

## Senate Democratic Policy Committee Hearing

### **“Contracting Abuses in Iraq: Is the Bush Administration Safeguarding American Taxpayer Dollars?”**

**Frank Cassaday**  
Former KBR employee

Good afternoon, Mr. Chairman. My name is Frank Cassaday and I was an independent contractor for Kellogg Brown and Root, also known as KBR, in Iraq from July 2004 to May 2005. I would like to thank you for the opportunity to testify before you today to explain the waste that I saw while working in Iraq.

I first served as an ice plant operator at Camp Webster at Al-Asad in Iraq and also worked in various locations on electrical projects, construction and laundry. I observed burn pits throughout my time in Iraq, which resulted in millions of U.S. taxpayer dollars being wasted. Burn pits were used by the military and others to dispose of still-useable equipment and items that were no longer needed for a particular project, might need minor repair, or were difficult to transport and find storage.

These pits were burning 24 hours a day. I saw large amounts of new plywood and other lumber ordered to be taken by fork lift 24 hours a day to the burn pit. It looked as though the rows of plywood and lumber were over 200 feet long and eight to ten feet high. This lumber was to be used to build the new MWR building which was already framed in steel, and had to be torn down. The rest of the lumber was supposed to be used in construction at the camp. Instead the lumber was burned.

I saw large, ten foot deep trenches dug in the sand where computers, electronic equipment, and military items that could not be burned were buried. I asked military personal, “Why not send the wood and equipment to other bases?” I was told that it is cheaper to destroy everything and mark it off as destroyed by “the war” than to pay for the truck transport and find adequate storage.

In Fallujah, I saw explosives in the burn pits. There were times when these explosives would go off while I or my co-workers were disposing of waste items. In Fallujah, I observed Iraqis scavenging in the burn pits for items that they could use. They would jump in the back of my truck and try to remove items I was not discarding. Sometimes I had to physically remove them from my truck.

At Al-Asad, a large waste dump and burn pit had many items that appeared to be in perfectly good condition, yet were discarded. I saw flack vests, black and green jungle style combat boots, olive drab field jackets, ammunition crates, tires, inner tubes, and a large volume of food items. These items were going to waste in the burn pits.

During my time as an ice plant operator at Camp Webster, I witnessed numerous illegal activities and rules violations by KBR managers and employees. Ice was a very

valuable commodity in Iraq that was regularly stolen and bartered for other goods. One day a convoy of U.S. Marines was going out of the area for several days and they wanted 28 bags of ice. The ice was used to keep their food and drinks cool. I watched as the ice plant foreman refused to give the troops the ice they requested and offered them only 3 bags of ice. The foreman told the troops that he was only allowed to give them 2 pounds of ice per person per day, but in fact it was the foreman who made that rule. KBR had plenty of ice that could have been provided to these troops who were going off the base into the desert.

One Marine asked me, "Why won't this man give us ice, you do?" I told the Marine that he should tell his superior officer because the ice foreman was cheating the troops out of ice at the same time that he was trading the ice for DVDs, CDs, food and other items at the Iraqi shops across the street. The ice foreman was also providing unlimited amounts of ice to his friends at KBR. When I saw that this was happening, I gave the Marines several more bags of ice and recorded it on the ice tally sheets.

A short time later the foreman gave over 10 bags of ice to 2 of his friends from KBR without any concern about the amount of ice provided. This foreman would change the ice tally sheets at the distribution area I worked in to make it seem as though we had handed out more ice to the Marines than we actually did. In this way, the foreman could cover up his theft and preferential treatment for his co-workers.

As an example, a Marine would sign his name, rank, and outfit and put down 1 bag of ice. The 1 would be changed to either 11 or 7 or another higher number by the foreman. This allowed the foreman to sell and trade ice with the Iraqis and give ice to his friends while denying the troops the ice that was rightfully theirs. The foreman was also changing the ice tally so that it would seem as though there was more ice production done while he was working, but his ice tally was wrong. He was getting credit for more ice production than the small machine could even produce.

It appeared to be routine practice at KBR for employees to pad their hours and for KBR management to staff unnecessary workers on a project. This resulted in more government dollars paid for work never performed. At Al-Asad, 15 Americans were staffed at a small portable ice plant on the back of a tractor trailer along with about 8 Third Country National (TCN) employees. In this case, just 4 American KBR employees and 6 TCNs would have been sufficient to cover the entire 24 hour work cycle. KBR was billing the U.S. taxpayers for 23 employees when 10 could have done the job.

The KBR ice plant supervisor was aware of KBR employees padding their billing hours. They would go to the PX, the shops, the computer room, gymnasium and use the telephone while on the payroll at government expense. When I complained of extra work being put on me while others were not working, the supervisor punished me by putting me on the night shift, where others who complained were sent. There was a lot of animosity at KBR both between management and the employees and amongst the employees.

In November 2004, I was transferred to Fallujah to help build an ice plant. At the time, I was told that I was being transferred with some of the other older men because less ice was needed at Al-Asad and we would be supervising the construction of a new ice plant in Fallujah. I believe our knowledge had become a threat to the Al-Asad ice plant supervisor who had less experience than we did and wanted us transferred. Even though the ice plant was never built in Fallujah, KBR billed the government on the contract.

At Camp Fallujah, I observed the KBR ice plant supervisor and the KBR foreman stealing refrigerators from the military. The Army provides KBR employees with security and KBR employees are not allowed to be employed in combat. My KBR foreman also brought back to the camp 10 to 12 fully functioning live detonators for 155 millimeter artillery rounds, over 800 rounds of live ammunition, two rocket launchers, and other military equipment. The equipment was hidden in the KBR "lay down" yard. I complained to my foreman about the looting of weapons but he told me to mind my own business. I reminded him that possession of these weapons and munitions was illegal, and that anyone not reporting illegal activities was supposed to be fired. I decided to tell my camp manager about the stolen items.

The next day the Marines descended upon our camp with search dogs and found everything that I had seen. We were all questioned by the Naval Criminal Investigation Service. I was told that I did the right thing by reporting the stolen items. However, it seemed as though I had been punished because I was placed in a jail tent by KBR security for two days, and forced to be escorted to the latrine and to the dining facility. The camp manager at KBR told the men who had been caught stealing that I was the person who had turned them in to the authorities. I was then placed in protective custody for 4 days.

When I was finally released, the KBR manager in charge of all ice production and distribution in Iraq told the KBR camp manager that as far as he was concerned, "Frank Cassaday does not exist any more," and that I was to have nothing to do with any ice operations at all. The KBR ice manager was retaliating against me because the ice plant supervisor who had been caught stealing was the ice manager's friend. I was being punished for being loyal to our troops and government and obeying orders.

After this episode I was forced to work in the laundry where I saw the inflation of laundry figures. While at the laundry, the KBR supervisor told me that over half the equipment was broken. When I told her that I had experience as an appliance repairman, I ended up working on dozens of washers and dryers without any of the proper tools. Sometimes I had to cannibalize other machines for parts to keep the washers and dryers working. I put in several written requests for repair parts, and asked the camp manager to move two heavy duty washers and dryers that were stored in a warehouse to the laundry so that we could use them. No parts ever arrived, the equipment stayed in the warehouse, and the Marines suffered. The laundry was often wet when it was returned to the Marines because the equipment did not work properly. Even with these shoddy laundry

facilities, I was told by the laundry supervisor that KBR charged the government \$75 just to wash a bag of laundry which was normally less than 15 pounds.

In March 2005, even though I strongly objected, I was transferred back to Al-Asad to work at the KBR ice plant. At Al-Asad, the KBR employees continued to operate without the proper tools and equipment and there was not much work to do. The KBR auto mechanic at Al-Asad could not get the proper parts in Iraq, even after requesting them, because the camp manager would not submit the requests. The mechanic had to send money to his wife so she could buy appropriate supplies like air filters and send them back to Iraq so that he could maintain the KBR and military vehicles.

I came to testify before you today because I saw how the troops suffered and put at greater risk because of the shoddy work by KBR employees and the wasteful spending of KBR management. I would do anything to help the military and I hope that my testimony today will make a difference for the troops.