

here in the left column and have charted the expiration of the current contracts. In some cases, certain contracts are being extended beyond the original time in order to synchronize them with other contracts. In solid bars is shown the proposed period for the new contracts which will be awarded.

As a matter of history, when this Center put together its contractor structure for the first time, the NASA Headquarters authorized original contracts—the ones shown on the left here—for periods not in excess of 3 years. There was intense competition for this business at the time. As a result, KSC obtained extremely favorable arrangements, offered by the successful contractors, on their organizational structure, their overhead costs, minimum staffing, high quality performance, and a very reasonable competitive fee scale.

In anticipation of that kind of experience, NASA made crystal clear at the start to all proposers, including those who later won these awards, that they would definitely be recompeted at the expiration of the original contract. Now, our challenge here has been to build a Government/industry team which accepts that policy and goes ahead to develop new procurements and lays plans for a possible succession of any or all of these present contractors with a minimum of handicap to our going operations.

That has not been easy, but we believe we have gone a long way to minimize the difficulties.

Let me illustrate how we have proceeded. The Kennedy Space Center is particularly concerned with a situation where it might have to change contractors right in the midst of our most critical launch phase of the Apollo/Saturn program. We could not afford to have the launch support contractor, who works in the most intimate association with the launch assembly team, be changed to a newcomer right at the time we have finally shaken down our operational launch procedures. As a result, NASA has authorized us to extend this contract for 2 years. It will go out for recompetition in fiscal year 1970.

In the other cases, though, the original contracts were all expiring at least a year earlier than the one for launch support services. KSC made a decision that it would be better to put these contracts under recompetition now rather than later. As a result, these have been extended only far enough to time-phase certain of the contracts with others which, under present guidelines from NASA, are being coordinated or put together in a larger package—that is, with fewer contracts.

There are three sets of two contracts each which are being combined in a recompetition into larger packages.

These combinations will permit us to have the contractor management deal with only one major element of the KSC organization. It complicates the organization structure of a contractor if he must work for a variety of contract technical managers throughout the Government's organization. The communications and instrumentation support contract, for instance, will now be handled by one directorate, the technical support office. Base operations and administrative support, which today are TWA contracts and the Ling-Temco-Vought contracts respectively, are to be combined within one installation con-