

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Defense Reutilization & Marketing Service Activity Group
FY 2001 Budget Estimates
Activity Group Capital Investment Summary
February 2000
(\$ in Millions)

Line Number	Item Description	FY 1999		FY 2000		FY 2001	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
REP 000	EQUIPMENT (Non ADP/T) \$0.1 to \$0.499	8	1.2	12	1.4	8	1.2
PRD 000	Replacement	7	0.8	8	0.9	8	1.2
NEW 000	Productivity	1	0.4	4	0.5		
	New Mission						
REP 000	EQUIPMENT (Non ADP/T) \$0.5 to \$0.999						
PRD 000	Replacement						
NEW 000	Productivity						
	New Mission						
REP 000	EQUIPMENT (Non ADP/T) \$1.0 and Over						
PRD 000	Replacement						
NEW 000	Productivity						
	New Mission						
	<u>TOTAL EQUIPMENT (Non ADP/T)</u>	8	1.2	12	1.4	8	1.2
ADP 000	ADP/T EQUIPMENT \$0.1 To \$0.499			12	1.2		
ADP 100	ADP/T EQUIPMENT \$0.5 To \$0.999						
ADP 200	ADP/T EQUIPMENT \$1.0 and Over						
	<u>TOTAL EQUIPMENT (ADP/T)</u>			12	1.2	0	0
SWD 000	SOFTWARE DEVELOPMENT \$0.1 To \$0.499						
SWD 100	SOFTWARE DEVELOPMENT \$0.5 To \$0.999						
SWD 200	SOFTWARE DEVELOPMENT \$1.0 and Over		0.4				
	<u>TOTAL SOFTWARE DEVELOPMENT</u>		0.4		0		
RPM 000	<u>MINOR CONSTRUCTION</u>		5.9		5.8		6.0
	<u>TOTAL AGENCY CAPITAL INVESTMENTS</u>	8	7.5	24	8.4	8	7.2

DEFENSE LOGISTICS AGENCY
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FY 2000
Deferrals/Cancellations/Substitutions
(Dollars in Millions)

Minor Construction

5.1 Projects cancelled

TOTAL FY 2000

5.1

Activity Group Capital Investment Justification
(\$ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Reutilization & Marketing Service Activity Group February 2000

C. Line Number & Item Description
REP 000 Replacement Equipment \$0.1 to \$0.499

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Total REP 000				7	120.6	844	8	115	920	8	144.3	1,155

Narrative Justification:

These investments, tool carriers and a scrap handler, replace existing items that have reached or exceeded the useful life established for these categories. Based on guidance contained in various Department of Defense (DoD) governing policies, the Defense Logistics Agency (DLA) has established replacement and life expectancy standards for all categories of investment equipment. The standards are based on life expectancy with consideration given to condition, usage hours, and/or repair costs. DLA establishes age, utilization and repair standards based on industry information and experience in the absence of DoD acquisition and replacement criteria relative to unusual categories of equipment.

FY 2001 projects include: seven tool carriers (\$115) at Guam, March, Corpus Christi, Keesler, Knox, Mt. Home, Roosevelt Roads, and a scrap handler (\$350) at Portsmouth.

The Return on Investment on these projects ranges from 1.12 to 3.99 and the payback period ranges from 2.22 to 5.77 years.

Activity Group Capital Investment Justification
(\$ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Reutilization & Marketing Service Activity Group February 2000

C. Line Number & Item Description
RPM 000 Minor Construction

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Minor Construction						5,915			5,800			6,000

Narrative Justification:

The minor construction investment for projects between \$100,000 and \$500,000 each, will construct new or modify existing facilities for mission and operational improvements. These projects consist of:

- (1) Renovation of administrative facilities.
- (2) Mission operational facilities such as scrap bins, truck scales, paving open storage and new warehouses.
- (3) Fencing, drainage and road improvements.

Additional minor construction requirements are for incidental improvements associated with facilities repair projects. These investments will result in cost effective facilities to support the mission.

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FY 1999
(Dollars in Millions)

PROJECTS ON THE FY 2000 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
1999	Equipment except ADPE & TELCOM:	0.3	1.5	1.2	0.3	
	Replacement <\$500K	0.4	1.2	0.8	0.4	One requirement cancelled
	Production <\$500K	(0.1)	0.3	0.4	(0.1)	Equipment repriced
1999	Equipment - ADPE & TELCOM:	0.0	0.0	0.0	0.0	
	Base Level Support	0.0	0.0	0.0	0.0	
1999	Software Development:	4.0	4.4	0.4	4.0	
	DAISY Mod	3.8	4.2	0.4	3.8	Project rescoped; deferred to FY00
	Workflow Manager	0.2	0.2	0.0	0.2	Requirement cancelled
1999	Minor Construction:	2.1	8.0	5.9	2.1	Projects cancelled
	Total FY 1999	6.4	13.9	7.5	6.4	

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PROJECTS ON THE FY 2000 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
2000	Equipment except ADPE & TELCOM:	0.0	1.4	1.4	0.0	
	Replacement <\$500K	0.0	0.9	0.9	0.0	
	Productivity <\$500K	0.0	0.5	0.5	0.0	
2000	Equipment - ADPE & TELCOM:	0.0	1.2	1.2	0.0	
	Base Level Support	0.0	1.2	1.2	0.0	
2000	Software Development:	0.0	0.0	0.0	0.0	
		0.0	0.0	0.0	0.0	
2000	Minor Construction:	5.1	10.9	5.8	5.1	Projects cancelled
	Total FY 2000	5.1	13.5	8.4	5.1	

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I THE FY 2000 PRESIDENT'S BUDGET

Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
Equipment except ADPE & TELCOM:	(0.3)	0.8	1.2	(0.3)	
Replacement <\$500K	(0.5)	0.7	1.2	(0.5)	Additional requirements
Productivity <\$500K	0.2	0.2	0.0	0.2	Requirement cancelled
Equipment - ADPE & TELCOM:	0.0	0.0	0.0	0.0	
	0.0	0.0	0.0	0.0	
Software Development:	0.0	0.0	0.0	0.0	
	0.0	0.0	0.0	0.0	
Minor Construction:	5.2	11.2	6.0	5.2	Projects cancelled
Total FY 2001	4.9	12.0	7.2	4.9	