

**SECOND AMENDMENT TO  
INTERAGENCY AGREEMENT**

Between the

**UNITED STATES DEPARTMENT OF STATE  
(Bureau of Near Eastern Affairs, Office of Iraq Assistance)**

and the

**UNITED STATES ARMY  
Corps of Engineers**

for

**Provincial Reconstruction Teams (PRTs) and Provincial Reconstruction  
Development Committee (PRDC) Projects**

**I. PURPOSE**

This document further amends the “Interagency Acquisition Agreement Between the United States Department of State (Bureau of Near Eastern Affairs, Office of Iraq Assistance) and the United States Army Corps of Engineers for Provincial Reconstruction Teams (PRTs) and Provincial Reconstruction Development Committee (PRDC) Projects”, as amended on August 10, 2007, (IAA) to provide additional FY 2007 Supplemental Economic Support Funds (ESF) from the Department of State (Bureau of Near Eastern Affairs, Office of Iraq Economic Affairs) (NEA/I/ECON) to the United States Army Corps of Engineers, hereinafter called the “Servicing Agency,” to acquire the services of the Servicing Agency to provide support for the bid preparation and award of projects, as set forth in the Statement of Work described in Section II, in implementing the program defined by the Iraq Transition Assistance Office (ITAO) on behalf of the Office of Provincial Affairs (OPA). The funds obligated by means of this amendment shall be used to reimburse the Servicing Agency for costs incurred in carrying out the Statement of Work in section II.

**II. STATEMENT OF WORK**

1. The Servicing Agency shall continue to provide personnel and services to accomplish the activities outlined in paragraphs 1 through 5 of section III of the IAA, to carry out the additional program as described in paragraphs 2 and 3.

2. In addition, in light of the provincial governments’ need for assistance to sustain projects and infrastructure as they have become operational, \$85 million is also provided to the Servicing Agency, which shall provide personnel and services to implement and deliver operations, maintenance and planning activities in support of essential services at the provincial level, using the activities and procedures outlined in paragraphs 1 through 5 of section III of the IAA to carry out this additional program.

2. The additional program will consist of \$285 million, to be implemented in accordance with the following provincial budget allocations:

**FY07 PRDC ESF Allocations, by Province**

| <b>Province</b>         | <b>PRDC Project Funding</b> | <b>Operations, Maintenance and Planning</b> |
|-------------------------|-----------------------------|---|
| Ninewa                  | \$7,800,000                 | \$5,500,000                                 |
| KRG (Erbil, Sul, Dahuk) | \$23,400,000                | \$13,500,000                                |
| Kirkuk                  | \$7,800,000                 | \$4,500,000                                 |
| Salah ad Din            | \$7,800,000                 | \$4,500,000                                 |
| Diyala                  | \$7,800,000                 | \$4,500,000                                 |
| Baghdad                 | \$34,400,000                | \$6,500,000                                 |
| Anbar                   | \$21,200,000                | \$4,500,000                                 |

|                       |                      |                     |
|-----------------------|----------------------|---------------------|
| Babil                 | \$7,800,000          | \$4,500,000         |
| Maysan                | \$7,800,000          | \$4,500,000         |
| Muthana               | \$7,800,000          | \$4,500,000         |
| Najaf                 | \$7,800,000          | \$4,500,000         |
| Karbala               | \$7,800,000          | \$4,500,000         |
| Wassit                | \$7,800,000          | \$4,500,000         |
| Diwaniyah (Qadisiyah) | \$7,800,000          | \$4,500,000         |
| Basrah                | \$12,200,000         | \$5,500,000         |
| Dhi Qar               | \$7,800,000          | \$4,500,000         |
| Reserve               | \$15,200,000         | \$0                 |
| <b>Total \$</b>       | <b>\$200,000,000</b> | <b>\$85,000,000</b> |

3. The ITAO Director, in consultation with the Servicing Agency, will determine the regional allocation of these funds. The ITAO Director may re-allocate the provincial budget allocations in section II, paragraph 2 of this second amendment, and may re-allocate the provincial budget allocations of the funds obligated in the IAA and the first amendment to the IAA. Upon written direction of the ITAO Director, the Servicing Agency shall implement the activities in the IAA and the additional programs in the first and second amendments to the IAA in accordance with any such revised allocations.

4 Paragraphs 7 through 11 of Section III of the IAA shall continue to apply to the funding obligated by this amendment to the IAA.

5. The Servicing Agency reasonably estimates, at the time of signature of this amendment, that the costs of its actual fees for activities related to furnishing the goods and services under this amendment will be \$27.8 million.

### **III. AUTHORITIES AND RESTRICTIONS**

#### **A. Authorities**

This amendment to the IAA is undertaken pursuant to the authority of Part II, Chapter 4 of the Foreign Assistance Act, as amended (FAA), and funding as provided in Title I, Chapter 6 of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (P.L. 110-28), which provides Economic Support Funds for Iraq, Section 632(b) of the FAA, 22 U.S.C. 2392, and 10 U.S.C. 3036(d)(2).

#### **B. Restrictions and Responsibilities**

Section IV.B. of the IAA shall continue to apply to the funding obligated by this amendment to the IAA.

### **IV. OBLIGATION OF FUNDS AND REIMBURSEMENT PROCEDURES**

Two hundred eighty-five million dollars (\$285,000,000) is herein obligated by this amendment for the purpose of carrying out the Statement of Work in Section II above. The Servicing Agency will draw down these amounts via quarterly billings to the Department of State. This amount (\$285,000,000) is intended to cover all costs incurred by the Servicing Agency discharging its obligations under this amendment.

These funds will be provided by the Department of State to the Servicing Agency via an IPAC payment to the USACE ALC number account cited below.

NEA fiscal data is:

Fund: 19 72 7/8 10371F

Allotment: 1014

Obligation: 802509

Organization Code: 141600

Function Code: 6130

Object Class: 2589

USACE funding and account information is:

ALC: 00008735

DOC Account: 21 8 2020

BPN Number: DODW915WE

#### **V. EFFECTIVE DATE AND TERM OF THE AMENDMENT**

This amendment becomes effective upon the date of signature of both Parties. This agreement will remain in effect until September 30, 2011 unless previously terminated pursuant to Section VII of the IAA. Subject to the availability of funds, this amendment may be extended at the discretion of both Parties. If these funds are not fully expended by June 30, 2011, they shall be returned to the Department of State.

#### **VI. CONTINUITY OF PROVISIONS**

Sections VII (Termination), VIII (Liability), IX (Reporting Requirements), X (Modifications), and XI (Resolving Disagreements) and XII (Responsible Officials) of the IAA shall apply to all work ordered pursuant to this amendment.

