DEPARTMENT OF THE ARMY



UNITED STATES ARMY LEGAL SERVICES AGENCY 9275 GUNSTON ROAD BUILDING 1450 FORT BELVOIR, VA 22060-5546

REPLY TO ATTENTION OF:

JALS-KFLD-PF 5 June 2015

MEMORANDUM FOR Principal Assistant Responsible for Contracting (PARC), Colonel (COL)
CENTCOM Joint Theater Support Contracting Command (Forward)
Regional Contracting Center-South, Kandahar Airfield, Afghanistan APO AE 09355

SUBJECT: Request for Compelling Reasons Determination to Exercise Option on Contract Number W91B4L-14-C-0007 with Supreme Foodservice FZE

- 1. On 21 August 2014, contract number W91B4L-14-C-0007 was awarded to Supreme Foodservice FZE (Supreme) to provide food services to over 1,200 service members and Department of Defense (DOD) personnel on Tactical Base Dwyer (TB Dwyer) with a period of performance from 21 August 2014 to 20 June 2015 with an additional option period of six months (21 June 2015 20 December 2015).
- 2. On 8 December 2014, Supreme was convicted in the U.S. District Court for the Eastern District of Pennsylvania for violations of 18 U.S.C. § 1031 (Major Fraud Against the United States), 18 U.S.C. § 371 (Conspiracy), and 18 U.S.C. § 1343 (Wire Fraud). Based on the federal convictions, on 8 December 2014, the Defense Logistics Agency (DLA) proposed Supreme for debarment from contracting with the federal government. Supreme remains in a proposed debarment status. (Encl 1)
- 3. On 31 March 2015, due to the proposed debarment of Supreme, Regional Contracting Center-South (RCC-S), which provides contracting support to South and South West Afghanistan, submitted a Request for Information to identify food service providers on the Joint Contingency Contracting System (JCCS) with a closing date of 5 April 2015. Although RCC-S received numerous responses to the RFI, only one vendor, Ecolog, was capable of filling the food services requirement. However, due to several factors, including finalizing the award, price negotiations, and mobilization time, Ecolog will not be able to commence food services operations on 21 June 2015.
- 4. On 5 June 2015, you submitted a compelling reasons determination request for a 30-day extension of contract W91B4L-14-C-0007 with Supreme in order to continue food services operations at TB Dwyer. (Encl 2) You also included a "Determination and Findings Contractor Responsibility for W911B4L-14-C-007" memorandum. (Encl 3) In your written submissions, you set forth the following reasons for the 30-day contract extension request:
- a. Only Supreme can efficiently perform the provision of food services during the transition to the new food services contract. Supreme currently provides food services, including cooking, preparing and serving, to over 1,200 Service Members and Department of Defense personnel on TB Dwyer. These services will cease at the end of the current period of performance of the contract on 20 June

SUBJECT: Request for Compelling Reasons Determination

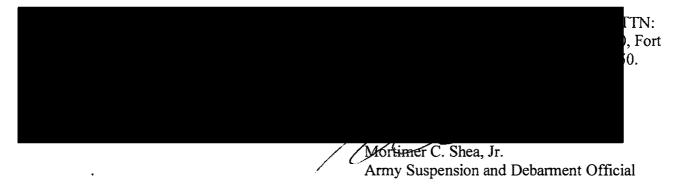
- 2015. The follow-on contract to Ecolog is in negotiations; however, Ecolog cannot mobilize fast enough to assume these services without a break in service.
- b. Urgency requires contracting with Supreme. The RCC-South contracting office is in the process of negotiating an award to Ecolog. Provided these negotiations succeed, there is a mobilization period to allow Ecolog to hire, transport, and acquire the necessary equipment and personnel to TB Dwyer to operate a DFAC.
- (1) Unless the option with Supreme is exercised with the beginning performance date of 21 June 2015, there will be a break in service resulting in a lack of DFAC food services for service members and DOD personnel in an austere environment and a diminished ability for the Government to effectively negotiate the price of the follow-on contract. In addition, this is further complicated because force protection measures do not allow Afghan local nationals to engage in food service operations; therefore, only U.S. or Third Country Nationals with Afghan Visas will be allowed.
- (2) As of 5 June 2015, TB Dwyer currently has 16 Days of Supply (DOS) of MREs. This is only enough to feed every person one MRE meal a day for two weeks. For two meals per person per day, 15 additional DOS of MREs is required (with breakfast being a continental breakfast of fruits, cereal and muffins). The Bagram Class I Yard currently cannot provide more MREs, and is currently investigating DLA sources to transport more MREs. (Encl 2)
- c. In addition as set forth in your "Determination and Findings," it is indicated that during the period of performance, RCC-S has rated Supreme as "Excellent" in its performance ratings, and has not detected any evidence of fraud or misrepresentations in Supreme's invoices or any other contract actions. Also, it is indicated that this contract was not part of the DLA Troop Supports contracts referred to in the DLA proposal for debarment of Supreme. (Encl 3)
- 5. Agencies shall not renew or otherwise extend the duration of current contracts, or consent to subcontracts, with contractors debarred, suspended or proposed for debarment, unless the agency head or a designee with authorized representative status states in writing the compelling reasons for renewal or extension in accordance with the provisions of FAR 9.405-1(b) and 0.405-2(a) and (b).
- 6. This request was referred to the Chief, Procurement Fraud Branch, U.S. Army Legal Services Agency, Contract and Fiscal Law Division (PFB) consistent with Section 5109.405 of the Army Federal Acquisition Regulation Supplement.
- 7. I have determined that you have provided compelling reasons for a 30-day extension of contract W91B4L-14-C-0007 with Supreme in order to continue food services operations at TB Dwyer:
- a. Immediate operational needs require that the Supreme food services contract be extended an additional 30 days. Unless there is an extension, there will be a break in service on 21 June 2015, and service members and DOD personnel will be without DFAC food services in an austere environment, and the lapse will further diminished the ability of the Government to effectively negotiate the price of the follow-on contract. Also, as of 5 June 2015, TB Dwyer currently has only 16 Days of Supply (DOS) of MREs, which is only enough to feed each person one MRE meal a day

JALS-KFLD-PF

SUBJECT: Request for Compelling Reasons Determination

for two weeks. Additionally, I find that the lapse in food services may present a serious threat to the health and safety of the service members and DOD personnel assigned to TB Dwyer.

- b. There is insufficient time to mobilize another contractor to replace Supreme without a resulting lapse in food services operations. Only Supreme can efficiently perform the provision of food services during the transition to the new food services contract. Supreme currently provides food services, including cooking, preparing and serving, to over 1,200 personnel at TB Dwyer. The follow-on contract with Ecolog is in negotiations; and thus, Ecolog will not be able to mobilize fast enough to assume food services operations without a break in such services.
- 8. This determination of compelling reasons is for the sole purpose of allowing a 30-day extension of contract W91B4L-14-C-0007 with Supreme in order to continue food services operations at TB Dwyer. Other awards, renewals, or extensions of additional contracts or subcontracts during the period of Supreme's proposed debarment are not included in this compelling reasons determination.
- 9. Pursuant to Section 209.405 of the Defense Federal Acquisition Regulation Supplement, written notification of this compelling reasons determination will be provided to the General Services Administration.



3 Encls

- 1. Proposed Debarment of Supreme Foodservice FZE, 8 Dec 14
- 2. CJTSCC RCC-S Compelling Reasons Determination Request, 5 Jun 15
- 3. Determination and Findings Contractor Responsibility for W91B4L-14-C-0007, 5 June 15