

**McAlester Army Ammunition Plant
For Immediate Release**

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Two Value Engineering projects save \$63,000

MCALESTER, Okla.-- Two Value Engineering (VE) projects have saved McAlester Army Ammunition Plant (MCAAP) more than \$63,000 in cost avoidance and revenue. The Value Engineering program is an effective tool for reducing cost and increasing value, proven through years of successful application.

John Hancock, who works at the plant's tire shop, drove by Defense Logistics Agency Disposition Services at MCAAP and saw military vehicles ready for disposal that had the same type and size of Michelin radial tires that MCAAP's trucks and trailers used. After coordination with his supervisor and receiving permission and assistance from Disposition Services, Hancock and two mechanics removed 52 wheels and tires with nearly new Michelin radials on them. Ordering the same new tires would have cost MCAAP \$25,449.

"It's a good accomplishment to help save the government money and utilize resources instead of throwing them away," said Hancock. He praised the ease of the Value Engineering system. "The VE process itself was fairly simple and I had a lot of help from Nikki McFarland," the VE manager, he said.

He would recommend everyone use VE and said he's "always looking to see what we can re-use to help save money."

MCAAP has accumulated over 65 used electrical transformers which contain less than 50 parts per million of PCB's. The suggestor, Darren Wolf, facilities improvement coordinator, found a commercial company that is EPA approved for disposal of transformers. The company offered free pick up and paid salvage value for the 65 transformers.

"I was looking for an avenue to get rid of these and being told 'no' by everyone because of the PCB's when someone told me to try the VE process. I contacted Nikki McFarland who helped me get started with the process which was a lot easier than I thought it would be."

Wolf saved the plant \$31,485 in cost avoidance and generated \$6,220 in revenue from selling the transformers for a total of \$37,705 in savings. He said he is definitely looking at doing several VE projects in the future.

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McAlester Army Ammunition Plant is the Department of Defense's premier bomb and warhead loading facility and is one of 14 installations that belong to the Joint Munitions Command.