



**DEFENSE CONTRACT MANAGEMENT AGENCY  
DEFENSE CONTRACT MANAGEMENT AGENCY INTERNATIONAL**

6359 Walker Lane, Suite 220  
Alexandria, Virginia 22310-3259

IN REPLY  
REFER TO

DCMAI-C

February 13, 2009

Mr. Richard Hack  
Vice President, Operations, Maintenance and Logistics  
Kellogg, Brown, and Root (KBR), Regional Office 677  
2451 Crystal Drive  
Arlington, VA 22022

Subject: Acceptance Notice of Proposed Corrective Action Plan for DCMA Level III  
Corrective Action Request (CAR) HQ-08-LOGCAP-QA-001-LIII

Dear Mr. Hack:

DCMA has reviewed KBR's February 9, 2008 proposed corrective action plan (CAP)\* in response to the subject CAR and finds it acceptable at this time, with the following qualifications:

- The Government will inspect KBR's implementation of the CAP in accordance with the Government's rights and flexibilities as set forth in the contract. We will perform inspections and tests in a manner that will not unduly delay KBR's work, but we make no commitment that Government inspections "will follow behind KBR" as stated in the CAP (App. D, page 20).
- We view the reference to "July 10, 2009" on page 20 of the CAP to be in error; we view the correct date as "September 26, 2009."
- The DCMA Iraq field office received revision 6 to the KBR LOGCAP III, Quality Control Plan (QCP) on February 3, 2009. Our initial review of the QCP raised several areas of interest related to KBR's implementation of the in-theater quality system improvements presented in the CAP. The enclosed paper describes our specific observations. Within the next two weeks, please review and respond to these observations by separate correspondence sent through the DCMA I/A Commander to the DCMA I/A Theater Quality Assurance Representative

\* Appendix D to KBR letter, dated February 9, 2009, subject: "Request for Full Approval of KBR Response to CAR # HQ-08-LOGCAP-QA 001-LIII Level III Correction Action Request (CAR)"

(TQAR). Your response will be incorporated into the DCMA I/A review of the QCP and oversight of KBR's CAP implementation efforts.

- Any actual or anticipated adjustments to the CAP's schedules, costs, or corrective actions resulting from contract changes effective on or after the date of this letter shall be presented in writing to the LOGCAP Procuring Contracting Officer (PCO) for appropriate consideration and action under the contract, with copies furnished to the DCMA I/A Commander.
- This letter does not change the terms of the LOGCAP III contract; nor does it relieve or modify KBR's responsibilities for contract compliance, or waive any Government rights or claims related to KBR's prior performance. Additionally, nothing stated herein is intended to convey Government agreement with any contractual or legal conclusions, interpretations, or positions expressed or implied by KBR in its CAP, including all appendices, attachments, and related documents.
- DCMA representatives in theater will contact KBR in the near future to discuss follow-up government surveillance in order to monitor KBR's CAP implementation for progress and effectiveness. The CAP processes must be implemented before the Government performs the necessary follow-up examinations to ensure nonconformance resolution at the root cause level. When DCMA determines that adequate corrective action measures are in place, a CAR closure letter will be issued to KBR.

The Government appreciates KBR's cooperative and diligent efforts since September to develop an acceptable plan for resolving the nonconformances reported in the CAR. KBR must now deliver on its plan.

Please address any questions or concerns to me at COM: (703) 428-1794, email: david.graff@dcma.mil.

Sincerely,



DAVID L. GRAFF  
CAPT, SC, USN  
Commander

Enclosure:  
As stated

cc:

President, KBR Government and Infrastructure

Director, DCMA

Director, LOGCAP Executive Office

Director, DCMA Ground & Munitions Systems Division

Director, DCMA Contract Integrity Center

Commander, DCMA Soldier Systems & CAP – Phoenix

LOGCAP PCO