



United States Department of Defense.

News Transcript

On the web: <http://www.defenselink.mil/transcripts/2004/tr20040310-1282.html>

Media contact: +1 (703) 697-5131

Public contact: <http://www.dod.mil/faq/comment.html> or +1 (703) 428-0711

Menu

Updated: 10 Mar 2004

NEWS

DoD News

— **Advisories**

— **Contracts**

— **Live Briefings**

— **Photos**

— **Releases**

— **Slides**

— **Speeches**

— **Today in DoD**

— **Transcripts**

**American Forces
News**

— **Articles**

— **Radio**

— **Television**

— **Special Reports**

DoD Search

About News

News Archive

News by E-mail

Other News

Sources

Presenter: Lawrence Di Rita, PDASD (Public Affairs) Wednesday, March 10, 2004 12:21 p.m. EST

Briefing on Contracting Programs in Iraq

(Participating were Lawrence Di Rita, principle deputy assistant secretary of defense for public affairs, and Retired Navy Rear Adm. David J. Nash, director, Program Management Office, Coalition Provisional Authority.)

Di Rita: Good afternoon.

Come on up, Admiral.

Nash: Okay.

Di Rita: I think most of you know Admiral Dave Nash. We were here I think with Admiral Nash and some others back in I believe January -- I don't know that for sure -- at the beginning of a process in Iraq in which the Project Management Office that Admiral Nash heads up was beginning to do its work with respect to the appropriated funds that the Congress provided for the rebuilding of Iraq. That was at a beginning of a process or into the early stages of a process. We're further along in that process, a process that will obviously continue for some time. Admiral Nash happened to be in town, and I thought it would be useful if he were available -- and he was -- to ask him to come on down and maybe provide a little bit more insight into where we stand and take some questions.

So with that, I'll ask Admiral Nash to --

Nash: Thank you. I'd like to take this opportunity to bring you up to date on where we are in Program Management Office, and specifically in the reconstruction in Iraq that was referenced, the \$18.4 billion that Congress is sending over to the people of Iraq to rebuild the country.

One of the things that we talked about last time was that we had some RPFs that were going to be on the street and contracts would ensue. There were \$5 billion worth of contracts that would be processed through our acquisition approach. I'm happy to report that those are progressing along very nicely and an award is imminent on those \$5 billion worth of contracts.

We also, in-country, have AID and their Bechtel contract, which we announced last time when I was home in January. It's a \$1.8 billion contract, and they are hard at work with taskings.

We also have the Army in-country with both of their oil contracts, which we are engaging, as well as 10 contracts -- general contracts that they've put in place for approximately \$500 million apiece; once again, capacity kind of contracts. So we've been using those bridging contracts.

I'm happy to report that so far \$8 billion has been apportioned, and of that \$8 billion we have approximately \$3 billion committed. And so work is moving along very nicely. We do have construction under way, although we are just beginning. We do have construction under way in the country. There is more to follow. So I'm very pleased at our progress, and I'm looking forward to delivering on a promise.

We are also working out the details of how we will interact with the rest of the people on the ground after 1st July. It's coming along very nicely. Lots of very healthy conversation in this town about what's the best way to do it. So I'm very pleased that that's coming together very well also. So I'm very, very optimistic about the future.

So with that, I'll close and see if there are any questions.

Di Rita: Before we take questions, let me just also identify Mr. Mark Lumer, who has joined us, and he's available. He's -- as we've described, I believe, in the past, Admiral Nash is being supported -- his project management office -- from a structural basis, by the Department of the Army and its acquisition professionals. And Mr. Lumer is from that office and is available, should we need his immediate expertise.

So with that, Pam.

Q: Forgive me, because I've forgotten so much of everything that we've talked about. I'd just like to through these numbers again and see if we can put a little bit more precision on what they are. The \$5 billion in contracts that will be awarded imminently -- is that one big contract or is that a bunch of smaller contracts? And could you tell us what kinds of tasks will be performed under that?

Nash: Yes, if I can. There are seven of them which are program management support contracts. They are very small contracts to help us manage the program. And then there are 10 contracts in various sectors for \$5 billion. And -- but once again, let me explain that's capacity, because with each of these contracts, we will insert projects that will be -- that we will negotiate price on and contractors will accomplish.

Q: So that's 10 general contracts at \$500 million each that you've talked about, that the Army has in place, or is that something different?

Nash: It's something different. Unfortunately there's a lot of similar numbers here. The Army already has in place 10 contracts that they were using throughout their theater. That also happens to be 10 contracts with 500 million [dollars] each capacity. Our contracts -- our \$5 billion is the total capacity for --

Q: (Off mike.) -- I'm sorry. That's for construction.

Nash: That's for construction and program management. As I say, though, the program management contracts are very small relative to the construction contracts.

Q: That seven program management, 10 construction.

Nash: Yes.

Q: Okay.

Di Rita: And it's oil, electricity, public works, security, transportation infrastructure. There's a whole range of activities that will be addressed by these contracts.

Q: And the \$1.8 billion was the award that was made to Bechtel to bridge until these contracts could

--

Nash: Yes.

Q: -- could get going.

Nash: Right.

Q: And the two oil contracts -- remind us who has --

Nash: Those are Corps of Engineer contracts, and they were announced in the past. I've kind of lost track of time, since I've been out of the country, but they were announced in the past. And those contractors have mobilized.

Q: You don't remember this -- I mean, there's the one, obviously -- (Laughs.) --

Nash: Remember what?

Q: The two companies that have that --

Nash: I'll defer to others. I know that KBR has one, and then Parsons and a partner have the other one.

Q: All right. And when you spoke of the \$8 billion that had been apportioned and \$3 billion that had been committed, where does that -- what are the -- what's that money about?

Nash: Let me give you a little bit of context. There's \$18.4 billion, of which six billion -- approximately \$6 billion is for what I call non-construction -- very important, but non-construction. Of that, approximately -- of that 6 billion, 2 billion is for democracy-building and very, very important programs that involve -- don't involve the kind of procurement we've been talking about. Then \$4 billion for goods and services and training. And then finally you have your 12.4 billion for construction, which is the remainder. So hopefully that all adds up to 18.4.

Q: And has -- have any of the \$6 billion been put on contract yet?

Nash: Yes. There is -- they're -- well, they're moving towards contract. There is -- there have been contracts for the grant and aid kind of work, the democracy-building. There's also been -- we're moving very close on contracts for buying goods and services.

Q: But no contracts have been signed yet on that, on --

Nash: No. The only contract that was awarded and is under review or has -- decisions have been made was on something called battalion sets. And it had to do with a company called Nour, I believe. And those details of whatever happened there, I'd refer you to the Army, because I really have not been in the day-to-day acquisition.

Di Rita: Yes, ma'am.

Q: Will the next round of contracts be open to all nations and not just those that supported the U.S. war effort?

Di Rita: Well, that's -- a final determination hasn't been made. It's likely that there'll be far more countries eligible to participate in this next round. But there have been no final decisions on that. There's a desire to have more countries involved.

Q: And by that "next time" you mean --

Di Rita: The next series of contracts that are not affected by this first tranche. And Pam, we were here in January, where we really specified -- the record is clear, it's available, and it would be best to just go back because I don't remember exactly how we talked about it. But I do know that we had a series of contracts that were assigned to countries that had been supporting the coalition, had been -- had forces in Iraq, and there were a few other determinations made. And that held -- that held --

Q: (Off mike.) -- the contracts that we've talked about --

Di Rita: That's right.

Q: -- and then it's all the other stuff that --

Di Rita: And then the remainders, there will be other countries involved in the final determinations on how that would work, and when we are prepared to announce it hasn't been decided yet.

Q: So will there be another determination in findings?

Di Rita: Well, as I understand the law, if it is other than full and open, then there has to be. But at the moment, there's nobody working on a determination and finding. So -- .

Q: But, wasn't there an announcement that that -- that those contracts would be open to all countries?

Di Rita: I think that's likely to be the case. I'm not sure that it's been announced.

Q: Canada was --

Di Rita: I mean, I just -- it's a simple matter of I'm not sure that we've made any announcements. I think that's the way that the -- that the thinking is going.

Q: I thought the program management office made an announcement a couple of weeks ago --

Di Rita: It wouldn't have been their announcement to make.

Nash: No. We -- we didn't. Not to my knowledge.

Di Rita: Yep.

Q: Can you go over quickly the source selection committee for these contracts: construction, program management?

Nash: I will refer the details to Mark Lumer, but it's all been source selection, and there have been several panels. We've probably aggregated over 100 people, acquisition professionals. So it's been a very -- in my opinion, it's been a real team effort by the acquisition folks here in Washington to get this right. So we can't tell you who the names are because that's acquisition sensitive. But the process is just like it's described in the federal acquisition regulations.

Q: Are they all Americans or are they Iraqis as well?

Nash: They're all Americans because they have to have certain qualifications and be a part of the acquisition professional certified background so that we get the best on the job.

Di Rita: But a sort of maybe related point that you're making is that there's a strong desire that whoever wins these contracts would employ Iraqis. And a lot of that's happening. And so the understanding of competitors that that's a desire, and not only desire, but something that would make a heck of a lot of sense from their own perspective is, I think, well understood. And it's a contract requirement that they employ --

Nash: Actually, we've incentivized the contractors to help us build the construction industry in Iraq.

Q: When all these contracts are left, how many foreign, non- Iraqis do you expect to be working there? And how many Iraqis do you expect them to employ?

Nash: There's been a lot of studies and thoughts about how many Iraqis it will be. And, you know, I hesitate to give out any numbers because I'm sure everybody would remind me later on. But I think you're going to find that there's going to be a large portion of those who are interested in working in construction will employ the Iraqis. But we're not only interested in employing the Iraqis, but we're interested in helping the Iraqi construction companies get up on their feet because they have some challenges, like their lack of working capital and lack of modern techniques. So part of the prime contractor's job is to help improve the skills of the Iraqi contractors. So I don't have a number for you, but I'll guarantee you it's going to be sizable.

Q: Are you all -- been privatizing any of the Iraqi state industries?

Nash: No, I am not. My focus is just on doing this work, both non-construction and construction.

Di Rita: But to your question about the numbers of Iraqis, it's a good question. I don't think -- I mean, this is a country that probably has something like 50 percent unemployment, so it would be difficult to even get to the number of Iraqis that are being employed by these activities, but it's large. I mean, some estimates -- and these are only estimates because the data just are not that sophisticated, the data-collection capabilities, but it's probably tens of -- probably 50,000 or 60,000 Iraqis that the contractors can attest to. That doesn't even get to, for example -- and this isn't exactly in the contracting area for which Admiral Nash is responsible, but if you look at what the military commanders are doing, for example, they're spending another tranche of money on construction projects, other types of humanitarian projects in their areas, and employing an enormous number of Iraqis in doing that. So it's an objective that we all have that that be the case. It's difficult to collect the data to determine how many, but there will be a lot more Iraqis working as a result of the \$18.6 billion that the United States has generously contributed to the reconstruction of Iraq.

Q: Admiral, you say you're working out details what implementation of these programs will look like after July 1st. Can you elaborate on that, given that the U.S. doesn't really know what kind of entity they'll be handing off to on July 1st?

Nash: Well, our work will go on after the 1st of July, and our questions are about who we will work for and where we will get our directions. So that's clear, that we have to continue because we will not finish all this work by 1 July. So we're really talking more about organizationally how we'll fit in the future. We will continue to execute our work just like we had planned in the past, but it's just who will we work for and how will it move forward.

Q: A follow-up on that. It's just -- will any delay in the status of forces agreement have any impact on your implementation of these programs? Will that set you back in terms of the timeline?

Nash: Not as far as I know. We are prepared to go. We are already started. We are moving forward. Obviously anything could happen, but in my opinion we're prepared to move forward and we're working out some of the final details as we go through 1 July. And I'll just have somebody different to report to, possibly.

Di Rita: And two things on your question, which is a valid question. What we're doing is organizing on how to spend U.S. dollars appropriated by the Congress from the taxpayers of the United States, so that's not something that's going to change. That will still be controlled, regardless of what the government entity looks like in Iraq. Obviously there will be significant consultation as to priorities, and that's going to continue. In fact, that will continue -- that's going on now and it will continue with whatever the transitional government looks like.

With respect to your question on status of forces, the transitional administrative law gives -- provides for all of the authority that's going to be needed for the period ahead with respect to how coalition forces in Iraq will do their job as partners with whatever -- as I said, whatever the government structure looks like after that. So the -- in fact, the transitional administrative law talks about how you'd follow on and which entities would be responsible for further negotiations in this area.

But in terms of what -- there isn't going to be any restrictions in the use of -- in how coalition forces are employed as a result of the fact that there's no status of forces agreement. And for the most part the transitional administrative law is explicit on that point and it refers back to the authority already provided in the United Nations resolutions. So that is an issue that's important, but it has almost no bearing on what's actually going to happen in that country on July 1st.

Q: This morning General Swannack, the commander of the 82nd Airborne Division, complained about delays in the awarding of contracts for radios and vehicles and that sort of thing for the security forces, for the police and the other security forces, and said that he would be recommending to the commander who replaces him to simply pay for that stuff with Commanders Emergency funds rather than to wait on this process. Can you explain what the reasons were for those delays?

Nash: General Swannack and I, the last time I went out to see him, which was not too long ago, we talked about that. And obviously, his focus is on outfitting the security forces there, and I support him wholeheartedly. We just have a process that we have to work our way through because, you know, we've got to do this correctly in a full and open process. But we are expediting where we can. And I know he's frustrated because he's thinking that he's been working on this for a long time. And we're working together to find solutions, and I think we will.

Di Rita: And if I could just add. Abizaid was here -- General Abizaid was here last week and talked about the priority that's been placed on continuing to train the Iraqi police, provide the equipment that they need, the basic level of equipment that they need. It is not one that necessarily can only be solved through the contracting process. There are other funds available that could be shifted in the security pot of money to do that. There's a great deal of interest in doing that and it's being addressed with some dispatch. I didn't see General Swannack's comments, so I wouldn't want to speak to his comments specifically.

Q: (Off mike.) -- he said that originally the money for -- or those contracts were promised for September and they still haven't been awarded.

Di Rita: As I said, it's not necessarily going to be -- the solution is not necessarily in the way contracts are issued as much as how money is allocated. And there is money available to allocate to this problem and it's being allocated to the problem, and it's a problem that everybody understands needs to be addressed. But it's a problem that coexists with other issues with respect to the Iraqi police, the question of how their leadership and other matters that are just -- there's an enormous amount of good work going into training the Iraqi police and providing the equipment that they need, but to connect it to a contracting issue, I think, is to not fully understand the scope of activities going on to resolve the various concerns. And I think Abizaid talked to that to some extent when he was here last week. I don't want to comment on General Swannack's comments, because I just didn't see them.

Q: Did the battalion sets apply to that?

Di Rita: Let me just take another question back here and we'll get back.

Q The \$4 billion that's being withheld, what sector is that money coming out of that's being kept until after the hand-off? And can you explain why that's being held off until after the hand-off?

Nash: I think "withheld" might not be the right word. I think we've not decided what we're going to do with that. And maybe that's withheld -- (Laughs.) --

Di Rita: Well, and we talked about it when we were here in January, too. Remember that this money was appropriated sometime in October or November. Then on November 15th, there was a decision, mutually agreed between the United States -- or the coalition -- the Coalition Provisional Authority and the Governing Council that there would be this roadmap to transition to sovereignty. Well, that then forces us to go back and say, if on June 30th something's going to happen -- in this case it's going to be the transition of sovereignty -- we should think through, going past that date, do we want to have allocated all of that money right off the bat? And then the priorities could be -- need to be under continuous review, will be under continuous review, and now we've got a situation where we have transferred sovereignty and the new governing entity in Iraq may have a set of priorities that haven't -- that need to be readdressed. So the idea of wanting to kind of meter the money out in a way that reflected the reality of what's going on in Iraq, which included by November 15th this transition.

So that was the decision. There was an enormous amount of discussion on it. I would refer you to the transcript of the session we held down here in January where we talked specifically about why that decision had been made. And it was -- I've just given you the thumbnail, but essentially it was the November 15th agreement came in and everybody thought, wouldn't it be best to kind of preserve obligating against a certain amount of money because this is going to -- we're going to need to evaluate these priorities pretty regularly over time.

Q: I have a further question about what sectors that had been held out of because there was a CPA official at a vendor conference who gave an answer to that. But I'm curious as to what the --

Nash: Well, what we did when we put this program together to have a program is that it was -- all of the money was allocated that we have. And by the way, the World Bank says it's going to take \$55 billion to rebuild the infrastructure of Iraq, so there are plenty of uses for the money. And as Larry said, my experience in program management, you adapt as you go forward. You don't just stick with a solid list. The particular projects that was allocated against was water and electricity, but there's already lots of money going towards water and electricity. So we -- you know, we'll reevaluate as we continue to go.

Q: General -- excuse me, Admiral, one of the things General Swannack talked about -- he said part of the bottleneck in getting the supplies that he wanted was ongoing investigations of some of the contractors who were supposed to be doing this. Do you know who he's talking about, what contractors he's talking about?

Nash: Well, I didn't see his article and I don't know. I don't know if anybody can --

Q: It wasn't an article. This is General Swannack talking this morning.

Di Rita: Let me give you sort of a principle --

Q: (Off mike.) -- ongoing investigations that do apply to what generals in the field want. You must know about that.

Di Rita: Let me just -- there's a lot of pots of money that can address a lot of the needs in Iraq. There's the Direct Fund for Iraq, which is -- I think it's called Direct Fund for -- DFI -- which is money that's obtained from Iraqi sources of funds around the world, money that we find. There's donor money from other countries. There are these appropriated funds. There are funds that have been provided to military commanders that we call the Commanders Emergency Response Program funds.

Individual commanders aren't necessarily going to know the various sources of funds that can be applied to a problem. They have all been very effective at using those funds available to them to apply to the problem, and in this case it's the Commanders Emergency Response Program funds, the CERP funds. But for an individual commander to be able to determine -- and I'll get to what you say he said, but he knows what he has control of. He has control of CERP, the C-E-R-P money. He probably wishes he had control of these other funds, but those funds are managed in a way that's required by

either statute here in the United States or agreements with other countries, et cetera, agreements with the Governing Council. In the case of the Direct Fund for Iraq, we consult with them.

So the CPA, Ambassador Bremer, General Abizaid to some significant extent are constantly taking a look at the sources of funds available and the nature of the problems that need attention, and trying to determine what's the best way to allocate resources. And it's -- you get an important but fairly sort of focused view of a problem by just -- by one commander's concerns.

Now, here's what General Swannack I think is talking about. We're in a war, we're in a global war on terror. We have -- many of the restrictions on how money is appropriated and spent are based on rules and statutes that have developed over a course of time that was not a period of war. So we've got a certain disconnect between the need to spend money quickly now, and we've got certain funds available to do that -- the CERP is a pot of money that's got fewer restrictions, relatively speaking, attached to it. It is certainly understandable that a military commander who just knows if he had \$10 million he can address some issues, isn't going to necessarily be the one who's patient enough to sort through all the peacetime restrictions on the use of funds. That's somebody else's job; people are doing that. These restrictions are real, they were put in place for a very good reason. But they're restrictions that bear some scrutiny now that we're trying to address a problem that is real time; and it's not only a real-time problem, it's a real-time problem where people are being killed.

So that's the tension, that's the balance. And it's appropriate to raise the questions. I can't speak to a specific contract that General Swannack is particularly concerned about. But I can tell you that the people who are responsible, who have that more -- who have that broader view of how this money is allocated and what those restrictions are, are working through the problem in a very aggressive way -- Ambassador Bremer, General Abizaid, General Sanchez. It is what I've described. We have a lot of restrictions on the way some money can be spent, fewer restrictions on the way other money can be spent, and we're trying our best to kind of make those determinations all the time.

And I would just say that probably hundreds of millions of dollars have already been spent by the military commanders through the Commanders Emergency Response Fund. I don't -- I would be careful with that number; it's a very large number in the tens of millions for sure, to address concerns, issues, priorities that they identify because they're out there in the regions. But that's just one pot of money.

Q: Admiral, will you be investigating this particular instance? I mean --

Di Rita: I don't -- I'm not --

Q: -- because there's a company that everybody knows about that is being investigated. Is that part of the problem?

Di Rita: Well, I didn't see his comments. I have not seen his comments. I wish that I could answer your question directly. I'm just telling you as a basic statement, that will not -- that has not -- I can almost say with certainty that if some investigation is going to hamper General Swannack from performing his military functions, then there will be another set of funds that could be made available, if in fact that's a military function that he has. That's the point I'm trying to make is that that kind of balancing goes on all the time. And it's difficult for a commander to see that there's a whole range of activities that could answer his concerns. He just knows he has these concerns. And General Abizaid wants to address them, the CPA wants to address them. I just -- I don't know specifically what contract he's referring to, and therefore which contractor he may be of concern with. There are --

Q: Specifically contracts for radios, vehicles, body armor to stand up the local Iraqi security forces. I mean, he says it's just not happening.

Di Rita: Yeah, I don't have -- I don't -- that's not one of our --

(To Adm. Nash.) Do you have any insight into it?

Nash: This isn't the Nour contract, is it?

Staff(?): Is it the Nour contract?

Q: I'm not --

Di Rita: We can -- we'll get -- if it's the Nour contract, we'll get you the information on it. There was a contract that was -- that the Army determined on the basis of some -- against some of these administrative requirements that may not have been done properly, so they've gone back to re-look at that. That may be the contract you're referring to. And if it is, we can get you ALL the information about that, and we will.

Q: Well, there are no investigations on the Nour contract.

Di Rita: Yeah, it's not an investigation, it was just -- the contract didn't satisfy certain requirements, as I understand it, and it had to be -- it's going to be reissued, re-bid pretty quickly, as I understand it. But we'll get you the details, if that's the contract. And I guess what we need to do is go look at Swannack's remarks, and if that's the contract to which he's referring, we'll get you all the information we can on that particular contract.

Q: That award has been withdrawn, the award to --

Di Rita: Terminated, yeah, I think is the term. That was done I think last week. The Army announced that.

Q: Admiral, do you have -- this is on the same issue. Do you have -- do you feel like you have enough manpower to be awarding these contracts? Because one of the issues, I understand, in the Nour contract was there's concerns about -- there's a limited number of contract officers and PMOs and they are under combat conditions and 14 hours a day. So my question to you is do you have enough manpower to be addressing the timeliness issue?

Nash: Well, two things. One is that the Army is doing the contracting, and they have people on the ground, and we're collaborating with them. And in my particular case we do have enough people on the ground. We're doing contract management, program management and financial management, and we're moving forward. And so, we have enough -- we have enough person power there to help us.

Di Rita: There's a -- there's --

Q: Are the announcements being done by the Army?

Di Rita: Yeah, this is -- this is a big re-spec operation. It's really being done out of this department.

Q: Okay.

Di Rita: Yeah. That's -- so that's the real troops on the ground that the admiral has, are the people here that do this for a living.

Q: So these guys over at PMO in Baghdad are mostly doing after-award contract management?

Nash: We are doing some -- we are doing some pre-award in terms of helping putting packages together, because we're on the ground there with the generals and all to try to make sure we've got the right requirements.

And I wanted to make one point Larry was talking about. What the military commanders need are my highest priority. I've kind of been in that environment before. And so, we are going to make sure

that they get -- that they get taken care of. And -- but we do have enough people. We are going -- the idea was always to do only in Iraq what had to be done in Iraq, because it's a hard -- it's not a benign environment, as you may -- if you will, and to do back here in the United States what we could, where we could have top-notch professionals who are used to working with this kind of thing.

Di Rita: I think we maybe have time for a couple more today --

Q: Is the Nour contract the same thing as the battalion sets contract?

Di Rita: It is.

Q: Okay. So the battalion sets contract that was put on was rescinded last week.

Nash: Well, it was terminated.

Di Rita: But if I'm not mistaken, was that -- that was for the new Iraqi army. Is that --

Q: (Off mike.)

Di Rita: So that's -- so again, I'm not --

Q: (Off mike.)

Di Rita: I didn't see General Swannack's comments, but I'm not sure -- if it was comments having to do with the police, that's not the contract in -- that may be in his mind. But we'll get you the information we have on this particular contract, and we'll take a look and see if there's any further sort of elucidation we can do on what General Swannack's particular concerns are.

Q: Can we talk a little bit more about the --

Di Rita: This may have to be the last question. And since you've had one, let me just make sure there isn't somebody who hasn't had one. And if not, you've got it.

Q: -- the PMOs and the SPMOs? And what's the policy behind these? I've heard from folks who were concerned about whether or not we're turning over some government oversight functions to -- we're contracting contractors to monitor contracts, potentially.

Nash: We're not doing that --

Q: Can you talk a little about that?

Nash: Yeah. The people that work with me that are employees of the federal government, both military and civilian, like me, are -- we are acting as the owner, and therefore we have the fiduciary responsibility to make decisions. But you can bring in contractors who can help you do what needs to be done. And we're not looking for a body shop. We're looking for them to bring their technical capabilities on how you manage large programs, because this, you know, unless I'm wrong, is one of the largest programs that's been managed in a long time. So I'm -- we're bringing in help. We know what needs to be done, but we're bringing in help to get it done. So that's what the program management contracts are about.

The contracts with the construction contractors are between the U.S. government and the contractor, that individual contractor, not through some other entity, because that was one of the original things, one of the original premises that we wanted to use when we set everything up. And we want the United States government and people like me to be held accountable for what happens.

Q: So these imminent contracts are going to be the PMO and SPMO ones or the construction ones?

Nash: I'm told that both will occur over the near term. So everything is moving along very nicely on schedule, and the awards should start -- be coming -- should be announced here soon.

Di Rita: Thank you very much, folks.

Copyright © 2003 by Federal News Service Inc., Ste. 220, 1919 M St. NW, Washington, D.C. 20036 USA. Federal News Service is a private firm not affiliated with the federal government. No portion of this transcript may be copied, sold or retransmitted without the written authority of Federal News Service Inc. Copyright is not claimed as to any part of the original work prepared by a U.S. government officer or employee as a part of that person's official duties. For information on subscribing to the FNS Internet Service, please visit www.fednews.com or call (202) 347-1400.



[Printer-friendly Version](#)



[Email A Copy](#)

[Site Map](#) | [Privacy & Security Notice](#) | [External Link Disclaimer](#) | [Web Policy](#) | [About DefenseLINK](#) | [Contact Us](#)