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Cable
Text:

UTE1694
ORIGIN OBO-00

INFO	LOG-00	MFA-00	A-00	CIAE-00	INL-00	DNI-00	DS-00
	OIGO-00	UTED-00	FOE-00	H-00	TEDE-00	INR-00	IO-00
	L-00	MOFM-00	MOF-00	NEA-00	NSAE-00	PA-00	PER-00
	SP-00	IRM-00	T-00	NCTC-00	ASDS-00	FMP-00	CBP-00
	R-00	SCRS-00	DSCC-00	LBA-00	DRL-00	G-00	ALM-00
	SAS-00	FA-00	/000R				

080286

SOURCE: GUARD.004362
DRAFTED BY: OBO/IPCO:LMWIEDERWAX -- 06/08/2007 703-812-2248
APPROVED BY: OBO/IPCO:JLGOLDEN
OBO/COO: CEWILLIAMS
DESIRED DISTRIBUTION:
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A/LM

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O 082112Z JUN 07
FM SECSTATE WASHDC
TO AMEMBASSY BAGHDAD IMMEDIATE

UNCLAS STATE 080286

TO BAGHDAD SENIOR FM BRIAN MCCARTHY FROM OBO DIRECTOR WILLIAMS

E.O. 12958: N/A
TAGS: ABLD, AMGT, ASEC
SUBJECT: NEW BAGHDAD EMBASSY SECURITY FORCE (BESF) GUARD
CAMP

REF: BAGHDAD 1786

In response to the reference, concerning certain issues relating to the DS Man Camp construction, OBO has reviewed all aspects and issues outlined in this cable and below present OBO's position as follows:

1. First, I am surprised that you would send a front channel cable to your parent organization concerning project close out, punch list management and project turnover procedures. You should know OBO has a management preamble and operating procedure that allows and encourages all FMO's to communicate directly with our OBO/FAC and the rest of the organization if facilities help or clarification is needed.

Following below are OBO/EPCO's Managing Director James L. Golden response to your accusations:

2. Summary: The contents of this cable are all over the place and do not support the facts at site. Our investigation has shown that the Man Camp has been constructed according to the approved design specifications as agreed to by all parties as presented in a design review meeting at the KBR offices in Baghdad in November 2006. Agreement and clearance to proceed with design and construction was made by all parties represented and

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clearance given to build the facility per the design and specifications presented. KBR confirmed and agreed specifically that they could manage and operate the facility based on the design, and DS agreed the facility was adequately designed for the purpose intended. Attendees at the meeting represented Post, DS, the RSO, KBR, the military and OBO/EPCO.

Present issues outlined in the Ref represent a complete lack of facts and have mixed many unrelated issues, i.e. Warranty issues, additional scope items, temporary camp construction as opposed to permanent camp desire, and most ridiculous of all, OBO's refusal to provide Operations and Maintenance support, which was never a function of any OBO agreement or requirement.

Post refusal to move into and operate the camp is not a function of the camp being constructed to poor quality, but rather a desire by Post for whatever reason to not operate the camp. None of the issues raised in the cable has merit and warrant post not moving into the camp due to construction problems except those willingly created by Post and KBR after accepting the camp from OBO completed according to the original SOW. A response to the cable summary chronology of events makes these points very clear:

3. The issues with the DFAC wiring melting was a function of KBR installing considerable more equipment in the DFAC than that originally designed and anticipated. This had nothing to do with poor construction or quality of material used. Briefly, the original design did not include kitchen equipment. However, after the project was initiated, DS requested we include kitchen equipment. This equipment was specified and approved for purchase. The factory was then instructed to wire the facility for the equipment to be included in the facility. However, after turning the facility over to Post, KBR installed considerable more cooking equipment (one large reefer; one large oven, one broiler, one tilting pan, several potato peelers) not purchased with the facility and proceeded to tie all this equipment into the same wiring circuits. All such equipment appeared to be larger/higher power requirement than the manufacturer had intended based on our original specifications. This is the real reason the facility overheated, and not as presented in the Post cable.

Also not mentioned in the Post cable, at the time the wires overheated, the OBO representatives were on site and pointed out the problems to KBR immediately. They admitted the additional equipment had been installed, however said it was needed to operate. Although not in the original scope and not paid for, OBO rewired the kitchen in two days and they were able to proceed with the additional equipment hook up. Additional upgraded wiring and circuit breakers were installed to include breakers and retrofit wiring as required to the new equipment. This issue was solved over three weeks prior to the Post cable being written, and all parties involved knew the reason for the problems, knew they had been resolved, knew it was not an OBO or First Kuwaiti problem and knew as of the date of the cable we no longer had any issues in this regard.

Two things to note about this issue, 1) FKTC did not wire any

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trailers initially, as they were specified and wired at the factory. Therefore if you change the specifications and what you put into the facility, rewiring needs to be addressed. This was a problem created solely by Post and KBR by putting additional equipment in the facility and not checking the electrical loads. 2) FKTC only did the rewiring after OBO learned of the problem. Also, if as stated in the Post cable that KBR is the only resources available to Post that have the subject matter expertise to inspect these systems, there lies the problems. They, KBR created the problems, and are now trying to put this matter on the construction of the camp. In fact, OBO has confirmed that the problems with the generator leaks and complaints about socket overheating has to do with equipment and systems that KBR has altered on site and rendered the warranty from both FKTC and the manufacturers no longer valid.

OBO sees no need to comment on fires at other installations in Iraq, as these have no bearing on the issues at the DS Man Camp in question. However all the electrical concerns about the living units in our view unfounded. Each trailer has been manufactured and wired at the factory, and are the same identical trailers being used for many of the persons living in Baghdad today, including OBO and other State Department personnel. FKTC did not wire any of these trailers and we have no facts to justify all the concerns referenced in the KBR inspection report. OBO would however be willing to address any specific issues related to the trailer wiring with the manufacturer, and FKTC remains totally responsible for any warranty work needed even if wired at the factory.

References to the counterfeit wire claim, we have inspected the entire camp with both OBO and FKTC personnel, and can not locate a single counterfeit wire as outlined in the cable. We have also asked KBR and Post to identify any counterfeit wire and its location and they have not been able to do so. This claim in our opinion is therefore a false one.

4. The cable falsely claims that Post was directed to accept the camp by OBO. This is patently not true! At a meeting held in the OBO site offices for the purpose of handing over the camp after both Post and KBR had considerable time inspecting the camp, it was asked clearly did anyone have any problems with the camp or if there were any items Post considered not yet completed from the original scope of work. Post and DS was given numerous opportunities to discuss all issues and each and every point was handled professionally. At the conclusion of this meeting, a representative group of individuals were sent out to the camp immediately after the meeting to do a final walk around and inspect each and every trailer and discuss any issues related to the camp before handover, This meeting was to take as long as necessary prior to accepting the camp. Only after this walk around did the parties agree that the camp was completed and the parties signed the camp over as accepted based on meeting the design scope of works. At no time did anyone force anyone to sign or agree to something not completed according to the specifications or the approved scope of works.

The issue about OBO and First Kuwaiti maintaining the camp until Post could put an O&M contract in place is embarrassingly false. OBO and First Kuwaiti providing O&M for the camp was never discussed. Only the following day

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Brian McCarthy and Matt Eastman asked James Schofield if he would see if OBO could assist with maintaining the water treatment and waste water treatment plants until they could work something out with KBR. Again in a misguided attempt to assist Post with this problem, OBO confirmed that we would assist for a short time (up to 90 days), which was based on our working with the O&M contractor we was to manage and have on site much earlier to assume these duties. After the O&M contract was returned to Post, we no longer had a means, mandate or funds to provide this service, and informed Post of our situation accordingly. This was consistent with our initial agreement and had nothing to do with the camp hand over and acceptance.

You are well aware of this agreement, and are also aware that this arrangement has absolutely nothing to do with Post not being able to move into the man camp. This issue of OBO agreeing to assist where possible was done after the camp had been handed over and accepted.

5. When we consider the remaining items listed in the Post cable, it appears the persons writing the cable is not aware of the original requirements specified for the DS man camp. All the references to US Standards and possible long term effects on certain aspects of the facility do not match with the original requirements. OBO has continually strived to explain to Post and KBR that the camp was designed and built as a temporary facility, and not as a permanent camp. It is therefore not possible to apply specifications used in a temporary facility to a permanent facility. It would have been more constructive for Post to recognize that the plan for the camp has changed and the camp is now intended to remain for a longer period of time, and request OBO take another look at what could be done to make this temporary camp suitable for longer occupation. This would have required a considerable more engineering effort, however many of the items addressed in the KBR report would have been addressed i.e., burying of tank with liner to protect against leakage after two years, leak detection devices, etc..

6. The automatic fuel systems have worked ever since the plant was installed. The OBO maintenance team during our time on the site used the system daily. We can only assume Post and KBR do not know how to operate this system. OBO is prepared to set up a training session to ensure Post and KBR is aware of the operational requirements upon request.

7. The so called formaldehyde fumes are normal for all Red Sea manufactured trailers. This is the same trailers being used by OBO and many other State Department personnel in Iraq today. Red Sea is the primary trailer suppliers in the Middle East, including Iraq, and supplies over 75% of the trailers in the Iraq Theater. OBO staff lives in at least 40 of the new trailers identical to those supplied in the DS man camp. No one has taken sick or suffered any adverse effect from the trailers. It is common to air out the trailers before use, which was told to Post as a means to solve the problem. Inclusion of this issue in this cable seems only be for show, as the solution provided by OBO initially is now said to be followed. This again is not a reason to delay the occupation of the camp,

8. The statement that no OBO project manager is responsible

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for the project is also not true, and has no merit. James Schofield and Dave Desoto have managed the construction since the beginning of the project. Again, Post representatives are aware of this fact, and have contacted the above referenced personnel on many occasions. The cable specified five EPCO project managers for the project, which simply does not make sense and is not true.

9. Any leaks and labeling of breakers are a vital concern and will be addressed by OBO and FKTC. James Schofield has been working with FKTC and Post to identify any such warranty issues and repair as necessary. However, all the issues found by OBO staff to date represent items that has either been modified or changed completely by KBR.

These items however do not represent any health or safety risk outlined in the 25 May cable, and will not stop Post from occupying the camp if they desire. For whatever the reason, it appears Post and KBR simply do not want to operate the camp for other reasons, which have nothing to do with the construction or equipment installed as part of the original scope.

In conclusion, there is no issue here between OBO and DS. We have worked with a level of collaboration over the past 6 1/2 years at 82 New Compound construction sites. This is a model for the government. I believe this cable will allow this project to be put to rest so all can concentrate on the rest of the critical facilities DOS work in Baghdad.

RICE,

NNNN

End Cable Text

Recipient/Profile Information

Cable Recipients:

- No Recipients - LMS Profiles/Office Symbols:
- NO_HITS Cablexpress Folders:
- No Folders -