

# Warfighter Seminar #1 Adaptability of Multiple **Award Contingency** Contracts to Current Global Threats

May 2, 2023, 3:00 p.m.











### Adaptability of Multiple Award Contingency Contracts To Current Global Threats

Moderator: RADM(ret) Chuck Kubic, CEC, USN – F.SAME - Kubic Engineer Group

Co-Leaders:

COL Matt Beverly, USAF -- PACAF

LtCol(ret) Rick Sloop, USAF -- Fluor

# HOUSEKEEPING NOTES & TIPS

- Take Note of Emergency Exits
- Silence Your Mobile Devices
- **✓** Thank You to Our Sponsors!
- Questions will be addressed in the allotted time
- Presentations will be posted in the Attendee Service Center (ASC) post conference





#### MODERATOR



# Chuck Kubic RADM, CEC, USN (Ret.)

Kubic Engineer Group (KEG) Title: President

#### Fun Facts

- Sports Teams: Nittany Lions,
   Steelers, Penguins & Pirates
- <u>Vacation Spots</u>: Ski Slopes & Scuba Dive Sites & Ancient Ruins
- Did you Know: I am an Eagle Scout
- Hobbies: Scuba, Skiing, Golf, Running



# Co-Leader



# Rick Sloop Lt Col, USAF (Ret)

Fluor Mission Solutions - Defense

Title: Program Manager

#### Fun Facts

- Sports Team: Buccaneers, Lightning, Rays, Razorbacks
- Did you know I ...
  - Helped negotiate the return of Rhein Main AB to Germany
  - "Volunteered" to be the next JECO Chair
- Hobbies: Bicycling, Weightlifting, Golf, Clay Shooting



# Co-Leader



# Matt Beverly PACAF/A4C & JTF-NCR

Title: Consultant & LNO

#### Fun Facts

- Sports Teams: Air Force for 2 games a year
- Did you Know:
  - Led AF Airborne Engineer Team
  - Closed 1<sup>st</sup> Expeditionary CE Group
- Hobbies: Skiing, Hiking, Attending Swim & Track Meets

# Sample Poll Question

Have you spoken at a SAME event in the past? Choose all that apply!

- a) YES, in-person
- b) YES, virtually
- c) NO, I have not had that distinct pleasure
- d) What is SAME?



# **Poll Question**

Have you had experience awarding, managing or working on a Contingency Contract at a remote location?

a) Yes, and it was an awesome experience

b) Yes, but it was not an easy job

c) Yes, long story -- it was a disaster

d) No, want to learn about such contracts

e) ???, What is a contingency contract?



#### Warfighter Seminar #1

#### Adaptability of Contingency Contracts To Current Threats

Seminar Moderator: RADM (Ret) Chuck Kubic, P.E., F.SAME, Kubic Engineer Group

Seminar Co-Leader: Colonel Matthew Beverly, USAF; PACAF Civil Engineer Consultant

Seminar Co-Leader: LtCol(Ret) Rick Sloop, USAF, Fluor Mission Solutions

**Panel Participants: Government & Contractors** 

DEPT OF DEFENSE – Mr. Seth Cutler, P.E., OASD(EI&E)

**INDOPACOM - CAPT Chris Coggins, CEC, USN** 

INDOPACOM JPMO - CAPT(Ret) Will Boudra

**INDOPACOM - LtCol Seth Lorimer** 

**USACE – Col Jody Jones Smith** 

NAVFAC – Mr. Dom Sparacio/CDR(Ret) Anant Patel

AFCEC – Mr. Craig Mellerski

AFCAP - Mr. James Garred

GCCMAC/GSCMAC- Ms. Renee Comfort

ECC - Mr. David Bluestein

Fluor - LtCol(Ret) Rick Sloop

Planate - RADM(Ret) Mike Shelton

IAP - Col (Ret) Mike Hass

**KBR - Col (Ret) Robert Nicholson** 

**Vectrus – MG (Ret) Steve Shapiro** 

#### Warfighter Seminar #1

**Title**: Adaptability of Multiple Award Contingency Contracts to Current Global Threats

**Description:** Multiple Award Contingency Contracts, such as LOGCAP, AFCAP, GCCMAC and GCSMAC, have been in place for nearly three decades and have served as force multipliers during a wide range of global contingencies to include combat operations and natural disasters. Also, over the decades the USA has entered multiple "Treaties in Force" and Country Agreements with other nations which have direct impact on contract risk, cost and schedule when urgent requirements arise. Now and in the future, threats in INDOPACOM will likely stress these "workhorse contracts" and those dedicated "battlefield contractors" who must execute complex taskings for deliberate and contingency construction and logistics in numerous countries each with their own governing relationship with the USA. Looking ahead, it is time to examine strengths and weaknesses of these critical contract vehicles and associated foreign nation agreements; and, to identify necessary structural and process adjustments to ensure speedy, effective and cost-efficient response to evermore challenging combined military and civilian Engineer Operations in the remote and increasingly dangerous Western Pacific and elsewhere around the globe.

#### **Learning Objectives:**

<u>Understand the capabilities</u> of the current Contingency Contracts and the Contractors who execute contingency Task Orders. **Understand the types of Treaties in Force** and Country Agreements and the basic protections they may or may not provide. Learn the contracting and financial requirements which regulate the award and administration of Contingency Contracts.

**Analyze the effectiveness** of the current contract/task order award process and its responsiveness to military operations.

Discuss the need to adjust contingency contract terms/conditions to balance operational, security, logistics & host nation risks.

**Recommend how best to incorporate requirements** for "Contingency Contractors on the Battlefield" into OPLAN Annexes.



# Seminar Agenda

# May 2<sup>nd</sup>

- 0730-0800: Panel Group Preparation
- **1200 1430:** Warfighter In-Brief
- **Session 1**: 1500 1550
  - Capabilities of Contingency Contracts & Contractors
  - **INDOPACOM Treaties and Country** Agreements
- **Session 2: 1550 -1700** 
  - Contracting and Financial Requirements regulating Contingency Contracts
  - Responsiveness & Effectiveness of Contingency Contracts to Military Operations
  - Intro to Pacific Island Contingency Construction (Hypothetical) Scenario

# May 3rd

- Session 3: 1030-1200
  - Adjusting Contingency Contract Terms and Conditions to Meet Current Threats
  - Pacific Island Contingency Construction (Hypothetical) Scenario
  - Balancing Operational, Security, Logistics and Host Nation Risks to execute an Island Scenario
  - Incorporation of a "Contingency Contractors on the Battlefield" Annex into applicable OPLANS
- **Session 4**: 1200-1230
  - Wrap Up
- **1430 1700:** Warfighter Out-Brief

### Session 1: Understanding the Capabilities of Contingency Contracts & Contractors

Purpose and Scope of LOGCAP, GCCMAC, GSCMAC and **AFCAP** 

History of employment of Contingency Contracts

Experience and capability of current Contingency Contractors

# Comparison of the DoD CAP/MACs

- Construction & Commodities & Infrastructure Logistics **AFCAP AFCAP** GCCMAC **Base Support Services** LOGCAP **AFCAP GCSMAC**
- LOGCAP may only perform construction and purchase commodities that are incidental to Base Support Services; Contracts can be FFP, CPFF
  - Task Order are typically Cost Plus Fixed Fee
  - AFCAP has the ability to award stand alone task orders for Construction and Commodities (not incidental to BOS); Contracts can be FFP, CPFF, CPAF, CPIF
    - Task Orders are typically Firm-Fixed Price with some Cost Plus Fixed Fee
- GCSMAC focus is on short term / transitional BOS work; Contracts can be cost plus and Fixed Price Variations
  - NAVFAC Pacific tends toward CPAF task orders
  - GCCMAC usually supports storm/disaster recovery at Navy and Marine Corp bases or urgently needed MILCON projects; task orders can be FFP or CPAF
    - NAVFAC Atlantic tends toward FFP task orders

MATOC	Fluor	KBR	PAE	Vectrus	Jacobs	Amentum	AECOM	IAP	CC	Perini	Aptim
LOGCAP V	Χ	Χ	JV-Parsons	Χ							
AFCAP V	X	X	JV-Perini	X		dba URS dba Dyncorp		dba RMS	X		
GCSMAC II	Χ	Χ		Χ			Χ	JV-ECC	X		
GCCMAC	Χ				dba CH2M		Χ		Χ	Χ	Χ

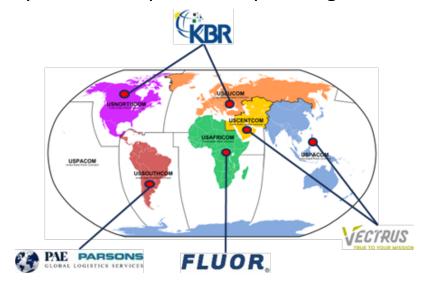
# Logistics & Civil Augmentation Program (LOGCAP)

- Established in 1985 to use contractors to provide base life support, logistics, engineering, construction, and related services to US Army
- Indefinite Delivery/Indefinite Quantity contract administered by Army Contracting Command under Army Sustainment Command
- First three LOGCAP contracts were Single Award; became a Multiple Award Task Order Contract (MATOC) in 2008 with LOGCAP IV
- Client: US Army Contracting Command, Rock Island
- LOGCAP V was awarded in 2019 and increased the number of awardees to four – KBR, Fluor, PAE-Parsons and Vectrus



#### Geographically Aligned

LOGCAP V service providers aligned by combatant commands (COCOMs) to enhance responsiveness and synchronize operational planning







# Naval Facilities Engineering Systems Command

# Global Contingency Services Multiple Award Contract (GCSMAC II)

#### Indefinite-delivery / Indefinite-Quantity

- Awarded: 19 SEP 2016

- **Duration:** Base year + 7 one-year options

· Contract will expire on 18 Sep 24

- Capability: Cost Plus Award Fee and Firm Fixed Price Task

Orders

- Award amount: \$900M

#### Current contractors on the GCSMAC:

- KBR Services, LLC (Houston, TX)

- Vectrus Systems Corporation (VSC) (Colorado Springs, CO)

- IAP-ECC, LLC(IAP) (Cape Canaveral, FL)

- Flour Intercontinental, Inc. (Greenville, SC)

- AECOM Technical Services, Inc. (Los Angeles, CA)

#### Criteria for use:

- Emergency/Contingencies
- Work is predominately facilities, engineering related
- Other Requirements (e.g. non-performance by incumbent contractor or unanticipated lapse in service)
- No J&As will be required for disaster recovery or other missions requiring an immediate response

#### • Capabilities

#### - <u>Installation Management</u> Accounting Project (IMAP) Model:

- Air Operations
- Port Operations
- Range Operations
- Moral, Welfare, & Recreation Support
- Base Support Vehicles & Equipment
- Housing
- Environmental Services
- Public Safety
- Ordnance Handling
- Galley
- Utilities Operations Support
- Facility Support
- Health Care Support
- Personnel Support

# Global Contingency Construction Multiple Award Contract (GCC/MAC)

#### • Indefinite-delivery / Indefinite-Quantity

- **Awarded:** 29 March 2019

- **Duration:** Base year + 4 1-y options

Contract will expire on 28 Mar 24

- Capability: Cost Plus Award Fee and Firm Fixed Price

**Task Orders** 

- Award amount: \$975M (Currently \$2.87B)

#### Current contractors on the GCCMAC:

- CH2M Hill Constructors, Inc. (Jacobs) (Greenwood Village, CO)
- Perini Management Services, Inc. (Framingham, MA)
- Aptim Federal Services, LLC (Baton Rouge, LA)
- Fluor Intercontinental, Inc. (Greenville, SC)
- AECOM Technical Services, Inc. (Los Angeles, CA)
- Environmental Chemical Corporation (Burlingame, CA)

#### Criteria for use:

- Emergency/Contingencies
- Work is predominately construction and related engineering services
- Other Requirements (e.g. mobilization services (embarkation) for personnel, equipment and material of Naval Construction Forces or similar mobilization efforts.
- May be tasked to participate in military exercise

#### Capabilities

#### - Horizontal /Vertical Construction

- Airfield runway construction and/or repair
- Communications facilities
- Facilities for troop berthing and billeting
- Airfield facilities construction
- Administrative and educational facilities
- Hardened facilities and personnel bunkers
- Enemy containment and processing facilities
- Garbage disposal/recycling facilities
- Transportation depos for materials
- · Warehouse facilities for construction materials
- Ammunition storage facilities
- Rail facilities/Bridges/Causeways
- Road construction
- Firefighting facilities
- Petroleum handling pier facilities

#### Specialty Construction & Engineering

- Dredging
- Electric power plant/Power distribution systems
- Water treatment plant/Sewage treatment plant
- Water well drilling
- Facilities for dispatching decontamination equipment
- Chemical, Bacterial, and Radiological decontamination
- Environment restoration

# Air Force Contract Augmentation Program

- AFCAP Provides world-wide military and civil support to satisfy requirements for any U.S. Federal Government agency, NATO, and multi-national forces.
- Military and Civil Support includes Services; Construction/ Facilities; Logistics Support; Commodities
- Indefinite Delivery/Indefinite Quantity (ID/IQ) contract administered by Air Force Installation Contracting Center (AFICC)
- **Client:** Air Force Civil Engineer Center (AFCEC)
- AFCAP V was awarded in 2020 for an Eight Year Period of Performance with a \$6.4B Capacity with 6 awardees: Fluor, Vectrus, ECC, KBR, RMS (IAP), Amentum (purchased URS, Dyncorp and PAE)















#### AFCAP Defined



- A contingent contract tool, teaming government and private industry, providing responsive solutions to the National Command Authority leveraging greater impact toward meeting urgent demands
  - Multi-year
  - Multi-vendor
  - ID/IQ
  - Structured for rapid response
- 1 Jun 20 30 May 28
- \$6.4 Billion
- Firm-Fixed Price; Fixed=Price Incentive Fee; Cost-Plus Fixed Fee; Cost-Plus Incentive Fee

Your Success is Our Mission!

ID/IQ: Indefinite Delivery/Indefinite Quantity



UNCLASSIFIED



### Activity Spectrum



#### but not limited too:

- Global War
- Regional Conflicts
- Small Scale Contingencies
- Military Operations other than War
- Military Exercises
- Train & Equipment for Contingent Responses

- National Building
- Disaster Response
- **Humanitarian Response**
- Worldwide Recovery Operations
- **Base Operating Support**
- Limited Range Clearance

UNCLASSIFIED

Your Success is Our Mission!







# Session 1: Understanding Treaties & Country Agreements

Summary of INDOPACOM Treaties & Country Agreements

Protections afforded to US Contractors

Constraints on US Contractors

# Challenges to Working Internationally

#### **Risk Assessment and Management**

- "Is the juice worth the squeeze?"
- How well is the requirement defined?
- How much flexibility does the end user need?

#### US Company's ability to Work in a Jurisdiction

- A different warfighting domain "Political Warfare"
- Business Registrations Contract specific; Entity specific
- Requires Investment in Time & Money
- Types of registration
  - Branch Wholly owned (hardest to get)
  - Commercial 51/49 partnership with local company (New Business Entity with FOCI implications)
- Treaties in Force / SOFA / MDA What does it say about USG support contractors, especially: Legal Status, Business Registration, Taxation, Customs/Duties

#### **Contractor Vetting**

- HSPD 12 requirement for "unescorted access"
- Secret vs NACI...very slow process

#### **US Flagged Vessels (FAR Requirement)**

- Air: Waiver is not difficult
- Sea: MARAD Waiver challenging and takes time fines can be as high as the value of the cargo

#### **Potential for OCI**

- Task Orders / Separate MATOC / Same Site
- Inadvertent Access to Proprietary Data Need ACA

#### "Fit for Duty" / Medical Clearance

- Contract employees must meet the same requirements
- Older Workforce = More Disqualifications









#### Summary of Treaties in Force (Not All Inclusive)

Carrinary of frontier (frontier)														
Jurisdiction	TIAS	Passport	Visa	USG Prop	Pers Prop	Criminal Jur.	Taxes	Drivers Lic	Veh Reg	Business Reg	Local Labor	Other Nationals	NOTES	
Papau New Guinea	11612	CAC + Orders / LOA	CAC + Orders / LOA	Free of duty, taxes, other charges	Exempt during tour	UCMJ & PNG Law	Exempt	US Valid	Reg Not Req'd; Markings Req'd	No Mention	No Mention	No Mention	No mention of CAAF	
Philippines	12931	CAC + Orders (Mil); PP Req'd (Civ)	Exempt (Mil & Civ)	Free of duty, taxes, other charges	Exempt w/I 6 months	UCMJ & PI Law	Exempt	US Valid	Reg Not Req'd; Markings Req'd	No Mention	No Mention	No Mention	Defines "Civilian Personnel" who are employed or accompanying US Forces	
Palau	COFA	CAC + Orders / LOA (US)	CAC + Orders / LOA (US)	Free of duty, taxes, other charges (US)	Exempt (US)	UCMJ & Palau Law	Exempt (US)	US Valid	Reg Not Req'd; Markings Req'd	Infers not req'd as CAAF	Qualified Local First	Notify & Consult GoP Prior	Defines "United States Contractors"; "Contractor Personnel"; "Third County Personnel"  Defines "United States Contractors"; "Contractor Personnel"; "Third County Personnel"	
Marshall Islands	04- 0501.4	CAC + Orders / LOA (US)	CAC + Orders / LOA (US)	Free of duty, taxes, other charges (US)	Exempt (US)	UCMJ & RMI Law	Exempt (US)	US Valid	US Valid	Infers not req'd as CAAF	Qualified Local First	Notify & Consult RMI 30 days Prior Temp (w/o notice), 90d w/I 12m period		
Micronesia	04- 625.6	CAC + Orders / LOA (US)	CAC + Orders / LOA (US)	Free of duty, taxes, other charges (US)	Exempt (US)	UCMJ & RMI Law	Exempt (US)	US Valid	US Valid	Infers not req'd as CAAF	Qualified Local First	Notify & Consult RMI 30 days Prior Temp (w/o notice), 90d w/I 12m period	Defines "United States Contractors"; "Contractor Personnel"; "Third County Personnel"	
Japan	SOFA	CAC + Orders / LOA (US)	CAC + Orders / LOA (US)	Free of duty, taxes, other charges (US)	Exempt (US)	UCMJ & Japan Law	Exempt (US)	US Valid	Reg Not Req'd; Markings Req'd	Article XIV not req'd if under USG contract	Article XII outlines rqmts	No Mention	Defines "persons" as including corporations organized under the laws of the US and whose presence in Japan is for the benefit of US Armed Forces	

### Session 2: Contracting and Financial Requirements

Current and Projected INDOPACOM Construction Requirements and Funding Sources

Summary of Contingency Contracting Regulations

Types of Contingency Contracting Funding and **Associated Constraints** 

### Characteristics of the Indo-Pacific

#### Physical

- 52% of Earth's surface
- · Over half the world's population (3.72 B)
- 36 countries
- 16 time zones

#### Military 6 largest militaries 5 of 7 U.S. Mutual EUCOM **Defense Treaties** 5 declared nuclear nations NORTHCOM **INDOPACOM** The Pacific Ocean connects the United States to the Region ... it doesn't separate us SOUTHCOM **Economic Key Challenges** 3 largest economies · China Violent Extremism 5 smallest economies

Natural Disasters

#### Cultural

Most populous nation

AFRICOM

- Largest democracy
- Largest Muslim-majority
- Smallest republic

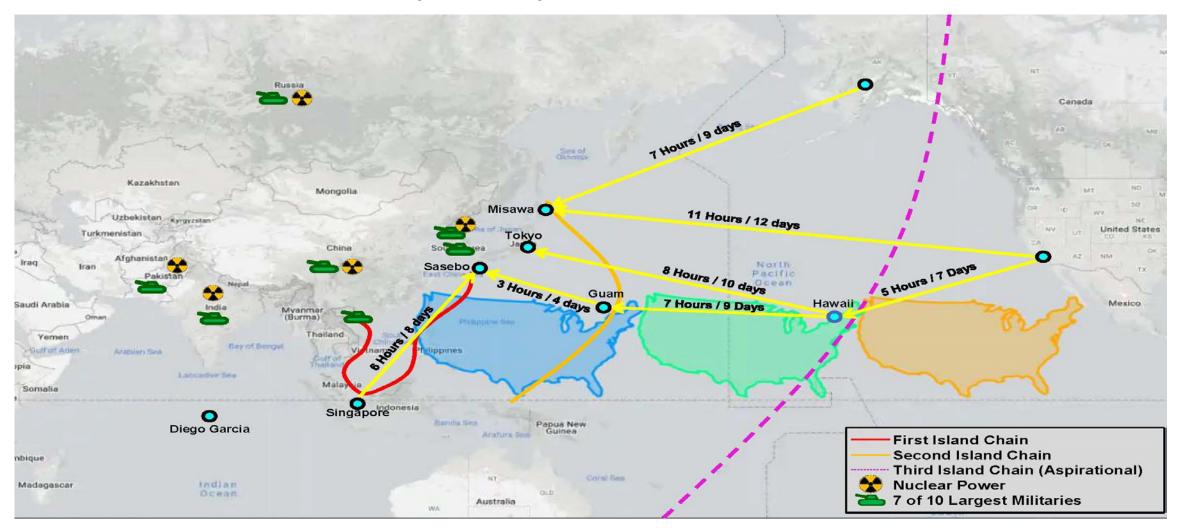
9 of 10 largest ports

Busiest Int'l sea lanes

Russia

North Korea

# Tyranny of Distance



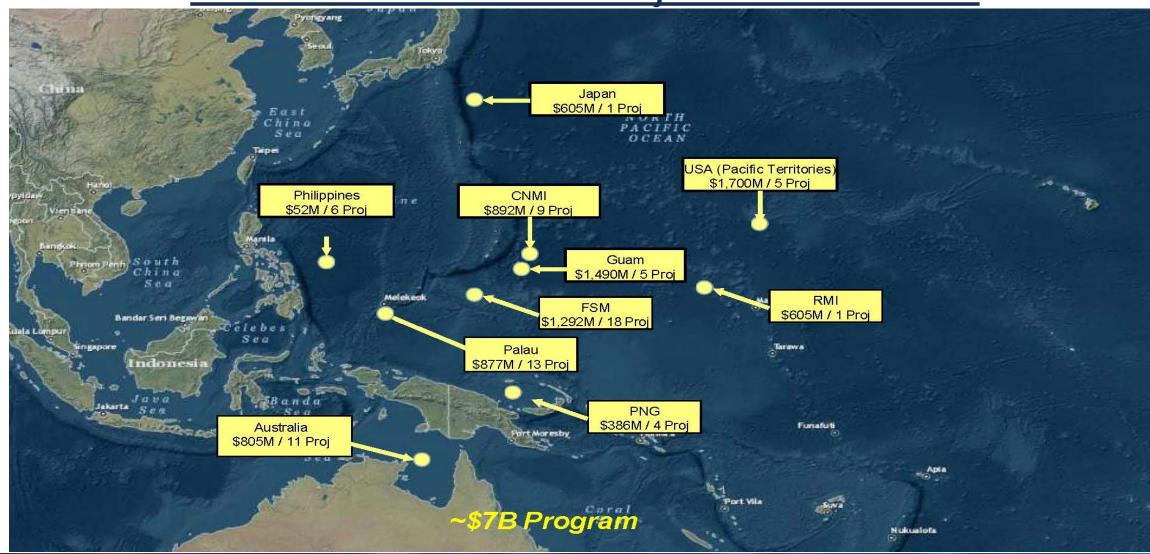
#### 2023 NDAA Authority/Appropriation Update

#### >Authority Changes in the NDAA

- Sec. 5901 H-2B Workers for Guam and CNMI to 31 Dec '24
- Sec. 2801 Unspecified Minor Military Construction (UMMC)
  - Minor Construction Limit temporarily raised from \$2M to \$4M
  - UMMC ceiling raised form \$6M to \$9M
  - Locality adjustment limit raised from \$10M to \$14M
- Sec. 2802 Modification of Locality Adjustment
  - · Added Wake Island and COFA states (FSM, RMI, Palau)
  - Already eligible: HI, Guam, CNMI, American Samoa
- Sec. 2809: "Use of operation and maintenance funds for certain construction projects outside the United States" (AKA Contingency Construction Authority)
  - Extends the authority for world-wide use by removing the limitation to CENTCOM and AFRICOM, but still limited to used under a National Emergency, Declaration of War or a Named Contingency Operation
- Sec. 2814 Use of Integrated Project Delivery Contracts
  - Requires each secretary to execute at least one project using a single contract for the delivery of a while project (builder, AE, DoD)
- Sec. 2511. Republic of Korea Funded Construction Projects

How will USINDOPACOM deliver Joint posture footprint program including planning, design and construction within the time and resources, given hundreds of projects in across the AOR, each having unique govt interest, land/access challenges, and environmental regulations?

# **US INDOPACOM Projects of Interest**



#### **Opportunities to: Think, Act, Operate Differently**

- What does the Government Need to Know from Industry to Better Partner to Deliver PDI'
  - Impact of procurement method/mechanics/administrative process on price/bid quality/risk balance
  - Standard front in specs or criteria to include/exclude specific to program/theater
  - Ways to mitigate unnecessary risk and drivers of cost that aren't core to delivering project
  - Areas where government can self-perform or add value that might be mutually advantageous
  - Best practices and recommendations and means/methods to encourage dialogue and partnership to implement them
  - Authorities or clauses that are underutilized that should be explored w/ supporting examples
  - •Non-Standard contract approaches. Early contractor involvement. Cost plus contracts? Incentives?
- ➤Project Management/ Site Survey/ Master Planning
  - Supply chains/ class IV/ industrial base extension
  - Local material/labor-visas?/construction standards?
  - Berthing: government vs. contractor provided? Work Camp, Cruise Ship, other accommodation?
  - Project Planning: Use allies standards or austere standards.







# 2023 JOINT ENGINEER TRAINING CONFERENCE & EXPO



#### INDOPACOM Construction Contracting Questions

- Have prior Warfighter recommendations been helpful?
- Has progress been made in reducing the MILCON P&D to IOC timeline?
- Will USACE and NAVFAC spilt the WestPac Contracting Effort?
- Will USAF execute their own O&M contracts throughout WestPac?
- What contracting issues has OSD identified that must be overcome?
- What are the details of the new INDOPACOM funding authority?

# Session 2: Operational Responsiveness and Effectiveness

- Scope of Potential Operational Contingency Construction Requirements
- Projected Contingency Construction Timelines
- How have Contingency Contractors responded effectively in the past?
- Can Contingency Contracts Respond Effectively to Emerging Requirements?







# 2023 JOINT ENGINEER TRAINING CONFERENCE & EXPO



# Session 2: Intro to Hypothetical Scenario

Satawal Island, YAP - Village & Reqd Crosswind Runways



See QR Code

#### Warfighter Seminar Contingency Construction Scenario







#### **Seminar #1:** Adaptability of Multiple Award Contingency Contracts to Current Global Threats

Scenario Situation, Mission, Execution, Admin & Logistics, Comm & Control

S: Adversary moves military vessels to support its fishing fleet poaching in waters of USA Ally.

M: Deploy a KTR/Troop Combined Contingency Construction Team (CCCT) to construct crosswind runways on nearby island within 60 days to sustain USA military presence and deter adversary aggression.

E: Assign Engineer Officer with KO/COR authority to Plan the Op & Command CCCT; Mob from Guam within 10 days of Task Order award; Achieve IOC in 40 days & complete in 60 days.

**A&L:** Insert Engineer Recon Team (ERT) with <u>USN support</u> prior to Task Order Award; Full Mob from Guam with support of one USN vessel; <u>Osprey re-supply</u> once interim LZ constructed; <u>C-130 with additional</u> Manpower/Equipment once IOC achieved: USN/USMC surface/air extraction once mission complete.

**C&C:** USN/USMC provides Comm & Security plus Geo-Spatial Assets; Engineer OpCon, KO, FM & Logistics support remote from Guam; Daily Ops Report by secure comms at 1800 Guam Time.

# Seminar Agenda

# May 2<sup>nd</sup>

- 0730-0800: Panel Group Preparation
- **1200 1430:** Warfighter In-Brief
- **Session 1**: 1500 1550
  - Capabilities of Contingency Contracts & Contractors
  - **INDOPACOM Treaties and Country** Agreements
- **Session 2: 1550 -1700** 
  - Contracting and Financial Requirements regulating Contingency Contracts
  - Responsiveness & Effectiveness of Contingency Contracts to Military Operations
  - Intro to Pacific Island Contingency Construction (Hypothetical) Scenario

# May 3rd

- Session 3: 1030-1200
  - Adjusting Contingency Contract Terms and Conditions to Meet Current Threats
  - Pacific Island Contingency Construction (Hypothetical) Scenario
  - Balancing Operational, Security, Logistics and Host Nation Risks to execute an Island Scenario
  - Incorporation of a "Contingency Contractors on the Battlefield" Annex into applicable OPLANS
- **Session 4**: 1200-1230
  - Wrap Up
- **1430 1700:** Warfighter Out-Brief

# Session 3: Adjusting Contract Terms & Conditions to Meet Current Threats

- Discussion of Actual Experiences in which Contract Terms and Conditions adversely constrained effective Contingency Response.
- Discussion of "Required & Achievable" Potential Modifications to Contingency Contract Terms and Conditions.
- What Options are available to create Contingency Contracts which:
  - Blend knowledge and local focus of a Sole Source Contract
  - With Competitive Pricing & Performance of a Best Value Contract?

### Session 3: Balancing Operational, Security, Logistics & Host Nation Risks to Execute an Island Contingency Construction Scenario

- Review Scenario Situation, Mission, Execution, Admin & Logistics and Command & Communication (SMEAC).
- Discuss whether this task is achievable within the established timeframe, and if not, why not?
- Discuss Risks which must be addressed, balanced and mitigated to ensure successful execution by the "Combined Contingency Construction Team."
- Could this Hypothetical Task Order be executed on time by any of the Existing Contingency Contracts? If not, what needs to be changed?



# 2023 JOINT ENGINEER TRAINING CONFERENCE & EXPO



## Session 3: Discussion of Hypothetical Scenario

Satawal Island, YAP - Village & Reqd Crosswind Runways



See QR Code

### Warfighter Seminar Contingency Construction Scenario





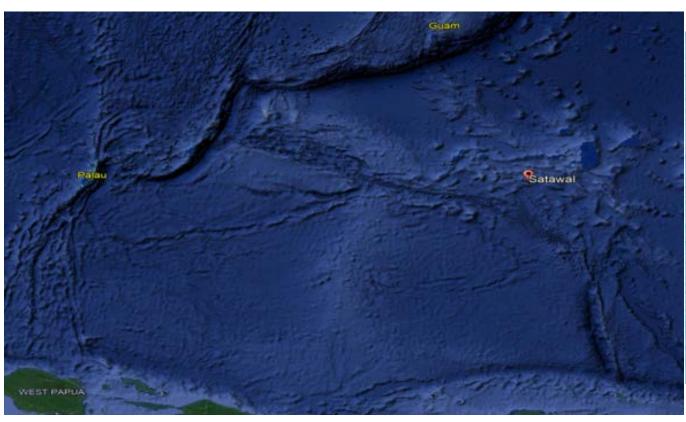




# 2023 JOINT ENGINEER TRAINING CONFERENCE & EXPO



### Outer Islands of Yap – 2<sup>nd</sup> Island Chain





#### **Seminar #1:** Adaptability of Multiple Award Contingency Contracts to Current Global Threats

Scenario Situation, Mission, Execution, Admin & Logistics, Comm & Control

S: Adversary moves military vessels to support its fishing fleet poaching in waters of USA Ally.

M: Deploy a KTR/Troop Combined Contingency Construction Team (CCCT) to construct crosswind runways on nearby island within 60 days to sustain USA military presence and deter adversary aggression.

E: Assign Engineer Officer with KO/COR authority to Plan the Op & Command CCCT; Mob from Guam within 10 days of Task Order award; Achieve IOC in 40 days & complete in 60 days.

**A&L:** Insert Engineer Recon Team (ERT) with <u>USN support</u> prior to Task Order Award; Full Mob from Guam with support of one USN vessel; <u>Osprey re-supply</u> once interim LZ constructed; <u>C-130 with additional</u> Manpower/Equipment once IOC achieved: USN/USMC surface/air extraction once mission complete.

**C&C:** USN/USMC provides Comm & Security plus Geo-Spatial Assets; Engineer OpCon, KO, FM & Logistics support remote from Guam; Daily Ops Report by secure comms at 1800 Guam Time.

#### Session 3: Hypothetical Scenario – Pacific Island Contingency Construction Scenario

- **SITUATION:** Sovereign waters of a Pacific Island Nation are being encroached upon by a foreign fishing fleet intent on depleting its fishery and extending its own sovereignty while ignoring the damage it is doing to vital coral reefs.
  - This foreign commercial fleet can be quickly reinforced with adversary forces with the intent to halt any local interference with its fishing operations. The scenario islands are friendly to U.S. interests but will need to grant access.
- **MISSION**: The mission is to form an integrated Contractor/Troop Combined Contingency Construction Team (CCCT) to plan, design and execute construction of two, 3,000-foot, crosswind, expeditionary runways on the island of Satawal.
  - Sustain USA Military Presence and Deter Adversary Military Aggression.
  - Runways require daylight VFR landing and take-off capability. Operational Capability to be achieved within 60 days of contract award.

## Pacific Island Contingency Construction Scenario

**EXECUTION:** Upon commitment of funding and when directed, this mission shall be fully planned, with all necessary troop mobilization and contract actions completed, within 10 days. This mission shall be led by a fully qualified Engineer Officer with the rank of 04/05 and the necessary KO/COR credentials.

- Planning shall include: (i) a design; (ii) a detailed schedule backed-up by production projections; (iii) risk identification and mitigation strategies; (iv) required weapons/ammo, equipment, tools, and comm gear; and (v) necessary medical/life support supplies.
- Mobilization on island of a combined troop and contractor advanced party shall be completed from Guam within 10 days of contract award.
- Initial Operating Capability (IOC) shall be achieved with construction of one operational expeditionary runway within 40 days of contract award.
- Full operational capability shall be achieved with two operational VFR crosswind runways within 60 days of contract award.

## Pacific Island Contingency Construction Scenario

**ADMIN AND LOGISTICS:** This mission may request the following military logistics support:

- One USN Vessel mission departing from Guam to deliver/offload a (covert) Engineer Recon Team (ERT) upon issuance of an RFP and prior to contract award.
- One USN Surface Vessel mission (manned/unmanned) to support mobilization of manpower, equipment, fuel, construction tools and materials, generators, water and supplies which are to be procured by the contractor and loaded/shipped from Guam.
- One resupply mission by Osprey once a suitable interim landing zone is constructed.
- One C-130 mission with heavier equipment and supplies and additional Troops and Contractors once IOC is achieved.
- Two surface or air extraction missions once mission is completed.







## Pacific Island Contingency Construction Scenario

<u>COMMUNICATION AND CONTROL</u>: This mission shall be commanded by the Senior Officer Present Ashore (SOPA) who shall be an Engineer Officer with the necessary contracting credentials.

- Appropriate military satellite communication and geo-spatial recon assets and trained military troop communicators shall be provided to the combined contingency construction team, as well as a military security team sized and armed for the current threat environment.
- Contractual and Financial control of this mission shall be maintained remotely by the SOPA with the Contracting Officer and the designated financial Program Manager who will be positioned on Guam along with a comm and logistics support element reporting to the SOPA.
- Daily Operational Reports will be provided by secure communications at 1800 (Guam time) which will: (i) summarize the work completed that day, (ii) lay out the work to be accomplished tomorrow, and (iii) identify emerging problems and necessary actions to remedy/mitigate mission impact

### Session 3: Balancing Operational, Security, Logistics & Host Nation Risks to Execute an Island Contingency Construction Scenario

- Review Scenario Situation, Mission, Execution, Admin & Logistics and Command & Communication (SMEAC).
- Discuss whether this task is achievable within the established timeframe, and if not, why not?
- Discuss Risks which must be addressed, balanced and mitigated to ensure successful execution by the "Combined Contingency Construction Team."
- Could this Hypothetical Task Order be executed on time by any of the Existing Contingency Contracts? If not, what needs to be changed?

## Session 3: Incorporation of a "Contingency Contractors on the Battlefield" Annex into applicable OPLANS

- Discuss at the UNCLAS level how Contingency Contracting is addressed in current planning documents?
- Is Contingency Contracting addressed during routine war gaming and operational exercises?
- What Benefits could be achieved by Addressing and Exercising Contingency Contracting as Annexes to applicable OPLANS?

#### **Seminar #1:** Adaptability of Multiple Award Contingency Contracts to Current Global Threats

#### **Findings and Recommendations**

**Finding #1:** Multiple contracting agencies in a single area create unintended consequences (i.e., contractor fratricide)

**Recommendation**: Assign contracting agencies by region, island, etc.

**Finding #2:** Prior to Task Order award, there is little to no time for "Contingency" MATOC Contractors to plan or respond to requirements.

**Recommendation**: Conduct early planning, training, and/or exercises between operational contracting agencies and "Contingency" MATOC Contractors

**Finding #3:** The moratorium on use of any type of contract other than firm-fixed price for construction creates an unbalanced and unacceptable risk within the INDOPACOM region (or any other logistically challenged region)

**Recommendation**: Develop a White Paper by SAME JECO COI justifying and supporting the waiver of this moratorium in INDOPACOM to facilitate executing construction with cost reimbursable contracts.

#### Seminar #1: Adaptability of Multiple Award Contingency Contracts to Current Global Threats

#### **Findings and Recommendations**

**Finding #4:** Construction and service activities in INDOPACOM (or any other remote area) are really more of a logistics effort than a construction or service effort.

**Recommendation**: Use hybrid contracts to break out logistics as a cost reimbursable service while executing the actual construction as firm fixed price.

**Finding #5:** Contract administration and management should be accomplished on location (i.e., not as a reach-back effort through multiple time zones)

**Recommendation**: On-site leadership should be trained and given limited contracting authority necessary to effect timely actions.

Finding #6: There exist other contract vehicles outside of the Contingency MATOCs (LOGCAP, AFCAP, GCSMAC and GCCMAC) that could meet service requirements for construction, repairs, commodities and/or services.

**Recommendation**: Establish a Contracting Coordination Board within INDOPACOM similar to the European Contracting Coordination Board (ECCB) to review all existing contracts for applicability to INDOPACOM requirements and to identify potential modifications which could improve current Contingency MATOCs.

#### Seminar #1: Adaptability of Multiple Award Contingency Contracts to Current Global Threats

#### **Findings and Recommendations**

**Finding #7:** Presently, FFP contracts are placing substantially all risk on contractors to include potential penalties.

**Recommendation**: Review and adjust FFP terms and conditions to achieve a more balanced risk share.

**Finding #8:** INDOPACOM AOR has inadequate labor resources (USN / TCN) to meet its projected requirements.

**Recommendation**: Implement early contractor involvement in contingency project planning to address mobilization of labor from outside INDOPACOM.

**Finding #9:** Time/cost/risk for construction within INDOPACOM is driven by logistics.

**Recommendation**: Implement early contractor involvement in contingency project planning to address logistics from within and from outside the INDOPACOM AOR; and, identify potential logistics support by military assets (sea and air).

**Finding #10:** Treatment of contractors in support of the military is inconsistent across INDOPACOM Host Nations.

**Recommendation**: Initiate coordination between DoD and DoS to clarify status of contractors in support of the military and to gain approval to treat deployed U.S. contractors similarly to U.S. military personnel.



## THANK YOU !!!

We hope you enjoyed the Warfighter Seminar.

Any Final Questions or Comments?

