

GENERAL DYNAMICS  
Electric Boat

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*Lessons Learned in the BRAC process*

August 24, 2006

# Lessons Learned

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- 1) The Navy's closure criteria did not consider that SUBASE NLON is a critical component of the U.S.'s submarine center of excellence resident in Southeastern Connecticut

Team Connecticut got the BRAC Commission to understand that:

- Southeastern Connecticut is the center of excellence for Nuclear Submarine innovation, design, construction and operation
  - ↗ 15 of 19 U.S. Nuclear Submarines designed here - EB
  - ↗ Over ½ of all U.S. Nuclear Submarines built here - EB
  - ↗ 100% of U.S. Submariners are trained here – SUB School
  - ↗ Operational strategy and tactics developed here – NUWC
  - ↗ Primary East Coast submarine homeport - SUBASE
- This level of expertise took the effort of tens of thousands of people over the course of 50+ years to develop
- If lost or abandoned, it could not be easily reconstituted

# Examples of Synergy

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- EB is able to provide solutions to technical problems quickly and at a minimal cost
- Navy provides operational insight to EB in the development of prototypes and new design concepts
- EB provides skilled tradespersons and engineering for ships and training equipment
  - Over 400 EB personnel at base daily

# Examples of Synergy

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- Training/Education of new submariners is enhanced by co-location of:
  - Submarine operators, tacticians, strategists, engineers, designers and builders
- EB operates SUBASE's floating dry dock
- Overhaul and Repair work performed at EB reduces cost of new construction
- Overhaul work can be performed at EB avoiding family separation or relocation

# Lessons Learned

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## 2) Infrastructure important to BRAC analysis

- SEA 8 – total of 3 points available
- 75% of value for adequate NAVSEA certified graving docks
- In the 2005 BRAC, SUBASE NLON received only 1.43 points for graving docks available (because EB GD#3 was under repair)

# Graving Dock Update



**GD #3**  
**Repaired &**  
**Recertified**  
**4/19/06**

**GD #2**      **GD #1**  
**Construction start: 8/14/06**  
**Schedule recertification: 8/08**

# Graving Dock Investment

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- Electric Boat has three graving docks used in Ship construction and repair
  - EB graving docks 30+ yrs old
  - GD #3 needed emergency renovation in 2004 (\$80m)
  - GD #1 & #2 currently in need of renovation (\$65m)
- EB could not continue in Navy overhaul and repair work without GD #1 & #2
- However, likely volume of overhaul and repair work made \$65m investment difficult for EB to justify
- Without investment, EB would lose Navy work, Connecticut would lose jobs and Navy would lose asset

# Graving Dock Investment

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- An innovative, three way, Private/Public partnership was developed:
  - EB would renovate GD #1 & GD #2 for \$65 million
  - Navy would commit to \$20m access agreement
  - Connecticut would commit
    - up to \$4m in sales tax exemptions
    - up to \$6m in property tax relief
    - \$9.9m in loans

# Graving Dock Investment

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- This investment benefits the Navy, Connecticut and EB
  - It is a 50 year asset that cannot be moved to another state
  - It would increase SUBASE NLON's score in next round of BRAC
  - It strengthens ties between EB and SUBASE NLON
  - Overhaul work performed in homeport
  - Keeps EB in overhaul business and saves jobs in Connecticut