

Vehicle Tactical Engagement Simulation System (VTESS)

Logistics Overview



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Sustainment Strategy Update



BLUF: VTESS Support Strategy will employ Public Private Partnerships between the OEM & Organic Capabilities followed by LCCS & Organic Capabilities

- **Goal**
- **Constraints**
 - ✓ **Work allocation**
 - ✓ **Core Logistics Capability**
- **Public Private Partnering**
- **Support Strategy**
 - ✓ **PPP - Direct Sales**
 - ICS Period (OEM & Organic)
 - Post ICS (LCCS & Organic)
- **Questions**





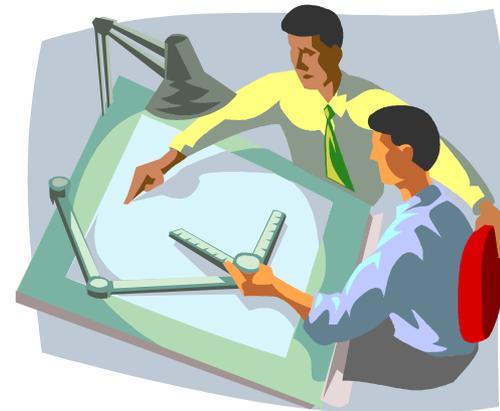
Goal: Best Approach



Objective is to identify BEST support alternatives

- Comply with law (USC Title 10)
- Comply with DoD policy (Public-Private Partnering)
- Performance
- Capability
- Skills, Infrastructure
- Cost
- Flexibility

Best Value

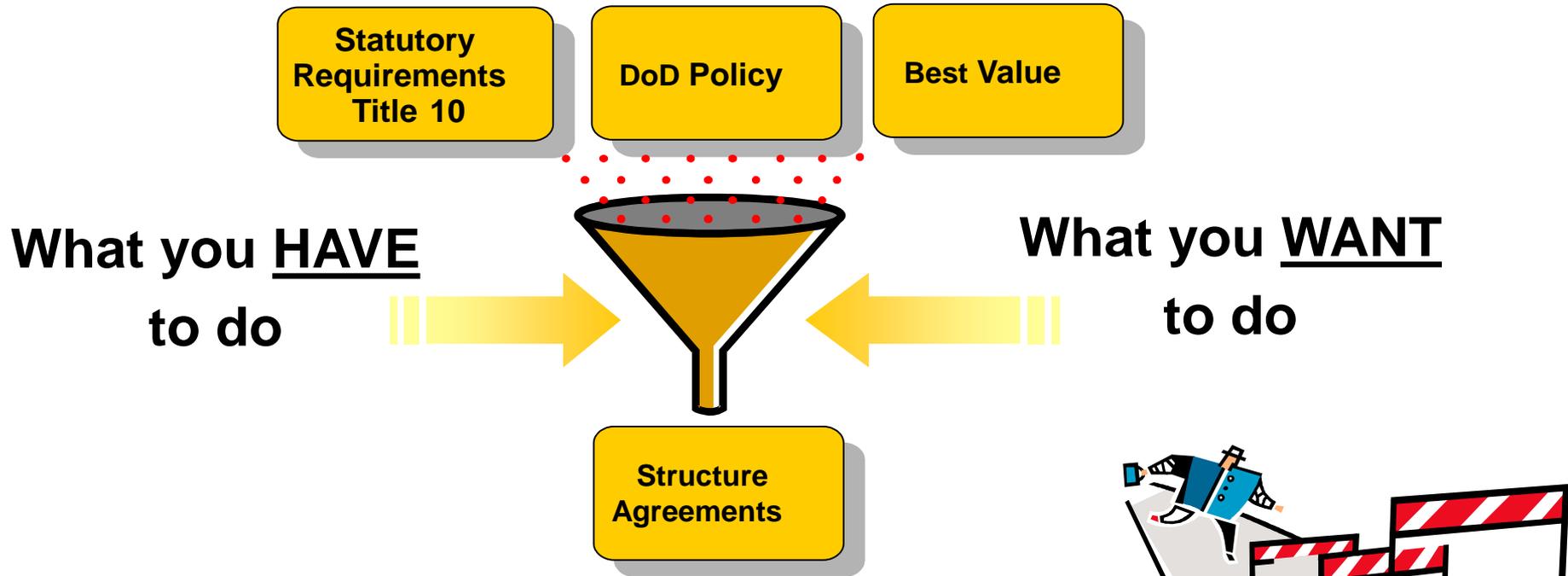


An effective support plan considers “best competencies” and partnering opportunities

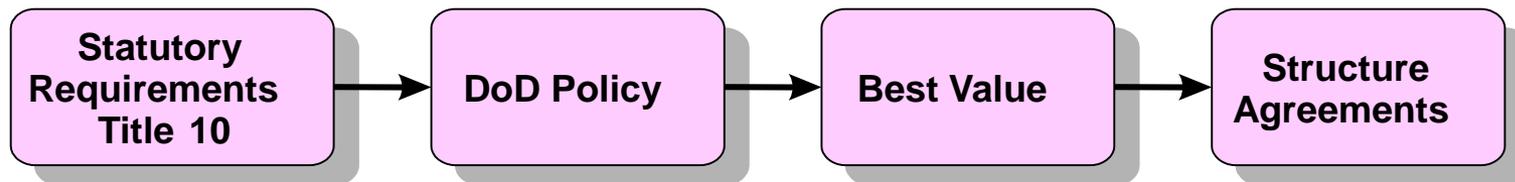




Constraints: Support Workload Allocation



Planning Process





Constraints: 2464, Core Logistics Capabilities



- Maintain and repair systems identified by SECDEF as necessary to fulfill the strategic and contingency plans.
- “Performance of workloads necessary to maintain a core logistics capability that is **Government owned and operated** (including personnel, equipment and facilities).”

“SECDEF...shall assign such facilities sufficient workload to ensure cost efficiency and technical competence in peacetime while preserving surge capacity and reconstitution capabilities...”

Bottom line: A portion of CORE Workload will always be performed by government personnel





Core Logistics Workload

”Depot workload **needed to maintain DoD Core Logistics Capability**”

- Sufficient workload to ensure cost efficiency and technical competence in peacetime
- Preserve surge capacity and reconstitution capabilities necessary to support DoD strategic and contingency plans

The amount, if any, that can be contracted out will depend on assessments yet to be conducted by the OEM.

PM LTS will determine both Core Logistics Capabilities and the Workload required to maintain those capabilities

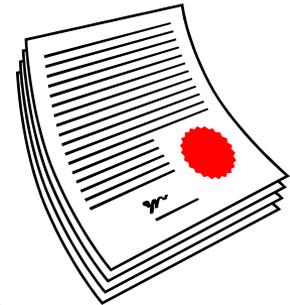




Public-Private Partnering



- DoD Policy: “Sustainment strategies shall include the best use of public and private sector capabilities through **government / industry partnering** initiatives, in accordance with statutory requirements.” (Source: DoDD 5000.1, paragraph E1.17, dated 12 May 2003)
- Definition: A public-private partnership for depot maintenance is an **agreement between an organic depot maintenance activity and one or more private industry or other entities** to perform work or utilize facilities and equipment. (Source: JDMAG Report on Partnerships for Depot Level Maintenance, dated July 2004)



Enables industry to manage depot-level maintenance
and repair on Core systems

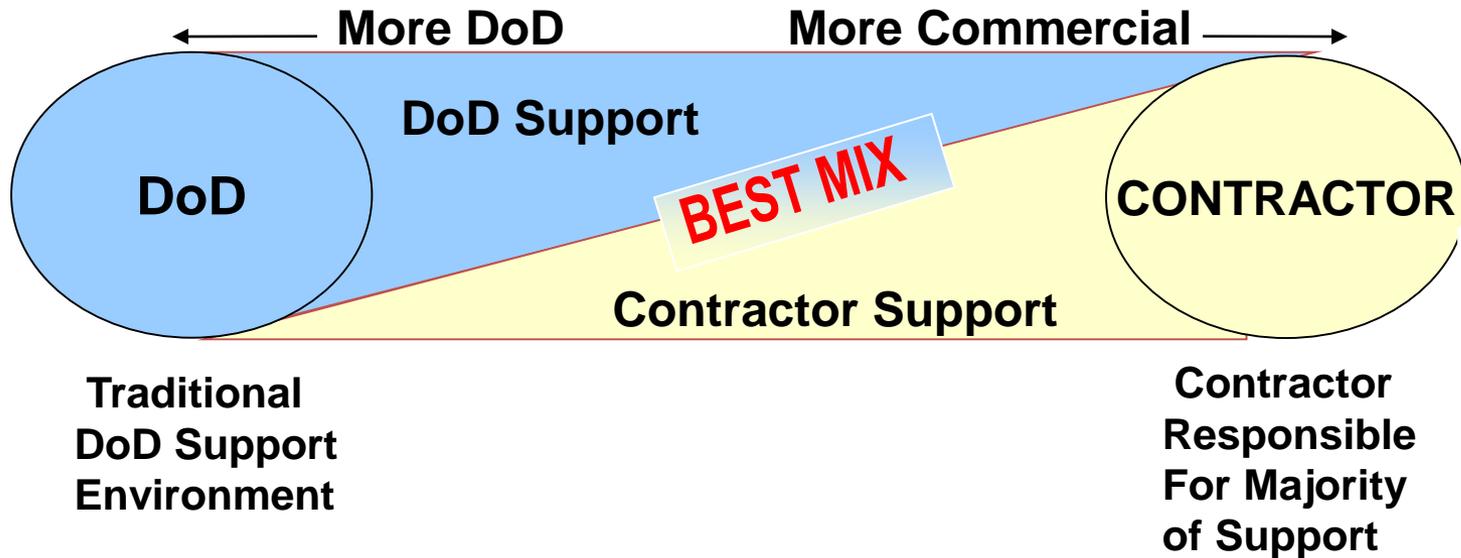




Support Strategy



Most DoD support workloads are performed by a combination of DoD and contractor providers.

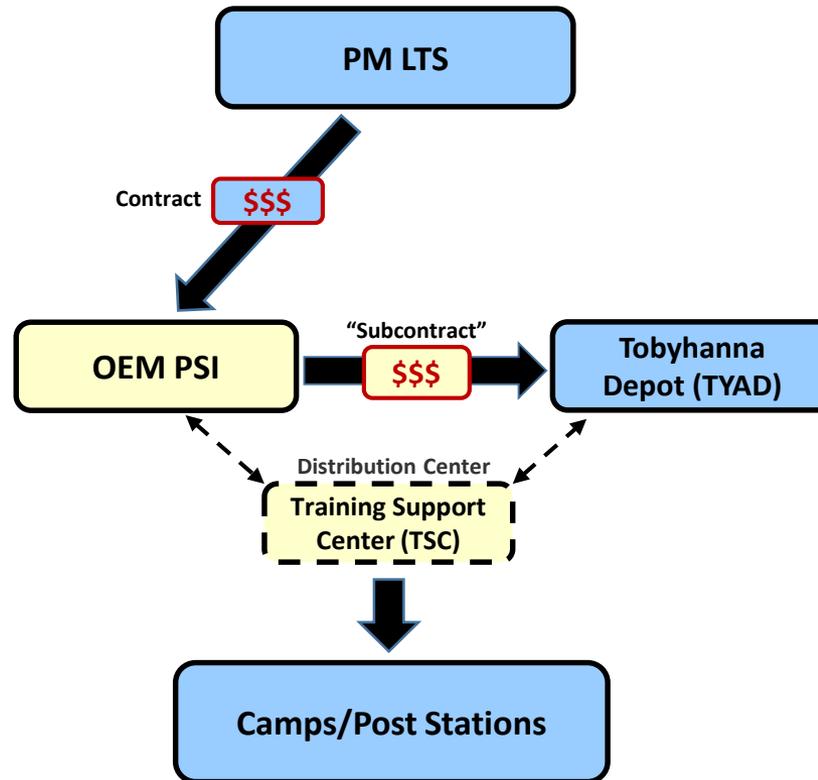


Public/Private Partnering Opportunities





Direct Sales Depot Partnering: ICS Period



ICS Period: 2 Years

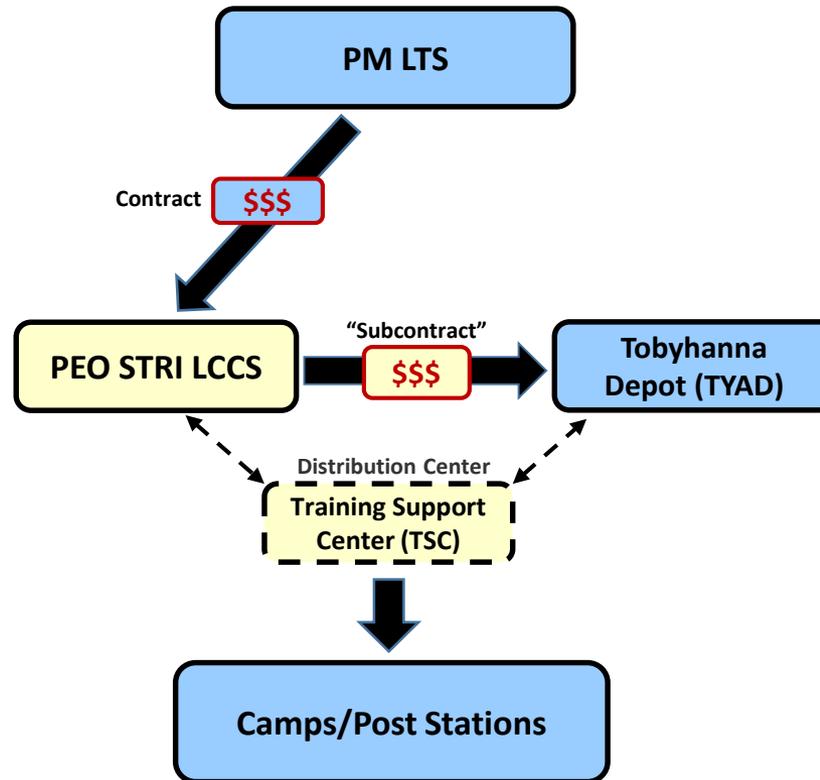
- OEM subcontracts with Depot
- Established by a partnering agreement
- Depot does overhaul
- Depot paid by OEM
- Contractor is accountable for VTESS support
- "Hold Harmless" clause except:
 - Gov. willful misconduct or gross negligence
 - Failure of the Gov. to comply with quality, schedule, or cost performance requirements

10 U.S.C. 2563 is the foundation statute for Direct Sales





Direct Sales Depot Partnering: Post ICS



Post ICS

- LCCS subcontracts with Depot
- Established by a partnering agreement
- Depot does overhaul
- Depot paid by LCCS
- Contractor is accountable for VTESS support
- "Hold Harmless" clause except:
 - Gov. willful misconduct or gross negligence
 - Failure of the Gov. to comply with quality, schedule, or cost performance requirements

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Questions?

