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April 21,



EG&G Rocky Flats, Inc.
Rocky Flats Plant
Procurement, Bldg. 131
P.O. Box 464
Golden, Colorado 80402-0464

ATTENTION: Mr. Steve Heiman
Subcontract Administrator

SUBJECT: Subcontract PC 84017JB ROCKY FLATS SOLAR POND/PONDCRETE PROJECT
REQUEST TO ADD BACK SCOPE FOR POND CONSOLIDATION & INCREASE SCOPE
FOR CHLORINATION REQUIREMENTS UNDER SOLAR PONDS - PHASE I & II
[WBS 710 PROJECT MANAGEMENT - HALLIBURTON NUS ROCKY FLATS DENVER]
RF-HED-92-0203

Dear Mr. Heiman:

The purpose of this letter is for HALLIBURTON NUS (HNUS) to provide background information and documentation regarding the subject request and notify EG&G of our intention to enter into a subcontract that was not included in our original proposal and may exceed \$1 Million.

While defining the technical work required to be accomplished during June 1991, HNUS proposed consolidation and homogenization of the A and B series Ponds under Phase I but was directed by EG&G to eliminate the proposed cost from our work breakdown structure. (See attachment 1). This work has again been requested as a result of the immediate need to remove the water from Pond A and divert the interceptor trench water to Pond A upon EG&G's completion of cleaning, drying, and certifying the Pond. We understand that this is a very important element since the interceptor trench water is currently flowing into Pond B. This work would be clearly defined as Phase I work since these costs are all pre-process stream. In addition, the consolidation effort was shown to have technical merit too since it: 1) provided a more consistent feed to the mixing process and eliminated one waste form requiring EG&G certification; and, 2) it reduced the Treatability Study by eliminating the A Pond material as a separate waste form.

Disagree with Heiman

In addition, raw sewage was discovered during our chemical analysis of the pond water in both A, B, and C Ponds. We had no costs included in the Phase I or II cost estimates to deal with the destruction of pathogens which must be destroyed prior to processing the waste forms per NVO-325 (Nevada Test Site Defense Waste Acceptance Criteria, Certification and Transfer Requirements). The special conditions of the contract states that the ponds contain sewage sludge which is different from raw sewage in that sewage sludge by definition is the residue/solids from a sewage treatment facility. Our current plan for chlorination of Pond B would be through an in-situ process prior to the actual processing of the waste forms. The C Pond requires chlorination to be performed in a contact chamber during the actual processing of the waste forms.

HNUS solicited six (6) vendors to perform the scope of work consolidation and treatment of the ponds along with the reclaiming of both B & C Ponds and the clarifier. Of the six vendors, two vendors (LEFCO and MAECORP) submitted proposals. Both Companies envisioned their own processes utilizing different equipment with a substantial difference in price (\$1.3 Million and \$1.9 Million, for LEFCO and MAECORP, respectively). After a thorough technical analysis, LEFCO was chosen as the best vendor to meet our requirements. A

HALLIBURTON NUS *Environmental Corporation***Cost Matrix by WBS***Exhibit B Page 1 of 3*

WBS & Task Name	Cost
PHASE I TOTAL	14,163,000
Task I PROJECT PLANNING – TOTAL	474,262
110 Post Award Meeting – Subtotal	
120 Project Work Plan – Subtotal	388,547
130 Project Estimate – Subtotal	85,715
Task II PROCESS DEVELOPMENT – TOTAL	1,839,258
210 Waste Characterization – Subtotal	322,447
211 Sampling Plans	138,219
212 Standard Sampling Procedures	45,270
213 Sample Collection	138,958
220 Waste Analysis – Subtotal	774,631
221 Waste Analysis Plan	58,402
222 Lab Analysis	607,939
223 Data Reduction	33,874
224 Data Reporting	74,415
230 Treatability Study – Subtotal	490,757
231 Treatability Study Work Plans	116,788
232 Treatability Lab Work	108,776
233 Lab Analysis	25,409
234 Data Reduction	29,461
235 Treatability Study Report	68,310
236 Process Formulation Report	142,012
237 Equipment Design Support	
240 Pond Consolidation & Homogenization – Subtotal	10,585
241 Pond Consolidation/Homogenization Plan	8,944
242 Installation Package/Operating Procedures	1,287
243 Pond Liner Repair (Preconsolidation)	354
244 Consolidation	
245 Clean Two Ponds (207 B)	
246 Homogenization	
250 Process Control Plan (PCP) – Subtotal	240,838
251 207 A Pond Sludge PCP	48,419
252 207 B (consolid) Pond Sludge PCP	35,280
253 207 C Pond Sludge PCP	38,345
254 Clarifier Sludge PCP	28,931
255 Pondcrete Remix PCP	44,931

HALLIBURTON NUS *Environmental Corporation***Cost Matrix by WBS***Exhibit B Page 2 of 3*

WBS & Task Name	Cost
256 Saltcrete Remix PCP	44,931
Task III ONSITE LAB DESIGN/PROC/INST – TOTAL	172,677
310 Lab Deliverables – Subtotal	159,923
311 Design Criteria	121,461
312 Procurement Package	203
313 Laboratory QA Plan	12,753
314 Health & Safety/hygiene Plan	12,753
315 SO Test Plan	12,753
316 Analytical Procedures	
320 Derailed Design – Subtotal	12,753
321 Installation Package	12,753
330 Procurement – Subtotal	
331 Laboratory Equipment Cost/Procurement	
332 Laboratory Trailer Cost/Procurement	
333 Laboratory Consumables Cost	
340 Installation – Subtotal	
341 Installation/Setup	
342 SO Test Plan	
350 Pre Operational Lab Staffing – Subtotal	
351 Pre Operational Lab Staffing	
Task IV PROCESS EQUIPMENT – TOTAL	8,679,928
410 Conceptual Engineering – Subtotal	1,111,102
411 Conceptual Engineering	903,732
412 Maternal Handing Study	207,370
420 Consolidation/Homogenization – Subtotal	24,416
421 Procurement	
422 Rental Equipment	
423 Expensed Equipment	
424 Site Preparation	
425 Pre–operational Testing	
426 Installation & SO Testing	24,416
430 Pondsledge Process Train – Subtotal	2,293,317
431 Design Criteria	125,757
432 Design Packages	813,043
433 Installation Packages	38,898
434 Procurement	485,148
435 Equipment Rental	114,903

HALLIBURTON NUS *Environmental Corporation*
Cost Matrix by WBS

Exhibit B Page 3 of 3

WBS & Task Name	Cost
436 Expensed Equipment	144,877
437 Site Preparation(Rocky Flats)	27,048
438 Operating Procedures	62,047
439 Pre-operational Testing(HNUS RF Office)	
439a Installation & SO Testing(Rocky Flats)	481,596
440 Pondcrete/Saltcrete Process Train - Subtotal	3,314,086
441 Design Criteria	130,895
442 Design Packages	743,670
443 Installation Packages	44,313
444 Procurement	419,207
445 Equipment Rental	951,951
446 Expensed Equipment	24,991
447 Site Preparation(Rocky Flats)	13,311
448 Operating Procedures	59,719
449 Pre-operational Testing(HNUS RF Office)	
449a Installation & SO Testing(Rocky Flats)	926,029
450 General Support Services	1,937,008
Task V TEMPORAY FACILITIES - TOTAL	575,155
510 HNUS Facilities - Subtotal	575,155
511 Offsite Building Expense	397,896
512 Capital Equipment Cost/Procurement	125,284
513 Onsite Trailer Expense	51,975
Task VI DEMOBILIZATION PLAN/FINAL RPT - TOTAL	51,047
610 Demobilization Plan - Subtotal	15,732
620 Final Report - Subtotal	35,315
Task VII PROJECT MANAGEMENT - TOTAL	2,370,673
710 HNUS Rocky Flats Denver - Subtotal	1,543,810
720 HNUS Houston - Subtotal	343,231
730 Site Specific Plans(QA) - Subtotal	152,068
740 General Labor - Subtotal	135,826
741 General Employee Training	95,233
742 Labor Delays	
743 Operator Training	40,593
750 Site Specific Health & Safety Plan - Subtotal	195,738
Task VIII OVERHEAD, G&A, & FEE - TOTAL	
810 Overhead, G&A, Fee - Subtotal	