

**DEPARTMENT OF THE ARMY CORPS OF ENGINEERS**

**COMPLETE STATEMENT**

**OF**

**MAJOR GENERAL JEFFREY J. DORKO  
DEPUTY COMMANDING GENERAL, MILITARY AND  
INTERNATIONAL OPERATIONS  
U. S. ARMY CORPS OF ENGINEERS**

**BEFORE THE**

**COMMISSION ON WARTIME CONTRACTING IN IRAQ AND  
AFGHANISTAN**

**ON**

**RECURRING PROBLEMS IN AFGHAN RECONSTRUCTION**

**JANUARY 24, 2011**

Chairman Shays, Chairman Thibault, and distinguished members of the Commission, I am Major General Jeffrey Dorko, Deputy Commanding General for Military and International Operations, U.S. Army Corps of Engineers (Corps). I appreciate the opportunity to come before you to discuss the construction program of the Corps of Engineers in Afghanistan and associated challenges.

Support to the Nation's mission in Afghanistan continues to be one of the highest priorities of the Corps. Our primary mission in Afghanistan is the design, award, and execution of construction projects in accordance with our construction agent responsibilities. The mission requires the dedicated service of many military personnel and civilian volunteers. The Corps executes projects based on requirements developed by our customers, such as U.S Forces Afghanistan (USFOR-A) and the Combined Security Transition Command—Afghanistan. The majority of our construction activities focus on providing facilities for the Afghan National Security Forces (ANSF) and U.S. Forces. The Corps also supports the Counterinsurgency (COIN) strategy through projects in the Commander's Emergency Response Fund (CERP). Since 2001, the Corps has managed over 850 major construction projects with a cost of over \$5 Billion in Afghanistan.

With the surge in U.S forces and increased efforts to build the ANSF, the construction workload in Afghanistan has ramped up substantially in the last few years. The Corps has increased its total staff in Afghanistan from around 250 military and civilian personnel in early 2008 to approximately 800 today. In addition, the Corps activated a second district in Afghanistan in August 2009. To provide focused command and control and unity of effort for all of the CENTCOM Area of Operations, we established the Transatlantic Division (TAD) in October 2009. The Division Headquarters is located in Winchester, Virginia. The establishment of TAD positions the Corps to better support our efforts in Afghanistan.

While there have been many successes in Afghanistan, there have also been numerous challenges. To a large extent, many of the challenges are inherent to the mission of undertaking a large program of construction activities in a dangerous and dynamic environment. I will discuss actions and measures that we are taking to mitigate those challenges and improve our performance.

The challenges for the construction effort in Afghanistan include the following: security, corruption; providing adequate contractor oversight in a difficult environment; managing the expanding workload; ensuring contractor performance; suitability and sustainability of facilities; and site selection and preparation. As discussed in more detail later, strategies to address or mitigate these challenges have or are being implemented.

The implementation of USFOR-A's COIN Construction Contracting Guidelines, published on October 9, 2010, addresses many of the challenges outlined above. USFOR-A developed the guidelines based on lessons learned from Military Construction, ANSF, USAID, and CERP projects. The guidelines include specific go/no go criteria that need to be factored into a risk assessment for all proposed construction

projects. The go/no go imperatives include factors such as safe access, appropriate site location, and project sustainability.

Security is the number one challenge and is the root cause of other factors that impact our ability to execute the mission. Lack of security can prevent contractor personnel from accessing the work site and can disrupt the delivery of materials and equipment. Lack of security leads to delays in schedules and increased costs. Lack of security limits our ability to travel to construction sites and provide quality assurance by Corps personnel. The hostile environment in Afghanistan can make it difficult to provide quality assurance and project oversight on all projects at all times and certainly not at the same level as we could in a secure environment.

The Corps has developed processes and methods to help mitigate security risks and their impact. One method is hiring and training local nationals under contract to visit the construction sites and report back with their observations. This approach reduces costs and our security footprint while training locals and building capacity within the country that will serve them into the future. We have also had success in integrating remote sensing methods to inspect construction sites for activity, reducing the frequency of inspections by U.S. Government representatives.

In accordance with the USFOR-A Guidelines, an assessment must be made to assure that projected construction is in an area that is clear of insurgents and that contractor access to the project location is safe for movement of workers and materials. Work will not be awarded for construction in areas that are determined to be non-permissive unless authorized by the executing organization's Commander. It is intended that execution of projects in contested areas will only be performed by combat engineers and coordinated with maneuver units so as to maximize their effectiveness with respect to ongoing or planned counterinsurgency operations.

With the breadth of construction activity underway throughout Afghanistan, the Corps has encountered a range of practices that do not meet our usual ethical standards. In coordination with our coalition partners and the Government of the Islamic Republic of Afghanistan, the Corps is working to develop practical solutions to rectify this, from the government level down to the subcontractor level. The Corps believes that rigorous contract administration is the best means of identifying and eliminating corrupt and fraudulent activities. Some specific measures we are taking or have taken include minimizing brokering of contracts by requiring prime contractors to perform at least 20 percent of all new contracts, close and constant coordination with Task Force 2010, which is a joint military-civilian team of auditors and investigators dedicated to following the flow of money from contracting agencies through contractors and subcontractors to suppliers and other third parties, participating in the CENTCOM process for vetting contractors, educating contractors to adopt best practices, and implementation of a tracking system that conditions the issuance of progress payments to prime contractors on written verifications that payments to subcontractors are current.

The challenge of providing adequate oversight is closely linked to security and having the necessary personnel to manage that workload. Given the Corps workforce in the United States and in other locations, we have a large pool of expertise to draw on when filling positions in our deployed organizations. However, providing a continuous flow of volunteers to fill these positions is a challenge. Particularly given the length of time we have been operating in Iraq and Afghanistan and considering that in the last three or four years we have executed one of the largest construction efforts in the Corps' history, including the American Recovery and Reinvestment Act and the Base Realignment and Closure (BRAC) program. The Corps has implemented a number of initiatives to address our staffing needs for contingency missions, including assigning responsibility to Corps Divisions to support the staffing of our deployed Districts, maximizing use of reachback expertise, use of rehired annuitants, hiring experienced professionals from outside the government using the Schedule A authority, and offering incentives and benefits. All of these initiatives have helped us to staff for the workload, but we still face challenges in filling critical positions.

The Corps' approach to contractor performance oversight is to have all Contracting Officer Representatives, Area and Resident Engineers, and Quality Assurance personnel located in country. Contracting Officers are located both in the U.S. and our deployed locations. Currently in Afghanistan, we have 18 Contracting Officers, 8 Administrative Contracting Officers, 81 Contracting Officer Representatives, and 341 Quality Assurance Representatives, of which 245 are local nationals.

Earlier in the mission, the designs of facilities for Afghan National Security Forces were not always suitable or compatible with the local customs and capacity. For example, some facilities included bathrooms and kitchens that were not designed for local customs. With that in mind, the Corps is now using designs that are also more suited to the preferences of Afghan Security Forces. These designs are austere and include appropriate features such as wood or propane burning stoves. We define austere design as uniform, easily constructed and maintained facilities that meet the local Afghan living standards while ensuring the operation of those facilities remains simplified and cost efficient.

Sustainability is also a challenge and we need to ensure that facilities can be maintained by Afghan Security Forces. USFOR-A has provided specific guidance that the planned facilities must be sustainable in accordance with Afghan construction and maintenance capabilities. The use of austere designs takes into account the technical capacity of the Afghan Security Forces to maintain those facilities. In the interim, contracts are in place to provide Operation and Maintenance (O&M) for completed facilities until 2014. These contracts also include a training component to build the capacity of Afghan personnel to be able to undertake their own O&M of the facilities in the future. Additionally, 80 percent of personnel employed under the contract must be Afghan. The objective is for the O&M to be fully transitioned to the ANSF by 2014.

Site selection has at times been an issue impeding projects. Primarily, the selection of the project site is the responsibility of the customer agency. USFOR-A best practice

guidelines require that the site must be confirmed as suitable for the work to be performed. That representative must determine that the site will support the planned purpose. Key selection factors include road accessibility, Anti-Terrorist Force Protection (ATFP) considerations, presence of mines, status of the real estate, and unique conditions that would impact the work; such as being sited in a flood plain or archeological considerations.

To further enhance the site selection process, we leverage the intelligence community through the TAD G2 Intelligence Fusion Center (IFC). The IFC employs tools, sensors and other technologies that can assist with site selection and de-selection and identify site atmospheric to include terrain, soil condition, local populace and other conditions as well. This ability has become instrumental in the way we do austere road designs and project planning in general.

Site preparation has been an issue at some sites where there has been inadequate site grading and drainage planning. In most cases, the contractor has a responsibility to perform a geotechnical investigation for the building foundations. Site specific geotechnical information necessary to design and construct the foundations, pavements, and other geotechnical related items is the Contractor's responsibility. Nevertheless, experience has taught us to evaluate these factors in more detail and to verify the assumed conditions during the pre-award stage. We are also seeking to bring more geo-technical and hydrology talent by assuming more of the site engineering role.

While there are still challenges in Afghanistan construction, the Corps and its partners have developed and implemented a number of strategies and initiatives to mitigate the impact and meet the requirements of our customers, including the people of Afghanistan. We also welcome the recommendations of the Commission and oversight agencies to help us in that effort. The U.S. Army Corps of Engineers stands ready to continue supporting the mission in Afghanistan and I would be happy to answer any questions you may have.