



LOGCAP IV AWARDED THROUGH FULL AND OPEN COMPETITION

April 17, 2008

The U.S. Army announced today the selection of three companies on a full and open competition basis that will augment essential logistics support services to forces in the field. The Logistics Civil Augmentation Program, or LOGCAP, uses private sector contractors to provide a broad range of logistics and support services to U.S. and allied forces during combat, such as those missions now under way in Iraq and Afghanistan, as well as to other contingency, peacekeeping, humanitarian and training operations.

The three companies awarded under the full and open competition process are DynCorp International LLC of Fort Worth, Texas; Fluor Intercontinental Inc. of Greenville, S.C.; and Kellogg, Brown and Root (KBR) Services of Houston, Texas. A total of five companies submitted offers.

The three LOGCAP IV performance contracts were originally awarded to the same companies on June 27, 2007. Following the contract announcement, two unsuccessful offerors filed protests with the Government Accountability Office. The GAO upheld the protests on October 5, 2007, and the Army subsequently implemented the corrective actions recommended by the GAO leading to today's contract award announcement.

The fourth in a series of LOGCAP contracts awarded since the late 1990s, LOGCAP IV was awarded based on an innovative strategy using several new support techniques. This strategy calls for multiple contractors to deliver services under LOGCAP, instead of using a single contractor as in the past. Under the strategy, planning support and performance functions have been split among different contractors to allow the Army to more effectively manage the number and scope of LOGCAP actions. The three performance contractors will compete for individual LOGCAP task orders, creating a competitive environment meant to control costs and enhance quality.

“By using sound business practices the Army is confident that the LOGCAP IV contractors will provide excellent value and performance, provide Soldiers with the best services available and be able to respond quickly to emerging

requirements as identified in the LOGCAP mission,” said the HON Nelson M. Ford, Acting Undersecretary of the Army.

The types of services that will be delivered under the LOGCAP IV performance contracts are similar to those currently delivered under the LOGCAP III contract, which was also awarded through full and open competition. These services include supply operations, such as the delivery of food, water, fuel, spare parts, and other items; field operations, such as dining and laundry facilities, housing, sanitation, waste management, postal services, and Morale, Welfare and Recreation activities; and other operations, including engineering and construction, support to communication networks, transportation and cargo services, and facilities maintenance and repair.

“LOGCAP IV uses competition to deliver the best quality at the right price for our men and women around the world. This approach provides our Soldiers the quality and value that the American public expects for their tax dollars,” concluded Ford.

The LOGCAP IV performance contracts are being awarded as Indefinite Quantity / Indefinite Delivery (ID / IQ) contracts with one base year and nine option years. Each contract has a maximum value of up to \$5 billion per year. This allows the Army to award a total annual maximum value of \$15 billion and a lifetime maximum value of \$150 billion.

Each LOGCAP contract has been awarded through full and open competition. Brown & Root Services held the LOGCAP I contract from 1992-1996; DynCorp held LOGCAP II from 1997 through 2001 and KBR held the LOGCAP III contract from 2001 to the present. In February 2007, the U.S. Army Sustainment Command selected Serco, Inc. to provide planning and program support under a separate LOGCAP IV contract.

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