

Defense Logistics Agency

Fiscal Year (FY) 2011 Budget Estimates

February 2010



Procurement, Defense-Wide

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DEFENSE LOGISTICS AGENCY
Procurement, Defense-Wide
Fiscal Year (FY) 2011 Budget Estimates

<u>EXHIBIT</u>	<u>TITLE</u>	<u>PAGE</u>
	Table of Contents	1
P-1	Procurement Program	2
P-40	Budget Item Justification	3
P-40,P-5,P-5a,P-20	Passenger Carrying Motor Vehicles	4-7
P-40,P-5,P-5a	Microelectronics Equipment	8-10
P-40,P-5,P-5a	COOP Program	11-13
P-40,P-40a	USTRANSCOM - AT21 IT Hardware/Software	14-15

DEFENSE LOGISTICS AGENCY
 Procurement, Defense-Wide
 Fiscal Year (FY) 2011 Budget Estimates
 Exhibit P1 - Procurement Program
 (Dollars in Millions)

Procurement, Defense-Wide
 Budget Activity: 01

February 2010

P-1 Line Item #	Item Nomenclature	Ident Code	FY 2009		FY 2010		FY 2011			
			QTY	COST	QTY	COST	QTY	Base	OCO	Total
28	Passenger Carrying Vehicles	A	15	0.449	15	0.444	15	0.455	0.000	0.455
28	Microelectronics Equipment	A	4	8.314	0	0.000	0	0.000	0.000	0.000
28	COOP Program	A	0	0.000	26	7.260	18	4.391	0.000	4.391
	USTRANSCOM - AT21		0	0.000	0	0.000	0	0.000	0.000	0.000
	Total Major Equipment, DLA			8.763		7.704		4.846	0.000	4.846

DEFENSE LOGISTICS AGENCY
 Procurement, Defense-Wide
 Fiscal Year (FY) 2011 Budget Estimates
 (Dollars in Millions)

Budget Item Justification							A. Date February 2010			
B. Procurement Defense-Wide Budget Activity: 01							C. P-1 Item Nomenclature 28 Major Equipment, DLA			
		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	To Complete	Total
Quantity		19	41	33	32	17	17	17		
Cost		8.763	7.704	4.846	6.827	6.635	6.630	6.624		
<p>For FY 2009. DLA's Procurement Defense-Wide program consists of Passenger Carrying Motor Vehicles and Microelectronics Equipment (managed by the Defense Microelectronics Activity). No OCO funding was requested or received.</p> <p>Beginning in FY 2010, DLA receives funding for the COOP Program and DMEA's PDW funding transfers to DDR&E. Beginning in FY 2012, DLA receives funding for USTRANSCOM Agile Transportation for the 21st Century (AT21).</p>										

DEFENSE LOGISTICS AGENCY
Procurement, Defense-Wide
Fiscal Year (FY) 2011 Budget Estimates
(Dollars in Millions)

Budget Item Justification							A. Date February 2010			
B. Procurement Defense-Wide Budget Activity: 01							C. P-1 Item Nomenclature 28 Major Equipment, DLA Passenger Carrying Motor Vehicles			
	Prior Years	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	To Complete	Total
Quantity		15	15	15	15	15	15	15		
Cost		0.449	0.444	0.455	0.461	0.466	0.474	0.480		
<p>DLA's requirement to procure replacement passenger carrying motor vehicles is in support of DLA's overseas logistics operations. DLA maintains field offices in Europe, the Middle East, and the Far East. While our policy is to lease General Services Administration (GSA) vehicles where they are available, GSA lease support is still limited or nonexistent at most locations. So, replacement of Agency-owned and commercially leased PCMV's with owned PCMV's is required in cases when it is less expensive to own rather than commercially lease and PCMV ownership is usually significantly less expensive than commercial leasing at overseas locations. PCMV replacement requirements continue to be driven by age compared to life expectancy, utilization factors, and condition.</p>										

DEFENSE LOGISTICS AGENCY
 Procurement, Defense-Wide
 Fiscal Year (FY) 2011 Budget Estimates
 (Dollars In Millions)

Project Cost Analysis		A. Appropriation/Budget Activity Title/Number			B. Program Model/Series/Popular Name			C. Manufacturer Name/Plant/City/State Location Various					
		Procurement, Defense-Wide Budget Activity 01			28 Major Equipment, DLA Passenger Carrying Motor Vehicles			D. Date February 2010					
		FY 2009			FY 2010			FY 2011			FY 2012		
Program Cost Element	Ident Code	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Passenger Carrying Motor Vehicles		15	0.02993	0.449	15	0.02960	0.444	15	0.03033	0.455	15	0.03007	0.451
Gross P-1 End Cost		15		0.449	15		0.444	15		0.455	15		0.451
Less: Prior Year Advance Procurement													
Net P-1 Full Funding Cost		15		0.449	15		0.444	15		0.455	15		0.451
Total 01		15		0.449	15		0.444	15		0.455	15		0.451

DEFENSE LOGISTICS AGENCY
 Procurement, Defense-Wide
 Fiscal Year (FY) 2011 Budget Estimates
 (Dollars in Millions)

Exhibit P-5a Procurement History and Planning							A. Date			
B. Appropriation/Budget Activity							C. P-1 Item Nomenclature			
Procurement, Defense-Wide							28 Major Equipment, DLA			
Budget Activity: 01							Passenger Carrying Motor Vehicles			
Cost Element/Fiscal	Contract or and Location	Contract Method and Type	Contracted By	Award Date	Date of First Delivery	Quantity	Unit Cost	Spec Available Now	Spec Revision Required	If Yes When Available?
FY 2009	Various	Various	DLA	Sep-09	Jan-11	15	0.02993	Yes	No	Jun-10
Passenger Carrying Motor Vehicles										
FY 2010	Various	Various	DLA	Sep-11	Jan-12	15	0.02960	Yes	No	Jun-11
Passenger Carrying Motor Vehicles										
FY 2011	Various	Various	DLA	Sep-12	Jan-13	15	0.03033	Yes	No	Jun-12
Passenger Carrying Motor Vehicles										
FY 2012	Various	Various	DLA	Sep-13	Jan-14	15	0.03007	Yes	No	Jun-13
Passenger Carrying Motor Vehicles										

DEFENSE LOGISTICS AGENCY
Procurement, Defense-Wide
Fiscal Year (FY) 2011 Budget Estimates
(\$ In Thousands)

Requirements Study, Exhibit P-20					Date February 2010		
P-1 Line Item Nomenclature: 26 Major Equipment, DLA Passenger Carrying Motor Vehicles	Administrative Lead Time: 6 months				Production Lead Time: 4 months		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Buy Summary	15	15	15	15	15	15	15
Unit Cost	29.9	29.6	30.3	30.7	31.1	31.6	32.0
Total Cost	449	444	455	461	466	474	480
Asset Dynamics							
Beginning Asset Position	135	135	135	135	135	135	135
Deliveries from all prior year funding							
Deliveries from current year funding							
Deliveries from BY1 funding							
Deliveries from BY2 funding							
Deliveries from all subsequent funding	15	15	15	15	15	15	15
Other Gains	0	0	0	0	0	0	0
Disposals	15	15	15	15	15	15	15
End of Year Asset Position	135	135	135	135	135	135	135
Current Authorized Allowance	135	135	135	135	135	135	135
Vehicles Eligible for Replacement	15	15	15	15	15	15	15
Vehicle Augmentation	0	0	0	0	0	0	0
Remarks:							
Increased fleet size is due mainly to replacement of leased PCMV's at new overseas sites.							

DEFENSE LOGISTICS AGENCY
 Procurement, Defense-Wide
 Fiscal Year (FY) 2011 Budget Estimates
 (Dollars in Millions)

Budget Item Justification							A. Date February 2010			
B. Procurement Defense-Wide Budget Activity 01							C. P-1 Item Nomenclature 28 Major Electronics, DLA Microelectronics Equipment			
	Prior Years	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	To Complete	Total
Quantity		4	0	0	0	0	0	0		
Cost		8.314	0.000	0.000	0.000	0.000	0.000	0.000		
<p>Microelectronics technologies are extremely dynamic and, on the average, become obsolete every 18 months. However, Department of Defense (DoD) weapon systems using such technologies have increased life cycles that commonly last for 40 or 50 years. The disparity between the long life cycles for weapon systems and the short life of microelectronics technology sources is the main factor driving DoD system obsolescence and mission degradation. Therefore, DoD is becoming increasingly dependent on a technology that obsoletes itself every 18 months. All too quickly, DoD's orders become too low to be profitable to the industry. This leads manufacturers to abruptly close "old" production lines that are no longer profitable in favor of the processes producing the latest technology. When a device becomes obsolete, every system using that device in DoD has a problem.</p> <p>The Defense Microelectronics Activity (DMEA) mission is to provide solutions to microelectronics obsolescence by leveraging the capabilities and payoffs of the most advanced microelectronics technology to solve obsolescence problems in fielded weapon systems. This mission covers all sustainment and modification issues relating to microelectronics technology regardless of where those devices are used. DMEA uses a unique and innovative methodology to reverse engineer microelectronic devices, analyze solution sets, and then build and test the prototype solution. DMEA's microelectronics engineering specialists, supported by analysis, design, test, and prototyping equipment, produce solutions which are technically correct, logistically supportable, schedule responsive, and fiscally affordable for the entire spectrum of microelectronics.</p> <p>DMEA's laboratory is uniquely positioned as a government entity to understand and accommodate the entire range of solution sets from all vendors. This not only provides a technologically correct solution, regardless of the type of microelectronics problem, but also allows the government specialists the ability to select the best business decision for DoD, if more than one solution set is available. DMEA's solutions provide a functional replacement by using the most current technology.</p> <p>To accomplish the mission, DMEA provides technical and application engineering support for the implementation of microelectronics technologies and manages an organic capability to support these technologies within the DoD. The DMEA equipment requirement is to procure new, replacement, and upgraded tools used for Engineering Analysis, Prototype Design, Verification and Integration, and Wafer Post Processing.</p>										

DEFENSE LOGISTICS AGENCY
Procurement, Defense-Wide
Fiscal Year (FY) 2011 Budget Estimates
(Dollars In Millions)

Project Cost Analysis		A. Appropriation/Budget Activity Title/Number			B. Program Model/Series/Popular Name			C. Manufacturer Name/Plant/City/State Location					
		Procurement, Defense-Wide			26 Major Equipment, DLA			Various					
		Budget Activity: 01			Microelectronics Equipment			D. Date February 2010					
		FY 2009			FY 2010			FY 2011			FY 2012		
Program Cost Element	Ident Code	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Engineering Analysis Equipment		1	1.081	1.081	0	0.000	0.000	0	0.000	0.000	0	0.000	0.000
Prototype Design Equipment		1	0.494	0.494	0	0.000	0.000	0	0.000	0.000	0	0.000	0.000
Verification and Integration Equipment		1	0.236	1.236	0	0.000	0.000	0	0.000	0.000	0	0.000	0.000
Wafer Post Processing Equipment		1	5.528	5.503	0	0.000	0.000	0	0.000	0.000	0	0.000	0.000
Gross P-1 End Cost				8.314			0.000			0.000			0.000
Less: Prior Year Advance Procurement													
Net P-1 Full Funding Cost				8.314			0.000			0.000			0.000
Total 02		4		8.314	0		0.000	0		0.000			0.000

DEFENSE LOGISTICS AGENCY
 Procurement, Defense-Wide
 Fiscal Year (FY) 2011 Budget Estimates
 (Dollars in Millions)

Exhibit P-5a Procurement History and Planning							A. Date February 2010			
B. Appropriation/Budget Activity Procurement, Defense-Wide Budget Activity: 01					C. P-1 Item Nomenclature 28 Major Equipment, DLA Microelectronics Equipment					
Cost Element/Fiscal Year	Contractor and Location	Contract Method and Type	Contracted By	Award Date	Date of First Delivery	Quantity	Unit Cost	Spec Available Now	Spec Revision Required	If Yes When Available?
FY 2009										
Microelectronics Equipment										
Engineering Analysis	Various	CPFF	DMEA	TBD	FY 2009	1	1.081	No		
Prototype Design	Various	CPFF	DMEA	TBD	FY 2009	1	0.494	No		
Integration	Various	CPFF	DMEA	Jan 09	FY 2009	1	1.236	No		
Wafer Post Processing	Various	CPFF	DMEA	Jan 09	FY 2009	1	5.503	No		

DEFENSE LOGISTICS AGENCY
 Procurement, Defense-Wide
 Fiscal Year (FY) 2011 Budget Estimates
 (Dollars in Millions)

Budget Item Justification						A. Date February 2010				
B. Appropriation/Budget Activity Procurement, Defense-Wide Budget Activity: 01						C. P-1 Item Nomenclature 28 Major Equipment, DLA COOP Program				
	Prior Years	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	To Complete	Total
Quantity		1	26	18	16	1	1	1		
Cost		0.000	7.260	4.391	4.366	3.669	3.656	3.644		
Procurement, deployment and installation of DCIN-TS Enterprise systems to support COOP requirements.										

DEFENSE LOGISTICS AGENCY
 Procurement, Defense-Wide
 Fiscal Year (FY) 2011 Budget Estimates
 (Dollars In Millions)

Project Cost Analysis		A. Appropriation/Budget Activity Title/Number			B. Program Model/Series/Popular Name			C. Manufacturer Name/Plant/City/State Location			D. Date February 2010		
		Procurement, Defense-Wide Budget Activity: 01			26 Major Equipment, DLA COOP Program								
		FY 2009			FY 2010			FY 2011			FY 2012		
Program Cost Element	Ident Code	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
NCOs		0	0.0000	0.0000	2	0.675	1.350	0	0.700	0.000	1	0.700	0.700
COCOMS					23	0.245	5.625	0	0.000	0.000	14	0.245	3.430
DOD Agencies					1	0.245	0.245	18	0.245	4.402	1	0.245	0.245
Gross P-1 End Cost			0.0000	0.0000			7.260			4.391			4.366
Less: Prior Year Advance Procurement													
Net P-1 Full Funding Cost			0.0000	0.0000			7.260			4.391			4.366
Total 03		0	0.0000	0.0000	26		7.260	18		4.391	16		4.366

DEFENSE LOGISTICS AGENCY
Procurement, Defense-Wide
Fiscal Year (FY) 2011 Budget Estimates
(Dollars In Millions)

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B. Appropriation/Budget Activity							Procurement, Defense-Wide			
Defense Logistics Agency							C. P-1 Item Nomenclature			
							28 Major Equipment, DLA COOP Program			
Cost Element/Fiscal Year	Contractor and Location	Contract Method and Type	Contracted By	Award Date	Date of First Delivery	Quantity	Unit Cost	Spec Available Now	Spec Revision Required	If Yes When Available?
FY 2009 N/A										
FY 2010										
NCOs	Sytex	FF Price	DESC	Sep-09	TBD	2	0.675	Y		
COCOMs	Sytex	FF Price	DESC	Sep-09	TBD	23	0.245	Y		
DOD Agencies	Sytex	FF Price	DESC	Sep-09	TBD	1	0.245	Y		
FY 2011										
NCOs	TBD	FF Price	DESC	Sep-10	TBD	0	0.675	Y		
COCOMs	TBD	FF Price	DESC	Sep-10	TBD	0	0.245	Y		
DOD Agencies	TBD	FF Price	DESC	Sep-10	TBD	18	0.245	Y		
FY 2012										
NCOs	TBD	FF Price	DESC	Sep-11	TBD	1	0.675	Y		
COCOMs	TBD	FF Price	DESC	Sep-11	TBD	14	0.245	Y		
DOD Agencies	TBD	FF Price	DESC	Sep-11	TBD	1	0.245	Y		

DEFENSE LOGISTICS AGENCY
 Procurement, Defense-Wide
 Fiscal Year (FY) 2011 Budget Estimates
 (Dollars in Millions)

Budget Item Justification							A. Date February 2010			
B. Procurement Defense-Wide Budget Activity: 01							C. P-1 Item Nomenclature USTRANSCOM Agile Transportation (AT21) AT21 IT Hardware/Software			
	Prior Years	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	To Complete	Total
Quantity										
Cost		0.000	0.000	0.000	2.000	2.500	2.500	2.500		
<p>The Geographic Combatant Commanders (GCCs) lack an automated capability to (1) manage transportation planning and execution processes for cargo and passenger movement within their respective theaters of operation or (2) match global movement requirements against available lift assets to produce an optimized transportation schedule that meets delivery requirements. AT21 Increment 3 Theater Capability will provide continuous visibility, collaboration, automated processes, alerts and an exception management capability supporting transportation planning and execution for theater force and sustainment movements. When fully implemented, it will provide opportunities to streamline cargo movement by optimizing capacity and provide complete visibility by synchronizing theater movements with strategic movements. USTRANSCOM Transportation Working Capital Funds (TWCF) are being utilized for strategic level process improvement, business process management and optimization. TWCF funds are not authorized for development activities supporting theater operations, so appropriated fund sources were sought to support this effort.</p> <p>The procurement funds will used to purchase software licenses for commercial-off-the-shelf (COTS) tool suites in support of transportation planning and execution activities for theater operations, i.e. a Business Process Management Suite, Transportation Modeler and Transportation Management System. These funds will also be used to purchase hardware to support IT operations in a net-centric, cloud computing environment.</p>										

DEFENSE LOGISTICS AGENCY
 Procurement, Defense-Wide
 Fiscal Year (FY) 2011 Budget Estimates
 (Dollars in Millions)

Budget Item Justification					A. Date February 2010			
B. Procurement Defense-Wide Budget Activity: 01					C. P-1 Item Nomenclature USTRANSCOM Agile Transportation (AT21) AT21 IT Hardware/Software			
Procurement Items	ID Code	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Servers & Peripherals	A	0.0	0.0	0.0	0.5	0.75	0.5	0.5
COTS Software	A	0.0	0.0	0.0	1.5	1.75	2.0	2.0

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