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THRU: Commanding General
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       APO 96375

       Commander in Chief
       United States Army, Pacific
       APO 96558

TO: Assistant Chief of Staff for Force Development
    Department of the Army
    Washington, D.C. 20315

The Operational Report of this headquarters for the quarterly period ending 31 July 1968 is forwarded in accordance with Army Regulation 525-15 and USARV Regulation 525-15.

FOR THE COMMANDER:

[Signature]

ED V. HENDREN, JR.
COL, AGC
Adjutant General

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SECTION I OPERATIONS: SIGNIFICANT ACTIVITIES

A. (U) COMMAND GROUP. Distinguished visitors to Headquarters, 1st Logistical Command are indicated at Inclosure 8. The Commanding General made a liaison visit to the United States Military Assistance Command, Thailand/Joint United States Military Assistance Group, Thailand in July. Chief of Staff, Colonel (P) James W. Gunn was assigned from Department of the Army in June. Continued command emphasis was placed on improved management of resources and more responsive logistical support of combat operations. Particular attention was given to reduction of stockage levels at Direct Support Units and Depots, identification and retrograde of excesses, and purification of the data base. The clean-up of the 506th Field Depot and its relocation to Long Binh continued to receive priority of effort. The Fiscal Year 1969 Management Improvement Program was developed and distributed.

B. (U) ACofS, COMPTROLLER, Annex A. Fiscal Year 1968 obligations, Operation and Maintenance, Army (O&M) appropriation as of 30 June 1968 totalled $239,756,573.00. FY 1969 Annual Funding Program (AFP) for O&M funds as revised by US Army, Vietnam on 11 July 1968 is $175,429,097.00. As of 30 June 1968, the Calendar Year (CY) 1968 Assistance-in-Kind (AIK) AFP was reduced to $26,219,000.00. All elements were furnished the Active Interservice Support Agreements (ISSA) listing as of 1 July 1968. Shifts of troops in I Corps and IV Corps continue to overload existing finance facilities in those areas. On 20 May 1968, the United States Army Audit Agency (USAAA) validated a cost reduction action (Substitution of Drift Pins for Bridge Snakes) for $300,000. On 8 June 1968, the USAAA validated a cost reduction action (Onetime Purchase of PX Fatigues for Jungle Fatigues) for $3,484 million. On 17 July 1968, the USAAA validated a cost reduction action (Purchase of Fresh Fruits and Vegetables - Buy/No-Buy Concent) for $1,337 million. On 27 June 1968, the USAAA validated a cost reduction action (Elimination of Wraparound Pallet Covers, 175MM Projectiles) for $951,172. On 17 July 1968, correspondence was received from USARV stating that operational control of the separate finance sections assigned to the 1st Logistical Command will be assumed by USARV on 1 August 1968. On 27 July 1968, the Department of the Navy, Officer in Charge of Construction (OICC) was delegated authority to certify Standard Form 1080 billings for services rendered and supplies furnished under Military Interdepartmental Purchase Requests (MIPR's) issued by this headquarters.

C. (C) ACofS, PERSONNEL, Annexes B, C, D. Significant civil affairs activities included the continued progress of the Long Binh Post People-to-People Program, the successful implementation of Annex Q (Civil Action) to 1st Logistical Command OPORD 1-68, the development of programs of assistance to Vietnamese scouting and the Vietnamese hog industry, and the continued efforts by all subordinate commands in the conduct of military civic action and community relations programs. The present command strength is 51,494 which represents 96.3% of authorized strength. manpower surveys for Headquarters, 1st Logistical Command and the headquarters of the Saigon, Cam
Ranh Bay and Qui Nhon Support Commands have been completed. TDAs for the headquarters of the Saigon and Cam Ranh Bay Support Commands have been completed. The TDA for Qui Nhon Support Command will be completed upon approval of the manpower survey document. Hq, USARV is submitting all four TDAs as a single circuit closing package. The number of officer and enlisted clubs increased by 17 during the reporting period. During the quarter an increase in the promotion of educational opportunities was begun. The Army motor vehicle accident rate reflected a decrease and now is below the USARV established expectancy rate.

D. (C) ACofS, SECURITY, PLANS AND OPERATIONS, Annexes E, F, and G. Security Division, Annex E. Enemy activity directly affecting 1st Logistical Command continued at a relatively high level throughout May and the first part of June, at which time enemy activity lessened to some extent. There were 26 major attacks which affected this command: 19 stand off attacks against logistical installations and supply points; one stand off and ground attack against Vung Ro Bay; three convoy ambushes; one barge was destroyed by a floating water mine; and two convoys hit land mines. The number of personnel security actions increased during the period because of an increased number of Department of the Army Civilian security clearances processed.

2. Plans and Force Development Division, Annex F. Representatives from this command serving as logistics advisers on the Headquarters, United States Army Vietnam (USARV) Ad Hoc Committee for Base Development, conducted field trips to survey base camps sites and make adjustments in the base development programs as required. A conference was held at CINCPAC Headquarters to review and discuss logistical requirements for OPLAN 67-68. Representatives from this command are participating in developing a comprehensive Annex A (which will establish movement priorities) to USARV Operation Plan (OPLAN) 67-68 (Post Hostilities) (C). A study was made by Qui Nhon Support Command of the present organization structure of petroleum, ammunition and transportation units. The study revealed reorganization of these units would enhance operational control and support service. Problems and shortcomings of Program 6 (Civilization Program) were forwarded to higher headquarters by USARV. The Joint Chiefs of Staff responded by directing that the civilization program proceed at the maximum rate possible. Temporary loan actions continued to be processed as expeditiously as possible to curb the drain on depot stocks.

3. Operations Division, Annex G. There were no major unit arrivals in which 1st Logistical Command was involved during May and June 1968. During July, elements of the 1st Brigade, 5th Infantry Division (Mechanized) and the Royal Thai Army Volunteer Force (RTAVF) began arriving in the Republic. By 31 July, nearly all 1st Brigade personnel had arrived by air at Da Nang and a major portion of equipment had been discharged over-the-shore at Wunder Beach and at the port of Da Nang. Support of the arrival of the 1st
Brigade (OPERATION DIAMOND) by the 1st Logistical Command was rendered by US Army Support Command, Da Nang (Provisional). At the same time, in III Corps Tactical Zone, elements of the HTAVF were disembarking at US Army Terminal, Newoort. By 31 July, the majority of personnel and equipment had been discharged. It is anticipated that on or about 15 August, all personnel and equipment of the first increment of the HTAVF will have arrived in-country. The support rendered to this operation was provided by elements of the 1st Logistical Command's US Army Support Command, Saigon (USASUPC, SGN). Airdrop resupply activities of the 1st Logistical Command involved the delivery of 3,576.70 short tons of Class I, II, III and V supplies. In May, the bulk of tonnage delivered was to the 1st Air Cavalry Division during OPERATION DELIVER IN the I Shan Valley. In June, primary emphasis was given to 1 Field Force Vietnam in support of operations in the Dak Lak and Dak Giai Area. A total of six logistical operations were supported by the command during May, June and July. At the end of July, 13 were still in progress. One Forward Support Area (FSA) was established and two were downgraded from FSA status. A total of six are continuing operations. Enemy initiated activities and large scale contacts were less frequent during this quarter. All principal lines of communication (LOC) were open for resupply activities in May and July. During June, hostile forces demonstrated greater efforts to interdict principal lines of communication (LOC) in I and IV Corps Tactical Zones, but most were unsuccessful. On 19 May 1968, the Camp Evans FSA received a standoff rocket attack, resulting in the loss of 201,000 rations, 77,000 gallons of POL and 2,700 short tons of ammunition. On 20 June, the Dong Ha Ammunition Supply Point (ASP) also sustained a standoff artillery attack, resulting in the loss of 4,407 short tons of Army stocks and 11,513 of Navy (Marine Corps) stocks. In neither case was there loss of life, and continuous support of combat operations was maintained. 1st Logistical Command support activities, for the period May through July, saw great strides in the improvement of support to Military Assistance Command Vietnam (MACV) Advisor Teams in the Mekong Delta. A total of 16 miniature supply centers ("Country Stores") were planned and, by 31 July, eight had been established. At the same time, to meet immediate requirements, needed supplies for each Advisor Team were gathered into single packages for delivery under an operation known as RAPID ARRIVAL.

E. (C) DIRECTORATE OF AMMUNITION, Annex H. Arrival of the 71st and 571st Ordnance Companies (Ammunition) and the 59th Ordnance Detachment (SMD) has significantly enhanced ammunition supply and service operations in 1st Logistical Command. Completion of the ASP at Pleiku, with a storage capacity of 11,000 short tons, and the ASP at Dong Tam, with a storage capacity of 2,000 short tons, increased the command's ability to support operations in the Highlands and the Delta. Enemy artillery attacks on two separate ASRs and a barge resulted in Class V losses in excess of 7,000 short tons. The new Director of Ammunition, Colonel Joseph P. Swanick, formerly assigned to US Army Ammunition Procurement and Supply Agency, replaced Colonel Herman P. Hoplin, who departed for a CONUS assignment in July.
F. (U) DIRECTORATE OF ENGINEERING, Annexes I, J, and K. Facilities Division, Annex I. A policy letter was written and distributed to all support commands establishing coordination and information procedures to allow Headquarters, 1st Logistical Command to monitor and influence base development activities. New construction factors were published by USARV which were in need of clarification in the area of maintenance facilities. A study was initiated, in coordination with the Director of Maintenance, to clarify these factors. The total resubmission required by USARV of all projects for the Fiscal Year 1969 Military Construction Army (MCA) Program was accomplished for 1st Logistical Command facilities during the period 15-30 May 1968. The estimated dollar value of the command program was nearly $100 million. In addition, a project listing for the Fiscal Year 1970 MCA Program was submitted.

2. (U) Engineering Division, Annex J. The conglomerate contractor firm of KPK-BRJ continued its phase down of construction activities in Vietnam, and its reduction of U.S. Government-owned assets. The efforts to achieve a balanced force during Calendar Year 1968 is 90% complete. At the 506th Field Depot's new Long Binh facility, emphasis has been brought to bear on the placement of concrete building slabs to enable vertical construction to proceed during the monsoon season. Thirteen buildings and four operational hardstand areas have been completed as well as approximately 65% of the hardstand storage areas. Special requirements not included in the original plans for the maintenance-in-storage building have now been incorporated into the preliminary reviews of the design of the building. These requirements include additional power facilities, special drains and a two ton monorail system. Temporary unloading facilities were restored at the Dong Mai "OL Jetty after a fire virtually destroyed the jetty. The dolphin system has been redesigned to obtain a more satisfactory mooring facility. The original design for the parachute drying tower at Cam Rahn Bay, prepared under a contract with an engineer design firm, was inadequate. After coordination with the using unit and the designer, a new design has been completed.

3. (U) Operations Division, Annex K. On 1 July 1968, the responsibility for providing repair and utilities (RAU) support to US Army and FWAF in II, III, and IV CTZ was transferred from 1st Logistical Command to the US Army Engineer Construction Agency, Vietnam (USAECAV). Included in this transfer were the engineer RAU detachments and the responsibility to monitor the RAU contractor. This transfer of responsibilities changed the approval authority for RAU projects; the CG, 1st Logistical Command now has administrative approval authority only of projects which are essential to the accomplishment of 1st Logistical Command missions. After administrative approval, a project must receive technical approval from the appropriate USAECOV authority prior to construction. All other projects are approved administratively and technically by USAECOV. Assistance in Kind (AIK) projects are no longer a 1st Logistical Command responsibility. This

...
office is compiling a one time report of large generators used by US Army units to provide a basis for support of these generators by the RWW contractor. Mr. William C. Dudding, Laundry and Dry Cleaning specialist, Laundry and Services Branch, Personnel Support Division, Office of the Chief of Support Services, Department of the Army, visited this command in June to provide assistance and guidance in developing an in-country fixed laundry program and in operating mobile and commercial contract laundries. There are 10 current commercial laundry contracts and two blanket purchase agreements for laundry service. Field laundry production dropped from 11.9 million pounds to 11 million pounds, while bath production continued to be commensurate with field requirements.

G. (C) DIRECTORATE OF FMD, Annex L. During the period 1 May - 31 July 1968, the depots at Saigon, Cam Ranh Bay and Qui Nhon received 105,200 tons and shipped 96,000 tons of Class I supplies. Test shipments of cantaloupes and corn by Sea-Land during June and July proved, for the most part, to be highly successful. Regular shipments of these items have been scheduled. A new 28 day cyclic menu was received and distributed during July. This menu will be effective upon depletion of 8 ration meat items. Due to the inability of the US Navy to furnish all ice requirements to US Army troops in I CTZ, arrangements were made to ship four 15 ton ice plants to the US Army Support Command Da Nang. The first plant is scheduled to arrive on 12 August 1968. The requirements for long range patrol food packets were increased from 250,000 per month to 700,000. Subsequently, due to failure of demand to materialize, a request for cancellation of 1.4 million packets was necessary. DA reconsidered a previous disapproval and has authorized an increase in stockage level of FCIs from 10 to 15 days on a test basis.

H. (U) DIRECTORATE OF GENERAL SUPPLY, Annex M. Project Check II was conducted during the period 3 May - 6 June 1968 in order to update and refine the information obtained during the original lost/delayed requisitions study conducted from 23 October to 10 November 1967. A Quick Reaction Care and Preservation (QPC) team made a detailed study of storage and deterioration of supplies and made recommendations for improvement which have resulted in a number of significant actions by this headquarters. The conversion to Standard Supply System Vietnam (3SVM) continued. The United States Inventory Control Center Vietnam (USAICCV) has incorporated all requirements of 3SVM, with some minor problems remaining, and has determined the requirements for interfacing 3S14 with 3SVM at the depots. Testing and debugging of the programs required for the conversion is approximately 65% completed. The 506th Field Depot, Saigon, has upgraded to version 22 of 3SVM, and is prepared for the interface test with the USAICCV. The building occupancy date (BOD) for the 504th Field Depot, Cam Ranh Bay, has been delayed until 1 August 1969 awaiting delivery of the required air conditioning. The 504th might experience personnel problems since it is now operating at approximately 70% of its authorized automatic data processing.
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(ADP) personnel strength, and 30% of these currently present are 90 day losses and there is presently no authorization upon which to base requisitions for replacements. The Supply Data System School (SDSS) conducted classes on programming and console operation attended by personnel of the 58th and 504th Field Deport. Delay in delivery of air-conditioning units has caused the BOD to slip to 31 August 1968 at the 504th Field Deport, Qui Nhon. Personnel problems at Qui Nhon are similar to those of the 504th, operating at 50% of the authorized strength in ADP personnel, and 90% of those are 90 day losses. The UNIVAC 1055 system became fully operational at Da Nang on 19 July 1968, and authorization for the installation of an IBM 360/50 has been received with an expected date of November 1968. The coding of the 35 programs necessary for the 4th Transportation Command to automate the Saigon Ports is 80% complete. Target date for the UNIVAC 1055 conversion at Vung Tau is the second quarter FY 1969. A 1st Logistical Command Logistics Technical Supervisory Team (LTSI) was established on 8 July 1968 to inspect direct support and general support units (DSU/GSU). The team inspection criteria emphasizes the procedures of a working inspection, and units will be rated from Unsatisfactory to Superior depending on the point score achieved. The LTSI Team will begin formal inspections on 2 August 1968 and has been conducting courtesy and shakedown inspections in preparation.

I. (C) DIRECTORATE OF MAINTENANCE, Annex N. A 147 page manual on outboard motor maintenance was published and distributed. A direct exchange program for generators of 10 kilowatts and below was established. A new method of controlling the turn in of unserviceable turboschargers for Caterpillar D7E tractors was initiated. A direct exchange program for M15A1 rifles was established. Two 15 day courses on direct support level maintenance of outboard motors were conducted. The Fiscal Year program for vessel overhaul was developed and published. A total of 332 Mack-diesel, 5-ton tractors were received and put into operation. The repair of collapsible fuel drums was centralized to provide better control and distribution of assets. Problems were encountered in the marine maintenance area caused by a lack of trained personnel and a shortage of current publications for certain special types of vessels.

J. (C) DIRECTORATE OF PETROLEUM, Annex O. Enemy action against petroleum facilities continued. Alternate methods of bulk petroleum delivery to Tuy Hoa Air Force Base were employed when the pipeline was damaged. The Y-tankers are all operational with the exception of the Y-73, which is out of service for programmed overhaul. The loss of the three commercial contract barges, due to a fire and collision, caused extremely tight scheduling of all other Y-boats in the III and IV Corps Tactical Zones. Contractual deliveries have already regained their pre-Tet level of effectiveness and all stock levels are now in an excellent status. The improvement of airlift procedures for bulk and packaged petroleum fuels has significantly reduced the number of combat essential airlift missions.
Construction of new tankage continued at Pleiku and Cam Ranh Bay. The Cam Ranh Bay T-5 petroleum terminal complex, consisting of three 12-inch and two 8-inch pipelines on a 1,200 foot jetty and a 1,500 horsepower centrifugal pump, is approaching operational status. Approximately 50 miles of new pipeline between An Khe and Pleiku are being water tested.

K. (U) DIRECTORATE OF PROCUREMENT, Annex P. Fiscal Year (FY) 1969 Purchase Requests and Commitments (PR4C) processed during the period totaled 207 and were valued at $7.57 million. The entire FY 1968 total was 2,448, valued at $328.35 million. PR4Cs processed to date for FY 1969 total 326 valued at $270 million. There are 296 contracts under the administration of the United States Army Procurement Agency Vietnam (USAPAV) valued at $637 million. The Procurement Pricing Division participated in the negotiation, analysis and award of approximately $160 million in new contracts and modifications. Reportable cost savings under the Army Cost Reduction Program were in excess of $20 million. New contracts negotiated with the Vinnell Corporation provided for military aircraft support, thus eliminating the cost of commercial travel to and from Vietnam by Vinnell employees, and also eliminating the requirement of Vinnell Corporation to lease privately owned aircraft for in-country travel. Anticipated savings from the use of military in lieu of commercial aircraft are in excess of $2 million for FY 1969. Training programs for Local National personnel have been instituted on all Vinnell Corporation contracts with a view toward replacing Third Country Nationals and United States citizen employees. The Transportation Branch awarded 11 new contracts and extended eight contracts for FY 1969. Dollar value is approximately $50 million. Weighted average prices for earth products, i.e., crushed rock, sand and laterite, have been computed by the Supplies Division for FY 1969. These prices are to be used as a basis for negotiation in future procurement actions. The first competitive Repairs and Utilities (RAU) contract was awarded to Pacific Architects and Engineers, Inc. (PAE) for the Qui Nhon area. The award culminated almost eight months of preparation and planning. The interest among competing contractors was high and the procurement was made at a considerable reduction in cost. FY 1970 planning for various contracts has commenced, indicating successful implementation of the Management Improvement Plan initiated in August 1967. Fresh fruit and vegetable procurement at the Can Tho Field Office of the Subsistence Division has increased tenfold. Eligible vendors now number four, one of which is a farmers' cooperative group consisting of more than 1,000 members. The Directorate of Property Administration conducted 15 major inspections utilizing the new improved inspection procedures. The time available for inspections was diminished by a comprehensive program of close-out and final clearance of FY 1968 property administration control records. The program of identification and return to the Government of excess RAU supplies in the hands of PAE has again been revised from the original goal of $3 million to the present goal of $4.5 million. A resident Property Administrator has been established for Vinnell Corporation operations at Cam Ranh Bay.
monitor and administer the $160 million worth of Government-Furnished Property (GFN) and equipment issued to that corporation. Improved procedures for the collection, preparation and submission of controlled reports have been developed by the Directorate of Procurement Management. A review of the staffing of the Agency has been initiated to assure that available resources are being utilized to the maximum. Consolidation of some Agency elements and realignment of personnel spaces is anticipated.

L. (U) DIRECTORATE OF RETROGRADE AND DISPOSAL, Annex Q. Efforts continued in attempts to expedite the movement of repairable material to off-shore and CONUS facilities. A significant amount of time and emphasis has also been devoted to the movement of denot excess and station returns to the 2nd Logistical Command and US Army Depot Command, Japan. Attempts to secure additional use of Sea-Land vans for shipment of retrograde cargo continue. The retrograde of cargo from Da Nang commenced in May 1968. Total retrograde for the reporting period reached 111,357 short tons, an increase of more than 16,000 short tons over the previous period. Due to enemy activity in the Saigon area, disposal contracts were again extended in order to avoid default action when the situation was beyond the buyers' control. The Foreign Excess Sales Office was relocated from Gia Dinh to 1st Logistical Command Headquarters on 17 May 1968. A total of five sales were conducted during the period with proceeds of $308,591.32.

M. (U) DIRECTORATE OF TRANSPORTATION, Annex R. The 1st Logistical Command Ports handled an average of 764,779 short tons (STN) of cargo per month during the quarter. The Logistical-over-the-Shore (OTS) site at Than Ky Thuy achieved its highest performance during May 1968 by handling 38,092 STN of cargo. Dong Tan set records in May and June by handling 11,172 STN and 12,099 STN respectively. A significant increase in transportation activity occurred during the quarter in the IV Corps Tactical Zone (CTZ). The Sea-Land container program continued to progress with six vessels arriving at Can Tho Bay from CONUS during the period. In June, the 1st Logistical Command was tasked by United States Army, Vietnam (USARV) to establish and control the utilization of Special Assignment Airlift Mission (SAAM) aircraft. An average of 267,075 STN of cargo was moved by highway per month during the period: 369,744 STN moved by military vehicles and 426,331 STN by contractor. The first of ten U.S. locomotives scheduled for shipment to the Republic of Vietnam (RVN) arrived in June. Restoration of the Vietnam Railway Service (VNRS) continued during the period with efforts being made to reopen the Da Nang-Hue segment. A total of 9,473 troops arrived in Vietnam via sea and air.

N. (U) ADJUTANT GENERAL, Annex S.

O. (U) CHAPLAIN, Annex T. As of 31 July 1968, 1st Logistical Command had a total authorization of 73 chaplains. Sixty one of these spaces are filled with two Jewish, 50 Protestants, and nine Catholic chaplains. Additionally,
86 chaplain assistants are assigned. The average number of services conducted by each chaplain per week was 3.7. A total of 1,885,664 SVN were donated through chapel offerings during May, June and July 1968. Nine requisitions for electronic organs were filled, as well as 597 requisitions for chaplain supply items. A total of 48 sets of altar brassware were chrome plated.

P. (C) SIGNAL OFFICE, Annex U. Automatic Secure Voice Communications (AUTOSEVOCOM) is being installed in the 1st Logistical Command Headquarters and its four major subordinate commands. AUTOSEVOCOM is scheduled to be operational in October 1968 and will facilitate improved command and control. Class C telephones were restricted to local calls on 15 May 1968. This has led to a significant improvement of service provided by class A telephones. By direction of the Department of the Army, on 1 July 1968 all radio tele-pywriter (RTT) nets were required to operate in a secure manner, or cease operation. The operation of RTT nets in such a manner makes possible the passage of classified information over these nets. Upon the arrival of necessary equipment, the Command Group Key Telephone System is to be expanded to include all the directorates and staff sections. The requirements plan to provide the 506th Field Depot with continuous communications during relocation from Saigon to Long Binh was approved by HQ, USARV. Construction of the headquarters Communications Center was resumed during July 1968. An operational date cannot be determined at this time due to the lack of receipt of sufficient equipment.

Q. (U) INFORMATION OFFICE, Annex V. In May 1968 this office held a conference-workshop for information officers of subordinate units. The purpose of the conference was to upgrade the quality of news and photo releases being released by the 1st Logistical Command to the various mass news media. The 1st Logistical Command continues to be a leader among Army units throughout the world in the number of photos and news releases mailed to the Army Hometown News Center. The US Army Vietnam Daily News Summary published 130 1st Logistical Command articles. More than 100 press queries were received from media representatives. Four mimeograph newsletters are being published either weekly or bi-weekly by subordinate information offices. Each month more than 17,000 copies of the "Vietnam Review," the command newspaper, are printed and distributed to the troops. In May, 100,000 copies of the command magazine were distributed on a one to one ratio to 1st Logistical Command troops in Vietnam and for all incoming troops.

R. (U) INSPECTOR GENERAL, Annex W. Inspector General assistance was extended to 442 members of the command. Approximately 40% of the requests for assistance concerned dissatisfaction with assignment, non receipt of orders, promotion and pay. Of the 28 complaints processed, seven were justified. There were 57 Annual General Inspections conducted, of which 54 of the units inspected received a rating of satisfactory. Supply, maintenance, training and security continued to be major areas of interest.
S. (C) PROVOST MARSHAL, Annex X. Staff visits to all vital installations have enhanced the physical security posture of the command. An Explosive Ordnance Disposal diving team is now being employed at the Cat Lai ammunition discharge site. The fourth US Coast Guard Explosive Loading Detachment has arrived in-country and is operational in Da Nang. Provost Marshal statistics indicate an increased offender rate for the fourth quarter of FY 1968, except for traffic offenses.

T. (U) SPECIAL SERVICES, Annex Y. During this period the Special Services Division opened 20 field libraries, one service club, and six crafts facilities. Fourteen additional mobile entertainment facilities were opened. Three fixed entertainment facilities have also been opened. All branches have recovered from the loss of attendance during Tet. Twenty Non-appropriated Fund (NAF) personnel spaces in the Service Club Branch were converted to Government Service (GS) spaces. It is hoped that this will assist recruiting for these spaces. The out-of-country Rest and Recuperation utilization rate rose to 96%. Currently, there are about 650 commercial entertainers presenting shows throughout the Republic.

U. (U) STAFF JUDGE ADVOCATE, Annex Z. During the months of May, June and July 1968, this command tried six general court-martial cases, 341 special court-martial cases, and 104 summary court-martial cases. The courts-martial rate within the command remained below the Army-wide level. Non-judicial punishment was imposed in 4,200 instances. During this period, interviews and documents prepared for legal assistance clients by Judge Advocates totaled 5,802. Claims for personal property in the amount of $11,533.05 were paid throughout the last quarter.
SECTION II  LESSONS LEARNED: OBSERVATIONS, EVALUATIONS AND RECOMMENDATIONS

A. (U) PERSONNEL

1. Requisition Base for MOS 73.

   a. OBSERVATION: In February 1968, this headquarters placed a  
      project officer on duty with ACofS, G-3 USARV to write Modified Tables  
      of Organization and Equipment (MTOE) for the separate finance sections  
      assigned to the 1st Logistical Command. The first phase of this preparation  
      was to identify all 73 MOS spaces available for use in preparing the MTOE.  
      This was accomplished by research of all Tables of Organization and Equipment (TOE)  
      and MTOE of all units paid by the finance sections, as well as the  
      TOE of the finance sections themselves. More than 1,500 spaces were  
      identified in this phase. During recent months, staffing of finance  
      sections has deteriorated to a critical point. Attempting to determine  
      the cause, it was discovered that the requisition base being used by the  
      ACofS, G-1 USARV to supply the separate finance sections with personnel is  
      929. This was taken from a machine listing prepared by the USARV Data  
      Service Center. Investigation at the Data Service Center revealed that the  
      source of this machine listing is a deck of cards received monthly from  
      USARPAC. This deck of cards is supposedly updated from documents forwarded  
      to USARPAC from ACofS, G-3, USARV.

   b. EVALUATION: It is doubtful that separate finance sections can be  
      staffed much longer with a requisition base of 929 to fill authorized  
      spaces in excess of 1,500.

   c. RECOMMENDATION: That the ACofS, G-1 and ACofS, G-3, USARV assure  
      that the requisition base for 73 MOS used by the ACofS, G-1, agrees with  
      the authorization documents on file with the ACofS, G-3. (ACofS, Comptroller)

2. Civilianization.

   a. OBSERVATION: Civilianization of ammunition units is currently  
      under consideration. Substitution of Local Nationals for military  
      personnel would reduce military manpower requirements and alleviate  
      critical shortages in certain military occupational specialties (MOS).

   b. EVALUATION: Use of Local Nationals in Class V depots and ASPs has  
      been limited to nonexplosive operations outside explosive areas. Actually,  
      the use of Local Nationals in minor maintenance operations, repalletization  
      of ammunition, routine operations such as police, refilling water barrels,  
      etc, should pose no problems when supervised by US personnel. It is conceivable  
      that they could be hired to fill personnel shortages in MOS such as  
      ammunition apprentice (55A). Number and type positions filled must be confined  
      to those that would not severely limit the accomplishment of the ammunition  
      supply mission in event of a Tet type occurrence where civilians did not  
      report for work for extended periods. A letter to this effect has recently
been forwarded to HQ, USARV requesting a change to their regulation 190-15, Ammunition Storage Site Security.

c. RECOMMENDATION: None. (Dir. Ammunition)
B. (C) OPERATIONS

1. (C) Movement of vessels on the waterways of the Delta.

a. OBSERVATION: On 17 June 1968, a Landing Craft Utility (LCU), on a normal resupply mission from Vung Tau to Can Tho via the inland water route, missed the critical turn from the Mekong River to the Bassac River and, continuing upstream, crossed the Cambodian border. On 21 July, a water convoy of four Landing Craft, Mechanized (LCM), Mark VIII missed the same turn but were intercepted by U.S. patrol boats before crossing the border.

b. EVALUATION: A tower marks the critical turnoff, but is difficult to see because of dense foliage and inoperable lights. Weak communications at the time of these incidents compounded the situation and precluded effective control of the vessels. Both incidents were investigated in depth, but the complete details of the border violation will not be available until the crew members are returned to U.S. control. In an effort to preclude similar incidents in the future, the following steps have been taken, or will be taken as soon as possible:

(1) CONNAVFORV has been directed by MACV to insure that the tower at the turnoff is more discernible and that the location is more conspicuously marked.

(2) Vessel communications are being improved to allow clear and positive radio contact to any location in the waterways of the Delta.

(3) All vessels are being fully equipped with navigational aids such as charts, pilot guides and compasses.

(4) Naval patrol boats are being stationed in strategic areas with instructions to intercept all U.S. vessels operating in critical, isolated areas.

(5) Only highly qualified personnel are being placed in charge of vessels operating as independent elements or as water convoys in the Delta. Further emphasis is also being placed on comprehensive training to better qualify crew members.

(6) Crews are receiving detailed briefings on their mission, to include identification of critical points along their route, emergency procedures and individual responsibilities.

c. RECOMMENDATION: None. (CofS, SPAO)
2. (U) Explosive Ordnance Disposal (EOD).

   a. OBSERVATION: EOD equipment and procedures are not currently adequate to cope with cleanup operations involving COFRAM munitions.

   b. EVALUATION: Vast quantities of sub-munitions involved in destruction of ASPs by enemy action have resulted in serious cleanup hazards. These sub-munitions are blown about the ASP and embedded in barricades, surrounding areas and roads. Render safe procedures are limited to blowing items in place. This procedure is not possible or practical in many instances. EOD men have been killed and wounded either by stepping on lightly covered sub-munitions or disturbing them, causing detonation. Due to the tremendous quantities of sub-munitions involved and the characteristic burying that occurs, present EOD equipment and procedures are inadequate to safely clean up areas involving these munitions.

   c. RECOMMENDATION: That the problem of policing up COFRAM munitions involved in ASP destruction be studied by all concerned to develop safe procedures and equipment that will effectively reduce the hazards to an acceptable level. (Dir. Ammunition)

3. (U) Modular construction of ASPs.

   a. OBSERVATION: Army Class V stocks stored in facilities provided by USMC at Dong Ha were completely lost as the result of an enemy attack on 20 June 1968.

   b. EVALUATION: 1st Logistical Command Regulation 525-1 authorizes the use of module type storage facilities only when real estate is limited. Quantities to be stored in a module complex are limited to 2,000 tons. US Navy construction of Class V storage facilities in I CTZ is the module type and is not limited in capacity. Since the Army is a joint tenant in III Marine Amphibious Force Class V storage areas, they have been forced to utilize the facilities provided regardless of the quantities required to be stored. The enemy attack on Dong Ha resulted in total loss of Army and Marine Corps stocks (approximately 12,000 tons). It is felt that when storage facilities are required for quantities of Class V in excess of 2,000 tons, the safety requirements of TM 9-1300-206, Care, Handling, Preservation and Destruction of Ammunition must be complied with.

   c. RECOMMENDATION: None. (Dir. Ammunition)

4. (C) Storage of POL.

   a. OBSERVATION: Tuy Hoa and Phan Rang Air Bases each have a capacity for 70,000 barrels of JP-4. These capacities represent approximately 11 and 14 days respectively. Ocean tankers must be scheduled into Vung Ro
bay at five day intervals in order to maintain a minimum of 50% capacity on hand at all times. A T-1 tanker is dedicated full time to resupply of Phan Rang in order to keep the levels at a minimum of 50% at that location.

b. EVALUATION: The costs of discharging only 35,000 barrels every five days from an ocean tanker with an 80,000 barrel cargo capacity and the dedication of a T-1 tanker for resupply of one location are unconscionable.

c. RECOMMENDATION: That the US Air Force responsible for construction of tankage at Tuy Hoa and Phan Rang Air Bases, expedite the construction program to meet the CINCPAC directed 30 day bulk storage capacity requirement. This will greatly enhance the economical operation of ocean petroleum tankers. (Dir. Petroleum)

5. (U) Manifests and Stowage Plans.

a. OBSERVATION: On several occasions, manifests and stowage plans have either not been received, or not received in a timely manner, from CONUS and PACOM loading ports. 1st Logistical Command is responsible for evaluation and final decisions on all requests for diversion of deep draft vessels arriving in RVN.

b. EVALUATION: In order to determine the impact of a request to divert cargo from one port of debarkation to another, close examination of the manifest and stowage plan is necessary. Failure of loading ports to forward these vessel documents in a timely manner delays this process. Messages have been sent to EAMMTS, WAMMTS, and USARPAC advising them of the problem and requesting their assistance to insure timely receipt of these vessel documents. This headquarters is monitoring the receipt of vessel documents at all ports.

RECOMMENDATION: That CONUS and PACOM ports review their procedures for forwarding vessel documents to ports of debarkation to insure compliance with DCD Reg 4500.32R. (Dir. Transportation)
C. (U) TRAINING

1. Rotational training base for ammunition personnel.

   a. OBSERVATION: Officer and enlisted personnel trained in Class V supply procedures in 1st Logistical Command and the US Army Ammunition Procurement and Supply Agency (APSA) in CONUS should constitute a rotational base for assignment purposes.

   b. EVALUATION: Both officer and enlisted personnel that were assigned to APSA have proven to be most effective in Class V supply positions in the Director of Ammunition stock control effort. These personnel are familiar with the exacting supply procedures in the National Inventory Control Point and are integrating these procedures into the 1st Logistical Command Class V supply system. Because of the multibillion dollar ammunition consumption in Vietnam each year, it is essential that the highest qualified personnel available be assigned to 1st Logistical Command Director of Ammunition. There have been APSA trained personnel assigned to Vietnam that were not assigned to Class V supply positions.

   c. RECOMMENDATIONS: Every effort be made by higher headquarters to insure highly qualified ammunition supply personnel be given reciprocal assignments in CONUS and Vietnam that will enhance the ammunition supply system. The monetary value involved, and service to combat troops, warrant priority assignment of qualified ammunition personnel. (Dir. Ammunition)


   a. OBSERVATION: Many minor deficiencies have developed into major problems on US Army Vessels having low densities in Vietnam; for example, Y-Tankers and refrigerated barges. Crews for these vessels are not sufficiently trained to handle problems which are peculiar to that equipment. Field experience indicates that the marine maintenance training now available is too general in nature to prepare personnel to cope with problems encountered.

   b. EVALUATION: The continued input of personnel with only general training has reduced this command's operational capability in this area. There are five Y-Tankers and seven refrigerated barges assigned to this command. The maintenance personnel available for assignment to these vessels are trained for less specialized crafts such as LCM VIIIIs and LCUs. When peculiar problems develop, solutions and action are often delayed because of the inability of the crew to solve the problem or, in some cases, even be aware that a problem exists. This results in vessels spending extended periods in shipyards for maintenance and, occasionally, in unsafe conditions aboard the operational vessels.
c. RECOMMENDATION: That action be taken by COMNAV to provide training for personnel to be assigned to larger vessels (such as Y-Tankers) in appropriate Navy schools when Army schools do not offer the specialization required. (Dir. Maintenance)

D. (U) INTELLIGENCE

1. Personnel Security Clearances for Department of the Army Civilians (DAC).

   a. OBSERVATION: It was noted during the reporting period that a more centralized control was needed concerning DAC security clearance and debriefing procedures. Previously, the Long Binh Post Civilian Personnel Office had responsibility for processing and validating DAC security clearances as well as debriefing them prior to departure. Spot checks of several civilian records revealed that, in many cases, although the DD Form 873 was present, indicating a clearance, it had not been properly validated.

   b. EVALUATION: The Security Division of ACofS, SP&O has now assumed responsibility for the processing and validation of security clearances for all DAC personnel employed by 1st Logistical Command. A central file is being established and records of all incoming personnel are now processed through the division, while personnel departing for CONUS are required to personally appear for debriefing procedures. The assumption of this responsibility has resulted in a more centralized and better controlled program.

   c. RECOMMENDATION: None. (ACofS, SP&O)
E. (U) LOGISTICS

1. Basic load of Class V for deployed units.
   
a. OBSERVATION: Units deploying from CONUS to Vietnam usually
   experience no difficulty with Class V supply upon arrival in country.

   b. EVALUATION: When sufficient notice was provided to the head-
      quarters concerning troop deployments, adequate Class V stocks
      were ordered in advance to preclude any adverse impact on the supply
      posture. When the 82d Airborne Division deployed on short notice to
      Vietnam, however, the impact on Class V supply was noticeable. This
      was not the case with the 1st Brigade, 5th Mechanized Division, currently
      arriving in Vietnam. Since sufficient notice was given, increased
      stocks were ordered and made available to the brigade upon its arrival.

   c. RECOMMENDATIONS: If sufficient notice of unit deployments cannot be
      provided, units should be directed to deploy with their basic load as
      prescribed in AR 310-10, Preparation for Overseas Movement of Units (POM).
      (Dir. Ammunition)

2. Palletization of Class V.

   a. OBSERVATION: Separate loading projectiles shipped three per pallet
      are difficult to handle, are unstable in storage, and easily break
      apart during handling operations.

   b. EVALUATION: The newly adopted six round pallet has proven to be far
      superior for separate loading projectiles. The pallets may be handled
      with forklifts and the stability of the pallet in storage is greatly improved.
      The quick response by US Army Munitions Command in resolving the unsatis-
      factory three round pallet has greatly assisted this command in handling
      and storing separate loading projectiles.

   c. RECOMMENDATION: None. (Dir. Ammunition)

3. Dieselization of the 5-Ton Tractor Fleet.

   a. OBSERVATION: In the past, the multifuel engine has been used
      almost exclusively in the 5-ton tractors in Vietnam. The performance
      of this engine has not been satisfactory in this theater, however. Although
      technical representatives from the US Army Tank Automotive Command and
      from Continental Motors Corporation have been employed and have developed
      some modifications which improved performance, the engine's failure rate
      is still excessive.

   b. EVALUATION: A few Mack-Diesel 5-ton tractors have been in country
for some time and have proven superior to the multifuels. Recently, 332 of
the approximately 650 Diesel tractors scheduled for shipment have been
received and are being employed in one area. In two months of operation,
over 440,000 miles have been driven and only three engine failures have been
experienced. This again reveals the superiority of the Mack-Diesel 5-ton
engine to the multifuel 5-ton engine.

c. RECOMMENDATION: That all 5-ton multifuel tractors in Vietnam be
replaced with the Mack-Diesel tractors. Although the 5-ton multifuels may
perform satisfactorily in cooler, cleaner areas, the Mack-Diesel 5-ton tractor
should be the standard item for RVN. (Dir. Maintenance)


a. OBSERVATION: Maintenance publications for US Army vessels are, in
many cases, either non-existent or totally obsolete. For example, the only
publications listed in DA Pamphlet 310-4 for Y-Tankers and refrigerated
barges are Transportation Corps (TC) 7, 8, and 9 supply manuals. These
manuals list TC stock numbers which are no longer valid.

b. EVALUATION: The lack of appropriate manuals for marine equipment
has had an adverse effect on this command's operational capability in this
area. Urgent action is warranted to insure that updated publications are
made available for guidance in operation, maintenance and repair parts
supply for marine equipment.

c. RECOMMENDATIONS: That a comprehensive review be undertaken to revise
and update all publications in the marine field which are not current with DA
maintenance concepts and that manuals be published for those vessels for
which no manuals exist. (Dir. Maintenance)

5. Advanced Procurement Planning.

a. OBSERVATION: Procurement pricing personnel participated in an
unprecedented number of procurement boards, made trips to various contractor
sites throughout RVN and completed a survey of FY 1969 MACW unanimously
actions during the latter part of FY 1968.

b. EVALUATION: Many of the Division's evaluations were performed within
a very limited time frame. While the workload was completed with sufficient
technical competence, the rush forced many refined issues to be sacrificed for
expediency of time. It is felt that those procurements of a more technical
nature should be solicited in early February, to permit a more realistic time
period to accurately accomplish all requirements. This approach will be
followed, wherever possible, in Calendar Year 1969.

c. RECOMMENDATION: None. (Dir. Procurement)
6. Collection, Classification and Salvage Company capability for sea and air retrograde.

   a. OBSERVATION: It has become increasingly apparent that TOE 29-139F, Collection, Classification and Salvage Company (CC'-S) was not designed or organized to accomplish the enormous retrograde mission assigned to this type organization in RVN. The primary mission of the CCAS Company in RVN is to receive, process and move materiel to port for sea and air retrograde, with the heavy emphasis on air lift to off-shore or CANUS facilities, TOE authorization fails to provide.

   (1) Adequate heavy lift capability
   (2) Sufficient capability to process materiel to meet U.S. Health and Agricultural requirements
   (3) Adequate clerical capability to conform to MILINST-18132 procedures
   (4) Sufficient boxing and crating capability to preclude damage to retrograde materiel

   b. EVALUATION: An AN/ TOE or TDA for CCAS activities in RVN is needed to provide the capability for the unique mission assignment. This situation has long been recognized by the command. TDAs have been in the development stage for some time in conjunction with depot TDAs. An ADPOC committee is currently staffing depot TDAs which include the retrograde activity. The new TDA will be designed to incorporate those retrograde capabilities presently lacking in the TOE 29-139F.

   c. RECOMMENDATION: None. (Dir. Retrograde & Disposal)

7. Property disposal sales.

   a. OBSERVATION: Increased difficulty is being encountered in conducting the sales phase of the property disposal program in Vietnam because of the inability of many buyers to remove materials from isolated yards.

   b. EVALUATION: Lack of suitable commercial shipping facilities inhibits many buyers from removing property from the U.S. Government's storage areas. Two years of experience clearly indicates that the sale phase of a property disposal program in a combat or insurgent environment is a questionable venture. Buyers are continually defaulting on contracts simply because they cannot overcome almost insurmountable problems associated with taking delivery of property purchased. This condition has repeatedly forced the Government to exercise its legal right in defaulting contracts, delaying dispositions, increasing labor and storage costs, and adding to inventories. While perfectly legal under United States laws, the Government's unilateral action in terminating sales contracts because of failure of the buyer to perform, thus causing substantial monetary loss to many foreign nations not subject to such laws, is causing high resentment among the very people to whom the Government is trying to sow the seeds of democracy. The sale
of excess property, scrap and salvage in Vietnam is essentially a peacetime operation superimposed on a combat situation.

c. RECOMMENDATION: That the Department of Defense request the Director, General Services Administration to change article 7 of standard form DA 90 to allow the contracting officer more flexibility in applying the automatic cut of purchase price as liquidation damage. Specifically, in combat areas the contracting officer should be given authority to waive liquidation damages where failure to perform is caused by acts of war and situations arising therefrom. (Dir. Retrograde & Disposal)

8. Donation of property disposal assets.

a. OBSERVATION: There is no basic authority which permits donation of foreign excess personal property for use in civic action programs.

b. EVALUATION: The Federal Property and Administration Services Act of 1949, as amended (Act of 30 June 1949, 63 stat. 33340 U.S.C. 471) defines surplus Federal property located outside the Continental United States, Hawaii, Alaska, Puerto Rico, and the Virgin Islands, as foreign excess personal property. Section 402 of the Act authorized the donation of such property only in the event it has no commercial value, or where the cost of care and handling would exceed the estimated proceeds from its sale. The restriction that property has no sales value effectively prevents utilization of many items of salvage property which would greatly assist civic action officers in conducting war refugee programs which are considered effective weapons in counterinsurgency situations.

c. RECOMMENDATION: That the Department of the Army publish specific guidelines outlining procedures for utilizing salvage property in the conduct of civic action programs in combat zones. (Dir. Retrograde & Disposal)

9. 1½ Ton Trailers.

a. OBSERVATION: Transportation truck units have encountered difficulty in utilizing 1½ ton trailers for hauling cargo.

b. EVALUATION: The 1½ ton trailer is not suitable, in all cases, for current requirements. The bed of the trailer is not conducive to proper loading of the trailer with available MHE. Full trailer loads are seldom realized due to the trailer's configuration. An ENSURE request for a four wheel, 5 ton capacity trailer has been forwarded to USARV for offshore procurement. Approximate cost would be $3,000.

c. RECOMMENDATION: That four wheel, 5 ton capacity trailers be procured to replace the present 1½ ton trailers. (Dir. Transportation)

a. OBSERVATION: There has been a considerable number of maintenance problems experienced in utilization of this instrument. A number have been found to be unserviceable at the time of receipt by the requisitioning unit, others have become unserviceable soon after their first use.

b. EVALUATION: At the request of the Staff Chaplain USARV, the 1st Logistical Command Maintenance Directorate obtained maintenance reports on these instruments from command maintenance facilities. These reports were supplemented by informal reports from user chaplains. Recommendations contained in these reports include: stockage of spare parts in country, obtaining of maintenance manuals; and the training of maintenance personnel for work on this instrument.

c. RECOMMENDATION: That CUS requisitions for this instrument be temporarily curtailed, pending favorable resolution of current maintenance problems. (Chaplain)

F. (U) ORGANIZATION

NONE.
G. (U) OTHER

1. Army Cost Reduction Program.

   a. OBSERVATION: A centralized effort for the development of supporting data for potential high dollar value cost reduction actions produces the highest return for each manhour expended.

   b. EVALUATION: The criteria set forth in AR 11-20 (Army Cost Reduction Program, July 1967) is oriented toward quantitative results, requiring specialized training in accounting, statistics, industrial or management engineering and related fields, to develop a totally complete and comprehensive reportable management action that will withstand audit. Initially, many management actions appearing to provide a dollar savings, however, an objective and thorough review of all aspects of the actions, costed and displayed on appropriate spreadsheet sheets (as performed by Management Division, ACofS, Comptroller), has revealed in many instances that the criteria of AR 11-20 has not, or cannot, be met. Some of the cost prevalent reasons are: the management action cannot be documented as to the time of initiation; the action was routine and not new, improved or intensified; offsetting costs of implementation were not considered; and sufficient records are not available to prove before and after costs, at least to the using unit level in an active combat theater. By having available, at the general staff level, a team of qualified persons who can assist in the determination of the validity of a potential cost reduction action, many manhours are saved by the commander, manager and the USAAA. A concentrated effort of such a group of individuals can produce supportable actions of high dollar potential by using the latest statistical and management techniques to develop and present all aspects of a potential action.

   c. RECOMMENDATION: None. (ACofS, Comptroller)

2. Laundry Service.

   a. OBSERVATION: Presently the US Army has 19 laundry contracts and two blanket purchase agreements costing $6.8 million in FY 1969, through which approximately one third of the laundry for US Army and some FWAF units in II, III, and IV CTZ is processed. Another one third of total laundry requirements is processed by US Army quartermaster mobile laundry units. The remaining third is done at personal expense, either by using laundry concessions or by direct negotiation with a Local National. There are no US Army fixed laundries in RVN at this time.

   b. EVALUATION: At present only the US Army laundry service and a few of the contract laundries provide acceptable service in accordance with
the standards set forth in TM 10-354. These standards must be adhered to in order to ensure the provision of a sanitary, well finished end product. The average cost per piece of laundry processed by a contract laundry is $0.09 compared to $0.02 estimated for a US Army operated fixed laundry facility in RVN. The primary use of US Army mobile laundries is to support units on tactical operations or in areas where use of contract laundries is not feasible. Contract laundries and private arrangements are utilized primarily in settled, heavily populated areas.

c. RECOMMENDATION: That in order to provide better service which will meet the required standards, free more mobile laundry units for field operations, and reduce cost, US Army fixed laundry facilities be constructed in areas of high US Army population. Initial action to implement this recommendation has been taken. (Dir. Engineering)


a. OBSERVATION: Even though the command no longer has formal master planning responsibility, it is essential that it be able to influence master planning of bases where it has proprietary interest.

b. EVALUATION: Maintaining such a capability insures that timely construction of facilities will support logistical plans and that development of bases will not create situations inimical to the interests of the command. It was found that this could be done by normal command coordination plus the receipt by the command of information copies of all correspondence dealing with base development of major logistical bases.

c. RECOMMENDATION: None. (Dir. Engineering)

4. Fiscal Year Military Construction Army (MCA) Program Submissions.

a. OBSERVATION: Though the FY 1969 MCA Program evaluation conducted by this command and by USARV was a great improvement over prior years, the once-a-year mass submission of project requests (DD Form 1391) does not appear capable of achieving, in its unmodified application, the efficiency of program refinement desired. The lack of adequate time to review and to evaluate every project request was keenly felt at each command level. It is the opinion of this headquarters that a continual, orderly flow of project requests, with adequate opportunity for review and revision, and periodic updating of the program priority list, better serves the submission of an effective annual program rather than a short-fuze mass-production submittal.

b. EVALUATION:

(1) USARV tentatively plans to adhere to a one-time project submittal for each fiscal year program and to hold reprogramming actions to a
minimum. It does not desire to be bound by an overall priority list nor keep an approved "shelf" of unfunded projects on hand. The reverse of such a policy would undeniably cause some increase in sustained workload for programming personnel, though it would also eliminate the "crash" which currently precedes each annual program submission. It is recognized by USARV that urgent, unforeseen project requirements may occasionally arise, and that complete elimination of reprogramming is not practical. In addition, USARV has indicated willingness to accept project requests for technical review and costing by USAF/CAV, and evaluation by the Ad Hoc Base Development Committee as applicable, at any time. As additional uncommitted funds are developed through turnbacks from over-estimated projects and other sources, major subordinate commands will be invited to submit projects (probably quarterly) to compete for the additional funding. A shelf of evaluated projects and an updated priority list maintained at this command will provide timely response to such invitations, and will also furnish USARV with guidance for the assignment of construction priority for approved and funded projects. Unforeseen requirements of extreme urgency can, if fully justified, be substituted, on a dollar-for-dollar basis, for projects contained in the approved FY program.

(2) The 1st Logistical Command will pursue the following policy with respect to MCA project requests and program formulation:

(a) Users may submit DD Form 1391 for necessary construction to support commands, after careful evaluation and justification, as requirements develop. Careful prior planning on a fiscal year basis will be encouraged.

(b) Support commands will review and evaluate each request and if complete, fully justified, and approved by the installation base development board forward the required documents to this headquarters.

(c) Request will be evaluated by this headquarters and if necessary returned to the originator for additional information and justification. Those approved will be forwarded to USAFV requesting technical review, costing, and Ad Hoc Committee evaluation as applicable. Upon completion of this process, the project will be integrated into the command priority list and placed on the shelf for on-call submittal to USARV for formal funding consideration.

(d) Upon notification by USARV that additional funds are available, the evaluated-project shelf will be coordinated with support commands to revalidate projects and scopes, and will be submitted, in conjunction with an updated priority listing, to USARV for formal funding consideration. Projects not selected will be returned to the shelf. At year's end, valid requirements will be integrated into the priority list for the next MCA program.
(e) With concurrence of support commands and cognizant staff sections, high priority requirements developing after the close of the original fiscal year program will be submitted for equivalent dollar-value projects in the approved programs.

c. RECOMMENDATION: None. (Dir. Engineering)

5. Court reporters for general courts-martial.

a. OBSERVATION: Excessive delay has been experienced in having general courts-martial records of trial transcribed. Such trials must be recorded verbatim and must accurately reflect proceedings in both open and closed sessions of the trial. A general court-martial is equivalent to a trial in Federal District Court.

b. EVALUATION: Inexperienced enlisted court reporters are not capable of taking general courts-martial trials and transcribing the records quickly. This problem is compounded by the volume of general courts-martial tried by this command as well as the depositions required before many trials. Experienced civilian court reporters should be provided for general courts-martial. In this way this command may better meet the stringent requirements placed upon it for expeditious handling of records of trial by the Department of the Army and the U.S. Court of Military Appeals. This requirement has been included in the Headquarters, 1st Logistical Command proposed TDA submitted to HQ, USARV on 24 June 1968.

c. RECOMMENDATION: None. (SJA)
1. This headquarters has reviewed the Operational Report-Lessons Learned for the quarterly period ending 31 July 1968 from Headquarters, 1st Logistical Command.

2. Comments follow:

   a. Reference item concerning requisition base for MOS 73, page 15, paragraph A1. The 1500 spaces identified to implement the Modified Military Pay Voucher System (MMPVS) did not consist 100 percent of the 73C MOS (pay disbursing specialist) spaces. Included in this figure was the 71H MOS (personnel specialist). Accordingly, it cannot be assumed that the requisitioning base for pay specialist should be 1500. Some decrease in the requisitioning base has been anticipated because of approval of MTOE for units for which pay specialist spaces were deleted. To avoid an appreciable gap in the requisitioning base, action has been taken to obtain MTOE approval for the 1st Logistical Command Finance Sections on an expedited basis. Upon receipt of the approved MTOE, the 73C MOS requisitioning base should level off. Informal information received indicates that the TDA for the USA Central Finance and Accounting Office, Vietnam, has been approved by DA which will bring further relief from the 73C MOS shortage.

   b. Reference item concerning civilianization, page 15, paragraph A2: Nonconcur. USARV Regulation 190-15 prohibits the use of local nationals in Class V depots and ASPs; however, it does allow the use of third country nationals for Class V operations. The letter request of 1st Logistical Command will be studied by this headquarters, and an appropriate reply will be forthcoming.

   c. Reference item concerning explosive ordnance disposal (EOD), page 18, paragraph B2: Concur. This problem has been presented to MUCOM (Picatinny Arsenal) for possible solution. This subject was also presented at the recent Munitions Conference held at USARPAC, 13-16 August.

27
Representatives from DA, AMC, KUCOM, APSA, USARPAC, CINCPAC, LACV, USARV, and 1st Logistical Command were in attendance. This headquarters will monitor the problem closely and submit feasible methods/procedures to USARV for evaluation.

d. Reference item concerning storage of POL, page 18, paragraph 14: Concur. Letters have been sent to 7th Air Force by this headquarters and PACOM requesting an increase in storage at these air bases. 7th Air Force has programmed for additional storage to be constructed during FY 69. This should solve the problem. Until additional storage is constructed, resupply will continue to be a problem. Director of Petroleum, 1st Logistical Command, has been advised of the status of this storage so further action can be taken by this headquarters.

e. Reference item concerning manifests and stowage plans, page 19, paragraph B5: Concur. The receipt of advance vessel manifests and stowage plans has been a continual source of delay in both determining the feasibility of ship diversions and preparation of cargo disposition instructions (CDI). This headquarters recently sent a message to all agencies concerned requesting that all outloading ports (CONUS, PACOM, and USAEUR) comply with DOD Reg 4500.32R (HILSTAMP). This subject will be discussed at the PACOM Joint Transportation Board which will convene on 6 September 1968.

f. Reference item concerning rotational training base for ammunition personnel, page 21, paragraph C1.

(1) The Chief of the Career Planning and Assignment Section, Ordnance Branch, ODP, DA, has agreed to identify officers and warrant officers placed on orders to USARV who have been assigned to the US Army Ammunition Procurement and Supply Agency (APSA). Action will be taken to ensure that these individuals are assigned to the 1st Logistical Command for duty in Class V supply positions.

(2) Enlisted replacements identified as having APSA experience will be assigned to the 1st Logistical Command.

(3) The portion of the recommendation concerning the assignment of personnel trained in Class V supply procedures by the 1st Logistical Command to APSA on return to CONUS cannot be evaluated or implemented by this headquarters. The recommendation should be evaluated by higher headquarters.
g. Reference item concerning basic load of Class V for deployed units, page 25, paragraph E3: Concur. This headquarters maintains constant liaison with 1st Logistical Command to insure that 1st Logistical Command is aware of unit deployments to RVN. Problems can arise when USARV does not receive timely notice of date and place of arrival of new units. With sufficient lead time there will seldom be a problem in providing Class V stocks to new units deploying to RVN. Current regulations require that all units deploying to RVN bring a basic load of small arms ammunition. The artillery and brigade type items that comprise the high tonnages require lead time to position the assets to support new units. With adequate notice from higher headquarters of expected deployments, this problem can be eliminated.


i. Reference item concerning publications for US Army vessels, page 26, paragraph E4: Concur. This action should be considered for action by A11C.

j. Reference item concerning property disposal sales, page 27, paragraph E7: Concur. Recommend Department of the Army initiate action to allow the contracting officer more flexibility in applying liquidation damages when failure to perform arises from Acts of War.

k. Reference item concerning donation of property disposal assets, page 28, paragraph E8: Concur. Recommend Department of Army initiate action to allow greater utilization of salvage property for civic action programs within combat zones.

l. Reference item concerning 1½ ton trailers, page 28, paragraph E9: Concur. This headquarters has forwarded an ENSURE request on 3 August 1968, to DA for 60 each trailer, flat bed, 4 wheel, 5 ton capacity. No reply has been received from Department of the Army.

m. Reference item concerning maintenance of small electronic organs, page 29, paragraph E10: Concur. Consideration should also be given to substituting organ, foot operated, FSN 7710-245-7762.
Subject: Operational Report for Quarterly Period Ending 31 July 1963

n. Reference item concerning laundry service, page 33, paragraph 62: Concur. Submission of DA Form 1391 for the construction of three 10,000 man plants and two 20,000 plants has been directed. Due to procurement lead time, required development of plans for the 20,000 man plant by the Office of the Chief of Support Services and ICM programming, it will be at least two years before these plants can become operational.

o. Reference item concerning court reporters for general courts martial, page 36, paragraph 65: Concur. A study is currently being made into the feasibility of obtaining a civilian court reporter to be assigned to the SJA, USAV, for use throughout the thirteen General Court-Martial jurisdictions under WJAFV.

Copy for:

W. C. BARTZ
Principal Assistant Adjutant General

W. C. BARTZ
Assistant Adjutant General

Cy furn:

W; 1st Log Cmd
SUBJECT: Operational Report of HQ, 1st Log Comd for Period Ending 31 July 1968, ACS CSFCR-65 (R1)

Hi, US Army, Pacific, APO San Francisco 96558  

16 OCT 1968

TO: Assistant Chief of Staff for Force Development, Department of the Army, Washington, D. C. 20310

1. This headquarters has evaluated subject report and forwarding indorsement and concurs in the report as indorsed, except as noted in paragraph 3 below.

2. Reference paragraph 2a, 1st Indorsement: USA Central Finance and Accounting Office, Vietnam, was organized by USARPAC General Orders No. 500, 9 September 1968, with an effective date of 20 September 1968.

3. Reference 1st Indorsement, paragraph 2f: The 1st Logistical Command recommendation concerning the reciprocal assignments in CONUS and Vietnam for highly qualified ammunition supply personnel cannot be properly evaluated by this headquarters. This recommendation should be evaluated by DA.

FOR THE COMMANDER IN CHIEF:

C. L. SMITH
C. O. SMOOT
C. S. AG

Annex A (U) ACoS, COMPTROLLER

1. Budget and Fiscal Operations

a. Obligations against Operation and Maintenance, Army (C&MA) funds administered by this headquarters during FY 1968 totalled $239,756,573 as of 30 June 1968. On 3 July 1968, Headquarters, US Army Vietnam (USARV) established this command’s initial FY 1969 Annual Funding Program (AFP) at $176,341,097. On 11 July 1968, USARV assumed responsibility for financing the maintenance of Automatic Data Processing (ADP) equipment and withdrew $912,000, resulting in a revised AFP of $175,429,097. The significant reduction in the level of funding for FY 1969 ($175.4 million versus $239.8 million in FY 1968) is primarily attributable to actions taken by USARV during May 1968 to reassign programming, budgeting and funding responsibilities for certain engineer type functions to the US Army Engineer Construction Agency, Vietnam.

b. Report, "Status of Fund Authorization" for Assistance in Kind (AIK) funds for the period ending 30 June 1968, reduced the Calendar Year (CY) 1968 AIK AFP to $26,219,000, by transferring funds ($28,053,000) for Object Class (OC) 23A (Communications) to the Military Assistance Command, Vietnam and OC 25A (Real Estate Maintenance and Repair) and OC 25B (Modifications, Alterations and New Construction) to USARV.

c. On 25 July 1968, this headquarters delegated authority to the Department of the Navy, Officer In Charge of Construction (OICC) to certify Standard Form 1080 billings for services rendered or supplies furnished against Military Interdepartmental Purchase Requests issued by this headquarters, thereby permitting direct processing to the Finance and Accounting Office for payment.

d. The lst Logistical Command Active Interservice Support Agreements (ISSA) listing, published as of 1 July 1968, reflected 159 active ISSAs with a total estimated value of $16,243,305, of which 52 are reimbursable ($11,674,055) and the remaining 67 are non-reimbursable ($4,569,250).

2. Finance and Internal Review Division

a. USAAA conducted an exit conference on their audit of general purpose vehicles on 25 May 1968, and another on their audit of ammunition management follow-up on 24 July 1968.

b. USAAA’s Audit of Foreign Excess Sales Office (FEC) and Property Disposal Office (PDO) operations was suspended on 15 May 1968.
due to insufficient manpower. It will be resumed in early August 1968.

c. The US General Accounting Office (GAO) completed the review of tax exemption provisions under agreements between the Governments of the United States and the Republic of Vietnam on 11 July 1968. A written report has been received by the United States Army Procurement Agency, Vietnam from GAO.

d. The command reply to the USAAA audit of maintenance activities, Qui Nhon Support Command was forwarded through command channels to the Department of the Army on 17 May 1968.

e. The command reply to the USAAA audit of subsistence management, Saigon Support Command was forwarded through command channels to the Department of the Army on 4 June 1968.

f. On 16 February 1968, USARV informed this headquarters by letter that in order to establish the US Army Central Finance and Accounting Office, Vietnam, operational control of the 91st Finance Section would be assumed by that headquarters. This was accomplished by General Order 927, Headquarters USARV, dated 29 February 1968. On 15 June 1968, USARV proposed that operational control of the eight remaining separate finance sections assigned to the 1st Logistical Command be exercised by that headquarters and requested comments on the proposal. A reply was forwarded to USARV stating that the provision of finance service to non-divisional troops is a proper function of a logistical command. Several advantages were advanced as reasons for the finance sections remaining under the control of this headquarters. On 13 July 1968, USARV advised this headquarters that operational control of the eight separate finance sections assigned to the 1st Logistical Command will be assumed by USARV effective 1 August 1968.

 g. The number of personnel to be paid in the Da Nang and Can Tho areas continues to increase rapidly. The pay accounts more than doubled. Commanders in these areas are unable to provide any additional office facilities. In the Delta, this situation will be alleviated by either establishing a Class B Finance Office in an area of troop concentration away from Can Tho, or building additional facilities in Can Tho. In I Corps, a finance unit capable of paying 10,500 troops is scheduled to arrive in country in September 1968 for assignment to the Quang Tri area, and will bring capabilities in line with requirements.

3. Management Division

a. Cost Reduction Program
(1) On 20 May 1968 the USAAA validated a cost reduction action (Item Substitution: Drift Pins for Bridge Spikes) for $300,000. This was accomplished by substituting drift pins costing $17 each for bridge spikes costing $13.37 each. The amount validated was minimal because of the difficulty in projecting FY 1969 and FY 1970 requirements to build bridges in an active combat environment.

(2) On 8 June 1968 the USAAA validated a cost reduction action (Purchase of Standard Fatigues from PX) valued at $3.484 million. The substitution of PX fatigues costing $5.72 per set for the Jungle fatigues costing $13.80 per set met an urgent requirement for the command and assisted the PX in leveling their inventory.

(3) On 27 June 1968, the USAAA validated a cost reduction action (Elimination of Wraparound Pallet Covers for 175MM Projectiles) for $951,172.00. This savings was the result of the elimination of a fiberboard wraparound cover for pallets of 175MM projectiles. The elimination of the covers prevented the collection and retention of moisture in the pallets and precluded the formation of rust by permitting direct access of sunlight and air.

(4) On 17 July 1968, the USAAA validated a cost reduction action (Purchase of Fresh Fruits and Vegetables: Buy/No Buy Concept) valued at $1.337 million. This action utilized the financial leverage of the US Army to stem inflationary trends in the purchase of fresh fruits and vegetables on the local economy.

(5) The Fiscal Year 1968 results of the 1st Logistical Command Cost Reduction efforts are six validated actions valued at $23,616 million dollars.

b. Organization and Functions Manual: The June 1968 Organization and Functions Manual was published and distributed. A new format was used to provide a better understanding of functions/staff element relationships and serve as an operating SOP for new personnel. The functions of each staff element were categorized as:

(1) General Functions.

(2) General (Special) Staff/Directorate relationships.

(3) Subordinate command/outside agency relationships.

c. Command Review and Analysis: The Command Review and Analysis publications for May, June and July 1968 were printed in Japan and distributed to all elements of the command. Beginning with the June
issue, Volume I contains the unclassified charts and Volume II the classified charts. The purpose of the change in format is to provide a more ready desk reference, inasmuch as the bulk of statistics are unclassified.
ANNEX B  (C)  ACofS,  PERSONNEL,  Civil Affairs Division

1. (J) The Long Binh Post People-to-People Program which was implemented in September, 1967, is progressing well. USA-ARV Support Command (USAASC) Saigon is responsible for 25 hamlets with a population of 153,000 people in the Long Binh and Dau To Districts of Bien Hoa Province. The program involves weekly hamlet visits and the conduct of an intensive civic action program in the assigned area. One significant project currently underway is the relocation of the entire hamlet of Nui Bat which was devastated during the Ict attacks. Land was acquired from the government approximately two kilometers from the original site and 100 new homes are being built entirely on a self-help basis with material and technician assistance being provided by the Government of South Vietnam and USAASC, Saigon.

2. (J) As an outgrowth of the success of the Long Binh Program, the Civil Affairs Officer, this headquarters, in conjunction with USAVR CORDS, developed a similar program for all major logistical base areas in Vietnam. This plan, which was implemented in USAVR OPLAN 81-58 (Campaign Plan) and 1st Logistics Command OORD 1-68, tasks this headquarters with the coordination of all military civic action conducted by sub-base areas that includes support commands, sub-area commands and contiguous population centers within a minimum radius of 11,000 meters. The program was put into effect on 2 May 1968 and initial progress reports indicate that it is proving very effective in reducing the duplication of effort and waste of resources which have existed in the past. Its scope extends far beyond meeting undertaken heretofore and is a major step forward in the effective coordination of the military civic action effort throughout Vietnam.

3. (J) With the publication of 1st Logistics Command Circular 515.1 dated 10 July 1968, the command is undertaking a major program of support for Vietnamese scouting as part of the Civil Youth Program. The development of leadership, national identity, and social consciousness among Vietnamese youth is an undertaking which will contribute significantly to the future stability of Vietnam. The Vietnamese Boy Scout Association, because it is already a well established and respected private youth organization of over 8,000 members, provides an excellent opportunity to assist in this development. Support of scouting as a program for which units of this command are particularly well suited due to the large number of military personnel with scouting experience and because of their stabilized location in logistical base areas which permits the undertaking of more comprehensive programs.
The guidelines provided in the circular have been developed to assist unit commanders and civil affairs staff officers in developing programs of support for existing scout organizations and for the formation of new troops where conditions and circumstances permit.

4. (U) A program of support for the hog industry in Vietnam is currently under study. With continuing quantities of condemned foodstuffs available from our ports but which remain fit for animal consumption, and the edible garbage generated daily in our logistical base areas, the command is in a position to contribute significantly to the development of the hog industry and other animal husbandry projects currently being undertaken by ARVN and USAID. ARVN is establishing several hog and chicken farms as a means of supplementing the protein in their soldiers' diet. Many of these farms are located near our logistical base areas and support from the command in the form of animal feed will enable them to expand the program much more rapidly than originally anticipated. Support for the civilian hog industry is also under study and a pilot project has been established by USASC, Cam Ranh Bay. In conjunction with MACV advisors and local GVN officials a cooperative of small hog raisers in the area was formed. These farmers pooled their resources, purchased four trucks, and with technical assistance from USASC, Cam Ranh Bay, built a sterilization plant for the processing of edible garbage. They have been authorized to pick up edible garbage twice daily from fifteen mess halls at installations at Cam Ranh Bay. This garbage is then transported to their sterilization plant where it is boiled and sold to the members of the cooperative at cost. If this program proves successful, similar projects may be developed in other logistical base areas.

5. (U) The command civil affairs statistics for the period were as follows:

a. Total number of man-days (10 hours) personnel of units engaged in civic action activities: 5,416

b. Cost of civic action projects.

(1) Cost of supplies contributed from military resources for civic action projects: 6,308,955 $VN

(2) Expenditures from the US/PHNAP Civic Action PSYWAR FUND: 398,990 $VN
c. Voluntary contributions.

(1) Collections: 1,964,159 $VN

(2) Expenditures in support of civic action: 1,710,463 $VN

d. Percent of US Military civic action activities conducted jointly with:

<table>
<thead>
<tr>
<th></th>
<th>SGN</th>
<th>CRB</th>
<th>QNH</th>
<th>DNG</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Other FWMAF</td>
<td>0.6%</td>
<td>37%</td>
<td>8.6%</td>
<td>0</td>
</tr>
<tr>
<td>(2) RVNAF</td>
<td>2.3%</td>
<td>14%</td>
<td>4.0%</td>
<td>0</td>
</tr>
<tr>
<td>(3) US civilian voluntary agencies</td>
<td>1%</td>
<td>19%</td>
<td>20%</td>
<td>0</td>
</tr>
</tbody>
</table>

e. Average percent of self-help contributed by the people:

(1) Self-help labor 1% 54.6% 44.6% 90%
(2) Materials furnished 0 2% 20% 3.3%

f. Major civic action programs:

<table>
<thead>
<tr>
<th></th>
<th>MAN-DAYS</th>
<th>$VN</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Economic Development</td>
<td>93</td>
<td>47,000</td>
</tr>
<tr>
<td>(2) Education</td>
<td>1,012</td>
<td>951,398</td>
</tr>
<tr>
<td>(3) Social Welfare</td>
<td>2,169</td>
<td>5,768,975</td>
</tr>
<tr>
<td>(4) Transportation</td>
<td>378</td>
<td>78,000</td>
</tr>
<tr>
<td>(5) Refugee Assistance Support</td>
<td>632</td>
<td>1,363,251</td>
</tr>
</tbody>
</table>

g. Number of separate institutions assisted during the reporting period:

(1) Schools 109
(2) Hospitals 50
(3) Orphanages 89
(4) Poorhouse 2

38
(5) Church 2
(6) Convalescent Home 2
(7) Refugee Center 2

h. Educational Efforts:

(1) Classes

(a) English 102, total students 1,330
(b) Motor Mechanics 4, total students 70

(2) Training

   None

i. Of 355 construction projects completed during the reporting period, 252 of them were joint US/FWMAF projects.

j. Commodities Distributed:

   (1) Building materials:

   (a) Cement (lbs)  195,005
   (b) Tin Sheets (nr)  3,914
   (c) Lumber (bd ft)  2,081,789
   (d) Paint (gal)  454
   (e) Electrical wire (lbs)  2,000
   (f) Wire screen (roll)  4
   (g) 4" pipe (ft)  3,760
   (h) Nails (lbs)  4,631
   (i) Bricks (ea)  9,300
   (j) Culvert (ft)  115,100
   (k) Barbed wire (roll)  165
<table>
<thead>
<tr>
<th>Item Description</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steel pickets (ea)</td>
<td>500</td>
</tr>
<tr>
<td>Concertina (roll)</td>
<td>36</td>
</tr>
<tr>
<td>Kits distributed (health, school, refugee)</td>
<td>6,254</td>
</tr>
<tr>
<td>Food (lbs)</td>
<td>181,576</td>
</tr>
<tr>
<td>Clothing (lbs)</td>
<td>7,677</td>
</tr>
<tr>
<td>Health items (soap, toothpaste, etc.)</td>
<td>7,870</td>
</tr>
<tr>
<td>Agricultural tools (nr)</td>
<td>61</td>
</tr>
<tr>
<td>Others:</td>
<td></td>
</tr>
<tr>
<td>Tires (ea)</td>
<td>30</td>
</tr>
<tr>
<td>Firewood (lbs)</td>
<td>132,400</td>
</tr>
<tr>
<td>Desks (ea)</td>
<td>2</td>
</tr>
<tr>
<td>Vietnamese calendars (ea)</td>
<td>10,620</td>
</tr>
<tr>
<td>Stuffed toys (ea)</td>
<td>131</td>
</tr>
<tr>
<td>Rubber sandals (pr)</td>
<td>200</td>
</tr>
<tr>
<td>Pigs (ea)</td>
<td>2</td>
</tr>
<tr>
<td>Radio (ea)</td>
<td>2</td>
</tr>
<tr>
<td>Potable water (gal)</td>
<td>161,700</td>
</tr>
<tr>
<td>Combat Field Gear (ea)</td>
<td>120</td>
</tr>
<tr>
<td>Barrels (ea)</td>
<td>10</td>
</tr>
<tr>
<td>Urinals (ea)</td>
<td>10</td>
</tr>
<tr>
<td>Diapers (ea)</td>
<td>180</td>
</tr>
<tr>
<td>Foam Rubber Mattresses (ea)</td>
<td>26</td>
</tr>
<tr>
<td>Wet and Dry Garbage (lbs)</td>
<td>100,000</td>
</tr>
</tbody>
</table>
1. (C) Authorized military strength of the command decreased from 51,149 to 53,955 during the reporting period and the assigned strength increased from 51,196 to 51,912. Present level of assigned to authorized is 96.3%.

2. (U) The command is currently authorized 297 Department of the Army Civilians (DACs) with recruiting authority for an additional 296. Present DAC strength is 279 with recruitment underway for the remainder of the positions. Recruitment for 110 Special Services NAF positions is still underway with 48 of the positions filled.

3. (U) Local National direct hire authorization for the command is presently 11,066 which presents an increase of 200 spaces. Manpower utilization surveys to be conducted by USARV will, in all probability, result in large reductions in this authorization.

4. (U) Assistance in Kind Funds for the hiring of Local National daily labor has been increased for the third quarter Calendar Year (CY) 1968. This will permit the hire of 3,125 individuals on a daily hire basis for this quarter. Approximately the same utilization is projected for the fourth quarter CY 1968.

5. (U) The program to convert selected military positions to Local National direct hire was reinstated on 1 June 1968. The established goal for lst Logistical Command is 5,680 Local Nationals to be hired by 31 May 1969. This represents a replacement ratio of 1.3 Local Nationals for each military space converted. As of 31 July, a total of 421 Local Nationals had been hired under this program.

6. (U) Manpower survey for US Army Support Command, Qui Nhon headquarters was conducted during the period 3 - 20 July 1968 and resulted in the team recognizing 285 military, 71 DAC, and 59 Local National staffing requirements.

7. (U) The TDA previously submitted for the US Army Inventory Control Center was approved by DA. This organization has redesignated as the US Army Inventory Control Center Vietnam (ICCV) with an authorization of 70 officers, 6 warrant officers, 309 enlisted, 127 DAC, and 98 Local Nationals.

8. (U) The TDAs for field depots at Long Binh, Cam Ranh Bay, and Qui Nhon have been approved for implementation on 1 August 1968. An Ad Hoc committee is reviewing these documents for the purpose of providing a complete justification with support rationale for the required spaces.
ANNEX D (U) AGofS, PERSONNEL, Personnel Services Division

1. Clubs and Open Messes, and Other Sundry Funds.
   
a. Reports of Status of Officer's and Enlisted Clubs and Messes (AGS MACJ1-13) for July 1968 reveal the following:

<table>
<thead>
<tr>
<th>Category</th>
<th>Main</th>
<th>Annex</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Officer's Open Mess</td>
<td>6</td>
<td>13</td>
<td>19</td>
</tr>
<tr>
<td>NCO Open Mess</td>
<td>7</td>
<td>17</td>
<td>24</td>
</tr>
<tr>
<td>NCO/EM Open Mess</td>
<td>1</td>
<td>21</td>
<td>22</td>
</tr>
<tr>
<td>EM Open Mess</td>
<td>4</td>
<td>19</td>
<td>23</td>
</tr>
<tr>
<td>Mess Association</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>70</td>
<td>89</td>
</tr>
</tbody>
</table>

Other Sundry Funds

- Clubs - Liquor: 14
- Clubs - Beer: 57
- VN Labor: 58
- Donor Deposit: 5
- Chaplain's: 5
- Private Association: 1
- Supplemental Field Ration Mess: 4

Total: 144

b. During the quarter the following new clubs and messes were opened or planned:

   (1) The Qui Nhon Open Mess (RV 2366) added ten annexes.

   (2) The Pleiku Sub-Area Command Consolidated Mess Association added an eighth annex.
(3) The Da Nang Sub-Area Command Officer's Open Mess (RV 2458) and the Da Nang Sub-Area NCO/EM Open Mess (RV 2457) were established in June from existing Other Sundry Fund Clubs.

c. Planned expansion of existing clubs and messes:

(1) Annex #2 and Annex #2 of the Qui Nhon NCO Open Mess are to be remodeled.

(2) Expansion of the Qui Nhon NCO Open Mess, Annex #15 EM Club, and the main warehouse of the NCO Open Mess should be completed in early August.

(3) A new Cam Ranh Bay Officer's Open Mess is under construction with completion expected during the latter part of August.

(4) Construction is underway for a new Cam Ranh Bay NCO Open Mess, an EM Open Mess and a warehouse for the NCO Open Mess. Due to delays in construction, the completion date is uncertain at this time.

2 Education Program:

a. Experienced education officers were reassigned to Army Education Centers where their experience and background could be fully utilized to promote the essentials of the education program.

b. The USAID office in Saigon was contacted to assist in hiring a Vietnamese graduate linguist to operate the Vietnamese language program in 1st Logistical Command. An English speaking Vietnamese National is essential to the proper operation of the program.

c. A policy change saw outgoing personnel being assisted through their outprocessing in the Saigon-Cholon-Long Binh area before being delivered to their departing aircraft. This personal service enhances the last minute impression these professional educators take with them concerning the morale aspects of employment in the 1st Logistical Command. By virtue of this treatment they will be inclined to recommend other educators for duty in Vietnam.

d. Lack of adequate facilities continues to prevent maximum utilization of the potential available at the Army Education Centers in 1st Logistical Command. Central Welfare Fund (CWF)
was requested to purchase a number of portable buildings to be shipped to those locations most in need of space at this time. CMF approved the request at a meeting on 17 July 1968.

e. In May, the 1968 General Education Development (GED) Workshop Institute was conducted at Fort Buckner, Okinawa by Boston University under contract with DA and USARPAC. All education staff personnel from Vietnam, Thailand, and Okinawa attended the week-long seminar. Those in attendance were directly involved as participants in panels, discussion groups and role playing. The institute was judged a success because it increased understanding in the field of counseling and guidance.

f. Another policy change saw centralised purchasing of posters, handbills, announcements and charts for education using CMF money and the local printing shop in Saigon. Over 5,000 items were purchased and distributed to the education centers.

g. Problems in transportation are expected to be relieved with the purchase of commercial vehicles for each education director who does not have a tactical or support vehicle assigned for his use.

h. The education program needs increased promotion. Command Information Office has indicated that articles of information about educational opportunities will be placed in the "Vietnam Review". All education officers have been asked to support the promotion by sending in pictures taken at education centers showing classes in session, University of Maryland instructors at work, and scenes depicting the current status of the facilities.

i. During this period the following educational activity was accomplished:

(1) 84 EM completed preparatory high school courses.
(2) 108 EM completed MOS related courses.
(3) 60 EM completed high school courses.
(4) 241 personnel completed college courses.
(5) 74 EM completed preparatory college instruction.
(6) 601 personnel completed HS GED test batteries.
(7) 38 personnel completed GED-CCT test batteries.

(8) 231 personnel enrolled in foreign language instruction.

(9) 111 personnel were administered various undergraduate and graduate college entrance examinations.

(10) 63 college resident courses were offered by the University of Maryland.

(11) 269 personnel enrolled in college resident courses; and 254 personnel completed these courses.

3. Safety

a. Army motor vehicle accident statistics for this reporting period reflected a 20% decrease in the frequency rate compared with the previous reporting period. The predominant cause of Army motor vehicle accidents is driving too fast for conditions. Other significant causes in descending order of prominence were other driver or person, following too closely and mechanical failure. The command, with a frequency rate of 8.90 accidents per 1,000,000 miles traveled, is below the USARV established expectancy rate of 10.0.

b. The military disabling injury rate for the command shows a decrease of 20% compared with the previous reporting period. Inattention to environmental surroundings, gunshot wounds, Army motor vehicle accidents, and burns. The reporting period frequency rate of 37.30 injuries per 1,000,000 man-days exposure is well below the USARV established expectancy rate of 45.0.

.. Letter, subject: Control of Army Motor Vehicles, signed by the Commanding General, was dispatched 25 June 1968. Commanders were directed to establish positive measures to insure convoy commanders and drivers on individual dispatch understand the need to observe established speed limits in heavily populated areas and exercise adequate care in vehicle operation at all times.

d. The first indorsement to USARV letter, subject: Captured Weapons and Munitions, signed by the Commanding General, was dispatched 9 July 1968. Commanders were directed to establish positive control measures to prevent incidents involving captured, assigned, and unauthorized weapons and munitions.
4. Graves Registration: The US Army Mortuaries processed 4,773 remains of which 2,713 were at Da Nang (56%) and 2,060 at Tan Son Nhut (44%). The casualties at Da Nang were received mostly from the I Corps Tactical Zone. The workload did not include 146 ROKA Military dead received by the ROKA crematory at North Nha Trang and Qui Nhon.
1. (C) Enemy activity directly affecting 1st Logistical Command operations continued at a relatively high level throughout May and the early part of June 1968, but lessened somewhat during the remainder of the reporting period. Standoff mortar and rocket attacks, ground attacks against installations, ambush of convoys, sabotage of equipment and facilities and interdiction of lines of communication (LOC) characterized the bulk of the enemy effort. Highways 1, 19, 14 and Highway 316 between Long Binh and Saigon remained primary targets for harassment, and an increase in activity affecting operations along inland waterways was noted.

   a. At 000500H May 1968, a Navy craft with 100 1st Logistical Command replacement troops aboard was struck by mortar fire near the Da Nang Bridge ramp; also one round of mortar fire landed in the 156th Heavy Equipment Maintenance compound at Da Nang. Cumulative results were seven US Army military personnel killed and eight wounded.

   b. At 070745H May 1968, five 2½ ton trucks from the 11th Transportation Company received heavy small arms fire while traveling on Highway 1, approximately 10 kilometers northwest of Qui Nhon. Two US military personnel were wounded, and two trucks lightly damaged.

   c. At 082155H May 1968, the 11th Transportation Battalion at Cat Lai received 10 rounds of mortar fire resulting in two US military wounded.

   d. At 120340H May 1968, Nha Be Tank Farm received approximately 36 rounds of 75mm recoilless rifle fire resulting in two US military wounded.

   e. At 130000H May 1968, Camp Evans received approximately six rounds of 122mm rocket fire. There were no casualties and losses were limited to two 10,000 gallon petroleum bags, and 5,000 gallons of product. Approximately 10 hours later, six additional 122mm rocket rounds impacted in the center of the compound, resulting in one US soldier killed, eight wounded and several vehicles receiving minor damage.

   f. At 150055H May 1968, the 572d Transportation Company, located at Wunder Beach, received ten to fifteen rounds of rocket and mortar fire resulting in ten US military personnel wounded.

   g. At 150100H May 1968, the Tay Ninh Logistical Support Activity
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received recoilless rifle, rocket and mortar fire. The rounds impacted sporadically from 0100H to 1500H. A total of 13 rounds of 122mm and 14 rounds of recoilless rifle and 82mm mortar fire were received. One US soldier was killed and 3 were wounded. One billet was 50% destroyed.

h. At 1800H5 May 1968, the Sa Huynh facility near Duc Pho received 50-75 rounds of rocket and mortar fire followed by a sapper attack. Two US military soldiers were killed, and fifteen were wounded. One truck and a bunker were destroyed while five billets received moderate damage.

i. At 191300H May 1968, Petroleum Sub Station #7, located between An Khe and Pleiku, was attacked with mortars, small arms and automatic weapons. A reaction force consisting of tanks and APCs was dispatched. There were no friendly casualties, and only minor damage to several buildings. The enemy suffered six killed.

j. At 191255H May 1968, Camp Evans received a 122mm rocket attack which lasted throughout the night. An undetermined number of rounds impacted in the ammunition supply point and logistical support activity areas causing extensive damage. Six US military personnel were wounded. Material destroyed included: one 6,000 pound forklift; two 2½ ton trucks; one ½ ton truck, 80,000 gallons of diesel fuel and MOGAS; and 3,382 short tons of ammunition.

k. At 210100H May 1968, the 39th Transportation Battalion at Phu Sai received a rocket and mortar attack which lasted approximately one hour, resulting in two US military personnel killed.

l. At 221400H May 1968, a 2½ ton truck from the 529 Transportation Company, traveling as part of a ten truck convoy from Tuy Hoa to Bong Son, detonated a mine. One US soldier was killed and the truck was destroyed.

m. At 250105H May 1968, at Cat Lai, the cargo ship "Cuban Victory" was discharging small arms ammunition onto a barge when an explosion, believed to have been caused by a floating mine, occurred. One US soldier was wounded, one Vietnamese was killed and four were wounded. The "Cuban Victory" received major damage, one barge was destroyed, one tugboat received minor damage, and two pallets of 30 caliber ammunition were destroyed.

n. At 232250H May 1968, a convoy traveling from Long Binh Post to Newport on Highway 316, was ambushed two kilometers east of Newport Bridge by an unknown size enemy force. One round of recoilless rifle fire hit a stake and platform tractor trailer. 

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from the 18th Transportation Group. Three US MPs were killed, and one soldier from the Transportation Group was wounded. The tractor trailer and one jeep were destroyed.

o. At 290940H May 1968, two tugs with four ammunition barges in tow, enroute from Cat Lai to Cogido, received unknown type enemy fire. One tug sustained two hits and returned to Cat Lai. One barge was hit but no secondary explosion occurred. The other tug was not hit, and continued on its mission. Two US military and one Vietnamese were wounded. One tug boat and one barge received minor damage.

p. At 290115H May 1968, the Forward Support Area at Phan Thiet received four rounds of mortar fire with one round landing in the vicinity of a bath unit billet. Four US military personnel were wounded and one building received minor damage.

q. At 060050H June 1968, Vung Rho Bay received 20 rounds of mortar fire followed by the infiltration of an enemy sapper unit which placed satchel charges throughout the area. At the same time the attack occurred on Vung Rho Bay the enemy blew the petroleum line and railroad suspension bridge. Four US Army personnel were killed, and 9 US Army personnel were wounded, nine 5 ton trucks, two 4 ton trucks, one railroad bridge, and 500 feet of petroleum pipeline were destroyed. One barracks received minor damage.

r. At 060150H June 1968, one vehicle in a 18th Transportation Company convoy traveling from Cu Chi to Tay Ninh hit a mine. One US soldier was wounded, one 5 ton tractor and reefer van was destroyed, and one 5 ton tractor was slightly damaged.

t. At 160050H June 1968, four rounds of unknown type fire impacted in the Saigon Dock area. Two US military personnel were wounded, and one truck was destroyed.

u. At 152130H June 1968, Cat Lai received five rounds of unknown caliber fire. Two rounds hit an ICM while the remaining rounds landed in the water. The craft, which was carrying explosives, caught fire, but did not explode. Three US military personnel were slightly injured, and the ICM was destroyed.
v. At 260101H June 1968, the Tay Ninh Logistics Support Activity received six rounds of 82mm mortar fire. One round landed in the Tech Supply Warehouse area and the remainder were scattered throughout the 548th Maintenance Company area. Results were one US soldier killed and one wounded while several trucks received light damage.

w. At 040110H July 1968, Phan Rang received 30 rounds of mortar fire followed by a ground attack in the outport area. Results were one US soldier killed and one wounded. Enemy casualties were two killed.

x. At 090218H July 1968, Nha Be Tank Farm received four to six rounds of 107mm rocket fire. The majority of the damage was confined to the Shell Oil area. There were no friendly casualties. Three 33,000 barrel diesel fuel tanks were destroyed with a loss of 51,300 gallons of diesel fuel. Also a chemical warehouse and plant, and drum stock in the vicinity of the warehouse were destroyed. A lube oil blending stock warehouse, and a power plant were damaged.

y. At 202315H July 1968, Nha Be received 6 rounds of 107mm rocket fire. Four rounds impacted in the Esso tank complex igniting a 12,500 barrel tank of jet fuel, destroying approximately 265,000 gallons of product. There were no friendly casualties.

2. (U) The following statistics reflect the number of personnel security clearance actions completed during the period:

   a. Clearances validated:
      - (1) TOP SECRET - 201
      - (2) SECRET - 177
   b. Request for National Agency Checks: 115
   c. Request for Background Investigation: 16
   d. Request for United States Army Investigative Records Repository check: 376
   e. Clearances granted:
      - (1) Interim TOP SECRET - 8
      - (2) Interim SECRET - 37
      - (3) SECRET - 128
      - (4) CONFIDENTIAL - 11
   f. At the end of the period, 474 clearance actions were pending.
3. (U) Activities of the 521th Military Intelligence Detachment (CI).

a. The following special studies were conducted:

(1) A staff study concerning communications problems of the detachment.

(2) Three sabotage threat surveys were prepared.

(3) A proposed HPOE for the Detachment was prepared to include tactical radios.

b. Twenty-six announced Counterintelligence Inspections were conducted and 29 unannounced Counterintelligence checks were made.

c. There were 33 personnel security investigations conducted and 165 agent reports submitted in support of these investigations.

d. There were 32 investigations completed concerning sabotage, espionage, labor strikes and work stoppages, and enemy initiated incidents. A total of 216 agent reports were submitted in support of these investigations.

e. At the close of the reporting period both the assigned and authorized personnel strengths of the Detachment numbered 72.

f. The headquarters of the Detachment remained in Saigon and maintained field offices in Saigon, Long Binh, Vung Tau, Cam Ranh Bay, Tuy Hoa, Nha Trang, Pleiku, Qui Nhon, and Da Nang. Target date for the relocation of the detachment headquarters to Long Binh is currently 1 November 1968.

h. (U) Weather: During March and April the transition from the prevailing dry northeast flow to the moist southwest flow takes place, and is usually completed by the end of May. This year, however, contrary to yearly predictions, the full effects were not felt until the end of July in the III and IV Corps Tactical Zones. Frequent rainshowers and thunderstorms became the predominant features over all of the country except for the east coast, north of Nha Trang, where precipitation amounts remained small and relatively infrequent. The principal effects on 1st Logistical Command operations were poor flying weather because of low ceiling and limited visibility.
1. (U) The US Army Vietnam (USARV) Ad Hoc Committee for Base Development continued evaluating US Army installations base development programs. In addition to the base ramps reported in the last three ORLSS, the committee completed surveys of the following areas:

   a. Vinh Long
   b. Soc Trang
   c. Can Tho
   d. Da Nang - Hue/Phu Bai
   e. Dalat
   f. 506th Field Depot, Saigon Port, USA Terminal Hat Lai, USA Terminal Newport.

The committee's findings indicated that several installations had programmed construction excessive to their needs. This completes the initial survey of US Army installations, and the committee will be on an "on call basis" for updating or reevaluation of base development programs.

2. (C) During 6 - 11 May 1968, a conference was held at CINCPAC with representatives from MACV, USARV, Headquarters 1st Logistic Command and other components to review and discuss logistical requirements for USARV Operation Plan (OPLAN) 67-68 (Post Hostilities) (C). Assumptions were developed to some of the logistical problems; the remaining were to be considered by CINCPAC who will forward guidance to MACV.

3. (C) On 23 May 1968, the HQ, USARV G-J Campaign Planning Group was tasked with developing a comprehensive Annex A (which will establish movement priorities) to USARV OPLAN 67-68. This division and the Director of Transportation are providing representatives to the Campaign Planning Group at the request of HQ, USARV. Planning for OPLAN 67-68 has been restricted by HQ, MACV to the major component level.

4. (U) Recent studies made by the Qui Nhon Support Command on the organizational structure of petroleum, ammunition and transportation units, has revealed that reorganization of these units would enhance operational control and service support in their respective functions. The primary changes necessary, and benefits to be gained from this reorganization are:

   a. Centralizing all aspects of the function under a single commander.
   b. Appointing the commander as director of the function.
c. Combining related activities where feasible.
d. Reduced personnel requirements.
e. Better command control.
f. Reduced span of control.
g. Increased support responsiveness.

The petroleum and ammunition portions of the studies have been approved and implementation directed. The remainder is currently being reviewed and the application of the package to other command areas is being weighed.

5. (C) The problems and shortcomings involved in Program 6 Civilianization were forwarded to higher headquarters by USARV. The Joint Chiefs of Staff have responded by directing that the civilianization program proceed at a maximum rate. Requisitioning authority is being withdrawn for military spaces in accordance with the established monthly quotas. Command emphasis is being placed upon the timely submission of Local National requirements to Area Civilian Personnel Offices. Problems are still envisioned pertaining to availability of local labor, loss of flexibility and effectiveness within TOE units, and dependability of local labor during periods of increased hostilities.

6. (U) The following temporary loan actions took place during the period 1 May - 31 July 1968:

   a. Total requests received by this headquarters - 95
   b. Temporary loan requests approved by USARV - 30
   c. Temporary loan requests disapproved by USARV - 21
   d. Temporary loan requests outstanding at USARV - 7
   e. Temporary loan requests returned by this headquarters to the requester without action (items not available, insufficient justification, etc.) - 32
   f. Temporary loan requests in process at this headquarters.
ANNEX G (C) AGösS, SECURITY, PLANS AND OPERATIONS, Operations Division

1. (C) Major Unit Arrivals.

a. The 1st Brigade, 5th Infantry Division (Mechanized) deployed from Fort Carson, Colorado during the period 25 to 31 July 1968. The United States Army Provisional Corps Vietnam was designated as sponsor for the Brigade. As of 31 July, 4,132 personnel had arrived by Military Airlift Command aircraft at Da Nang. In all, 71 sorties were made by aircraft. Brigade impedimenta arrived via sea lift. As of 31 July, 9,093 long tons had been discharged, most of it at the 1st Logistical Command, Logistics Over the Shore (LOTS) site at Wunder Beach. The remainder arrived at the port of Da Nang. 1st Logistical Command support of this operation, known as OPERATION DIAMOND, was provided by US Army Support Command, Da Nang (Provisional).

b. On 25 June 1968, the initial elements of the first increment of the Royal Thai Army Volunteer Force (RTAVF) began arriving in Vietnam. A quartering party of 23 individuals arrived by air on 25 June. On 2 July, the 209 member advance party arrived, also by air. On 22 and 29 July, approximately 3,000 (1,500 on each date) arrived by sea aboard an assault transport. One additional sea lift of 1,500 personnel is scheduled to arrive on 5 August. In all, there are 5,562 personnel in the first increment. The second increment totaling 5,704 personnel, will arrive in January 1969. In addition to the three troop transport lifts, unit impedimenta and remaining personnel were transported aboard Landing Ships, Tank (LST) in 12 lifts, and by two lifts of an Assault Cargo Transport civilian equivalent (T-AK). All movement of the first increment of the RTAVF is scheduled to be concluded by 5 August 1968. Total movement will involve approximately 4,900 long tons of equipment, including nearly 1,300 RTAVF vehicles. The bulk of personnel and equipment arrived at United States Army Terminal, Newport and were discharged by members of the US Army Support Command, Saigon's 4th Transportation Command (Terminal C). Reception of the RTAVF, called OPERATION CONDOR II, was a joint II Field Force Vietnam - 1st Logistical Command - 9th US Infantry Division (sponsor unit) - 18th Military Police Brigade operation. RTAVF personnel were convoyed to Camp Martin Cox at Bearcat by the Saigon Support Command's 48th Transportation Group (Motor Transport). Combat service support to the RTAVF at Bearcat will be rendered by the command's 29th General Support Group, headquartered at Long Binh.

2. (U) Airdrop Resupply.

a. During the period May through July 1968, nine emergency airdrop missions and 12 special missions were executed in support of US Army units throughout the Republic. A total of 3,676.70 short tons of Class
I, II, III, and V supplies were airdropped.

b. Methods used to deliver the supplies included the container delivery system (CDS), standard heavy drop extraction method using modular platforms, and free drop. The standard heavy drop method was used to deliver twelve 500 gallon containers of JP4 product. Two containers each were rigged on eight foot modular platforms and dropped with two 100 foot G7A cargo parachutes.

c. During May, the majority of airdropped supplies were delivered to the 1st Air Cavalry Division during OPERATION DELAWARE in the A Shau Valley. To expedite and monitor recovery, two parachute riggers from the 109th Quartermaster Company (Aerial Delivery) were inserted with the US Air Force Combat Control Team when the operation began in April. Subsequently, an officer and an additional non-commissioned officer were added to the team. This was necessitated by the large amount of air items involved, and the problems created by the units dispersing the loaded A-22 containers to various forward support bases throughout the area of operation.

d. The majority of tonnage delivered in June was earmarked for I Field Force, Vietnam to support operations in the Dak Pek and Dak Seang areas. Again, parachute riggers were inserted with the Combat Control Team prior to these drops.

e. The free drop missions in May, June and July were special type missions, referred to as BANISH BEACH, a term relating to the dispersion and ignition of POL product on enemy controlled areas. Using airdrop techniques, 55 gallon drums of POL are released from a C-130 aircraft and ignited upon impact with the ground. The aerial delivery units rig and prepare these loads in a manner similar to the normal method for airdrop of supplies. While the technique appears to be effective, conclusive damage assessment is limited at this time.

f. During this quarter, mission rigging was accomplished at Cam Ranh Bay and Da Nang by the 109th Quartermaster Company (Aerial Delivery), and the 383rd Quartermaster Detachment (Aerial Supply) at Bien Hoa. All missions were flown by the 834th Air Division. Classification and repair of recovered parachutes and related air items was performed by the 623rd Quartermaster Company (Air Equipment Repair and Depot) at Cam Ranh Bay.

g. At the end of May, the attached parachute riggers from the 101st Air Cavalry Division and the 173rd Airborne Brigade were detached and returned to their parent units. Early in June, the Provisional Platoon, 549th Quartermaster Company (Aerial Delivery) returned to its home station in Japan.
3. (C) Tactical Operations.

a. The following major operations were logistically supported by this command during the period 1 May 1968 through 31 July 1968:

<table>
<thead>
<tr>
<th>OPERATION</th>
<th>INITIATED</th>
<th>TERMINATED</th>
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<tr>
<td>I Corps Tactical Zone</td>
<td></td>
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<tr>
<td>*Concordia Square</td>
<td>9 May 68</td>
<td>17 May 68</td>
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<tr>
<td>*Delaware</td>
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<td>17 May 68</td>
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<tr>
<td>*Carentan</td>
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<td>Golden Valley</td>
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<td>*Jeb Stuart III</td>
<td>17 May 68</td>
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<tr>
<td>*Nevada Eagle</td>
<td>17 May 68</td>
<td>In Progress</td>
</tr>
<tr>
<td>Burlington Trail</td>
<td>8 Apr 68</td>
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</tr>
<tr>
<td>Wheeler/Wallowa</td>
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<td>In Progress</td>
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<td>Pocahantas Forest</td>
<td>6 Jul 68</td>
<td>In Progress</td>
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<td>II Corps Tactical Zone</td>
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<tr>
<td>*Cochise</td>
<td>30 May 68</td>
<td>In Progress</td>
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<tr>
<td>Walker</td>
<td>17 Jan 68</td>
<td>In Progress</td>
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<tr>
<td>*MacArthur</td>
<td>12 Oct 67</td>
<td>In Progress</td>
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<tr>
<td>Bolling</td>
<td>19 Sep 67</td>
<td>In Progress</td>
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<tr>
<td>*McLain</td>
<td>19 Sep 67</td>
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</tr>
<tr>
<td>Harmon Green</td>
<td>18 Jan 68</td>
<td>2 Jul 68</td>
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<tr>
<td>Banjo Royce</td>
<td>8 Jun 68</td>
<td>18 Jun 68</td>
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<tr>
<td>III Corps Tactical Zone</td>
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<tr>
<td>Toan Thang Campaign Phase I</td>
<td>8 Apr 68</td>
<td>31 May 68</td>
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<tr>
<td>Toan Thang Campaign Phase II</td>
<td>1 Jun 68</td>
<td>In Progress</td>
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<tr>
<td>IV Corps Tactical Zone</td>
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<tr>
<td>**Trung Cong Dinh</td>
<td>7 Apr 68</td>
<td>In Progress</td>
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<tr>
<td>**Peoples Road</td>
<td>17 Mar 68</td>
<td>30 Jul 68</td>
</tr>
<tr>
<td>Kudsu</td>
<td>1 May 68</td>
<td>In Progress</td>
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*Supported by Forward Support Area.
**Combined into Operation Trung Cong Dinh/Peoples Road on 22 May 68.
b. During the period 1 May to 31 July 1968, this command established one Forward Support Area (FSA) at Ban Me Thuot. Two other FSAs were downgraded from FSA status: Quang Tri (YD 378632) and Camp Evans (YD 530380). While both these locations continue to provide certain services, the major supply functions have been assumed by the 1st Air Cavalry Division. At the end of July, six FSAs were in operation: Ban Me Thuot (AQ 876016), Camp Eagle (YD 837195), Duc Pho (BS 809383), English Airfield (BR 845945), Dak To (ZB 016218), and Phan Thiet (AN 801068).

c. Enemy initiated activities and large scale contacts were much less frequent than in the previous quarter. May and July saw all primary lines of communication (LOC) open for resupply activities. June showed a greater attempt by hostile forces to interdict the primary lines of communication (LOC) in northern I Corps and in IV Corps Tactical Zones. Most of these attempts were unsuccessful and early morning openings of land LOCs in northern I Corps were achieved. Convoys on Route 14, between Pleiku and Kontum were ambushed several times each month. Loss of life, equipment and supplies, however, was low on each occasion. A number of mining incidents occurred throughout the period, increasing in intensity in July, but were not of sufficient magnitude to interdict the supply lines. This is substantiated by the continuing decrease in the number of emergency airlift requests from this headquarters (24 in May, 20 in June and 14 in July). This also reflects an excellent rate of movement of cargo by priority 01 air.

d. In I Corps, some difficulty was experienced during May in achieving an early morning opening of the Wunder Beach Road. The security force along the road was increased in size and no further trouble was experienced. The upgrading of Route 1, from Da Nang to Phu Bai continued throughout the period and excellent progress (39% complete) was reported. The target date for completion is 13 September 1968.

e. In II Corps, the road to Ban Me Thuot was opened throughout July and was extensively used to supply the FSA deployed to that location. Harassment of Route 14 and the adjacent pipeline was unusually light. Convoys on this route were ambushed three times during May, three times in June and once in July. Phan Thiet was resupplied overland on an as needed basis.

f. Convoys to Tay Ninh and Cu Chi in III Corps were not always able to achieve a one day turn-around, especially in May. This was partially due to increased activity around Saigon, as hostile forces shifted their major attention to the capital area. In June and July, there were no instances of convoys being ambushed in III Corps. Phuc Vinh continued to be resupplied by air LOC, and by the latter part of July, all stocks were
being maintained at acceptable levels at this supply point.

g. In the IV Corps area, interdiction of Route 4 continued with the usual cratering, construction of mud road blocks and bridge destruction. This had little impact upon logistical support in the area, however, since the majority of resupply is by air and sea LOC.

h. On 19 May, the Camp Evans FSA received a standoff rocket attack resulting in the loss of 200,000 rations, 77,000 gallons of POL and 2,700 short tons of ammunition, as well as some equipment. Within a week, as a result of significant engineer and Explosive Ordnance Disposal effort, the area was, to a great extent, cleared of obstructions, and full logistical support, with the exception of Class V, was again provided to tactical units. A temporary Ammunition Supply Point (ASP) was constructed, capable of holding a day of supply. A backup source of supply was available at Wunder Beach and during the clean-up of the FSA, supplies were through-put to the supported units. Construction was due to start on the new ASP, but this has been delayed. Although the 1st Air Cavalry Division is now managing stocks in this area, the fact that the necessary backup was maintained is due to the flexibility of the logistical set-up in the area.

i. On 20 June 1968, this flexibility was again demonstrated when the Dong Ha ASP sustained a stand-off artillery attack. This resulted in complete loss of the ASP, a joint Army-Navy (Marine Corps) operation. Loss of ammunition amounted to approximately 16,000 short tons. Of this total, 4,487 were Army stocks. Here, as at Camp Evans, there was no loss of human life. Again, continuous support was maintained. The ammunition stored at Wunder Beach became an important factor in this support.

j. Increasing evidence of the presence of hostile forces in southern II Corps caused I Field Force Vietnam to deploy a brigade into the area of Ban Me Thuot and to increase the MacArthur Area of Operations boundary south and the McLain Area of Operations boundary north. US Army Support Command, Cam Ranh Bay deployed a 77 man (one officer and 76 enlisted men) Task Force to Ban Me Thuot on 25 July 1968 to provide Class I, II & IV and V supply support as well as to provide augmentation to the already existing Class III Supply Point. Likewise, a team was deployed to Bao Loc to support the reinforced battalion of Task Force South, operating in that area.

k. As a result of the recent deployment of the remainder of the division headquarters and the support command of the US 9th Infantry Division from III Corps to Dong Tam in IV Corps, the Division Support Command was able to assume the responsibility and accountability for Classes I - V at the Dong Tam Supply Point. The ASP at Dong Tam, however, will continue to be supported by 1st Logistical Command.
1. The Nha Be POL storage area was subjected to two standoff rocket and mortar attacks in July (the 9th and the 20th). As a result, approximately 300,000 gallons of POL were lost. This has caused increased effort to provide greater protection for this facility in consideration of its present vulnerability.

m. Resupply of Class III for US aviation units supporting ARVN forces in IV Corps has been greatly enhanced since April 1968 when the Logistical Operations Control Center of 1st Logistical Command became the point of contact for combat essential air resupply requests.

n. During May through July, a program was introduced to increase support to Military Assistance Command Vietnam Advisor Teams in the Mekong Delta. With direction and impetus from this command, close liaison was established between the Advisory Teams and US Army Support Command, Saigon (USASUPCOM, SGN). Operation Rapid Arrow was initiated to provide a one time fill of authorized equipment shortages to MACV advisor teams. Requests were received from 95 teams. The project was 55% complete as of the end of July. A second aspect of the improvement of support to the Delta based Advisor Teams is the establishment of 16 miniature supply centers, or "Country Stores." By the end of July, approximately 52% of these centers were operational.

o. On 17 June 1968, a Landing Craft, Utility (LCU) on a normal resupply mission from Vung Tau to Can Tho, via the inland water route apparently missed the critical turn from the Mekong River into the Bussac River and, continuing upstream, crossed the Cambodian border. On 21 July, a water convoy of four Landing Craft, Mechanized, Mark VIII missed the same turn but were intercepted before crossing the border. A tower marks this turn off, but is difficult to discern because of dense foliage and inoperable lights. Weak communications at the time of these incidents precluded effective control of the boats. Both incidents were investigated in depth. The complete details of the LCU border violation will not be known until such time as the crew members are returned to US control.
ANNEX H (C) DIRECTORATE OF AMMUNITION

1. (U) Surveillance activities:
   a. With the concurrence of USARV OI, all lots of the following listed ammunition were suspended on 17 June 1966:
      
      (1) Cartridge, 81mm, HE, M374, FSN: 1315-965-597-C236 only.
      
      (2) Cartridge, 81mm, Smoke, WP, M375, DODAC: 1315-0249.
      
      (3) Cartridge, 81mm, HE, M374, FSN: 1315-926-9430-C253 only.

      Action was necessitated due to defective packaging (M513 Plastic Container) and was accomplished only after receipt of sufficient assets of more suitably packaged ammunition.

   c. Surveillance personnel inspected each of the depots, ammunition supply points (ASP), and forward support areas (FSA). Many of the inspections revealed the continuing problem of inadequate storage facilities, violation of quantity distance in storing ammunition, and incompatible storage. Waivers have been submitted on those locations not already under waiver where corrective action is not practical or remedial action involves long range projects.

   d. One surveillance inspector was assigned to full time duty in the Da Nang Support Command, which supports I Corps Tactical Zone (ICTZ). This necessitated the assignment of Cam Ranh Bay Support Command and Saigon Support Command to the inspector located at Long Binh. This arrangement will be required until additional surveillance personnel are authorized and assigned to 1st Logistical Command.

   d. US Army Procurement and Supply Agency (APSA) was notified of unsatisfactory shipments of 2.75 inch rockets received in Vietnam where noses were not oriented in the same direction on the pallets. Receipt of pallets with this discrepancy requires that ammunition personnel break the banding, reorient the rocket noses in the same direction, and reband prior to storage.

   e. APSA was requested to remove the fiber board packing around palletized 175mm separate loading projectiles. The packing provided no protection to the rounds. APSA approved this request.

2. (C) Explosive Ordnance Disposal (EOD) activities:
   a. EOD personnel responded to 3,953 incidents throughout Vietnam, presented 113 Explosive Ordnance Reconnaissance courses, training a total of 12,098 personnel. A total of 1,283 liaison visits to supported units were made.
b. EOD units were heavily taxed in May and again in June 1968 to perform cleanup operations at Camp Evans ASP and Dong Ha ASP, both destroyed by enemy artillery attacks. Both USMC and USAF EOD personnel assisted in these cleanup operations.

c. The arrival of the 59th Ordnance Detachment (EOD) at Quang Tri in June (from CONUS) has greatly enhanced EOD coverage in ICTZ. The unit was hardly settled when it became fully involved in the massive cleanup of over 12,000 tons of destroyed USMC and US Army ammunition at Dong Ha.

3. (C) Supply activities:

a. Class V losses due to enemy attack were sustained at the following locations:

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>DATE</th>
<th>SHORT TONS</th>
<th>$ VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Camp Evans FSA</td>
<td>19 May 1968</td>
<td>2,783</td>
<td>4,889,788</td>
</tr>
<tr>
<td>Long Binh</td>
<td>18 June 1968</td>
<td>55</td>
<td>76,560</td>
</tr>
<tr>
<td>Dong Ha ASP</td>
<td>20 June 1968</td>
<td>4,487</td>
<td>8,915,618</td>
</tr>
</tbody>
</table>

b. Wholesale Class V activity for the theater included 282,162 short tons (STON) of ammunition received and 254,726 STON issued. A total of 222,193 STON were stored in 1st Logistical Command ammunition supply points and depots as of 24 July 1968.

c. The 71st Ordnance Company (Ammunition) and the 571st Ordnance Company (Ammunition) arrived in June. The 71st was assigned to the 3d Ordnance Battalion and will operate the Tay Ninh ASP and assist in Long Binh Ammunition Supply Depot (ASD) operations. The 571st was assigned to the 26th General Support Group at Quang Tri. This unit will operate ASPs at Camp Evans and Quang Tri.

d. Heavy ammunition issues in February, March, and April, and resulting replenishment requisitions, coupled with reduced issues in May, June, and July, raised the possibility of excess stocks developing in certain ammunition lines. To preclude this, a program was instituted to screen the manifests of all incoming vessels to determine the feasibility of diverting portions of the cargo into the Off-Shore Reserve.

e. During June, 17 ammunition line items were eliminated from the inventory through issues as substitute or transfer to ARVN. This represents a reduction of 1% of Class V line items in country.

f. A Department of the Army civilian inventory management specialist was assigned to this headquarters in June 1968. His primary functions are to refine current inventory and stock accounting procedures and coordinate efforts of the technical assistance team.
A four man US Army Munitions Command technical assistance team arrived in July. The team was requested by this headquarters to assist in improving the stock control and inventory methods utilized within the support commands. Two members of the team have been assigned to Long Binh, while the remaining two have been assigned to Can Ranh Bay and Qui Nhon respectively.

In order to improve Class V accountability in RVN and to enable more stringent control of allocated items, Class V stocks in FSAs in all the Corps Tactical Zones have been transferred to formal accountability and picked up as part of command assets.

In March 1968, the Ammunition Directorate initiated a request for systems analysis assistance to investigate the feasibility of converting the Class V stock control activities from the semiautomated method using the UNIVAC 1005 computer, to a command wide integrated system similar to the Central Munitions System (CMS) at USARPAC. The intended goal is to automate the ammunition depot activities for feeder input to this headquarters where a completely automated system will include asset control, intrastat monitoring, and replacement requisitioning. This latter is expected to result in a substantial monetary savings.

After a review of 1st Logistical Command objectives at USARPAC in April 1968, USARPAC provided two personnel on temporary duty to perform the system analysis and define the requirements and specifications. In early June these individuals submitted a proposal to the Director of Ammunition for a complete conversion by the third quarter FY 1969, provided machine time and programming personnel could be made available.

At the Commanding General's suggestion, to expedite the requisitioning process a phased approach was designed which would make a portion of the system operational by the first quarter FY 1969. Two additional programmer analysts were assigned to the project during June 1968, while a search for available machine time was initiated and processed to USARPAC.

In July, a USARPAC liaison officer was assigned to evaluate the procedures and examine the available facilities for processing of the ammunition system. Based on the conclusion that the first processing facility for the ammunition program will not be available until November, and then only at Cam Ranh Bay (CRB), the liaison officer recommended that the phased approach be eliminated in favor of full emphasis on the original concept with implementation at CRB in the November-December time frame. This final method is being pursued at this time.

As of 31 July 1968, there were 13 items on Available Supply Rate (ASR). This is a reduction of 11 items from the previous reporting period. Only with intensive management and the cooperation of using units was this reduction possible. The following items are on ASR:

---

CONFIDENTIAL
CONFIDENTIAL

Ctg, 40mm MP, M576
Ctg, 40mm HE, M606
Ctg, 81mm Illum
Ctg, 81mm HE
Ctg, 105mm HE
Ctg, 4.2" HE
Proj, 155mm HE
Proj, 175mm HE
Proj, 8" HE
crtn, hd, smk yel
mns, apbrs, ml8al
chng, demo elk c-l
chng, 60mm illum

4 (U) Ammunition operations:

a. Phases I and II of construction of the sub-area "charlie" of the Cam Ranh Bay Ammunition Supply Depot have been completed. These phases consisted of 29 barricaded pads, paved roads, and an operations building. The 191st Ordnance Battalion (Ammunition) is currently receiving, storing, and issuing from this sub-area. The remaining phases (III, IV, V) are to be constructed by a civilian contractor. Upon completion, the sub-area will consist of 80 storage pads.

b. The ASP at Pleiku was completed and movement into the area began in July. The facility has a storage capacity of 11,000 short tons without waiver.

c. The ASP at Dong Tam was completed in June. It consists of two modules of five pads each and two modules of two pads each. Storage capacity of the ASP is 2,000 short tons.

d. The maintenance building at Long Binh Ammunition Supply Depot is nearing completion. Electrical wiring, air ducts, and equipment remain to be installed.

e. Policies promulgated by the Director of Ammunition are:

(1) In order to assure the best possible quality of ammunition service, a visual final inspection of ammunition laden vehicles will be accomplished immediately prior to departure from depots and ASPs. The inspection will assure that quantities and lot numbers of ammunition are correctly reflected on documentation and that the ammunition is packaged in serviceable packing and properly secured to vehicles.

(2) Ammunition service is as important as ammunition supply. In order to develop and maintain customer confidence in ammunition performance, Class V should look good as well as be good. While serviceability of ammunition is generally not affected by appearance of packaging and packing, this is an important consideration since many customers equate appearance of packaging with reliability.
(3) Priority 999 cargo received from CONUS must be issued on a priority basis. Delay in issuing 999 cargo raises serious questions as to the validity of the need for having airlifted such cargo.

(4) Due to limited storage space allotted the Army in USMC ASPs in ICTZ, intensive supply management is mandatory to insure stockage of only those items that turn over every 60 days. Director of Ammunition, USASUPCOM, Da Nang, has blanket authority to retrograde slow moving, unserviceable, and suspended ammunition to either Qui Nhon or Cam Ranh Bay ASDs.

(5) Photographs of ammunition storage areas will be taken by lst Logistical Command Ammunition Directorate personnel during visits and inspections in order to facilitate comprehension of reports submitted to the headquarters Command Group and higher headquarters. The pictorial file should provide an excellent historical record of each storage facility.

(6) Due to limited storage space at the Da Nang ASP and serious port congestion, maximum tonnage must be transshipped to ultimate destination in ICTZ from deep draft ships unloaded in the Da Nang harbor.

f. Class V personnel killed or wounded in action:

<table>
<thead>
<tr>
<th>Location</th>
<th>Killed</th>
<th>Wounded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dong Ha</td>
<td>1 EM (BOD)</td>
<td>1 EM (BOD)</td>
</tr>
<tr>
<td>An Khe</td>
<td>1 EM (BOD)</td>
<td>3 EM (BOD)</td>
</tr>
</tbody>
</table>
ANNEX I (U) DIRECTORATE OF ENGINEERING, Facilities Division

1. In consonance with HQ, USARV's intention to require once-a-year submittals of the Military Construction Army (MCA) program for each fiscal year, the FY 1969 Program project requests were submitted for 1st Logistical Command during the period 15-30 May 1968. This mass submission was the result of intensive effort to compile a program that would both meet the needs of the logistical operators and offer guidance to USARV in the intelligent selection of a project package which could be tailored to fit approved funding. This effort culminated in a command priority list accompanying the project requests. The major problem encountered in the mass submittal operation was the lack of review time available, both to the support commands after receiving user project requests and to this headquarters upon receipt of the support command project requests. The estimated dollar value of the command FY 1969 Program was nearly $100 million. The outcome of this proposed program will only be known upon publication by USARV, about 1 August 1968, of the approved FY 1969 MCA Program, but informal coordination has revealed that tentative approval was granted to over 60% by scope (over 75% by dollar value) of the command's project submission. In conjunction with the FY 1969 project requests, a proposed project list for FY 1970 was submitted to USARV. Estimated dollar value of the FY 1970 Program for 1st Logistical Command is approximately $34 million.

2. The request to have the Commanding General, 1st Logistical Command assigned the master planning responsibility for major logistical installations was disapproved by USARV. Master planning responsibility was assigned on a geographical basis to zone, sub-zone, and installation coordinators. This effectively eliminated Headquarters, 1st Logistical Command from the official base development planning channels even for those installations where a logistical unit commander was the installation coordinator. This command, however, must be able to influence and monitor base development of logistical installations to promote its interest and insure that logistical plans and policies are properly supported. To do this without unduly delaying the base development process, subordinate commands were directed to submit copies of base development plans to this command concurrently with their submission through coordinator channels. New concepts, conflicts, and major modifications to the plans must be coordinated with this command prior to submission to USARV. In addition, this command will be furnished information copies of all correspondence dealing with base development by both subordinate commands and USARV.
1. The phase-down of the activities of the construction contractor, Raymond International, Morrison & Knudsen, Brown Roote, and J. A. Jones (RMK-BRJ), in Vietnam continued with its concurrent reduction of US Government owned assets in an effort to achieve a balanced force by the end of 1968. Three of five major areas have approached balanced force levels. These areas include: structures (1,160), to be used as contractor's camp facilities; production plants (25), consisting of concrete and asphalt batch plants; and personnel (18,095 presently assigned). Two remaining areas requiring further reduction are construction materials and equipment. The overall phase-down program in all five areas is 90% complete. Approximately $9.0 million of construction material and approximately 800 major items of equipment will be offered during the third and fourth quarters of 1968 for use in military construction (MILCON) and Operation and Maintenance, Army (O&M) programs. A total of six material lists and 32 equipment lists were published and distributed throughout the three services by the Officer-in-Charge-of-Construction (OICC), RVN. The lists have been screened by each service and returned with MILCON and O&M requirements to the MACV Construction Directorate (MACVDC) Property Allocation Board. The cumulative dollar value estimated for contractor assets allocated since the beginning of the phase-down program (February 1967) is as follows: USARV $22.6 million, US Navy $16.8 million, USAF $13.2 million, and other US Agencies $0.14 million. Assets awarded to USARV were further apportioned to 1st Logistical Command ($12.6 million) and to the US Army Engineer Construction Agency Vietnam ($10.0 million) based on existing MILCON and O&M requirements. The 1st Logistical Command will retain responsibility for maintaining an audit trail for all assets awarded to CG, USARV under the provisions of appropriate MACVDC Property Allocation directives.

2. At the 506th Field Depot facilities under construction at Long Binh, emphasis was brought to bear on the placement of concrete building slabs in preparation for vertical construction during the monsoon period. Two buildings were completed, raising the total number of buildings in use to 13. Approximately 66% of the hardstand storage areas have been completed. Paving operations were somewhat behind schedule because of the higher priority Line of Communications program. Realistic vertical construction completion dates will be available in the next reporting period after the 120' x 200' buildings required for construction have arrived in-country.

3. During repair work on the Dong Nai POL Jetty the contractor had completed installing one 12-pile dolphin at the southern end when a fire virtually destroyed the jetty on 20 June 1968. Temporary unloading facilities were restored within 72 hours after the fire was extinguished. RMK-BRJ forces removed the burned portions of the jetty, scabbed new piles to the old bases at the high tide line, and installed new caps, decking, handrails, and braces.
The dolphin system has been redesigned and will consist of seven tubular steel piles filled with concrete and braced by two batter piles. This system has proven to be satisfactory in similar river bed conditions at RM-BRU's unloading facilities at Thu Duc.

4. Extensive redesign of the maintenance-in-storage building for the 506th Field Depot was accomplished. This building will require additional power facilities, special drains, and a two ton monorail system. In order to have a useable facility at the earliest possible date, a special layout and planogram was established and the special requirements included in the preliminary reviews of the building. The original plans included only a 120-volt electrical input to the building to supply power for lights. After extensive review, however, it was determined that three phase, 240 volt, and three phase, 440 volt lines would also be required. A total of 550,000 watts of power will be required to supply the abrasive machines, automatic cleaning tanks, dry-off ovens, automatic preservation tanks, and machinery motors used in the care and preservation processes. Special non-corrosive drains will be incorporated as an integral part of the building to provide for waste removal of caustic materials. The monorail system will provide a means of handling heavy materials with a minimum of effort. These changes will allow for a maximum production rate of materials processed through the facility.

5. The Trans Asia Engineer Association, Inc. contracted to design a parachute drying tower with a total capacity for drying 100 parachutes at Cam Ranh Bay. The preliminary design drawings did not contain adequate details of the parachute suspension system and the designer was requested to furnish these details. The subsequent pre-final design drawings disclosed several deficient areas in the parachute suspension system. Each of the eight hoists mounted on the floor would raise or lower only one parachute at a time and had no safety control when in operation. The inadequate design was resolved by the designer and a representative of this headquarters. The recommended solution not only provides a safe and mechanically sound system, but allows the facility to be operated by one man. Instead of 100 individual suspension lines for raising and lowering the parachutes, ten parachute suspension bridge hoisting trusses capable of lifting ten parachutes each were designed. Each bridge truss contains roller guides located on both ends of the truss and moves vertically for approximately 75 feet along a special "T" guide rail. Special upper and lower safety limit switches were added at both the top and bottom of the "T" guide rails in order to keep the moving bridge truss within the operational safety limits of the tower. Power for raising and lowering each of the bridges will be supplied by ten each 10 horsepower electrical winches, five located on each of the tower sides. Each winch will have a separate pulley and cable system. The revised design of the parachute suspension system was reviewed by the using unit and was found completely acceptable.
1. On 1 July 1968, the responsibility for providing repairs and utilities (R&U) support to US Army and FWMAF in II, III, and IV CTZs was transferred from the 1st Logistical Command to the US Army Engineer Construction Agency, Vietnam (USAECAV). This included the transfer of the Engineer R&U detachments and the responsibility for monitoring the R&U Contractor, Pacific Architects and Engineers, Inc. The support command engineer offices transferred their responsibilities in this area to the USAECAV District and Installation Engineers.

2. In accordance with the above mentioned transfer of R&U responsibilities and USARV Reg 420-4, changes were made in the approval authorities for the processing of OMA funded projects. The Commanding General, 1st Logistical Command, now has administrative approval authority only for those projects which are essential to the accomplishment of 1st Logistical Command missions. This authority has been delegated in part to the commanders of the support commands and sub-area commands to the end that administrative approval authority within 1st Logistical Command is limited to:

New Construction & Alteration  Maintenance & Repair

<table>
<thead>
<tr>
<th>Authority</th>
<th>New Construction</th>
<th>Maintenance &amp; Repair</th>
</tr>
</thead>
<tbody>
<tr>
<td>CG, 1st Logistical Command</td>
<td>$25,000</td>
<td>$200,000</td>
</tr>
<tr>
<td>CO/CO, SUPCOM</td>
<td>10,000</td>
<td>100,000</td>
</tr>
<tr>
<td>CO, Sub-Area Command</td>
<td>5,000</td>
<td>50,000</td>
</tr>
</tbody>
</table>

Before a 1st Logistical Command project receives final approval, it must have administrative approval from the appropriate 1st Logistical Command commander and technical approval from the corresponding USAECAV level (CO, District Engineer, Installation Engineer respectively). Projects other than 1st Logistical Command essential projects are processed entirely by USAECAV.

3. A one-time report is being compiled covering all 60, 100, 150 and 200 KW generators used by US Army units in II, III, and IV CTZs. The information provided by this report will be the basis for PA&E stockage of repair parts, establishment of ASIs, and formulation of support plans.

4. Mr. William C. Dudding, Laundry & Dry Cleaning specialist, Laundry and Service Branch, Personnel Support Division, Office of the Chief of Support Services, Department of the Army visited this command from 2 to 14 June 1968 to provide assistance and guidance in developing an in-country fixed laundry program, and in operating mobile and commercial laundries. He recommended that fixed Army laundry facilities be constructed at Long Binh, Cam Ranh Bay, Vung Tau, Qui Nhon, and Pleiku. These laundries would reduce the cost per piece from approximately $0.09 to approximately $0.02, according to Mr. Dudding. Support commands have been requested to prepare DD 1391, Military Construction Line Item Data, for these fixed laundries for the locations in their areas of responsibility. He also stated that, of the 22 commercial laundry contracts in existence at the time of his visit, 21
were providing unsatisfactory service. The service was considered to be unsatisfactory because of a failure to meet requirements specified in TM 10-354. The most significant violation was a failure to heat the water to the proper temperature. A letter has been sent to the US Army Procurement Agency Vietnam requesting that contracts be renegotiated to provide for standards specified in TM 10-354.

5. The commercial laundry located at Pleiku and operated by Elijeg Enterprises, Inc, officially opened on 20 July 1968. It is an excellent modern laundry facility with all the equipment necessary to meet Army standards.

6. Eleven Eidal washer/dryer units arrived in the Republic and were issued to service organizations. Two such units were destroyed by hostile action at Dau Tieng. Presently there are 140 of the authorized 160 units in-country. Field laundry production dropped from 11.9 million pounds during the last reporting period to 11.0 million pounds.

7. New contracts for FY 1969 were awarded. There are now 19 contracts and two Blanket Purchase Agreements with 21 separate contractors providing service for all US Armed Forces and ROKA Forces in II, III and IV Corps areas. The cost of this laundry service for FY 1969 is estimated at $6.8 million. Inter Service Support Agreements with the US Navy provide for laundry service in the I Corps area.

8. Field bath support continued to be consistent with field and tactical requirements, with a total of 754,500 hot showers given by TOE bath units during the period.
1. (C) Depot receipts and shipment during the reporting period amounted to 105,200 and 96,900 short tons. Fifty percent of the refrigerated cargo continues to be received from CONUS every eight days via reefer vessel. The balance is received via Sea-Land and from WESTPAC and local sources.

2. (U) Test shipments of fresh fruits and vegetables continued to arrive in country. Cantaloupes and sweet corn have arrived at all three depots for consumption. Utilizing transportation provided via Sea-Land vans, these highly perishable products arrived in-country in excellent condition. The troop acceptance was overwhelming. Other shipments planned for the future include pears, plums, peaches and melon.

3. (U) The new USARV 28 day cyclic menu has been received and distributed to the field. This menu includes the fresh replacement items that will be utilized in lieu of the "B" meat items. All unit mess halls in Vietnam will utilize the new menu in requisitioning and preparation of food.

4. (U) The US Navy does not have adequate resources with which to supply all of the potable ice requirements to US Army units stationed in the I CTZ. To alleviate this situation, four 15 ton ice plants have been released for shipment to US Army Support Command, Da Nang. Two will be installed at Quang Tri and two at Phu Bai.

5. (U) Food Packet Long Range Patrol

a. A briefing of senior officers of DA Staff by Mr. Kearney (consultant on the staff of the MACV Science Advisor) triggered a backchannel message from DA to USARV and a chain of events which led to doubling requisition quantities of the Food Packet Long Range Patrol from 350,000 per month to 700,000 per month. Actual consumption data would only support the 350,000 per month rate.

b. The Director of Food, on 1 July 1968, requested Defense Personnel Support Center to cancel two shipments due in August and September totaling 1.6 million packets as the first step in correcting an overstockage position that would place approximately nine months supply in Vietnam by the end of September 1968. Defense Personnel Support Center had contracts for six million packets and backchannel concern grew over effects of cutback requisitions. Based on this, the 1st Logistical Command withdrew the requested cancellation.

c. The command position, in view of the lengthy stockage and to avoid unnecessary exposure of Food Packets to tropical conditions, was that any
portion of the six million packets not needed for immediate shipment to
fill orders should remain in CONUS storage until called forward by this
command.

d. The Director of Food is submitting future requisitions based on
consumption experience, which at this date approximates 360,000 packets
per month. Stock in theater will be reduced to approximately 120 days
before another requisition is submitted.

e. To assist CONUS in more rapidly diminishing the long supply, an
aggressive campaign is underway within USARV to assure that all commands
know of the availability of the Food Packet, and know that former re-
strictions limiting its availability have been removed. This selling
campaign, however, will be restricted to use of the Food Packet only
under conditions for which it was designed. Its cost of $1.32 per pack-
et, as compared to $0.71 for Meal, Combat, Individual (MCI), or $0.45
for an average cost of one meal "A" ration, would not make feasible its
use where the MCI or "A" ration could be, and should be, used.
ANNEX K (U) DIRECTORATE OF GENERAL SUPPLY

1. During the period 3 May - 6 June 1968, three supply specialists from Headquarters, US Army Pacific (USARPAC) assisted 1st Logistical Command in conducting Project Check II, a follow-on survey conducted to update and refine information obtained during the original lost/delayed requisitions study of 23 October - 10 November 1967. The purpose of the study was to determine the extent and causes of losses and delays in processing requisitions and to determine actual Order-Ship Time between supply echelons. Additional survey objectives were added such as determining the percentage of high priority requisitions, demand accommodation, demand satisfaction, and percentage and causes of zero balances. Several problem areas were identified: inaccurate due-in, delays in submitting requisitions for items requiring managerial review, no passing action history file, and document control procedures. 1st Logistical Command has initiated corrective actions for the problems noted to provide more responsive supply support.

2. Care and Preservation (C&P) Program and Facilities:

   a. A quick reaction C&P team departed 1st Logistical Command on 6 June 1968. During this period the team:

      (1) Determined the amount of materiel in-country requiring C&P.

      (2) Determined the factors accelerating deterioration of supplies in storage.

      (3) Developed Phase I of a C&P operation to include a proposed 1st Logistical Command regulation on C&P.

      (4) Performed a detailed study on problems associated with palletised loads of bagged cement.

      (5) Provided recommendations for expanding reporting requirements of a Purchase Request and Commitment for C&P service at Cam Ranh Bay for Fiscal Year 1969.

      (6) Obtained technical data relative to the "scanned-in-place" packaging technique.

      (7) Requested information so that the packaging segment of the Army Master Data File can be incorporated into Depot Data banks.

      (8) Cooperated with Vinnell Corporation in producing a proposal for staffing, materiel and equipment requirements for C&P facilities at Da Nang, Qui Nhon, 506th Field Depot and Vung Tau.
(9) Prepared a fact sheet on modification of level "A" processing requirements for specific wheeled and tracked vehicles shipped to the Republic of Vietnam (RVN).

b. Based on the recommendations of the quick reaction C&P team, the following actions have been taken:

1. A contract C&P program has been initiated at Qui Nhon and is under consideration for Da Nang.

2. A centrally controlled, technical library is being established at Headquarters, 1st Logistical Command.

3. Emphasis is being placed on the DD Form 6 Program, Report of Packaging and Handling Deficiencies.

4. Guidance has been provided to the depots for inspection and quality analysis to insure that all supplies needing C&P are identified and are given proper priority in the C&P program.

c. Preservation and Packaging Set, Van Mounted: Since fixed care and preservation facilities for RVN depots are limited at the present time, seven C&P mobile vans were requisitioned on 25 May 1968 with one set immediately available in CONUS and six sets undergoing assembly action with a completion date of late July 1968. Proposed distribution of the vans is:

- Vung Tau: 1 ea
- Long Binh: 2 ea
- Cam Ranh Bay: 1 ea
- Qui Nhon: 2 ea
- Da Nang: 1 ea

With the use of the mobile sets, the current backlog of materiel requiring C&P will be greatly reduced. As fixed facilities become available over the next two years, the mobile C&P units will be used in support of direct and general support units.

d. Approved Care and Preservation Contract at Qui Nhon: A contract for C&P at the 58th Field Depot was approved on 1 July 1968 with the Vinnell Corporation as the designated contractor. Facilities are located at the old depot complex, Long My, location 39 and location 40. Services include maintenance, preservation, transportation, reprocessing, packaging,
packing and crating, and special packing. The manning table in the contract calls for 86 personnel.

e. Level "A" Processing Requirements for Wheeled and Tracked Vehicles: Current policy requires level "A" processing of vehicles for shipment to RVN unless a specific agreement has been reached between the shipper and the customer. Level "A" protection, which is an expensive operation, is the maximum processing provided for vehicles when protection is required for storage periods longer than 30 days. On 11 July 1968 a letter to CG, US Army Material Command was dispatched thru HQ, USARV, recommending that specific phases of level "A" processing be suspended for certain high demand vehicles. Suspension of those phases of level "A" processing would only require that the batteries be activated and fuel tanks filled for drive away. The above modification would not relieve the shipping agency of the responsibility for performing those phases of level "A" processing that do not affect the operation of the equipment.

f. Care and Preservation Facility at the 506th Field Depot: Detailed plans drafted by the Directorate of Engineering for a C&P facility at the 506th Field Depot have been completed and approved. Construction will begin in the near future.


a. United States Army Inventory Control Center (USAICCV) (Changed from 11th Inventory Control Center-11th ICC): All requirements for the standard supply system at the USAICCV have been incorporated into the Standard Supply System 11th ICC (3S11h). The programs have been coded and tests have been conducted. All of the programs are working; however, there are a few scattered errors in format and some in the calculations. Computer time to test the system is difficult to obtain; however, it is estimated that if 30 days of computer time were made available, the system could be completed. All requirements to interface 3S11h with the 356 at the depots have been determined. Coding of the programs which will be used to convert from the current ICC system to 3S1h have been completed. Testing and debugging of these programs continue and is approximately 65% completed. Again, the lack of computer test time continues to be a problem. It is estimated, however, that if one shift a day for approximately one week could be devoted to testing these conversion programs, they could be completed. Upon completion, an interface test between the USAICCV and the 506th Field Depot will be conducted. The additional IBM 2302 disk storage device required for the 3S1h system was delivered to the USAICCV in July 1968. A signal cable which is required in its installation has been air mailed from CONUS and is expected by 1 August 1968. The Stromberg-Carlson (SC) micromation equipment which will be used in 3S1h arrived at the USAICCV in mid June 1968 and is being installed. Two Stromberg-Carlson field engineers are on site.
and are assisting in the installation and operation of the equipment. Supplies to support the project have been ordered and a portion of these shipped. The full complement is expected by mid August. Efforts are underway to obtain an interim stock of supplies so that a full operational status can be achieved as soon as possible. Extension of the project to the SVN depots and other sites within the United States Army, Pacific are being held in abeyance pending the results of a cost reduction study being conducted at the micromation pilot sites.

b. The 506th Field Depot:

(1) The upgrading of 3SVN Version 18 to 3SVN Version 21 was completed. Subsequently, Version 21 was upgraded to Version 22, which, in essence, corrected some minor errors in Version 21.

(2) The 3SVN, which will interface with the USAICCV (3S14), has been tested and is ready for a systems interface test to be conducted between the 506th Field Depot and the ICC.

(3) The number of daily and hi-priority cycles completed during the reporting period are shown below:

<table>
<thead>
<tr>
<th>Monthly</th>
<th>Daily Cycles</th>
<th>Hi-Priority Cycles</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td>10</td>
<td>28</td>
</tr>
<tr>
<td>June</td>
<td>8</td>
<td>28</td>
</tr>
<tr>
<td>July</td>
<td>13</td>
<td>28</td>
</tr>
</tbody>
</table>

c. 504th Field Depot:

(1) Site Construction: The building occupancy date (BOD) for Cam Ranh Bay was initially 15 May 1968. This was based primarily on the delivery of long lead items, i.e., the air-conditioning unit. Upon learning of a possible delay in the delivery, a representative was sent to CONUS to investigate the matter and expedite delivery. It was discovered that the contract for the air-conditioning was not awarded until 22 May 1968, and consequently was not delivered until late June 1968. This has delayed the BOD until 1 August 1968.

(2) Equipment Delivery: A representative from the depot has returned to CONUS to escort the IBM 7010/1460 computer to Cam Ranh Bay. He is expected to return 7 August and installation of the equipment should be completed by 15 August 1968.
(3) Personnel: A shortage of qualified automatic data processing (ADP) personnel may prove to be a problem. A survey in late June 1968 revealed that the 504th Field Depot is at approximately 70% of its authorized ADP personnel strength. Additionally, 30% of their present personnel are 90 day losses and few replacements are available. One of the problems has been a lack of authority for requisitioning replacements. The depot TDA, which will provide the authority required, has been approved and is scheduled for implementation on 1 August 1968. A comprehensive study to reevaluate and justify personnel requirements of the new TDA is presently underway. To help alleviate the situation, the Computer Science Corporation (CSC) contract has been extended until 10 October 1968, and four technically qualified contractors will be assigned to the 504th Field Depot to assist in their conversion to 3SVN.

(4) Training: The Supply Data System School (SDSS) held classes on the console operation of the IBM 7010/1460 and on the programming languages, COBOL and AUTOCODER. The 504th Field Depot had 12 personnel in attendance at both of these courses during the reporting period. In addition two each two-week courses on 3SVN were held in Okinawa. A total of seven individuals from the 504th Field Depot attended. Subsequently, several courses on 3SVN were conducted at the depot by depot personnel who attended the courses in Okinawa. To date, approximately 50 personnel have received this instruction. Additionally, two representatives from United States Army, Pacific visited the depots during mid May and made a two day presentation on the details of 3SVN. Training plans for the immediate future include additional hands on operation and programming courses sponsored by the USAUCCV and IJMD during September, a 3SVN class at Okinawa in August; and the development of a 3SVN training team consisting of instructors from Okinawa and Vietnam who will instruct during the latter part of August and the first part of September at the depots.

(5) Conversion Efforts: Documentation from 3SVN at the 504th Field Depot is on hand at the 504th Field Depot. The three CSC personnel at the 504th have written the programs to convert from the present system to 3SVN. Upon arrival of the computer at the depot, the conversion programs will be tested and modifications made if necessary. It is estimated that approximately one month will be required after installation of the computer to test the conversion programs, conduct a systems test and convert the files.

d. 58th Field Depot:

(1) Site Construction: The initial BOD for Qui Nhon was 6 June 1968. Again, delay in delivery due to long lead items has caused this date to slip. A tentative BOD of 31 August 1968 has been established; however, this is dependant upon availability of power at the ADP site and delivery
of the air-conditioning unit. Locally available generators will be used as a power source until commercial power can be installed. The air-conditioning unit was shipped from CONUS to Cam Ranh Bay and is in the process of being shipped to Qui Nhon. It is estimated that approximately two weeks will be required to complete site construction after installation of the air-conditioning.

(2) Equipment Delivery: Delivery of the equipment is being held up pending a firm BOD. To ship it prematurely and store it in an improper environment, would endanger the equipment. IBM has been notified of the situation and can prepare the equipment for shipment on four days' notice. Further, arrangements for an individual from the 58th Field Depot to escort the equipment have been made. It is estimated that installation of the equipment can be completed approximately two weeks after it has been delivered to the site.

(3) Personnel: Results of a personnel study conducted in late June 1968, show that the 58th Field Depot is presently at 50% of its authorized ADP personnel strength and 30% of their present personnel are 90 day losses. The 58th Field Depot, like the 504th Field Depot, currently has no authority to requisition replacements, but this will be alleviated on 1 August 1968 with the approval of the depot TDA. A nine man quick reaction team consisting of three programmers, two systems analysts and four console operators has been requested for a period of 180 days beginning on 1 August 1968. Further, two CSC contractors have been assigned to assist in the conversion effort at Qui Nhon. Plans are to assign two additional contractor personnel as the workload increases.

(4) Training: Attendance of personnel from Qui Nhon at SDSS sponsored courses consisted of seven for programming and four for console operations. One person attended the 3SVN classes at Okinawa. The two man team from USARPAC visited Qui Nhon for two days, and its sessions were well attended. Further plans for training at Qui Nhon are basically the same as those at Cam Ranh Bay, i.e., additional SDSS courses in programming and console operations, 3SVN classes at Okinawa and the development of the 3S team to instruct on site.

(5) Conversion Effort: The CSC contractors are in the process of developing the requirements to convert from the present system at the 58th Field Depot to 3SVN. A portion of the documentation from 3SVN at the 506th has been shipped to the 58th. The remaining documentation is being developed and processed for shipment. It is estimated that approximately one month will be required after the computer has been installed to test the conversion programs, convert the files and run a systems test.

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e. Da Nang: The UNIVAC 1005 system became fully operational on 19 July 1968. The first complete study cycle was run on 20 July 1968. USARPAC has given this command the authorization to proceed with the installation of an IBM 360/50 for the Da Nang Depot (scheduled for November 1968). The Form 1391 was submitted on 21 July 1968. Since the 360/50 was approved as an immediate requirement, it will be necessary to install the 360/50 in the existing ADP buildings and not wait for the additional facilities to be built. This can be accomplished with the addition of a central air-conditioning system, raised flooring and minimal electrical changes. Job orders are being prepared to accomplish the required modifications. The operational target date will be dependent upon the availability of the air-conditioning unit.

f. 4th Transportation Command (4th TC): The coding of the 35 programs necessary to automate the Saigon Ports is 80% complete. The major difficulty is the non-availability of sufficient computer time in which to test and debug the programs. The current target date for complete system testing and the completion of written procedures is 1 October 1968. The Form 1391 for renovating the computer site at USA Terminal Newport has been approved and was forwarded from MACV to OICC on 19 July 1968. An estimated BOD has not been set by OICC.

g. Vung Tau: One Department of the Army Civilian (DAC) Systems Analyst has been assigned to Vung Tau to implement the conversion of the present punch card equipment and to begin developing procedures for the conversion of the stock records to a UNIVAC 1005 configuration. A UNIVAC 1005 system is anticipated for Vung Tau as soon as one becomes available within the command. Target date is the second quarter of Fiscal Year 1969.

4. A 1st Logistical Command Logistics Technical Inspection Team has been officially established as of 8 July 1968 with the publishing of 1st Logistical Command Regulation 700-74. The mission of the team is to inspect direct support units (DSU) and general support units (GSU). A formal checklist is published and is intended to serve as a standard for support unit operations. The inspection criteria provides for a minimum display of equipment and personnel, while emphasizing the procedures of a working inspection, i.e., inspection while normal mission functions are accomplished. DSU/GSU are awarded ratings ranging from Unsatisfactory to Superior, depending on the point score achieved. Units receiving a rating of Unsatisfactory must undergo a reinspection, whereas units attaining a grade of Excellent or Superior are exempt from both reinspections and replies by endorsement. The formal inspection schedule begins on 2 August 1968.
ANNEX II (U) DIRECTORATE OF MAINTENANCE

1. Outboard Motor Manual:

a. During May 1966 the Marine Maintenance Division of this directorate published and distributed a 117-page manual on maintenance of outboard boats and motors at the direct support level. Publication of the manual culminated four months of intensive effort and research by personnel of the division.

b. The manual pertains to outboard motors procured under Project "Expediting Nonstandard Urgent Requirements for Equipment" (ENSURE). It pinpoints responsibilities and outlines procedures for the acquisition, deprocessing, operation, maintenance, repair parts procedures and maintenance of equipment records of these motors.

c. Publication of the manual was necessitated by the non-availability of technical publications on the equipment. The majority of the outboard motors procured under Project "ENSURE" are commercial items for which no technical or supply manuals exist.

d. Due to unexpected demands for additional copies of the manual, the 500 copies initially published were quickly depleted. Six hundred additional copies are being reproduced and will be available for issue in the near future.

2. Direct Exchange Program for Generators 10kW and Below:

a. Direct exchange (DX) points have been established throughout the support commands for the exchange of generators with a rating of 10 kilowatts or less. Since transactions are limited to one-for-one exchange, paperwork required from using units is held to a minimum. Eligibility criterion for exchange of generators is 3,000 hours of operation.

b. The DX system for these generators was established for the following purposes:

(1) To reduce the time it takes a using unit to obtain replacement generators.

(2) To provide assets for the programmed retrograde of generators in accordance with Closed Loop Support Program schedules.

(3) To insure timely updating of equipment in the hands of troops.
3. Direct Exchange Program for D7E Turbochargers:

a. A message was sent to each support command on 18 July 1968 by the General Equipment Division of this directorate requesting them to designate one maintenance unit within each command to act as a DX point for turbochargers for the D7E full-tracked tractor. The designated unit will requisition, receive, store and issue all turbochargers within the support command.

b. This action was necessitated by the failure of using units to turn in unserviceable turbochargers for retrograde under the Closed Loop Support Program.

c. The DX program will provide the necessary controls to insure that unserviceable turbochargers are turned in and should help to prevent shortfalls in the input of turbochargers to the Closed Loop Support Program in the future.

4. Direct Exchange for M16A1 Rifles:

a. A DX program for M16A1 rifles was begun of 1 July 1968. The program centers around the retrofitting of serviceable unchromed rifles with new chromed-chamber barrel assemblies. Approximately one-third of the weapons are retrofitted in country and the remaining two-thirds are retrofitted in Okinawa and then returned to the in-country DX points.

b. Two DX points have been established, one at the 86th Maintenance Battalion in Qui Nhon and one at the 79th Maintenance Battalion in Long Binh. Each is capable of processing 1,000 rifles per month.

5. Outboard Motor Maintenance Courses: Two 15-day courses covering all aspects of direct support maintenance of outboard motors and boats were completed, one at Vung Tau and one at Cam Ranh Bay. During Fiscal Year 1968, eight such courses were completed. The courses were developed by the Marine Activity Division of this directorate and are conducted by an equipment specialist from US Army Mobility Equipment Command (USAMECOM).

6. Fiscal Year (FY) 1969 Program for Vessel Overhaul:

The FY 1969 Program for Vessel Overhaul has been developed and published. The new program reflects the significant increase attained in the in-country overhaul capability. Only 40 vessels were overhauled in country during FY 1968, compared to 134 vessels programmed for overhaul in country in FY 1969. This will not only
improve vessel availability rates but will also result in considerable savings by avoiding transportation costs.

7. Dieselisation of the 5-Ton Tractor Fleet:

a. A total of 332 rebuilt Mack-diesel, 5-ton tractors have been received and put into operation in the Qui Nhon Support Command area. These are part of approximately 650 of these vehicles scheduled for shipment to Vietnam. Tractors received to date have been used to fill TOE shortages and future receipts will be used to replace aging multifuel tractors.

b. In two months of operation, over 1,800,000 miles have been driven in the diesel tractors and only three engine failures have been experienced. This is a vast improvement over the engine replacement rate in the multifuel tractors.

8. Consolidation of Collapsible Fuel Drum Repair Facilities:

In mid-June 1968 a directive was issued by this headquarters closing the facility for repair of collapsible fuel drums at the 110th Heavy Equipment Maintenance (HEM) Company, Long Binh and establishing the 98th Light Equipment Maintenance (LEM) Company, Qui Nhon, as the sole repair facility for these fuel drums in RVN. The present output of the Qui Nhon facility is 800 five-hundred gallon drums and 38 ten-thousand gallon bags per month. However, a $30,000 expansion of the Qui Nhon shop will boost the maximum monthly output of the facility to 2,500 five-hundred gallon drums and 50 ten-thousand gallon bags. Maximum utilization of the expanded shop will result in savings of approximately $19 million annually. Additionally, the consolidation will permit more efficient control and distribution of assets.

9. Marine Maintenance Problems on Low Density Vessels:

The inability to efficiently operate and maintain certain low density vessels such as Y-Tankers, refrigeration barges and floating cranes became increasingly apparent when the Y-100 had to be returned to the shipyard only one month after overhaul. All available evidence indicates that the premature failure resulted from inexperience of crew personnel, aggravated by lack of adequate publications required for the operation and maintenance of the equipment. Similar failures have been experienced with refrigeration barges and cranes. The solution to this problem lies chiefly in a thorough review of publications and training requirements for all US Army vessels, particularly those with low density.
1. (C) Enemy action continued on the Qui Nhon - An Khe, Vung Ro Bay - Tuy Hoa Air Force Base and Phan Rang Beach - Phan Rang Air Force Base pipelines. The most significant action occurred on 5 June 1968 when 50 sections of six inch and eight inch pipe and a key suspension bridge were destroyed on the Vung Ro Bay - Tuy Hoa pipeline. On 7 July, five 75mm rocket rounds destroyed three 33,000 barrel storage tanks, three warehouses and approximately 5,000 drums of petroleum product at the Shell commercial terminal at Nha Be. Other significant enemy actions are shown below:

   a. 8 May: A commercial contract Y-tanker was slightly damaged by rocket fire at Dong Tam.

   b. 13 May: Six rocket rounds were received at Camp Evans. Two 10,000 gallon petroleum bags were destroyed.

   c. 20 May: Approximately 100 rocket and mortar rounds were received at Camp Evans. Eight 10,000 gallon petroleum bags were destroyed.

   d. 8 June: A convoy traveling to Dak To was ambushed and one 5,000 gallon tank truck was damaged.

   e. 28 June: A commercial contract tug and barge combination was hit by two rockets and small arms fire.

   f. 19 July: Ten 122mm rocket rounds were received at the Shell and Caltex commercial terminals at Nha Be. Only 22 drums of product were destroyed.

   g. 20 July: Six 107mm rocket rounds were received at the Esso commercial terminal at Nha Be. 5,000 barrels of JP-4 were lost.

2. (C) At Tuy Hoa a ½ inch floating hoseline and tanker mooring system was installed temporarily off Tuy Hoa Beach to provide a backup for the damaged Vung Ro Bay to Tuy Hoa pipeline, which is back in operation. Over 10 miles each of 8 inch and 6 inch steel tubing have been shipped to Tuy Hoa to be used in partial relocation of the Vung Ro Bay - Tuy Hoa line. This is scheduled to begin in mid-August 1968.

3. (C) On 20 June an accidental fire at the Dong Nai jetty destroyed commercial barge I1910 with 168,000 gallons of jet fuel aboard and severely damaged the Bu 6088 with 168,000 gallons of motor gasoline. The commercial barge was salvaged and the Bu 6088 was scheduled for out-of-country overhaul. On 17 July a second commercial barge (I1906) was

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involved in a collision with an Army tug boat. The L1906 was placed into in-country repair. All other barges and Y-boats were dispatched in a more expeditious manner to overcome the lifting shortfall caused by the loss of the commercial barges.

4. (U) Aerial resupply of petroleum has been improved through the use of a more refined priority system. Each morning the Airlift Control Center of the 83rd Air Division provides verification of all previous day flights and notification of all flights scheduled for the current day. Utilising this current information, the Petroleum Operations Officer is able to establish the most effective priority for the next day’s flights. Due to this procedural refinement, as well as exceptional liaison relationship with the Air Force, the number of combat essential missions were reduced to a minimum.

5. (C) An additional 240,000 barrels of petroleum storage was placed into service. The 57,000 barrel tank farm at Pleiku was completed with the addition of three 10,000 barrel bolted steel tanks in May and one 10,000 barrel tank in July. Four 50,000 barrel welded steel tanks at the Army petroleum terminal at Cam Ranh Bay were completed in June. These tanks are connected with the new T-5 jetty by three 12 inch lines and two 8 inch lines. Construction of the T-5 jetty mooring dolphins, which is soon to begin, will make the jetty capable of handling a T-5 and T-2 tanker simultaneously. One of the 12 inch lines has undergone successful static water tests. At the Army petroleum terminal at Vung Tau, construction is proceeding rapidly on the three 50,000 barrel welded tanks. One of these is undergoing water testing. Estimated date of completion for the tank complex is 30 September 1968. Water testing and burying of the An Khe – Pleiku pipeline are 85% and 41% complete, respectively.

6. (U) Monthly bulk fuels consumption by U.S. Forces in II, III and IV Corps Tactical Zones was as follows (Figures in thousands of barrels):

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<tr>
<th></th>
<th>APRIL</th>
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<th>JUNE</th>
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<tr>
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*July 1968 data not available at time of publication.*
ANNEX P (U) DIRECTORATE OF PROCUREMENT

1. Two hundred seven Fiscal Year (FY) 1968 Purchase Requests and Commitments (PR&Cs) valued at $7.57 million were processed. Of these, 131 each, valued at $7.26 million, were assigned to contracting officers at this Agency; 77 each, valued at $5.23 million, were forwarded to CONUS; and 19 each, valued at $.08 million, were forwarded to various WESTPAC agencies. The above brought the total FY 1968 figure to 2,459 PR&Cs received for a value of $328 million.

2. Two hundred fifty five FY 1969 PR&Cs valued at $12.0 million were processed. Of these, 135 each, valued at $38.26 million, were assigned to contracting officers at this Agency; 105 each, valued at $1.41 million, were forwarded to CONUS; and 15 each, valued at $2.31 million, were forwarded to various WESTPAC agencies. The above brought the total FY 1969 figure to 326 PR&Cs received for a value of $270 million.

3. Contracts under administration totaled 296 for a value of $637 million. Of these, 125 are active and have a value of $372 million. The balance of 171, valued at $265 million, are inactive and will be retired in the near future.

4. The Procurement Pricing Division participated in the negotiation, analysis, and award of approximately $160 million of new contracts and modifications during the reporting period. Cost savings, either in the form of reportable MACONC or Army Cost Reductions or both, in excess of $20 million were accomplished. Procurement Pricing personnel further participated in approximately 75 procurement boards, made various trips in RVN, and completed a survey of FY 1969 MACONC actions.

5. Contracts negotiated with the Vinnell Corporation during the period 1 May through 31 July 1968 provided for the use of Military Airlift Command travel in lieu of commercial travel to and from Vietnam by Vinnell employees. This is expected to result in a cost saving to the Government of approximately $2 million during FY 1969. The new FY 1969 contracts do not provide for the Vinnell Corporation to lease privately-owned aircraft for in-country travel. Costs for privately-owned aircraft leasing for FY 1968 was approximately $540,000 a figure which represents a comparable saving to the Government for FY 1969.

6. A substantial saving to the Government will also be realized by inclusion of the war Hazard Insurance Clause and the Reimbursement for War Hazard Losses Clause in all Vinnell contracts covering all US and Third Country Nationals.

7. Advance Procurement Plan for FY 1970 have been submitted, indicating successful implementation of the Management Improvement Plan initiated in August 1967.
8. Fixed fees under cost-plus-fixed-fee contracts with Vinnell were reduced to an all-time low over previous years pursuant to DOD policies and directives.

9. Manning under cost contracts with Vinnell has been reduced from proposed strengths to conform with actual, thereby creating lower future costs to the Government and necessitating better management controls over expenditures and personnel.

10. Training programs for Local Nationals have been instituted on all Vinnell contracts with a view toward replacing Americans and Third Country Nationals. This should result in a substantial cost saving during FY 1969. Results are already evident.

11. A Government Property Administrator is permanently stationed at the Vinnell Cam Ranh Bay activity to monitor and administer the $140 million worth of Government-Furnished Property (GFP) and equipment. The Property Administrator has instituted procedures for better accountability of such property and results already indicate that savings will be realized in the decrease of losses, damage, etc., to GFP under the Vinnell contracts.

12. The Laundry and Miscellaneous Branch awarded 33 new contracts for FY 1969. Twenty one of these were for laundry service at various locations in RVN. The estimated cost for this service in FY 1969 is $6.5 million. Of the 33 contracts, seven were for maintenance of office machines; the remainder were for miscellaneous support services. The estimated costs for FY 1969 in this category are $600,000.

13. Mr. W. Dudding, Laundry and Dry Cleaning Specialist, Office of Chief Support Services, DA, visited RVN during the period 1-16 June 1969 to analyze and evaluate contractor-operated laundry facilities. Mr. Dudding concluded that, in general, the contractor-operated laundries were unsatisfactory from the hygiene and sanitation viewpoint. He recommended, in part, that fixed laundry facilities be programmed for Long Binh, Cam Ranh Bay, Qui Nhon, Pleiku, and Vung Tau.

14. The Transportation Branch awarded 11 new contracts and extended eight contracts for FY 1969. The cumulative total of new contracts and extensions amounts to approximately $50 million. The services to be provided include trucking, stevedoring, bus rental, tugboat rental, tanker rental, barge rental, repair of material handling equipment, furnishing of liquid petroleum gas, petrol tank rental and operation of a commercial vehicle parts warehouse.

15. The Supplies Division, Directorate of Procurement Operations, computed weighted average prices paid on FY 1968 contracts. The weighted
average was computed using total quantities procured and total prices paid on both large purchase and small purchase actions. These averages are based on a total of 173 procurement actions with value in excess of $2,370,000. Weighted average price from FY 1969 contracts is being computed on a continuous basis as each purchase action is consummated.

16. On 18 May 1968, the selection of the contractor for the competitive Repairs and Utilities contract in the Qui Nhon area was made. Pacific Architects and Engineers, Inc. was awarded the contract on the basis of an elaborate procurement and engineer evaluation. The cost of the FY 1969 contract is substantially below the cost paid for the FY 1968 contract. Department of Defense approval was received on 6 June 1968 for the Qui Nhon contract and 12 June 1968 for the Saigon-Cam Ranh Bay contract. Due to the competitive nature of the Qui Nhon contract, the Assistant Secretary of Defense (I&L) approval was needed before award. Both contracts required Balance of Payments Program exemptions from the Department of the Army. Pacific Architects and Engineers, Inc. was notified of their selection as contractor for the Qui Nhon area on 12 June 1968. The award of the Sole Source, Saigon-Cam Ranh Bay area contract was made to PA&E on 20 June 1968.

17. FY 1970 planning for R&U contracts officially commenced with a meeting on 15 June 1968. Estimated dates for selection of types of contracts and method of solicitation were planned and projected. In June 1968, the United States Army Engineer Construction Agency, Vietnam was organized, and initiated coordination with the Installation Support Division, U.S. Army Procurement Agency, Vietnam (USAPAV). Details for reorganizing the system of supervising R&U contractor activities were discussed and implemented.

18. Fresh fruit and vegetable procurement at the Can Tho field office has been in effect for nine months. During this time, the size of the program has increased from $0,000 $VN per week to an excess of $000,000 $VN per week. The subsistence representatives at Can Tho have increased the number of eligible vendors from one to a pool of four, one of which is a farmers' cooperative consisting of 1,500 members. This increased competition has helped maintain stable prices and curtail inflationary practices. Distribution of pertinent information to units throughout the IV Corps has increased total requirements. Relationships between military and civil agencies are continually improving. Office facilities have been improved with emphasis toward a better working relationship with the vendors. There is adequate space for conferences and negotiations. Class "A" telephone service is now available. There is little or no interference regarding security violations since the office is not located within a military compound.

19. The Directorate of Property Administration conducted 15 major inspections of contractor activities during May through July 1968. During these inspections property administration personnel utilized the new and
improved inspection procedure developed during the previous
three-month period. The inspection provides uniformity of reporting, standard
criteria for measuring the efficiency of contractor established property
control and maintenance systems, and an accurate method of comparing the
standards of each system. The time available for inspections was dimin-
ished by a comprehensive program of close-out and final clearance of
property administration control records for FY 1968. Close contractor
surveillance was required to assure that all GFP had been inventoried and
transferred in accordance with the Armed Services Procurement Regulation
(aspr).

20. The program of identification of excess HAU supplies in the hands of
Pacific Architects and Engineers, Inc., and the return of these excesses
to the Government reached its goal of $3 million redistributed on 29
February 1968, one month ahead of anticipation. Further, refinements of
the contractor's supply control procedures permitted the upward revision
of the goal to $4 million by 31 May 1968. This goal, too, was surpassed,
and as of 30 June 1968, the contractor redistributed over $4.5 million of
excess. Due to the success of the initial program to redistribute and
eliminate excess property in the hands of all major USAPAV contractors is
now under way. This program should accrue additional savings in eliminated
procurement, transportation, storage and other allied administrative costs.

21. All Agency contractors are reporting monthly idle or excess Government-
furnished plant equipment having an original acquisition cost of $250 or
more. As these reports are received, they are screened among Agency
Contracting Officers and their contractors for possible utilization of the
equipment by another Agency contractor. If the idle excess plant equipment
is not required by Agency contractors, the Directorate of General Supply,
1st Logistical Command or the Officer-in-Charge of Construction are fur-
nished the report, in turn, for their possible action.

22. Utilization of vehicles resurrected from Property Disposal Office
(PDO) yards was standard practice for PA&E during the early years of the
troop buildup in Vietnam. As Schedule "B" equipment began to arrive in
greater numbers, these PDO vehicles became a hindrance to efficient
operation and property accounting practices. On 12 February 1968 the Con-
tracting Officer advised PA&E to cease acquisition of additional PDO assets,
and to establish a scheduled turn-in program having a completion phase-out
date of 31 July 1968.

24. It was directed by USARV Material Readiness Division that all DA
reportable GFP in the possession of contractors be reported quarterly in
accordance with AR 711-5 (Army Equipment Status Report). This report was not
previously required for contractors. The initial report was submitted by
this Agency for the quarterly period ending 30 June 1968 and will be a
recurring requirement.
25. The third of a series of inspections of PA&E supply operations in Cam Ranh Bay was conducted by a Property Administration Team, on 22-25 April 1968. Results of these inspections indicated deterioration in PA&E's property control system. In response to advice from the Government Property Administrator, PA&E is nearing completion of a program to overhaul its system of accounting for and maintaining GPP, which will bring supply operations in Cam Ranh Bay back to acceptable standards.

26. Property Administrators are completing work on standardized procedures to be utilized by all USAPAV contractors in three major areas: Contractor's Report of Loss, Damage or Excessive Consumption of GPP; Contractor's Inventory Adjustment Procedure and Reporting; and Marketing of GOCO vehicles.

27. Improved procedures for collection, preparation and submission of controlled reports have been developed by the Directorate of Procurement Management. A review of the staffing of the Agency has been initiated to assure that available resources are being utilized to the maximum. Consolidation of some Agency elements and realignment of personnel spaces is anticipated. Directors, office and division chiefs have been requested to review the current Agency structure and submit recommendations to the Directorate of Procurement Management for review and analysis. Preparation and submission of Schedules X and Modified "Table of Distribution and Allowances (MTDA) should be completed by 30 September 1968. An inhouse training program for Local National personnel has been initiated. This consists of English Language training, on-the-job training, and participation in Department of Defense extension courses. The goal of this program is to increase the effectiveness and ability of the Local National employees.
1. Retrograde Operations

a. Continued efforts to obtain greater use of Sea-Land service resulted in the following MACV-TMA Policy, dated 30 May 1968:

(1) Sea-Land containers are authorized for the retrograde shipment of the items listed from all RVN ports served by Sea-Land to CONUS:

(a) Multifuel engines.

(b) Reusable brass and propellant charge containers, provided containers are not reasonably available.

(c) 2.75 inch rocket packing boxes.

(d) Container, ammunition M548, M468, M12/13, Mk38.

(e) Bomb pallets and adapters.

(f) Fin crates.

(g) Cluster bomb unit containers.

(h) Multi-channel communications equipment (AN/MCC-3, AN/MRC-6, AN/MRC-54, AN/MRC-69, AN/MRC-73).

(2) Saigon is the only location authorized to use Sea-Land for CONUS retrograde of all container compatible dry cargo.

b. The latest action by COMUSMACV, dated 30 July 1968, deletes that portion of the 30 May action (a.(1)(b) above) that reads, "Reasonably available is defined as conexes located within a 15 mile radius of the point at which ammunition components are to be stuffed into containers."

c. The latest information from transportation channels indicates that approximately 2,000 Army owned Sea-Land vans will be made available to RVN for unlimited use with incoming and retrograde cargo. Since Saigon port currently has wide latitude in the use of Sea-Land, these containers will be used primarily at Qui Nhon, Cam Ranh Bay and Da Nang ports.

d. Sea-Land statistics: 353 trailers were utilized for a total of 4,826 short tons of retrograde cargo.
e. Work continues in an effort to determine a collection, classification and salvage (CC&S) organization (personnel and equipment) that will have the capabilities to meet the requirements peculiar to retrograde by sea of large quantities of materiel to off-shore facilities and CONUS. This effort is presently included in the over all study to determine requirements for depot MTDAs. The previously considered contract operation approach for CC&S has been set aside for the foreseeable future.

f. In an effort to assist the CC&S Companies in improving cargo marking and documentation, Retrograde Operations Division produced a Retrograde Cargo Marking and Documentation Reference Manual, dated 24 June 1968. The manual was distributed to all retrograde elements in July 1968. The manual is a work document that incorporates guidance from the MILSTAMP and MILSTRIP regulations into one simple, easy to read document.

g. With a small detachment of 50 men, and no fixed facilities, Da Nang commenced retrograding cargo direct to off-shore and CONUS facilities in May 1968. In that month, a total of 112 short tons (STON) were shipped. This was followed in June with 959 STON and in July with 1,543 STON. The retrograde effort is progressing well considering the makeshift facilities available to the CC&S activity at Da Nang.

h. A new Army Materiel Command (AMC) Retrograde Assistance Team arrived in RVN and introduced Polyurethane foam packaging, "Project Softpack", to retrograde operations. In June, six foam producing machines and associated material were installed in the retrograde activities. The AMC team instructed retrograde personnel in the use of Softpack and have continued to assist in the operation. Softpack is being successfully utilized to pack NEC (fire control equipment), MOT (electronic items), and other small end items or components, such as engines, transmissions, etc. The Softpack technique has improved the capability to retrograde high dollar value, small end items without damage.

i. Continued emphasis is being placed on retrograde of excesses from RVN. In June, a USARPAC Retrograde Plan was formulated to further expedite movement of excesses in an orderly manner, to include diversion of a quantity of excess cargo to US Army Depot Command, Japan.

j. Retrograde Statistics:

(1) Station Returns 4,687 STON
(2) Depot Excess 33,754 STON
(3) Reparables (includes in-country disposal) 58,745 STON
2. Property Disposal:

a. Early in the reporting period, significant enemy activity in the Saigon area caused a continued disruption of contractor removals of goods from the disposal yards. Tires located at the Go Vap activity were burned as a result of hostile action, and contracts in the Saigon area were again extended to avoid default action in a situation beyond the control of the buyers. Removals of property in outlying activities increased, however, and while the inventories of both usable and scrap property rose, some progress was noted.

b. Major activities during the period included the closing of the Go Vap and Long Binh Property Disposal Yards, and the relocation of the Foreign Excess Sales Office (FESO). The old Long Binh yard was completely emptied on 10 June 1968 when the last of the unsalable rubber scrap items were destroyed and buried. The Go Vap yard was consolidated with the Ho Nai activity near Long Binh on 27 July. It became necessary to terminate, in whole or in part, a total of 20 contracts at Go Vap where buyers had failed to move all property prior to moving date, or where Integrity and Reliability checks were still being processed.

c. Relocation of the FESO was made necessary by the concentrated hostile action in Gia Dinh during the May 1968 attacks. This move was initiated on 7 May and completed 10 days later. Established in the office of the Directorate of Retrograde and Disposal, FESO immediately began operations at Long Binh, where the first sale was conducted on 6 June. The move has resulted in a greater flow of information between the sales office, the directorate and property disposal holding activities and has not had any serious affect on customer relations.

d. The Foreign Excess Sales Office conducted five sales during the period 1 May through 31 July 1968. There were 25 line items offered, including 1,097 short tons of scrap materials. Proceeds from sales were $308,591.32. A total of 12,282 short tons were removed by contractors.
ANNEX H: (U) DIRECTORATE OF TRANSPORTATION

1. Ports:

a. During the period 1 May 1968 - 31 July 1968, a total of 2,384,338 short tons (STON) was handled through the 1st Logistical Command ports. The monthly tonnages were as follows:

<table>
<thead>
<tr>
<th>Month</th>
<th>Tonnage</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAY</td>
<td>801,475</td>
</tr>
<tr>
<td>JUNE</td>
<td>764,580</td>
</tr>
<tr>
<td>JULY</td>
<td>818,263</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,384,338</td>
</tr>
</tbody>
</table>

b. The shallow draft port of Dong Tan in the Delta set records in May and June by handling 11,172 STON and 12,099 STON respectively. This feat was accomplished by a 36 man composite platoon of the 567th Terminal Service Company.

c. Barge and LST cargo shipments to the Delta have increased, requiring that ARVN and US operated shallow draft ports be augmented by Army transportation personnel. In June, as a temporary measure, personnel and equipment operators from the 4th Transportation Command were moved to Can Tho and Vinh Long to assist in discharge operations. A terminal service company has been designated for deployment to the Delta and will be located at various shallow draft sites to ensure cargo discharging commensurate with increased requirements. Army lighterage assets were increased to move cargo between Delta ports and the Saigon/Vung Tau area.

d. The Logistical-Over-the-Shore (LOTS) site at Thom My Thuy achieved its highest performance during the month of May when it handled 38,022 STON of cargo. The beach site provides additional deep draft discharge capability to the I Corps Tactical Zone (I CTZ). In July, a large amount of unit equipment was unloaded from LSTs and several deep draft vessels, and was accomplished during the time that the Da Nang deep-water port had greater discharge requirements than capability. A significant amount of time and money was saved through use of the LOTS site, and a number of LSTs were released for loading of cargo backlogs at other ports.
e. The high ammunition tonnage requirements of the Saigon area, in relation to port discharge capability, continued to require maximum management efforts to reduce costs and vessel turn-around times. Construction work was completed at the new Bien Hoa barge site which will double the handling capability of USAF ammunition. Work began in July on a third barge discharge wharf at Cogido to handle US Army and ARVN ammunition.

f. Planning was accomplished in July to integrate ARVN barge and tug assets into the Cat Lai ammunition terminal system. These assets will be used primarily to haul ammunition to ARVN Ammunition Supply Points (ASPs) located in the Delta area through the ARVN operated barge sites at Binh Trieu and Thon Thuy Ha. Close coordination will be established between ARVN and US personnel at the operating and management level to maximize the productivity of these assets and at the same time realize an additional benefit through the increased training that ARVN personnel will experience by working with US transportation personnel in the system.

g. Action was taken during the period to increase the ports' electric forklift authorizations as a result of the high deadline rate experienced with this equipment and the critical need for these items in ammunition handling operations. A request was submitted through supply channels to raise the number of electric forklifts in the closed loop resupply system in order to increase the amount available for use in-country.

2. Sea-Land:

a. The Sea-Land containership service continued in operation with vessels arriving from CONUS approximately every 15 days. During the period 1 May through 31 July 1968 six Sea-Land vessels arrived at Cam Ranh Bay. These vessels carried a total of 3,742 containers (of which 647 were reefer vans), an average of 624 containers per sailing. The total tonnage for the six sailings was 53,123 STON, which averages 8,856 STON per sailing and 11.2 STON per container. As in the past, the C2 type ship provided shuttle service from Cam Ranh Bay to Saigon and Qui Nhon. Following is a breakout of the distribution of each CONUS ship of the containers:

<table>
<thead>
<tr>
<th>OAKLAND</th>
<th>LONG BEACH</th>
<th>PANAMA</th>
<th>OAKLAND</th>
<th>LONG BEACH</th>
<th>PANAMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>SGN</td>
<td>248</td>
<td>301</td>
<td>318</td>
<td>309</td>
<td>348</td>
</tr>
</tbody>
</table>
b. On 28 May, authorization was given each support command and the RVN Regional Exchange Service to utilize multiple destination delivery of Sea-Land containers. Prior to this time, although provisions were included in the contract for multiple delivery, consignees had been restricted to unstuffing cargo at only one destination. There were two primary restrictions placed on the use of this service:

(1) Only cargo stuffed in a container in CONUS is eligible for multiple destination delivery in that same container. Loads are not to be consolidated from one container to another, nor cargo added to containers for delivery to the next destination.

(2) Container Control Officers at each location are required to closely monitor this service to insure that containers are not moved when the volume of cargo remaining for subsequent destinations does not warrant or fully justify the cost to be incurred.

3. Rail:

a. Tonnage handled by the Vietnam Railway System (VNRS) during the months of May, June, and July 1968, in support of US and FWMAF, was 56,028 STON.

b. There are 10 Plymouth locomotives scheduled to arrive in Vietnam by September of this year to provide switching services on US installations to expedite rail shipment of cargo. The first of these locomotives arrived on 8 June 1968, and are now being held in operational storage in the VNRS shops in Saigon.

c. The VNRS has restored 80 kilometers (km) more of main line track to operational condition, and the program to reopen the Da Nang to Hue segment of the line started on 15 July 1968. This segment consists of 103.1 km of track, of which 13.7 km has been operational but not used by 1st Logistical Command.
4. Highway:

a. An average of 360,744 STON of cargo a month was hauled by 1st Logistical Command military truck units, and an average of 426,331 STON of cargo a month was hauled by commercial contract vehicles. Military vehicles also hauled an average of 56,798 PAX and 27,585,109 gallons of POL each month. Of the military cargo hauled, 39% was in port and beach clearance, 22% was in local haul operations and 39% was in line haul operations. Of the cargo hauled by commercial contract vehicles, 69% was in port and beach clearance, 28% was in local haul operations and 3% was in line haul operations.

b. The Han Jin line haul operation to An Khe and Bong Son became operational on 1 May 1968. Han Jin has since averaged 11,141 STON per month in line haul operations.

c. During the past quarter, 10 Kenworth trucks with Eidal trailers were used at Wunder Beach to assist the military units in the movement of cargo. An average of 2,231 STON of cargo per month was transported in port and beach clearance, 4,576 STON of cargo in local haul operations, and 2,271 STON of cargo was transported in line haul operations.

d. As of 1 July 1968, the Vinnell trucking contract was cancelled. The equipment previously operated by Vinnell is now being operated by military personnel.

e. Truck company conversion has been effected during the last quarter in each of the support commands. Present status of the five units being converted is as follows:

<table>
<thead>
<tr>
<th>Command</th>
<th>Tractors</th>
<th>Trailers</th>
</tr>
</thead>
<tbody>
<tr>
<td>86TH TRANS CO</td>
<td>30</td>
<td>0</td>
</tr>
<tr>
<td>CRB</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>24TH TRANS CO</td>
<td>61</td>
<td>0</td>
</tr>
<tr>
<td>88TH TRANS CO</td>
<td>61</td>
<td>90</td>
</tr>
</tbody>
</table>
5. Troop movements:

a. Two troop ships arrived at 1st Logistical Command ports, discharging a total of 2,213 personnel. The following is a passenger breakdown by port: DNG - 602; VTU - 1,106; QNH - 364; CRB - 141.

b. An additional 7,190 troops arrived by air as part of unit advance parties, main bodies, and rear detachments.

6. Air: During this quarter, 1st Logistical Command was tasked by USARV to establish and control the utilization of Special Assignment Airlift Mission (SAAM) aircraft for shipment of Army sponsored retrograde cargo from RVN to CCNUS. Messages received from DA and USARPAC have requested the maximum use of all available aircraft returning to CCNUS from RVN and other WESTPAC areas. USARV has placed special emphasis on retrograding cargo on returning SAAM aircraft. At present, a SAAM project officer has been designated within the Directorate of Transportation and initial instructions for utilization of SAAM aircraft have been prepared for subordinate units on retrograde cargoes.
1. The 43rd Army Postal Unit, assigned to 1st Logistical Command, was relocated from the II to the I Corps Tactical Zone (CTZ).

2. Technical inspections of ten postal units were completed to determine whether operations were being conducted in accordance with pertinent laws, regulations and directives. Data concerning these inspections are at Inclosure One.

3. The AG Staff Message Control was established on 22 May 1968 to centralize the administrative processing of messages in the headquarters. More speed and efficiency is achieved through consolidating the suspending, referencing, and dispatching of both classified and unclassified messages. The initiation of the use of ditto mats for outgoing traffic provides added convenience to using staff elements. The Staff Message Control is a 24 hour operation rendering continuous message service to the headquarters.

4. Rotational losses data is attached at Inclosure Two.

5. The command strength report is at Inclosure Three.

6. The command enlisted promotion statistics are attached at Inclosure Four.

7. Reenlistment data is attached at Inclosure Five.

8. Command casualty figures are attached at Inclosure Six.

9. Command awards and decoration figures are attached at Inclosure Seven.
ANNEX T (U) CHAPLAIN

1. Personnel

a. As of 31 July 1968, 1st Logistical Command had 71 authorized TOE/TD spaces for chaplains. There are 61 chaplains present for duty of which two are Jewish, 50 are Protestant and nine are Catholic. The Staff Chaplain, Deputy Staff Chaplain, and Assistant Staff Chaplain continue to make visits throughout the command to insure that all units receive the best possible religious coverage by the chaplains who are present.

b. As of 31 July 1968, 1st Logistical Command had 86 chaplain assistants present for duty.

2. Religious Coverage

a. The average number of services per chaplain per week and the weekly attendance at these services decreased, and is attributed, in part, to the following:

(1) The two previous quarterly periods included major Holy Days and Seasons for both the Christian and Jewish faiths, while the current quarter includes no such religiously significant events.

(2) A shortage of at least two Roman Catholic chaplains during this period.

b. The US Army (USARV) goal is four services per chaplain per week. This goal was exceeded for May 1968. In June 1968, the 1st Logistical Command fell 0.1 below the goal, and in July 1968, to 0.3 below the goal.

<table>
<thead>
<tr>
<th></th>
<th>MAY</th>
<th>JUN</th>
<th>JUL</th>
</tr>
</thead>
<tbody>
<tr>
<td>USASC, Saigon</td>
<td>3.7</td>
<td>4.2</td>
<td>3.9</td>
</tr>
<tr>
<td>USASC, Cam Ranh Bay</td>
<td>4.3</td>
<td>3.9</td>
<td>3.5</td>
</tr>
<tr>
<td>USASC, Qui Nhon</td>
<td>4.3</td>
<td>4.0</td>
<td>3.6</td>
</tr>
<tr>
<td>USASC, Da Nang</td>
<td>4.4</td>
<td>2.9</td>
<td>3.2</td>
</tr>
<tr>
<td>Recap</td>
<td>4.1</td>
<td>3.9</td>
<td>3.7</td>
</tr>
</tbody>
</table>

3. Training of Chaplains

a. Monthly training conferences for all chaplains were conducted by each support command staff chaplain. Character Guidance briefings were presented during these periods, and items of interest to chaplains were discussed. A representative from the Office of the Staff Chaplain, 1st Logistical Command, attended each of these training conferences.
b. One-half day religious retreats were conducted in the support command and subareas for chaplains. All chaplains must attend these retreats by direction of the Chief of Chaplains. The Deputy Staff Chaplain was Retreat Master for a Protestant Retreat in June, conducted for chaplains of USASC, Cam Ranh Bay.

c. A Quarterly Supervisory Chaplains' Training Conference was conducted by the 1st Logistical Command Staff Chaplain on 26 and 27 June 1968, and was attended by the staff chaplains of each of the four support commands. Presentations of plans, programs and policies were made by the Staff Chaplain USARV, and Staff Chaplain, 1st Logistical Command. Conference subjects included: chapel construction and repairs; publicizing of chaplain activities; guidelines for civic action and community relations projects; personnel policies; and chaplain supply policies. Conference subjects were related to the chaplains' daily work, responsibilities and needs in such a practical manner that conference declared the conference to be one of the best in their experience. The 1st Logistical Command Staff Chaplain plans to conduct them on a regular quarterly basis to update these supervisory chaplains on those matters and developments which are relevant and necessary to the successful accomplishment of their mission in 1st Logistical Command.

d. The Deputy Staff Chaplain, 2d Logistical Command, in Okinawa visited the 1st Logistical Command from 14 to 18 May 1968. A depot chaplains' conference was held in conjunction with the visit. This liaison trip helped to coordinate matters of common interest in the area of ecclesiastical supply.

4. Personnel from the Staff Chaplain's Office conducted training for 66 chaplain assistants at three support commands. Classes were conducted on office management procedures and duties of chaplain assistants.

5. A consolidated chapel offering donated to community relations projects shows that 769,553 $VN were donated in May 1968, 591,282 $VN in June 1968, and 524,808 $VN in July 1968 for a total of 1,885,644 $VN for the entire period. To more closely coordinate chapel community relations donations to the work of the Civil Affairs Officer, the Staff Chaplain provided the Civil Affairs Officer with a report of the amount of donations for each month.

6. Chaplain Supply

a. Requisitions for nine electronic organs were filled.

b. A total of 587 requisitions for chaplain supply items were filled by the depots.

c. Forty-eight sets of altar brassware were chrome plated.
7. Chapel brassware has been rendered obsolescent by recently established Department of the Army chrome standards. Further, chapel brassware which is in stock or in use in Vietnam has deteriorated rapidly under existing climatic conditions. An initial Purchase Request and Commitment for the chromeplating of 100 sets of brass altarware has been so successful that an additional Purchase Request and Commitment has been initiated for the chromeplating of the balance of chapel brassware in country.
ANNEX U (C) SIGNAL OFFICE

1. (C) The facilities for Automatic Secure Voice Communications (AUTOSEVOCOM) for the 1st Logistical Command are under construction at this headquarters and at the support commands. The secure equipment will be installed in the facilities upon arrival in country. Due to the proximity of Saigon Support Command to the headquarters and the fact that equipment originally earmarked for that command is scheduled to arrive in country well in advance of other requirements, this equipment will be diverted to Da Nang. Da Nang's original secure equipment, when received, will be installed at Saigon. The AUTOSEVOCOM system is scheduled to be operational in October 1968, and will provide secure voice communications between the headquarters and the support commands. In addition, it will provide access to worldwide secure voice communications.

2. (U) On 15 May 1968, telephone service in the Republic of Vietnam was altered to comply with Headquarters, United States Army Vietnam (USARV) Regulation Number 105-4, which requires that all class C telephones have access to local telephone numbers only. It further requires that the number of class A telephones be limited to 30% of the total number of instruments. Prior to 15 May 1968, the headquarters had 38% of its telephones rated as class A. Through coordination with each directorate and section of the headquarters, the number of class A telephones was reduced to the required level. The class B telephones that remained were distributed to give the most effective service possible.

3. (U) Between 6 June 1968 and 15 June 1968, the 1st Logistical Command personnel from the top floor of building 5070 were relocated to make room for personnel from USAECAV. In order to continue to provide adequate telephone service to the relocated directors and sections, 45 telephone lines from building 5070 were reterminated in building 5007. Further, many lines within both buildings were also reterminated as offices were moved within the buildings. Signal requirements were accomplished in minimal time and provided only minor inconvenience to the users.

4. (C) Department of Army required that all units and activities encrypt all messages transmitted by radio teletypewriter (RTT) means beginning 1 December 1967. An exception to this policy stated that units not having equipment to encrypt RTT messages were authorized to transmit unclassified messages in clear text until 1 July 1968. Commencing on that date, however, all RTT nets had the alternative of encrypting all messages or to cease operation. The 1st Logistical Command's RTT nets could not meet
The 1 December 1967 deadline set by Department of Army due to lack of encryption equipment. Through close coordination between this office and the support command signal offices, all support commands acquired sufficient equipment to encrypt most RTT nets. The majority of radio teletypewriter nets that ceased operation due to lack of equipment were duplications of land line teletypewriter facilities and, therefore, not essential to command communications. The service now provided by the RTT nets is greatly improved since classified messages can now be transmitted.

5. (U) The Command Key telephone system is scheduled to be expanded in September 1968, to include all directorates and staff sections. The engineering for the planned expansion, including the complete Bill of Materials (BOM), was accomplished by the 1st Signal Brigade. Receipt of an incomplete BOM precludes immediate installation; however, the remainder of the BOM should arrive within the next 45 days.

6. (U) The 506th Field Depot is scheduled to complete relocation from Saigon to Long Binh during fiscal year 1969. Uninterrupted communications support during relocation is required; consequently, a communications requirement plan was developed. The plan, consisting of three major communications systems, was approved by USARV. The three major systems:

   a. Telephone: Telephones are to be located at all operational and storage locations. Because of a recent expansion of the Long Binh Dial Central Office these telephones will be connected to that exchange and not to a separate depot exchange as previously planned.

   b. Key telephones. The key telephone system will connect the Commanding Officer to all major staff sections and directors. Funding and procurement action for this system have been initiated by the Signal Office.

   c. Radio nets: There will be two radio nets, one for internal security of the depot and the other for administrative matters within the depot storage area.

7. (U) As of 30 May 1968, USARV had made no decision concerning the construction of an underground communications center (command center) for the 1st Logistical Command Headquarters. It was, therefore, decided to resume construction of the above ground command center. The BOM for this facility arrived on 4 June 1968, but was only 10% complete. Assets of the 1st Logistical Command were used to make up all but 40% of the material required. At present, the construction of the facility is 80% complete and the installation of the communications equipment is 20% complete.
1. (C) Physical Security

a. Through aggressive staff action and coordination with Commander, Naval Forces Vietnam (COMNAVFORV), an Explosive Ordnance Disposal diving team has been employed at the Cat Lai ammunition discharge site. The divers inspect the ship and barge hulls, propeller shafts and anchor chains for sabotage devices twice daily.

b. Planning for the employment of the Security Guard Companies (Army Depot) has been initiated. Guidelines for proper utilization of security guard resources were prepared and distributed to the field. The Security Guard Companies are organized and equipped to provide physical security and protective services for the depots and will be activated during the first quarter of FY 1969.

2. (U) Discipline, Law and Order

a. The Crimes against Persons and Property rate was 5.6 per 1,000 troops during the fourth quarter of FY 1968, as opposed to 4.5 per 1,000 troops during the third quarter. The total number of offenses recorded in this category was 294. The incidence of assaults, larcenies and wrongful appropriations remains high, accounting for the increase.

b. The Miscellaneous Offense Rate was 4.8 per 1,000 troops, an increase of .2 over the third quarter. Violations recorded in this category totaled 250.

c. The Military Offense Rate was 42.3 per 1,000 troops, as compared with 36.7 the previous quarter. The total number of violations in this category was 2,231. The increase in off-limits offenses, and curfew violations can be attributed to increased selective enforcement by military police.

d. The Traffic Offense Rate for the fourth quarter was 14.7 per 100,000 miles driven, down from 15.2 in the previous quarter. Violations recorded in this category totaled 1,748.

e. As of 15 July 1968 there were 685 persons in the Long Bien Stockade. Of these, 154 were 1st Logistical Command personnel, 97 from Saigon Support Command, 31 from Qui Nhon Support Command, 16 from Cam Ranh Bay Support Command and 10 from Da Nang Support Command. Proportionately, the largest number of offenses, or personnel confined are for Absent Without Leave and offenses under Article 134 (General Article).
3. (C) US Coast Guard and Waterways Detail

a. The fourth US Coast Guard Explosive Loading Detachment (ELD 4) arrived in-country and is stationed at Da Nang. ELD 4 became operational on 22 July 1968, and is providing technical supervision, advice, and inspections concerning loading and discharging of ammunition in Da Nang Harbor.

b. Port and barge sites indicate a need for a firefighting capability. Firefighting equipment has been ordered. It has been recommended that the Patrol Boats, River (PBR) committed in direct support of 1st Logistical Command be equipped with a firefighting capability. The PBR's speed and maneuverability makes it capable of approaching a burning barge and extinguishing or containing a fire. This would permit other barges to be towed out of danger.
Operational Report - Lessons Learned, HQ, 1st Logistical Command

Experiences of unit engaged in counterinsurgency operations, 1 May - 31 Jul 68

CG, 1st Logistical Command

14 August 1968

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OACSFOR, DA, Washington, D.C. 20310
The following items are recommended for inclusion in the Lessons Learned Index:

ITEM 1

* SUBJECT TITLE _____________________________________________

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ITEM 2

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* Subject Title: A short (one sentence or phrase) description of the item of interest.

** FOR OT RD #: Appears in the Reply Reference line of the Letter of Transmittal. This number must be accurately stated.

***Page #: That page on which the item of interest is located.
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