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FINAL CLOSEOUT REPORT TO18 Southern Strategy Road

AFGHANISTAN INFRASTRUCTURE REHABILITATION PROGRAM (AIRP)
CONTRACT NUMBER 306-I-00-06-00517-00



PHOTO: TO 18 TEAM SEPT 08

Before

After



PHOTO: TO 18 TEAM JUN 09

Left to right: TO18 Before construction over all view of the road. TO18 After construction over all view of the road.

Project Start Date: 26 AUGUST 2008

Project Finish Date: 20 JULY 2009

DISCLAIMER

This publication was produced for review by the United States Agency for International Development. It was prepared by The Louis Berger Group, Inc. and Black & Veatch Special Projects Corp. Joint Venture.

CLOSEOUT REPORT TASK ORDER 18

1 TASK ORDER OVERVIEW

1.1 Background and Summary of Scope of Work

In April 2008, the U.S. Agency for International Development (USAID) awarded The Louis Berger Group Inc. / Black & Veatch Joint Venture (LBG/B&V) for the Afghanistan Infrastructure Rehabilitation Program (AIRP) Task Order 18 (TO18) - Southern Strategy Road Project. LBG/B&V's services included: project management, detailed design, construction plans and specifications, contract administration, construction supervision, quality assurance and control, surveying, field testing, and construction of the works from Km 58 to Km 94 of the Southern Strategy Road. The project began on 26 August 2008 and was completed on 20 July 2009.

The design and construction of a 94 kilometers road segment from Kandahar City to the center of Arghastan District was originally funded under a grant from USAID to the United Nations Office for Project Services (UNOPS). Construction work under this grant was subcontracted to an SAITA Afghanistan Construction Company (SAITA). On 31 December 2007, USAID terminated the grant to



PHOTO: TO18 TEAM 2008

UNOPS for convenience, at which time the following works had been accomplished:

- First 71 kilometers of survey completed
- First 71 kilometers of design completed
- First 45 kilometers of construction work completed
- Construction work from Km45 to Km52 partially completed

In February 2008, USAID authorized LBG/B&V to continue the remaining work under AIRP Quick Response Task Order 03 in order to minimize disruption to ongoing construction work, while a new task order (i.e., TO18) was worked out to cover the remaining work. Task Order 03 covered project management and support, security costs, and subcontract costs with SAITA for the road construction up to Km58.

1.2 Task Order Goals and Objectives

TO18 involved design and construction of the Southern Strategy Road from Km58 to Km94. Road alignment generally followed the existing one to minimize de-mining and rights of way issues. Survey reports and final design drawings were delivered to USAID from Km71 to Km94. A wearing course of asphalt concrete was designed for Km58 to Km79 with an all weather gravel surface course for Km79 to Km94. The design and construction of the road included causeways, culverts and retaining walls to ensure year-round access. The design was in accordance with American Association of State Highway and Transportation Officials Standards, as well as Ministry of Public Work Interim Road and Highway Standards.



The project was completed on 20 July 2009 exactly as scheduled for the task order period of performance. Actual construction work was completed on 06 June 2009, ahead of schedule. TO18 final cost at project completion was slightly under the original budget of \$17,528,131. The fact that the project was completed under budget is notable considering USAID directed LBG/B&V to terminate USPI, a security provider, at the end of February 2009. HART, another security provider, replaced USPI on 01 March 2009. No interruption of project activities occurred during the transfer.

1.3 Milestones

Milestone	Achieved Date
Issue Task Order	26 August 2008
Award Construction Subcontract	27 September 2008
Issue Notice to Proceed to Subcontractor	08 October 2008
Substantial Completion	30 June 2009
Final Inspection	30 June 2009
Project Completion	20 July 2009
Release from Defects Liability Period	01 July 2010

1.4 Deliverables

Survey and Design

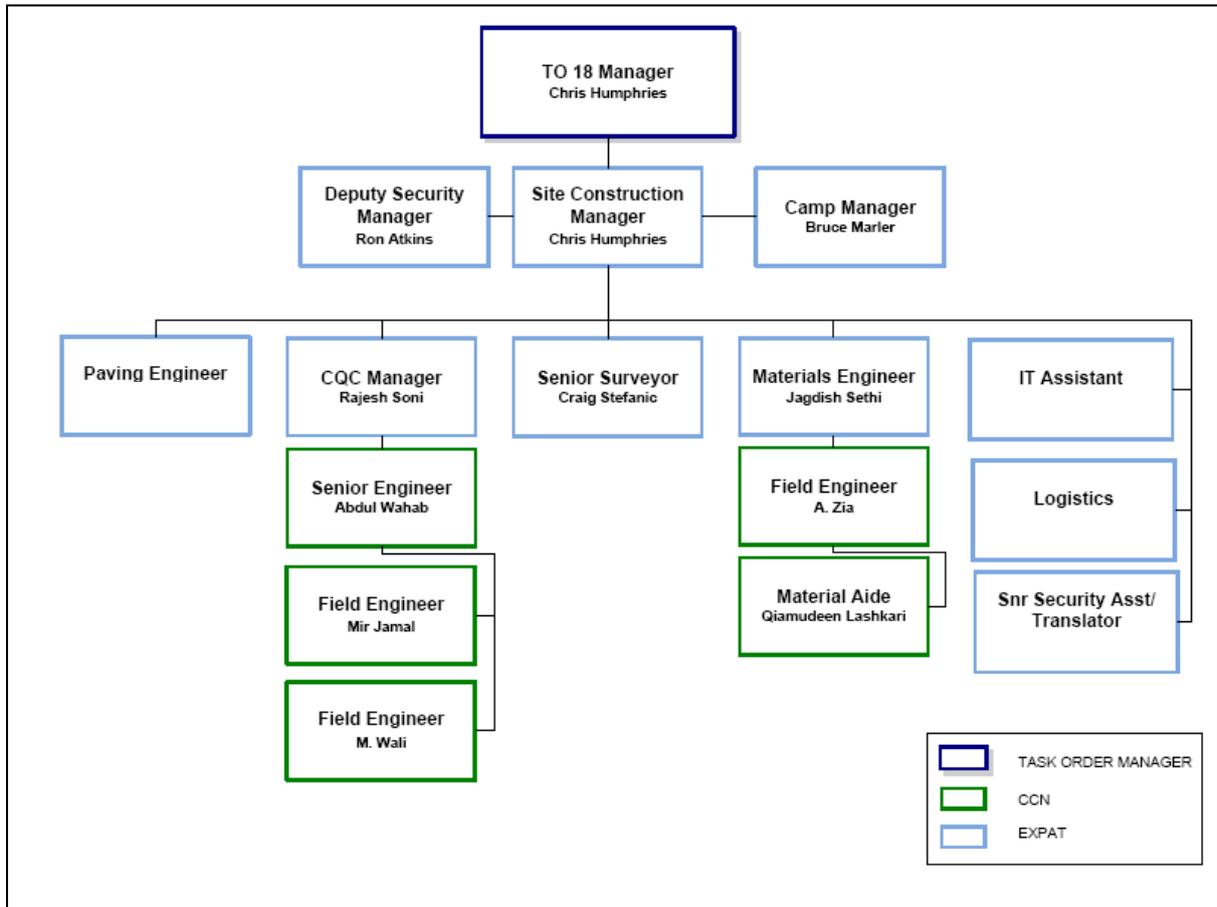
- Survey reports
- Final design drawings

Construction

- 21 kilometers of asphalt concrete pavement roadway; and all necessary causeways, culverts and retaining walls to ensure all year access
- Construction work program
- Safety Plan
- Security Plan
- De-mining Plan
- Quality Assurance/Quality Control Plan
- Monthly Progress Reports including financial, physical and schedule (actual vs. projected)
- Daily Security/Incident Reports
- Notification of actual and/or potential delay events
- As-built documentation (4 sets) such as: plan drawings and revised calculations in hard copies, as well as in electronic form on CDs.

2 TASK ORDER EXECUTION

2.1 Task Order Organizational Structure



TO-18 Organization Chart

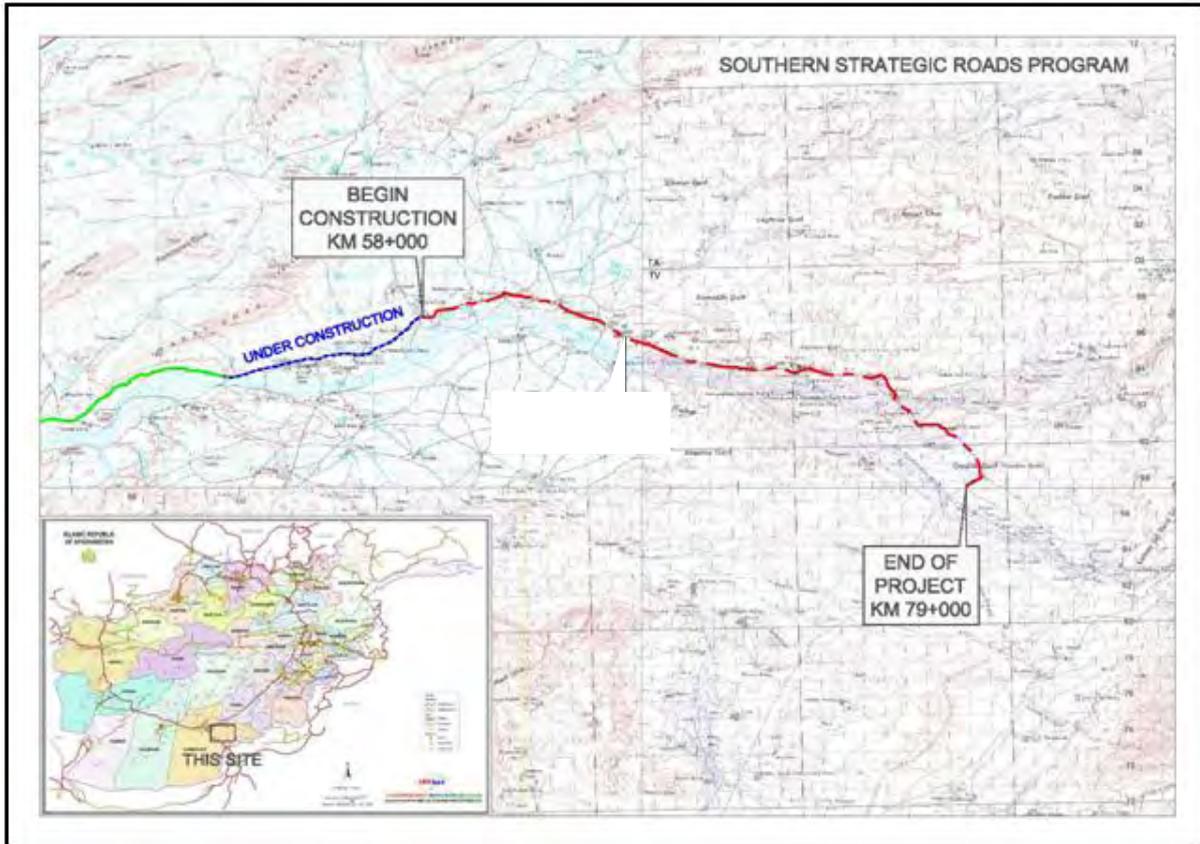
2.2 In-Country and Home Office Resources

Originally the Task Order Manager was based in Kabul, carrying out all related contract management, client coordination, correspondence, invoicing, mobilization of personnel and other project management activities in coordination with the Site Construction Manager. In the last third of the contract performance period, the Site Construction Manager was given the additional duties of Task Order Manager, managing client coordination by commuting to Kabul to attend biweekly client coordination meetings.

Site Construction Manager and site management team were based in a guesthouse complex located in Kandahar City. In December 2008, security had deteriorated to such an extent that a site construction camp was erected at Km63 in order to safeguard field personnel from a series of attacks targeting LBG/B&V daily field trips. Onsite finance, logistic and IT supports augmented construction management staff in Kandahar while additional logistic, financial, IT, and design supports based in Kabul.



2.3 Implementation of Works



TO18 Project Map

2.4 Major Subcontracted Work Elements and/or Major Procurement

The major subcontracted work elements for this Task Order are as follows:

- Construction Service was subcontracted to SAITA Afghanistan Construction Company, a Japanese supported, locally owned firm. SAITA provided all material, equipment, and labor necessary to construct the roadway and structures.
- Security Services was subcontracted to:
 - United States Protection and Investigation, USPI
 - UK based Hart Security Company, HART

LBG/B&V self performed life support for a Kandahar City TO18 Guesthouse and Construction Camp at Km63 for the duration of the project performance period.



2.5 Task Order Budget and Expenditures

Task Order 18: Southern Strategy Road		Contract Obligation (9/03/08):	\$4,316,000		
Closeout Report - Financial Summary		Mod 2 Obligation (1/22/09):	\$13,212,131		
		Total Task Order Obligated Amount:	\$17,528,131		
Total Task Order Budget:		\$17,528,131	% Obligation Incurred:	98%	
TO Start Date:		8/26/2008			
TO End Date:		7/20/2009			
TO18 - SOUTHERN STRATEGY ROAD ESTIMATE AT COMPLETION					
Cost Report	Budget Thru Mod 7	Cost Billed thru Inv # 79	Estimate to Complete (ETC)	Estimate at Completion (EAC)	Variance
A. Salaries and Wages	\$616,073.60	\$539,775.03	\$4,361.41	\$544,136.44	\$71,937.16
B. Overhead & Fringes	\$510,820.38	\$263,614.71	(\$4,359.23)	\$259,255.48	\$251,564.90
C. Travel, Transportation and Per Diem	\$158,938.82	\$163,721.57	\$8,220.34	\$171,941.91	(\$13,003.09)
D. Allowances (Post diff, danger pay, SMA)	\$351,919.85	\$296,372.27	\$1,215.20	\$297,587.47	\$54,332.38
E. Other Direct Costs	\$680,376.46	\$554,548.49	(\$998.77)	\$553,549.72	\$126,826.74
3. SUBCONTRACTS	\$14,222,599.00	\$14,277,669.91	\$ -	\$14,277,669.91	(\$55,070.91)
Construction - Saita		\$7,981,130.88	\$ -		
Security - Hart		\$3,888,216.65	\$ -		
Security - USPI		\$2,045,392.38	\$ -		
RM ASIA		\$242,500.00	\$ -		
Afghan Wireless		\$457.00	\$ -		
E.C.R.C		\$80,152.00	\$ -		
Quicklink/ASIX		\$39,821.00	\$ -		
			\$330.81		
4. G&A (3.92%)	\$313,244.17	\$626,757.87	\$330.81	\$627,088.68	(\$313,844.51)
Fixed Fee	\$674,158.90	\$668,898.39	\$5,260.51	\$674,158.90	\$0.00
TOTAL PROGRAM COST (excluding fee)	\$17,528,131.18	\$17,391,358.23	\$14,030.27	\$17,405,388.50	\$122,742.68

3 SECURITY

Security was a major concern from the outset of the project. From July 2008 to December 2009 the project encountered peak occurrences related to IED, ambush, rocket/mortar IDF and VBIED attacks. It was a challenging task to outreach to local communities thru periodical tribal leadership meetings, but the effort resulted in an eventual “buy-in” of the citizenry along the route through out Daman and Arghestan Districts. LBG/B&V achieved freedom of movement from

guesthouse/camp to jobsites during the middle stages until the end of the TO18 project. There was no lost time on the project due to security for the duration of the construction performance period in spite of the high risk environment.

However, the time period from 01 July 2008 to 22 June 2009 and along the routes LBG/B&V and security subcontractors utilized for travel from TO18 Guesthouse to the Southern Strategy Road project work site, the following incidents were recorded:

- 6 occurrences of direct fire or IED attacks on LBG/B&V personnel
- 21 occurrences of suicide VBIED and BBIED
- 29 occurrences of assassinations and attempts on ANP and GOA personnel
- 124 occurrences of IED detonations and IED's located/disarmed



PHOTO: TO18 TEAM 2008

USAID directed LBG/B&V to terminate USPI as a security provider at the end of February 2009. Hart Security replaced USPI on 01 March 2009. In spite of this, no interruption of project activities occurred during the project performance period.

4 SAFETY PROGRAM/PLAN

LBG/B&V was operating under an infrastructure program wide general safety program. A site specific plan was developed for the construction phase of the work. Due to security issues found in restive Kandahar Province, certain concessions were made to ensure the safety of all personnel involved in TO18. As an example, high visibility safety vest was deemed dangerous due to high security threat. The implementation of a safety program at this site was the responsibility of the construction subcontractor (i.e., SAITA) with oversight and guidance provided by qualified LBG/B&V professionals.

5 QUALITY CONTROL PROGRAM/PLAN

Quality Assurance for TO18 followed standard LBG guidelines for international contracting common to AIRP Task Orders to include, but not limited to:

- Design quality assurance review
 - LBG/B&V field staff review and verification of existing conditions
 - LBG/B&V Kabul Office Design Department
- LBG/B&V Central Laboratory quality assuring subcontractor's quality control
- Onsite and laboratory testing in accordance with contract specified codes and standards
- Daily Monitoring and Evaluation of works in progress by LBG/B&V Field Engineer Teams



PHOTO: TO18 TEAM 2008

LBG/B&V engaged resources from two of LBG US offices (already serving AIRP) providing engineering and technical support for quality assurance design reviews and

geotechnical and/or hydrologic engineering as-needed basis on discovery and demands during the performance period of the project. The objective was to ensure quality in the design and field implementation through a design quality management program by reaching back to technical experts without the financial and scheduling burden of short-term technical advisor's travel costs. By leveraging such US resources, LBG/B&V provided a high quality technical of similar capacity performed on US-based engineering projects to introduce transparency in the implemented design and field problem solving while ensuring the latest codes and standards were maintained.

6 VALUE ENGINEERING CHANGES

- Not Applicable

7 LESSONS LEARNED

The key to the success of the Southern Strategy Road project was based on project teamwork through interaction with local leadership, positive working relationship with construction subcontractor and dedicated LBG/B&V Staff providing competent on site Project Management.

Local Community Interaction

Utilizing lessons learned from previous projects, the LBG/B&V staff reached out to community leadership along the alignment in order to provide a conduit for discussing project construction activities impacting communities. Initially set up as bi-weekly meetings, circumstances at times called for multiple meetings to be held during weeks of critical issues. Grievances brought forth by community residents were swiftly addressed when falling within the parameters of contract authorization. Care was taken to bolster sub national government (District Governors) input, leading to a sense of legitimacy among the populace. When possible, ultimate responsibility for land use/right of way issues, for example were guided by local authority. As a result, the Southern Strategy Road-Segment A Project provided a stabilizing effect within the Zone of Influence noted by Regional Command/South. Unfortunately, momentum was lost when the follow on Task Order/Modification (construction to Km94) was not granted.

To date, the LBG/B&V relationships built within the four major tribal elements of Arghestan, Daman, and Maruf Districts remain intact. Correspondences continue through intermediaries with request for possible return of reconstruction activities. Identifying needs during the course of the project brought additional buy-in. Within the framework of contractual obligations, minor adjustments within the project yielded major dividends in relationship building.



PHOTO: TO18 TEAM 2009

Keys to Local Buy In:

- Establish local dialogue thru existing GIRoA/ Community Development Councils
- Recognize local leadership hierarchy both governmental and tribal
- Deliver on promises made in a timely manner
- Respect culturally sensitive areas
- Community mobilization thru active engagement (principally employment)
- Establish mechanism for local community participation in weekly/bi-weekly meetings

Construction Subcontractor Relationship

At the outset of Task Order 18, working relationships were formed between LBG/B&V and construction subcontractor personnel to ensure contract compliance. Early establishment (preconstruction kickoff meeting) of QA/QC protocol, technical specification compliance requirements review, schedule and contractor/subcontractor team member POC's lead to a unified project central focusing effort. Several indicators during the performance period of the contract highlight the success of a team work approach:

- No claims against the contract
- Recovery plan successfully engaged, implemented, and executed as a result of two major flooding occurrences, deteriorating security environment and the EIDS holidays.
- Delivery of high quality, on time, under budget project

LBG/B&V TO 18 Staff

Workings in areas of high kinetic activity in Southern Afghanistan bring inherent risks not commonly associated with infrastructure reconstruction and rehabilitation found in most parts of the world. The LBG/B&V TO 18 Staff applied lessons learned from previous projects under USAID IRP and REFS programs. Beginning with recognition of the capacity building mandate within the contract, LBG/B&V international staff worked closely with Local National Project Engineers to provide guidance in daily activities consistent with delivery of high quality, timely project delivery. Important to the process, a measure of mutual respect was established within the workforce. Evidence of a team atmosphere came to light as security incidents increased in early stages of the project. Both international and local national staff shared the burden of field requirements for contract compliance. No one was above this task. Mutual respect was established creating an atmosphere of one primary focus: Delivery of the Southern Strategy Road (SSR), crucial for meeting the economic and social needs for the people of Daman, Arghestan and Maruf Districts in Kandahar Province. As a testament to the power of teamwork and dedication to a common cause, staff who sustained wounds and injuries from AGE attacks during the period of construction of the SSR were present at the conclusion of the project.

Key Events during Construction

- *Km60: Graveyard conflicting with proposed centerline of new roadway*

LBG/B&V, working with SAITA and local leaders, identified alignment with least impact on sensitive area. Stone masonry retaining walls were added to eliminate slope incursion into grave locations. No cost impact or delays.

- *Km62: Drainage along roadway prism in conflict with local irrigation system*

LBG/B&V and SAITA developed compound stone masonry drainage and irrigation canal to remedy. No cost impact or delays.

- *Km63: Road alignment in conflict with village water wells*

LBG/B&V and SAITA redesigned plan and profile to avoid conflict area. No cost impacts of delays.



PHOTO: TO18 TEAM 2008



- *Km64: Villagers requesting additional employment of populace*

LBG/B&V and SAITA contracted with local villagers to supply bread to TO18 Construction and Security personnel. Additionally, HART security employed from villages along the alignment for static force.

- *Km69: Roadway embankment encroaching into lands owned by two children/orphan*

LBG/B&V built retaining walls to retain land. No cost impact or delays.

- *Km70: Several individual compounds encroaching proposed highway right of way*

LBG/B&V and SAITA delivered twelve tents and carpets to facilitate displaced families until new compounds erected at land owner's expense. LBG Community Development Officers dealt in multiple meeting discussions stressing temporary displacement.

- *Km73: Irrigation well of an active orchard falling on opposite side of proposed roadway*

LBG/B&V and SAITA installed siphon conduit to facilitate the farmer at his own expense.

- *Km78: Conflict of land encroachments in sensitive farming area and bazaar*

LBG/B&V, SAITA, shop owners, land owners, District Governors, and tribal elders engaged in numerous meetings in Kandahar City and at TO18 Construction Camp. Decision was reached on the recommendations of majority of stakeholders. No cost impact or time delays.



PHOTO: TO18 TEAM 2008

8 OUTSTANDING ISSUE

- Not Applicable