



INTEROFFICE CORRESPONDENCE

Handwritten initials and checkmark



COPY

Date: June 24, 1992

To: L. A. Abila, Waste Assay & Shipping, Building 664, X7399

From: L. A. Bearly, Waste Assay & Shipping, Building 025, X469-8513

SUBJECT: PROCUREMENT OF PACKAGING SUPPLIES FOR PONDCRETE PROJECT-LAB-005-92

On Monday June 22, 1992 I put together four requisitions to order supplies to support the requirements for the pondcrete project.

They consisted of:	5000 each 2' x 4' x 7' plywood boxes	\$1,300,000.00
	5000 each PVC size 5 box liners	\$ 85,000.00
	5000 each fiberboard size 5 box liners	\$ 55,000.00
	100 each 4' x 4' x 7' plywood boxes	\$ 26,000.00
		<u>\$1,466,000.00</u>

Approval of this amount of money may take a week or two per telephone conversation with D. R. Ferrier. Carl Trump has ask me to break the plywood box order down into five smaller orders of 1000 each with the first 1000 to be charged to Carl Trump's account. This could cause several problems with the procurement of these boxes.

- * Per a telephone conversation with Rick Bullock in Central Planning who states that there is not enough money in Carl Trump's account to cover the \$260,000.00 needed to purchase these boxes.
- * It will take about the same amount of time to obtain the required signatures as the big order. An order of 1000 boxes will require \$260,000.00.
- * To produce the required number of boxes (700 per week) six to eight vendors will be needed. If we order only 1000 boxes to be produced in less than two weeks the vendor will be reluctant to bid as they would be hiring one week and laying off the next week. Training of new people to build a quality box per the Plant Standard SX-211 takes time to reach full production.
- * Purchasing feels that to order the boxes in smaller quantities would require them to place as many as 50 purchase orders instead of six or eight. This could slow down the process of placing these orders instead of speeding up the process.
- * With each vendor getting as many as five purchase orders in such a short period of time, keeping the paper work straight would be a big problem. Vendor would have a much more difficult time in ordering and scheduling delivery of materials and our cost would be much higher.

ADMIN RECCRD

- * Purchasing feels it would be much easier to charge several accounts for the 5000 plywood boxes on one requisition than to split the order five ways.
- * D. R. Ferrier feels it would be better to obtain the signature approval on the requisition for the 5000 boxes than to split the order.

cc:

D. R. Ferrier
L. A. Lewis
B. E. Manford
J. D. Roberts
C. E. Trump