



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY

TRANSATLANTIC PROGRAMS CENTER
U.S. ARMY CORPS OF ENGINEERS
P.O. Box 2250

Winchester, Virginia 22604-1450

February 19, 1999

Directorate of Contracting

New logistics services contract awarded Support for U.S. forces in the Balkans

U.S. Army Europe and the U.S. Army Corps of Engineers have joined forces to award a contract that will provide continued logistics support services to U.S. forces deployed in the Balkans region.

The Operation Joint Forge logistics support services contract (DACA78-99-D-0003) was awarded Feb. 19 to the firm, Brown & Root Services of Houston, Texas. The one-year contract, with four one-year option periods that can be awarded at the government's discretion, will become effective on May 28, 1999.

Under the contract, Brown & Root Services will provide life support and transportation and maintenance services for U.S. forces deployed in Hungary, Croatia, and Bosnia in support of Operation Joint Forge, the military name for the U.S. portion of the NATO-led peacekeeping operation designed to help stabilize Bosnia following the 1995 Dayton Peace Accords. These services include:

- **Life support services:** The contractor will operate and maintain temporary troop housing and facilities, such as structure maintenance, installing and cleaning shower and latrine units, and power generation. Other services include laundry operations, water production and distribution, food services, and temporary construction.
- **Transportation and maintenance services:** The contractor will provide shuttle bus and transportation services, road repair and maintenance, snow and ice removal, railhead operation and cargo handling, equipment maintenance, hazardous materials and environmental services, mail delivery, refueling, fire fighting, scrap sales and disposal, and Redeployment, Staging, and Onward Movement operations, which refers to the services needed to support U.S. forces as they transit through an area, either deploying to or redeployment from the Balkans region.

The contract awarded to Brown & Root Services is a cost reimbursement, indefinite delivery-indefinite quantity contract. This means that the contractor is issued task orders to match customer requirements and is then paid for all allocable and allowable incurred costs, plus an incentivized award fee or profit. This type of contracting mechanism is used when the government cannot specify a firm quantity of services because of changing mission requirements, as has been the case in the Balkans region.

Under the contract, the value of the work cannot exceed \$180 million per year. The contract has a maximum value of \$900 million if all four option periods are exercised, in addition to the base year.

This multi-million dollar contract was competitively awarded by the Army Corps of Engineers' Transatlantic Programs Center, based in Winchester, Virginia, on behalf of U.S. Army Europe, headquartered in Heidelberg, Germany, which is responsible for military operations in the Balkans.

The Transatlantic Programs Center has been administering a logistics services contract for U.S. Army Europe since December 1995 when U.S. forces were deployed to the Balkans in support of the NATO-led Implementation Force. From December 1995 through May 1997, the services were provided by Brown & Root Services under a contract awarded by the Transatlantic Programs Center to support the Army's Logistics Civil Augmentation Program, which provides contracted logistics services during military contingency operations.

In May 1997, as a result of the continuing U.S. commitment to the peacekeeping operations, U.S. Army Europe asked the Transatlantic Programs Center to award a follow-on sustainment services contract to Brown & Root Services, which expires this May. The continued U.S. involvement in the Balkans prompted this competitively awarded contract.

The day-to-day contract administration in Hungary, Croatia, and Bosnia is provided by the Defense Contract Management District-International, which is headquartered in Fort Belvoir, Virginia, and which is a subordinate element of the Defense Logistics Agency. These services are provided under a memorandum of agreement between the Defense Contract Management Command and the Transatlantic Programs Center.