



News Release

U.S. ARMY SUSTAINMENT COMMAND

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Army announces new contracts for Afghanistan

*By Jon Connor
ASC Public Affairs*

ROCK ISLAND, Ill. – Two new task orders supporting LOGCAP IV contract operations in Afghanistan are now in effect, Army officials announced July 7.

DynCorp International, LLC was awarded the work for southern Afghanistan and Fluor Intercontinental was selected for work in northern Afghanistan, the Army Sustainment Command at Rock Island, Ill., announced.

KBR also competed for the contracts, officials said. KBR has held a number of LOGCAP contracts to support Operation Enduring Freedom and Operation Iraqi Freedom.

The task orders encompass base life-support services and logistics support, which include base setup, food service, facilities maintenance, and morale, welfare and recreation to name a few, said Jim Loehrl, executive director, Rock Island Contracting Center, Rock Island, Ill.

The two task-order awards include moving all existing work in LOGCAP III to LOGCAP IV, plus capacity to stand up additional base camps, Loehrl said.

The task orders were awarded with pricing for one base year effective July 7, and four option years. Depending on growth in Afghanistan, the two task orders could potentially total \$15 billion over five years, Loehrl explained.

This is based on each task order's base year costing \$1.5 billion plus a potential four option years.

"It all depends on what the growth is in Afghanistan as we continue to put troops in Afghanistan and where they go," Loerl said. "We built the contract capacity to handle that."

The selection process was an "integrated source selection encompassing technical management proposals, past performance, and costs," Loehrl said.

From this, a "best-value" decision is then made, Loehrl said, which will benefit the Soldiers and other personnel, and give taxpayers the most value.

The contracting office issued a solicitation outlining the task order requirements and the terms and conditions under which the task order would be administered. The solicitation contained criteria against which each of the contractors' proposals was evaluated.

"The concept hinges on the principle that while price is always a factor in the selection process, price alone does not define the best value for the taxpayer," said Amy Hayden, chief, LOGCAP IV Contracting Branch, Rock Island, Ill.

"The best-value approach takes into account the fact that it may be in the government's best interest to pay a premium to receive a better product or service," she said.

The new task orders are the continuation of the Army's plan to transition work from the single-award LOGCAP III contract to the multiple-award LOGCAP IV contract. So far, there have been 10 task orders awarded under LOGCAP IV, Loehrl said.

Loehrl said bidders not selected have the option to protest the award decision. "They certainly are allowed to protest," Loehrl said. "That certainly is a possibility."

Protests would be filed with the General Accountability Office, Hayden said.

"While there are circumstances under which contract performance may proceed despite the filing of the GAO-level protest, under normal

circumstances, the government must suspend contract performance until the protest is resolved,” Hayden said.

The support for the services, however, would continue. Additionally, KBR can bid for future LOGCAP IV task orders, Loehrl said.

The Army had previously transitioned all LOGCAP work in Kuwait from LOGCAP III to LOGCAP IV (DynCorp), as well as awarded some new work in Afghanistan under LOGCAP IV (Fluor).

These newly announced task orders will transition all work in Afghanistan to LOGCAP IV. Similar processes to compete and transition the work in Iraq are also underway.

“The transition will be operationally driven, and methodically undertaken to ensure a transition that is seamless to the warfighter,” Hayden added.

“The transition is not a ‘turn-key’ operation and is extremely complex,” said Lee Thompson, LOGCAP executive director, Rock Island, Ill.

“Before we even begin the legacy task-order transitions, we will be starting the urgent work required for force expansion [in Afghanistan].”

The first step in the process is to conduct a post-award conference scheduled in early August, Thompson said. The conferees will discuss such areas as transition touch-points, explain the process, and reach agreements between contractors on the conduct of the transition, known as protocols, Thompson said.

“During the transition the incumbent continues to provide services and will do so until the U.S. government is satisfied that the incoming performance contractor can assume full operation of the function,” Thompson explained. “Once the IPC has demonstrated full operational capability, the incumbent is officially released from responsibility and the IPC is officially assigned full responsibility and accountability for performance execution.”

As with all government contracts, reviews, audits, and continuous oversight of contractor performance will be ongoing to make sure government and American taxpayers’ interests are protected, Sustainment Command officials said.

The contractors' performance will be measured by the Defense Contract Management Agency and Defense Contract Audit Agency in accordance with pre-established performance standards, ASC officials said.

"DCMA and DCAA provide oversight of contractor business systems, and the LOGCAP IV task orders contain award-fee provision incentives for the the contractors to maintain these systems at an adequate level. DCMA also provides quality assurance representatives in-theater to oversee the contractors' work," Hayden explained.

"Finally, DCAA reviews contractor billings to ensure they are appropriate. In combination, these measures provide a high degree of protection against inappropriate practices during the execution of these task orders," she said.

LOGCAP -- Logistics Civil Augmentation Program -- is an Army initiative to hire civilian contractors to perform services supporting the U.S. military in wartime and other contingencies. Use of contractors allows military units to focus on combat operations.

(Linda Theis, deputy public affairs officer, Army Sustainment Command, contributed to this article.)

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ASC PUBLIC AFFAIRS OFFICE
PHONE: (309) 782-5421; FAX: (309) 782-5011
E-MAIL: rock-amsas-pa@conus.army.mil