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## **Chairman Towns Questions DOD Decision to Award KBR Lucrative Contract**

WASHINGTON – Despite past poor performance in Iraq, including endangering the lives of United States troops, reports surfaced recently indicating that Kellogg Brown Root (KBR) was awarded a billion dollar contract by the Department of Defense (DOD) to provide support services to United States forces in Iraq. In response, Chairman Edolphus “Ed” Towns (D-NY) today sent a letter to Secretary of Defense Robert Gates outlining his concerns about the contract award and asking for detailed information about the Department’s decision to reward KBR.

Recent reports, including one issued by the Defense Department’s Inspector General, raise serious questions regarding whether the Department of Defense should have awarded such a lucrative contract to KBR given the contractor’s troubling performance in Iraq. KBR was responsible for providing a wide range of support services in Iraq, including the maintenance of electrical systems in facilities where several United States service members were fatally electrocuted. Faulty electrical systems maintained by KBR have caused serious injuries in Iraq and may have contributed to the numerous electrical fires that reportedly occurred at United States facilities in Iraq. In addition to this, there have been numerous allegations of waste, fraud, and abuse by KBR.

According to the Federal Acquisition Regulations, “when selecting contractors to provide products or perform services, the Government will use contractors who have a track record of successful past performance or who demonstrate a current superior ability to perform.”

“Given KBR’s poor track record, I don’t understand how KBR could meet this standard,” wrote Chairman Towns. “When multiple deaths of U.S. service men and women are not enough to preclude the award of a new contract, it makes me wonder what it takes for a contractor to be fired.”

KBR was awarded a new \$2.8 billion contract for one-year, with an option for four more years,

under the Logistics Civil Augmentation Program (LOGCAP) IV contract, by the U.S. Army Contracting Command, to provide logistic support, theater transportation and postal services to U.S. forces in Iraq.

On July 30, 2008, the Committee on Oversight and Government Reform held a hearing regarding KBR's deficient maintenance of electrical systems at U.S. facilities in Iraq. The hearing exposed the Defense Department's failure to provide adequate oversight over KBR and ensure that American troops were not endangered by faulty electrical systems.

"We should not allow companies with troubling past contract performance to continue receiving lucrative government contracts," said Chairman Towns.

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### Documents and Links

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[Letter from Chairman Edolphus Towns to Secretary of Defense Robert Gates](#)