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**TRANSCRIPT OF COMMUNITY MEETING MARCH 14, 1995 - THE  
PLANTATION**

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U.S. DEPARTMENT OF ENERGY

COMMUNITY MEETING

March 14, 1995

THE PLANTATIONS

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1 MR. STEGNER: Good evening,  
2 welcome. My name is Gary Stegner. I work in  
3 Public Affairs for the Department of Energy at  
4 Fernald. This evening will be largely devoted to a  
5 discussion on the Fernald budget and future cleanup  
6 priorities.

7 Let me say at the start, kind of a  
8 word of caution, don't read anything into this  
9 session. We are committed to the cleanup of  
10 Fernald, we are here for the duration. Don't  
11 interpret this as any type of a hedge, that we're  
12 not going to be meeting cleanup milestones. We are  
13 meeting our milestones, have met our milestones,  
14 and we will continue to do so.

15 So you ask why this drill maybe, and  
16 I think that the reasons maybe are threefold. I  
17 think right off the bat it's very important for us  
18 to periodically scope our stakeholders on their  
19 read on the cleanup, what they think ought to be  
20 happening. So that is the first reason.

21 Secondly, our headquarters,  
22 rightfully so, is concerned about budget reductions  
23 and concerns, they want to get our stakeholders'  
24 input on priorities and they want to make sure that

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1 the word is getting out to our stakeholders on the  
2 budget situation. And probably equally as  
3 important to those of us at Fernald, the Fernald  
4 Citizens Task Force is taking up the discussion on  
5 cleanup priorities. They began that at their last  
6 meeting last Saturday, and they will continue that  
7 at their next meeting, which is April -- John?

8 MR. APPLEGATE: No, March 28th. We  
9 are having a special in-the-middle meeting.

10 MR. STEGNER: March 28th, that's  
11 right. Is that at Meadowbrook; is that right?

12 THE WITNESS: No, Venice, Ross Fire  
13 House.

14 MR. STEGNER: Ross Fire House.  
15 Anyway, that will be on the 28th of March. And,  
16 fortunately for us, John Applegate is here and he  
17 will be co-facilitating one of the break-out  
18 sessions that we're going to be having.

19 I mentioned the budget situation, and  
20 over the next few minutes you're going to be  
21 getting the picture, and that picture is not  
22 particularly rosy for the Department of Energy. I  
23 think a lot of you have seen the accounts in the  
24 press about budget reductions of the Department of

1 Energy, the possible demise of the Department of  
2 Energy. It seems like we're on almost every  
3 politician's hit list right now. I saw where I  
4 believe it was Congressman Walker floated a  
5 proposal, which probably is a very legitimate  
6 proposal, to merge the Departments of Energy and  
7 Commerce. He's also going to throw in EPA,  
8 National Oceanic and Atmospheric Administration,  
9 and a couple of others into the Department of  
10 Science. That was a story that appeared in both  
11 the Washington Post and Wall Street Journals this  
12 week. It is probably something that is very  
13 legitimate because he has a very influential  
14 committee assignment, being sort of the lord over  
15 science and technology on the House side and  
16 someone who is very close to the Speaker.

17                   Anyway, I'm kind of digressing here a  
18 little bit. But the next two speakers will walk  
19 you through the budget and give you our look at  
20 priorities, and following that we'll kind of break  
21 from our normal format and we're going to have Jim  
22 Saric and Tom Schneider sort of talk about, rebut,  
23 if you will, some of the things that the DOE has  
24 said earlier.

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1                   Again, I want to reiterate that  
2 please do not view this as any kind of forewarning  
3 we're about to hedge on any milestones because, as  
4 I said, we are meeting our milestones and we will  
5 continue to do so. Our role, I think, as the  
6 Department of Energy as civil servants is to  
7 execute public policy, period, and that being the  
8 will of Congress, and that is the will of Congress  
9 that the Fernald site be cleaned up, remediated.  
10 Until Congress tells us differently, we will  
11 continue to do that, and we have nothing in the  
12 wind that Congress is going to tell us differently,  
13 by the way.

14                   But with diminishing resources still,  
15 I think this is a very worthwhile exercise we're  
16 going to go through tonight. And the drill will be  
17 is after the presentations, we will break out into  
18 our discussion groups, and rather than talking  
19 about different things this time, we're going to  
20 talk about the same subject, which will be budget  
21 and cleanup priorities and pretty much carte  
22 blanche your comments on this. Don't feel  
23 constrained by anything. Don't talk necessarily in  
24 terms of operable units, although you can, of

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1 course. Feel free to split out operable units,  
2 talk in very general terms or very specific terms.  
3 We will be taking notes and reporting back the  
4 results of the break-out sessions prior to resuming  
5 the meeting.

6 Let me now get into a little  
7 discussion on tonight's agenda. You recognize  
8 this. We just had the welcome/introductory  
9 remarks, I just did that. Okay. Pete Greenwalt,  
10 Budget Director from the Ohio Field Office, was  
11 kind enough to come down tonight, and he is going  
12 to give us a presentation, kind of walk us through  
13 the budget process in very general terms and  
14 funding, and that's going to lead up to a more  
15 Fernald specific presentation by Johnny Reising on  
16 the budget and priorities.

17 Then Jim Saric and Tom Schneider will  
18 speak, and then following that we'll go into the  
19 break-out sessions. Again, we're going to be  
20 talking about the same subject, same topic in  
21 both. That will last about 40 minutes, and after  
22 that we will get together and we will be taking  
23 notes during these sessions and we'll report back  
24 the results of each of the break-out sessions.

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1 Following that we will have the agency comments as  
2 well as comments by Fernald Citizens Task Force and  
3 FRESH.

4 What's next, Jeannie?

5 I believe you guys have one of these  
6 in your packages, right, upcoming public  
7 participation. I think the next big meeting we  
8 have will be next Tuesday in Ross. That's at Ross  
9 High School, Don, Tom?

10 UNIDENTIFIED SPEAKER: Yes.

11 MR. STEGNER: At the Ross High  
12 School, 7:00. We're going to talk about the  
13 storage cell. Folks in Ross want to discuss that  
14 there. We have gladly agreed to do so. Again, the  
15 meeting on the 28th with the Citizens Task Force  
16 talking about priorities. That will also be in  
17 Ross. Also the OU-5 is having a meeting I believe  
18 that same night, correct? Yeah, 5:00, the Citizens  
19 Task Force meeting, and when you guys get done with  
20 that, you can motor on over to Crosby Elementary  
21 and make a night of it with Fernald.

22 Are these in the packages too,  
23 Jeannie? Yes. You have these, and let me kind of  
24 briefly hit the highlights of some of the

1 activities at Fernald. Let me start with the  
2 lowlight here of activities at Fernald.

3                   The UNH project. I believe when we  
4 last met, you were hearing of problems we were  
5 having with UNH on your radios. We have not, up  
6 until I will say a few weeks ago, we have been  
7 having problems with UNH still. We have the right  
8 resources devoted to it now, we have the right  
9 people on the project, we have made significant  
10 progress, and I think we can look forward to an  
11 announcement very soon that we're going to be  
12 starting up the UNH project well ahead of the  
13 schedule, the July date that we had projected. So  
14 we'll be in touch with you folks on that.

15                   OU-1 had Dave Lojec and Bob Zelman  
16 back there. I think they deserve congratulations  
17 on the approval and signing of the Record of  
18 Decision by US EPA. So that is the most recent  
19 success with operable units at Fernald.

20                   I'm not going to read this stuff to  
21 you, you can see it, it's in front of you. One  
22 thing that is not on there that bears mentioning I  
23 think, work force restructuring is -- the at risk  
24 letters have been issued. The process is

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1 underway. People are volunteering for the  
2 voluntary reduction in force package. I guess the  
3 window closes April 2nd or 3rd, and sometime  
4 following that date we will have a pretty good idea  
5 on where we stand in terms of who will be separated  
6 at Fernald.

7                   Again, following the comments at the  
8 end of the meeting, there will be an open  
9 microphone for anybody who wants to speak on any of  
10 these subjects or none of those subjects, any topic  
11 you want to bring up.

12                   I believe with that, to move things  
13 along, I will turn the microphone over to Pete  
14 Greenwalt, who will give you a presentation on the  
15 budget process and funding. Pete.

16                   MR. GREENWALT: Thank you, Gary.  
17 I'm Pete Greenwalt, and I am going to be talking  
18 tonight to the package that you have in front of  
19 you. The top page looks very ugly, probably a lot  
20 of you don't even want to look at it, but it's  
21 basically a schematic of the federal budget  
22 process. And budgets are difficult to deal with  
23 because you've got to deal so far into the future.  
24 Right now we are working towards putting together

1 the '97 budget, and if you'll look at the FY-97  
2 time line at the bottom of that first page, you'll  
3 go up to March and you'll see that we are just  
4 about to the point where our budgets are due out of  
5 the field, our contractors have already looked at  
6 the scope of work that they hope to achieve, they  
7 tried to factor in all of the '95 and '96 budget  
8 perturbations that you've been hearing so much  
9 about so they can articulate a good fiscal year '97  
10 plan, and then they will send it in to us and we in  
11 turn will send it into Washington.

12           The problem with that is that we are  
13 still two plus years away from executing that  
14 budget. But what this chart is is really for a  
15 reference document for you folks because it tells  
16 some of the key activities that we will be having  
17 at any point in the calendar year, and DOE is  
18 trying to solicit as much stakeholder input as they  
19 possibly can, and as we walk through this, I'll  
20 talk to you about when some of the more important  
21 times to get your input known is. And the most  
22 important time is right now, which is one reason  
23 why we're having this meeting talking about the '97  
24 prioritization, and because once the field sends

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1 the budget to headquarters, there's opportunities  
2 to get stakeholder input at that point. However,  
3 it will have to be done at the Washington level  
4 because through the summer DOE headquarters takes  
5 the field inputs, goes through different budget  
6 summits and planning sessions and comes up with the  
7 DOE budget which is due to the Office of Management  
8 and Budget, OMB, on the 1st of September. So  
9 you'll see that date here in the, on the time  
10 line.

11                   Once that budget goes to OMB, they  
12 spend about two months looking at it trying to  
13 evaluate what's in it, see how that is consistent  
14 with the administration's policy, and then they'll  
15 pass back to the agencies a number that OMB wants  
16 that agency to write its budget to. So if you go  
17 up to the '96 line, you'll see that OMB review of  
18 the budget occurs in October/November, the passback  
19 occurs in late November, and that they usually give  
20 you about a day and a half to appeal the number if  
21 you don't like it. Obviously they don't want an  
22 appeal. Then OMB puts together what they call the  
23 President's budget, which is what the President  
24 sends to Congress, usually concurrent with the

1 State of the Union message in January or February.

2           So that's basically where we are  
3 right now. We have gone through that process. The  
4 '96 budget is sitting before Congress right now.  
5 You saw probably the press briefings on what was in  
6 that budget for DOE as well as Fernald. That  
7 information came out in early February. And what  
8 Congress does is it puts together a series of  
9 Congressional testimonies and the technical experts  
10 from Washington go to Capital Hill in front of the  
11 different committees and subcommittees and answers  
12 whatever questions Congress chooses to ask them and  
13 hopes that Congress then will put together and pass  
14 an appropriation bill. And all of the money that  
15 Fernald gets is in what they call the Energy and  
16 Water Appropriation Bill, and that has certain  
17 committees and subcommittees to go through, but all  
18 of our money here is in one appropriation bill.

19           And if the system is working  
20 correctly, by the time October 1 gets here, which  
21 is the beginning of the new fiscal year, you have  
22 an appropriation bill that's been through the  
23 House, the Senate, and signed by the President. So  
24 you've got new money to start your new year. So if

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1 you go to '95, you'll see that we're about half way  
2 through executing fiscal year '95, which is one of  
3 the years that is uncertain as we speak.

4           The second slide I'm not going to  
5 spend a whole lot of time on, I just wanted to put  
6 that in to show you that when Secretary O'Leary  
7 came in, she instituted a new process by which  
8 headquarters puts together all of the different  
9 programs within DOE's budget. The biggest messages  
10 here are, is that Secretary O'Leary likes to do  
11 more planning, so she has spent a lot more time  
12 putting a DOE plan together because her view is  
13 that the budget follows the plan, and before she  
14 got here, planning was done simultaneously with  
15 budgeting and sometimes that means that you weren't  
16 putting your best budget together. Another message  
17 in the way Ms. O'Leary is doing business is that  
18 she is involving OMB, which is one of the key  
19 departments that any federal agency deals with.  
20 She's involving OMB earlier in the process in the  
21 hopes of getting feedback from them earlier in the  
22 game so that they can put together a budget that is  
23 consistent with OMB's desires.

24           Having gone through that process,

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1 what happened in the fiscal year '96 budget cycle  
2 defied all logic and did not follow the normal  
3 process. The third slide shows that in April of  
4 '94 the field did in fact put together a '96  
5 budget and sent it to Washington. Ms. O'Leary and  
6 her strategic planning had her series of summits in  
7 May through July, and in September of 1994 we did  
8 as DOE send a budget to OMB.

9 In November of '94 a couple of things  
10 happened, one was the midterm elections. We all  
11 know what happened there at the midterm elections,  
12 and also that is a typo there, that is not OMB  
13 pushback, although some people thought it might  
14 have been, that's OMB passback, but they did push a  
15 little bit too.

16 But what happened after that, in the  
17 OMB passback, the numbers that DOE received were  
18 not that bad. Okay. There were a few cuts, as OMB  
19 always does, they never accept a budget as  
20 submitted, but it was not -- the numbers that were  
21 passed back were not that brutal. About the early  
22 to mid December, that's when we started getting  
23 indications that as a reaction to what happened in  
24 the midyear or midterm elections, the

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1 administration was going to propose some things  
2 that were rather radical, from a budget perspective  
3 they were radical. What the agency was proposing  
4 to Congress was that DOE would live with  
5 approximately \$10.6 billion less than what was in  
6 the out year targets, and of that 10.6, \$4.4  
7 billion of that five-year savings would be borne by  
8 environmental management programs.

9                   Okay, for us, the Ohio Field Office,  
10 which is 100 percent funded by environmental  
11 programs, that was rather catastrophic news because  
12 we knew we had to do some radical things at that  
13 point. So from the time early to mid December to  
14 about late January, we did in that compressed month  
15 and a half what ordinarily would take about nine  
16 months to do. So we had to basically build a new  
17 budget in about a six-week time frame and then get  
18 it over to Congress, which is what we did in  
19 February. We did get to it Congress and you all  
20 have heard a lot of the things that have come out  
21 of that budget.

22                   What, kind of an out year depiction  
23 of what the DOE budgets or what the environmental  
24 management budgets are in the next slide. I've got

1 this erroneously titled "Total DOE," that's a  
2 misnomer, that should be Total Environmental  
3 Management, but in '95 appropriations you can see  
4 that all of the environmental management programs  
5 were at better than a \$7 billion level, \$7.126  
6 billion, and you can see that through these  
7 decreases in the out years that that level will  
8 fall to about five and a half billion dollars in  
9 fiscal year 2000. That's a rather radical cut,  
10 that's about a 22 percent decrease over that time  
11 frame.

12 I've also got some footnotes  
13 associated with this, that 7.126 billion in '95 is  
14 prior to any recisions, and a recision is the  
15 official way that Congress can change its mind. In  
16 other words, it's appropriated dollars, it wants  
17 some of those dollars that they have already  
18 appropriated back. So that's what we're going  
19 through now. The current Congress is in a recision  
20 mood. We already know of one \$100 million recision  
21 to be borne by environmental management that is in  
22 process. It's cleared the House of Representatives  
23 and it is being acted on by the Senate. I think  
24 Fernald will be impacted relatively lightly by that

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1 recision. I think that we've been able to parry  
2 most of the decreases away from Fernald.

3           There's also another \$46 million  
4 recision that's in the House that's not been voted  
5 out of the House yet. That is for nondefense  
6 programs. Fernald is 100 percent funded by defense  
7 programs, environmental management, so that will  
8 not touch Fernald either.

9           We're starting to hear about another  
10 \$28 million recision, don't know too much about  
11 it. It's not been reported out. It will be in  
12 defense programs, so it's got the opportunity of  
13 impacting Fernald, but at this point we don't  
14 know. So the numbers we're going to talk about  
15 tonight do not include any of these recisions.

16           The '96, my footnotes says prior to  
17 Congressional action. I think what DOE has gone to  
18 Congress with is the best that DOE can expect. We  
19 don't expect Congress to add money to our budget,  
20 and the mood that the Congress is in right now,  
21 they will probably try to cut. Where they are  
22 going to cut, how deep they're going to cut, of  
23 course, is a total unknown. It's just that their  
24 Contract With America is to cut the budget, so we

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1 suspect that will happen.

2           And then I've got footnote 3 on  
3 fiscal year '97 through the year 2000 numbers  
4 because those are merely targets at this point.  
5 Targets can be changed, but the bottom line targets  
6 for agencies tend to be stable over time. So if  
7 Fernald were to get some increased targets, it  
8 would be at the expense of one of the other DOE  
9 sites. So it will be a zero sum gain. We don't  
10 expect OMB to come up with anymore money in those  
11 target years either.

12           My next slide on there basically  
13 shows the same schedule with the same caveats as  
14 the total EM but this is just for the Ohio Field  
15 Office. It doesn't mean much to you folks because  
16 all you're really interested in is what does that  
17 do to Fernald. What these numbers here include are  
18 not only Fernald but also the Miamisburg Mound site  
19 up in Miamisburg as well as the WestValley, New  
20 York site. That was our total office impact.  
21 Again, you could see that our long-range projection  
22 is not very rosy.

23           And then the next slide I'd like to  
24 talk about really is the last slide in your

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1 package, I got those two mixed up when we put them  
2 together. Basically what this is is a '93 through  
3 the year 2000 budget bar chart that basically shows  
4 you how we're downsizing the budget. We put '93,  
5 '94, and '95 on there kind of as a frame of  
6 reference because just looking at '96 through the  
7 year 2000 doesn't really tell you much about where  
8 we're going, but it's looking at where we've been  
9 is a better indicator that we are being pared back  
10 rather significantly.

11 And then the last chart is the chart  
12 that's labeled all dollars in millions, and that is  
13 kind of a mini snapshot of '96, '97 and '98. The  
14 first row there shows the adjusted budget  
15 authority. That is the budget authority that is  
16 available to the Fernald project. Then we go  
17 through and we deduct a few of the non-FERMCO sort  
18 of costs that we know about and try to arrive at a  
19 bottom line target budget, which basically are the  
20 dollars available to do environmental cleanup work  
21 at the site.

22 And that I think is where Johnny  
23 Reising is going to pick it up and talk about what  
24 specific pieces of work will these numbers

1 support. Johnny.

2 MS. DUNN: I have a question real  
3 quick on the total EM budget. Do they have any  
4 idea how many more sites are going to be coming  
5 into EM, I mean like how many sites are in  
6 transition EM, how many more sites are going to be  
7 transitioning in this period on?

8 MR. GREENWALT: They've got a much  
9 better handle on it this year than they did say one  
10 or two years ago. Most of the defense excess sites  
11 have been identified and their transition to EM has  
12 been factored into this, so these budgets will not  
13 be asked to support a surprise site that's coming  
14 to EM. That's been pretty well factored and  
15 integrated into the planning process.

16 MS. DUNN: So it's still more sites  
17 on less money.

18 MR. GREENWALT: More sites on less  
19 money -- yes.

20 MS. DUNN: More responsibility but  
21 less funds.

22 MR. GREENWALT: Yes, you're right.

23 MS. DUNN: On your one slide, what's  
24 EW 20?

1 MR. GREENWALT: That's budget lingo,  
2 that's environmental restoration. That is what  
3 funds Fernald.

4 MS. DUNN: I know what EM 30, 40 --

5 MR. GREENWALT: EM 40 equals EW 20.  
6 You figure it out. We're the Ohio Field Office, we  
7 have WestValley, New York.

8 MS. DUNN: Okay.

9 MR. REISING: Thanks, Pete. I  
10 appreciate that. Hopefully Pete has set the stage  
11 for my presentation, basically indicating the money  
12 that we actually have at Fernald in order to do  
13 work.

14 I would like to just state that the  
15 last community meeting was, I think it was October  
16 18th, and during my presentation, which was  
17 basically to give the RI/FS update, I tried to give  
18 a very upbeat discussion primarily talking about  
19 the transition stage that we were going through  
20 from the RI/FS into the Records of Decisions, and  
21 then to actual RD and RA and then gave a brief  
22 discussion about the removal actions and the  
23 progress that we made in relationship to those.

24 We talked about the Plant 7 takedown,

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1 the Plant 1 ore silo takedown, Plant 1 pad upgrade,  
2 fire training facility, demolition, et cetera. It  
3 was a very positive presentation. I would like to  
4 try to keep this as a positive presentation, but I  
5 think based primarily upon what Pete said, that may  
6 be a little difficult to do.

7 As Pete indicated, about the last  
8 part of January we were made aware of basically  
9 what the bottom line was going to be as far as our  
10 budget numbers at Fernald and what we actually had  
11 to work with.

12 These are a little different than the  
13 way I have them in your package. At the last  
14 minute I decided to change my presentation. I  
15 guess I have the ability to do that.

16 Once we received our numbers, we had  
17 been working with Pete in the Ohio Field Office to  
18 try to get a gauge on the amount of money that  
19 we're going to have to work with. One of the first  
20 things that we did is we met with the US and Ohio  
21 EPA when we had a good idea what that bottom line  
22 was going to be, and I think we actually met up in  
23 Miamisburg. We made a presentation to them, very  
24 similar, basically the same presentation that I'm

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1 going to give you tonight, hopefully a little  
2 quicker than what I gave to the agencies or what  
3 Jack gave to the agencies, to talk about how we're  
4 going to attempt to employ that funding at the  
5 site. We ran through the budget scenarios, talked  
6 about the amount of money that we had, and  
7 basically where we thought we were going in  
8 relationship to that.

9           Once we had an opportunity to digest  
10 those budget numbers ourself in conjunction with  
11 FERMCO, we basically met again, and I believe it  
12 was here, it was February 21st, with the EPA's to  
13 discuss in addition to the budget itself the actual  
14 what we consider to be a compliance scenario, and  
15 as Gary has attempted to caveat, we are making  
16 every attempt to be in compliance with our Consent  
17 Decree and Consent Amendment. We do have  
18 milestones that are legally binding, and we are  
19 making every attempt to be in compliance with  
20 that.

21           The scenario that I'm going to be  
22 giving you tonight is basically a first cut. It is  
23 based upon DOE priorities. It's also based upon  
24 DOE's compliance scenario as far as how to utilize

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1 this money to do work based upon our '96 figure and  
2 then the projected '97 figure.

3                   Also, in addition, as far as  
4 stakeholder interaction, the Citizens Task Force,  
5 as Gary indicated, met this Saturday. They  
6 discussed a number of things, but a couple of the  
7 items that were on the agenda had to do with budget  
8 and then also priorities. It is my understanding,  
9 I had to leave early, but they went through a  
10 prioritization exercise assigning certain  
11 priorities, and they are going to continue that  
12 discussion I believe on March 28th, I think John  
13 had indicated.

14                   The presentation that we made to the  
15 EPA's, as I indicated, is DOE, it's a first cut,  
16 and these are basically the way that the numbers  
17 pan out. The key things to look at here is what  
18 we've done is we have broken down the work at the  
19 site into discrete units. In budget lingo they're  
20 called ADS's but for us they're simply discrete  
21 units or activities or work that we need to comply  
22 with. And again, they're fairly self-explanatory.  
23 I do have some slides to talk about what program  
24 management is and also what landlord is, and I will

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1 speak to those briefly. But the main things we're  
2 looking at as far as waste management and then the  
3 various operable units, and you can go through '95  
4 '96, and '97 and see the way that we've tried to  
5 carve out the money as to accomplish various  
6 activities during this time frame. Pete was able  
7 to basically get us to the bottom line, which is,  
8 if you look at the totals, the totals for '95, '96,  
9 and '97 reflects the last slide that basically Pete  
10 had on the board.

11 What I'm going to do is attempt to  
12 walk you through for each of the operable units and  
13 primarily waste management the priorities that we  
14 used to develop the scenario as to our proposal of  
15 the first cut for compliance.

16 If you looked at those numbers, you  
17 saw that there was some large amount of percentage  
18 of the dollars were put into project management and  
19 landlord, and I always get the question at these  
20 presentations as to what constitutes project  
21 management and what constitutes landlord. So this  
22 is a quick rundown of some of the major activities  
23 that are within that ADS. We could take it upon  
24 ourselves to break it out into more discrete ADS's,

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1 to have multiple ADS's so it wouldn't appear that  
2 the amount of money that was put into project  
3 management was so large. However, as far as our  
4 funding scenarios, this is the way that we chose to  
5 do it.

6 This is just a slide, you can read it  
7 yourself, I don't need to do that. Basically gives  
8 you an idea of the type of activities that are  
9 included in project management.

10 The next slide, basically intended to  
11 do the same for landlord activities. I think we  
12 have about 60 or 56 million dollars slated at least  
13 under the current scenario for the landlord  
14 activities. Again, this is a very large area, also  
15 referred to as our hotel load or our site  
16 services. It's basically the cost of keeping the  
17 place up and primarily of doing business. As you  
18 can see, a number of various activities fall under  
19 the landlord activities.

20 With the next slide what I've  
21 attempted to do is to break it up into more  
22 discrete units to see exactly what, to show you  
23 exactly where the money is going. Cleanup, as far  
24 as the first column across is concerned, would

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1 primarily be waste management in all of the  
2 Operable Units, 1 through 5. That's the actual  
3 remediation RI/FS activities that we may have to  
4 complete and various removal actions.

5           The next two columns, if you take  
6 environmental safety and health and site  
7 operations, those two collectively could be looked  
8 at as landlord. So this is just a further  
9 delineation or further breakdown of the landlord  
10 activities. And then the last one primarily is  
11 project management. The intent of this slide is to  
12 break it down into percentages of the total amount  
13 of funding that we have available during any,  
14 during the fiscal years from '95 through '97 and  
15 eventually into the out years to show you the  
16 various percentages that are being put into these  
17 various categories, and what we're attempting to  
18 do, and I'll speak to this briefly as we go through  
19 the scenarios for the waste management in the  
20 various operable units, is to try to put more of  
21 that funding into the actual cleanup itself. That  
22 is something that we must strive to do, and we've  
23 attempted to do that and the percentages from the  
24 changes from '96 to '97 somewhat reflect that, and

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1 it's our charge to attempt to put as much money  
2 into cleanup as we possibly can.

3 Environmental safety and health is  
4 fairly constant, as you would probably figure that  
5 it would be. It tends to be, in this case running  
6 approximately 9 percent.

7 Site operations, as far as site  
8 operations is concerned, this is an area, primarily  
9 our landlord costs that we are attempting to  
10 decrease, and we have a number of initiatives.  
11 I'll talk about a couple of them briefly to try to  
12 get that hotel cost, to get that cost of site  
13 operations and landlord costs reduced so that we  
14 can then again devote more money towards the actual  
15 cleanup itself.

16 Project management, the same thing,  
17 as we get further down the line we need to be  
18 smarter, work better, and to try to put less money  
19 into the project management and much more money  
20 into the cleanup, and that's basically the intent  
21 of where we're going with the budget.

22 Prior to going through the scenarios  
23 for waste management in the operable units, just  
24 wanted to share with you an exercise that we did

1 internally within DOE as to, these are basically  
2 the DOE priorities that we used to come up with our  
3 compliance scenarios. These are, probably could be  
4 looked at as somewhat in a relative order of  
5 importance. You can read them as well as I can,  
6 but just a couple comments about them.

7           Public and workers' safety and health  
8 initiatives, both on-site and off-site, the primary  
9 priority as far as we're concerned. And as Gary  
10 stated, Consent Agreement, Consent Decree,  
11 compliance with those, we need to be in compliance  
12 with those agreements.

13           Operable Unit 4, vitrification pilot  
14 plant, the K-65, we have a signed Record of  
15 Decision and making every attempt to stay into  
16 compliance and to meet the commitment of that  
17 Record of Decision.

18           Thorium overpacking, we have  
19 approximately 5,000 drums of thorium that we need  
20 to overpack and get off site. We're going to fund  
21 that in order to push that forward.

22           Overall waste disposition, we can  
23 reduce that hotel load, we can save money by moving  
24 forward with waste disposition, that is legacy

1 waste as well as potentially newly generated  
2 waste.

3 Federal Facilities Compliance Act as  
4 it pertains to the mixed waste, we've got about  
5 11,000 DE's of that material on-site. As a result  
6 of our site treatment plan, a commitment to dispose  
7 of and basically to treat the mixed wastes that are  
8 on-site.

9 Safe shutdown activities, a very  
10 important activity. We can get a lot of bang from  
11 our buck as far as safe shutdown is concerned.  
12 Safe shutdown is taking out the holdup material out  
13 of the process lines and the plants, et cetera,  
14 that were shut down.

15 On-site disposal facility and  
16 planning, we need to initiate the engineering and  
17 preparation of the construction of that if in fact  
18 the Record of Decision calls for that to take  
19 place. We're able to potentially save dollars and  
20 money by having on-site disposal. We can also  
21 indicate a good faith effort towards the western  
22 states as far as the balanced approach to taking  
23 waste off-site as opposed to also leaving waste  
24 on-site. So these are some of the priors we used

1 in looking and developing our scenarios.

2 It goes without saying that anytime  
3 you have your budgets cut, we had various  
4 challenges that we had to address, and I'm not  
5 going to go through these in any great detail, but  
6 the bottom line here is we need to reduce the cost  
7 and we need to save money.

8 Productivity improvements is a big  
9 push at headquarters. We at Fernald are working  
10 very, very, very hard in order to address that. We  
11 have conducted numerous activities internally to  
12 try to meet those goals. I think we have a goal of  
13 about 20 percent or so that we need to meet.

14 We need to reduce the overhead in  
15 direct dollars. Landlord reduction, if we can get  
16 out the holdup material, abandon the buildings, cut  
17 off the utilities, button them up until we are  
18 ready to take them down, we can save a lot of  
19 money, and we're in the process of evaluating the  
20 waste dispositioning as it pertains to landlord  
21 costs and shutting the buildings down as to how we  
22 can get the most bang for our buck.

23 Deleting unnecessary requirements. I  
24 think the slide that you have, the slide up here I

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1 think says depleting. No, it's not depleting, it  
2 should have been deleting. It goes to show you can  
3 check your slides and still miss some things.  
4 We're taking a look at various things such as DOE  
5 orders. Do we have information requirements that  
6 are duplicative. If they are, we need to get rid  
7 of them. We need to be smarter, we need to be in  
8 compliance naturally with the DOE orders. One of  
9 the things we're trying to do is to get the nuclear  
10 material off site. If we're able to accomplish  
11 that anytime in the relatively new future, there's  
12 a possibility that some of these orders could be  
13 lessened or go away. We could no longer be a  
14 nuclear facility. But as long as we're a nuclear  
15 facility, the majority of the DOE orders are going  
16 to apply, but where we do have potential  
17 duplication of efforts and requirements we need to  
18 eliminate that and to work smarter.

19                   Replanning for fiscal years '97 and  
20 beyond as far as RD and RA, I think the last public  
21 presentation I made had to do with the remedial  
22 design activities and process as it pertains to the  
23 fact that we do have a signed Record of Decision.  
24 Sixty days after the finalization of a Record of

1 Decision we're required to submit a RD work plan to  
2 the agencies. That RD work plan is basically the  
3 schedule for remediation. It sets out milestones,  
4 dates, schedule for submittal of possibly  
5 additional information and/or schedules. Based  
6 upon these funding cuts that we've had, we've had  
7 to go back to look at the actual scheduling of the  
8 remediation itself.

9 Work force restructuring, it goes  
10 without saying if you have less money, if you're  
11 doing less work, you need to take a look at the  
12 skill mix that you have and that will also mean a  
13 commensurate reduction in the number of people that  
14 you're able to employ. And Gary spoke to that  
15 briefly, and we're in the process of going through  
16 some of those activities.

17 I would like to quickly go through  
18 what I consider to be the major ADS's or areas of  
19 work and run through the scenario as far as where  
20 we're trying to put monies in fiscal year '96 and  
21 '97. On each of these slides I have placed the  
22 proposed amount of funding under the fiscal years  
23 for '96 and '97. With waste management it is our  
24 intention to fully fund a low level waste

1 disposition, and when I say fully fund, that's  
2 based upon the target levels that we had prior to  
3 the budget cuts. We're going to try to keep that  
4 up and running. Again, as I said before, one of  
5 the priorities has to do with thorium overpack.  
6 We're in the process of moving that project  
7 forward. Then again in the thorium material  
8 disposition in general to attempt to get that  
9 material off-site based upon the schedules that we  
10 have developed. And again to reiterate, the  
11 Federal Facilities Compliance Act as it pertains to  
12 mixed waste dispositioning and to move that off in  
13 accordance with our draft site treatment plan.

14 OU-4, the silos, Silos 1 and 2, the  
15 K-65 material, 3's got the cold metal oxides, 4 is  
16 empty. We do have a signed Record of Decision.  
17 Again, it's our intent, as we indicated in the  
18 priorities, to fully fund to implement the Record  
19 of Decision based upon our prior schedules and  
20 prior funding levels. The vitrification pilot  
21 plant, currently under construction, anticipate  
22 that phase one will be complete, we'll be  
23 processing surrogate material approximately in  
24 August of '95. Hope to go hot as far as phase two,

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1 K-65 material, in February of '96. Get into full  
2 scale vitrification probably sometime in September  
3 of '97, and then through the processing of that  
4 material. Again putting a high priority on OU-4  
5 and the K-65 materials processing and disposition  
6 off-site.

7 OU-2, the other waste areas, the  
8 inactive flyash, active flyash, the South Field  
9 lime sludge ponds, the solid waste landfill area.  
10 We do have a draft Record of Decision that has  
11 recently been disapproved by US EPA. We're in the  
12 process of modifying that document.

13 MS. CRAWFORD: Could you tell me why  
14 that was disapproved? That's a big question mark  
15 on our pieces of paper at this table.

16 MR. REISING: Maybe Jim Saric would  
17 like to briefly speak to that.

18 MR. SARIC: The question is why did  
19 we disapprove the OU-2 Record of Decision.  
20 Basically when we got the document there were three  
21 areas that we needed further revisions in as far as  
22 descriptions about the waiver, some of the  
23 information that was supporting the remedy, and  
24 then some of the discussion on the various

1 applicable and relevant and appropriate  
2 requirements, and we felt rather than just  
3 conditionally approve the document and have DOE get  
4 us changes back and review those within the 30-day  
5 time frame and while they also tried to get it  
6 signed in that 30-day time frame, we preferred to  
7 disapprove the document, get the revision back, and  
8 to see all the revisions incorporated in there  
9 properly to have a second look at it, make sure it  
10 was set up properly before we went final with it.

11 Our process of disapproving documents  
12 is pretty consistent. A lot of times for the first  
13 run through a lot of DOE's various RODs. With OU-1  
14 I think we actually approved that one first time  
15 through, but this one being a significant I think  
16 Record of Decision with the idea of citing an  
17 on-site disposal facility, we wanted to make sure  
18 everything was correct first before we went through  
19 and approved it.

20 MS. CRAWFORD: Okay, thank you.

21 MR. REISING: Thanks, Jim. As we  
22 indicated in OU-2, hopefully have a signed Record  
23 of Decision approved within 30 days, however long  
24 it takes the iteration to go forth. The activities

1 that we're going to conduct in OU-2, initiate  
2 remediation of the inactive flyash pile and the  
3 active flyash pile area and specifically the South  
4 Field area. The reason for that is this is an area  
5 of elevated levels of radiological contamination.  
6 It is sitting directly on the aquifer. It is a  
7 source term and we need to move it off of the  
8 aquifer. Also in the OU-2, to fund development of  
9 the on-site disposal facility, primarily the  
10 planning and design and initial construction of  
11 that. We would in fact be using some of the soils  
12 from OU-2, the active flyash area, and the South  
13 Field to actually use as internal components of the  
14 cell itself, that area that would actually be  
15 covered by the cap and so there's no problem with  
16 it being not within the cell. But in order to  
17 build a cell you need dirt, and this would be one  
18 of the places where we would initially be able to  
19 get dirt, and if in fact you have the ability to  
20 use dirt, even though it may be contaminated from  
21 the inner portion of the cell itself, it's going to  
22 be in a safe configuration. It's best to do that  
23 as opposed to go out and to go into borrowed areas  
24 and have to rob Peter to pay Paul, as it may be.

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1 So it's some of the logic that's used there.

2 Other areas would be deferred lime  
3 sludge ponds, for example, in the northern portion  
4 of the site and also the solid waste landfill in  
5 the northern portion of the site would be deferred  
6 until X years out. We would continue and complete  
7 the removal action that we have in the South Field  
8 area. The surface runoff control and hot spot  
9 removals in the South Field where we have some  
10 drainage control and also some sediment that has  
11 accumulated in one of the corners, we would be  
12 taking that out. It has some elevated levels of  
13 radiological contamination.

14 OU-1, the waste pit area, as  
15 indicated previously, we do have a signed Record of  
16 Decision for Operable Unit 1. As opposed to going  
17 full bore, as we had anticipated, OU-1 has a  
18 tremendous amount of up front capital investment as  
19 far as equipment that you would need in order to  
20 come up to a full bore, as it may be, remediation.  
21 And also we had various upgrades as far as railroad  
22 and those types of things that we would have to  
23 conduct. The logic here was to go forward with  
24 Operable Unit 1, that is to start addressing the

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1 waste pit material, but do it in a scaled-down  
2 fashion, and when I say a scaled-down fashion,  
3 we're looking at going primarily at Pit 1 or  
4 individual pits, in this case starting initially  
5 with Pit 6. After Pit 6 we would probably go to  
6 Pit 5, done at a rather reduced rate, and that as  
7 monies came available in the out years and we  
8 finished off such things as OU -- some of the  
9 portions of OU-2 and OU-4, funding would become  
10 more available, and then we would basically go up  
11 and then attempt to more fully fund Operable Unit 1  
12 and continue the movement of that material  
13 off-site. It was felt important to initiate  
14 activities in Operable Unit 1 in order to make sure  
15 that we were able to get materials off-site very  
16 similar to the K-65s and to initiate disposition at  
17 Envirocare so that we could actually move forward  
18 in relationship to those activities.

19                   OU-3, the production area, primarily  
20 man-made facilities and structures on-site. As you  
21 can see, '96, primary we've got about \$15.6 million  
22 and it drops off to about 9.7 in '97. Again, as we  
23 indicated with our priorities, we want to fully  
24 fund the safe shutdown based upon the projections

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1 that we had in prior budgets, and we want to do  
2 that because I think we can get a lot of bang for  
3 our buck in relationship to that.

4 Safe shutdown is probably about a  
5 five or six-year activity. By safely shutting down  
6 these buildings we can reduce the landlord costs,  
7 as we indicated before, by abandoning the buildings  
8 and cutting off the utilities and saving money  
9 there. In '96 we would continue and complete  
10 hopefully the D&D of Plant 4A. Also in through '96  
11 we would complete the RI/FS process for the final  
12 Record of Decision for OU-3 dealing with the final  
13 disposition of the material.

14 Other activities that would be  
15 conducted would be the completion of UNH, the  
16 neutralization and processing of the HF tank car, a  
17 couple other tag-on activities would be the  
18 processing of thorium nitrate during this period  
19 and also some nitric acid that we have in holdup  
20 tanks there.

21 The sad part here is that based upon  
22 the funding scenarios that we have, that after  
23 Plant 4A we would probably not be doing any D&D  
24 physically of the buildings until the out years of

1 2001 or so, here with the idea that the safe  
2 shutdown activities basically constituting the  
3 gross D&D of those activities, putting them in safe  
4 configuration and preparing them for when money  
5 does become available to actually move into the D&D  
6 of those buildings.

7                   OU-5, the environmental media,  
8 primary surface water, groundwater, and soils.  
9 With OU-5 we would have continued operation of the  
10 advanced wastewater treatment plant which went on  
11 line recently in January of '95. By having that  
12 facility up we would continue to treat the South  
13 Plume out of the five extraction wells that we have  
14 in the south of the property and continue to treat  
15 that groundwater. Also we would continue on-site  
16 collection and treatment of the wastewater and  
17 storm water very similar to what we're presently  
18 doing. In addition we would go in and put  
19 extraction wells in the South Field area. As I  
20 indicated, there is a source term, it's some  
21 elevated areas that we have found in the South  
22 Field. We would go in and put up to possibly as  
23 many as nine extraction wells to ring that to  
24 prevent that from migrating off-site and actually

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1 initiate groundwater remediation in that area.  
2 Based upon this scenario, the remediation of the  
3 soils would have to be deferred until some of the  
4 out years.

5                   Basically the bottom line issues,  
6 Pete has already talked about them, mentioned them  
7 briefly, the funding levels. The funding levels  
8 are decreasing. We have a certain amount of money  
9 that we have to put towards remediation at the  
10 site. It's incumbent upon us to try to use that  
11 the best way that we possibly can. The scenario  
12 that I've just gone through is a first cut, as far  
13 as DOE their priorities in an attempt at a  
14 compliance scenario.

15                   As you will probably hear in a few  
16 minutes, when we made these presentations to the  
17 EPA, they were not in full agreement with our  
18 interpretation of what met compliance. And we as  
19 an agency are committed to working with the  
20 stakeholders, to working with the agencies to try  
21 to come up with the best scenario possible as to  
22 best allocate those resources and those funds  
23 towards our remediation. So this is a very, very  
24 large issue.

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1           As Gary alluded to, it doesn't stop  
2 here. That's the reason for this meeting. We're  
3 soliciting input, we need feedback. This is just a  
4 starting point. It may end up this way, it may  
5 not. It depends upon the input that we receive  
6 from the public as to priorities and different  
7 scenarios. Where do we need to put the money,  
8 where do we need to put our activities as far as  
9 remediation is concerned.

10           Pete already mentioned a word that  
11 strikes fear in my heart, recision. As far as '95,  
12 we're in the last half -- of '96, excuse me, '96.  
13 As far as the amount of money that may actually be  
14 lost from our budget, as Pete indicated, we have  
15 gone through and done a number of different  
16 scenarios, but it looks like these may be real, and  
17 we're going to have to take a look and see  
18 potentially what is it that we had planned that  
19 possibly may fall off the plate at this point in  
20 time. So we have some very difficult decisions to  
21 make as far as the utilization of those funds.

22           Compliance. Gary started out  
23 discussing it. Basically my presentation is called  
24 a target budget funding scenario based upon

1 compliance. We'll work with the agencies and the  
2 public to try to meet those goals, and, as I said,  
3 we're committed to working with you to try to come  
4 up with the best scenarios and the best utilization  
5 of these funds that we possibly can. The agencies  
6 have already talked to us about doing such things  
7 as reducing the project management costs, reducing  
8 those landlord costs, and we're attempting to do  
9 that.

10           When we met with the agencies, we had  
11 a good exchange of information and discussion, and  
12 basically we were sent back to take the task of  
13 looking at about eleven or so different scenarios,  
14 a number of what if's, what if you do this, what if  
15 you do that. Give us some additional information.  
16 That information has recently been put together.  
17 DOE now has that and is in the process of trying to  
18 synthesize that, sharing it with the agencies. We  
19 will be meeting with the agencies sometimes in the  
20 relative new future to continue those discussions,  
21 and I am sure that information will be made  
22 available to other stakeholders, the Citizens Task  
23 Force, et cetera, to use in some of their  
24 evaluations and recommendations.

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1                   So, Gary, that's basically it. Thank  
2 you.

3                   MR. STEGNER: Jim Saric, did you  
4 want to have some comments right now?

5                   MR. SARIC: Yes.

6                   MR. STEGNER: Followed by Tom  
7 Schneider.

8                   MR. SARIC: As you may or may not be  
9 aware, these budget issues are pretty concerning,  
10 and I think that they're going to result in some  
11 difficult times I think ahead for a lot of us that  
12 are involved here. I just want to make it clear to  
13 everybody that in seeing a lot of these budget  
14 numbers, we don't know what's going to be final,  
15 what's going to happen.

16                   From EPA's perspective, we're going  
17 to continue, we're going to enforce our agreements  
18 as they stand now, and, you know, we're going to  
19 take any necessary actions that we have to based on  
20 these budget cuts and we're preparing to do that.  
21 We're committed to progress on this site since  
22 we've been involved and we're going to keep pushing  
23 that. Our existing agreement right now allows  
24 citizens to take their own action if they don't

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1 think our existing agreement is being enforced  
2 properly, move from there. So I mean there are  
3 other options that are there.

4 I think that when we look at these  
5 budget numbers, I think the thing that comes clear  
6 to us, the way DOE does budget that we really  
7 expect a revolutionary change in how DOE does  
8 things, not an evolutionary change, not small  
9 percentages, but I think as an agency EPA is asked  
10 to see major changes in project management, in  
11 hotel costs much more significant than those shown  
12 today, and have asked to see those changed. I  
13 think it's going to be those types of changes first  
14 that we're going to expect to see before we're  
15 going to expect budget cuts affecting cleanup  
16 priorities in the various operable units, and those  
17 are some of the things we've asked DOE to supply to  
18 us regarding that information.

19 If you'll look at some of the  
20 diagrams, you'll see that 50 percent at the most of  
21 the budget goes to actual cleanup right now, and I  
22 think that number is definitely too, too low from  
23 what's presented there.

24 As far as priorities, we have not

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1 committed with DOE to reprioritizing anything. We  
2 have not given them our priorities. I think it's  
3 clear that, I think as we said before, we change  
4 priorities. We're looking to see other  
5 revolutionary changes first. Our agreement has  
6 priorities in it right now as it stands, the way  
7 the various operable units were put forward in a  
8 certain area of importance, and that's how they  
9 were laid out with the various Records of Decision  
10 and the ways things were supposed to be carried  
11 out. So we set that forward first.

12                   Secondly, within each Operable Unit  
13 there are very important priorities, and so until  
14 we see other changes, we're not going to recommend  
15 that one Operable Unit be placed in a lower  
16 priority than another.

17                   So I think the bottom line here that  
18 we look at is really DOE needs to show change, and  
19 I think before a lot of you look at priorities and  
20 maybe agree that what priorities need to be taken,  
21 if something needs to be changed, I think we should  
22 all look and see what type of changes can be done  
23 here first and how much they're paying to do  
24 business, how much things can be changed, how

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1 things can be streamlined, and in a radical change,  
2 if necessary, to make sure this site gets cleaned  
3 up.

4           On a different note, regarding the  
5 UNH project that a lot of you have heard, we're  
6 very supportive of any action that Ohio EPA is  
7 involved in. We're going to be supporting them and  
8 observing that and making sure that an adequate  
9 response is being taken while we judge to determine  
10 if there is anything necessary that we may have to  
11 do that's there, so we'll be watching that to make  
12 sure that activity gets done as soon as possible.

13           I'll be here all night if you have  
14 any questions or any concerns, and that's about  
15 it.

16           MR. STEGNER: Thank you, Jim. Tom  
17 Schneider, Ohio EPA.

18           MR. SCHNEIDER: Good evening. We're  
19 glad you all made it out here on such a nice night  
20 in March in Ohio, that's for sure.

21           We concur with what Jim said, the  
22 state is very concerned with the impacts of the new  
23 budget proposals for DOE, not only at Fernald but  
24 also at the other sites around the state. We're

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1 really concerned with how can we live with these  
2 reductions and get more efficiency out of DOE, and  
3 we agree with Jim and US EPA that there needs to be  
4 a fundamental change in the way that DOE does  
5 business, and those hard looks are going to have to  
6 be taken before we're willing to look at changes in  
7 schedules or priorities.

8                   One example of that is, well, DOE  
9 suggestion out of headquarters that we should  
10 renegotiate consent agreement schedules, yet  
11 they're very happy to go ahead and continue  
12 complying with their own bureaucratic orders.  
13 Those orders are simply guidance, whereas the  
14 consent agreements are legally binding documents.  
15 So I guess their order of what should be applicable  
16 to stay on schedule with certainly isn't in  
17 agreement with what we think should be the  
18 priorities for compliance.

19                   Along those same lines, it is hard  
20 for the sites and DOE as a whole to become  
21 efficient when you see such drastic reductions.  
22 When you look at the numbers, it doesn't seem like  
23 that big a change or that big a drop, but we're  
24 certainly going to see very significant impacts to

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1 what we thought the schedule was going to be for  
2 cleanup under this current funding scenarios. And  
3 that results from the fact that all along we've  
4 been studying and now we finally made the point,  
5 we've all come along this long road to get to the  
6 cleanup phase, and that's where the real money  
7 starts needing to be spent. I mean the work costs  
8 money. The study stuff is the cheaper portion of  
9 this ball game, and to get the contamination out,  
10 that's going to cost more money. As we see as we  
11 got to this cleanup stage, we aren't getting more  
12 money, we're getting less money. So that's going  
13 to, that significantly impacts our ability to be  
14 more efficient.

15                   Along the lines of hard to be  
16 efficient when you drastically reduce the budget, I  
17 think headquarters has given the site the perfect  
18 example of that over the past month. With all the  
19 budget scenarios that they pass down on a daily  
20 basis, the site has been wasting, or wasting, I  
21 guess that would be my opinion, spending an  
22 inordinate amount of time and resources on playing  
23 these budget scenario games. Who is out there  
24 figuring out how we can be more efficient when they

1 got requirements coming down from headquarters on a  
2 daily basis and the budget numbers change on that  
3 daily basis at the whim of somebody up there. Not  
4 too many people have the opportunity to think about  
5 how we can clean the site up more efficiently when  
6 we're continually changing the numbers that we're  
7 using to clean the site up with.

8                   Those kind of things are things that  
9 headquarters and Congress I think need to keep in  
10 mind when we're trying to get these sites cleaned  
11 up. I think it's, Fernald is an example of the  
12 ability of stakeholders, regulators, and the DOE to  
13 get together and to make decisions that can move us  
14 forward to actually doing some work, and now that  
15 we're at that point, we're seeing it's getting much  
16 more difficult to move on to get the work done.

17                   I think that's what everybody who has  
18 criticisms of Superfund says, is that all you do is  
19 spend your time studying, and now that we are past  
20 that stage and we're ready to do work, the money is  
21 not there to do it. So that's a big concern of the  
22 state.

23                   The other issue is that extending  
24 schedules don't save money. I mean I think once we

1 see the numbers, what we've asked for is look at  
2 how quick can you get the site done, and so that's  
3 about 10 years maybe, something like that, versus  
4 what's your current funding scenario 25 years tell  
5 you. And I think we'll see in the end that we're  
6 going to, it's probably going to cost twice as much  
7 in the end to clean this thing up when you count in  
8 inflation as we drag it out over 25 years versus  
9 doing it today. So we're kind of robbing today or  
10 making today what's going to cost us somewhere down  
11 the line. So we're not saving any money in the  
12 end. It's going to cost us, just later on down the  
13 line.

14 Johnny brought up a significant point  
15 with regard to the recisions, Pete did too. I  
16 don't think we all understand quite the impact of  
17 what happens when you schedule your life around a  
18 budget coming in for a year, sort of like if you're  
19 on Social Security and you're expecting so much a  
20 month to come in over the whole year and you have  
21 your life planned out on that check, and then all  
22 of a sudden somebody decides, well, that check  
23 should be 50 percent less. You already have your  
24 mortgage to pay, and so does the site, so when you

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1 get that budget cut half way through the year and  
2 you've scheduled what you're going to do with it or  
3 maybe even spent more than half of your budget at  
4 that point, a recision half way through the fiscal  
5 year is going to screw up anybody's planning. I  
6 think there's going to be significant impacts to us  
7 all from that. Any recisions are going to be  
8 difficult to deal with that affect the site.

9           As far as the Governor's office, and  
10 I assume -- I've been asked by Lisa and the other  
11 folks about what the Governor's office is doing  
12 about that, we've been briefing the Governor's  
13 office on what we believe the impact of the sites  
14 are going to be, and the Governor's office is  
15 developing a fact sheet that it will be sharing  
16 with the Congressional delegation here in the near  
17 future to try to explain to them the exact impacts  
18 or what we believe the impacts of this delay on  
19 this prolonged expense on the sites is going to  
20 be.

21           So that is currently our position on  
22 the budget. I think Jim is probably right on the  
23 money there. I think the Consent Agreement clearly  
24 spells out what we believe to be the priorities for

1 the site.

2                   On a more positive note, the last  
3 time we were here we talked about some activities  
4 we've been doing under the AIP. We've developed  
5 this fact sheet that has -- it's going to be sent  
6 out quarterly that has where we sample and sampling  
7 results, and they're available back on the back  
8 table there, and we will be handing those out  
9 quarterly.

10                   We're going to be around later for  
11 any questions, so feel free to chase me down after  
12 the meeting or during the meeting. Thanks.

13                   MR. STEGNER: Thank you, Tom. I  
14 think the last three speakers have sort of painted  
15 the picture. There is a very wide divergence of  
16 opinion on how things should proceed at Fernald,  
17 which I think is going to be a good fertile ground  
18 for our discussion groups.

19                   What we want to do is one-half of the  
20 people in attendance should sort of go into the  
21 back of the room for one discussion group. Johnny  
22 Reising and me will lead one, and Glenn Griffiths  
23 and John Applegate of the Citizens Task Force will  
24 lead the other group, which I think Johnny and I

1 will probably go to the Oak Room, and Glenn and  
2 John will stay in this room. So, like I say, I  
3 don't know that there's a middle ground on this,  
4 but please give us your feelings on how we should  
5 proceed, what our priorities should be, and we will  
6 be taking notes and we will report back on the  
7 results of our break-out sessions in about 40  
8 minutes. So let's get started.

9 (Brief recess.)

10 MR. STEGNER: Let's go ahead and get  
11 started, and I think what we want to do is do a  
12 very quick, 5 or 10 minute summary of our break-out  
13 sessions. So if everyone could be seated.

14 Why don't I ask John Applegate to  
15 come up and give the results of his group's  
16 discussion. John.

17 MR. APPLEGATE: Thanks, Gary. We  
18 really tried to focus on two different sorts of  
19 things, one were particular projects that seemed  
20 important, and the other were some general  
21 principles for doing it, for deciding what to do  
22 first. You can see from the top of the list the  
23 particular items that seemed most important were  
24 the wastes that are currently the most hazardous

1 waste and the things that are in some sense ready  
2 to go. The silos, the thorium, the UNH -- that's  
3 not exactly ready to go I guess -- but we wish,  
4 right, a day or two, we'll be set. And the nuclear  
5 materials and overpacked drums, I guess that's sort  
6 of the same thing. As those items and the two  
7 concerns with them, first, the hazard that they  
8 present, most of those are the most hazardous  
9 materials on the site, and secondly, this idea that  
10 that's what's, one of the things that's costing a  
11 lot of money just to keep going on a day-to-day  
12 basis, and we spend a lot of money just to watch  
13 over nuclear materials and we don't get a lot for  
14 that except having nuclear materials around. And I  
15 guess those would be the two principal concerns.

16                   What are the things we can do to make  
17 the day-to-day operations cheaper so whatever money  
18 we have goes to actual cleanup and, secondly, to  
19 take care of the things that are most hazardous  
20 first.

21                   And then there were a couple of  
22 general ideas about things we should be looking  
23 at. The compliance with the amended consent  
24 agreement was a concern, safe shutdown is another

1 one of those ways to reduce the hotel or landlord  
2 costs, the groundwater, of course, is something  
3 that is one of the major concerns here, and green  
4 grass, green fields was the other one. And that  
5 was pretty much what we came up with.

6 MR. STEGNER: Thanks, John. I'll  
7 just shout. We started right here and first on our  
8 priorities was compliance with consent agreement.  
9 Get rid of nuclear materials on-site, it's a big  
10 landlord cost.

11 Radical thinking, we listed this, I  
12 think it was brought up let's not look at Fernald  
13 in terms of operable units, let's look at Fernald  
14 as a cleanup site and look at it, the solution to  
15 Fernald in terms of a big cleanup project.

16 Quick removal actions, getting the  
17 stuff -- we're talking specifically here about  
18 Operable Unit 2, let's go in and address that  
19 immediate problem, the stuff is sitting virtually  
20 on top of the aquifer, get that out of there.  
21 Maybe do emergency actions for Operable Unit 2,  
22 maybe for Operable Unit 1. Get the waste off-site.  
23 Again that was something that we were discussing  
24 was not really part of our Consent Agreement, but

1 it's something that everybody agrees is an absolute  
2 necessity.

3           Again the regulatory driver is the  
4 legacy waste is something that was also discussed  
5 in light of getting the waste off the site.

6           Let's look at accelerating the speed  
7 of the cleanup, trying to get a lot of money  
8 committed to the cleanup by the Department of  
9 Energy, by Congress, somewhere in the order of what  
10 we had already thought, something on the order of  
11 what we had planned for in our baseline document.  
12 I believe when FERMCO came here they thought they  
13 were going to be having access to somewhere in the  
14 neighborhood of 300, \$350 million a year. If we  
15 had that amount of money, it's conceivable with  
16 some concessions we could get this thing done in  
17 about 10 years. You're looking at the cost of 10  
18 years versus spending 25 years, you're looking at  
19 about a 4 plus billion dollar savings. Again, in  
20 light of the acceleration of 10, there's also some  
21 thought to a 7-year plan.

22           The disposal cell issue was also  
23 discussed, do we want to go ahead with that.  
24 People think that's a good idea. Some people

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1 think, well, maybe we could defer that in favor of  
2 moving ahead with some of the work on the waste  
3 pits and addressing all that. Again, with the  
4 10-year scenario and 7-year scenario and 5-year  
5 scenario, those of you who don't know, we have been  
6 asked by headquarters how much money it would take  
7 to address these different cleanup scenarios, what  
8 would it take to clean the site up in 5 years, what  
9 would it take to clean the site up in 7 years and  
10 10 years. So that's basically what we're talking  
11 about here, and, of course, everyone is very  
12 intrigued by the 7 and 10 years; they think 5 years  
13 might be pushing it a little bit.

14 Safe shutdown was also discussed and  
15 considered a priority. What was this one,  
16 elimination of what?

17 MR. REISING: Coal fire boiler.

18 MS. CRAWFORD: The white elephant  
19 thing.

20 (Off the record.)

21 MR. STEGNER: And also for various  
22 sakes by tapping into the public water supply,  
23 that's pretty much the water --

24 COURT REPORTER: I'm sorry, I can't

1 hear you because you're talking away from me.

2 MR. STEGNER: I'll talk this way.

3 Sorry.

4 UNIDENTIFIED SPEAKER: Pick up the  
5 microphone.

6 MR. STEGNER: I'm almost done, I'm  
7 almost done now.

8 Abandoning facilities prior to safe  
9 shutdown was also discussed and the thorium  
10 overpack as a priority also. The abandonment of  
11 the facilities prior to safe shutdown in terms of a  
12 money saver.

13 Thank you, Johnny, fine engineering  
14 job there.

15 Ohio and US EPA's have already spoken  
16 tonight, so let's -- John Applegate, Fernald  
17 Citizens Task Force.

18 MR. APPLGATE: I really just want  
19 to let everyone know that the Task Force, as you  
20 probably already know, last month and this month  
21 came to a recommendation on the disposal cell  
22 question. A copy of the recommendation as well as  
23 the reasoning behind it, the reasons behind it and  
24 the conditions that were, that we attached to that

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1 recommendation are available I think on a table in  
2 the back there, and if you haven't seen it, I  
3 encourage you to read it and read the whole thing.  
4 It was, the document itself was pretty carefully  
5 worked out and to spell out specifically the  
6 reasons for the decision as well as the views for  
7 and against and the conditions that we put on it,  
8 and I think it all really reads together and hangs  
9 together as a single thing, and rather than just  
10 read through it now, I encourage you to pick one up  
11 and read it.

12                   There's really just one point that I  
13 wanted to clarify about it. I hear the question  
14 being put fairly frequently do you want a disposal  
15 cell, and I think the answer to that question from  
16 anyone I've ever run across is a clear no. And our  
17 recommendation, you'll see when you take a look at  
18 it, makes it very clear that it was not the view of  
19 the Task Force that a disposal cell is a great  
20 thing or that it will encourage skiing or something  
21 like that in the area. I don't mean to make light  
22 of it, but there's no question that that is not  
23 something that anybody sees as the, you know, a  
24 really good thing. The question isn't what we

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1 want, the question is what is the best of a number  
2 of options or of all the options that were before  
3 us. And again, I encourage you to pick one up and  
4 read it, and I think it explains as well as we can  
5 the reasons that we came to the conclusion that  
6 this was the best among the various options that  
7 were before us.

8           The Task Force has now turned its  
9 attention, as Gary was pointing out before, to the  
10 question of priorities that we were talking about  
11 today, and let me just say the comments today are  
12 going to be very helpful, and I will report them  
13 back and the other Task Force members who are here  
14 I hope were sort of taking at least mental notes  
15 and will report them back. We are having another  
16 meeting, sort of an unusual time for us, March 28th  
17 at 5 at the Ross Fire House to conclude our  
18 discussion of priorities, and from there we'll move  
19 on to the future use question, which is pretty much  
20 the last piece of our charter that we are to report  
21 on. So the meeting on the 28th, like all of our  
22 meetings, is open, anyone is welcome to attend, and  
23 we would be glad to have you. That's all I've  
24 got.

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1 MR. STEGNER: Thank you, John. Lisa  
2 Crawford from FRESH.

3 MS. CRAWFORD: I always get the last  
4 word.

5 MR. STEGNER: Yes, you do.

6 MS. CRAWFORD: I'm not going to  
7 stand up here and repeat what US and Ohio EPA's  
8 have said earlier, but we full, wholeheartedly  
9 agree with what they laid out here for you a little  
10 while ago. We feel very strongly that the Consent  
11 Agreement needs to be met to the T, followed to the  
12 T, and I think it was Jim Saric who said the  
13 citizens can take their own action, and I will  
14 forewarn you tonight that we will take that action  
15 if need be. I thought I'd never say that, that I  
16 would sue anybody ever again, but I may have to.

17 We're very discouraged with what  
18 we're hearing about the budget issues. I'm not --  
19 it's been a real emotional day today, I have to  
20 tell you that. We've heard a lot of bad things  
21 coming out of DC today, which further discourages  
22 us. I guess I don't want the folks at the site to  
23 feel like this anger and this frustration is being  
24 put off on you guys, but at the same time we're

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1 feeling really, really bad here, and I want to make  
2 sure that you all go back tomorrow and call  
3 headquarters, and I know I will be, and telling  
4 them that people are very frustrated with what's  
5 happening here, and that if there's not an  
6 agreement at headquarters and there's not a  
7 rallying around this Consent Agreement which we put  
8 a lot of stock in down here and worked very hard  
9 on, that they need to quit beating around the bush  
10 and they need to come right out and say it now  
11 because we've heard rumors this past few weeks  
12 about how they want the Consent Agreements thrown  
13 out, they don't want to have to abide by them  
14 anymore, and if these rumors are actually indeed  
15 true, we want to know that up front. We've been  
16 active participants in this for ten long years.  
17 We've put a lot of energy, time, faith, trust into  
18 this process and, you know, if this whole thing is  
19 going to fall flat, we want to be told now, we  
20 don't want to have to wait any longer, and then  
21 we'll deal with it from that point forward. Then  
22 we'll sue you.

23                   The other thing is I would ask  
24 everybody in this room, I don't care if you work at

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1 the site, if you're a local resident, if you're an  
2 elected official, whatever, last month FRESH kicked  
3 off a campaign, and it's to call or write your  
4 elected officials once a week from now on to  
5 torment the living hell out of these people, and  
6 what we did was we did a bulletin board and it's  
7 got all the elected folks' names, address, their  
8 Cincinnati phone numbers, or Hamilton in one case,  
9 and their DC phone numbers, the Governor is on  
10 here, and then on the bottom we did some talking  
11 points, and I would ask that you pick one of these  
12 up and you call these people. They need to hear  
13 from us. Those bozoes in DC are not paying  
14 attention to what's going on down here. They're  
15 cutting us off at the knees, and I know that sounds  
16 absolutely gross and awful, but that's how we  
17 feel. We feel like we are just, every day there's  
18 another hack and we're at the knees and it's coming  
19 and it's coming really, really fast. It's very  
20 frustrating for us, and our little group in the  
21 other room, it's real hard for us to prioritize  
22 because we felt like we've already done the  
23 prioritizing, and we have this scenario that we  
24 need to be following and we want to move forward

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1 here.

2                   Some of the ideas that come out of  
3 this are great, I'm sure we can save some money  
4 here. It goes back to what Tom Schneider said,  
5 was, you know, DOE is going to have to buckle up  
6 and tighten their belt just like the rest of us.  
7 When my husband didn't have a full-time job anymore  
8 and he got laid off and then he went on disability,  
9 we tightened our belts, and that's what it's all  
10 about is tightening your belt, and it hurts and  
11 it's getting rid of people and doing restructuring  
12 and cutting back is very, very hard, but I'll tell  
13 you, I'll be very honest with all of you, where I  
14 work, when they get ready to get rid of people, you  
15 get a pink slip and it's so long, you're out the  
16 door. So some of this stuff, these little package  
17 things look great, we look at this and go, huh,  
18 they don't do this where I work.

19                   So it's all about change and it's  
20 happening and it's happening fast. I would  
21 encourage you to call your elected officials. We  
22 have got to hold their feet to the fire here.  
23 We've been holding DOE's feet to the fire for ten  
24 years, and now it's time to hold some of these

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1 elected officials' feet to the fire. That's it.

2 MR. STEGNER: Very good, Lisa, thank  
3 you. We have, if anyone wants to speak now,  
4 there's an open microphone here. So speak now or  
5 forever hold your peace, at least until the next  
6 session.

7 Going, going. Thank you all very  
8 much for coming tonight. Appreciate your help.

9 - - -

10 COMMUNITY MEETING CONCLUDED

11 - - -

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C E R T I F I C A T E

I, LOIS A. ROELL, RPR, the undersigned, a notary public-court reporter, do hereby certify that at the time and place stated herein, I recorded in stenotypy and thereafter had transcribed with computer-aided transcription the within (67) sixty-seven pages, and that the foregoing transcript of proceedings is a complete and accurate report of my said stenotypy notes.

MY COMMISSION EXPIRES: LOIS A. ROELL, RPR  
AUGUST 12, 1997. NOTARY PUBLIC-STATE OF OHIO