

Southwest Asia Teleconference, 9/3/2003

Agenda:

Sales catalog for tank track and M-series vehicles

The draft catalog for the subject items is complete. Mr. Plath indicated they still needed some specific information about the hours of operation, locations of the property, POCs with phone numbers, scale location as well as some other data. He provided a list of needed information to CDR McGrath Wednesday afternoon. CDR McGrath is in the process of providing all the needed information.

The completed catalog will accompany a detailed task order to be given to contracting to engage the auctioneering contract. The contract administration will be performed from DRMO K-town, however we still need to have the contractor translate and distribute the catalog. Additionally, since this is a new type of sale for that AOR and the fact that the commodities are limited to scrap, the task order will reflect a need for the contractor to provide interpretation to each of the buyers to ensure they understand the process of demilling/mutilating the property properly and we will limit the number of buyer participation. A list of potential buyers that had been identified during market research done by DRMS-P was provided to the CEZ ZM.

A catalog for the demil/sale of brass is also being developed by the CEZ. The task order will reflect a request for contractor support for both catalogs. Due to the variation in the types of commodities (steel vs. brass) there was a decision that the task order would reflect two separate actions.

Proceeds distribution from Kuwait sales

While there was agreement that DRMSI is authorized to recoup our costs for providing support for the sale of the property located in Kuwait from the proceeds, there was concern that the process has never been formally documented.

Since the sale of property in Kuwait was already underway, it was decided that we would deposit the proceeds into a suspense account so further distribution of the funds could happen at a later date. A subsequent conversation revealed that the account set up at the bank of Kuwait by DFAS was in fact a DWCF account, therefore the proceeds check will be fedexed to DRMO Kastel for deposit in a suspense account.

The conversation on proceeds distribution identified the greater issue of the decision process that determines whether the items warrant reimbursement to the Kuwaiti government and whether DRMS should be handling the disposition of the assets or if in fact that responsibility lies with the Army or the Kuwait Govt. Mr. Plath shared the experience of a similar situation in Berlin, wherein it was the responsibility of another agency to process the property. Given that there will be a U.S. presence at this location for an extended period of time and that we would be asked to provide additional sales support, there is a definite need for research and an analysis of the situation.

Action: Develop a document that describes the past and present process, as well as a recommendation on how DRMS should operate in the future.

This action was given to Mr. Bryan Russell during the subsequent SWA update meeting with Mr. Trent.

Movement into Iraq

CDR McGrath has indicated that the request for DRMS presence forward into Iraq continues to be presented to him. DRMS' current posture is that since no authority exists that allows for disposal (to

include sale) of excess property, that there is no need to go forward. Information was provided to CDR McGrath to use during his discussion with customers in theater.

Follow on discussions revealed that the political climate has changed and the belief that we may get approval to dispose in country may be provided in the near future. Therefore, an action plan needs to be developed that outlines what actions have been taken, what ones are underway (i.e., CENTCOM approval), and what the plan is to provide support to Iraq once the authority is granted. The plan should also identify the roles of each of the affected DRMSI entities (CEZ, DRMSI-HQ, DRMSI-FST, DRT personnel, DRMS-P)

Action: Develop an action plan that outlines DRMS' plan to provide disposal support in Iraq upon receipt of approvals.

Action given to Mr. Bryan Russell.

Proposed agenda items for 10 Sept telecon:

Identify suspense dates for receipt of Iraq action plan and proceeds plan.
Process for receiving future generations of property in CSA yard.