Contractors on the Battlefield

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Agenda

• Historical context
• The CH2M HILL experience
• Commission on Wartime Contracting
• Standards on the Battlefield
• Sustainability
• Contractor Challenges
• What you need to know
History - past 3 decades

- DS2 – weapon, aviation, technical systems contractors
- End of cold war – peace dividend
- Somalia – earliest logistics contracts
- Balkans - logistics
- Afghanistan – logistics, contingency construction
- Iraq – major reconstruction contracts, logistics, contingency construction
- Afghanistan again

Trends – a growing reliance on contractors, better support to the military, more contractors on the battlefield
Contractors in Afghanistan

- More contractors than troops
  - Jun 2009, 74K contractors to 58K troops
  - Jun 2011, probably double both figures
  - Iraq ratio almost 1:1
- Contractors provide services of all kinds....
  - base life support services, food service, engineering and construction, private security, weapons systems, technical systems support
- Contractors are located at the most forward locations
- Better plan for contractors wherever troops are!
CH2M HILL Today

- Average 100-200 CH employees in Iraq/Afghanistan for past 5 years
- Support to various commands of Army, AF, USMC, DOS, USAID
- Primary services:
  - military master planning
  - design/build
  - contingency/logistics support
  - water planning, well drilling
  - environmental

We go where our customers go........
Major Contract Vehicles

- ARCENT – master planning
- USACE – design/build construction, master planning
- AFCEE – major construction
- Army LOGCAP – contingency construction and life support services, logistics
- Air Force AFCAP – staff augmentation and support services, logistics
Afghanistan
Master Planning - Afghanistan

25+ Plans at 17 Locations:
- Bagram Airfield
- Bala Murghab
- Bastion/Leatherneck
- Delaram II
- Dwyer
- Farah
- Fenty
- Herat
- KAIA
- Kandahar Airfield
- Maywand (Ramrod)
- Mazar-e-Sharif
- Moqur
- Phoenix
- Shindand
- Spin Boldak
- Torkham

Afghan Basing Strategy

20+ People deployed
$10M+ Work Performed

Major Clients: ARCENT, AFCENT, MARCENT, ISAF, USFOR-A, 577 EPBG
Middle East District, U.S. Army Corps of Engineers
FY08-FY09 Projects, Bagram AB, Afghanistan
$130M total
Army LOGCAP Construction

- Contingency construction – temporary, below $750 K per project, per CENTCOM Sandbook standards
- CH2M HILL is a sub and a partner to DynCorp International – responsible for base life support in southern Afghanistan
FOB Delaram II – Contingency Base Life Support
Camps built to meet the unit requirements
Contingency Construction over the past two years

- 41 camps constructed – over 18 K bed spaces
- 8 dining facilities
- 20 additional sustainment projects
- 17 water wells providing capacity for 3 million gallons a day
- Safety – over 3 million hours of construction with only one reportable accident
- Over $400M in contingency construction
Goal was to stay ahead of the surge of troop deployments into the AOR
Water Well Drilling in Afghanistan - 2010
Commission on Wartime Contracting

- Bipartisan commission established to investigate and report to Congress on wartime contracting in Iraq and Afghanistan
- Three year effort – final report released 31 Aug 11
- Methodology – hearing, AOR visits, visits to corporate offices – very thorough effort
- Summary:
  - Contractors have become the default option
  - Agencies do not treat contingency contracting as a core function
  - Interagency organization structures do not support contingency operations
  - Policies and practices hamper contingency competition
  - Enforcement policies and controls fail to ensure contractor accountability
Life Support standards on the Battlefield
Sustainability

• A lot yet to be done on the battlefield – power, water, waste
• Pentagon understands the importance, contractors can deliver the value
• Obstacles
  – temporary nature of engagement
  – initial investment cost
  – ability of the Govt to write the contract requirements
Contractor Challenges

• Logistics – supply lines across the battlefield
• Foreign subcontractors – finding the good ones is a challenge
• Security for their employees; movement in the theater
• Planning for what comes next (descoping)
• Surviving the audit
What you need to know
(this is what we tell the military)

- Contractors are growing in importance to your sustainment on the battlefield.
- The more you pull your contractors into your planning circles – the better they will perform for you. Partner, don’t isolate!
- Contractors provide a wealth of experience – in many ways.
- Contractors have a huge capability to mobilize resources.
- Is your unit being deployed? Get to know your Govt acquisition and contract management team.
  - How will they get you the contractor support you need?
  - What do they need from you?
Contractors take it Personal

“.........These camps we build are for the brave fathers, mothers, sons, daughters, brothers and sisters who would go in harm’s way to protect our freedom and the freedom of others. I am proud of what we do and I know that you feel the same way.”

Francis Dayao,
CH2M HILL Civil Engr,
FOB Leatherneck
Questions?

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Thank you!