



NAVY ACQUISITION REFORM INFO-ALERT



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A REVOLUTION IN REFORM

Acquisition Reform continued to gain momentum as the NAVSEA community gains a greater understanding of its underlying principles and continues to see tangible results of their reform efforts. Throughout the year, several new projects were initiated and the Command worked aggressively to incorporate the recommendations which resulted from our second Acquisition Reform Week II event, held in March 1997. The events again exceeded our expectations which were attended by nearly 9,000 members of the NAVSEA team, including both headquarters, field activity personnel, and our industry counterparts. This resulted in a new focus for our reform efforts - reducing the total ownership cost of the products we deliver to the fleet. This strategy spread through our business processes and became the foundation of all of NAVSEA's support efforts — from new system design projects such as the CVX aircraft carrier to the maintenance and modernization of USS CONSTITUTION — the Navy's oldest active warship. New projects included establishment of an Acquisition Reform website; commencement of the AR Field Integration Program to facilitate AR implementation at the field activity level; and development of a CPARs pilot training course.



WIN-WIN ENVIRONMENTAL CLEANUP

A large plume of free product (petroleum) was encountered while excavating for an ice wall at a remote former Navy site in Alaska. A trench was installed to recover the fluid and prevent further damage to the environment. Over a four-month period alone, over 23,000 gallons of fuel was retrieved. Disposal alternatives were considered with estimates for on-site and/or off-site disposal ranging from \$5.00 to \$10.00/gallon plus capital costs of \$100,000 to \$250,000. The cognizant Environmental Project Manager, Navy Technical Representative, and Contract Specialist Investigated another, more attractive option. A local Alaska firm was located who could use the fuel for powering their construction equipment. An arrangement was reached under which the company agreed to purchase the fuel at \$0.25/gallon and to provide the equipment and manpower to manage the fuel at its own cost. The Navy won because revenue has been generated from a recovery operation rather than the payment of high disposal costs. The local community won because it obtained usable fuel at a fraction of retail cost.

