

STATEMENT OF COLONEL JACOB B. HANSEN, USA
DIRECTOR, COMBAT SUPPORT CENTER
DEFENSE CONTRACT MANAGEMENT AGENCY (DCMA)
BEFORE THE
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES
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Mr. Chairman and Members of the Committee:

Thank you for the opportunity to appear before this Committee today to outline the role of the Defense Contract Management Agency (DCMA) in connection with the construction and inspection of the guard building on the grounds of the U.S. Baghdad Embassy compound.

I am Army Colonel Jake Hansen, Director of the Defense Contract Management Agency's Combat Support Center. My office is located at the DCMA Headquarters in Alexandria, Virginia. From June 2005 to June 2006, I served as the Commander of DCMA Iraq. In that capacity, I was responsible for the contract administration of the Logistics Civil Augmentation Program (LOGCAP) for Iraq. As LOGCAP's contract administrator, DCMA serves as the honest broker for the taxpayers, ensuring that the contractor complies with the terms and conditions of the contract.

The LOGCAP contract provides troop and facilities support in Iraq and Afghanistan. Such support includes life-support services such as food preparation, laundry services, utilities, and waste disposal. The LOGCAP contract also augments the Corps Logistics and Theater Transportation Services. The primary LOGCAP contractor has been Kellogg, Brown and Root (KBR), which continues to provide a vast array of support functions in-theater for U.S. military units and coalition forces.

The contract for the construction of the guard building on the Baghdad Embassy compound is not a Department of Defense contract, and as such, is not within DCMA's normal oversight purview. Rather, it is a Department of State contract, awarded by the Department of State's Overseas Building Office to the First Kuwaiti General Trading and Contracting Company. The contract is the sole responsibility of the Department of State and is neither affiliated with nor subsumed under the Department of Defense LOGCAP contract.

With respect to the electrical wiring and power-generation system in the guard building, DCMA accommodated a Department of State request, one that was forwarded to DCMA by the Army Sustainment Command—the DoD contracting proponent for LOGCAP—for a KBR-conducted Technical Inspection of the construction work at the guard camp. In accommodating this request for assistance, DCMA, on May 21, 2007, issued a work order to KBR authorizing the company to perform such an inspection of the electrical

utility systems at the guard camp and relieving KBR of all liabilities and damages that might occur in the course of the inspection and equipment tests.

The KBR-conducted Technical Inspection revealed defective wiring and related problems at the guard camp. Responsibility for correcting these problems rests with the Department of State's Overseas Building Office, which must work with its contractor to implement appropriate remedial actions. On July 15, 2007, the Senior Facility Manager at the U.S. Embassy in Baghdad informed DCMA that the guard camp construction project was and remains "completely outside the jurisdiction of DCMA and is in no way related to the LOGCAP contract." In the wake of that determination and the resultant rescission of the State Department's January 18, 2007, letter of delegation, DCMA has ceased affiliation with and terminated all quality-assurance support for the State Department's contract with the First Kuwaiti General Trading and Contracting Company.

That concludes my prepared remarks. I will be happy to answer any questions you may have.