

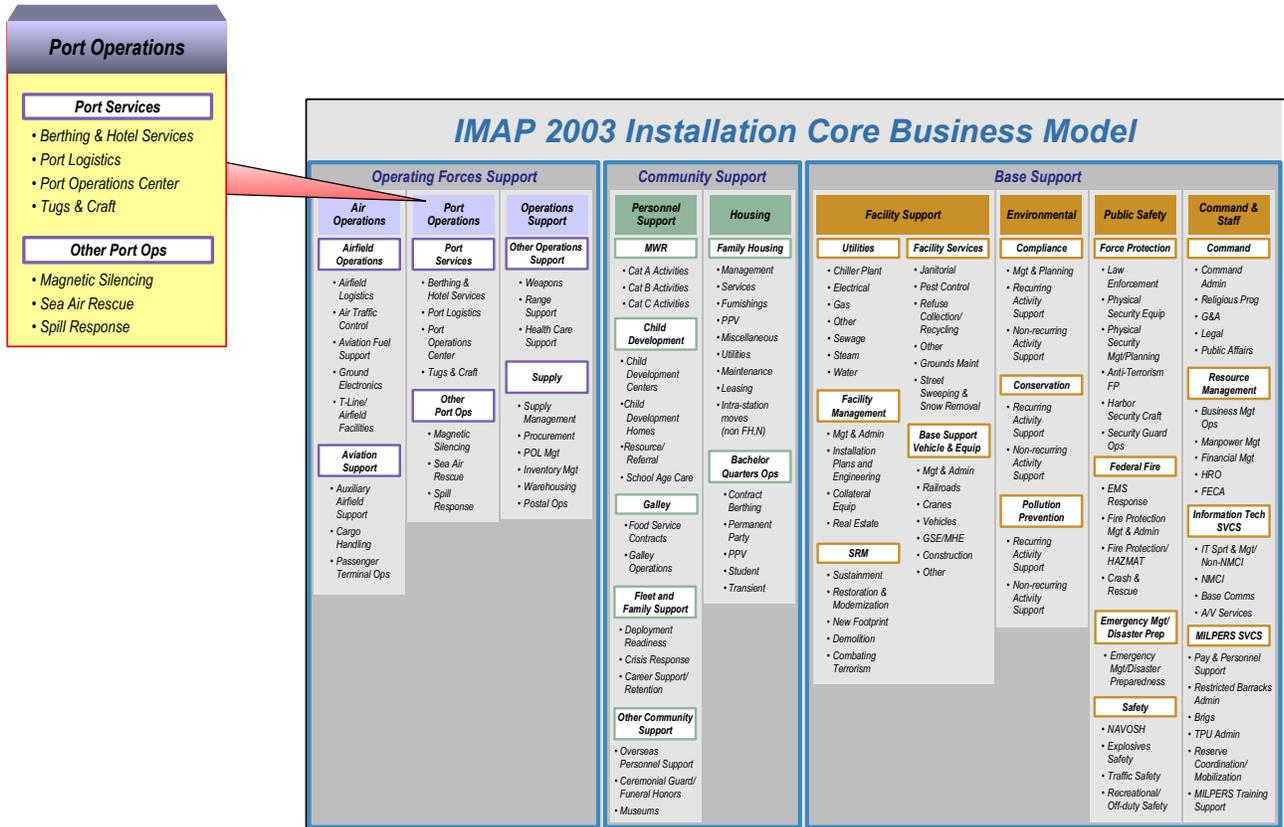
Chapter 2 – Port Operations

Overview

Within IMAP 2003, the direct support to the Navy's operational forces provided by the Shore Establishment is most directly relevant through the three Core Business Areas under Operating Forces Support. The Port Operations Core Business Area has a direct link to Fleet readiness through the support provided to Fleet units either as homeported units or as transiting units. During FY 2003, the Port Operations Program Managers across the Navy continued to work closely with the operational commanders, service organizations, and those federal, state, and local authorities/organizations with maritime interests in meeting the operational requirements of ships in port.



The Port Operations Core Business Area addresses a broad range of functions and activities associated with the direct operation of the Navy's ports. This includes the operation and maintenance of small craft and tugs, berthing and hotel services, operation of the port operations center, and harbor pilot services. The Port Operations Core Business Area has the two functions of Port Services and Other Port Operations. From the support provided at Naval Stations in San Diego and Norfolk, to Fleet Activities Sasebo and Yokosuka in Japan, to SUBASE New London and Bangor, to Weapons Stations Seal Beach and Yorktown, to Naval Support Activities in Naples and Souda Bay, the Port Operations services cover the broad spectrum of activities to support direct fleet operations across the globe.



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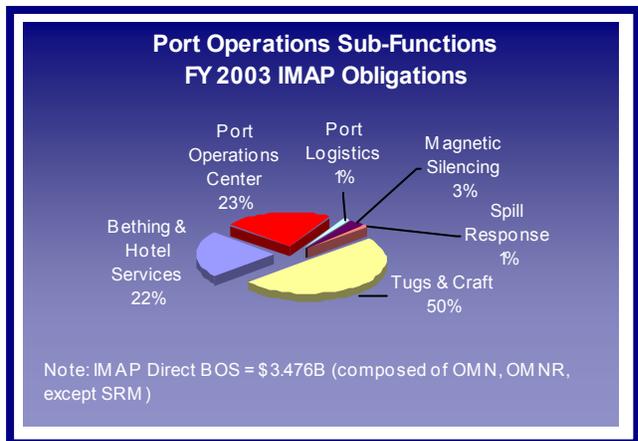
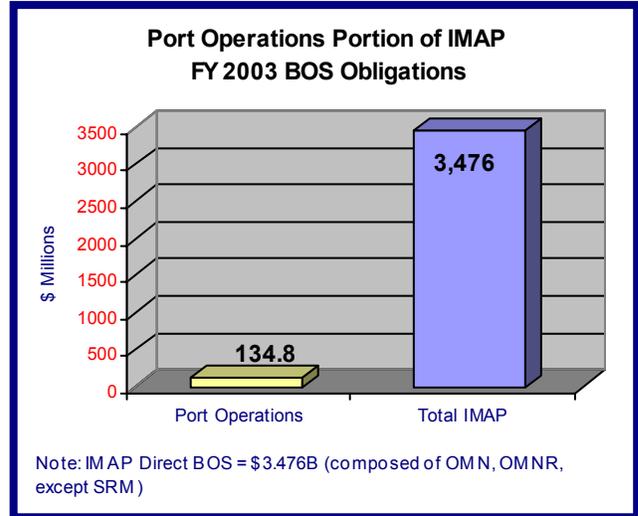
The accompanying graph, which helps to portray the overall Port Operations Core Business Area, represents but a small portion of the IMAP obligations again in FY 2003. As compared with last year, the FY 2003 total direct IMAP obligations for Port Operations remained nearly constant. In FY 2003, the Port Operations obligations for the entire Core Business Area were \$134.839M or some \$3.5M more than the \$131.382M in FY 2002. This represents less than 3.8% of the total IMAP FY 2003 direct BOS obligations for all of SIM.

As with the Air Operations Core Business Area, the bulk of the Port Operations obligations are associated with just one of the functions within the Port Operations Core business Area. The Port Services function includes the sub-functions of Berthing and Hotel Services, Port Operations Center, Tugs and Craft, and Port Logistics. These activities represent 96% of the total Port Operations obligations for FY 2003. The sub-functions within the Other Port Operations function (Magnetic Silencing, Spill Response, and Sea Air Rescue) had only \$5.399M (4%) in obligations in FY 2003.

The Port Operations IPT is one of the IPTs that have been leading the way in the development of performance metrics and Capability Level descriptors. The Capability Levels for Port Operations have been developed in concert with the operational commanders, particularly with respect to meeting the Fleet requirements of Ship Movements and Berth-Days. Here, more so than in most other programs, the Fleet truly does set the requirements in terms of total ship movements in and out of port and in terms of the number of ship berth days alongside to be supported by the shore establishment.

The approved Macro Metrics for the Port Services function are the cost per Ship Movement and the cost per Berth-Day. For the Other Port Operations function the Macro Metrics are the cost per hour of operation for Magnetic Silencing and the cost per Facility Response Team (FRT) for Spill Response. These Macro Metrics form the basis for evaluating the performance of the Port Operations activities and for developing the requirements for the Port Operations Core Business Area for POM submissions.

For FY 2003, the established Navy requirement for the Port Operations Core Business Area was set at the C-2 readiness rating during the development of PR-03 in early 2001. The funding requirement for this readiness level was provided by OPNAV N46 at a total of \$162.675M or the equivalent of 95% of the full requirement submitted by the IMCs. Prior to the commencement of FY 2003, the Navy established the goal for the Port Operations Core



Business Area to perform at a Capability Level 2 in terms of service to the Fleet. The performance data call conducted for all of the Navy's installations with Port Operations programs for FY 2003 reported the overall performance across all regions at a Capability Level 2 (8.38 out of 10). Thus, for Port Operations the "Product of the Plan" met the performance expectations for FY 2003. The Navy's Port Operations Program Managers met the Fleet requirements in terms of Ship Movements and Berth-Days.

During FY 2003, the Port Operations shore activities across all regions supported 15,714 Ship Movements and 70,690 Berth-Days. The overall macro metric cost per Ship Movement for FY 2003 was \$4,784 on average. The macro metric cost per Berth-Day in FY 2003 was \$768. The OPTEMPO and port loading varied throughout FY 2003 as the Port Operations Program Managers supported the Fleet's response to operational requirements. The overall variations for ship movements ranged from a high of 1,462 in October 2002 to a low of 1,036 in December 2002. For Berth-Days, the low was 5,070 in April 2003 with a high of 7,015 in December 2002 during the holiday season. Locations such as Naval Station Norfolk went from nearly empty piers in late spring to full piers with four carriers alongside by mid-summer 2003.

The concerns expressed last year continue to exist within Port Operations. The overall condition of the Navy's service craft and boats and the continuing deferred maintenance on these assets is a major issue. The POMS (Port Operations Management System) has proven successful at SUBASE New London and is needed across the Navy. CNI and NAVSEA must develop and fund a comprehensive plan to upgrade the Navy's 9 Magnetic Silencing Facilities (MSF) to meet future requirements. NAVSEA has developed an initial plan to meet these MSF requirements and is working with the individual Regions to put this plan into action. Some Regions have started the process by initiating EA studies and 1391 documents. What is needed is a systematic CNI approach to fund these projects. The overall approach for Spill Response also lacks uniformity across all regions. The Sea Air Rescue sub-function should still be eliminated and at a minimum renamed "Search and Rescue."

Port Operations Overall Performance By Region			
Region	FY 2002 Performance: Capability Level	FY 2003 Performance: Score	FY 2003 Performance: Capability Level
Northeast	CL 2	8.80	CL 2
Mid-Atlantic	CL 2	7.84	CL 2
Southeast	CL 2	8.56	CL 2
Northwest	CL 2	8.26	CL 2
Southwest	CL 2	8.82	CL 2
Gulf Coast	CL 2	8.05	CL 2
South	CL 2	8.53	CL 2
Hawaii	CL 2	8.18	CL 2
Japan	CL 2	8.82	CL 2
Guam	CL 3	7.88	CL 2
Europe	CL 2	8.25	CL 2
Overall Performance	CL 2	8.38	CL 2

Product of the Plan
Port Operations Summary

Port Services:

- Funded at C-2 readiness rating.
- Performed at Capability Level 2 in FY 2003, meeting expectations.
- Continued to meet the Fleet requirements in FY 2003 for Ship Movements and Berth-Days.
- 15,714 Ship Movements
- 70,690 Berth-Days
- Port Operations FY 2003 funding remained relatively constant compared to FY 2002.

Other Port Operations:

- Funded at C-2 readiness rating.
- Magnetic Silencing and Spill Response both performed at Capability Level 2.
- Continued to meet Fleet requirements.
- Overall 19.5% increase in obligations over last year for this function.
- Requirement to provide an overall Navy approach for the requisite MSF equipment and facility upgrades remains unresolved.
- MILCON and OPN MSF requirements must be coordinated and prioritized.

Port Services

Scope of Program

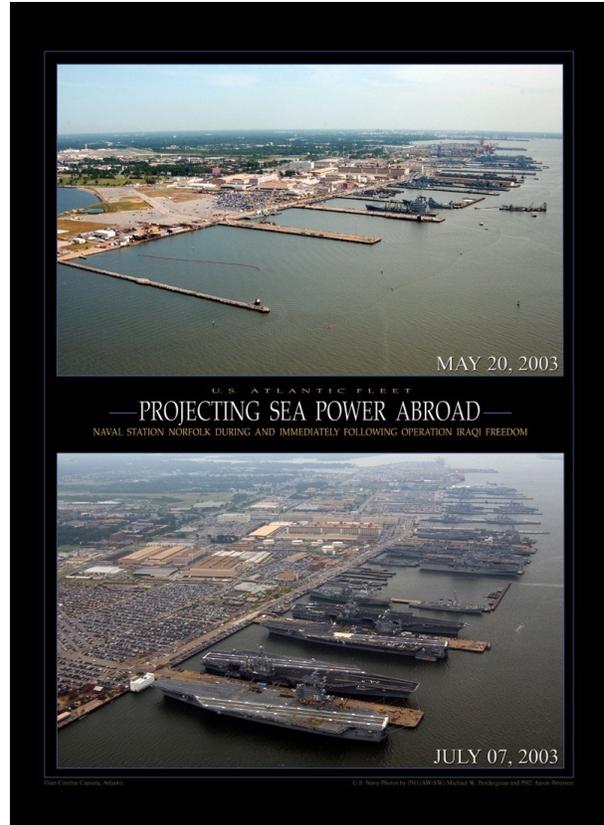
The Port Services function includes all sub-functions and activities that provide direct support for the operation of the port.

Port Services	
➤	Berthing and Hotel Services
➤	Port Logistics
➤	Port Operations Center
➤	Tugs and Craft

Berthing and Hotel Services: The Berthing and Hotel Services sub-function includes all activities in support of ships entering or leaving the harbor and moored or anchored within the harbor. It includes harbor pilot services, support provided while moored, weapons and material handling, oily waste disposal, hazardous waste disposal, and fueling of ships. Berthing and hotel services also include provision of fenders, relocation of floating cranes and other activities that support ship's berthing. In addition, it includes maintenance of NAVAIDS funded by the installation in those locations where the U.S. Coast Guard or host nations don't provide this service.



Port Logistics: This sub-function consists of all activities involved in cargo handling support provided by the installation Port Services organization. It includes loading and unloading of materials onto and from ships, the loading and unloading of live ammunition onto and from combatant vessels, loading and unloading of aircraft onto and from carriers, and the direct supervision of the foregoing



operations. It also includes all costs incident to overall supervision, clerical, and service support covering water freight operations.

Port Operations Center: The Port Operations Center sub-function includes all activities in support of the harbor master and watch team that manage the movement of ships and schedules the delivery of services to ships. It also includes administration, management and training for all Port Operations Functions and Senior Officer Present Afloat (SOPA) administrative support.

Tugs and Craft: This sub-function includes all activities conducted to lease, operate (less pilot services) and maintain tug boats, yard oilers, barges, and other small craft (craft maintenance costs paid by other commands are NOT included in IMAP). Note: For FY 2004, the two Cost Account Codes within the Tugs and Craft sub-function reflect the approved Port Operations macro metrics. Thus, Tugs and Craft will have a CAC for Tug Support (for the Ship Movements macro metric) and another CAC for Service Craft (for the Berth Days macro metric).

Progress in FY 2003

During FY 2003, the Port Operations Program Managers and their staffs continued to provide a high level of support and service to the fleet. This level of effort is depicted in the two accompanying charts on the overall numbers of Ship Movements and Berth-Days supported during FY 2003 and the variations in support during the course of FY 2003 by month.

Port Operations Management System (POMS)

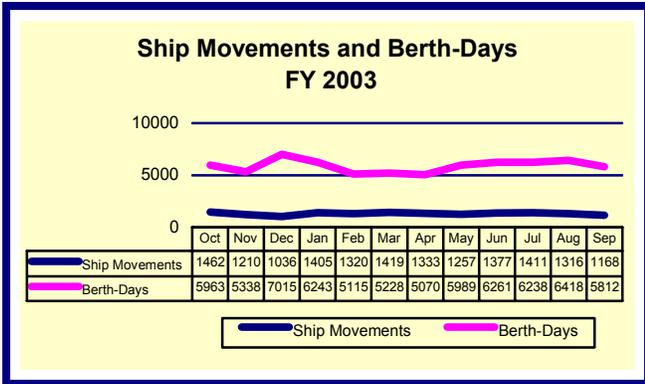
Update: The Navy has determined that POMS is the program of choice to support the Port Operations requirements across the fleet. The SUBASE New London POMS installation has been adopted as the core program and the prototype. New London has successfully installed and operated POMS during FY 2003 and the fleet operators there have become dependent on POMS to support the Port Operations functions. New London funded this effort using its own BOS money.

Port Operations Overall Numbers By Region		
Region	FY 2003 Ship Movements	FY 2003 Berth-Days
Northeast	690	5,742
Mid-Atlantic	3,218	17,220
Southeast	2,347	10,000
Northwest	907	3,872
Southwest	2,913	11,317
Gulf Coast	33	103
South	1,003	4,765
Hawaii	1,373	4,003
Japan	1,134	7,917
Guam	297	2,187
Europe	1,799	3,564
Overall Totals	15,714	70,690

There is no long term funding identified to support POMS. The overall requirement to support initial POMS implementation has been identified as \$3M. For FY 2003, the Congress marked several SIM projects, including \$6.6M for POMS. There is another \$7M in the budget for POMS in FY 2004 for implementation rollout of the system. A complete regional site deployment schedule has been developed with a general site template prepared and regional specific issues highlighted.

Tug Contracts: Regional Port Operations Program Managers have commenced a thorough review of regional tug contract requirements. In many cases the overall number of tugs required may be able to be reduced. However, the signing of OPNAVINST 3040.5D on 19 May 2003 now requires nuclear ship homeports to have trained government crews to backup contractor tugs in the event that during an emergency, the contractor is unwilling or unable to respond. This is in addition to the requirement that tugs be standing by for any emergent requirements. As an example, the Northeast Region is required to maintain tugs in New London around the clock to support NAVSEA 08 requirements to tow a nuclear powered submarine out of port in the event of an accident. At Naval Weapons Station Earle, the requirement per OP-5 is to maintain one tug 24/7 to meet towing requirements in the event of a weapons emergency. The Port Operations Program Manager in the Northeast Region has a tug contract to cover these requirements, but the cost accounts for over 60% of the Port Operations budget. The added requirement of the new instruction places a greater demand on ensuring regions have the requisite military manning to support these requirements. In addition, there is a need to review the current relationship with MSC on the issue of tug contracts and tug contract rates. The Military Sealift Command (MSC) sets the rates. MSC is a NWCF entity and CNI's influence on these rates must be reviewed. There is also a reduced per diem cost for tugs for FY 2004 and FY 2005 that will result in a reduction in overall costs for tug operations. These rates are then expected to go back up for later years.





The Naval Audit Service conducted a review of the Navy’s tug contracts during FY 2003. This survey was the result of concerns from Congress stated in FY 2002 that DoD could perform the management of service contracts more effectively. The GAO identified overall DoD contract management as a high-risk area in January 2003. The Navy obligates a significant amount of funds for chartered tugboat services. The Military Sealift Command (MSC), as a DoN Head of Contracting Activity, awards and administers either firm-fixed price time-charter contracts or indefinite delivery (ID)/requirements-type contracts for Port Operations tugboat services at Naval Stations. Navy Audit Service has shown that in Norfolk, San Diego, and Pearl Harbor, there was insufficient evidence to support how requirements for the number of time-chartered tugboats were determined. The review of the actual utilization rates for time-chartered tugboats, along with when they were used simultaneously to effect moves, showed that tugboats were idle on average of between 60 and 70% of the time. Naval Audit Service concluded that significant savings are possible by implementing an acquisition strategy that includes a combination of a lesser number of time-chartered tugboats in conjunction with separate ID/requirements-type contracts before future awards are made and upcoming options on current contracts are exercised.

In Norfolk, a new ID/IQ tug contract with McAllister Towing commenced on 1 August 2003. This contract calls for a requirement of 5 tugs for one year firm period with four 1-year option period and no minimum hiring guarantees. Rates are set according to four zones where the tugs are employed. There is a 2-hour notification required for both straight time and for overtime hires. In San Diego, the Regional Program Manager has reduced the number of tugs

from 6 to 4 commencing in December 2003 to help to increase the overall tug utilization percentage. These contact changes are seen as a step toward meeting the intent of the Naval Audit Service’s report.

Fleet Response Plan: The Port Operations IPT has reviewed the potential impacts of the new Fleet Response Plan (FRP) on local Port Operations functions. The Fleet Response Plan responds to CNO tasking for CFFC to “streamline the IDTC (Inter-Deployment Training Cycle)” and produce a significant institutionalized surge capability. The Fleet Response Plan changes significantly the manning, maintenance, and training processes. In addition, the time between deployments has changed. It forms the ideal basis to grow Sea Power 21, while recognizing that this will be a paradigm shift. The FRP will help to yield:

- Increased surge capability
- A more responsive force
- Fiscally efficient, properly funded, pre-planned maintenance
- Progressive and predictive levels of readiness

The FRP is also based on the principle of progressive readiness and the extended use of surge readiness. Port Operations Program Managers and the IPT are continuing to work with CFFC on better defining the requisite changes for the Port Operations Core Business Area. Defining how Port Operations can incorporate surge capabilities into its activities will be a major action across the CNI regions.

OPN Funding: Port Operations continues to suffer from a lack of an overall approach to OPN funding to support needed upgrades at many of the Navy’s ports. The OPN threshold has increased from \$100K to \$250K allowing for more use of OM&N/OM&NR funding for many of these items. However, an OPN funding plan for Port Operations equipment must be developed soon as the aging inventory and deferred maintenance has left much of the current equipment in poor condition.

Likewise, the situation with respect to Service Craft and Boats has been exacerbated. CNI must work closely with NAVSEA to ensure that future funding for these assets is coordinated to provide the regions with the necessary equipment. Most of the funding

in this area has gone to Harbor Security Craft with little attention to the ongoing needs of the rest of Port Operations.

The Port Operations IPT is also working to review the IRRS status of its piers, wharves, and other facilities. These facilities are truly a part of the Facility Support Core Business Area and there is no funding associated with this review. However, Port Operations is largely dependent on the availability of adequate facilities to help to deliver the services to the Fleet. Developing a relationship between these functions is a goal for the longer term.

Assessment and Performance

Port Services BOS Direct Funding Obligations from IMAP		
	FY 2002 Obligations	FY 2003 Obligations
Berthing and Hotel Services	\$39,566M	\$38,234M
Port Logistics	\$0.439M	\$1.735M
Port Operations Center	\$20.641M	\$27.904M
Tugs and Craft	\$66.221M	\$61.567M
TOTAL Port Services	\$126.867M	\$129.440M

Berthing and Hotel Services: The Berthing and Hotel Services sub-function was addressed as a separate sub-function within the Port Services function of the “Seaport Support” Core Business Area in the PR-03 BAM submission in February 2001. The OPNAV N46 requirements submitted for FY 2003 for the Berthing and Hotel sub-function were \$27.043M or 95% of the total requirement from the IMCs. For the Berthing and Hotel Services sub-function the level of obligations is significantly above the level of the stated requirements submitted in PR-03. This is most likely a reporting inconsistency between the programming development and the execution reporting. Of note, the overall FY 2003 obligations for all of the Port Services function came to \$129.44M, which is significantly less than the \$158.391M requirement in PR-03.

The overall obligations recorded for FY 2003 in IMAP for the Berthing and Hotel Services sub-function came to \$38.234M or over \$1M less than the \$39.566M recorded for FY 2002. The reported obligations for this sub-function were fairly consistent across all regions from FY 2002 to FY 2003,

with very few major variances. The obligations for the Berthing and Hotel Services sub-function at Naval Station San Diego increased (increase of over \$2.6M), while others decreased. Despite these large deviations, the overall reported performance in FY 2003 for the Berthing and Hotel Services sub-function across the Navy was at a solid Capability Level 2 (8.02 out of 10).

Port Logistics: The Port Logistics sub-function was also included as a separate line item in the PR-03 BAM submission by OPNAV N46. The overall requirement for the Port Logistics sub-function for FY 2003 was submitted at \$7.287M. The total direct IMAP BOS obligations in FY 2003 for the Port Logistics sub-function were \$1.735M or nearly \$1.5M more than the \$439K recorded in FY 2002. These FY 2003 obligations are only 24% of the requirements submitted in PR-03 for Port Logistics. A review of the reported obligations within the Port Logistics sub-function shows some inconsistencies across the regions in how these activities are accounted for and how the Cost Account Codes (CACs) are used. Only five of the regions involved in Port Operations reported any obligations under Port Logistics. These were Europe, Southwest, Northeast, Mid-Atlantic and Southeast Regions. All of these regions showed relatively large increases in obligations for Port Logistics in FY 2003 over the previous year as the CACs become more in vogue. The most significant change was in the Mid-Atlantic Region which increased by more than \$500K. Overall in FY 2003, the results of the performance data call showed the Port Logistics sub-function at Capability Level 2 (8.34 out of 10).

Port Operations Center: The Port Operations Center sub-function was covered in the PR-03 BAM submission as a separate sub-function within the “Seaport Support” Core Business Area. For FY 2003, the requirement for the Port Operations Center sub-function was submitted at \$40.16M. The stated requirements are also significantly more than the actual direct IMAP BOS obligations for FY 2003 for the Port Operations Center sub-function, which were at \$27.905M. The FY 2003 obligations for the Port Operations Center sub-function were over \$7M more than in FY 2002. This is a relatively large increase for a Core Business Area that has been relatively stable in terms of obligations. The major increases in obligations occurred at Naval Station Rota (over

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\$100K), at Region Northwest (over \$600K), at Region Hawaii (over \$1.3M), at NAB Little Creek (over \$150K), and at Naval Support Activity New Orleans (over \$500K). Significantly, the overall performance reported across the Navy for the Port Operations Center sub-function was at Capability Level 1 (9.26 out of 10). This was the highest scoring sub-function within the Port Operations Core Business Area.



submitted as \$83.901M. The overall recorded direct IMAP BOS obligations in FY 2003 for the Tugs and Craft sub-function were set at \$61.567M or nearly \$4.65M less than the FY 2002 obligations and over \$22M less than the stated requirements in PR-03. Within this sub-function, the reported obligations varied significantly in many localities from FY 2002 to FY 2003. Examples of these differences included a large decrease in obligations in Region Northwest (decrease of over \$5.9M) and at SUBASE Kings Bay (decrease of over \$2.99M) and increases at NDW (increase of nearly \$700K) and at Region Hawaii (increase of over \$4M).

The Port Operations Program Managers along with the IPT have worked to refine the Tugs and Craft sub-function to allow for the “Tugs” portion of this sub-function to count towards the overall Ship Movement Macro Metric, while the Service Craft and Boats portion counts towards the Berth-Day Macro Metric. The IPT plans to submit changes to the IMAP and Cost Account Codes (CACs) to reflect these differences. Overall, the FY 2003 performance recorded for the Tugs and Craft sub-function was at Capability Level 2 (Tugs at 9.08 and Service Craft/Boats at 8.65 out of 10 – for a total score of 8.86).

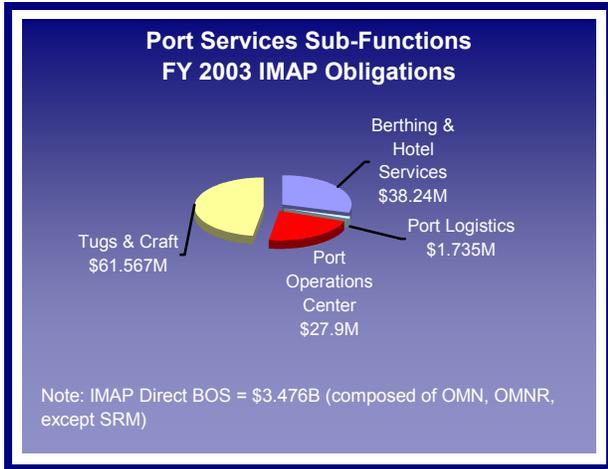
Port Services Performance By Region			
Region	FY 2002 Performance: Capability Level	FY 2003 Performance: Score	FY 2003 Performance: Capability Level
Northeast	CL 2	8.83	CL 2
Mid-Atlantic	CL 2	7.94	CL 2
Southeast	CL 2	8.24	CL 2
Northwest	CL 2	8.62	CL 2
Southwest	CL 2	8.89	CL 2
Gulf Coast	CL 2	8.81	CL 2
South	CL 2	8.87	CL 2
Hawaii	CL 2	8.71	CL 2
Japan	CL 2	9.03	CL 1
Guam	CL 3	8.03	CL 2
Europe	CL 2	8.66	CL 2
Overall Performance	CL 2	8.58	CL 2

Tugs and Craft: The Tugs and Craft sub-function is the largest in terms of overall requirements and obligations within the Port Operations Core Business Area. For PR-03, the Tugs and Craft sub-function was addressed as a separate line item within the overall Port Services function. The FY 2003 requirements for the Tugs and Craft sub-function were

Port Services Funding			
FY 2003	FY 2003	FY 2003	FY 2003
Full Mission Requirement from IMCs	OPNAV N46 BAM Requirement	Special Interest Item for “OB” (For FY 2004, SII = “PR”)	IMAP Obligations
\$166.73M	\$158.39M		\$129.44M

Port Services Performance By Sub-Function			
	FY 2002 Performance: Capability Level	FY 2003 Performance: Score	FY 2003 Performance: Capability Level
Berthing and Hotel Services	CL 2	8.02	CL 2
Port Logistics	CL 2	8.34	CL 2
Port Operations Center	CL 2	9.26	CL 1
Tugs and Craft	CL 2	8.86	CL 2
Overall Performance	CL 2	8.58	CL 2

Port Services Performance By Macro Metric			
	FY 2002 Performance: Capability Level	FY 2003 Performance: Score	FY 2003 Performance: Capability Level
Ship Movements	CL 2	8.50	CL 2
Berth Days	CL 2	8.78	CL 2
Overall Performance	CL 2	8.58	CL 2



- Port Services:**
- Funded at C-2 readiness rating.
 - Performed at Capability Level 2 in FY 2003, meeting expectations.
 - The Port Operations Center sub-function performed at Capability Level 1 and the other 3 sub-functions at Capability Level 2.
 - Continued to meet the Fleet requirements in FY 2003 for Ship Movements and Berth-Days.
 - Supported 15,714 Ship Movements and 70,690 Berth-Days in FY 2003.
 - Port Operations FY 2003 funding remained relatively constant compared to FY 2002.
 - POMS fully up and operational at SUBASE New London; plan in place for other ports.
 - OPN funding plan for boats and other equipment is lacking.
 - Aging assets continues as a concern.
 - NAVSEA tug requirements increase the burden on Port Operations.

Other Port Operations

Scope of Program

Within the Core Business Area of Port Operations, the Other Port Operations function includes sub-functions and activities that provide indirect support to the operation of the port.

Other Port Operations
➤ Magnetic Silencing
➤ Sea Air Rescue
➤ Spill Response

Magnetic Silencing: The Magnetic Silencing sub-function includes all activities in support of the operation and maintenance of the port magnetic silencing operation. The Cost Account Code (CAC) for Magnetic Silencing does include labor, material, and supplies used in magnetic silencing operations.

Sea Air Rescue: This sub-function consists of all activities primarily involved in providing a water-borne search and rescue capability. It includes labor and material used in the operation of rescue boats (including installation funded maintenance activities).

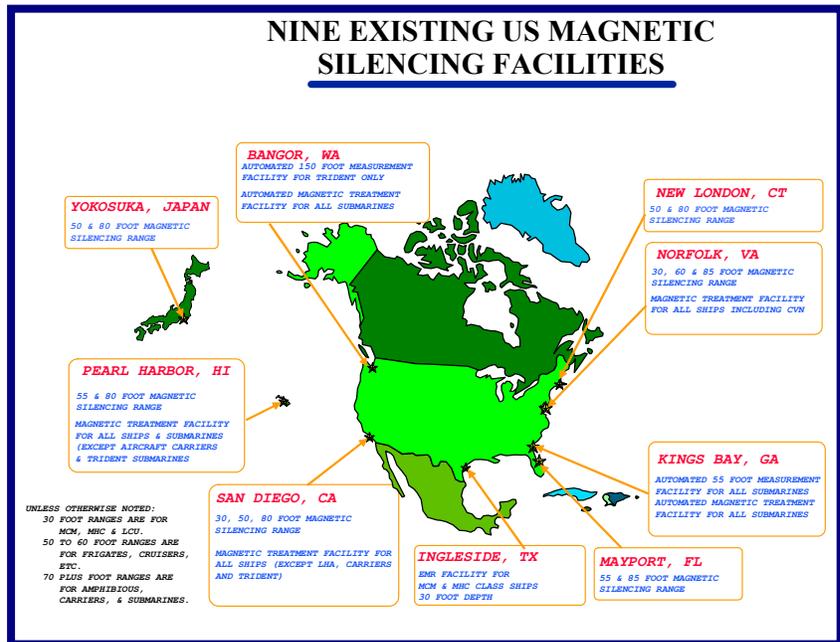
Spill Response: The Spill Response sub-function includes all activities that provide the capability to respond to hazardous spills in the harbor associated with operation of the seaport.

Progress in FY 2003

During the course of FY 2003, there was an increased awareness of the changing requirements for the Navy's overall Magnetic Silencing posture. The Navy has a total of nine existing Magnetic Silencing Facilities around the world. These facilities include both magnetic silencing ranges as well as magnetic treatment facilities. They are strategically located near large fleet concentrations. In May 2003, CFFC

completed an assessment of the Navy's overall current Signature Measurement facilities and capacity. CFFC determined the existing infrastructure is optimized and no additional consolidation is required.

However, new construction ships due to enter the fleet over the next several years have an increased built-in ability to provide for better silencing signatures. These ships will require an increased Magnetic Silencing Facility capability as described in the recently issued OPNAVINST C8950.2G (Feb 2002). The Navy has invested heavily in the advanced signature silencing systems on board these new classes of ships (LPD-17, T-AKE, SSN 21, and SSN 774). The requirement now is to upgrade the Navy's Magnetic Silencing Facilities to meet these new capabilities and to meet the requirements detailed in the new OPNAV instruction. This effort will require both MILCON (COMPACFLT has two projects) and OPN funded equipment upgrade projects. The MILCON projects also require corresponding OPN funding. COMPACFLT has included the MILCON requirements in their integrated priority list (IPL) during the FY 2003 MILCON programming efforts. These MILCON priorities for Magnetic Silencing Facility upgrades will transition to the respective regions for FY 2004. However, there is no clear evidence that the requisite OPN funding has been adequately addressed – by either the Fleet Commanders, the Regional Commanders, or by OPNAV. CNI must work with CFFC, the Regional Commanders, and with NAVSEA to ensure the OPN funding is established to correspond with the MILCON funding. The long term requirements (which are currently unfunded) include a total of some \$43.3M in MILCON funding at Pearl Harbor and San Diego, as well as a total of \$93.3M in OPN funding across all nine facilities.



Assessment and Performance

Other Port Operations		
BOS Direct Funding Obligations from IMAP		
	FY 2002 Obligations	FY 2003 Obligations
Magnetic Silencing	\$3.291M	\$3.961M
Sea Air Rescue	\$0	\$91K
Spill Response	\$1.224M	\$1.347M
TOTAL Other Port Operations	\$4.515M	\$5.399M

Magnetic Silencing: The Magnetic Silencing sub-function was included in the OPNAV N46 BAM submission for PR-03 as a part of Seaport Support under the sub-functional heading of “Degaussing”. The total FY 2003 requirements submitted for Magnetic Silencing were \$2.282M. The overall FY 2003 total BOS direct obligations were recorded as \$3.961M or some \$670K more than the FY 2002 obligations. The most significant increase in obligations took place at Naval Station Norfolk with over \$690K increase in FY 2003 over FY 2002. The differences in obligations here reflect usage of the facilities themselves and also the condition of these facilities – some were not fully operational during parts of FY 2003.

Magnetic Silencing Performance By Region			
Region	FY 2002 Performance: Capability Levels	FY 2003 Performance: Scores	FY 2003 Performance: Capability Levels
Northeast	CL 2	10.00	CL 1
Mid-Atlantic	CL 2	7.68	CL 2
Southeast	CL 2	6.40	CL 3
Northwest	CL 3	8.65	CL 2
Southwest	CL 2	7.60	CL 2
South	CL 2	5.50	CL 3
Hawaii	CL 2	7.68	CL 2
Japan	CL 3	6.40	CL 3
Overall Performance	CL 3	7.48	CL 2

For FY 2003, the regions reported the overall Navy performance for Magnetic Silencing at a low Capability Level 2 (7.48 out of 10). This performance reflects an upgrade from FY 2002’s report, which had Magnetic Silencing at a Capability Level 3. The significant improvement here is in the improved data call survey itself as well as the correction of equipment casualties at the facilities themselves.

Sea Air Rescue: The Sea Air Rescue requirements for FY 2003 were included in the PR-03 BAM submission by OPNAV N46 under the Seaport Support. These requirements came to a total of \$83K. The FY 2003 total BOS direct obligations for the Sea Air Rescue sub-function were recorded as \$91K. Of note, the only location showing any obligations for this sub-function in FY 2003 was at the Naval Support Facility in Diego Garcia. By comparison,

there were no recorded FY 2002 IMAP obligations for the Sea Air Rescue sub-function. Given the Coast Guard’s primary mission for Sea-Air Rescue and the lack of actual organic utilization, the Port Operations IPT has recommended that this sub-functional area be removed as an IMAP sub-function. Performance in FY 2003 for the reasons stated above was not measured for the Sea Air Rescue sub-function.

Spill Response: The Spill Response sub-function was also covered under the Seaport Support Core Business Area in the PR-03 BAM submission. The Spill Response requirements were stated at \$1.919M. The FY 2003 total BOS direct obligations came to \$1.347M or slightly more than the \$1.224M recorded in FY 2002. For FY 2003, the regions reported the overall Navy performance for the Spill Response sub-function at Capability Level 2 (7.27 out of 10).

The overall requirement for the Navy in terms of Facility Response Teams (FRT) for Spill Response is for 32 teams. The FRT must be capable of responding to the installation’s average most probable spill within certain time parameters to meet legal requirements. To support the FRT requirements, the regions must provide the requisite number of boats, total feet of boom and the trained personnel to meet the legal requirements.

The Spill Response sub-function is not administered across the regions in a uniform manner, with wide disparities existing in terms of both practical execution and non-compliance with CAC definitions from region to region. The Program Manager in the Southwest Region is revamping how the funding is accounted for in this sub-function commencing in FY 2004. For FY 2003, reported IMAP direct BOS obligations for Spill Response varied significantly between regions as shown in the accompanying table. In the Mid-Atlantic Region, these costs are all inclusive (non-labor and labor costs) as PWC Norfolk executes this sub-function for Port Operations. Whereas the costs in the Southeast Region are much lower as they depend more on the use of MPN for this sub-function.

These large variances in obligations reflect to some extent the performance within the region in preventing spills, but also whether the sub-function is handled under a BOS contract (Guam), by a PWC

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(Mid-Atlantic), largely by Host Nation Support (Europe and Japan), or is a full time Port Operations responsibility (Southeast).

Spill Response Performance By Region			
Region	FY 2002 Performance: Capability Levels	FY 2003 Performance: Scores	FY 2003 Performance: Capability Levels
Northeast	CL 2	8.58	CL 2
Mid-Atlantic	CL 3	5.00	CL 3
Southeast	CL 2	8.08	CL 2
Northwest	CL 2	8.02	CL 2
Southwest	CL 2	8.61	CL 2
Gulf Coast	N/A	5.00	CL 3
South	CL 2	8.82	CL 2
Hawaii	CL 2	5.00	CL 3
Japan	CL 2	8.17	CL 2
Guam	CL 2	7.28	CL 2
Europe	CL 2	5.57	CL 3
Overall Performance	CL 2	7.27	CL 2

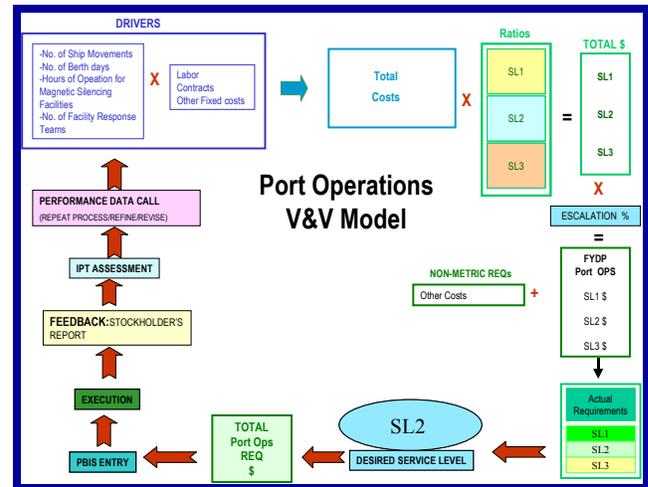
REGION	FY 2003 IMAP OBLIGATIONS: SPILL RESPONSE SUB-FUNCTION
Northeast	\$24,910
Mid-Atlantic	\$733,790
Southeast	\$261,504
Northwest	\$80
Southwest	\$7,402
Gulf Coast	\$2,008
South	\$39,535
Hawaii	\$124,937
Japan	\$41,458
Guam	\$111,391
TOTAL Spill Response	\$1,347,014

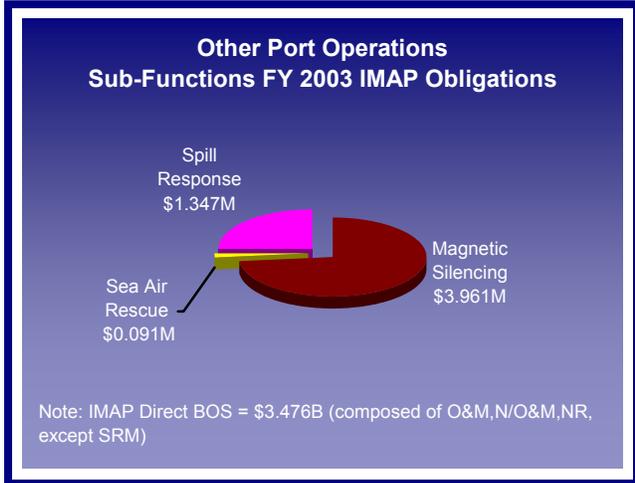
CNI and the Port Operations IPT will need to examine how best to fulfill the Spill Response sub-function across the Navy and whether the activities involved here are best covered under the Port Operations or the Environmental Core Business Areas.

Other Port Operations Performance By Sub-Function			
	FY 2002 Performance: Capability Level	FY 2003 Performance: Score	FY 2003 Performance: Capability Level
Magnetic Silencing	CL 3	7.48	CL 2
Oil Spill Response	CL 2	7.27	CL 2
Overall Performance	CL 2	7.34	CL 2

Other Port Operations Funding			
FY 2003	FY 2003	FY 2003	FY 2003
Full Mission Requirement from IMCs	OPNAV N46 BAM Requirement	Special Interest Item for "OB" (For FY 2004, SII = "PR")	IMAP Obligations
\$4.509M	\$4.284M		\$5.399M

During FY 2003, the OPNAV N46 staff completed the initial Verification and Validation Process submission to OPNAV N8 on the Base Operating Support Performance and Pricing Models. The overview of the model for the Port Operations Core Business Area is shown below. Note: Service Level changed to Capability Level effective FY 2004.





Other Port Operations:

- Funded at C-2 readiness rating for FY 2003.
- Magnetic Silencing and Spill Response both performed at Capability Level 2.
- Continued to meet Fleet requirements.
- Overall 19.5% increase in obligations over last year for this function.
- Requirement to provide an overall Navy approach for the requisite MSF equipment and facility upgrades remains unresolved.
- MILCON and OPN MSF requirements must be coordinated and prioritized (NAVSEA has provided a prioritized list to CNI).
- Spill Response sub-function requires a common, regionalized approach across all of CNI – either in Port Operations or in Environmental Core Business Areas.
- Sea Air Rescue sub-function should be eliminated in view of Coast Guard capability.



Navy Commander Commends Those Giving Support From The Background

Most of the bombs dropped by Navy pilots over Iraq, most of the bullets fired by Marines, came through New Jersey port. Starting in late November the civilian employees there worked around the clock,

seven days a week, through some of the worst winter weather that the region has seen in many years, to make sure the ships were ready.



OPERATION IRAQI FREEDOM SERVICE

Naval Weapons Station Earle out-loaded 82% of the Navy and Marine Corp ordnance provided to support OPERATION IRAQI FREEDOM. The tremendous ordnance out-loading accomplishment of 9 ships in a 106-day period wherein the contents of 700 tractor trailers and 200 railcars were processed to load almost 14,000 short tons of Navy and Marine Corp missiles, bombs and ammunition.

SEABEES ESTABLISH STEADY SUPPLY LINES

"If they need it we can get it," said Builder 3rd Class Brandon Twing, a tool room clerk assigned to the Material Liaison Office (MLO) at Camp Hope, Iraq. The crew has worked through language barriers and an entirely different way of doing business with Arab cultures. What they can

obtain is various types of tools, construction supplies and equipment to support the building projects and operations of the battalion.

Express Shipment Now Available to Sailors

Sailors on PCS or TAD orders can have unaccompanied baggage shipped by express services to new duty stations in 3-7 in the continental US and in 10-to-14 days overseas.

DoD EMALL is One-Stop Support for the Warfighter

The DoD EMALL is a single entry point for buyers to find and acquire more than 12 million consumable items and commercial off-the-shelf goods. What's more, the DoD EMALL is an option for purchasers to obtain supplies, parts, and commercial IT products using the purchase card from suppliers and government sources.

