</td>
</tr>
<tr>
<td>Jacobs</td>
<td>1</td>
<td>31-Dec-2008 (Pending)</td>
</tr>
<tr>
<td>GPO (Manufacturing Area)</td>
<td>1</td>
<td>15-Oct-2012</td>
</tr>
<tr>
<td>GPO (Caged Area)</td>
<td>0</td>
<td>30-Apr-2008</td>
</tr>
<tr>
<td>Navy PEO Ships</td>
<td>0</td>
<td>31-Dec-2010 (Pending)</td>
</tr>
<tr>
<td>Total</td>
<td>433</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Proposals/RUF’s (FY08)</th>
<th>Rec’d</th>
<th>Open</th>
<th>Closed</th>
<th>Delinquent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Concept</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Technical</td>
<td>4</td>
<td>0</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6</strong></td>
<td><strong>0</strong></td>
<td><strong>6</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

**Specific Delinquencies:**

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Navy 9300 Area</td>
<td>Classified</td>
<td>30-Sep-2008</td>
</tr>
<tr>
<td>Omni Technologies</td>
<td>14</td>
<td>31-Dec-2008</td>
</tr>
<tr>
<td>ACT Corporate</td>
<td>1</td>
<td>31-Dec-2000</td>
</tr>
<tr>
<td>Jacobs</td>
<td>1</td>
<td>31-Dec-2008 (Pending)</td>
</tr>
<tr>
<td>GPO (Manufacturing Area)</td>
<td>1</td>
<td>15-Oct-2012</td>
</tr>
<tr>
<td>GPO (Caged Area)</td>
<td>0</td>
<td>30-Apr-2008</td>
</tr>
<tr>
<td>Navy PEO Ships</td>
<td>0</td>
<td>31-Dec-2010 (Pending)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>433</strong></td>
<td></td>
</tr>
</tbody>
</table>

**ARMS Validated Program Investments/Savings**

| FY 2006 ARMS Investments and Incentives | 0       |
| Total Economic Impacts                | 84,653,615 |
| **Facility Use Contract Term**        | 31-Dec-2007 |
# RADFORD AAP ARMS PROGRAM STATUS

(As of 15 Jul 2008)

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alliant Tech Ordnance Group</td>
<td>12</td>
<td>31-Mar-2010</td>
</tr>
<tr>
<td>Alliant Painting</td>
<td>2</td>
<td>31-Mar-2009</td>
</tr>
<tr>
<td>York International</td>
<td>4</td>
<td>31-Mar-2009</td>
</tr>
<tr>
<td>Virginia Tech</td>
<td>1</td>
<td>31-Mar-2009</td>
</tr>
<tr>
<td>Valley Turf Inc</td>
<td>8</td>
<td>31-Mar-2009</td>
</tr>
<tr>
<td>Belmont Machine</td>
<td>4</td>
<td>31-Mar-2009</td>
</tr>
<tr>
<td>US Cellular</td>
<td>1</td>
<td>2-May-2009</td>
</tr>
<tr>
<td>Crown Castle (CFW Wire)</td>
<td>1</td>
<td>19-Oct-2009</td>
</tr>
<tr>
<td>GDOTS</td>
<td>1</td>
<td>31-Mar-2009</td>
</tr>
<tr>
<td>NRE</td>
<td>224</td>
<td>31-Mar-2010</td>
</tr>
<tr>
<td>Gucci</td>
<td>190</td>
<td>31-Jan-2018</td>
</tr>
<tr>
<td>Alexander Arms</td>
<td>13</td>
<td>31-Mar-2009</td>
</tr>
<tr>
<td>Montgomery County PSA</td>
<td>1</td>
<td>6-Mar-2022</td>
</tr>
<tr>
<td>Commonwealth Explosives LLC</td>
<td>4</td>
<td>31-Mar-2009</td>
</tr>
<tr>
<td>Salem Tools Inc.</td>
<td>3</td>
<td>31-Mar-2009</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>469</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Proposals/RUF's (FY 08)</th>
<th>Rec'd</th>
<th>Open</th>
<th>Closed</th>
<th>Delinquent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party</td>
<td>5</td>
<td>0</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Concept</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Technical</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5</strong></td>
<td><strong>0</strong></td>
<td><strong>5</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

Specific Delinquencies:

- FY 2006 ARMS Investments and Incentives: $489,567
- Total Economic Impacts: $118,628,060
- CY 2008 Estimated Revenues (Applied to the Gap): 30-Jun-2006 w/4 - 1 yr options
# Riverbank AAP

## ARMS Program Status

(As of 29 Feb 2008)

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
<th>Proposals/RUF's (FY 08)</th>
<th>Rec'd</th>
<th>Open</th>
<th>Closed</th>
<th>Delinquent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berkeley Forge</td>
<td>1</td>
<td>Month to Month</td>
<td>Third Party</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Ceracon</td>
<td>4</td>
<td>Month to Month</td>
<td>Concept</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>LMC West</td>
<td>65</td>
<td>30-Jun-2013</td>
<td>Technical</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Personal Care Industries</td>
<td>8</td>
<td>Month to Month</td>
<td>Total</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>KIVA Energy (Kamps Propane)</td>
<td>14</td>
<td>31-Oct-2010 w/option to 2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leisure RV Storage</td>
<td>1</td>
<td>Month to Month</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cingular/T-Mobile Wireless</td>
<td>2</td>
<td>31-Jul-2008 w/option to 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Riverbank Oil Transfer</td>
<td>4</td>
<td>Month to Month</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sierra Northern Railway</td>
<td>20</td>
<td>31-Jan-2011 w/option to 2021</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dayton Superior Corporation</td>
<td>34</td>
<td>31-Dec-2007 w/options</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental &amp; Lubrication Solutions</td>
<td>6</td>
<td>31-Dec-2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECO2 Plastics, Inc.</td>
<td>78</td>
<td>31-May-2009 w/options</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>237</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Specific Delinquencies:

- ARMS Validated Program Investments/Savings
  - FY 2006 ARMS Investments and Incentives: 0
  - Total Economic Impacts: 90,739,045
  - Facility Use Contract Term: 30-Sep-2007

BU 10
# SCRUNTON AAP

## ARMS PROGRAM STATUS

(As of 31 Mar 2008)

<table>
<thead>
<tr>
<th>Tenant</th>
<th># Employees</th>
<th>Tenant Contract Term</th>
<th>Proposals/RUF's (FY 08)</th>
<th>Rec'd</th>
<th>Open</th>
<th>Closed</th>
<th>Delinquent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party</td>
<td>4</td>
<td></td>
<td></td>
<td>4</td>
<td>0</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Concept</td>
<td>0</td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Technical</td>
<td>0</td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4</strong></td>
<td></td>
<td></td>
<td><strong>4</strong></td>
<td>0</td>
<td><strong>4</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

Specific Delinquencies:

- ARMS Validated Program
- Investments/Savings

<table>
<thead>
<tr>
<th>Investments/Savings</th>
<th>FY 2006 ARMS Investments and Incentives</th>
<th>Total Economic Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>5,728,460</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Facility Use Contract Term</th>
<th>31-Dec-2012</th>
</tr>
</thead>
</table>
## ARMS Action Log – Goal 1

<table>
<thead>
<tr>
<th>GOALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal 1 - <strong>Build a public-private partnership that provides a business model that grows the program</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OBJECTIVES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective 1: <strong>Define the partnership</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ACTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Establish roles/responsibilities 2) Define expectations 3) Identify the members</td>
</tr>
</tbody>
</table>

| Objective 2: **Streamline policies and procedures** |

<table>
<thead>
<tr>
<th>ACTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Review current policies and procedures 2) Review SOW 3) Identify for revision (prioritize)</td>
</tr>
</tbody>
</table>
## ARMS Action Log – Goal 2

<table>
<thead>
<tr>
<th>GOALS</th>
<th>OBJECTIVES</th>
<th>ACTIONS</th>
</tr>
</thead>
</table>
| Goal 2 – Develop a streamlined, responsive and effective approval process | Objective 1: Lean the process | 1) Map the process  
2) Eliminate waste (non-value added)  
3) Design “to be” process  
4) Rapid Improvement Event (RIE) |
| | Objective 2: Delegate authority to lowest possible level | 1) Determine different categories  
2) Recommend level of approval authority  
3) Submit for policy change |
<p>| | Objective 3: Develop and execute an enforcement procedure | 1) Develop a matrix reporting tool |</p>
<table>
<thead>
<tr>
<th>GOALS</th>
<th>OBJECTIVES</th>
<th>ACTIONS</th>
</tr>
</thead>
</table>
| Goal 3 – Further reduce the cost of Army ownership | Objective 1: Investigate the feasibility of making ARMS a self-sustaining program | 1) Conduct “as is” analysis  
2) Develop “to be” state  
3) Conduct a gap analysis  
4) Identify alternatives |
| | Objective 2: Improve the revenue/funding distribution process | 1) Take input from Goal 3, Objective 1 and develop near term improvements to process  
2) Develop near term improvements to that process |
| | Objective 3: Pursue alternative funding sources | 1) Identify potential sources  
2) Revisit prior and existing sources  
3) Assess likelihood of success  
4) Develop ideas of how to access that funding  
5) Produce a new marketing tool |
## ARMS Action Log – Goal 4

<table>
<thead>
<tr>
<th>GOALS</th>
<th>OBJECTIVES</th>
<th>ACTIONS</th>
</tr>
</thead>
</table>
| **Goal 4 – Engage active stakeholder support** | Objective 1: Establish an ARMS Champion | 1) Determine appropriate champions (include Goal 4, Objective 2)  
2) Gain champion ownership  
3) Determine how to engage |
| | **Objective 2: Repackage the program** | 1) Understand the current program (pros/cons and VOC, ie stakeholders)  
2) Understand where the program is headed  
3) Develop an education and marketing package  
4) Consider rebranding initiatives |
| | **Objective 3: Develop a new marketing strategy** | 1) Decide who, what, when, where  
2) Need professional help for this  
3) Requires analysis from all goals |
ARMS team members will participate in all future Command Assessments as part of our effort to insure emphasis on the program.

Schedule:
- HSAAP, 4-7 Aug 08
- LCAAP, 11-15 Aug 08
- Blue Grass AD, 8-18 Sep 08
- HWAD, 22 Sep-2 Oct 08
- Tooele AD, 20-30 Oct 08
ARMS Litmus Test - How ARMS Benefits are Identified

Potential Benefit

**ARMS Benefit Litmus Test: Direct Cause**
Are the benefit/s derived from an ARMS investments?
Are the benefit/s generated from ARMs marketing personnel?
Are the benefit/s identified in the Facility Use Contract?
Did ARMS personnel work/develop the benefit or opportunity?

- Passed ARMS Litmus Test
  - YES
    - ARMS Benefit
      - Validate The Benefit
  - NO
    - Not an ARMS related Benefit
      - Do not Evaluate

I.E. 2667 Leases, Agricultural Leases, Timber/minerals

BU 17
ARMS Benefits Categories – Sources of Funds and Benefits

Benefits from the program are divided into the four basic categories below. However, for a potential benefit to be counted as a benefit, it must pass the ARMS litmus test.

✓ Tenant Rent Shared with the Government: The revenue can be shared by granting a credit or discount to one of AAP’s facility use operating contracts in order to reduce the cost of executing the Maintenance of Inactive Industrial Facilities’ (MIIF) performance work statement, or it can be used to perform additional services for the Army. In the latter case, the contractor and the Army would mutually agree on certain necessary projects throughout the year. During contract negotiations, the contractor would offer a discount equivalent to the value of the revenue to be shared or agree to perform certain necessary projects.

✓ Overhead Absorbed by Tenant and Third-party Activities: Tenant and third-party activities absorb fixed overhead costs. During contract negotiations, the contractor would demonstrate that it was no longer charging the Army for this portion of overhead, and the savings would result in a reduction in the prices of the contractor’s products.

✓ Third-party Revenues Shared with the Government: Revenue obtained from third party work (non-tenant) may be shared with the Government as part of an ARMS agreement.

✓ Tenant Services Performed in Lieu of Rent: Tenants provide services (previously part of the operating contract). During contract negotiations, the contractor would demonstrate that it was no longer charging the Army for these necessary services. Tenant investments in facilities are also classified as services in lieu of rent.*

✓ *Tenant investments can only be quantified as savings if the improvement to the facility benefits the AAP as a whole. Although all tenant investment is free of charge to the Government, only facility improvements that can assist AAP productivity are considered savings. For example, a tenant upgrading its equipment to bolster its own manufacturing capability cannot be considered savings.
Cash & non cash ARMS benefits help pay for Operation, Recapitalization

- Tenant Rent Shared w/Govt
  - Contractors share a portion of tenant rent with Govt
  - Contributions made to a shared revenue pool
  - **CASH CONSIDERATION**
- 3rd Party / RUF Revenue Shared with Govt
  - Contractors share portions of 3rd party sales with Govt
  - Contributions made to a shared revenue pool
  - **CASH CONSIDERATION**
- Overhead Absorption from 3rd Party Sales and Tenant Activities
  - Expanded business base increases sales to the facility
  - A portion of facility fixed overhead is burdened to third party customers
  - Government product costs are reduced as a result of lower GOCO overhead rates
  - Overhead absorption must be attributable to ARMS
- Services in Lieu of Rent
  - Government assets are maintained in a condition above what the FUC requires
  - Overhead pools may be reduced
  - Services performed at no cost to the Government (i.e. grass mowing, rail maintenance)

Used for PWS (GAP) And Infrastructure Projects

- Used to reduce PWS (GAP) fixed costs

BU 19
The ARMS Program resulted in savings of $23.6M to the Government in FY 2007.
ARMS revenues generated during FY 2007 were used for the following purposes:

- ARMS Administration/Marketing: $150K
- MLIF: $3.0M
- Overhead Cost Pool Offsets: $1.4M
- Projects: $3.1M
- Performance Work Statement Offsets: $2.8M

Total Dollars Spent: $10.4M

An additional $.6M was supplied by the balance left over from the FY 2006 project pool balance.
During FY 2007 the ARMS program resulted in 93 tenants who employed 1,906 tenant employees.
Program Summary – ARMS Return on Investment

Average Annual Rate of Return: FYs 1993–2007

The ARMS Program reached an average annual rate of return of 9 percent in FY 2007.

*Kansas’s high rate of return is due to a low amount of investment and a high amount of services in kind benefits.

**Facilities with inactive ARMS Programs were not included in the graph above.
The ARMS Program has saved the Government $375.1M since its inception and exceeded its investments of $272.9M by $102.4M.
From its inception, the ARMS Program has created $6.5 billion in economic output.
ARMS Program Funding and Associated Savings

Appropriated Funds by Fiscal Year

Savings Validated through FY 2004
Goal: Promote ARMS Program to prospective customers/tenants and highlight assets and resources of six ammunition plants available for commercial use with ultimate goal to reduce cost of operations at ammunition plants.

2008 Objectives and Achievements:
- Develop, publish and distribute Defense Solutions magazine highlighting program, plants and achievements of ARMS plants and benefit to Warfighter
  - Status: at printer; 10,000 copies to be distributed with Business Xpansion magazine during July 08
- Develop 3 newsletters promoting success of ARMS at ammunition plants
  - Status: Spring - complete; summer – in process; fall - being developed
- Develop 2 brochures – (1) on ARMS program; (1) on ARMS plants
  - Status: Complete
- Develop ARMS ads
  - Status: one complete and published in Business Xpansion magazine;
    2nd ad scheduled for Dec. in Expansion Solutions magazine
- Produce/coordinate two promotional releases
  - Status: One complete; 2nd scheduled for last half of ‘08
- Maintain Openterprise.com website
  - Status: website update in process
- Identify/assist/prepare award submissions to showcase ARMS Program
  - Status: Five award nominations have been submitted
2008 Objectives and Achievements:

• Develop, publish and distribute Defense Solutions magazine highlighting program, plants and achievements of ARMS plants and benefit to Warfighter
  • Status: at printer; 10,000 copies to be distributed with Business Xpansion magazine during July 08
• Develop 3 newsletters promoting success of ARMS at ammunition plants
  • Status: Spring - complete; summer – in process; fall - being developed
• Develop 2 brochures – (1) on ARMS program; (1) on ARMS plants
  • Status: Complete
• Develop ARMS ads
  • Status: one complete and published in Business Xpansion magazine; 2nd ad scheduled for Dec. in Expansion Solutions magazine
• Produce/coordinate two promotional releases
  • Status: One complete; 2nd scheduled for last half of ‘08
• Maintain Openterprise.com website
  • Status: website update in process
• Identify/assist/prepare award submissions to showcase ARMS Program
  • Status: Five award nominations have been submitted
The ARMS Program has received a number of awards for its achievements:

- **David Packard 2003 Award for Excellence in Acquisition** - Demonstrated superior accomplishments significantly contributing to Defense acquisition reform initiatives and acquisition programs.
- **National Association of Installation Developers (NAID)** - 1998 and 2003 award for creative promotion of business attraction to their facilities.
- **CoreNet 2003 Global Innovators Award** - Recognizes new entrants in the corporate real estate industry that develop and apply innovative ideas and practices and make good use of leading edge technologies and processes.