



UNDER SECRETARY OF DEFENSE  
1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

COMPTROLLER

JUN 6 2010

The Honorable Chet Edwards  
Chairman  
Subcommittee on Military Construction,  
Veterans Affairs, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The purpose of this letter is to notify the Committee of the proposed reprogramming of funds for the project and amount shown below. A detailed justification is enclosed.

<u>Service/Installation</u>	<u>Project</u>	<u>Fiscal Program</u>	<u>Reprogramming Request (\$)</u>
<u>Department of Army</u> Khowst Province, Afghanistan	Road-Khowst to Border Surveillance Point 9 (BSP9)	2007	5,000,000

A similar letter is being sent to the Chairman and Ranking Member of the Military Construction, Veterans Affairs, and Related Agencies Subcommittee of the Senate Appropriations Committee.

Sincerely,

Robert F. Hale

Enclosure:  
As stated

cc:  
The Honorable Zach Wamp  
Ranking Member

Bid Expiration Date: August 15, 2010

Military Construction, Army

Reprogramming Request

Installation: Khowst Province, Afghanistan

Project: Road Khowst to Border Surveillance Point #9

Authorization: U.S. Troop Readiness, Veterans' Care, Katrina Recover, and Iraq Accountability Appropriations Act, 2007, Public Law 110-28

Estimated Cost (\$000):

Previously Appropriated	7,900
Previously Reprogrammed	-
Requested Reprogramming	5,000
Total Estimated Cost	12,900

Description: This project constructs a 12 kilometer paved roadway from the Village of Yaqubi in the Khowst Province of Afghanistan to the Border Surveillance Point (BSP) #9 near the Pakistan border, Project Number 67222. This is the main route between the Forward Operating Base (FOB) at Sabri and the BSP. Military patrols travel this road several times on a daily basis. This action provides \$5 million to cover the costs of the original defaulted contract and the replacement contract.

Justification: The Road from Khowst to Border Surveillance Point 9 project was appropriated for \$7.9 million in the Fiscal Year 2007 Emergency Supplemental Act. A contract for the full 12 kilometer (km) scope was awarded on June 25, 2007, but was subsequently terminated for default on October 24, 2009. On December 10, 2009, a replacement contract for 3 km, with options for the remaining 9 km, was awarded to complete the road project. This action provides \$5.0 million to fund the termination costs (\$2.5 million) incurred on the default contract—including supervision and administration, and the options on the remaining replacement contract (\$2.5 million).

The terminated contractor left the road in a condition that is virtually impassable. The road's poor condition causes vehicles to slow down or stop completely in areas of extreme hostility, subjecting patrols to sniper fire, Rocket-Propelled Grenade attacks, and Improvised Explosive Device (IED) explosions. This road is called the most dangerous road in the region. Completion of the roadway will greatly reduce threats to U.S. and Allied personnel, enhance the mission of securing the border with Pakistan, provide

smoother traffic flow at greater speed, and deny insurgents the opportunity to place IEDs in culverts and/or bury IEDs in unpaved sections. Thus, it is necessary for full original contract scope to be replaced.

Our goal is to process this action as quickly as possible. The contractor has completed the work on the base award (3 kms) and is ready to start construction on the next option. If the contractor has to wait several months for the award of the options, he may have to demobilize. The security situation is such that after demobilizing, he may not be able to reestablish his mobilization camp due to threats against the landowner and sub-contractor, and due to the possibility that arrangements with local villages for laborers and security may not be able to be re-secured. Without security on the road, the contractor expects the area to be mined and road conditions to deteriorate.

Source of Funds: Bid savings from the following will fund this project.

<u>Location &amp; Project</u>	<u>Fiscal</u> <u>Year</u>	<u>(Dollars in Thousands)</u>		
		<u>Amount</u> <u>Appropriated</u>	<u>Current</u> <u>Estimate</u>	<u>Proposed</u> <u>Reprogramming</u>
Various Locations, Iraq PN 066321 Counter IED/Urban Bypass Roads	2006	50,000	39,370	5,000

PN = Project Number



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COMPTROLLER

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The Honorable Tim Johnson  
Chairman  
Subcommittee on Military Construction,  
Veterans Affairs, and Related Agencies  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

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The Honorable Kay Bailey Hutchison  
Ranking Member

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Military Construction, Army

Reprogramming Request

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