

DEPARTMENT OF THE ARMY
Executive Communications and Control

16 April 2003

- 3 VCSA ~~21 APR 2003~~ w/c
- 2 DAS-MS 4117103
- 1 Dir, ECC 17 APR 03
- 4 LTC Olson, 695-7922 TMO

SUBJECT: Small Emplacement Excavator (SEE)
Recapitalization Program Baseline (RPB) Approval

1. **TYPE ACTION:** SIGNATURE **ACTION AGENCY:** ASA(ALT)

2. **DISCUSSION:** MILDEP(ALT) forwards three-star note (**Next Under**) to request VCSA signature on memo (**Tab A**) which approves with the AAE the SEE RPB for implementation.

The MILDEP tasked the PEOs of the Recap systems approved by the VCSA to comply with the RPB guidance. PEO Combat Support/Combat Service Support (CS/CSS) conducted a Decision Review of the SEE Recap program and approved it pending final approval of the RPB by the Army Acquisition Executive/Vice Chief of Staff Army. The RPB is based on the FY03 Budget. **Tab F** updates the High Mobility Engineer Excavators (HMEEs) Funding Profile based on the FY04 Presidents Budget.

- **Tab B** provides the RPB.
- **Tab C** provides the MILDEP(ALT) Recapitalization Guidance Letter.
- **Tab D** provides the PEO validation letter.
- **Tab E** provides Cost and Economic Analysis Center (CEAC) cost sufficiency review
- **TAB F** provides FY04 Presidents Budget Funding Update (note increase in HMEE Procurement)

3. **COORDINATION:** ASA(ALT), OGC, G-8, PEO-CS/CSS, SAAL-SI, SAFM-BUI, SAAL-ZL

4. **RECOMMENDATION:** VCSA sign memo at **Tab B**.

SIGNED: _____

SEE NOTE: _____

30403492

Office, Assistant Secretary of the Army (ALT)

SUMMARY OF ACTION

Read in EOC on 15 APR

*4-14-03
4-15-03
4-16-03*

To: VCSA Thru: AAE Thru: MILDEP <i>-CAS-3410</i>	ACTION OFFICER: José Rivera OFFICE SYMBOL: SAAL-ZCS PHONE NO: 604-7244 DATE/TIME: 18 Mar 03	SUSPENSE DATE CONTROL NO <i>30385461</i>
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SUBJECT: Small Emplacement Excavator (SEE) Recapitalization Program Baseline (RPB) Approval

RECOMMENDATION: AAE/VCSA sign the SEE Recapitalization Program Baseline (RPB) Approval Memorandum

ACTION	INFO	DRIVE LOCATION
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SUMMARY OF ACTION: LTG Caldwell tasked the Program Executive Officers (PEO) of the Recap systems approved by the VCSA to comply with the RPB guidance. PEO Combat Support/Combat Service Support (CS/CSS) conducted a Decision Review of the SEE Recapitalization Program and approved it pending final approval of the RPB by the Army Acquisition Executive/Vice Chief of Staff, Army. Attached is the SEE RPB for approval. The RPB is based on the FY03 Budget, Tab E updates the HMEE Funding Profile based on the FY04 Presidents Budget. Contents of the RPB AAE/VCSA approval package:
 - MIL DEP recommendation to approve, sign and forward approval memorandum to the AAE/VCSA.
 TAB A - AAE/VCSA approval letter.
 TAB B - RPB
 TAB C - MIL DEP Recapitalization Guidance Letter.
 TAB D - PEO validation letter/ Cost Evaluation and Analysis Center (CEAC)
 TAB E - FY04 Presidents Budget Funding Update. (See recap stays the same but the HMEE procurement was increased.)

MILITARY DEPUTY ACTION	G-4 ACTION
[Approved] [Disapproved] [Recommend Approval] [Recommended Disapproval] <i>JAW</i> PSM Noted Comments:	[Approved] [Disapproved] [Recommend Approval] [Recommend Disapproval] PSM Noted Comments:

*sent to ZR
4/14*

COORDINATION					APPROVALS							
CC	NCC	OFFICE	NAME	PHONE		A	D	INT. Date		A	D	INT. Date
X		OGC	COL Karl M. Ellicessor	697-1406	DASA				ZXA			
X		SAFM-BUI	Debbie Isaac	614-0295	Asst. DASA	✓			DIR			
X		PEO-CS/CSS	Mary Quinn	(588) 574-5675	DIV				DEP DIR			
<i>JAW</i>		SAAL-SI	COL James Wells	614-3993	DASA XO	✓		<i>JAW</i>	DIR XO			
X		SAAL-ZL	LTC Emma Wilson	604-7559	Asst. G4				DIV			
X		DAPR-FDM	MAJ Christopher Moore	692-6285	XO, G4				CACO			
					Sec. DASA Format Review				Sec. DIR Format Review			

CC = Concur NCC = Nonconcurr A = Approved D = Disapproved

MS Word SAAL FORM 5



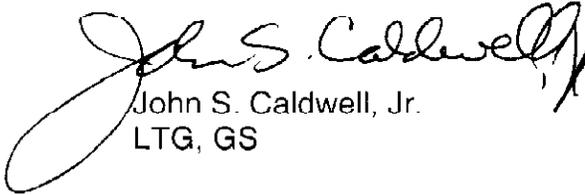
THRU: ARMY ACQUISITION EXECUTIVE

FOR: VICE CHIEF OF STAFF, ARMY

SUBJECT: Small Emplacement Excavator (SEE)
Recapitalization Program Baseline (RPB) Approval

The enclosed subject memorandum is provided for both the AAE and VCSA signatures. The SEE RPB obtained the required documentation and coordination from the Army Staff.

Very respectfully,


John S. Caldwell, Jr.
LTG, GS

Enclosure



DEPARTMENT OF THE ARMY

WASHINGTON, D.C. 20310

1 1 2001

SAAL-SI

MEMORANDUM FOR SEE DISTRIBUTION

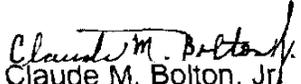
SUBJECT: Small Emplacement Excavator (SEE) Recapitalization Program
Baseline (RPB) Approval

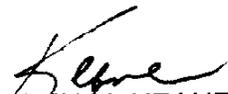
The Program Executive Officer (PEO) CS/CSS (Combat Support/Combat Service Support) conducted a Decision Review of the SEE Recapitalization Program and validated it pending final approval of the RPB by the Army Acquisition Executive (AAE)/Vice Chief of Staff, Army (VCSA) (Tab A). The SEE RPB is submitted for review and approval to the AAE/VCSA (Tab B). The November 7, 2001, memorandum from the Military Deputy to the Assistant Secretary of the Army (Acquisition, Logistics and Technology) tasking the PEO CS/CSS to comply with the RPB guidance (Tab C).

In accordance with the Army Recapitalization Management Policy, the SEE RPB, dated February 13, 2003, is approved for implementation. The PEO and Project Manager will execute all selected upgrades and rebuilds for the SEE in accordance with the funding and schedule baselines documented in the RPB. The RPB will provide the basis for sound management and historical record from which to measure success.

It is imperative that we work together and establish close partnerships at all levels to ensure success. Our warfighters depend on this recapitalization effort to maintain system readiness, sustainability, and combat overmatch as we transform the Army.

Point of contact for this matter is Mr. Jose Rivera, commercial, 703 604-7230, DSN 664-7230, or e-mail: jose.rivera@saalt.army.mil.


Claude M. Bolton, Jr.
Army Acquisition Executive


JOHN M. KEANE
General, U.S. Army
Vice Chief of Staff, Army

Enclosures



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DIRECTOR, PROGRAM ANALYSIS AND EVALUATION, ATTN: DACS-DPZ-A

DIRECTOR, U.S. ARMY COST AND ECONOMIC ANALYSIS CENTER, ATTN: SAFM-CA-ZA

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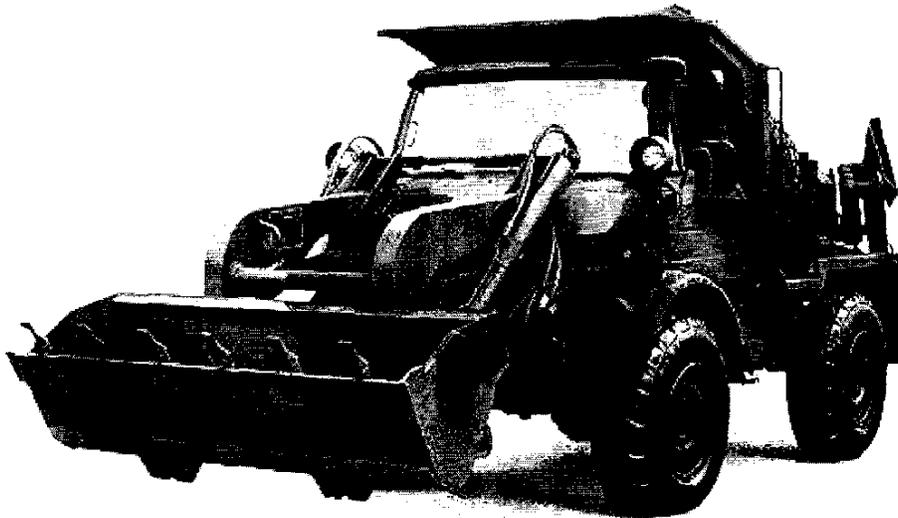
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U.S. ARMY TANK-AUTOMOTIVE AND ARMAMENTS COMMAND, ATTN: AMSTA-CG

PROGRAM EXECUTIVE OFFICER, COMBAT SUPPORT/COMBAT SERVICE SUPPORT, ATTN: SFAE-CSS

SMALL EMPLACEMENT EXCAVATOR (SEE)

Recapitalization Program Baseline



**“Rebuild and Enhance the Legacy Force to
Ensure Operational Readiness”**

13 February 2003

SEE Recapitalization Program Baseline

1. Program Description: On 28 September 2001, the VCSA approved the Recapitalization plan for the SEE Program. The Recapitalization Program will be accomplished in the rebuild of the SEE and the procurement of the HMEE. The program will:

- Recapitalize 570 SEEs and incorporate the following recapitalization initiatives:
 - Overhaul of all major components (i.e., engine, transmission and axles) to the new National Maintenance Repair Standard (NMRS), replace the main wiring harnesses, replace all wear items and all rubber items due to age.
 - 169 recapitalized SEEs will be fielded to the Counter Attack Corps.
 - 401 recapitalized SEEs will be used to fill the entire Type II (Light) vehicle requirement for both the Active Army and the Reserve Component.
- Procure a total of 1051 HMEEs by 2016 with current RDA funding. These HMEEs will be used to fill the IBCTs, BCTs, CAC and a majority of the Type I (Heavy) vehicle requirement.
- Analyze and develop NMWRs and/or update existing DMWRs to produce an overhauled component that complies with the new NMP standards (AR 750-1). See Table 1.
 - The new National Maintenance Repair Standard for overhaul of major components has been incorporated into the RECAP Scope of Work.
- Contain performance-based measurements that will be used to track its success, and which will form the basis for high-level tracking.

TABLE 1- Specific Recapitalization Component Configuration List

Nomenclatures	Stock Number	Status	NMWR
Overhaul all Major Components			
Engine	2815-01-218-2170	RRAD Overhaul	NMWR 5-2420-224-1
Transmission	2520-01-218-2206	RRAD Overhaul	NMWR 5-2420-224-2
Axles			
Front	2530-01-241-1667	RRAD Overhaul	NMWR 5-2420-224-3
Rear	2530-01-241-1476	RRAD Overhaul	NMWR 5-2420-224-3
Injector Pump	2910-01-236-7267	RRAD Overhaul	NMWR 5-2420-224-4
Steering Gear	2530-01-240-2165	RRAD Overhaul	N/A
Improve Wiring Harnesses			
Main Harness	5995-01-244-2591	Replace	N/A
Engine Harness	5995-01-244-2590	Replace	N/A
Front Axle Harness	6150-01-332-2518	Replace	N/A
Replace all Wear Items			
Tires	2610-01-220-6413	Replace	N/A
Hoses	Refer to MPL	Replace	N/A
Seals	Refer to MPL	Replace	N/A
Belts	Refer to MPL	Replace	N/A
All rubber items due to age	Refer to MPL	Replace	N/A

2. Baseline Funding: The recapitalization funding profile in Table 2 was approved by the VCSA on 28 September 01. The recapitalization team placed the SEE recapitalization funds in MDEP RR13 to ensure that resources required for execution of the program are identified and protected. The data provided in Table 2 contains funding information cited from POM File 4.1 and the FY03 Presidential Budget.

TABLE 2-Baseline Funding

	FY02	FY03	FY04	FY05	FY06	FY07	FY 02-07 POM Total	FY 08-16 EPP Total	Total POM & EPP
RDA Required	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
RDTE	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PA (HMEE Procurement)	5.031	5.036	5.041	8.588	8.623	9.025	41.344	264.055	305.399
Weapon System & MWOs (est)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Training Devices (est)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Initial Spares (est)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GTG (est)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OMA Required									
Recapitalization	10.261	19.011	19.413	19.825	18.285	0.000	86.795	0.000	86.795
SSTS (Recap) (1)	0.000	0.600	0.000	0.000	0.000	0.000	0.600	0.000	0.600
COSIS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SDO	0.304	0.504	0.504	0.508	0.575	0.000	2.395	0.000	2.395
SDT (2)	0.152	0.252	0.252	0.254	0.230	0.000	1.140	0.000	1.140
PPSS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
MWO	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Initial Spares	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Support Equipment (TMDE)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Training Devices	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
CLS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total OMA Required	10.717	20.367	20.169	20.587	19.090	0.000	90.930	0.000	90.930
Other Required	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Training	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Manning	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Munitions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Installation Support Costs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Required	15.748	25.403	25.210	29.175	27.713	9.025	132.274	264.055	396.329
Quantity Required									
PA (D Remanufacture)									
PA	13	16	16	26	27	28	126	925	1051
OMA (A Recap)	76	126	126	127	115	0	570	0	570

- (1) SSTS is unfunded for FY 03
- (2) SDT is unfunded for FY 03 - 06

3. Baseline Schedule:

Table 3a represents the SEE Recapitalization Program schedule.

TABLE 3a-Baseline Schedule

SEE Recap Program	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11-FY16	Total
SEE RECAP	76	126	126	127	115	0	0	0	0	0	570
HMEE Procurement	13	16	16	26	27	28	85	79	99	662	1051

TABLE 3b - Baseline SEE Recapitalization Fielding Schedule

Unit	Location	Qty Equip	Output Date	Shipped
4 ENGR BN (4 MX)	FT CARSON, CO	6	Jun 02	8-Jul-02
307 ENGR BN	FT BRAGG, NC	5	Jul 02	3-Sep-02
27 ENGR BN	FT BRAGG, NC	5	Sep 02	21-Oct-02
618 ENGR CO	FT BRAGG, NC	5	Sep 02	21-Oct-02
USAES	FT LEONARD WOOD, MO	6	Oct 02	18-Nov-02
842 Eng Co	SPEARFISH, SD	6	Oct 02	25-Nov-02
258 Eng Co	PHOENIX, AZ	6	Nov 02	27-Nov-02
200 ENGR CO	CHAMBERLIN, SD	2	Nov 02	27-Nov-02
980 ENG BN	AUSTIN, TX	6	Nov 02	26-Dec-02
841 ENG BN	MIAMI, FL	3	Dec 02	6-Dec-02
652 ENGR CO	ELLSWORTH, WI	2	Dec 02	27-Dec-02
62 ENGR CO	FT HOOD, TX	2	Dec 02	14-Jan-03
68 ENGR CO	FT HOOD, TX	4	Dec 02	24-Jan-03
74 ENGR CO	FT HOOD, TX	3	Dec 02	14-Jan-03
116 ENGR CO	SPRINGVILLE, UT	6	Dec 02	5-Feb-03
568 ENGR CO	FT. RILEY, KS	6	Dec 02	7-Feb-03
43 ENGR CO. ACR (3 ACR)	FT CARSON, CO	3	Dec 02	5-Feb-03
USAES	Ft. Leonardwood, MO	11	Mar 03	
25 ENGR CO	SCHOFIELD BARRACKS,	6	Mar 03	
68 ENGR CO	FT. HOOD, TX	2	Mar 03	
62 ENGR CO	FT HOOD, TX	2	Mar-03	
724 ENG BN	SUPERIOR, WI	6	Jun 03	
814 ENGR CO	FT. POLK, LA	4	Jun 03	
74 ENGR CO	FT. HOOD, TX	1	Jun 03	
10 ENGR BN (3 MX)	FT STEWART, GA	6	Jun 03	
11 ENGR BN (3 MX)	FT STEWART, GA	6	Jun 03	
317 ENGR BN (3 MX)	FT BENNING, GA	6	Jun 03	
92 ENGR BN	FT STEWART, GA	6	Jun 03	
306 ENGR CO	AMITYVILLE, NY	2	Jun-03	
63 ENGR CO	FT BENNING, GA	6	Sep 03	
186 ENGR CO	HEADLAND, AL	6	Sep 03	
718 ENGR CO	FT BENNING, GA	6	Sep 03	
276 ENGR CO	RICHMOND, VA	6	Sep 03	
299 ENGR CO	FT BELVOIR, VA	4	Sep 03	
AWR4-Korea	Korea	6	Sep-03	
AWR4-Japan	Japan	2	Sep-03	
HQ & MAINT SPT CO ABN (NON-ENGR)	FT BRAGG, NC	4	Dec 03	
307 ENGR BN (82 ABN DIV)	FT BRAGG, NC	22	Dec 03	
27 ENGR BN	FT BRAGG, NC	6	Dec-03	

USAES	FT LEONARD WOOD, MO	7	Mar 04	
27 ENGR BN	FT BRAGG, NC	7	Mar 04	
618 ENGR CO	FT BRAGG, NC	1	Mar 04	
37 ENGR BN	FT BRAGG, NC	18	Mar 04	
220 ENGR CO (SPT TO AASLT)	JEFFERSON BRKS, MO	6	Jun 04	
326 ENGR BN (101 DIV)	FT CAMPBELL, KY	27	Jun 04	
887 ENGR CO	FT CAMPBELL, KY	6	Sep 04	
1140 ENGR BN (SPT TO AASLT)	CAPE GIRARDEAU, MO	18	Sep 04	
391 ENGR BN	GREENVILLE, SC	18	Sep 04	
65 ENGR BN (-CO) (25 DIV)	SCHOFIELD BARRACKS,	12	Dec 04	
562 ENGR CO (1/6 ID LT)	FT WAINWRIGHT, AK	6	Dec 04	
367 ENGR BN	ST CLOUD, MN	18	Mar 05	
611 ENGR CO	SHARONVILLE, OH	6	Mar 05	
328 ENGR CO	NORTHFIELD, NJ	6	Jun 05	
41 ENGR BN (- CO) (10 MTN)	FT DRUM, NY	18	Jun 05	
84 ENGR CO (2 LT ACR)	FT POLK, LA	6	Jun 05	
190 ENGR CO, ACR (278 ACR)	MORRISTOWN, TN	3	Jun 05	
162 ENGR CO (41 INF BDE)	OSWEGO, OR	6	Sep 05	
153 ENGR CO (53 INF BDE)	LAKE CITY, FL	6	Sep 05	
376 ENGR CO (76 INF BDE)	HAMMOND, IN	6	Sep 05	
227 ENGR CO (29 INF BDE)	PEARL CITY, HI	6	Sep 05	
239 ENGR CO (39 INF BDE)	CLARKSVILLE, AR	6	Sep 05	
245 ENGR CO (45 INF BDE)	MUSKOGEE, OK	6	Sep 05	
892 ENGR CO (92 INF BDE)	HUMACAO, PR	6	Dec 05	
229 ENGR BN (29 ID)	FREDERICKSBURG, VA	15	Dec 05	
229 ENGR BN (29 ID)	FREDERICKSBURG, VA	3	Dec 05	
32 ENGR CO [32 INF BDE]	ONALASK, WI	6	Dec 05	
135 ENGR CO (35 ID)	JOLIET, IL	4	Dec 05	
135 ENGR CO (35 ID)	JOLIET, IL	3	Mar 06	
834 ENGR CO (34 ID)	DAVENPORT, IA	6	Mar 06	
FN PI T, 3-325 (SFTAF)		6	Mar 06	
NTC		6	Mar 06	
JRTC		7	Jun 06	
ORF	Not a definitized req't	10	Jun 06	
WAR RESERVE	Not a definitized req't	33	Sep 06	
Reduction in previously identified req'ts. Working with DCSPRO on reallocation of req'ts.	Not a definitized req't	14	Sep 06	
Reduction in previously identified req'ts. Working with DCSPRO on reallocation of req'ts.	Not a definitized req't	30	Dec 06	

Table 3c- Baseline SEE Recapitalization Distribution Matrix

AC				RC		
CATK				OTHER	ARNG	USAR
4ID	1CD	3ID	3ACR			
56	56	54	3	241	105	55

Total Requirements – 570
Counter Attack Corps – 169

4. Performance: The Army Materiel Systems Analysis Agency (AMSAA) will track the metrics outlined in Table 4 to measure the effectiveness of the SEE recap program. The macro level metrics were formulated to be flexible and efficient performance measures. The responsible agency will exercise the process used to collect supporting empirical data at appropriate times to ensure all data elements required for the calculations are available.

Table 4 – Baseline Performance

Metric	Objective	Source of Data
Formula	Performance Measures	
Legend		
1. Increase Mean Time Between Replacements (MTBR) for Selected Components	Increase by 20%	AMSAA (FEDC/SDC) and OSMIS databases
Standard OSMIS queries and calculations, plus AMSAA data	Calculate MTBR for each selected component each year, using OSMIS database for fleet wide averages and AMSAA data for recapped components	

2. Reduce parts cost on recapped components	28% reduction on top 10 cost drivers	AMSAA (FEDC/SDC) and OSMIS databases
Standard OSMIS queries and calculations, plus AMSAA data	Calculate MTBR for each selected component each year, using OSMIS database for fleet wide averages and AMSAA data for recapped components	

3. Reduce Average Fleet Age	12.3 years by 2010	TACOM records
$AFA = \sum_{i=1}^n \frac{A_i}{N}$	The approved recapitalization plan will reduce the current baseline projection of 14.8 years to 12.3 years in FY10	
Where: AFA = Average Fleet Age A = Age of HMEEs (based on DA2408-9 date) plus recapped SEEs plus original SEEs remaining in fleet in years N = Sum of total fleet		

4. Improve Operational Readiness of SEE in the light units	Bring OR rate for recapped vehicles to 90% in the light units and maintain 90% or better for a year period after fielding	Readiness Integrated Data Base (RIDB)
Track readiness of recapped SEEs in light units to assess its ability to achieve the 90% readiness goals in its intended environment		

5. Measure changes in quantities and cost per year.	Keep cost and schedule within 10% of program baseline	Maintenance Data Management System (MDMS)
Breach occurs when costs increase by 10% or more or when quantities slip by 10% or more in a given production cycle		

6. Reduce maximum time to repair	This is an internal TACOM goal to reduce time to repair through "pit-stop" engineering and incorporation of technical insertion to ease/reduce maintenance burden	Standard Army Maintenance System (SAMS) Integrated Logistics Analysis Program (ILAP)
		TACOM/PEO will track, measure and report. High maintenance drivers will be analyzed and component re-design(s) developed if applicable and if funding is available.

5. Interfaces: The SEE recapitalization program is a 100% organic depot program to be conducted by Red River Army Depot (RRAD). DLA manages over 99% of the repair parts for the SEE. DLA has an existing corporate contract with Badger Truck Center in Wisconsin for SEE unique parts. Table 5 outlines the major recapitalization responsibilities for each relationship.

TABLE 5 – Baseline Interface

Depot/Industry	Contract Agreements	Date of Signature/ Implementation	Test Relationship (if required)	Recap Initiative
Depot - RRAD	Scope of Work (SOW)	May 02	None	Induction/ Production
Industry - Badger Truck Center Inc., WI	DLA Corporate Contract	Sep 99	None	Provide parts support for SEE unique items



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
ACQUISITION LOGISTICS AND TECHNOLOGY
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

07 NOV 2001

REPLY TO
ATTENTION OF
SAAL-SI

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Recapitalization Program Baseline

This memorandum sets forth guidance that should be followed to document and track the Army's Recapitalization effort. Enclosed is the template that will be used to develop and execute the individual systems Recapitalization Program Baseline. The Program/Project/Product Manager of the systems that have already been approved by the Army Acquisition Executive/Vice Chief of Staff, Army (AAE/VCSA) will be afforded 90 days from the date of this document to follow and complete the Recapitalization approval process laid out in this Recapitalization Program Baseline guidance. Future candidate systems that have not been seen by the AAE/VCSA will be afforded 60 days after an option is adopted, to complete the process of creating a baseline. All recapitalization systems will obtain validation, within afforded time frames, of the Baseline Cost Data, Cost Benefit Analysis and Trade Off Analysis from the Cost and Economic Analysis Center.

The point of contact for this matter is COL Jim Wells, DSN: 224-3993 or 703-614-3993.

A handwritten signature in black ink, appearing to read "John S. Caldwell, Jr.", written over the typed name.

JOHN S. CALDWELL, JR.
Lieutenant General, GS
Military Deputy to the
Assistant Secretary of the
Army (Acquisition, Logistics
and Technology)

Enclosure

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DEPARTMENT OF THE ARMY
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COMBAT SUPPORT & COMBAT SERVICE SUPPORT
6501 E. 11 Mile Road
WARREN, MICHIGAN 48397-5000

REPLY TO
ATTENTION OF

SFAE-CSS

25 SEP 2002

DECISION MEMORANDUM

SUBJECT: SEE Recapitalization Program Baseline (RPB) and Recapitalization Decision Review

1. In accordance with the direction dated 28 September 2001, the Vice Chief of Staff, Army (VCSA) approved the recapitalization program for the SEE vehicles in the Counter Attack Corps and other units. The SEE RPB guidance was developed and originally dated 21 August 2002. I have conducted a Decision Review of the SEE recapitalization program and approved same pending final approval of the RPB by the Army Acquisition Executive/VCSA.
2. On 28 September 2001, AAE/VCSA approved the General Officer Working Group recommended option 2c which procures 570 full recapitalizations of the SEE and 389 new High Mobility Engineer Excavators (HMEEs).
3. The original Acquisition Plan for the SEE was developed in the 1980s for original procurement of the SEE, and is not relevant to current SEE recap or HMEE procurement. HMEE acquisition strategy was approved 11 January 2002.
4. In addition, I have reviewed and concurred with the following documents: 1) SEE RPB; 2) AAE/VCSA approved SEE Recapitalization Brief including the cost benefit and tradeoff analysis for the SEE recapitalization program; 3) Army Cost and Economic Analysis Center; 4) Red River Army Depot Scope of Work.

ROGER A. NADEAU
Brigadier General, USA
Program Executive Officer
Combat Support & Combat Service Support



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
COST AND ECONOMIC ANALYSIS CENTER
1421 JEFFERSON DAVIS HWY SUITE 3000
ARLINGTON VA 22202-3259



SFFM-CA-ZA (11-18a)

23 SEP 2002

MEMORANDUM FOR THE U.S. ARMY TANK-AUTOMOTIVE AND ARMAMENTS
COMMAND, DEPUTY FOR COMMODITY BUSINESS OPERATIONS, ATTN: AMSTA-
LC, WARREN, and MI 48397-5000

SUBJECT: Small Emplacement Excavator Recapitalization Baseline
Cost Sufficiency Review

1. The Army Cost and Economic Analysis Center has reviewed the cost presented for the Small Emplacement Excavator. Our review focused only on the recapitalization investment cost estimate. The submission provided a reasonable estimate of the total recapitalization baseline cost.
2. Per our agreement with the Assistant Secretary of the Army Acquisition, Logistics, and Technology ASA(ALT), we did not examine the potential savings, affordability of the program, nor any potential supportability issues. The above exclusions will need further review and validation through an established ASA(ALT) O&S working group.
3. The U.S. Army Cost and Economic Analysis Center points of contact are: Mr. John Murray, (703) 601-4157 or DSN 329-4157, and Mr. Bob Conley, (703) 601-4173 or DSN 329-4173.

Encl


ROBERT W. YOUNG
Director

CF:
AMSTA-LC-CJCB
PEO CS&CSS, ATTN: SFAE-CSS
ASA (ALT), ATTN: SAAL-SI



APPROVED PROGRAM

Recapitalization Program. The following represents the Recapitalization for the SEE as approved by the VCSA on 28 SEP 01.

	FY02	FY03	FY04	FY05	FY06	FY07	FY 02-07 POM Total	FY 08-16 EPP Total	Total POM & EPP
RDA Required									
RDTE									
PA (HMEE Procurement)	5.03	5.04	5.04	8.59	8.62	9.03	41.34	264.06	305.40
Weapon System & MWGs (est)									
Training Devices (est)									
Initial Spares (est)									
STS (est)									
OMA Required	10.72	20.37	20.17	20.59	19.09		90.93		90.93
Recapitalization	10.26	19.01	19.41	19.83	18.29		86.80		86.80
SSTS (Recap) Unfunded							0.60		0.60
COSS									
SDO	0.30	0.50	0.50	0.51	0.50		2.40		2.40
SDT Unfunded	0.15	0.25	0.25	0.25	0.25		1.14		1.14
PPSS									
MWO									
Initial Spares									
Support Equipment (TMDE)									
Training Devices									
CLS									
Total Required	\$15.75	\$25.40	\$25.21	\$29.18	\$27.71	\$9.03	\$132.27	\$264.06	\$396.33

- (1) SSTS is unfunded for FY03
- (2) SDT is unfunded for FY03-FY06

Recapitalization Program Schedule: The following table represents the SEE Recapitalization Program schedule.

SEE Recap Program	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11- FY16	Total
SEE RECAP	76	126	126	127	115						570
HMEE Procurement	13	16	16	26	27	28	85	79	99	662	1051

**Revised SEE Baseline Funding Profile and Schedule based on the
FY04 President's Budget**

Baseline Funding

	FY02	FY03	FY04	FY05	FY06	FY07	FY 02-07 POM Total	FY 08-18 EPP Total	Total POM & EPP
RDA Required	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
RDTE	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PA (HMEE Procurement)	12.846	4.879	4.842	8.100	8.330	20.416	59.413	334.040	393.453
Weapon System & MWOs (est)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Training Devices (est)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Initial Spares (est)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
STS (est)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OMA Required									
Recapitilization	10.261	19.011	19.563	20.065	18.445	0.000	87.345	0.000	87.345
SSTS (Recap)	0.000	0.600	0.000	0.000	0.000	0.000	0.600	0.000	0.600
COSIS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SDO	0.304	0.504	0.504	0.508	0.575	0.000	2.395	0.000	2.395
SDT	0.152	0.252	0.441	0.307	0.537	0.127	1.816	0.000	1.816
PPSS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
MWO	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Initial Spares	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Support Equipment (TMDE)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Training Devices	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
CLS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total OMA Required	10.717	20.367	20.508	20.880	19.557	0.127	92.156	0.000	92.156
Other Required	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Training	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Manning	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Munitions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Installation Support Costs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Required	23.563	25.246	25.350	28.980	27.887	20.543	151.569	334.040	485.609
Quantity Required									
PA (D Remanufacture)									
PA	40	11	11	24	27	65	178	1123	1301
OMA (A Recap)	76	126	126	127	115	0	570	0	570

Schedule

SEE Recap Program	FY02	FY03	FY04	FY05	FY06	FY07	FY08- FY18	Total
SEE Recap	76	126	126	127	115	0	0	570
HMEE Procurement	40	11	11	24	27	65	1123	1301